



CONSIDERATE®
PRECIOUS
METALS

ANNUAL REPORT



PALLION®

20
23

ACKNOWLEDGEMENT OF COUNTRY

PALLION WISHES TO ACKNOWLEDGE
THE TRADITIONAL CUSTODIANS OF
COUNTRY THROUGHOUT AUSTRALIA.

WE RECOGNISE THEIR STRENGTH AND
RESILIENCE AND PAY OUR RESPECTS TO
THEIR ELDERS PAST AND PRESENT.

PALLION EXTENDS THAT RESPECT
TO ALL ABORIGINAL AND TORRES
STRAIT ISLANDER PEOPLE AND
RECOGNISES THEIR RICH CULTURES
AND THEIR CONTINUING CONNECTION
TO LAND AND WATERS.

CONTENTS

A MESSAGE FROM THE CEO	4
CONSIDERATE® PRECIOUS METALS – ABOUT THIS REPORT	5
PALLION	6
THE GROUP	6
CORE VALUES: GREAT	7
PRODUCTS & SERVICES	8
AUSTRALASIAN REFINING MARKET	9
GOVERNANCE: GLOBAL STEWARDSHIP	10
COLLABORATION	14
OUR STAKEHOLDERS	15
STAKEHOLDER INITIATIVES	16
SOCIAL CONTRIBUTION	18
PARTNERSHIPS	20
RISK MANAGEMENT	22
SUSTAINABLE DEVELOPMENT GOALS	26
PROCUREMENT	28
PALLION PROVENANCE™	29
SUPPLY CHAIN	30
ACCREDITATIONS	32
INDUSTRY MEMBERSHIPS	34
ENVIRONMENT	36
WORLD'S LARGEST GREEN REFINING CAPACITY	38
WASTE	39
ENERGY CONSUMPTION & EFFICIENCY	40
WORKPLACE HEALTH & SAFETY	41
COMMUNITY	42
STAFF TRAINING & SUPPORT	43
DIVERSITY	44
CHARITABLE CONTRIBUTIONS	46
TECHNOLOGY & INNOVATION	50
PRODUCTION ADVANCEMENTS	52
GLOBAL RESPONSIBILITY INITIATIVE (GRI INDEX)	54
CONTACT PALLION	56

A MESSAGE FROM THE CEO

"OUR **HOPE** IS THAT OUR ASSOCIATION WITH THESE STANDARDS WILL **EMPOWER** OUR CLIENTS, STAKEHOLDERS AND THE WIDER COMMUNITY."

As one of Australia's largest private corporations with an extensive international and domestic reach, we recognise our unique opportunity and responsibility to drive positive change within our community.

Our commitment to sustainability is pivotal in achieving this goal. Our employees play a vital role in driving Pallion's sustainability initiatives forward, and their collective efforts are instrumental in making a meaningful difference.

Our employees are deeply engaged and passionate about supporting the communities in which they both live and work and are unwavering in their commitment to realising Pallion's sustainability aspirations. We understand that, now more than ever, our community, peers and clients seek transparency regarding the sourcing and the sustainability of the products they choose to buy.

It is our approach to sourcing and sustainability that stands Pallion apart. We place a strong emphasis on transparency, innovative technology and ongoing enhancement. We continue to produce the world's most Considerate® Precious Metals.

This report has been prepared in reference to the Global Reporting Initiative Standards ('GRI'), which continue to aid us in comprehensively understanding and reporting our economic, environmental, and societal impacts in a standardised manner. Our hope is that our reference to these standards will empower



our clients, stakeholders, and the wider community to monitor our progress and our commitment to producing the world's most ethically sourced precious metals.

At Pallion, our definition of success continues to encompass several factors: our environmental impact and efforts to safeguard our planet, our ethical business practices, our contributions to local communities and charitable causes, our dedication to diversity and inclusion, and our support for the well-being and progression of our employees.

We welcome your feedback.

A handwritten signature of Andrew Cochineas in a gold-colored ink. The signature is fluid and cursive, matching the company's branding colors.

ANDREW COCHINEAS
CHIEF EXECUTIVE OFFICER

ABOUT THIS REPORT



The Pallion Considerate® Precious Metals Report covers the period from 1 July 2022 to 30 June 2023 and has been prepared in reference to the GRI standards¹. The report details Pallion's initiatives in implementing the Pallion Sustainability and Responsibility Charter across the entire Group.

Over the reporting period, Pallion continued to produce the world's most sustainable and ethical Considerate® Precious Metals. We deliver Considerate® Precious Metals by focusing on five strategic tenants implemented by the Pallion Sustainability and Responsibility Committee:

- 1. COLLABORATION:** Collaboration is the cornerstone of Pallion's success. It assumes diverse forms, ranging from close co-operation with industry peers in order to exchange best practices and knowledge, to partnering with suppliers to elevate sustainability. Additionally, collaboration with employees fosters innovation and enhances morale by embracing and valuing a variety of perspectives and ideas. Beyond our boundaries, collaboration extends to engaging with customers and communities and aligning our objectives with broader social and environmental goals. Embracing collaboration as a foundational principle has enabled Pallion to efficiently achieve its own objectives while simultaneously making meaningful contributions to a more interconnected and sustainable future.
- 2. PROCUREMENT:** Prioritising responsible sourcing, ethical labour practices, and environmental awareness, empowers Pallion to synchronise its procurement strategies with overarching societal and environmental objectives. Procurement, at its core, wields pivotal influence over Pallion's performance, sustainability, and reputation. Underscoring this is the need for meticulous and strategic oversight to ensure all procurement is ethical and assists in reducing current and future environmental impacts.
- 3. ENVIRONMENT:** Pallion stands at the forefront of the industry by setting the gold standard for environmental leadership. We have the world's largest eco-conscious refining production facility, where we have drastically reduced reliance on traditional methods. Advanced technology processes have superseded outdated techniques, resulting in remarkable reductions in waste and water usage, all while achieving zero emissions.
- 4. TECHNOLOGY AND INNOVATION:** Pallion creates opportunities for green innovation. Delivering on our sustainability agenda is not possible without innovate technology. By employing frontier technologies, productivity has increased, driven new skills and capabilities amongst our employees, and enabled us to leapfrog previous innovations and quickly move ahead. Pallion's dedication to fostering innovation and technology continues to build a sustainable organisation.

Pallion continues its commitment to upholding human and labour rights, practicing responsible business conduct, and preserving the environment.

This report was developed by the Pallion Governance and Sustainability Committee with the oversight of the Pallion Board.

¹ Refer to the GRI Index on page 54 of this report.

THE GROUP

Founded in 1951 and headquartered in Sydney Australia, Pallion is the largest independent fully integrated precious metal and services group in Australasia.

A privately owned group of companies, Pallion has facilities in Australia, mainland China, Hong Kong (SAR), the United Kingdom and continental Europe, supplying globally under 6 brands - ABC Bullion, ABC Refinery, Palloys, GoldenAge International, Custodian Vaults and W.J. Sanders.

Comprised of two core divisions, Bullion and Jewellery, Pallion entities process, manufacture and trade precious metals throughout the entire value chain providing the following goods and services: Bullion; Refining & Minting; Casting & Jewellery; Fabricated Metals & Findings; Gold & Silver Smithing; and Vaulting.

BULLION



BULLION



REFINING & MINTING



VAULTING

JEWELLERY



DESIGN, CASTING &
JEWELLERY PRODUCTION



FINDINGS & JEWELLERY
PRODUCTION



GOLD & SILVER
SMITHING



CORE VALUES: GREAT

Pallion is a diverse group of businesses united by a common purpose to produce the world's most Considerate® Precious Metals. We partner with our clients for mutual benefit.

The Pallion **GREAT** values define our identity and inform our interaction with other stakeholders and the way we operate:

GR**GOLDEN RULE**

Act with integrity, honesty & commitment

E**EXCELLENCE**

Be the best in everything we do

A**AGILITY**

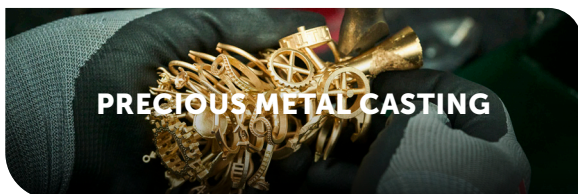
Be Number 1 in our thinking, act quickly and efficiently

T**TRUST**

Build trusting relationships through reliability and communication

PRODUCTS & SERVICES

Pallion entities process, manufacture and trade precious metals throughout the entire value chain.



AUSTRALASIAN REFINING MARKET



ABC[®]
REFINERY

66% SHARE OF TOTAL REFINING MARKET



46%

SHARE OF TOTAL REFINING MARKET



85%

SHARE OF TOTAL REFINING MARKET

PALLION SUBSIDIARY ABC REFINERY IS THE OFFICIAL REFINER AND PRECIOUS METALS SUPPLIER TO THE ROYAL AUSTRALIAN MINT – AUSTRALIA'S FEDERAL MINT



Australian Government
Royal Australian Mint

GOVERNANCE: GLOBAL STEWARDSHIP

Pallion maintains a proactive approach to clear and structured governance.

BOARD OVERSIGHT

Board oversight is a critical aspect of corporate governance. The Pallion Group Board ('Board') is responsible for the overall strategic direction of Pallion and ensures that our activities are governed by the Code of Conduct for employees, suppliers and stakeholders. The growing emphasis on ESG matters by the Board significantly influences our policies and procedures concerning sustainability, diversity, inclusion, and other non-financial aspects that affect our enduring prosperity.

GOVERNANCE & SUSTAINABILITY COMMITTEE

Appointed by the Board, the Governance and Sustainability Committee (GSC) governs our key focus areas of sustainability across the Pallion Group.

The GSC consists of a delegate from every business unit, with occasional participation from external specialists. Since its establishment, the GSC has maintained a perfect attendance record. The GSC is dedicated to assisting the Board in shaping and overseeing ESG strategies and initiatives.

Throughout the year, the GSC has focused on ethical conduct, environmental stewardship and social responsibility. The GSC has also implemented fresh policies and assessed benchmarks for both employees and suppliers, aiming to embrace leading practices. This continues Pallion's dedication to align with the 2030 Sustainable Development Goals (SDGs) and the UN Guiding Principles on Business and Human Rights (UNGPs).



