



PANAUST

# MODERN SLAVERY STATEMENT

2024



# 1

# ABOUT THIS STATEMENT



# MODERN SLAVERY IS AN ONGOING GLOBAL CHALLENGE THAT ALL BUSINESSES MUST BE AWARE OF AND TAKE ACTIVE STEPS TO ADDRESS AND PREVENT.

This modern slavery statement (**Statement**) has been prepared by PanAust Limited (**PanAust** or the **Company**) pursuant to the Australian Modern Slavery Act 2018 (Cth) (**the Act**). This Statement captures the activities of the Company and its subsidiaries during the financial year ending 31 December 2024 to identify modern slavery risks in its business and supply chains. This Statement sets out the processes and actions PanAust has in place to address the risk of modern slavery in the next 12 months.

**PanAust has a global annual consolidated revenue exceeding \$100 million. PanAust is committed to ensuring there is no modern slavery in its supply chains or in any part of the business.**

PanAust adopts the Act's definition of modern slavery, including the eight types of serious exploitation:

- trafficking in persons
- slavery
- servitude
- forced marriage
- forced labour
- debt bondage
- deceptive recruiting for labour or services
- the worst forms of child labour where children are subjected to slavery or similar practices, or engaged in hazardous work.

PanAust's commitment to health and safety is underpinned by its value of 'Care' where people are the heart of the business and their safety is paramount. This is demonstrated through PanAust's Zero Harm safety philosophy where all workplace incidents and injuries are considered preventable. This commitment and focus on health, safety, and wellbeing extends to everyone the company interacts with in all stages of the mining life cycle. This includes personnel employed by contractors and suppliers.

**PanAust has in place systems to:**

- identify and assess potential risk areas in its supply chains
- mitigate the risk of slavery occurring in its supply chains
- monitor the potential risk areas in its supply chains
- protect whistleblowers.

The modern slavery prevention program and related policies, including the Company's code of conduct as set out in *The PanAust Way*, are used across PanAust's group of companies (Group). This Statement has been developed in consultation with senior management and personnel in the Supply and Procurement, Risk and Sustainability, Legal and Governance teams across the PanAust Group. The PanAust management system, policies, procedures, and training and education are available groupwide. *The PanAust Way* includes the Company's commitment to uphold human rights and the expectation that employees, contractors and suppliers report human rights abuses.

This Statement was approved by the Board of PanAust Limited on 12 June 2025.



**Daling Zheng**

Managing Director and Chief Executive Officer  
PanAust Limited

Date: 12 June 2025

# 2

## ORGANISATIONAL STRUCTURE, BUSINESS AND SUPPLY CHAIN



# PANAUST IS AN AUSTRALIAN- HEADQUARTERED COPPER AND GOLD PRODUCER IN LAOS WITH PRE-DEVELOPMENT AND EXPLORATION OPPORTUNITIES IN LAOS, PAPUA NEW GUINEA AND CHILE.

PanAust is focused on a sustainable business model associated with the safe production and sale of copper and gold, delivery of production goals and growth. While copper forms the core product focus, gold provides commodity diversity. An Australian incorporated company, PanAust is ultimately a 100 per cent owned subsidiary of Guangdong Rising Holding Group Co., Ltd (**GDRH**).

GDRH is a Chinese state-owned company regulated under the State-owned Assets Supervision and Administration Commission, the People's Government of the Guangdong Province in China. GDRH has investments in a wide range of industries including mineral resource development, electronics, industrial waste management, real estate, and finance.

## 2.1 COMPANY STRUCTURE

### 2.1.1 AUSTRALIA

PanAust's registered head office is in Brisbane, Australia and provides leadership, specialist expertise and support across the Group in relation to strategy, financial management, commercial and technical services, risk management, sustainability, corporate communications, human resources, legal, information systems and

technology, internal audit, internal control, governance, and reporting. PanAust holds several non-controlling financial investments in Australia including in the Eva Copper Project in Queensland and the Darlot Gold Project in Western Australia.

### 2.1.2 CHILE

PanAust holds a 66.15 per cent interest in the Inca de Oro copper-gold exploration project through a Chilean incorporated joint venture company, Inca de Oro S. A. The Company also maintains a 100 per cent ownership interest in the nearby Carmen copper-gold exploration project. The Inca de Oro exploration project is currently under review for development with the camp in care and maintenance.

### 2.1.3 LAOS

PanAust owns a 90 per cent interest in the Lao-registered company, Phu Bia Mining Limited (**Phu Bia Mining** or **PBM**). The Government of Laos owns the remaining 10 per cent interest. PBM has a Mineral Exploration and Production Agreement (**MEPA**) with the Government of Laos. The MEPA regulates exploration, development, and mining activities within the Contract Area, and sets out the tax and royalty obligations.

