

SOCIAL IMPACT MANAGEMENT PLAN

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Project Name: Nolans Rare Earth Project



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1.0 INTRODUCTION

1.1 Background

The Nolans Rare Earths Project (the Project) is located approximately 135 km north west of Alice Springs, Northern Territory. The Project targets the Nolans Bore mineral deposit for rare earth elements. Activities will focus on construction, mining, processing, rehabilitation and decommissioning of an open-cut, rare earth mine, and its associated infrastructure.

Social Sustainability is based on ensuring 'social wellbeing' or a positive legacy beyond the life of a project. For a project to be 'sustainable' it must be economically, technically, environmentally and socially beneficial for both the company and all our stakeholders.

1.2 Purpose

The purpose of the Social Impact Management Plan (SIMP) is to provide a framework for managing the projects potential social impacts. In addition, it should be used in decision making, project management, detailed planning and to provide for a record of performance.

This document and its subsequent revisions form an integral part of the Project's Mining Management Plan (MMP). It is a document which will be reviewed and updated regularly (or as determined by the MMP), provides a record of the current operational requirements and practices whilst allowing for responsiveness to conditions, input from stakeholders, and enabling flexibility in planning and prioritisation where required.

This SIMP outlines potential significant impacts of the Nolans project and outlines management plans to guide the company's long-term social performance. It covers social impacts from the perspective of the people whose lives, livelihoods and lifestyles may be potentially affected by the project.

All referenced company policies, standards, registers, operational procedures, activity specific documents, forms and templates are stored and can be accessed from within the Arafura Resources Integrated Management System (ARMS).

1.3 Objectives

The primary objectives of this SIMP is to guide the long-term social performance of the Project by:

- Outline the ongoing monitoring of social indicators that will show progress against predicted positive and negative impacts.
- Set accountability for managing the company's ongoing social performance.
- Define the reporting requirements against these indicators.

Responsibilities for the implementation of this plan are outlined in Table 2—4.

1.4 Relevant Legislation and Guidelines

The Project is obliged to comply with all relevant environmental legislation. A summary of key legislation and guidelines is outlined in the MMP Section 3: Statutory and Non-Statutory Requirements.

1.5 Previous Investigations

This SIMP has been prepared based on the Social Impact Assessment (SIA) report prepared for the Environmental Impact Statement, available in Volume 6 – Appendix X_K Social Impact Management Plan.

https://www.arultd.com/images/EIS/DOCUMENTS/Volume6/Nolans_EIS_Appendix_X_K_web.pdf

The assessment covered the project site, nearby communities and Alice Springs, the nearest regional centre. In summary, the SIA profiled communities potentially impacted by the Project, gathered baseline data through research and interviews and described existing social changes and issues, potential risks and opportunities of the project. This was complemented by an Economic Study (GHD, 2016b) which analysed the potential economic benefits and risks of the Project for the region, the Northern Territory and Australia.

1.6 Community Consultation

Consultation for the Project began early 2007, when Arafura opened an office in Darwin. Early consultation was guided by a comprehensive community engagement strategy that outlined stakeholders, likely key issues and recommended appropriate communication with different stakeholder groups.

Communication and consultation of the EIS included workshops with government departments, on country meetings with traditional owners, individual meetings with pastoralists, briefings of Central Desert Regional Council and its Anmatyerr Local Authority, community information sessions and individual meetings with a number of key stakeholders including community and environmental groups and non-government organisations.

Key outcomes of the processes identified the need for the following:

- Initiate and implement a working community reference group, to agree on community relations objectives, outline the community's expectations, agree on monitoring and reporting of the Project's commitments and agree on roles and responsibilities.
- Maintain a commitments register and a stakeholder register to capture commitments and stakeholder issues, protocols on how stakeholders raise issues, company responses to issues raised as well as the monitoring and measurement of social responsibility performance.
- Communication to include a Community page on Arafura's website with materials to explain issues of concern and monitoring results, maps, videos and community displays.
- Negotiating with Traditional Owners through the Central Land Council on issues including employment, Aboriginal businesses and ongoing communication.

