22 December 2023

PILBARA MINERALS' 2023 MODERN SLAVERY STATEMENT

Australian lithium producer Pilbara Minerals Limited (ASX: PLS) (**Pilbara Minerals or the Company**) is pleased to release its Modern Slavery Statement for the 2023 financial year (**the Statement**). The Statement represents the Company's fourth statement and its third mandated under the Australian *Modern Slavery Act of 2018* (Cth), underscoring Pilbara Minerals' commitment to addressing modern slavery risks within its operations and supply chains.

Managing Director Dale Henderson said, "*Meaningful action on issues such as modern slavery is part of achieving our purpose to make a difference in the world. We have a strong and ongoing commitment to respecting global human rights*."

During the 2023 financial year, Pilbara Minerals took significant steps towards mitigating modern slavery risks within its operations and supply chains and support human rights. These steps involved actions to strengthen the identification and assessment of modern slavery risks within its operations and supply chain, and included:

- Enhanced supplier assessment processes.
- Commenced the implementation of a vendor management system.
- Training of employees to increase awareness within the Company.
- Development and implementation of a three-year modern slavery action plan.

To support the ongoing commitment to respecting global human rights, Pilbara Minerals adopted a Human Rights Policy which is available on the Company's website.

Full details can be found in the Statement available on Pilbara Minerals' website.

Release authorised by Dale Henderson, Pilbara Minerals Limited's Managing Director and CEO.

Contact

Investors / shareholders
James Fuller
T: +61 (0) 488 093 763
E: james.fuller@pilbaraminerals.com.au

Media
Michael Vaughan
Fivemark Partners
T: +61 (0) 422 602 720

About Pilbara Minerals

Pilbara Minerals is the leading ASX-listed lithium company, owning 100% of the world's largest, independent hard-rock lithium operation. Located in Western Australia's resource rich Pilbara region, the Pilgangoora Operation produces spodumene and tantalite concentrates. The significant scale and quality of the operation has attracted a consortium of high quality, global partners including Ganfeng Lithium, General Lithium, POSCO, and Yibin Tianyi.

Important Information

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein.

Pilbara Minerals

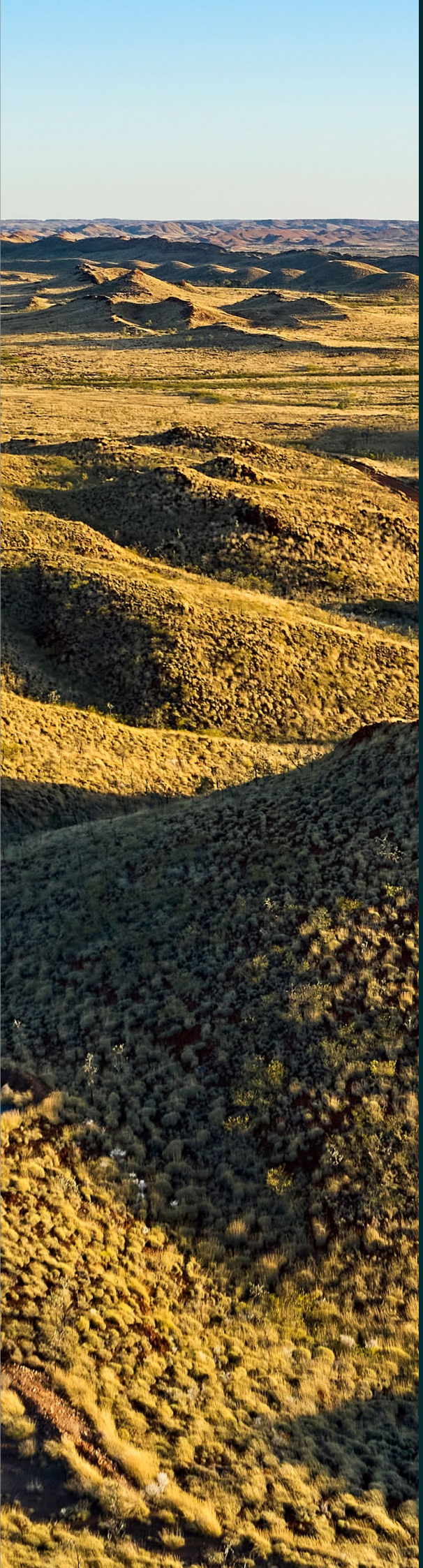
Modern Slavery Statement 2023

Powering a sustainable energy future

Pilbara Minerals

Acknowledgement of Country

Pilbara Minerals respectfully acknowledges the Nyamal People and Kariyarra People of the Pilbara region in which the Pilgangoora Operation 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 and present for they hold the memories, the traditions, the culture and hopes of the Nyamal, Kariyarra and Whadjuk Noongar Peoples.



Pilbara Minerals
Modern Slavery Statement
2023

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CEO Message

Pilbara Minerals recognises the urgent challenge of combatting modern slavery in today's world.

Meaningful action on issues such as modern slavery is part of achieving our purpose to make a difference in the world.

We have a strong and ongoing commitment to respecting global human rights – the right to life and liberty, freedom from slavery, freedom of opinion, and the right to work and to an education. These are basic rights that every person across the world should be afforded.

As the world's largest independent hard-rock lithium mining company, we engage with more than 800 suppliers locally, nationally and internationally. We also supply our product to customers who represent some of the largest battery materials companies in the world. It's not only our responsibility to ensure our human rights practices meet widely recognised standards, but our responsibility to influence this outcome within our supply and value chains.

The following Statement outlines our actions towards mitigating modern slavery and supporting human rights. We are dedicated to a journey of continuous improvement through our governance mechanisms, expanding internal training, engaging our supply chain and increasing awareness of modern slavery risks. In the 2023 Financial Year (FY23), we made major strides in this area by improving supplier assessments, initiating the implementation of a vendor management system, implementing a human rights policy and building awareness within the Company through training.

Looking ahead, we are committed to continuing to work with our supply chain to increase our understanding of modern slavery risks. Beyond our existing commitments, our primary objectives for the upcoming year include strengthening our human rights governance by forming an internal working group, expanding on our due diligence management processes, and enhancing our training and knowledge-sharing programs.

Dale Henderson
MANAGING DIRECTOR & CEO

About this Statement

Pilbara Minerals Limited (Pilbara Minerals or the Company) is pleased to provide its 2023 Modern Slavery Statement (the Statement).

This Statement was prepared in accordance with section 16 of the Commonwealth *Modern Slavery Act 2018* (Act).

This is Pilbara Minerals' fourth statement, with its voluntary inaugural statement in 2020. It covers the period 1 July 2022 to 30 June 2023 (FY23). The Statement applies to the Pilbara Minerals Group, and its owned and controlled entities identified in Appendix A. While the Company closely collaborates with its partners to identify, mitigate and if necessary, remediate modern slavery and human rights risks, this Statement does not extend to non-managed joint ventures unless stated.

Pilbara Minerals continued to mature its processes for identifying and addressing modern slavery and human rights risks within its supply chains and operations in FY23. The Company is committed to proactively managing this risk using strong governance, working closely with suppliers and strengthening due diligence.

The Statement in its entirety has been approved by the Board on behalf of all reporting entities and signed by the Managing Director / Chief Executive Officer.

Pilbara Minerals welcomes feedback on this Statement. For further information or to submit comments, please contact sustainability@pilbaraminerals.com.au

FY23 Key Achievements

During FY23, Pilbara Minerals focused on refining its due diligence processes, deepening its understanding of its supply chain and further embedding human rights into its systems. A summary of key achievements are as follows:

EVALUATION

Continued evaluation

of the controls for modern slavery risk identification and management across all activities, operations and supply chains.

TRAINING

Review

of the effectiveness of existing training and increased awareness of modern slavery among employees, particularly those in key procurement roles.

PROCESSES

Ongoing refinement

integration of modern slavery assessment processes throughout the business.

POLICIES

Board approval

development of a stand-alone human rights policy.

SUPPLIERS

Identified 50 suppliers

within the top spend and across potentially high-risk industries to gain a better understanding of the Company's modern slavery risk profile.

MANAGEMENT SYSTEMS

Commenced

the implementation of a new vendor management and onboarding system.

