



Looking forward. Mining green.

29<sup>th</sup> June 2022

H.E. António Guterres  
Secretary-General  
United Nations  
New York,  
NY 10017  
USA

Dear Mr. Secretary-General,

I am writing to confirm that Blackstone Minerals continues to support the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption. With this communication serves to demonstrate our continued commitment to the Principals and outline the practical approaches we have taken to supporting them. Blackstone Minerals will make a clear statement of this commitment to our stakeholders and the general public. We recognize that a key requirement for participation in the UN Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the Ten Principles.

We support public accountability and transparency, and therefore have committed to reporting on progress within one year of joining the UN Global Compact, and annually thereafter according to the UN Global Compact COP policy. In this report, we have detailed the lengths we have gone to in order to implement – in our first year of ESG activity for our business – the actions and goals we have achieved, and those that we have been able to measure to date. Our ESG report, due to be published in September 2022, will further highlight the activities we have completed throughout the Financial Year 2022.

Our submission this year includes:

- This statement signed by the chief executive/managing director expressing continued support for the UN Global Compact and renewing our ongoing commitment to the initiative and its principles.
- A description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken (or plans to undertake) to implement the UN Global Compact principles in each of the four issue areas (human rights, labour, environment, anti-corruption).
- A measurement of outcomes (i.e., the degree to which targets/performance indicators were met, or other qualitative or quantitative measurements of results).

Sincerely yours,

A handwritten signature in black ink, appearing to read 'S Williamson', is written over a light grey horizontal line.

Mr Scott Williamson

Managing Director - Blackstone Minerals

## Blackstone Minerals UNGC Communication on Progress 2021-2022

### *Response to the Ten Principles of the UN Global Compact*

This UNGC Communication on Progress Report for Blackstone Minerals is the Company’s inaugural report on their progress on the 10 UNGC Principles. Blackstone Minerals is proud to outline the actions the Company has taken in its first year of reporting against the 10 Principles across Human Rights, Labour, Environment and Anti-Corruption and their alignment to selected Sustainable Development Goals (SDGs) that Blackstone believes it can meaningfully impact as the business grows. These SDGs are identified below, with examples of actions completed in the reporting period. This Communication on Progress report is accompanied by a letter of support from Blackstone Mineral’s Managing Director, Scott Williamson.

The priority Sustainable Development Goals for Blackstone Minerals 2021-22 are:

- SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all.
- SDG 13: Take urgent action to combat climate change and its impacts.
- SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

#### Human Rights

**Activities supporting the advancement of SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.**

Blackstone Minerals provides a working environment amongst its employees and communities that provides safe and productive employment and procurement opportunities that enhances the economic and social health of these communities. In addition, our governance and business priorities aim to maintain a safe workplace to our employees and these communities. A number of initiatives are listed below with regard to maintaining SDG 8 at Blackstone.

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and

**Principle 2:** make sure that they are not complicit in human rights abuses.

**Governance:** Blackstone Minerals is a supporter of the Universal Declaration of Human rights. As Blackstone Minerals grows, we continue to develop our governance system, underpinned by codes, policies and procedures to work fairly and transparently as well as meeting all relevant laws and regulations. One major part of the governance system is Blackstone Minerals’ Code of Conduct, which sets out behaviours expected from employees, contractors and any related third parties who act on Blackstone’s behalf to meet all legal requirements and work to the highest ethical standards. To strengthen our governance of human rights, we established a People, Remuneration, Culture and Diversity Committee to oversee our work to protect employees.

**Health and Safety:** As our project in Vietnam progresses, over the past year we have implemented several corporate and site level approaches to promote and manage health and safety risks. These developments have

