



# Modern Slavery Statement 2023

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## ABOUT THIS STATEMENT

### Scope of this Modern Slavery Statement

This Modern Slavery Statement (hereafter ‘Statement’) has been prepared by West African Resources Limited (the ‘Company’) and its controlled subsidiaries (‘WAF’, ‘West African’, or the ‘Group’) in accordance with the Australian Government’s *Modern Slavery Act 2018* (Cth) (hereafter the ‘Act’). The reporting period is the 2023 calendar year (1 January 2023 to 31 December 2023).

This Statement discloses information required under the Act, including section 13 describing the reporting entity and responsibilities, and section 16 on the mandatory criteria for modern slavery statements. WAF’s Sustainability Department prepared this report on behalf of the Group. Information was gathered through department specific data requests and consultations including the Human Resources and Procurement and Community Relations departments of Société des Mines de Sanbrado SA (“SOMISA”) (being the operating entity for the Sanbrado Project) and Kiaka SA (being the operating entity for the Kiaka Project with information for this report collected from May 2023, when major construction and procurement activities commenced for the Kiaka Project). Consultation focused on the Group subsidiaries that were actively developing a project or had one in operation. The other Group subsidiaries were not consulted for this Statement because their activities and supply chains in 2023 were insignificant by comparison. Due diligence processes will be implemented by these subsidiaries when and if their operational capacity increases.

The contributing departments were asked to provide information for the reporting period including:

- Describing procurement processes followed, including policies and contractual procedures;
- Providing information on suppliers and contractors;
- Reflecting on the implementation of the Modern Slavery Questionnaire and opportunities to improve this process;
- Providing information on any reports via the Whistleblower Policy and grievance mechanisms related to modern slavery or other human rights concerns; and
- Reviewing relevant WAF procedures to better reflect the Group’s commitment to reducing the risks of modern slavery in its business operations.

The following table summarises the mandatory reporting requirements and where they are addressed in this Statement. WAF’s 2023 Sustainability Report further addresses WAF’s approach to human rights management.

Section 16 criteria	Mandatory Requirement	Location in this Statement
16 (1)(a)	Identify the reporting entity	Company Structure and Operations (p4)
16 (1)(b)	Describe the structure, operations and supply chains of the reporting entity	Company Structure and Operations (p4) Supply Chain (p7)
16 (1)(c)	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities it owns or controls	Addressing Modern Slavery Risks (p9)
16 (1)(d)	Describe the actions taken to assess and address those risks, including due diligence and remediation processes	Addressing Modern Slavery Risks (p9)
16 (1)(e)	Describe how the reporting entity assesses the effectiveness of such actions	Addressing Modern Slavery Risks (p9)

Table 1 Modern Slavery Act 2018 Reporting Index		
Section 16 criteria	Mandatory Requirement	Location in this Statement
16 (1)(f)	Describe the process of consultation on the development of the Statement with any entities that the reporting entity owns or controls	About this Statement (p1)

In this Statement, the term ‘modern slavery’ refers to exploitative practices such as trafficking of people, slavery, forced labour, child labour, removal of organs and other slavery-like practices as defined by the Government of Australia.<sup>1</sup>

### Approving entity

This Statement was approved for release by West African Resources Limited’s Board of Directors on 4 June 2024.



**RICHARD HYDE**

Executive Chairman & CEO

West African Resources Limited

<sup>1</sup> Commonwealth of Australia, 2017. Hidden in Plain Sight: An inquiry into establishing a Modern Slavery Act in Australia.

## 2023 HIGHLIGHTS

- Publication of WAF's Human Rights Policy.
- Inclusion of the Modern Slavery Risk Assessment Questionnaire in ESG pre-screening for suppliers to the Kiaka Project, which commenced construction activities in 2023.
- Expanded implementation of the Modern Slavery Risk Assessment Questionnaire at SOMISA to capture new suppliers and contractors, as well as those due for contract renewal.
- Development of a Modern Slavery Factsheet for internal stakeholders and external suppliers.