2.0 MANAGEMENT AND MITIGATION

The general approach for management of social impacts before, during and after Project construction and operations is structured as follows:

- **Key Activities, Impacts and Residual Risks:** A summary of the key activities being undertaken during the management period. The potential impacts and residual risk levels are identified for each aspect.
- **Objective:** The guiding management objective(s) and activities that apply to the SIMP.
- **Mitigation Measures:** The procedures to be used to ensure that the relevant objectives are met.
- **Reporting, Monitoring and Measurement:** The procedures to be used to measure, monitor and report against the SIMP.

2.1 Key Activities, Impacts and Management Measures

The key activities and potential impacts that have been identified that require social impact management measures are listed in Table 2—1, A perceived residual risk rating after the commitment to implement the management measures is also provided.

The proposed activities to manage social impact and potential opportunity for it to be effective is listed in Table 2—2.

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Table 2—1 Key Activities, Impacts and Management Measures

ACTIVITY	Potential Impact	Management	Indicators	Measurement methods	Residual rating
Local employment results in increased disposable income, leading to social and family tensions.	<p>Humbug from families reduces the incentive to work.</p> <p>Higher incomes may reduce welfare payments, increase public housing rental payments and can increase social disharmony, alcohol and gambling.</p>	<p>Outside Arafura’s control. Community liaison officer can link to government agencies and money management programs to help address.</p>	<ul style="list-style-type: none"> ▪ Distribution of jobs and benefits to families ▪ Community satisfaction 	<ul style="list-style-type: none"> ▪ Community attitudes surveys ▪ Statistics on local wages paid ▪ Grievance register, complaints 	Medium
Distribution of royalty payments results in increased disposable income, leading to social tension and conflict.	<p>Distribution of benefits payments is determined by families and can create jealousies and disharmony.</p> <p>Increase in disposable income can lead to higher levels of alcohol consumption, drug abuse and gambling.</p> <p>Can lead to anti-social behaviours with, impacts to school / workplace attendance, and increase demand for police and health services.</p>	<p>Outside Arafura’s control, managed by Central Land Council (CLC).</p> <p>Arafura can’t control substance abuse and dictate how royalties are spent.</p>	<ul style="list-style-type: none"> ▪ Community satisfaction ▪ Proportion of benefits paid in cash 	<ul style="list-style-type: none"> ▪ Community attitudes surveys 	Medium

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ACTIVITY	Potential Impact	Management	Indicators	Measurement methods	Residual rating
Recruitment draws people from existing jobs in Central Australia, resulting in impacts on other Central Australian businesses.	Impact on delivery of services to some private businesses, government, and local government, with some time needed to replace employees.	Outside Arafura's control, but Arafura will work with industry groups and employers to consider the impacts of its recruiting and consider joint training opportunities.	<ul style="list-style-type: none"> ▪ Loss of workers to the project ▪ Business satisfaction ▪ Reduced council services ▪ Skills gaps 	<ul style="list-style-type: none"> ▪ Workforce statistics on origin of workers ▪ Business satisfaction survey ▪ Skills audit in Alice Springs and locally 	Medium
Use of local contractors and businesses reduces local industry capacity for other work, impacting on business costs, competitiveness, and operations.	Worst credible consequence is considered to be during construction period, where there will be short term higher demand for a range of contractor services.	Arafura has prepared a Local Industry Participation Plan to guide involvement during construction. Plan to work with local employers and business groups. Longer-term businesses are likely to scale up to meet the needs of longer-term operational service contracts.	<ul style="list-style-type: none"> ▪ Community satisfaction 	<ul style="list-style-type: none"> ▪ Community attitudes survey 	Low
Local population not employed by the Project, resulting in unmet expectations.	Jealousy by local Traditional Owner population if there are perceptions that non Anmatjere people and FIFO workers are taking local jobs. This may result in resentment towards	Good communication and engagement to explain what jobs are available, help local people obtain them and explain any shortfall in expected local jobs.	<ul style="list-style-type: none"> ▪ Number of local people employed ▪ Participation and unemployment rates in Alice Springs and local communities ▪ Community satisfaction 	<ul style="list-style-type: none"> ▪ Census data on participation rates ▪ Number of local people with jobs at the project ▪ Number of job seekers registered with employment and 	Medium

