Together, we're focussed.

YANCOAL
兖煤澳大利亚有限公司

Celebrating 20 years in Australia

P4 Sustainability Report 2023

32.4690° S 151.0785° E

ASHTON, HUNTER VALLEY, NSW

Reaching new horizons

At Yancoal, sustainability is about understanding and addressing our social and environmental responsibilities, while maintaining a focus on profitable mining and generating shareholder value.

We remain committed to sharing the progress of our ESG performance for the benefit of our stakeholders as part of this year's annual sustainability report.

About this report

The Sustainability Report for the period from 1 January 2023 to 31 December 2023 (the 'reporting period') encompasses Yancoal's owned and operated assets, in addition to operations managed by Yancoal on behalf of its majority shareholder, Yankuang Energy Group, all entities over which Yancoal exercises operational control.

The report excludes entities where Yancoal does not have operational control, such as some joint venture operations and our shareholdings in three Australian coal export terminals.

The report marks proactive steps toward alignment with the draft Australian Sustainability Reporting Standards (ASRS) and demonstrates our commitment to a range of the climate-related disclosures proposed by The Stock Exchange of Hong Kong Limited (HKSE) under its revised Environmental, Social and Governance framework.

Yancoal notes the Consultation Draft release by the Australian Securities Exchange (ASX) Corporate Governance Council on 27 February 2024 that describes recommendations to update disclosure expectations.

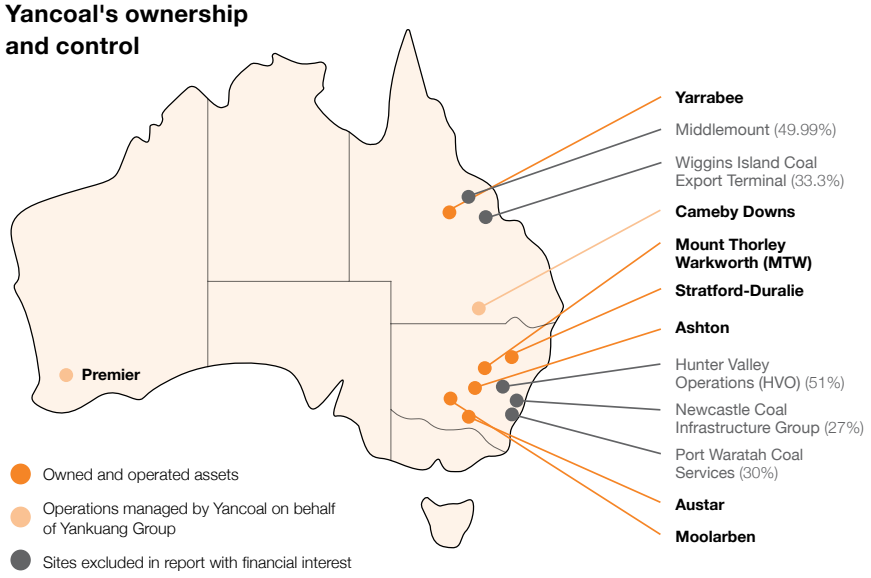
As the final version of the fifth edition of the Corporate Principles and Recommendations becomes formalised, Yancoal currently follows the recommendations in the fourth edition of the ASX Corporate Principles and Recommendations and plans to address any revised disclosure requirements in future sustainability reports. An overview of the reporting standards is included in Appendix D.

This year's report will maintain alignment with our regulatory and exchange obligations but also commence the preliminary application of those proposed disclosure requirements outlined in the Australian Government's Treasury Climate-related financial disclosure exposure draft legislation and the associated industry standards.

Disclosure content indexes for each respective standard and exchange have been included in Appendix A of this report.

Presently, our reporting of Greenhouse Gas (GHG) Emissions and National Pollutant Inventory (NPI) data follows a 01 July to 30 June period in accordance with Australian regulatory requirements. As we align our reporting with the Australian Sustainability Reporting Standards (ASRS), future sustainability reports will move towards presenting data sets in line with Yancoal's financial year reporting period (01 January to 31 December) while also maintaining compliance with the existing reporting cycle under the National Greenhouse and Energy Reporting Act 2007 (Cth) (NGER Act) administered by the Clean Energy Regulator.

Yancoal's ownership and control



1. The industry standards are currently included in the IFRS Sustainability disclosure standards and are based upon the Sustainability Accounting Standards Board sector standards. The ASRS has not yet formally adopted these industry standards, however the HKEX refers to these industry standards in its consultation paper.

We acknowledge and pay our respects to the Traditional Owners of the land on which Yancoal operates and conducts business. In the spirit of respect and reconciliation, we will continue to support initiatives that strengthen cultural ways of life.

Our focus will be on integrating sustainable practices into our business model and continuing our drive towards operational excellence.

Message from our Chairman and CEO

It is with great pride that we present Yancoal's Sustainability Report for 2023. As we navigate a world increasingly focused on sustainable practices, we are working to integrate sustainability principles across our operations.

The transitional nature of this report represents a bridge between our previous Environment Social Governance (ESG) reporting framework and progression towards an overarching sustainability framework. This report reflects not only our commitment to environmental stewardship, social contribution and robust governance processes, but also Yancoal's resolve to shift towards a future in which sustainability values are reflected in all areas of the business.

Yancoal has developed a sustainability framework to meet increasing reporting requirements that will be associated with future disclosure requirements across a range of issues: we are seeking to introduce sustainability as an important part of our business strategy and operations.

This year we also formalised our Yancoal P4 Change 4 Tomorrow Sustainability Strategy and moved towards aligning our corporate sustainability reporting with the latest sustainability and climate-related disclosure standards. While we acknowledge that adapting to evolving sustainability standards is an organisational challenge, Yancoal is revising our policies and practices to align with the latest environmental regulations and social expectations. We are facing these challenges head-on, and view these as opportunities to innovate, and to improve our processes and performance.

In 2023, we continued to pursue responsible mining practices and planning, with a particular emphasis on environmental protection (including our ability to abate and reduce greenhouse gas emissions) and community engagement. Our approach is to go beyond what merely represents compliance; we want to create long-term value for all our stakeholders. For example, we have continued to explore investment in technologies that will improve our efficiencies and minimise our impacts, and our teams have worked to ensure that our operations meet high standards of ethical conduct: this report outlines and details our actions and ongoing efforts in this regard.

Looking ahead, we are excited about the possibilities before us. Our focus will be on integrating sustainable practices into our business model and continuing our drive towards operational excellence. We are preparing to set sustainability goals and targets, to maintain a culture of improvement, and to ensure transparency in our sustainability reporting. In addition, Yancoal is also focused on building a robust and resilient business for the future, through the consideration of strategies that could potentially diversify the business into commodities beyond coal, as well as alternative energy opportunities.

In conclusion, our sustainability journey is ongoing and evolving, and we thank our stakeholders for their continued support and trust. Together, we are seeking a sustainable future for Yancoal, and we look forward to continuing this journey with you.

2023 Snapshot

P4

"CHANGE 4 TOMORROW" SUSTAINABILITY STRATEGY
is developed and approved

6

IMMEDIATE AND EMERGING PRIORITIES
identified for a sustainable business

$7

BILLION
overall economic contribution

$1.67

MILLION
invested through our Community Support Program (CSP) with over 157 recipients (14% increase from 2022)

42%

INCREASE IN TOTAL PAYMENTS TO LOCAL SUPPLIERS
from the previous year

9

KEY EXPORT DESTINATIONS IN 2023

9,298

ML RECYCLED WATER USED ACROSS OUR OPERATIONS
an increase of 386ML from 2022

13% **INCREASE IN WASTE DIVERTED FROM LANDFILL**

24% **OF LAND MANAGED FOR BIODIVERSITY OFFSETS[2]**

183 **HA OF LAND REHABILITATED**
increased 93% in 2023

10% **REDUCTION IN SCOPE 1 AND SCOPE 2 EMISSIONS**
from 2022

0.051 **TCO_2E/ROM TONNE EMISSIONS INTENSITY RATE**
consistent with 2022

24% **REDUCTION IN WORK-RELATED INJURIES**
as recorded

15% **WOMEN IN OUR WORKFORCE**

2. Land allocated for biodiversity offsets is generally based on legislative obligations.

Who we are

Our vision is to build a world class mining enterprise providing resources that benefit modern society.

Yancoal strives to safely produce a reliable energy source that powers communities around the world. We value the contributions of our employees, contractors and embrace close relationships with our local communities, customers and suppliers.

Our Values

At Yancoal, our core values are encapsulated in "The Yancoal Way" – People, Safety, Innovation, Excellence, and Integrity. These values guide our decisions and form the foundation of all our actions.

Our Operations

Yancoal is a leading Australian coal producer and exporter providing high quality coal to the global seaborne market. We produce a mix of premium thermal, semi-soft coking, and pulverised coal for injection.

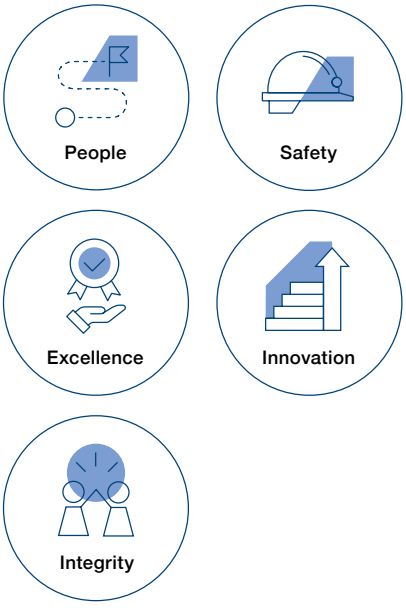
Our existing Australian assets will remain core to our business, and we believe demand for our high-quality coal will underpin the business for the duration of our mines' operational lives. We are dedicated to operating safely and responsibly for the lasting benefit of our stakeholders and to support the global movement towards alternative energy solutions.

In supporting the shift towards cleaner energy, we are exploring opportunities to diversify into other minerals and alternative energy.

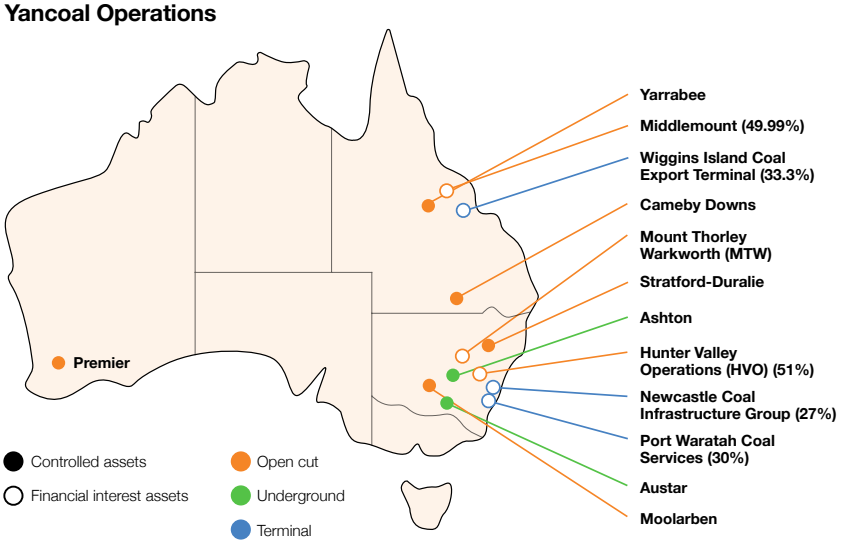
We are committed to the coal industry (as a required and reliable energy source) for the foreseeable future and to operating responsibly for the ongoing benefit of our stakeholders.

In 2023, we exported Australian coal to 14 markets, with our major customers located across the Asian region. Every year, our thermal coal provides power to millions of households in the Asian region, and our metallurgical coal assists in the production of steel. In 2023 our mines produced 31.8Mt of thermal coal and 4.4Mt of metallurgical coal[3].

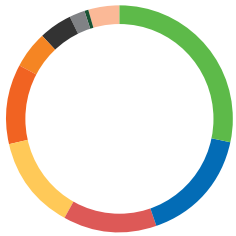
The Yancoal Way



Yancoal Operations



2023 External sales volumes by destination[4]

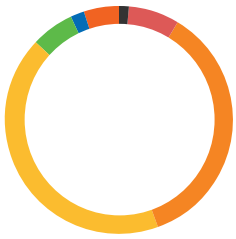


China – 28.5%
Vietnam – 5.3%
South Korea – 16.3%
India – 4.8%
Japan – 13.4%
Australia – 2.3%
Taiwan – 13.4%
Europe – 0.6%
Thailand – 11.2%
Balance – 4.2%

SITE[5]	2023 (MT)	2022 (MT)	CHANGE
ROM PRODUCTION			
Ashton	0.7	2.1	-67%
Cameby Downs	3.5	3.0	+17%
MTW	17.2	12.4	+39%
Moolarben	20.4	16.9	+21%
Premier	2.9	2.7	+7%
Stratford	0.9	1.0	-10%
Yarrabee	2.4	2.6	-8%
Total 100% Basis	**48.0**	**40.7**	**+15%**
SALEABLE PRODUCTION			
Ashton	0.4	0.9	-56%
Cameby Downs	2.5	2.1	+19%
MTW	11.3	8.1	+40%
Moolarben	16.7	14.9	+12%
Premier	3.0	2.8	+7%
Stratford	0.6	0.7	-14%
Yarrabee	1.9	2.1	-10%
Total 100% Basis	**36.4**	**31.6**	**+13%**

ROM production across mine sites[5]

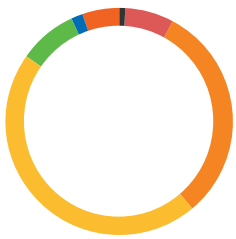
million tonnes



Ashton – 0.7
Premier – 2.9
Cameby Downs – 3.5
Stratford – 0.9
MTW – 17.2
Yarrabee – 2.4
Moolarben – 20.4

Saleable production across mine sites[5,6]

million tonnes



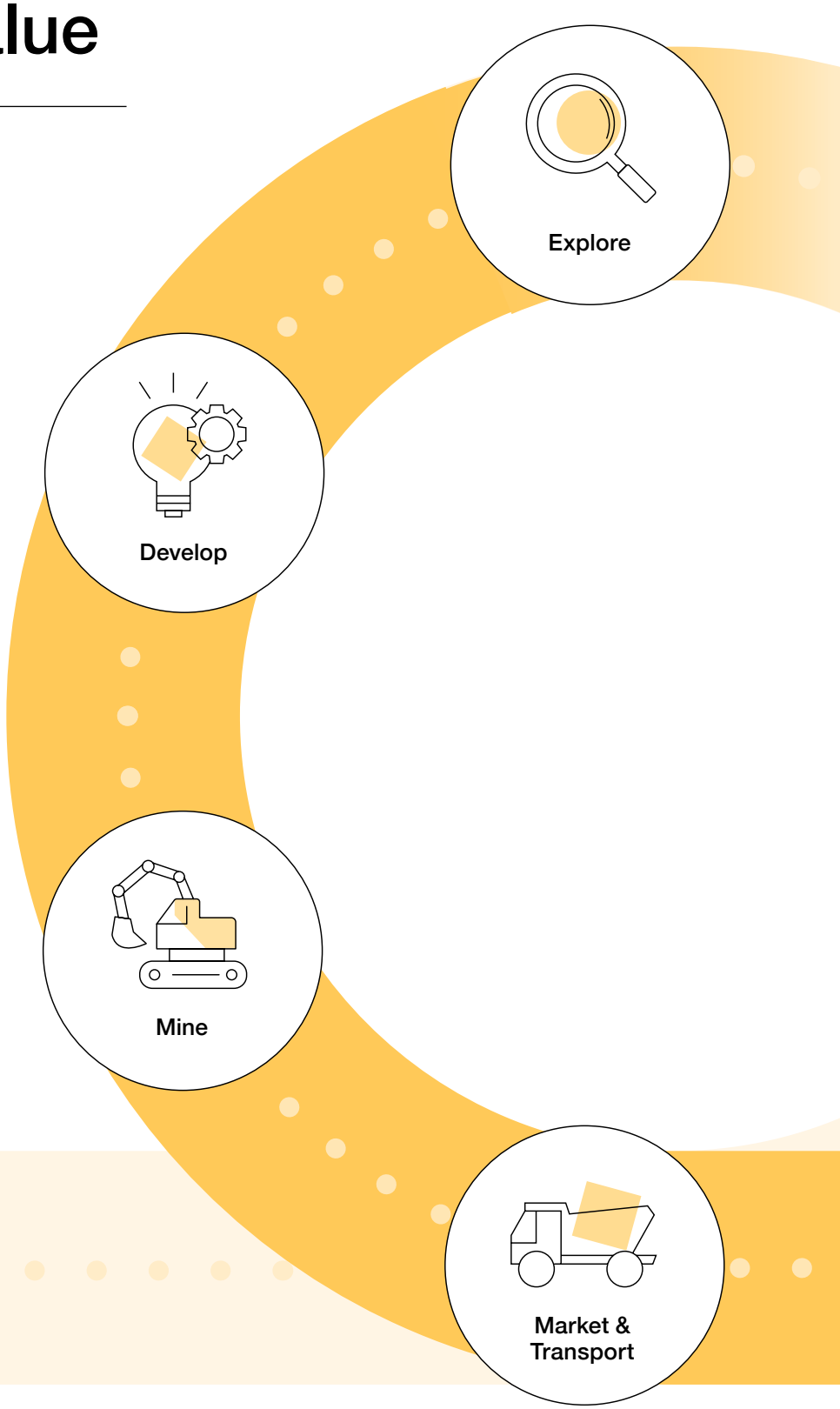
Ashton – 0.4
Premier – 3.0
Cameby Downs – 2.5
Stratford – 0.6
MTW – 11.3
Yarrabee – 1.9
Moolarben – 16.7

3. Excludes Middlemount and HVO.
4. Final destination is an internal assessment determined by Yancoal (on a 100% basis, excludes HVO, Middlemount and the managed Cameby Downs and Premier mines).
5. MT is million tonnes.
6. 100% basis.

Creating Long-term Value

Our value chain transcends through the exploration, development, operation, and closure of our assets including how we market our coal products, how these are consumed and how we rehabilitate and manage mine closure.

To understand the depth of sustainability-related core topics that are relevant and material to our organisation, in 2023 we commenced a process to consider how our value chain interacts with the natural environment, society, the economy and our stakeholders. Through understanding the dependencies and impacts associated with our resources and relationships we can better identify sustainability-related risks and opportunities.



7. Net As Received (NAR).
8. Yancoal export thermal quality range.
9. Key suppliers are those which have a materially higher spend, risk and/or criticality to the operations of the business.

Natural Environment

At Yancoal, we actively engage with the complexities of our operations and their impact on the natural environment, embracing a robust approach to environmental stewardship.

Our endeavours to oversee and mitigate our interactions span the entire lifecycle of our operations, commencing with the exploration of geological formations and continuing through active operations and through rehabilitation and closure.

35,737ML
Water consumed

3.63M MWh
Energy consumed

633km^2
Land area for operations

150km^2
Protected areas

Society

Open communication, relationship-building and commitment to transparency are foundational principles guiding our interactions with our local communities and the broader social landscape.

Building trust is paramount. We seek to achieve this through responsible environmental stewardship, adherence to safety standards, and mitigating social impacts.

$1.67M
Community investment

157
Recipients

Economy

We play an active role in enhancing Australia's economic well-being by attracting foreign direct investment and generating foreign exchange earnings through our exports. Our operations foster job creation, stimulate economic activity, and bolster local businesses through our procurement practices.

Additionally, we make substantial contributions to government revenues through taxes and royalty payments.

Outside of Australia we also play a role in economies. While many economies are diversifying their energy mix, high-grade coal remains a vital component for energy security and development during this period. Helping meet immediate energy needs while new technologies are developed and deployed.

$7.0B
Direct economic contribution

$14.6B
Direct and indirect economic contribution

5000-6500kcal /kg NAR[7]
Calorific value range[8]

Stakeholders

Our key stakeholders encompass a diverse array of individuals and entities with both direct and indirect connections to our operations.

Local communities residing near our sites, indigenous groups, government authorities overseeing regulations, employees actively engaged in operations, and investors holding shares in the company are among the primary stakeholders. Suppliers, customers, and environmental organisations also play crucial roles.

Effective engagement with our stakeholders involves understanding and addressing their concerns, interests, and expectations and fostering positive relationships.

3,522
Full time employees

15%
Women in our workforce

4%
Indigenous employees

2,635
Total suppliers

305
Key suppliers[9]

Our approach to sustainability

At Yancoal, sustainability involves the generation of lasting value for stakeholders through our mining activities, all while minimising financial, operational, environmental, and social risks.

Yancoal's commitment to sustainability is outlined in our Yancoal P4 Change 4 Tomorrow Strategy. Our Yancoal P4 Change 4 Tomorrow Strategy is intentionally crafted to be comprehensive, adaptable, and integrated across all our business activities.

In our pursuit of sustainable value for our stakeholders, Yancoal strives to be a business that:

- Operates responsibly, safely, and ethically;
- Makes positive contributions to the social and economic well-being of communities; and
- Effectively manages ongoing risks and opportunities to enhance business resilience

The Yancoal P4 Change 4 Tomorrow Strategy revolves around four interconnected business pillars. Our 2023 Sustainability Report is designed around these four pillars and not only highlights our current performance across these key areas as they relate to our disclosure obligations, but also serves as a blueprint for continuous improvement.

Our 2023 Sustainability Report is designed around these four pillars and not only highlights our current performance across these key areas as they relate to our disclosure obligations, but also serves as a blueprint for continuous improvement.

As we anticipate the evolving market and regulatory landscapes, we will monitor emerging trends so that our organisation will be prepared to respond proactively. This commitment is evident in our early consideration of the draft ASRS, particularly in relation to climate-related financial disclosures and our consideration of the GRI and SASB Coal Sector Standards. Additionally, we are actively assessing the implications of recommended and proposed sector disclosure metrics developed by the Taskforce on Nature-related Financial Disclosures (TNFD), which were released in September 2023.

Yancoal

Profit	Portfolio	Planet	People
Long-term profitability focuses on creating value for all stakeholders, including shareholders, employees, customers and the broader community.	Our mining processes and planning are future focused and involve innovative development, leading technology and a global vision that guides our operational processes and reduces risk.	The renewable and non-renewable natural resources from which our operations benefit have clear and transparent reporting and assurance to reduce nature-related risks.	We have a holistic approach that addresses the interconnectedness of people, the environment, and the economy in the areas where we operate.

Our approach to sustainability *cont'd*

Corporate Governance

Yancoal has adopted an approach to corporate governance based on international good practice as well as meeting Australian and Hong Kong legal requirements.
Our 2023 Corporate Governance Statement located within the 2023 Annual Report on our website, describes how we have adopted and addressed the corporate governance requirements set out in the ASX Corporate Governance Council's Principles and Recommendations and the Hong Kong Corporate Governance Code.

Role of the Board

Our Board is responsible for the overall corporate governance and leadership of the Company including directing the affairs of the Company, setting, and monitoring the Company's risk management strategy, overseeing key sustainability-related matters, and the appointment, remuneration and performance of senior Executives and protecting and optimising the Company performance and building sustainable value for shareholders in accordance with any duties and obligations imposed on the Board by law and the Company's Constitution and within a framework of prudent and effective controls that enable risk to be assessed and managed.

The Board is committed to maximising performance, generating appropriate levels of shareholder value and financial return, and sustaining the growth and success of Yancoal over the longer-term.

The Board's role and responsibilities and its delegation of authority to standing committees and senior Executives have been formalised in the Board Charter, which can be found on the Corporate Governance section of the Company's website. The skills, experience and expertise of each Director and the period that each Director has held office is disclosed in the Information on Directors in the Directors' Report, as is the number of meetings held by the Board during 2023 and each Director's attendance at these meetings.

