

# **PYBAR Mining Services'**

## **Response to Modern Slavery**

## **PYBAR Mining Services**

PYBAR Mining Services is a large-sized, Australian based Underground Mining Contractor which is part of a larger group, PYBAR Holdings Pty Ltd. PYBAR Mining Services employs nine hundred and seventy seven employees at the time of this report, and is Headquartered at 1668-1670 Forest Rd, Orange, NSW, with Australian Company Number 060 589 433.

PYBAR Mining Services currently operates at eighteen different sites across five different states in Australia, which is comprised of nine Underground operations, and nine Raisebore Drilling operations.

PYBAR Mining Services deals with its suppliers through a mixture of short and long term agreements usually ranging from three to twelve months upon which they are reviewed. PYBAR Mining Services' major suppliers are in Australia, Sweden, and USA, procuring mainly machinery (and spare parts), light and heavy vehicles, petroleum, and explosives.

## **A Statement on Modern Slavery & Its Potential Presence in PYBAR Mining Services' Supply Chain**

This statement's purpose is to highlight the awareness PYBAR Mining Services has regarding the potential contributions it may be making towards Modern Slavery as a part of its supply chain, and the respective actions it is taking to rectify this. It identifies multiples different potential contributions to Modern Slavery by identifying high risk areas present in PYBAR Mining Services' supply chain of industry and raw material nature.

The Statement then outlines an "Assess & Address" plan which PYBAR Mining Services has undertaken to combat the risks identified, including improved supplier communication with regards to these risks, and amending current supplier management processes to include Modern Slavery initiatives.

Finally, The Statement concludes with how PYBAR Mining Services plans to monitor the effectiveness of its Assess & Address plan in the future with ongoing reviews to support the development of a continuously current plan.

## Identified Risks of Modern Slavery

PYBAR Mining Services' initial scoping exercise shows that the entity has a range of modern slavery risks of both Industry and material nature. PYBAR Mining Services recognizes that its sector of operation (extractives) is classified as high risk, but it also recognizes that there are other risks present throughout its' supply chain and operations. PYBAR Mining Services has conducted an analysis of its supply chain and identified areas in which it has the potential to either contribute or be linked to modern slavery practices.

PYBAR Mining Services has identified that there is potential it may be contributing to modern slavery through the use of subcontracted corporate office cleaning services, as this is a known high-risk sector. Subcontracted cleaning services are known to use a large majority of migrant and base-skilled workers, who are recognized as more vulnerable to the risks of modern slavery.

PYBAR Mining Services also recognizes that there are inherent risks present in the procurement of its uniforms and Personal Protective Equipment in high volume as this is another known high-risk sector (textiles). The mass production nature of this sector means these products are often manufactured overseas in countries with less strict modern slavery practices than that of Australia. This risk is more difficult to monitor once the process passes that of PYBAR Mining Services' direct supplier and moves further up the supply chain.

Lastly, PYBAR Mining Services has identified that there is a risk it may be contributing to modern slavery through the purchase of its electronic equipment. Poor regulation and limited human resources services mean the electronics industry is recognised globally as a high-risk sector. Due to the nature of electronic equipment required to operate effectively in the underground mining industry, PYBAR Mining Services procures a large amount of equipment from this industry, presenting a high amount of risk of contribution towards modern slavery. In addition to this, most of the equipment manufactured in this industry (and purchased by PYBAR Mining Services) contain high-risk raw materials such as Cobalt which is mined in areas known to be subject to modern slavery.

## Addressing These Risks Moving Forward

After identifying the risks of Modern Slavery present in its supply chain, PYBAR Mining Services has established an “Assess and Address” plan to apply due diligence and remediation where necessary. The plan is designed to achieve a better understanding of any contribution PYBAR Mining Services may have to Modern Slavery by utilizing the following steps.

- Identifying and assessing potential Modern Slavery contributions by engaging with key suppliers and requesting information regarding their respective supply chain
- Integrating our findings across the company by augmenting pre-existing processes to include Modern Slavery Initiatives.
- Tracking the progress of the implemented initiatives to monitor their effectiveness and maintain/amend them as required.
- Communicating internally the actions PYBAR Mining Services is taking to address any possible contribution it may have to Modern Slavery, and then communicating this publicly as well (i.e. publishing an annual Modern Slavery Statement).

Following the above plan, PYBAR Mining Services has contacted its major suppliers, as well as any other of its suppliers known to be associated with a high-risk area (industry, material, or geographical location) requesting a statement addressing the presence of Modern Slavery risks in their supply chain. The statement was to answer the following questions.

- Is your organisation aware of any modern slavery practices in its workplace or in the workplaces of any of its suppliers, either now or in some recent past?
- Has your organisation (or any of its key employees) been named or involved in any administrative, regulatory, or criminal investigations involving modern slavery practices, even if resolved in favour of the employee?
- What actions and/or processes has your organisation implemented to help mitigate or reduce the risk of Modern Slavery in your supply chain?

The purpose of this statement is for the supplier to be able to demonstrate how they are managing any potential risks in their supply chains, and outline policies they have implemented to in order to comply with the requirements of the modern slavery legislation.

The responses compiled through this plan offered transparency into the supply chains and policies of PYBAR Mining Services’ suppliers. With particular attention to those suppliers considered to be associated with a high-risk area, these responses were more significant as PYBAR Mining Services was able to confirm that these suppliers were operating with suitable policies in place to mitigate the inherent risks of their high-risk area.

PYBAR Mining Services is amending current supplier management processes to include Modern Slavery risk management initiatives and will continue to analyse its supply department for more opportunities in the future. Currently this has been implemented by including clauses in new supplier contracts requiring suppliers to report to PYBAR Mining Services on the presence of Modern Slavery Risks in their supply chain and the actions they are taking to towards them.

## Internal Monitoring for Ongoing Relevance

Due to the dynamic nature of the mining industry and the insidiousness of Modern Slavery practices, PYBAR Mining Services understands that our Assess & Address plan will require ongoing review to ensure that it is remaining current and effective to combat the constantly evolving risk of Modern Slavery.

PYBAR Mining Services is establishing an ongoing review process which would see its Modern Slavery Assess & Address Plan reviewed annually. This would ensure that the actions PYBAR Mining Services is taking to combat the risk of Modern Slavery in its supply chain are kept relevant as the supply chain develops, maintaining focus towards any suppliers with high risk elements in their own supply chains.

These ongoing reviews will be conducted with a focus on the following three points.

- New risks identified in PYBAR Mining Services' Supply chain, and the actions required to address them.
- Analysis of current suppliers and their supply chains to determine if/how industries (and their risks) are changing, and how PYBAR Mining Services can act accordingly.
- Monitoring other public Modern Slavery statements made by suppliers & organisations both inside and outside the industry to identify how the global climate around Modern Slavery is evolving, and if PYBAR Mining Services can bolster its own policies to increase effectiveness.

By utilizing these steps, PYBAR Mining Services is optimistic that it will be able to successfully build an increasingly effective Assess & Address plan designed to reduce its potential contributions towards Modern Slavery.

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This statement has been approved by the Sole Director, and CEO of PYBAR Mining Services, Brendan Rouse.

Name: BRENDAN ROUSE Position: CEO / DIRECTOR

Signature: B. Rouse Date: 14-1-21