Serving as a comprehensive governance benchmark in Australia and numerous countries worldwide, the UNGPs are embraced by Pallion and have also been incorporated into policies and standards of leading industry bodies, including those of the OECD, London Bullion Market Association (LBMA), and the Responsible Jewelry Council's (RJC) Code of Practice.

Over the reporting period, GSC members interacted with regulators, policymakers, financial institutions, suppliers, and various industry organisations, all of which share best practice. Subsequently, the GSC members participated in meetings of other committees to learn about worldwide sustainability initiatives, including critical areas of concern, and to guarantee the integration of ESG principles into Pallion's management controls and actions.



MANAGEMENT CONTROLS

Pallion's management controls around governance are the processes and practices put in place to ensure that our governance framework is effective, compliant with regulations, and align with our goals and values. These controls assist the Board to manage and maintain oversight, transparency, and accountability in decision-making.

Over the reporting period, two business units undertook independent audits to ensure compliance with relevant laws, regulations and industry standards. These audits were on site and evaluated our approach to human rights, environmental practices, social commitments, and supply chain due diligence. Both audits were successful with no reports of non-conformance.

These favourable audit outcomes demonstrate the presence of efficient management controls within our governance framework. These controls are vital for preserving trust, upholding our reputation, and ensuring compliance.

OPERATIONAL & PROCEDURAL CONTROLS

Pallion's operational and procedural measures support our governance responsibilities. Data and technology play a pivotal role in the effectiveness of Pallion's ESG program. Our capacity to leverage ESG data consistently informs both strategic and operational choices.

Throughout the reporting period, routine evaluations of environmental effects on our baseline, and opportunities for operational enhancement, have allowed us to regularly assess performance, which in turn shapes future ESG-related decisions.



GOVERNANCE FRAMEWORK



COMMITTEES

The following committees also administer
Pallion's corporate governance policies:

COMPLIANCE & RISK MANAGEMENT COMMITTEE

Responsible for assisting and supporting the Board in exercising due care and diligence regarding compliance and risk policies and frameworks, systems, processes and controls.

ENVIRONMENT, HEALTH & SAFETY COMMITTEE

Responsible for all aspects of the development, monitoring and promotion of sustainability, health, safety and environmental practices.

TREASURY & AUDIT COMMITTEE

Responsible for assessing, monitoring and reporting to the Board on key risks associated with the preparation of financial reports, treasury management and taxation issues. The committee is crucial in monitoring our company's internal controls and corporate reporting processes.

INNOVATION & TECHNOLOGY COMMITTEE

Responsible for assisting the Board in oversight and proactive management of the technology and innovation agenda in light of a rapidly changing environment in which Pallion operates.

PEOPLE & COMMUNITY COMMITTEE

Responsible for the development and implementation of strategies, policies, programs and projects aimed at improving life at a local community level in the context of our corporate plans and strategy.





OUR STAKEHOLDERS

Effective Corporate Social Responsibility initiatives rely on co-operation among all relevant stakeholders, both internal and external to Pallion. We accomplish this through collaboration. By leveraging both structured and informal communication avenues, Pallion fosters stakeholder participation to generate shared value.



FINANCIAL
INSTITUTIONS



BULLION &
COINAGE
DISTRIBUTORS



GOVERNMENT
AGENCIES



INTERNATIONAL
SPORTING
ASSOCIATIONS



INVESTMENT &
SUPERANNUATION
FUNDS



JEWELLERY
MANUFACTURERS
& RETAILERS



MINES



PRIVATE
INVESTORS

WE ENGAGE WITH THE FOLLOWING STAKEHOLDERS:

EMPLOYEES:

Through meetings, intranet site, training and development sessions and events.

SUPPLIERS:

Through personal and virtual meetings, industry organisations, events and Supplier Code of Conduct.

CUSTOMERS:

Through meeting and events.

GOVERNMENT / REGULATORS:

Through meetings, board membership, industry organisations such as the Minerals Council of Australia, AUSTRAC, and the LBMA.

COMMUNITIES:

Through our many charities and volunteering efforts.

INDUSTRY ORGANISATIONS:

Through our accredited bodies such as LBMA, RJC, SMGE, CME Group and NATA; and through our memberships: AAADA, MJSA, TGAA, GIG, WGC, GSGA, HKJJA, HKPA, IEC, ILAC, ISO, JAA and JMGA.

MEDIA:

Through advertising, diversity and inclusion.

STAKEHOLDER INITIATIVES

Pallion prioritises a sustainable, diverse, and safe workplace. With a focus on talent attraction and retention, we invest in comprehensive onboarding, employee support programs, and foster a culture aligned with our values.

EMPLOYEES

Pallion recognises that a sustainable workplace is one that is safe, rewarding and diverse for our team. We are the number one employer of choice in both the Precious Metals and Jewellery Industries in Australasia, and we have implemented numerous programs to support, educate and invest in our people and the communities in which we operate.

Our focus this year continues to be on attracting and retaining talent. Pallion is fortunate to employ people across a very diverse business that offers positions in manufacturing, human resources, finance, legal and compliance, marketing, engineering, manufacturing, silver and gold smithing, jewellery, trading, and work health and safety, amongst many other industries. At Pallion, our commitment to our employees is unwavering. We recognise that our workforce is our most valuable asset, and we go to great lengths to ensure that both new and existing team members receive the support and care they deserve.

For our new hires, we have established comprehensive onboarding programs that not only equip them with the knowledge they need for their roles, but also ensure they understand and embrace our culture,



thereby fostering a sense of belonging within Pallion. Engagement is further promoted through a variety of events and programs run by the People and Community Committee (PCC).

Sustainability is seamlessly integrated into the onboarding process. All new employees are advised of the sustainable processes employed at Pallion including the latest environmental technology adopted in our precious metal processing division.

To strengthen our culture and provide ongoing assistance to our employees, the PCC has developed supportive policies, offered relevant training, and incorporated company values through ongoing manager support. In addition, the PCC also ensures there are opportunities for employees to provide feedback directly to managers and executives, ensuring employees are heard and consulted on matters relevant to them and their roles. Feedback and information sharing also occur through regular divisional meetings, focus groups, and team gatherings.

Pallion actively seeks out individuals who appreciate



the importance of corporate social responsibility and environmental awareness. We aim to give employees opportunities to build upon their experience and expertise in sustainability. The PCC also encourages and supports employees to engage in sustainability-focused projects and volunteer activities outside of work, reinforcing Pallion's dedication to environmental and social responsibility.

We use digital boards in all employee workplaces to celebrate all employee birthdays, share group updates, and celebrate fun times occurring across the Pallion family. We also leverage social media to recognise employees' contributions, conduct employee wellbeing events such as 'RUOK' morning tea's, and recognise the hard work of employees through regular employee lunches and birthday events.

At Pallion we believe that a happy and motivated team is the cornerstone of our success. Through various channels and events, we support and encourage employees, and foster an inclusive culture that recognises employees as individuals.

During the year, Pallion has supported numerous events and milestones with its employees such as:

International Women's Day:

Internal event celebrating female employees and hearing their stories.

R U OK Day:

Which focused on 'Check in with your family and friends', a topic to support the health of Pallion's people.

A Wellness Day:

For each employee to ensure they are taking a day just for themselves.

New Employee Mixer:

Several events throughout the year attended by all new employees, senior executives and Directors.



SOCIAL CONTRIBUTIONS

At Pallion, we take great pride in our commitment to responsible social citizenship.



JOBS

Pallion's ability to make a positive impact on the world begins with our people. They are our most valuable assets, and we are unwavering in our commitment to facilitate their success, whilst also celebrating and promoting their individual talents and perspectives. During the reporting period, Pallion employed over 370 people across many industries, both domestically and internationally. We supported employees to undergo further training, attend industry events and promoted current employees to more senior positions.



EMPLOYEE WELLBEING

Pallion is proud to have a remarkable and diverse workforce, a home to exceptional individuals with varied talents, spanning from graphic designers to chemists, and a multitude of roles in between. Our employees collaborate and prosper as a unified team.

In line with evolving needs, Pallion has recently revised its workplace policies to ensure they remain current and effective. We provide an attractive compensation package encompassing competitive salaries, health and savings benefits, comprehensive time-off programs, educational opportunities, and much more. These combined benefits constitute a holistic package that supports the development of our employees, both in their professional and personal growth, and in turn, contributes to the social fabric of our society.



370

PEOPLE EMPLOYED
DURING THE
REPORTING PERIOD



COMMUNITY NEIGHBOURS

Being a good neighbour is an evolving process and having a positive impact on the world as we grow has been a part of Pallion since its founding.

Pallion has forged relationships that have the support and approval of our employees, stakeholders and the communities we operate in. Volunteering is a central and enduring part of Pallion's culture and is at the heart of our community engagement efforts.

Pallion encourages passionate employees to donate their time and talent to local communities. Over the past 5 years, employees have contributed over 5,000 hours of service.

Over the reporting period, Pallion has implemented sustainability measures that incorporate increased economic benefits through local business support and socially responsible choices, which align with our changing community needs, and our corporate sustainability agenda.



PARTNERSHIPS

Pallion's collaborations with various stakeholders, government and industry, highlight its role in self-sufficient manufacturing. Prime Minister Albanese praised Pallion's local business support, emphasising our pivotal role in creating a high-value economy through the Federal Government's 'A Future Made in Australia' policy.

Partnerships play a pivotal role in advancing sustainability and making a significant social contribution. Pallion collaborates voluntarily with numerous stakeholders such as suppliers, governments and local communities which has led to innovative solutions that address environmental and social challenges. Over the reporting period, the most significant partnership, and one that Pallion continues to maintain, is with the Australian Federal Government.

Over the reporting period, Prime Minister Anthony Albanese and Minister for Industry and Science Ed Husic visited Pallion and launched the 'A Future Made in Australia' policy.



PRIME MINISTER ALBANESE WHEN LAUNCHING THE 'A FUTURE MADE IN AUSTRALIA' POLICY SAID:

"Pallion is a great local business, right here in my electorate, that employs hundreds of local workers and delivers top quality unique products including the iconic Melbourne Cup.

