



# Modern Slavery Statement 2025

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Reporting Period Jan – Dec 2025





## A message from our Executive Team

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**Tsutomu Kunomura –  
Managing Director**

Idemitsu Australia has been operating in Australia for over 40 years as a subsidiary of Japanese company Idemitsu Kosan Co. Ltd. We are proud to play a proactive role in mitigating Modern Slavery risks across our operations and supply chains through focusing on the philosophy of our company founder Sazo Idemitsu “*respect for human beings*”. Respect for human beings is a key principle of our business and underpins the first of the three core values of Idemitsu Australia:

1. we put people first;
2. we are always improving; and
3. we do what we’ll say we’ll do.

The Idemitsu Australia Group (**IA Group**) sees the Modern Slavery Act 2018 (Cth) (“the **Act**”) as an opportunity, through the use of our core values, to enhance our contribution to eliminating Modern Slavery. Since the Act took effect, the IA Group has been continuously working in response and has prepared this Joint Modern Slavery Statement for the Reporting Entities within the IA Group. This is the IA Group’s sixth Statement produced in accordance with the Act.

Over the past year, IA has undertaken considered activities that further develop on our understanding of Modern Slavery risks. These include:

- undertaking a one on one follow up on last years questionnaire with one of our largest suppliers;
- undertaking an internal review and presentation on the Australian Government Response to Modern Slavery Act 2018 (Cth); and
- undertaken appropriate training and industry collaboration.

The content of this Joint Modern Slavery Statement has been prepared in accordance with the Act and using the ‘2025 Guide for Reporting Entities’. This Statement will provide detail about actions the IA Group has taken in the calendar year ending 31 December 2025 to identify, understand and address the Modern Slavery risks in our supply chains and operations.

# Our Business



## Reporting Entities

This Joint Modern Slavery Statement has been prepared by Idemitsu Australia Pty Ltd (**IA**) on behalf of the below listed Entities within the IA Group.

Reporting Entity	ABN
Idemitsu Australia Pty Ltd ( <b>IA</b> )	45 010 236 272
Boggabri Coal Pty Ltd ( <b>BC</b> )	77 122 087 398

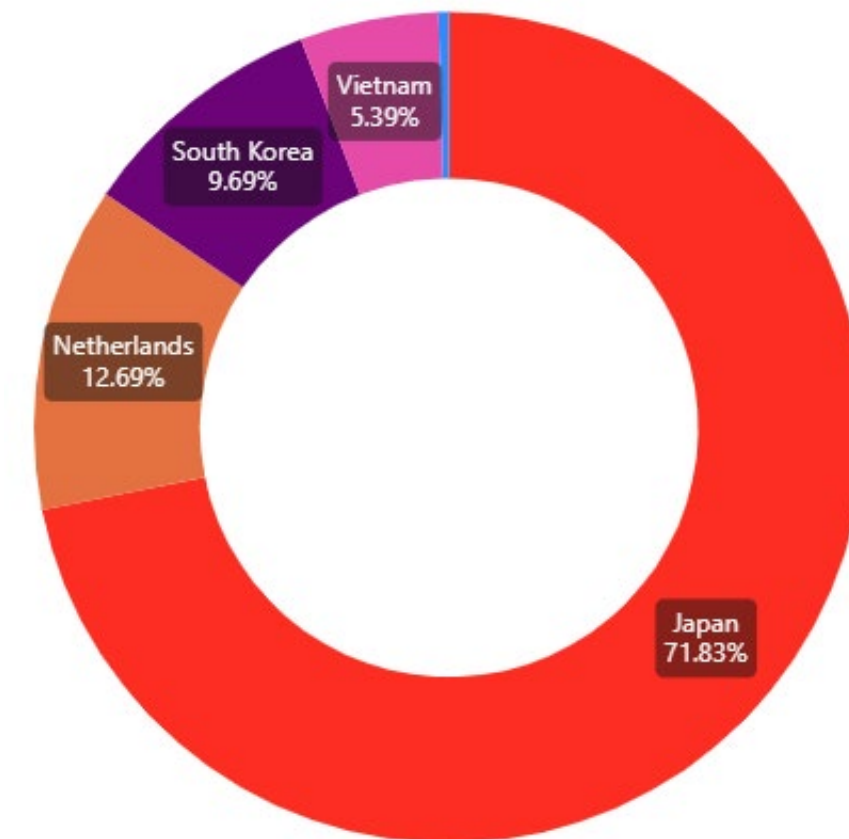
IA is a mid-tier Australian mining company which has interests in a coal mining operation along with developing critical minerals and renewable energy businesses. IA's head office is in Brisbane, Australia. IA is owned by Idemitsu Asia Pacific Pte Ltd, a private company incorporated in Singapore, which is in turn owned by Idemitsu Kosan Co. Ltd. (**IKC**). IKC's head office is in Tokyo, Japan and is listed on the Tokyo Stock Exchange.