CUSTOMERS

Engagement

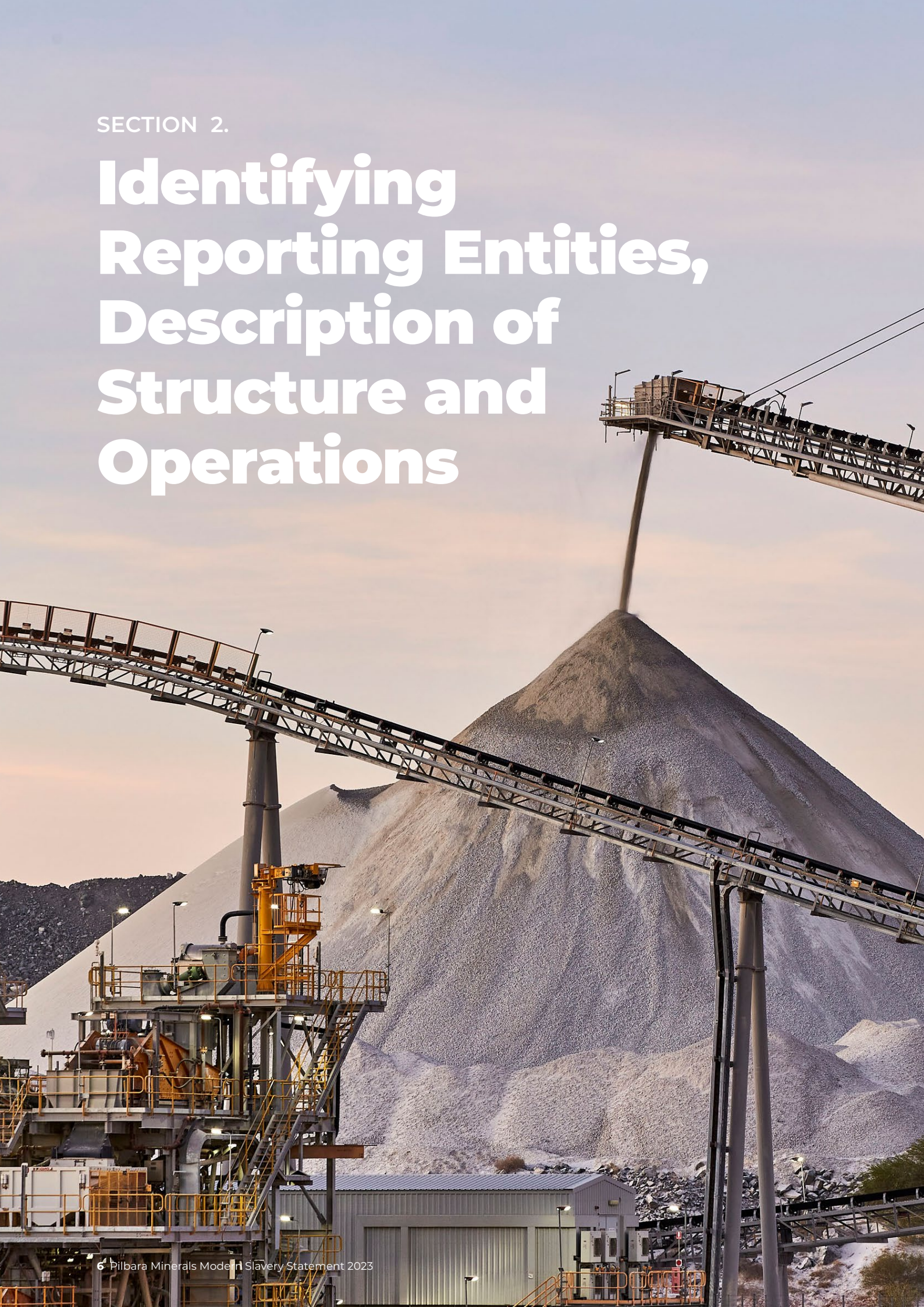
with customers on responsible mining practices.

To date, the Company has identified no instances of human rights breaches, including modern slavery.

Pilbara Minerals remains committed to continued improvement of due diligence processes in this regard.

SECTION 2.

Identifying Reporting Entities, Description of Structure and Operations



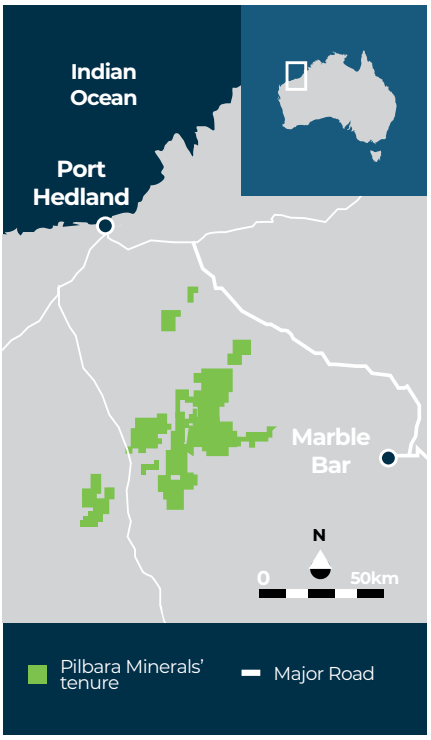
About Pilbara Minerals

Pilbara Minerals is an ASX-listed company with 100% ownership of the Pilgangoora Operation – the largest independent hard-rock lithium operation in the world.

The Pilgangoora Operation is located in Western Australia's resource-rich Pilbara region and has an estimated mine life of 34 years[1]. The spodumene and tantalite concentrate produced by the Company has attracted high-quality global partners. Pilbara Minerals focuses on the efficient management of resources, promoting diversity and inclusion and conducting a safe, honest and ethical operation. This commitment is vital for maintaining a social licence to operate and creating value for communities and shareholders.

Critical minerals such as lithium are essential components in clean energy technology such as electric vehicles, renewable energy systems and advanced electronics. While Australia is rich in these resources, operating within international supply chains exposes mining operators to risks related to modern slavery. As a critical minerals company, Pilbara Minerals is working to better understand the modern slavery context associated with its complex supply and value chains, as it pursues its ambition to become a sustainable battery materials producer.

Refer to page 13 and 19 for more information on Pilbara Minerals' supply and value chains.



1. Pilbara Minerals (2023), September 2023 Quarterly Activities Presentation.

Group Structure

Pilbara Minerals' Board is the governing body for Pilbara Minerals Limited, and all other group entities which share the same governance structures and are supported by centralised functions including Legal, Finance, Contracts and Procurement, Sustainability, Human Resources, Risk and Compliance, Corporate Affairs, Health and Safety, 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, Anti-Bribery and Corruption Policy, Human Rights Policy and Modern Slavery Policy. These, plus other related policies, can be found on Pilbara Minerals' website pilbaraminerals.com.au.

Pilbara Minerals is a publicly listed company incorporated and headquartered in Australia.

This Statement outlines the actions and activities of the Company and its subsidiaries together referred to as the "Group" (Figure 1). The Group is a for-profit entity and is primarily involved in the exploration, development and mining of minerals.

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

FIGURE 1: GROUP STRUCTURE

1. A company incorporated in South Korea of which Pilbara Minerals Korea JV Pty Ltd has an 18% equity interest with an option to increase to 30%.

Operations

The Pilgangoora Operation is located 120 km from Port Hedland in Western Australia's resource-rich Pilbara region on Nyamal and Kariyarra traditional lands. The corporate office is located in Perth, Western Australia on Whadjuk Noongar traditional land.

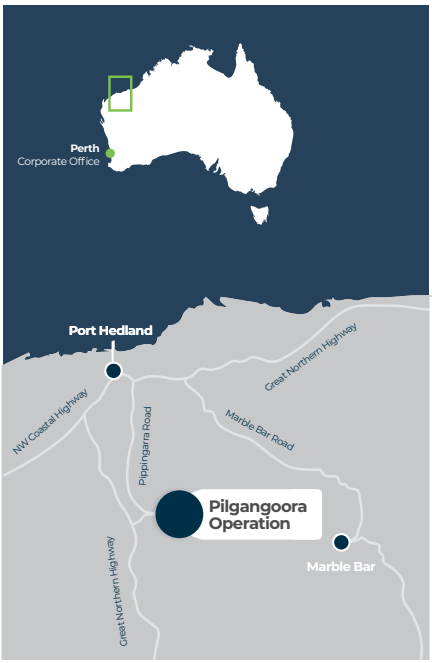
The Pilgangoora Operation has access to first-class infrastructure, including roads and port, and is underpinned by strong environmental and safety regulations and social standards. Pilbara Minerals owns 100% of its Pilgangoora Operation which consists of exploration, mining and processing. The operation has two processing plants, the Pilgan Plant, which produces both spodumene and tantalite concentrates, and the Ngungaju Plant, which produces spodumene concentrate.

The Company enlists major services including logistics (shipping, haulage and freight, marine), software, marketing and market research, and mining technology and equipment to operate.

Spodumene concentrate is transported via road freight to Port Hedland for shipping to customers in North Asia, while the tantalite concentrate is transported via road freight to the south-west of Western Australia.

As a company operating on First Nations people's land, Pilbara Minerals believes its role is to ensure that Traditional Owners, where possible, are meaningfully engaged and provided social and economic opportunities from its operations. Pilbara Minerals currently holds two Native Title Agreements, five Heritage Protection Agreements and two Infrastructure Agreements with Nyamal Aboriginal Corporation and Kariyarra Aboriginal Corporation.

Existing agreements with the Nyamal and Kariyarra People include provision for consultation, cultural awareness, and heritage protection. They also include provisions for direct and indirect opportunities such as royalties, employment, and contracting opportunities. To date, Pilbara Minerals has undertaken all operations to avoid heritage disturbance and no section 18 applications have been lodged under the *Aboriginal Heritage Act 1972*.



The Pilgangoora Operation has two active processing plants[1]:

PILGAN PLANT
3 Mtpa

NGUNGAJU PLANT
1.3 Mtpa

1. Disclaimer: as at 1 November 2023.

Workforce

During FY23, Pilbara Minerals' workforce expanded significantly by 78% from 431 employees in the 2022 financial year (FY22) to 768 at the end of FY23. Pilbara Minerals' operations are largely managed by direct employees of the Company, with a small portion (69[1]) engaged as contractors or labour hire.

The proportion of employees who identify as female slightly decreased in FY23 to 22.4%, while remaining above the mining industry average ~20.0% as per the industry benchmark identified in Workplace Gender Equality Agency (WGEA) Australia's Gender Equality Scorecard 2021-22. The Company has made further progress in enhancing female representation, achieving a female participation rate of 24.8% as of December 2023.

