

MODERN SLAVERY STATEMENT FY22





Acknowledgement of Country

Pilbara Minerals Limited respectfully acknowledges the Nyamal People and Kariyarra People of the Pilbara region in which the Pilgangoora Project is located, and the Whadjuk Noongar People of the Perth region who are the Traditional Owners and First Peoples of these lands. Pilbara Minerals pays respect to their Elders past, present and emerging for they hold the memories, the traditions, the culture and hopes of the Nyamal, Kariyarra and Whadjuk Noongar Peoples.

About this Statement

This is Pilbara Minerals Limited's **(Pilbara Minerals or the Company)** second Modern Slavery Statement **(the Statement)** under the *Commonwealth Modern Slavery Act 2018 (Act)*. It has been prepared by Pilbara Minerals, in accordance with the Guidance for Reporting Entities¹ and covers the period 1 July 2021 to 30 June 2022 (FY22). This Statement does not apply to non-managed joint ventures, although we do engage with these partners regarding risks associated with modern slavery and human rights.

This Statement is filed on behalf of Pilbara Minerals Limited (registered in Australia as ABN 95 112 425 788) which is a public company under the *Australian Corporations Act 2001 (Cth)* and listed on the Australian Securities Exchange (**ASX: PLS**), and its owned and controlled entities identified in Appendix 1.

The Statement was approved on 30 September 2022 by Pilbara Minerals' Board on behalf of all reporting entities in Pilbara Minerals. The Statement in its entirety has been signed by the Managing Director and Chief Executive Officer of Pilbara Minerals.

The Statement has been developed by Pilbara Minerals' Sustainability team, with contributions from core business functions, including Contracts and Procurement, Human Resources, Risk and Compliance, Corporate Affairs, Health Safety and Environment, as well as Legal and Commercial. Other third-party resources were also used, including the "Cause, Contribute, Directly Linked" continuum provided in the United Nations Guiding Principles on Business and Human Rights², as well as the Global Slavery Index website³.

Pilbara Minerals welcomes feedback on this statement at: pilbaraminerals.com.au/contact

¹ <https://modernslaveryregister.gov.au/resources/>

² https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf

³ <https://www.globallslaveryindex.org/>

CEO Statement



Pilbara Minerals recognises that if humanity is to achieve the United Nations Sustainable Development Goals, modern slavery must be eradicated by 2030. The urgency for meeting this challenge is intensifying.

This is a serious humanitarian issue where businesses around the world can have a major impact and therefore need to play a key role in eradicating this practice. Pilbara Minerals is committed to making a meaningful contribution to mitigating modern slavery throughout its activities. It is an essential aspect of Pilbara Minerals' approach to socially responsible business practice and integral to its commitments under 'What We Stand For'.

Pilbara Minerals has demonstrated this commitment by applying the requirements of the *Commonwealth Modern Slavery Act 2018 (Act)* on a voluntary basis in FY2020 and subsequently through its mandatory statement for activities undertaken during FY2021.

The Statement illustrates Pilbara Minerals' continued focus on strengthening and embedding processes into its business and operations to identify, and respond to, risks of modern slavery throughout its supply chains.

Pilbara Minerals is mindful that recent research on modern slavery statements published by Australian companies under the Act has found significant performance gaps in critical areas⁴. The Company is carefully considering the recommendations made in this research, along with the issues identified in the 2022 statutory review of the Act, during development and refinement of its FY23 Modern Slavery Action Plan.

A handwritten signature in white ink, appearing to read 'D Henderson', with a long, sweeping underline.

Dale Henderson
Managing Director & CEO

⁴ https://static1.squarespace.com/static/580025f66b8f5b2dabbe4291/t/6200d3d9db51c63088d0e8e1/1644221419125/Paper+Promises_Australia+Modern+_Slavery+Act_7_FEB.pdf

About Pilbara Minerals



Pilbara Minerals is a leading ASX listed lithium and tantalum company, owning 100% of the world's largest, independent hard-rock lithium operation, the Pilgangoora Project. Its operations are located in Western Australia's resource-rich Pilbara region and it produces a spodumene and tantalite concentrate. The significant scale and quality of the operation has attracted a consortium of high quality, global partners. The corporate office is based in West Perth.

