



**CREATING  
SUSTAINABLE  
VALUE**

## SUSTAINABILITY REPORT INTRODUCTION

Centamin plc is Egypt's largest gold producer and an established intermediate African explorer, developer and miner, with premium listings on both the London Stock Exchange and Toronto Stock Exchange.

Some 700km southeast of Cairo is Sukari Gold Mine ("Sukari"), Centamin's flagship and world class asset, a desert ridge encircled by wide wadis and starkly beautiful mountains. There has been mining here since the rule of the Pharaohs. Today, it is home to the nation's first large-scale modern gold mine; served by tarmac roads, two dedicated diesel power stations and a 25km water pipeline fed by the Red Sea. The landscape and climate can be unforgiving in Egypt's mineral-rich Eastern Desert. Temperatures frequently reach 45°C and annual rainfall is less than 10mm. Even the winter sun can be fierce. But Sukari mine is a hive of activity, with over 1,500 employees working for Centamin.

Our workforce, which is greater than 90% locally employed, are dedicated and proud of their work. Sukari is a valuable employment hub for upper and lower Egypt, providing jobs and training that range from geologists and truck drivers to cooks and medics.



# ABOUT THE REPORT

Centamin is committed to working with the highest level of respect for our employees and the communities and environments in which we operate, while pursuing value for our shareholders. The objective of this report is to provide you with the framework and detail of our commitment to good corporate citizenship.

The governance framework at Centamin provides the Board with the structure to make considered decisions and by setting the highest standards for the organisation, the Board promotes and communicates the safety culture, corporate compliance requirements and adherence to the codes of conduct and ethical standards.

## Scope and boundary of this report

This report is primarily focused on the Sukari Gold Mine (“Sukari”) in Egypt, which currently is the Company’s only operating mine. Where material to our sustainability performance and future sustainability initiatives, or to provide context as to how sustainability is considered across all Centamin activities and decisions, we have reported data on our exploration projects in Burkina Faso, Côte d’Ivoire and administrative offices.

Data presented covers our performance for the period 1 January to 31 December 2019, which corresponds with Centamin’s financial year. The 2019 Annual Report was published in May 2020 and can be found on the Company’s corporate website, [www.centamin.com](http://www.centamin.com). Where noted, references may be made to historical results. All financial figures are quoted in United States dollars (“US\$”) unless otherwise noted.

This is the third report produced in accordance with ‘Core’ Global Reporting Initiative (“GRI”) Standards and the GRI Mining and Metals Sector Supplement. For further information, please refer to the GRI Content Index within the Appendix of this document where the reader can also find a list of Centamin’s Environmental, Social and Governance (“ESG”) policies.

For a list of international ESG reporting standards and guidelines, recognised by Centamin, please refer to the table on page 03.

## Contact

If you have any questions about this report, email us at [info@centamin.com](mailto:info@centamin.com) or contact Alexandra Carse, Head of Investor Relations at [alexandra.carse@centamin.je](mailto:alexandra.carse@centamin.je).

## CONTENTS

### INTRODUCTION

• About the report	01
• 2019 sustainability highlights	02
• What Sustainability means to Centamin	04
• External recognition	05
• Where we are	06
• Foreword from the Chief Financial Officer	08
• At a glance	12

### CHAPTER ONE: OUR GOVERNANCE APPROACH

1.0 HSES Chairman’s statement	14
1.1 Corporate governance	18
1.2 Sustainability governance	22
1.3 Risk management	24
1.4 Stakeholder engagement	26
1.5 Contributing to the sustainable development goals	30
1.6 Sukari Gold Mine sustainability key performance indicators	32

### CHAPTER TWO: OUR PEOPLE

2.0 Highlights	34
2.1 Health, safety and wellbeing	36
2.2 Hazard awareness	38
2.3 Health and wellbeing	40
2.4 Coronavirus (“Covid-19”)	42
2.5 Workplace development	43
2.6 Diversity	45

### CHAPTER THREE: SOCIAL AND ECONOMIC DEVELOPMENT

3.0 Highlights	47
3.1 Payments to government and taxes	48
3.2 Community Relations	49
3.3 Supply chain management	53

### CHAPTER FOUR: ENVIRONMENTAL RESPONSIBILITY

4.0 Highlights	56
4.1 Energy efficiency and emissions	58
4.2 Managing air quality	63
4.3 Water management	64
4.4 Waste management	66
4.5 Protecting biodiversity	68
4.6 Closure planning	68

### APPENDIX

• GRI content index 2019	69
• Glossary	72
• Disclaimers / forward looking statements	73

# 2019 SUSTAINABILITY HIGHLIGHTS

## GROUP HIGHLIGHTS

GROUP LOST TIME INJURY  
FREQUENCY RATE

**0.29**

per 200,000 working hours  
(2018: 0.06)

WATER REUSED

**44%**

% of seawater reused in  
closed circuit (2018: 28%)

COMMUNITY DEVELOPMENT  
PROJECTS

**US\$340K**

(2018: US\$ 744k)

TOTAL DIRECT  
WORKFORCE

**1,542 (95%)**

people (% employed local to  
country of operation) (2018: 95%)

ENVIRONMENTAL INCIDENTS

**Zero**

Major incidents (2018: Zero)



**WORKPLACE DEVELOPMENT**

**59%**

% of leadership positions held by Nationals<sup>(1)</sup> (2018: not reported)

**GOODS AND SERVICES PROCURED FROM LOCAL SUPPLIERS**

**us\$161 million**

(2018: US\$126 million)

**POLICY DEVELOPMENT**

**Human Rights, Environment, Supplier Code of Conduct**

**CARBON EMISSIONS INTENSITY**

**33.9**

(CO<sub>2</sub>-e per ton milled)  
 (2018: 33.6)

**SUKARI HIGHLIGHTS**

**1.5%**

improvement in emissions intensity since 2017

**56%**

improvement in water efficiency

**61%**

of total suppliers are Egyptian

**30MW AC**

Initial hybrid solar power plans

**INTERNATIONAL GUIDELINES AND STANDARDS**

Centamin recognises many additional host country and international reporting standards and guidelines, including but not limited to this table:

<b>Reporting:</b>	<ul style="list-style-type: none"> <li>GRI Standards</li> </ul>
<b>Environment:</b>	<ul style="list-style-type: none"> <li>The existing Sukari Environmental and Social Impact Assessment (“ESIA”) was developed in compliance with Equator Principles.</li> <li>The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)</li> <li>International Cyanide Management Code</li> <li>Water reporting transition to align with International Council on Mining and Metals (“ICMM”) definitions</li> <li>ISO14001</li> </ul>
<b>Human Rights:</b>	<ul style="list-style-type: none"> <li>International Bill of Human Rights</li> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>International Labor Organizations Declaration on Fundamental Principles and Rights at Work</li> <li>Voluntary Principles on Security and Human Rights (“the Voluntary Principles”)</li> <li>ILO Convention 138 (minimum age convention)</li> </ul>
<b>Health and Safety:</b>	<ul style="list-style-type: none"> <li>ISO45001</li> </ul>
<b>Community Engagement:</b>	<ul style="list-style-type: none"> <li>IFC Performance Standards</li> </ul>

(1) Nationals are defined as individuals whom are local citizens to the country of operation.

## INTRODUCTION

“

WE FEEL AN ENORMOUS RESPONSIBILITY TO OUR STAKEHOLDERS, TO CREATE LASTING MUTUAL BENEFITS THROUGH GOOD CORPORATE CITIZENSHIP AND OPERATIONAL PERFORMANCE AND ARE COMMITTED TO ACHIEVING ENVIRONMENTAL, SOCIAL AND GOVERNANCE BEST PRACTISES.

”



## WHAT SUSTAINABILITY MEANS TO CENTAMIN

From exploration to extraction, construction to closure, sustainability is a vital consideration at all stages of the mine cycle and a key strategic pillar for the Company. Our corporate objective mirrors our sustainability objective, to create opportunities through responsible gold mining.

Centamin's mining operations, including exploration projects, generate economic benefit for the countries and communities where we operate through payments to government, employee and contractor wages, payments to suppliers and contractors, vocational training, community investment and academic investment.

Responsible decision-making is at the centre of our ability to deliver long-term stakeholder value, starting with the health and wellbeing of our workforce, communities and environment.



# EXTERNAL RECOGNITION



## FTSE4GOOD UK INDEX

FTSE4Good UK Index. The FTSE4Good is an index for socially responsible investment designed by FTSE. FTSE4Good is a series of benchmark and tradable indices facilitating investment in companies with good records of corporate social responsibility



## MSCI WORLD SMALL CAP ESG LEADERS SELECT NET USD

The MSCI ESG Leaders Indexes target companies that have the highest environmental, social and governance (“ESG”) rated performance in each sector of the parent index



## SOLACTIVE ISS ESG SCREENED DEVELOPED MARKETS SMALL CAP INDEX NTR

The Solactive ISS ESG Screened Developed Markets Small Cap Index TR is part of the Solactive ISS ESG Screened Index Series, which aims to track various size and regional segments of the global stock market including only companies operating in accordance with market standards on ESG controversy screens. Those standards are based on established norms such as the United Nations Global Compact and the exclusion of significant involvement in defined sectors. The Indices aim to cover current and future regulation on ESG investments and also include a focus on issues related to climate change



## SOLACTIVE ISS ESG SCREENED EUROPE SMALL CAP INDEX NTR

The Solactive ISS ESG Screened Europe Small Cap Index NTR is part of the Solactive ISS ESG Screened Index Series, which aims to track various size and regional segments of the global stock market including only companies operating in accordance with market standards on ESG controversy screens. Those standards are based on established norms such as the United Nations Global Compact and the exclusion of significant involvement in defined sectors. The Indices aim to cover current and future regulation on ESG investments and also include a focus on issues related to climate change. Starting from its base universe, the Solactive GBS Europe Small Cap Index, the Solactive ISS ESG Screened Europe Small Cap Index NTR excludes all stocks breaching the abovementioned ESG compliance criteria. The index is calculated as a Net Total Return index in EUR



## SOLACTIVE L&G GENDER IN LEADERSHIP UK GTR INDEX

The index is designed to increase the exposure to companies that encourage gender diversity. This is measured by Legal & General Investment Management (“L&G”) using a scoring system called the L&G Gender Diversity Scores based on several metrics: the % of women on the board, % of women at executive level, % of women at management level as well as the % of women across the workforce in general

# WHERE WE ARE

Jersey (Head Office) ▲

## **BATIE WEST PROJECT** **BURKINA FASO**

**One exploration project located on the southeast boarder of Burkina Faso with Côte d'Ivoire**

### **Key 2019 Facts**

- Zero environmental incidents
- Total employed of 16 individuals and 100% are from Burkina Faso
- US\$1.1 million in salaries and benefits
- LTIFR of 0.00 per 200,000 hours worked
- US\$1.1 million paid in license fees
- US\$70,090 invested in community infrastructure improvements

## **DOROPO PROJECT AND ABC PROJECT** **CÔTE D'IVOIRE**

**Two exploration projects located on the midwest (ABC) and northeast (Doropo) border of Côte d'Ivoire**

### **Key 2019 Facts**

- Zero environmental incidents
- Total employed, including contractors, of 111 individuals and 83% are from Côte d'Ivoire
- 25% of direct employees are female
- US\$2.0 million in salaries and benefits
- LTIFR of 1.09 per 200,000 hours worked
- US\$89,262 paid in license fees
- US\$493,456 invested in community infrastructure improvements

Abidjan ▲



## SUKARI GOLD MINE EGYPT

One operating mine located in the Eastern Desert, 25km from the Red Sea town of Marsa Alam

### Key 2019 Facts

- Zero environmental incidents
- Total employed, including contractors, of 2,414 individuals and 93% are from Egypt
- US\$39.6m paid in salaries and benefits in 2019
- LTIFR 0.22 per 200,000 hours worked
- US\$87.1 million paid to government in profit share
- US\$18.4 million paid to government in royalties



# FOREWORD FROM THE CHIEF FINANCIAL OFFICER



“  
FOR THE PAST 25 YEARS CENTAMIN HAS BEEN  
BUILDING A RESPONSIBLE CULTURE THAT VALUES  
AND SUPPORTS ENVIRONMENTAL, SOCIAL AND  
GOVERNANCE (“ESG”) MATTERS.

”

**ROSS JERRARD**  
CHIEF FINANCIAL OFFICER AND EXECUTIVE DIRECTOR

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I am pleased to present Centamin’s  
second standalone Sustainability  
Report, and our third produced in  
line with the requirements of the  
internationally recognised GRI  
sustainability reporting standards.



### Good Business

For the past 25 years, Centamin has been building a responsible culture that values and supports environmental, social and governance (“ESG”) matters. From ethical code of conduct to decision-making, ESG is critical to the sustainability of our business. The key ESG improvement in 2019 has been effectively communicating this culture, framework and progress. To Centamin ESG is simply, good business. Testament to this, Centamin was recognised by the UK FTSE Series and qualified to be a constituent of the FTSE4Good Index.

Disappointingly, we did not reach the high standards we have come to expect of ourselves when it comes to safety. Tragically we experienced a fatality at our exploration site in Côte d’Ivoire when one of our contractors succumbed to injuries sustained in a bee attack. Although this was a natural event outside our control, we were deeply saddened. Our lost time injury frequency rate remains strong comparative to peers but we saw an uptick for the first time in three years from 0.07 in 2018 to 0.22 per 200,000 hours worked at Sukari in 2019; the LTIFR was 0.29 for the Group. The safety of our people always has and always will be our top priority, as such we have redoubled our safety efforts on site, this includes introducing a range of new leading and lagging safety performance indicators, and an increased focus on hazard and risk awareness reporting. With each safety incident we learn and adapt our conduct accordingly so as to reduce the risk of it from happening again.

We are committed to being responsible stewards of the environment, including minimising our water and energy use wherever possible. In 2019, there were no major environmental incidents recorded. Improving on-site water management is an ongoing key focus, including developing and implementing a new Water Management Plan. In 2019, I am pleased to say we beat our water reuse target. Consequently, this meant more tailings water was drawn from the tailings dam, which increased the available capacity of our active tailings storage facility (“TSF1”) to the end of 2020. Construction of our second tailings storage facility (“TSF2”) is underway and on schedule. Recently we aligned our water reuse definitions with that of ICMM’s in a further step in adopting market best practises.

Centamin is committed to leaving a strong legacy for the benefit of our host countries, at the local and national level – it is with excitement that we embark on significantly lowering our carbon footprint through increased operational efficiencies as well as the planned construction of the Sukari hybrid solar power plant. The Stage 1 30MW solar plant is expected to replace 18–20 million litres of diesel consumption per annum through operation during daylight hours, and, it is expected this capacity will be expanded. Importantly, it will continue to operate for decades to come, delivering sustainable energy beyond the life of mine. The plant electrical upgrades and earth clearing works are underway in preparation for construction of the solar plant, subject to final Board approvals, which has been temporarily postponed due to health and safety measures around COVID-19.