IA and BC form the two reporting entities within our group structure for the purpose of this Modern Slavery Statement. IA has several subsidiaries which own and operate the operations described below and in our company operations details on the following slide. Other than as outlined above, other subsidiaries within the group do not, or no longer meet the criteria, to be considered reporting entities under the Act. IA along with non-reporting entity ICMA are wholly owned subsidiaries of Idemitsu Asia Pacific Pte Ltd, a wholly owned subsidiary of IKC. Idemitsu Asia Pacific Pte Ltd owns all of the shares in ICMA, which undertakes trade and marketing services for coal produced from the Boggabri Mine. As indicated in the adjacent chart, most of the coal produced by the Boggabri Coal Mine is sold to customers in Japan, the Netherlands and South Korea.

IA undertakes all corporate functions (including procurement functions) on behalf of :

- Idemitsu Australia Pty Ltd;
- Boggabri Coal Pty Ltd;
- Idemitsu Coal Marketing Australia Pty Ltd (**ICMA**) (non-reporting entity);
- Boggabri Coal Operations Pty Ltd (**BCO**) (non-reporting entity);
- Idemitsu Renewable Developments Australia (**IRDA**) (non-reporting entity); and
- Muswellbrook Coal Company Limited (**MCC**) (non-reporting entity).

Percentage Distribution by Destination



# Company Operations

## **Muswellbrook**

IA is the sole owner of MCC. MCC owns the Muswellbrook Coal Mine, 3km northeast of Muswellbrook in New South Wales. In December 2022, MCC ceased mining operations and rehabilitation of the site was completed in October 2025. IA is continuing to monitor and maintain the site until future mining lease relinquishment and closure occurs.

## **Boggabri**

IA is the operator of the Boggabri Coal Mine, approximately 17km northeast of Boggabri in the Gunnedah Basin, New South Wales. The Boggabri Coal Mine is owned as a joint venture, with the majority 90% interest being held by Boggabri Coal Pty Ltd, a company solely owned by IA.

## **Critical Minerals Business**

IA have made significant investments in Australian vanadium, lithium and graphite businesses including the Vecco Group, the Critical Minerals Group, Delta Lithium and Graphinex.

## **Renewable Energy Investments**

IA have made investments in renewable energy storage opportunities. We are proud to support the ongoing feasibility assessments for these opportunities and to invest in sustainable energy development in Australia.



# Supply Chains

## Procurement and Supply Chain

The IA Group sources its supplies and services locally for the Boggabri Coal mine and on a group-basis through a central Procurement and Supply Chain team at IA in Brisbane.

