

Modern Slavery Statement

Year ended 30 June 2024

4 DECEMBER 2024



DOCUMENT NO:	COMM.APRV.03.01
NEXT REVIEW DATE:	04-12-2025
REVIEW FREQUENCY:	1 years
DOCUMENT OWNER:	John Kite
DOCUMENT APPROVER:	Chief Executive Officer

NCIG MODERN SLAVERY STATEMENT

(for the year ended 30 June 2024)

INTRODUCTION

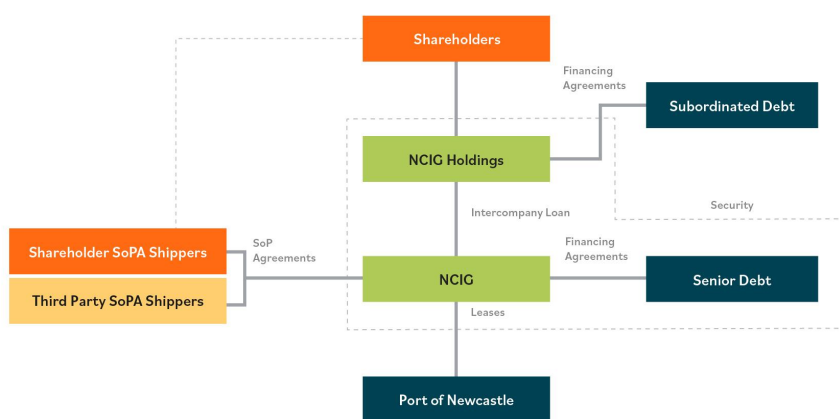
This is NCIG'S Modern Slavery Statement for the year 1 July 2023 to 30 June 2024 (Reporting Period), which responds to the requirements of the Modern Slavery Act 2018 (Cth). It describes the risks of Modern Slavery in our operations and our supply chain, and the actions we have taken to address those risks during this Reporting Period, based on the steps laid out in NCIG's last Modern Slavery Statement. It also provides details of our assessment, governance and risk management processes and sets out future identified actions. This Statement was approved by NCIG's Board of Directors on 4 December 2024.

ABOUT US

NCIG respects universal human rights and manages the risks of Modern Slavery in its own operations and in its supply chain where feasible. 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.

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 Infrastructure Group export terminal. It is the sole business of NCIG. NCIG does not own or control any other entities. The corporate structure of the NCIG group and its key contractual arrangements, including Ship or Pay Agreements (SoP), are depicted in the diagram below.



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

for the majority of our terminal's capacity. NCIG Holdings Pty Ltd is a holding company and does not conduct any operations.

OUR OPERATIONS



What we do

NCIG is an integral part of Australia's coal supply chain and generates 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 Newcastle, Lake Macquarie, the Hunter Valley, Gloucester, Gunnedah Basin and Western Coalfields to the world export market.

NCIG is one of three coal export terminals in the Port of Newcastle, the largest coal export port in the world based on throughput. Our export terminal has an approved capacity of 79 million tonnes per annum (Mtpa) and in FY24 we loaded 49 million tonnes (Mt) of coal.

Our export logistics service is flexible, agile and considerate of our customers' needs, and we work closely with them 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.

Our workforce

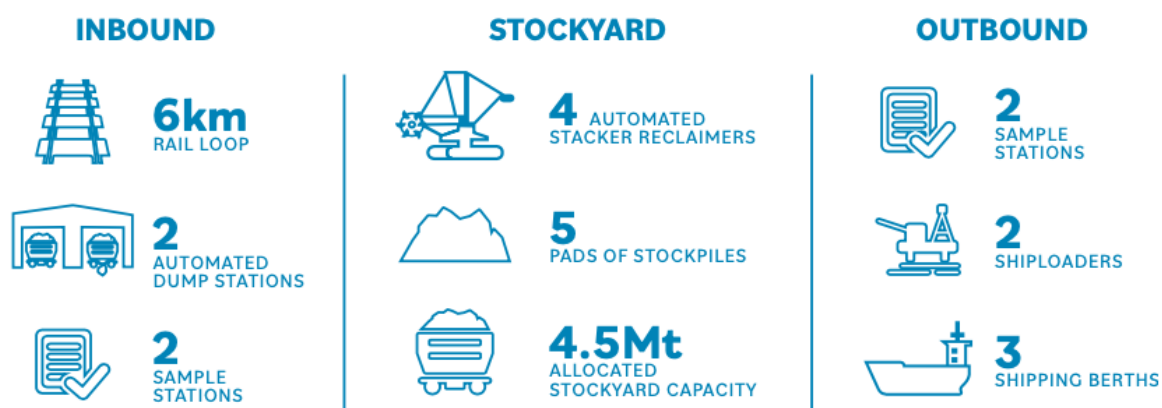
NCIG has operated one of Australia's major coal export terminals on Kooragang Island within the Port of Newcastle since 2010. We have a lean and highly productive workforce of 110 FTE employees (as at 30 June 2024). This is supplemented by contract labour to support our operations and maintenance activities. Of our employees, NCIG's Technicians are covered by the Coal Export Terminal (CET) Operations Workplace Agreement, which includes labour related standards as is approved by the Fair Work Commission.