Delegation to Management

The Board delegates responsibility for the day-to-day management of the Company's affairs and implementation of the strategy and policy initiatives set by the Board to the Chair of the Executive Committee ('CEC'), the CEO and other senior Executives.
The CEO has overall responsibility for the Company's operations (other than as delegated to the CEC) and undertakes such responsibilities as may be delegated to him by the Board from time to time. The CEO is accountable to the Board and reports to the Chairman of the Board and the CEC.
In relation to Yancoal's climate-related risks and opportunities in particular, management is accountable for delivering on strategic objectives, managing these risks and opportunities, and providing progress reports on the control of risks, implementation of opportunities and proposed public disclosures. Frontline managers are delegated with the day-to-day responsibility for managing Sustainability performance and reporting.

Sustainability Governance Structure

The Board, through the Audit and Risk Management Committee, is responsible for satisfying itself that a sound system of risk oversight and management exists, that internal controls are effective and for setting

The Board is committed to maximising performance, generating appropriate levels of shareholder value and financial return, and sustaining the growth and success of Yancoal over the longer-term.

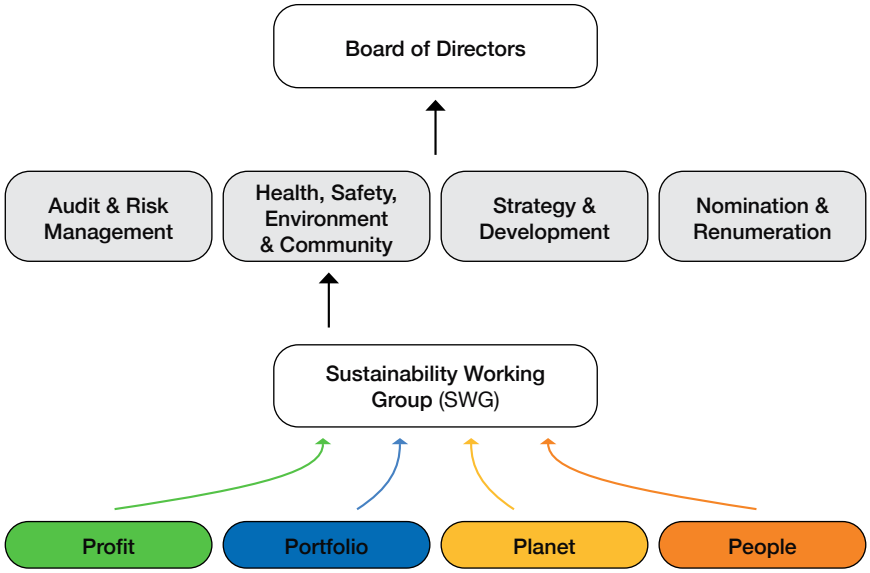
the risk appetite within which the Board expects management to operate.

In particular, the Board ensures that:

- the material strategic, operational, financial reporting and compliance risks are identified and evaluated; and
- risk management, control and reporting systems are in place to identify, assess, manage, monitor and report on these risks.

Our four Board sub-committees are assigned diverse responsibilities and review matters on behalf of the Board, as set out in the relevant Charter:

- Refer matters to the Board for a decision, with a recommendation from the committee; or



- Determine matters of focus (where the committee acts with delegated authority), which the committee then reports to the Board.

The Board's Health, Safety, Environment and Community Committee (HSEC Committee), which meets at least four times each year, assists the Board with:

- Fulfilling its responsibilities in relation to the health, safety, environment and community (collectively HSEC) matters arising out of our activities;
- Considering, assessing and monitoring whether Yancoal has in place the appropriate policies, standards, systems and resources required to meet our HSEC commitments; and
- Providing necessary focus and guidance on HSEC matters across the organisation.

The duties and responsibilities of the Audit and Risk Management (ARM) Committee includes reviewing and evaluating whether the Company has any material exposure to environmental or social risks and, if it does, how Yancoal manages or intends to manage those risks. The Board has ultimate responsibility for the oversight and setting and monitoring the Company's risk management strategy (including ESG risks).

In 2023, we undertook a thorough examination of our sustainability governance structure, aiming to enhance our organisation's alignment with the upcoming ASRS. The Yancoal Sustainability Governance Framework delineates the roles, responsibilities and accountabilities of key business stakeholders, and is expected to be implemented throughout the organisation in 2024 and beyond.

As we implement the updated governance structure, a Sustainability Working Group (SWG) will be introduced, reporting directly to the HSEC Committee.

Each of the 4P pillars will have an assigned executive sponsor, and the membership will comprise essential representatives from each of our relevant functional areas.

Risk Management

Yancoal's Enterprise Risk Management Framework links strategic business objectives with risk management activities. This framework is overseen by the Board's ARM Committee.

The EGM of Risk and Audit is responsible for establishing and managing the enterprise risk management framework, risk management system and practices. Our risk identification activities are guided by ISO 31000 Risk Management, and undertaken on a periodic basis, with analysis performed at specific functional and mine-site levels.

Sustainability related risks and opportunities

Our risk management policies and procedures have been designed and implemented to identify, assess and manage any material exposure to risks including as related to the sustainability of our business.

The Company is subject to a range of sustainability risks, including environmental and social risks. These include (but are not limited to) risks related to:

- Operations;
- health & safety;
- regulatory approvals;
- mine closure;
- aboriginal cultural heritage;
- native title / tenements;
- the transition to a lower carbon economy;
- technological change;
- fraud or misconduct;
- change in government support;
- tax / royalties;
- environment; and
- community perception.

Each of these risks are described in detail in our 2023 Corporate Governance Statement.

Climate related risks and opportunities

Yancoal continuously monitors regulatory developments to adapt to evolving climate-related frameworks and reporting requirements. Yancoal acknowledges that in October 2023 the Taskforce on Climate-related Financial Disclosures (TCFD) was disbanded and its recommendations incorporated into standards set by the International Sustainability Standards Board (ISSB) which were released in June 2023.

Yancoal's enterprise risk management considers a broad variety of exposures across the company's functions and operations, including as related to physical

Our approach to sustainability *cont'd*

2023

'Phase 1' Complete:

- Build flexible model framework
- First pass of analysis based on 'Status Quo' Strategy
- Limited Scope

1 JANUARY 2025

Proposed First Mandatory Reporting Period

2024

Uplift Capability Ahead of Mandatory Reporting Period

- Expand scope of analysis
- Additional scenarios and/or flexing of input assumptions
- Integrate analysis with strategy/ business planning

30 JUNE 2025

Ongoing Refresh

- Reflect updated organisational data and strategies
- Align to lastest climate science and macro-economic projections

and transitional climate change risks. In 2023, we identified climate related risks and opportunities, identifying three new risks alongside one existing risk mitigation opportunity. The Yancoal Enterprise Risk Management Register has been updated to incorporate these risks. This work will be further complemented through the development of a climate risk analysis model. Additionally, further work is planned to assess any climate-related opportunities.

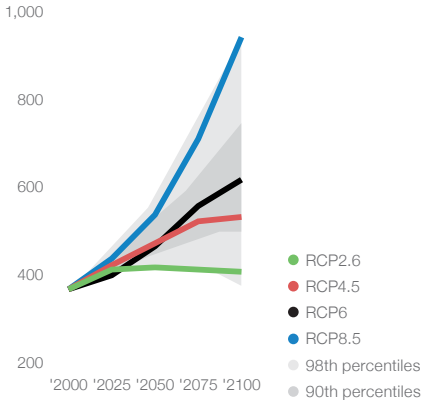
To further enhance our understanding of climate-related risks, we are approaching climate scenario analysis in a phased approach. In 2023, we developed a robust framework to build upon in future years. Phase 1 of the framework focused on building a flexible model with a limited scope of analysis based on a status quo strategy.

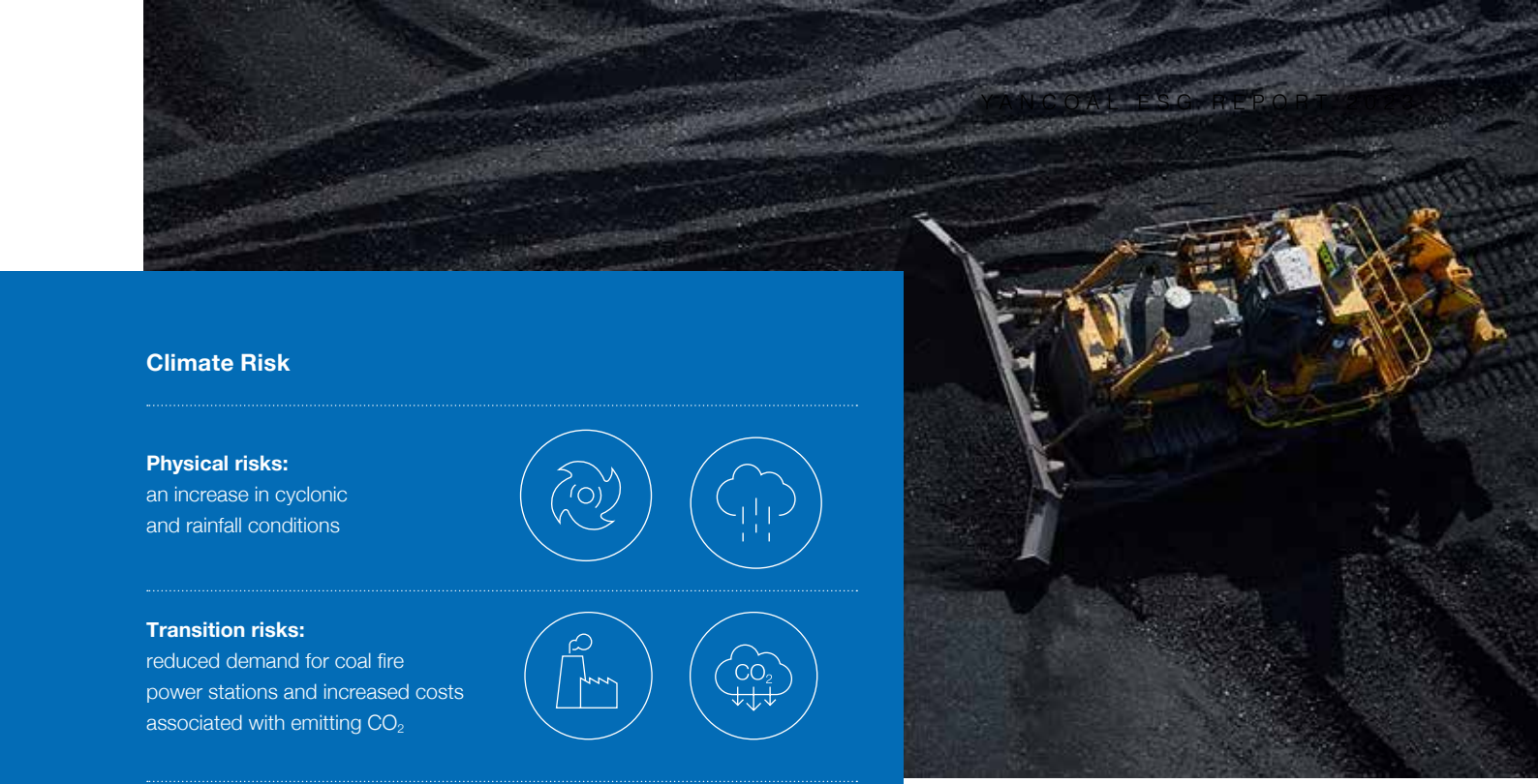
Later stages will aim to enhance capability by broadening the analysis scope, adding more scenarios, and laying the groundwork for continuous review and updates using the latest climate science, macro-economic projections, and updated Yancoal data and strategies.

In 2023, the first phase of this work was progressed with the establishment of a flexible climate risk analysis model framework to recalibrate our climate scenario modelling capabilities. The model considered Representation Concentration Pathway (RCP) climate change scenarios RCP4 and RCP8.5 against current day conditions.

RCP concentration pathways

CO_2 concentration (ppm)





Climate Risk

Physical risks:
an increase in cyclonic and rainfall conditions

Transition risks:
reduced demand for coal fire power stations and increased costs associated with emitting CO_2

Key observations indicated that while our mine sites could experience significant increases in the frequency and intensity of cyclones relative to current conditions, these will still be relatively rare occurrences and are more likely to impact operational logistics such as ports than mining operations.

The climate risk analysis model observed that, due to complex long term weather effects, changes in rainfall events are not linearly increasing in the same way as cyclone activity. The model identifies that intense extreme rainfall events may become more frequent for some sites, which may increase the impact of long-term disruptions.

The transition risk model used Yancoal's data to predict future outcomes based on different scenarios. It showed that global coal-fired power demand would decrease in transition scenarios. In high transition scenarios, policies would raise the cost of emitting greenhouse gases.

Understanding our climate-related risks and opportunities can support capital allocation decision making relating to transition risk and opportunity, including investments in innovative technologies and energy efficiency enhancements, as well as mitigating site-based hazards and supply chain exposure associated with the physical risks of climate change.

Our response to the TCFD is further detailed in Appendix C.

Metrics and Targets

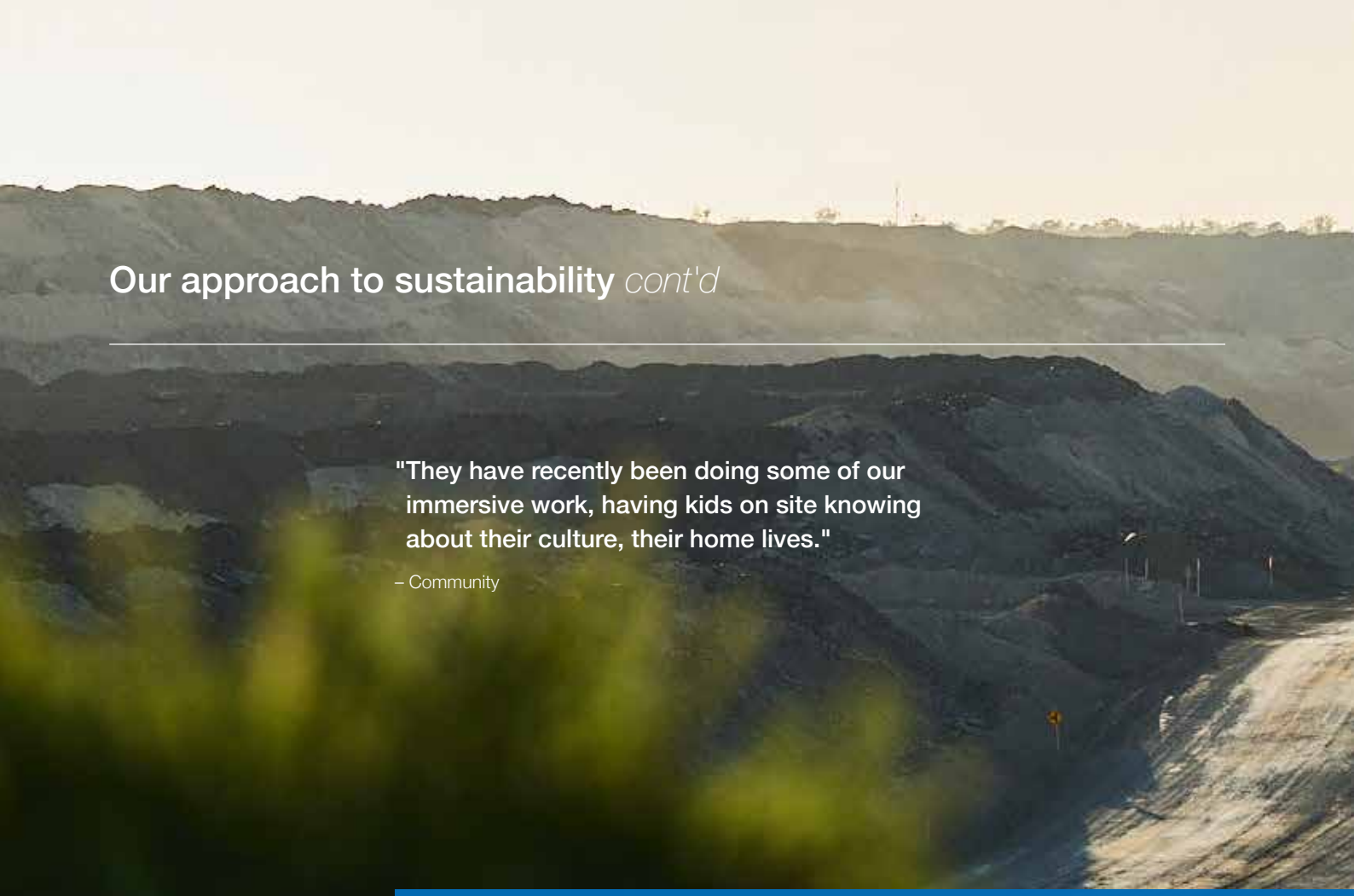
Our ESG reporting to date has included a suite of metrics informed by both the GRI standards and the HKEX disclosure requirements. Yancoal has reviewed our current metrics and extended these to accommodate additional metrics from the ASRS exposure draft as well as the GRI and SASB coal sector standards.

Due to many of the recognised reporting standards requiring similar sustainability and climate-related disclosures much of our existing reporting already provides some alignment with the ASRS exposure draft and SASB coal sector standard. As we move towards fully aligning our reporting in line with the ASRS and SASB coal sector standards disclosure requirements, our sustainability reporting will evolve and there will be a shift in our reporting metrics.

We intend to adopt defined targets to hold us to achieve positive sustainably outcomes at Yancoal. We will consider the development of metrics and targets as part of our sustainability reporting transition.

For our 2023 report we have used our Yancoal P4 Change 4 Tomorrow Strategy to categorise our performance.

YANCOAL P4 PILLAR	PERFORMANCE CATEGORIES
Profit Financial Capital	• Financial results • Risk & opportunity management
Portfolio Mining Capital	• Resource optimisation • 'Smart' mining • Lifecycle optimisation • New business model
Planet Environmental Capital	• Environmental stewardship • Climate change • Mine closure & rehabilitation • Waste management
People Human Capital	• Health, safety & wellbeing • Talent diversity & inclusion • Community, culture & indigenous relations • Ethics & conduct



"They have recently been doing some of our immersive work, having kids on site knowing about their culture, their home lives."

– Community

CASE STUDY

Understanding Our Stakeholders

It is important for us at Yancoal to understand the views of our key stakeholders. We are committed to clear, meaningful and transparent engagement within the business, both across corporate and operational levels, and with external stakeholders

Engagement informs our understanding of stakeholder perceptions and issues in relation to our business and enables us to consider and respond to these issues in a manner that develops trust in Yancoal's brand and strategy. Our approach is guided by Yancoal's Environment and Community Relations Policy, Stakeholder Engagement Strategy, and site-specific stakeholder engagement strategies.

In 2023, we completed our first stakeholder perception study (study), which has provided us with baseline metrics on stakeholder engagement, and feedback on our engagement activities and messaging.

The objectives of the study included better understanding:

- Yancoal's overall performance in meeting stakeholder needs;
- Yancoal's performance against a custom set of 17 specific ESG attributes; and
- How attitudes to Yancoal differed amongst stakeholder groups.

The research approach included 31 in-depth one-on-one interviews and an online survey, which was completed by an additional 105 stakeholders.

Overall, the study indicates that Yancoal has a good reputation across different stakeholder groups. Our overall average reputation score was 7.5 out of 10, with 81% or respondents rating 7 or higher.

"Makes sure that it's keeping up with the developments in the industry. There's an increasing expectation for companies to provide information about water management, about CO_2 emissions, about safety."

– Industry

The study confirms that our performance is typically considered either on par with our peers (47%) or doing better than them (44%), and most also feel our performance is meeting or exceeding their expectations (73% and 16% respectively).

The study has provided Yancoal with valuable information and insights to better engage with stakeholders and has provided the business with baseline metrics to measure progress.

Future comparable stakeholder perception studies will evaluate our stakeholder engagement performance against this important baseline study.

STRENGTHS	OPPORTUNITIES FOR IMPROVEMENT
• Organisation is powered by a pool of good people committed to excellence.	• Enhance communication channels and information-sharing processes
• Recognised as an environmentally responsible operator.	• Establish a cohesive and inclusive community engagement strategy.
• Acknowledged as a competent mine operator.	• Leverage strong negotiation skills to secure mutually beneficial outcomes.
• Delivering on genuine community engagement.	• Invest in resources and prioritise the development of a positive workplace culture.
• Our organisation embraces a forward-thinking approach, proactively addressing industry challenges with innovative solutions.	• Actively address reputation risks by highlighting the company's commitment to ethical practices, corporate responsibility, and community development.

Our Material Sustainability Issues

Expanding upon the 2022 materiality assessment, in 2023 Yancoal comprehensively reassessed the significance of various topics.

These topics were classified into three categories:

1. “Monitor and compliance”;
2. “Core”; and
3. “High priority and strategic”.

These categories shape the foundation and framework of the Yancoal P4 Change 4 Tomorrow Strategy and our approach to sustainability reporting.

Materiality assessments typically involve a combination of internal and external considerations.

Our approach to materiality follows the ‘double materiality’ methodology, which analyses topics through two lenses:

1. Our impact on stakeholders; and
2. Financial impact on the business.

Our materiality approach adheres closely to GRI methodology and incorporates: a current state analysis; examination of market trends; benchmarking against industry peers; evaluation of ESG reporting against regulatory standards; and active engagement with stakeholders. This holistic approach ensures a strategy development process that is aligned with industry best practices and is responsive to the evolving landscape of sustainability reporting.

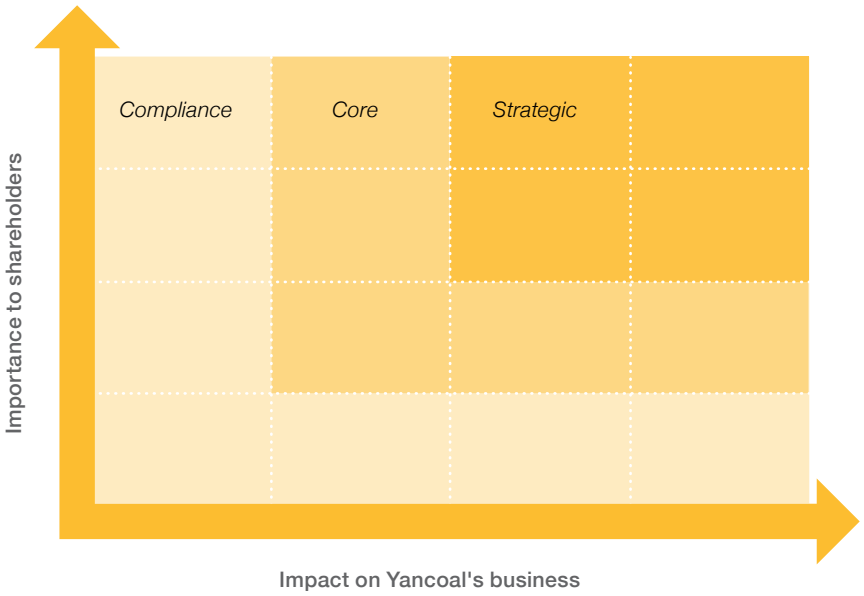
Our 20 material topics have been segmented into environmental, social and governance and mapped across the three categories.

Based on the outcomes of the materiality assessment, we have identified six topics that represent the highest risks but also provide Yancoal with significant opportunities. These are our ‘priority material topic areas’. These six priority areas have been used to develop of our Yancoal P4 Change 4 Tomorrow Strategy and to focus our sustainability reporting efforts, while meeting obligations relating to existing and emerging disclosure requirements.

We intend to develop metrics to report against our material topics.

We also need to specifically understand and determine how these material issues can be reasonably expected to impact the Company. As we undertake this process, we will continue to review our priority material issues to ensure ongoing relevancy for Yancoal.

Materiality Matrix



Based on the outcomes of the materiality assessment, we have identified six topics that represent the highest risks but also provide Yancoal with significant opportunities.

Yancoal's immediate and emerging priorities for a sustainable business.

- Business model evolution (including diversification and downstream emissions)
- Operational emissions and decarbonisation
- Workforce sustainability, skills, talent attraction and workplace culture, diversity, and inclusion
- Environmental and water stewardship
- Mine closure and future land use
- Shifting regulatory landscape which includes compliance and reporting

Profit

Yancoal is focused on a sustainable and long-term profitability to generate enduring value creation for shareholders, employees, customers and the broader society.

Strategy

With the introduction of Yancoal P4 Change 4 Tomorrow Strategy we are working towards developing a structured, targeted and measurable sustainability approach to strengthen our business model for the short, medium and longer terms.