The PBM operations also engage employees and contractors in Thailand for transport and logistics, transporting consumables to site, and moving copper concentrate from the Phu Kham mine site to the port facilities for export.

### 2.1.4 MYANMAR

PanAust historically held a 90 per cent interest in Wuntho Resources Company Limited (**WRCL**) and

had established a joint venture with Myanmar Energy Resources Group International Company Limited, a Myanmar-based company which held the remaining 10 per cent interest in WRCL. WRCL held tenements covering approximately 1,500 square-kilometres in Myanmar's Sagaing region.

Since 8 February 2021, the Company has demobilised and ceased all mineral exploration activities in country. The safety, security, and health and wellbeing of its people in Myanmar remain a priority for the business

During 2023, PanAust's Board determined that PanAust would exit from Myanmar. This decision was made due to the Company seeing no short to medium term change to the ongoing security situation in the country. Two of the three tenement groupings were terminated in June 2023, the last tenement was relinquished in December 2024 and all PanAust entities in country wound up in January 2025.

### 2.1.5 PAPUA NEW GUINEA

PanAust, through its wholly owned subsidiary Frieda River Limited, owns 100 per cent of the Frieda River Project in Papua New Guinea. The Frieda River Project is one of the largest undeveloped copper and gold deposits in the world and offers PanAust excellent potential for the establishment of a world-class, long-life copper-gold mining operation. The Freida River Project in Papua New Guinea is currently in the permitting phase with limited on-site activity.

The Independent State of Papua New Guinea has a right, prior to the grant of a Special Mining Lease, to purchase up to 30 per cent equity in the Project at a price prorated to the accumulated historical expenditure of the Project.

2.2 OUR PEOPLE

PanAust employs more than 3,500 employees, almost 1,500 contractors and over 250 casuals. More than 97 per cent of workers are in Laos.



Phu Bia Mining’s workforce comprises 92 per cent Lao-national employees with the remaining eight per cent comprising expatriate workers primarily from neighbouring Southeast Asian countries and Australia.

2.3 OPERATIONS AND LOCATIONS

The PanAust Group operates across six countries: Australia, Singapore, Chile, Laos, Papua New Guinea and Thailand.

PanAust’s producing assets are operated by PBM in Laos and include the Phu Kham Copper-Gold Operation (**Phu Kham**) and the Ban Houayxai Gold-Silver Operation (**Ban Houayxai**). These operations are supported by long-term contractors and suppliers across mining, logistics, and site services. PBM also maintains a corporate office in Vientiane, which oversees operational governance and facilitates the implementation of PanAust’s business development strategies within Laos and the broader Asian region.

The Phu Kham Operation, which began production in 2008, comprises an open-pit mine and a conventional milling and flotation plant. This facility produces a copper and precious metals concentrate, which is exported to customer smelters—primarily in Asia.

The Ban Houayxai Operation commenced production in 2012 and consists of an open-pit mine feeding ore into a carbon-in-leach and gravity recovery plant, producing gold and silver doré.

In 2024, development work continued on the Ban Houayxai Extension Project, which aims to define a satellite orebody located across the Nam Ngum 2 reservoir from the main site. As part of this project, a 280-metre concrete bridge capable of supporting fully loaded Caterpillar 777D trucks is under construction. The project’s feasibility study was approved in February 2024, with the contractor mobilised to site.



Additionally, a 1,440-metre underground exploration decline—initiated in 2023 beneath the main open pit—was completed during the year, enabling the start of resource drilling to increase confidence in the underground deposit.

Both the Phu Kham and Ban Houayxai operations are located approximately 120 kilometres north of Vientiane in PanAust’s 1,260 square-kilometre Phu Bia Contract Area.

In Papua New Guinea, PanAust is advancing the development of the Frieda River Project, one of the world’s largest known undeveloped copper-gold deposits. The project remains in the permitting phase, with a Special Mining Lease (SML) application submitted in 2016 and an addendum lodged in 2018. COVID-19 disruptions during 2020–2021 delayed progress; however, limited on-site activities resumed in 2022.

In 2024, efforts were primarily focused on community engagement and maintaining site infrastructure. The project continues to engage a mix of short-term and long-term suppliers through a market screening process, particularly for essential commodities such as diesel.

2.4 SUPPLY CHAINS

PanAust maintains an extensive global supply chain. In 2024, the Company procured goods and services valued at just over US\$392 million from 1,086 suppliers across 33 countries.