## ACTIONS FOR 2024

- Targeted application of the Modern Slavery Risk Assessment Questionnaire for suppliers and contractors headquartered in high prevalence countries (as defined by the Global Slavery Index<sup>2</sup>).
- Promote awareness of WAF's position on the protection of human rights and the prevention of modern slavery.
- Development of an online portal for the storage and analysis of responses to the Modern Slavery Risk Assessment Questionnaire, to promote its use as a screening tool in the procurement process and to encourage consistency and information sharing between projects.

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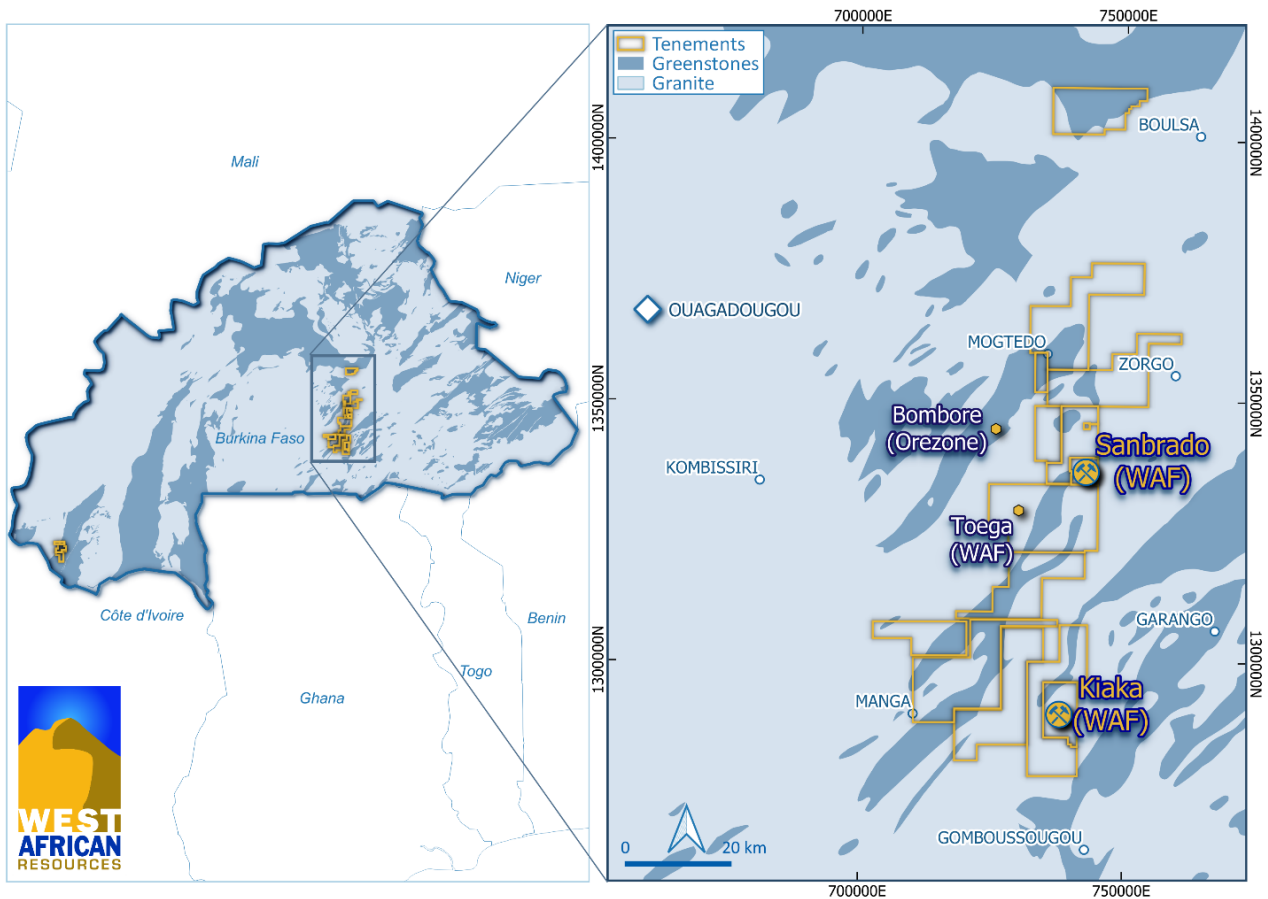
<sup>2</sup> Source: Walk Free (2023). Global Slavery Index. Online: <https://www.walkfree.org/global-slavery-index/map/#mode=data>

