



ANNUAL REPORT
2024





ACKNOWLEDGEMENT OF COUNTRY

PALLION WISHES TO ACKNOWLEDGE THE TRADITIONAL CUSTODIANS OF COUNTRY THROUGHOUT AUSTRALIA, AND IN PARTICULAR THE GADIGAL PEOPLE OF THE EORA NATION WHERE THE MAJORITY OF PALLION'S OPERATIONS ARE CONDUCTED.

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

AS REFINERS OF PRECIOUS METALS SOURCED FROM ACROSS AUSTRALIA, 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.

FROM MINE TO MARKET
YOUR PARTNER IN PRECIOUS METALS

CONTENTS

ABOUT THIS REPORT2

A MESSAGE FROM THE CEO3

PALLION4

CORE VALUES5

CONSIDERATE PRECIOUS METALS PROGRAM.....6

PRODUCTS & SERVICES8

AUSTRALASIAN REFINING MARKET9

TRUSTED PARTNER10

STAKEHOLDERS11

GOVERNANCE12

WORKFORCE.....14

COMMUNITY SUPPORT17

EXTERNAL ACCREDITATION28

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS.....30

PATH TO GREEN GOLD32

SUSTAINABILITY STRATEGY.....33

TECHNOLOGY34

EMISSIONS REDUCTION36

OPERATIONAL EFFICIENCY IMPROVEMENTS37

SUSTAINABLE SUPPLY CHAINS38

RISK MANAGEMENT.....39

SCENARIO ANALYSIS40

QUANTIFIABLE SUCCESS42

GREENHOUSE GAS EMISSIONS44

ENERGY MANAGEMENT45

WATER MANAGEMENT45

WASTE MANAGEMENT45

LABOUR PRACTICES46

BUSINESS ETHICS & TRANSPARENCY.....46

ABOUT THE REPORT

The Pallion Considerate® Precious Metals Report covers the period from 1 July 2023 to 30 June 2024 and has been prepared in reference to the Australian Sustainability Reporting Standards aligned with the IFRS Sustainability Disclosure Standards and the SASB Sustainability Accounting Standards for Metals & Mining. The report details Pallion's actions, initiatives, and priorities 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 via robust governance structures, forward thinking strategies, comprehensive risk management, and quantifiable key performance indicators:

TRUSTED PARTNER

Developing and maintaining partnerships is critical to Pallion's success as a trusted partner. This requires transparent and rigorous oversight by Pallion's board and Pallion's globally recognised accrediting bodies. Pallion's trusted partnerships extend beyond the business world, holding the community close to its core. By supporting initiatives spanning the arts, medicine, health, and education, Pallion has formed particularly strong bonds with the Sydney Children's Hospital, the National Gallery of Australia, and the University of New South Wales. These programs enable Pallion to contribute to the broader Australian community in a meaningful, sustainable way.

PATH TO GREEN GOLD

Pallion continues to be a world leader in the development and implementation of sustainable technology designed to improve the way precious metals are refined, and downstream products are made. This has seen further development and adoption of the ProvCheck system and its industry leading mine to market carbon emission reporting capabilities. Similarly, Pallion's Sustainability Strategy will see it become one of the first carbon neutral refineries in the world.

SUSTAINABLE SUPPLY CHAINS

The changing environmental and geopolitical climates of the world are placing strains on supply chains across the industry. Through scenario analysis, risk identification, and risk mitigation, Pallion ensures its supply chain is sustainable and capable of delivering growth whilst safeguarding its stringent supplier expectations through audits of policy and government regulation adherence.

QUANTIFIABLE SUCCESS

In order to gauge its performance, Pallion tracks a wide range of metrics including Scope 1, 2, and 3 emissions, water consumption, and waste generation. Understanding the impacts the organisation has on its environment enables Pallion to identify improvement opportunities and set targets it can strive towards.

This report has been compiled by the Pallion ESG Lead with the oversight of the Pallion board.



“Our success is measured by the prosperity of our communities, workforce, and environment.”

A MESSAGE FROM THE CEO

At Pallion we embrace our standing as one of Australia's largest private corporations. Our position enables us to ensure the entire precious metals supply chain, from mine to market, is delivered onshore - one of the few Australian industries capable of doing so.

As a global business, it is our mission to produce and deliver Considerate Precious Metals to the market in the most sustainable, considerate way.

Supporting Pallion's journey is our workforce, the thriving life blood of our organisation. We encourage our employees to live by the group's ethos of operating in a manner that leaves the world in a better place than where we started.

Our determination to produce Considerate Precious Metals in a sustainable, transparent manner aids us in supplying Good Delivery precious metals. This is supported by our continuous technological innovation, which sees us partnering with likeminded organisations to develop sustainable operating equipment and practices.

This report has been prepared in line with the recently developed Australian Sustainability Reporting Standards. As an early adopter, we hope to provide insight to our clients, stakeholders, and the wider community as they look to assess our performance, future commitments, and long-term strategies for sustainable growth.

We welcome your feedback.

A handwritten signature in gold ink that reads 'Andrew Cochineas'.

ANDREW COCHINEAS
CHIEF EXECUTIVE OFFICER

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 7 brands - ABC Bullion, ABC Refinery, ABC Mint, 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: Refining, Bullion, Minting, Casting & Jewellery, Fabricated Metals & Findings, Gold & Silver Smithing, and Vaulting.

BULLION



REFINING





BULLION





MINTING





VAULTING



JEWELLERY



DESIGN, CASTING
& PRODUCTION





GOLD & SILVER
SMITHING





FINDINGS &
PRODUCTION



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:



CONSIDERATE® PRECIOUS METALS PROGRAM

Consideration to the people, environment and community in which we operate.