Notably, 94 per cent of procurement was from suppliers incorporated in Laos, Thailand, Australia and China, with just ten suppliers accounting for 50 per cent of the total annual spend—highlighting the strategic importance of key supplier relationships.

COMMON PROCUREMENT CATEGORIES

PanAust’s procurement covered a broad range of goods and services, including:

- non-operational supplies
- bulk commodities
- fixed plant and processing equipment and services
- mining operations equipment and services
- mobile fleet equipment parts and maintenance
- projects and construction support

Primary goods and services by the top four countries of supplier incorporation

LAOS

- ✓ Fuels
- ✓ Electricity
- ✓ Drilling services
- ✓ Travel and accommodation
- ✓ Contractor labour and equipment hire
- ✓ Catering services

THAILAND

- ✓ Mobile fleet spares
- ✓ Logistics, port, and customs services
- ✓ Explosives
- ✓ Fixed plant spares and maintenance
- ✓ Processing reagents
- ✓ Equipment lubricants

AUSTRALIA

- ✓ Financial and accounting services
- ✓ Fixed plant spares and maintenance
- ✓ Technical consulting services
- ✓ Information Technology services
- ✓ Mill liners
- ✓ Processing reagents

CHINA

- ✓ Grinding media
- ✓ Cyanide
- ✓ Mining fleet tyres
- ✓ Contractor labour
- ✓ Construction infrastructure

# SUPPLIER COUNTRY COVERAGE 2024— PANAUST ENGAGED SUPPLIERS FROM THE FOLLOWING COUNTRIES.



# 3

# RISKS OF MODERN SLAVERY PRACTICES IN THE OPERATIONS AND SUPPLY CHAINS



PANAUST OPERATES WITH SUPPLIERS FROM NUMEROUS COUNTRIES AND RECOGNISES THE RISK OF MODERN SLAVERY WILL VARY ACROSS ITS GLOBAL SUPPLY CHAIN.

PanAust has used the 2022 Global Estimates of Modern Slavery: Forced Labour and Forced Marriage Report, Global Slavery Index 2023 Report, and the 2024 Trafficking in Persons (TIP) Report to help assess the risk of modern slavery in its supply chain.

According to the 2022 Global Estimates of Modern Slavery Report, the Asia Pacific region has the highest number of victims globally, with more than 29 million people subjected to modern slavery on any given day. This places PanAust’s main operational footprint in a region of elevated risk.

The 2024 TIP Report categorises countries into four tiers based on their government’s efforts to meet the minimum standards outlined in the United States *Trafficking Victims Protection Act (2000)*.

In 2024, 44 per cent of PanAust’s procurement expenditure was with vendors incorporated in Tier 1 and Tier 2 countries. The remaining 56 per cent was with vendors in Tier 2 Watch List and Tier 3 countries—jurisdictions associated with higher modern slavery risks. This marks a significant shift from 2023, when 92 per cent of procurement spend was allocated to Tier 1 and Tier 2 countries.

This change is largely attributable to the reclassification of Laos from Tier 2 to the Tier 2 Watch List in the 2024 TIP Report. Vendors incorporated in Laos accounted for 45 per cent of PanAust’s procurement spend in 2024. While the Lao government is making efforts to combat modern slavery, the downgrade reflects a significant or rising number of victims within the country.

As a result, a considerable portion of PanAust’s supply chain in 2024 was exposed to elevated risks of modern slavery, either due to the increasing prevalence of victims or insufficient government action. This shift underscores the importance of enhanced due diligence, supplier engagement, and risk mitigation strategies within high-risk jurisdictions.

PanAust recognises that the most prevalent modern slavery risks are likely to arise within its supply chain in high-risk locations and in high-risk sectors and through indirect procurement where there is limited visibility over sub-tier suppliers.

In preparing this Statement, PanAust identified the following stages within its mining lifecycle as having the highest potential exposure to modern slavery risks:

- construction and development projects (Where third party contracted labour is widely used)
- procurement of goods and services during operations
- logistics and transportation including inbound freight and the shipping of copper concentrate to customers.

As the PanAust’s operational footprint remained largely unchanged in 2024 these risk areas remain consistent with those identified in previous years.