# 1. COMPANY STRUCTURE AND OPERATIONS

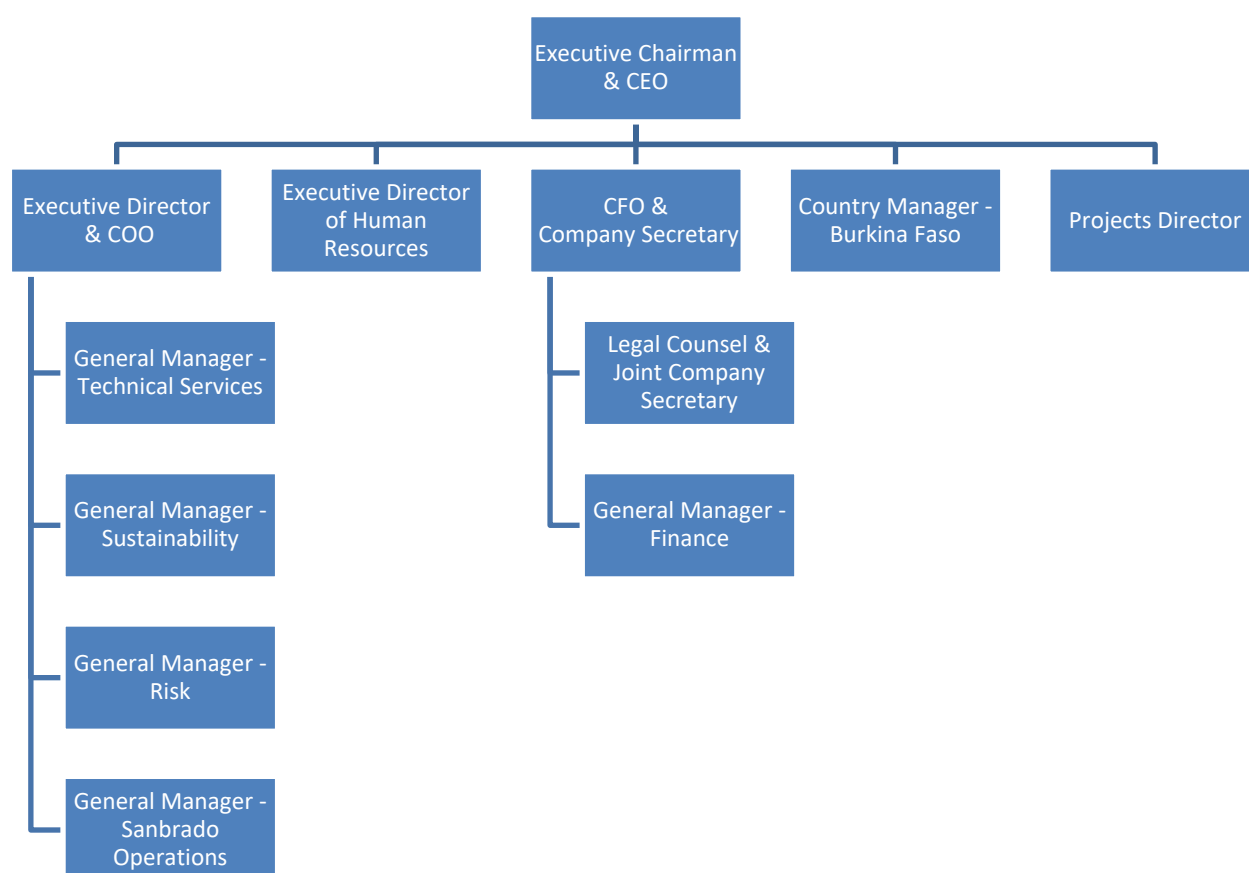
West African Resources Limited is an Australian public company, listed on the Australian Securities Exchange (ASX) under trading symbol *WAF*, with its corporate head office in Perth, Australia. The Group holds mining leases and exploration tenements in Burkina Faso via its subsidiary companies.

