



Australian Government
Coal Mining Industry
(Long Service Leave Funding) Corporation

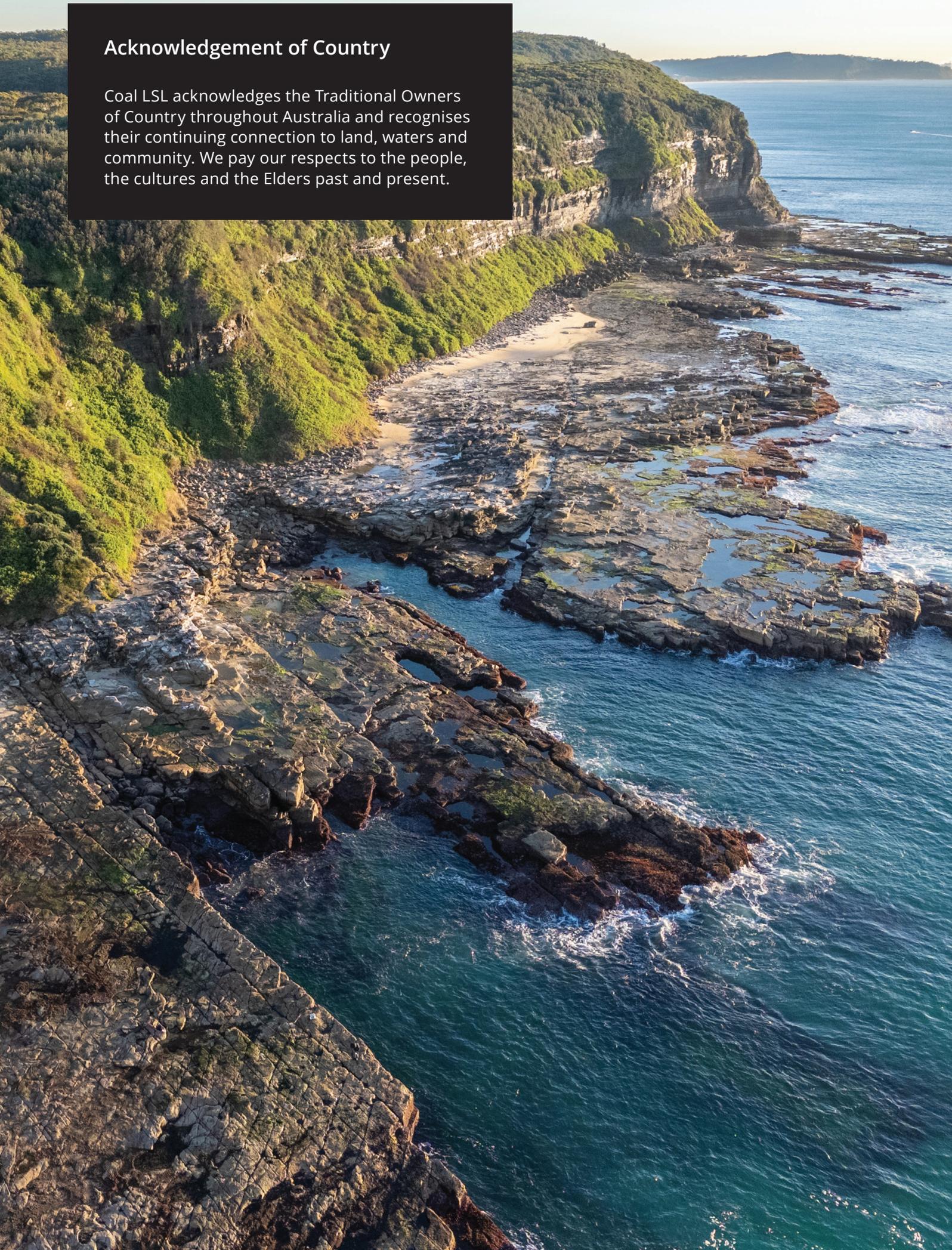


MODERN SLAVERY STATEMENT 2024-25

COALLSL

Acknowledgement of Country

Coal LSL acknowledges the Traditional Owners of Country throughout Australia and recognises their continuing connection to land, waters and community. We pay our respects to the people, the cultures and the Elders past and present.