Pilbara Minerals produces spodumene concentrate for the lithium chemicals market and is pursuing a growth and diversification strategy to become a sustainable, fully integrated lithium raw materials and chemicals supplier in the years to come.

Through execution of this strategy, Pilbara Minerals has become a major player in the rapidly growing lithium-ion supply chain, underpinned by increasing demand for clean energy technologies such as electric vehicles and batteries for energy storage, as the world pursues a sustainable energy future.

With this comes an inherent responsibility for Pilbara Minerals to sustainably manage the extraction and processing of the raw materials that are pivotal to driving this change. This includes ensuring operations are conducted, while minimising environmental and social impacts, in line with the world Pilbara Minerals is helping to create.

Pilbara Minerals strives to do this by looking for ways in which it can operate better. This is done through managing resources efficiently, looking at how to minimise impacts and promoting an inclusive and diverse culture, all the while ensuring activities are undertaken honestly, ethically and responsibly.

This commitment is central to Pilbara Minerals maintaining its social licence to operate and creating value for the Company, its shareholders and the communities in which it operates.



Think, Do, Achieve

Great People

Safety Matters

What we stand for

Valuing Our Partner

Making a Difference in the World

Quality Products

FY22 Key Achievements

During FY22 Pilbara Minerals focused on better understanding its modern slavery and human rights risks and impacts. A summary of the key activities undertaken, and outcomes are as follows:



No incidents of modern slavery were identified in any of Pilbara Minerals' activities or supply chains.



Updated the "Invitation to Tender" templates to include modern slavery information.



Completed independent sustainability materiality assessment incorporating human rights and modern slavery as material topics.



Modern slavery training was delivered to all employees within key areas of the organisation, and in particular the Contracts and Procurement and Compliance and Risk functions.



Updated the "Contractual Agreement" templates to contain relevant obligations as they relate to modern slavery as well as expectations of suppliers and contracting partners.



Reviewed and assessed questionnaire responses from 252 key suppliers within the Company's supply chain to date (an increase from 73 suppliers in FY2021).



Reviewed and updated the existing modern slavery questionnaire used during procurement processes.



Updated approval processes to incorporate modern slavery requirements as part of the procurement review and approval process.



Worked with seven suppliers sourcing and manufacturing products in locations where modern slavery has a higher prevalence to understand risk profile and provide support.

Operations

Pilbara Minerals owns 100% of its Pilgangoora Project located 120km south of Port Hedland in Western Australia's Pilbara region. The Pilgangoora Project has been in commercial operation since 2018. The site is located on the country of two Native Title claimant groups, the Nyamal and Kariyarra peoples.

At the Pilgangoora Project, Pilbara Minerals mines and processes ore to produce spodumene and tantalite concentrates. The spodumene concentrate is trucked to Port Hedland for shipping to customers in North Asia, while the tantalite concentrate is trucked to a customer in the south-west of

Western Australia. The spodumene concentrate is used in the manufacture of lithium-ion batteries that power clean energy technologies, such as electric vehicles and energy battery storage, as well as other uses.