The Group’s flagship project is the Sanbrado Gold Mine (‘Sanbrado’) which entered into production in March 2020. In 2023, major construction works commenced on the Kiaka Gold Project, located approximately 40 km south of Sanbrado, with production expected to commence in the second half of 2025. In addition, WAF has a 1,700km<sup>2</sup> exploration land package over the prospective Markoyé Fault region in central and southern Burkina Faso.

As of 31 December 2023, WAF directly employed 844 people globally. When combined with interns and third-party contractors to fulfill specialist positions, the total workforce is around 2,100 people. The majority of employees work at WAF’s operational Sanbrado Mine, while 2023 saw significant employment growth to support the construction of the Kiaka Project. Smaller teams are based in WAF offices in Ouagadougou and Perth, and at the Toega Project site.



The Group's organisational structure and list of subsidiaries are presented below.



Entities	Country of incorporation	Ownership interest (%)
<b>Parent company</b>		
West African Resources Limited	Australia	
<b>Direct subsidiaries</b>		
WAF Finance Pty Ltd	Australia	100
Wura Resources Pty Ltd SARL	Burkina Faso	100
West African Resources Development SARL	Burkina Faso	100
Channel Resources Ltd	Canada	100
Volta II Ltd	Cayman Islands	100
<b>Indirect subsidiaries</b>		
Channel Resources (Cayman I) Ltd	Cayman Islands	100
Channel Resources (Cayman II) Ltd	Cayman Islands	100
Tanlouka SARL	Burkina Faso	100
Société des Mines de Sanbrado SA <sup>1</sup>	Burkina Faso	90
Volta Resources (Cayman) Inc.	Cayman Islands	100
Volta Properties SARL	Burkina Faso	100
Kiaka Gold SARL	Burkina Faso	100
Kiaka SA <sup>1</sup>	Burkina Faso	90

<sup>1</sup>The remaining 10% is held by the government of Burkina Faso.

## 1.1 Governance

West African Resources Limited has a corporate governance framework in place that includes the corporate governance policies, charters, and codes formally adopted by its board of directors ('the Policies'). The aim of the Policies is to ensure that WAF is effectively and ethically directed and managed, that risks are identified, monitored and assessed and that appropriate disclosures are made. The Company's board of directors holds the ultimate responsibility for setting WAF's vision and values, and ensuring the Group is aligned with international standards.

The Company's Code of Conduct<sup>3</sup>, which must be read and signed by all Group employees, specifically addresses WAF's values and commitments to protecting human rights. In addition, a global Human Rights Policy<sup>3</sup> was approved by the Company's board of directors in 2023 which sets out WAF's commitments to protecting human rights (including the prevention of slavery of all kinds), the various methods through which that policy is implemented in WAF's operations and supply chain, and ways to report suspected breaches.

"Human rights are the basic rights and freedoms to which all people are entitled, without discrimination.

The Company is committed to supporting the protection of human rights in all of our business activities, including the right to freedom of association and collective bargaining, the right to equal remuneration for equal work, and a zero-tolerance approach to modern slavery, forced labour, child labour and unlawful discrimination. This commitment is held without regard to location or function.

The Company prohibits the use of any form of slavery or forced labour in its operations, and has an expectation that business partners will also uphold the same standards. The Company has adopted the Voluntary Principles on Security and Human Rights, and continues to develop human rights policies in line with international standards and guidelines.

We aim to identify, assess and eliminate potential adverse human rights impacts in our operations and supply chain through ongoing due diligence and appropriate management."