TIER DEFINITIONS

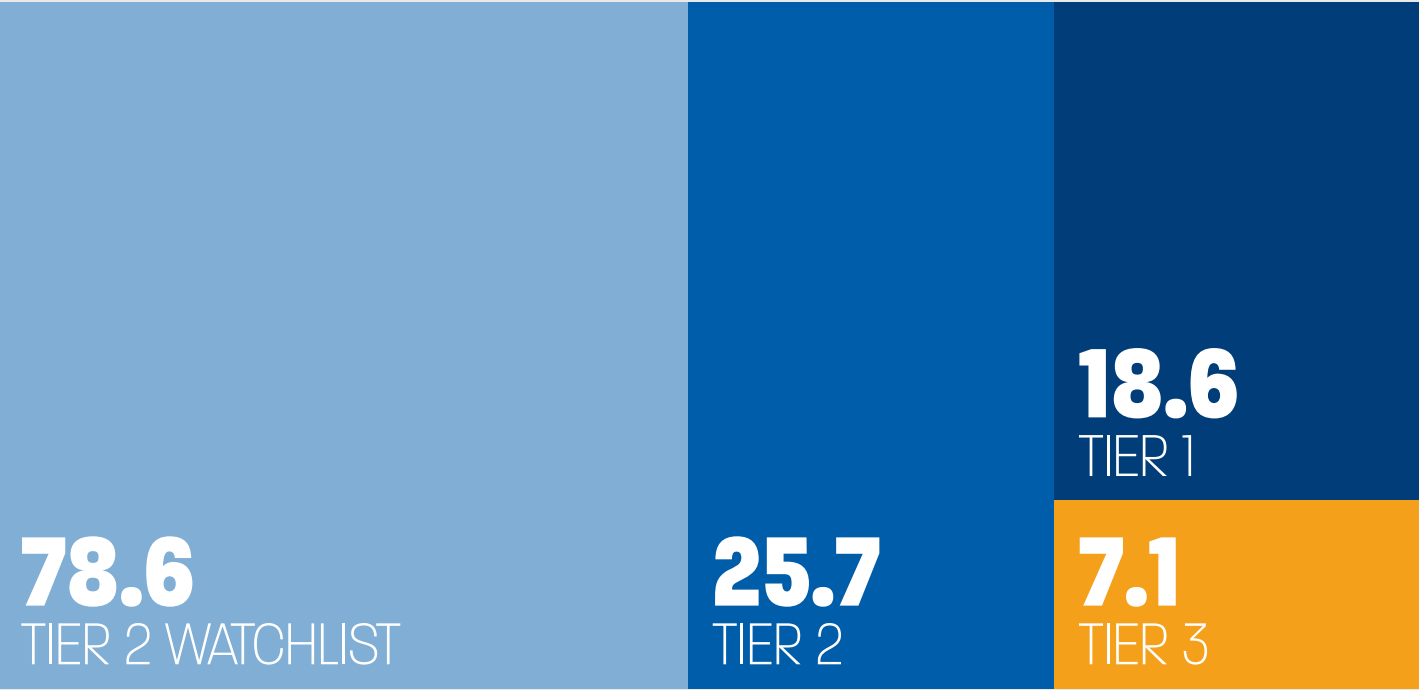
- 01

Countries whose governments fully meet the minimum standards for elimination of trafficking.
- 02

Countries whose governments do not fully meet the minimum standards but are making significant effort to bring themselves into compliance.  
**TIER 2 WATCH LIST**  
Countries whose governments do not fully meet the minimum standards; however, are making significant effort to bring themselves into compliance and where the estimated number of victims is significant or increasing significantly.
- 03

Countries whose governments do not fully meet the minimum standards and are not making significant efforts to do so.

PERCENTAGE OF SPEND PER TIER



### 3.1 CONSTRUCTION AND DEVELOPMENT PROJECTS

The use of contracted third-party labour in construction and development projects continues to present a high risk of modern slavery.

These roles often require minimal formal qualifications and are typically temporary or casual in nature. Workers in such arrangements may be underpaid relative to skilled roles and subject to informal or precarious employment conditions. This vulnerability can lead to exploitation, particularly when workers fear job loss and feel discouraged from raising concerns about safety, pay, or working conditions.

In 2024, PanAust commenced two major construction projects that further highlight the elevated risk during this phase of the mining lifecycle. First, development of a 1,440-metre underground exploration decline at the Ban Houayxai site was undertaken by a Chinese underground mining contractor operating under PanAust supervision. Second, a 280-metre bridge over the Ngam Ngung 2 reservoir was initiated, constructed by a Chinese infrastructure contractor under a principal contractor agreement and overseen by an independent third-party project manager.

Both projects are located in Laos—a Tier 2 Watch List country—and involve foreign contractors from China, which is Tier 3 ranked in the 2024 TIP Report. These characteristics—cross-border contracting, subcontracted labour, and labour-intensive underground and infrastructure work—represent known modern slavery risk indicators.