The Melbourne Cup trophy is mined, refined and manufactured right here in Australia – not one part of this process occurs overseas.

This is the definition of Australian made and shows what we can achieve when we back Australian businesses.

My government is absolutely committed to making sure that wherever possible we, instead of just exporting raw materials, which will continue to play a role, of course, these magnificent bullion bars are important as our exports and here I think it is \$8 billion of exports from this company alone, it is an extraordinary figure.

And that is why the development, which is ubiquitous around the world of new technology, changes the equation for manufacturing in this country and changes the equation for why we can indeed have a future made in Australia. A high-value, high-wage economy that works for people, not the other way around.

And that is why companies like this and the leadership that Andrew and his colleagues provide is so important, not just for you, as important as that is, it's important for Australia's future as well.

Through our 'A Future Made in Australia' policy, we will strengthen local manufacturing and create good, secure jobs for Australians."



**"PALLION IS A
PRIME EXAMPLE OF
SELF-SUFFICIENT
MANUFACTURING RIGHT
HERE IN AUSTRALIA."**

- ANTHONY ALBANESE

MINISTER ED HUSIC ALSO COMMENTED:

"A Future Made in Australia means investing in a future for all Australians.

"The Albanese Labor Government backs local businesses. Pallion is a prime example of self-sufficient manufacturing right here in Australia, based on our resources and our renowned know-how.

So, to Andrew, the team, to all of you thank you very much. I'm very proud of what you're doing, the Prime Minister, you can hear it in his voice, the pride in terms of what you're achieving. Thank you so much and now onwards to bigger and better."

RISK MANAGEMENT

LAW ENFORCEMENT

Pallion continues to assert its prominent role as the leading Australian influencer in collaborating with and providing insights to government entities regarding the precious metals industry.

Our compliance team rigorously conducts comprehensive due diligence assessments, including third-party identity verification and international sanction screenings for all new clients and employees.

By actively collaborating with law enforcement agencies, Pallion consistently works to minimise potential risks it may encounter.

SUPPLIERS

Pallion's suppliers are paramount to our success.

We regard our approach to supply chain sustainability as an ongoing journey and remain committed to the continual enhancement and refinement of our policies and procedures. Throughout this process, we diligently consider all relevant legal mandates and take necessary actions in response.

Given Pallion's vertically integrated structure, our suppliers play a pivotal role in our supply chain. This supply chain is subject to an annual independent audit in accordance with the LBMA Good Delivery Rules and other ESG criteria.

Throughout the reporting period, our annual LBMA re-certification report, titled 'ABC Refinery Multi-Metal Responsible Gold Guidance and Responsible Silver Guidance Compliance Report 2023' received recognition from the LBMA as the international example of best practice. Accordingly, the ABC Refinery report serves as the benchmark reference report for independent auditors appointed worldwide by the LBMA and is a valuable component of their Continuous Professional Development (CPD) training. The report is available publicly on www.abcrefinery.com and explains our strong management systems, due diligence efforts, strategies and sustainability, and human rights commitments.

All primary suppliers must provide written agreement to uphold the principles as outlined in the ABC Refinery Responsible Sourcing and Supply Chain Due Diligence Policy. They must also adhere to the Pallion Suppliers Code of Conduct, that aligns with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (Supplement on Gold), UNDGs, and LBMA Responsible Gold and Silver Guidance. As part of our ongoing commitment to compliance, our team maintains active engagement with our precious metal input suppliers through a variety of means, including regular site visits, audits, one-on-one meetings, participation in industry events, and attendance at conferences such as the annual LBMA Sustainability Conference and the LBMA Precious Metals Conference.

Engaging closely with our suppliers helps to ensure we have been able to deliver common social initiatives, including:

SOCIAL

Respecting human rights and rights of indigenous peoples; fostering positive community relations.

EMPLOYEE

Ensuring workforce health, safety and wellbeing; labour relations and compliance with legislative instruments.

LEADERSHIP & GOVERNANCE

Business ethics and governance that contribute to sustainability efforts.

ENVIRONMENT

Actively managing climate related risks including the management of water, air and improving energy efficiency.



HUMAN RIGHTS

With Pallion's international footprint comes a duty to respect human rights within our respective sphere of influence and a responsibility to ensure that our business activities do not infringe on these rights.

Pallion remains resolute in its commitment to safeguarding human rights and strives tirelessly to mitigate the risk of human rights violations across our extensive supply chain. This is why, over the reporting period, we have placed a greater emphasis on the integration of human rights due diligence into our operational procedures. Our human rights due diligence process now encompasses the following key components:

1. EMPLOYEE AND SUPPLIER POLICY COMMITMENT:

We have continued to develop a comprehensive Human Rights Policy in collaboration with both internal and external stakeholders.

2. EMPLOYEE TRAINING:

Extensive human rights training initiatives have been implemented within Pallion, extending not only throughout our organisation but also to a portion of our supplier networks.

Throughout the reporting period, our Group Legal and Compliance Officer participated in training sessions with the Australian Human Rights Commission. These training sessions covered topics including "Building a culture of accessibility and inclusion" and "Upholding the rights of older workers." Additionally, training on "Gender-based violence" was conducted in collaboration with Amnesty International. These training modules have been integrated into our internal set of Pallion training courses on Human Rights, enriching our commitment to the promotion of human rights within the group.



3. IDENTIFICATION OF RISKS:

We have bolstered our capabilities to identify emerging risks, as well as potential or confirmed human rights violations within our international supply chain, reinforcing our commitment to responsible and ethical business practices.

4. MODERN SLAVERY ACT 2018 (CTH)('THE ACT'):

Pallion is dedicated to responsible operations and the strict observance of the most stringent ethical principles. We maintain a zero tolerance policy towards all manifestations of slavery or human trafficking within our business and supply chains. Our practices fully align with the stipulations outlined in The Act and we publish an annual Modern Slavery Statement, reaffirming our commitment to transparency and ethical conduct in all aspects of our operations.

The statement underscores Pallion's and its subsidiary companies' concerted efforts to establish a robust framework and implement processes that effectively mitigate the risk of modern slavery within both its operations and supply chain.

The Statement forms part of our annual reporting suite which also includes our FY23 Sustainability Report and FY23 ABC Refinery Compliance Report which are publicly available on our website at www.pallion.com.

RISK MANAGEMENT



LONDON BULLION MARKET ASSOCIATION (LBMA)

ABC Refinery is Australia's only independent LBMA accredited gold and silver refiner. As an accredited refiner producing LBMA Good Delivery gold and silver bars, we comply with the LBMA Responsible Gold Guidance and Responsible Silver Guidance, and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (Supplement on Gold). ABC Refinery undergoes an independent annual audit.

The LBMA Responsible Gold Certificate and Responsible Silver Certificate are only issued to Good Delivery List refiners who successfully complete their annual audit and maintain strict assaying and bar quality criteria.



SHANGHAI GOLD EXCHANGE (SGE)

ABC Refinery is Australia's only independent SGE accredited gold refiner. SGE approved the ABC Refinery as an Eligible Supplier of Standard Gold Ingots, which can be traded for delivery.

ABC Refinery's appointment to this exclusive list of only seven foreign refineries is a testament to its ability to refine and produce gold products to a world-class standard and the technically stringent SGE requirements.





RESPONSIBLE JEWELLERY COUNCIL (RJC)

As an accredited member of the RJC, Palloys commits to, and is independently audited against the RJC Code of Practice – an international standard on responsible business practices for diamonds, gold and platinum group metals. The Code of Practice is aligned with the United Nation's Sustainable Development Goals.

During the reporting period, Pallion subsidiary, Palloys, the only RJC certified Australian manufacturer and wholesaler, achieved a notable milestone by successfully passing an independent audit, leading to the re-certification of Palloys adherence to the RJC Code of Practice for an additional three years. This audit encompassed a rigorous assessment of Palloys provenance statement, affirming the exclusive use of "100% Australian Gold". The RJC Code of Practice serves as the benchmark for responsible, ethical, and sustainable practices within the jewellery and watch supply chain, encompassing every stage from mining to retail, including stringent criteria relating to human rights, social responsibility, and environmental standards.



AUSTRAC

Pallion entities provide regular information to AUSTRAC and are fully compliant with international Know Your Client & Anti Money Laundering legislation including but not limited to The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 Act (Cth). All relevant Pallion entities obtain, verify and record specific business and identification information about clients before commencing business relationships.



NATIONAL ASSOCIATION OF TESTING AUTHORITIES (NATA)

ABC Refinery is the only Australian refinery laboratory to have been awarded NATA accreditation for the laboratory analysis of gold, silver and their alloys and is compliant with ISO (International Organisation for Standardization) and IEC (International Electrotechnical Commission) Standard 17025:2005. In addition, ABC Refinery is accredited as compliant with Australian Standards (AS) and ILAC (International Laboratory Accreditation Cooperation). This accreditation is a guarantee of the consistency, accuracy and dependability of the metallurgical data relating to every ABC Refinery refining batch.

INVESTMENT

Risk analysis of proposed investments, mergers or acquisitions with the Pallion Group are subject to Pallion's Sustainability Criteria Checklist (SCC) including but not limited to an environmental impact review.

POLICE CHECKS & SANCTIONS

All Pallion employees are subject to complete police and sanction checks prior to commencement of employment.



SUSTAINABLE DEVELOPMENT GOALS

The 2030 United Nations Sustainable Development Goals (SDGs) inspire Pallion to take informative actions for people, planet and prosperity. Along with our stakeholders, Pallion is committed to an inclusive approach to assist in delivering the SDGs.



SDG 5: ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

Gender is intricately interwoven within the Sustainable Development Goals (SDGs), as it occupies a central position at the crossroads of economic, social, and environmental concerns. SDG 5 stands as a dedicated Goal with the aspiration of attaining gender equality and empowering women and girls universally. Furthermore, gender considerations are explicitly referenced in no less than 10 of the remaining Goals, underscoring the significance of addressing gender-related aspects across various aspects of sustainable development.

Gender-based discrimination is not tolerated at Pallion. We actively encourage all genders to apply for and excel in roles including those that have historically been predominantly occupied by men. We have initiated significant changes to our HR framework aimed at promoting, enforcing, and closely monitoring gender equality within the organisation.