West African Resources Limited Code of Conduct (page 7)

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<sup>3</sup> The Code of Conduct and Human Rights Policies are available on the WAF website: [www.westafricanresources.com/corporate-overview/corporate-governance/](http://www.westafricanresources.com/corporate-overview/corporate-governance/)



## 2. SUPPLY CHAIN

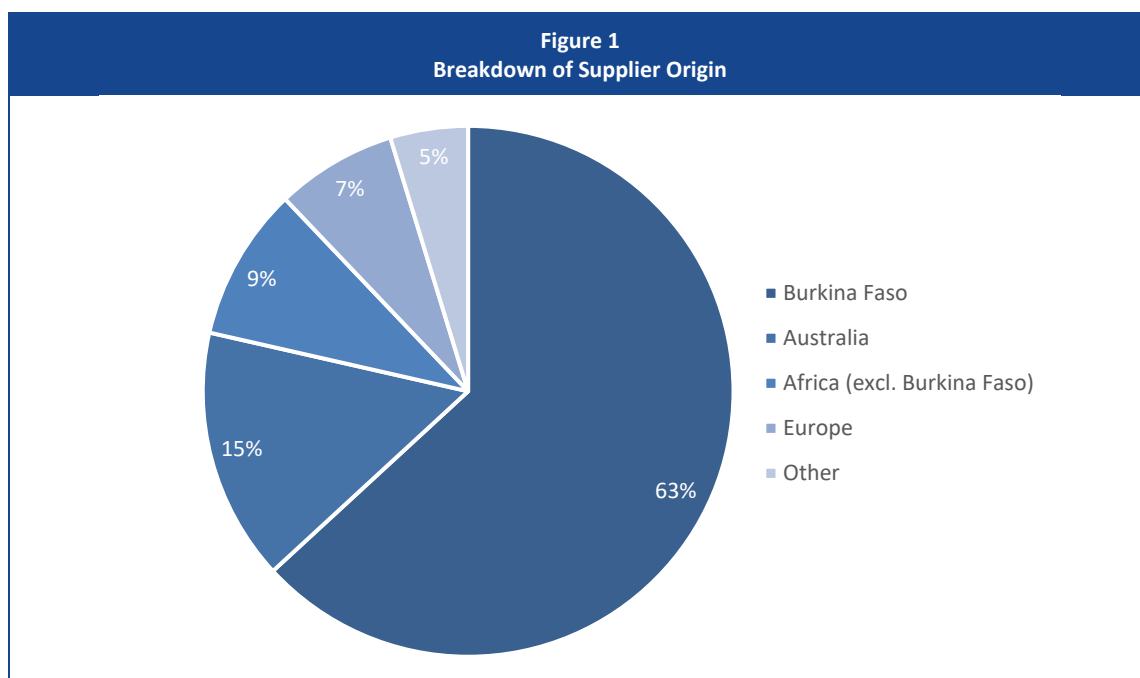
Supply chain management involves the identification and selection of suitable suppliers, arranging supplier contracts and purchase orders, and undertaking services management. The process is governed by the Company's Procurement Policy and Procedures (2020).