While mitigation efforts are described later in this Statement, PanAust recognises that these 2024 activities increased the potential exposure to modern slavery within its operations and contractor network.

### 3.2 PROCUREMENT OF GOODS AND SERVICES

**PanAust’s complex global supply chain increases the risk of modern slavery, especially in indirect procurement. Suppliers may rely on lower-tier subcontractors, raw material producers, or low-skilled labour, particularly in Tier 2 Watch List or Tier 3 countries.**

These regions may have weaker labour protections or limited regulatory enforcement, heightening the risk of forced labour, debt bondage, or exploitative conditions within upstream supply chains.

In 2024, PanAust continued to procure high volumes of critical operational inputs—such as grinding media, cyanide, mill liners, and processing reagents—from suppliers incorporated in China, Australia, and Thailand. While these suppliers operate at arm’s length, their upstream supply chains may include lower-tier manufacturers in high-risk jurisdictions. Similarly, catering and cleaning services procured locally in Laos are recognised as labour-intensive and often filled by informal workers with limited oversight, increasing vulnerability to exploitation and underpayment.

### 3.3 LOGISTICS AND TRANSPORTATION

**Logistics and transportation within the PanAust supply chain poses a high risk for modern slavery exploitation as many logistics and warehousing companies subcontract labour supply to employment agents or independent contractors.**

These arrangements may involve insecure employment, lack of oversight, and limited access to grievance mechanisms, increasing the vulnerability of workers to exploitation.

The international shipping of PanAust’s copper concentrate poses a particularly high risk of modern slavery as workers are often at sea for long periods of time with no ability to leave, and work under conditions governed by the laws of the country they are registered (flag state). This may result in vessels being registered in countries with no meaningful link to their operations, including countries with severely limited interest or capacity to enforce universally acceptable labour laws. Under this practice, maritime workers are particularly vulnerable to abuse, abandonment, trafficking, forced labour, or unacceptable working conditions.

# 4

## ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS



# TO ASSESS AND ADDRESS RISKS OF MODERN SLAVERY WITHIN PANAUST'S SUPPLY CHAIN, THE COMPANY HAS IN PLACE A RANGE OF POLICIES, PROCEDURES, AND PRACTICES TO IDENTIFY AND PREVENT POTENTIAL EXPOSURE TO MODERN SLAVERY PRACTICES BY ITS SUPPLIERS.

## 4.1 THE PANAUST WAY

The PanAust Way is the Company's code of conduct and sets out the minimum standards of behaviour expected from all PanAust directors, employees, and business partners—including contractors, consultants, suppliers, and service providers—when working for or with the Company.

The document includes a practical question-and-answer guide to help individuals navigate ethical dilemmas and complex workplace situations, both within and outside the organisation, while conducting business activities.

The PanAust Way is embedded into:

- All employee contracts
- All contracts for the supply of goods and services

It includes specific commitments regarding respect for human rights, including explicit reference to the Australian Modern Slavery Act 2018 (Cth) and

PanAust's aim to apply international good practice in identifying and managing modern slavery risks within its operations and supply chains.

The human rights section prohibits the use of child labour, forced labour, and any other forms of exploitation. It also mandates that PanAust's contractors, and their sub-contractors adhere to the same standards, as specified through legally binding contractual terms.

To support implementation:

- The PanAust Way was last updated in July 2023 to reinforce alignment with modern slavery and human rights standards
- In 2024 it was rolled out to 281 employees and contractors, including training and awareness sessions to reinforce expectations.

## 4.2 PROCUREMENT PRACTICES

PanAust recognises that strong procurement and contract management practices are central to identifying, managing, and mitigating modern slavery risks. The Company seeks to build mutually beneficial relationships with contractors and suppliers that create shared value for both PanAust and the communities in which it operates.

Procurement practices are guided by The PanAust Way, the Group Contractor Health, Safety and Environment Management Standard, and the Group Contractor HSE Minimum Requirements Standard. These frameworks set clear expectations across areas including safety, environment, community, human rights, and business integrity.



### 4.2.1 CONTRACTOR AND SUPPLIER DUE DILIGENCE

All contractors are subject to a defined pre-qualification process which includes:

- Verification of their sustainability performance
- Site visits or facility audits including a review of modern slavery policies and procedures (as required based on risk).

Due diligence continues throughout the life of the contract with mechanisms in place for ongoing performance monitoring and verification of the contractor's practices. Contracts incorporate standard clauses on human rights, including compliance with PanAust's expectations on preventing modern slavery.

PanAust also maintains a supply management system aligned with *The PanAust Way*, which governs procurement engagement across the Company.

