

Southern Cross Aluminium Pty Limited

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AUSTRALIA

Modern Slavery Statement

Southern Cross Australia Pty Limited (ABN: 25 063 778 996)

Southern Cross GPS Pty Limited (ABN: 50 063 779 028)

FY2020

This statement covers the activities of Southern Cross Aluminium Pty Limited (ABN: 25 063 778 996) and its wholly owned subsidiary Southern Cross GPS Pty Ltd (ABN: 50 063 779 028) during the year ended 31 December 2020.

This is our first joint modern slavery statement under the *Modern Slavery Act 2018* (Cth) and sets out the actions we have taken to assess and address modern slavery risks in our operations and supply chains.

This statement has been approved by the Board of Southern Cross Aluminium Pty Ltd on 10 June 2021.

About us

At Southern Cross Aluminium Pty Ltd (**SCA**) and Southern Cross GPS Pty Ltd (**SCG**), we recognise that respecting the human rights of those affected by our business activities is important as all businesses should proactively assess and respond to the risks of modern slavery in their operations and supply chains.

Our structure

SCA and SCG are both incorporated companies in Australia and our registered office is located at Suite 1703, Level 17, 120 Collins Street, Melbourne, VIC 3000, Australia.

SCA is a jointed owned company by Marubeni Aluminium Australia Pty Ltd (MAA) (52.95%) and SC Metal Pty Ltd (SCM) (47.05%). SCA have a minority share of 17% in pot line 3 of the Boyne Island Aluminium Smelter (via Boyne Smelter Ltd) (BSL) in Gladstone, Queensland.

SCA has a wholly owned company Southern Cross GPS Pty Ltd (SCG). SCG has a minority interest (8.5%) in Gladstone Power Station (GPS) located in Gladstone, Queensland, Australia. SCG sell all offtake electricity generated to Boyne Smelters Limited (BSL) and CS Energy Ltd.

Our operations

Southern Cross Aluminium Pty Ltd (SCA):

SCA is a project investment company in aluminium smelting business. SCA have a minority share of 17% in pot line 3 of the Boyne Island Aluminium Smelter (via Boyne Smelter Ltd) (BSL) in Gladstone, Queensland. SCA sells all its offtake aluminium production from BSL to its shareholders MAA and SCM.

SCA do not engage any employees or contractors. SCA together with its subsidiary company SCG engaged with Marubeni Aluminium Australia Pty Ltd (MAA) to provide certain services in connection with the daily and business operations of SCA and SCG.

Boyne Smelters Limited (BSL) is Australia's second largest aluminium smelter and has been operating since 1982. The operation is located at Boyne Island in Central Queensland and activities include manufacturing carbon anodes in the carbon plant, aluminium production (smelting) in pot line 1&2 and pot line 3, and casting of molten metal into aluminium products ready to ship.

BSL is a joint venture between Rio Tinto (59.39%), YKK Aluminium (9.50%), UACJ Australia (9.29%), Southern Cross Aluminium (7.71%, equivalent to 17% in pot line 3 production), Ryowa Development II (6.46%), Ryowa Development (5.19%) and Sumitomo Chemical (2.46%).

As BSL is partially owned and controlled by Rio Tinto, its Modern Slavery Statement is included in a joint statement prepared by Rio Tinto on behalf of the group rather than produce its own statement. Please refer to the joint statement issued by Rio Tinto Group for details.

Southern Cross GPS Pty Ltd (SCG):

SCG is a project investment company in power generation business. We have a minority interest (8.5%) in Gladstone Power Station (GPS) located in Gladstone, Queensland, Australia. SCG sell all offtake electricity generated to Boyne Smelters Limited (BSL) and CS Energy Ltd.

SCG do not engage any employees or contractors. SCG together with its parent company SCA engaged with Marubeni Aluminium Australia Pty Ltd (MAA) to provide certain services in connection with the daily and business operations of SCG and SCA.

GPS is a world-class coal fire electricity generation facility. GPS was built by the Queensland Government and first commenced operation in 1976. The station has been a significant part of the Gladstone community and an important energy provider for Queensland since that time. After 30 plus years of operation GPS is still Queensland's largest single power station and remain an important generating facility in the National Electricity Market.

Since 1994, the station has been operated by NRG Gladstone Operating Services (NRGGOS) on behalf of Joint Venture participants Rio Tinto Ltd (42.125%), NRG Energy Inc (37.5%), SCG (8.50%), Ryowa II GPS Pty Ltd (7.125%) and YKK GPS (Queensland) Pty Ltd (4.75%).

GPS operator NRGGOS currently does not have specific practices to procedures in place with regards to modern slavery. However, in accordance with the GPS Code of Conduct, the core values serve as the foundation for ethical and responsible behaviour toward each other, business partners and the communities where they live and serve. This includes integrity in business dealings and transactions. The Company and its employees are required to conduct all activities in compliance with all Commonwealth, State and local laws and by-laws, and with statutory and regulatory requirements.

Modern slavery risks

We recognise that modern slavery may impact our business activities and we endeavour to actively monitor and liaise with the operator Rio Tinto (BSL for SCA investment) and NRGGOS (GPS for SCG investment) and other joint venture partners to reduce the risk that we might contribute to modern slavery through our operations and supply chains.

Risk assessment methodology

We developed a risk assessment methodology which considers a number of indicators of modern slavery risks including sector and industry, the type of products and services, geographical location and specific entity risk.

Our initial risk assessment has indicated that our operations and supply chain have a low potential for modern slavery risks. Our risk profile is summarised in the table below.

Risk profile

Risk	Description of risk
Sector /Industry	Our business is investment in the Australian aluminium smelting sector and Australian power generation sector. We do not operate our joint ventures directly. The Australian aluminium smelting and power generation sectors are considered low risk as it relies on well trained specialist workers and is highly regulated and monitored by independent and governmental parties.
Product / Service	There are no goods and services that we directly procure in relation to our investments.
Geographic	All of our investments are in Australia, and we consider Australia as a low-risk jurisdiction.
Specific Entity	We have not identified any entity specified risks.

Actions to assess and address risk

In future reporting periods, we will further consider the extent to which our investments may present risks of modern slavery and the extent to which we can influence decision making in the joint ventures to reduce any such risks.

Assessing our effectiveness

We are committed to reviewing the effectiveness of our actions by regularly reviewing our modern slavery processes and identify any potential risk of modern slavery.

Externally, SCA and SCG will check with invested joint ventures on their assessment of modern slavery risks. Internally, SCA and SCG will encourage service provider MAA to follow Modern Slavery guideline from government regulatory bodies.

FY2021 focus

As this is our inaugural statement, we recognise there are further steps we can take to assess and address the risks of modern slavery in our operations and supply chains.

In FY2021 we will focus on monitoring and reviewing Modern Slavery legislation compliances. We will also focus on further engaging with the operator (Rio Tinto in BSL for SCA investment and NRGGOs in GPS for SCG investment) of our joint venture investments to strictly comply with modern slavery regulations and to implement practices and procedures to avoid risk of modern slavery in the operations and the supplier chains.

This joint statement was approved by the Board of Southern Cross Aluminium Pty Ltd on 10 June 2021.



Takeshi Kondo
Director