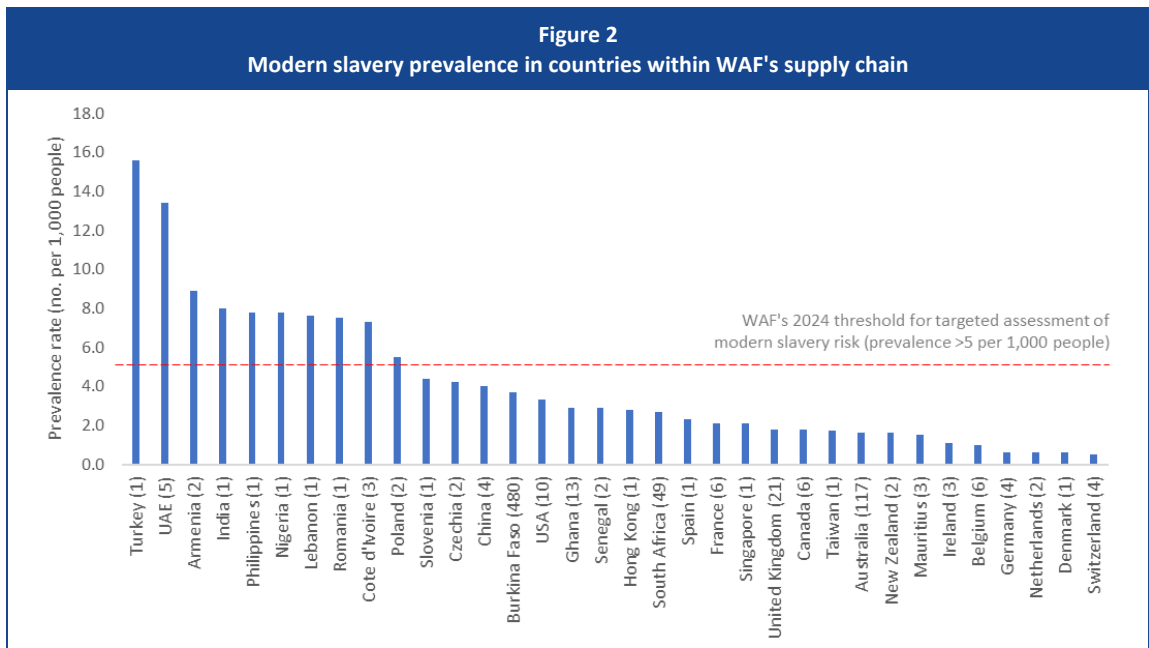
WAF's corporate head office provides governance functions and strategic direction. To support operations in Burkina Faso, a procurement team of 43 people oversees purchasing, expediting, procurement and warehouse management.

The key sectors in WAF's supply chain are:

- Parts and consumables supply;
- Equipment supply;
- Operational works services;
- Capital works services; and
- Professional and administrative services.

In 2023, WAF worked with 760 goods suppliers and service providers from 35 countries, of which 63% are from Burkina Faso (Figure 1). In reviewing the Global Slavery Index<sup>2</sup>, we identified that WAF works with a small number of suppliers and service providers headquartered in countries with a high prevalence of modern slavery (Figure 2). In 2024, WAF will engage with suppliers in countries with a prevalence rate of 5 or higher (per 1,000 people), requesting that they complete the Modern Slavery Risk Assessment Questionnaire (described in Section 3.2.3) to assess if there are potential modern slavery risks associated with their activities.





