



MODERN  
SLAVERY  
STATEMENT

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2024

## ACKNOWLEDGEMENT OF COUNTRY

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

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.

## ABOUT THE STATEMENT

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This joint modern slavery statement is made by:

- ABC Refinery (Australia) Pty Ltd, ABN 86 621 121 079; and
- Australian Bullion Company (NSW) Pty Ltd, ABN 82 002 858 602, T/A ABC Bullion.

### ABOUT PALLION

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, China, the United Kingdom, and continental Europe, supplying under 7 brands – ABC Bullion, ABC Refinery, ABC Mint, Palloys, Golden Age 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.

Pallion acknowledges the harm caused by modern slavery and is committed to a continuous improvement approach to identifying and addressing the modern slavery risks in our operations and supply chains.

The Pallion Board of Directors commits to and fully endorses the Modern Slavery Act 2018 (Cth). This group statement has been prepared by Pallion and its subsidiaries to meet the requirements of the Australian Modern Slavery Act 2018 (Cth) for the reporting period of Financial Year 2024.

We welcome your feedback, please email [compliance@pallion.com](mailto:compliance@pallion.com).



**ANDREW COCHINEAS**  
CHIEF EXECUTIVE OFFICER



# STRUCTURE, OPERATION & SUPPLY CHAIN



## ORGANISATION

Pallion and its entities employ over 316 people across New South Wales, Queensland, Western Australia, and Victoria. Its headquarters is located in Marrickville, Australia and it has manufacturing facilities and offices in Sydney, Brisbane, Perth, and Melbourne, as well as China, the United Kingdom, and continental Europe.

## OPERATIONS

Pallion's operating model applies across subsidiary and supplier locations and undertakes a broad range of functions and activities. This vertical integration provides Pallion a transparent operational map facilitated through governance, management, and technology.

As wholly owned subsidiaries, its refining entity ABC Refinery and bullion retail entity ABC Bullion play a fundamental role in Pallion's fully vertically integrated model of precious metal services. ABC Refinery is the only independent LBMA, SGE, and COMEX accredited gold and silver refinery in Australia.

Responding to the risk of modern slavery is a continuous, structured approach primarily managed by Pallion's ESG, legal, governance, and risk and compliance departments.

## SUPPLY CHAIN

Pallion is unique in the precious metals space because of the complete vertical integration of its production model and prides itself on being able to trace the entire lifecycle of its products. This begins with the responsible sourcing of primary refining inputs from conflict free areas, through to the processing into precious metal investment products and jewellery components.

The majority of goods and services procured by Pallion come from suppliers and contractors based in Australia. This deliberate choice is a testament to the Group's commitment to supporting local business while maintaining rigorous ethical standards. This ethos is not only limited to the region of operation, but also about ensuring the operations contribute positively to the broader community.







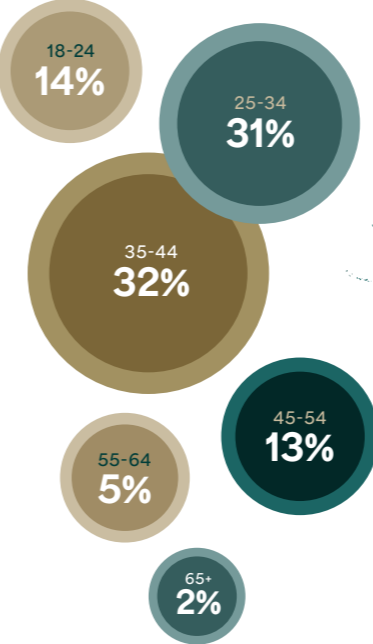
# WORKFORCE

Pallion's operations are driven by a multicultural, fully engaged workforce who are committed to Pallion's corporate values and identifying and reporting on Modern Slavery practices if encountered.