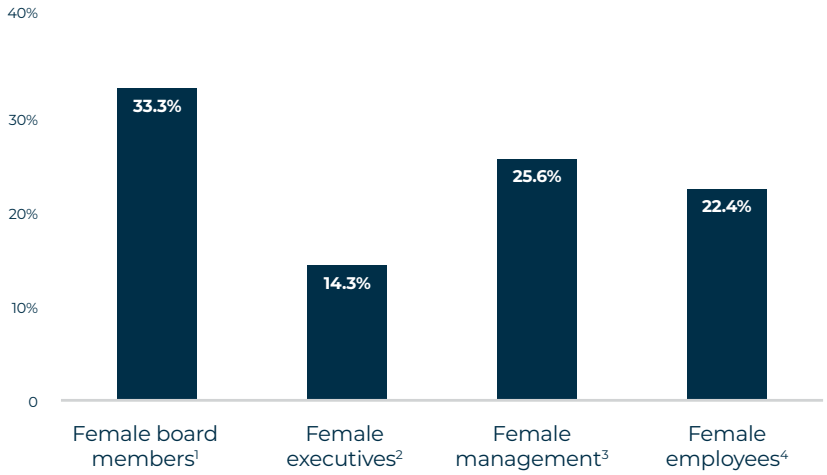
The Company has achieved advancements in appointments and/or promotions across six key senior leadership positions, accompanied by a notable 6.6% absolute improvement in female voluntary turnover (based on a rolling 12-month period) as of June 2023.

The distribution of new hires by age remained stable with 16% aged under 30 years and 27% aged 50 years and over. The age profile of Pilbara Minerals' employees remained relatively unchanged between FY22 and FY23, even as the Company expanded significantly.

The tenure profile of Pilbara Minerals' workforce has shifted, reflecting the retention of new employees hired during the workforce expansion in FY23. Additionally, there has been a notable rise in individuals who have stayed with the Company for a duration of one to two years.

1. Contractors backfilling established employee roles and supernumeraries augmenting established employee roles, engaged under labour hire arrangements.

FIGURE 2: FEMALE REPRESENTATION



1. Includes the Managing Director and CEO.
2. Executives are categorised at the Company's executive leadership team and include the Managing Director and CEO.
3. Includes heads of Department, Managers and senior positions.
4. Includes permanent, maximum-term and casual employees.

FIGURE 3: AGE PROFILE

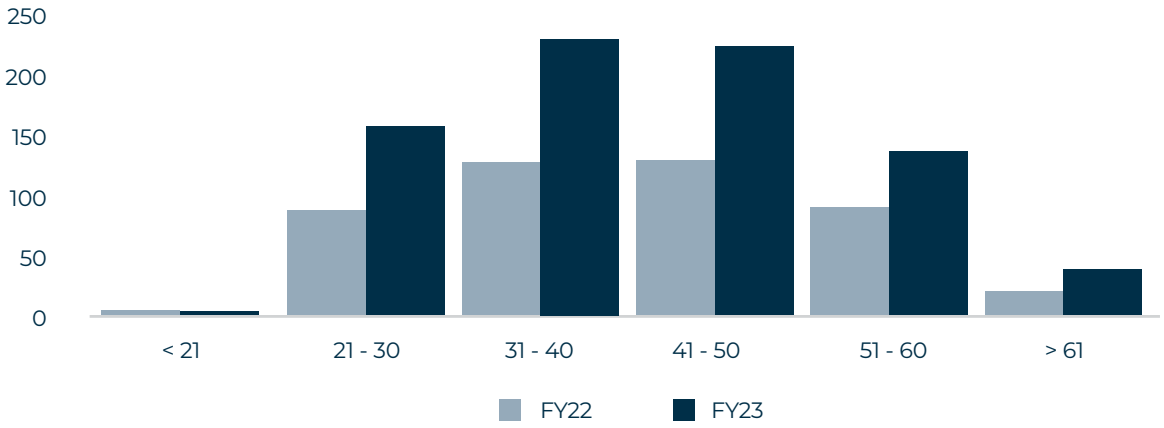
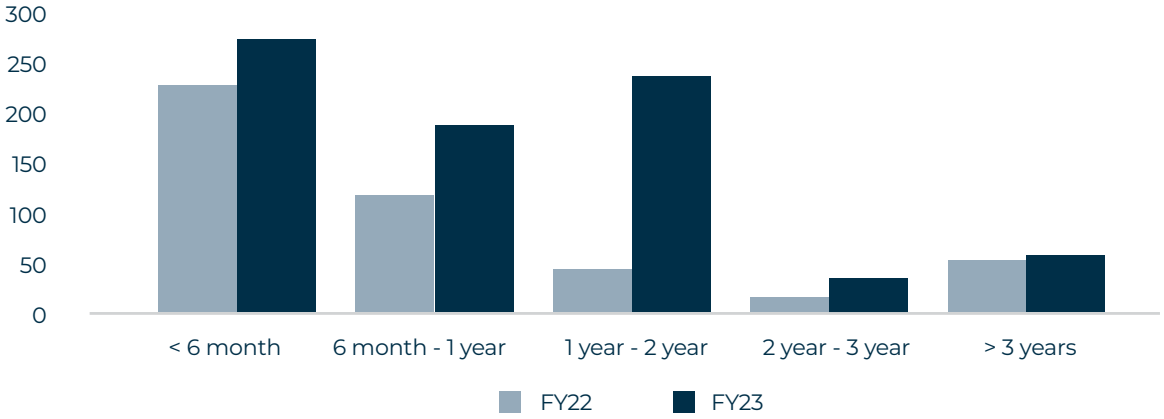


FIGURE 4: TENURE



Value Chain

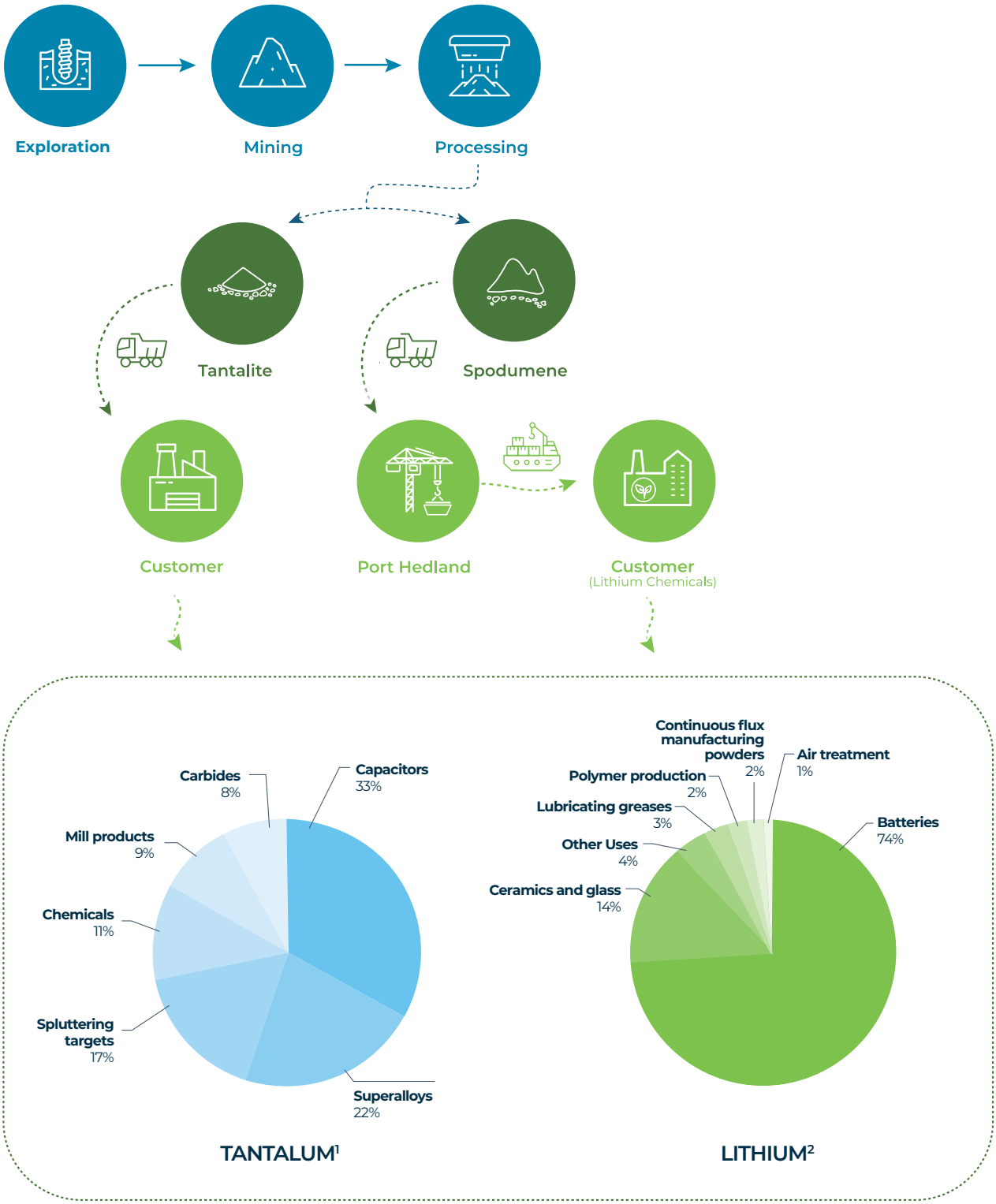
The value chain of the lithium industry in Australia encompasses various stages, from the extraction of lithium-bearing minerals to the production of lithium products which are exported to be used in a variety of applications.

The key stages conducted within Western Australia, more broadly include, exploration and mining, mineral processing and spodumene concentrate and lithium hydroxide production. Downstream stages, include refining and chemical production, battery manufacturing and the application and integration of components, are mostly conducted overseas.

Within Pilbara Minerals, certain services such as camp facility services, power generation, road transport, port logistics, and laboratory assays are provided by contractors, with management, administration, metallurgy and processing activities undertaken by direct employees.

Pilbara Minerals' website provides detailed information about the business, including its products and operations, as well as its approach to sustainability.

