

CROT Modern Slavery Statement

Reporting year ended 31st March 2023

1. Introduction

This Modern Slavery Statement is for Carmichael Rail Network Pty Ltd (ACN 601 738 685) as trustee for the Carmichael Rail Operations Trust (ABN 24 943 622 415), referred as CROT, which is the reporting entity under the Modern Slavery Act 2018 (Cth) (the Act). CROT is an Australian business and part of the global Adani Group. Both CROT and the Adani Group are committed to combating the risk of modern slavery in our supply chains and in any part of our business.

As one of the goals of the Adani Group is to act with integrity, we strive to act fairly, ethically, and openly in everything that we do. CROT is committed to:

- Operating its business in accordance with the Modern Slavery Act 2018 (Cth).
- Ensuring our people understand modern slavery and the risk it presents to our operations.
- Providing our people with appropriate avenues for reporting potential instances of modern slavery within our operations, or the operations of our suppliers and/or clients.
- Mitigating modern slavery risk within our operations.
- Eliminating potential and/or actual modern slavery practices from our operations and supply chain
- Ensuring appropriate transparency with our people, clients, suppliers, and stakeholders regarding the maturity of our modern slavery due diligence process and the findings arising from this.
- Enhancing our plan for measuring the effectiveness of our existing modern slavery risk framework.

This Modern Slavery Statement is prepared in accordance with the Act and describes the risks of Modern Slavery within the CROT business. It outlines the steps we have taken, and the next steps to be completed during the financial year (ended 31 March 2023, being the first year of commercial operation) to identify, manage and mitigate the risks in our operations and supply chains.

For the purposes of this statement, references to 'We', 'Us' and 'Our' collectively refer to CROT and its reporting entity covered by the statement.

2. Modern Slavery Law

The Act identifies seven (7) relevant mandatory criteria that the CROT Modern Slavery Statement must address, as follows:

- a) identify the reporting entity;
 - b) describe the reporting entity's structure, operations and supply chains;
 - c) describe the risks of modern slavery practices in the operations and supply chains of the reporting entity;
 - d) describe the actions taken by the reporting entity to assess and address these risks, including due diligence and remediation processes;
 - e) describe how the reporting entity assesses the effectiveness of these actions;
 - f) describe the process of consultation with any entities that the reporting entity owns or controls: and
 - g) any other information the reporting entity considers relevant.
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3. CROT Structure, Operations and Supply Chains

3.1. Structure

CROT supports the reliable and affordable energy mix of the future by transporting high-quality Australian coal for export to nations around the world that want to lift their people out of energy poverty.

CROT is part of the Adani group of diversified Australian businesses delivering integrated energy and infrastructure services. Bravus has been in Australia for more than a decade, bringing investment, new ways of operating, and working with communities since 2010. CROT is a step-down subsidiary of Adani Properties Pvt Ltd, (an entity registered in India) and is a part of the global [Adani Group](#),

3.2. Operations

CROT undertakes the below rail maintenance of the purpose-built Carmichael Rail Network (CRN) infrastructure of approx. 200 KM commencing from the Carmichael Mine, an open-cut thermal coal mine in the Galilee Basin, to a third-party network for further transportation of the mined coal to North Queensland Coal Export Terminal (NQXT).

CROT facilitates the above-rail entity to undertake the logistics and deliver the approx. 10 million tonnes of coal, each year, from Galilee basin's Carmichael Mine to the export market customers.

CROT adheres to strict environmental approvals for its operations across regional Queensland. These approvals require us to monitor and manage groundwater and water systems, maintain management plans for specific species, and conduct environmental research.

CROT is proudly local, supporting regional communities and businesses to grow sustainably. We have a focus on local jobs and procurement, ensuring we make a positive contribution to the communities in which we operate, and we work in partnership with Traditional Owners to ensure we respect the rights, history, future intentions, and requests of First Australians.

3.3. Supply Chain and Risk Overview

We, CROT along with Bowen Rail Company Pty Ltd (BRC) and the Carmichael Rail Network Trust (CRNT), are a local rail logistics & freight company, with employees living across Queensland but operating from our bases in Brisbane, Bowen, Rockhampton, Townville, and at the Carmichael mine. We facilitate the logistics of minerals essential to human progress and development, and by doing so efficiently and effectively, we aim to deliver superior returns to our shareholders while safeguarding the environment and meeting our wider obligations to society.

Our website (www.bowenrail.com.au) provides more detailed information about our business, including our strategy, philosophy, and operations, as well as our approach to sustainability. CROT along with the Rail infrastructure entity being CRNT and the above Rail Maintenance entity being BRC, have collectively engaged with approximately 450+ suppliers in so far, primarily located within Australia. Our commercial and legal teams support Operations in managing our suppliers.

CROT continues to enhance its processes and implement new processes aimed at ensuring that we only work with appropriate suppliers who can meet the standards that we expect. Most of our direct, large value suppliers are Australian entities.

