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2025 MODERN SLAVERY STATEMENT FOR QUEENSLAND NITRATES PTY LTD

Queensland Nitrates Pty Ltd (**QNP**) opposes slavery in all its forms. This Statement is made by QNP, as a reporting entity, in accordance with the *Modern Slavery Act 2018 (Cth)* (**Act**). QNP does not own or control any other entities. This Statement applies to and describes the steps taken by QNP during the financial year ending 30 June 2025 (**Reporting Period**) and plans for future years to seek to minimise the risk of modern slavery occurring in its business or supply networks.

The information in this modern slavery statement for QNP for the Reporting Period (**Statement**) is intended to provide disclosure in accordance with section 16 of the Act. Accordingly, this statement details:

- QNP as the reporting entity;
- A description of QNP's structure, business operations and supply networks (Sections 1.1 and 1.2 of this Statement);
- A description and assessment of the risks of modern slavery practices in QNP's supply networks and business operations (Section 1.3 of this Statement) and
- the actions QNP has taken to assess and address the risks included in this Statement during this Reporting Period (including but not limited to, due diligence and remediation processes), building upon those actions included in QNP's previous modern slavery statement for the reporting period ending 30 June 2024 (**2024 Statement**) (Section 1.4 of this Statement);
- the mechanisms that are in place to assess the effectiveness of QNP's risk management processes and actions to address modern slavery risks (Section 1.5 of this Statement); and
- a statement regarding the consultation process within QNP as QNP does not own or control any other entities.

1.1 Structure, business operations and workforce

1.1.1 Entity Structure and Business Operations

QNP is a Queensland-based ammonium nitrate manufacturer and has been in operation since 2000 primarily serving the Queensland coal industry with ammonium nitrate-based products for use as mining explosives. QNP operates an integrated ammonium nitrate manufacturing facility, which produces ammonia from natural gas feedstock, converts the ammonia into nitric acid and then combines nitric acid with more ammonia to produce ammonium nitrate. QNP is a 50:50 joint venture between CSBP Limited (a wholly owned subsidiary of Wesfarmers Limited)¹ and Dyno Nobel Asia Pacific Pty Limited (a wholly owned subsidiary of Dyno Nobel Limited). QNP is not a part of a larger corporate group of entities and does not control or own other entities².

¹ CSBP's share of QNP was transferred to Nitrates Investments Pty Ltd (also a wholly owned subsidiary of Wesfarmers) after 30 June 2025

² Queensland Nitrates Management Pty Ltd (**QNMP**) is an associate of QNP but is not a reporting entity due to it falling under the revenue threshold.

1.1.2 Workforce

QNP has approximately 110 employees, all of whom are in Queensland, Australia. Approximately 60% of its workforce are covered by an approved Enterprise Agreement with the other 40% consisting largely of professional roles employed via individual contracts. Individual contracts are compliant with national employment standards and with legal requirements.

The risk of modern slavery directly within QNP’s operational workforce is low, as the entire workforce is in a low-risk jurisdiction (Australia), and the company is required to maintain compliance with robust human resources policies and grievance mechanisms. Whilst there is potentially a heightened risk of modern slavery associated with labour hire arrangements, QNP currently minimises the use of labour hire arrangements and where possible, sources from local companies following a due diligence process on each of the labour hire companies engaged by QNP. The labour hire companies engaged by QNP are included as suppliers and an assessment is made for each such supplier in line with QNP’s Ethical Sourcing and Modern Slavery Procedure.

1.2 Supply networks

QNP purchases goods and services not for resale, including raw materials such as natural gas and chemicals for its industrial operations, with outputs sold to customers for use. Goods purchased by QNP include:

- Equipment and spare parts;
- Chemicals; and
- Consumables.

Services purchased and utilised by QNP include:

- Maintenance services;
- Engineering and project management services;
- Technology services;
- Cleaning and waste removal;
- Shipping and logistics;
- Training;
- Consulting and professional services.