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INTRODUCTION

This Modern Slavery Statement for Coal Mining Industry (Long Service Leave Funding) Corporation (Coal LSL) has been approved by the Board of Directors in accordance with the [Modern Slavery Act 2018](#) and relates to the financial year ending 30 June 2025.

The purpose of this statement is to outline Coal LSL's commitment and approach to identifying, assessing and mitigating the risks of modern slavery in its operations, supply chains, and investments as well as adopting a continuous improvement philosophy towards strengthening its risk and governance frameworks.



ABOUT US

ABOUT COAL LSL

Coal LSL is an Australian Government corporation established under the [Coal Mining Industry \(Long Service Leave\) Administration Act 1992 \(Admin Act\)](#).

Coal LSL's purpose is to ensure eligible employees are connected with their long service leave benefits by exercising the powers and functions of the governing legislation. In addition to the Admin Act, Coal LSL's governing legislation includes the [Coal Mining Industry \(Long Service Leave\) Payroll Levy Act 1992](#) and the [Coal Mining Industry \(Long Service Leave\) Payroll Levy Collection Act 1992](#).

As the custodian of the Coal Mining Industry Long Service Leave Scheme (the Scheme), Coal LSL performs 3 core functions:



Regulation



Administration



Investment
management



OUR PURPOSE

We ensure employees are connected with their long service leave benefits.



OUR VISION

We enhance our communities as a contemporary, sustainable long service leave scheme.

STRUCTURE

The principal governing body of Coal LSL is the Board of Directors, as established by the *Admin Act*. During the reporting period, Coal LSL's responsible Ministers were the Hon Tony Burke MP, Minister for Employment and Workplace Relations and Minister for the Arts (to 29th July 2024), Senator the Hon Murray Watt, Minister for Employment and Workplace Relations (29th July 2024 to 13th May 2025), as well as the Hon Amanda Rishworth MP, Minister for Employment and Workplace Relations (13th May 2025 onwards).

Coal LSL employs more than 250 staff and is based in Newcastle, NSW, Australia. Coal LSL does not own or control any related entities.



OPERATIONS, SUPPLY CHAINS AND INVESTMENTS



OPERATIONS

Coal LSL is the custodian of the portable long service leave scheme for eligible employees within the Australian black coal mining industry. It is our responsibility to ensure eligible employees can access their long service leave benefits and employers fulfil their legislative obligations. Part of doing this effectively is meeting community expectations of good regulatory practice and building trust with stakeholders.

Coal LSL's role is to:

- collect funds from employers by way of levy
- invest funds and ensure fund sufficiency to finance the cost of reimbursements of long service leave
- ensure accurate and compliant record keeping
- reimburse employers' authorised payments of long service leave
- enable recognition of long service leave entitlements for eligible employees.

For more information about Coal LSL's operations, please refer to the [2024-25 Annual Report](#) and [2025-26 Corporate Plan](#).

CORPORATE GOVERNANCE AND RISK MANAGEMENT PRACTICES

Sound governance practices, including policies, guidelines and controls support Coal LSL's business operations to enable ethical and risk-based decision-making, maintain sustainable supply chains that safeguard operations from the impacts of modern slavery and comply with legislative obligations.

Coal LSL's risk management framework is aligned with the Commonwealth Risk Management Policy and the ISO 31000:2018 Risk management - Guidelines, and consists of:

- Risk Management Policy
- Risk Management Guideline
- Governance, Risk Management, and Compliance (GRC) enterprise system
- strategic, operational and project risk registers
- Risk Appetite Statement
- training, risk assessment templates and other guidance material.

This framework empowers and supports staff to proactively identify, evaluate, manage and report on risks, including those related to modern slavery.



230

Suppliers during
the 2024-25
financial year



\$24.6m

Spent across all
suppliers during
2024-25



90%

of all suppliers
based in
Australia



60%

of all suppliers
have simple
supply chains

SUPPLY CHAINS

The main categories of goods and services procured by Coal LSL remain unchanged from our Modern Slavery Statement 2023-24, and include professional, financial, and other services. These can be further broken down as follows:

- Consultants
- Investment custodian
- Actuarial services
- Legal advisory
- Leased office premises
- Recruitment
- Technology (including hardware, software, and cloud services)
- Insurances.