As a responsible stakeholder in the energy value chain, our operational and business resilience moving forward will be dependent on our ability to identify, mitigate and adapt to future growth opportunities beyond the existing asset portfolio, and to explore opportunities to diversify into alternative energy and other minerals.

We have commenced the assessment of opportunities to diversify our mining operations into non-coal commodities, including base metals.

Our approach towards capital allocation for exploration, acquisition and development of coal assets considers the interplay between coal prices, demand dynamics and evolving climate regulations and carbon markets. The transition risk model we used shows that policies will likely put pressure on our business. This includes higher costs for emitting greenhouse gases and less demand for coal in the long term.

This has direct implications for our approach towards capital allocation because this will need to take into account value creation considerations related to investments in innovative technologies, energy efficiency enhancements, and limitations to the sustainable viability of coal mining and coal industry assets.

Economic Contributions

While a comprehensive depiction of Yancoal's economic performance is presented in our financial reports, this overview encapsulates key outcomes as they relate to our economic contributions to the Australian and regional economies.

Yancoal supports the economic development of the local communities in which we operate and is a contributor to local, regional and national economic development. We contribute to economic development through a variety of methods, including:

- Payment of rates, taxes and royalties to local, state and federal governments;
- Procurement from local business and service providers;
- Employing members of local and regional communities; and
- Voluntary investment in programs and initiatives that aim to make a genuine positive difference to our local communities.

Yancoal's annual Economic Contribution Report describes the wider indirect economic impacts of our operations, such as those generated by our business supply chain expenditure and consumption-induced spending in our key regions and measures the comprehensive economic benefits that flow to the communities in which we operate in addition to local, state and national governments.

Yancoal supports the economic development of the local communities in which we operate and is a contributor to local, regional and national economic development.

In 2023, the value of Yancoal's direct economic contribution increased considerably to $7.0 billion (from $4.5 billion in 2022), largely as a result of the payment of corporate tax. Overall contribution to government revenues in 2023 more than doubled to $3.1 billion compared to 2022.

Employee benefits expense increased by 10% from $662 million in 2022 to $730 million in 2023, primarily due to an increase in operating hours as part of the mine recovery plans, including the 14% increase in attributable saleable production, supported by a small increase in headcount together with wage and salary inflation. This contributed to consistent per saleable product tonne employee benefits of $22 over the same period.

Yancoal's direct and indirect economic contributions

$14.6B

Gross value added

Contributing to the Gross National Product (GNP) for Australia

$3.1B

State and federal government payments

Including royalties, stamp duty, payroll tax and land tax

$13M

Local government payments

Including rates, developer, and other contributions

$3.3B

Purchases of goods and services

2,635 suppliers and providers, approximately **$1.2M** spend per supplier

$7.0B

Direct effects

$7.6B in supply chain and consumption effects

$631M

Wages and salaries

Representing an average salary level of approximately **$179,154** per annum

3,522

Full-time employees

Plus **586** full-time equivalent contract workers engaged

$1.67M

Voluntary contributions

To **157** community and environment projects and initiatives across Australia

Portfolio

Our mining processes are future focused and involve research in innovative development and leading technologies to improve our operational processes and reduce risk.

Business Model Evolution & Diversification

We recognise that society is moving towards a lower carbon economy, and this presents a significant global challenge. As a responsible stakeholder in the energy value chain, Yancoal is making commitments and changes to our business model as we evolve towards a low-carbon economy.

Yancoal is continuing to investigate future land use opportunities for Stratford and Duralie following the completion of mining that would benefit local communities and the environment and is currently undertaking a feasibility study on a potential renewable energy hub at Stratford.

The Stratford Renewable Energy Hub presents a significant future land use opportunity for energy transition, potentially including a hydro energy storage and a solar farm facility.

Smart Mining

Smart mining initiatives involve the integration of innovative and advanced technologies to enhance Yancoal's efficiency, safety and sustainability, as well as potentially lowering our GHG emissions profile.

We have already adopted a range of smart mining initiatives for our operations, including the adoption of devices and sensors to monitor equipment health and gather real-time data on environmental conditions, enabling proactive maintenance and better decision-making.

As a responsible stakeholder in the energy value chain, Yancoal is making commitments and changes to our business model as we evolve towards a low-carbon economy.

During 2023 we continued with the feasibility study for the Stratford Renewable Energy Hub, with multiple work-streams progressing simultaneously. Progressed work streams include:

- Preliminary designs for civil works
- Feasibility designs for the upper and lower reservoirs
- Tunnel and powerhouse designs informed by geotechnical investigations.
- Solar farm layout design
- Solar panel investigations underway
- Environmental impact studies
- Commencement of environmental approval process
- Pre-lodgement consultation with NSW Planning and Commonwealth DCCEEW
- Scoping Report and EPBC Referral submitted
- Transmission options

CASE STUDY

Proactive Management of Noise and Air Emissions

Real-time weather stations are deployed across the majority of Yancoal's operations, which assist in the management and mitigation of mining generated dust and noise emissions. Meteorological stations provide real-time data on key weather parameters, such as wind speed and direction, allowing the operation to make informed decisions on daily blasting and dumping operations.

At selective sites, the weather data are used in combination with noise and dust models as a predictive tool to forecast the direction and dispersion of potential dust and noise emissions from planned mining activities. This enables operational personnel to plan for potential adverse weather conditions, such as high winds or temperature inversions, and to adjust operational activities accordingly to minimise impacts to the amenity of private residences in surrounding areas.

It is also integral for us to have in place robust cybersecurity protocols to protect mining operations from potential cyber threats and support the integrity and confidentiality of sensitive data and continuity of operations.

Key smart mining opportunities that exist for Yancoal are currently being explored including automation to improve efficiency and reduce human exposure to hazardous environments, additionally we are considering incorporating smart energy management systems that will assist to optimise energy consumption, reduce costs, and minimise the carbon footprint of mining operations and digital twins to reflect key infrastructure, systems and processes.

A digital twin is a virtual representation or model of a physical object, system, or process. It uses real-time data and simulation to mimic the behaviour, performance, and characteristics of its physical counterpart. They allow for better decision-making, improved efficiency, and enhanced understanding of complex systems. Creating digital twins of mining operations, presents a significant opportunity for our operations, enabling real-time simulations and analysis for better planning, monitoring, and decision making.

YANCOAL ARE ALREADY USING

Devices and sensors to monitor equipment health and gather real-time data on environmental conditions.

OPPORTUNITIES TO FURTHER EXPLORE

Automation to improve efficiency and reduce human exposure to hazardous environments

Smart energy management systems to optimise energy consumption

Digital twin technology

Portfolio *cont'd*

CASE STUDY

Exploring Cutting Edge Technologies

Our pursuit towards innovation and sustainability, led us to explore cutting-edge technologies in China, with a focus on both Underground (UG) and Open-Cut (OC) operations. A significant step in this journey involved a visit to China, where we delved into the realm of smart mining with a specific emphasis on UG operations.

During our visit, we closely examined China's advancements in autonomous longwall operations, the industrial internet, cloud computing, big data, and artificial intelligence (AI).

The insights gained have illuminated a path for Yancoal to integrate intelligent mining practices and enhance resource efficiency in our Australian operations.

The application of these technologies is poised to revolutionise mining development, longwall, and conveyancing systems, allowing the establishment of safe, sustainable, and efficient mines with increased capacity.

Chinese operations showcased the power of centralising control, command, and monitoring systems through the integration of intelligent technologies.
The combination of overall sensing, real-time monitoring, dynamic early warning systems, and coordinated control and decision support highlighted a platform with exceptional reliability and predictive capabilities.

The observations made in China have fuelled our vision for the future of Australian mining. We are now exploring opportunities to enhance our systems by integrating these intelligent technologies, promoting sustainability, safety improvements, and precision positioning. This initiative aligns seamlessly with our commitment to evolving and diversifying our operations, ensuring Yancoal remains at the forefront of innovation in the mining industry.

Planet

Under our planet pillar we focus on five key areas, including environmental and water stewardship climate change, waste management, air and noise control, and mine rehabilitation and closure.

Environmental & Water Stewardship

Yancoal's corporate Environmental Management System (EMS) is aligned with the ISO 14001 standard. The EMS serves as a governance framework establishing the requirements that foster sound environmental management across all Yancoal owned and managed operations and projects, including processes for internal and external notification requirements and the management of assigning and tracking actions in response to the event.

Yancoal's Environment & Community Relations Policy (E&C Policy) provides the company's objective for environment and community performance across all operations.

Responsibilities and accountabilities are managed through the Yancoal Environment and Community Responsible, Accountable, Consulted and Informed (RACI) assessment.

The EMS has been designed to complement and support each site-specific Environmental Management Strategy or equivalent. Each site Environmental Management Strategy (or equivalent) identifies site-specific processes and procedures to manage environmental risk areas to drive compliance with statutory approvals and licences.

All operations are required to maintain and update an environment and community risk register. Relevant controls and other mitigation measures are developed and implemented to assist in the management of these risks. Environment and community related risks are incorporated into the sites' broader risk assessments and into the Corporate Enterprise Risk Management Register.

Yancoal's EMS also prescribes mechanisms for managing and reporting on environmental incidents, requiring each site to have in place an incident reporting procedure that reflect the minimum requirements set out in the EMS Environmental Incident Management and Reporting Standard, including processes for internal and external notification requirements. All incidents are required to be registered in Yancoal's compliance database for assigning and tracking actions.

We are dedicated to utilising natural resources efficiently and responsibly and implementing effective practices in their management and in particular, water resources.

Water Management

Effective water management is integral to our environmental stewardship.

We recognise the significance of water as a valuable, shared resource and the risks posed to water resources by our operational activities. Our water management practises adhere to stringent regulations and compliance with licence conditions, with comprehensive surface and groundwater management plans providing risk-based management systems. These plans govern the daily interactions between our operations and water resources, structured around the mitigation of potential impacts and risks.

Water management at Yancoal is subject to both Commonwealth and State legislation. The Yancoal Water Accounting and Reporting Standard forms part of our EMS and has been developed in accordance with the Minerals Council of Australia Water Accounting Framework (WAF). The WAF provides consistent approach for water accounting and reporting across our owned and managed operations, supporting compliance with our regulatory obligations.

Baseline Water Stress measures the ratio of total water demand to available renewable surface and groundwater supplies. Yancoal does not currently operate any mines in areas with a high or extremely high Baseline Water Stress as defined by the World Resources Institute's Water Risk Atlas tool.

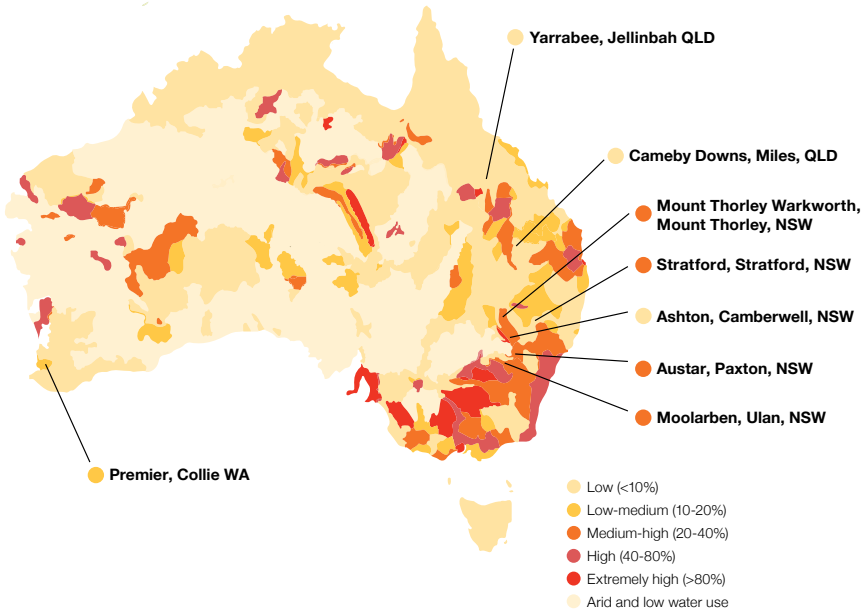
Each operation is accountable for site water management in accordance with Water Management Plan (addressing site water balance, surface water and groundwater management).

Water is an essential resource for our mine sites, playing a crucial role in supporting operations. Each site is responsible for carefully managing its water consumption, drawing from diverse sources such as: local surface and ground water bodies (under strict licencing arrangements); storage; onsite water treatment; and reuse and potable water.

Total water withdrawals in 2023 equated to 44,740 ML, a 21% reduction when compared with previous years. This reduction is directly associated with reduced rainfall across all sites when compared to 2022, resulting in a reduction of surface water source availability.

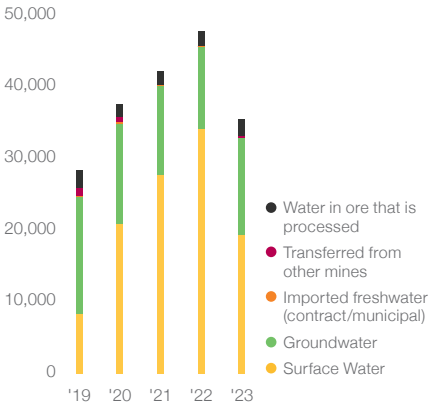
Australia's Water Stress Map

(Source: Aqueduct 4.0 August 16, 2023)



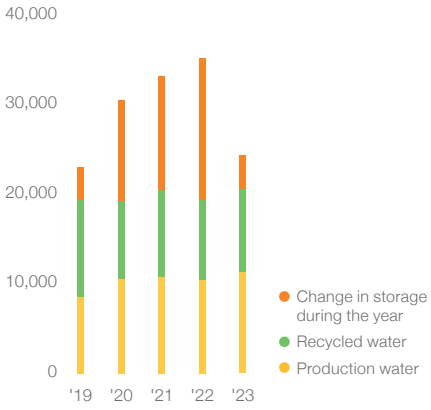
Total water inputs

mega litres



Water use

mega litres



Total water use volumes on site are made up of water used in production, recycled water and change in water storage levels. In 2023, Production water increased 7% from the previous year. The substantial reduction (78%) stored water is driven by reduced rainfall over operations in comparison to 2022.

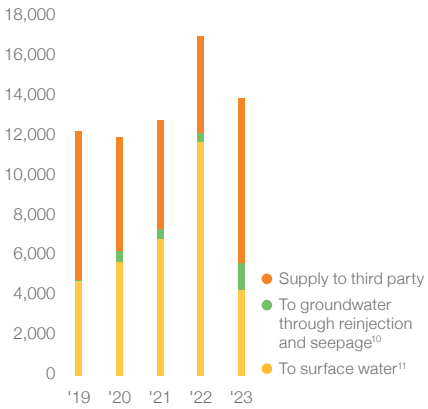
Water released back to surface water, groundwater or to third parties for 2023 equated to 13,907 ML in 2023 compared to 17,018 in 2022. This decrease was partly due to a reduction of licensed discharges and environmental flows, resulting from the significant reduction of rainfall (compared to previous very wet years). Water held on site was re-used in production or shared to third parties.

At Yancoal we measure our water consumption in line with the Mineral Council of Australia's Water Accounting Framework (WAF). Updates to the WAF have brought it in alignment with the ICMM Water Reporting Good Practice Guide, 2nd Edition. The ICMM definition for water consumption is all water that is removed by evaporation, entrainment (combined in product or waste) or other losses, and not released back to

Planet *cont'd*

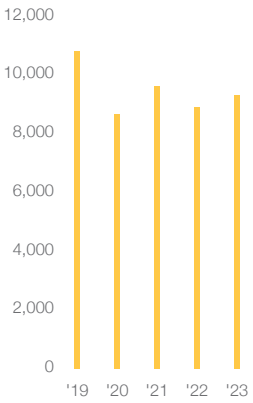
Water return

mega litres



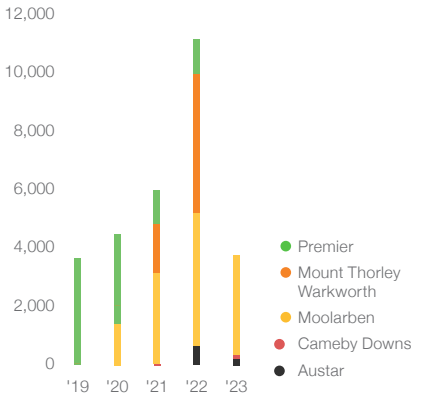
Recycled water use[14]

mega litres



Licensed discharge volume

mega litres



surface water, groundwater, seawater or to a third party. Our overall water consumption intensity measure for the reporting period was 845.44ML/MT ROM a 2% reduction compared to 2022 (861.32ML/MT ROM).

Operationally the majority of sites saw an increase in water consumption for dust suppression resulting from the drier conditions experienced during the reporting period. Those sites that saw a significant increase in water consumption for dust suppression include: Ashton (67%); Cameby Downs (41%); Moorlarben (47%); Premier (26%); Stratford (24%) which is attributable to those drier conditions experienced across these sites.

MTW saw an 87% increase in consumption resulting from entrainment[12] (5,413 ML) when compared to 2022 values (2,891 ML), this increase was associated with an increase in coal being washed during the 2023 reporting period. Consumption at MTW associated with evaporation during 2023 (1,029 ML) was 48% lower than during 2022 (1,975 ML) due to less water being stored in the onsite dams.

At Yancoal we recycle water on site, through the reticulation of stored mine water, to reduce the demand for use on other input sources. During 2023, we recycled 9,298 ML of water on site, a 4% increase compared to 2022 (8,912 ML).

All water interaction is licenced and managed in accordance with the water management

Water usage intensity performance for the reporting period

LOCATION	WATER CONSUMPTION[13] (ML)	ROM PRODUCTION (MT)	WATER INTENSITY (ML/MT)
Ashton	1,740	0.729	2,386
Austar	1,110	No production	NA
Cameby Downs	2,393	3.525	679
Donaldson	-261	No production	NA
Duralie	2,363	No production	NA
Moolarben	1,198	20.449	59
Mount Thorley Warkworth	16,166	17.233	938
Premier	1,323	2.947	449
Stratford	3,979	0.885	4,496
Yarrabee	5,725	2.388	2,398

10. Includes any seepage, reinjection discharge to estuary, discharge to sea/ocean volumes.
11. Includes any licensed discharges and environmental flows.
12. "entrainment" refers to the process of capturing or incorporating water along with other substances, such as minerals or sediments, during mining operations.
13. The ICMM category consumption is defined as all water (input and OMW) that is removed by evaporation, entrainment (in product of waste) or other losses, and not returned back to surface water, groundwater, sea water or a third party.
14. Reticulation of stored mine water.
15. Tasman Extended Offset is on Austar land. This additionally includes the Donaldson OC bushland conservation area and Tasman Compensatory Area.
16. 591ha of MTW offsets are located on HVO land.
17. Lower Hunter Lands constitute a package of bespoke non-operational, remnant land areas that are planned for divestment.

regime within the jurisdictions that Yancoal operates. MTW, Moolarben, Donaldson and Premier have discharge licences with quality and volumetric limits.

Regulated discharge to the environment totalled 4280 ML in 2023, a 63% reduction compared to the 2022 reporting period (11,721 ML).

MTW holds credits to discharge water into the Hunter River during periods of high flow and flood flow under the NSW Government's Hunter River Salinity Trading Scheme (HRSTS). The scheme involves a finite system of salt credits that industries can buy and trade to discharge their saline water during high flow. During the reporting period, no HRSTS events were declared by the NSW Government due to lower flows resulting zero discharge opportunities for MTW.

Yancoal was subject to a single non-compliance with its licenced discharge obligations during the reporting period. Further information on non-compliance for the reporting period can be reviewed in Appendix B.

Acid Mine Drainage (AMD) is a concern in mining operations, including coal mines, where exposure of sulphide minerals to air and water can lead to the production of acidic runoff. At Yancoal, we focus on those sites where this poses an issue. AMD risks are generally managed through site specific water management plans to minimise the risk of AMD impacting the receiving environment. These efforts are crucial to maintaining water quality and mitigating the potential ecological impacts associated with acid drainage.

Biodiversity

Action from both the private and public sectors regarding nature-related disclosures, which historically received less focus compared to climate-related disclosures, is steadily rising worldwide. In response to understanding some of our baseline biodiversity aspects, an assessment of land under our stewardship has been completed to understand areas of disturbance and ascertain the current percentage of land allocated for biodiversity offsets. This assessment has identified that 24% of the total spatial footprint of the land we oversee has been allocated for biodiversity offsets. Land allocated for biodiversity offsets is generally determined by our legislative obligations at each site.

Land allocated for biodiversity offsets

	SITE	BIODIVERSITY (KM^2)	TOTAL LAND (KM^2)	% OF LAND ALLOCATED FOR BIODIVERSITY
NSW	Ashton	0.7	10	6%
	Austar*	0	18	0%
	Donaldson - Abel - Tasman[15]	7	10	70%
	Moolarben	81	177	46%
	Mount Thorley Warkworth[16]	42	115	37%
	Lower Hunter Lands[17]	0	1	0%
	Stratford - Duralie	19	90	21%
QLD	Cameby Downs	0	91	0%
	Yarrabee	0	111	0%
WA	Premier	0	8	0%

The inevitability of disturbance is inherent in mining activities and during 2023 Yancoal disturbed a total of 4.82km^2 compared to 4.74km^2 in 2022. At Yancoal, we are committed to the responsible practice of rehabilitation. Recognising that mining operations temporarily disrupt the natural landscape; we seek to ensure that these disturbances are managed and rehabilitated effectively. In 2023 Yancoal rehabilitated 1.83km^2 which represented a 40% ratio of rehabilitation to disturbance, compared to 20% in 2022.

Donaldson has the greatest percentage of land allocated for biodiversity offset at 70%, followed by Moorlarben 46%, MTW 37% and Stratford – Duralie 21%. The variation in offset footprints is a function of the type of disturbance and the age of the development approval/consent.

All the sites with land allocated for biodiversity offsets are located within NSW. We operate in accordance with respective state and federal approval conditions. There are no associated biodiversity offsets required for Austar, largely due its approvals predating the offsetting requirements. Cameby Downs and Yarrabee will require offsets in the future.

Recognising that mining operations temporarily disrupt the natural landscape; we seek to ensure that these disturbances are managed and rehabilitated effectively.

Recently, the Taskforce on Nature-related Financial Disclosures (TNFD) introduced a framework designed to guide organisations in addressing evolving nature-related risks and opportunities. This framework offers guidance and recommendations on disclosing nature-related impacts, dependencies, risks and opportunities, catering to various stakeholders. These include companies seeking to integrate nature-related risk assessment into their corporate strategy, governance, and decision-making processes, as well as investors and financial institutions aiming to make more informed capital allocation decisions.

While the TNFD's recommendations will remain voluntary for Australian entities until codified under domestic law, we have reviewed the proposed TNFD disclosure

CASE STUDY

Nature-Based Solutions

In 2023, Yancoal initiated a comprehensive assessment across four of its mining sites to explore the potential generation of Australian Carbon Credit Units (ACCUs) through the Environmental Plantings (EP) methodology under the Australian Government's Emissions Reduction Fund (ERF). The EP method, known for its high integrity and value, was chosen for its credibility and findings by the Chubb ACCU Market Integrity Review. Apart from its carbon credit value, EP ACCUs offer substantial co-benefits related to biodiversity, cultural considerations, and agricultural outcomes.

Conducting threshold analyses in March-April 2023 at the Gloucester, Ashton, Mount Thorley Warkworth, and Moolarben mine sites unveiled a significant opportunity for Yancoal to generate high-quality carbon credits. The total EP developable area across all investigated sites is estimated at 54.87 km^2. Yancoal intends to further develop the project throughout 2024, focusing on further project development, detailed site assessments, stakeholder engagement – including First Nations groups and local communities – and the formulation of a comprehensive project execution plan.

metrics for the extractives and minerals processing sector against our existing measurement practices. The recommended TNFD disclosure metrics encompass aspects, among others, related to land disturbance and rehabilitation, which Yancoal has been actively measuring since 2018.

