

## Modern Slavery Statement

Norton Gold Fields Pty Ltd  
FY2020

This is a joint modern slavery statement covering the activities of Norton Gold Fields Pty Ltd (ACN 112 287 797), Paddington Gold Pty Ltd (ACN 008 585 886), which are both reporting entities, and their owned and controlled entities (collectively, the **Norton Group**) during the year ended 31 December 2020.

This is our first modern slavery statement under the *Modern Slavery Act 2018* (Cth) and sets out the actions we have taken to assess and address modern slavery risks in our operations and supply chains.

This statement has been approved by the board of Norton Gold Fields Pty Ltd on 9<sup>th</sup> June 2021.

### **About us**

At Norton Group, we recognise that respecting the human rights of those affected by our business activities is important. We are committed to 'Zero Harm' initiatives by striving to work to the highest safety standards to minimise potential harm to people, the environment and the communities in which we operate.

### **Our structure**

Norton Gold Fields Pty Ltd is a company incorporated in Australia and our registered office is located in Kalgoorlie, Western Australia.

Norton Gold Fields Pty Ltd is a subsidiary of Zijin Mining Group Co. Ltd (**Zijin**), headquartered in China. Zijin and its subsidiaries have mining operations in countries throughout the world. While the Norton Group entities are a subsidiary of Zijin, the Norton Group entities have their own corporate policies.

Norton Gold Fields Pty Ltd has a number of owned and controlled Australian entities, including Paddington Gold Pty Ltd. Paddington Gold Pty Ltd is also incorporated in Australia with operations in Kalgoorlie.

### **Our operations**

The Norton Group is one of Australia's largest domestic gold producers with mining and processing complexes located in Western Australia's Kalgoorlie gold region. Our key operations surround the Paddington Mill and we hold mining tenements covering more than 1,000km<sup>2</sup> of land around the Mill. Within this area, we engage in exploration, mining and the processing of gold ore, which is then transported to the Perth Mint for refining.

In July 2020, the Norton Group completed the sale of its Mt Morgan assets in Queensland. These assets had not been operational for some time before the sale. Outside of the now sold Mt Morgan, the Norton Group has operated exclusively in Western Australia throughout 2020.

We engage approximately 424 employees, all residentially based between Kalgoorlie and nearby Coolgardie. We also engage a number of contractors where required.

### **Our supply chain**

In 2020, the Norton Group's supply expenditure was approximately \$157 million. Our suppliers are primarily located in Australia, and we also have important suppliers based in China, Thailand and other locations in Asia, Africa and South Africa. We recognise that more than 50% of our supplies by value (including from Australian suppliers) are sourced from overseas locations.

Of our total supply chain, the Norton Group's key expenditure is in the following areas:

- construction materials;
- consumables (including fuel, lubricants, explosives and other specialty hydrocarbon products);
- mining equipment (crushers, grinding mills and drilling equipment);
- mining services (haulage and earthmoving, drilling & blasting, surveying and exploration); and
- logistics services.

We generally engage suppliers on standard terms, which are available on the Norton Gold Fields website: <https://nortongoldfields.com.au/terms-conditions/>.

## Modern slavery risks

The Norton Group considers the risks of modern slavery in our supply chain to be reasonably low given our focus on operations in Australia and ongoing relationships with suppliers. We nevertheless recognise that modern slavery may impact our business activities and we endeavour to take responsibility for reducing the risk that we might contribute to modern slavery through our operations and supply chains.

### Risk assessment

To identify potential risks in our supply chain and operations, the Norton Group assessed our supply chain and operations for modern slavery risks against a number of modern slavery risk identifiers. These identifiers include sector and industry, the type of products and services, geographical location and specific entity risk. Our most important suppliers were individually reviewed and assigned a risk level for each of the identifiers, as well as an overall risk score which identifies them as either high / medium / low risk. The risk scores assigned were based on recognised indicators such as the [ACSI Modern Slavery Guide](#) and the [Global Slavery Index](#).

While a number of our suppliers presented medium risks, we did not identify any suppliers with a high modern slavery risk. Additionally, based on our initial reviews, none of our reviewed suppliers had a poor human rights record.

Overall, our initial risk assessment has indicated that supplies within our operations and supply chain have a low to medium potential for modern slavery risks. Most of our supply chain risk is in our suppliers' complex supply chains which are not visible to the Norton Group. Where the risks of modern slavery are visible, the Norton Group's policies and procedures look to mitigate the risk as much as possible.

### Risk profile

Our risk profile is summarised in the table below.

Risk	Description of risk
Sector / Industry	<p>There is a moderate modern slavery risk associated with the mining and resources industry (which Norton Group and its suppliers are a part of). The risks associated with mining are primarily in construction and logistics, and are most prevalent in high risk regions.</p> <p>The inherent risks associated with the mining and resources industry are mitigated for the Norton Group as our operations are limited to Australia. Additionally, as the Paddington Mill and surrounding mining infrastructure is mostly constructed, we engaged in little construction in 2020. The key companies we engaged in 2020 for logistics (including Zijin Mining Logistics Co., Ltd, part of the Zijin group) have policies in place addressing their employee working conditions.</p>
Product / Service	<p>A large portion of our supply expenditure is on consumables for mining and processing operations. These consumables include lubricants, chemicals, explosives. The risks of modern slavery at a direct supplier or manufacturing level are relatively low, as many of these products are highly specialised. The risks we identified are instead associated with the raw minerals used to produce these products further down the supply chain. Our direct suppliers of these products are generally Australian-based, have submitted their own modern slavery statements under the <i>Modern Slavery Act 2018</i> (Cth) and have policies addressing modern slavery risks.</p> <p>Another contributor to our supply expenditure is specialised mining services. These services include surveying, exploration, drilling and sampling. These services present a</p>

