



**Newcastle Coal**  
INFRASTRUCTURE GROUP

# Modern Slavery Statement

Year ended 30 June 2020

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24 March 2021



# NCIG MODERN SLAVERY STATEMENT

## (for the year ended 30 June 2020)

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### INTRODUCTION

This is NCIG'S first Modern Slavery Statement, which responds to the requirements of the *Modern Slavery Act 2018* (Cth). It describes the risks of modern slavery in our operations and our supply chain, and the actions we have taken to address those risks. It also outlines our assessment, governance and risk management processes and sets out our action plan for the future. This Modern Slavery Statement covers reporting period for financial year ending 30 June 2020 (**Reporting Period**).

NCIG respects universal human rights and manages the risks of modern slavery in its own operations and in its supply chain. We work hard to provide a healthy, safe and sustainable workplace and will not tolerate any instances of modern slavery. We expect the same high standards from all of our contractors, suppliers and other business partners, and are committed to continuously improving transparency in our business, and to managing the risk of modern slavery in our supply chain.

### ABOUT US

#### Our structure

Newcastle Coal Infrastructure Group Pty Ltd (**NCIG**), which is a wholly owned subsidiary of NCIG Holdings Pty Ltd, owns and operates the Newcastle Coal export terminal. It is the sole business of NCIG.

NCIG Holdings Pty Ltd is a privately held corporation owned and governed by a shareholder group that is solely comprised of coal companies and exporters in the Hunter Valley Region, specifically including Hunter Valley Energy Coal, Yankuang Group Co (Yancoal), Whitehaven Coal, Banpu Public Company (Centennial), and Peabody Energy. All shareholders are affiliates of shippers, which have long term capacity contracts at the terminal for the majority of capacity at the terminal.

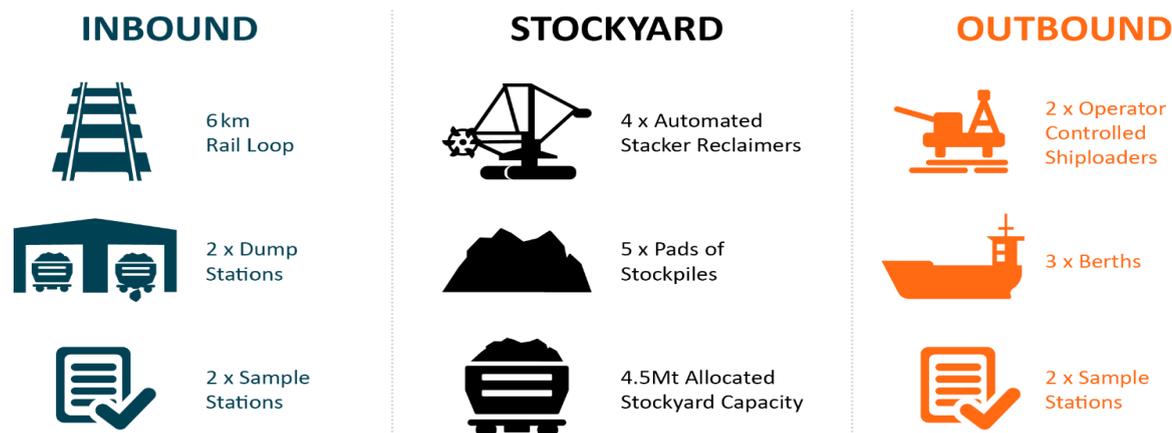
#### Our operations

NCIG has operated one of Australia's major coal export terminals on Kooragang Island within the Port of Newcastle since 2010. We have a lean and highly productive workforce of 105 employees, which is supplemented by contract labour to support our operations and maintenance activities. Of our 105 employees, NCIG's Technicians are covered by the Coal Export Terminal (CET) Operations Workplace Agreement. We also have approximately 100 contractors who support our maintenance and operations functions. NCIG is committed to and proud of providing conditions for employees that are largely above award conditions.

The terminal has an approved capacity of 79 million tonnes per annum (mtpa) and in FY20 we exported 54.5 million tonnes. NCIG is one of three coal export terminals in the Port of Newcastle, which in FY20 had a total throughput of approximately 160 mtpa, making it the largest coal export port in the world. Our service is flexible, agile and considerate of our customers' needs, and we work closely with producers to safely transport coal from rail to ship. As part of our approach to sustainably manage our business, we also promote and provide innovation, economic stimulus, ecological enhancement and community support.

The primary infrastructure at NCIG is located in three operational and geographical areas being:

- Inbound – consisting of 16 km of privately owned rail, two dump stations (coal unloading stations), an inbound sample plant and associated conveyor infrastructure;
- Stockyard – consisting of five 1 km long stockpads, four stacker reclaimers and associated conveyor infrastructure; and
- Outbound – three shipping berths, two shiploaders, an outbound sample plant and associated conveyor infrastructure.



NCIG’s coal export terminal is an integral part of Australia's coal supply chain generating strong economic benefits for the Hunter Region and for New South Wales. Our facilities operate 24/7 and include rail, coal storage, ship loading and associated infrastructure, ensuring reliability and continuity of coal supply from the Newcastle, Hunter Valley, Gloucester, Gunnedah and Western Coalfields to the world export market.