Climate Change

For Yancoal, navigating the complexities of climate change involves embracing responsible energy practices and innovative solutions to reduce greenhouse gas emissions that align with national and international climate goals. Our commitment to sustainable mining practices provides a cornerstone in addressing the challenges and opportunities presented by the evolving climate landscape.

Regulatory frameworks are adapting to confront the climate challenge. As an entity obligated to report under the NGER Scheme, and the mandatory sustainability-related disclosure regime, we are proactively preparing to meet the stipulated disclosure requirements.

As part of the NGER Scheme, we have a responsibility to report our direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions as well as the energy production and energy consumption of our operations. We have a strong understanding of our footprint across these categories and have commenced works aimed at reducing our Scope 1 emissions including projects focused on increasing fuel efficiency and reducing fugitive emissions.

As we embrace the anticipated ASRS reporting standards, our responsibility will extend to assessing Scope 3 emissions. This involves a comprehensive analysis of ASRS Scope 3 categories, to evaluate, measure and report on emissions generated by our business, our upstream emissions and downstream emissions associated with the end-users of our products. We acknowledge the scale of the challenge ahead and have already commenced active engagement with our suppliers (and customers/others in our value chain) with the aim of assessing and reducing emissions.

Emission consumption

	2023	2022	VARIANCE
Total Scope 1[18]	**1,860,026**	**2,046,795**	**-9%**
Diesel	792,735	688,978	15%
Fugitive emissions from mining	1,060,458	1,352,123	-22%
Total Scope 2	**276,625**	**321,118**	**-14%**

Our Corporate Procurement team has launched a series of sustainability workshops engaging key suppliers to explore opportunities for emission reduction. These sessions serve as a platform for suppliers to propose actionable ideas and initiatives that can be integrated into our operations, or to foster partnerships exploring innovative technologies that could mitigate our Scope 1 emissions.

Furthermore, these workshops have instigated discussions on supplier Scope 3 emissions, focusing on the exchange of emission-related data between Yancoal and suppliers. Currently, our workshop initiatives are targeted at Original Equipment Manufacturer (OEM) and Heavy Mobile Equipment (HME) suppliers, as well as fuel and tyre suppliers.

Scope 1 and 2 Emissions

Our current reporting practices adhere to the NGER Act, encompassing the annual disclosure of direct (Scope 1) and indirect (Scope 2) emissions, as well as energy consumption data.

Scope 1 emissions are released into the atmosphere as a direct result of an activity, or series of activities at a facility. They include fugitive emissions from the extraction of coal and emissions from the combustion of fuel such as diesel. Yancoal's predominant Scope 1 emissions are fugitive emissions released during mining in addition to fuel combustion. Scope 2 emissions result from the consumption of purchased electricity.

On an operational control basis, Yancoal's total greenhouse gas emissions for the 12 months ended 30 June 2023 totalled 2,136,651 tCO_2-e. Of this total Scope 1 emissions accounted for 87.05% at

Our commitment to sustainable mining practices provides a cornerstone in addressing the challenges and opportunities presented by the evolving climate landscape.

1,860,026 tCO_2-e with the remaining 12.95% resulting from our Scope 2 emissions, 276,625 tCO_2-e.

Yancoal submitted its annual emissions and energy report under Section 19 of the NGER Act (s19 report) for the FY23 reporting period in accordance with the NGER Act. The s19 report sets out Yancoal's total Scope 1 and Scope 2 emissions which are reported by 'facility'.

Compared to FY22, total scope 1 and 2 emissions decreased by 10%. Over the same period, total run of mine (ROM) coal production declined by 9%. Lower overall Scope 1 emissions combined with lower ROM in FY23 compared to FY22 resulted in the FY23 emissions intensity rate of 0.051 being generally consistent to that from FY22.

The overall group-wide decrease in Scope 1 emissions was driven by a reduction in Ashton's Scope 1 emissions, largely due to lower gas quantities in the ventilation stream, and, to a lesser extent, Austar's decommissioning of the ventilation fan. These decreases were offset by Scope 1 diesel consumption increases at Moolarben and Premier.

18. In addition to diesel and fugitive emissions from mining other sources include petrol, oil and greases, LPG and other combustion fuels. These sources are included in Total Scope 1 but not included in the table due to their relatively small volumes in comparison.

Planet *cont'd*

The demand for energy across our operations is diverse, covering both essential mining operations and the general infrastructure needed to support a safe and efficient working environment. Our energy consumption in 2023 was driven predominantly by diesel fuel consumption. In FY2023 our total direct and indirect energy consumption across all sites equated to 3,631,933 MWh[19], representing a 12% increase when compared to 2022 results of 3,257,229 MWh. The increase in energy consumption was largely associated with the 15% increase in fuel consumption largely associated with increased overburden removal.

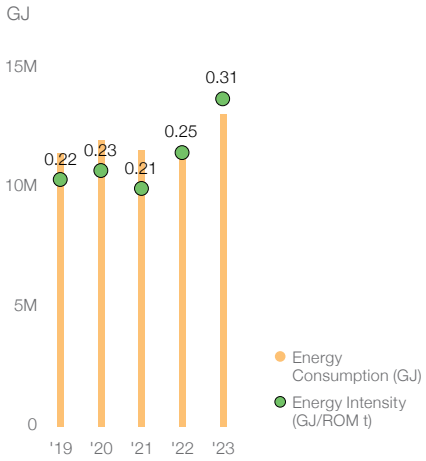
Our energy intensity rate of coal produced was 0.09 MWh/ROMt for the reporting period, which represents a 23% increase from the previous year.

As we move forward with ASRS reporting requirements, we will move to align our reporting of greenhouse gas emissions in our Sustainability Report to our financial reporting period (01 January – 31 December). We will also continue to report separately to the Clean Energy Regulator in line with their expected reporting period (01 July – 30 June).

Safeguard Mechanism

The Safeguard Mechanism requires facilities whose covered Scope 1 emissions exceed the safeguard default threshold of 100,000 tCO_2-e per year to be allocated a baseline by the Clean Energy Regulator

Direct & indirect energy usage intensity performance[20]



CASE STUDY

Exploring Fuel Based Opportunities

Scope 1 diesel related emissions in 2023 were 792,735 tCO_2-e which account for approximately 43% of total Scope 1 emissions.

The Corporate Procurement Team has been working with our major fuel supplier to examine opportunities to reduce diesel consumption. One potential option for Yancoal is to introduce Ampol Amplify HD Diesel across all open cut operations. Ashton is already using this fuel product in its underground fleet due to the health benefits from reduced particulate emissions from vehicle exhausts.

Ampol Amplify HD diesel is not a fuel substitute, but an additive that increases engine efficiency, which, in turn, reduces the volume burnt in HMEs. It has been trialled across several industries, including mining. Ampol have quantified that, on average, it reduces diesel fuel burn by 3.9 %.

If this fuel efficiency saving was applied to Yancoal's diesel related emissions for 2023, it would have resulted in an approximate 31,000 tCO_2-e reduction in Scope 1 emissions.

Ampol Amplify HD diesel was introduced at Mount Thorley Warkworth in November 2023, and the results of this trial will determine if Amplify is introduced at Moolarben, Ashton, Cameby Downs, Yarrabee and Premier.

Yancoal will continue to work with OEMs and fuel suppliers to identify all options to reduce diesel related emissions.

CASE STUDY

Fugitive Emissions Reduction

One of Yancoal's primary environmental challenges involves fugitive emissions (both methane and carbon dioxide) during the mining process, a key source of Scope 1 emissions.

In response to this critical issue, Yancoal has embarked on several investigations across its operations to reduce fugitive emissions by utilising available technologies.

In November 2023, Yancoal took a collaborative step forward by submitting a Funding Application to the NSW Net Zero Industry and Innovation Program for support to address fugitive emissions. The application has yet to be determined, but it has received in principle support and is currently under review by the Office of Energy and Climate Change.

Seeking financial support for one of these projects demonstrates Yancoal's commitment to driving innovation in emissions reduction, knowledge sharing within the sector, and aligns with Yancoal's broader sustainability initiatives, commitment to environmental stewardship and sustainable mining practices.

This case study showcases just one of Yancoal's efforts to address fugitive emissions, marking a significant initiative towards a more sustainable future for the mining industry.

(CER) and to keep their emissions at or below that baseline. Exceedances of the baseline results in an obligation to surrender Australian Carbon Credit Units (ACCUs) or Safeguard Mechanism Credit Units (SMCUs) equivalent to the exceedance (at a financial cost to the responsible emitter).

In 2023, the Australian Government introduced measures to implement reforms to the Safeguard Mechanism that came into effect on 1 July 2023. The reformed scheme will re-set the baselines for all facilities as production adjusted baselines linked to the emissions intensity of each production variable produced, and places each facility on a declining baseline trajectory (in most cases with the decline rate being set at 4.9% per annum until 30 June 2030 (Department of Climate Change, Energy, the Environment and Water 2023).

Yancoal has operational control of four facilities with baselines established under the Safeguard Mechanism being Ashton, Moolarben, Warkworth, and Yarrabee. In 2023, these facilities reported Scope 1 emissions below their respective calculated baselines.

Premier Coal Mine, in Western Australia, operated by Yancoal on behalf of Yankuang Group had a default baseline of 100,000 tCO_2-e for the 2023 reporting year and exceeded that baseline by 8.6%. Consequently, Premier retired 8,551 Australian Carbon Credit Units (ACCU) to offset Premier's carbon liability.

Waste Management

Yancoal acknowledges the significance of effectively managing waste generated by our operations and understands the potential impact on the natural environment if waste is not handled efficiently. During the reporting period, Yancoal has complied with relevant laws and regulations that have a significant impact on Yancoal relating to discharges into water and land, and generation of hazardous and non-hazardous waste.

Our EMS Environment and Community Aspects and Impacts Register Standard considers the production, re-use, recycling and disposal of controlled and contaminated wastes (onsite and offsite), and the storage and management of materials used in, or as a by-product, of operational sites day-to-day activities (including mining waste).

Yancoal acknowledges the significance of effectively managing waste generated by our operations and understands the potential impact on the natural environment if waste is not handled efficiently.

Our waste management approach is defined in the environmental management plans and strategies specific to each site. These plans aim to comply with relevant national, state, and jurisdictional legislative requirements.

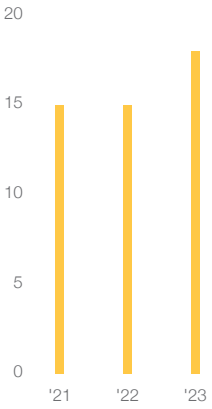
Hazardous non-mineral waste primarily consists of effluents and waste oils, while non-hazardous non-mineral waste encompasses materials like scrap steel, mixed solid waste, and timber. Total waste

19. Previous reports have provided units as GJ, to further align to HKEX disclosure requirements the 2023 report has presented the data in MWh.
20. Energy and Emissions are currently reported on a financial year basis in line with NGER and NPI reporting requirements.

Planet *cont'd*

Total Waste Generated

metric tonnes



Total waste generated by individual sites.

SITE	2021 (TONNES)	2022 (TONNES)	2023 (TONNES)
Moolarben	3.49	3.68	4.16
Ashton	0.87	1.51	1.99
Donaldson	0.06	0.02	0.12
Austar	0.52	0.19	0.08
Stratford	0.52	0.58	0.49
Duralie	0.09	0.1	0.52
Mount Thorley Warkworth	4.45	4.08	4.87
Cameby Downs	1.45	1.39	1.61
Premier	1.38	1.73	1.92
Yarrabee	2.09	1.68	1.84

generated in 2023 was 17.59 metric tonnes, an 18% increase against 2022 volumes.

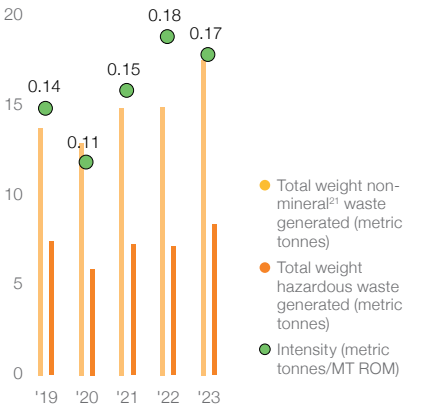
With the exception of Austar and Stratford, total waste generated increased at all other sites linked to an increase in overburden removal during the reporting period. Total waste generated against ROM production was 0.37 metric tonnes of waste per MT of ROM production, this is a 16% increase compared to 2022 (0.32 metric tonnes/ ROM MT).

The 32% increase in waste generation observed at Ashton is largely associated with the disposal of sludge and drill mud from gas drainage of the pit. Donaldson and Duralie also had significant increases in waste generation, this was largely due to the removal of mining infrastructure at Duralie as part of its closure activities and a major service on the septic system at the Donaldson mine site during 2023. Despite the site level increases the waste volumes generated from these sites are significantly lower than volumes generated at some of the other mine sites.

We handle hazardous and non-hazardous non-mineral waste in conjunction with third-party providers for recycling or proper disposal. During 2023, our hazardous waste

Total waste and total hazardous waste generated with hazardous waste intensity

metric tonnes



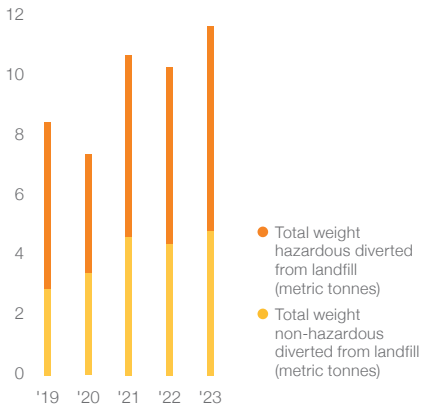
volumes were 17% higher than in 2022, with the largest percentage increase in hazardous waste occurring at our Yarabee site.

There were zero significant incidents associated with hazardous waste management during the reporting period.

During the reporting period, our volumes for hazardous waste diverted from landfill increased by 16%. Hazardous waste diverted from landfill is either prepared

Total waste diverted from disposal

metric tonnes



for reuse, recycled or managed via other recovery options. During 2023 2% of hazardous waste diverted from landfill was recycled, 11% was prepared for reuse and the remainder was managed via other recovery options.

Yancoal also experienced a 10% increase in volumes of non-hazardous waste diverted from landfill, which is notably lower than the 18% increase observed in the volume of non-hazardous waste generated. During

21. Mineral wastes, such as tailings and course rejects resulting from the mining process, are managed separately in each sites Tailings Management Plans. We currently do not quantify volumes for sustainability reporting.

22. All data reported to the NPI is based on the Australian fiscal year.

2023, 99% of the non-hazardous waste diverted from landfill was recycled compared to 86% during 2022.

Our aim is to set specific targets for future reporting, demonstrating our commitment to continuous improvement in waste management practices.

Tailings Management

Tailings management encompasses the handling and storage of the by-products generated during the processing of coal at some of our operations. At Yancoal we recognise the importance of effective tailings management in mitigating environmental impacts and contributing towards the safety and integrity of our operations.

We implement strategies to minimise risks associated with tailings, including containment, monitoring, and adherence to the relevant regulatory standards.

We engage independent risk management specialists to undertake annual surveys. Recommendations from these surveys are evaluated and monitored by Yancoal.

Tailings Storage Facilities (TSF's) across Yancoal's assets are managed in accordance with relevant regulatory obligations. Where appropriate, TSF's are regulated under the Dams Safety Act 2015 in NSW and as regulated structures in Queensland, with associated regular inspections.

Air and Noise Management

Recognising the importance of minimising the potential effects on both the community and the environment, and in order to ensure compliance with our environmental licence conditions, we have implemented robust measures and monitoring systems to manage noise and air quality.

Air quality

Yancoal recognises the importance of air quality management and is committed to minimising air emissions resulting from our operational activities. Mitigation measures have been implemented across our operations to reduce potential impacts on the general health and amenity of surrounding environments, to support compliance with relevant national, state and jurisdictional statutory obligations. During the reporting period, Yancoal has complied with relevant laws and regulations that have a significant impact on Yancoal relating to air and greenhouse gas emissions.

Site-specific Air Quality Management Plans and real-time air quality monitoring are in place to guide the day-to-day management of dust-generating activities. To address the risk of offsite dust emissions impacting residential areas, continuous real-time meteorological and air quality monitoring stations have been established. These stations provide advanced warnings, allowing immediate operational adjustments to manage dust emissions within approved limits.

CASE STUDY

Rehabilitating Tailings Dams

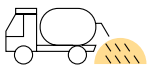
Yancoal is supporting research into rehabilitating tailings dams through active involvement in Australian Coal Industry's Research Program (ACARP) projects. Work to date has been completed in NSW, demonstrating that suitable plants growing direct on a tailings dam can dewater the tailings "via the vegetative pump" to create denser and drier tailings. This results in a more stable tailings dam and reduces the risk of dam failure.

Further research has demonstrated the ideal species and the methods to precondition plants for flooding, something often faced on tailings dams. The research has now moved to field trials to demonstrate that a tailings dam can be revegetated without the need for capping, with local species to be trialled on a Bowen Basin tailings dam.

We engage independent risk management specialists to undertake annual surveys of key risk areas. Recommendations from these surveys are evaluated and monitored by Yancoal.

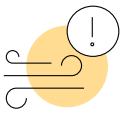
Mitigation measures

Water trucks to dampen haul roads



Rehabilitation to reduce exposed areas

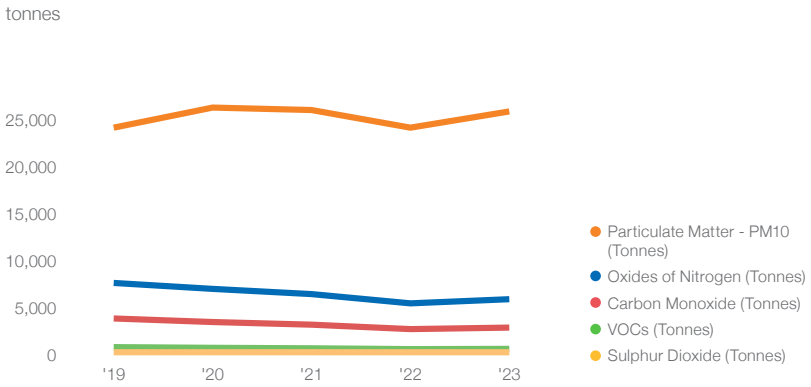
Modifications to operations on windy days



Data analytics and predictive models

Planet *cont'd*

Key pollutants



Yancoal reports its air emissions annually in line with the Australian Government's National Pollutant Inventory (NPI) regulatory reporting requirements[22]. The NPI reports serve as a centralised source of information, offering insights into substance emissions across Australia. Air emissions reported include carbon monoxide (CO), oxides of nitrogen (NOX), particulate matter (PM10), sulphur dioxide (SO_2) and volatile organic compounds (VOCs).

Each of our operational sites reports to the NPI. Over the past five years, Yancoal's reportable pollutants have remained relatively consistent and are correlated to production levels. Notably, from 2021 to 2022, there was a reduction in emissions of which aligned with reduced production during 2022 caused by significant La Niña-related rainfall. For a detailed breakdown of our air emissions data, please refer to the "Performance Data" section in Appendix B.

Weather in the second half of 2023 was characterised by hot, dry and windy day conditions which drove a decline in air quality. In the Hunter Region, the cumulative impact of industrial activities including power generation and mining in close proximity exacerbates this issue.

This is a well understood risk at MTW, with the site implementing mitigation and management measurements in accordance with its Air Quality Management Plan. MTW continuously implements procedures to reduce dust from its operations, including watering unsealed roads, avoiding dust-generating activities during windy weather and progressing rehabilitation to minimise disturbed areas.

> Minimising noise generated from our operations is a priority for Yancoal. Yancoal employs a systematic approach to manage operational and construction noise, similar to our approach to air emissions.

MTW has continued to operate within its air quality limits under its licences with no air quality exceedances this year. At Cameby Downs, there were two occasions when dust gauge limits were exceeded. Yancoal non-compliances are further detailed in Appendix B.

Real-time weather stations are deployed across the majority of Yancoal's operations, which assist in the management and mitigation of mining generated dust. Meteorological stations provide real-time data on key weather parameters, such as wind speed and direction, allowing the operation to make informed decisions on daily blasting and haulage operations. At our large open cut sites, the weather data are used in combination with air quality models as a predictive tool to forecast the direction and dispersion of potential particulate emissions from planned mining activities. This enables operational personnel to plan for potential adverse weather conditions, such as high winds or temperature inversions, and to adjust operational activities accordingly to minimise impacts to the amenity of private residences in surrounding areas.

Noise

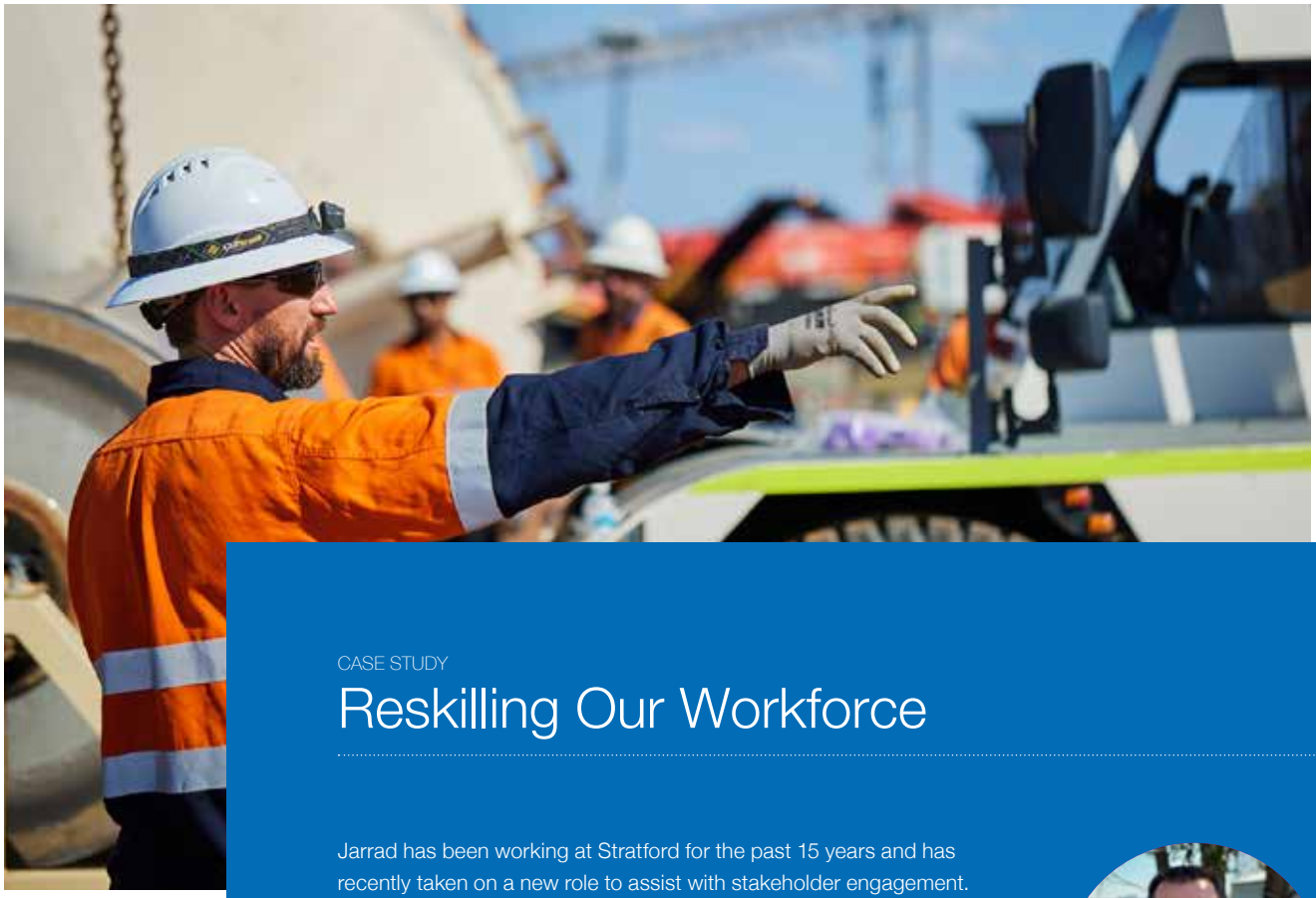
Minimising noise generated from our operations is a priority for Yancoal. Yancoal employs a systematic approach to manage operational and construction noise, similar to our approach to air emissions. This involves implementing site Noise Management Plans and employing appropriate noise mitigation and monitoring measures to support compliance with a suite of site-specific noise criteria. These plans guide our operational personnel in effectively managing day-to-day activities that generate noise.