	<p>included: the development of an onsite team to support a high level of emergency and general medical support; we provide appropriate PPE to all workforce members, including education on use, storage, and importance; we secure all hazardous chemicals in a designated area on site in order to comply with legal requirements for hazardous waste storage. In addition, we provided labour safety training for all personnel on site and we continued to provide medical surveillance in partnership with local health providers on site, identifying potential occupation exposure as well as ensuring general health and wellbeing of all workers.</p> <p>In response to Covid during the reporting period in Vietnam, Blackstone hired a full-time site-based clinic nurse to support the health and wellbeing of our workforce, including supporting Covid testing initiatives of our employees and contractors; we worked with the local Medical Centre and Hospital to support public health messaging on site and in the area and advocate for the vaccination of site-based staff; we worked to advance the safety of the community where we operate, by providing support to the Muong Khoa Commune health service through the donation of medical Personal Protective Equipment (face masks, sanitisers etc.); we shared Covid public health messaging through the distribution and sharing of signage in key site and office areas.</p> <p><b>Ongoing learning:</b> During the reporting period, we became a member of the Human Rights and Energy and Resources Collaborative, supporting improvements and best practice in human rights adherence in the mining and energy industry.</p>
<p><b>Labour</b></p> <p><b><i>Activities supporting the advancement of SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</i></b></p> <p>At Blackstone, we recognise one of the most positive long-term economic contributions we can make is through the employment of people to support our work. Further, our implementation of programs and policies that support their fair treatment and advancement. First, the alignment to SDG 8 is seen through the working conditions and compliance highlighted below. Additionally, SDG 8 is strengthened by Blackstone’s work during this period in implementing and reviewing the Governance structure and policies that underpin the execution of these working conditions and their compliance.</p>	
<p><b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p>	<p><b>Vietnam Human Rights compliance:</b> All staff have freedom of association, where employees can join trade unions or employee representative groups. In 2020, 19 of 48 permanent site-based employees were members of the local trade union. All site-based employees are provided with clean and safe living facilities and nutritious meals.</p>
<p><b>Principle 4:</b> the elimination of all forms of forced and compulsory labour;</p>	<p><b>Abolition of child labour:</b> Personnel recruited across all sites are above 18 years of age to ensure child slavery risks are removed through the Blackstone Minerals recruitment process.</p>
<p><b>Principle 5:</b> the effective abolition of child labour; and</p>	<p><b>Labour Conditions:</b> All employees – regardless of location – work the standard working week which is in accordance with the relevant Australian, Vietnamese or Canadian labour laws, and compensated</p>

<p><b>Principle 6:</b> the elimination of discrimination in respect of employment and occupation.</p>	<p>accordingly. All employees are provided with PPE, in addition to tutorials on use and storage.</p> <p><b>Governance:</b> To strengthen our governance of diversity and inclusion at Blackstone Minerals, our Code of Conduct, Whistleblower and Anti-Bribery and Corruption policies are currently under external review with Vietnamese and Australian lawyers. Our Diversity and Inclusion; Health and Safety; and Human Rights Policies were updated and translated into Vietnamese in 2021. These policies were reviewed by senior leadership and our Non-Executive Director, Alison Gaines. Further to this, we established a People, Remuneration, Culture and Diversity Committee to oversee our work in this area of the business.</p>
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**Environment**

**Activities supporting the advancement of SDG 13: Take urgent action to combat climate change and its impacts**

Blackstone Minerals aims to accelerate the energy transition in order to combat climate change by providing NCM811 Precursor for the Electric Vehicle market. Importantly, we understand that any nascent project such as ours in today’s times, cannot be constructed without a clear understanding of the predicted environmental impact, engrained GHG Emissions reporting from the early stages of our project, and a commitment to continuous tracking of our emissions when the NCM811 cathode precursor is eventually produced.

All these commitments are embedded in the three key activities completed in this reporting period – a Life Cycle Assessment, a comprehensive GHG Emissions assessment of past Scope 1, 2, and 3 emissions, and a commitment to developing Blockchain Traceability-as-a-Service technology for our product.

Further to this, we continue to maintain a regular environmental rehabilitation program on site, alongside the continuous development of our staff understanding of environmental protection and stewardship through site-based environment team members.

<p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges;</p>	<p><b>Life Cycle Assessment:</b> In addition, to the GHG Assessment, we also completed a Life Cycle Assessment from independent life cycle assessment practitioners. This study has helped us to identify the major impacts in our project and helps to inform sustainability-focused decision making in design, construction, inputs and processes - taking into account impact categories to reduce our Scope 1, 2, and upstream Scope 3 emissions. In this study, we chose four impact categories to assess our environmental impact: global warming potential, acidification potential, water scarcity footprint, and land use transformation.</p> <p><b>GHG Emissions Assessment:</b> Through an independent consultancy, we conducted our first GHG Emissions Assessment for Calendar Year 2020, in the reporting period for Scope 1, 2, and 3 Emissions in line with the Greenhouse Gas Protocol standard. Our Scope 1 Emissions were 148,967kg CO<sub>2</sub>e, Scope 2 Emissions were 194, 850kg CO<sub>2</sub>e and Upstream Scope 3 Emissions were 3,580,930kg CO<sub>2</sub>e. In order to understand what offsets need to be arranged in the lead up to construction of our project and expansion of the existing mine, we intend to conduct the same GHG Emissions assessment for January 2021 through to end June 2022, for publication in our FY2021/ 2022 Sustainability Report.</p>
<p><b>Principle 8:</b> undertake initiatives to promote greater environmental responsibility; and</p>	
<p><b>Principle 9:</b> encourage the development and diffusion of environmentally friendly technologies.</p>	