Further background information can be obtained on our website: <https://www.ncig.com.au>

### Our supply chain

We are a member of a global supply chain and acknowledge we are potentially exposed to modern slavery risks. We aim to source as much as possible from local businesses and make a substantial contribution to the local and regional economy through the procurement of goods and services. In FY20, NCIG spent more than \$41 million on goods and services in the Hunter Region and more than \$47 million in New South Wales.



## **IDENTIFYING THE RISKS OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAIN**

With a largely local and Australian supplier base, and a commitment to fair employment conditions for employees, NCIG's exposure to direct modern slavery risk is considered low. Our highest risk areas revolve around procurement and maintenance for our asset base, which includes heavy plant, rubber, IT equipment, cleaning services and PPE. These products are generally considered to be high-risk commodities or are manufactured offshore and in some instances from identified high risk countries.

## **MANAGING THE RISKS OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAINS**

NCIG is committed to acting ethically and with integrity in all of our business dealings and relationships. This includes implementing and enforcing effective systems and controls to ensure modern slavery is not taking place within our business and to taking appropriate steps to reduce and mitigate the impacts of modern slavery within our global supply chain.

### **Governance structure**

NCIG's governance structure includes a constituted Board of Directors from each of our shareholder companies, and an independent Chairperson. The Board is consulted on, and ratifies, strategic decisions by the business, including our vision, mission, values and risk management. Our risk to modern slavery is also overseen by the Board's Audit and Risk Committee.

The executive level of the business is accountable for implementing the strategic direction across the business via collaboration between Operations, Assets, Commercial, Health, Safety, Environment & Community (HSEC) and People & Culture functions.

### **Policies and procedures**

Our Whistle-blower Policy provides a facility and grievance mechanism for staff and external parties, including contractors and suppliers, to confidentially report any issues of concern to an external party.

Our Modern Slavery Policy, will mandate the expectations and behaviours of our employees and details the actions to be undertaken in the event of the identification of any instances, real or potential, of modern slavery within our business.

During the Reporting Period, NCIG's contracts were amended to incorporate Modern Slavery provisions. These provisions require all contractors and suppliers entering into new agreements with NCIG to warrant they have assessed their own business and supply chain for instances of modern slavery. They are required to provide information and notify us if they become aware of any exposure to modern slavery, and to work collaboratively with us to meet the contractual conditions of their agreement with us.

### **Due diligence and effectiveness**

During the Reporting Period, NCIG adopted a staged approach to the due diligence process, which will be our focus for future reporting periods. In particular, the updated contractual terms and progress towards a Modern Slavery Policy have addressed some of our key internal needs. Our due diligence and risk assessment process will be enhanced by our identification of:

- the mitigating actions our suppliers are taking to address real or potential modern slavery risks; and
- gaps in our risk assessment and supplier relationships that will require further investigation over the next reporting period.

## Commitment to continuous improvement

Our governance framework is supported by a guiding principle of continuous improvement. It is important that we continuously assess our business risks and opportunities beyond our day-to-day terminal operations.

### ACTIONS THIS YEAR (FY20)

We have taken several steps during the Reporting Period to deliver on our commitments and will continue to review and evolve our approach to assessing and managing the risks related to modern slavery in our operations and sphere of influence.

In this Reporting Period we incorporated modern slavery provisions into the terms and conditions of our supplier contracts. Through a process of internal consultation, we also developed a plan to better integrate modern slavery risk management strategies across our business.

We identified opportunities for deeper engagement with our supply chain, and a strategic approach to the risk review of suppliers. A continuous feature of our relationship with our key supplies is our quarterly review meeting, at which there is opportunity to further embed modern slavery management controls.

We also identified specific policy development opportunities. These actions are described below in Future Actions.

### FUTURE ACTIONS

NCIG is committed to continuous improvement and recognises that further work is required to mature and evolve the management of modern slavery risk within the business. Our commitment to this will be the following actions to be taken during the next reporting period:

- (a) **Operational risk management** - continue to monitor for modern slavery risks and exposure in our own operations and supply chain, enhanced by engagement with key internal stakeholders regarding particular risks and potential exposure;
- (b) **Supplier risk review**– collaboratively work with suppliers to identify their real or potential impacts of modern slavery and understand their mitigation practices through identification of high risk suppliers and a supplier modern slavery survey;
- (c) **Policy and governance development** - finalise our Modern Slavery Policy, introduce specific criteria into our Procurement Policies and templates and update our Whistle-blower Policy;
- (d) **Training** – provide training for employees and contractors, in particular for those involved in procurement and supply chain management; and
- (e) **Stakeholder consultation**– through our regular channels continue to engage with stakeholders with a view to seeking opportunities to collaborate.

### ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

We recognise the importance of regularly assessing the effectiveness of the actions we take to mitigate the risk of modern slavery occurring in our operations and supply chain.

The key way we are able to currently assess the effectiveness of our actions is through our grievance mechanisms. During the Reporting Period, we did not receive any reports regarding instances of modern slavery or other human rights abuses within our operations or supply chain.

Going forward, our identification and management of potential modern slavery risks in our supply chain and within our business will be through the modern slavery provisions being introduced into our supplier contracts together with the supplier risk review process being developed and enhanced by the implementation of our future actions.

**APPROVAL**

This Modern Slavery Statement was approved by the Board of Directors of NCIG on 24 March 2021.



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Signed (Director)

24/3/21  
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Name