

# Environmental, Social and Governance (ESG)

Invest in New South Wales (Australia) for safe and sustainable mining and exploration

2023

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# The New South Wales advantage

New South Wales (NSW) is an established mining state, with a proven history of strong ESG protections demonstrated throughout a robust planning and approval process, supported by ESG-aligned legislation, regulation and policy by the state and federal governments.

Critical minerals and high-tech metals are set to play a leading role in pathways for global decarbonisation. With its abundant resources and strong environmental, social and governance (ESG) credentials, NSW provides competitive opportunities for critical minerals and high-tech metals projects.

## A destination with globally significant deposits of critical minerals and high-tech metals

NSW is highly prospective for globally significant deposits of critical minerals and high-tech metals including copper, silver, cobalt, scandium, rare earth elements, titanium, zirconium and antimony. These favourable geological conditions, supported by pre-competitive data for exploration within a low-risk operating environment, position NSW as a sustainable critical minerals and high-tech metals supplier for global clean energy needs.



Environmental, Social and Governance integration in the development pathway

NSW understands the importance of integrating strong ESG protections and continues to be a choice for long-term investments in an evolving ESG market.

Best practice ESG assessment methods consider climate change risk and actions, biodiversity protection and conservation, inclusivity and Indigenous rights, human rights and labour protections and water stewardship.

An independent review of the NSW ESG credentials shows the state’s regulatory processes align with international leading-practice frameworks.

Compliance with applicable performance expectations at a state and/or national level included:

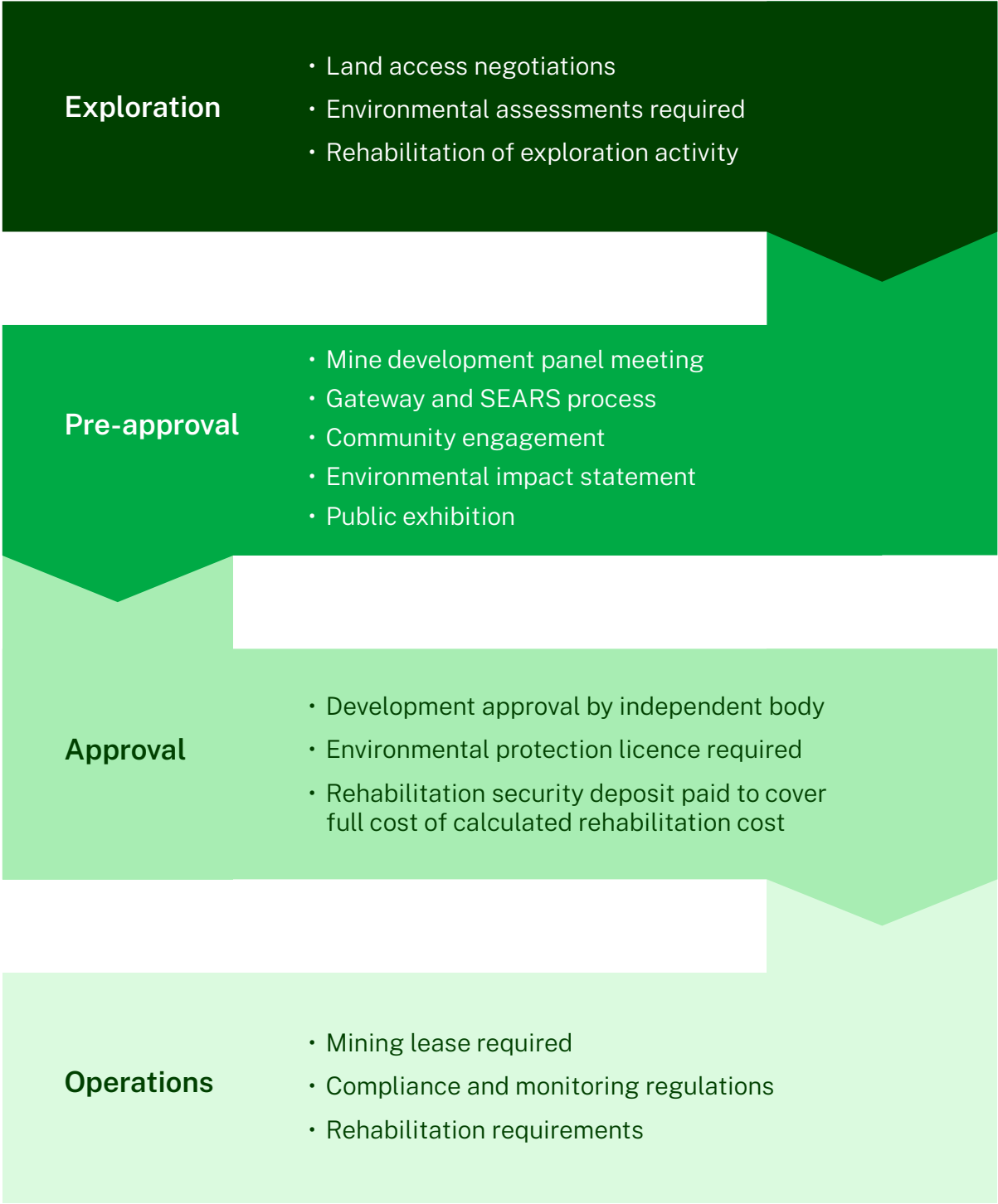
- 97% compliance with applicable International Council on Mining and Metals (ICMM) performance expectations
- 100% compliance with the Initiative of Responsible Mining Assurance (IRMA) performance expectations.