FIGURE 5: PILBARA MINERALS' VALUE CHAIN



1. Veram (2017). *New Critical Raw Materials.*
2. ResearchGate (2020), Pie chart showing major end uses of lithium as a percentage of world consumption.

SECTION 3.

Modern Slavery Risks

Risk Assessment

In May 2023, the Australian Government released a report outlining recommendations for reform of the *Modern Slavery Act 2018* (Cth). The review had a focus on improving reporting standards, enforcing obligations and strengthening due diligence for Australian businesses. Pilbara Minerals continues to strengthen its approach to operational and supply chain risk management and has given early consideration to these proposed reforms.

Pilbara Minerals has established a process to identify, assess, mitigate and manage risks including those associated with modern slavery. Early identification of risks allows the Company to effectively allocate responsibility and establish effective controls. Pilbara Minerals' Enterprise Risk Management Framework (aligned with International Standard ISO 31000:2018) and Risk Management Policy and Risk Appetite Framework determine the processes for identifying and assessing human rights-related risks.

Pilbara Minerals is in the process of refining its modern slavery risk assessment, so it incorporates further international standards and guidelines. Part of the Company's Modern Slavery Action Plan consists of continual improvement of the assessment in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs)[1]. The "Cause, Contribute, Directly Linked" concept is a crucial element of the UNGPs. It provides a more robust framework for Pilbara Minerals to understand and address its human rights responsibilities throughout its operations and supply chains. See section 7 for Pilbara Minerals' Modern Slavery Action Plan.

For more information on Pilbara Minerals' risk assessment processes including its Audit and Risk Committee please refer to the 2023 Annual Report.

TABLE 1: APPLICATION OF THE UNGPS CONCEPTS TO PILBARA MINERALS' OPERATIONS AND SUPPLY CHAIN

Type of involvement	Pilbara Minerals' relationship to the UNGPs
Cause This refers to situations where a company's actions directly result in adverse human rights impacts. These impacts are a direct consequence of the company's activities, and the company holds direct responsibility for addressing and mitigating them.	Pilbara Minerals acknowledges the presence of modern slavery within Australia and recognises that the geographical location of its operations does not exempt the Company from the possibility of modern slavery occurrences. However, the Company assesses the potential likelihood[2] of direct involvement through on-site operations as extremely low.
Contribute In this context, contributing means that a company plays a role in human rights abuses, even if it is not the primary or sole cause. A company may indirectly contribute to human rights violations through its business relationships, such as suppliers, partners, or clients. While not the sole cause, the company shares a responsibility to prevent or mitigate these impacts.	Pilbara Minerals may indirectly contribute to risks of modern slavery by imposing certain demands on its suppliers (i.e. unrealistic costs and timeframes).
Directly Linked This aspect relates to situations where a company has a clear connection to human rights abuses, but the abuse is not directly caused by its actions. Instead, the company's activities are directly linked to the violations, which requires it to address the associated risks and take appropriate steps to prevent or mitigate the impacts.	Pilbara Minerals considers the greatest exposure to modern slavery risks is through the extended value chain, both upstream and downstream. An example where this risk may be evident is when the Company procures manufactured goods, where exploitation, such as the use of forced labour, might transpire several tiers up the supply chain. This presents challenges in terms of visibility, oversight, and the Company's capacity to bring about remediation.

1. United Nations (2011), *Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework.*
2. The event is anticipated to occur only under an extremely rare and exceptional circumstance.

Operational Risk

While modern slavery can occur in any industry or sector, some services and products are associated with higher prevalence of modern slavery.

On any given day in 2021, it was estimated that up to 41,000 (1.6 per 1000)[1] people are living in these conditions, likely within higher risk industries, in Australia. Industries considered high-risk include cleaning, hospitality, agriculture, textile production and some types of manufacturing. Indicators of vulnerability within these industries relate to disenfranchised groups and effects of conflict. Migrant workers and those entering Australia on temporary visas are most likely to experience exploitation in Australia.

High risk categories for modern slavery both nationally and internationally are:

- Vulnerable populations.
- Business models structured around high-risk work practices.
- High-risk product and service categories.
- High-risk geographies.[2]

Pilbara Minerals recognises that it is often one or more of these categories coinciding that heightens the risk of modern slavery or human rights abuses occurring.

The Company acknowledges that it may contribute to, or be directly linked to, modern slavery through its operational activities. Through its internal processes, Pilbara Minerals identifies the higher risk services and products it procures such as logistics, labour hire, largescale manufacturing and cleaning services.

In FY23, Pilbara Minerals spent $1.3B across its operations, including capital and corporate expenses[3] with 84.6% of this spend across the Company's top 50 suppliers.

1. Walk Free Global Slavery Index (2023), *Country Study, Modern Slavery in Australia.*
2. ACSI (2019). *Modern Slavery Risks, Rights & Responsibilities a guide for companies and investors.*
3. In the FY23 Annual and Sustainability Report spend excluded capital and corporate expenses.

Top goods and services procured by Pilbara Minerals in FY23 (top 50 suppliers according to spend) are:

- CHEMICALS, REAGENTS AND FUEL
- VILLAGE MANAGEMENT
- NON-PROCESS INFRASTRUCTURE AND MAINTENANCE
- LOGISTICS AND TRANSPORTATION
- FINANCE, INSURANCE AND BANKING
- ROYALTIES AND OTHER GOVERNMENT PAYMENTS
- SPARE PARTS AND MINING EQUIPMENT
- MINING AND ENGINEERING
- CONSTRUCTION AND MANUFACTURING
- CONSULTING AND TRAINING
- RECRUITMENT AND LABOUR HIRE

Of the categories, those such as logistics and transportation are determined to be high-risk due to the industry's global nature and specific operational challenges. For example, seafarers often work long hours with unpredictable schedules, which means they are often at higher risk of exploitation. Extended periods at sea can also lead to isolation and limited access to assistance or operational oversight.

Pilbara Minerals is dependent on third parties to ship its product to customers from Port Hedland. The Port Hedland Port Authority Regulations and Marine Safety Bulletins outline specific compliance requirements for vessels and their crew, emphasising the importance of adhering to safety protocols and regulations and working to ensure the wellbeing of seafarers and the efficient operation of vessels within the port.

Supply Chain Risk

Pilbara Minerals takes part in the extraction, processing, and distribution of spodumene and tantalite concentrates.

Like many industries, this could mean that modern slavery risks are hidden within complex supply chains with numerous intermediaries. In FY23, Pilbara Minerals strengthened its processes for supplier assessment to better allow for identification of modern slavery risks within its supply chain. The Company identified its material suppliers, based on spend and industry, to better understand its risk profile.

During FY23, Pilbara Minerals procured the goods and services of 819 separate suppliers from 14 countries. All of these countries can be found in Figure 6, along with their corresponding Global Slavery Index rating.

All of these countries are considered to have a lower prevalence of modern slavery according to Walk Free's Global Slavery Index[1]. Of these sourcing countries, South Africa carries the highest vulnerability[2] classification of 52 out of 100 people and China having the highest prevalence[3] and number with 4 out of 1000 people estimated to be living in modern slavery[4].

Pilbara Minerals' total international spend in FY23 was $47M, or 3.5% of the total spend. The Company procures products and services from overseas suppliers within the following industries:

- Logistics and Transportation (including Shipping).
- Legal and Banking.
- Mining and Engineering.
- Software, Marketing and Advisory Services.
- Manufacturing.

A breakdown of these industries, spend, country and risk classification (according to prevalence) can be seen in Figure 6.

Pilbara Minerals assesses risk according to location, spend and sector. Although the majority of the Company's spend is within Australia, high-risk locations are recognised early through the supplier questionnaires and onboarding processes.

The Company strives to ensure economic benefits are provided locally and nationally from its operations, before providing overseas opportunities. In FY23, 96.5% of total expenditure was procured in Australia compared to 3.5% internationally.

1. Walk Free (2023), *Global Slavery Index.*
2. Walk Free Global Slavery Index (2023) *Methodology Behind the Global Slavery Index.*
3. Walk Free Global Slavery Index (2023) *Methodology Behind the Global Slavery Index.*
4. Walk Free (2023), *Global Slavery Index.*

FIGURE 6: PILBARA MINERALS' TIER 1[1] SUPPLIER EXPOSURE TO MODERN SLAVERY RISK[2]