QNP’s value chain is depicted in the following graphic:



The following table outlines the geographical sources of QNP’s tier one (direct) supplier base:

Country	Major Spend Category	# of Suppliers	# of suppliers (Proportion)	% of annual spend
Australia	Various	528	96%	95%
Germany	Capital equipment & Skilled Services	7	1%	3%
Spain	Chemicals	2	0%	1%
UK	Skilled Services	4	1%	0%
Singapore	Skilled Services	1	0%	0%

Country	Major Spend Category	# of Suppliers	# of suppliers (Proportion)	% of annual spend
Thailand	Miscellaneous Goods	2	0%	0%
Japan	Skilled Services	1	0%	0%
Italy	Skilled Services	1	0%	0%
Canada	Capital equipment	1	0%	0%
India	Skilled Services	1	0%	0%
USA	Skilled Services	4	1%	0%
Total		552	100%	100%

The following table outlines the proportion of tier one (direct) suppliers and spend across goods and service categories:

Category	# of Suppliers	# of suppliers (Proportion)	% of annual spend
Natural Gas	7	1%	36%
Toll processing	1	0%	11%
Chemicals	4	1%	15%
Capital equipment	6	1%	4%
Equipment Hire	1	0%	0%
Misc. Goods	99	18%	5%
Utilities	4	1%	5%
Skilled Services	131	24%	22%
Unskilled Services	13	2%	2%
Uncategorised	286	52%	1%
Total	552	100%	100%

QNP has long term, stable relationships with key tier one (direct) suppliers and sources over 95% of its goods and services domestically within Australia.

QNP's top 20 tier one (direct) suppliers account for approximately 80% of annual spend. These suppliers provide natural gas, input chemicals, toll processing services, capital equipment, operational utilities and skilled and unskilled services. The split of spend across the supplier base is approximately 51% on natural gas and input chemicals, 34% on skilled and unskilled services including toll processing, 9% on goods, 5% on operational utilities and 1% yet uncategorised.

1.3 Risk assessment, identification and management

As a major chemical manufacturer with limited international supplier networks, QNP has a moderately complex supply chain and is exposed to human rights risks, including modern slavery.

The Modern Slavery Act defines modern slavery as severe forms of exploitation including trafficking in persons, slavery, servitude, forced labour, forced marriage, debt bondage, deceptive recruiting and the worst forms of child labour.

QNP does not condone any form of modern slavery and is committed to safe and healthy working conditions for its employees and persons involved in its supplier network. Consistent with the principles in QNP's Code of Ethics and Conduct, QNP is committed to complying with Australian laws and regulations and making positive economic, social and environmental contributions to society, consistent with the principles of honesty, integrity, fairness and respect.

1.3.1 Governance Framework

QNP's Ethical Sourcing and Modern Slavery Policy (**QNP MS Policy**) is embedded in its governance framework, which is overseen by the QNP Board and Senior Leadership Team. In addition to the QNP MS Policy, the governance framework includes the following documents that relate to QNP's approach to managing modern slavery risks:

- Code of Ethics and Conduct;
- Equal Employment Opportunity Policy;
- Whistleblower Policy; and
- Policies against workplace discrimination, bullying and harassment.



The QNP MS Policy and relevant procedures contain a framework for identifying and managing modern slavery risks in QNP's operations and supply chains. This framework is informed by the risk management frameworks of QNP's shareholders, which are large, listed corporations. The key elements of the QNP MS Policy require:

- minimum standards that suppliers must adhere to;
- appropriate risk governance to manage modern slavery risks and improve ethical sourcing standards;
- process for risk evaluation and risk assessment of suppliers;
- processes to perform due diligence on suppliers (risk monitoring and review); and
- internal training protocols to increase awareness of the potential for modern slavery practices and QNP's framework to manage these risks.