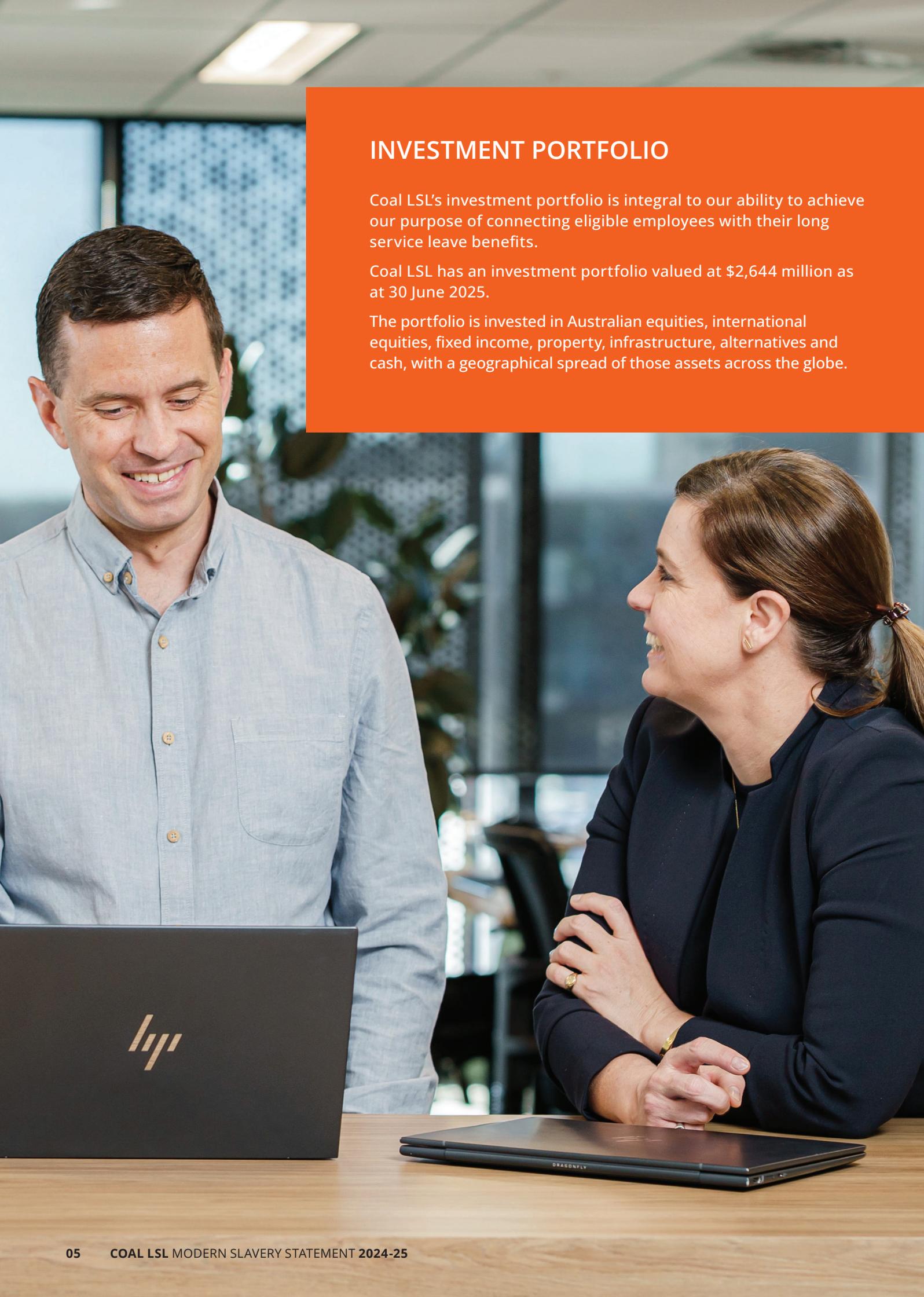
Coal LSL's procurement activities spanned approximately 230 suppliers during the 2024-25 financial year. These activities had a total purchase value of \$24.6 million, with approximately 85% of this amount spent with our top 30 suppliers.