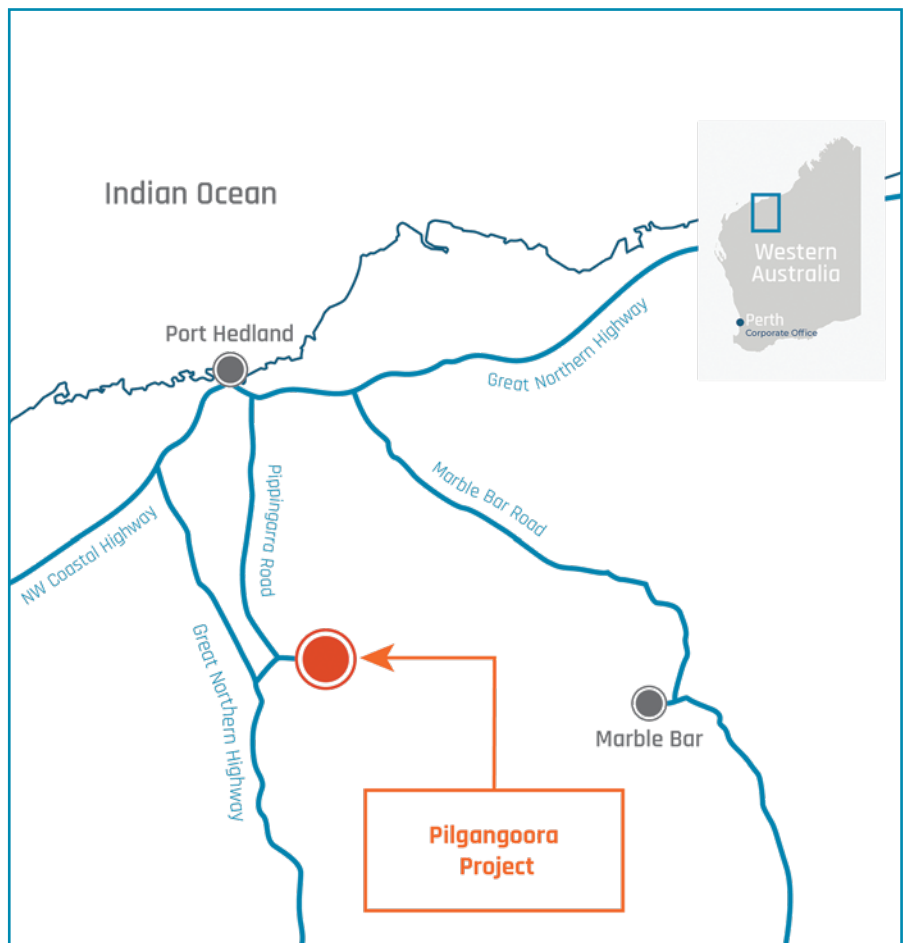
THE PILGANGOORA PROJECT HAS TWO ACTIVE PROCESSING PLANTS:

> Pilgan Plant **2.3 Mtpa**

a processing facility that processes ~2.3 Mtpa of ore with a nameplate production capacity delivering ~360-380,000tpa of spodumene concentrate as well as a by-product of a +5% tantalite concentrate.