The daily operation of NCIG relies on the critical role played by several key local contractors across maintenance, engineering, human resources and other specialist disciplines. Although we recognise that there are risks associated with contracted labour, NCIG sources from local and preferred contracting companies that undergo due diligence and regular audits.

Our infrastructure assets

Our primary infrastructure is located across three operational and geographical areas being:

- Inbound – privately owned rail track, comprising of two 6km loops and additional track, two automated dump stations (coal unloading stations), an inbound sample plant and associated conveyor infrastructure
- Stockyard – consisting of five 1km long stockpads, four stacker reclaimers and associated conveyor infrastructure
- Outbound – three shipping berths, two shiploaders, an outbound sample plant and associated conveyor infrastructure.



More information about what we do and how we work can be obtained on our website at www.ncig.com.au

OUR SUPPLY CHAIN



In FY24 our procurement expenditure on goods and services was \$45.9 million. We recognise that this represents opportunities for us to promote social and economic value creation, and to contribute to the potential for development of social and environmental innovation. We are a member of a global supply chain

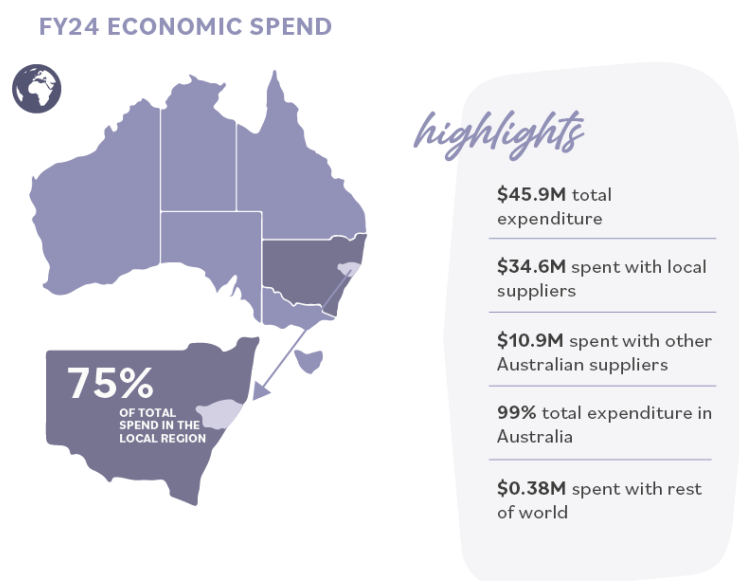
and acknowledge that we are potentially exposed to Modern Slavery risks. Our suppliers in high-risk industries include those in heavy plant, rubber, IT equipment, bulk materials and personal protective equipment (PPE).

Local supplier focus

As part of our sustainability strategy, we aim to source as much as possible from local businesses with many of our critical supply partners based in Newcastle and the broader Hunter Region. Our definition of local procurement is the purchase of goods and services from businesses that have a local office in the Local Government Areas of Newcastle, Port Stephens, Lake Macquarie, Maitland, Dungog, Muswellbrook, Upper Hunter, Singleton, Cessnock and Central Coast. Our pre-tender identification process considers local businesses favourably, and we give preference to local suppliers where feasible and within criteria boundaries. With a largely local and Australian supplier base (99.2% in FY24), and a commitment to fair employment conditions for employees, NCIG's exposure to direct Modern Slavery risk is considered to be low.