### 4.2.2 MODERN SLAVERY RISK ASSESSMENT TOOLS

To better identify and manage modern slavery risks within its supply chain, PanAust uses a Modern Slavery Risk Assessment-Supplier Questionnaire alongside a risk classification tool. These tools are applied using a risk-based selection process that considers:

- scale of the contract
- country of incorporation (Using the TIP report Tier Ranking)
- category and segment the vendor operates in
- previous assessment results.

The selected vendors are asked to complete the questionnaire regarding their modern slavery practices and processes and return to PanAust along with evidence to support their answers.

In 2024, the questionnaire was sent to a selection of vendors including from the following groups:

- vendors previously assessed for modern slavery risks within the top 50 per cent of annual procurement spend
- vendors outside of the top 50 per cent of PanAust's annual supply chain spend
- a selection of vendors incorporated in Tier 3 ranked countries.

A review of the responses received highlighted that 75 per cent of the suppliers were assessed as still needing to improve their response processes if instances of modern slavery were detected and 50 per cent of the suppliers were assessed as requiring significant improvement of their employment and training processes in relation to modern slavery, as it is not typically seen as a concern in South East Asia/Asia. PanAust is seeking to change that within our Supply Chain.

### 4.2.3 LOCAL PROCUREMENT EMPHASIS

PanAust prioritises the procurement of local goods and services wherever commercially viable and where contractor and supplier capacity meets requirements. The Company acknowledges that local suppliers represent the greatest opportunity for influence and improvement, and therefore require particular attention regarding capacity building and compliance with modern slavery requirements. Contracts are subject to PanAust's standard terms and conditions which include clauses relating to PanAust's expectations regarding upholding and protecting human rights. Where applicable, contracts are translated into local language to ensure full understanding and commitment to requirements.

### 4.2.4 CONTRACTOR AND SUPPLIER PERFORMANCE MONITORING

Performance reviews are an essential component of PanAust's procurement oversight. These occur weekly, monthly, and quarterly, and feed into annual contractor and supplier reviews carried out by the procurement team.

Meetings provide a forum for addressing any concerns, including those related to human rights and modern slavery obligations, and for implementing agreed remediation measures when required. Contracts involving Contractors onsite are designated as 'monitored', which means they are tracked for compliance with performance and contractual terms. This includes full compliance with local labour laws, which include minimum wages, medical benefits and appropriate insurances. All employees/contractors have access to the anonymous whistleblower service and Phu Bia Mining senior staff to have any complaints investigated and addressed.

### 4.2.5 TRAINING AND CAPACITY BUILDING

To build internal capability PanAust developed a modern slavery training program for supply chain and procurement personnel as well as contract owners. This program has been embedded into the Company's Learning Management System and made mandatory for:

- All personnel involved in the supply and procurement teams regardless of role
- All superintendents, managers and general managers as these roles have the potential to become contract owners across PanAust.

This course is designed to help those responsible for procurement and contract management, or associated with contracting or supplier activities and covers:

- what modern slavery is
- the Company's obligations under the Australian *Modern Slavery Act 2018 (Cth)*
- how to identify and respond to potential modern slavery risks.

During 2024, 90 personnel completed the PanAust modern slavery training course.

### 4.3 SUSTAINABILITY POLICY UPDATE AND HUMAN RIGHTS POLICY

The PanAust Sustainability Policy includes a commitment to meet the requirements of the Act and a commitment to oppose all forms of slavery in the Company's operations and the operations of its suppliers.

This Policy forms the basis of commitments PanAust makes to measure its sustainability performance. The Policy is available to all employees, contractors and suppliers and is published in English, Lao, Tok Pisin, Thai and Vietnamese.

During 2024 a review of the policy was undertaken to ensure that the policy included commitments that covered all aspects of a responsible mining company. As part of this review, it was identified that the commitment around modern slavery could be broadened to cover a more diverse range of Human Rights topics through the commitment calling out the requirement for a separate Human Rights Policy.

A draft Human Rights Policy has been developed with seven specific commitments including modern slavery, committing to preventing and eradicating modern slavery in the operations and supply chains, conducting thorough due diligence, raising awareness, and taking appropriate actions to address any identified instances of modern slavery. While the Human Rights policy has been drafted due to a governance review across the company it is planned for approval and publication during 2025.

### 4.4 WHISTLEBLOWER SERVICE AND GRIEVANCE MANAGEMENT

PanAust has maintained a confidential, multi-language Whistleblower service since 2012, providing a secure and anonymous channel for stakeholders—including employees, contractors, suppliers, and community members—to report concerns related to workplace misconduct. This includes issues such as human rights violations, labour exploitation, and modern slavery practices.