Risk	Description of risk
	<p>lower risk of employing base-level employees who are at a higher risk of being exposed to modern slavery as they are highly specialised. However, a number of our mining service suppliers are at risk of engaging in poor recruitment processes or temporary workers to assist with field work or sampling.</p> <p>Our key suppliers of these services have policies in place regarding working conditions. As mining services (e.g. drilling and exploration) are carried out within our mining areas, we have some visibility and ability to reduce these risks. All independent contractors engaged by the Norton Group are also required to complete a self-audit questionnaire to determine whether their engagement terms are indicative of an independent contract or employee relationship. This questionnaire allows us to ensure that proper working rights are afforded to people directly engaged by the Norton Group.</p>
Geographic	<p>A majority of our direct suppliers are located in Australia. Some of our suppliers reside in higher risk countries such as Thailand and China. However, we also understand a number of our Australian suppliers source products from higher risk countries.</p> <p>The countries our key suppliers are based in or source products from and their Prevalence Index Rank (out of 167) according to the Global Slavery Index are:</p> <ul style="list-style-type: none"> <li>• Thailand (23);</li> <li>• China (111);</li> <li>• Brazil (142);</li> <li>• India (53);</li> <li>• Indonesia (74);</li> <li>• Vietnam (77);</li> <li>• South Africa (110);</li> <li>• Singapore (97).</li> </ul> <p>Many of our key suppliers are large and reputable Australian suppliers of both products and services. These companies must also submit modern slavery statements addressing the risks within their supply chain. Many of these suppliers also address modern slavery risks within their corporate policies. We continue to work closely with all of our suppliers to understand and manage any modern slavery risks within our extended supply chain.</p>
Specific Entity	<p>While many of our key suppliers have modern slavery policies in place or are required to report, there are a number which appear to have done little to address the risks of modern slavery in their supply chains.</p> <p>The Norton Group are not aware of any actual modern slavery practices within our supply chain or operations.</p>

## Actions to assess and address risk

We understand the importance of working collaboratively with our employees, suppliers and the broader industry to combat modern slavery. That is why during our first reporting period we actively took steps to assess and address potential modern slavery risks:

- released a Recruitment and Selection policy which ensures all of our recruitment activities are in accordance with Australian laws and the enterprise agreement; and
- released a Protection from Bullying and Harassment Guideline which condemns and encourages the reporting of any instances of bullying or harassment.

In providing goods to Norton Group, suppliers and their personnel are required to comply with our policies and procedures. Our existing policy framework minimises risks associated with modern slavery, focusing on our overarching 'Zero Harm' principle:

- Health and Safety Policy – identifying, assessing and managing risks to employees and building a culture of risk awareness;
- Environment and Community Policy – recognising the importance of meeting Commonwealth, State and Local legal requirements, not tolerating any form of discrimination or abuse as part of business activities; and

- Mental Health and Wellbeing Policy – ensuring staff have safe working environments, setting realistic targets that do not require staff to work unreasonable hours and ensuring support and assistance is available for all staff.

## **COVID-19**

The COVID-19 pandemic has brought further challenges to modern slavery and highlighted social and economic inequalities worldwide. The Norton Group has assessed the impact of COVID-19 pandemic on its practices and risks to modern slavery. While our production did not cease, we took active steps to protect our workers from the effects of COVID-19. We also recognise the impact of the pandemic on our supply chain. We recognised the potential modern slavery risks associated with the increased purchasing of personal protective equipment throughout this period.

## **Assessing our effectiveness**

The Norton Group take the following steps to assess the effectiveness of our actions to address modern slavery:

- reviewing policies annually or as required by legislative change;
- conducting thorough investigations into complaints; and
- conducting policy onsite rollout sessions with employees to support any changes.

We anticipate that in the 2021 reporting year we will seek to implement policies and procedures to further review the action we take.

## **Consultation**

As a subsidiary of Norton Gold Fields Pty Ltd, Paddington Gold Pty Ltd's approach to modern slavery is largely comprised of overarching policies, systems and processes that are designed to be consistently applied across the Norton Group.

Prior to being put to the board of Norton Gold Fields Pty Ltd for review and approval, this statement was reviewed by Paddington Gold Pty Ltd.

## **FY2021 focus**

As this is our inaugural statement, we recognise there are further steps we can take to assess and address the risks of modern slavery in our operations and supply chains.

In FY2021 we will focus on:

- carrying out further due diligence on suppliers who have been identified as having higher modern slavery risks;
- implementing further policies (including a whistle-blower policy) and contractual terms relating specifically to modern slavery; and
- implementing a process for reviewing the effectiveness of the actions we take to address modern slavery.

This statement was approved by the Board of Norton Gold Fields Pty Ltd on behalf of all reporting entities in the Norton Group it controls on 9<sup>th</sup> June 2021.



LIU Zhaoping  
Chief Executive Director  
Norton Gold Fields Pty Ltd