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ACTIVITY	Potential Impact	Management	Indicators	Measurement methods	Residual rating
	Arafura.	Maximise employment opportunities through work-readiness planning and training. Ensure a commitment to local Aboriginal participation.		community development providers <ul style="list-style-type: none"> Community attitude survey 	
Local businesses not winning work on the Project, resulting in unmet expectations and negativity towards the Project	Business frustration across the broader Central Australia area, leading to negativity which includes failure of government and community expectations. Potential for businesses to close and blame Arafura and impact on perception and reputation.	Use Local Industry Participation Plan and work with the NT Government, Chamber of Commerce and ICN. Run industry information sessions, ensure Head Contractors provide businesses opportunities based upon how work is packaged. Ensure Prime contractors are contracted to meet local opportunities in their supply chains.	<ul style="list-style-type: none"> Number and value of contracts awarded in Central Australia and the Territory Business satisfaction 	<ul style="list-style-type: none"> Statistics for Local Industry Participation Plan Business survey 	Medium
Project personnel relocating to Alice Springs area together and Project demand for goods and services. This could result in localised inflationary pressures and housing	Pressure on rents and affordability of services. Pressure on government and NGOs to meet the gaps. Reduced disposable income	Develop a short-term accommodation strategy accounting for local capacity. Monitor the number of local workers and number of workers and their	<ul style="list-style-type: none"> Cost of living indicators such as housing affordability and availability, basket of goods Household and individual incomes in 	<ul style="list-style-type: none"> Census data Company records on source of staff and where they live Real estate data on cost and availability of private 	Low

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ACTIVITY	Potential Impact	Management	Indicators	Measurement methods	Residual rating
demand, availability of trades, childcare and increased cost of living.	for existing population.	families relocating to Alice Springs because of the project.	<ul style="list-style-type: none"> Alice Springs Number of families relocating locally Community satisfaction 	housing	
Project timeframes, contracts and impact on demand for goods and services are poorly understood by locals. This may result in insufficient resilience to adjust to changes in demand.	Companies may over extend and invest unsustainably in staff and equipment, particularly during the construction period.	<p>Procurement policies to account for a company's size and ability to sustain growth.</p> <p>Work with the ICN, NT Government and Chamber of Commerce on industry.</p> <p>Clear communication about the needs of the project, size of available packages and length of contracts available.</p>	<ul style="list-style-type: none"> Number and value of Territory and Alice Springs contracts Business confidence 	<ul style="list-style-type: none"> Number of Alice Springs and Territory businesses winning contracts Number of Alice Springs businesses closing or going into administration Business survey 	Low
Demand by the Project for airline seats and short-term accommodation in Alice Springs resulting in high levels of occupancy and price pressures, displacing tourism in the region.	<p>Reduced recreational and convention tourism in Alice Springs.</p> <p>Impact on tourism operators and Negative impact on the image of Alice Springs and a key employer/economic sector.</p> <p>Potential displacement and cost pressures on local</p>	<p>Monitor as part of an accommodation strategy and align FIFO from site to local flight schedules.</p> <p>Provide temporary accommodation near the project or in Alice Springs.</p>	<ul style="list-style-type: none"> Occupancy rates for hotels and airlines Average prices for hotel rooms and airline seats Business satisfaction Number and origin of people in tourism and hospitality jobs 	<ul style="list-style-type: none"> Tourism data Number of flights booked Number of hotel rooms booked, cost and time of the week Business satisfaction survey Labour market survey 	Low Risk