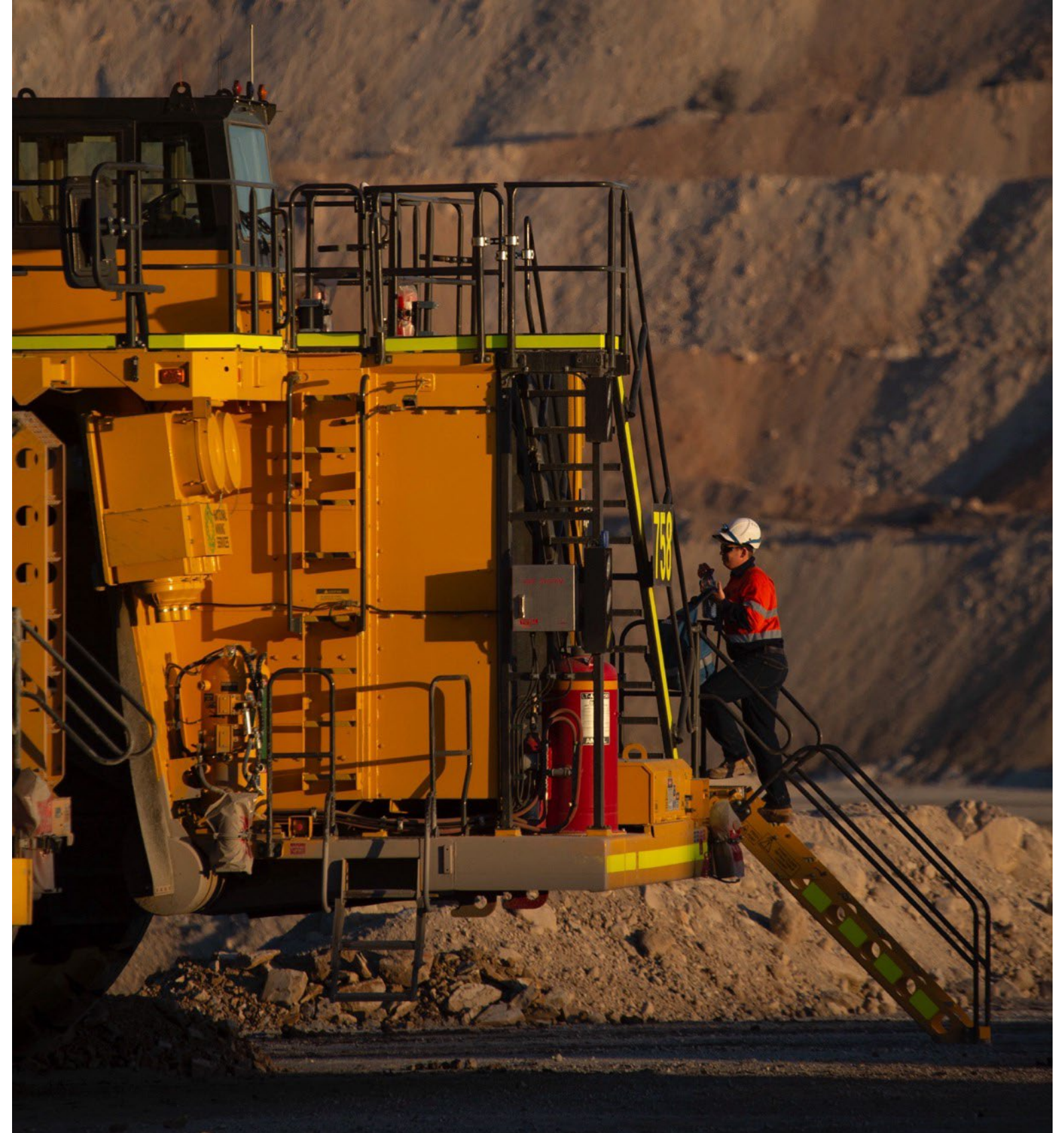
The mine site has a separate and local procurement function which works closely with the IA Group procurement team. The centralised management allows IA to monitor and ensure the mine site procurement standards align with those at a corporate level.

Our supply chain includes the following goods and services:

- Engineering and geotechnical services;
- Maintenance services;
- Explosives and associated products;
- Labour hire;
- Consumables;
- Heavy Machinery
- Waste management services;
- Professional consulting;
- Production and exploration drilling;
- Mobile machinery;
- Fabrications services.