Centamin matured as a business in 2019. I am very pleased with the teams’ efforts and focus, delivering a near record quarter in Q4 2019. A weaker Q3 2019, due to slower mining rates from a section of the open pit, impacted annual production performance of 480,528 ounces, which was a 2% improvement on 2018. Notwithstanding, all other guidance metrics were delivered within range.

### Today

In the past few months, the world has come together to try to safely navigate the threats presented by the coronavirus (“COVID-19”) pandemic, as we all adapt to living in these unprecedented times. The commitment and response by our workforce to the COVID-19 pandemic has been exceptional, and we would also like to acknowledge the assistance and support of the Egyptian government.

Our top priority is to safeguard the health and wellbeing of our people, while taking necessary action to protect our business. Centamin has and will continue to implement proactive measures to minimise the impact to our people, business, community and wider stakeholders.

We are closely monitoring the development of COVID-19, including the potential impact of any disruption to our supply chain and gold exports. Our workforce, partners’ and community safety and well-being remain our very top priorities, and our Board and Leadership team are actively engaged to respond to any developments as quickly as we can. To date there has been no material impact to our operations.

## INTRODUCTION

### FOREWORD FROM CFO (CONTINUED)



#### 2019 Performance

I'm pleased to report that we successfully met the majority of our sustainability targets for the year. Importantly, we did not compromise on our commitment to sustainability or transparent disclosure of our performance in this area.

Centamin's strategy is to maximise free cash flow generation through responsible mining, delivering long-term stakeholder returns. Successful execution of our strategy starts with our people. The Company has undergone a tremendous step-change in leadership, reflected in the strong performance at the end of 2019 and the solid start to 2020. In the past two years, investing in people has been a priority for the Company, including attracting high-calibre individuals and ongoing development of our existing workforce, to further improve our technical expertise.

Our number one priority is the health, safety and wellbeing of our direct and indirect workforce, followed by our host communities. Whilst we took early action in our response to COVID-19, there remains much uncertainty around the

true impacts and duration. Centamin is committed to operating in line with our strict corporate response plans and heightened measures for as long as required to keep our people safe and operations secure. In 2019, we significantly strengthened our operational teams across all of our assets, particularly with senior technical managers. Through our workplace development programmes, 2019 concluded with 59% of Group leadership positions held by local citizens to the country of operation ("Nationals"), as we look to nurture and promote indigenous talent. I am confident we have the right team, mine plan and culture in place to deliver future performance.

#### Prioritising Stakeholders

Collectively we have developed, operated and grown Sukari into a world class operation and a first of its kind in Egypt. This success underpins Centamin's industry leading shareholder returns and is the foundation of local employment, direct financial and infrastructure investment in Egypt, as well as to our developing hubs in Côte d'Ivoire and Burkina Faso.

Our performance in 2019 has seen the Company mature and consolidate its position as one devoted to creating opportunity through gold mining. Our ability to generate superior returns for our owners and partners is only made possible by the fundamental strength of the relationships with all of our stakeholder groups. We believe that Sukari is the first of several Tier 1 gold assets which will benefit Egypt for generations to come. In addition to employing and training over 2,000 Egyptians, cash flow generated from gold production in 2019 resulted in US\$106 million being distributed to Egypt in profit share and royalties.

#### Outlook

The world is ever-changing and it is important we continue to evolve with it. As people, and as an organisation, globally we find ourselves working together more than ever to navigate the challenges that have and will continue to affect us all with the global spread of COVID-19. Looking ahead we know there is always more to do, clear areas of improvement and room for growth. Globally, as individuals we need to have a greater awareness and take responsibility towards addressing challenges and issues around world sustainability.



Corporately we take that responsibility seriously and will continue to set ourselves new targets and objectives to meet and we look forward to continuing to communicate that journey with you.

Our purpose and strategy remain clear and consistent – create opportunities for our stakeholders through value-focused gold mining over volume – and starting with 2020, we expect to deliver year-on-year operational, financial, exploration, environmental, social and governance progress, and look forward to communicating these developments to you as the year progresses.

Sukari is an exceptional asset and as our sole operating mine, currently dominates our asset portfolio. In the near term, the best return on capital comes from our ESG initiatives including the hybrid solar power farm, employee equipment training and targeted reductions in reagent consumption. To reinforce our commitment to excellent environmental performance during 2019 we also worked to develop new and ambitious emissions reduction and water management targets which are informed by climate science.

Simultaneously we are also developing the pathways to achieve these targets. Most notably this includes on-going planning to begin construction for a 30MW AC hybrid solar plant at Sukari, which will continue once health and safety restrictions have been lifted around COVID-19. Our studies show such a plant would reduce our diesel consumption by as much as 20 million litres each year and considerable emissions reductions, and cost savings to our business.

**Ross Jerrard**

**Chief Financial Officer and Executive Director**

# AT A GLANCE

## OUR VISION

To **create** opportunity through gold mining.

## OUR PURPOSE

To **create lasting, mutual benefits** for all our stakeholders, including contributing to the economic development of our host countries and driving an improved standard of living and wellbeing in the communities we operate within, and shareholder returns.



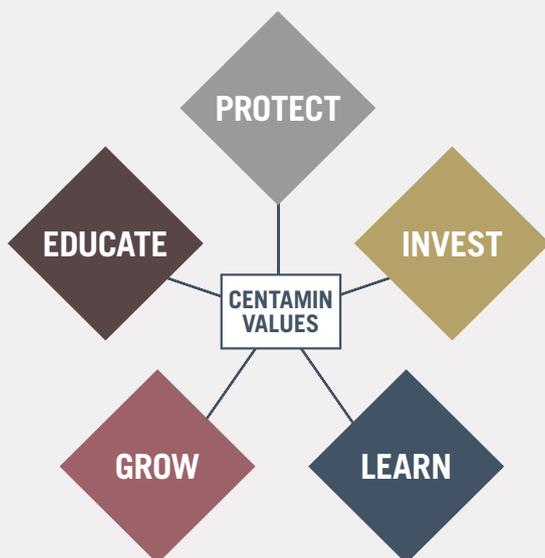
## OUR STAKEHOLDERS

**Strong long-term relationships** are paramount to the success of the business. We seek to create lasting value for our stakeholders throughout the business and commodity cycle.

- ▶ Employees
- ▶ Communities
- ▶ Suppliers, Contractors and Refiner
- ▶ Governments
- ▶ Shareholders

## OUR VALUES

Our values **guide our day-to-day workplace conduct** and help us to **effectively deliver on our strategy**. Combined with our operational standards this provides the foundation of our culture.



**PROTECT**

- The environment
- Our workforce
- Communities
- Supply chain

**INVEST**

- In our people
- Communities
- Sustainability of the business
- Future of the business

**GROW**

- The business
- As individuals
- Grow the stakeholder returns

**LEARN**

- From our colleagues
- Owners & partners
- New technologies
- Communities

**EDUCATE**

- Workplace development
- Our communities
- Our shareholders & partners

“

IT IS PARAMOUNT THAT THE COMPANY’S PURPOSE, VALUES AND STRATEGY ARE ALIGNED WITH THE COMPANY’S CULTURE AND COMMUNICATED TO THE WORKFORCE.

”

## OUR BUSINESS MODEL

We seek to **create long-term value** through safe, innovative and responsible gold exploration, development and production.

## EXPLORE | DEVELOP | MINE | PROCESS

**Sustainability is a vital consideration at all stages of the mine cycle and a strategic imperative for the company**

## OUR STRATEGY

To maximise free cash flow generation from responsibly mining quality assets and delivering long-term stakeholder returns, is built on a foundation of SUSTAINABILITY and four key strategic pillars.



# CHAPTER ONE: OUR GOVERNANCE APPROACH



“

AT THE HEART OF GOOD GOVERNANCE IS INTEGRITY, ACCOUNTABILITY AND HONESTY. THESE STANDARDS GUIDE OUR BEHAVIOUR AS DIRECTORS SERVING ON THE BOARD AND ALIGN WITH OUR GROUP CORE VALUES OF PROTECT, INVEST, LEARN, GROW AND EDUCATE.

”

EDWARD HASLAM

CHAIRMAN OF THE HEALTH, SAFETY,  
ENVIRONMENT AND SOCIAL COMMITTEE

In order to prosper, it is important for a company to work hand-in-hand with the community, returning value to society as well as its owners and partners. This is the tenet by which Centamin has operated for the past 25 years, building a responsible culture that values and supports people; creating jobs, infrastructure and opportunity, as well as developing our assets and delivering strong shareholder returns.

# 1.0 HSES CHAIRMAN'S STATEMENT



## Dear shareholders

Sustainability includes the processes through which Company's objectives are set and pursued in the context of the social, regulatory and market environments and through which the interests of all stakeholders are aligned. For Centamin, ESG underpins our business model and is a vital consideration at all stages of the mine cycle. Strong sustainability governance is a strategic imperative for the Company to maintain its social license to operate.

## Integrating sustainability from the top down

Centamin's Board of Directors have overall responsibility for the implementation of, adherence to and performance against the Company's sustainability-related policies.

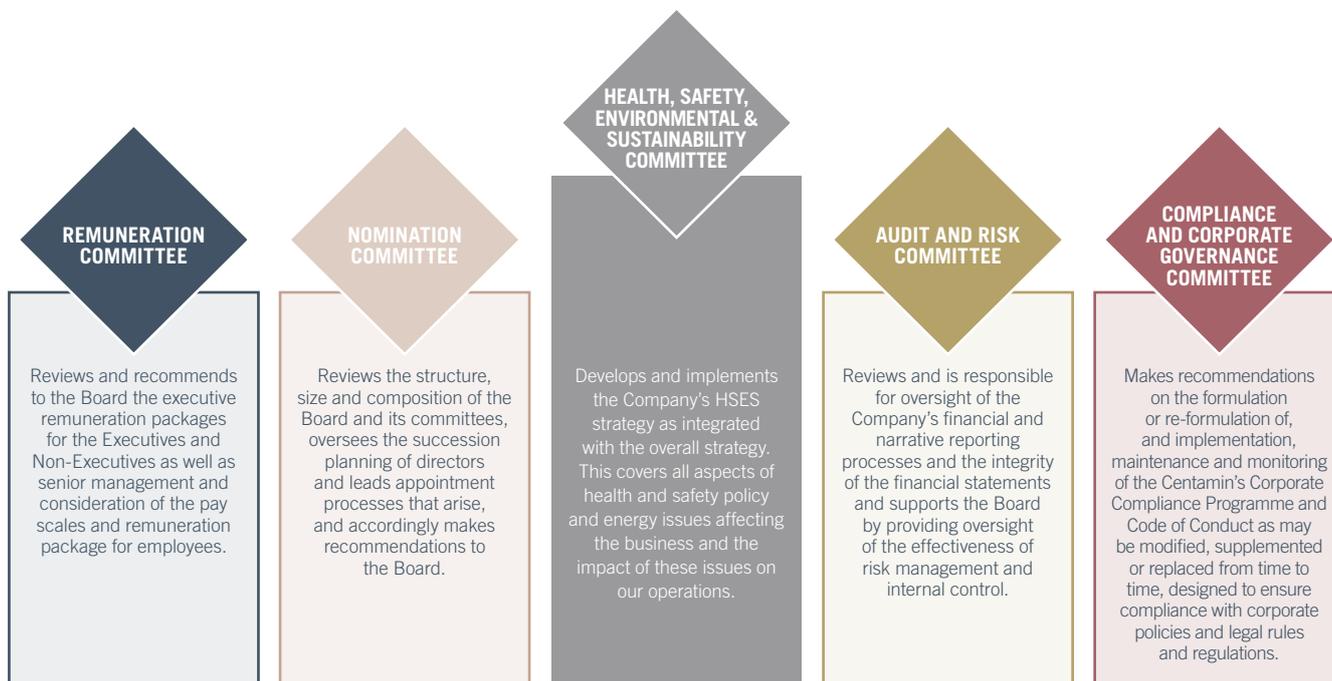
The profile of the Board has been strengthened by appointing individuals with a skillset aligned with the Company's strategy and presenting a much stronger succession plan with a supportive pool of talent across the business. During 2019 we welcomed four new directors to the Board, and a further three in 2020 to date:

- Dr. Sally Eyre
- Dr Catharine Farrow
- Marna Cloete
- James ("Jim") Rutherford
- Martin Horgan
- Hendrik ("Hennie") Faul

The Health, Safety, Environment and Social Committee ("HSES") is at the centre of the sustainability governance framework, but, together with the senior management, all Board-level committees are responsible, whether it be through remuneration linked to sustainability; assessment, monitoring and management of sustainability risk, or ensuring the Board and Executive have the required sustainability leadership skills and experience.

## THE BOARD

THE BOARD DEFINES BUSINESS STRATEGY, ASSESSES RISKS AND MONITORS PERFORMANCE.



## OUR GOVERNANCE APPROACH HSES CHAIRMAN'S STATEMENT CONTINUED



Currently the HSES committee oversees Centamin's overall approach to sustainability, and the development and implementation of the Company's short and long-term sustainability goals, policies and standards. It is also responsible for monitoring and maintaining Centamin's safety record, sustainability performance and ethical conduct, and provides advice on all operational and community linked sustainability issues. Following external and internal reviews the decision has been taken to evolve the HSES Committee mandate into a new Sustainability Committee, effective from the 2020 AGM. More detail on the Board-level committee and members can be found in the proceeding section on governance.

The Board is collectively responsible for the long-term success of the Group by working effectively and innovatively as a leadership group. Accountability is at the heart of our governance framework and the Board has ensured that effective controls are set up to enable the management and assessment of risk to be undertaken. Safety is the key component forming the culture of the Company. Whilst the purpose, value and culture are set by the Board, our people remain the driver of our culture in attaining the strategic targets set. The Board continues to commit itself to championing the safety culture and embedding it throughout the organisation.

The 'Voice of Sukari' continues to be developed so it can become one of the stakeholder voices in board decision-making. It continues to be the sounding board for all our employees to help the Group move forward in looking after our people who remain a great asset for the business.

The Board, through the HSES Committee, had oversight on the set up of a whistleblowing mechanism to allow all employees to be able to raise any matters of concern. Previously this was a matter reserved for the Audit and Risk Committee however, we have amended our Board Charter to ensure that we establish the whistleblowing mechanism as a matter reserved for the Board. Going forward in 2020, reports will be presented to the Board members concerning the analysis of concerns raised.

### Sustainability pillars

Supported by a robust risk and communication framework, we strive to achieve the highest standards through ESG best practices, centred around our sustainability pillars

- Our People
- Social and Economic Development
- Environmental Responsibility

Over the last two years substantial investments have been made into protecting and developing our workforce. Our first priority will always be the health, safety and wellbeing of our workforce. Safe and responsible mining requires a highly skilled workforce, involving specialist and professional qualifications and or experience. Workplace development is paramount to retain and attract highly skilled talent and for the long-term safety and success of the operation.