	<p><b>Blockchain tracking:</b> In 2021, we signed an agreement with a blockchain tracking technology company to demonstrate a reliable chain of custody, using Traceability as-a-Service (TaaS) technology. These metrics will include CO2 intensity, biodiversity impact, water use and energy mix. These will be digitised from project samples and made available for potential downstream customers.</p> <p><b>Rehabilitation:</b> drilling pad sites during the reporting period were rehabilitated in accordance with our company’s Reclamation and Rehabilitation Plan, approved by the Vietnamese National Environment Department. All rehabilitation is conducted by either permanent employees and/or contractors, largely from the local community.</p> <p><b>Awareness raising:</b> For World Environment Day in 2022 we launched a series of events on site, in our Hanoi office and within the community around water conservation. We complemented these public seminars with repairs to water leaks at the Camp and Plant site.</p>
<p>Anti-Corruption</p> <p><b><i>Activities supporting the advancement of SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</i></b></p> <p>To commence the journey of understanding the most pertinent ESG priorities for Blackstone in the early phases of our company’s development, in 2021 we undertook a Materiality assessment which determined that Bribery, Corruption and Business Integrity was the biggest material risk to our company. As such, we have worked to implement several immediate actions to understand the risk and address the most pressing of these. These actions work to support what we understand to be a multi-year program of activity and action in embedding ethical business and conduct to ensure that our most important stakeholders are treated equitably and that we are accountable to them. We understand that, like the principles of SDG 16, good business conduct is critical to sustainable development and social justice in the jurisdictions we are operating in.</p>	
<p><b>Principle 10:</b> Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p><b>Materiality Review:</b> In 2021, we conducted our first ESG Materiality assessment process, and Bribery and Corruption was identified as a major risk in the business. Further to this review, we engaged with Transparency International in both our Materiality assessment process, and through webinar trainings to better understand the assessment of these risks to junior mining companies like ours. We need to continue to develop processes and due diligence that address areas of bribery and corruption risk associated with our suppliers, the permitting process and community investments. This assessment process identified the importance of addressing SDG 16, to promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. The below initiatives serve as the first, foundational steps in addressing this SDG in Blackstone’s activities.</p>

**Policy Updates:** Blackstone Minerals updated its Anti-Bribery and Corruption and Whistle-blower Policies in 2022 in order to better reflect modern expectations of ABC conduct and of the jurisdictions in which we operate. The Policy is owned by the Board of Directors and was reviewed by senior level leadership and the Chair of the ESG and Audit Committee and Non-Executive Independent Director, Alison Gaines. In addition, to further strengthen the internal development and review of these documents, we engaged a global law firm to review the Anti-Bribery and Corruption Policy from an Australian, Canadian and Vietnamese legal standard.

**Whistleblowing Service:** During this period, we have also onboarded a confidential whistleblowing service, Whispli, for those who may have concerns in any of the countries in which we operate. Importantly, this service can be translated into Vietnamese and provides support in a way that can be used by those with low levels of literacy skills. To further strengthen the independence and integrity of responses to bribery and corruption, we have engaged CurbyMcIntock to receive, assess and report on disclosures through the Whispli platform. At the date of publication, an internal working group has been established at Blackstone Minerals to facilitate the rollout and orientation of the Whispli hotline amongst employees and community members to ensure that the service is understood and accessible. The group has also been set the task of continued reinforcement and education around the ongoing use of the platform, beyond initial inductions.

**Corporate Training:** In 2021, we attended the launch of the Bribery Prevention Network, made available by the UNGC, Minerals Council of Australia, and other key partners to support Australian companies address and avoid corruption and bribery. Through this network and the regular use of its resources, Blackstone Minerals was invited to participate in the University of Technology Sydney's research in the useability of the BPN website to improve the website to support other companies on their ABC work.

In addition, in November 2021, we engaged a local NGO in Vietnam (Toward Transparency) to conduct research of Vietnam team members who were identified to be exposed to 'high risk' of bribery and corruption and identified 16 Vietnamese staff to be part of this group. These surveys formed the basis of corporate level training delivered to Blackstone Minerals' Board Members including our Chairman and Managing Director, as well as our senior leadership team. The training outlined the findings of this research, and the consequences of Bribery and Corruption in Vietnam, and requirements to address it 'from the top.' In the assessment of these 16 Vietnamese staff, the results suggested that Blackstone Minerals has more work to do in preventing bribery and corruption in our recruitment processes, the supply chain and at work. We understand that we need to continue to develop processes and due diligence that address areas of bribery and corruption risk associated with our suppliers, the permitting process and community investments.