Through our focus on local procurement, in FY24 our total local spend was \$34.6 million, which is 75% of our total procurement expenditure. The total amount spent within the rest of Australia was \$10.9 million, bringing total spend in Australia to \$45.5 million (99.2%). Only 0.8% of procurement expenditure was spent with suppliers incorporated outside Australia, and according to the [Global Slavery Index](#), risk in the countries of spend is considered either low (United Kingdom, and United States), or moderate (China).

IDENTIFYING OUR MODERN SLAVERY RISKS



The above excludes major utilities (water, electricity) taxes, licences, fees, interest, and other government charges. Not included lease expenditure as part of the review on definitions for local expenditure.

NCIG is aware that exposure to Modern Slavery could exist in our Operations and Supply Chain. We take a targeted risk-based approach to identifying Modern Slavery risks and acknowledge that there are several types of risk to consider, including: products and services risk, sector and industry risk, geographic risk and supply chain model risk. We aim to identify our risks primarily through our policies and procedures, risk assessment and management, due diligence, sustainability strategy and training.

The vast majority of our supply chain is locally based and accordingly low risk. There is increased risk associated with international entities within the supply chain of our suppliers who may engage in Modern Slavery to minimise production costs. Our largest Modern Slavery risks relate to maintenance of our asset base, including supply of products such as heavy plant, IT equipment and rubber, where those products are manufactured

overseas. Other high-risk relates to the supply of personal protective equipment (PPE) in a competitive market. NCIG prioritises our Modern Slavery control efforts towards these risk areas.

In FY24, we completed the replacement of our financial management software that supports financial, warehousing and maintenance functions, with a more modern product. The objectives for the Finance and Maintenance System Replacement (“FMSR”) Project included delivering an integrated solution for NCIG’s finance and maintenance business systems, improving employee productivity (including reduction of manual processes and duplication), enabling on demand analytics, and meeting our cyber security standards. The new system also supports our procurement activities and improves opportunities to analyse procurement data. Work initially commenced on this project five years ago, with deep analysis of our needs, suitable options and consideration of future growth opportunities all taken into consideration. The project was successfully delivered, with a successful cross-over to the new system and negligible operational disruption. This new system will continue to evolve with the needs of the business and provide an improved user experience to staff members, customers and contractors alike.

The FMSR project has provided the opportunity for NCIG to advance its procurement reporting by enabling better classification of suppliers and their sectors, supporting more efficient classification of high-risk suppliers.

NCIG is cognisant of other risks that we may be exposed to with respect to our customers’ operations and being part of an international supply chain. We are committed to increasing our understanding of these risks over time.

In FY24, we did not become aware of any instances in our operations or supply chain that were in breach of our Modern Slavery policies or procedures.

MANAGING OUR MODERN SLAVERY RISKS

NCIG is committed to acting ethically and with integrity in all 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 representing 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 regarding 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 Business Planning, Operational Capability, Assets and Infrastructure, Commercial, Sustainability, Customer Assurance, and People & Culture teams.

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.

POLICIES AND PROCEDURES

Policies

NCIG’s Modern Slavery Policy defines Modern Slavery and the behaviours that could amount to Modern Slavery, and mandates employee and contractor behaviours and commitments with respect to the

management and mitigation of Modern Slavery, real or potential, across the organisation. Our Modern Slavery Policy, Whistle-blower Policy and Code of Conduct all provide support for our employees and contractors with respect to the identification of potential Modern Slavery risks across our business and supply chain. Our Code of Conduct and Whistle-blower policies also facilitate confidential reporting of any concerns that staff or external parties may have regarding Modern Slavery risks within our operation and across the supply chain.