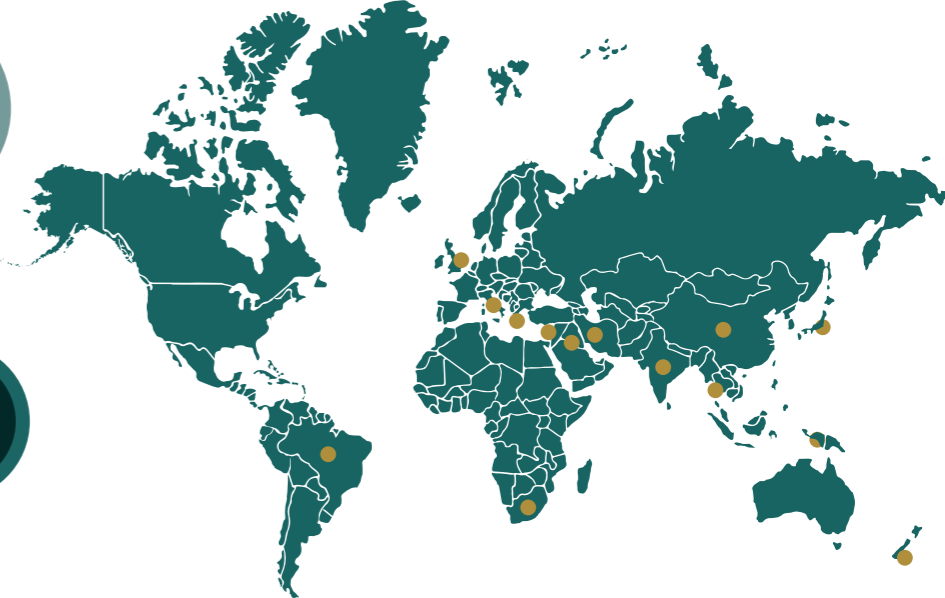
## TOTAL EMPLOYEES



### HOW OLD ARE OUR EMPLOYEES?



### WHERE ARE OUR EMPLOYEES FROM?





# MODERN SLAVERY RISKS

With Pallion’s activities spanning the globe, the risk of modern slavery exists within the Group’s operations and supply chain. While no instances of occurrence were observed in FY2024, the business has identified risks in the following areas:

## COMPLEX SUPPLY CHAINS

Pallion engages with offshore vendors situated in regions identified to have an increased risk of potential modern slavery practices due to their complex-multi-tiered supply chains.

The heightened threat of modern slavery arises in intricate, multi-layered, and opaque supply chains that extend across diverse countries. These conditions constrain the visibility into working conditions across the entire value chain.

## PRODUCTS & SERVICES

Certain types of goods and services pose an elevated risk of modern slavery when characterised by low profit margins that are produced within an unregulated manufacturing framework, reliant on inadequately trained and low-wage workers.

## COUNTRY OF PROCUREMENT

Pallion operates in many regions, including China, the United Kingdom, and continental Europe. However, procurement is from many other countries such as New Zealand and Papua New Guinea.