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ACTIVITY	Potential Impact	Management	Indicators	Measurement methods	Residual rating
	short-term accommodation.				
Project is perceived by adjacent agricultural land users to be incompatible with their operations.	Agitation by adjacent agricultural land users. Operations result in adverse perception of the Project within the broader community. Reputational impact.	Communication with adjacent land users to provide information on the project, potential effects, and proposed mitigation.	<ul style="list-style-type: none"> Community satisfaction 	<ul style="list-style-type: none"> Complaints from pastoralists Community satisfaction survey 	Low Risk
Return of people to local communities to work on the Project results in localised population increase, with higher demand for government infrastructure and services.	Increased demand for public housing in Ti Tree and nearby communities, with additional wear on public housing. Higher demand for police, health and emergency and education services with adverse impacts to service delivery. Additional demand for costly utilities, which have little redundancy.	Communication with adjacent communities and local governments.	<ul style="list-style-type: none"> Population and community composition Demand for government infrastructure and services Number of medical presentations and evacuations Availability and affordability of housing Level of overcrowding in local communities 	<ul style="list-style-type: none"> Census data Needs analysis to establish baseline data on local services and projected changes in demand Company data on number of local workers, where they are living, family composition Joint planning with NT Government Housing waiting lists 	Medium Risk
Project personnel with lack of family / support network leads to or exacerbates	Worst credible consequence is self-harm resulting in fatality. Other	Trained medical staff on site. Mediation and counselling	<ul style="list-style-type: none"> Incidents of self-harm Staff morale Take up of welfare or 	<ul style="list-style-type: none"> Workforce data on self-harm incidents Workforce data on access 	High Risk

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ACTIVITY	Potential Impact	Management	Indicators	Measurement methods	Residual rating
individual mental health issues.	consequences include loss of employment, impacts to workforce morale and retention.	support offsite specialists. Workplace training and awareness programs for managers. Good communication infrastructure at site to enable the workforce to communicate externally. Employee assistance programme to be rolled out to all personnel on site.	support services	to services <ul style="list-style-type: none"> Staff satisfaction surveys 	
Community concern of adverse impact to health and natural environment from Project. Perception of impacts from dispersion or storage of radioactive materials, transport of dangerous goods, dispersion of dust, tailings dam failure, etc.	Local communities object to the Project and mobilise opposition which leads to reputation damage and community unrest.	Transparent continual communication and community education, including fact sheets, access to experts, taking account of culturally appropriate communication. Sharing and explanation of monitoring results.	<ul style="list-style-type: none"> Community attitudes 	<ul style="list-style-type: none"> Community attitudes survey Complaints received 	Medium Risk
Project employs people previously volunteering locally, resulting in a decline in the quality, skills and viability of volunteer	Voluntary organisations may not survive or continue to provide effective services. Loss of organisers or	Community investment programs that include volunteering by staff.	<ul style="list-style-type: none"> Volunteering numbers 	<ul style="list-style-type: none"> Number of staff volunteering Statistics on volunteering in Alice Springs 	Low Risk

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ACTIVITY	Potential Impact	Management	Indicators	Measurement methods	Residual rating
services, organisations and sporting clubs.	participants from community groups and sporting clubs due to Project.				
The Project results in perceptions by pastoralists, recreational users and traditional owners of a changed landscape and access restrictions.	<p>Reduced access to cultural sites and reputation risk may cause opposition to mining.</p> <p>Changed lifestyles which reduces access for hunting, camping, traditional foods and medicine, opposition to mining.</p> <p>Impact on quality of life and other land use.</p>	Agreements to allow continued access for cultural activities.	<ul style="list-style-type: none"> Community satisfaction Special sites in exclusion zones 	<ul style="list-style-type: none"> Registered complaints or dialogue with site community relations officer Data on number of sites disturbed, damaged or in exclusion zones Cultural Heritage Management Plan register Community attitude survey 	Low Risk
Project accelerates cultural change of local Aboriginal communities, including reduced strength of culture, language, and customs.	Reduction to cohesion of community, including decline in respect for traditional law and authority from those people with increased contact with the Project.	<p>Cultural and Heritage Management Plan</p> <p>Cross-cultural awareness programs and inductions of workers.</p>	<ul style="list-style-type: none"> Level of cross- cultural awareness 	<ul style="list-style-type: none"> Number of cross- cultural awareness courses run. Community attitude survey 	Low Risk
Human rights breaches, including unequitable employment and treatment of workers, breaches of	Reduced quality of life for local Aboriginal communities, with potential for reputational damage	<p>Developing a culturally appropriate workplace.</p> <p>Awareness of human rights and labour obligations by</p>	<ul style="list-style-type: none"> Compliance with labour laws Diversity of workforce, including women and 	<ul style="list-style-type: none"> Reported grievances or complaints Workforce statistics on 	Low Risk