PEOPLE & CULTURE

- Talent
- Depth of industry experience
- 316 employees



SOURCING PRACTICES

- Selective - Primary
- No legacy, ASM, etc
 - Risk profiling
- Audited - LBMA



REFINING TECHNOLOGY

- ESG Focus
- Traditional/New ALS
- Comingle/Batch
- Flexible - grades



REFINING CAPACITY

- Maintain Surplus
 - 400tpa Au
 - 800tpa Ag
 - Redundancy



REFINED OUTPUT

- World recognised
 - Accredited
- Traceable to input
- Minted and cast bars



SECURITY FEATURE

- Gold Bar Integrity
 - Provenance
 - Confidence
- Assign carbon data



COMMUNITY

- Engagement
- Partnership: VRC/TA
- Pallion Foundation
- ESG Reporting

PRODUCTS & SERVICES

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



CAST BARS



REFINING



MINTED TABLETS & INGOTS



ASSAY



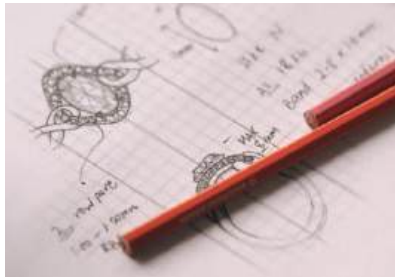
GRANULES



MINTING



PRECIOUS METAL CASTING



JEWELLERY DESIGN & PRODUCTION



FABRICATED METALS



FINDINGS

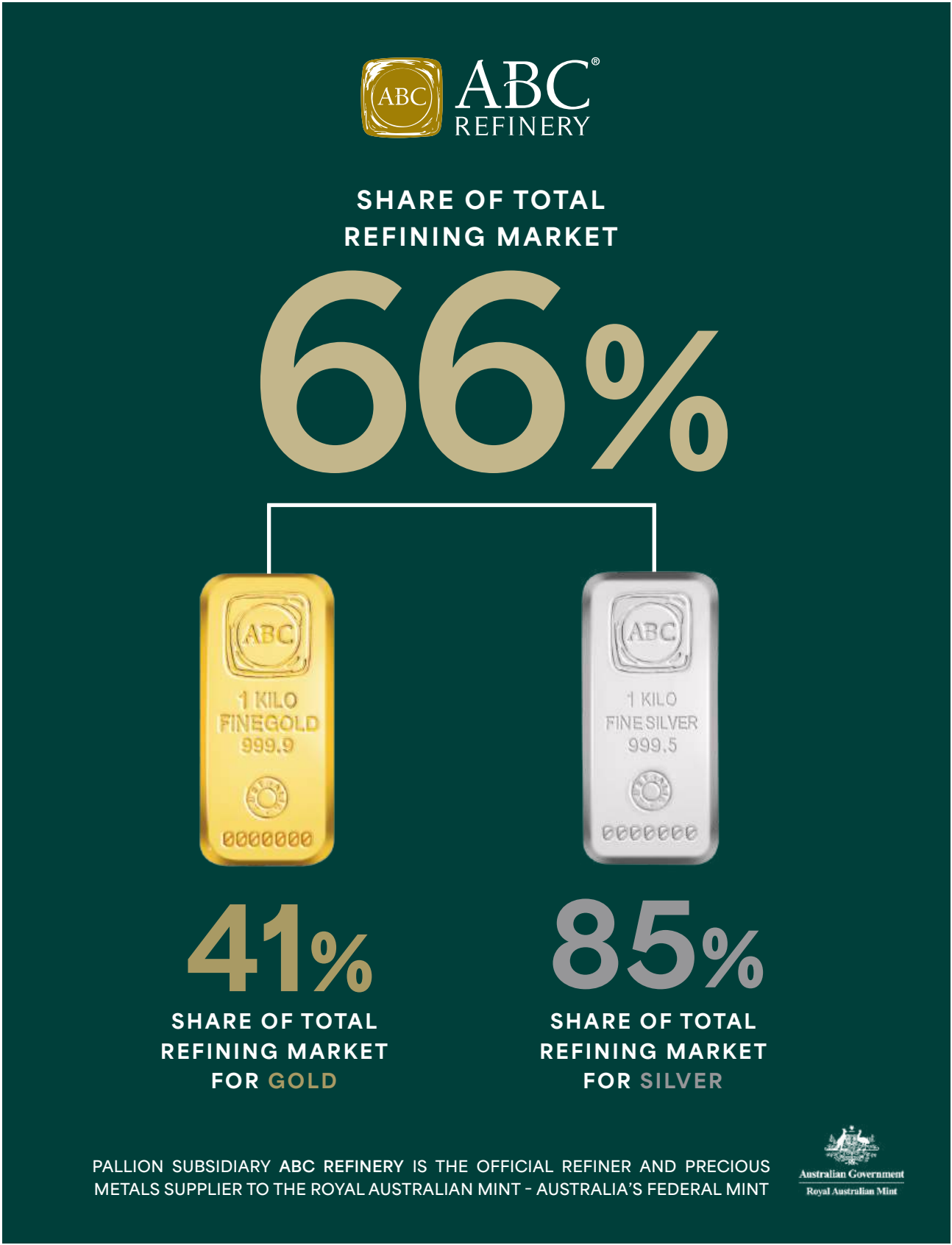


GOLD & SILVER SMITHING



STORAGE & VAULTING

AUSTRALASIAN REFINING MARKET



TRUSTED PARTNER

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



INVESTMENTS &
SUPERANNUATION FUNDS



PRIVATE
INVESTORS



MINES



JEWELLERY
MANUFACTURERS
& RETAILERS

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.

GOVERNANCE

Pallion establishes and preserves trust in its operations through transparent governance structures, a highly competent workforce, global accreditation, and unwavering community support. The multiple levels of governance and skills available in each ensure the competencies required are available. If a void is identified, steps are taken to fill it.

BOARD OVERSIGHT

Board oversight is a critical aspect of corporate governance. The Pallion Group Board of Directors 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 board considers ESG to be of the utmost importance with it significantly influencing policies and procedures concerning the supply chain, more broadly.

ESG LEAD

Reporting to the Executive suite, the ESG Lead designs and implements Pallion’s sustainability roadmaps across the organisation, targeting improved technology, processes and practices as the business strives to produce carbon neutral gold. The ESG Lead promotes these strategies in internal discussions and to external stakeholders via engagements and presentations.

INTERNAL COMPLIANCE COMMITTEE

Appointed by the Board, the Internal Compliance Committee (ICC) governs the compliance of suppliers to our key focus areas of sustainability across the Pallion Group. The ICC consists of a delegate from every business unit, with occasional participation from external specialists.

Over the reporting period, the ICC has focussed on ethical conduct, environmental stewardship, and social responsibility. It has implemented fresh policies and assessed benchmarks for both employees and suppliers, aiming to embrace leading practices. This continues Pallion’s dedication to align with UN Guiding Principles on Business and Human Rights (UNGPs). While Pallion has embraced the UNGPs, they 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 Jewellery Council’s (RJC) Code of Practices.

Over the reporting period, ICC members interacted with regulators, policymakers, financial institutions, suppliers, and various industry organisations, all of which were committed to sharing best practices. Subsequently, the ICC 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 consist of processes and practices designed to ensure that our governance framework is effective, regulatory compliant, and aligned with our goals and values. These controls, structured in a hierarchical manner, enable both management and the Board to maintain oversight, transparency, and accountability in decision making.

The hierarchical nature of the controls facilitates clear lines of authority and responsibility, ensuring that compliance is monitored at every level of the business. We conduct regular internal audits and engage third-party auditors to verify adherence to applicable laws, regulations, and industry standards. These audits are crucial for preserving trust, enhancing our reputation, and ensuring compliance with our commitments.

Our managers and their dedicated teams play a key role in fostering responsible and sustainable operations while protecting the interests of our diverse stakeholders.

OPERATIONAL & PROCEDURAL CONTROLS

Pallion’s operational and procedural governance measures support the Board and management in fulfilling their governance responsibilities while emphasising the importance of individuals following established procedures. Data and technology are integral to the success of our ESG program, enabling both strategic and operational decisions. Throughout the reporting period, we prioritised routine evaluations of our environmental impact, empowering individuals to identify opportunities for operational improvements. This saw significant changes to the operational equipment, delivering environmental benefits. This workforce commitment to improvement identification and following procedures allows us to regularly assess performance, shaping our future ESG-related decisions and fosters a culture of accountability and responsibility across the organisation.

GOVERNANCE FRAMEWORK



WORKFORCE

Pallion strives to provide a working environment that people want to be a part of, and employees are proud of. Employing 316 people from across 15 different countries, Pallion is a proudly multicultural conglomerate, embracing diversity and inclusion for the betterment of all.

