

# MODERN SLAVERY POLICY

## Table of Contents

1. Purpose .....	2
2. Key Principles.....	2
3. Applicability .....	2
4. Modern Slavery Commitments.....	3
5. Training and Communication.....	4
6. Reporting Concerns .....	4
7. Compliance Breaches.....	5
8. Administration.....	5
Appendix 1 .....	6

## 1. Purpose

- 1.1 At Heathgate Resources Pty Ltd (**Heathgate**) we stand against modern slavery. The purpose of this Modern Slavery Policy is to:
- (a) set out Heathgate's commitments and expectations in relation to addressing modern slavery risks in Heathgate's operations and supply chains;
  - (b) ensure Heathgate Employees (as defined in paragraph 3.1 of this Policy) and suppliers are aware of and comply with those commitments and expectations; and
  - (c) encourage and support Employees and suppliers to identify and report any modern slavery concerns in relation to Heathgate's operations and supply chains.

## 2. Key Principles

- 2.1 The *Modern Slavery Act 2018* (Cth) requires Heathgate and its affiliate, Quasar Resources Ptd Ltd (**Quasar**), submit an annual public statement (**Modern Slavery Statement**) on actions to address modern slavery risks in operations and supply chains. This Policy applies equally to Quasar as it does to Heathgate, and all references herein to Heathgate shall be read to also apply equally to Quasar.

### What is modern slavery?

- 2.2 Modern slavery is an umbrella term used to describe situations where coercion, threats or deception are used to exploit people and undermine or deprive them of their freedom. It encompasses eight types of very serious exploitation: trafficking in persons; slavery; servitude; forced labour; forced marriage; debt bondage; the worst forms of child labour; deceptive recruiting for labour or services. While it does not include practices like substandard working conditions or underpayment of workers, these practices are also illegal and harmful and may be present in some situations of modern slavery.
- 2.3 Modern slavery is criminal conduct and constitutes offences under Australian law. It is also against the law of many countries worldwide. It can occur in operations and supply chains in every industry and sector. Some common 'red flags' that may indicate modern slavery concerns are set out in Appendix 1.
- 2.4 More detail on the types of modern slavery is available in Guidance from the Department of Home Affairs available at: <https://www.homeaffairs.gov.au/criminal-justice/files/modern-slavery-reporting-entities.pdf>

## 3. Applicability

- 3.1 This Modern Slavery Policy applies to Heathgate and all Employees (which means, for the purpose of this Policy, all directors, officers, employees and contractors of Heathgate).
- 3.2 Heathgate expects anyone who has, or seeks to have, a business relationship with Heathgate or to work for or on behalf of Heathgate (including agents, contractors, consultants and any other third-party representative) to familiarise themselves with this Policy and to act in a way that is consistent with Heathgate's modern slavery commitments.

3.3 In relation to Heathgate's suppliers in particular:

- Heathgate expects that its suppliers have and comply with policies and procedures to identify and mitigate the risk of modern slavery within their own operations and supply chains;
- Heathgate may request copies of a supplier's modern slavery policies and procedures;
- where Heathgate identifies that a supplier does not have policies or procedures addressing modern slavery, or identifies that those policies and procedures are inadequate, Heathgate expects suppliers to comply with this Policy and this Policy applies to such suppliers; and
- Heathgate will take such steps as are open to it to require that any such suppliers make and comply with the commitments set out in this Policy, including as set out in paragraph 4.3 of this Policy.

## 4. Modern Slavery Commitments

4.1 Heathgate recognises that modern slavery risks may exist within Heathgate's operations and supply chains and is committed to:

- complying with all local, national and other applicable laws and regulations that apply to Heathgate;
- taking steps and working with its suppliers to identify and mitigate the risk of modern slavery within its operations and supply chains;
- conducting business in a way that avoids causing or contributing to modern slavery; and
- ensuring its Employees and suppliers are aware of Heathgate's Modern Slavery Policy and encouraging Employees and suppliers to report any modern slavery concerns.

4.2 Heathgate is committed to ensuring the health, safety and wellbeing of its Employees and maintains a suite of policies that are informed by and compliant with Australian workplace and occupational health and safety laws.

### Procurement

4.3 Heathgate will, as far as practicable and where appropriate:

- include in its supplier contract terms, requirements that suppliers will comply with the following (**Heathgate's Minimum Supplier Standards**):
  - all local, national and other applicable laws and regulations in the areas in which they operate; and
  - this Policy and the supplier's own equivalent policies, procedures, code or standards;

- require each supplier to acknowledge that they will comply with Heathgate's Minimum Supplier Standards prior to that supplier being engaged;
  - ensure supply contract terms provide Heathgate with a right of termination if the supplier is unable or unwilling to, or does not, comply with Heathgate's Minimum Supplier Standards; and
  - seek to monitor suppliers for compliance with the Heathgate Minimum Supplier Standards through supplier assessment processes, which take into account relevant risk factors such as country risk and product risk.
- 4.4 The steps set out in paragraph 4.3 above may be appropriate especially if Heathgate identifies modern slavery 'red flags' as part of its risk assessment and due diligence processes in relation to a supplier (paragraphs 4.5 and 4.6).