> Ngungaju Plant **1.3 Mtpa**

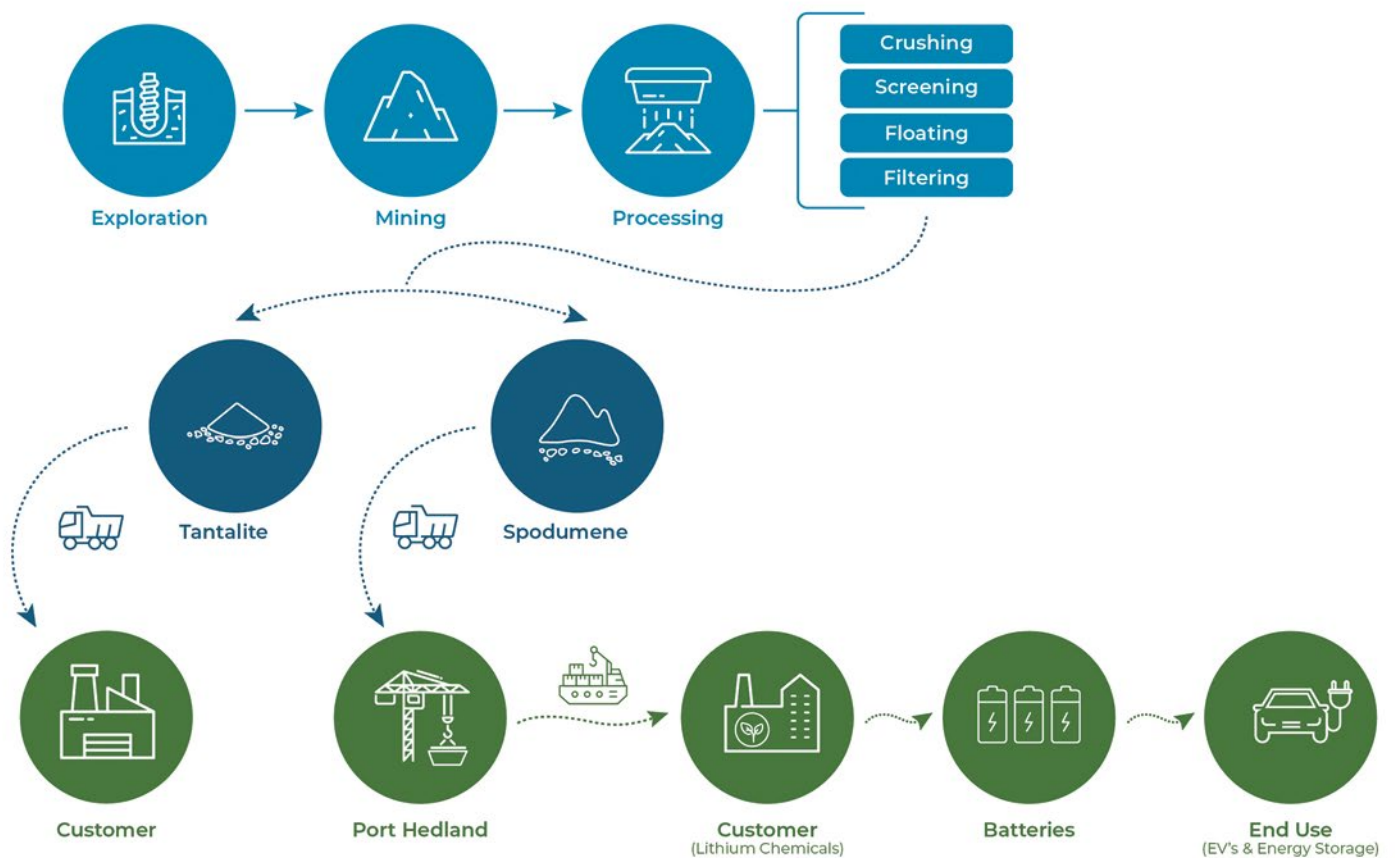
a processing facility that processes ~1.3 Mtpa of ore with a nameplate production capacity delivering ~180-200,000tpa of spodumene concentrate.



Value Chain

Certain services such as mining, crushing, transportation, camp facilities, power generation and laboratory assays are provided by contractors on site, with management, administration, metallurgy and processing activities undertaken by direct employees. As of June 2022, Pilbara Minerals directly employed 438 permanent and fixed term employees and approximately 1,100 contractors.

The Company's website⁵ provides further detailed information about the business, including its products and operations, as well as its approach to sustainability.



⁵ <https://www.pilbaraminerals.com.au/>

Governance

Pilbara Minerals recognises it has a role to play in identifying and influencing its supply chain to support the elimination of modern slavery practices, which include slavery, servitude, human trafficking, debt bondage, child labour, deceptive recruiting for labour or services and forced or compulsory labour. For Pilbara Minerals, procuring goods and services ethically is not only a responsible business practice, but also a regulatory requirement under the Act.

Pilbara Minerals' Board has overall oversight and accountability for governance. To support Pilbara Minerals' Board, the Company has a Modern Slavery Policy and a Sustainability Policy which is overseen by the Sustainability Committee. These policies, coupled with Pilbara Minerals' Code of Conduct⁶, set out expectations and provide a framework to ensure the Company defines, identifies, manages and reviews its systems to mitigate modern slavery risks within the business and throughout its upstream and downstream supply chains.

The Sustainability and Audit and Risk Committees monitor modern slavery risks and management measures relating to modern slavery systems and supply chain operations and initiatives throughout the Company. Committee members, together with employees and management, meet on a routine basis throughout the year and report through to Pilbara Minerals' Board on modern slavery matters. If an instance or concern of modern slavery were identified within the supply chain, grievance and reporting mechanisms are provided for use by both internal and external stakeholders. The Company's Whistleblower Policy⁷ and external independent whistleblowing service, Whispli⁸, are available to employees, contractors and suppliers (and their employees and contractors) to promptly bring any allegations or concerns to the attention of Pilbara Minerals.

While developing the Statement, Pilbara Minerals engaged with numerous internal stakeholders and applied its internal modern slavery prevention controls. Additionally, the Company has incorporated guidance from a third-party consultant to support the development of the Statement.