## Suppliers and Expenditure

In 2025 on a group-wide basis, IA has 868 active direct suppliers with a consolidated annual spend of \$898 million. The goods and services acquired span 28 categories with approximately 98% of the total expenditure paid to Australian companies in Australian dollars.



# Modern Slavery Risks and Actions

## Risks and Results

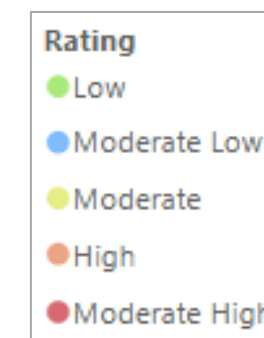
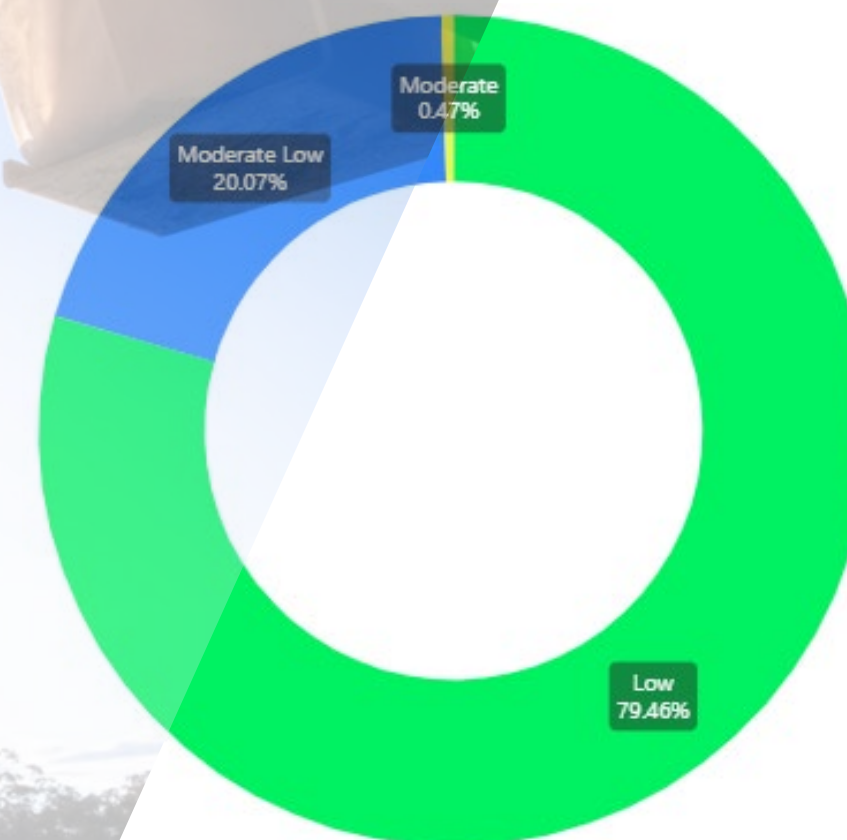
The Australian coal mining industry is not considered to be high risk for Modern Slavery. Likewise, coal imports to Japan and Netherlands (the primary markets of the 'Reporting Entities') from Australia are not identified by the Global Slavery Index as high risk for Modern Slavery. Notwithstanding, Modern Slavery risks have the potential to exist within our Reporting Entities' operations and supply chains. This is why the IA Group engage with Fair Supply, a third-party subject matter specialist, to review existing and potential suppliers and our group Modern Slavery risk profile. Fair Supply use a multi-faceted approach to Modern Slavery risk assessment. This includes examination and analysis that incorporates company spend data throughout global markets, utilising external consultants with proprietary technology to trace the economic inputs required to produce products and services sourced from Tier 1 suppliers all the way through to Tier 10 suppliers.