The service is available 24/7 via phone and web and is accessible in multiple languages relevant to PanAust's operations. The Company's Whistleblower Standard, which outlines the process for submitting concerns and protections for whistleblowers, is publicly available on the PanAust website.

Reports received through this channel are:

- Reviewed promptly by a dedicated Whistleblower Review Committee
- Investigated confidentially and independently, where required
- Tracked and monitored through to resolution
- Used to inform risk assessments and continuous improvement initiatives.

PanAust takes steps to promote awareness of the whistleblower service through staff inductions, contractor onboarding, training programs, and on-site communication channels. Stakeholders are encouraged to raise concerns without fear of retaliation.

In 2024, no instances of modern slavery were reported through the whistleblower service.

## 4.5 CONSTRUCTION

PanAust recognises that the construction phase of mining projects poses elevated modern slavery risks due to its reliance on large transient workforces, the frequent use of subcontracted labour, and the temporary and informal nature of some roles. These risk factors can increase worker vulnerability to exploitative practices such as underpayment, excessive working hours, unsafe conditions, or lack of grievance mechanisms.

Where feasible, PanAust undertakes construction work in-house using directly employed personnel. This approach:

- Ensures greater oversight and control of labour conditions
- Allows alignment with PanAust's human rights and safety standards
- Reduces reliance on third-party labour providers, a known modern slavery risk pathway
- Enables consistent implementation of fair recruitment practices and access to internal grievance mechanisms.

However, where the scale or technical complexity of a project exceeds in-house capacity, PanAust engages long-term contractor partners under clearly defined terms. All contractors are subject to PanAust's procurement processes, which include:

- Pre-qualification screening
- Due diligence on modern slavery policies and practices
- Review of labour sourcing arrangements and subcontracting controls
- Ongoing contract monitoring and performance assessments.

This approach aims to reduce the risk of modern slavery within contractor workforces by ensuring that only vetted, compliant providers are engaged and that expectations for ethical labour practices are contractually binding and enforceable.

## 4.6 LOGISTICS

### INCLUDING WAREHOUSING OPERATIONS IN THAILAND AND LAOS

Logistics operations—particularly cross-border freight transport and warehousing—can pose elevated modern slavery risks due to the widespread use of subcontracted and casual labour, high worker mobility, and limited visibility over third-party labour practices.

#### 4.6.1 FREIGHT TRANSPORT

PanAust operates its own logistics fleet for:

- Transporting copper concentrate from the Phu Kham Operation to the Thanaleng container yard on the Laos–Thailand border
- Transporting general freight and dangerous goods within Laos.

For international transport beyond Thanaleng, PanAust maintains a long-term logistics contract with a trusted freight provider for the delivery of copper concentrate to the export port at Sriracha, Thailand. This long-term relationship supports PanAust's goals of supply chain transparency and accountability. The contract includes clauses requiring adherence to PanAust's human rights and modern slavery standards and is subject to due diligence and ongoing performance review.



### 4.6.2 WAREHOUSING OPERATIONS

PanAust manages its own warehousing facilities in:

- Vientiane, Laos
- Laem Chabang, Thailand

These facilities consolidate inbound goods and equipment into full truckloads for site delivery. Because warehousing operations often rely on lower-skilled, high-turnover labour, PanAust exercises direct control over recruitment, rostering, and workplace conditions to reduce the risk of modern slavery. Where casual or temporary labour is required, internal oversight ensures that labour providers and practices comply with PanAust's human rights expectations.

### 4.6.3 OVERSIGHT AND RISK CONTROLS

To mitigate modern slavery risks in logistics and warehousing:

- Logistics contracts include human rights clauses and are subject to PanAust's procurement standards and due diligence processes
- Contractor performance is monitored through site visits, safety inspections, and periodic reviews
- PanAust maintains direct employment or supervision over warehouse labour in Laos and Thailand to ensure labour conditions meet company standards.

### 4.7 CONTRACTOR WORKSHOPS

**PanAust conducts quarterly workshops with its contractor workforce in Laos as part of its broader commitment to ethical labour practices and transparent engagement across its supply chain.**

These workshops serve as a platform to:

- Strengthen working relationships with contractors
- Promote shared understanding of PanAust's expectations regarding safety, labour rights, and modern slavery obligations
- Identify areas for improvement, capacity-building, and support
- Encourage the proactive identification and resolution of concerns, including those related to subcontractor management and workforce conditions.