TOTAL EMPLOYEES

316

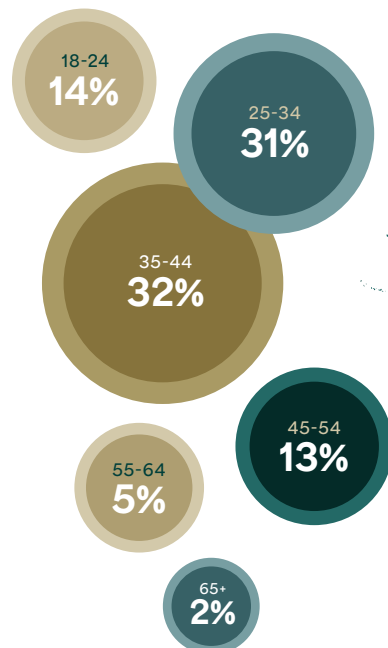
UP 8%

33% OF TOTAL EMPLOYEES ARE FEMALE

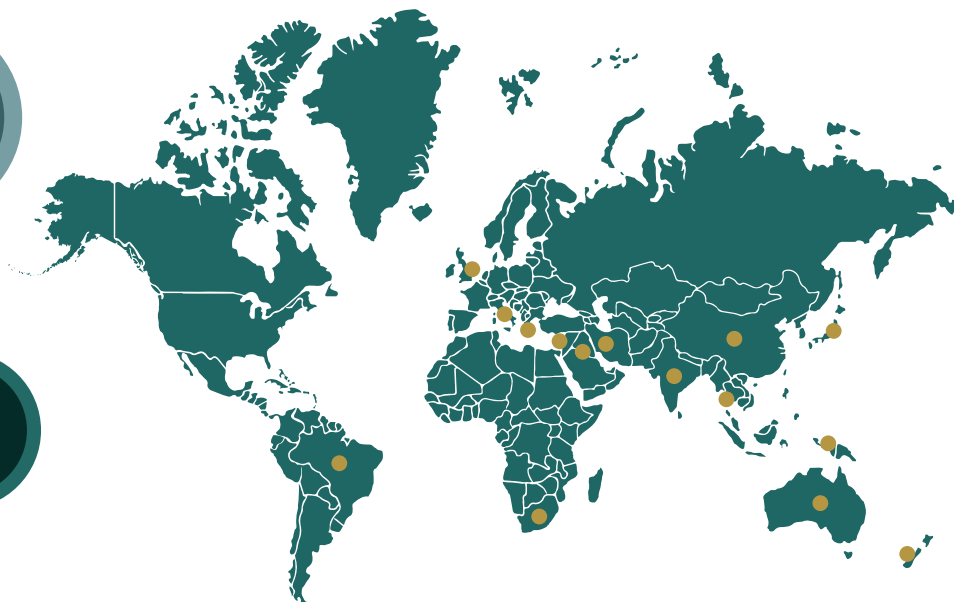
40% OF EXECUTIVE TEAM IS FEMALE

23% OF UPPER MANAGEMENT IS FEMALE

HOW OLD ARE OUR EMPLOYEES?



WHERE ARE OUR EMPLOYEES FROM?



PEOPLE & CULTURE

Pallion has created an inclusive workplace culture which loves to celebrate, regularly hosting monthly birthday and employment anniversary celebrations across the business, as well as new employee mixers where new employees can meet, mingle, and get to know people outside of their departments. Building on Pallion subsidiaries W.J.Sanders and ABC Bullion's manufacturing of the Melbourne Cup, the group hosts a large event celebrating the race each year. Throughout the year, Pallion also holds events such as R U OK day, Pride, and Jeans 4 Genes, in addition to the annual Christmas Party.



“At Pallion, our brand is our culture... *Golden.*”

JANELLE HURINUI,
PEOPLE & CULTURE MANAGER AT PALLION



Lindy Lee unveils *Abundance* ahead of a traditional blessing ceremony in Bundaberg, QLD

COMMUNITY SUPPORT

Pallion has cemented its place as a pillar of the community through the inception of its philanthropic arm. While Pallion has generously supported the community to date, the creation of the philanthropic arm has streamlined the organisation’s contribution processes and enables a simpler process for the community to engage with Pallion’s Pallion Foundation. The Pallion Foundation supports medical research, education, artistic, environmental, and cultural causes and is the cornerstone of our broader community engagement initiatives.

“Giving is the cornerstone of the Pallion ethos, for by giving we become the change we wish to see.”

CLARE DELOUGHERY, HEAD OF PHILANTHROPY AT PALLION



MEDICAL RESEARCH



TOUR DE CURE



Pallion continues to support Tour de Cure, having done so since its second Gala event. Founded in 2007, Tour de Cure focuses on groundbreaking research to cure cancer, raising over \$120 million for more than 1,000 projects and funding 150 major breakthroughs.

Tour de Cure promotes an holistic approach to cancer research and emphasizes education, teaching children about health in schools across Australia. It also finances critical research projects lacking government funding, contributing to significant advancements in cancer treatment, including support for Australian of the Year, Professor Richard Scolyer. Additionally, Tour de Cure aids those undergoing cancer treatment and offers programs like fertility banking for young women affected by cancer.

From its grassroots beginnings, Tour de Cure has evolved into a national movement, mobilizing thousands of people raising funds for pioneering cancer research. Pallion remains committed to supporting Tour de Cure in the pursuit of a cancer-free future.

SYDNEY CHILDREN'S HOSPITAL



Pallion is dedicated to transforming children's health, ensuring every child receives the childhood they deserve. For over a decade, Pallion has been a Gold Partner of the Sydney Children's Hospital Foundation's Gold Dinner, helping to raise over \$93.4 million for the Randwick and Westmead Children's Hospitals.

Recent fundraising efforts have contributed to a \$1.3 billion redevelopment of these essential hospitals, which serve over 170,000 children annually. This initiative aims to establish world-class health research and education hubs in Greater Sydney and Australia. The new Pallion Garden Terrace at Westmead Hospital is part of this development, providing a space for patients and families to enjoy fresh air during their visits and stays. Pallion takes pride in their investment in these enhanced healthcare facilities for families and staff.

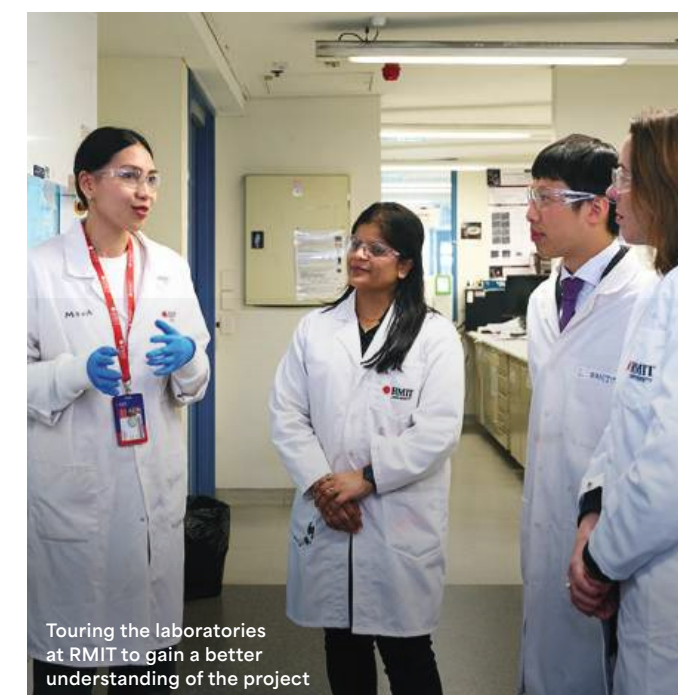


RMIT: METALLODRUGS FOR CANCER TREATMENT



Pallion recognises that gold has applications beyond finance and is proud to support a groundbreaking research project at the Royal Melbourne Institute of Technology (RMIT). Nearly 50% of cancer patients undergoing chemotherapy are treated with platinum-based drugs, highlighting their importance in cancer care. However, these treatments often come with severe side effects that impact patients' quality of life, and many tumours exhibit resistance to current therapies.

In this context, gold-based metallodrugs present a promising alternative, rooted in their historical use in traditional medicine for over 5,000 years. Gold's biocompatibility positions it as a potential breakthrough in cancer treatment. RMIT's gold drug compounds have shown impressive anticancer activity, effectively targeting and destroying cancer cells across various cell lines. This innovative research has attracted interest from researchers and students worldwide. Through its subsidiary ABC Refinery, Pallion is proud to supply Pure 99.99% Australian Gold to support this pioneering initiative.