In assessing our procurement activities, Coal LSL identifies the source country of the supplier and categorises its supply chain as follows:

- **Simple:** where the supply chain is highly transparent, short, or predominantly domestic, allowing for easier monitoring and control
- **Moderate:** where supply chains have less transparency, are reliant on high numbers of external workers, or involve domestic operations with outsourced labour
- **Complex:** multinational supply chains with limited visibility into lower-tier suppliers.

Of the top 30 suppliers:

- 97% are based in Australia, with the remaining 3% in the United States of America.
- 47% have been assessed to have a simple supply chain, 43% a moderate supply chain and 10% a complex supply chain.



INVESTMENT PORTFOLIO

Coal LSL's investment portfolio is integral to our ability to achieve our purpose of connecting eligible employees with their long service leave benefits.

Coal LSL has an investment portfolio valued at \$2,644 million as at 30 June 2025.

The portfolio is invested in Australian equities, international equities, fixed income, property, infrastructure, alternatives and cash, with a geographical spread of those assets across the globe.



PROGRESS ON OUR ACTIONS AND COMMITMENTS FOR FY2024-25

Coal LSL is committed to continuously improving how it identifies and reduces modern slavery risks.

Our efforts during the FY2024-25 reporting period included:

FY2024-25 Actions	Status
Incorporating the Commonwealth Supplier Code of Conduct into our procurement practices, reinforcing the behaviours expected of those doing business with Coal LSL.	Actioned, and remains ongoing into FY2025-26
Promoting the use of whole-of-government contracts where possible to ensure more comprehensive assessments of supplier compliance and minimisation of modern slavery risks.	Actioned, and remains ongoing into FY2025-26
Promptly and proactively implementing legislative requirements and changes to the National Employment Standards to support our staff.	Completed
Educating our workforce on the Right to Disconnect and remaining committed to flexible work practices.	Completed
Updating operational processes and policies to align with legislative requirements, staff expectations and labour market trends.	Actioned, and remains ongoing into FY2025-26
Continuing to evolve the due diligence of our investment managers to address modern slavery risks and Environmental, Social and Governance (ESG) related concerns.	Actioned, and remains ongoing into FY2025-26
Maintaining and uplifting the ESG and modern slavery focus within our internal investment team through attendance at specialised industry seminars and other education opportunities.	Completed





RISK ASSESSMENT IN OPERATIONS, SUPPLY CHAINS AND INVESTMENT PORTFOLIO

As the primary operations of the Scheme are conducted in an office-based environment located within Australia, Coal LSL considers there to be a low risk of modern slavery occurring directly within our operations.

Coal LSL acknowledges the risk of modern slavery that may be present within our supply chains, and our responsibility to minimise our role in supporting these practices.

Coal LSL's approach to risk management, and the methodology used to assess the modern slavery risk is based on the Australian Government's guidance, and draws upon information published in the Global Slavery Index 2023.

This methodology assesses the modern slavery risk of a supplier based on the following four factors:

- the industry in which the supplier operates
- the geographic location of the supplier
- the products/services being supplied
- the complexity of the supplier's supply chain model.

Coal LSL has categorised the modern slavery risk exposure into three areas: Operations, Supply Chains – Goods and Services, and our Investment Portfolio.



OPERATIONS

The risk of modern slavery practices within Coal LSL's direct operations has not materially shifted over the past financial reporting year and continues to be assessed as low, on the basis that:

- the vast majority of the workforce is employed under the *Australian Government Industry Award 2016*, and all staff are subject to the *Fair Work Act 2009* and National Employment Standards
- recruitment and employment screening practices are robust and include candidate background checks and leverage partnerships with carefully selected local recruitment agencies
- the workforce is entirely based within Australia, operating primarily from an office located in Newcastle, NSW

- the Code of Conduct outlines the standards of ethics and behaviour expected of all Coal LSL staff and encourages staff to maintain a culture where modern slavery related risks are identified and managed.

Coal LSL has not identified any modern slavery practices within the organisation during the reporting period.