Mining plays an important role, extending not only to the wider economic growth but to social development through job creation and community programmes. Social responsibility has been a strategic pillar and instrumental to our business model for 25 years.

The success of Centamin, but more specifically the development of our world class mine, could not have been achieved without the support and involvement of Egypt, our government partners and our local community of Marsa Alam. Together we have made history developing Egypt's first modern gold mine, for the benefit of all stakeholder groups.

Our established stakeholder relationships provide the foundation to the effectiveness of our working together, notably as we collectively navigate the challenges faced by the COVID-19 pandemic. We have provided our support both financially – donating LE10 million to the Egyptian response effort – and logistically with supplies, equipment and services.

Your committee will ensure that the sustainability pillars are continually upheld and actively integrated into our business management and decision-making. We believe, as a Group, now more than ever, it is important that we, along with our stakeholders, reflect on how we can do our bit, and more, to support sustainable growth of the future economy.

Thank you for your support and contribution. Please keep well and safe.

### Edward Haslam

**Health, Safety, Environment  
and Social Committee**

## OUR SUSTAINABILITY PRIORITIES

### Some of Centamin's key Sustainability initiatives in 2019 included:

- Independently review and update sustainability linked policies, including:
  - Environment, Human Rights and Supplier Code of Conduct policies.
  - The new policies have been reviewed by the Committee for Group implementation which is underway, with policy training a key focus for 2020 and beyond.
- Independent whistleblowing hotline approved for implementation to enable anonymous reporting of any suspicions of Code of Conduct or Anti-Bribery and Corruption violations.
- Establishment of Voice of Sukari Committee; a forum to encourage communication between the Company and its employees

### Key sustainability focuses for Centamin in 2020 are:

- Creation and appointment of a dedicated sustainability executive role to drive the Company's sustainability work
- Solar plans to move to construction
- Implementation of new policies and on-site standards
- Setting robust water and GHG targets
- Human Rights training programmes rolled out at Sukari and baseline training across the exploration sites
- Development of the supplier due diligence, assessing active human rights policies in our supply chain during tendering, site visits and development of risk assessment tools.
- A commitment to review the Company's climate risk and management processes



**OUR GOVERNANCE APPROACH**  
**CORPORATE GOVERNANCE**

# 1.1 CORPORATE GOVERNANCE

“OUR ABILITY TO CREATE LONG-TERM VALUE IS UNDERPINNED BY THE QUALITY OF OUR ASSETS. DISCIPLINED CAPITAL ALLOCATION, ENVIRONMENTAL, SOCIAL AND GOVERNANCE IS ROOTED AT THE CENTRE OF OUR DECISION-MAKING FRAMEWORK.”

As at 31 December 2019

**SIZE OF THE BOARD**



1 Executive  
9 Non-Executive

**NON-EXECUTIVE TENURE**

	0–2 Years	2–4 Years	4–9 Years	9+ Years
Josef El-Raghy				◆
Jim Rutherford	◆			
Edward Haslam			◆	
Dr Ibrahim Fawzy		◆		
Mark Bankes			◆	
Mark Arnesen			◆	
Dr Sally Eyre	◆			
Catharine Farrow	◆			
Marna Cloete	◆			

**10**  
SIZE OF THE BOARD

**30%**  
FEMALE BOARD MEMBERS  
Hampton Alexander Review  
target of 33%

**2**  
ETHNICITY  
Parker review recommendations  
on BAME

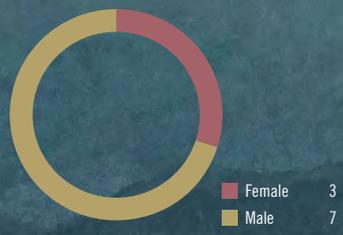
**5**  
NATIONALITIES REPRESENTED  
ON THE BOARD

**BOARD EXPERIENCE BY SECTOR**



As at 31 December 2019

**BOARD MEMBERS BY GENDER**



**DIRECT REPORTS TO EXECUTIVE BY GENDER**



**BOARD MEMBERS BY NATIONALITY**



Effective corporate governance begins with a strong board, led by the chairman, with the appropriate skills and experience to challenge and support the executive team in delivering the corporate strategy. Centamin has a strong and diverse Board.

**BOARD COMPOSITION (AS AT 23 JUNE 2020)<sup>(1)</sup>**

As the Company positions itself for the next decade of growth, we have delivered against the ambitious board succession programme announced in 2018, ensuring we have the right composition of individuals. The Board transformation reflects the Company’s ongoing commitment to achieving the highest standards of corporate governance.

The Company has made the following changes to its Board composition in 2019 and 2020 to date:

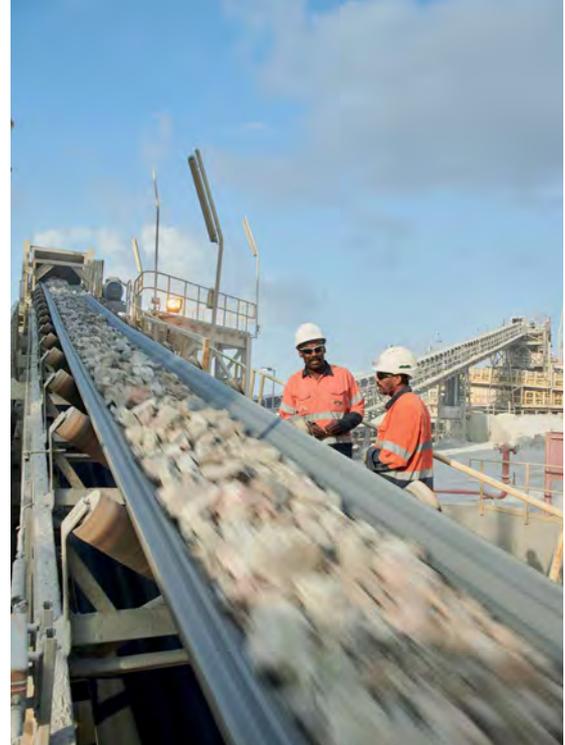
- Appointment of Marna Cloete, Dr Sally Eyre, Dr Catharine Farrow, and Hendrik “Hennie” Faul<sup>(2)</sup> as independent Non-Executive Directors
- Appointment of James “Jim” Rutherford, who having completed a comprehensive handover, will become the independent Non-Executive Chairman (“NEC”) from the 2020 AGM
- Josef El-Raghy, Chairman, will not stand for re-election at the upcoming 2020 AGM
- On 3 October 2019, Andrew Pardey stepped down as CEO and Executive Director; Ross Jerrard, CFO and Executive Director stepped in as interim CEO
- On 6 April 2020, Martin Horgan was appointed as CEO and Executive Director, following a thorough international search process; Martin brings a breadth of mining industry experience from operating, strategic to capital markets; Ross Jerrard continued with his responsibilities as CFO
- Following a nine-year tenure, Gordon “Ed” Haslam, Senior Independent Director (“SID”), will not stand for re-election at the upcoming 2020 AGM
- Dr Sally Eyre will become the Senior Independent Director role, effective from the 2020 AGM
- Following a nine-year tenure, Mark Arnesen, Non-Executive Director, will not stand for re-election at the upcoming 2020 AGM

As at 1 July 2020, there will be nine board directors, including seven non-executive directors and two executive directors. The Board’s multi-disciplinary members offer a broad range of skills and experience, including finance, legal, mining, geology, capital markets and government relations. In accordance with the 2018 UK Corporate Governance Code (“2018 Code”) the Board is greater than 50% independent.

(1) Disclosures in accordance with LR9.6.11  
 (2) Appointment effective 1 July 2020

**OUR GOVERNANCE APPROACH**  
**CORPORATE GOVERNANCE** CONTINUED

As part of the Company’s recent Board transformation, a full effectiveness review and refreshment was conducted across the Board committee mandates and composition. The material changes are outlined below:



**Committee restructure**  
 (effective from the 2020 AGM)

**HEALTH, SAFETY, ENVIRONMENTAL AND SOCIAL COMMITTEE (“HSES”) TO BE EVOLVED INTO THE SUSTAINABILITY COMMITTEE**

- The new Sustainability Committee will have focus across health and safety, environmental, social (including employee engagement) and governance. Aspects of risk associated with the Company’s licences to operate will be considered by this committee. A review of the charter and interaction with the Board’s Audit and Risk Committee and other committees, including a new Technical Committee will be considered in the review.

**TECHNICAL COMMITTEE TO BE ESTABLISHED AS A NEW COMMITTEE**

- The new Technical Committee will support and advise the Board in reviewing technical and operational matters. The committee will help in monitoring decisions and processes designed to ensure the integrity of the Group’s reserve and resource estimations. The committee will also be responsible for technical reporting, internal quality control and assurance over the Group’s mining assets and exploration, including oversight of the life of asset, production and exploration.

**COMPLIANCE AND CORPORATE GOVERNANCE COMMITTEE TO BE DISCONTINUED IN ITS CURRENT FORM**

- The Compliance and Corporate Governance Committee responsibilities have been reassigned to the Sustainability Committee, the Audit and Risk Committee and the Board.
- The Disclosure Committee will continue in accordance with the Company’s Continuous Disclosure Policy and will report directly to the Audit and Risk Committee and, where necessary, to the Board.

### Committee rotation

The Board understands the benefits of refreshing its composition, committee structures as well as planning for future succession. The changes to the committee structures illustrate the Company’s commitment to continue to evolve and strengthen our governance model in line with the rapidly changing global environment with which we operate. Please see the below planned changes to the Board committee membership, effective 29 June 2020, following the 2020 AGM:

#### CURRENT COMMITTEE MEMBERSHIP<sup>(1)</sup>, AS AT 18 JUNE 2020

<b>Audit and Risk</b>  Mark Arnesen NED (Chair) Edward Haslam SID Marna Cloete NED Mark Bankes NED	<b>Remuneration</b>  Edward Haslam SID (Chair) Mark Arnesen NED Dr Sally Eyre NED	<b>Nomination</b>  Edward Haslam SID (Chair) Mark Arnesen NED Mark Bankes NED	<b>Health, Safety, Environmental &amp; Sustainability</b>  Edward Haslam SID (Chair) Dr Ibrahim Fawzy NED	<b>Compliance and Corporate Governance</b>  Mark Bankes NED (Chair) Edward Haslam SID Mark Arnesen NED Dr Ibrahim Fawzy NED
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Structure at the time of publication of report

#### PLANNED COMMITTEE MEMBERSHIP, EFFECTIVE 29 JUNE 2020

At the recommendation of the Nomination Committee, the Centamin Board has approved the following planned Committee membership to take effect following the 2020 AGM:

<b>Audit and Risk</b>  Marna Cloete NED (Chair) Dr Catharine Farrow NED Hennie Faul <sup>(2)</sup> NED	<b>Remuneration</b>  Dr Sally Eyre SID (Chair) Jim Rutherford NED Marna Cloete NED	<b>Nomination</b>  Jim Rutherford NED (Chair) Dr Sally Eyre SID Mark Bankes NED Dr Ibrahim Fawzy NED	<b>Sustainability</b>  Dr Catharine Farrow NED (Chair) Marna Cloete NED Dr Ibrahim Fawzy NED Hennie Faul <sup>(2)</sup> NED	<b>Technical</b>  Hennie Faul <sup>(2)</sup> (Chair) Dr Sally Eyre SID Mark Bankes NED Dr Catharine Farrow NED
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Proposed structure post AGM 2020

(1) Jim Rutherford has been attending Committee meetings as part of his Chairman handover, to understand the activities that are undertaken

(2) Hennie Faul appointment effective 1 July 2020

The Company is incorporated in Jersey, Channel Islands. The Company, by virtue of the Listing Rules, is subject to the 2018 Corporate Governance Code (the “2018 Code”) issued by the UK Financial Reporting Council (“FRC”). In addition, the Company is required to follow the principles of corporate governance set out in the best practice recommendations of the Toronto Stock Exchange, in particular those recommendations in National Policy 58-201 Corporate Governance Guidelines (NP 58-201).

## OUR GOVERNANCE APPROACH SUSTAINABILITY GOVERNANCE

### 1.2 SUSTAINABILITY GOVERNANCE

Our vision is to ensure accountability, transparency and board level oversight of sustainability, through managed reporting on all material environmental and social issues.

Centamin's strength as a business is dependent on the health and welfare of its workforce, the well-being of its local communities and host countries and the health of the environment in which it operates. That is why from exploration to closure Centamin aims to entrench sustainability and principles of good corporate citizenship into the Company's values, culture and all operations.

Currently the HSES Committee oversees Centamin's overall approach to sustainability, and the development and implementation of the Company's short and long-term sustainability goals, approach, policies and standards. It is also responsible for monitoring and maintaining Centamin's safety record, sustainability

performance and ethical conduct, and provides advice on all operational and community linked sustainability issues. Following external and internal reviews the decision has been taken to evolve the HSES Committee mandate into a new Sustainability Committee, effective 29 June 2020.

The day-to-day management of sustainability at all operations and exploration sites rests with the dedicated HSES teams, who are responsible for the delivery of all community, safety and environmental initiatives and drive individual site performance.

#### Key sustainability policies

The bedrock of Centamin's sustainability governance is a set of globally-applicable policies. Policies have been drafted to meet or exceed the requirements of our host country legislation and are informed by the relevant IFC Performance Standards. The main Group policies, including the Code of Conduct, are available on the Centamin website. All site policies are readily available in English and Arabic for workers at Sukari in Egypt. Policies are evolving at the Company's exploration sites in West Africa to meet the needs based on the scale of the operations. This Sustainability Report sets out how these policies are put into practise, how the Company performs against them and associated performance indicators.