Looking forward, Pilbara Minerals will continue to consider whether additional subject matter expertise is required for ongoing development and maturity of its modern slavery prevention controls.

More information on the Company's governance frameworks can be found on the Pilbara Minerals website⁹.

⁶ <https://www.pilbaraminerals.com.au/our-company/corporate-governance/corporate-governance-policies>

⁷ <https://www.pilbaraminerals.com.au/wp-content/uploads/2022/03/WhistleblowerPolicy.pdf>

⁸ <https://pilbaraminerals.whispli.com/Whistleblower?locale=en>

⁹ <https://www.pilbaraminerals.com.au/our-company/corporate-governance>

Supply Chain Risk

In FY22, Pilbara Minerals continued to assess its modern slavery risks through ongoing review of its internal systems and processes and greater collaboration with suppliers and customers. This included routine reviews of modern slavery risks included within its internal Enterprise Risk Register, to ensure risks are mitigated and managed effectively through appropriate controls.

To support the identification of potential high exposure regions/ products, Pilbara Minerals conducts an initial pre-qualification phase risk assessment upon engagement of a supplier, with additional ongoing risk assessments for suppliers identified as higher risk (determined by country of origin or industry sector).

This process enables the Company to identify suppliers who have reported sourcing from high-risk areas and work with them to safeguard against potential instances of modern slavery.

Pilbara Minerals' standard suite of contracts was reviewed and updated to include modern slavery prevention provisions. These clauses place specific obligations on contractors and suppliers to not engage in and mitigate risks relating to modern slavery by:

- Investigating, assessing and addressing modern slavery practices within their operations and supply chains;
- Training personnel to identify and report on modern slavery; and

- Advising Pilbara Minerals of any instances of modern slavery practices and what immediate and reasonable actions have been undertaken.

Pilbara Minerals acknowledges the significant impacts COVID-19 has placed on supply chain partners since the pandemic began in 2020. The Company will continue to work with and support these partners, both in Australia and internationally, during this challenging time to ensure these impacts do not enable increases in modern slavery practices to emerge.



CASE STUDY

Recommendation for Award Process



Pilbara Minerals periodically reviews and amends its Recommendation for Award (RFA) process to ensure rigour in review and approval processes for selecting contractors or suppliers, including the successful contractor or supplier compliance with the Company's Modern Slavery Policy.

As part of this process, contractors and suppliers provide responses to the Company's Modern Slavery Questionnaire. If in response to this questionnaire a third party identifies that they actively sourced goods in areas of higher prevalence for modern slavery, then further contact is made and additional information is requested (e.g. Modern Slavery Policy, company controlling entity information). This ensures the appropriate checks and verifications are completed, prior to any recommendation to award a contract.

This additional step limits the potential of engaging contractors or suppliers who have a higher potential exposure to modern slavery activities and also supports the enhancement of internal controls. This allows Pilbara Minerals to ensure the responsibilities for identifying and eliminating modern slavery are incorporated within the entire extent of the supply chain.

Supply Chain Assessment

FY22 Spend

\$475M

SPENT ON GOODS AND SERVICES GLOBALLY

414

ACTIVE SUPPLIERS

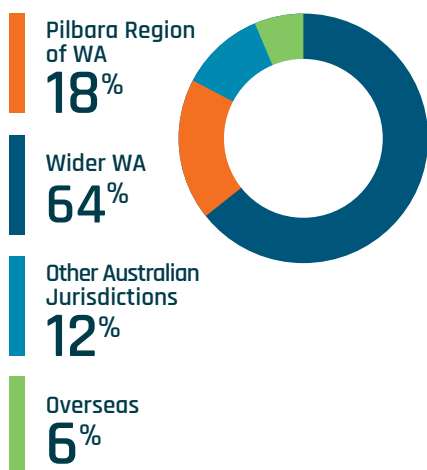
When measured by value, the Company's expenditure (82%) was largely within Western Australia, with 18% of this amount spent in the Pilbara supporting local businesses and service providers, and the remaining expenditure occurring in other Australian jurisdictions (12%) and overseas markets (6%).