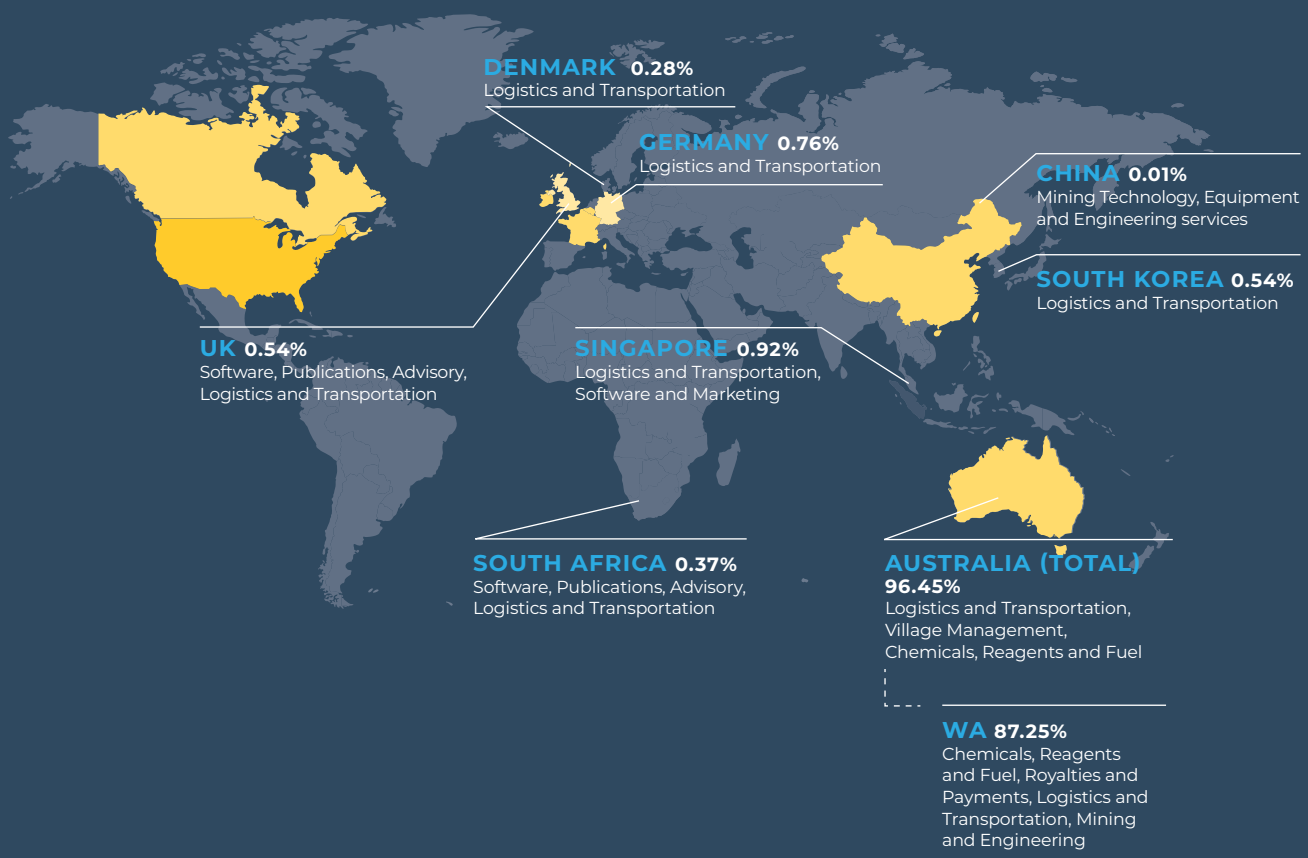
LOW HIGH

Estimated prevalence to modern slavery by country

Country spend as a percentage

COUNTRIES WITH <0.01% SPEND

CANADA
USA
IRELAND
BELGIUM
HONG KONG
FRANCE
SWITZERLAND



$1.3B

TOTAL SPEND WORLDWIDE

3.5%

TOTAL INTERNATIONAL SPEND

819

TOTAL SUPPLIERS

1. Pilbara Minerals' tier 1 suppliers are those who supply goods or services directly to the Company.
2. The figures and percentages disclosed in this statement encompass operational, capital and corporate expenses, resulting in differences from procurement performance reported in the 2023 Annual Report.

Industry Risk

Critical minerals, including lithium, are often sourced from resource-rich regions which are sometimes associated with less-developed infrastructure, lack of regulatory oversight, and low labour protections. These regions may be more susceptible to modern slavery practices due to limited monitoring and enforcement. Pilbara Minerals is located in Western Australia, where these risks are considered very low[1].

Pilbara Minerals is committed to the responsible production and sourcing of minerals in its supply chain and supports internationally recognised human rights as set out in the Universal Declaration of Human Rights, International Labour Organisation Declaration on Fundamental Principles and Right at Work. Pilbara Minerals does not conduct operations in any high-risk or conflict-affected areas. All spodumene and tantalite concentrates produced by Pilbara Minerals originate from Australia and do not contain any "Conflict Minerals"[2] from conflict-affected high-risk areas[3].

Risks associated with the lithium industry (worldwide):

HIGH DEMAND AND COMPETITIVE PRESSURE

The global demand for critical minerals is increasing, driven by the growing use of technology and green energy solutions. This demand can put immense pressure on suppliers to meet production targets, potentially leading to exploitation of workers and labour violations.

LACK OF LABOUR PROTECTIONS

In some regions where critical minerals are sourced there may be insufficient labour protections making it easier for businesses, operators and companies to engage in exploitative labour practices, such as forced labour, child labour, or unsafe working conditions.

INFORMAL MINING OPERATIONS

In certain cases, critical minerals may be extracted from informal or illegal mining operations, where workers are particularly vulnerable to modern slavery practices.

1. Walk Free (2023), *World Map*.
2. "Conflict Minerals" means cassiterite, wolframite, columbite (coltan), gold and other rare metals mined including gold, tantalum, tin and tungsten derived from any illegal mine of DRC, or illegally taxed on trade routes, either of which are controlled by non-governmental military groups, or unlawful military factions.
3. "Conflict-affected, high-risk areas" includes DRC and South Sudan, Central African Republic, Angola, Zambia, Tanzania, Burundi, Rwanda, Uganda, Republic of the Congo etc.

Pilbara Minerals
RDTK107
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KOMATSU
345

SECTION 4.

Actions to Assess and Address Modern Slavery Risks

Pilbara Minerals recognises it has a role to play in identifying risks and assessing its supply chains to support the elimination of modern slavery practices

Modern slavery, contemporary slavery or human trafficking, refers to various forms of severe exploitation and forced labour that occur in today's world. It involves individuals, often vulnerable and marginalised, being coerced or deceived into situations where they are subjected to work or services against their will, and sometimes under exploitative and inhumane conditions. 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 has integrated internationally recognised standards, frameworks and procedures for identifying modern slavery risks within its operations and supply chains. These resources, listed in Appendix C, help the Company assess high-risk operating and sourcing locations of potential suppliers, and understand industry risk in its current operations.

Pilbara Minerals delivers ongoing training to enable employees to recognise instances of modern slavery and collaborate with other organisations within the industry. In FY23, the following teams underwent modern slavery and human rights risk training:

- Legal
- Finance
- Contracts and Procurement
- Human Resources
- Risk and Compliance
- Corporate Affairs
- Health and Safety
- Environment
- Commercial

Pilbara Minerals' Board holds oversight and accountability for governance of the business, including efforts to combat modern slavery. The Board's oversight is informed by due diligence processes which enable increased transparency of the Company's supply chains. These processes, which include grievance mechanisms for internal and external parties, aid in assessing and mitigating modern slavery risks.

To address operational risks, the Company is committed to ongoing evaluation of its suppliers, contractors, logistics providers and partners by considering industry and regional factors, and their adherence to human rights criteria. Pilbara Minerals actively seeks to collaborate and engage with local entities that demonstrate responsible business practices. In instances where local procurement is not feasible, the Company works to establish partnerships and procure from well-regarded organisations that are engaged by other leading mining companies. Leveraging the established due diligence processes of the sector enhances Pilbara Minerals' own due diligence practices.

Pilbara Minerals has an in-house recruitment function and also works with reputable external recruitment agencies for specialist roles. The Company covers all costs of recruitment activities.

During FY23 Pilbara Minerals also expanded its support mechanisms to include a 24/7 chaplaincy function, broadening the capacity to offer additional support.

Governance

Responsibility for Pilbara Minerals' strategy and governance framework rests with the Board and Management Team. The Board is supported by three committees that assist it to effectively discharge its duties. These committees are:

1. Audit and Risk Committee.
2. People and Culture Committee.
3. Sustainability Committee.

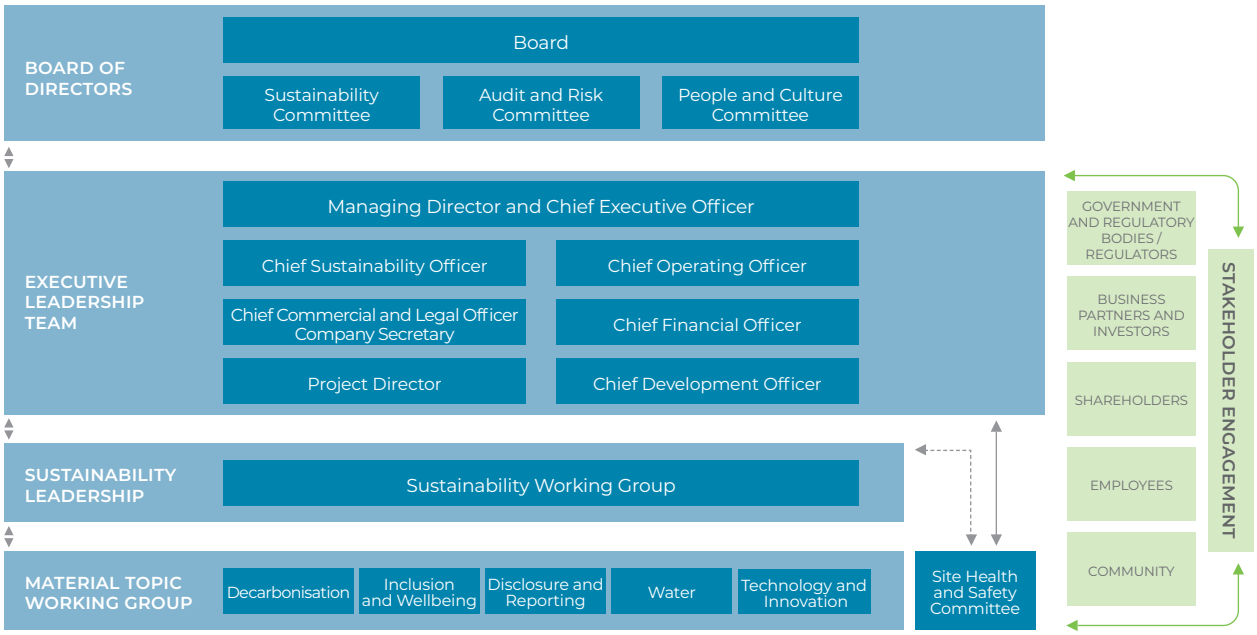
The Sustainability Committee, in conjunction with the Audit and Risk Committee, actively monitors modern slavery risks and management measures throughout the year and provides reports to the Board.

