



Queensland Nitrates Pty Ltd
ABN 63 079 889 268 ACN 079 889 268

P O Box 322
Moura QLD 4718
Australia

☎ (+61) 07 4997 5100
📠 (+61) 07 4997 1409

2020 MODERN SLAVERY STATEMENT FOR QUEENSLAND NITRATES PTY LTD

Queensland Nitrates Pty Ltd (QNP) opposes slavery in all its forms. This statement is made in accordance with the Australian Modern Slavery Act 2018 (Cth). It applies to and describes the steps taken by QNP during the financial year ending 30 June 2020 and plans for future years to seek to minimise the risk of modern slavery occurring in its business or supply chain.

QNP's structure, business and supply chain

QNP is a Queensland-based ammonium nitrate manufacturer and has been in operation since 2000 mainly serving the Queensland coal industry with ammonium nitrate based products for explosives application. QNP operates an integrated ammonium nitrate manufacturing facility producing ammonia from natural gas feedstock, converting the ammonia into nitric acid and then combining nitric acid with more ammonia to produce ammonium nitrate. QNP is a private company being a 50/50 joint venture between CSBP Limited (a wholly owned subsidiary of Wesfarmers Limited) and Dyno Nobel Asia Pacific Pty Limited (a wholly owned subsidiary of Incitec Pivot Limited). QNP has approximately 95 employees, all of whom are located in Queensland. QNP is not a part of a larger corporate group of entities and does not control or own other entities.

QNP currently sources almost all its raw materials locally in Queensland. The products sourced from overseas include two chemicals sourced from Spain and a manufactured item sourced from the UK. QNP supplies some of its customers with product in bagged packaging and the bags are sourced from Thailand and Taiwan via importers. Plant and equipment is typically sourced from Europe.

Our due diligence process

QNP has adopted a risk-based approach to modern slavery due diligence and has focused on tier one factories in its supply chains. Given their importance to the business, QNP has also considered broader rights considerations for its own direct employees relating to equality, fair pay and safety.

QNP's aim is to ensure that human rights are understood, respected and upheld across its supply chain. QNP expects its partners and stakeholders to adhere to ethical business conduct standards which are consistent with QNP's policies.

Our policies

The policies and frameworks that support QNP's day to day operations are designed to ensure that all relevant universally recognised human rights are safeguarded.

Consistent with the principles in its 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.

QNP prohibits discrimination and forced, trafficked or child labour and is committed to safe and healthy working conditions, including the right to freedom of association and collective bargaining. QNP has an Ethical Sourcing and Modern Slavery Policy which sets minimum standards in these areas.

Modern slavery risks

QNP's operations are considered low risk with respect to modern slavery due to the implementation of appropriate policies including its Code of Ethics and Conduct and adherence to Australian laws.

QNP's Spanish and UK suppliers are considered low risk with regard to breaches of QNP's Ethical Sourcing and Modern Slavery Policy. The UK supplier's Modern Slavery statement has been obtained and is considered credible. QNP intends to obtain the Spanish supplier's Modern Slavery or equivalent policy.

QNP's Taiwanese and Thai suppliers are considered to be higher risk with regard to breaches of QNP's Ethical Sourcing and Modern Slavery Policy. Potential issues include migrant worker exploitation and excessive overtime. QNP imports products from these supplier's factories via Australian based importers.

Actions in 2019-2020 financial year

QNP is committed to continuing to improve its modern slavery risk identification and mitigation. As part of its ongoing focus on improvement, QNP has made progress in the following areas during the financial year ending 30 June 2020:

- Commenced ethical sourcing and modern slavery governance
- Identified high risk suppliers
- Commenced obtaining Modern Slavery policies from suppliers
- Reviewed the broader rights considerations for our direct employees relating to equality, fair pay and safety

Future actions

QNP will request new and existing high risk suppliers complete a Modern Slavery assessment questionnaire. QNP will consider conducting audits of importers and overseas suppliers following completion of the questionnaire.

With regards to the products sourced via importers from Thailand and Taiwanese factories, QNP has developed a two stage approach to identifying potential breaches of its Ethical Sourcing and Modern Slavery policy:

- Working with the importers to determine the employment and other relevant practices in these overseas factories
- Third party audits of the factories if required
- Further action will depend on the results of the above actions

Assessing effectiveness of actions

As part of its safety management program and annual employee performance review and objective setting process, QNP will continue to monitor its performance with respect to broader rights considerations for its own direct employees relating to equality, fair pay and safety. This will include reviewing potential discrimination on the basis of gender, age, race, disability, sexual orientation, cultural background, religion, family responsibilities or other areas of potential difference.

This statement was approved by the board of QNP on 20 October 2020.



Ian Hansen
Chairman