In FY22, Pilbara Minerals focused on engaging with its Tier 1 suppliers, those with the largest spend, to build a better understanding of their exposure to modern slavery. Pilbara Minerals continued to collect data, manage, and monitor its modern slavery risks as shown below.

Geographical risk

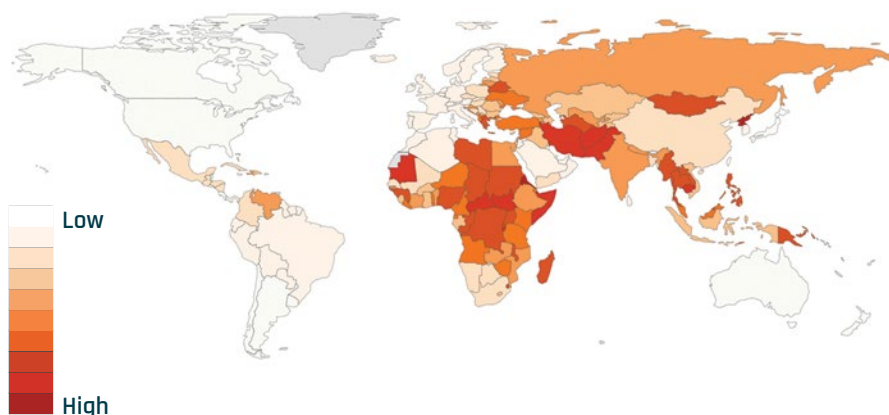
Australia has one of the lowest prevalence of modern slavery in the world with an estimated proportion living in modern slavery of 0.065% (refer to image of prevalence¹⁰). Other regions where Pilbara Minerals' suppliers operate include but are not limited to: New Zealand; Africa; Asia (incl. India); Europe; Middle East; North America; and South/Latin America.

PROCUREMENT SPEND BY LOCATION OF SUPPLIER



THE GLOBAL SLAVERY INDEX

Proportion of suppliers with activities in areas rated with a high prevalence of modern slavery = ~1%



¹⁰ <https://www.globalslaveryindex.org/2018/data/maps/#prevalence>

Industry risk

While modern slavery can occur in any industry or sector, some services and products are associated with higher prevalence of modern slavery¹¹. Through its internal processes, Pilbara Minerals identifies the higher risk services and products it procures, such as large-scale manufacturing and cleaning services.

Pilbara Minerals will continue to review and assess its suppliers by industry and region to ensure its activities are not supporting modern slavery practices.

¹¹ ACSI (2019) Modern Slavery Risks, Rights and Responsibilities

Industries in which Pilbara Minerals' suppliers operate



Accommodation, travel, and food services



Construction



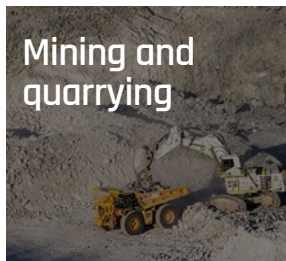
Logistics



IT services and software



Manufacturing



Mining and quarrying



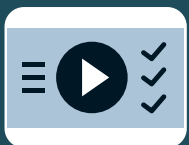
Professional and contracting services



Other

CASE STUDY

Modern slavery training



Pilbara Minerals developed and delivered modern slavery training to employees in specific internal functions, including Contracts and Procurement, Sustainability, Risk and Compliance and Management, to ensure the people working directly with its supply chain partners understood the issue, and the Company's policies and processes. The training program incorporates information on human rights and modern slavery. It is delivered as an online course allowing current employees to remain up to date with training and new employees to promptly access the training required by their role.

To date, modern slavery training has been provided to 100% of identified key employees within these functions.

Assessing Effectiveness

Pilbara Minerals is continuing to take proactive steps in identifying, and therefore reducing, any risks of modern slavery within its supply chain.

The Company is committed to being transparent throughout its business dealings. In FY22, the Company measured effectiveness in the following areas.