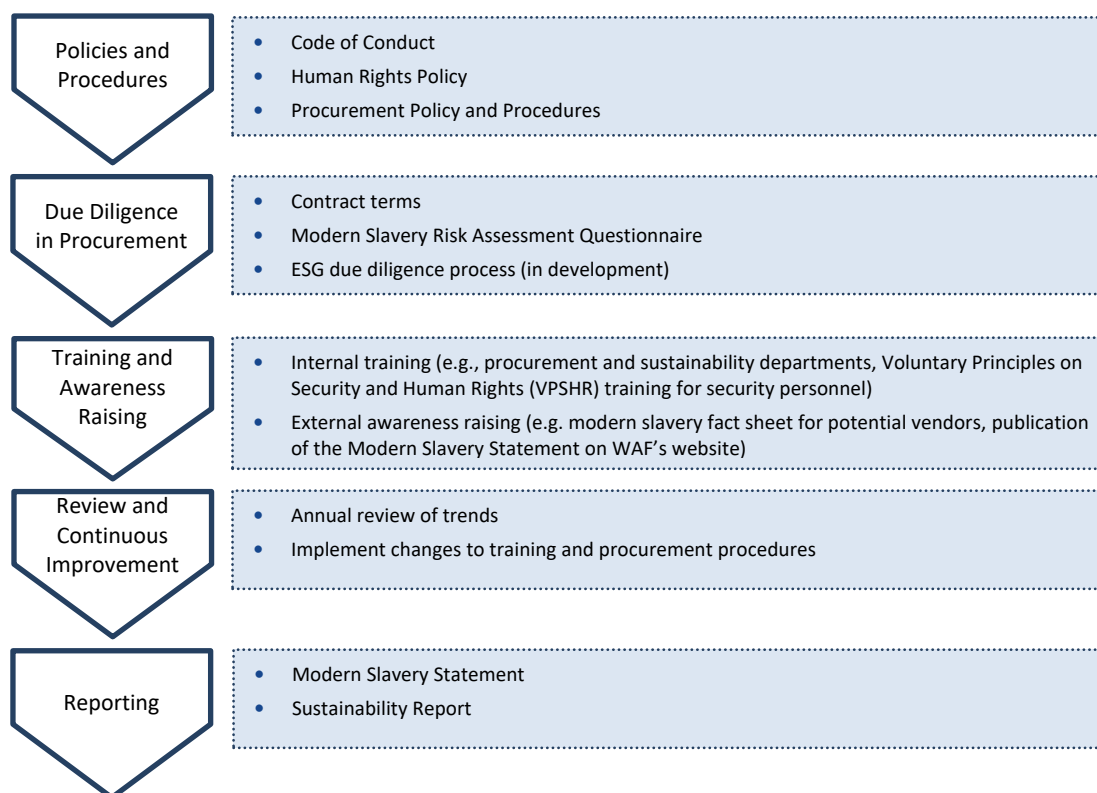
**Notes:**

1. Prevalence data was sourced from the Global Slavery Index (Walk Free, 2023).
2. Number in brackets is WAF's suppliers or service providers per country.
3. WAF has suppliers located in 35 countries. Only 34 countries are presented in Figure 2 as the Cayman Islands (and other countries with a population under 1 million) are not included in the Global Slavery Index.

### 3. ADDRESSING MODERN SLAVERY RISKS

#### 3.1 Actions to Prevent Modern Slavery

The diagram below summarises WAF's multi-faceted approach to identifying and managing modern slavery risks in its operations and supply chain, with further details provided in the following sections.



#### 3.2 Addressing Risks of Modern Slavery in WAF's Operations

In 2023, WAF published a global Human Rights Policy<sup>4</sup>, which applies to all employees of WAF and persons working for WAF under a contract or a consultancy agreement. The policy sets out WAF's commitment to comply with applicable laws and regulations of the countries in which we operate, as well as taking guidance from international standards such as the International Bill of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the Voluntary Principles on Security and Human Rights. It also affirms WAF's commitment to reject any form of slavery in its operations and supply chain, including forced, bonded, or child labour, and encourages anyone with concerns to make a report via the WAF Whistleblower Policy.

In the rural areas where WAF operates in Burkina Faso, there are a number of risk factors that can increase a person's vulnerability to modern slavery. WAF is keenly aware of these risks and takes measures to manage risks which could impact its projects and relationships with communities. The risk factors include:

- Existing/historical conflicts between local communities;
- Extreme poverty;

<sup>4</sup> The Human Rights Policy is available on the WAF website: [www.westafricanresources.com/corporate-overview/corporate-governance/](http://www.westafricanresources.com/corporate-overview/corporate-governance/)

- Artisanal and small-scale mining (ASM) activities;
- Political instability; and
- Internally displaced people (IDPs).

Each year, WAF undertakes an enterprise-level risk assessment of the Group's practices, led by the General Manager - Risk. In the 2023 review, no risks of modern slavery were identified within activities directly undertaken by WAF due to the policies and procedures implemented by our Human Resources Department. However, it is possible that modern slavery risks exist in WAF's supply chain as a result of labour practices associated with the production of goods and delivery of services used by WAF.

### **3.3 Addressing Risks of Modern Slavery in WAF's Supply Chain**

#### **3.3.1 Procurement Policy and Procedures**

Addressing modern slavery and human rights risks in the supply chain depends on employees and suppliers upholding the Group's principles. The Procurement Policy and Procedures (2020) of the Group's Burkina Faso operations specifies the ethics and sustainability mandates during the procurement process, including:

- Purchasing of goods or engagement of services must be compliant with the laws of Burkina Faso.
- All staff must uphold their responsibilities as outlined in the Code of Conduct, Human Rights Policy and the Procurement Policy and Procedures, including ethical conduct, social responsibility, transparency, auditability and accountability, and sound risk management.