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ACTIVITY	Potential Impact	Management	Indicators	Measurement methods	Residual rating
labour laws, and human rights breaches in the Project supply chain in Australia and overseas.	and negative perception of the Project within the broader community.	<p>project managers.</p> <p>Cross-cultural awareness training for all staff and contractors.</p> <p>Performance criteria mandated in contracts detailing human rights and labour requirements.</p>	<p>Traditional Owners</p> <ul style="list-style-type: none"> Community satisfaction 	<p>diversity</p> <ul style="list-style-type: none"> Staff and community surveys 	
Project proponent and non-local workers display racism in the workplace.	Reduced access to jobs or accommodation, loss of workers, conflict.	<p>Cross cultural awareness training for staff and contractors.</p> <p>Performance criteria in contracts and Codes of Behaviour for workers.</p> <p>Mentoring and support to resolve any issues.</p>	<ul style="list-style-type: none"> Prevalence of complaints High turnover of Traditional Owners 	<ul style="list-style-type: none"> Complaints or grievances Staff survey 	Low Risk

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Table 2—2 Key Social Impact Opportunities

Activity	Potential Impact	Management	Indicators	Measurement methods	Opportunity
Increase in local employment opportunities leads to higher levels of employment, economic participation, improved education outcomes and reduced levels of disadvantage.	<p>People make the most of opportunities for jobs with the Project and stay in their jobs.</p> <p>Higher incomes for families reduce disadvantage.</p> <p>Increased interest in private ownership of houses.</p> <p>Increased capacity of local businesses.</p> <p>Flow on effect to other sectors, such as retail and hospitality due to increased wealth in the community.</p> <p>Increased long-term capacity to get work.</p>	<p>Implement workforce development plan, KPIs for Arafura and contractors for Aboriginal employment, mentoring and support programs working with industry groups.</p> <p>Procurement strategies work with schools and job providers to increase transition to jobs and work-readiness.</p>	<ul style="list-style-type: none"> ▪ Participation and unemployment rates ▪ Local worker retention rates ▪ Number of apprenticeships with the project ▪ Level of private home ownership ▪ Income levels ▪ Levels of overcrowding ▪ Other socioeconomic indicators ▪ Community satisfaction 	<ul style="list-style-type: none"> ▪ Census and labour market data and trends ▪ Company data on number of locals employed and whether they had jobs before, proportions of local, Alice Springs and FIFO workers ▪ Number of employees buying their own home ▪ Comparison of wages with average income levels ▪ Community attitude surveys 	High Opportunity
Direct and indirect demand for goods and services within the local economy drives business and regional economic growth above expectations.	<p>Increased work for locals.</p> <p>Long-term growth in business capacity of the region.</p>	<p>Use Local and Indigenous Business Participation Plan to emphasise the importance of local procurement.</p> <p>Package work to suit the capacities of local businesses and encourage</p>	<ul style="list-style-type: none"> ▪ Economic data such as GDP ▪ Alice Springs workforce participation rates ▪ Chamber of Commerce membership ▪ Local project expenditure 	<ul style="list-style-type: none"> ▪ Census data ▪ Business surveys ▪ Reports on local industry participation 	Medium Opportunity