Operations



Communication of FY21 Modern Slavery Statement to all employees and stakeholders through multiple communications tools (e.g. Internal newsletter, intranet, email to all employees and website)

Training provided to 100% of employees identified as working within the key areas of Supply Chain and Procurement, Sustainability, Risk and Compliance

Engaging with industry associations to stay informed of risks and any events or policy changes to identify opportunities for improvements and ensure current processes remain relevant

Supply Chain



No instances of modern slavery identified within the supply chain during FY22

Updated contractual agreements to contain modern slavery obligations

Company Invitation to Tender templates updated to include requirement for provision of modern slavery information

Review and assessment of completed Modern Slavery Questionnaires

Review of 252 suppliers through the pre-qualification and annual review processes

Governance



Annual review and update of Modern Slavery Policy

Approval and sign-off of FY21 Modern Slavery Statement by Pilbara Minerals' Board

Grievance



No instances of modern slavery reported through the grievance process during FY22

Group Structure

FY2023 Modern Slavery Action Plan

Pilbara Minerals' Board is the governing body for Pilbara Minerals Limited, and all other group entities share the same governance structures and are supported by centralised functions including Legal, Finance, Contracts and Procurement, Human Resources, Risk and Compliance, Corporate Affairs, Health Safety and Environment, and Commercial. All Pilbara Minerals' group entities are governed by the same risk

management framework and corporate governance policies, including the Code of Conduct and Modern Slavery Policy.

This Statement was developed with input from the Board, Sustainability Committee, Executive Leadership Team, as well as managers and employees whose roles interface with supply chain partners and therefore have a key role in identifying modern slavery risks within Pilbara Minerals' business.

To support Pilbara Minerals ongoing incorporation of modern slavery practices into day-to-day business, the following initiatives are being developed for the FY23 reporting period.

Initiatives



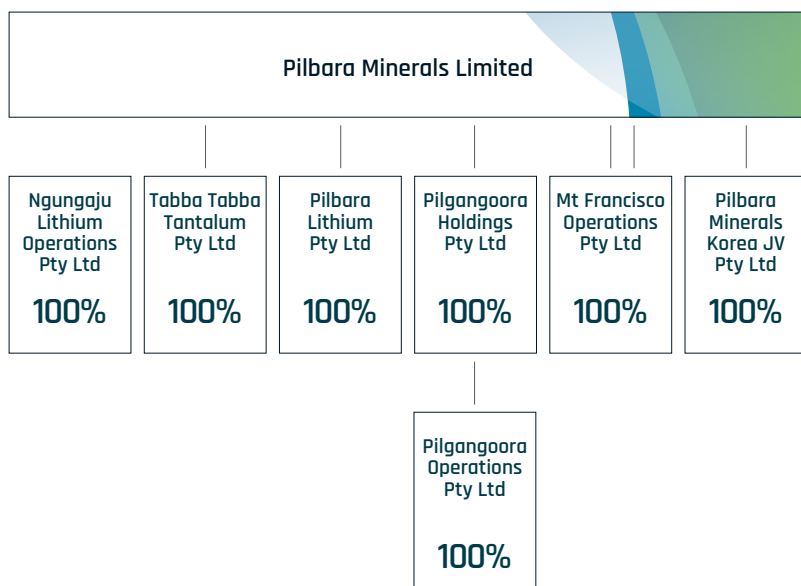
Re-evaluate current controls for modern slavery risk identification and management across all activities, operations and supply chains

Review the effectiveness of existing training and increase awareness of modern slavery amongst employees, particularly those in key procurement roles

Develop a modern slavery roadmap to guide ongoing refinement and integration of processes throughout the business

Conduct a deeper assessment of modern slavery exposure on those companies identified as having increased potential risks

GROUP STRUCTURE 01 JULY 2022



Appendix

Consultation with related entities.

The Pilbara Minerals Group comprises:

Pilbara Minerals Limited ACN 112 425 788

Tabba Tabba Tantalum Pty Ltd ACN 154 081 339

Pilbara Lithium Pty Ltd ACN 610 861 044

Pilgangoora Holdings Pty Ltd ACN 616 550 497

Pilgangoora Operations Pty Ltd ACN 616 560 395

Pilbara Minerals Korea JV Pty Ltd ACN 630 034 669

Mt Francisco Operations Pty Ltd ACN 628 475 990

Ngungaju Lithium Operations Pty Ltd ACN 095 384 491



pilbaraminerals.com.au