

## Modern Slavery Statement

Reporting period: 1 January 2022 to 31 December 2022

Reporting date: 30 June 2023

### The reporting entity

BUMA Australia Pty Ltd ABN 28 649 634 579 (BUMA) provides this statement as a 'reporting entity' under the *Modern Slavery Act 2018* (Cth) (the **Act**) for the period from 1 January 2022 to 31 December 2022 (**Reporting Period**). BUMA's head office is located at Level 11, 199 Grey Street, South Brisbane, Queensland and employs over 1500 staff across its business.

This statement outlines the progress during BUMA's first year of operation in addressing the requirements of the Act and describes our commitment to ensuring any modern slavery risks within the business and supply chains are assessed, monitored, evaluated, and remediated.

### BUMA's structure, operations and supply chains

#### Structure

BUMA is an Australian proprietary limited company and was established in 2021 to acquire the Open Cut Mining East business of Downer EDI Mining Pty Ltd (**Downer**). This acquisition included the transition of all people, mining services contracts, assets, systems, processes, policies and intellectual property from Downer to BUMA. BUMA is part of the Delta Dunia Group, and its holding company is PT Delta Dunia Makmur Tbk, which is listed on the Jakarta Stock Exchange.

#### BUMA's vision and values

BUMA's vision is to be a leading mining service provider contributing to future energy solutions. BUMA's values are:



## Operations

BUMA provides mining services at the Blackwater, Commodore, Meandu, Goonyella, Broadmeadow East and Burton open cut coal mines in Queensland. The operations provide employment to a workforce of approximately 1500 staff people across the five mine sites and head office, as well as providing provides local and domestic economic benefits.

### *Blackwater*

BMA's Blackwater Mine is one of the largest coal mines in Queensland with an open strike length of around 70km, and the capacity to produce approximately 15 million tonnes of coking and thermal coal per annum. BUMA has performed mining services at the Blackwater Mine since 2012, with the current prestrip mining services contract commencing in March 2022.

### *Commodore*

Since September 2001, BUMA has provided a total mine service at Commodore to deliver approximately 3.6 million tonnes of raw coal per year to the \$1.4 billion Millmerran Power Station. BUMA is responsible for operating and managing the mine, as well as providing mine planning and design expertise, drill and blast services, overburden stripping, coal mining and site rehabilitation.

### *Meandu*

BUMA provides a total mine service to Stanwell Corporation's Meandu Mine to deliver 6.5 million tonnes of product coal per year to the adjacent Tarong and Tarong North power stations. Responsible for the management and operation of the mine, BUMA's services include mine planning, drilling, blasting, overburden removal, coal mining, coal handling and processing plant, rehabilitation, civil works, and maintenance of mobile and fixed plant.

### *Goonyella*

BMA's Goonyella Riverside Mine has an open strike length of around 18 km, and the capacity to produce approximately 17 million tonnes of metallurgical coal. BUMA is contracted to provide labour, supervision, materials, transportation, maintenance, plant, and equipment to perform truck and excavator pre-strip and coal mining operations.

### *Broadmeadow East and Burton*

BUMA's scope of works at Broadmeadows East includes statutory management of the mining operations, clearing, grubbing and topsoil removal, drill and blast, load and haul of coal and waste, dump management and progressive rehabilitation works. In April 2022, BUMA was awarded a 3-year contract, with potential of one year extension, to produce 1.2Mt of ROM coal per annum. This is the first stage of the expanded Burton Complex.

### *Head office*

BUMA's head office in South Brisbane houses the corporate operations, including Plant Management, Health, Safety, Environment & Training, People & Culture, Legal, Procurement and Finance.

### Supply chain

BUMA's supply chain covers a broad range of goods and services, which includes heavy mining equipment and vehicles, consumables and parts, fuel, freight and shipping, equipment hire, spare parts, personal protective equipment, labour hire services, business services including information technology, legal services, cleaning and catering and office products and furniture.