THE ARTS

PALLION ARTS PROGRAM

PALLION®
Arts Program

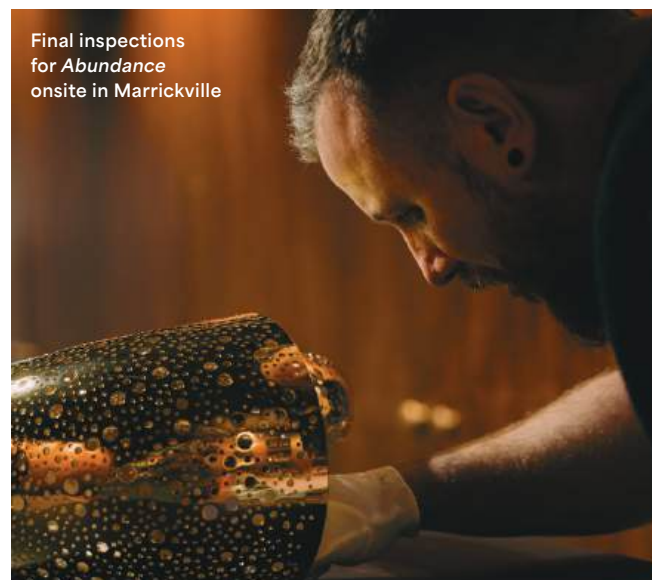
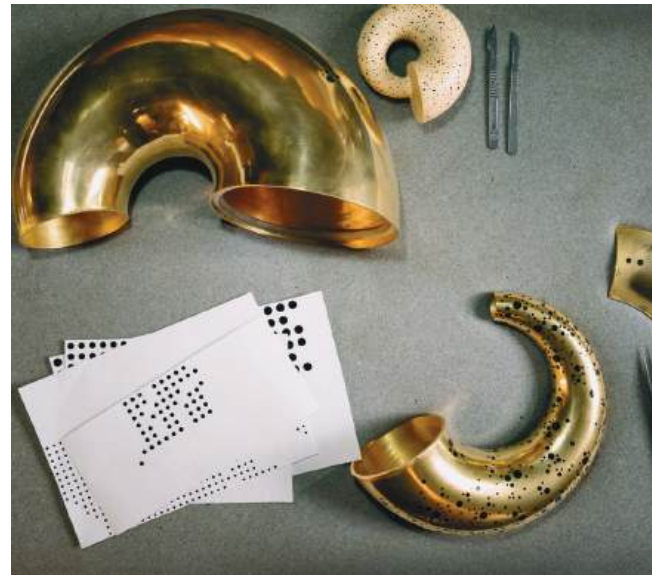
Precious metals have been used by civilisations for centuries to create art. It is Pallion's desire to give artists the ability to continue this ancient tradition.

The Pallion Arts Program gives emerging, First Nations, and established Australian Artists access to work in Australian gold and silver.

The Pallion Arts Program is intended to encourage artists to use precious metals in their production and provide for its display. This program is particularly important as the opportunity for artists to work with precious metals is limited due to its high intrinsic value.



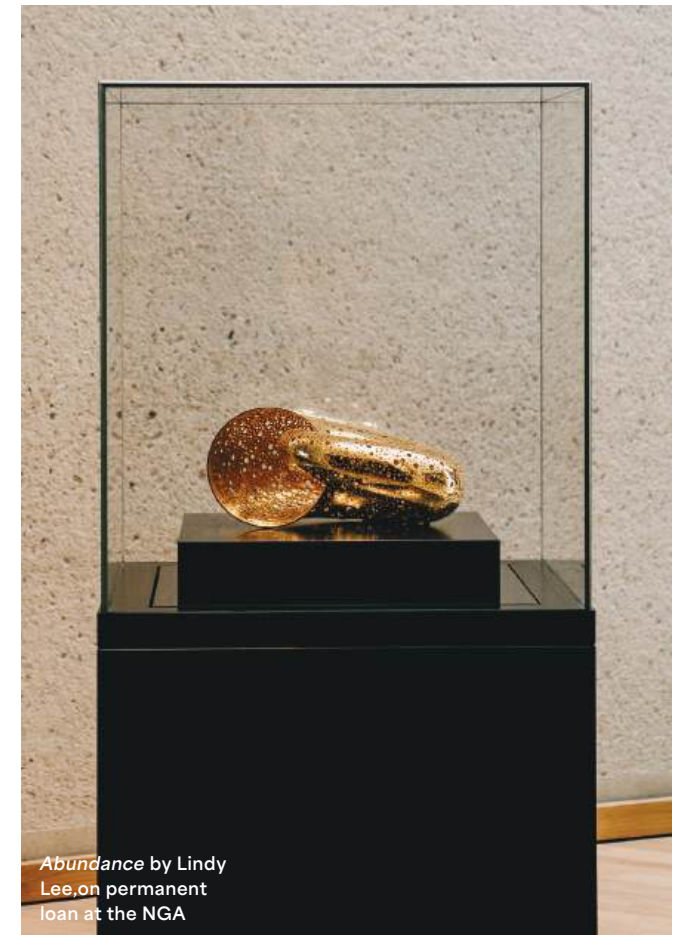
Lindy Lee during
the making of
Abundance



Final inspections
for *Abundance*
onsite in Marrickville



Lindy Lee views
her installation
Ouroboros at the NGA



Abundance by Lindy
Lee, on permanent
loan at the NGA

NATIONAL GALLERY OF AUSTRALIA

NGA

Pallion is proud of its latest art partnership with the National Gallery of Australia. Pallion supports the National Gallery in its exhibition of Lindy Lee's work to coincide with the opening of 'Ouroboros', the major public sculptural work by Lee commissioned to celebrate the National Gallery's 40th anniversary to be installed in the Sculpture Garden.

As part of Pallion's new Arts Program, Lee and Pallion have collaborated on a gold companion creation to 'Ouroboros' entitled 'Abundance'. Made from more than 50kgs of pure ABC Bullion Australian gold, 'Abundance' will go on public display at the National Gallery through a long-term loan arrangement. 'Abundance' draws inspiration from 'Ouroboros', Lee's most ambitious work to date, mimicking the ancient image of a snake eating its own tail, referencing birth and death, renewal, regeneration, and transcendence.

Pallion supported the National Gallery's 2024 Gala, and Annual Lecture, delivered by Lee. The Annual Lecture first presented in 1983, invites leading art world thinkers to present new ideas in the field of art and art history.

The artisans of Pallion have also collaborated with Lee on a limited-edition Objet D'Art and Jewellery Collection to raise money for an Indigenous Program for the National Gallery. Lee has chosen to direct these funds to a program where 'Ouroboros' will be utilised as a site for discourse between First Nations and Chinese Australian communities.



The Pallion Terrace at AGSNW, designed by Kathryn Gustafson



The National Art School's annual Graduate Show

ART GALLERY OF NEW SOUTH WALES



The Pallion Foundation's most significant philanthropic gift to date has been to the Art Gallery of NSW's Sydney Modern Project. The gift of the Pallion Garden Terrace sits between the old Naala Nura and new Naala Badu buildings, flanking the Jonathan Jones' First Nations Garden. This terrace will be an outdoor sculpture terrace for everyone to enjoy and is one of the most important Kathryn Gustafson's landscape design elements shaping the Art Gallery's campus.

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'.

NATIONAL ART SCHOOL



The National Art School's unique studio-based teaching model sets it apart, supporting students in sharing their art globally and shaping them to be the next generation of contemporary artists.

Pallion values art and annually supports the National Art School's Graduate Show. This show is pivotal in showcasing the works of Australia's finest, emerging artists. Pallion wishes to ensure that the National Art School continues to thrive in teaching the future generation of Australian Contemporary Artists.

MUSEUM OF CONTEMPORARY ART (MCA)

M Museum of
C Contemporary
A Art Australia

Pallion celebrated its second year as a Silver Partner for the Museum of Contemporary Art's (MCA) Artists Gala. Each year, the gala honours a legendary Australian artist, recently honouring Tracey Moffatt. The Ball raises much-needed funds for the MCA's artistic, learning and access programs.

Pallion is committed to supporting the legacy of the MCA and fostering the work of Australian Contemporary Artists.

SYDNEY DANCE COMPANY



The Sydney Dance Company has the largest public dance program in Australia and its nationwide education program offers a strategic curriculum for both primary and secondary students, ensuring clear career pathways for pre-professional dancers and university graduates. Pallion is proud to annually support Sydney Dance Company's 'Dance Noir' Gala. This Gala helps Sydney Dance Company raise its necessary 25% funding from philanthropy and allows the Company to commission new dance experiences for people of all ages across Australia and the world.



