PENSANA Plc

Modern slavery statement for Pensana plc.

As required under section 54 (Transparency in Supply Chains) of the Modern Slavery Act 2015.

For the financial year ending 30th June 2024

Statement of intent - Pensana takes its responsibilities to uphold the highest standards of human rights very seriously. This includes optimising efforts to avoid modern slavery.

The Group is committed to upholding the highest of ethical standards throughout all aspects of its business, which include respecting and safeguarding the human rights of all its stakeholders. This commitment is based on the belief that business should be conducted honestly, transparently, fairly and legally. We expect all employees, suppliers, contractors, and other stakeholders to share our commitment to high moral, ethical and legal standards.

Organisation structure and context of supply chains - In the reporting year, Pensana considered its risk of exposure to modern slavery as low. The business is in its early stages of development and the activity in the period involved mainly early stage construction, service based consultancy activity and small-scale site-level investigations, working with highly reputable organisations, with many having their own policies and procedures for avoiding modern slavery.

The business has, as yet, no complex supply chains, therefore minimising the risk of modern slavery, although the company continues to consider what future risks it might face. The business maintains a document entitled "Principles of Sustainable Procurement" which is publicly available via the website. The Principles include a requirement on all suppliers not to engage in adverse actions on human rights maintain poor ethical behaviours or pursue unfair activity in its business. Furthermore suppliers are required to undergo a pre-screening exercise. In FY24 the business expanded the procurement process to include a risk assessment of modern slavery for relevant suppliers, this is a quantitative process and results in site visits and additional screening for any suppliers who are considered at risk. This is the next step in the proportional growth of Ozango's modern slavery screening as the organisation grows.

All staff in the Ozango subsidiary in Angola now attend regular training on human rights issues, including modern slavery as part of the daily programme of toolbox talks.

Risk identification and governance process- The Board holds the responsibility for overseeing high Environmental, Social and Governance (ESG) standards throughout the Company, and has established an ESG sub-committee, reporting to the Board, to oversee this. The Company CEO has responsibility for the delivery of ESG at every level of the business, but the Company recognises that the delivery of high ESG standards depends on all involved throughout the Company.

Recognising that the Business is at an early stage, nevertheless Pensana has been assiduous in making sure that even at this stage it addresses the risks of modern slavery.

The business maintains a Board approved ESG strategy entitled "Pensana Blueprint for Sustainable Rare Earths". This highlights the business' short, medium and long term ambitions for its ESG performance including a strategic commitment to "Integrate leading practice across our business to protect the human rights of our colleagues and partners." This ambition includes the importance to the business of addressing modern slavery

Policies in relation to slavery and human trafficking - Essential to the projects is the Company commitment to the International Finance Corporation (IFC) standards, which includes Standard 2 entitled: "Labor and Working Conditions". This standard includes among its objectives: "To avoid the use of forced labour" [sic.]. All subsidiary and third-party managers and their teams are instructed and aware that the business requires compliance with this standard and all the required clauses contained within it.

Due diligence - Pensana continues to review and engage with its supply chain and now has a twofold pre-screening approach and an ongoing risk review process. The purpose of the pre-screening and reviews is to understand the criteria that are applied during their contracts, work and additional sourcing. Material primary providers of goods and service providers to Pensana are required to have policies and procedures in place to address modern slavery and human rights risks.

Effectiveness – The business retains in post a Sustainability Manager and part of the role involves a monitoring plan and overseeing KPIs across the area of modern slavery, as well as ESG more generally. This work is reported on a frequent basis to the ESG sub-committee, and through this to the Board, as well as through Pensana's Annual Report published on its website.

Signed: 

Tim George, Chief Executive Officer

Date: 18 December 2024