In our commitment to fostering a respectful and productive workplace, we have proactively introduced training initiatives and cultivated a supportive environment for all employees. Over the reporting period, we made several amendments, including updating our policies and training programs, to reflect the newly established prohibition on sexual harassment. These updates encompass provisions designed to safeguard attributes related to gender identity, intersex status, and breastfeeding. These amendments align our practices with the principles outlined in the Respect@Work Act.



SDG 8: PROMOTE INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT, AND DECENT WORK FOR ALL

Sustainable Development Goal 8 (SDG 8) is a critical component of the United Nations' 2030 Agenda for Sustainable Development, aiming to promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. Overall, achieving SDG 8 calls for a harmonious blend of economic, social, and environmental policies that promote prosperity and well-being for all, leaving no one behind.

In order for Pallion to achieve the targets of SDG 8, it requires a multi-faceted approach.

Firstly, we have fostered economic growth in the reporting period, which involved investing in new operational technology through research and Pallion's own innovation. Additionally, promoting job creation and ensuring access to decent work for everyone, including women and youth, is vital. This continues to be achieved through education and skills development, labour market policies, and ongoing support through our People and Culture Department and our buddy system.

Secondly, addressing issues like informal labour and modern slavery is crucial. Modern slavery represents both a criminal offence and a severe breach of fundamental human rights, manifesting in various forms like slavery, servitude, compulsory labour, and human trafficking. All these forms share the common feature of depriving individuals of their freedom to exploit them for personal or commercial gain. Pallion maintains an unwavering stance of zero tolerance towards modern slavery, pledging to conduct all its business transactions and relationships with unwavering ethics and integrity. We are actively engaged in the implementation and enforcement of robust systems and controls to safeguard against the occurrence of modern slavery in any aspect of our business and/or supply chains.

Furthermore, Pallion is committed to promoting transparency in its business practices and its approach to combatting modern slavery within its supply chains, in accordance with the disclosure requirements under the New South Wales and Commonwealth Modern Slavery Acts. These policies and regulations are binding for all individuals working for or on behalf of Pallion. To underscore this commitment, Pallion released its 2022 Modern Slavery Statement ('MSS'), outlining the measures already taken and those planned to ensure that slavery has no place within its business or supply chains. The 2023 MSS is due for release by the end of the 2023 calendar year.



SDG 17: PARTNERSHIP FOR THE GOALS

Sustainable Development Goal 17 recognises multi-stakeholder partnerships as an important vehicle for mobilising and sharing knowledge, expertise, technologies and financial resources to support the achievement of SDG17. Goal 17 further seeks to encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

Through Pallion's collaborative efforts, our impact on society extends far beyond the realm of Pallion. We have cultivated ethical and respectful partnerships with philanthropic associates, suppliers, distributors, and, not least, our valued employees. An illustrative instance of our commitment is the launch of the Pallion Foundation, a philanthropic institution.

The Pallion Foundation's mission is to provide support for groundbreaking Australian endeavours in the fields of science, medicine, culture, and the arts. We continue to collaborate with organisations that align with our values and share our aspirations for effecting positive change.

The inaugural contribution from the Pallion Foundation is an ongoing grant to the Art Gallery of NSW's Sydney Modern Project. Through the Pallion Foundation, we will also continue in our support for the vital work of Tour de Cure and the Sydney Children's Hospital Network.

Pallion's partnerships empower us to promote and make tangible progress towards the achievement of SDG17. Our endeavours are more comprehensively detailed in the Community section of this Report.



PROCUREMENT

PALLION PROVENANCE™

Pallion takes all reasonable steps to combat systematic or widespread abuses of human rights, avoid contributing to conflict, and to comply with high standards of anti-money laundering and combating terrorist financing best practice. We do so through our Pallion Provenance™ program.

THE PALLION PROVENANCE™ PROGRAM:

- Ensures that in addition to its requirements under Australian law including, but not limited to, those detailed in the Modern Slavery Act 2018 (Cth), Pallion sourcing procedures are consistent and fully compliant with the Organisation of Economic Co-operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the London Bullion Market Association Responsible Gold and Silver Guidances and the Responsible Jewellery Council Code of Practice.
- Requires all relevant Pallion entities to obtain, verify and record specific business and identification information about clients before commencing business relationships. This is pursuant to international Know Your Client and Anti-Money Laundering legislation including, but not limited to, the Anti-Money Laundering and Counter Terrorism Financing Act 2006 Act (Cth) and domestic and international sanction requirements.
- Requires all major Pallion suppliers to certify compliance with financial, taxation, human rights, workplace safety and environmental laws.
- Dictates that all client information and data is treated in utmost confidence and protection pursuant to Australian Data Protection and Privacy laws, United Kingdom Data Protection Act 2018, and internal cyber privacy policies.
- Invests in cutting edge technologies to improve the transparency of supply chains.

A PALLION PRECIOUS METAL PRODUCT IS SOURCED FROM ONE OF THE **MOST RESPONSIBLE & TRANSPARENT SUPPLY CHAINS** IN THE WORLD.



SUPPLY CHAIN

Pallion is unique in the precious metals space because of the complete vertical integration of its production model.

Pallion takes great pride in its ability to meticulously track the complete life cycle of its products. Commencing with the ethical procurement of primary refining materials from regions free of conflict, and extending through to the transformation of these materials into precious metal investment products, components for jewellery and general industrial applications.

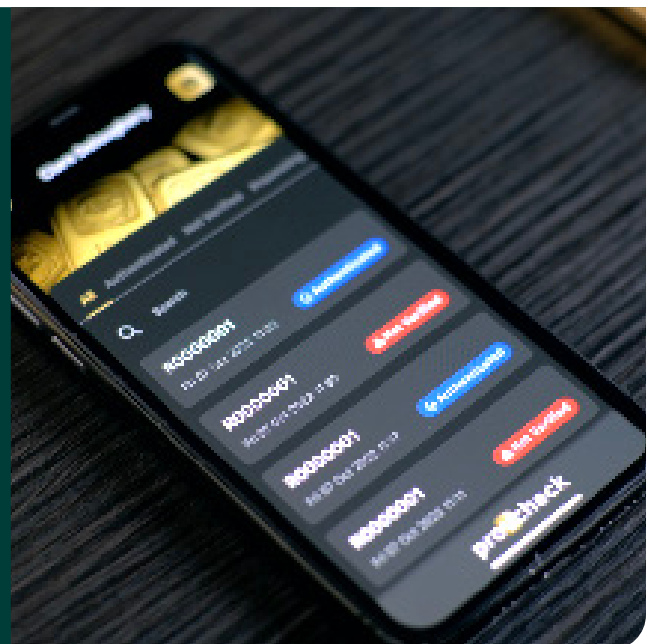
Palloys Pty Ltd stands as the inaugural and sole Australian jewellery manufacturer to offer our customers the assurance that their jewellery is crafted exclusively from 100% Australian Gold. This verification of origin underwent examination by an independent auditor from the Responsible Jewellery Council (RJC) during the reporting period. Our RJC certification is evidence of the Palloys Pty Ltd commitment to transparent sourcing of precious metals and our consistent engagement with our stakeholders.

Pallion ensures that all its precious metal production originates from legitimate and ethical sources, and collaborates with suppliers who commit to our Supplier Code of Conduct. This documentation is a part of our suite of supply chain policies, encompassing matters related to human rights, ethical and environmentally responsible business practices, and labour and employment standards.

Our policies are reinforced by the guidelines set out in the LBMA Responsible Sourcing Programme, the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Regions, and the Responsible Jewellery Council Code of Practice. Pallion also subscribes to and operates in accordance with the Australian Modern Slavery Act, the Universal Declaration of Human Rights, and various globally recognised best practice standards.

PROVCHECK™ SECURITY BAR TECHNOLOGY

Over the reporting period, Pallion sustained its collaboration with BTechnologies to monitor the journey of gold across the complete supply chain. The technology leverages artificial intelligence and machine learning, allowing consumers to verify the legitimacy of their Pallion products both at the point of purchase and at subsequent stages along the supply chain through an iOS or Android mobile app. The official launch of this system is scheduled for FY2024.



THE JOURNEY FROM MINE TO MARKET



ACCREDITATIONS

EXTERNAL FORMAL RECOGNITION

Pallion has received numerous formal accreditations for meeting predefined criteria and quality standards, assessed by international independent accreditation bodies. These accreditations are regularly audited to ensure Pallion maintains the governing industry standards expected.



ABC Refinery is the only independent LBMA accredited refinery in Australia. The London Bullion Market Association (LBMA) established the Responsible Gold Guidance and Responsible Silver Guidance for Good Delivery refiners to combat systematic and widespread abuses of human rights, to avoid contributing to conflict and to comply with high standards to anti-money laundering and combating terrorist financing practices. ABC Refinery is fully compliant with both of these Guidances. ABC Refinery has upheld its appointment

on the LBMA Good Delivery List for gold, a status it has held since 2015, and for silver since 2022.

Our appointment to these exclusive lists is testament to our ability to refine and produce gold and silver products to the LBMA's requirements, universally regarded as the highest international standard. LBMA accreditation is given only to companies that meet the Association's stringent assaying and bar quality criteria, as well as its responsible gold and silver requirements.

In FY23, ABC Refinery made a Statement of Commitment to the LBMA Global Precious Metals Code.



ABC Refinery is accredited by the CME Group for its premier gold product. The accreditation sees ABC Refinery bars added to the COMEX good delivery list of brands used to physically settle against the GC gold futures contract in New York.

COMEX gold futures represent the world's leading futures contract for gold prices and trading. The addition of ABC Refinery to the CME Group's listing of good delivery brands for the GC gold futures contract offers traders and investors all over the world access to the ABC Bullion brand via the COMEX exchange.



The Shanghai Gold Exchange is a non-profit self-regulatory organisation, approved by the State Council, organized by the People's Bank of China, and registered with the State Administration for Industry & Commerce, for the purpose of trading gold, silver, platinum and other precious metals. ABC Refinery is approved as an Eligible Supplier of Standard Gold Ingot for delivery against contracts on the exchange.