BUMA sources goods and services from both Australia and internationally. During FY22, BUMA engaged with approximately 600 direct suppliers, with the top spend categories being Plant and Equipment (purchase, hire and maintenance), Labour Hire and Mining Consumables.

Over 99% of BUMA's suppliers are Australian based, with the remaining 1% in other countries, including New Zealand, United Kingdom, United States and Indonesia. Risks of modern slavery within supply chains is higher in Indonesia, while Australia, New Zealand, United Kingdom and United States pose lower risks of modern slavery.

## **Identification of risks of modern slavery practices in the operations and supply chains**

In its first year of operation, BUMA has devoted resources to identifying the material risks of slavery in its operations and supply chain.

### ***Modern slavery risks in operations***

BUMA's operations are located entirely in Queensland and its employees include engineers, operators and drivers, accountants, administrators, lawyers, environmental specialists, electricians, contract management specialists, human resources personnel and other professionals. BUMA considers there to be a minimal risk of modern slavery within its operations. In addition, internal policies and procedures, such as remuneration and recruitment policies, together with enterprise agreements and modern awards registered with the Fair Work Commission, further mitigate this risk.

BUMA acknowledges that as part of the mining industry, there may be broader human rights impacts within its operations, despite robust policies and protections to mitigate risk. Areas of vulnerability may include outsourced services such as cleaning and labour hire, particularly where migrant labour may be utilised. However, these services sectors are generally covered by collective bargaining agreements which set minimum wages and working conditions and are also regulated by Australian legislation.

BUMA does, and will continue from time to time, second engineers from its parent company in Indonesia. BUMA has strict guidelines in place to ensure that the Indonesian secondees are treated properly and consistently with engineers recruited in Australia. With the assistance of external legal counsel, engineers are employed via a Temporary Work (Short Stay Specialist) Subclass 400 visa, which are approved by the Department of Home Affairs.

Given the level of control BUMA has over its operations, managed through its internal policies and procedures, together with the location of its operations, BUMA believes that its material exposure to modern slavery is limited to its supply chain.

### ***Modern slavery risks in supply chain***

Australia is regarded as a low-risk country for modern slavery, ranking 25th out of the 28 countries in the Asia-Pacific region. Whilst the majority of BUMA's suppliers that transitioned from Downer were subject to Downer's policies, procedures and risk assessment processes in relation to modern slavery, BUMA has mechanisms in place to ensure that all suppliers engaged acknowledge, accept and follow BUMA's policies, procedures and risk assessment processes.

Supplies of goods and services for BUMA's operations are acquired from large Australian-based suppliers (most of whom are themselves subject to the Act) and a number of smaller suppliers. Many of BUMA's suppliers are local or domestic, operate in Australia only and are subject to Australian law. Some items which are used in the BUMA's operations are routinely imported from outside of Australia. The risks of slavery-like practices, while low in the immediate supply chain interface, may be present in layers further along the supply chain.



International suppliers account for less than 1% of BUMA's supply chain in value. Those international suppliers are based in the following countries:

Country	No. of suppliers	Category
New Zealand	1	Industrial mining components
United Kingdom	2	Professional and technical services
United States	1	Professional and technical services
Indonesia	2	Professional and technical services, industrial mining components

None of these countries are listed by the Global Slavery Index as having a high prevalence of modern slavery. BUMA therefore considers that modern slavery risks within its supply chain are low.

## Actions taken by BUMA to address these risks in the reporting period

Since commencing business, BUMA's modern slavery working group has prepared a roadmap to guide this task, to ensure implementation, training and monitoring of policies, procedures and standards across BUMA operations and supply chain. As set out above, the most immediate task for the working group was to research and record the material risk within BUMA operations and its supply chain. Those risks have now been mapped and are summarised above.

