

# Modern Slavery Statement

Bis Industries Holdings Limited (ARBN 622 481 752) (**Bis Holdings**) recognises the importance of protecting human rights and opposes slavery in all its forms. The term modern slavery is used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. This statement is made in accordance with the Australian *Modern Slavery Act 2018* and applies to Bis Holdings' wholly owned subsidiaries including Bis Finance Pty Limited and Bis Industries Limited (**Bis**) who are also reporting entities and who have been consulted in preparing this statement.

## About Bis, its operations and supply chain

From its origins in 1915, Bis has grown into one of Australia's leading privately owned resources logistics companies. Bis is headquartered in Perth, Western Australia. Bis employs over 2000 people across 40 operations in Australia and Indonesia. Our business operations cover: on and off-road haulage; crushing, screening and processing; run-of-mine stockpile management; rail and ship loading; product handling and management; tailings storage and management; underground coal equipment hire, mining services and field and tyre services.

Bis has over 2,000 suppliers across a diverse range of products and services. Key products we procure include trucks, spare parts, diesel fuel, specialised mining equipment, IT equipment and personal protective equipment (**PPE**) for use in our operations. Our supply chain also includes services such as labour hire providers, diesel fitters and mechanics.

In the 2020 Financial Year, Bis established a modern slavery working group to raise awareness of the issue and to develop a plan to assess modern slavery risks in our business and supply chain.

## Risks of modern slavery practices in our operations and supply chain

Bis' operations in Australia are primarily at low risk of modern slavery due to the strong legal framework for employment, migration and occupational health and safety. Bis directly employs the majority of its workforce and only engages supplementary labour to assist in periods of peak demand or to cover short term vacancies which means that there is a low risk of employment standards not being met due to Bis' compliance with relevant employment laws and industrial instruments. The higher incidence of modern slavery in Indonesia<sup>1</sup> means that Bis' operations in Indonesia are potentially at an increased risk of modern slavery. However, similar to our Australian operations, Indonesia directly engages its own workforce and complies with all Industrial Laws and Manpower mandates. As a result, we are able to mitigate the risk of modern slavery occurring in our employment practices in our Indonesian operations.

<sup>1</sup>

	Australia*	Indonesia*
Estimated number of people living in modern slavery	15,000	1,220,000
Estimated proportion of population living in modern slavery	0.65/1000	4.73/1000
Vulnerability to modern slavery	4.27/100	50.45/100
Index Rating	163/167	74/167

\*2018 Global Slavery Index

The manufacture of rubber-based products (conveyers, tyres) and clothing particularly in South East Asia have been linked to modern slavery practices. Through its supply chain Bis may be linked to modern slavery because it regularly purchases these products.

### **Actions taken to assess and address risks of modern slavery during this reporting period**

#### Labour Hire

We regularly review our arrangements with labour hire providers and the rates of pay and benefits they are providing to their employees. To ensure that minimum standards are maintained, we confirm rates prior to each engagement and set expectations about ongoing compliance with the law and/or modern awards through our contracts with labour hire providers.

Bis employs its workforce directly in Indonesia and where labour is sourced through third parties such as cleaning and camp management, Bis' services contract provides that the service provider must pay in accordance with Manpower Regulations.

#### Supply Chain

We conducted a risk assessment of our direct (tier one) suppliers with the assistance of an external auditor.

The assessment identified:

- the broad operations and overall supply chain structure of our business at a thematic, overarching level; and
- the general sectors and industries, types of products and services, countries and entities that are involved in Bis' supply chains.

As 92% of Bis' tier one suppliers are based in Australia, the overall risk of modern slavery occurring in this category is low. Bis understands and recognises that although our tier one suppliers may be based in Australia, the source of some of their products are likely to be overseas.

In the future, Bis propose to undertake more detailed, specialist analysis of its Indonesian supply chains due to the higher prevalence of modern slavery within the country. Indonesia represents under 6% of the total expenditure within our supply chain.

Risks are likely higher at tier two (suppliers of Bis' direct suppliers), which we aim to consider and assess in the future with particular focus on: PPE and rubber products (conveyors, tyres) as these products have a higher risk of modern slavery occurring in their production.

### **Actions for Financial Year 2021**

In Financial Year 2021, Bis will continue to implement and develop its plan to assess modern slavery risks in our business and supply chain. While acknowledging that the effects of COVID-

19 create considerable uncertainty and unique difficulties in respect of global supply chains, Bis presently plans to undertake the following activities.

#### Procurement and Supply Chain

- Enhance due diligence to assess modern slavery risks on our suppliers
- Embed modern slavery standards into procurement decisions: include modern slavery standards in tender processes, purchase order terms and conditions and supply contracts
- Develop a plan to address tier two suppliers in the future

#### Governance

- Update Bis' ethical procurement policy to include modern slavery standards
- Update Bis' Code of Business Conduct to include our commitment to opposing modern slavery in all forms

#### People

- Raise awareness across the business of modern slavery risks and how to mitigate
- Enhance our due diligence of labour hire providers

#### **Assessing the effectiveness of our actions to address modern slavery risks**

Bis is continuing to collect information regarding the modern slavery risks in its operations and supply chains. In Financial Year 2021, Bis will assess the effectiveness of its actions by reviewing our commitments and progress in implementing across our business.

This statement was approved by the Board of Bis Industries Holdings Limited on 30 June 2020.



**Brad Rogers**

Chief Executive Officer  
Bis Industries Holdings Limited