In 2025, IA has maintained a consistent amount of spend and our supplier base has remained largely unchanged. Traceable risk utilising Fair Supply's live assessment for IA's 2025 data set reveals that IA's highest risk supplier profile is considered "Moderate". This category rating contains our lowest number of suppliers. The majority of our Suppliers are considered "Low" risk. Per \$M spent it is estimated IA has 0.0181 of a person in forced labour within our supply chain, which is a decreasing trend year on year. IA are pleased to confirm that our 2025 exposure per \$M is down 12% from the data set loaded for 2024 which saw 0.0206 of a person in forced labour.

Utilising the industry risk rating, we have evaluated our entire supplier base on the foundation of the supplier's geographical location and industry of operation. IA has undertaken additional due diligence on an existing supplier in 2025. This supplier is associated with a known high Modern Slavery prevalence industry on a global scale of risk. We did this to better understand the procedures and processes in place for this supplier and took the opportunity to inspect their local facility and speak to team members at the local branch which is utilised by our mine site.

IA continues to monitor our other known high Modern Slavery prevalence industry category of Fuel. As noted in our 2023 and 2024 statements, this will continue to be a high Modern Slavery prevalence industry item for IA based on our demand for the product and the jurisdictions from where it can originate from which are out of our control.

IA understands the importance of collaboration with these suppliers who source product from high Modern Slavery prevalence industry jurisdictions to ensure their practices in transacting with second and third tier suppliers is in accordance with the global human rights guidelines. The results of the due diligence conducted provided IA with a comfort that the Suppliers we engaged with are aware of and understand the importance of human rights in delivering their services to IA.



# Actions and Effectiveness

## Governance

Our approach to human rights and Modern Slavery risk management is supported by a system of policies and standards including the Modern Slavery Policy, Code of Conduct Policy, People Policy, Workplace Behaviour Standard, Managing Conduct Procedure, Risk Compliance and Assurance Policy and Whistleblowing Standard (among others). These apply across all Reporting Entities. IA Group undertakes regular reviews and updates to its Procurement and Contract Management Standard, to better reflect Modern Slavery compliance.

These policies and guidelines are underpinned by the IA Group corporate values of:

1. we put people first;
2. we do what we say we'll do; and
3. we are always improving.

These values are demonstrated by the senior leadership teams daily and are the subject of leadership training for employees. During onboarding and then annually, all employees are required to undertake training on IA Group's Code of Conduct and other policies and standards to ensure the values and expectations of the IA Group remain front of mind.

IA maintains an anonymous compliance hotline which is available to all IA Group employees and contractors in the event of a compliance or probity concern. The hotline connects directly to senior members of the legal team. The compliance hotline is communicated through relevant group wide emails, policies, standards and training materials.

To date this framework has established and maintained a strong compliance record across the IA Group. IA Group's goal is to give clear direction to its procurement and contracting personnel on the IA group position. IA encourages all personnel to avoid partnering with suppliers who are not also actively engaged in identifying and reducing Modern Slavery risks in their operations and supply chains.

# Actions and Effectiveness cont.

## Procurement Systems

The procurement of goods and services from third parties is governed in accordance with our Procurement and Contract Management Standard. This standard sets out the processes for tendering, engagement, approvals and management of contracts.

As part of the IA Group procurement function, contracts and suppliers are required to comply with the terms of the IA policies. When the IA Group began discussing expectations around the risk of Modern Slavery in our supply chain with our suppliers, we introduced questions regarding Modern Slavery risks in the Request for Tender process and included a contractual provision in the template contract suite which is now standard in all new contracts.

IA first engaged with Fair Supply in 2023 to review IA Group's Modern Slavery risk profile. The review identified several recommendations which have been implemented over the course of the past three years and are managed with an initiatives register to track progress and add to our company goals. In each reporting year, IA load a new dataset and Fair Supply perform a vendor risk assessment on each supplier providing us the opportunity to track our impact and progress over time.

IA continues to compare service offerings within the Modern Slavery landscape to ensure we are accessing the most effective and industry leading expertise in Modern Slavery.

### Modern Slavery Review Committee

This year we have considered options for internal governance of Modern Slavery decisions.