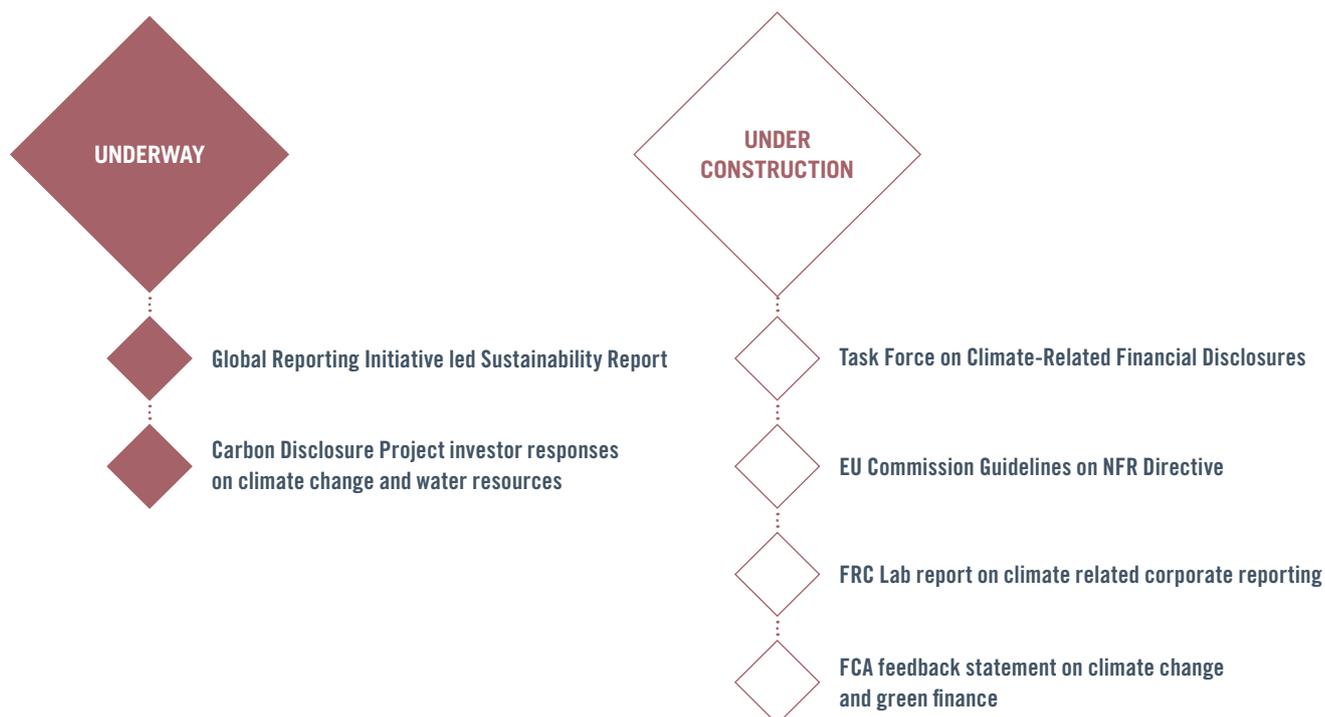
The following Group policies have been implemented by the Board. Where referenced (\*) these policies have been recently reviewed and refreshed, or are new policies which are in the process of being implemented and reviewed across the business.

**Environmental, Social and Human Rights**

- HSES Committee Charter
- Environment Policy\*
- Human Rights Policy\*
- Health and Safety
- Supplier Code of Conduct\*
- Anti-Bribery and Corruption Policy
- Code of Conduct
- CSR Policy
- Whistleblowing Policy\*

**Improving our reporting**

Ensuring ESG forms an integral part of all our decisions starting with a review of the capabilities on the Board, senior management and our site’s operations. Further development of the policies and procedures that feed into ESG will continue as we meet the disclosures required. Monitoring, under the guidance of the management team aided by external consultants, the following key reports that are under review on climate related disclosures are set out as follows:



## OUR GOVERNANCE APPROACH RISK MANAGEMENT

### 1.3 RISK MANAGEMENT

Integral to consideration of the wider risks across the business is an understanding of ESG matters. Throughout this report we highlight the range of areas considered, including our Governance, People (including Health, Safety & Wellbeing), Social, Economic and Environmental factors, to ensure we have identified, evaluated and mitigated the risk whilst understanding the wider opportunities in these areas.

ESG risks are not considered standalone and form part of the wider risk management framework which we have in place at Centamin. Within our 2019 Annual Report details of new and emerging risks are discussed within the Strategic Report where our approach to risk management and our principal risks are disclosed.

Seven of the risks outlined as new and emerging risks which are regularly discussed by senior management and the Board are:

<b>Environment &amp; Sustainability</b>	In an ever-changing world, we acknowledge that we have a responsibility to meet our environmental and sustainability commitments and obligations.
<b>Climate Change</b>	At Centamin, we recognise that climate change is a growing global risk. We also acknowledge that it is directly influenced by human and business activity that requires decisive global action. Failure to act could have significant impacts for our business including regulatory, transition and physical risks.
<b>Tailings Storage Facility</b>	Across the industry there is increased focus on the risks associated with mining companies' tailings facilities. We continue to monitor this risk, completing regular internal and external technical reviews of the facility. We are also developing a new facility for 2021.
<b>Governance &amp; Regulation</b>	Non-compliance with the regulatory and legal environment has the potential for significant negative publicity as well as fines and penalties. The management team ensures it has access to legal, regulatory and compliance support across all of its jurisdictions.
<b>Retention of Personnel</b>	Any future changes in senior positions across the business must be managed carefully, to ensure consistent delivery of the Company's values and that the workforce remains well supported.
<b>Capital Projects</b>	Ensuring capital projects are managed within time and budget is an emerging risk under review due to the ongoing situation with COVID-19. These include the potential Solar plant at Sukari, the development of the new TSF2 and feasibility studies to assess the viability of an operation in Côte d'Ivoire.
<b>Local Security – West Africa</b>	Increased militant activity in West Africa has caused concern for safety in-country. This will be monitored closely and local gendarmes and Centamin security personnel are being consulted.

COVID-19 is also a key consideration but that is covered further within the report on page 42 and referenced where relevant throughout.



**RISK APPETITE**

The Board accepts that the exploration for, and development of metals and mineral resources, together with the construction and development of mining operations, is an activity that involves a high degree of risk. The Group therefore takes an informed approach to these risks, accepting their inherent nature whilst looking to ensure we recognise and maximise any opportunities that they create. In considering risk appetite, the Board considered the level of acceptable risk (tolerance), the attitude and culture towards risk and the ways in which the Board can influence risk appetite throughout the Group.

**Risk Appetite defined**



“  
 THE BOARD HAS A [LOW OR ZERO] RISK TOLERANCE TO ANY BREACHES IN OUR POLICIES AND CONTROLS RELATED TO HEALTH, SAFETY AND THE ENVIRONMENT.  
 ”

**OUR GOVERNANCE APPROACH  
STAKEHOLDER ENGAGEMENT**

**1.4  
STAKEHOLDER ENGAGEMENT**

“  
OUR CORPORATE VISION IS TO CREATE OPPORTUNITIES FOR ALL OUR STAKEHOLDERS THROUGH GOLD MINING. TO DO THIS, WE MUST UNDERSTAND OUR STAKEHOLDER INTERESTS AND NEEDS, WHILE COMMUNICATING OUR PURPOSE.”

Ensuring that Centamin has strong, respectful and mutually beneficial relationships with all stakeholders is critical to the Company’s on-going business success. During 2019 Centamin worked with external consultants to implement a new Stakeholder Engagement Plan (“SEP”) for Sukari that both complies with Egyptian legislation and conforms with IFC Performance Standards.

**Understanding our Stakeholders**

**Our purpose is to create opportunities for all our stakeholders through gold mining. To do this, we must understand our stakeholder interests and needs, while communicating our purpose. Communication creates community and with regular engagement with our stakeholders we are able to create mutual long-term value and success.**



**EMPLOYEES**

**HOW WE ENGAGE**

- Daily pre-start and toolbox meetings
- Personal development. Including professional and managerial skills
- Code of conduct, improvement in standards, welfare and human rights
- Grievance mechanisms and whistleblowing platform
- Regular HR discussions about performance, salary levels, transparency and worker benefits
- Voice of Sukari (launched in 2019), an employee engagement committee
- Regular visits to operational hubs and operational leadership team visit corporate head office in Jersey

**ISSUES RAISED**

- Maintaining the highest levels of safety and occupational health
- Training provision
- Levels of employment given to local communities

**GOALS**

To better understand our employees’ changing needs and expectations, with which to nurture a skilled and motivated workforce  
Create a safe and healthy workplace  
Develop a highly skilled local workforce

Centamin’s first priority is ensuring our workforce has a safe and healthy workplace. This year our lost time injury frequency rate was 0.29 per 200,000 hours.

Employees are competitively remunerated and offered personal and professional development training.

**FOCUS ON MAKING CENTAMIN  
A GOOD PLACE TO WORK**



**GOVERNMENTS**

**HOW WE ENGAGE**

- Regular formal and informal engagement with respective ministries, including Egyptian General Assembly
- Routine on site representation from EMRA representatives and audits under the Concession Agreement terms
- Materiality assessment to ensure objectives are aligned
- Transparent profit sharing, royalty, permit, tax payments
- Direct job creation and indirectly through the supply chain
- Meetings with counsel ministers in Côte d’Ivoire

**ISSUES RAISED**

- Safety
- Emergency preparedness
- Energy efficiency
- Air pollution

**GOALS**

Maintain a strong licence to operate in all our countries of operation  
To share our vision and create mutual benefits  
Meaningful economic contribution remains a key benefit for our host countries of operation

Centamin aligns with international best practice for emergency preparedness.

The creation of value has been instrumental in Centamin’s operations and will continue to be, as this ultimately aligns with our strategic objective of creating value and opportunities for our stakeholder group.

**FOCUS ON JOB CREATION —  
PAYING COMPETITIVE SALARIES**



## COMMUNITIES

### HOW WE ENGAGE

- Open dialogue with the Sustainability, Security and Public Relations departments
- Site tours of the operations
- Grievance mechanisms
- Third party community perception studies
- Sustainability performance
- Local community and government meetings with senior management
- Financial contributions and charitable donations
- Direct and indirect job creation
- Human rights, health and climate change education

### ISSUES RAISED

- Safety
- Emergency preparedness
- Environmental incidents
- Local supply and procurement
- Local economic development

### GOALS

To work in partnership with our local communities  
 To make a lasting positive impact on the communities in which we operate through financial, logistical and educational support

Key to our communities is economic development and at Centamin we strive to support local communities with education and welfare initiatives. Over the year we have delivered new projects focused on development of sanitary and unpolluted water systems and aiding in the construction of local facilities such as schools and athletics grounds.

**FOCUS ON COMMUNITY SUSTAINABILITY THROUGH INVESTMENT, EDUCATION AND EMPLOYMENT**



## SHAREHOLDERS

### HOW WE ENGAGE

- Regular regulatory announcements and press releases on material performance, including quarterly operational and sustainability reporting and biannual financial reporting
- Established public market corporate governance best practises
- Regular market presentations and interactive conference calls
- Site visits
- One-on-one meetings, investor conferences and open market dialogue
- Annual Report and Sustainability Report
- AGM attended by key Directors
- Engagement with proxy advisory groups and shareholder stewardship teams

### ISSUES RAISED

- Climate Change
- Water management
- Corporate Governance

### GOALS

To continuously improve lines of communication  
 To better communicate our ESG values and culture  
 To continuously improve our disclosures in line with market best practises

Sustainability related expectations and climate change is at the heart of our shareholders and ours. Continuous dialogue has helped us set clear corporate strategy, objectives, capital allocation, operations and stakeholder relations that have high standards of ESG practices to benefit all parties.

**FOCUS ON CREATING LONG-TERM SUSTAINABLE VALUE**



## SUPPLIERS, CONTRACTORS & REFINERS

### HOW WE ENGAGE

- Tendering and procurement procedures
- Grievance mechanisms and whistleblowing platform
- Contractor induction and ongoing training on Centamin code of conduct, health and safety and operational standards
- Contractor management protocols
- Routine education on Modern Slavery Act, Anti-bribery and corruption policies and the prevention of Modern Slavery
- Compliance audits
- Open dialogue and regular meetings with onsite management and senior management

### ISSUES RAISED

- Local supply and procurement
- How contractors can comply with Centamin's Modern Slavery statement

### GOALS

To ensure our partners understand our values and expectations, adhering to the high standards we set for ourselves and the code of conduct with which we operate.  
 To better understand our partners perspectives and businesses to evolve a strong working relationship

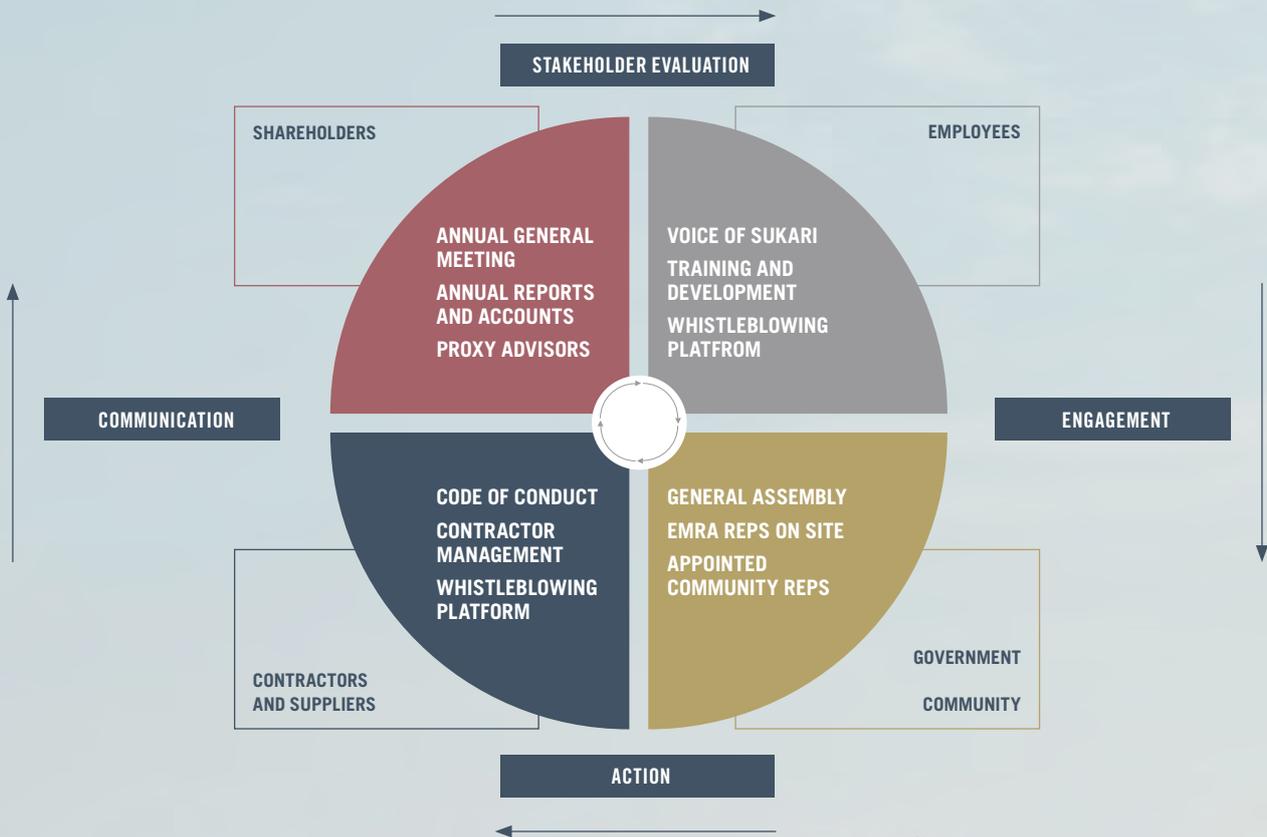
A key issue for suppliers and contractors is the use of locally procured goods and services. To address this, Centamin conducts regular competitive tender processes to ensure mutually fair and reasonable supply contracts. The long life of the Sukari mine increases the likelihood of negotiating mutually beneficial contracts.