Pilbara Minerals has publicly committed to respecting human rights through its Human Rights Policy. Having a strong, public policy position is important to communicating the expectations of the Board through the business and to the Company's stakeholders. Following the implementation of its Human Rights Policy, the Company is working to ensure that its processes reflect these expectations.

Should an instance or concern of modern slavery arise within the operation or supply chain, grievance and reporting mechanisms are available for use by both internal and external stakeholders. These mechanisms are freely and widely available and allow internal and external individuals to report anonymously.

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

FIGURE 7: PILBARA MINERALS' CORPORATE GOVERNANCE STRUCTURE



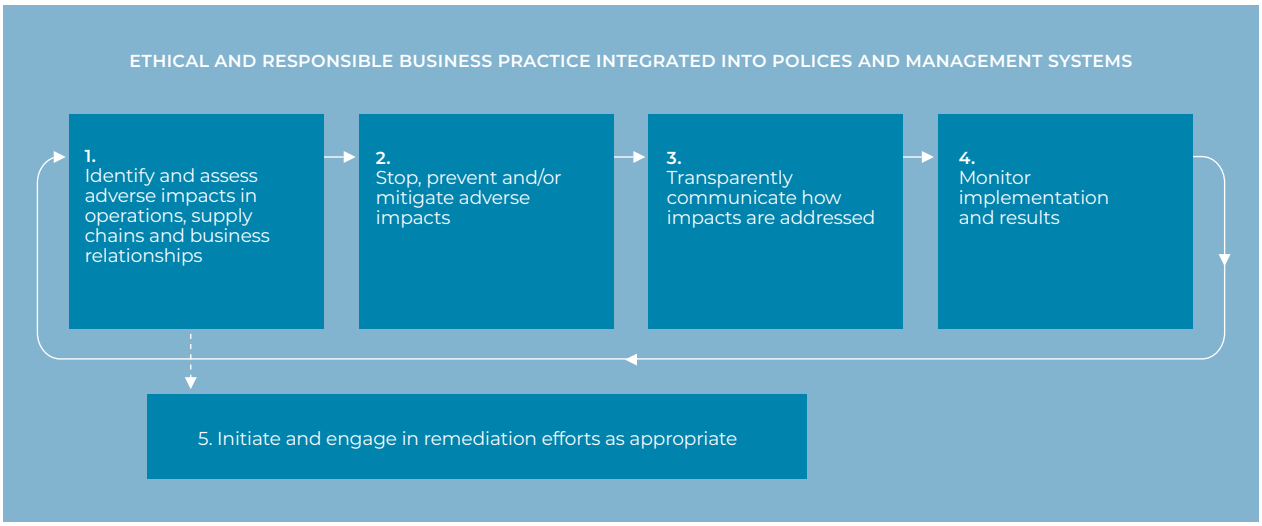
Due Diligence

Pilbara Minerals is aligning its risk assessment and due diligence practices with widely recognised risk-based identification processes such as the Organisation for Economic Development (OECD)[1] Due Diligence Guidance for Responsible Business Conduct.

To assess modern slavery risks effectively, the Company conducts risk assessments, engages with relevant stakeholders, implements due diligence processes, and monitors supply chains. Collaboration with industry associations and peers and implementing effective, available and anonymous grievance processes also help in addressing these risks. The Company monitors local and global developments related to modern slavery and labour rights to proactively address issues where relevant.

The OECD due diligence process and supporting measures suggest that businesses and organisations implement five steps to strengthen their ability to help anticipate and prevent or mitigate adverse impacts. These stages can be seen in Figure 8.

FIGURE 8: OECD DUE DILIGENCE GUIDANCE FOR RESPONSIBLE BUSINESS CONDUCT (2018).



1. Organisation for Economic Co-operation and Development (2018). *OECD Due Diligence Guidance for Responsible Business Conduct.*

In FY23, Pilbara Minerals implemented a Human Rights Policy to guide processes and objectives of the business and communicate its public position on the issue to stakeholders. Pilbara Minerals' Human Rights Policy helps the business to further align with international human rights standards such as the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights. Adhering to these principles is essential for ethical and responsible business conduct.

In Pilbara Minerals' FY22 Modern Slavery Statement four actions were identified to improve practices relating to assessing human rights and modern slavery risks within its operations.

These were:

- Re-evaluation of the current controls for modern slavery risk identification and management across all activities, operations and supply chains.
- Review of the effectiveness of existing training and increase awareness of modern slavery amongst employees, particularly those in key procurement roles.
- Ongoing refinement and integration of modern slavery risk identification processes throughout the business.
- Conduct a deeper assessment of modern slavery exposure on those companies identified as having increased potential risks.

All FY22 commitments were completed and were built upon for continued action in FY23 and beyond. During FY23, the Company updated the leave procedure to include paid family and domestic violence leave to ensure compliance with the *Fair Work Amendment (Paid Family and Domestic Violence Leave) Act* 2022 (Cth).

These changes ensure employees have clear guidance and access to their rights and entitlements in this area.

Also, during FY23, the Company continued to identify system improvements to address the way in which it assesses modern slavery risks. This work involved the identification of the Company's top 50 suppliers, according to spend, location and industry, and engagement of a third party to provide an objective assessment of these suppliers.

As of November 2023, Pilbara Minerals attained a 63.5% response rate from engaged suppliers. Among the 52 suppliers evaluated, 2 are identified through the survey as "high risk." The Company is engaging collaboratively with these suppliers to clarify their responses and will undertake improvement actions if deemed necessary.

Extended supplier assessments will continue throughout FY24 and FY25.

ACTION SPOTLIGHT

Supplier Assessment Platform

In FY23, Pilbara Minerals engaged an external consultant to assess its top 50 suppliers and assist the Company in fulfilling its obligations and to support these suppliers in completing a modern slavery risk assessment.

Suppliers were selected based on contract spend in FY23, location of operation and industry. High-risk locations and industries are identified using sources such as OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas[1]. Using this guidance, in FY24, Pilbara Minerals will be able to identify impacts further down its supply chains and understand if these suppliers are producing or sourcing from locations of high-risk origin or transit.

The platform offers a range of features that enables the Company to strengthen its due diligence and assess its impacts down the supply chain. These include:

- Assessing supply chain partners for modern slavery risks.
- Providing insights on modern slavery risks.
- Developing action plans for risk mitigation.
- Managing third-party compliance.
- Monitoring contractor and supplier credentials.

The platform utilises the Trafficking in Persons Report[2] to review countries and regions and their government's efforts to eliminate severe forms of trafficking, the nature and scope of trafficking, and trends in efforts to combat trafficking in their respective country. Countries are then ranked by tiers.

To date, Pilbara Minerals has had a response rate of 63.5% from engaged suppliers. The Company will continue to assess suppliers throughout FY24 to gather further insights into its modern slavery impacts.

Remediation and next steps, suggested by the platform and consultant will be reviewed for integration into Pilbara Minerals' remediation framework in FY24.

1. The US Department of State (2023) *Trafficking in Persons Report*.
2. The US Department of State (2023) *Trafficking in Persons Report* reviews countries and regions and their government's efforts to eliminate severe forms of trafficking, the nature and scope of trafficking, and trends in efforts to combat trafficking in their respective country.

Supply Chain Assessment

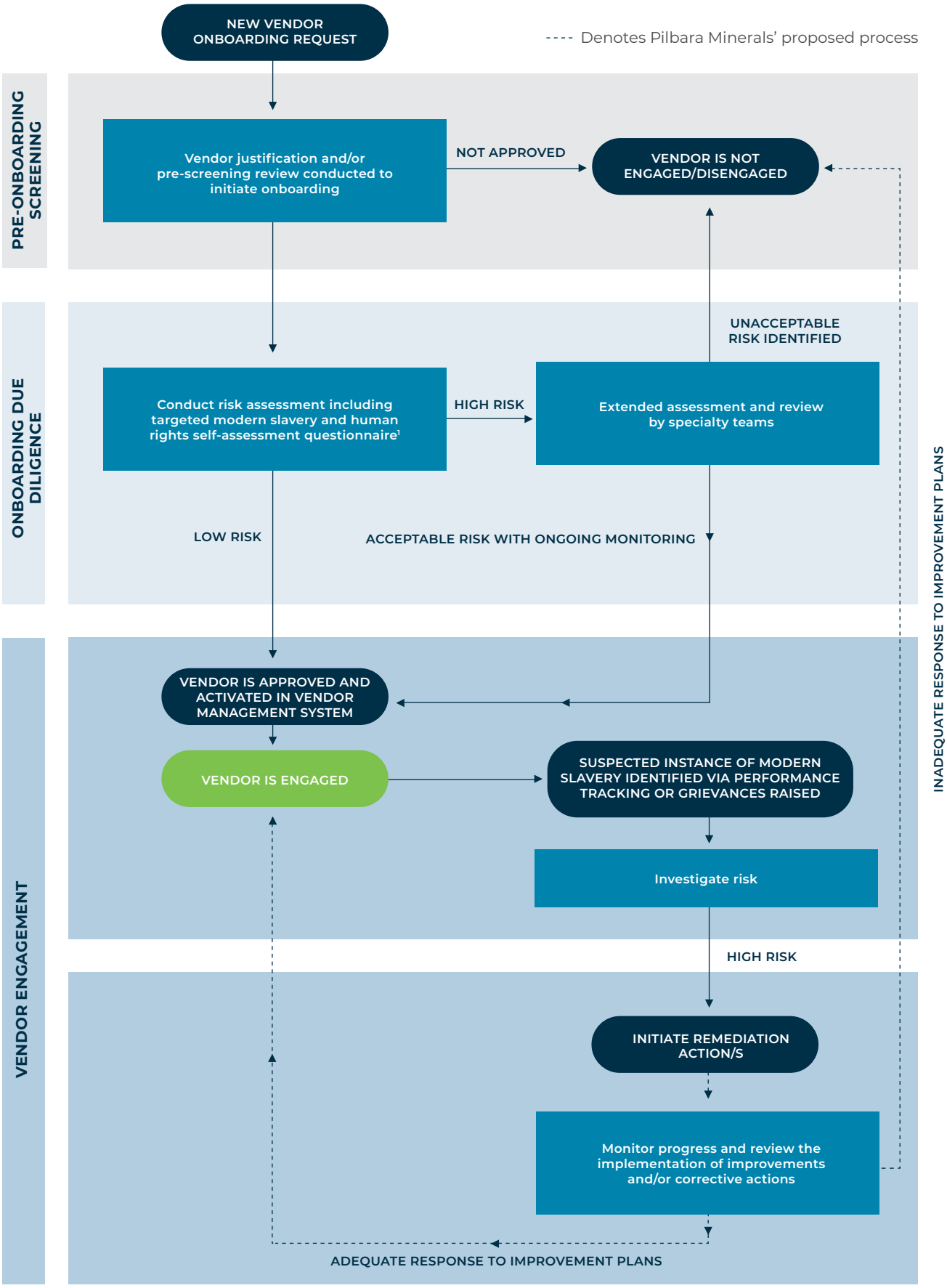
To support the identification of potential high exposure regions / products, Pilbara Minerals conducts an initial pre-qualification phase risk assessment before the engagement of a supplier. This includes human rights and modern slavery specific questions including a screening of the OECD high-risk supplier locations and red flags[1].