To address potential impacts on nearby residential areas, we have set up continuous real-time meteorological and noise monitoring stations. These stations offer early warnings, allowing for prompt operational adjustments to manage noise emissions within approved limits. We recognise that operational noise emissions can be more distinct at night and therefore we employ additional personnel at some operations to proactively manage this.

Mine Closure and Landform Rehabilitation

Mine closure and rehabilitation involves the systematic and responsible decommissioning of mining infrastructure, environmental remediation and generation of a beneficial post mining land use. These activities aim to leave a positive legacy, minimise environmental impacts and contribute to community well-being.

Yancoal believes that mining is a temporary land use with mine closure and rehabilitation being a material sustainability-related priority for Yancoal. Effective pre-closure planning in conjunction with stakeholder engagement prior to the end of mine life can present



CASE STUDY

Reskilling Our Workforce

Jarrad has been working at Stratford for the past 15 years and has recently taken on a new role to assist with stakeholder engagement. Jarrad was born and raised in Gloucester and has spent most of his life in the local area. He has generations of family history that closely connect him to the region. Along with his wife and children, Jarrad is active in Gloucester community programs and sporting clubs. He is excited to see the site transform from a coal mine to new uses and is keen to ensure the community is kept informed on this journey. Jarrad will be working closely with Thomas Kirkwood, the Senior Environment & Community Advisor, to ensure the community is kept up to date on site-related matters.

Jarrad Galvin
Community Liaison Advisor

significant mine closure opportunities. Yancoal adopts this process in order to achieve a beneficial post-mining land use that has favourable environmental, social and economic outcomes.

Yancoal is in the process of developing comprehensive mine closure plans for the Austar, Stratford and Duralie mine sites, with closure activities having already commenced at the Austar and Duralie sites.

Austar, which had been in continuous operation for over 100 years, was placed in “care and maintenance” in March 2020, and has now moved to closure, and rehabilitation.

Mining activities at Duralie concluded in 2021 with the site now undertaking detailed closure planning. This includes confirming final rehabilitation and closure requirements with government regulators. Closure works will include decommissioning and removing infrastructure and completing rehabilitation of the site in accordance with its closure criteria.

After 25 years of operation, mining is expected to conclude at Stratford by the end of 2024.

Acknowledging the significant impact of mine closure on employees, Yancoal is committed to opportunities for reskilling, re-employment and redeployment to other Yancoal operations. As part of our closure strategy, we prioritise the well-being and professional development of our workforce, offering training programs to enhance their skills and adaptability. We also assess opportunities for members of the workforce to prolong their employment during rehabilitation activities.

People

We maintain a sustainable workforce through worker health, safety, and wellbeing; focusing on high standards of ethics and conduct; enhancing and career development options; attracting and retaining talent; effectively managing labour relations and fostering diversity and inclusion.

Our People pillar extends beyond our own organisation to embrace broader community engagement and contribution, and to generate positive impacts beyond our operational boundaries.

We acknowledge the significance of community engagement, placing a high value on building meaningful relationships and contributing to the well-being of the communities in which we operate. Additionally, our commitment to Indigenous communities is embedded in our strategy, with an emphasis on respectful engagement and ensuring that our activities align with their cultural values.

Workforce Culture Diversity and Inclusion

Yancoal acknowledges that our people constitute our most valuable asset and are integral to our success. We are dedicated to consistently engaging with our workforce to foster an inclusive workplace, individual empowerment and to promote diversity. This commitment encompasses:

- Providing equal employment opportunities;
- Adhering to fair employment practices and anti-discrimination laws; and
- Ensuring a workplace free from any form of discrimination, harassment or intimidation of employees.

Our Board approved Diversity and Inclusion Policy, seeks to actively facilitate a more diverse and representative management and leadership structure. The Diversity and Inclusion Policy is available on the Corporate Governance section of the Company's website.

To gauge the efficacy of our Diversity and Inclusion Policy, we have established a set of measurable objectives that will be reviewed annually with the assistance of the Board Nomination and Remuneration Committee.

For 2023, Yancoal set a suite of six measurable objectives. Three of those objectives included enhancing our internal processes, such as the establishment of a Diversity and Inclusion Committee, conducting gender pay gap reviews and increasing behavioural awareness across the company. The other three objectives focus on setting quantitative targets to improve performance.

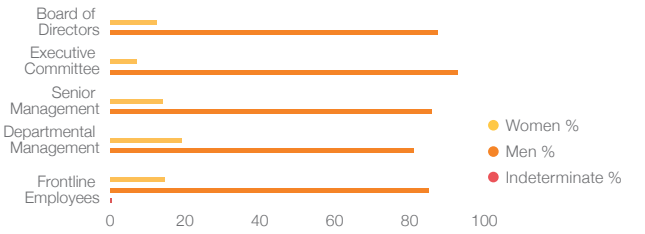
We acknowledge the significance of community engagement, placing a high value on building meaningful relationships and contributing to the well-being of the communities in which we operate.

Although we fell short of our 17% target for women in the workforce, we sustained performance levels when compared to 2022 figures due to the large number of new hires across the business.

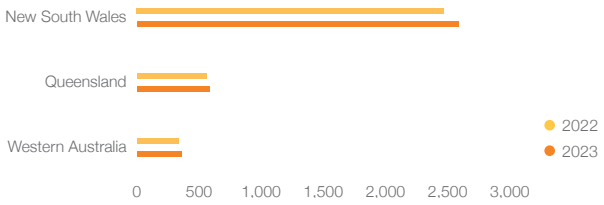
Our commitment to providing development support and mentoring programs was fulfilled, with 30 female employees participating in mentoring initiatives in 2023.

Concentrating on enhancing gender balance and equality, we observed a significant upswing in the percentage of salaried female employees with established career development plans and reached 60% in 2023 compared to 39% in 2022. While our journey towards the target is

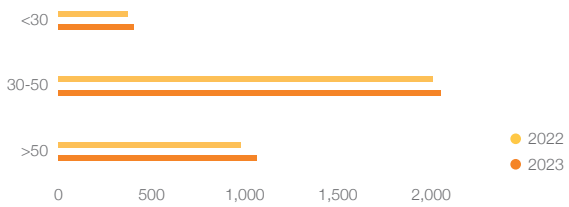
Employment type by gender %



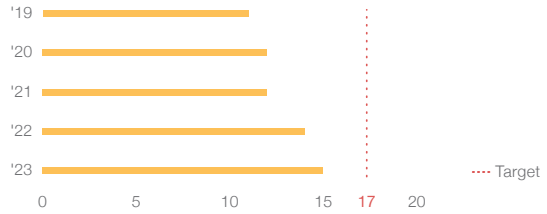
Employee count by geographical region



Employee count by age group



Female employment (for annual reporting period) %



Targets and performance

OBJECTIVE	TARGET	2022 PERFORMANCE	2023 PERFORMANCE
Provide development and support mentoring programs for women	Target greater than 30 female employees to be mentored in 2023.	**16**	**30**
Maintain and/or improve the proportion of women in the workforce	Maintain and/or improve the proportion of women in the workforce at 17%	**14%**	**15%**
Encourage career planning conversations and development plans	>80% of salaried female employees to have development plans in place	**39%**	**60%**

ongoing, the progress made aligns with our objectives, and the same target has been maintained for 2024.

As we continue to work towards improving gender balance in our workplace, we are committed to undertaking the following initiatives:

- Include at least one female candidate on the shortlist for new hire roles at manager and above (where a female candidate exists within the recruitment talent pool);
- Benchmark and review the Yancoal parental leave policy with a view to improving our employee value proposition;
- Rollout refreshed education and awareness content on Yancoal workplace behavior;
- Prioritise female participation in Yancoal leadership development and mentoring programs to support career progression;
- Focus on female employees as part of our talent and succession process and aim at creating a stronger female talent pipeline for more senior positions; and
- Monitor exit data for female salaried employees to better address issues that may be undermining our gender balance objectives.

Health, Safety & Wellbeing

Yancoal is dedicated to maintaining a safe and secure working environment for all and prioritises the well-being and protection of our workforce. In addressing this commitment, our policies are crafted to align with best practices in occupational health and safety and to adhere to (and comply with) all relevant laws and regulations. Ensuring strict adherence to such standards aims to safeguard our employees from occupational hazards. All of our workers are covered by the Yancoal WHS management system. During the reporting period, Yancoal has complied with all relevant laws and regulations that have a significant impact on

People *cont'd*

Yancoal relating to providing a safe working environment and protecting employees from occupational hazards.

Regular reviews and updates of our policies are continuously conducted to reflect changes in laws and regulations. Our proactive approach encompasses robust safety measures, risk assessments and employee training programs that aim to create an ongoing culture of vigilance. This is demonstrated through Yancoal's 'Safe Way Every Day' Programme.

As outlined in Yancoal's Health and Safety Policy and HSEC Committee Charter, the HSEC Committee collaborates closely with management and plays a pivotal role in guiding our commitment to upholding the highest safety standards and compliance with legislative requirements in the operation of our mines. Each mine then proactively implements strategies to enhance and monitor safety standards, behaviours and reporting, which aligns operations with Yancoal's goal of achieving zero harm.

Whenever possible, the HSEC Committee conducts meetings at operational sites and in 2023 held meetings at Moolarben (twice) and Stratford.

During 2023, safety intervention programmes have been undertaken at a number of our sites in response to deteriorating performances encountered. We have upheld our commitment to zero fatalities in our workplace and experienced significant decreases in the number and rate of high consequence work-related injuries, decreasing by 36% and 24% respectively, when compared to 2022.

After the implementation of the Safe Way Behaviours in 2021 and the Mental Health Programme in 2022, these structured initiatives have yielded significant improvements in safety performance at Yancoal:

- Decreased injury frequency rates and severity
- Lowered Workers Compensation costs
- Reduced time lost due to workplace injuries
- Increased engagement in hazard identification and reporting
- Enhanced leadership skills among employees

Furthermore, notable achievements have been observed across the organisation in promoting and integrating our Safe Way Every Day program. Strategic measures such as prominently placed signboards at entry points, internal and external signage reflecting our Safe Way Behaviours, personalised uniforms, and collaborative endeavors with OEMs to incorporate our logos on new equipment have fostered a unified culture. This collective effort was reflected in our employee survey, where an impressive 96% feedback rating was received. Employees reported the sustained or improved safety standards across our operations, highlighting our successful collaborative efforts.

There has been a material improvement in safety performance across our sites, resulting in a significant (68%) reduction in the number of medically treated incidents and 20% reduction in lost time incidents.

There has been a significant 24% reduction in the number of Total Recordable Incidents (TRIs) incidents and 33% reduction in TRIFR. Our Total Recordable Injury Frequency (TRIFR) rate for 2023 (of 5.36) is 35% below the industry equivalent benchmark (8.23) Work related injuries during 2023 were largely associated with strains and sprains and soft tissue injuries.

A 20% reduction in Lost Time Injuries (LTIs), 29% reduction in LTIFR and 37% reduction in lost days due to work injuries has also been recorded in 2023. In 2023 the Near Hit Frequency Rate (for Near Hit incidents with Potential Harm to People outcomes) decreased by 29% when compared to 2022.

We have upheld our commitment to zero fatalities in our workplace and experienced significant decreases in the number and rate of high consequence work-related injuries, decreasing by 36% and 24% respectively, when compared to 2022.

↓36%

REDUCTION IN HIGH CONSEQUENCES WORK RELATED INJURIES

↓24%

REDUCTION IN RECORDABLE WORK-RELATED INJURIES

Number of TRI's and TRIFR

Yancoal Mental Health Program

The Yancoal Mental Health Program was developed with the aim of implementing a structured and sustainable strategy for mental health and well-being. This initiative aligns closely with the objectives of the Yancoal Safe Way Every Day program.

In collaboration with the Mental Health Movement, Yancoal began rolling out the Mental Health Program in 2022, structured across four key stages:

Stage 1: Establishment of a Mental Health Support Structure

Stage 2: Increasing Mental Health Awareness among the workforce and conducting an audit of the current status

Stage 3: Delivery of Mental Health Education workshops covering topics such as support, resilience, mental illness, and suicide prevention

Stage 4: Provision of Mental Health Workforce Training focusing on areas such as first aid, leadership, and response protocols.

The Yancoal Mental Health Program progressed significantly in 2023, with notable advancements in its four-stage implementation:

Stage 2 was successfully completed during the year, with all Yancoal employees introduced to the program through a workshop focused on raising awareness about mental health and providing essential education on the subject.

Stage 3 commenced with the rollout of educational workshops across all Yancoal operations. These workshops consisted of two sessions aimed at all employees:

- The first session covered Mental Health Resilience, equipping employees with strategies to enhance their mental well-being.
- The second session addressed Suicide Awareness and Prevention, offering crucial insights and guidance on recognizing warning signs and providing support.

These developments underscore Yancoal's ongoing commitment to prioritising the mental health and well-being of its workforce.

A Mental Health check-in survey was completed in 2023 with 89% participation rate across the group.

These survey results confirmed the prevalence of mental health challenges amongst our workforce. Interestingly, the contributing factors Yancoal employees identified that negatively impacted their mental health were primarily non-work related.

The primary benefit of the Mental Health Programme has been the widespread acceptance across the whole company. Following the first training and awareness session the check-in survey identified that:

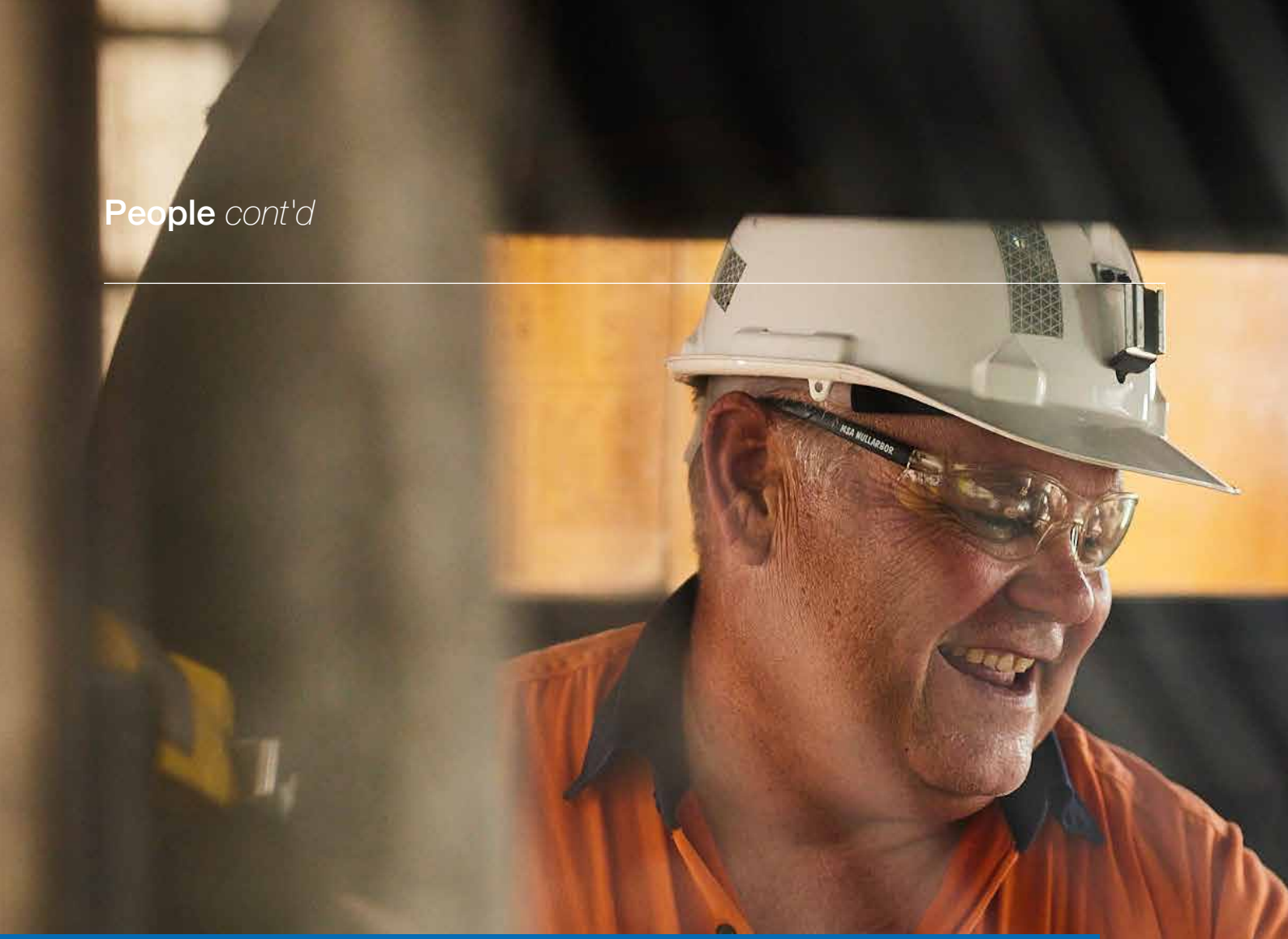
94% OF EMPLOYEES FEEL MORE CONFIDENT IN UNDERSTANDING SIGNS OF POOR MENTAL HEALTH

87% OF EMPLOYEES FEEL EQUIPPED TO APPROPRIATELY TALK TO SOMEONE WITH A MENTAL HEALTH ISSUE

91% OF WORKERS FEEL CONFIDENT SUPPORTING A FELLOW WORKER THROUGH A MENTAL HEALTH STRUGGLE

97% OF EMPLOYEES FOUND THE COURSE WORTHWHILE

98% EMPLOYEES FOUND THE TRAINER/S ENGAGING



Yancoal Safe Way Programme

Yancoal was honoured as a finalist in the Australian Workplace Health & Safety Awards 2023 for the WHS Learning & Professional Development Program Award.

In 2021, Yancoal initiated the development and implementation of a Safe Way Culture Framework aimed at ensuring a consistent approach to Health, Safety, and Training management across the organisation. This framework was instrumental in fostering a culture aligned with the "Safe Way Every Day" principles.

Building upon this foundation, in 2022, Yancoal launched a comprehensive five-year program designed to standardise Health, Safety, and Training practices across all operational sites and cultivate a safety-oriented culture throughout the company.

Central to this initiative are the 12 Safe Way Behaviours, which target behaviours that have historically contributed to incidents and injuries within Yancoal and the broader mining sector.

The Safe Way Every Day program offers a suite of training and interpersonal initiatives geared towards enhancing personal safety competencies. By empowering employees to recognise their role in safety outcomes, the program aims to bolster safety knowledge and foster a proactive safety mindset among all staff.

In 2023, our focus shifted towards solidifying and ingraining the Safe Way Every Day program, transitioning into the calculating stage of the culture model. This phase necessitates concerted efforts to reinforce supportive systems and processes, ensuring consistency and sustainability across Yancoal.

To facilitate this transition, we developed an educational eBook at the outset of the year, distributed to senior leaders across the organisation. This resource served as a comprehensive guide to navigating the "calculating stage" of the cultural safety model and was reinforced through regular Safe Way Operations Managers meetings.

People *cont'd*

Succession planning is a critical aspect of our strategy, ensuring a seamless changeover of leadership and key roles within the Company. By cultivating an internal pipeline of talent, we can identify and nurture high-potential individuals from within Yancoal, aligning their skills and capabilities with our future needs.

Workforce Sustainability, Skills, and Talent Attraction

Our objective is to attract skilled individuals to our workforce and to foster their commitment by providing engaging roles, continuous training and development in addition to avenues for advancement within an inclusive workplace environment.

We provide continuous training and professional development opportunities for our employees, encompassing both internal and external programs.

Additionally, we extend targeted programs and development initiatives specifically designed for frontline leaders and identified high-potential individuals. These efforts aim to assist them in achieving their career objectives while aligning with internal succession plans.

Yancoal Learning Academy Initiative

The Yancoal Learning Academy offers a calendar of short course skills training available to all salaried employees focused on building capabilities in key skill areas.

Succession planning is a critical aspect of our strategy, ensuring a seamless changeover of leadership and key roles within the Company. By cultivating an internal pipeline of talent, we can identify and nurture high-potential individuals from within Yancoal, aligning their skills and capabilities with our future needs. This proactive approach not only minimises disruptions during leadership changes, but also fosters a culture of continuous growth and development among our employees. During 2023, Yancoal's talent and succession planning process reviewed 94 roles with 117 potential successors identified. There was a total of 84 internal promotions, 20% of which were female. Similarly, our workforce grew with 650 new hires, 21% of which were women.

Training performance for the reporting period

	MALE	FEMALE	NOT DISCLOSED
Average hours of training per employee by gender (#hrs)	150	64	331
The percentage of employees trained by gender (%)	94%	92%	92%

Average hours of training

EMPLOYMENT TYPE	MALE	FEMALE	NOT DISCLOSED
Permanent (#hrs)	153	59	331
Fixed Term (#hrs)	94	60	-
Part time (#hrs)	41	126	-

People *cont'd*

Employment and Labour Practices

Our commitment to a sustainable and ethical approach to labour management is an important element of our operations and helps to shape our organisational culture.

During the reporting period, Yancoal has complied with all relevant laws and regulation that have a significant impact on Yancoal relating to preventing child and forced labour.

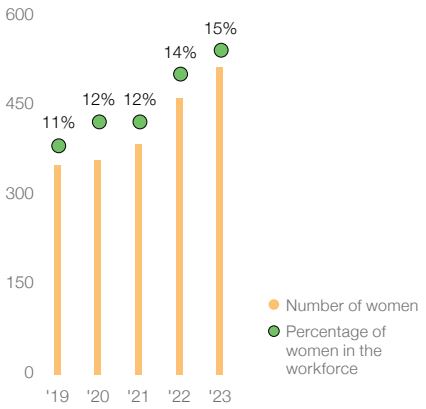
As the labour landscape evolves, we will continue to comply with regulatory frameworks. We aim to foster a workplace environment that promotes our employees' well-being, their rights, and harmonious relations through providing for freedom of association and effective conflict resolution mechanisms.

Monitoring new hire metrics and turnover rates provides an indicator of Yancoal' s performance in maintaining a healthy and engaging workplace.

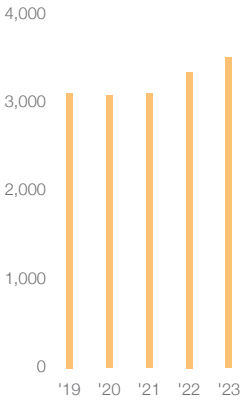
As at 31 December 2023, the proportion of women, who were directly engaged as employees was 15%, with 462 of those being full-time employees, 26 part-time and 26 fixed term.

During the last five years, we have seen a steady increase in the number of new female hires across all regions and our female employee turnover rate has remained relatively steady, albeit with a slight increase during 2023. There has also been a slight but steady increase in turnover rates for those employees aged between 30 and 50 years old, although this has remained static for the last two reporting periods.

