

Joint Modern Slavery Statement

This is the first joint Modern Slavery Statement under section 14 of the Modern Slavery Act 2018 (Cth) (**Act**) made in respect of HSE Group Holdings Pty Ltd (ABN 91 164 670 302) (**HSE**), and Kalari Pty Ltd (ABN 14 004 595 395) (**Kalari**). Both HSE and Kalari are reporting entities under the Act 2018. HSE and Kalari are members of the Swire Group of companies with the ultimate holding company being John Swire & Sons Limited, a company incorporated in the United Kingdom.

HSE and Kalari share common Directors and operate under the same policies and processes. Both companies operate in the Australian resources sector and have many shared suppliers.

HSE and Kalari expect our suppliers and contractors to operate in accordance with all applicable modern slavery laws including those prohibiting human slavery and slavery like practices, human trafficking and child labour.

HSE and Kalari are also reporting on behalf of its controlled entities:

1. HSE Corporation Pty Ltd¹ ACN 164 703 119
2. HSE Finance Pty Ltd¹ ACN 164 726 489
3. HSE Group Limited¹ ABN 97 147 892 064
4. HSE Asset Management Pty Ltd ABN 67 162 747 702
5. HSE Mining Pty Ltd ABN 95 153 962 120
6. HSE Rental Pty Ltd¹ ABN 48 137 477 242

Mandatory Criteria 1: Scope

This Statement outlines the actions undertaken by HSE and Kalari to identify and mitigate the risk of modern slavery across its business and supply chain. This Statement covers HSE and Kalari's financial year ending 31 December 2020.

This statement is aligned with the requirements outlined in the Act.

Mandatory Criteria 2: Company Structure, Operations and Supply Chains

HSE is a leading specialist provider of large-scale complex contract mining services to Australia's major mining companies. The company offers an extensive rental fleet of modern, high-quality, ultra-class and ancillary mining equipment. HSE is experienced working with a variety of mining methods and commodities. HSE is incorporated in Australia and its registered office is in Port Melbourne, Victoria and operations are predominantly located in Queensland. With operations located in Australia, HSE is fully compliant with Australian law, and with robust labour practices the risk of modern slavery in our operations is low.

HSE's mining fleet comprises approximately 170 items of large and ultra-class mining assets including excavators, dump trucks, dozers, graders and other ancillary mining equipment.

HSE employs approximately 630 full time and 2 part time employees and 110 sub-contractors.

Kalari is Australia's most innovative and prominent specialist bulk logistics provider to the mining and resources sector and other selected industries. Kalari offers customised, best-fit, contracted solutions for high-volume logistics challenges to many of Australia's leading corporations – with particular emphasis on safety, compliance assurance, people and leadership, operational excellence, customer engagement and sustainability. Kalari covers a vast geographical area servicing many mining and industrial sites across Australia. Similar to HSE, Kalari is compliant with Australian law, ensuring the risk of modern slavery risk within operations is low.

¹ Non trading entities

Kalari is incorporated in Australia and its registered office is in Port Melbourne, Victoria.

Kalari operates a modern fleet of 180 prime movers, 780 trailers and other vehicles including forklifts and front-end loaders.

Kalari employs approximately 370 full time, 4 part time and 39 casual employees and 15 sub-contractors.

HSE and Kalari engage with a network of subcontractors and suppliers that provide products and services, comprising large scale mining equipment including excavators, dump trucks, dozers, graders and other ancillary mining equipment, prime movers, various trailing and materials handling equipment, fuel, tyres, spare parts and consumables, maintenance services, cleaning services, property services, recruitment and training, travel and accommodation services, freight services, company uniforms and personal protective equipment, professional services including risk management, and IT software and hardware.

In analysing HSE and Kalari's supply chains, results demonstrated that the majority of our suppliers only operate within Australia and there are approximately 2,000 suppliers of goods and services within the first tier of suppliers during the reporting period. These suppliers are a mix of public and private companies, and sole-traders. Most suppliers are either Australian businesses or the Australian subsidiary of multi-national corporations. Kalari and HSE together had 3 overseas based suppliers. As our suppliers are primarily based in Australia, they are subject to the robust legislative framework of Australia that provides a distinctly low geographic risk of modern slavery occurring.

HSE and Kalari employees work in various disciplines, including Plant and Equipment Operations, Health and Safety, Technical Services, Information Technology, Training, Finance, Procurement, Human Resources, Engineering, Trades and Maintenance and Administration.

Mandatory Criteria 3: Modern Slavery Risks

Whilst recognising our statutory obligations under the Act to set out the steps HSE and Kalari are taking to reduce the risks of modern slavery and human trafficking taking place in our supply chains, we acknowledge that we do not control the conduct of individuals and organisations in our supply chains. However, as part of our risk-based approach to combating modern slavery, we are implementing measures to identify modern slavery risks within our suppliers and contractors.

One area of risk in the mining and resources sector is labour conditions. Labour conditions in the mining and resources sector may incur modern slavery risk through use of subcontractors and labour hire companies which may introduce potentially risky practices such as short term workers, outsourcing and fly-in-fly-out workers.