The 2024 MCA Artists Ball



Sydney Dance Company's 2024 Dance Noir Gala

EDUCATION



2024 Worldskills
Australia competitor
Mitchell Rigney

WORLD SKILLS



Pallion values skills and knows that skills and trades are critical for building a thriving Australian economy, creating successful communities and in developing confident young people for the future. Through its subsidiary Palloys, Pallion continues to support WorldSkills Australia as it has done for over 12 years. Palloys' sponsorship promotes the development of, and celebration of skills in the jewellery division of WorldSkills at its biannual national and international championships.

ENMORE TAFE



Enmore TAFE is an inspiring and important community for Pallion subsidiary, Palloys. It is Australia's leading skills program for jewellery design and manufacture and is instrumental in forming the next generation of jewellers. Palloys has been proudly supporting Enmore TAFE's Annual Graduate Show for over ten years. This show is an essential fixture on the Australian jewellery calendar and is vital in promoting local talent and Australian made jewellery. Palloys supports TAFE annually with its student orientation days and associated welcome goodie bags which contain basic tools and materials for future jewellers.

UNIVERSITY OF NEW SOUTH WALES



Pallion continues to be the proud sponsor of the Pallion Materials Science and Engineering Award at the University of NSW. The purpose of this Award is to support students undertaking an undergraduate degree in the School of Materials Science and Engineering at UNSW. Several UNSW Graduates of Materials Science and Engineering now hold senior leadership positions at Pallion and Pallion wishes to ensure this course at UNSW continues to evolve well into the future.



UNSW School of
Materials Science
and Engineering

ENVIRONMENT



2024 Sapphire Dinner,
Art Gallery of NSW

THE GREAT BARRIER REEF FOUNDATION



Pallion sponsored the Great Barrier Reef Foundation's 2024 Sapphire Dinner, raising funds to help our coral reefs by protecting critical ocean habitats, restoring coral reefs, and helping reefs adapt to climate change.

COMMUNITY

EQUALITY AUSTRALIA



Pallion is dedicated to ensuring there are sufficient protections for LGBTIQ+ people. Currently there are no national laws protecting the LGBTIQ+ community from hate speech and vilification. Pallion is proud to support Equality Australia as it is committed to providing a diverse and inclusive environment for all. Bringing together legal, policy, and communications expertise, Equality Australia addresses discrimination, disadvantage, and distress experienced by LGBTIQ+ people. Equality Australia does this as it believes all people should live equally and exists to improve the wellbeing and circumstances of LGBTIQ+ people and their families.

ACTIVE FARMERS



In 2024 Pallion supported Active Farmers, an organisation whose mission is to build stronger and more resilient rural farming communities by empowering them through fitness and well-being. Active Farmers takes a grassroots approach to rural health and well-being, with a focus on addressing the concerning issues of poor mental health and alarming suicide rates in rural Australia. With one in three Aussie farmers reporting a decline in their mental health over the past few years, Active Farmers organises a variety of community based events such as bike rides, tough mudders, and fun runs to raise funds to support over 200 fitness classes run per month, supporting over 1500 farmers.



Pallion supporting the 2024 Gala of the Society of Women Leaders

SOCIETY OF WOMEN LEADERS

SOCIETY OF WOMEN LEADERS

THE GIDGET FOUNDATION



Pallion was proud support the 10th Anniversary Gala of the Society of Women Leaders in 2024 as Silver Partner. Society of Women Leaders (SWL) has become one of Australia's leading giving circles driven by strong, dedicated women who share a social conscience and want to effect change through the world's largest humanitarian network, the Red Cross. At this year's Gala, SWL launched its latest initiative, Rising Women Leaders (RWL) for young female leaders commencing their philanthropic journey.

Pallion proudly supports the Gidget Foundation in establishing Gidget Houses nationwide, providing new parents with access to free specialist perinatal counselling. This partnership ensures that expectant and new parents receive timely, accessible mental health care. Committed to supporting families, the Gidget Foundation helps parents navigate the early stages of parenthood, empowering them with the resources needed for a positive and healthy transition to family life.



The Gidget Foundation's 'Lunch on the French Riviera' fundraising event

EXTERNAL ACCREDITATION

Globally recognised independent third-party accreditations set the benchmark for auditable ESG assurance which Pallion strives to exceed. During the reporting period, Pallion either directly, or through its wholly owned subsidiaries, reaffirmed or became a new member of 14 independent accreditation organisations spanning supply chain sustainability, anti-money laundering/combating terror financing, laboratory testing, and metal trading. Independent audits provide the transparency and guarantee of quality expected by Pallion and its customers.



LBMA

Pallion subsidiary, ABC Refinery, is the only independent London Bullion Market Association (LBMA) accredited refinery in Australia. The 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, the Gold and the Silver Guides. 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.

ABC Refinery's appointment to these exclusive lists is testament to its 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.

CME GROUP

Pallion subsidiary, 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 brand via the COMEX exchange.

SGE

The Shanghai Gold Exchange is a non-profit self-regulatory organisation, approved by the State Council, organised 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. Pallion subsidiary, ABC Refinery, is approved as an Eligible Supplier of Standard Gold Ingot for delivery against contracts on the exchange.

SBMA

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. It achieves this by coordinating and organising conferences, seminars and business missions, enabling its members to connect and share best practices and industry know-how with peers. Pallion subsidiary ABC Refinery is an SBMA member.

NATA

The National Association of Testing Authorities (NATA) is Australia's leading national testing accreditation body, recognised by the government to assess organisations against a number of international standards for laboratories. It 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. Pallion subsidiary ABC Refinery's laboratory is NATA accredited.

RJC

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.





UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Pallion is committed to acting responsibly and is driven by four core UN SDGs:



INDUSTRY, INNOVATION, & INFRASTRUCTURE

Through its technology partnerships, Pallion and its subsidiaries strive to develop sustainable technologies for use across its operations. This sees technology developed to reduce resources consumed in production, resulting in waste reduction and reduction in energy consumption, as well as technology to ensure the providence of products and provide additional environmental information.



SUSTAINABLE CITIES & COMMUNITIES

The aim of Sustainable Cities and Communities being “Make cities inclusive, safe, resilient, and sustainable”. Pallion is committed to this both across its operations and through its foundation. The organisation strives to reduce its adverse environmental impact through continuous operational initiatives leading to benefits such as air quality improvements. Through its foundation, Pallion also creates green and public spaces in accessible, safe locations for all to enjoy.



RESPONSIBLE CONSUMPTION & PRODUCTION

Pallion and its LBMA accredited subsidiary ABC Refinery are industry leaders in ensuring the gold it produces is sourced from responsible suppliers across the region. The continuous monitoring required by this standard ensures the entire supply chain adheres to strict environmental operational requirements and encourages discourse on how processes both up and down stream can be improved.



PARTNERSHIPS FOR THE GOALS

Pallion holds its relationships in high regard and consistently looks to them for constructive improvement discussions and innovation development. Holding key positions in industry bodies enables Pallion to steer and lead the industry in a sustainable direction while partnering with technology developers enables the creation of sustainability focussed assets which deliver operational, security, and sustainability improvements.



PATH TO GREEN GOLD

SUSTAINABLE STRATEGY

The reporting period has seen Pallion begin developing sustainability strategies across all business units. Starting with an assessment of its carbon footprint spanning Scopes 1, 2, and 3, the organisation has identified its biggest emitters for mitigation and inclusion in the strategy design. Pallion's sustainability strategies target the mitigation of physical and transitional risks associated with climate change and sustainability. Physical risks Pallion can be exposed to include potential supply chain disruptions or operational stoppages due to extreme weather events. Transition risks which Pallion is exposed to include changing regulatory environment and social pressures on the operations.