## ESG integrated throughout the approval framework and operations

The NSW legislative framework reflects ESG-responsive processes, commencing from early-stage exploration through to development and decommissioning. The NSW development approvals process involves in-depth environment and social planning assessments that identify and address key environmental and social risks, within a strong compliance and disclosure regime.

NSW has established policies and processes to identify and address matters across the ESG spectrum.





# Operational stability

Once established, a mine in NSW is required to adhere to the legislative and regulatory framework that prioritises ethical and sustainable mining.

NSW provides a stable socio-political environment, high-quality human rights and corporate governance mechanisms to prevent exploitation or corruption.

NSW is committed to assist industry to comply with global ESG standards and guidelines.

## New South Wales operating environment

## Legislation and factors demonstrating NSW and Australian ESG responsiveness

### Strong policy frameworks for carbon-optimised economy

- NSW Climate Action Net Zero Plan
- *Commonwealth Climate Change Act 2022*

### Strong legal frameworks for responsible business conduct

- *Environmental Planning and Assessment Act 1979*
- *Protection of the Environment Operations Act 1997*
- *Mining Act 1992*
- *Work Health and Safety Act 2011*
- *Work Health and Safety (Mines and Petroleum Sites) Act 2013*
- *NSW Modern Slavery Act 2018*

### Strong national legal frameworks

- Nature Positive Plan
- Australian Prudential Regulation Authority
- Australian Securities Exchange (ASX) corporate governance principles
- Principles for responsible investment
- *Commonwealth Modern Slavery Act 2018*
- *Environmental Protection and Biodiversity Act 1999*
- National Employment Standards
- Human Rights Commission

### Industry associations requiring ESG compliance

- NSW Minerals Council
- Minerals Council of Australia

### Strong civil society and journalistic freedom

- Involving public participation
- Strong labour laws
- No civil disruption or armed conflict
- Strong anti-discrimination laws and practices

# NSW Resources Regulator

The NSW Government has established a strong regulator that takes decisive action to ensure the integrity of the industry and those who operate within it. The NSW Resources Regulator is responsible for regulating compliance with the *Work Health and Safety (Mines and Petroleum Sites) Act 2013* and *Mining Act 1992*, including rehabilitation requirements and ensuring it is carried out as soon as reasonably practicable and that it achieves the approved rehabilitation objectives.