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		joint ventures. Work with government business growth programs.			
Project infrastructure investment or equipment, such as road upgrades, communications networks and water and power supply provide indirect benefits for the local communities.	Improved access to services and improved communications, with access to better regional infrastructure encouraging other economic activity, e.g. horticultural activity.	Work with the Central Desert Regional Council, the NT and Australian Governments and other projects to look at collaborative opportunities for regional economic growth and investment in infrastructure.	<ul style="list-style-type: none"> ▪ Capacity of infrastructure in communities near the project ▪ Project expenditure on infrastructure (including residual infrastructure, legacy projects) 	<ul style="list-style-type: none"> ▪ Joint planning with NT Government ▪ Capital expenditure on infrastructure 	Low Opportunity
Opportunities for traditional owners to work in land management programs on country and enhance their skills.	Employment opportunities in land management and caring for country programs for local Aboriginal communities, including ranger programs.	Work with CLC and a local community reference group to investigate opportunities.	<ul style="list-style-type: none"> ▪ Proportion of environmental monitoring and rehabilitation work done by local ranger groups ▪ Company expenditure on ranger groups 	<ul style="list-style-type: none"> ▪ Employment in ranger groups and contracts awarded to rangers and other local contractors 	Medium Opportunity

2.2 Mitigation Objectives

The primary social impact management objectives which have been established are detailed in Table 2—3.

Table 2—3 Mitigation Objectives

Objective	Target	KPI
Develop and maintain a workforce with local cultural understanding and respect	All people coming to site will be provided with a cultural heritage induction. All long term employees will receive full cultural heritage training.	Number of personnel working at site that have completed training
Maintain open communications with local community to ensure stakeholder reporting is provided.	Complete Community Engagement Plan once FID is approved. Implement a working community reference group, outline the community’s expectations, outline monitoring and reporting of the Project’s commitments and performance Community page on Arafura’s website	Plan in place and agreed targets being achieved Working group meetings held upon. Website updated to reflect current social impact information and public reporting requirements.
Monitor social impact performance	Maintain commitments register and a stakeholder register and stakeholder issues, measure social responsibility performance and issues reported.	Feedback received (positive/negative) Responses to Community Satisfaction surveys
Develop an ongoing working relationship with the local communities and businesses	Number of opportunities available for local employment, business opportunities and participation Develop an Employment and Workforce Development Plan	Number of local community people employed Number of local business opportunities provided. Agreed targets and monitor Employment and Workforce Development Plan Local and Indigenous Participation Plan

2.3 Mitigation Measures

The set of mitigation measure commitments are presented in Table 2—4, which is a summary of actions which will be used to achieve the objectives and targets. and reduce the risk of social impacts from the project.

Table 2—4 Mitigation Measures

Mitigation Measure	Details	Accountability	Responsibility
1. Establish community reference group	Arafura to prepare terms of reference and discuss with the community, e.g. membership, meetings, objectives.	Annual report provided to community reference group	Community Liaison Officer
2. Develop indicators to be monitored	Key indicators to be monitored and reported on annually, e.g. Aboriginal and local jobs, local contracts, environmental monitoring. Arafura responsible for monitoring. Arafura will produce annual reports against these indicators.	Annual report as above	Community Liaison Officer
3. Report card/sustainability report	Community reference group to review annual performance report and provide comment and feedback. Arafura responsible for production.	Annual production	ESG Manager
4. Grievance process	Develop grievance protocols including a register to record, resolve and report on issues raised. Report on resolution of grievances, including any systemic issues or emerging issues	Annual grievance report	ESG Manager
5. Management plans	Detailed further below in Section 3.0, Arafura will continue to author the following management plans: <ul style="list-style-type: none"> ▪ Employment and workplace development ▪ Community engagement plan; ▪ Local and Indigenous Business Participation Plan ▪ Grievance procedures / issues register ▪ Code of Conduct 	Plans to be written as needed Annual reporting on any variations made	ESG Manager and Communication Liaison
6. Open local office	Open an Alice Springs Nolans project office prior to the final investment decision on the project.	Office opening	Corporate
7. Hire	Employ a community liaison officer, who will	Report to community	Community Liaison