As a certified member of the Responsible Jewellery Council (RJC), Pallion subsidiary Palloys, commits to and undergoes independent audits in accordance with the RJC Code of Practices, which serves as an international standard for sustainable and responsible business practices pertaining to diamonds, gold, and platinum group metals in the jewellery industry. The Code of Practices encompasses a wide range of critical issues within the jewellery supply chain, including human rights, labour standards, environmental impact, mining practices, and product transparency.

Over the reporting period, Palloys successfully passed a rigorous independent audit, leading to its re-certification by the RJC for an additional three years. This audit also validated the legitimacy of the provenance claim that Palloys utilises 100% Australian Gold in all its products, making Palloys the sole jewellery manufacturer in the world able to substantiate this audited provenance statement.



The National Association of Testing Authorities provides independent assurance of technical competence through a proven network of best practice industry experts for customers who require confidence in the delivery of our products. ABC Refinery laboratory is NATA accredited.

INDUSTRY MEMBERSHIPS



The Singapore Bullion Market Association (SBMA) is a non-profit organisation focused on the development of Singapore as a global centre of connectivity for precious metals.



As a member of the Australian Antique & Art Dealers Association, we offer professional advice and a commitment to advancing the understanding of Antiques and Fine Arts in the Australian community. We also uphold the principles of the Association and adhere to its Codes of Practice. The Codes core is to ensure a professional standard that protects the value of the items purchased, to maintain high ethical standards and comply with all Government and statutory requirements.



The Gemmological Association of Australia is Australia's long established gemological educator. As a member we support the education of gemologists and the general public about all aspects of gemstones and their substitutes. As a member, GAA students have access to a well-stocked library, gem testing equipment and teaching specimens as well as tutorship from experienced and enthusiastic teachers.



The Manufacturing Jewelers & Suppliers of America provides information and support to ensure a healthy environment for the continued vitality of Jewellery making and design. As a member we support the MJSA Education Foundation in offering scholarships to develop the next generation of jewellery makers and designers.



ABC Refinery is a member of the Gold Industry Group which helps provide a united voice for Australia's gold industry. It is an independent industry body representing the interests of gold producers, explorers, prospectors and suppliers, and promotes the importance of the gold sector in Australia.



The Gold & Silversmiths
Guild of Australia

The Gold & Silversmiths Guild of Australia is the only professional organisation in Australia with a traditional and comprehensive system of marking precious metal items. The Palloys name and mark is permanently recorded, and as we abide by set standards of material and therefore, our work is clearly identified as genuinely made in Australia. It is a symbol of excellence.



Palloys supports the Jewellers and Metalsmiths Group of Australia as a non-profit organisation representing jewellery and practitioners to promote, support and develop the field of contemporary jewellery.



The Hong Kong Jewellery & Jade Manufacturers Association is the main body of export promotions for the jewellery and jade industry in Hong Kong. As a member we attend professional seminars and exhibit at the Hong Kong Jewellery Fair.



The Hong Kong Pearl Association represents pearl traders who commit to social responsibility causes such as improving the technology and scientific management of the pearl industry. As a member we also observe the constitutions, laws and related ordinances so as to promote the local HK Pearl Industry.



The International Electrotechnical Commission is the global leading organisation for the preparation and publication of International Standards for all electrical, electronic and related technologies, collectively known as 'electrotechnology'. The IEC provides Pallion a platform for involvement in developing international standards.



The International Laboratory Accreditation Cooperation is the international organisation for accreditation bodies operating and involved in the assessment and accreditation of our laboratory at ABC Refinery.



The International Organisation for Standardization is an independent, non-governmental international organisation with a membership of 164 national standards bodies. As a member, we share knowledge and develop voluntary, consensus-based, market relevant International Standards that support innovation and provide solutions to global challenges.

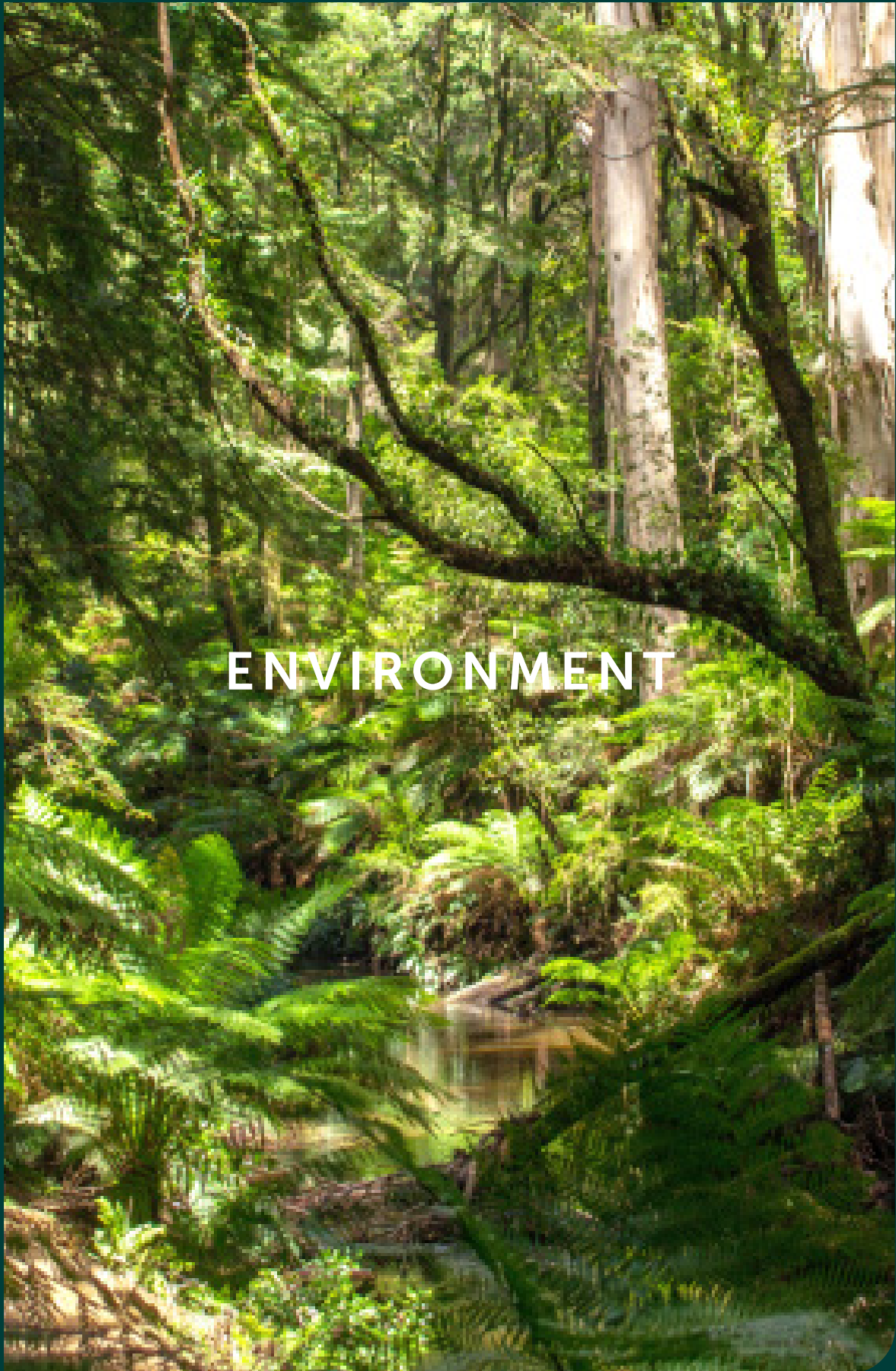


The Jeweller's Association of Australia and Palloys are proud to promote the highest standards and ethics within the Australian Jewellery Industry. As a member we adhere to the JAA Code of Conduct, which displays our commitment to the Industry, our clients and to excellence.



Pallion has reaffirmed its commitment to and continued its affiliation with the Global Reporting Initiative (GRI). GRI is renowned as the premier provider of global best practices in sustainability impact reporting, with a mission to promote the highest level of transparency concerning an organisation's economic, environmental, and social impacts. The GRI standards serve as the most widely adopted framework for sustainability reporting. Moreover, GRI collaborates with esteemed entities such as the OECD, maintains an ongoing partnership with the International Sustainability Standards Board (ISSB), and collaborates with the European Financial Reporting Advisory Group (EFRAG).

Our partnership ensures that Pallion maintains consistency in its efforts to foster responsible practices and evaluate its sustainability endeavours against a global benchmark, thus assessing its performance comprehensively. Additionally, in 2022, two GSC representatives completed the 'Global Reporting Initiative (GRI) International Certification Program' and actively participate in GRI seminars and events.



REDUCING OUR FOOTPRINT

Throughout our entire operation, from our business partners supplying mined doré, to the recycling of our jewellery production waste, and the transportation of products to our clients, we recognise both the opportunity and responsibility to actively reduce our environmental footprint.

PROVCHECK™ SECURITY BAR TECHNOLOGY

PROVCHECK™ Security Bar Technology harnesses the distinctive 'fingerprint' of precious metal products to document the environmental supply chain attributes of individual bullion pieces crafted by ABC Refinery. We rigorously examined and introduced a covert multi-imaging security system for 1 kg gold bars, operated through a mobile device via the iOS or Android app. This information can be verified by consumers through a complimentary iOS or Android mobile application. This innovative technology not only confirms the authenticity of the product but also enables the assignment of provenance data to the finished items.

ABCINTERING COIN AND TABLET PRODUCTION TECHNOLOGY

Over the reporting period Pallion continued its partnership with a major international machinery manufacturer and initiated coincintering technology. This technology diminishes recycling requirements by 50% when contrasted with conventional minting methods. This procedure notably reduces resource consumption in the melting and reprocessing of minted product remnants, contributing to a more environmentally sustainable approach to minting.



WORLDS LARGEST GREEN REFINING CAPACITY

Over the reporting year, Pallion further expanded its Acidless Separation System (ALS) refining capacity, solidifying its position as the world's leading provider of sustainable refining services with the largest green refining capacity globally.

Pallion proudly retains its status as the first refiner in the southern hemisphere and the sole Australian refiner employing the Acidless Separation System (ALS) in its refining procedures. This innovative system utilises heat and air pressure to separate precious metals from other materials, notably eliminating the use of acids in the process. The advantages over conventional refining methods are substantial.