#### **3.3.2 Contract Terms**

All vendor contracts include obligations related to regulatory compliance and WAF's standards, policies and procedures. Only those vendors that attest to respecting and complying with all applicable health, safety, environmental, labour and fiscal regulations and WAF policies (e.g., Code of Conduct, Human Rights Policy) are considered in the procurement process. The Procurement Policy and Procedures and contract terms are provided to vendors in English or French, as appropriate for the vendor.

#### **3.3.3 Modern Slavery Questionnaire**

In 2021, WAF developed a Modern Slavery Risk Assessment Questionnaire for contractors, based on the Government of Australia's Procurement Toolkit<sup>5</sup>. The questionnaire was developed by WAF's corporate Sustainability Department in consultation with SOMISA's Procurement Department and is available in English and French to suit the language needs of our vendors.

Completed questionnaires are reviewed alongside contractual documents. If any potential high risks are identified in the responses, these are addressed by the Commercial and Procurement Departments and, at the corporate level, by the General Managers for Sustainability and Risk.

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<sup>5</sup> Australian Government. Supplier Questionnaire – Identifying modern slavery risks. Source: [modernslaveryregister.gov.au/resources/](https://modernslaveryregister.gov.au/resources/)

In 2023, the questionnaire was supplied to SOMISA contractors and suppliers as part of contract documentation (applicable to new contracts and where existing contracts were due for renewal). A total of 32 responses were received from SOMISA vendors.

In addition, the Modern Slavery Risk Assessment Questionnaire was implemented from May 2023 as part of the procurement process for the Kiaka Project. It was delivered to potential contractors alongside an ESG pre-screening questionnaire, to enable the identification of any significant modern slavery or other ESG issues. Three responses were received, while another vendor was excused from submission having completed the questionnaire in 2022 while forming a contract with SOMISA.

### **3.4 Training and Awareness Raising**

WAF aims to build awareness of modern slavery within its workforce and with suppliers to improve their ability to identify modern slavery risks in the operations, supply chain and communities surrounding our operations in Burkina Faso. A modern slavery fact sheet was developed in 2023 for use internally with WAF's employees and externally with suppliers. This has been reviewed for language and cultural appropriateness and will be disseminated to the Procurement and Community Relations Departments for use in 2024.

### **3.5 Review and Continuous Improvement**

WAF conducts an annual review to identify any trends in modern slavery risks within its operations, operating environment and supply chain, as well as identifying opportunities to eliminate or reduce any risks identified. This analysis involves review of all responses to the Modern Slavery Risk Assessment Questionnaire, corporate and project-specific grievance registers, and any relevant reports submitted under the Whistleblower Policy. The results of this annual review are used to develop improvements to WAF's policies and practices.

In 2023, no concerns related to human rights or modern slavery were reported in the grievance registers or under the Whistleblower Policy. However, internal discussion of processes and review of responses to the questionnaire identified three areas for improvement, which will be progressed in 2024:

- Minor edits to the Modern Slavery Risk Assessment Questionnaire, due to ambiguity in the wording of a question.
- A new document storage and analysis portal will be created on the WAF intranet to improve efficient sharing and analysis of vendor responses. This will also promote consistency and efficiency for procurement teams across projects and WAF's corporate functions, minimising duplication of effort.
- Promote awareness of modern slavery internally and with suppliers, through dissemination of the modern slavery factsheet and targeted engagement with suppliers located in countries with a high prevalence of modern slavery (Figure 2) or where products or services are known to be high-risk for modern slavery and human rights infractions (e.g., private security, supply chains for batteries and electronics, textiles/clothing).

### **3.6 Remediation**

WAF is committed to preventing negative impacts on human rights in its operations. Where an issue is identified, whether within WAF operations or within the Group's supply chain, an investigation will be undertaken to document the issue and determine an agreed course of remediation. If the

investigation determines that a vendor has breached or may breach their contract conditions, WAF will initially engage and work collaboratively to raise awareness with the vendor and resolve any concerns. If this is not successful, WAF reserves the right to terminate the contract.

During the reporting period of this Statement, no modern slavery risks were identified which required remediation.