**FOCUS ON MAINTAINING A TRUSTED TRACK RECORD WITH SUPPLIERS, CONTRACTORS AND REFINERS**

# UNDERSTANDING OUR STAKEHOLDERS

Throughout the organisation, there is continuous engagement and effective communication with all stakeholder groups.

**Continuous engagement and effective communication is facilitated across the chain of stakeholders**



# MATERIALITY ASSESSMENT

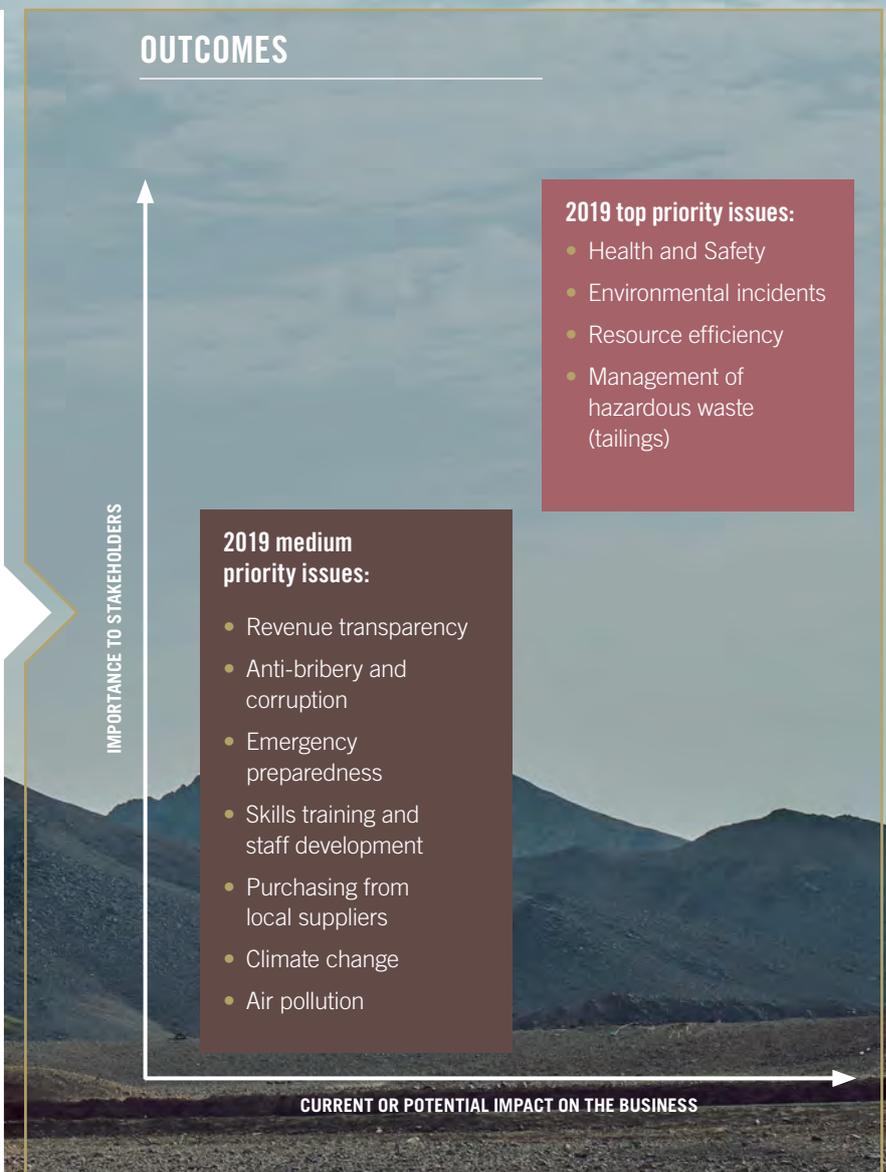
Identifying what matters most to stakeholders is enormously important to the success of our business.

During November 2019, in line with Global Reporting Initiative (“GRI”) requirements and to identify the sustainability issues most important to stakeholders, Centamin conducted a materiality assessment update.

## PROCESS

The materiality update process consisted of the following steps.

- **Internal stakeholders** – Head of departments (“HOD”) and the senior management team were presented with a list of 31 issues linked to sustainability and asked to score each issue from one to five based on potential impact to Centamin’s business.
- **External stakeholders** – a shorter update process was undertaken. To update external responses, feedback from recent community interviews, any feedback from investors, or from investor engagements, 2019 proxy voting guidelines and identified priority issues from Investor responsible investment and ESG policies were integrated into the 2017 external materiality survey data, to produce new results. In 2020 a full external materiality survey will be conducted.
- **Outcomes** – Centamin identified and prioritised those issues most important to stakeholders. As shown on the materiality matrix below, in 2019 there were four issues which are identified as high priority, and a further seven issues identified as medium priority. The identified issues guide the sustainability issues we report against for 2019 and help to inform our priorities for 2020. We undertake a materiality assessment update each year to ensure we constantly review those issues most important to stakeholders and the business.



**OUR GOVERNANCE APPROACH  
SUSTAINABLE DEVELOPMENT GOALS**

# 1.4 CONTRIBUTING TO THE SUSTAINABLE DEVELOPMENT GOALS (“SDGs”)



## SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (“SDGs”) were launched by the United Nations in September 2015 as a universal call to action to address some of the world’s most pressing sustainability issues. The SDGs set out an ambitious set of goals aimed at ending poverty, improving health and well-being, ending inequality and protecting the planet.

Centamin has not formally adopted the SDGs as business targets but recognizes that meeting the ambitions they set out will require the cooperation of governments, civil society and businesses around the world and therefore Centamin is working where possible to align its efforts to bring about positive social, economic and environmental outcomes with the SDGs. In 2020 Centamin will work to further align its community development programme with the goals of the SDGs.

**3** GOOD HEALTH AND WELL-BEING



**4** QUALITY EDUCATION



**6** CLEAN WATER AND SANITATION



**7** AFFORDABLE AND CLEAN ENERGY





**GOAL 3: ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES**

The health and safety of our people is a key priority for Centamin. Centamin seeks to provide safe and healthy workplaces and promotes well-being. As part of its commitment to community development work Centamin supports a number of health and well-being initiatives in the community.

**GOAL 4: ENSURE INCLUSIVE AND EQUITABLE QUALITY EDUCATION AND PROMOTE LIFELONG LEARNING**

Having a highly trained and skilled workforce is critical to Centamin's on-going success, and the company provides learning opportunities for all. Centamin provides a range of skills development and training opportunities for staff, and scholarships for students.

**GOAL 6: ACCESS TO WATER AND SANITATION**

Water is essential to Centamin's business and host communities. Centamin is committed to using water as efficiently as practicably possible and to maximising water recycling on site. Centamin also helps to improve and provide access to clean water and sanitation in communities nearest operations.

**GOAL 7: ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL**

Energy is also essential to Centamin's operations. Centamin looks to maximise its usage of clean energy where possible.

**OUR GOVERNANCE APPROACH**  
**SUSTAINABILITY KPIs**

# 1.5 SUKARI GOLD MINE SUSTAINABILITY KEY PERFORMANCE INDICATORS

## LINKING SUSTAINABILITY TO PERFORMANCE PAY

Centamin sets key performance indicators (“KPI”) each year and assesses performance against these benchmarks on a regular basis.

To reflect the strength of Centamin’s commitment to sustainability, sustainability performance and KPIs form a part of the CEO’s and executive management’s annual bonus and long-term incentive schemes. For example, a portion of the CEO’s annual bonus is now dependent on the Group achieving zero major environmental incidents and zero fatalities each year. Onsite workers also receive a bonus for the successful achievement of health and safety targets.

- Centamin is closely monitoring the global COVID-19 pandemic and the Company guidance may be impacted if the workforce, operation or projects are disrupted due to the virus or efforts to slow the spread of the virus.
- Targets will be reviewed and updated as Centamin’s portfolio, operating contexts and international regulations evolve.

	GROUP LTIFR	SUKARI TRIFR	NATIONAL WORKFORCE
Performance against 2018	<b>380%</b>	<b>64%</b>	
Links to strategy			
Definition	Global lost time injury frequency rate (“LTIFR”), across Sukari, Burkina Faso and Côte d’Ivoire, is the measure of any employee workplace injury resulting in time off, calculated per 200,000 hours worked.	Total Recordable Injury Frequency Rate “TRIFR” is the measure of total recorded injuries at Sukari per 200,000 hours worked.	The total number of direct employees who are local nationals to the country of operation.
Stretching targets <sup>1</sup>	<b>+25% improvement</b> year-on-year (2020 target: 0.20).	<b>25% improvement</b> year-on-year. 2020 target: 1.04.	For at least <b>90%</b> of the workforce to be host country nationals.



Performance Decline



Performance Increase



Performance Unchanged



ASSET QUALITY



STAKEHOLDER RETURNS



FINANCIAL FLEXIBILITY



SUSTAINABILITY



ACTIVE GROWTH PIPELINE



Aspect

2019 TOTAL PRODUCTION (OZ GOLD)

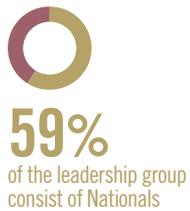
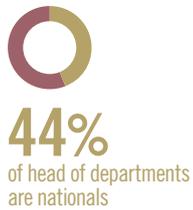
**480,528oz**

(2018: 472,418)  
(2017: 544,658)

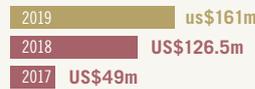
Stretching Targets<sup>1</sup>

Guidance for 2020 is  
**510,000 – 540 000 ounces**

**LOCAL WORKFORCE LEADERSHIP DEVELOPMENT**



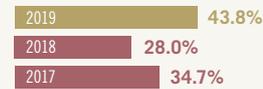
**TOTAL LOCAL PROCUREMENT SPEND IN EGYPT**



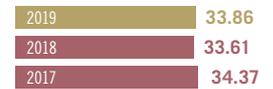
**REPORTABLE ENVIRONMENTAL INCIDENTS**



**WATER REUSE (REUSE OF SEA WATER FROM THE TSF THROUGH THE PLANT)**



**EMISSIONS INTENSITY**



Percentage of leadership roles (Heads of Departments, Chiefs and Managers) held by Egyptian Nationals.

The quantum spent on goods and services procured in Egypt.

Reportable incidents are Level 4 or 5 environmental incidents and include any incidents that may result in permanent disability, death, impacts beyond the site boundary causing detrimental effects and/or financial loss greater than \$1 million.

The ratio of water re-used in the operations to all water to task (i.e. total water used in the operations).

The ratio metric used to measure tonnes of carbon dioxide equivalent emitted, for every ton of ore milled at Sukari.

**78% of Head of Departments** to be Nationals by 2022.  
**77% of leadership positions** filled by Nationals by 2022.  
**25% year-on-year reduction** of expatriates by nationalizing positions.

To increase procurement spend with host country suppliers each year in line with production.

**No level 4 or 5 environmental incidents** each year.

Interim target of **44% for 2020**  
Long-term targets to be established after active water balance is updated.

2020 target of **34.0 CO<sub>2</sub>-e/ton** milled  
Absolute reduction targets being established for 2025 and 2030.

<sup>1</sup> Targets are reviewed and updated as Centamin's portfolio, operating contexts and international regulations evolve

<sup>2</sup> Increase from 2018

# CHAPTER TWO: OUR PEOPLE

“

OUR VISION IS TO CREATE AND SUSTAIN A ZERO-HARM WORKPLACE WITH WORLD-CLASS STANDARDS OF WELL-BEING AND TRAINING, AND OPPORTUNITY FOR ALL.

”

## SUKARI 2019 HIGHLIGHTS

95%

OF EMPLOYEES AT SUKARI ARE EGYPTIAN NATIONALS WITH 51.5% DRAWN FROM UPPER EGYPT

59%

NATIONALS IN LEADERSHIP POSITIONS

Voice of  
Sukari

COMMITTEE ESTABLISHED



“  
 BEING THE FIRST EGYPTIAN  
 GOLD MINE, WE BENEFIT  
 FROM WORKPLACE TRAINING  
 AND INSTILLING STRONG  
 CORPORATE VALUES. WE TRAIN  
 OUR WORKFORCE TO SUSTAIN  
 A CULTURE OF SAFETY AS  
 A CORE PRIORITY.  
 ”

Throughout the organisation, including contractors, Centamin’s success relies on the talents, skills and commitment of its workforce. Ensuring Centamin has a workforce that is highly skilled, motivated, safe and healthy is therefore one of the Company’s highest priorities.

We want to attract the best people, not just from paying competitive salaries with effective performance linked bonus schemes but ensuring we offer a safe and healthy working environment. Employees are competitively remunerated and offered personal and professional development training.



## OUR OPERATIONAL STANDARDS

Our values guide our day-to-day workplace conduct and help us to safely and responsibly deliver on our strategy. Combined with our operational standards this provides the foundation of our culture.



**OUR PEOPLE**  
**HEALTH, SAFETY AND WELLBEING**

**2.1**  
**HEALTH, SAFETY AND WELLBEING**

**Materiality**

This year’s materiality assessment showed that providing a safe and healthy working environment was a top quartile priority for most stakeholders from staff to suppliers.

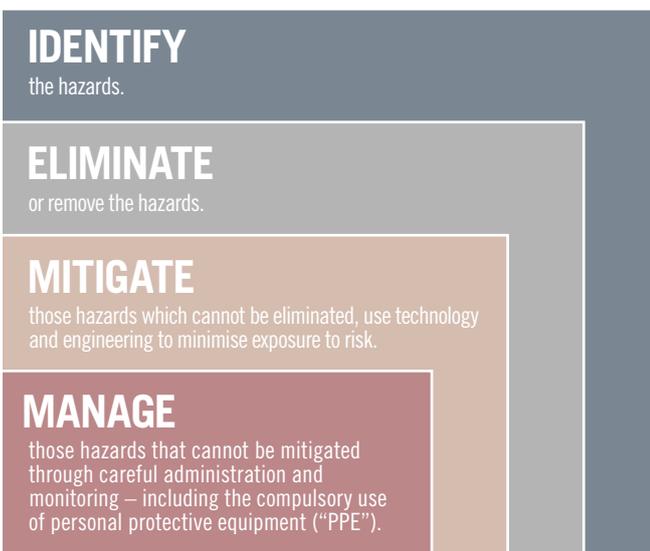
The overarching aim of Centamin’s approach to Health and Safety is to:

- Minimise and eliminate the risk of fatalities and life altering injuries
- To continually reduce the number and frequency of injuries and incidents on site

**Safety management**

Each employee and contractor make formal commitments to adhere to the Company’s HSE guidance as set out in Centamin’s Health, Safety and Environment (“HSE”) Policy, which is guided by the principle of shared responsibility, and a belief that all employees, individually, are responsible for the creation of a safe working environment for themselves and their colleagues. Honesty and teamwork are crucial in effective workplace safety leadership. The policy is implemented on the ground via robust safety systems and procedures that comply with all relevant host country laws. As shown below, Centamin utilises a ‘hierarchy of control’ approach to safety management on site.