### *Policies and procedures*

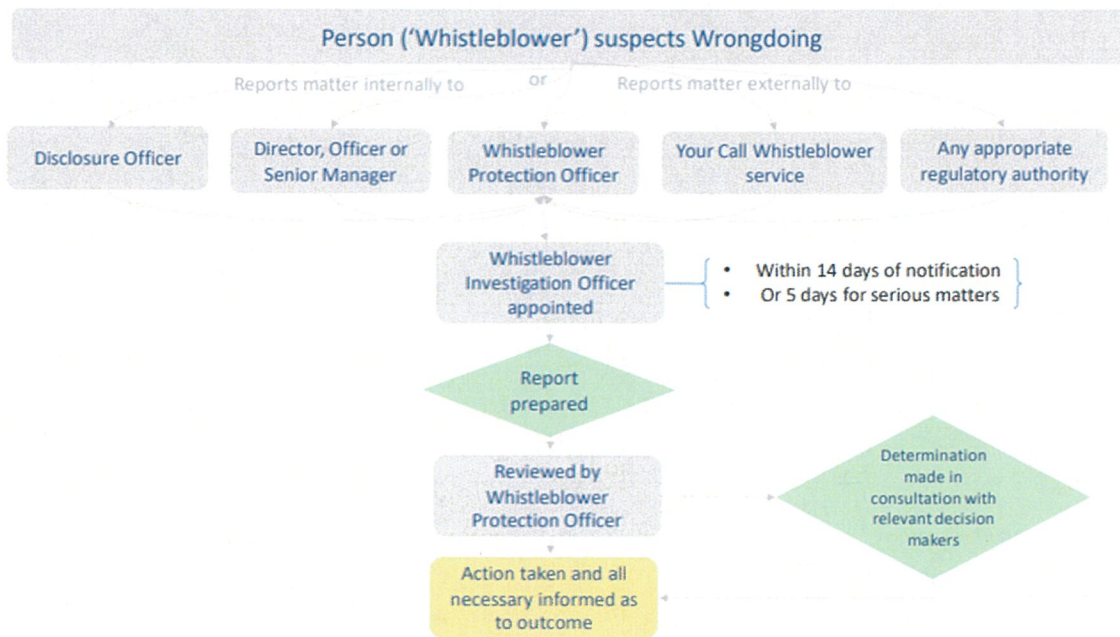
The BUMA Board of Directors has approved a suite of policies and procedures that underpin proper and fair treatment of its workers and suppliers. These include:

- **Code of Conduct** – describes how BUMA works and sets expected standards of behaviour consistent with its purpose and values of Safety, People, Integrity, Collaboration and Innovation. All employees are expected, at all times, to act consistently with the Code of Conduct.
- **Sustainable and Ethical Procurement Policy** – BUMA's commitment to upholding sustainability and human rights principles consistent with internationally recognised standards in all business activities, operate in an ethically, socially and environmentally responsible manner and deliver long term benefits for the business and stakeholders by managing ethical, social and environmental impacts whilst identifying opportunities through our value chain.
- **Speaking Up Policy and procedures** – BUMA's whistleblower policy, which applies to all employees, officers, contractors and their employees. Further details on the Speaking Up Policy are provided below.
- **Discrimination and Harassment Grievance Procedure** – Provides a confidential, effective, fair and accessible grievance process that is available to everyone who works for or with BUMA.
- **Anti-Bribery and Corruption Policy** – Sets out the responsibilities in relation to BUMA's prohibition of bribery and corruption of public officials, secret commissions, facilitation payments and kickbacks, as well as improper gifts and hospitality, providing information and guidance on how to recognise and deal with bribery and corruption issues and establish controls to ensure compliance to all applicable anti-bribery and corruption regulations.
- **Industrial Agreement Negotiations Standard** – Outlines the bargaining process when negotiating terms and conditions of agreements and the Industrial Agreement negotiation process associated with legislative requirements contained in the *Fair Work Act 2009* (Cth) (**Fair Work Act**).
- **Resourcing, Remuneration and Retention Policy** – Ensuring that BUMA's strategic employment branding, resourcing and business objectives are achieved through a fair, transparent and consistent process for attracting, resourcing, selecting and engaging, providing a fair remuneration that attracts and retains the right calibre of people to achieve our business strategy, ensure a level of equity and consistency and an appropriate level of transparency regarding how remuneration is managed and share business success by rewarding employees in a responsible way that supports and