Percentage women in the workforce

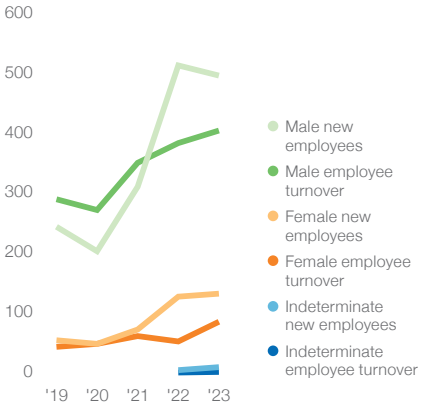


Total number employees

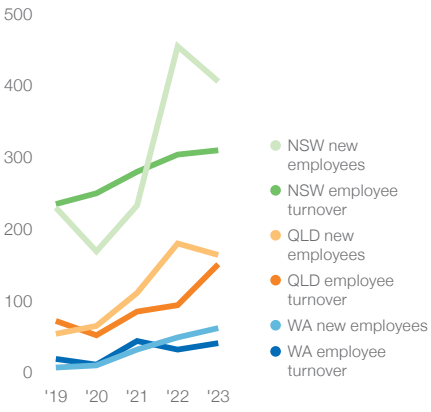


Total number new hires & turnover

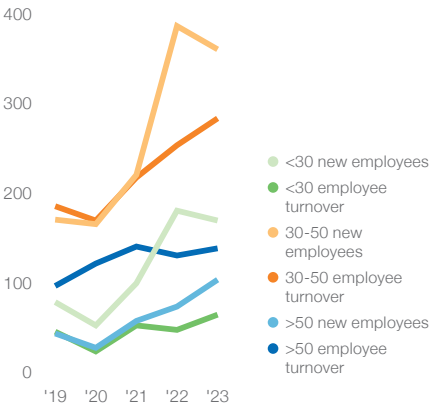
New employees & turnover by gender[25]



New employees & turnover by geographical region



New employees & turnover by age group[26]



Gender pay gap results	2022/23	2022/21	2021/20
Median Total Remuneration Pay Gap	11.4%	11.7%	11.8%

Workplace Gender Equality Agency (WGEA) Pay Gap Reporting

In February 2024, the Australian Government's Workplace Gender Equality Agency (WGEA) released gender pay gap data for all non-public sector employers with 100 or more employees. This included Yancoal Australia and follows the introduction of new legislation in 2023 that was designed to accelerate employer action to close the gender pay gap.

The gender pay gap is the difference in average earnings between women and men in the workforce. It is not a reflection of the differences in individual pay between men and women undertaking the same roles. The gender pay gap is expressed as a total median percentage, which is the number that falls into the middle when everyone's wages are lined up from smallest to largest. Australia's total median remuneration gender pay gap is 19%. Yancoal has a gender pay gap of 11.4%. At Yancoal, the pay gap has reduced by 0.4% over the past three years and it remains an area of focus for improvement.

Yancoal remains committed to reducing the Gender Pay Gap by:

- Increasing the proportion of female employees in the workforce;
- Increasing the proportion of females across all levels of the organisation, particularly senior roles; and
- Ensuring females are paid fairly and in line with market.
- Improving the gender pay gap is about increasing representation of females across all levels of our organisation, it is not simply a pay issue.

Freedom of Association

Yancoal supports the freedom of association, including the right of employees to join and participate in unions.

Each of our sites at Yancoal operates under its own enterprise agreement. These have been developed in accordance with the applicable labour laws and regulations, including the Fair Work Act 2009, providing mutually agreed-upon employment arrangements, and transparent frameworks for working conditions, remuneration and benefits. In 2023, 61% of our workforce was covered under enterprise agreements.

Establishing positive relationships with unions fosters a collaborative work environment and minimises conflicts. In 2023, Yancoal achieved zero strikes or lockouts.

Employee Engagement

Employee engagement stands as a cornerstone of our organisational ethos to foster a sustainable and thriving workplace. We recognise that an engaged workforce is more productive and more aligned with Yancoal's values and sustainability goals.

Yancoal has several initiatives to cultivate a work environment where every team member feels valued, motivated and empowered.

To measure our performance over time we undertake periodic employee engagement surveys. Our 2023 employee engagement survey focused on a range of issues including employee experience, effectiveness of management, safety, work environment, performance enablement, agility and innovation, strategic focus, engagement and confidence.

The response rate for the 2023 engagement survey was 76%.

Several changes were made to the methodology used in the 2023 survey, including a shift from an employee Net Promoter Score (focused on loyalty and advocacy) to an Employee Engagement score, which should enable the 2023 survey to provide a baseline against which we will measure and track future performance. An Employee Engagement score focuses on how employees relate to factors such as productivity, employee retention and recommending Yancoal as an attractive workplace.

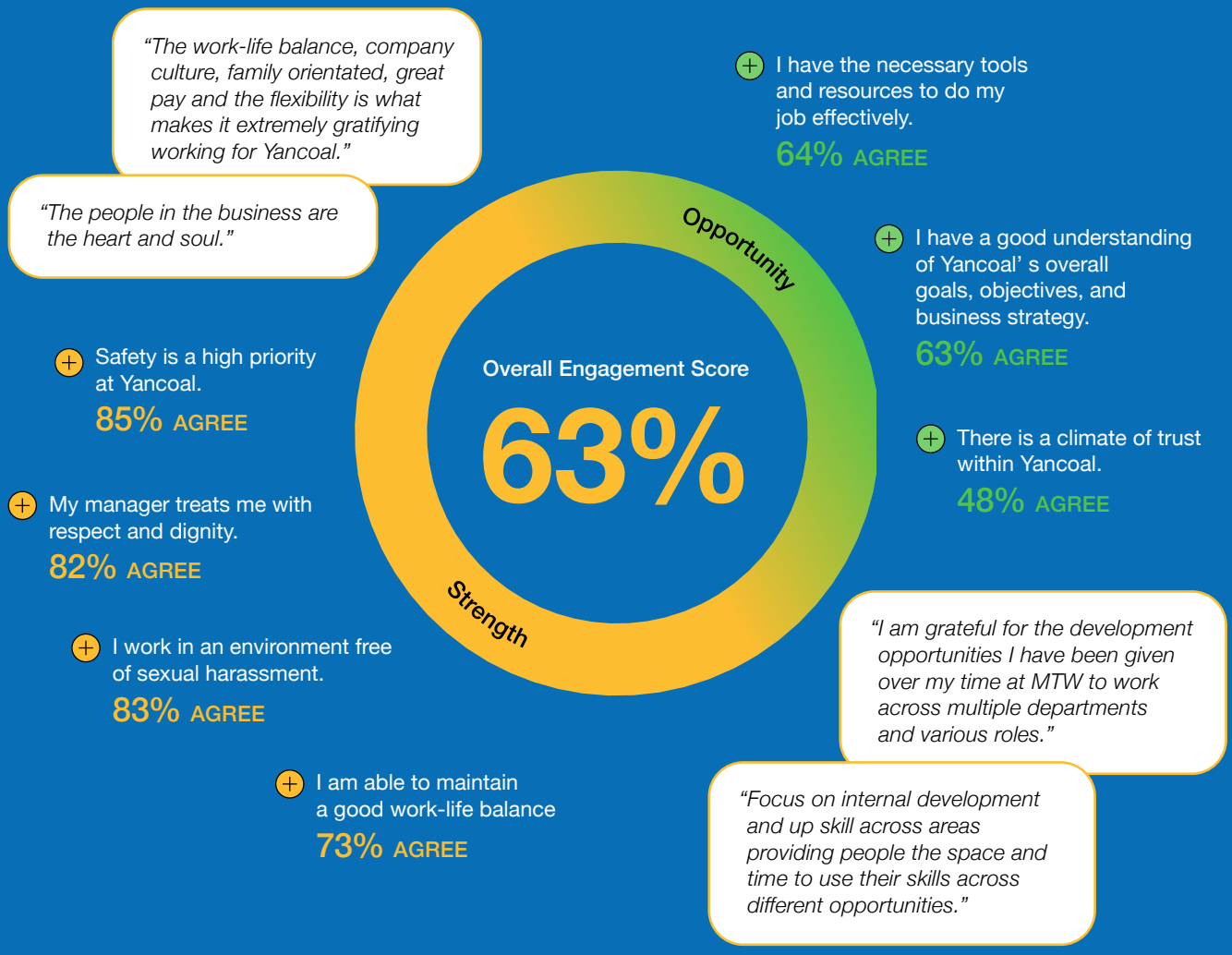
This enables Yancoal to externally compare results against an Australian employee engagement benchmark[27].

During the reporting period, Yancoal has complied with all relevant laws and regulations that have a significant impact on Yancoal relating to compensation and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

Employee engagement stands as a cornerstone of our organisational ethos to foster a sustainable and thriving workplace.

23. Data for 2019 has been restated when compared to 2022 ESG Report.
24. Data for 2019 has been restated when compared to 2022 ESG Report.
25. Data for 2019 has been restated when compared to 2022 ESG Report
26. Data for 2019 has been restated when compared to 2022 ESG Report
27. The benchmark was made up 86 Australian-based companies that have conducted 133 projects. Approximately 71,590 individual employee survey responses were included, and the survey data was used from the period 2018-2022.

2023 employee engagement survey: Key Results



Ethics and Conduct

Fraud Bribery and Corruption

Yancoal is committed to the highest standards of professionalism and ethical conduct. This is achieved through adherence to the standards set out in our Code of Conduct. In line with our corporate values, our expectation is that all business dealings are conducted with honesty and integrity.

Our Code sets out the rules on how to work with each other, how to interact with others outside of the Company, and how we make decisions in the way that we conduct business. Adherence to the Code means we are not only complying with relevant legislation and regulations, but also ensuring our individual behaviour is aligned with the 'Yancoal Way'.

Fraud, bribery, and corruption in all forms are strictly prohibited by Yancoal. Our Fraud as well as Anti-Corruption and Sanctions Policy has been formally endorsed by the Board and outlines how Yancoal expects employees to behave when conducting business in both Australia and internationally.

During the reporting period, Yancoal has complied with all relevant laws and regulations that have a significant impact on Yancoal relating to bribery, extortion, fraud and money laundering.

In Australia bribery is prohibited under the Criminal Code Act 1995 (Cth). Internationally, anti-corruption and bribery legislation is enforced. The Hong Kong Prevention of Bribery Ordinance is expected to be strictly followed by Yancoal employees when engaging internationally.

Reporting concerns and whistleblower protection

Yancoal's Code of Conduct in conjunction with the company's Whistleblower Policy encourages reporting of misconduct or improper circumstances related to the company by various stakeholders, excluding solely personal work-related grievances. Reporting avenues include a confidential Speak Up facility or designated individuals within or external to the company. All disclosures are treated seriously and may lead to investigations. Processes are in place to protect, support, and monitor the welfare of whistleblowers, with regular updates provided to the Audit and Risk Management Committee and the Board regarding whistleblower matters.

- Yancoal's Code of Conduct in conjunction with the company's Whistleblower Policy encourages reporting of misconduct or improper circumstances related to the company by various stakeholders.
- Reporting can be done confidentially through a Speak Up facility or directly to designated individuals within the company or external parties.
- Disclosures must not solely pertain to personal work-related grievances.
- All disclosures are treated seriously and may lead to investigations as outlined in the policy.
- Processes are in place to protect, support, and monitor the welfare of whistleblowers.
- The Audit and Risk Management Committee and the Board are regularly informed about whistleblower matters, including the number and nature of disclosures, ongoing investigations, and outcomes.

Yancoal maintains a Code of Conduct, Fraud Policy and other key governance polices to instill and set out our company's values, beliefs and expected behaviors. Anti-corruption training was provided to all Yancoal Board of Directors in June 2023. Yancoal will continue to look at the roll out of anti-corruption training in 2024 for employees initially for those with high exposure risk and then more broadly across the organisation.

Yancoal's Whistleblower Policy encourages reporting of misconduct or improper circumstances related to the company by various stakeholders, excluding solely personal work-related grievances

The Yancoal Whistleblower Policy, Code of Conduct, and Anti-Corruption and Sanctions Policy are all available in the Corporate Governance section of the Company's website.

During 2023 there were zero open or concluded legal cases regarding corrupt practices brought against Yancoal or our employees.

Ethics and Conduct *cont'd*

Sustainable and Ethical Supply Chains

Yancoal encourages suppliers throughout our supply chain to adhere to sustainable and ethical standards, with all suppliers required to adhere to Yancoal's Code of Conduct. Given our status as a business serving the global seaborne market, we are mindful of the potential impact that market dynamics, geopolitical factors, and conflicts can exert on our operations, supply chain, and customers.

Our procurement process governs the sourcing of all products and services crucial to our mining, processing, and coal transportation operations. Essential supply chains encompass our plant and equipment manufacturers, diesel, and lubricant suppliers, blasting product and service providers, port, and rail service entities, as well as directly and indirectly employed labour, utilities and electricity services. While the majority of Yancoal's suppliers are based in Australia, certain international suppliers contribute specific services and equipment.

In 2023 we saw a 42% increase in payments to local suppliers from 2022 and a 17% increase in payments to our key suppliers. The number of key suppliers increase by 13%, continuing the upward trend of supplier engagement by Yancoal.

We seek to cultivate robust partnerships with our suppliers for the collective management of sustainability risks. We prioritise integrity in all supplier relationships, ensuring that our decisions reflect Yancoal' s values.

Our sourcing strategy emphasises collaboration with local suppliers, provided they meet the stipulated criteria outlined in our Procurement Policy regarding commercial viability, environmental responsibility, and health and safety standards.

Human Rights and Modern Slavery

Upholding human rights and preventing modern slavery across our business and supply chains is an important aspect of our responsibility to uphold the values and expectations of our stakeholders and society, and to meet Australian regulatory requirements.

In January 2019, the Australian Modern Slavery Act 2018 (Cth) ("Act") was enacted, compelling companies to disclose measures taken to comprehend and assess the risk of modern slavery within their operations and supply chains, describing due diligence activities undertaken. To address the requirements of the Act, we have in place a Board approved three-year execution plan, which was enacted in 2023. We are meeting all those expectations outlined in the plan to date.

Yancoal's Modern Slavery Policy, accessible on our website, articulates the Company's strategy for identifying and addressing modern slavery risks in both operations and supply chains.

Our procurement processes and Code of Conduct are aligned with the Modern Slavery Policy to ensure consistency. Training on modern slavery, conducted through Yancoal's Learning Management System, has been rolled out to members of our executive leadership, procurement and human resources teams.

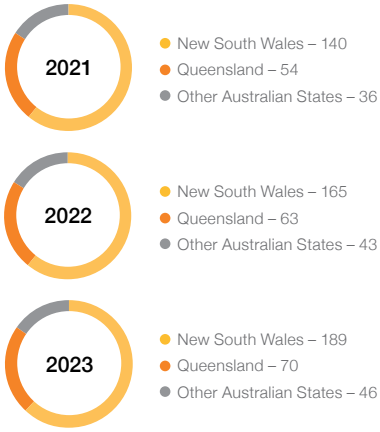
Our fourth Modern Slavery Statement for the 2023 Reporting Period will be published and accessible on our website most likely in July 2024.

In November 2023, the Modern Slavery Amendment (Australian Anti-Slavery Commissioner) Bill 2023 (Anti-Slavery Commissioner Bill) was introduced in the House of Representatives. Yancoal will continue to monitor any changes to the Act to support ongoing compliance with its reporting obligations.

Community Culture and Indigenous Relations

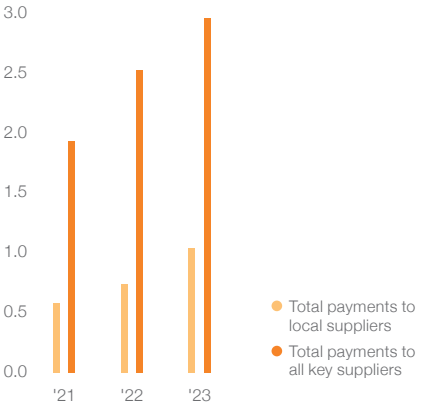
Yancoal is committed to enduring positive relationships with communities in which our operations are located. Our Environment and Community Relations Policy outlines our commitment to work in consultation with our communities and other stakeholders and to strive for the creation of trusted relationships.

Number key suppliers by geographical region



Payment to suppliers

AUD billion



42% increase
in payments to local suppliers from 2022

17% increase
in payments to our key suppliers

13% increase
in the number of key suppliers

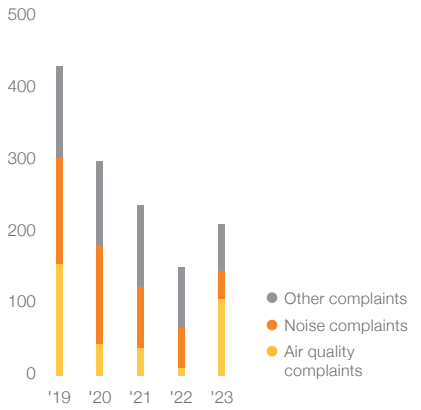
Commitment to Community

We recognise the need to address stakeholder concerns associated with our operations, as well as opportunities to work constructively with our local communities. Through ongoing dialogue and transparent communication channels, we seek to understand and address community issues as they arise.

Environmental monitoring programs are implemented to track and mitigate the impact of our activities. By investing in community engagement, infrastructure and social benefit programs, we aim to build trust and contribute positively to the well-being of our local communities. Our pledge is to foster a sustainable and harmonious coexistence with our communities.

Aiming to foster positive relations and meet our obligations, each site has its own community engagement processes providing a framework between our organisation and our local communities. We acknowledge that our operations have the potential to impact community amenity. To manage any grievances arising from our community members in an effective and consistent manner, we have a Community Complaints Management Standard. This standard applies to all our sites operating under the corporate EMS and directs any complaints to be recorded in a centralised incident database.

Number of complaints by type



Throughout 2023, Yancoal recorded a total of 211 community complaints: an increase of 41% compared to 150 complaints received in 2022. Beyond MTW (91% of total complaints) and Moolarben (9%), no other Yancoal-managed operations reported any community complaints throughout 2023. The increase in complaints during 2023 was primarily attributed to air quality concerns at MTW. The prevalence of hot, dry, and windy weather conditions from August to November exacerbated regional air quality issues, thereby impacting the conditions observed at MTW. Despite the concerns raised, MTW continued to operate within its air quality limits under its licences with no air quality exceedances reported. Noise-related complaints reduced by 30% during the Reporting Period, which can be partly attributed to continued efforts by sites to proactively manage noise.

We recognise the need to address stakeholder concerns associated with our operations, as well as opportunities to work constructively with our local communities.

Engagement principles

- Integrated and ongoing engagement
- Consistent senior representation
- Culturally sensitive approach
- Good-faith negotiations
- Indigenous Participation for mutual benefits
- Consultation on ACH matters
- Clear and accessible communication
- Advance notice for site visits
- Voice priorities and concerns

Ethics and Conduct *cont'd*

Aboriginal Cultural Heritage and Indigenous Engagement

As part of our corporate EMS, we have developed and implemented an Aboriginal Cultural Heritage (ACH) Management Standard. The standard sets out our minimum expectations for managing Aboriginal Cultural Heritage and defines a suite of principles to promote effective engagement, including the requirement that each mine site has its own ACH Management Plan to govern site-specific matters of heritage significance.

Effective engagement is fundamental to building strong and enduring relationships with our Indigenous stakeholders. We recognise the unique cultural fabric of the Australian landscape, and our engagement and assessment of each site is tailored to understand the unique needs of each local Indigenous community.

We have processes in place designed to meet statutory requirements for reporting any inadvertent damage or unauthorised harm to Aboriginal cultural sites or artefacts.

Our Community Complaints Management Standard provides an avenue for our communities to voice any concerns or grievances. During 2023 there were no incidents recorded for concerns or grievances from our Indigenous communities in relation to our operations.

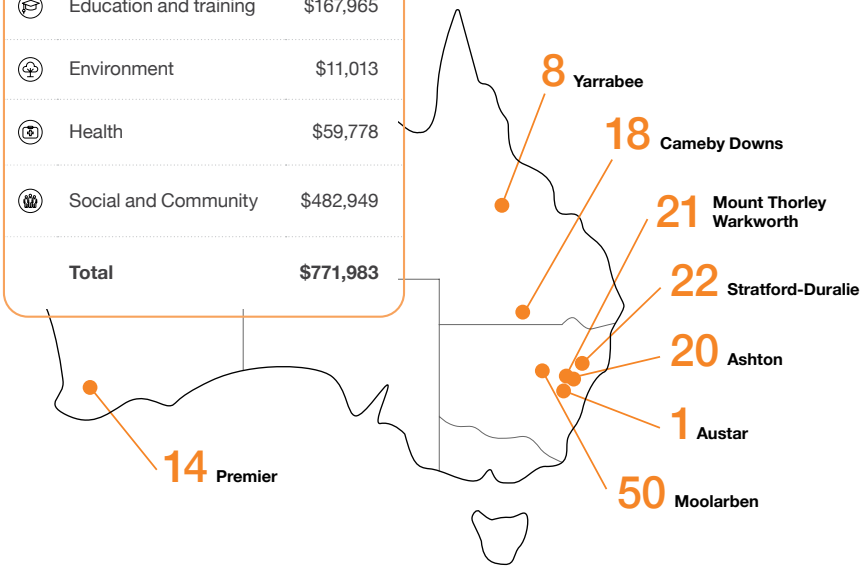
Community Investment

Our commitment to sustainable mining practices includes investment in the communities surrounding our operations to create strategic partnerships aimed at fostering positive and lasting impacts into the future.

Our Community Support Program (CSP) is crafted to create positive impact and comprises two fundamental pillars:

SITE INVESTMENT CATEGORIES	AMOUNT SPEND
Culture and Arts	$50,278
Education and training	$167,965
Environment	$11,013
Health	$59,778
Social and Community	$482,949
Total	**$771,983**

Number of programs supported by Yancoal



1. Tier 1: Community-focused program tailored to individual mine sites.
2. Tier 2: Company-wide initiatives for substantial corporate level partnerships.

Our CSP program saw a total investment of $1.67 million in 2023 ($1.8million in 2022).

In 2023, $900,000 was allocated to three Tier 2 partners, which include: the Westpac Rescue Helicopter Service to support their emergency rescue and remote patient transfer services; the Clontarf Foundation to support their Indigenous program; and the Cancer and Aging Research Project at the Queensland University of Technology.

Yancoal remains dedicated to transparently reporting our economic achievements in alignment with our sustainability goals and commitments.

Our commitment to sustainable mining practices includes investment in the communities surrounding our operations to create strategic partnerships aimed at fostering positive and lasting impacts into the future.

Case Study

Supporting the Future

From little things big things grow…

The Clontarf Foundation is dedicated to enhancing the education, discipline, life skills, self-esteem, and employment opportunities of young Aboriginal and Torres Strait Islander men, empowering them for more meaningful societal participation.

Originating in 2000 with a single academy in Waterford (Western Australia) serving 25 students, the Foundation has expanded significantly over two decades. It now oversees 148 academies nationwide, with over 11,500 participants and 560 staff members.

The Foundation collaborates with like-minded organisations, aiming to invest in the future of young Indigenous men, fostering positive impacts on their lives and broader communities.

Yancoal's donation of $200,000 in 2023 directly contributed to enriching the lives of Clontarf academy participants throughout Australia.

Appendices

Appendix A:

Sustainability Indexes

LEGEND

(C) Conformity (P) Partial conformity (N) Non-conformity

SASB COAL SECTOR STANDARD Version 2023-12

SASB CODE	ACCOUNTING METRIC	YANCOAL RESPONSE
EMISSIONS AND EMISSIONS INTENSITY DATA		
EM-CO-110a.1 (C)	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations (tCO_2e, %).	Refer to Climate Change (Page 33) • Yancoal's primary emissions calculation methodology aligns with relevant Australian legislative requirements under the NGERs Act. • 100% of our Scope 1 GHG emissions are covered under the Australian Safeguard Mechanism, which an emissions-limiting regulation. • The majority of Yancoal's Scope 1 emissions relate to fugitive emissions from mining and the combustion of fuel. We do not currently collect separate data related to direct CH4 emissions.
EM-CO-110a.2 (N)	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	Refer to Climate Change (Page 33) • Yancoal does not currently have a Scope 1 emissions reduction target
WATER MANAGEMENT DATA		
EM-CO-140a.1 (C)	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress.	Refer to Water Management, Performance Tables (Water) (Page 29-30) • Yancoal measures water in units of megalitres in alignment with the ICCM's Water Reporting Good Practice Guide. • Yancoal does not currently operate any mines in areas with a high or extremely high Baseline Water Stress as defined by the World Resources Institute's Water Risk Atlas tool, Aqueduct.
EM-CO-140a.2 (C)	Number of incidents of non-compliance associated with water quality permits, standards and regulations.	Refer to Water Management, Performance Tables (Page 29-30) • Yancoal does not operate any mines in areas with a high or extremely high Baseline Water Stress as defined by the World Resources Institute's Water Risk Atlas tool. • There were no incidents that required formal enforcement action or resulted in fines/penalties during the reporting period. • There was one non-compliance for non-continuous discharge. • Yancoal applies the Mineral Council of Australia's Water Accounting Framework and ICCM's Water Reporting Good Practice Guide.
WASTE MANAGEMENT		
EM-CO-150a.2 (P)	Total weight of non-mineral waste generated.	Refer to Performance Tables (Hazardous/Non-Hazardous Waste), Appendix B (Page 71) • There were no waste related enforcement actions during the reporting period. • Mineral wastes, such as tailings and course rejects resulting from the mining process, are integral components of each site's waste management plan. We currently do not quantify volumes. • Data regarding different types of hazardous waste is currently captured across the majority of our sites, however it is not yet reported publicly.
EM-CO-150a.3 (P)	Total weight of tailings produced.	Refer to Tailings Management (Page 37) • Yancoal reports its tailings dam management however it does not yet report data related to tailings produced.
EM-CO-150a.4 (N)	Total weight of waste rock generated.	Yancoal does not currently report waste rock generated.