Leveraging baseline data obtained through an analysis in the previous reporting period, Pallion successfully diminished its environmental impact by focusing our primary environmental initiatives on waste reduction and the enhancement of energy

efficiencies. An instrumental strategy employed to support these endeavours was the expansion of the Acidless Separation System (ALS).

Pallion is committed to sustainability through waste management strategies that prioritise recycling, reuse, and the selection of recycled products, aiming to minimise waste generation. Pallion Group entities collaborate closely with relevant governmental bodies, including the NSW Environmental Protection Authority, NSW Department of Health, and Sydney Water, ensuring full compliance with all legislative requirements governing the safe disposal of production residues.



WASTE

Pallion is committed to advancing waste management solutions that prioritise waste prevention, reduction, reuse, and recycling, with a strong focus on systematic and cost-effective implementation. Our annual strategy has centred on advancing the classification of waste streams, enabling us to further realise increased operational efficiencies.

GENERAL WASTE

To reduce waste, we have implemented a comprehensive strategy that includes waste stream categorisation, fostering a culture of waste reduction among our workforce, and exploring sustainable alternatives to traditional materials in our production processes. Pallion has increased its waste diverted from landfill by 18.5% over the reporting period.

E - WASTE

Australia discards millions of electronic devices such as televisions, computers, and mobile phones annually, with e-waste emerging as the most rapidly growing segment within the municipal solid waste stream.

Pallion achieved a notable milestone by recycling 1.364 tonnes of e-waste in FY23. This e-waste encompassed computer hardware, televisions, and mobile phones, all processed in strict compliance with the Australian/New Zealand Standard AS/NZS 5377, which sets the benchmark for the collection, storage, transport, and treatment of end-of-life electrical and electronic equipment in the region.

OTHER WASTE STREAMS

Pallion continued its paper waste initiatives to minimise paper consumption through digital process, recycling and the responsible sourcing of paper products. Printing and photocopying is limited to the most senior employees and employees use stationery that is made from recycled materials.

Pallion continues to undertake the recycling of damaged pallets for resource reclamation. These pallets are transformed into wood chips and repurposed for applications such as animal bedding and particleboard manufacturing, which also reduces landfill disposal.



ENERGY CONSUMPTION & EFFICIENCY

MAXIMISING EFFICIENCIES

Energy consumption efficiencies for Pallion are crucial for reducing operational costs and minimising environmental impact. Pallion has strategies and practices that has improved energy efficiency within our Group. Over the reporting period, Pallion has:

- Conducted energy audits to identify areas with the highest energy consumption to prioritise improvements.
- Upgraded heating, ventilation and air-conditioning systems to more energy-efficient models, and implemented temperature controls and scheduling.
- Regularly maintained and calibrated manufacturing equipment to ensure optimal energy performance.
- Streamlined manufacturing processes to minimise energy-intensive steps, improve cycle times and reduce waste.
- Improved insulation and sealing in buildings to maintain temperature control.
- Upgraded to energy-efficient motors to reduce energy consumption and improve performance.
- Trained employees to adopt energy-efficient practices and raised awareness about the importance of energy consumption.
- Implemented energy-efficient building design in our new facilities, including proper insulation, daylighting and natural ventilation.



CARBON ACCOUNTING

Pallion has initiated a carbon accounting initiative encompassing Scope 1, 2, and 3 emissions. The collected data will serve to determine the carbon footprint associated with every gold and silver product produced.

Our subsequent objective involves establishing a program to attribute carbon data at the level of each individual product using the Provcheck technology. The carbon emissions associated with each product will be counterbalanced through the implementation of an emission reduction program.

WORKPLACE HEALTH & SAFETY

Pallion places paramount focus on ensuring the safety and well-being of our employees. Our commitment to creating a secure work environment is upheld by a dedicated Health and Safety Committee.

The core of our safety guidelines is encapsulated in the Pallion Five Rules of Safety, which are:

- Duty of care towards oneself and others
- Follow safety instructions
- Be trained for the task
- Wear personal protective equipment
- Report incidents and hazards

Over the reporting period, the Health and Safety Emergency Response Team undertook training in the following areas:

- **Hazard Identification:** Training assisted employees recognise potential workplace hazards, from physical dangers to chemical and ergonomic risks.
- **Safety Procedures:** Training provided guidance on the proper use of safety equipment, emergency response protocols, and safe work procedures.
- **Legislation and Regulations:** Education concerning relevant laws and regulations related to workplace safety to ensure compliance.
- **Continuous Improvement:** Training included a focus on ongoing safety improvement, and how to encouraging employees to provide feedback and suggest safety enhancements.

Pallion employees continually undertake training in the following areas:

- **Safe Work Practices:** Employees learn how to perform their tasks safely, minimising the risk of accidents or injuries.
- **Health and Wellness:** Training often includes information on maintaining good health, including topics like stress management, ergonomics, and the Pallion employee support program.
- **Incident Reporting:** Employees are instructed on how to report accidents, near misses, and hazards, promoting a culture of accountability.

- **Emergency Response:** Employees are trained on evacuation procedures, first aid, and how to respond to different emergency scenarios.
- **Mental Health and Well-being:** An increasing focus is being placed on addressing mental health issues in the workplace and providing support for employees.
- **Safety Culture:** Building a culture of safety is emphasised to encourage employees to prioritise safety in all aspects of their work.

At Pallion, effective work health and safety training is essential for preventing accidents, reducing risks, and fostering a safe and healthy work environment for all employees. Pallion has updated its tailored training programs to the specific needs and risks of the workplace and to provide regular updates and refresher courses to ensure ongoing compliance and safety awareness.



COMMUNITY



At Pallion, we embrace our role as a leader in the precious metals sector by actively engaging with the communities in which we operate and call home, placing a strong emphasis on partnership.

Through both formal and informal communication avenues, we foster stakeholder involvement, working together to generate shared value.

In the past year, Pallion's People and Community Committee (PCC) has played a pivotal role within our organisation, serving as a catalyst for fostering positive relationships with our employees and the communities we operate in. The PCC has actively engaged with our local communities by supporting various initiatives, with the goal of creating a positive and lasting impact. By bridging the gap between our company and the community, the PCC is instrumental in driving our sustainability efforts, building stronger partnerships, and championing our collective commitment to a brighter, more sustainable future.

STAFF TRAINING & SUPPORT

Drawing from expertise throughout the Pallion community, our bespoke learning modules facilitate the development and strengthening of our quality assurance through ongoing support, education, management tools and best practice recommendations.

Pallion is committed to supporting the lifelong learning and career development of our employees.

During the year Pallion provided on average, 20-30 hours of training per employee. Employees undertaking professional courses, such as gemmology or graduate programs, completed 100-200 hours training in the year.

Our employees can access educational resources that empower them to tailor their learning experience, concentrating on subjects that resonate with their career aspirations. We offer continuous training, support, educational materials, management resources, and best practice guidelines to bolster our workforce. Pallion further promotes cross-

skills training, enriching our employees' expertise and affording them a more comprehensive perspective on our Group.

Collectively, these training initiatives guarantee that our workforce remains flexible, suitably skilled, and highly motivated to adeptly navigate their career paths, whilst also remaining valuable in a continually evolving job market. To further support their professional growth, we conduct performance reviews and feedback sessions. These sessions provide employees with valuable insights into their strengths and areas requiring development, while also offering guidance on how to enhance their attractiveness to potential employers.



DIVERSITY

Pallion champions diversity, leveraging varied perspectives to encourage innovation. Embracing differences in heritage, beliefs, and abilities, it cultivates an inclusive environment, supported by fair compensation practices.

Pallion recognises that diversity fosters a rich tapestry of perspectives and experiences, which can lead to innovative problem-solving and creative solutions. Embracing diversity ultimately drives increased competitiveness and success in a globalised marketplace. Moreover, diversity contributes to a more empathetic and understanding work environment, which is vital for attracting and retaining top talent.

Pallion adopts an all-inclusive approach to diversity, embracing and celebrating not only different heritages and religions, but also diversity in family structures, experiences, age, gender and sexuality, socio-cultural backgrounds, health and abilities, and beliefs.

Pallion supports its genuine commitment to diversity and inclusion by conducting regular pay audits, analysing compensation data, and assessing pay equity based on factors such as gender, age, and tenure. Performance evaluations are conducted to ensure that compensation decisions are merit-based. These ongoing efforts ensure fair and equitable compensation practices across Pallion, promoting a diverse and inclusive workplace.



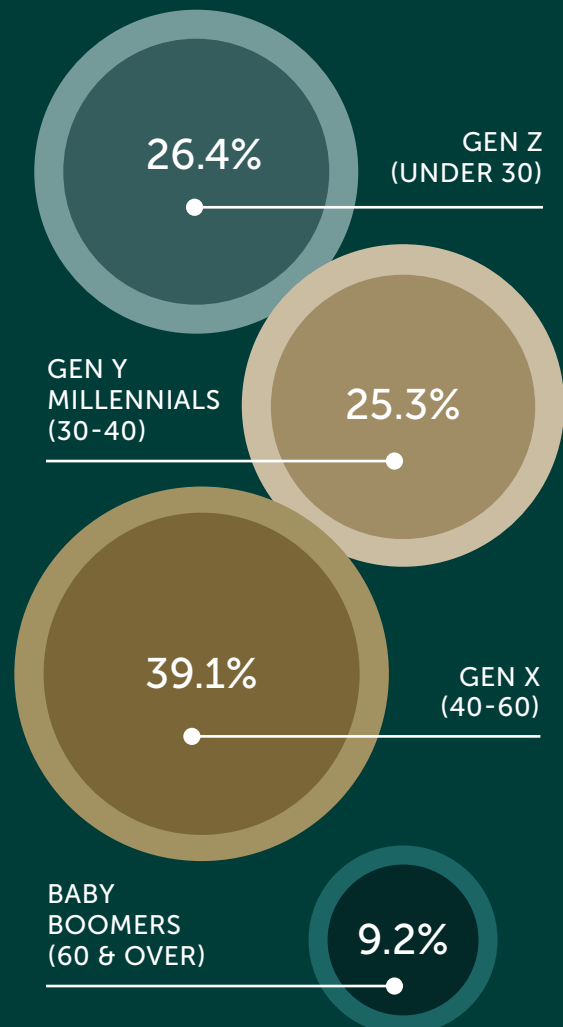
GENDER

Pallion has implemented policies with the aim of fostering and ingraining a culture of gender equality. Pallion actively advocates that all employment opportunities are accessible to individuals of any gender.