Risk oversight is reinforced through the annual enterprise risk review, and ongoing review of key risks by the Senior Leadership Team at QNP. Procurement of goods and services is managed within the relatively small and highly trained QNP team, which provides significant control, therefore giving them the ability to consider modern slavery risks, forced labour and high-risk materials during the procurement process.

1.3.2 Risk Identification and Assessment

QNP strives to avoid causing or contributing to adverse human rights impacts. QNP's risk identification and assessment process includes:

- Relevant supplier due diligence;
- Triaging of operational and supply chain risks and reports; and
- Consultation and engagement with key stakeholders.

1.3.2.1 Operational Risk

The entirety of QNP's workforce, is based in Australia. Although Australia is assessed as having a low likelihood of modern slavery, the risk is present. To mitigate the risk of modern slavery in our operations, QNP maintains appropriate governance processes, including relevant policies and procedures, supported by the organisation's risk management framework. QNP also maintains a whistleblower policy in accordance with the *Corporations Act 2001* (Cth), to support safe reporting, investigations, and management of any suspected misconduct without fear of retaliation and ensuring confidentiality. QNP's whistleblower policy is regularly reviewed to ensure that it provides effective, timely and confidential pathways for reporting any concerns, in accordance with emerging regulatory expectations.

More than 60 per cent of QNP's team members are employed under approved collective enterprise agreements, with the remainder on individual contracts.

1.3.2.2 Supply Network Risks

Modern slavery risk in QNP's supply network is elevated by several operational factors:

Complex, Multi-tiered Supply Networks

Risk increases where supply networks are complex or span multiple countries and tiers, limiting visibility into working conditions and labour practices. QNP attempts to address this by mapping supply chains. QNP has mapped Tier 1 suppliers in its ethical sourcing programs, however, mapping beyond Tier 1 suppliers has not yet commenced, we look to begin to assess, address and map Tier 2 suppliers in the future reporting periods.

Historically QNP has not collaborated with procurement teams from its larger and more sophisticated parent companies, but this will be progressively introduced in our future reporting periods from FY2026 onwards. Moving forward, we will assess the possibility of engaging with third-party auditors to start conducting initial audits of Tier 1 supplier sites (or QNP may rely upon audits conducted by its parent companies' procurement teams).

Complex Labour Supply Networks



Non-professional services may involve third-party labour hire (such as cleaning, waste management, transport security, horticulture) with opaque subcontracting arrangements and employment of migrant workers who are more vulnerable to exploitation.

Whilst there is potentially a heightened risk of modern slavery associated with such third-party labour hire services, QNP currently minimises the use of labour hire arrangements and where necessary, sources such labour from local companies following a due diligence process applied to each of the labour hire companies engaged by QNP. The labour hire companies engaged by QNP are included as suppliers and an assessment is made regularly for each such supplier in line with QNP's Ethical Sourcing and Modern Slavery Procedure. QNP has identified the following unskilled services providers: Downer Group (whose employees are engaged under an enterprise agreement), Toll North (some of whose employees are engaged under an enterprise agreement), and local cleaning, waste management and horticulture contractors (some of whose employees are engaged under enterprise agreements). QNP continues to assess and monitor the potential risks associated with the identified labour hire service providers mentioned above.

Understanding, mitigating and monitoring the risk of modern slavery risks in QNP's labour hire supply networks remains an area of significant focus and improvement for QNP's FY26 reporting period.

Due Diligence – Country of Origin

Sourcing from regions with weak governance, conflict or poor labour protections (for example, from parts of Southeast Asia) increases risk of modern slavery within QNP's supply networks and business operations. QNP attempts to mitigate these risks through enhanced due diligence processes and, where possible, by seeking further information about material traceability.

QNP uses the Walk Free Global Slavery Index to benchmark risk ratings for countries of origin of products and services procured from suppliers by QNP. As evident from the data presented in Section 1.2 of this Statement, QNP's Tier 1 supply networks are primarily domestic. Only 24 suppliers, accounting for 5% of the overall spend were from other countries. The countries included in QNP's Tier 1 supply chain are Germany, Spain, UK, Singapore, Thailand, Japan, Italy, Canada, India and the USA.