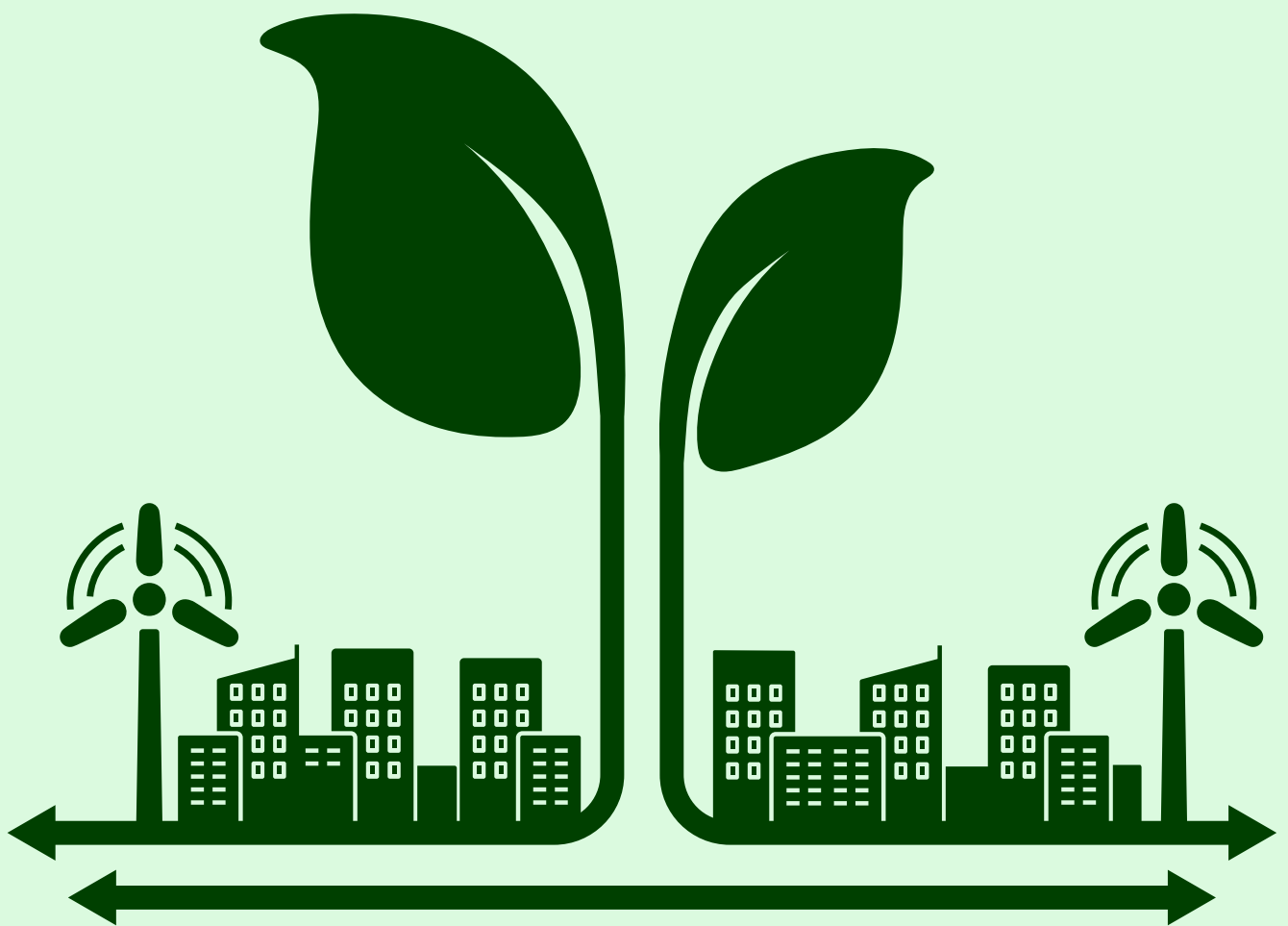
The regulator has powers under the *Mining Act 1992* to direct a former title holder to complete rehabilitation works even after the title has been relinquished. The existence of a specialist regulator for mining in NSW acknowledges the NSW Government's understanding and commitment to the highly technical aspects of NSW's modern mining sector.

For more information visit [resourcesregulator.nsw.gov.au/rehabilitation](https://resourcesregulator.nsw.gov.au/rehabilitation)



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# Assessment of NSW against Global Standards



# International Council on Mining and Metals (ICMM) performance expectations

International Council on Mining and Metals (ICMM’s) Mining Principles define the good practice environmental, social and governance requirements through a comprehensive set of 39 Performance Expectations on a number of critical industry challenges such as labour rights, resettlement, gender, access to grievance mechanisms, mine closure, pollution and waste.