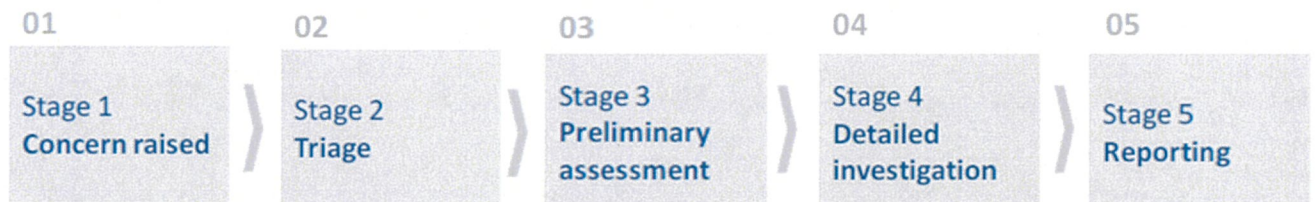
enhances the employee value proposition and motivates employees to perform in the best interests of the organisation.

## Whistleblower protections

The purpose of our Speaking Up Policy is to promote and support a culture of honest and ethical behaviour, good corporate governance and corporate and financial compliance. It encourages and provides protections for the reporting of reasonably held concerns of suspected or actual misconduct and has been implemented in conjunction with a reporting service managed by an external provider, Your Call, in order to preserve the anonymity of any potential whistleblowers. An employee, supplier or customer who wishes to complain about suspected unlawful conduct has access to the confidential reporting service. The following diagram provides an overview of how BUMA responds to a disclosure made under the Speaking Up Policy:



In addition, BUMA takes a 5-stage approach to managing disclosure and conducting investigations:



All whistleblower complaints are treated in the strictest confidence and are either investigated internally or via an external investigator appointed by BUMA. There have been no concerns raised or reported relating to modern slavery under the Speaking Up Policy during this reporting period.



## *Industrial instruments*

BUMA has negotiated Enterprise Agreements under the Fair Work Act, which cover the great majority of its employees on mine sites. The balance of its employees are engaged under common law employment contracts which are underpinned by State and Federal legislation.

## *Vendor management*

BUMA's supplier management system, Felix, requires each of its suppliers and contractors to complete an onboarding process. That process includes the requirement to upload information and supporting documentation regarding that supplier's business practices. Felix also contains information to make suppliers aware of their obligations regarding modern slavery, as well as eliciting information that BUMA uses to assess modern slavery risks. As part of the onboarding process, suppliers are required to read and acknowledge their acceptance of the BUMA Trading Terms, which incorporates a modern slavery clause.

In addition, various background searches are undertaken of supplier's during the onboarding process. The searches undertaken are dependent on the supplier's annual revenue. These steps are summarised in the table below:

Supplier revenue	Additional questions and background searches
Less than AUD\$5 million	Nil
More than AUD\$5 million, but less than AUD\$10 million	<ul style="list-style-type: none"> <li>• Corporate Social Responsibility questions:               <ul style="list-style-type: none"> <li>• Child and forced labour</li> <li>• Wages and remuneration</li> <li>• Working hours</li> <li>• Disciplinary practices and abuse</li> </ul> </li> <li>• Business Ethics questions:               <ul style="list-style-type: none"> <li>• Anti-bribery and fraud</li> <li>• Intellectual property</li> </ul> </li> </ul>
Over AUD\$10 million	As above, plus Dow Jones RiskCentre search (financial crime) Factiva search (global news monitoring / adverse media)

## *Supplier agreements*

All BUMA template agreements contain strict obligations to comply with a range of ethical legislation including the prohibition of unethical or unlawful conduct such as anti-bribery and corruption, modern slavery and illegal workers. The modern slavery clause provides that both BUMA and the supplier must:

- take all reasonable steps to ensure that it or any Secondary Subcontractor (as defined in the General Conditions) ensures that no modern slavery is present in their supply chains or any part of its business;
- warrant that no person involved has been convicted or investigated in relation to modern slavery;
- implement a system to assess, monitor, evaluate and remediate modern slavery;
- notify the other party as soon as it becomes aware of any actual or suspected modern slavery; and
- provide assistance to the other party in preparation of its modern slavery statement.

