

Responsible Metals and Supply Chain Policy

As one of only a select number of fully accredited refiners for gold and silver with the London Bullion Market Association (**LBMA**), The Perth Mint recognises the material risks associated with extracting, trading, handling, exporting, and refining precious metals. These risks are heightened when those metals are sourced from conflict-affected and high-risk countries. Profits generated by these operations may directly or indirectly finance or facilitate conflict and contribute to related abuses of human rights. These risks have the potential of being introduced into our supply chains and operations.

Despite the majority of our precious metals being mined from within Australia, this Responsible Metals and Supply Chain Policy (**Policy**) sets out our commitment to managing relationships with suppliers and customers from all countries to mitigate human rights risks associated with our operations. As part of our mitigation actions, we take into account social, ethical, environmental and governance considerations, as well as conducting appropriate due diligence on our suppliers' and customers' supply chains.

As an organisation, the Perth Mint is committed to respecting human rights and opposes slavery in all its forms. We endeavour to operate our business activities in a manner consistent with the United Nations Guiding Principles on Business and Human Rights, and with the Voluntary Principles on Security and Human Rights.

As a Government Trading Entity, we are not required to submit annual reporting under the *Modern Slavery Act 2018* (Cth). However due to our strong commitment to corporate social responsibility and responsible sourcing, we chose to voluntarily publish an annual Modern Slavery Statement. This Statement details our efforts to identify, eliminate and, if required, remediate any modern slavery practices occurring in our business and supply chains.

The Perth Mint is committed to complying with all applicable international standards and legal

obligations, including environmental and sustainability requirements in the sourcing of our precious metals. In particular, our precious metal supply chain due diligence procedures are compliant with the standards required under the LBMA's Responsible Sourcing Programme (**LBMA Programme**) and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict and High-Risk Areas (**OECD Guidance**).

The Perth Mint is committed to ensuring our refinery contracts reflect the commitments made in this Policy by incorporating obligations on our suppliers and customers to comply with the Policy, including adopting conflict-sensitive sourcing practices and appropriate risk reviews.

Compliance with the standards required by the LBMA Programme and the OECD Guidance is achieved by:

- Committing to this Policy and creating sufficiently detailed and meaningful processes to provide visibility and transparency over precious metal supply chains to allow the organisation to manage associated risks.
- Providing adequate staffing resources.
- Adequately training applicable staff on the Responsible Metals and Supply Chain Management System to ensure the effective application of this Policy.
- Ensuring this Policy is accessible and communicated to all Refinery and Treasury staff, suppliers, customers and potential customers, and is publicly available for external stakeholders.
- Actively encouraging staff and contractors to report any suspicious dealings or transactions and environmental issues to management and/or the Compliance Officer as outlined in internal policies or by the whistle-blower hotline.
- Monitoring transactions for compliance with this Policy and keeping appropriate records to an auditable standard.

The Perth Mint is committed to:

1. Engaging with an LBMA accredited third-party auditor to carry out an annual third-party audit based on the ISAE 3000 Standard.
2. Implementing know your customer, anti-money laundering and counter-terrorism financing procedures and performing due diligence to ensure supply chain accountability and traceability. This includes requirements for customer and supplier identification and due diligence procedures, in compliance with the LBMA Programme, OECD Guidance and the *Anti-Money Laundering and Counter Terrorism Financing Act 2006* (Cth).
3. Continuous improvement of our Responsible Metals and Supply Chain Management System designed to respond to identified risks within a supply chain presented by a certain customer or supplier to prevent or mitigate adverse impacts from a business relationship.
4. In line with the LBMA Programme, where adverse findings are identified in relation to a supplier during due diligence, addressing those findings with the supplier and establishing an improvement plan. In the event of non-compliance or insufficient improvement after six months, suspending or discontinuing business relations with the supplier.
5. Performing enhanced due diligence by conducting desktop and on-the-ground site investigations/visits (where possible) within six months of engaging a supplier with a mine site operating in a high or very high risk jurisdiction and revisiting the business relationship decision annually.
6. Engaging and strengthening relationships with customers, central or local governmental authorities, upstream companies, international organisations, civil society and affected third parties, as appropriate, to improve and track performance of responsible mining and sourcing practices with a view to prevent or mitigate risks of adverse impacts through measurable steps taken in reasonable timescales.
7. Not tolerating, profiting from, contributing to, assisting with, or facilitating the systematic or widespread human rights abuses associated with the extraction, transport or trade of gold, including:
 - a. any form of torture, cruel, inhuman, and degrading treatment;
 - b. forced or compulsory labour;
 - c. worst forms of child labour;
 - d. widespread sexual violence or other gross human rights violations; and
 - e. war crimes, crimes against humanity or genocide.
8. Not tolerating any direct or indirect support for non-state armed groups, public or private security forces who illegally control mine sites or transportation routes, or any other elements of the supply chain, or illegally tax or extort money or minerals through the supply chain.
9. Not offering, promising, giving, demanding or accepting any bribes from any individual, government and private organisations to conceal the origin of precious metals or taxes, fees and royalties paid to governments for the purposes of precious metal extraction, trade, handling, transport, and export or otherwise fraudulently misrepresent the origin of any precious metals or payments made.
10. Immediately suspending or discontinuing engagement with any suppliers that are identified as having a reasonable risk of sourcing from, or being linked to, any party committing serious human rights abuses and/or providing direct or indirect support to non-state armed groups as described above.
11. Taking steps to contribute to the effective management of money laundering and terrorism financing risks, identifying reasonable risks of money-laundering resulting from, or connected to, the extraction, trade, handling, transport or export of precious metals derived from the illegal taxation or extortion of precious metals at points of access to mine sites, along transportation routes or at points where precious metals are traded by upstream suppliers.
12. Supporting the payment to governments of all taxes, fees, and royalties related to precious metal extraction, trade and export from conflict-affected and high-risk areas.
13. Recognising that the role of public or private security forces at mine sites and/or surrounding areas and/or along transportation routes should be solely to maintain the rule of law.



14. Developing and implementing an Environmental Management System and maintaining certification with AS/NZS ISO 14001:2015, whilst communicating the requirement for customers and suppliers to comply with all environmental, sustainability, labour, and health and safety regulation applicable to them.
15. Communicating this Policy to customers and suppliers and obtaining their agreement to abide by and conform to the ethics and standards of the Policy during the period of the engagement and encouraging them to commit to their own supply chain policy consistent with Annex II of the OECD Guidance.
16. Reporting annually on its gold supply chain due diligence policies, compliance management systems and risk assessment processes.

Jason Waters

Chief Executive Officer

June 2022