## Assessment of NSW and Australian Legislative and Policy Response to ICMM Mining Principals

| ICMM Principles                                                                                                                                     | ICMM Performance Expectations                                                                                                                                                                                            | Met |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 01 Ethical Business -Apply ethical business practices and sound systems of corporate governance and transparency to support sustainable development | 1.1 Establish systems to maintain compliance with applicable law.                                                                                                                                                        | Yes |
|                                                                                                                                                     | 1.2 Implement policies and practices to prevent bribery, corruption and to publicly disclose facilitation payments.                                                                                                      | Yes |
|                                                                                                                                                     | 1.3 Implement policies and standards consistent with the ICMM policy framework.                                                                                                                                          | Yes |
|                                                                                                                                                     | 1.4 Assign accountability for sustainability performance at the Board and/or Executive Committee level.                                                                                                                  | Yes |
|                                                                                                                                                     | 1.5 Disclose the value and beneficiaries of financial and in-kind political contributions whether directly or through an intermediary.                                                                                   | Yes |
| 02 Decision Making -Integrate sustainable development in corporate strategy and decision-making processes.                                          | 2.1 Integrate sustainable development principles into corporate strategy and decision-making processes relating to investments and in the design, operation and closure of facilities.                                   | Yes |
|                                                                                                                                                     | 2.2 Support the adoption of responsible physical and psychological health and safety, environmental, human rights and labour policies and practices by joint venture partners, suppliers and contractors, based on risk. | Yes |



|                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                |     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 03 Human rights - Respect human rights and the interests, cultures, customs and values of workers and communities affected by our activities                   | 3.1 – Support the UN Guiding Principles on Business and Human Rights by developing a policy commitment to respect human rights, undertaking human rights due diligence and providing for or cooperating in processes to enable the remediation of adverse human rights impacts that members have caused or contributed to.                                     | Yes |
|                                                                                                                                                                | 3.2 – Avoid the involuntary physical or economic displacement of families and communities. Where this is not possible apply the mitigation hierarchy and implement actions or remedies that address residual adverse effects to restore or improve livelihoods and standards of living of displaced people.                                                    | Yes |
|                                                                                                                                                                | 3.3 – Implement, based on risk, a human rights and security approach consistent with the Voluntary Principles on Security and Human Rights.                                                                                                                                                                                                                    | Yes |
|                                                                                                                                                                | 3.4 – Respect the rights of workers by: not employing child or forced labour; avoiding human trafficking; not assigning hazardous/dangerous work to those under 18; eliminating all forms of harassment and discrimination; respecting freedom of association and collective bargaining; and providing an appropriate mechanism to address workers grievances. | Yes |
|                                                                                                                                                                | 3.5 - Equitably remunerate employees with wages that equal or exceed legal requirements or represent a competitive wage within that job market (whichever is higher) and assign regular and overtime working hours within legally required limits.                                                                                                             | Yes |
|                                                                                                                                                                | 3.6 – Respect the rights, interests, aspirations, culture and natural resource-based livelihoods of Indigenous Peoples in project design, development and operation; apply the mitigation hierarchy to address adverse impacts; and deliver sustainable benefits for Indigenous Peoples.                                                                       | Yes |
|                                                                                                                                                                | 3.7 – Work to obtain the free, prior and informed consent of Indigenous Peoples where significant adverse impacts are likely to occur, as a result of relocation, disturbance of lands and territories or of critical cultural heritage, and capture the outcomes of engagement and consent processes in agreements.                                           | Yes |
|                                                                                                                                                                | 3.8 – Implement policies and practices to respect the rights and interests of women that reflect gender-informed approaches to work practices and job design, and that protect against all forms of discrimination and harassment, and behaviours that adversely impact on women’s successful participation in the workplace.                                  | Yes |
|                                                                                                                                                                | 3.9 – Implement policies and practices to respect the rights and interests of all workers and improve workforce representation in the workplace so it is more inclusive.                                                                                                                                                                                       | Yes |
| 04 Risk Management - Implement effective risk-management strategies and systems based on sound science, and which account for stakeholder perceptions of risk. | 4.1 – Assess environmental and social risks and opportunities of new projects and of significant changes to existing operations in consultation with interested and affected stakeholders, and publicly disclose assessment results.                                                                                                                           | Yes |
|                                                                                                                                                                | 4.2 – Undertake risk-based due diligence on conflict and human rights that aligns with the OECD Due Diligence Guidance on Conflict-Affected and High-Risk Areas, when operating in, or sourcing from, a conflict-affected or high-risk area.                                                                                                                   | Yes |
|                                                                                                                                                                | 4.3 – Implement risk-based controls to avoid/prevent, minimise, mitigate and/or remedy physical and psychological health, safety and environmental impacts to workers, local communities, cultural heritage and the natural environment, based upon a recognised international standard or management system.                                                  | Yes |
|                                                                                                                                                                | 4.4 – Develop, maintain and test emergency response plans. Where risks to external stakeholders are significant, this should be in collaboration with potentially affected stakeholders and consistent with established industry good practice.                                                                                                                | Yes |