BUMA is committed to ensuring that no supplier edits or removes this clause from any supplier agreement during negotiations.

## Planned actions in 2023 and beyond

BUMA is undertaking significant development of its policies and procedures surrounding modern slavery. The following steps are planned to be undertaken during the FY23 reporting period and beyond:

### Phase 1: Establish

POLICIES	PROCESSES	PEOPLE	SUPPLIERS
<ul style="list-style-type: none"> <li>Develop a Modern Slavery Policy</li> </ul>	<ul style="list-style-type: none"> <li>Develop a 12-month action plan</li> <li>Update procurement systems and processes, where mechanisms for modern slavery are limited</li> <li>Develop modern slavery tool kit:                             <ul style="list-style-type: none"> <li>modern slavery clauses to all supplier agreement templates</li> <li>supplier self-assessment questionnaire template</li> <li>modern slavery risk assessment criteria</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Develop modern slavery e-learning</li> <li>Establish modern slavery working committee involving key stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Draft overarching business ethics clauses for inclusion in supplier agreements</li> </ul>

### Phase 2: Implementation

POLICIES	PROCESSES	PEOPLE	SUPPLIERS
<ul style="list-style-type: none"> <li>Publish Modern Slavery Policy</li> </ul>	<ul style="list-style-type: none"> <li>Embed modern slavery mechanisms in procurement processes</li> <li>Amend modern slavery clauses in standard agreements for new and renewal of existing supplier contracts</li> </ul>	<ul style="list-style-type: none"> <li>Promote and implement modern slavery e-learning</li> <li>Promote anonymous hotline for actual or perceived modern slavery violations</li> </ul>	<ul style="list-style-type: none"> <li>Promote modern slavery training for suppliers</li> <li>Promote anonymous hotline for actual or perceived modern slavery violations</li> </ul>

### Phase 2: Future State

POLICIES	PROCESSES	PEOPLE	SUPPLIERS
<ul style="list-style-type: none"> <li>Develop a continuous improvement guide for Suppliers</li> <li>Develop modern slavery procurement performance measures and compliance processes.</li> <li>Develop Risk Management Plan to address identified risks</li> <li>Develop a plan to implement improvements to the modern slavery framework in the next year</li> </ul>	<ul style="list-style-type: none"> <li>Continuous supply chain mapping</li> </ul>	<ul style="list-style-type: none"> <li>Conduct regional training for all staff</li> <li>Endorsement of risk management plan from ELT</li> </ul>	<ul style="list-style-type: none"> <li>Determine best strategy to develop partnerships with suppliers to promote best practices for modern slavery risk management</li> </ul>

## Actions taken by BUMA to assess effectiveness

As this Statement reflects BUMA's first year of operations, it outlines the steps that BUMA has taken to ensure modern slavery is not taking place across its operations or within its supply chains. BUMA will continuously improve its approach and management of modern slavery risks and report against the planned activities and metrics outlined above. This will assist in building a baseline on which to shape our future approach and help track our performance. In addition, a placeholder is contained within BUMA's internal audit program to ensure adequate controls are in place to prevent modern slavery.

## Consultation within BUMA

BUMA's corporate governance and risk management framework (which includes internal policies, standards, procedures, and tools through which modern slavery risks are assessed and managed) are overseen by the Executive Leadership Team and the Board and applied across BUMA. BUMA will also consult with its related companies, including its holding company, PT Delta Dunia Makmur Tbk.

This Statement has been prepared with input from, and in consultation with, BUMA's Executive Leadership Team, and representatives from Procurement, Purchasing, Risk Management and Legal.

## Statement of compliance

This statement was approved by the Executive Leadership Team, the Board and is signed by the Chief Executive Officer of BUMA.



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Colin Gilligan

Chief Executive Officer

19 June 2023