### **Due diligence and risk assessment**

- 4.5 Modern slavery considerations will be included, where appropriate, as part of Heathgate's due diligence and risk assessment processes, including when commencing activities in new countries or industry sectors, entering new business relationships or investments or engaging new suppliers.
- 4.6 Heathgate will take a risk based approach in accordance with its processes and procedures to deciding what level of due diligence is required to understand, assess and address potential modern slavery practices associated with countries, industry sectors, business relationships, investments and suppliers. A more in-depth due diligence will be conducted if initial inquiries identify any modern slavery 'red flags' (see Appendix 1).

## **5. Training and Communication**

- 5.1 Heathgate is committed to building awareness among its Employees in relation to modern slavery related matters, including this Policy and how to report modern slavery concerns. Heathgate Employees responsible for procurement and supplier relationships will be provided with training on how to implement the commitments in this Policy in their roles.
- 5.2 A copy of this Policy will be made available to all Employees and suppliers.

## **6. Reporting Concerns**

- 6.1 Modern slavery is often hidden, meaning it can be difficult to identify and report. It is important to respond in a way that is safe, ethical and respects the dignity and rights of the person at risk or affected by modern slavery practices.
- 6.2 Heathgate encourages all Employees and suppliers to report any concerns relating to modern slavery matters, without fear of detrimental treatment, to:
- the Chief Human Resources Officer or the Chief Financial Officer;
  - (for suppliers) your contact at Heathgate; or
  - in accordance with the Heathgate Whistleblower Policy.

## 7. Compliance Breaches

- 7.1 Should Heathgate become aware of breaches of this Policy or concerns about potential modern slavery violations, including in relation to Heathgate's operations or supply chain, Heathgate will take appropriate action in a timely manner. Heathgate will have regard to relevant industry and Australian guidance when determining what remediation actions are appropriate. Remediation steps may include notification to regulators or law enforcement, engaging with relevant parties to promote good practice or avoiding or exiting a business relationship.

## 8. Administration

### Review and Updates

- 8.1 The Policy owner (Chief Human Resources Officer) will review and update this Policy document as required to maintain currency.

### Related Policy Documents

- 8.2 Code of Conduct Policy, Equal Opportunities and Diversity Policy, Whistleblower Policy, Work Health and Safety Policy, Workplace Behaviour Policy

### Published

- 8.3 This policy is published on Heathgate's website and intranet.

### Policy

- 8.4 In the absence of express provision to the contrary, this Policy is not a term of any contract, including any contract of employment and does not impose any contractual duties, implied or otherwise, on Heathgate. This Policy may be varied by Heathgate from time to time.

<b>Signature</b>	<u>Craig S Bartels</u> President or Delegate	<b>Date</b>	<u>7<sup>th</sup> December 2021</u>
<b>Name</b>	<u>Craig S Bartels</u>		

## Appendix 1

The following is a non-exhaustive list of modern slavery 'red flags'.

- A supplier's workforce comprises predominately, or a large number of, vulnerable workers (including migrants, minorities, illiterate labourers, homeworkers, temporary workers, poor workers, women and children), and:
  - there is evidence of workers working excessive overtime;
  - workers are required to pay a 'recruitment fee';
  - the supplier makes use of recruitment agents or brokers or other intermediaries through which the workers are employed;
  - the supplier has no grievance or complaints mechanisms;
  - workers are paid cash in hand or 'off the books';
  - the supplier has no clear record of hours worked or rates of pay;
  - there is an absence of labour unions, or membership of labour unions;
  - workers are housed on-site in dormitories or other accommodation;
  - workers live or work in poor conditions;
  - there is a high rate of workplace injuries or fatalities;
  - workers show signs of mistreatment (such as injuries, disfigurement, impairment, disablement or malnutrition); or
  - workers depend on the supplier (or recruitment agent) for basic needs, such as food, accommodation or access to health services.
- The supplier routinely retains workers' passports or other travel documents.
- The supplier makes use of prison labour in the production of goods.
- The supplier has been the subject of complaints, reports, investigations, prosecutions or convictions relating to modern slavery (including debt bondage, worker exploitation and mistreatment, sexual harassment or abuse, and use of child labour).
- The supplier produces or sources goods in higher risk jurisdictions and has inadequate or no modern slavery policies or controls.
- The supplier has a demonstrated attitude of disregard towards workers' rights and modern slavery issues.