All countries of origin in QNP's Tier 1 supply networks except Thailand and India are deemed to be countries with relatively low risk of the prevalence of modern slavery. A total of three suppliers were in the higher-risk jurisdictions of Thailand and India. Two of these three are Australian importers of bags manufactured in Thailand (**Bag Importers**). The Bag Importers completed QNP's modern slavery Self-Assessment Questionnaire (**SAQ**) in this Reporting Period. QNP reviewed the responses and concluded that the risk of modern slavery in this instance is low based on the evidence of controls provided by the supplier (not verified by QNP).

The third and final supplier from a higher risk jurisdiction was a supplier of technology services located in India. Although no specific due diligence was completed on the Indian software supplier due to the low level of spend (approximately \$1k), this will be rectified in FY26 and future reporting periods as QNP completes the mapping of its entire Tier 1 supplier base (i.e. remove the threshold level of spend to prioritise suppliers that are covered by its Modern Slavery Program).

QNP will continue to closely monitor and audit its supply networks from jurisdictions outside of Australia. QNP's major international suppliers from high-risk jurisdictions are generally common suppliers across the ammonium nitrate industry. QNP can therefore, leverage the due diligence and monitoring of these suppliers performed by its parent companies' procurement teams going forward whilst continuing to monitor through their own due diligence processes.

Product and Service Characteristics

Some products or services have a higher risk of modern slavery. For example, products and services that involve hazardous, manual or repetitive processes, and where low-skilled or low-paid labour are involved, have a higher risk of modern slavery. Enhanced due diligence and pre-qualification screening are used for these products and services. QNP will either request additional documentation on a supplier's processes and its own supply networks, or conduct additional third-party audits, particularly for higher risk suppliers or where the supply network for a finished product



includes high-risk materials. No such high-risk materials have been identified in QNP's supply chain in this Reporting Period.

1.3.3 Risk Monitoring and Review

QNP reviews its ethical sourcing policies and procedures annually, assessing their suitability, adequacy and effectiveness. The review performed during this Reporting Period has highlighted the following areas of focus for the upcoming reporting periods:

- Review and implementation of a revised risk identification and assessment process for risks arising from specific high-risk products and services;
- Development of QNP's supplier monitoring, review, remediation and training policy;
- Development of a training and capacity building program for QNP's team members; and
- Greater collaboration with the larger and more sophisticated procurement teams of QNP's parent companies to leverage their risk databases and monitoring actions on common suppliers.

The above areas of focus will be monitored on a qualitative and quantitative basis, for example by assessing the number of QNP team members undertaking training, the level of modern slavery training provided by QNP etc.

1.3.4 Remediation

Aligned with the QNP MS Policy, QNP is committed to remediating breaches of the Policy or this Statement through assisting with improvement and measures to ensure no future breaches. Where this cannot be achieved, QNP may terminate the supplier relationship. QNP's monitoring activities at this stage include supply chain risk assessment, supplier pre-qualification (in some cases), and completion of SAQs only. In this Reporting Period, several QNP suppliers undertook pre-qualification assessments and SAQs. In terms of business operational risk management, QNP also performs worker voice surveys to understand and address the grievances of QNP's direct workforce. In this Reporting Period, worker voice surveys were completed by the majority of QNP employees.

The development of QNP's supplier monitoring, assessment, review, remediation through actions addressing such risks and training is a stated objective as discussed in Sections 1.3.3 and 1.4 of this Statement.

1.3.5 Overall Assessment

QNP has assessed the risk of modern slavery in its supply networks and business operations as relatively low due to the limited interaction with higher risk jurisdictions, high transparency in high-risk subcontracting arrangements, and its long-term relationships with key suppliers. However, QNP remains vigilant to such risks and is committed to improving its capacity to identify and remediate these risks in the future.