Throughout the reporting period, the percentage of Pallion's global team exceeded the average for women in the manufacturing industry by 15%. In addition, 20% of management positions were held by women.

AGE DIVERSITY

Age diversity enriches workplaces through a dynamic exchange of experience and fresh perspectives, fuelling innovation and adaptability. This year Pallion provided work experience to school students and celebrated an employee's 70th birthday.



CULTURE & ETHNICITY

Embracing cultural diversity promotes inclusivity and a sense of belonging among employees, ultimately increasing morale and productivity.

Pallion acknowledges and celebrates the diverse cultures and varied heritage of its employees. We also appreciate that diversity is a catalyst for internal synergy, fostering a workplace where employees benefit from a broader range of perspectives and experiences. This enriches our work environment, nurtures a culture of open-mindedness, empathy and understanding, and ultimately attracts and retains top talent.

Pallion supports all team members and holds special celebrations for the Lunar New Year, Diwali, and numerous other cultural and religious celebrations. Employees are also supported in spending time with family on important cultural celebrations.

Pallion is a genuinely multicultural employer with representation from each of the adjacent countries.



ABORIGINAL / TORRES STRAIT ISLANDS

AUSTRALIA

BRAZIL

CHINA

ENGLAND

GREECE

INDIA

IRAN

IRAQ

ITALY

JAPAN

KOREA

LEBANON

MAURITIUS

NEPAL

NEW ZEALAND

PACIFIC ISLANDS

RUSSIAN FEDERATION

SLOVAKIA

SOUTH AFRICA

THAILAND



INCLUSION

At Pallion, inclusivity forms an integral component of our corporate identity, signifying our dedication to empowering each team member to reach their full potential.

Over the course of this year, we have maintained our commitment to cultivating an inclusive workplace

where the contributions of every individual are not only acknowledged but also highly valued. This commitment is reinforced by our Anti-Discrimination, Harassment, Equal Employment Opportunity, and Flexible Working policies, demonstrating our resolute stance against any form of discrimination or bias. Furthermore, our open door policy ensures that employees can engage in open dialogue with the People and Community Committee (PCC), managers, or executives at their convenience, fostering transparency and collaboration at every level.

Pallion actively promotes and incorporates employee collaboration into all Human Resource programs, training, and operational processes. This underscores our aspiration for a diverse and inclusive work environment. Additionally, we extend our commitment to inclusion by collaborating with local contractors to perform work at our various sites, further supporting our local communities and reinforcing the spirit of inclusion beyond Pallion.

CHARITABLE CONTRIBUTIONS

Our corporate giving program is the foundation of our broader community engagement initiatives.



The Pallion Foundation is an independent foundation supporting medical research, education, artistic and cultural causes. The Foundation is the cornerstone of our broader community engagement initiatives.

This year the Pallion Foundation gave its most significant philanthropic gift to date to the Art Gallery of NSW's Sydney Modern Project. This gift of the Pallion Garden Terrace sits between the old and new buildings, flanking the Jonathan Jones' First Nations Garden. The Pallion Garden Terrace is a representation of the melding of the old and the new.

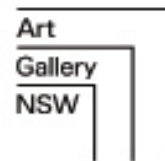
Pallion through its Foundation has also launched the Pallion Art Program. This Program is focused on partnering with Australian artists and institutions, fostering local artists to provide an opportunity to work with Australian precious metals.

Pallion is built on our inspirational team and the partnerships that we have created with our clients in the precious metals space. We hope that the Pallion Garden Terrace and the Gallery's Sydney Modern

Project will provide a vehicle to expand those partnerships from which to exhibit sculptural works by Australian artists that incorporate precious metals.

The first Pallion collaboration for the Pallion Art Program was with Lindy Lee, one of Australia's most celebrated female sculptors. We provided pure ABC 999.5 silver sourced from Lindy's birthplace in QLD to enable her to create unique flung silver artworks.

It is our vision that artworks through the Pallion Collection, or institutional collections be available to all Australians to enjoy.



In addition to the Pallion Garden Terrace, Pallion has also supported the Art Gallery of NSW with recent acquisitions for its permanent collection. Pallion most recently supported the Art Gallery of NSW with the acquisition of Jeffrey Gibson's '*Speaking to the Trees Kissing the Ground* [2022]', pictured below.





Our employees are also involved in the Sydney Children's Hospitals Toy Drive and voluntarily donate presents to ill children at Christmas. Every year ABC Bullion is the Gold Partner for the Sydney Children's Hospitals Foundation Gold Dinner. Regarded as the signature charity event in Australia, the event in 2023 raised an outstanding \$19.2 million in one night for children with complex and intensive needs. This night broke the global record for children's charity galas. This brings the total amount raised by Gold Dinner over the last 26 years to nearly \$60 million, placing it in the ranks of internationally renowned fundraising events such as the Met Gala and others worldwide. The CEO Kristina Keneally, said:

"We extend our sincere gratitude, on behalf of Sydney Children's Hospitals Foundation and the children whose lives will be positively impacted by this game-changing service, to the devoted committee and all those who attended and supported Gold Dinner 2023, for their exceptional contributions in achieving an unprecedented fundraising amount. Your unwavering commitment and generosity enables us to push the boundaries of paediatric healthcare today and safeguard the health of future generations. Your support is an inspiration to us all, and we look forward to working together to make a positive impact on the lives of children and their families."



Pallion remains a major sponsor of Tour de Cure with continued involvement in events, donations, raffle gifts, the main cycling tour and through employee volunteering. The Honourable Margaret Beazley AO QC, Governor of New South Wales and Mr Dennis Wilson are the Vice Regal Patrons of Tour de Cure.

Since 2007, Tour de Cure has funded incredible work in cancer research, support and prevention. To date, they have raised more than \$114 million, to fund 823 cancer projects. These projects have led to 139 major cancer research breakthroughs, increasing our understanding of the causes of cancer, finding new treatments, and improving diagnosis rates.

CHARITABLE CONTRIBUTIONS



Learning for a Better World (The LBW Trust) believes that everyone deserves an education, every student deserves an opportunity to realise their potential, and to create their own future. By partnering with reputable and well-established NGOs and educational institutions in cricket-playing, developing nations the LBW Trust works to allow impoverished students the opportunity to receive a tertiary or vocational education. At Pallion we believe education empowers people and can change lives for the better.

This year the LBW Trust had a variety of projects across the world including a project in Kenya to fund and establish a sustainable organisation to support Maasai girls who have graduated high school to further their education at universities in Kenya and Australia.



Pallion continues to sponsor WorldSkills Australia which promotes the development of, and celebration of skills in the jewellery division of this program and the biannual national and international championships.



UNIVERSITY OF NEW SOUTH WALES SYDNEY PALLION MATERIALS SCIENCE AND ENGINEERING AWARD

The University of New South Wales guiding motto Scientia Corde Manu et Mente – Knowledge by Heart, Hand and Mind – embodies a commitment to embrace diversity of thought, integrity, innovation and deep connections with the Community. These guiding principles mirror what is embedded in the core of the Pallion culture.

Pallion continues to be proud to sponsor the Pallion Materials Science and Engineering Award at the University of NSW. The purpose of the Award is to support students undertaking an undergraduate degree in the School of Materials Science and Engineering at UNSW.



The Gidget Foundation Australia is a not-for-profit organisation that exists to support the emotional wellbeing of expectant and new parents to ensure they receive timely, appropriate and specialist care.

New data from Gidget Foundation Australia reveals one in two (51%) Sydney parents are lacking both emotional and practical support from their family and friends, while one in three (28%) felt a loss of identity in most aspects of their life after having a baby.

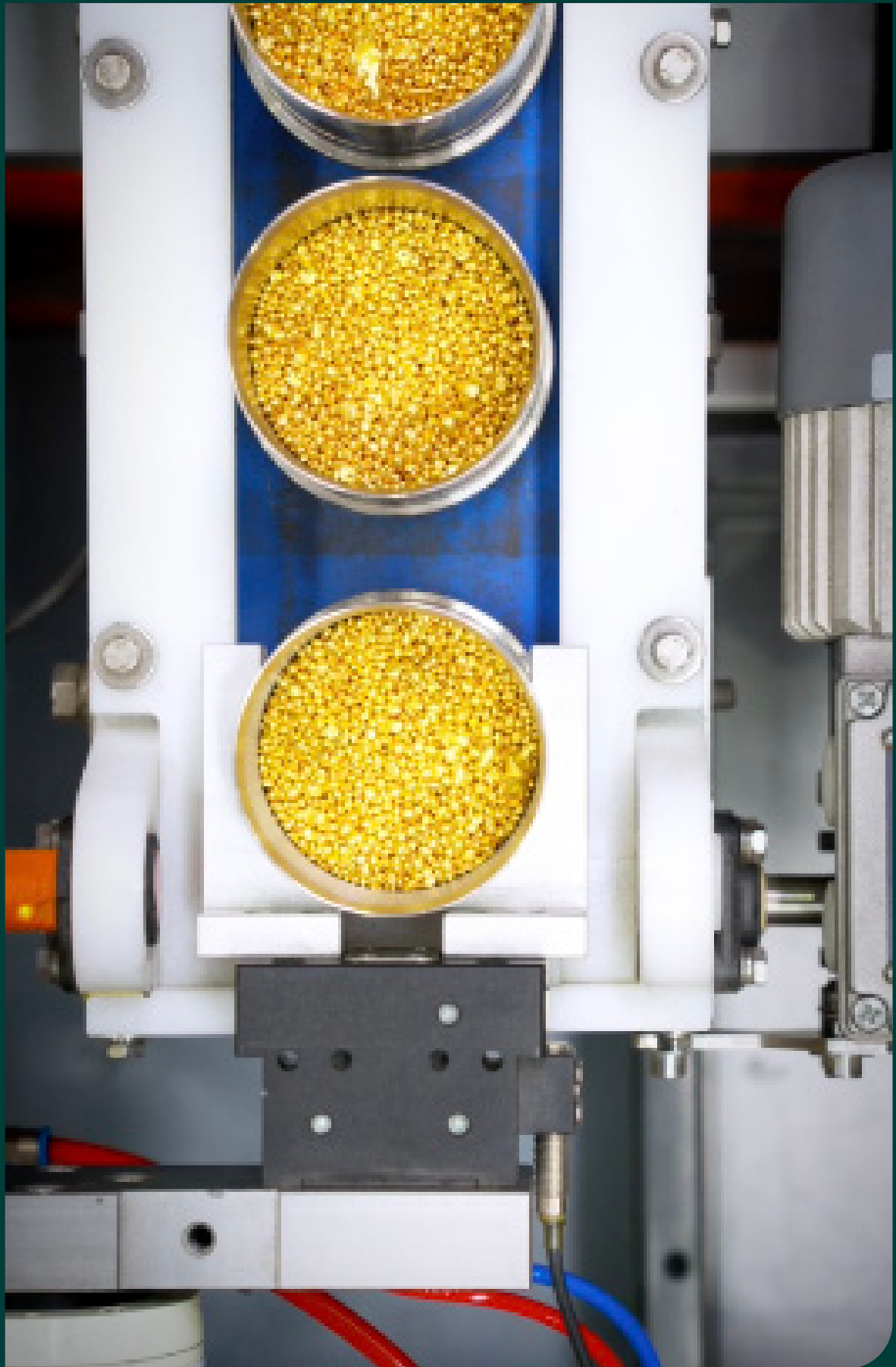
Pallion supported the Gidget Foundation in opening its seventh Gidget House. Gidget Houses allow new parents access to free specialist perinatal counselling sessions.