As part of our commitment to local procurement, where needed, we provide prospective suppliers with technical support to help them meet our procurement standards. Given the majority of our suppliers operate within

Australia, the geographical risk is assessed as low regarding modern slavery. Risk-based frameworks are still being considered as additional tools to identify and review high risk supply chains and ensure suppliers are acting in line with CROT expectations, refer to section 4 for further details.

4. CROT Actions

Supply Chain Due Diligence

CROT's primary suppliers are subject to contract reviews (regularly) and executive meetings (as required), which provides opportunity to raise the Modern Slavery awareness and discuss the risks associated with it.

Additionally, CROT has finalised the development of a Supplier Modern Slavery Questionnaire, which will be sent to our primary suppliers.

The purpose of this Supplier Modern Slavery Questionnaire is to ensure all our major business partners and supply chain stakeholders are aware of their own responsibilities and those of CROT with respect to managing the risk of modern slavery in the supply chain and to elicit information that CROT will use to ensure compliance and assess modern slavery risks in its supply chain.

This questionnaire will be reviewed by our internal stakeholders including Commercial to ensure we understand our exposure and mitigate the Modern Slavery Risk in our Supply Chain.

Modern Slavery Awareness Guide

CROT is committed to ensuring that our people and suppliers understand what Modern Slavery is and the key role they play in delivering on our commitments.

To support the education of our employees, a guide will be created to provide an overview of local and global modern slavery trends in related industries and the types of risks our business should be considering. The guide will also provide a tailored view of the legislation applicable to CROT, how we deliver on our commitment to the underlying principles, and outline the key commitments in our reporting.

Supply chain management and supplier on-boarding processes

CROT has commenced a review of its Standard Purchase Contract and Standard Service Contract (General Terms and Conditions) with a view to refining templates in relation to the Modern Slavery Compliance Obligations for our direct suppliers and sub-suppliers. This review, while something that will always be evolving, has progressed, and the standard suite contracts now include modern slavery compliance clauses that obligate the counterparty to take reasonable actions and measures to identify, assess and address the risk of modern slavery practices in the operation's supply chains used in connection with Goods or Services the subject of the contract.

In the event the Supplier or Contractor becomes aware of any such practices, that party must take all reasonable action to address or remove these practices, including where relevant by addressing any practices of other entities in its supply chains.

Remediation: Grievances and complaints

CROT has a Whistleblowing Policy in place with the reporting route available for both internal and external reports to raise concerns about compliance obligations, corporate governance, bullying and harassment, including any complaint or concern regarding our Modern Slavery Obligations.

The Board and senior management encourage everyone who works with CROT to speak up and report any conduct they believe to be inappropriate. We are committed to ensuring that individuals who disclose can do so safely, securely and with confidence that they will be protected and supported.

Our dedicated Whistleblowing Hotline is one of those formal channels. This service is available to any individual who is, or has been a director, employee, secondee, contractor, consultant, supplier, the service provider (or their employee or subcontractor), associates of CROT and relatives, spouses, dependents of these individuals.

The Whistleblowing Policy is regularly reviewed and updated to ensure an effective and transparent grievance process and compliance with relevant laws.

Policies and Guideline

CROT takes guidance from the Adani Group policies and code of conduct (the Guidelines). Adani Group policies require the entities and its people to conduct business in a manner that respects human rights; employees and contractors treat each other with dignity, respect, and consideration at all times and do not involve modern slavery practices.

All procurement engagements for the business are required to demonstrate that the spending of the company funds is justified, is done so in accordance with the Guidelines, achieves the best value and is fit for purpose.

The Guidelines also prohibit discrimination, based on any protected attribute under the law. Our Employees and Contractors are required to understand and adhere to the Guidelines throughout their employment or engagement.

The objective of the Guidelines is to ensure that the procurement of all goods and services is conducted in an honest, competitive, full, fair, reasonable, transparent, and ethical manner.

5. Effectiveness

To date, CROT has not become aware of any occurrences where a supplier has engaged in practices in breach of their modern slavery obligations.

CROT continues to develop processes to assess the effectiveness of actions taken by us and our suppliers to respond to modern slavery risks with respect to supply chains and operations.

6. Consultations

CROT consulted with the key leadership team members in preparing this Modern Slavery Statement and circulated a draft of this Statement for review and comment, prior to it being put to the Board of Directors for final review and approval.

7. Looking Ahead

CROT is continuing to develop and implement an improved framework to assess and monitor the Modern Slavery Risks in our operations and supply chain.

CROT recognises that the risks of modern slavery are complex and evolving. We will continue to work to identify and address these risks in our business and engage with a range of stakeholders, to assess the effectiveness of our actions and enhance our approach.

This Modern Slavery Statement was approved by the Board of Directors on 25 September 2023.

On behalf of Carmichael Rail Network Pty Ltd as
Trustee for Carmichael Rail Operations Trust



Samir Vora

Director