1.4 Actions Taken

This section outlines the actions taken by QNP in this Reporting Period to enhance supply network transparency, strengthen supplier accountability and support continuous improvement in managing modern slavery risks. QNP applies a risk-based approach to ethical sourcing and modern slavery.

1.4.1 Governance and Policies

Compliance with QNP's MS Policy is mandatory. It details minimum standards which suppliers must adhere to. The Policy and the minimum standards are provided to suppliers on commencement of the supplier relationships, and any updates are shared with suppliers as necessary.

Minimum standards include a requirement that suppliers and service providers must not engage in any form of modern slavery, including forced labour. Suppliers are also expected to comply with laws relating to working age and hours, provide safe and healthy working conditions, maintain accurate records, respect freedom of association and collective bargaining and support effective grievance mechanisms.



QNP has commenced a review of its policies in this Reporting Period and intends to supplement the existing policy in the areas of supplier monitoring, remediation and training. The revised policies will be presented to and authorised by the QNP Board in the FY26 reporting period.

1.4.2 Supplier Risk Assessment

QNP's risk-based approach focuses on tier-one suppliers and overseas tier-two suppliers. Supplier risk is assessed based on factors such as jurisdiction, product category and expenditure, in accordance with QNP's Ethical Sourcing and Modern Slavery Procedure.

Suppliers identified as higher risk are subject to additional due diligence measures which may include disclosure and mapping of Tier 2 manufacturing sites, pre-qualification protocols, and self-assessment questionnaires. QNP does not engage with suppliers who refuse to participate in the risk assessment process.

The following actions were performed during this Reporting Period:

- QNP assessed all suppliers with annual spend more than \$15,000 modern slavery risks (this accounts for 48% of its supplier base and 99% of expenditure) and concluded that four potential high-risk suppliers exist within its supply networks:
 - The two Bag Importers;
 - A Japanese company manufacturing prill coating chemicals in Spain (**Prill Coating Chemicals Supplier**); and
 - A Spanish company supplying capital equipment manufactured in Spain (**Spanish Capital Equipment Supplier**) from whom QNP imported capital equipment spares of a minor value.
- The Bag Importers completed QNP's modern slavery SAQ in this Reporting Period. QNP reviewed the responses and concluded that the risk of modern slavery in this instance is low based on the evidence of controls provided by the supplier (not verified by QNP).
- QNP obtained a revised modern slavery statement and sought a completed SAQ from the Prill Coating Chemicals Supplier. QNP assessed this company as being compliant with the QNP MS Policy. The Prill Coating Chemicals Supplier's modern slavery statement explicitly states its policies regarding measures to eliminate all forms of discrimination and forced labour, child labour and illegal labour. Matters relating to the preservation of the environment and respect of human rights are also specified in their supplier contracts.
- No due diligence was completed on the Spanish Capital Equipment Supplier during the current reporting period due to the low value and low frequency of purchases. The supplier has since been asked to submit an SAQ.
- Terms and conditions in QNP's contracts with new suppliers continue to reflect QNP's expectations of suppliers around modern slavery and ethical sourcing requirements.
- QNP has reviewed the wage rates for its two local suppliers of non-professional services in this Reporting Period, these being cleaning and gardening contractors. The wages paid to the employees of both these companies are in line with the relevant award.

1.4.3 Remediation and Training

QNP's approach to remediation is grounded in principles that require entities to prevent, mitigate and, where appropriate, remedy adverse human rights impacts, including modern slavery. Non-conformances can be identified through a range of monitoring activities, including:

- a supplier questionnaire or survey;
- an independent, third-party audit;
- a grievance report; and/or



- other initiatives which may include site visits or site assessment.

When identified, non-conformances are classified as a minor, major or reportable breach. At this stage, QNP's process for identifying non-conformances is limited to refusal by suppliers to provide modern slavery statements and/or complete SAQs. QNP will produce (or leverage from its parent companies) appropriate procedures that assist in identifying, classifying and remediating non-conformances in the future reporting periods.