For existing suppliers, risk assessments are conducted for those identified as higher risk (determined by country of origin or industry sector). The Company is working to identify, assess and, if necessary, work with suppliers who have reported sourcing from high-risk areas / industries to safeguard against potential instances of modern slavery and include remediation actions as necessary. Refer to Figure 9 for an overview of the supplier onboarding process and the stages involved in the modern slavery review.

Pilbara Minerals identified 50 suppliers in FY23 for further and ongoing assessment in FY24. These suppliers are assessed against criteria relating to high risk sectors of operation, sourcing from high-risk sectors of operations and operating within high-risk areas. Pilbara Minerals will expand this assessment in FY24. High-risk sectors are those in which modern slavery and exploitation of human rights are known to occur. Pilbara Minerals will use the risk indications identified in the Global Estimates of Modern Slavery (ILO, Walk Free and IOM, 2022), as well as the exploitation of child labour identified in Child Labour: Global Estimates 2020 Trends and the Road Forward (ILO and UNICEF, 2021), and the OECD's international classification[2] to help support ongoing supply chain risk assessments.

1. Organisation for Economic Co-operation and Development (2018). *OECD Due Diligence Guidance for Responsible Business Conduct.*
2. OECD (2016), *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.*

FIGURE 9: SUPPLIER ONBOARDING AND STAGES OF MODERN SLAVERY REVIEW



1. Applies to all suppliers, excluding sole traders. Encompasses, but not limited to, considerations of no child labour, no forced labour, respectful treatment of employees including rights to freedom of association, collective bargaining, social and environmental performance and compliance, presence of vulnerable workers, employment conditions and screening of activity or planned activity in conflict-affected and/or high-risk areas.

ACTION SPOTLIGHT

New Vendor Management System

In FY23, Pilbara Minerals commenced implementation of a new vendor management and onboarding system.

This initiative focused on streamlining Pilbara Minerals' supplier management and onboarding system experience and reporting capability around modern slavery, cyber security, and other key focus areas for the business.

The system allows vendors to easily access onboarding materials including terms and conditions, and business information. As part of this process, contractors and suppliers are assessed against Pilbara Minerals' terms and conditions including modern slavery "red flags". If a vendor is found to have operations in a conflict affected and high-risk location, the vendor undergoes further assessment.

Pilbara Minerals' human rights and modern slavery vendor assessment questionnaire assesses vendors against modern slavery criteria from frameworks such as the Initiative for Responsible Mining Assurance and integrates guidance from OECD[1] and the UNGPs[2]. Pilbara Minerals continues to refine this questionnaire through engagement with industry and sustainability experts.

This new vendor management system enables Pilbara Minerals to undertake ongoing and further assessment of vendors. Through FY24, Pilbara Minerals will use the information gathered and stored by the system to create a bespoke, extended questionnaire to increase understanding of vendors and ensure internal controls are continuously updated.

1. OECD (2016), *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.*
2. United Nations (2011), *Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework.*

Grievance and Remediation

Pilbara Minerals has avenues in which internal and external stakeholders can lodge a grievance with the Company. These avenues include:

- Whistleblower Policy and whistleblowing reporting platform.
- Stakeholder Grievance Procedure.
- Workplace Discrimination Harassment and Bullying Procedure.

These avenues ensure grievances are heard, investigated and responded to by the Company within an appropriate timeframe, while also enabling anonymity should a stakeholder require it.

Pilbara Minerals has an internal platform to record key stakeholder communications. This platform captures community sentiment and grievances with the Company. The process for receiving, assessing, and remediating a stakeholder grievance is outlined in Figure 10.

FIGURE 10: GRIEVANCE PROCESS FOR PILBARA MINERALS

The Grievance Officer is responsible for the administration of the grievance including all correspondence, coordination of the internal investigation, development of a resolution, maintaining a log in a central risk register (internal and external actions and interactions) and engaging with the stakeholder concerned.

The Company's Whistleblower reporting platform is available to anyone who wants to confidentially and anonymously report inappropriate behaviour. Click the QR code to download the App.

For more information on whistleblower and grievance mechanisms please refer to Pilbara Minerals' website.

Training

Regular modern slavery training ensures employees understand the current regulatory environment in Australia and Pilbara Minerals' compliance with the Act.

Training also enables employees to identify, assess and promote remediation of risks. In FY23, the following actions were taken to assess training effectiveness:

- Review of training content, delivery and past performance.
- Peer review to meet benchmarking standards.
- Review of legislative requirements of the Act including potential updates.
- Review of roles and responsibilities in the Company.
- Identification of teams required to complete modern slavery training.

In addition, Pilbara Minerals identified an enhanced modern slavery risk screening software which is set to be implemented along with corresponding training in FY24.

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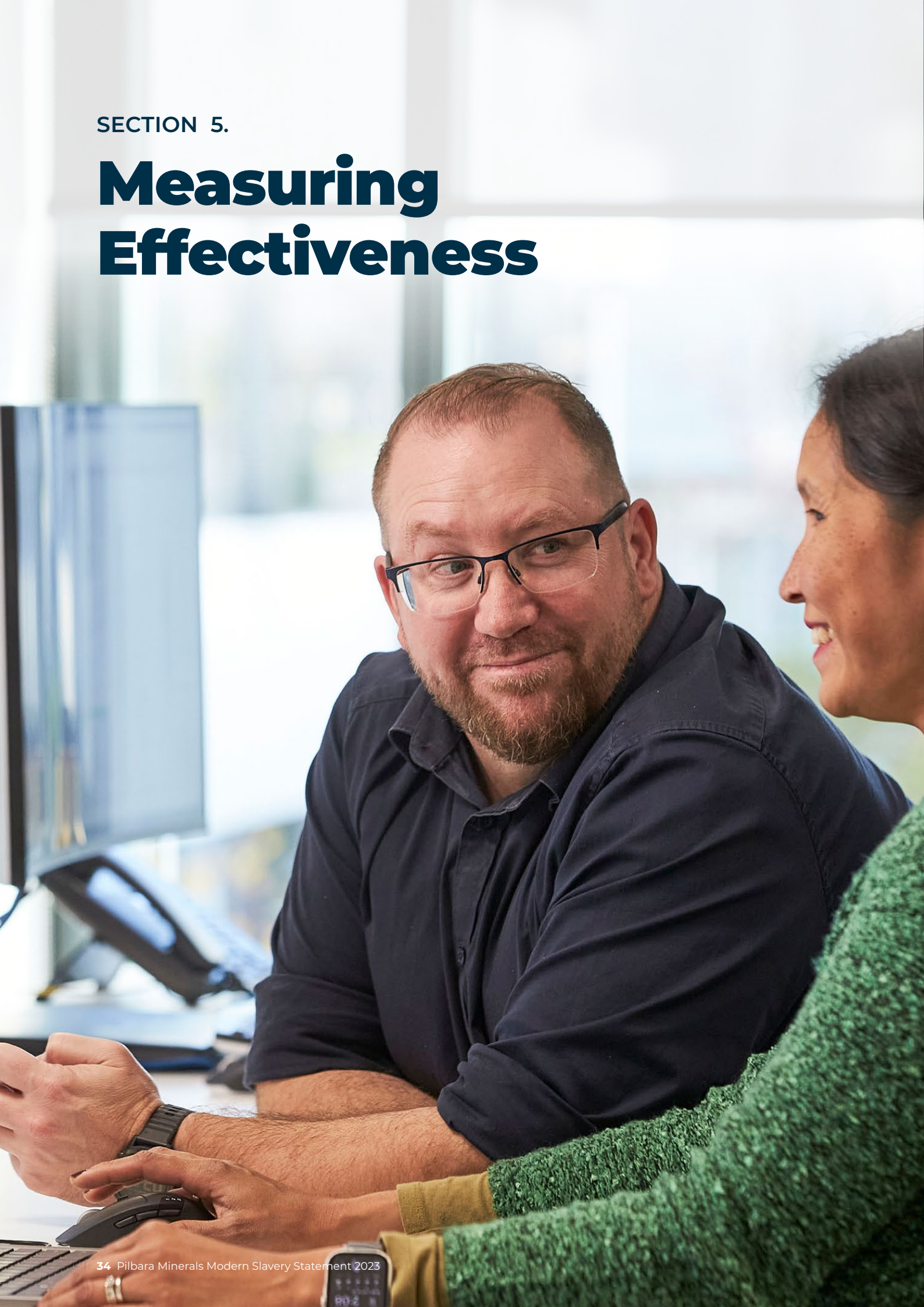
SECTION 5.