At Pallion we are committed to family and supporting our teams through early parenthood.



Equality Australia exists to improve the wellbeing and circumstances of LGBTIQ+ people and their families.

Pallion was proud to support Equality Australia during World Pride 2023 and is committed to providing a diverse and inclusive environment for all.



TECHNOLOGY & INNOVATION

Innovation is at the core of Pallion's success. We aim to be more sustainable and more responsible as a business in the longer term by developing and applying market leading technologies to our production processes. Pallion is committed to the investment in machinery, processes and practices to reduce our carbon footprint and to ensure a safe, environmentally friendly and sustainable business model.

PRODUCTION ADVANCEMENTS

ABCINTERING™ COIN & TABLET PRODUCTION

ABC commissioned the implementation of coincintering technology, which effectively slashes recycling rates by 50% when compared to conventional minting methods. This process brings about a substantial reduction in resource consumption during the melting and recycling of minted product remnants.

ENVIRONMENTALLY SUSTAINABLE REFINING CAPACITY

In a significant stride toward environmental sustainability, ABC Refinery expanded its Acidless Separation System (ALS) refining capacity in FY23.

This strategic move not only significantly reduced its reliance on the conventional Miller Chlorination technology, but also resulted in substantial reductions in waste generation and energy consumption, further aligning with Pallion's commitment to a greener and more eco-friendly approach to precious metal refining.

AUTOMATED GOLD BAR TECHNOLOGY

Pallion also initiated the installation of two supplementary automated gold and silver bar casting lines with the primary aim of augmenting production capacity. This strategic decision also serves to decrease Pallion's dependency on repetitive manual processing and outdated, energy-inefficient technology.



GOLD BAR INTEGRITY AND PROVENANCE TRACKING (PROVCHECK™)

Pallion commissioned and conducted testing on a state-of-the-art 1 kg gold bar covert multi-imaging security technology that seamlessly operates through a mobile application compatible with both iOS and Android devices. This cutting-edge technology not only serves to confirm the authenticity of the product but also enables the assignment of provenance data to the finalised products.



METAL CASTING MACHINES

Induction technology is employed in all metal casting machines within the Pallion jewellery division. This innovative approach eliminates the need for open gas flames, markedly reducing the occurrence of porosity in the final products. Additionally, every machine is equipped with a system that uses recycled coolants, further contributing to our sustainable and eco-conscious practices.



PYROLYTIC INCINERATION

Pallion remains committed to the utilisation of pyrolytic incineration, a waste management method that precludes the disposal of waste in landfills, instead focusing on reprocessing to recover and refine any residual metal content. In stark contrast to traditional techniques, pyrolytic incineration is executed in an oxygen-free environment, resulting in an impressive 600% boost in operational efficiency when juxtaposed with conventional technologies.

GREEN CLEANING

Pallion ensures that all facilities are maintained with the utmost dedication to green cleaning practices. Our commitment to environmental sustainability is exemplified through the use of eco-friendly cleaning products and techniques, meticulously tailored to safeguard both human well-being and environmental integrity. Pallion maintains an in-house cleaning team, thereby exercising complete authority over the selection and use of all cleaning products, guaranteeing their alignment with our green cleaning principles.

EVERY PALLION BUSINESS LOCATION
IS FITTED WITH **RECYCLING BINS**



GLOBAL RESPONSIBILITY INITIATIVE (GRI) INDEX

Statement of use Pallion Group Pty Ltd has reported the information cited in this GRI content index for the period 01 July 2021 to 30 June 2022 with reference to the GRI Standards.

GRI 1 used GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	6	Pallion Group
	2-2 Entities included in the organization's sustainability reporting	6	Brands
	2-3 Reporting period, frequency and contact point	5	
	2-4 Restatements of information	No restatements made	
	2-5 External assurance	Not required. The annual LBMA accreditation is audited each year which includes human rights, modern slavery and governance.	ABC Refinery
	2-6 Activities, value chain and other business relationships	6-8, 15, 30	Brands
	2-7 Employees	16-19, 23, 43-45	
	2-8 Workers who are not employees	45	
	2-9 Governance structure and composition	10-12	
	2-10 Nomination and selection of the highest governance body	10	
	2-22 Statement on sustainable development strategy	4	
	2-23 Policy commitments	22, 29-30	Responsible Precious Metals Supply Chain Due Diligence Policy
	2-24 Embedding policy commitments	30	
	2-27 Compliance with laws and regulations	12, 22-23, 25, 28, 30, 33-35, 38-39	Compliance
	2-28 Membership associations	32-35	Memberships and Accreditations
	2-29 Approach to stakeholder engagement	15-27, 30-35, 38, 42-43, 46-49	Community Engagement

GRI STANDARD	DISCLOSURE	LOCATION	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	4	Pallion Group is currently in the process of further developing an ESG framework including short, medium and long term targets, baseline data and impact measurement
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	43	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	44	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	18	



CONTACT



PALLION HEAD OFFICE

8 Meeks Road
Marrickville
NSW 2204 Australia

1300 653 808

P. +61 2 8571 9288

F. +61 2 8571 9240

E. info@pallion.com

NSW

38 Martin Place
Sydney
NSW Australia

P. +61 2 9261 4404

F. +61 2 9261 8895

E. nsw@pallion.com

QLD

Suite 4 Level 12
141 Queen Street
Brisbane
QLD 4000 Australia

P. +61 7 3211 1114

F. +61 7 3211 0035

E. qld@pallion.com

VIC

Suite 801 Level 8
227 Collins Street
Melbourne
VIC 3000 Australia

P. +61 3 9654 9200

F. +61 3 9654 1666

E. vic@pallion.com

WA

Level 3
40 St. Georges Terrace
Perth
WA 6000 Australia

P. +61 8 9325 0888

F. +61 8 9325 0889

E. wa@pallion.com

HONG KONG (SAR)

Unit G1, 5th Floor,
Kaiser Estate Phase 2,
47-53 Man Yue Street,
Hung Hom, Kowloon Hong Kong

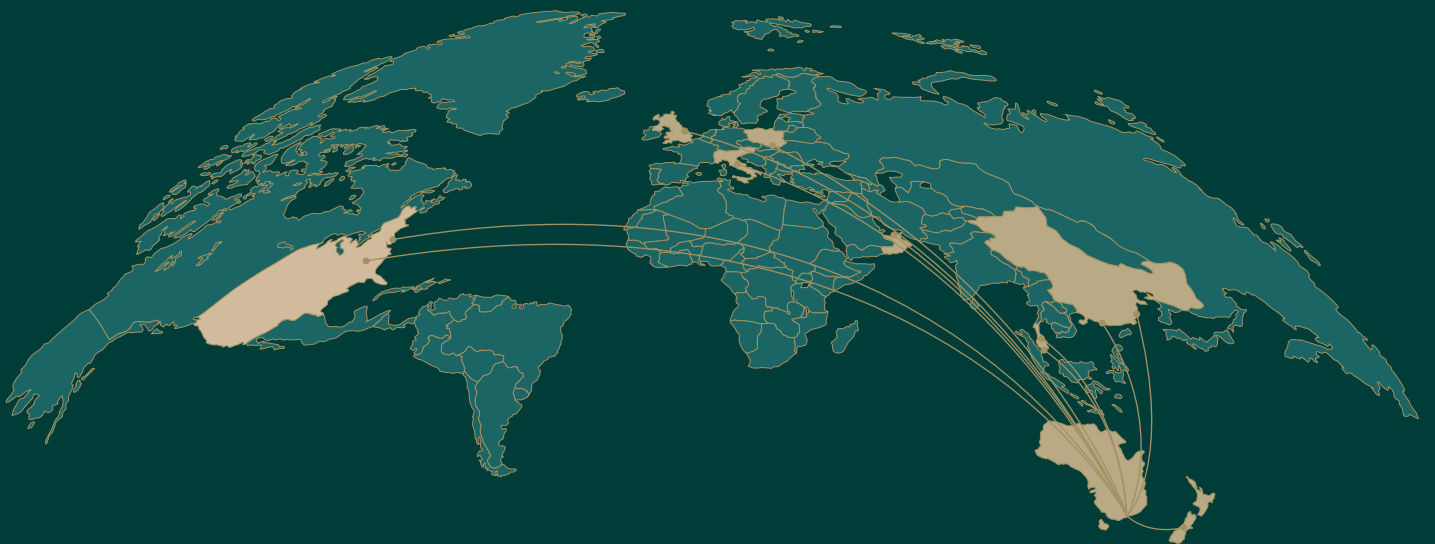
P. (852) 2774 1900

F. (852) 2774 1677

E. sales@goldenageintl.com

pallion.com







pallion.com