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Mitigation Measure	Details	Accountability	Responsibility
Community liaison officer	implement the communications, management plans and maintain a commitments register and a stakeholder register to capture commitments and stakeholder issues, protocols on how stakeholders raise issues, responses to issues raised as well as monitor and measure social responsibility performance.	reference group on progress.	Officer
8. Communication	<p>Establish an annual budget for continued communication on the project, e.g. website, newsletters, community displays.</p> <p>Site induction will include the following components for social impact management:</p> <ul style="list-style-type: none"> ▪ Cultural Awareness ▪ Code of Conduct ▪ Support and Mentoring Services 	Report to community reference group on progress.	Communication Liaison Officer
9. Sponsorship	Arafura will establish an annual budget for sponsorship of community projects within its area of operations	Annual report on sponsored projects as part of sustainability report.	Communication Liaison Officer
10. Community benefits trust	Meet the requirements of the Native Title Agreement.	Parts of this agreement may be confidential. To be agreed on public reporting.	ESG Manager

3.0 MANAGEMENT PLANS AND POLICIES

As stated above in Section 2.3, in order to achieve the objectives and targets of this SIMP, several management plans will be implemented prior to construction and operation. These are further detailed below.

3.1.1 Employment and Workplace Development Plan

The employment and workplace development plan will be prepared before Arafura and its contractors start construction. This plan will link to the agreement signed with traditional owners through the CLC. Key elements may include:

- opportunities for direct and indirect jobs, timing (construction or operations) and duration
- a skills audit of the potential local workforce (from Alice Springs and nearby communities such as Laramba and Ti Tree) and gap analysis that includes current skills, likely aptitude for various positions available and best training approach
- an employment strategy for women
- liaison with local multicultural committees to explore employment of migrants living in Alice Springs
- liaison with the Department of Correctional Services' 'Sentenced to a Job' program, particularly for peak requirements where the local labour force may not be available to explore where prisoners can produce goods and services
- the proposed HR regime and employment approach (direct jobs, through contractors, labour hire)
- an Aboriginal employment and training strategy, including pre-employment programs, mentoring and support programs such as life skills and money management
- how other workers will be sourced (e.g. skilled migration, fly-in fly out)
- a recruitment strategy for long-term workers to relocate with families to Alice Springs
- proposed rostering, transport of workers to site and on-site accommodation
- cross-cultural training
- code of behaviour for workers, e.g. areas off limits, interaction with the community, respect for cultural sites (see below)
- work health and safety plans
- safety issues for commuting workers (e.g. provision of transport, communications, fatigue and the condition of the roads, driver courtesy)
- how the employment and workforce plan will be managed with sub-contractors
- longer-term employment pathways, such as working with the Department of Education on vocational education and training programs, workplace training, work experience for school students

3.1.2 Local and Indigenous Business Participation Plan

Closer to the final investment decision for the project, Arafura and its contractors will give priority to sourcing supplies and services from commercially competitive local (regional and Territory) businesses that meet the company's safety, quality, financial stability and workplace standards.

This will be achieved through a local procurement policy that may cover:

- advance planning and communication of likely supply and service packages
- working closely with the Northern Territory Industry Capability Network (ICN) to ensure local companies are aware of packages and have the chance to be considered (including industry information sessions to allow companies to plan)
- working with the ICN to understand local capabilities, which may influence how scopes of work are packaged
- working with the Department of Industry Tourism and Trade to maximise small business opportunities, such as joint ventures, consortia, capacity development and links with Arafura's community benefits programs
- providing incentives to contractors who meet local procurement targets
- reporting against agreed targets for local procurement.

This local procurement policy will need to take account of the cumulative effects of other projects on local capacity, provide clear communication on the length of contracts to ensure businesses are well-prepared and don't overextend in anticipation of work, manage expectations and communicate reasons why local companies may be missing out on contracts.

3.1.3 Native Title Agreement

Consultation for this project has been guided by an initial community engagement plan and a separate community engagement plan for preparation of the Environmental Impact Study and Social Impact Assessment. This strategy covers key stakeholders, issues analysis and summary of preferred communication tools to suit different audiences.

The engagement strategy is in line with the International Association for Public Participation (IAP2) Core Values, Code of Ethics and Spectrum of Public Participation which provides guidance on the level of participation according to levels of interest and impact, the complexity of a project, levels of uncertainty and likely community perceptions or fears.