Addressing physical risks, these strategies encompass everything from the implementation of efficient processes and equipment and sourcing power from renewable sources through to ensuring a diversified supply chain is established. Addressing transition risks, the strategies target the consistent exceedance of regulatory, societal, accreditation, and Pallion's own sustainability performance expectations. These strategies, developed over short (1 year), medium (1-3 years), and long (3-5 years) time horizons, solidify Pallion and its subsidiaries' standing as one of the most sustainable precious metals organisations in the world. These sustainability planning time horizons are aligned with Pallion's broader organisational planning horizons.

“We make amazing products that can last forever. With our roadmap, we will help ensure there is a ‘forever’ for them to last.”

BEN KIRKWOOD, ESG LEAD AT PALLION

TECHNOLOGY

At the forefront of Pallion's Path to Green Gold is its forward-looking technology and innovation implementation roadmap. Continuously developing sustainability focussed cutting edge processing equipment for use across the group, the group has a world leading track record of continuously improving processes and process efficiencies by embracing technology. This is evident through its use of induction furnaces throughout the organisation, removing the consumption of gas required to heat the furnaces as was the previous standard. Similarly, adoption of autonomous processing lines sees improved health and safety across operations whilst driving the upskilling of personnel.



PROVCHECK

Since ABC Refinery's and ABC Bullion's implementation of ProvCheck (Blockhead Technologies' gold providence assurance Security Feature) the technology's capabilities have been broadened. This reporting period has seen the Security Feature approved by the LBMA as part of the Gold Bar Integrity initiative. Similarly, during the period, the Security Feature has undergone upgrades to improve the reporting capabilities for commercial quantities and ESG credentials.

ABCIINTERING

Following the commissioning of the ABCintering process in the previous reporting period, Pallion subsidiary, ABC Refinery released its first coin range produced using the process. While ensuring quality of the product is maintained at the highest standard, this technologically advanced process greatly reduces scrap generation by 78%. This significantly reduces the energy consumed, and the attributable emissions produced in the production of the coins.



AUTONOMOUS CASTING

During the reporting period, Pallion subsidiary, ABC Refinery completed the replacement of its final manual casting line. The implementation of autonomous casting and minting facilities across the organisation significantly improves the operational efficiency of the processes and reduces the error rate, further reducing the resources consumed in the production process, reducing waste, driving sustainability and reducing the overall production carbon footprint.

ALS REFINING

Pallion subsidiary, ABC Refinery has made significant operational efficiency gains in its ALS refining process. This has seen production improvements upwards of 50%, reducing the required throughput of downstream processes such as chlorination. This reduction results in lower energy and chlorine gas consumption rates, lowering the carbon footprint and improving the sustainability of the process.



IMPROVED SCRUBBER CONTROL

Pallion subsidiary, ABC Refinery implemented an improved caustic addition controller to its scrubber processes. This improvement results in a reduction in caustic consumed and better management of the pH in the scrubber. This delivers optimal process control and ensures the quality of the effluent discharge is improved.

EMISSIONS REDUCTION

Having conducted the organisation's first baseline emission assessment in the previous reporting period (FY23), Pallion has gained an understanding of its emission profile, its biggest generators, and the areas the organisation can best tackle. The initial and subsequent FY24 review was completed by the external advisory firm, William Buck. Pallion continues to reduce its Scope 1 and 2 emissions intensity through the ongoing implementation of innovative and energy-efficient production technologies.

SCOPE

1.

There are five sources of emission responsible for Pallion's Scope 1 portfolio. Four combustion sources are liquid natural gas (LNG), liquid petroleum gas (LPG), petrol, diesel, and a fugitive source of fridges/freezers. Scope 1 emissions equate to the equivalent of 118.6 tonnes of carbon dioxide for the reporting period. The calculation breakdown of these emissions can be found in the chapter Quantifiable Success (page 42).

Whilst some of the emissions are currently unavoidable, mainly refrigerant fugitive emissions, those that can be managed, such as the consumption of petrol, are being addressed in the current strategy development.

SCOPE

2.

Driven by Pallion's use of induction furnaces, the organisation's Scope 2 emissions equate to the equivalent of 2,105.6 tonnes of carbon dioxide for the reporting period. The calculation breakdown of these emissions can be found in the chapter Quantifiable Success.

Pallion currently sources its power from the grid, however this arrangement is being assessed with the potential for power purchasing agreements (PPAs) drawing from renewable sources. Similarly, the implementation of on-site solar installations is also under consideration. With 95% of Scope 1 and 2 emissions attributable to electricity generation, the changing of sourcing would go a long way towards making Pallion's operations carbon neutral, and a major step along the Path to Green Gold.

SCOPE

3.

There are eight sources of emissions attributable to Pallion's Scope 3 emissions. These are capital goods, purchased goods and services, material transport, business travel, employee commuting, residual energy, waste, and leased assets. Scope 3 emissions within Pallion's control equate to the equivalent of 10,187.0 tonnes of carbon dioxide for the reporting period.

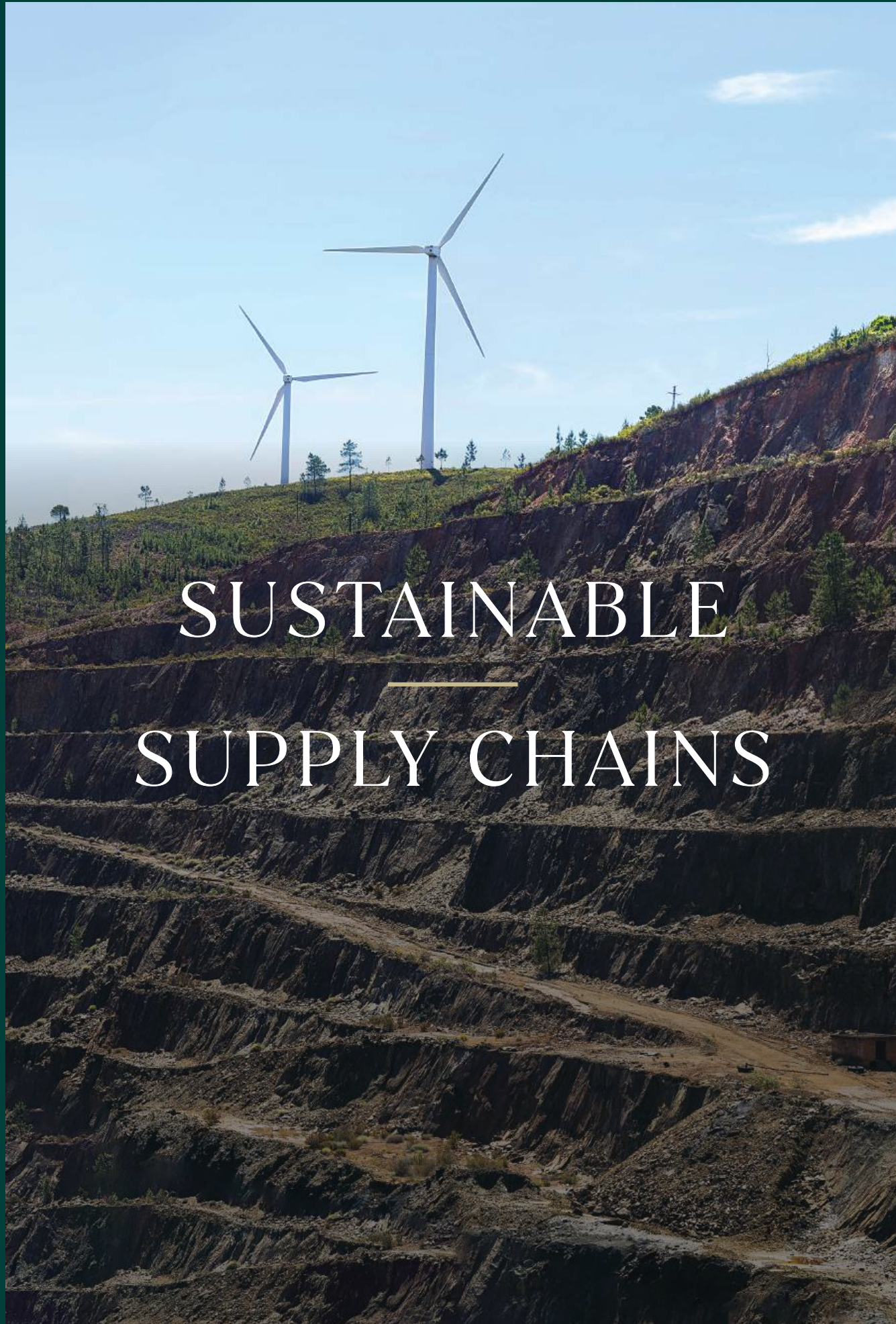
The mining and production of gold and silver dore feeding Pallion's subsidiary ABC Refinery equates to over 99% of its total Scope 1, 2, and 3 emissions, or the equivalent of 4,600,128 tonnes of carbon dioxide. While this is outside of Pallion's control, some of the miners supplying ABC Refinery are making significant headway in reducing their emissions and joining Pallion on its Path to Green Gold.