Appendix A: Sustainability Indexes *cont'd*

SASB COAL SECTOR STANDARD Version 2023-12

SASB CODE	ACCOUNTING METRIC	YANCOAL RESPONSE
EM-CO-150a.5 (P)	Total weight of hazardous waste generated.	Refer to Performance Tables (Page 71)
EM-CO-150a.6 (C)	Total weight of hazardous waste recycled.	Refer to Performance Tables (Page 71)
EM-CO-150a.7 (C)	Number of significant incidents associated with hazardous waste management.	Refer to Performance Tables (Page 71) • There were zero significant incidents associated with hazardous waste management during the reporting period. Significant incidents are defined as those that exceed the volume and limits of local regulatory requirements.
EM-CO-150a.8 (P)	Description of waste management policies and procedures for active and inactive operations.	Refer to Waste Management (Page 35-36) • Yancoal's waste management approach is defined in site-specific environmental management plans however these are not publicly available.
BIODIVERSITY IMPACTS		
EM-CO-160a.1 (N)	Description of environmental management policies and practices for active sites	Refer to Environmental and Water Stewardship (Page 31) • Each Yancoal operation is required to develop, implement, and maintain an Environmental Management System that address site-level approvals and permits, Aspects and Impacts assessments, Environmental & Community performance metrics, and relevant Environmental Impact Statements (EIS).
EM-CO-140a.2 (N)	Percentage of mine sites where acid rock drainage is: (1) predicted to occur, (2) actively mitigated, and (3) under treatment or remediation	Yancoal does not currently report on acid rock drainage.
EM-CO-160a.3 (P)	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat.	Yancoal publishes an annual Coal Resources and Coal Reserves Statement, which outlines coal reserves held within existing and fully permitted mining leases. This Statement does not currently reference reserves in or near sites with protected conservation status or endangered species habitat.
RIGHTS OF INDIGENOUS PEOPLE		
EM-CO-210a.1 (N)	Percentage of (1) proved and (2) probable reserves in or near indigenous land.	Yancoal publishes an annual Coal Resources and Coal Reserves Statement, which outlines coal reserves held within existing and fully permitted mining leases. This statement does not currently reference reserves in or near indigenous land.
EM-CO-210a.2	Discussion of engagement processes and due diligence practices with respect to the management of indigenous rights.	Refer to Community Culture & Indigenous Relations (Page 52-53) • Yancoal's Cultural Heritage Management Plans directs our approach to engagement with indigenous communities. • Our community complaints system provides an avenue for indigenous communities to voice concerns or grievances • We have identified a future action to develop a RAP or bespoke indigenous action plan.
COMMUNITY RELATIONS		
EM-CO-210b.1 (P)	Discussion of process to manage risks and opportunities associated with community rights and interests.	Refer to Community Culture & Indigenous Relations (Page 52-53) • Yancoal's Environment and Community Relations Policy directs our approach to the management of environment and community impacts. • Our Economic Contribution Report describes the wider indirect economic impacts of operations, while our Corporate Governance Statement 2023 describes our environmental and social risks in relation to communities

SASB COAL SECTOR STANDARD Version 2023-12

SASB CODE	ACCOUNTING METRIC	YANCOAL RESPONSE
EM-CO-210b.2 (C)	Number and duration of non-technical delays (days)	Refer to Community Culture & Indigenous Relations (Page 52-53) • Yancoal experienced zero non-technical delays during the reporting period.
LABOUR RELATIONS		
EM-CO-310a.1 (N)	Percentage of active workforce employed under collective agreements	Yancoal does not currently publish this information.
EM-CO-310a.2 (C)	(1) Number and (2) duration of strikes and lockouts (days)	Yancoal did not experience any strikes or lockouts during the reporting period.
WORKFORCE HEALTH AND SAFETY		
EM-CO-320a.1 (P)	(1) All-incidence rate, (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees.	Refer to Health, Safety & Wellbeing, Performance Tables, Appendix B (Page 69) • Yancoal does not currently report all incident frequency rate. Our near frequency rate is reported as 'near hit frequency rate'.
EM-CO-320a.2 (P)	Discussion of management of accident and safety risks and long-term health and safety risks	Refer to Health, Safety & Wellbeing (Page 41-42) • Yancoal's WHS management system applies to 100% of workers. • Yancoal has emergency preparedness and mitigation controls however this is not currently reported.
RESERVES VALUATION & CAPITAL EXPENDITURES		
EM-CO-420a.1 (N)	Sensitivity of coal reserve levels to future price projection scenarios that account for a price on carbon emissions (Mt).	Refer to Appendix C (Taskforce on Climate Related Financial Disclosures) (Page 73-76) • Yancoal does not currently publish this information.
EM-CO-420a.2 (N)	Estimated carbon dioxide emissions embedded in proven coal reserves (tCO_2-e)that account for a price on carbon emissions.	Refer to Appendix C (Taskforce on Climate Related Financial Disclosures) (Page 73-76) • Yancoal does not currently publish this information.
EM-CO-420a.3 (P)	Discussion of how price and demand for coal or climate regulation influence the capital expenditure strategy for exploration, acquisition and development of assets	Refer to Appendix C (Taskforce on Climate Related Financial Disclosures) (Page 73-76)
TAILINGS STORAGE FACILITIES MANAGEMENT		
EM-CO-540a.1 (N)	Tailings storage facility inventory table: (1) facility name, (2) location, (3) ownership status, (4) operational status, (5) construction method, (6) maximum permitted storage capacity, (7) current amount of tailings stored, (8) consequence classification, (9) date of most recent independent technical review, (10) material findings, (11) mitigation measures, (12) site-specific Emergency Preparedness and Response Plans (EPRP).	Refer to Tailings Management (Page 36-37) • Yancoal does not currently publish this information.
EM-CO-540a.2 (N)	Summary of tailings management systems and governance structure used to monitor and maintain the stability of tailings storage facilities.	Yancoal does not currently publish this information.
EM-CO-540a.3 (P)	Approach to development of Emergency Preparedness and Response Plans (EPRPs) for tailings storage facilities.	• Yancoal does not currently publish this information. • We are currently have site-based Tailings Facilities Management Plans.
TABLE 2: ACTIVITY METRICS		
EM-CO-000.A	Production of thermal coal (Mt).	• Yancoal reports total production across mine sites and 31.8Mt of thermal coal.
EM-CO-000.B	Production of metallurgical coal (Mt).	• Yancoal reports total production across mine sites and 4.4Mt of metallurgical coal (excluding Middlemount and HVO).

Appendix A: Sustainability Indexes *cont'd*

HONG KONG STOCK EXCHANGE

HKEX CODE	ACCOUNTING METRIC	YANCOAL RESPONSE
MANDATORY DISCLOSURE REQUIREMENTS		
Governance Structure	A statement from the board containing the following elements : i. a disclosure of the board's oversight of ESG issues; ii. the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and iii. how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Refer to Our Approach to Sustainability, Corporate Governance, Risk Management and Our Material Sustainability Issues (Page 12-21) Refer to Metrics and Targets (Page 17) Yancoal does not currently have ESG-related goals and targets but will consider the development of metrics and targets as part of our sustainability reporting transition.
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: • Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. • Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. • Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	Refer to Our Approach to Sustainability, Our Material Sustainability Issues and Appendix B (Page 12-21)
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	Refer to Scope of Report (Page 1)
EMSSION		
General Disclosures	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	Refer to Climate Change and Waste Management (Page 33-36)
KPI A1.1	The types of emissions and respective emissions data.	Refer to Climate Change section and Appendix B (Page 33-35)
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Refer to Climate Change section and Appendix B (Page 33-35)
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Refer to Waste Management section and Appendix B (Page 35-36)
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Refer to Waste Management section and Appendix B (Page 35-36)
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Yancoal does not currently have set emission target(s). Emissions target(s) will be considered as part of our Sustainability Strategy.

HONG KONG STOCK EXCHANGE

HKEX CODE	ACCOUNTING METRIC	YANCOAL RESPONSE
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Refer to Waste Management section (Page 35-36) Yancoal does not currently have set waste reduction target(s). Waste reduction target(s) will be considered as part of our Sustainability Strategy.
USE OF RESOURCES		
General Disclosures	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Refer to Climate Change section and Appendix B (Page 33-35)
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Refer to Water Management section and Appendix B (Page 29-31)
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Yancoal does not currently have set energy use efficiency target(s). Energy use efficiency target(s) will be considered as part of our Sustainability Strategy.
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Refer to Water Management section (Page 29-31) Yancoal does not currently have set water efficiency target(s). Efficiency target(s) will be considered as part of our Sustainability Strategy.
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to Yancoal's business.
THE ENVIRONMENT AND NATURAL RESOURCES		
General Disclosures	Policies and procedures relating to minimising impacts on the environment and natural resources	Refer to Planet section (Page 28-39)
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Refer to Environmental and Water Stewardship section (Page 28)
CLIMATE CHANGE		
General Disclosures	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Refer to Climate Change section (Page 33-35)
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Refer to Climate Change section (Page 33-35)
EMPLOYMENT AND LABOUR PRACTICES		
General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment, and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Refer to People section (Page 40-49)
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Refer to Workforce Culture Diversity & Inclusion section and Appendix B (Page 40-41)
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Refer to Employment and Labour Practices section and Appendix B (Page 48-49)

Appendix A: Sustainability Indexes *cont'd*

HONG KONG STOCK EXCHANGE

HKEX CODE	ACCOUNTING METRIC	YANCOAL RESPONSE
HEALTH AND SAFETY		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Refer to Health Safety and Wellbeing section (Page 41-43)
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Refer to Health Safety and Wellbeing section and Appendix B (Page 41-43)
KPI B2.2	Number lost days due to work injury.	Refer to Health Safety and Wellbeing section and Appendix B (Page 41-43)
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Refer to Health Safety and Wellbeing section (Page 41-43)
DEVELOPMENT & TRAINING		
General Disclosures	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Refer to Refer to Health Safety and Wellbeing and Workforce Sustainability, Skills, and Talent Attraction sections (Page 41-43, 46-47)
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Refer to Workforce Sustainability, Skills, and Talent Attraction section and Appendix B (Page 46-47)
KPI B3.2	The average training hours completed per employee by gender and employee category.	Refer to Workforce Sustainability, Skills, and Talent Attraction section and Appendix B (Page 46-47)
LABOUR STANDARDS		
General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Refer to Employment and Labour Practices section (Page 48-49)
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Refer to Human Rights and Modern Slavery section (Page 52)
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Refer to Human Rights and Moder Slavery section (Page 52)
SUPPLY CHAIN MANAGEMENT		
General Disclosures	Policies on managing environmental and social risks of the supply chain.	Refer to Sustainable and Ethical Supply Chains (Page 52)
KPI B5.1	Number of suppliers by geographical region.	Refer to Sustainable and Ethical Supply Chains and Appendix B (Page 52)
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Refer to Sustainable and Ethical Supply Chains (Page 52)
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Refer to Human Rights and Moder Slavery section (Page 52) Yancoal does not currently monitor environmental and social risks within its supply chain. Identification and monitoring of environmental and social risks within its supply chain will be considered as part of our Sustainability Strategy.
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Yancoal does not currently monitor environmental and social risks within its supply chain. Identification and monitoring of environmental and social risks within its supply chain will be considered as part of our Sustainability Strategy.

HONG KONG STOCK EXCHANGE

HKEX CODE	ACCOUNTING METRIC	YANCOAL RESPONSE
PRODUCT RESPONSIBILITY		
General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Disclosure not applicable to Yancoal's business.
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Disclosure not applicable to Yancoal's business.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Disclosure not applicable to Yancoal's business.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosure not applicable to Yancoal's business.
KPI B6.4	Description of quality assurance process and recall procedures.	Disclosure not applicable to Yancoal's business.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosure not applicable to Yancoal's business.
ANTI-CORRUPTION		
General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Refer to Ethics and Conduct section (Page 51-55)
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Refer to Reporting Concerns and Whistleblower Protection section (Page 51)
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Refer to Reporting Concerns and Whistleblower Protection section (Page 51)
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Refer to Reporting Concerns and Whistleblower Protection section (Page 51)
COMMUNITY INVESTMENT		
General Disclosures	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Refer to Community Culture & Indigenous Relations section (Page 52-53)
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Refer to Community Investment section (Page 54-55)
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Refer to Community Investment section and Appendix B (Page 54-55)

Appendix B:

Performance Data

COMMUNITY DATA

COMMUNITY BENEFIT INVESTMENT

INDICATORS	2023	2022	2021	2020	2019
Total Investment Spend ($AUD)	**1,671,982**	**1,840,201**	**1,369,422**	**691,980**	**1,483,115**
Community Initiatives					
Number of Recipients	157	138	136	124	
Corporate Partnerships					
The Clontarf Foundation ($AUD)	200,000	200,000	100,000	100,000	100,000
Westpac Rescue Helicopter Service ($AUD)	500,000	500,000	500,000	500,000	500,000
Queensland University of Technology ($AUD)	200,000	0	200,000	200,000	200,000
Central Queensland Capras	0	0	0	0	100,000

GRIEVANCES & COMPLAINTS

INDICATORS	2023	2022	2021	2020	2019
Total Complaints Received	**211**	**150**	**238**	**298**	**431**

PROCUREMENT DATA

SUPPLIERS BY GEOGRAPHICAL REGION

INDICATORS	2023	2022	2021	2020	2019
Number of Key Suppliers	**305**	**271**	**230**	**0**	**166**
By Region					
New South Wales	189	165	140		48
Queensland	70	63	54		26
Other Australian States	46	43	36		92
Total payments to local suppliers ($AUD)	**1,043,639,159**	**736,637,962**	**586,980,504**		**321,758,175**
Total payments to all key suppliers ($AUD)	**2,966,669,422**	**2,526,518,384**	**1,942,485,757**		**1,392,054,771**

28. Rehabilitation defined as area(s) shaped, topsoiled, and seeded. Includes areas under ongoing active management (i.e. not relinquished). Minor variances in rehabilitation areas relate to variances in methodologies of determining areas, including survey/mapping variances and methodologies, from year to year.

REHABILITATION DATA[28]

DISTURBANCE AND REHABILITATION

INDICATORS	2023	2022	2021	2020	2019
Total Area (ha) disturbed during the reporting period.	482	474	787	452	752
Cumulative Area (ha) disturbed as of 31 December	11058	10705	10515	9944	9669
Total Area (ha) of rehabilitation undertaken during the reporting period.	183	95	215	176	267
Cumulative Rehabilitation Area (ha) disturbed as of 31 December	4385	4210	4069	3854	3675
Total Footprint as of 31 December	15443	14915	14584	13797	13345
Ratio of Rehabilitation to Total Footprint as of 31 December	40%	39%	39%	39%	38%

HUMAN RESOURCES DATA

BREAKDOWN OF EMPLOYEES

EMPLOYMENT	2023	2022	2021	2020	2019
Number of employees	**3,522**	**3,361**	**3,114**	**3,093**	**3,123**
By Gender					
Female	514	463	386	359	350
Male	2,995	2,893	2,728	2,734	2,773
Indeterminate	13	5	-	-	-
By Geographical Region					
New South Wales	2586	2470	2,286	2,280	2,344
Queensland	581	558	514	487	331
Western Australia	355	333	314	325	327
By Age Group					
Below 30	403	373	286	272	281
30-50	2,053	2,010	1,892	1,885	1,909
Over 50	1,066	978	936	936	933
By Employment Type and Gender					
Permanent (Female)	462	401	335	313	309
Permanent (Male)	2,910	2,828	2,668	2,691	2,719
Permanent (Indeterminate)	13	5	-	-	-
Fixed Term (Female)	26	39	35	30	24
Fixed Term (Male)	68	57	53	38	50
Part Time (Female)	26	23	16	16	17
Part Time (Male)	17	8	7	5	4

Appendix B: Performance Data *cont'd*

EMPLOYEE DIVERSITY

DIVERSITY	2023	2022	2021	2020	2019
Board	**8**	**8**	**8**	**9**	**11**
Male	7	7	7	8	10
Female	1	1	1	1	1
Indeterminate	0	0	-	-	-
Executive Committees	**14**	**14**	**14**	**12**	**13**
Male	13	13	13	11	12
Female	1	1	1	1	1
Indeterminate	-	0	-	-	-
Senior Management	**36**	**36**	**37**	**26**	**29**
Male	31	31	32	23	26
Female	5	5	5	3	3
Departmental Management	**79**	**76**	**65**	**91**	**87**
Male	64	60	53	78	75
Female	15	15	12	13	12
Indeterminate	0	1	-	-	-
Frontline Employees	**3,393**	**3,235**	**2,998**	**2,948**	**2,990**
Male	2,887	2,789	2,630	2,607	2,657
Female	493	442	368	341	333
Indeterminate	13	4	-	-	-

NEW HIRES

NEW EMPLOYEES	2023	2022	2021	2020	2019
Number of new hires	641	648	385	253	300
Rate of new hires	18%	19%	12%	8%	10%
By Gender					
Female	133	128	73	49	55
Male	498	515	312	204	245
Indeterminate	10	5	-	-	-
By Geographical Region					
New South Wales	409	458	236	172	233
Queensland	167	138	114	68	57
Western Australia	65	52	35	0	10
By Age Group					
Below 30	172	183	102	55	81
30-50	363	389	223	168	173
Over 50	106	76	60	30	46

EMPLOYEE TURNOVER

EMPLOYEE TURNOVER	2023	2022	2021	2020	2019
Employee turnover	494	439	418	322	335
Rate of employee turnover	14%	13%	13%	10%	11%
By Gender					
Female	86	53	62	49	44
Male	406	385	356	273	291
Indeterminate	2	1	-	-	-
By Geographical Region					
New South Wales	296	307	283	253	238
Queensland	154	97	88	55	75
Western Australia	44	35	47	14	22
By Age Group					
Below 30	67	50	55	26	48
30-50	286	256	220	172	188
Over 50	141	133	143	124	99
Average tenure	**6.70**	**7.16**	**7.57**	**9**	**6.4**

HEALTH AND SAFETY

INDICATORS	2023	2022	2021	2020	2019
Workers covered by an occupational health and safety management system.	100%	100%	100%	100%	100%
Main types of work-related injury.	Strains/sprains, Soft tissue muscle/tendons	Soft tissue, Muscle Tendons, Sprains/strains	Soft-tissue Muscle/Tendons	Soft-tissue Muscle/Tendons	Soft-tissue Muscle/Tendons
Number of hours worked	9,513,993	8,356,245	8,003,875	8,200,754	8,426,067
For All Workers (Employees and Contractors)					
Number of fatalities as a result of a work-related injury	0	0	0	0	0
Rate of fatalities as a result of a work-related injury	0	0	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)	7	11	5	-	-
Rate of high consequence work-related injuries (excluding fatalities)	0.74	1.32	0.62	-	-
Number of recordable work-related injuries	51	67	67	70	84
Rate of recordable work-related injuries	**5.36**	**7.97**	**8.37**	**8.54**	**9.97**
Types of work-related injuries					
Number of First aid incidents	239	164	201	251	292
Number of Medically treated incidents	6	19	16	16	16
Number of Lost-time incidents	24	30	34	35	47
Lost Days due to work injury	**4,525**	**7,183**	**6,252**	-	-

Appendix B: Performance Data *cont'd*

ENERGY AND EMISSIONS DATA[30]

EMISSIONS

INDICATOR UNIT – TCO_2E	2023	2022	2021	2020	2019
Total GHG Emissions (Scope 1 and 2)	**2,136,651**	**2,367,913**	**2,213,876**	**2,042,183**	**1,983,298**
Total Direct GHG Emissions (Scope 1)	**1,860,026**	**2,046,795**	**1,858,895**	**1,680,466**	**1,615,597**
Diesel	792,735	688,978	676,592	700,090	665,341
Petrol	60	61	80	135	261
Oils/greases	4,625	4,516	3,322	2,383	2,136
Natural gas	0	0	42	371	110
LPG	2,066	148	140	91	93
Other combustion fuel for energy (SF6/Acetylene/ Electricity production - liquid fuels).	83	969	699	669	768
Fugitive Emissions from Mining	1,060,458	1,352,123	1,178,020	976,727	946,888
Total Direct GHG emissions (Scope 2)	**276,625**	**321,118**	**354,981**	**361,717**	**367,701**
Electricity	276,625	321,118	354,981	361,717	367,701

EMISSIONS INTENSITY

INDICATOR UNIT – ROM, UNIT – TCO_2E/ROMT	2023	2022	2021	2020	2019
Total ROM production	42,271,829	46,507,466	55,490,929	51,634,141	51,574,833
GHG emissions intensity	0.051	0.051	0.040	0.040	0.038

AIR POLLUTANTS

INDICATOR UNIT – KG	2023	2022	2021	2020	2019
NOx, Sox, and other significant air emissions (KG)	34,411,406	32,045,794	35,481,078	36,632,304	36,162,992
Carbon monoxide (KG)	2,640,418	2,478,523	2,952,186	3,234,170	3,613,615
Oxides of nitrogen (KG)	5,673,215	5,228,787	6,217,947	6,774,100	7,408,371
Particulate matter (PM10) (KG)	25,725,520	23,992,593	25,876,171	26,138,757	24,581,279
Sulphur dioxide (KG)	4,815	4,426	5,179	5,608	6,216
Volatile organic compounds (KG)	367,438	341,465	429,596	479,669	553,511

ENERGY CONSUMPTION WITHIN THE ORGANISATION

INDICATOR UNIT	2023	2022	2021	2020	2019
Total direct and indirect energy consumed within the organisation (GJ)	**13,074,960**	**11,726,026**	**11,582,517**	**11,996,458**	**11,428,861**
Total direct energy consumed (GJ)	**11,689,048**	**10,242,224**	**9,984,918**	**10,367,890**	**9,787,924**
Fuel consumption (GJ)	11,326,837	9,817,714	9,642,266	9,983,217	9,485,148
Oils/greases (GJ)	353,805	341,644	257,595	188,581	169,945
Flaring (GJ)	1,351	14,189	3,207	140,007	82,458
Other sources (GJ)	6,588	68,677	81,850	56,085	50,373
Total indirect energy consumed (GJ)	**1,385,911**	**1,483,802**	**1,597,599**	**1,628,568**	**1,640,937**
Electricity (GJ)	1,385,911	1,483,802	1,597,599	1,628,568	1,640,937

30. Scope1 and 2 Emissions, Energy Consumption and respective intensities are based on the Australian fiscal year NGER data as submitted to the Clean Energy Regulator.