Engagement will be continued and revised to cover the construction and operational phases of the project. This gives the community an opportunity to contribute to decision-making, provide feedback and insights, raise issues, and receive information from the company.

These initiatives may include:

- reporting against an annual sustainability plan or annual report card against goals

- a community reference group covering traditional owners and other key stakeholder stakeholders such as the Central Land Council, Northern Territory Government and Central Desert Regional Council that could meet periodically to discuss a range of project issues.
- roles and responsibilities, including an Arafura community liaison officer and local office
- engagement activities such as community information sessions, family days, site visits, website, displays at local shows and shopping centres, briefings
- a grievance procedure/issues register
- a sponsorship or community investment policy
- ongoing communication with the community
- mechanisms for regular review and evaluation.

3.1.4 Community Benefits Trust

Arafura wants to ensure the agreed benefits go to local people, some of which is covered in the above management plans.

A Native Title Agreement which has been negotiated between Arafura and the Central Land Council (on behalf of the traditional owners), as part of the company's mining agreement with traditional owners. This agreement specifies the roles and obligations of both parties. The agreement includes some or all of the following:

- roles and responsibilities of each party;
- the formation of a reference group;
- commitments regarding employment;
- level of ongoing community engagement regarding projects to be funded;
- governance structures;
- environmental management;
- cultural heritage site management; and
- business support.

3.1.5 Grievance Procedures/Issues Register

An effective grievance procedure will ensure the community is able to raise issues of concern, be confident these issues will be taken seriously and responded to or addressed, provide a mechanism for prompt identification of emerging issues and guide reporting on community issues.

The grievance mechanisms will include:

- an outline of how to report issues (e.g. emails, phone number, community liaison officer)
- protocols for Arafura to respond (including timelines for a response)
- issues register
- annual reporting on complaints and their resolution, including analysis of systemic issues.

4.0 REPORTING, MONITORING AND MEASUREMENT

Arafura will produce an annual Sustainability Report that will (in future editions) include a community report card summarising the company's success in meeting its performance targets.

There are various approaches that can be adopted, including:

- Sustainable livelihoods approach, that develops a score card of various capitals that should be in equilibrium to ensure continued community cohesion and resilience
- Social performance approach, which could look at how to meet regulatory requirements, mitigating negative effects on business activity, providing agreed benefits to host communities and contribute to overall business planning

4.1 Indicators and Monitoring

Arafura will work with a community reference group (when established) to agree on realistic achievable targets and how these might be measured each year. This will be a two-way process. For example, if employment targets aren't met, the company could discuss the reasons with the community while the community can provide feedback on how to do better against targets in the future, e.g. people not showing up to work, money problems, failing drug and alcohol tests etc.

Based on the above analysis, some of the following key indicators could be selected:

- number of Aboriginal jobs (and proportion of people who were previously unemployed)
- number and diversity of local employees
- staff retention rates
- number of apprenticeships and training courses
- local procurement (value and number of local contracts)
- number of local enterprises started because of the project
- expenditure on regional and community infrastructure
- contribution to local economy (royalties, taxes, modelling of direct and indirect expenditure)
- housing statistics (families buying or renting in Alice Springs, temporary accommodation provided, hotel rooms taken)
- research on economic indicators, such as regional income, cost of living, home ownership, participation in education, workforce participation
- number and type of complaints received and resolved
- sponsorships and outcomes of community investment programs
- community satisfaction surveys

5.0 PERFORMANCE REVIEW

A regular review of performance of this management plan is to coincide with the review process of the Project's MMP.

The review process is to assess performance against objectives of this plan and the stated actions within the MMP, with any relevant outcomes, supporting information, reports and/or data, discussed within the relevant section of the MMP, and supporting information/reports provided within the appendices.

Any outcomes of the performance review that will assist in continually improving this management plan, its objectives, methods or controls, are to be included or reflected in an updated version of this document.

The mitigation objectives and measures outlined in this EMP have been developed to reduce the risk of key project activities to an acceptable level for construction and operation of the Project.