OPERATIONAL EFFICIENCY IMPROVEMENTS

While Pallion looks to utilise technology to improve the equipment its operations use, the organisation also maps and monitors operational practices and processes to drive efficiency improvements. Over the reporting period, significant improvements have been made across Pallion subsidiary ABC Refinery's operations.

An increased focus on the operation of the Acid Less Separation units has seen a 93% increase in production runs over the reporting period, substantially reducing the required feed to the chlorination furnace, leading to the subsequent reduction in power and gas consumed. Similarly, the business has seen a 10% improvement in successful first-pass chlorination, leading to a further reduction in power and gas consumed, as well as an increase in throughput through the furnace.



RISK MANAGEMENT

Pallion’s precious metal suppliers are located around the world, with many in areas susceptible to climate change risks, such as rising sea levels and increasing water scarcity. While this poses a risk to Pallion’s supply chain, it is mitigated through supplier diversification and the selection of suppliers with strong risk management practices in place, as identified in the initial application phase. Similarly, Pallion strives to stay abreast of regulatory and legal changes through regular engagement with government and law enforcement agencies.

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 conflicts and extending through the transformation of these materials into precious metal investment products and components for jewellery.

Pallion offers our customers the assurance that the jewellery produced by its subsidiaries is crafted exclusively from 100% Australian gold. This verification of origin of Palloys product underwent examination by an independent auditor from the Responsible Jewellery Council (RJC) during the reporting period. Our RJC certification underscores our commitment to transparent sourcing of precious metals and our consistent engagement with our stakeholders.

Pallion is unwavering in its dedication to conducting business at the highest level of excellence, ensuring that all its precious metal production originates from legitimate and ethical sources, and collaborating with Suppliers who commit to our Supplier Code of Conduct. This documentation is a constituent 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 forth by 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.

Pallion regards its approach to supply chain sustainability as an ongoing journey and is committed to the continual enhancement and refinement of its policies and procedures. It maintains strong engagement with key stakeholders, minimising risks and ensuring the continued sustainability of the supply chain.

RISK MANAGEMENT

SUPPLIERS

Given Pallion's vertically integrated structure, its suppliers play a pivotal role in its supply chain. This supply chain undergoes an annual independent audit conducted by a qualified auditor accredited by the LBMA. As Pallion subsidiary ABC Refinery is an LBMA accredited refinery for both gold and silver, it is subject to an annual audit to ensure compliance with the LBMA Good Delivery Rules and other ESG criteria.

Throughout the reporting period, the annual LBMA re-certification report, titled 'ABC Refinery Multi-Metal Responsible Gold Guidance and Responsible Silver Guidance Compliance Report 2024' received recognition from the LBMA as an excellent example of industry best practice. The report is available publicly on www.abcrefinery.com and explains the company's strong management systems, due diligence efforts, strategies and sustainability, and human rights commitments.

Primary suppliers must provide written agreement to uphold the principles as outlined in the Responsible Sourcing and Supply Chain Due Diligence Policy. They must also adhere to Pallion's Suppliers Code of Conduct, which 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. To ensure compliance, Pallion's team maintains active engagement with the 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.

GOVERNMENT

Pallion maintains regular engagement with stakeholders at all levels of government. This enables the organisation to maintain its position as the leading Australian influencer in collaborating with and providing insights to government entities regarding the precious metals industry. It also ensures it keeps abreast with changing regulatory requirements.

LAW ENFORCEMENT AGENCIES

Holding its anti-money laundering and anti-terror financing credibility in high stead, Pallion engages law enforcement agencies as required to ensure its risk of exposure is minimised to suppliers, customers, and employees. Pallion's KYC checks incorporate background checks on people holding executive positions, while employment activities encompass police background checks for all potential employees.

SCENARIO ANALYSIS

Pallion has performed a climate and sustainability risk and opportunity assessment, identifying physical and transitional risks and opportunities to build business resilience and ensure the organisation is ready for any regulatory changes. It used the International Energy Agency's (IEA) Net Zero Emissions by 2050 (NZE) and Stated Policies (STEPS) scenarios as the basis for its assessment.

The NZE scenario assumes the global energy sector will attain net zero carbon emissions by 2050, with advanced economies expected to achieve net zero ahead of other regions. The NZE scenario assumes 67% of global energy consumed will be sourced from renewable sources by 2050 and is consistent with limiting temperature rise to 1.5°C. The STEPS scenario uses the current prevailing direction of energy system progression and is based on a detailed review of the current policy landscape. The STEPS scenario assumes 28% of global energy consumed will be sourced from renewable sources by 2050 and while not designed with any specific temperature outcome, is estimated by the Australasian Centre for Corporate Responsibility to limit temperature rise to 2.5°C.

Under the NZE Scenario, Pallion has identified the opportunity of being able to expand its market share through its enticement of suppliers due to its industry leading sustainability roadmap. While this comes with the transition risk of potentially limited renewable power availability and high renewable energy prices, this risk is seen to be sufficiently low for Pallion's appetite.

Under the STEPS scenario, this same opportunity exists, however due to the reduced amount of renewable power generated and the potential high costs associated with it under the scenario, the availability and price risk increases. Similarly, due to the expected temperature increase associated with the scenario, the physical risk of climate variability will increase, resulting in more extreme weather events. These could have the ability to impact the organisation's suppliers and potentially inhibit Pallion's flow of precious metals. Through supplier diversification, Pallion has limited its exposure to the physical risk of supply chain restrictions, while the transitional risk of renewable power availability and surging prices is seen as tolerable due to projected availability and cost of renewable energy in Australia.

Going forward, these risks will be monitored regularly by reviewing the energy market and through risk focussed discussions with suppliers. Similarly, the opportunity identified will be assessed for its progress and remaining potential upside annually, as will the business and operational environments, more broadly, for any other potential opportunities. Any additional opportunities identified in this annual review will be assessed on their benefits to the business and environment (i.e. energy efficiency, water conservation, alternative power sourcing, etc.) and prioritised accordingly.



QUANTIFIABLE — SUCCESS

GREENHOUSE GAS EMISSIONS

Pallion's emission reduction target is currently in development and will be released alongside the organisation's sustainability strategy once finalised. The emission target will be in line with Pallion's commitment to protecting the environment in which it operates.

Although targets are currently in development, Pallion has successfully completed two years' worth of audited emission accounting for FY23 and FY24. These results are illustrated on the following page.



Pallion’s Greenhouse Gas (GHG) Inventory analysis has been conducted by the advisory firm William Buck since FY23. This report also includes a review of Pallion’s water consumption, energy consumption, and its waste streams.