Procurement procedures

Modern slavery criteria and requirements are incorporated in all procurement templates and conditions of tender. A detailed questionnaire (Tender Schedule 11) is required to be completed by respondents addressing how Modern Slavery is managed across their business. Respondents are also requested to provide supporting documentation regarding their Modern Slavery policies and procedures. This allows NCIG to assess their commitment to mitigating Modern Slavery and reducing NCIG's exposure to potential Modern Slavery risks before contracts and relationships with suppliers are formed. These conditions and requests for information have a two-fold effect, namely they:

- highlight to potential contractors NCIG's commitment to the management and mitigation of Modern Slavery within its business; and
- provide NCIG with the opportunity to review the commitment and maturity of potential contractors to the mitigation and management of Modern Slavery. NCIG's procurement process continues to require all tenderers to understand this commitment and to provide NCIG with relevant documentation and information through a detailed survey, to be submitted during procurement processes for NCIG's consideration and evaluation.

NCIG's standard supplier contracts and terms and conditions have provisions to address Modern Slavery, and all new contracts entered into with NCIG contain these provisions. The provisions highlight NCIG's commitment to mitigating Modern Slavery risks within our business and requires confirmation from respondents that these provisions are acknowledged and can be complied with.

Sustainable procurement target

NCIG's Sustainability Strategy describes our future direction and ambitions towards optimising sustainable operations. It demonstrates how we incorporate environmental, social and governance (ESG) considerations across our operations, and how we mitigate and manage our risks. As part of this strategy, we established a formal target to have at least 70% of total annual expenditure being spent locally. This contributes to our commitment and goal to support the prosperity of Newcastle and the Hunter Region and give preference to local businesses where feasible and within criteria boundaries.



RISK ASSESSMENT AND MANAGEMENT

Our risk management processes help us systematically identify and assess foreseeable risks, including those related to our operations, customers and supply chain. These processes include, but are not limited to our:

- Corporate Risk Assessment – a review process that includes external stakeholder interviews, and an externally facilitated annual assessment workshop that identifies material business risks and mitigation strategies. In FY24, this was presented to the Board Audit and Risk Committee for ongoing tolerance of material risk, together with consideration of associated Risk Control Action Plans.
- Broad-Brush Risk Assessment (BBRA) – facilitated by external consultants every three years and includes risk identification, descriptions, analysis, ratings and treatment plans. The most recent BBRA concluded in February 2022, and approved actions were identified and incorporated.
- Corporate Risk Register – prioritises our risks based on their risk profile and level of severity as identified during the enterprise-wide business risk assessment and is regularly reported to the Board.
- Risk control action plans – address key business risks, which are reported to the NCIG Audit and Risk Committee.
- Project Approval Management Plans – developed as part of our licence approval process, they describe our risk assessment procedures by topic and include risk management activities.
- Risk Assessment Training Module – a new risk assessment module is integrated into our internal training processes.

DUE DILIGENCE AND EFFECTIVENESS

Last year, NCIG adopted a staged approach to the due diligence process, which has continued to be a focus during this reporting period. In particular, the Modern Slavery Policy and updated procurement conditions address our key internal needs. Our due diligence and risk assessment process includes, but is not limited to:

- monitoring the mitigating actions our suppliers are taking to address actual or potential Modern Slavery risks; and
- identifying gaps in our risk assessment and supplier relationships that will require further investigation over the next reporting periods.

TRAINING

NCIG has provided high-level training for key management personnel on our Modern Slavery Policy and actions taken to date. NCIG is committed to providing relevant staff and contractors with training in recognition of potential risks, actions that should be taken when a risk (real or potential) is identified, and the expectations of our suppliers and contractors in managing and mitigating Modern Slavery risks.

STAKEHOLDER CONSULTATION AND ENGAGEMENT

NCIG is committed to consulting and engaging with our key stakeholders and to seeking opportunities to collaborate to manage Modern Slavery risks. We recognise that stakeholder consultation and engagement is an effective measure in the identification, management and mitigation of Modern Slavery. Our key stakeholders extend beyond our personnel, contractors and suppliers to customers, to include industry peers, the local community in which we operate and associated government entities.

We communicate with our key stakeholders, which allows us to develop trusting relationships through transparent reporting of performance and the sharing of information about our approach. One example is our Sustainability Report, in which we report our sustainability performance aligned to our Sustainability Strategy and in accordance with the Global Reporting Initiative Standards.