100%

of our workforce is based within Australia



SUPPLY CHAINS – GOODS AND SERVICES

The due diligence undertaken for prospective and current Coal LSL suppliers includes consideration of their modern slavery risk, as governed by our Procurement Policy and associated guidelines. These due diligence activities support risk-based procurement decisions. We continue to review and refine our modern slavery assessment process.

In addition, Coal LSL's standard supplier contracts contain a modern slavery clause to establish clear expectations around the effective management of modern slavery risks.

PERCEIVED RISK OF MODERN SLAVERY WITHIN OUR SUPPLY CHAINS

For FY2024-25, we have again utilised risk-based assessment criteria to assess vulnerability to modern slavery within our supply chain.

The categories of goods and services procured during the reporting period are considered and evaluated to address susceptibility to modern slavery practices.

We continue to use corporate knowledge of supply chains and publicly available resources¹ on modern slavery to assess and rank Coal LSL's overall perceived risk of modern slavery within our supply chain. The outcome of this assessment confirmed that the overall perceived risk of modern slavery remains low within our supply chain, similar to that reported within the FY2023-24 statement.

Supply category	Perceived risk of modern slavery within supply chain
Technology (hardware)	High
Cleaning	High
Textiles and clothing	High
Technology (software, cloud services)	Medium
Professional services (consultancy and contracting services)	Low
Fund management	Low
Recruitment	Low
Catering services	Low
Furniture and fittings	Low
Real estate/premises	Low
Staff development/training	Low
Utilities	Low
Insurance	Low
Legal services	Low

There has been no shift in the modern slavery risk profile of Coal LSL's supply chains from that detailed in the Modern Slavery Statement 2023-24.

¹ Key resources utilised included:

- Walk Free, 2023, Global Slavery Index 2023
- KPMG, 2025, Modern slavery: Are you ready to take the next steps in modern slavery due diligence?
- ASCI, 2019, Modern Slavery Reporting – Guide for Investors

IDENTIFIED HIGHER RISK SUPPLY CHAINS

Multiple categories within our supply chain continue to present an inherently high exposure to modern slavery risks. In managing that exposure we have further assessed the extent to which Coal LSL procures those supplies.

Supply category	Risk factors
IT hardware [1.5% of total suppliers] [1.6% of total expenditure]	<p>The procurement of IT hardware presents a level of vulnerability to modern slavery due to the following:</p> <ul style="list-style-type: none">• Technology devices often rely on raw materials and minerals sourced from regions with poor labour practices, or conflict zones which have higher risks of forced labour.• A significant number of components are manufactured in countries with weak labour laws and enforcement, increasing the risk of exploitation.• Supply chains are often multi-tiered and intricate, obscuring visibility beyond Tier 1 or Tier 2 suppliers. As a result, it can be challenging to identify and address modern slavery practices.
Staff uniforms [0.5% of total suppliers] [0.5% of total expenditure]	<p>The textile and apparel supply chain are complex, and has an inherently high risk of modern slavery due to the following:</p> <ul style="list-style-type: none">• Raw materials such as cotton are often sourced from countries or geographies that are regarded as having a high modern slavery risk due to their weak labour regulations.• The demand for low-cost production of apparel drives a high risk of unethical labour practices, especially in developing countries.• Reliance upon manual labour, often undertaken by a vulnerable workforce.
Cleaning [0.5% of total suppliers] [0.3% of total expenditure]	<p>Cleaning services are considered a high-risk supply category for modern slavery due to the following:</p> <ul style="list-style-type: none">• The prevalence of subcontracting within the industry, coupled with the unskilled, manual labour utilised can increase the risk of unfair labour practices or exploitation.• Workers may often encounter dangerous and substandard working conditions.• A substantial proportion of employees within the cleaning industry are migrant workers who may not be aware of their rights under Australian law².

In managing these higher risk categories, Coal LSL will continue to engage organisations that have established modern slavery programs and reporting practises in place. Where possible and aligned to Coal LSL's operational requirements, we will leverage existing whole of Government agreements to further demonstrate an effective approach to managing modern slavery risks.