ENERGY INTENSITY

INDICATOR	2023	2022	2021	2020	2019
Total ROM production (ROMt)	42,271,829.00	46,507,466	55,490,929	51,634,141	51,574,833
Energy intensity (GJ/ROMt)	0.31	0.25	0.21	0.23	0.22

WASTE

WASTE GENERATED

INDICATOR UNIT	2023	2022	2021	2020	2019
Total weight of waste generated (kg)	**17,586**	**14,955**	**14,902**	**12,964**	**13,783**

WASTE DIVERTED FROM LANDFILL

INDICATOR	2023	2022	2021	2020	2019
Total weight of waste diverted from disposal (kg)	10,285	9,095	9,345	7,404	8,453
Total weight of hazardous waste diverted from disposal (kg)	6,842	5,908	6,090	4,003	5,560
Total weight of non-hazardous waste diverted from disposal (kg)	4,831	4,394	4,629	3,402	2,893

WASTE DIRECTED TO LANDFILL

INDICATOR	2023	2022	2021	2020	2019
Total weight of waste directed to disposal (kg)	7,304	5,960	5,557	5,560	5,330
Total weight of hazardous waste directed to disposal (kg)	1,546	1,278	1,197	1,925	1,894
Total weight of non-hazardous waste directed to disposal (kg)	5,758	4,583	4,360	7,037	6,329

WATER METRICS

INPUTS

WATER INPUTS (BY SOURCE)	2023	2022	2021	2020	2019
Surface Water (ML)	13,919	34,163	27,678	20,814	8,254
Groundwater	19,319	11,425	12,427	14,024	16,286
Imported freshwater (contract/municipal)	83	73	95	193	278
Transferred from other mines	283	-	47	684	1,113
Water in ore that is processed	2,328	2,093	1,830	1,933	2,477
Water input (total)	**44,740**	**56,666**	**51,678**	**46,317**	**39,229**

WATER USAGE

WATER USE ON SITE	2023	2022	2021	2020	2019
Production water	11,250	10,467	10,792	10,559	8,481
Recycled water	9,298	8,912	9,601	8,670	10,821
Change in storage during the year	3,745	15,764	12,726	11,264	3,685

Appendix B: Performance Data *cont'd*

WATER RETURNED (BY SOURCE)

WATER USE ON SITE	2023	2022	2021	2020	2019
To Surface Water	4,280	11,721	6,843	5,674	4,725
To groundwater through reinjection and seepage	1,345	412	472	580	25
Evaporation	7,414	7,663	6,968	5,347	5,073
Entrained in product of process waste	8,425	5,754	8,391	7,169	9,737
Supply third party water	8,282	4,885	5,487	5,724	7,504
Water output (total)	**40,995**	**40,903**	**38,952**	**35,053**	**35,544**

NON-COMPLIANCE METRICS (2023)[31]

NUMBER OF INCIDENTS OF NON-COMPLIANCE[30]	LOCATION	DATE	STATUS	CAUSE
Water				
1	Yarrabee	07 February 2023	Notified to authorities and closed out following response to show cause notice.	Failure in erosion and sediment controls.
Air Quality				
2	Cameby Downs	02 May 2023	Notified to authorities and closed out.	Dust gauge located immediately next to a public unsealed road which caused the exceedance. The monitor has since been repositioned.
		11 October 2023	Notified to authorities and closed out.	Attributable to existing dry conditions and a nearby bushfire..

ROM PRODUCTION BY SITE

ROM IN MILLION TONNES

SITE	2023	2022	2021	2020	2019
Moolarben	20.4	16.9	20.4	21.7	20.5
MTW	17.2	12.4	16.5	17.5	17.6
Yarrabee	2.4	2.6	3.0	3.3	3.5
Ashton	0.7	2.1	2.6	3.4	2.1
Stratford	0.9	1.0	1.5	1.0	1.3
Austar		0.0	0.0	0.2	1.5
Cameby Downs	3.5	3.0	2.9	2.8	2.8
Premier	2.9	2.7	2.7	3.2	3.7
Totals	**48.0**	**40.7**	**49.6**	**53.1**	**53.0**

31. This reporting metrics has been included as a new metric in 2023.
32. Non compliances associated with water quality permits, standards, and regulations.

Appendix C:

Taskforce on Climate Related Financial Disclosures

Yancoal acknowledges that in October 2023 the Taskforce on Climate-related Financial Disclosures (TCFD) was disbanded and its recommendations incorporated into the ISSB Standards which were released in June 2023. The table below summarises our consideration of each core element of the TCFD and moving forward ISSB/AASB Climate related financial disclosures will be aligned with the TCFD recommendations.

RECOMMENDED DISCLOSURES	SUMMARY AND NEXT STEPS
Governance	
Describe the board's oversight of climate-related risks and opportunities	Our Board is responsible for the overall corporate governance and leadership of the Company including climate-related risks and opportunities.
Describe management's role in assessing and managing climate-related risks and opportunities	Responsibility for our business processes and sustainability performance, including assessing and management climate-related risks and opportunities lies with the Chief Executive Officer (CEO) and nominated senior executives. We will continue to monitor the effectiveness of our governance structure for managing climate-related risks.
Strategy	
Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	A Climate Risk Assessment was undertaken during the reporting period. The scenario analysis in the assessment incorporates three hypothetical climate scenarios thereby providing a wide range of potential outcomes and possible impacts to our business. Selected scenarios featured a baseline corresponding to a 4°C global temperature increase and two counterfactual scenarios where this increase was limited to either 2°C or 1.5°C. The scenario modelling applied language of the Intergovernmental Panel on Climate Change's RCP4.5 and RCP8.5 scenarios against current day conditions and impending mandatory (ISSB / AASB) reporting requirements. A flexible climate risk analysis model framework was established to recalibrate our climate scenario modelling capabilities. The outcome of the analysis highlights that across the short and medium term, our current strategy and portfolio is resilient to the global transition to a low carbon economy as a result of our high-quality coal, and diverse and flexible product mix. Key observations in the analysis indicate that although our mine sites could experience significant increase in the frequency and intensity of weather events relative to current conditions, they will be relatively rare occurrences. Furthermore, changes in weather patterns are not linearly increasing, however extreme intensity events may become more frequent at some sites, which could increase the impact of long-term disruptions. In the long term, there is greater uncertainty due to the potential for downwards pressure from policy and financial drivers as societal expectations change and as coal generator fleets reach end of life. The Yancoal Enterprise Risk Management Framework was updated to reflect the upcoming reporting compliance requirements and will be revised again in the next reporting period. We will continue to extend our understanding of strategic climate related risks and opportunities as these develop over time. We are adopting a phased approach to climate scenario modelling and will improve our capability ahead of our first mandatory (ISSB / AASB) climate-related reporting period. We will do this by expanding the scope of our scenario analysis, including additional transition scenarios and refining business and global assumptions.

Appendix C: Taskforce on Climate Related Financial Disclosures *cont'd*

RECOMMENDED DISCLOSURES	SUMMARY AND NEXT STEPS
Risk Management	
Describe the organisation's processes for identifying and assessing climate-related risks	We undertake periodic analysis of our climate-related risks and opportunities. To date, Climate Risk Scenario Analyses have been conducted by professional third-party specialists. The climate-related risks and opportunities identified during analysis are evaluated as part of our Enterprise Risk Management Framework and captured in our Enterprise Risk Register, which also helps to inform management planning and activities.
Describe the organisation's processes for managing climate-related risks	
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	
Metrics and Targets	
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	We disclose our Scope 1 and 2 emissions on an annual basis aligned to methodology required by the Australian Government's Clean Energy Regulator. Four of our operations are also covered by the Australian Safeguard Mechanism, which requires us to maintain our Scope 1 emissions within calculated baselines. Under the Safeguard Mechanism reforms new baselines will be established for the four operations and baselines will decline at a rate of 4.9% each year to 2030.. We do not currently report on Scope 3 emissions associated with the downstream consumption of our coal products as this is not within our operational control, however, we acknowledge that this is a requirement of impending ISSB/AASB mandatory reporting. It may also be relevant for our customers located in countries that are signatories to Paris Agreement, have domestic policies consistent with the Paris Agreement, or have indicated the uptake of ISSB or ISSB-aligned mandatory climate reporting. Further, we strongly support research into technologies that will reduce GHG emissions from the downstream consumption of our products (Scope 3). With our new Sustainability Strategy Framework recently approved by our Board, we are now in the process of developing strategic targets and are considering other potential signals and signposts for managing climate-related risks across the medium and long term. There are clear actions in place to establish targets to manage climate-related risks.
Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	

Climate Change Risks and Opportunities

In line with our commitment to align with the TCFD Recommendations, our identification and assessment of climate risks considers:

- Physical risks relating to the physical impacts of climate change (both acute and chronic); and
- Transition risks and opportunities relating to lower carbon global economy, including changes to policy and legal obligations, technological innovation, changing market demand for products, and changing stakeholder expectations.

Transition risks

The table below reflects our understanding of our most significant climate-related risks. We acknowledge that this list is not exhaustive, and we continue to enhance our understanding and response to these risks.

TRANSITION RISKS

DESCRIPTION	RISK MITIGATION
Policy	
Changes in government regulations in Australia, which increase restrictions over the use of land for coal mining, could impact the time and cost associated with obtaining greenfield and extension approvals. Restrictions could also be placed on markets to which coal is sold.	We actively monitor changes in domestic and global policy and legislation relevant to carbon emissions, coal mining, coal power generation and climate-related reporting. We have also completed a detailed analysis of recent and potential changes to carbon and climate policy to 2040 in our key export markets. We have used the outcome of this analysis to inform our understanding of the resilience of our current strategy. We will continue to revisit this analysis as required. Where relevant, we engage with domestic policymakers, either directly or via our industry associations, to advocate for positive policy outcomes.
The introduction of new and/or more stringent carbon pricing mechanisms, both within Australia as well in key coal importing countries, may increase the cost associated with operating mines that generate liable GHG emissions, reduce margin, and therefore reduce the cost competitiveness of thermal coal versus less emission intensive alternatives.	
Policy uncertainty and sudden changes in government policy relating to either coal consumption or energy generation in our key export markets could impact the medium to longer term outlook for coal demand.	
Changes in government policy which increase the cost of water, biodiversity, land rehabilitation and mine closure requirements may reduce the cost competitiveness of Australian coal.	
Legal	
Increased litigation against the company and/ or Directors due to opposition of new approvals or expansions.	We monitor legal developments in these areas and seek advice on significant developments as required.
Increased litigation for damages caused by climate change impacts, or to force greater action on climate change	
Market Changes	
Increased competitiveness of non-coal power generation alternatives along with changes in the energy and climate change policies in key export countries leads to a structural decline in global demand for thermal coal. This in turn may drive downward pressure on global coal prices.	We monitor the global policy and competitive environment and conduct detailed assessments of commodity markets to inform our strategy and investment decision making. In 2020 we completed our first scenario analysis and this year we completed a Climate Risk Assessment and scenario analysis, testing our business resilience. We operate according to stringent environmental conditions, and we will continue to leverage the positive environmental attributes of our coal product compared to other exporting countries to service markets that mandate higher coal quality. We continue to identify and implement energy efficiency initiatives.
Increased and more stringent carbon policies leads to an increase in the cost of key inputs for mining – including electricity and diesel.	

Appendix C: Taskforce on Climate Related Financial Disclosures *cont'd*

TRANSITION RISKS

DESCRIPTION	RISK MITIGATION
Reputation	
Evolving stakeholder expectations and the lack of acceptance over the role of high-quality coal in supporting the transition to a lower carbon future may impact our reputation and delay approval processes.	We engage with our key stakeholders on climate change and broader ESG issues in a clear, meaningful and transparent manner to better understand their expectations and to share our approach to managing these risks. We proactively engage with our finance and insurance brokers to communicate our strategy and risk management practices, including how we are managing our climate-related risks and the resilience of our portfolio. Our approach to calculating and reporting our GHG emissions is based on the Australian Government's National Greenhouse and Energy Reporting Act (NGERs Act), and we continuously seek innovative ways to address our climate-related and more broadly sustainability risks. In doing so, we aim to attract and retain skilled employees that align with our values and proactive management approach.
Availability of, and access to, finance and key services such as insurance, may decline or no longer be available. In a less extreme circumstance, the cost of these services may increase if the number of parties prepared to partner with the coal industry reduces significantly	
The ability to attract and retain a suitably skilled workforce could be impacted by employee perceptions about what it means to work in the coal mining industry	

PHYSICAL RISKS

DESCRIPTION	RISK MITIGATION
Physical Risks (Acute)	
Increased severity and frequency of extreme weather events, such as bushfires, floods, cyclones and extreme heat days, could impact on our employees' health, and/ or impact our ability to achieve budgeted production, deliver on customer contracts, and increases operational costs.	We have Site Emergency Response and Continuity plans as well as bushfire and flooding management plans in place at each site. These are reviewed periodically. We carefully monitor weather conditions and change our site operations as required. We provide a safe and healthy work environment for our employees.
Physical Risks (Chronic)	
Longer term trends that can be more difficult to identify and respond to. For example, average and seasonal variability in rainfall patterns may result in an increase or decrease in site water balances. In turn, this may impact our ability to achieve budgeted production, increase operational costs associated with water, and lead to negative sentiment regarding the mining sector's water consumption in times of scarcity. Changes in climate may also affect the types of ecosystems that are rehabilitated on site, in turn impacting our ability to meet our rehabilitation requirements. Likewise, warming temperatures could impact the health of our employees and the wider communities in which we operate. The warmer temperatures may lead to increased electricity consumption where it is used for cooling.	We inform our understanding of changing weather patterns with updated climate science. We monitor site water balances and proactively manage water licenses. We also track and report site water inputs, reuse, and outputs in alignment with the Mineral Council of Australia's Water Accounting Framework.

Opportunities

In addition to understanding and managing climate-related risks to our business, we also continue to investigate and take advantage of climate-related opportunities. The most significant of these opportunities relates to our ability to service the increasing preferencing of high-quality coal over lower coal grades, as the better energy efficiency and lower pollutant content aligns better with the shifting needs of customers in our key markets. We note that:

- Our Tier 1 mines operate in the bottom quartile of the cost curve;
- The majority of our production is derived from large, low-cost, high efficiency mines;
- The high calorific value of our thermal coals, being largely sold into high income countries with developed economies, indicates sustained demand for our product; and
- Our metallurgic coal production, although minor in the scale of the overall business, has excellent resilience driven by long-term requirements for steel production.

These factors contribute to the resilience of our current business strategy in the face of changes that may occur in the market as a result of the global energy transition. In conjunction with our industry peers, we also invest in the development of low-emissions technologies through Low Emission Technology Australia. In addition to this, we also recognise that future growth opportunities may include diversifying beyond our existing coal-focused asset portfolio into other minerals and renewable energy products, which are key to facilitating the transition to a lower carbon economy.

Appendix D:

Overview of Reporting Standards

Yancoal' s Environmental Social Governance (ESG) reporting has been guided by the principles outlined by the Global Reporting Initiative (GRI) for defining reporting metrics and has incorporated recommendations from the Taskforce for Climate-Related Financial Disclosures (TCFD).

Additionally, our reporting has aligned with Australian regulatory requirements, encompassing the National Pollutant Inventory (NPI) and the National Greenhouse and Energy Reporting (NGER) Scheme.

Being listed on both the Australian Securities Exchange (ASX) and Hong Kong Stock Exchange (HKEX), previous ESG reports have been prepared to meet the ESG disclosure requirements and principles of each exchange.

In June 2023, the ISSB issued its inaugural sustainability-related disclosure standards IFRS S1 and IFRS S2. IFRS S1 focuses on the general requirements for disclosure of sustainability-related financial information and IFRS S2 focuses on climate-related disclosures.

The ISSB IFRS standards aim to enhance efficiency by consolidating various financial sustainability standards and frameworks into a unified reporting framework. This consolidated framework is designed to operate in conjunction with existing standalone frameworks such as the GRI, ensuring a harmonised approach to financial sustainability reporting. Historically Yancoal has used the GRI Standard to guide its sustainability reporting and has also addressed the recommendations from the Taskforce for Climate Related Financial Disclosures (TCFD).

The Federal Government is currently in the process of establishing Australia's mandatory climate-related financial disclosure regime. In January 2024, Treasury released the exposure draft Treasury Laws Amendment Bill 2024: Climate-related financial disclosure (Bill) which proposes amendments to the Australian Securities and Investments Commission Act 2001 (Cth) and the Corporations Act, prescribing the obligations for Australia's mandatory climate-related financial disclosure regime, the type of information that is to be reported, assurance requirements, and the liability approach that will apply to sustainability reporting. This development follows the release by the Australian Accounting Standards Board of exposure draft 'Australian Sustainability Reporting Standards' (ASRS) in October 2023.

The Bill proposes a phased approach to climate-related financial disclosure obligations. 'Group 1' entities will be required to prepare disclosures for financial years commencing from 1 July 2024.

The Bill proposes a phased approach to climate-related financial disclosure obligations. 'Group 1' entities will be required to prepare disclosures for financial years commencing from 1 July 2024; 'Group 2' entities will be required to disclose from financial years that commence from 1 July 2026; and 'Group 3' entities will have disclosure obligations for financial years commencing from 1 July 2027.

A 'Group 1' entity is any of the following:

an entity that meets at least two of the following three criteria:

- the consolidated revenue of the entity (and the entities it controls) is equal to or greater than $500 million;
- the value of the consolidated gross assets at the end of the financial year of the entity (and the entities it controls) is equal to or greater than $1 billion;
- the entity (and the entities it controls) have at the end of the financial year, 500 or more employees; or
- an entity that is a registered corporation under the National Greenhouse and Energy Reporting Act 2007 (Cth) (NGER Act) or required to make an application to be registered under subsection 12(1) of the NGER Act and that meets a publication threshold in subsection 13(1) of the NGER Act.

Sustainability reports will be subject to limited assurance reviews until 2030, and these reviews will only cover scope 1 and 2 emissions disclosures. The Australian Auditing and Assurance Standards Board (AASB) has been tasked with setting a pathway for phasing in assurance requirements over time, so that assurance of all climate disclosures will be required from 1 July 2030 onwards.

In April 2023 the HKEX published a consultation paper proposing to enhance the exchange's climate-related disclosure requirements in alignment with the International Sustainability Standards Board (ISSB) IFRS S2. Yancoal will be required to disclose in accordance with any future formalisation of these climate-related disclosures.

Appendix E:

Glossary of Terms

Sustainability Strategy Framework is a comprehensive approach that reflects our commitment to increasing long-term success across all aspects of the business. It is focused around the P4 pillars – Change 4 Tomorrow and has been designed to be comprehensive, adaptable, and deeply integrated into our core operations.

Yancoal Sustainability Strategy is the overarching approach to embed sustainability-driven decision making and activities at Yancoal that consist of short, medium and long-term objectives.

Tier 1 Stakeholders are based on the level of interest, influence, and impact these stakeholders may have on operations. Local communities, customers, government authorities, employees, investors and shareholders, as well as some suppliers and service providers are all considered Tier 1 stakeholders.

Tier 2 Stakeholders include the broader network of stakeholders whose opinions and actions can influence the overall reputation and sustainability of the mining operations. These stakeholders include other service providers and suppliers, the media, environmental groups and businesses in areas where Yancoal operates.

Environment and Community Relations Policy highlights Yancoal's commitment to operating as an environmentally and socially responsible corporate entity.

Stakeholder Engagement Strategy Standard Identifies the key groups related to business and aims to understands their needs and expectations relating to Yancoal's operational and social activities.

Materiality in sustainability, as opposed to financial materiality, is the threshold at which an issue or topic becomes important enough to be reported externally, considering the impact and level of perceived importance from stakeholders.

Post mining land use is the planned and sustainable utilisation of land that has undergone mining activities after extraction has ceased. It involves the rehabilitation, reclamation, and repurposing of mine sites.

Greenhouse Gases (GHG) is gases in the Earth's atmosphere that trap and emit heat, contributing to the greenhouse effect. The major greenhouse gases include carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), and fluorinated gases.

Decarbonisation is the process of reducing or eliminating carbon dioxide (CO_2) emissions, particularly in the context of human activities that contribute to climate change. The goal of decarbonisation is to achieve a net-zero carbon footprint, where the amount of carbon emitted is balanced by the amount removed or offset, that would otherwise contribute to global warming and climate change.

Scope 1 emissions are emissions released to the atmosphere as a direct result of an activity, or series of activities at a facility level. These emissions typically include those from on-site fuel combustion, such as emissions from company-owned, equipment, and facilities. In coal mining they also include fugitive emissions released from the coal or coal bearing strata that is mined.

Scope 2 emissions are the indirect greenhouse gas emissions associated with the purchase of electricity, steam, heat, or cooling.

Scope 3 emissions are the indirect greenhouse gas emissions that result from the activities of an organisation but occur from sources not owned or controlled by that organisation. These emissions often include those associated with the entire value chain, including suppliers, customers, and other external factors.

Sustainability Working Group (SWG) is the purpose of the SWG is to provide oversight and coordination of the sustainability and climate related matters. The SWG is composed of EGM and General Manager-level leaders from the HSE, Finance, Legal, Technical Support and People & Culture functions, with leaders from other areas including operations and procurement periodically presenting to the SWG.

Low Emissions Technology Australia (LETA) is an industry body that invests in technologies critical to reducing carbon emissions from industry.

Australian Coal Association Research Program (ACARP) is a mining research program that has been running in Australia since it was established in 1992. It covers a wide range of important areas including all aspects of the production and utilisation of black coal including health, safety and the environment.

International Sustainability Standards Board (ISSB) is the organisation that sets global standards for sustainability reporting. It aims to provide a framework for companies to disclose transparently and consistently their environmental, social, and governance (ESG) performance. The ISSB seeks to enhance the comparability and reliability of sustainability information, facilitating better decision-making by investors, businesses, and other stakeholders concerned with the long-term viability of economic activities.

International Financial Reporting Standards (IFRS) are a set of globally accepted accounting standards developed by the International Accounting Standards Board (IASB). IFRS provides a common framework for financial reporting by businesses, ensuring consistency and comparability in financial statements across different countries. These standards are designed to enhance transparency, accuracy, and understandability of financial information, facilitating international business and investment by providing a common language for financial reporting.

Sustainability Accounting Standards Boards (SASB) help companies disclose relevant sustainability information to their investors by identifying risks and opportunities over the short, medium and long-term.

Taskforce on Climate-related Financial Disclosures (TCFD) are guidelines for companies to disclose information about their climate-related risks and opportunities across four key areas: governance, strategy, risk management, & metrics and targets. The aim is to help businesses and investors make informed decisions by understanding the financial implications of climate change on a company's operations.

Taskforce for Nature-related Financial Disclosures (TNFD) are guidelines for companies to disclose information about their nature-related dependencies, impacts, risks and opportunities across four key areas: governance, strategy, risk management, and metrics and targets. The aim is to help businesses and investors make informed decisions by understanding the financial implications of nature-related dependencies on a company's operations.

Global Reporting Initiative (GRI) is an independent organisation with an international framework and standards for sustainability reporting on an organisation's economic, environmental and social performance. The GRI Standards include mandatory requirements for disclosure. An organisation preparing a report in accordance with the GRI Standards can choose one of two options (Core or Comprehensive), depending on the degree to which the GRI Standards have been applied.

Australian Accounting Standards Board (ASSB) is an independent government agency responsible for developing, issuing, and maintaining accounting standards in Australia. It plays a crucial role in ensuring consistency and transparency in financial reporting by providing guidelines that govern the preparation and presentation of financial statements.

National Greenhouse and Energy Reporting Act 2007 (NGERS Act) is the Australian Government's legislative framework for the mandatory reporting of national greenhouse gas emissions, energy consumption, and other relevant information by corporations and facilities. The primary goal of the NGER Act is to enhance transparency and provide accurate emissions data across significant energy users and emitters.

RCP 8.5 - RCPs are prescribed pathways for greenhouse gas and aerosol concentrations, together with land use change, that are consistent with a set of broad climate outcomes used by the climate modelling community. RCP 8.5 - a future with little curbing of emissions, with a CO_2 concentration continuing to rapidly rise, reaching 940 ppm by 2100.

Source: https://www.climatechangeinaustralia.gov.au/en/changing-climate/future-climate-scenarios/greenhouse-gas-scenarios/

RCP 4.5 - RCPs are prescribed pathways for greenhouse gas and aerosol concentrations, together with land use change, that are consistent with a set of broad climate outcomes used by the climate modelling community. RCP 4.5 - CO_2 concentrations are slightly above those of RCP 6.0 until after mid-century, but emissions peak earlier (around 2040), and the CO_2 concentration reaches 540 ppm by 2100.

Source: https://www.climatechangeinaustralia.gov.au/en/changing-climate/future-climate-scenarios/greenhouse-gas-scenarios/

Safeguard Mechanism is the Australian Government's policy for reducing emissions at Australia's largest industrial facilities. It sets legislated limits known as baselines on the greenhouse gas emissions of these facilities.