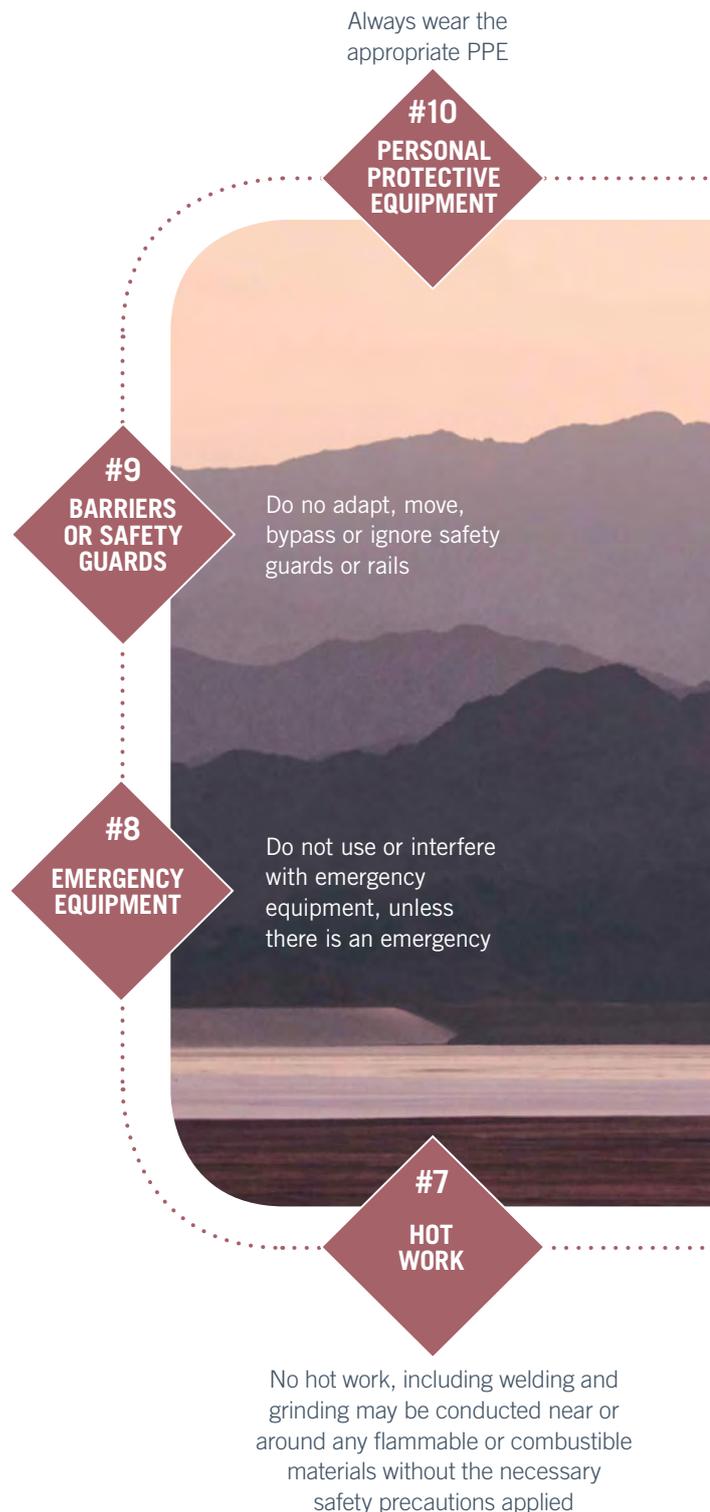
**Safety hierarchy of control**



The HSE Policy is taught to all staff, contractors and visitors as part of site induction training. Visitors who are on-site for short periods receive simplified induction training to ensure the basic operational risks and on-site safety are understood. While employees and contractors who will be on site for longer receive day-long focused training, to ensure in-depth understanding of all safety procedures, and Company expectations. Centamin also worked to increase visible safety leadership on the ground in 2019.



AT CENTAMIN, EVERYONE IS A SAFETY LEADER WITH THE GOAL TO COLLECTIVELY CREATE AN ENVIRONMENT WHERE ALL EMPLOYEES ARE EMPOWERED TO MAKE CHANGES, FIX PROBLEMS AND RESPOND TO SAFETY ISSUES AS THEY ARISE.



## DIGGING DEEP TO IMPROVE UNDERGROUND SAFETY

During 2019, Centamin updated the underground operating procedures at Sukari as guided by the Western Australia Mining Regulations. Similarly, operating standards for Sukari underground were updated to align with best practice. This began with extensive redesign and rehabilitation of the mine as part of our commitment to safety for our workforce. Works undertaken include; updating the emergency exits, restablising walls and shafts and improving the ventilation. Further to this approach bottom-up mining, utilising cement rock fill, has been introduced in select areas. This change is to improve operational efficiencies and benefits from increasing rock stability.



Smoking is not allowed on site, except for in designated areas

#1  
NO  
SMOKING

Use approved, maintained and certified fall prevention systems when working at height

#2  
WORKING  
AT HEIGHTS

# TEN CARDINAL RULES

Only trained, qualified and authorised personnel are permitted to work in confined spaces

#3  
WORKING  
IN CONFINED  
SPACES

No work may be done on any actual or potential to be energised equipment without the necessary safety precautions taken

#4  
ISOLATION  
AND LOCKOUT  
PROCEDURES

#6  
DRUGS  
AND  
ALCOHOL

Working under the influence of alcohol or illegal drugs is strictly prohibited. If in doubt take a self-test and let your supervisor know

#5  
SAFE  
DRIVING

Always follow traffic rules, including sticking to speed limits and wearing a seat belt in all moving vehicles. Do not use mobile equipment while driving and only use vehicles you are trained and authorised to use

**OUR PEOPLE  
HAZARD AWARENESS**

**2.2  
HAZARD  
AWARENESS**

Hazard awareness and reporting is fundamental to effective safety management.

A hazard is a potential incident – where no personal injury or incident occurred, that with different timing or circumstance or if unattended to would likely cause injury or incident. Centamin regard hazard reports as an early warning system to help prevent injuries and incidents from occurring.

Report of hazards increased by 400% in 2019. This reflects a maturing of hazard and risk awareness by site level staff. Centamin’s focus going forward is to improve the quality of hazard reports made and to make sure the appropriate corrective actions are taken.

Employees and contractors are required to report all hazards, near misses and incidents for investigation. All hazards reported trigger an investigation. Corrective actions are identified and

must be implemented by the relevant department no later than the assigned target date. Where events are found to have occurred as a result of employee disregard for safety standards or negligence, remedial action may include additional training or disciplinary action such as suspension or dismissal depending on the severity of the incident.

To incentivise continual improvement in safety standards and performance, since 2017 Centamin has included achievement of safety KPIs including hazard reporting targets to the bonus scheme. Safety performance KPIs account for as much as 30% of bonuses. To ensure integration and collaboration in safety, the safety performance is set out at a Group level which encourages lessons learned, hazard identification and knowledge sharing

between all departments. Weekly safety meetings are held and monthly safety leadership meetings, with safety peer reviews set to commence in 2020. Some key indicators for 2020 include:

- Improving Total Recordable Injury Frequency Rate (“TRIFR”) by 25%
- Reducing damage to property by 50%

**Emergency preparedness**

Centamin aligns with international best practises on emergency preparedness. This is an area of concern with many stakeholders. Centamin has policies and procedures in place, including routine training in response to emergencies pertaining to waste storage, fire response and disease outbreak.



**THE TAKE5 PROCESS**



Sukari has an onsite emergency response team in place and an onsite fire engine and ambulance. Across the mine at least one member of each department is trained in fire-fighting, first aid and emergency rescue to provide first response cover and assistance until the emergency response team arrives.

There are specially trained underground rescue teams in place for the underground mine, and underground operations include refuge chambers where workers can seek shelter in the unlikely event of a rock fall.

### Performance

There was a notable improvement in safety awareness and reporting in 2019. Both leading and lagging indicators have been introduced across the entire workforce ensuring all employees are equipped with the knowledge and responsibility to reduce injuries and incidents through education, awareness and responsibility to mitigate risks and respond to instances where the controls have been compromised. Regular reviews of the site risk registers to ensure all controls for known risks are relevant, effective and new identified risks are included. The site's safety culture is structured to encourage improvement. Most recently we introduced a 'visible safety leadership programme' designed to share experiences and knowledge among the workforce which has helped reinforce our commitment to safety.

In 2019, the Group LTIFR was 0.29 per 200,000 hours worked (2018: 0.06), with a total 7,014,484 of hours worked (2018: 6,459,939). This included 10 LTIs and, as previously announced, the sad loss of a drilling contractor due to injuries sustained from a bee attack in Côte d'Ivoire in February 2019.

At Sukari, in 2019, the LTIFR decreased by 15% against 2017, to 0.22 per 200,000 hours worked. This comes despite an increase in the total number of hours worked. The total number of Take5 reports at Sukari submitted was 33,400. Take5 are micro-risk assessments that all staff are encouraged to use before undertaking any task.

The collective workforce at Centamin are committed to further improving health and safety, specifically targeting zero lost time injuries in 2020.

## OUR SAFETY SCORECARD

	2017	2018	2019
<b>LOST TIME INJURY FREQUENCY RATE ("LTIFR") per 200,000 hours worked</b>			
Sukari	0.26	0.07	0.22
Burkina	0.00	0.00	0.00
Côte d'Ivoire	0.00	0.00	1.09
<b>GROUP</b>	<b>0.22</b>	<b>0.06</b>	<b>0.29</b>
<b>MEDICAL TIME INJURY FREQUENCY RATE ("MTIFR") per 200,000 hours worked</b>			
Sukari	0.40	0.55	0.28
Burkina	0.00	0.00	0.00
Côte d'Ivoire	0.00	1.86	1.09
<b>GROUP</b>	<b>0.35</b>	<b>0.65</b>	<b>0.34</b>
<b>TOTAL RECORDABLE INJURY FREQUENCY RATE ("TRIFR") per 200,000 hours worked</b>			
Sukari	0.66	0.62	1.38
Burkina	0.00	0.00	0.00
Côte d'Ivoire	0.00	1.86	2.18
<b>GROUP</b>	<b>0.58</b>	<b>0.71</b>	<b>1.43</b>
<b>GROUP FATALITIES</b>			
	<b>0</b>	<b>0</b>	<b>1</b>
<b>LOST TIME INJURIES ("LTI")</b>			
Sukari	7	2	7
Burkina	0	0	0
Côte d'Ivoire	0	0	3
<b>GROUP</b>	<b>7</b>	<b>2</b>	<b>10</b>
<b>RESTRICTED WORK INJURY ("RWI")</b>			
Sukari	0	0	28
Burkina	0	0	0
Côte d'Ivoire	0	0	0
<b>GROUP</b>	<b>0</b>	<b>0</b>	<b>28</b>
<b>MEDICAL TIME INJURY ("MTI")</b>			
Sukari	11	16	9
Burkina	0	0	0
Côte d'Ivoire	0	5	3
<b>GROUP</b>	<b>11</b>	<b>21</b>	<b>12</b>
<b>TOTAL RECORDABLE INJURIES ("TRI")</b>			
Sukari	18	18	44
Burkina	0	0	0
Côte d'Ivoire	0	5	6
<b>GROUP</b>	<b>18</b>	<b>23</b>	<b>50</b>
<b>TOTAL WORKPLACE HOURS</b>			
Sukari	5,464,321	5,784,130	6,366,227
Burkina	282,218	139,241	97,457
Côte d'Ivoire	479,436	536,568	550,800
<b>GROUP</b>	<b>6,225,975</b>	<b>6,459,939</b>	<b>7,014,484</b>

**OUR PEOPLE  
HEALTH & WELLBEING**

**2.3  
HEALTH &  
WELLBEING**

We strive to create good social and living conditions for our employees. This not only impacts our work environment, but supports our people’s health and well-being, and improves productivity and employee motivation.



During 2019, and in consultation with employees on how the Company could improve the living arrangements, measures were taken to improve on the Camp amenities. Improvements included an upgrade and expansion of the camp commissary, purchase of additional items and activities for the recreational areas, an expansion to the gym and the purchase of new gym equipment. A consultant catering specialist was brought to site to review the menu and catering requirements and provide recommendations to improve on the variety of meals offered and introducing healthier options.

Representatives from the employees’ medical insurance company regularly visit with employees to identify and address employees and their families’ concerns.

Sporting events such as soccer tournaments are hosted on a regular basis. These competitions encourage representation and interaction across all the different departments and contractors.

In 2020, we have budgeted US\$7 million for infrastructure development at Sukari, in particular accommodation and facility upgrades.

**Health Education**

Health related campaigns and topics pertaining to employee’s health are regularly communicated and discussed through pre-shift meetings. The range of topics covered are mainly identified from clinic visits and the local prevalent medical conditions and are aimed at ensuring that there is a good awareness on how to manage and prevent these conditions. Topics discussed included the common non-communicable diseases, communicable diseases, employees’

mental wellbeing, personal hygiene and the effect that seasonal environmental changes may have on the body and how to manage them.

Additional measures were incorporated across the operations to manage the threat of COVID-19 and reduce the chance of site personnel contracting the disease. As outlined in the section on COVID-19 below, there has been additional emphasis on personal hygiene and the individual’s personal responsibilities in reducing the spread of the disease

**Fatigue Management**

Centamin recognises the risk associated with employee fatigue and our responsibility in providing the necessary resources through policies, awareness, empowerment and tools to mitigate the risks and in doing so ensuring the safety and wellbeing of our employees as well as the added opportunities presented in improving productivity and cost reduction.

An established fatigue management plan is in place that outlines the responsibilities of all personnel relevant to their positions and the actions to be followed to mitigate the risk of fatigue. The contents of the plan are communicated to all employees through the HSE induction as well as regular internal media. The Plan is supported by an Hours of Work Standard which provides structure to employees’ shifts, workhours, rest periods and outlines the responsible approvals required before the standard may be deviated from.

Providing all processes are followed, the Hours of Work Standard provides the flexibility to make allowances to work structures to manage fatigue during exceptional circumstances.

These circumstances could be planned such as Ramadan, or unexpected instances such as, COVID-19.

Measures to counter the effects of fatigue during these periods include reducing or adapting shift times, providing additional rest days, added awareness and communication on fatigue and fatigue measures, increasing the number of rest periods during a shift, and/ or amending menus and providing additional dietary awareness.

As part of the employees’ duty of care requirements, all individuals are to ensure that they arrive to work in a satisfactory physical, mental and emotional state. It is regularly communicated that every employee is empowered to stop a work activity that they consider hazardous and to report without prejudice, any issues of fatigue to their supervisor.