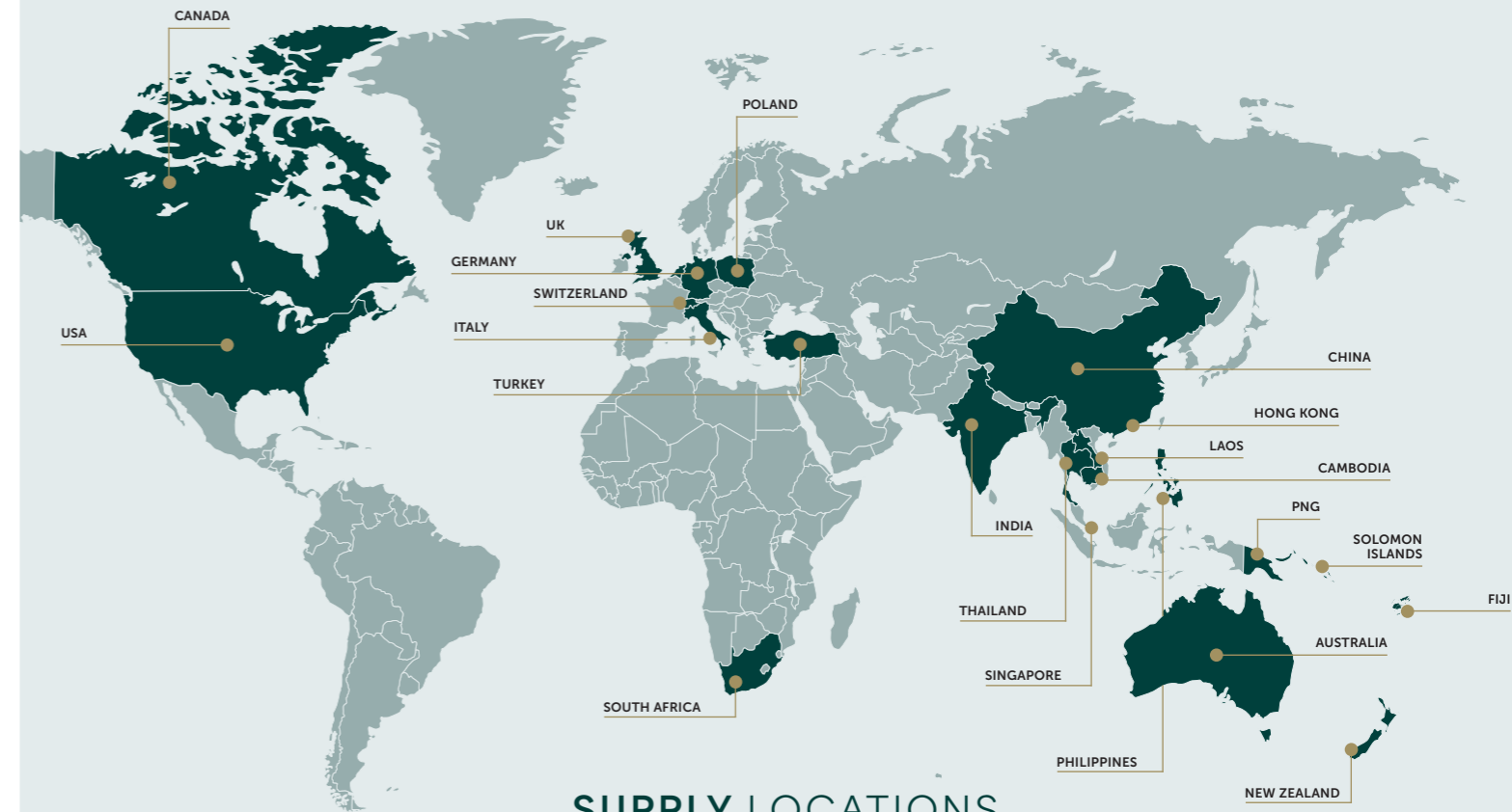
Certain regions exhibit a prevalence of modern slavery, frequently linked to variations in labour standards, inadequate supervision, deficient enforcement mechanisms, migration patterns, and socio-economic factors including poverty.

## LABOUR

Heightened modern slavery risks may be evident in scenarios involving third-party labour hire entities. These are often contracted to deliver security or cleaning services.

## IDENTIFYING RISK

More than three quarters of Pallion’s supply originates within Australia, yet it also sources from international suppliers, predominantly in Oceania and South East Asia. Notably, within the extensive Pallion network, certain suppliers are company-owned.



## SUPPLY LOCATIONS

Pallion procures from the countries displayed on the above map and utilises the following data to assess the risk profile of our suppliers:

Global Slavery Index (GSI)

Walk Free Foundation

Ethical Trading Initiative (ETI)

International Labour Organisation

Refinitiv and Equifax software

Heidelberg Conflict Index Rating

Human Freedom Index

UNICEF Labour Index

OECD Country risk rating

Trafficking in Persons Report (US Dept of State).

# ACTIONS ADDRESSING RISK

Pallion’s proactive efforts to identify, mitigate, and manage modern slavery risks within the operations and supply chain are anchored in the Pallion Provenance™ Program. The business addresses risks in the following ways:

## CODE OF CONDUCT COMMITMENT

Pallion maintains a suite of supply chain policies and ensures all suppliers of precious metals, suppliers of consumables, suppliers of precious stones, logistics providers and major customers commit to the Pallion Supplier Code of Conduct. This assists the organisation in maintaining strong human rights, ethical, environmental, labour, and employment practices.

This conduct is bolstered through the accreditation of subsidiaries by organisations such as the London Bullion Market Association (LBMA) and the Responsible Jewellery Council.