|                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                          |     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 05 Health and Safety<br>-Pursue continual improvement in physical and psychological health and safety performance with the ultimate goal of zero harm.                                  | 5.1-Implement practices aimed at continually improving workplace physical and psychological health and safety, and monitor performance for the elimination of workplace fatalities, serious injuries, psychosocial hazards and prevention of occupational diseases, based upon a recognised international standard or management system. | Yes |
|                                                                                                                                                                                         | 5.2-Provide workers with training in accordance with their responsibilities for physical and psychological health and safety and implement health surveillance and risk-based monitoring programmes based on occupational exposures.                                                                                                     | Yes |
| 06 Environmental performance-Pursue continual improvement in environmental performance issues, such as water stewardship, energy use and climate change.                                | 6.1-Plan and design for closure in consultation with relevant authorities and stakeholders, implement measures to address closure-related environmental and social aspects, and make financial provision to enable agreed closure and post-closure commitments to be realised.                                                           | Yes |
|                                                                                                                                                                                         | 6.2-Implement water stewardship practices that provide for strong and transparent water governance, effective and efficient management of water at operations, and collaboration with stakeholders at a catchment level to achieve responsible and sustainable water use.                                                                | Yes |
|                                                                                                                                                                                         | 6.3-Design, construct, operate, monitor and decommission tailings disposal/storage facilities using comprehensive, risk-based management and governance practices in line with internationally recognised good practice, to minimise the risk of catastrophic failure.                                                                   | Yes |
|                                                                                                                                                                                         | 6.4-Apply the mitigation hierarchy to prevent pollution, manage releases and waste, and address potential impacts on human health and the environment.                                                                                                                                                                                   | Yes |
|                                                                                                                                                                                         | 6.5-Implement measures to improve energy efficiency and contribute to a low-carbon future, and report the outcomes based on internationally recognised protocols for measuring CO2 equivalent (GHG) emissions.                                                                                                                           | Yes |
| 07 Conservation of Biodiversity-Contribute to the conservation of biodiversity and integrated approaches to land-use planning.                                                          | 7.1-Neither explore nor develop new mines in World Heritage sites, respect legally designated protected areas, and design and operate any new operations or changes to existing operations to be compatible with the value for which such areas were designated.                                                                         | Yes |
|                                                                                                                                                                                         | 7.2-Assess and address risks and impacts to biodiversity and ecosystem services by implementing the mitigation hierarchy, with the ambition of achieving no-net-loss of biodiversity.                                                                                                                                                    | Yes |
| 08 Responsible Production-Facilitate and support the knowledge-base and systems for responsible design, use, re-use, recycling and disposal of products containing metals and minerals. | 8.1-In project design, operation and de-commissioning, implement cost-effective measures for the recovery, re-use or recycling of energy, natural resources, and materials.                                                                                                                                                              | Yes |
|                                                                                                                                                                                         | 8.2-Assess the hazards of the products of mining according to UN Globally Harmonised System of Hazard Classification and Labelling or equivalent relevant regulatory systems and communicate through safety data sheets and labelling as appropriate.                                                                                    | Yes |