Accommodation areas are structured to ensure that employees’ welfare needs are addressed and that there is suitable rest between shifts by providing climate-controlled sleeping arrangements and implementing noise and time curfews in these areas so that they are conducive to uninterrupted sleep.

To ensure that the controls in place are effective, a fatigue investigation checklist is completed for all incidents potentially related to fatigue to identify any possible areas for improving fatigue management.

During 2019, trials were conducted with various driver fatigue alarms that monitor and alert users on signs of drowsiness.



“ AS PART OF THE EMPLOYEES’ DUTY OF CARE REQUIREMENTS, ALL INDIVIDUALS ARE TO ENSURE THAT THEY ARRIVE TO WORK IN A SATISFACTORY PHYSICAL, MENTAL AND EMOTIONAL STATE. ”

## 2.4 CORONAVIRUS ("COVID-19")

Thus far in 2020, COVID-19 has significantly impacted the world, presenting a significant medical, economic and social challenge. Centamin has been proactive in how it manages and mitigates the impacts within its control and Sukari operations continue to be uninterrupted and we continue to manage our critical supplies and working capital as appropriate.

At the centre of our decision making process is the health, safety and wellbeing of our employees and the communities we work in. We have stringent safety protocols across all sites, including clear operating standards on workplace conduct. In response to COVID-19, early action was taken at Sukari, in line with our Severe Communicable Disease Outbreak Management Plan and in accordance with the advice of governments and health authorities. For further detail please refer to the 2019 Annual Report, published on the Company's website: [www.centamin.com](http://www.centamin.com).

The COVID-19 Emergency Response Plan has followed a two-phased framework:

1. **Prevent and Maintain (Phase 1):** with the objective to safeguard our workforce and local communities by limiting the spread of infection whilst securing the operations; and,
2. **Protect and Transition (Phase 2):** with the objective to safeguard our workforce and local communities by limiting the potential spread of infection whilst securing the operations and proactively prepare for the resumption of wider activities such as key projects.

Whilst the impact and potential duration of the COVID-19 pandemic remains uncertain, the Company has carried out scenario risk analysis and the Company believes it is well positioned to continue to manage the impacts of COVID-19 on our operations. As the pandemic progresses, we will continue to monitor the global situation and within our host countries Egypt, Côte d'Ivoire, Burkina Faso, Jersey and the United Kingdom we continue to review, and where appropriate adapt our policies, procedures and controls to minimise the impacts that are within our control.

Our COVID-19 Executive Committee continues to provide oversight during the pandemic, supported by multifunctional teams and a framework led by Risk and Operations. At a minimum, the Board are updated weekly, the Executive Committee meets three times a week and the support team meet daily, providing workforce updates and supply chain assessment.

Safely managing the mobility of our workforce, in line with government and public health advice, has been paramount in mitigating the risk of spreading the virus. Government imposed travel restrictions on the movement of people are beginning to ease.

From June our response plan has transitioned to Phase 2, which has involved ongoing roster changes, including ex-patriate and third-party contractor rotations by charter flight. In conjunction a COVID-19 testing programme has been implemented to test all employees and contractors, supported by a test, track, trace and isolate approach. Centamin has a robust framework in place, managing positive cases including multiple designated facilities for quarantine, isolation and medical care both on and off-site and we have bolstered our response capabilities, by retaining the services of a specialist medical professional in viral and infectious diseases.

In preparation for greater workforce mobility and onsite activity later in 2020, and aligned with the "test, track, trace and isolate" approach adopted by several governments worldwide, the Company will test all employees and visitors before entering site and exiting site. In collaboration with the Egyptian government the Company will be installing additional testing capacity for use by Centamin and the local community within the Red Sea Governate. These updates to processes and controls are designed to support the continued safe and uninterrupted operation of the Sukari mine for the medium to long term while supporting local and national efforts in Egypt to control the spread of COVID-19. It is anticipated that this approach will identify potential positive cases, but as has been seen internationally, this is the most effective approach to combating the spread of the virus and we

do not expect it to impact operations if managed as per our emergency response framework.

### Supply Chain

We are supportive of the action being taken by governments globally to address the threat of COVID-19. As with many countries globally, Egypt has temporarily closed the national borders to commercial air travel until further notice. The ports and air freight borders remain open for importing and exporting goods. Understandably, supply chain logistics have been impacted by the global government imposed travel restrictions on the movement of goods. Increased logistical planning and flexibility has been crucial in mitigating these impacts.

The domestic supply chain has not been materially impacted, allowing for transportation of domestic goods in compliance with State curfews. International essential supplies are sufficiently stocked through Q3 2020. As a precautionary measure, successful efforts have been made to further identify and, or increase the stores of essential supplies.

Daily supply chain assessment is conducted, monitoring stock and usage levels, maintaining a risk schedule of our current and prospective suppliers, and supported by continuous open dialogue with our key international and domestic suppliers. Where a potential risk to a supplier has been flagged, and with all essential supplies, precautionary measures have been taken to identify alternative potential supply channels.

### Gold Sales

There have been no material disruptions related to gold shipments to our longstanding refiner, Asahi Refining Canada. Regular dialogue is maintained with both Asahi and Brinks, our security company whom take responsibility for the gold at the mine gate.

Comprehensive scenario assessment continues, with precautionary measures in place, including utilising alternative refiners, Brinks stockpiling gold shipments and Centamin stockpiling gold produced. Each scenario involves variable short-term but limited cost implications.

## 2.5 WORKPLACE DEVELOPMENT



Despite the presence of a highly educated workforce in Egypt, developing Egypt's first modern gold mine Centamin needed to create a training platform to develop a specialist and skilled workforce.

Centamin's approach to human resource management is to attract, develop through training and mentorship, and retain the highly skilled workforce required to run a world-class operation. Alongside this the recruitment and development of local and host country talent, and targets are in place to help drive localisation of the business. During 2020 Centamin plans to further develop and implement a programme to identify high performing Egyptian nationals and leaders within the Company. The programme aims to identify Egyptian high performers and leaders for integration into succession plans.

Prioritising local and national recruitment

- From Marsa Alam, Red Sea directorate or Upper Egypt region
- Egyptian nationals
- Rest of the world

### Performance

Centamin employs a total of 2,556 people, including contractors, of which 93% are employed locally to their place of work. Sukari is the Group's largest operation, employing 1,424 people, excluding contractors, of which 95% are Egyptian Nationals and a total of 2,389 people, including contractors, of which 93% are Egyptian Nationals. Over 50% of Sukari employees are from Upper Egypt, the region where Sukari is situated. A further 25 people are employed in Egypt in our Alexandria office.

The remote location of the exploration projects in Burkina Faso and Côte d'Ivoire, coupled with the specialist knowledge required for successful gold exploration means that employing local people is more challenging. As shown in the table below, in 2019 Centamin employed

111 people in Côte d'Ivoire, of which 83% are Ivorian nationals, and in Burkina Faso the Company employs 16 people, all of whom are Burkinabe nationals.

Professional development programmes are in place to develop and prepare National employees for greater responsibility and management skills required for and leadership roles. Each expatriate position has a succession plan attached to it with National employees identified as potential successors once they have completed their respective development programmes. Currently at Sukari 44% of HOD positions are filled by Nationals and longer-term targets to include a leadership programme to cover two thirds of the National workforce and thereby reducing the expatriate headcount year on year.

## WORKFORCE

	GROUP TOTAL (individuals)	HEAD OFFICE	EGYPT				BURKINA FASO		CÔTE D'IVOIRE	
			Alexandria		Sukari		Expatriate	National	Expatriate	National
			Expatriate	National	Expatriate	National				
		Jersey								
<b>DIRECT EMPLOYEES</b>										
Male	1516	9	–	22	75	1349	–	14	5	42
Female	26	6	–	3	–	–	–	2	1	14
Total	1542	15	–	25	75	1349	0	16	6	56
<b>CONTRACTORS</b>										
Male	1011	–	–	–	90	875	–	–	13	33
Female	3	–	–	–	–	–	–	–	–	3
Total	1014	0	–	0	90	875	0	0	13	36
<b>TOTAL COMBINED WORKFORCE</b>	<b>2556</b>	<b>15</b>	<b>0</b>	<b>25</b>	<b>165</b>	<b>2224</b>	<b>0</b>	<b>16</b>	<b>19</b>	<b>92</b>

## OUR PEOPLE

### WORKPLACE DEVELOPMENT CONTINUED

#### Training

Learning and educating is entrenched in the cultural foundation at Sukari. As Egypt's first modern gold mine, workplace training is essential to the performance and success of the operation. To make sure Centamin has the skilled workforce required to sustain a world class operation, it is imperative that time and capital is invested into training and workforce development.

Every year, a range of external and internal talent development programmes are provided. These are either mandatory, optional and some are awarded based on performance and potential to develop leadership skills.

Training is balanced to meet both the needs of the Company and individual employee development, through bespoke individual training, small group and wide-scale companywide continued professional development. The training provided each year ranges from technical job specific skills, to management training and compulsory health and safety training.

The way in which training is delivered also varies widely – from informal on the job learning and skills shadow training led by onsite expatriates, to formal onsite classroom training provided by accredited training providers, or specialist offsite and overseas training programmes.

#### Performance

In 2019 Centamin employees received greater than six days per person of continued professional development training. This included 0.5 days per person of external independent professional training.

Currently 44% of HOD positions are filled by Nationals, with the 2022 target to establish 77% of nationals in all leadership roles. Specific professional development programmes were implemented to develop and prepare identified Egyptian employees for senior and leadership roles.

#### Looking forward in 2020, Centamin plans to implement the following:

- Individual development plans for employees
- Refine job descriptions
- Identify potential gaps in competencies from basic principles to high-end performance.
- Identify leaders and high performers
- Promote national ownership of responsibilities and tasks
- Provide mentorship and training needs based on the above mentioned individual development plans.
- Leadership programme across various levels of management, from Leading Hands to manager level

	2019	2022 Target
Head of Departments "HOD"	44%	78%
Other (Managers and Chiefs)	69%	77%
Total	59%	77%

## DEVELOPING NATIONAL TALENT: MOHAMMED MONEER

At Centamin, we seek to employ motivated local and national workers who show initiative, take responsibility and are willing to learn. Our aim is to develop and transform raw talent into highly skilled professionals with the technical skills and expertise needed for modern mining. Mohammed Moneer, who was recently appointed health and safety manager for Sukari is one such case, of this approach in action. Mohammed is an Egyptian national from Ismailia and has been at Sukari since 2014.

Mohammed joined Sukari as a health, safety and environment administrator, and has held a number of roles in health and safety and emergency response team as he has risen up the ranks. He explains, "I started at Sukari as an HSE administrator, but soon an opportunity came up to join the emergency response team and that is where I found my passion, it is a dynamic area but you need a calm head and character to cope.

Right from the beginning of my time at Sukari I have been provided with exceptional training opportunities and chances to grow my skills. The courses I have attended include first aid, ICAM, fire detection and fighting training which involved a trip to South Africa. There have also been leadership skills development opportunities. I love the area I even take courses in my personal time."

He continues, "But beyond the courses I have taken, the expatriates I work with are great mentors. They are always willing to share their knowledge and experience, and this has been invaluable for my growth and development. And if you work hard and listen you learn a lot. My goal now is to gain leadership experience at Sukari and hopefully in a few years be able to help develop and set up an HSE and ER department when we develop a new mine. I also want to help mentor other staff and help them to grow as I have."

“EMERGENCY RESPONSE AND EMPLOYEE SAFETY, MAKING SURE EVERYONE GOES HOME AT NIGHT, IS PART OF MY HEART.

MOHAMMED MONEER

"Having Nationals in leadership roles is so important for a motivated workforce. Sometimes in Egypt there is the thinking that promotions are based on age, but at Sukari it is based on performance: if you want, it is up to you to reach up and catch the stars. My colleagues can look at my development from administrator to manager and think that they too can achieve their dreams and professional goals, and know that the Company will provide them with the training and opportunities to get there. Sukari is a flagship mine for Egypt and we want it to be a centre for excellence and we want to help develop mining skills in Egypt."

## 2.6 DIVERSITY

Centamin is committed to providing equal employment opportunities for all, regardless of race, gender or religion, and the Company's Code of Conduct prohibits discrimination of any kind.

Diversity continues to be an area of focus for the committee as the Board understands the importance of it within our workforce with focus on the value of developing a diverse pipeline for succession to senior management. The committee believes in diversity of minds as a result of attracting the best people from all backgrounds regardless of gender, ethnicity and age.

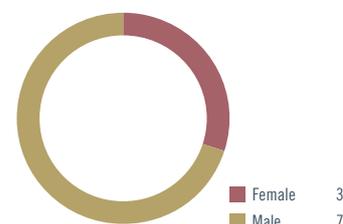
Our recruitment processes reflect Centamin as an equal opportunity employer, prohibiting any form of

discrimination as per the Company Code of Conduct giving due consideration to the environment and local regulatory framework we operate in. In 2018, the Board committed to promoting diversity of gender as then it stood on 12.5%. In 2019, there has been a significant increase in the number of women on the Board to 30% (as at 1 January 2020) which has enabled us to be broadly in line with meeting the target set by the Hampton Alexander Review of having 33% of women on FTSE 250 company boards by 2020. We continue to work to improve women's representation at Board level and in senior leadership positions.

The 2018 Code states that the new gender balance disclosure requirement covers "senior managers and their

direct reports" where senior manager is defined as the executive committee or first layer of management below board level inclusive of the Company Secretary. Based on this, Centamin has 30% of women in senior management including their direct reports as at 1 January 2020. See summary graph below:

### DIVERSITY AT BOARD AND SENIOR MANAGEMENT



## OUR PEOPLE

### DIVERSITY CONTINUED

#### Developing a diverse workforce

As an equal opportunity company operating in emerging markets, there are circumstances that may hinder some of the aspirational goals to attract more women in the mining sector, however legal compliance and respect must be given to the customs of our operating countries.

#### Egypt, Burkina Faso and Côte d'Ivoire – Positive progress

Whilst the mining sector has historically not been attractive to women for a number of reasons, at Centamin we encourage positive progress in terms of female representation. Recognising the many complexities that may vary from country to country, it was identified that many of the roles that women are taking on are as follows:

- Human Resources roles
- Finance roles
- Business development
- HSES
- Geologists

The Company's activities continue to provide direct and indirect employment to these regions and the various projects continue to serve as awareness programmes for creating and developing a diverse network.

In Egypt, the regulations and customs make it challenging to employ women on-site at Sukari and in many roles. Sukari is in a remote location and Egyptian custom discourages women from working in remote areas away from their families and children for extended periods of time, as is typically required with a rostered workforce. Legally, Egyptian law prohibits women from:

- Working between 7pm to 7am, except in special cases
- Working with explosives
- Operating or monitoring engines
- Moving equipment that is working underground in mines and quarries
- Fixing or cleaning operating equipment
- Welding

This makes the recruitment of Egyptian women at Sukari very challenging. However, Centamin is actively reviewing the various roles at Sukari and at the Alexandria office, to identify those roles, which could be filled by women under Egyptian law, and aim to increase the proportion of women in our workforce over time. For further information regarding Centamin's efforts to improve women's employment rates, please see the Nomination Committee Report in the 2019 Annual Report.