## DUE DILIGENCE REVIEW

A due diligence review process was undertaken across all of ABC Refinery and ABC Bullion’s suppliers and customers in the financial year, ensuring Pallion’s continued high expectations are met. Similarly, an external audit conducted on ABC Refinery for the LBMA found no non-conformances identified in the businesses sourcing of precious metals. This compliance report is accessible for viewing at [abcrefinery.com](http://abcrefinery.com).

## SUPPLIER ON-BOARDING

Prior to on-boarding, potential Pallion suppliers go through a pre-qualification process which assesses their ability to meet the Group’s strict Code of Conduct criteria. This is in line with Pallion’s Responsible Sourcing Policy, while the process is managed by Pallion’s Internal Compliance Committee.

The process takes a risk-based approach, requiring all suppliers to complete a comprehensive modern slavery questionnaire and is followed up with discussions as required.

Continuous monitoring of suppliers is maintained after on-boarding to ensure they adhere to Pallion’s strict policies. This includes but is not limited to site-based audits, meetings, supplementary questionnaires, and shared-information sessions. If non-conformances are identified they are flagged with the supplier for rectification with a remediation plan developed in collaboration.

## COMPREHENSIVE REPORTING

The Modern Slavery Statement forms part of the suite of reports that Pallion has published in 2024. The suite can be found at [pallion.com](http://pallion.com) and includes:

- Pallion Considerate® Precious Metals Report; and
- ABC Refinery LBMA Multi-metal Combined Responsible Gold Guidance (RGG) and Responsible Silver Guidance (RSG) Compliance Report

# CONTINUOUS MITIGATION ASSESSMENT

The Pallion Provenance™ Program includes an annual evaluation to gauge the efficacy of its initiatives.



## EXTERNAL AUDITS

An external auditor was engaged in FY24 to audit ABC Refinery’s supply chain and associated due diligence procedures and policies to maintain its LBMA accreditation. This is an accreditation ABC Refinery has maintained since 2015 and one which identifies ABC Refinery as following ‘best practice’ within the industry.

The outcomes and improvements identified in this and other audits are used to improve Pallion’s Provenance™ Program.

## ONGOING MONITORING & IMPLEMENTATION

Pallion’s Internal Compliance Committee, encompassing ESG, legal, and compliance personnel from across Pallion, ABC Refinery, and ABC Bullion, regularly meet for code of conduct and modern slavery monitoring and implementation. These discussions cover potential suppliers and major clients, review external audit findings, and assess remedial actions for suppliers when required.

## CONSULTATION PROCESS

Through the regular meeting of the Internal Compliance Committee, the reporting entities share information and flag any potential non-conformances. Additionally, there are weekly compliance discussions between the different entity compliance teams to ensure open dialogue is maintained.

# FUTURE FOCUS AREAS

FOCUS AREA	FY24 PLAN	FY24 ACTIONS	FY25 PLAN
<b>Training, Education &amp; Engagement</b>	Elevate awareness surrounding modern slavery by enhancing training modules for our employees and fostering deeper engagement with our suppliers to collaboratively address this issue.	Training for the Pallion Provenance™ Program, covering the sourcing of Considerate® precious metals, including modern slavery and human rights, was delivered to customer facing employees. Suppliers were engaged to discuss where any potential risks were identified.	Update the training package for customer facing employees covering modern slavery, human rights challenges, and other nefarious activities.
<b>Supplier Due Diligence</b>	Initiate a comprehensive due diligence review of our top 10 suppliers, ensuring a thorough examination of their human rights practices.	Conducted a comprehensive due diligence renewal program ran across all major suppliers covering human rights practices, potential environmental issues, assessment of Ultimate Beneficiary Owners, and the identification of any Politically Exposed Persons.	A comprehensive risk assessment will be developed and incorporated into the annual review process to individually assess all ESG, human rights, and other critical areas across the supply chain.
<b>Considerate® Precious Metals Provenance</b>	Consider additional accreditations and certifications to further enhance the credibility and effectiveness of the Pallion Provenance™ Program.	An external audit was conducted which assessed ABC Refinery's provenance processes and supporting documentation. The audit found no non-conformances. The audit findings and accreditation submission can be found at pallion.com.	An internal mapping process will be completed to track the feed of finished products.



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