ACTIONS UNDERTAKEN IN FY24

NCIG recognises that managing and mitigating our Modern Slavery risks requires continuous effort. A number of actions were performed during the reporting period (FY24), including:

- **NCIG Modern Slavery Working Group** – An internal Modern Slavery Working Group was established in our business in the previous reporting period to help drive awareness of the risks of Modern Slavery within our business. Three meetings were held in FY24, developing and monitoring initiatives to prevent Modern Slavery risk and incidents.
- **Policies and procedures revised** – NCIG's Procurement Policy and Procurement Procedure were reviewed, updated, approved and published during the reporting period. These two documents include Modern Slavery considerations (Key Procurement Principles in Policy and Evaluation area for Procedure) and our Modern Slavery Policy is also now referenced in both documents. In FY24, we also reviewed our procurement strategy for major projects, aimed at improving decision-making for larger expenditures. Each project will now be tendered to a panel of suppliers and evaluated against established criteria, which provides the opportunity to review subcontracts and assess our risk related to modern slavery.
- **Due diligence** – In the previous reporting period, NCIG carried a Supplier Risk Review of all NCIG suppliers. A total of 192 suppliers were classified by risk level related to their product/service and their geographical location. Of the 16 high risk product/sector companies, the majority were Australian manufacturing businesses. This year, a Modern Slavery Questionnaire was issued to our 'Top 10' previously identified High Risk suppliers. The responses and further risks identified will form part of our FY25 focus.
- **Training** – Skills-based competency training for new hires on modern slavery risk identification was delivered in this reporting period. Awareness training information on Modern Slavery was also added to our sitewide induction training for new employees and contractors.
- **Stakeholder consultation** – NCIG has continued to engage with the Port of Newcastle Welfare Committee throughout FY24 reporting period. These meetings include discussions on the welfare of seafarers coming into Newcastle's port, regulatory developments and risk factors that require response.

ACTIONS IDENTIFIED FOR FY25

NCIG recognises that managing and mitigating our Modern Slavery risks requires continuous effort. Actions identified for FY25 include:

- **NCIG Modern Slavery Working Group** – Group to continue to drive internal awareness of the risks of Modern Slavery in our business and develop and monitor a program of initiatives to prevent and investigate Modern Slavery risk and incidents.
- **Policies and procedures** – Continue to embed the new procurement procedures within the everyday workings of employees to ensure that Modern Slavery risks are considered when engaging and onboarding of new suppliers. Continue to review any policies or procedures that are expiring within the reporting period.
- **Due diligence** – Continue to conduct supply chain due diligence analysis and engage with high-risk suppliers looking at product/service risk and geographic risk to better understand our vulnerability and exposure to these risks. Follow up on FY24 high-risk supplier survey responses.
- **Training** – Continue to engage with employees and contractors highlighting our expectations and their responsibilities in relation to modern slavery .
- **Stakeholder consultation** – Continue to actively engage with our customers, industry partners and the port operator to better understand how they are managing Modern Slavery risk and how we can assist and/or collaborate.

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

NCIG recognises 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.

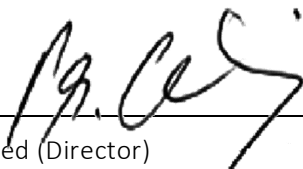
The primary ways we are able to assess the effectiveness of our actions are:

- a) Through our grievance mechanisms – we did not receive any reports regarding instances of Modern Slavery or other human rights abuses within our operations or supply chain during the Reporting Period.
- b) Risk identification process – our Corporate Risk Register prioritises risks, including Modern Slavery, based on their risk profile and level of severity as identified during our annual risk assessment. Supplier profiles will be enhanced to include additional risk categories (sector and country risk), which will further enhance our procurement due diligence processes.
- c) Commercial and procurement processes – our contractual terms are recognised and accepted by our suppliers and contractors.

NCIG will continue to look to ways to improve our assessments and review of the actions we are taking to adhere to our Modern Slavery commitments.

APPROVAL

This Modern Slavery Statement was approved by the Board of Directors of NCIG on 4 December 2024.



Signed (Director)

Phil Garling AM

Name



Newcastle Coal

INFRASTRUCTURE GROUP

COAL EXPORT TERMINAL
30 RAVEN STREET
KOORAGANG ISLAND NSW 2304

P 02 4920 3900

E enquiries@ncig.com.au

M Locked Bag 6003, Hunter Region Mail Centre NSW 2310

www.ncig.com.au