HSE and Kalari mitigates this risk in several ways, including by:

- ensuring all employment contracts comply with the National Employment Standards;
- engaging with independent auditors for compliance purposes to ensure that our personnel are paid fairly and equitably, and as such, consider the risk to our employees of modern slavery at HSE and Kalari to be extremely low.
- providing a safe environment for work, including training, and ensuring compliance by all personnel engaged with our business;
- operating in accordance with the Heavy Vehicle National Law (HVNL) and ensuring our staff, contractors and customers comply. The HVNL sets standards around fatigue management and heavy vehicle operations to promote the safety of all personnel engaged with our business and members of the public we interact with;
- having contracts with transport sub-contractors that pass on our expectations, safety requirements, and all other required standards, and then auditing those contractors as required; and
- providing access to company procedures for complaint handling, including a confidential Whistleblower procedure for any complaints that personnel do not wish to handle through the company's ordinary practices.

After performing research and analysis on several key suppliers we have found that a number of suppliers have produced modern slavery statements which are registered with the Department of Home Affairs. We have reviewed the actions these key suppliers are taking in their statements in ensuring that modern slavery is minimised in their supply chains and are satisfied that they are addressing the risks of modern slavery in their organisation and their supply chains.

Mandatory Criteria 4: Key Areas of Action to Assess and Address Modern Slavery Risks

HSE and Kalari have committed to only engaging suppliers and contractors that uphold the same principles as we do, and where necessary we will implement corrective measures for non-compliance or inaction in addressing issues on a case by case basis.

HSE and Kalari will continue to focus on maintaining long term relationships with trusted suppliers and contractors enabling conversations and partnerships, that ultimately reduce the risk of modern slavery within our direct supply chain.

HSE and Kalari have commenced a review of relevant policies to ensure that it is clear to employees and suppliers that we will not tolerate modern slavery and provides avenues for concerns to be raised. These policies include the Code of Conduct, Whistleblower Policy and our Employee Handbook which includes relevant information regarding remuneration, leave, health and safety standards, grievances, bullying and harassment, equal employment opportunities and company expectations and standards. These policies will provide an avenue for employees to disclose issues or grievances including those related to modern slavery so that they may be resolved fairly and equitably.

HSE and Kalari has taken steps to ensure that modern slavery is minimised in the supply chain and commits to:

- Training and education of our personnel, including our board of directors in relation to procurement processes to identify signs of modern slavery
- Work with contractors and suppliers who commit to working in an ethical and lawful manner
- Ensure that Contracts and Service Level Agreements incorporate expectations regarding modern slavery
- Inserting a Modern Slavery Clause into all new contracts
- Implementing a modern slavery questionnaire in our pre-qualification screening specifically for our contractors and suppliers
- Request Modern Slavery Statements or any other modern slavery related policy from all current suppliers

We will continue to value and observe all laws regarding corporate social responsibility, environmental and workplace safety protection and staff inclusion and diversity through shared company policies and processes and our training and communication methods. Our company's recruitment, diversity, remuneration and reward policies and procedures support our efforts to combat modern slavery by ensuring that our personnel are recruited fairly and equitably and in line with relevant industrial instruments and Equal Employment Opportunity legislation.

Mandatory Criteria 5: Effectiveness of Actions

HSE and Kalari is committed to ensuring the effectiveness of our actions through the following:

- Regular review of our processes by designated personnel
- Increased supplier and contractor engagement and monitoring with processes in place to document and quantify results for measurement and reporting purposes
- Continuation of internal audits on an annual basis to ensure that HSE and Kalari are compliant with the relevant industrial and health and safety laws within Australia

Mandatory Criteria 6: Consultation with reporting Entities

Consultation on modern slavery issues has occurred across HSE and Kalari with the Executive Team, Operations, Health and Safety, Human Resources and Procurement personnel.

HSE and Kalari undertook joint discussions and corresponded in response to requests for information and disclosed key information allowing for analysis of operations and supply chains across the two entities to create this joint modern slavery statement and ensure its application across HSE and Kalari.

Team members were consulted on HSE and Kalari's requirements under the legislation and the reporting requirements to the Australian Government.

COVID-19

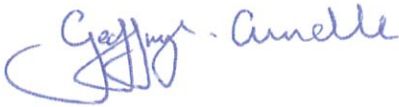
The added complexity of the impact of COVID-19 on the business has required a significant focus on the health and safety and continuity of employment of HSE and Kalari's workforce. HSE and Kalari resources focused on addressing the pandemic with subsequent health, safety and operational changes implemented to ensure the sustainability of our operations and ongoing equitable employment of our workforce.

Future Action

HSE and Kalari will continue to undertake analysis into operations and supply chains to ensure the mitigation of modern slavery risk. HSE and Kalari will refine our processes based on our assessments into the effectiveness of our actions to better counteract any risk of modern slavery within our operations and supply chain.

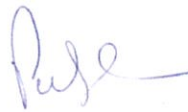
Approval

This statement for HSE and Kalari was approved by the Board of HSE Group Holdings Pty Ltd and Kalari Pty Ltd on 27th September 2021.



Geoffrey Cundle
Chairman / CEO

HSE Group Holdings Pty Ltd
Kalari Pty Ltd



Peter O'Shannessy
Managing Director

HSE Group Holdings Pty Ltd
Kalari Pty Ltd



Grant Robinson
Finance Director

HSE Group Holdings Pty Ltd
Kalari Pty Ltd