### Training and Materials

In June 2025, IA's procurement team, in conjunction with our legal team, conducted a comprehensive review of the Australian Government response to the review report of the Modern Slavery Act 2018 (Cth).

A presentation of the key takeaways from this report was delivered to our legal and commercial teams to outline the governments review of the 30 recommendations made on the first three-year review and how they impact the IA Group.

This was done as a proactive measure to implement changes and better align our statement with what we know the Act and proposed amendments is trying to achieve.

We continue to monitor any updates to the Act by way of online resources and guidance notes.

# Actions and Effectiveness cont.

## Procurement Systems

### Supplier Risk Assessment

In recent years IA have been working alongside Fair Supply to identify, manage and mitigate Modern Slavery risk along our supply chain, IA has gained confidence in being able to support our suppliers in understanding their own Modern Slavery risks. Our existing document suite for tenders and vendor onboarding are regularly reviewed and updated to include questions and checks to gain a better understanding of a supplier's risk profile prior to engagement. The Fair Supply platform provides us an additional avenue for further due diligence on any supplier with deep dive to mitigate IA's own risk of doing business with high-risk suppliers in real time.

In 2025 we used the results from the detailed supplier questionnaire we undertook in 2024 to consider and identify opportunities for more thorough and tangible assessment of modern slavery risks. The results assessed:

- training and education;
- grievance mechanisms;
- policies;
- remedy;
- identification and assessment of risk;
- measuring effectiveness; and
- due diligence.

Two representatives from IA attended and inspected one of our key supplier's premises in 2025 to delve further into their responses. This supplier is a key part of operations with spend in excess of \$16m in 2025.

The visit gave us an opportunity to open a line of conversation beyond a desktop response to an online questionnaire. We gained valuable insight into the actual processes followed by the supplier and assisted them in reviewing their own process and how they may improve on their current practices.

As a result of that meeting IA received the feedback that we were the first of their customers to follow up on an online questionnaire. Both sides had valuable takeaways from the meeting and provided a level of collaboration between supplier and customer. We were also provided the opportunity to speak directly to some of the workers on the floor and took the opportunity to ask direct questions about work conditions, break times and payment and employment contracts.

IA are pleased to report that there were no issues identified with this supplier.

### Course and Training Completion

Over the course of 2025 IA have taken a keen interest in learning more about the processes and procedures undertaken by others to assess their Modern Slavery risks. This has been done to avoid a “*rinse and repeat*” cycle in relation to Modern Slavery.

IA attended a strategic round table discussion hosted by Fair Supply. This included a peer-led discussion around strategic ESG due diligence and how it can be embedded into sourcing, risk, and operational decisions to build more resilient and responsible supply chains.

Our procurement team also completed an online course on a Practical Guide to Modern Slavery and additional courses on the Fair Supply platform to ensure the team is up to date with features of the systems.

## Consultation

**Our head office procurement team works closely with the mine site team of other Reporting Entities daily. During 2025 we continued to engage with the Reporting Entities covered by this Statement and consulted with the entities we own or control. This consultation and engagement has resulted in the IA Group taking a responsible approach to reviewing the updated information from the Australian Government and continuing to improve our practices and procedures with regards to the Modern Slavery Act.**



# Conclusion and Approval


The IA Group are confident we have established robust foundations to support the continuous improvement of measures for identifying and addressing risks of Modern Slavery in our operations and supply chains. We look forward to continuing this work in 2026.

This Modern Slavery Statement was approved by:

- a) the Board of Directors of Idemitsu Australia Pty Ltd;
- b) the Board of Directors of Boggabri Coal Pty Ltd; and
- a) a responsible member (being a director) of all entities above who is authorised to sign Modern Slavery Statements for the purposes of the Act,

on 27 April 2026.

**Signed for and on behalf of the Reporting Entities:**



**Tsutomu Kunomura**

**Director of each of the Reporting Entities  
Director of Idemitsu Australia Pty Ltd  
Director of Boggabri Coal Pty Ltd**





# Thank you

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