² Cleaning Contractors: Modern Slavery Guidance, Cleaning Accountability Framework, 2020



INVESTMENT PORTFOLIO

Coal LSL invests across a number of asset classes, sectors and geographies by leveraging the specialised expertise of external investment managers. Despite the diversity of our portfolio, Coal LSL remain alert to the inherent modern slavery risk.

The internal investment team, led by the Chief Investment Officer, manage the Coal LSL portfolio in accordance with the investment strategy as approved by the Board of Directors.

As Coal LSL invests in pooled investment trusts, we acknowledge that understanding the portfolio's exposure to modern slavery practices and the impact on underlying investments presents a significant challenge. Nonetheless we believe that investment managers are an important source of knowledge due to the selection processes they undertake to determine the underlying investments to include. The investment team meets regularly with all external investment managers to review the portfolio's performance and consider existing and emerging risks, including exposures to modern slavery.

The investment managers engaged by Coal LSL adopt the Principles for Responsible Investment (PRI)³ and are committed to upholding these principles.

ESG considerations form an important part of the selection and ongoing monitoring of our investment managers and advisers.



³ The PRI is an UN-supported organisation that assesses the eligibility of institutional investors who apply to become signatories. There are 6 Principles that represent a commitment to incorporating ESG issues into investment practice.



FUTURE INITIATIVES

Our approach to identifying and managing modern slavery risks continues to evolve, with Coal LSL committed to implementing additional initiatives to reduce our exposure. Our future initiatives over FY2025-26 will include the following:

- refresh of our modern slavery approach with a focus on supplier category risk levels
- perform desktop risk based assessments conducted for Tier 1⁴ suppliers
- commence a process of analysis with key Tier 1 suppliers to further understand their Tier 2⁵ supply chain and in particular, their ongoing approach to modern slavery compliance
- revision and updating of modern slavery clauses in our standard Master Service Agreement template
- further enhancing our due diligence to facilitate additional data for contract management
- the Investment team will continue to understand the improvements our investment managers make to their processes to identify, remediate, reduce and eliminate modern slavery from their supply chains.
- continue to educate our staff on modern slavery identification and mitigation practises.

⁴Tier 1 suppliers are defined as those directly engaged by Coal LSL.

⁵Tier 2 suppliers are those providing materials, components, or services to a Tier 1 supplier.





ASSESSING THE EFFECTIVENESS OF OUR ACTIONS



As our operating environment evolves, the continued strengthening of Coal LSL's governance and risk management practices is important.

Coal LSL assesses the effectiveness of our actions through our governance and risk management frameworks. This ensures appropriate monitoring of mitigations against modern slavery risks in our operations, supply chain and investments.

Our focus on continuous improvement drives the ongoing assessment of modern slavery risks within the operating environment, while maintaining a commitment to implementing and enhancing internal controls.

Coal LSL's risk-based approach to identifying and managing modern slavery risks will continue to be embedded within operational objectives and priorities over the 2025-26 financial year.

APPROVAL AND SIGNATURE BY A RESPONSIBLE MEMBER

This statement was approved on 5 December 2025 by the Board of Directors of Coal Mining Industry (Long Service Leave Funding) Corporation in its capacity as principal governing body.

This statement is signed by Christina Langby in her role as the Chair of the Board of Directors of Coal Mining Industry (Long Service Leave Funding) Corporation on 5 December 2025.



A handwritten signature in black ink that reads "C Langby".

Christina Langby

Chair of the Board of Directors

Coal Mining Industry (Long Service Leave Funding) Corporation

MODERN SLAVERY ACT 2018 (CTH) REPORTING CRITERIA

Reporting requirement under the <i>Modern Slavery Act 2018 (Cth)</i>	Page/s
Section 16(1)(a) <i>Identify the reporting entity</i>	2
Section 16(1)(b) <i>Describe its structure, operations and supply chains</i>	2
Section 16(1)(c) <i>Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls</i>	3-4, 7-10
Section 16(1)(d) <i>Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes</i>	7-10, 12-13
Section 16(1)(e) <i>Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks</i>	13
Section 16(1)(f) <i>Describe the process of consultation with any entities the reporting entity owns or controls</i>	3
Section 16(1)(g) <i>Include any other information that the reporting entity considers relevant</i>	13

COALLSL



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