|                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                   |                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| 09 Social Performance<br>-Pursue continual improvement in social performance and contribute to the social, economic and institutional development of host countries and communities.                                            | 9.1-Implement inclusive approaches with local communities to identify their development priorities and support activities that contribute to their lasting social and economic wellbeing, in partnership with government, civil society and development agencies, as appropriate. | Yes                     |
|                                                                                                                                                                                                                                 | 9.2-Enable access by local enterprises to procurement and contracting opportunities across the project life cycle, both directly and by encouraging larger contractors and suppliers, and by supporting initiatives to enhance economic opportunities for local communities.      | Yes                     |
|                                                                                                                                                                                                                                 | 9.3-Conduct stakeholder engagement based upon an analysis of the local context and provide local stakeholders with access to appropriate and effective mechanisms for seeking resolution of grievances related to the company and its activities.                                 | Yes                     |
|                                                                                                                                                                                                                                 | 9.4-Collaborate with government, where appropriate, to support improvements in environmental and social practices of local Artisanal and Small-scale Mining (ASM)2.                                                                                                               | Yes                     |
| 10 Stakeholder engagement -Proactively engage key stakeholders on sustainable development challenges and opportunities in an open and transparent manner, effectively report and independently verify progress and performance. | 10.1-Identify and engage with key corporate-level external stakeholders on sustainable development issues in an open and transparent manner.                                                                                                                                      | Yes                     |
|                                                                                                                                                                                                                                 | 10.2-Publicly support the implementation of the Extractive Industries Transparency Initiative (EITI) and compile information on all material payments, at the appropriate levels of government, by country and by project.                                                        | No                      |
|                                                                                                                                                                                                                                 | 10.3-Report annually on economic, social and environmental performance at the corporate level using the GRI Sustainability Reporting Standards.                                                                                                                                   | N/A<br>Company specific |
|                                                                                                                                                                                                                                 | 10.4-Each year, conduct independent assurance of sustainability performance following the ICMM guidance on assuring and verifying membership requirements.                                                                                                                        | N/A<br>Company specific |



# Initiative for Responsible Mining Assurance (IRMA)

The Initiative for Responsible Mining Assurance (IRMA) Standard for Responsible Mining is a comprehensive and rigorous definition of best practice and specifies a set of objectives within four overarching principles for environmentally and socially responsible practice.

## Assessment of NSW and Australian Legislative and Policy Response to IRMA Standards

| IRMA Principles                               | IRMA Standard principles and objective                        | Met |
|-----------------------------------------------|---------------------------------------------------------------|-----|
| 1–Business Integrity                          | 1.1–Legal Compliance                                          | Yes |
|                                               | 1.2–Community and Stakeholder Engagement                      | Yes |
|                                               | 1.3–Human Rights Due Diligence                                | Yes |
|                                               | 1.4–Complaints and Grievance Mechanism and Access to Remedy   | Yes |
|                                               | 1.5–Revenue and Payments Transparency                         | Yes |
| 2–Planning and Managing for Positive Legacies | 2.1–Environmental and Social Impact Assessment and Management | Yes |
|                                               | 2.2–Free, Prior and Informed Consent (FPIC)                   | Yes |
|                                               | 2.3–Obtaining Community Support and Delivering Benefits       | Yes |
|                                               | 2.4–Resettlement                                              | Yes |
|                                               | 2.5–Emergency Preparedness and Response                       | Yes |
|                                               | 2.6–Planning and Financing Reclamation and Closure            | Yes |
| 3–Social Responsibility                       | 3.1–Fair Labour and Terms of Work                             | Yes |
|                                               | 3.2–Occupational Health and Safety                            | Yes |
|                                               | 3.3–Community Health and Safety                               | Yes |
|                                               | 3.4–Mining and Conflict-Affected High-Risk Areas              | Yes |
|                                               | 3.5–Security Arrangements                                     | Yes |
|                                               | 3.6–Artisanal and Small-Scale Mining                          | Yes |
|                                               | 3.7–Cultural Heritage                                         | Yes |
| 4–Environmental Responsibility                | 4.1–Waste and Materials Management                            | Yes |
|                                               | 4.2–Water Management                                          | Yes |
|                                               | 4.3–Air Quality                                               | Yes |
|                                               | 4.4–Noise and Vibration                                       | Yes |
|                                               | 4.5–Greenhouse Gas Emissions                                  | Yes |
|                                               | 4.6–Biodiversity, Ecosystem Services and Protected Areas      | Yes |
|                                               | 4.7–Cyanide Management                                        | Yes |
|                                               | 4.8–Mercury Management                                        | Yes |



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