In this Reporting Period, no reportable breaches were identified in QNP's supply chain. No suppliers refused to provide supply chain maps and/or refused to comply with the QNP MS Policy.

Three QNP employees involved in procurement decisions and processes completed Modern Slavery training during this Reporting Period.

1.4.4 Future actions

QNP will complete the mapping of its Tier 1 supply chain (i.e. remove the threshold of \$15,000 annual spend) and perform a risk assessment on all its suppliers in the upcoming FY26 reporting period.

Historically QNP has not collaborated with procurement teams from its larger and more sophisticated parent companies, but this will be progressively introduced from FY26 onwards. Moving forward, third-party auditors may also be engaged to conduct audits of Tier 1 supplier sites (or QNP may rely upon audits conducted by its parent companies' procurement teams).

QNP will continue to closely monitor and audit its supply networks from jurisdictions outside of Australia. QNP's major international suppliers from high-risk jurisdictions are generally common suppliers across the ammonium nitrate industry. QNP can therefore, leverage the due diligence and monitoring of these suppliers performed by its parent companies' procurement teams going forward, whilst still conducting their own due diligence and monitoring of these suppliers. Where necessary, QNP will commission its own independent third-party audits of high-risk suppliers and their supply networks.

QNP will also focus on development of a supplier monitoring, review, remediation and training policy, and development of a training and capacity building program for QNP's team members and suppliers in the upcoming reporting periods.

These future actions will be qualitatively and quantitatively assessed in the upcoming reporting periods to ensure they have been actioned, confirm the extent to which they have been actioned (for example, assessing the number of employees taking part in modern slavery training (quantitative) and the success of the modern slavery training through the level of content being provided (qualitative)).

1.5 Assessing effectiveness of actions

QNP reviews the effectiveness of its actions using qualitative and quantitative measures:

- **Governance:** The QNP MS Policy and Risk Assessment Procedures were reviewed this Reporting Period.
- **KPIs:** 48% of QNP's suppliers (which account for 99% of the annual expenditure) were in scope for the Modern Slavery and Ethical Sourcing Program.
- **KPIs:** 4 high risk suppliers were identified through QNP's due diligence actions.
- **Legal Review:** An independent review of the QNP MS Policy and this Statement for compliance with the disclosures required under the Act was performed by QNP's legal advisors.
- **Whistleblower complaints:** QNP has a whistleblower mechanism for reporting, investigating and managing policy and procedure breaches that can be used if a person wishes to make a confidential complaint outside the normal management accountability structure. This mechanism is subject to ongoing review to ensure that it provides effective, timely and confidential pathways for reporting any concerns, in accordance with emerging regulatory expectations. QNP was not notified of any modern slavery allegations in its operations or supply networks via the normal management process or whistleblower complaint process this Reporting Period.



QNP will continue to explore ways of improving their assessment of the effectiveness of their actions against modern slavery risks. Whilst additional mechanisms and improvement are to be established in future reporting periods, QNP are satisfied that the current controls and procedures implemented around modern slavery have been effective in mitigating and decreasing the potential modern slavery practices and risks within QNP's supply networks and business operations.

Whilst QNP do not own or control any other entities, consultation has been undertaken within QNP and with QNP's parent companies (Wesfarmers and Dyno Nobel) for the purpose of this Statement, and for modern slavery risk assessment and actions to be taken in future reporting periods.

QNP acknowledges both its legal and moral obligations in ensuring human rights are upheld and modern slavery risks within their supply networks and business operations are mitigated. QNP aims to continue to strengthen and commit to ensuring proposed actions in future reporting periods are established to address modern slavery risks.

This statement was approved by the QNP board on 12 December 2025, and the signatory is the Chair and a responsible member of QNP who is authorised to sign this Modern Slavery Statement by the QNP Board.

A handwritten signature in black ink, appearing to read 'Alex Willcocks', with a stylized flourish at the end.

Alex Willcocks

Chair