Contractors are rotated through these workshops across the calendar year to ensure broad participation, with the goal of engaging representatives from a diverse cross-section of PanAust's contracted workforce. Input is proactively sought from attendees through open discussions, anonymous feedback tools, and follow-up interviews where necessary.

These workshops also serve as a mechanism to reinforce key messages from PanAust's Code of Conduct, The PanAust Way, and to remind contractors of their obligations under contract clauses relating to human rights and modern slavery prevention.



# 5

## ASSESSING THE EFFECTIVENESS OF ACTIONS TO ASSESS AND ADDRESS MODERN SLAVERY RISKS



# PANAUST UNDERTAKES A RANGE OF PROCESSES TO ASSESS THE EFFECTIVENESS OF ITS ACTIONS TO IDENTIFY, MITIGATE, AND RESPOND TO MODERN SLAVERY RISKS ACROSS ITS SUPPLY CHAIN.

Effectiveness reviews are structured according to PanAust’s three lines of defence risk management model:

**01** Operational teams at site level are responsible for implementing day-to-day controls, including supplier engagement, contract management, factory/facility audits and local monitoring. This includes regular supplier meetings, both at an operational (and where assessed as critical) at a corporate/executive level, ensuring contractual compliance with obligations of Agreements including Modern Slavery requirements.

**02** Corporate oversight provides assurance that these controls are operating as intended and identifies opportunities for improvement.

**03** Independent audit functions provide objective evaluation of systems and processes.

## 5.1 KEY ACTIVITIES IN 2024

In 2024, the following actions were taken to evaluate the effectiveness of PanAust’s modern slavery risk management measures:

### 1. TRAINING REVIEW AND UPGRADE

A corporate review of PanAust-branded training materials, including the Modern Slavery Training Package, was completed to ensure consistency across all subsidiaries.

As a result:

- A new training provider was selected
- Updated training content was developed to reflect best practice and improve accessibility and engagement
- The new package is scheduled for rollout in 2025, as part of a group-wide training refresh.

This action will support broader awareness and more effective identification of modern slavery risks by PanAust personnel, particularly those in procurement and contract oversight roles.

## 2. PROCUREMENT STANDARD REVIEW

PanAust’s regional supply team in Laos conducted a regular review of the PanAust Group Procurement Standard and associated end-to-end procurement processes. The review aimed to assess how effectively the existing practices support the identification, prevention and mitigation of modern slavery risks within the supply chain.

Key findings of the review included:

- The current procurement process incorporates many foundational controls, including supplier due diligence, contract clauses addressing human rights, and risk-based supplier selection.
- There are further opportunities to integrate modern slavery risk considerations more consistently across the procurement lifecycle—from supplier pre-qualification and onboarding through to contract management, renewal, and exit.
- The review also identified that several commitments outlined in previous Modern Slavery Statements remain incomplete and these have been carried through to the 2025 future commitments.




By embedding modern slavery risk management more deeply and consistently, PanAust aims to improve its ability to detect, evaluate, and respond to risk across the full spectrum of supply chain activities.

# 6 FUTURE COMMITMENTS



PANAUST IS COMMITTED TO FURTHER ENHANCING GOVERNANCE AND MANAGEMENT PRACTICES TO ADDRESS THE RISKS OF MODERN SLAVERY ACROSS ITS OPERATIONS AND SUPPLY CHAINS. THE TABLE (RIGHT) OUTLINES THE FUTURE PRIORITY AREAS.

The table below outlines the future priority areas.

AREA OF RISK	2025 FOCUS AND BEYOND
 Effectiveness of actions	Add modern slavery compliance obligations and identified future commitments into the PanAust online compliance and obligations register to ensure there is ownership and visibility on actions being carried out to address risks related to modern slavery.
 Policy updates	Publish and roll out the Human Rights Policy across the Company.
 Supplier due diligence	<div>Revise sourcing strategy templates and category management plans to integrate modern slavery risk analysis into the initial planning phase.</div> <div>Broaden the contract and tender preparation section to detail modern slavery and broader human rights requirements in tender documents, and evaluation criteria.</div> <div>Incorporate the modern slavery supplier questionnaire into the tender process. Reference it explicitly in the Procurement Standard.</div> <div>Continue to improve contract execution and implementation to include modern slavery contract clauses, KPIs, improvement plans, and training requirements.</div> <div>Enhance the ongoing monitoring of modern slavery risks in contract management by establishing clear escalation and corrective action procedures. Carry out periodic audits.</div> <div>Conduct ongoing training sessions for both the Supply department and suppliers on PanAust’s policies related to modern slavery, and the roles they play in addressing these risks.</div>



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