Measuring Effectiveness



The UNGPs human rights due diligence framework outlines a process for how companies can identify, prevent, mitigate, and account for adverse human rights impacts. The Australian Government supports the use of this framework.

Pilbara Minerals is working to further align its process with the UNGPs and other identified frameworks. Refer to Appendix C.

The Company continues to identify and monitor modern slavery risks and how it manages, measures and controls these risks, and subsequently reports on these through its annual and sustainability reports and modern slavery statement.

The UNGP Guidelines[1] recommend:

PROTECT

Businesses should ensure they are aware of impacts and recognise their duty to protect individuals, communities and other stakeholders from human rights abuses.

RESPECT

Businesses have a responsibility to respect human rights. This means they should avoid causing or contributing to adverse human rights impacts through their own activities and should address any such impacts if they occur.

REMEDY

Businesses should integrate the findings from their impact assessments across relevant internal functions and processes, take appropriate action and track the effectiveness of their response.

1. United Nations (2011), *Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework.*

Monitoring and Reporting

Monitoring and reporting are important ways for Pilbara Minerals to track the performance of modern slavery and human rights actions and management measures.

They are also necessary tools to increase accountability and transparency within the Company and throughout its supply chains. Under the UNGPs framework, qualitative and quantitative indicators should be used to measure effectiveness.

In FY23, Pilbara Minerals expanded its disclosure suite to ensure risk indicators are identified and monitored. Pilbara Minerals uses indicators based on a variety of recognised frameworks such as the Initiative for Responsible Mining Assurance (IRMA) and the Sustainability Accounting Standards Board (SASB) as well as indicators based on recommendations from OECD and the UNGPs.

Training and Grievance Performance

Training performance

In FY23, Pilbara Minerals assessed its modern slavery training to understand its effectiveness and whether the training was achieving its intent.

The assessment consisted of a review of:

- The training need and intended outcomes.
- Key roles and responsibilities (particularly in contracts and procurement) in response to workforce and business growth.
- Peers implementing modern slavery training to ensure proposed structure meets peer benchmarking standards.
- Legislative requirements, including the establishment of an Anti-slavery Commissioner.

Pilbara Minerals implemented updated training modules within identified roles and teams post-review. The targeted approach allowed the Company to strengthen its controls of modern slavery risk and increase awareness throughout the business. The Company achieved a 68% training completion rate across the priority teams identified as of the end of FY23.

Grievance performance

As outlined in the 'Grievance and Remediation' section of this report, Pilbara Minerals' stakeholders have access to various reporting and whistleblowing avenues.

Pilbara Minerals employs an internal platform to record key communications and external grievances. Monitoring and addressing feedback, both positive and negative, supports Pilbara Minerals' engagement with its stakeholders by understanding the issues most prevalent arising from its operations.

Pilbara Minerals' grievance mechanisms, which align with the UNGPs guidance on human rights due diligence, encompass the following characteristics:

- Legitimate, fostering trust among stakeholder groups.
- Accessible and available to internal and external stakeholders.
- Transparent and equitable.

During FY23, Pilbara Minerals received a total of six grievance reports submitted through the whistleblower platform. Each of these reports underwent a thorough investigation and response measures were taken as appropriate. None of these reports were protected disclosures for the purposes of the whistleblower provisions in the *Corporations Act 2001* (Cth) and no instances of human rights, including modern slavery related violations or breaches, were reported. Further detail is available in Pilbara Minerals' Annual Report 2023.

SECTION 6.

Consultation and Collaboration

Pilbara Minerals' commitment to addressing modern slavery is supported by a culture of consultation and collaboration.

Pilbara Minerals regularly engages with various stakeholders including employees, Aboriginal and Torres Strait Islander peoples, suppliers, contractors, investor groups, shareholders, government, community and educational associations. It also engages with ESG (Environmental, Social, and Governance) rating agencies, including due diligence and risk focused solution providers. These engagements play a pivotal role in shaping and refining the Company's short and long-term actions.

Consultation

Pilbara Minerals consulted with key stakeholders and the Executive Leadership Team members in preparing this Statement and circulated a draft of this Statement for review and comment, prior to it being put to the Sustainability Committee and Board for final review and approval.

Pilbara Minerals also engages a variety of external sources to ensure up-to-date knowledge on trending human rights topics, specialised expert advice and the varied perspectives of stakeholders are incorporated.

These external sources include industry experts, associations and government bodies who are consulted with through forums, industry conferences and the day-to-day tasks of key internal teams.

Collaboration

In late FY23, Pilbara Minerals joined the Human Rights Resource and Energy Collaborative (HRREC), a forum for resources and energy organisations to contribute towards the effective and meaningful implementation of the Act.

The objectives of HRREC are to:

- Identify good practice measures to assist members with the effective and efficient management of human rights risks.
- Share knowledge and learnings.
- To collaborate on human rights due diligence in supply chains, seafarers' welfare and more broadly workers in the transportation sector, and remediation approaches for modern slavery.

Pilbara Minerals also collaborates with internal stakeholders through various mechanisms. In addition to Pilbara Minerals' grievance mechanisms and policies, the Company utilises internal tools such as its annual culture survey to enable employees to provide feedback to the Company to measure workforce satisfaction and wellbeing.

SECTION 7.

Action Plan

Pilbara Minerals values the importance of due diligence, remediation, and collaboration to address modern slavery and human rights issues across complex global supply chains and business relationships.

To support Pilbara Minerals' ongoing incorporation of modern slavery prevention practices into day-to-day business, the following initiatives are being developed for the FY24 reporting period and designed in alignment with OECD Due Diligence Guidance for Responsible Business Conduct (2018).

Initiatives

PILLARS	ACTIONS	FY24	FY25-26
Strengthen governance	Establish Human Rights working group.		
	Continuously evaluate the human rights related policies, procedures and risk appetite statement to align with evolving legal requirements and best practices.		
	Develop a Stakeholder Engagement Framework.		
	Review integration of human rights including modern slavery risk assessments into social and climate related risks held in the Company's enterprise risk register.		
Improve due diligence management processes	Expand the supplier assessment questionnaire to include broader human rights criteria.		
	Assurance program across selected suppliers to spot check compliance with expanded Supplier Assessment Questionnaire (SAQ) and tracking.		
	Investigate platforms to enable multiple tier supply chain analysis.		
	Investigate tools and platforms to automate the risk management process for modern slavery with enhanced continuous screening against third party data.		
	Review and strengthen anti modern slavery clauses in standard contract templates.		
	Conduct collaboration sessions with business partners on human rights and modern slavery criteria.		
	Conduct renewable energy procurement workshop with a focus on understanding human rights risks and management controls.		
Remediation approach aimed at preventing or mitigating adverse impacts	Review Pilbara Minerals' whistleblower program.		
	Engage with internal and external stakeholders on co-design of remediation framework.		
Monitoring implementation and transparent reporting	Develop a dashboard to increase the transparency of human rights risks across the supply chain.		
	Conduct third party assurance against sustainability disclosures including human rights related metrics.		
Communication, training and knowledge sharing	Review modern slavery training program and develop module for company-wide roll out.		
	Embed modern slavery training in leadership training program.		
	Develop and provide resources, such as guidelines and training materials, for ongoing education with contractors, suppliers and business partners.		
	Actively engage with the HRREC.		

Appendices

Appendix A: Pilbara Minerals' Group

Consultation with related entities.
The Pilbara Minerals Group comprises:

Pilbara Minerals Limited ACN 112 425 788

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

Tabba Tabba Tantalum Pty Ltd ACN 154 081 339

The Company's registered office is Level 2, 146 Colin Street, West Perth, WA 6005.

Appendix B: Mandatory criteria

The following indicates the page number/s of the Pilbara Minerals FY23 Modern Slavery Statement that addresses each of the mandatory criteria in section 16 of the Act:

Mandatory criteria	Page number/s
a) Identify the reporting entity.	3
b) Describe the reporting entity's structure, operations and supply chains.	8, 13
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.	15-20
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	23-32
e) Describe how the reporting entity assesses the effectiveness of these actions.	35-37
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	Pilbara Minerals does not own or control any other entities.
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.	Pilbara Minerals considers response to a) through to f) sufficient.

Appendix C: References

ACSI (2019). *Modern Slavery Risks, Rights & Responsibilities a guide for companies and investors.*

Australian Government (1972), *Aboriginal Heritage Act.*

Australian Government (2018), *Modern Slavery Act.*

ILO (2022), *Global Estimates of Modern Slavery: Forced Labour and Forced Marriage.*

IOM (2022), *Global Estimates of Modern Slavery: Forced Labour and Forced Marriage.*

KPMG (2021), *Resources, Energy and Modern Slavery.*

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Pilbara Minerals (2023), *September 2023 Quarterly Activities Presentation.*

ResearchGate (2020), *Pie chart showing major end uses of lithium as a percentage of world consumption.*

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Walk Free (2023) *Global Slavery Index.*

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ACN: 112 425 788
ASX: PLS
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