SCOPE 1 & 2 EMISSIONS

Table 1: Scope 1 Emissions*

Category	Activity	Data Type	Unit	Amount	EF	FY24 tCO ₂ -e	FY23 tCO ₂ -e	Change %
Combustion	LNG	Activity	GJ	775.5	0.05135	40.0	-#	-#
Combustion	LPG	Activity	Kg	6,750	0.00297	20.0	9.4	113.3%
Combustion	Petrol	Activity	Litres	3,434	0.00232	8.0	7.4	7.7%
Combustion	Diesel	Activity	Litres	18,678	0.00271	50.6	5.1	892.5%
Fugitive	R-600a	Activity	Kg	0.02	0.003	0.0	0.0	0%

Pallion and its entities were responsible for 118.6 tCO2-e in Sope 1 emissions in FY24.

The significant increase in diesel consumption was driven the need for an on-site power generator following loss of power supply to an operational unit. The generator was forced to operate for the majority of FY24 while repairs were carried out.

LNG while consumed in FY23 was not recorded and went un-reported. This has been rectified in FY24.

Table 2: Scope 2 Emissions*

Category	Activity	Data Type	Unit	Amount	EF	FY24 tCO ₂ -e	FY23 tCO ₂ -e	Change %
Electricity	Electricity	Activity	kWh	3,096,471	0.00068	2,105.6	2,064.0	2.0%

Pallion and its entities were responsible for 2,105.6 tCO2-e for FY24, an absolute change of 2.0% from FY23. The power consumed from the grid and the resultant emissions produced did not increase by a material amount in FY24, however combined with the on-site generation, the total power consumption did. This was primarily driven by an increase in gold dore processing.

Table 3: Scope 3 Emissions*

FY24 tCO ₂ -e	FY23 tCO ₂ -e	Change %
10,187.0	12,577.6	19.0%

The significant 19.0% reduction in Scope 3 emissions in FY24 was primarily the result of a new factory fit-out, accounted for in FY23. However, this reduction has been partially offset as FY24 included the emissions attributable to by-products sent to third-parties for processing as a waste stream and product transport to customers which was not accounted for in FY23.

Table 4: Doré Production Emissions*

FY24 tCO ₂ -e	FY23 tCO ₂ -e	Change (%)
4,600,128	4,552,832	1.0%

The emissions attributable to dore production are calculated inclusive of Scope 1, 2, and 3. These calculations use emissions factors provided by mines or through publicly available information for Scope 1 & 2, for 81% of sourced dore with an average value used for the remainder. For Scope 3 emissions, mine provided or publicly available information was used for 69% of sourced dore, with an average value used for the remainder.

* Source: Pallion Greenhouse Gas (GHG) FY24 Inventory Report, authored by William Buck
#LNG consumption not measured in 2023

ENERGY MANAGEMENT

Table 5: Energy Consumption*

FY24 Energy Consumed (GJ)	Grid Supplied (%)	Renewably Sourced (%)
11,147	100%	0%

Pallion consumed 11,147 GJ of grid sourced electricity across its business units during FY24. The future energy strategy is considering renewably sourced power purchasing agreements and renewable, onsite power generation.

WATER MANAGEMENT

Table 6: Water Consumption*

Water Variable	Value	Unit
Water Consumption	7.5	ML
High/Extremely High-Water Stress Regions	0	#
Incidents	0	#

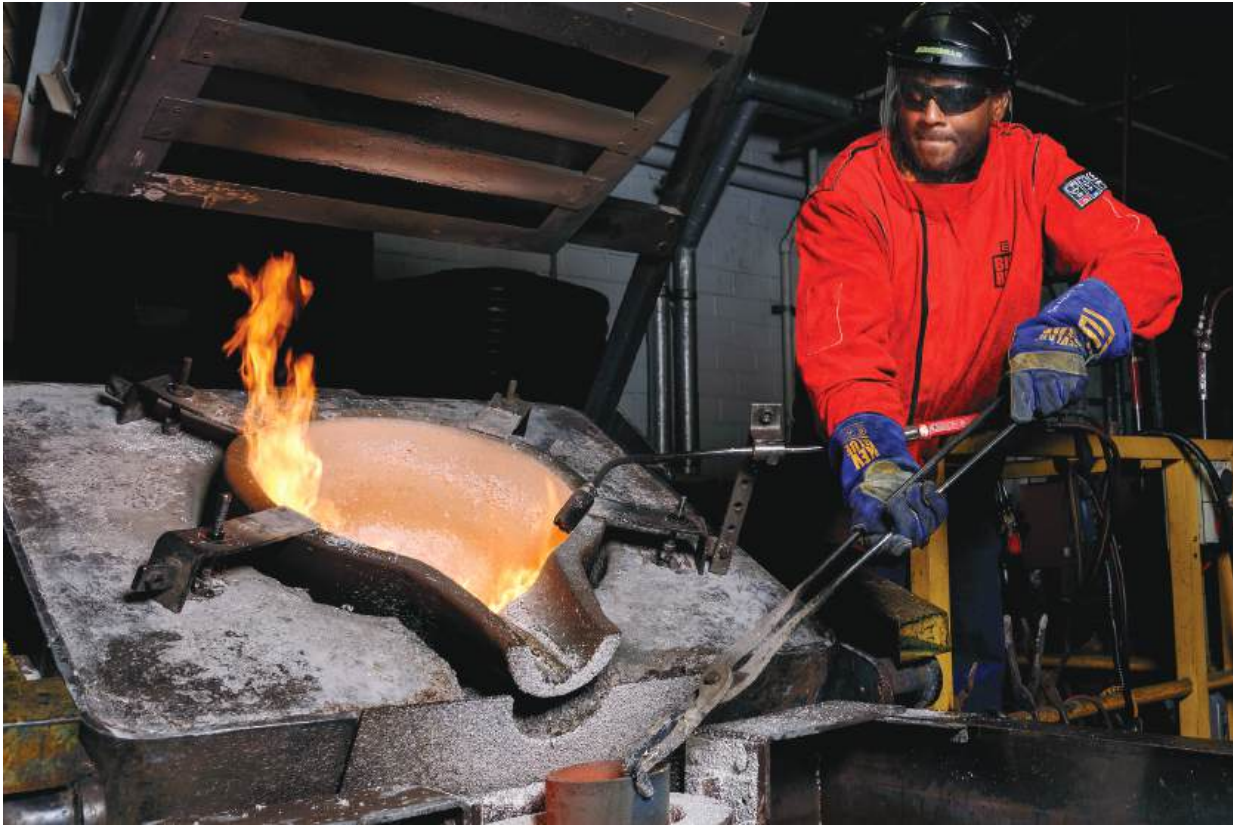
Pallion consumed 7.5 ML of water sourced from the network during FY24. None of this water was consumed in regions identified as having High or Extremely High water risk by the World Resourced Institute’s Aqueduct water risk atlas. Similarly, there were no incidents of non-compliance associated with water quality permits, standards, or regulations.



WASTE MANAGEMENT

Pallion continues to implement its sustainability focussed waste management strategy with a heavy focus on recycling. This has seen 718kg of e-waste recycled over the reporting period. Transport packaging materials such as damaged pallets are also sent for recycling. Over the course of FY24, Pallion generated 53kg of hazardous waste requiring disposal.

* Source: Pallion Greenhouse Gas (GHG) FY24 Inventory Report, authored by William Buck



LABOUR PRACTICES

There are currently no Pallion employees employed under a collective agreement and there has been no time lost to strikes or lockout activities.

BUSINESS ETHICS & TRANSPARENCY

Pallion neither produces in nor sources from countries with the 20 lowest rankings in Transparency International’s Corruption Perception Index. The organisation maintains and adheres to its suite of policies which encourage transparency for corruption and bribery prevention.

CONTACT US

**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

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

NSW
38 Martin Place
Sydney
NSW Australia
P. +61 2 9261 4404
F. +61 2 9261 8895
E. nsw@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

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

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

Published November 2024