To ensure local women derive benefit from Sukari a portion of community development spend will be ring-fenced for projects that promote education and economic empowerment for local girls and women.

#### Labour Relations

The Company has an independent external whistleblowing hotline to enable anonymous reporting of any suspicions of Code of Conduct or Anti-Bribery and Corruption violations. Implementation on-site through education and training and advertising of the hotline remains a key priority in 2020.

#### Salaries and benefits

Our Remuneration Policy for the Executive Directors takes due account of our approach to competitively and transparently remunerate across the Company and aims to reward success, while attracting and retaining high performing individuals. Base pay and benefits are assessed taking account of the individual's performance and market data. Annual incentives are typically linked to local business performance with a focus on performance against key strategic business objectives. Key management team members may also receive some of their annual bonus in shares which are deferred. At this time there are no all-employee share arrangements, but this is kept under review on a regular basis taking account of the locations the Company operates in and the appropriateness of share-based rewards in such locations.

All employees of Sukari (the majority of whom are based on site) receive a performance-related bonus which is linked to underlying operational performance (including safety metrics) and cost control measures at the mine.

Total Group salaries and benefits paid for 2019 were US\$39.6 million.

#### Industrial relations

Centamin does not restrict freedom of association for workers. Centamin believes that transparent communications are a fundamental part of industrial relations and does not place any restrictions or prescriptions on union representation. The stable industrial relations environment enjoyed at Centamin is attributable to the culture of mutual respect Centamin has fostered with the workforce, including competitive remuneration and bonus packages.

To promote open dialogue between the Group and employees, an employee forum - the Voice of Sukari ("VOS") was established in 2019. The purpose of VOS is to encourage two-way dialogue between the Company and its employees and to ensure employees are regularly updated as to:

- Company performance
- Training opportunities; and
- Community development initiatives and programmes.

# CHAPTER THREE: SOCIAL AND ECONOMIC DEVELOPMENT

## SUKARI 2019 HIGHLIGHTS

**US\$340k**

COMMUNITY INVESTMENT  
IN 2019

**+ US\$161m**

OF GOODS AND SERVICES  
PROCURED FROM LOCAL  
COMMUNITIES IN 2019

“  
LOOK BEYOND THE SCALE OF  
SUKARI AND A VERY HUMAN  
STORY EMERGES. THIS IS A  
CLOSE-KNIT COMMUNITY WITH  
A TRUE SENSE OF BELONGING.  
”

”

## SOCIAL AND ECONOMIC DEVELOPMENT PAYMENTS TO GOVERNMENT AND TAXES

Building mutually beneficial relationships with local communities is paramount to long-term success.



OUR VISION is for our mines to catalyse a step-change in local economic development within host communities, to lay the foundations for thriving future prosperity and to ensure maximum transparency between communities and our mines.

Centamin's mining operations, including exploration projects, generate economic benefit for the countries and communities where we operate through payments to government, employee and contractor wages, payments to suppliers and contractors, vocational training, community investment and academic investment. We care deeply about the communities and environments within which we operate. Fundamental to

creating lasting stakeholder relationships is good governance, including reliable, transparent disclosure.

Celebrating ten years of commercial production, Sukari has produced c. four million ounces of gold from the open pit and underground operations, generating US\$730 million in free cash flow after returning in excess of US\$500 million to the Egyptian government in profit share and royalty payments.

Our approach to social and economic development is ensuring we establish and maintain strong lines of communication with all our stakeholders to mutually understand each other's needs, while effectively delivering against our corporate strategy.

### 3.1 PAYMENTS TO GOVERNMENT AND TAXES

Centamin does not engage with political processes or make any political contributions. In line with the requirements of the Toronto Stock Exchange where it has a secondary listing, all payments made to governments are fully reported and disclosed through an annual Extractive Sector Transparency Measures Act ("ESTMA") declaration, which is available on the Centamin website.

Centamin strives to have open and honest relationships and ultimately to work in partnership with the governments of all countries in which it does business. At Sukari, the Egyptian Mineral Resource Authority ("EMRA"), a division of the Egyptian government, is the Company's partner, and is entitled to 45% of the operating profits from Sukari Gold Mine, as per the terms of the Concession Agreement. From 1 July 2020, the profit share split changes for the final time to 50:50 going forward. A representative from EMRA is present on site at all times.

The taxes Centamin pays is determined by the relevant national, provincial and regional authorities. As part of the Sukari Concession Agreement, during 2019 the Egyptian government received a 3% royalty

and 45% of the profits (after recoverable expenses and royalties were deducted).

Our total economic value distributed in Egypt in 2019 was c.US\$108 million, this includes profit share, corporate taxes, royalties and licence fees. Centamin also paid c. US\$1.1m to the government of Burkina Faso and c.US\$600,000 to the government of Côte d'Ivoire in licensing fees and community investments. For full audited financials please refer to the 2019 Annual Report, announced on 18 May 2020. These figures are published in compliance with EU and Canadian directives for extractive industries reporting as per the UK Payments to Governments Regulations ("the Regulations") of 2014 and the Extractive Sector Transparency Measures Act ("ESTMA") of 2015.

Their stated objectives are to provide citizens of resource rich countries with the information they need to hold their governments to account; and to provide greater insight (for investors and all other stakeholders) into how the sector operates and the range of economic contributions that can result.

The Regulations require disclosure of the following:

- a. production entitlements
- b. taxes levied on the income, production or profits of companies, excluding taxes levied on consumption such as value added taxes, personal income taxes or sales taxes
- c. royalties
- d. dividends, other than dividends paid to a government as an ordinary shareholder unless they are paid in lieu of a production entitlement or royalty
- e. signature, discovery and production bonuses
- f. licence fees, rental fees, entry fees and other considerations for licences and/or concessions
- g. payments for infrastructure improvements.

### Summary table of payments to the governments in the 12 months ended 31 December 2019 (US\$)

Type	Note	Egypt	Burkina Faso	Côte d'Ivoire	Total
Profit share		87,075,000	–	–	87,075,000
Corporate taxes	(i)	2,467,802	–	–	2,467,802
Royalties		18,389,686	–	–	18,389,686
Exploration licence fees		–	249,380	89,262	338,642
Mining and other licence fees		179,512	824,617	–	1,004,129
Infrastructure improvements	(ii)	24,015	70,090	493,456	587,560
		108,136,014	1,144,086	582,718	109,862,819

(i) In accordance with the Regulations, this figure excludes taxes levied on consumption such as VAT, payroll or sales taxes.  
 (ii) Community projects in Egypt including financial assistance to local fire department, contributions towards Ramadan celebrations and a Ramadan football tournament in Marsa Alam, computers for a local police station and sponsorship of Marsa Alam Youth Football Team.  
 Community projects in Burkina Faso including drilling of boreholes for villages, installation of toilets and solar panels at a local high school, funding initiatives of local woman's development and support groups  
 Community projects in Côte d'Ivoire including drilling of boreholes for villages and providing seeds and fertilisers for farmers.

## 3.2 COMMUNITY RELATIONS

“ COMMUNICATION CREATES COMMUNITY AND WITH REGULAR ENGAGEMENT WITH OUR STAKEHOLDERS WE ARE ABLE TO CREATE MUTUAL LONG-TERM VALUE AND SUCCESS.

”

Ensuring the support of the community closest to the Group's assets and offices is vital to the success and sustainability of Centamin's business. The communities closest to site provide Centamin with a pool of talented and willing workers, competent and cost-effective suppliers and help to deliver a safe and secure operating environment.

Centamin's approach to community relations is to build and maintain open and on-going relationships with the local community, and to use operations as a lever to catalyse sustainable development in the community. This approach is implemented in the following ways:

- Recruitment of local people
- Utilisation of local suppliers to multiply the economic impact of activities and diversify the economy in readiness for mine closure
- Investing in community and regional infrastructure, development and projects.
- Local or national government representatives may suggest national or regional projects and priorities, where additional funding or support may be beneficial
- Mine management teams can occasionally suggest a project. In these instances, it is usually to expand or extend a request from the community or government.

#### Community investment

The investments Centamin makes in community development are agreed in consultation with representatives from local and national government and community members. Suggestions for projects can occur:

- Community members can formally request an item, or support or a contribution for a project or an event

Approved projects must fall within the scope of Centamin's five strategic community investment pillars (See infographic below). All projects are then approved by the Group sustainability manager and signed off at operational management level, or at Board level for larger investments. A formal Community Development Framework is currently being established. As part of this Centamin has worked to identify community needs and development gaps and a long-term sustainable project will be developed.

## SOCIAL AND ECONOMIC DEVELOPMENT COMMUNITY RELATIONS CONTINUED

Sukari sponsored and opened a gym at the Youth Centre in Marsa Alam in 2019. The gym provided men and women of Marsa Alam equipment along with fitness manuals and awareness programmes focused on exercise, smoking and good diet. Sukari has guaranteed the equipment for a period of two years, and the gym is managed by the youth of Marsa Alam. A small fee for entrance is charged which goes towards the maintenance and running of the gym. The youth provide trainers to assist gym-goers, including a female trainer to assist the women who attend.

In West Africa we have been very active with our community relations. In partnership with GIZ, we have continued to provide agricultural support to communities, which includes fertilisers and seeds. We also focus on water provision and assist with borehole construction and maintenance.

### 2019 Community Projects

	INFRASTRUCTURE	INCOME GENERATING	EDUCATION	HEALTHCARE	SOCIAL WELFARE
<b>Egypt</b>	Establishment of a community gym in Marsa Alam	Donate food waste to local Bedouin families as feed for their livestock	Onsite internship programme for 244 university students from geology and mining engineering faculties		Supporting local youth sports teams at the Youth Centre in Marsa Alam  Support for local police with the installation of CCTV in the Marsa Alam bus station  Sponsorship of community events
<b>Côte d'Ivoire</b>	Drilled and installed community drinking water boreholes				Continued agricultural support including onion seeds and stores, provision of fertilisers and shops to provide agricultural inputs
<b>Burkina Faso</b>	Drilled and installed community drinking water boreholes	Established a multifunctional platform for Batie Women's Association	Solar lamps for Batie school  Donated 50 bicycles to students, awarded based on academic performance	Medical Centre support for snake antivenom and financing hygiene services	
<b>Corporate</b>	<i>Supporting our host countries from HQ:</i> Local cultural fundraising events raising awareness for the Friends of Africa foundation	Employment of local employees supported with workplace development	<i>Encouraging career development:</i> Head office internships and work experience	<i>Supporting vulnerable groups:</i> Endurance fundraising events with proceeds going to the Jersey Hospice Care Trust	<i>Supporting local activity centres and teams:</i> Sponsorship for the senior and junior Jersey Rugby Club programme, including equipment and training  Sponsorship of community events



## CENTAMIN'S APPROACH TO COMMUNITY PROJECT FUNDING



### Infrastructure

- Supplying electricity to a nearby Bedouin community, constructing a children's playground in Marsa Alam, funding the maintenance of buildings for schools in Marsa Alam.
- Grading nearby roads in Côte d'Ivoire.
- Assisting in waste disposal for the village of Danoa in Côte d'Ivoire.
- Providing two boreholes for local communities in Côte d'Ivoire.



### Income generating

- Donating food waste from site to four local Bedouin groups in Egypt as feed for their animals to improve grazing quality.
- Establishing of a multifunctional platform for the Batie Women's Association in Burkina Faso.



### Education

- Providing bursaries and training opportunities at Sukari for geology and engineering students.
- Providing equipment to Marsa Alam Nursing School.
- Constructing multiple classrooms, football fields and sanitation facilities with access to potable water for schools near the Batie West and Doropo exploration site in Burkina Faso and Côte d'Ivoire respectively.
- Providing bicycles to the top 50 school students in the Batie region of Burkina Faso.



### Healthcare

- Donation of a CT Scanner to Marsa Alam public hospital.
- Providing anti-venoms, beds, haematology equipment, hygiene equipment, solar lamps and potable water to Batie medical centre in Burkina Faso.
- Covering the medical costs of local Bedouin at Marsa Alam hospital.



### Social welfare and community

- Providing daily Iftars (evening meal breaking the fast during Ramadan) during Ramadan for underprivileged people in Marsa Alam.
- Sponsoring local celebrations and events, such as Orphan's day, Police day and Environment day in Marsa Alam.
- Purchasing furniture and equipment for local authorities.

## SOCIAL AND ECONOMIC DEVELOPMENT COMMUNITY RELATIONS CONTINUED

### Performance

Centamin is continually working with its stakeholders to identify immediate needs, and during this time of global crisis combating the COVID-19 pandemic, communication and support was vital to mitigate the impact.

In April 2020, Centamin donated 10 million Egyptian pounds (“LE”), equivalent to circa US\$635,000, to support Egypt’s response efforts to combat the coronavirus (“COVID-19”) pandemic and continued to actively work with the Egyptian Government to address the threat of COVID-19, providing logistical and financial support within our local community of Marsa Alam.

Centamin spent more than US\$1.75 million on community projects across the Group since 2016.

The bulk of the spend has been on projects near to the Sukari, and in Marsa Alam, which is 25 kilometres from the mine and its nearest community.

### Community spend 2015 -2019

Community spend (US\$)	2019	2018	2017	2016	Total
Egypt	209,423	374,238	333,484	67,731	984,876
Burkina Faso	82,030	43,406	60,279	58,890	244,605
Côte d'Ivoire	50,000	326,930	103,704	45,523	526,157
Total	341,453	744,574	497,467	172,144	1,755,638

### Grievance mechanism

One of the most important ways Centamin monitors the health of our community relations is via the community grievance mechanism.

During 2019 the Company worked to implement an updated formal and robust community grievance mechanism at Sukari. Previously all grievances from the community were received verbally by Sukari’s head of security. The new grievance mechanism aims to ensure grievances are formally recorded and work to resolution tracked. Centamin has also appointed two dedicated grievances offices. The number of grievances received, and the status of resolution is reported to senior management on a quarterly basis.



### 3.3 SUPPLY CHAIN MANAGEMENT

Centamin’s approach to supply chain management is informed by two key priorities. Most importantly the Company needs to ensure the safe, responsible and steady supply of the products and materials needed to operate. The second priority is to use the Company’s significant purchasing power as a lever to drive local and national businesses, entrepreneurships and to improve standards in product quality, safety and environmental management.

As per the standards we operate by, it is critical that our suppliers also follow safe and ethical practices. We have processes and policies in place to make sure our suppliers meet our standards and to identify potential risks, these processes and policies are reviewed for their effectiveness. All of Centamin’s suppliers are expected to respect and comply with the Company’s policies, and Code of Conduct. Due diligence is undertaken prior to any contract being signed. This includes risk assessment of financial health, potential conflict of interest and initial anti-bribery and corruption checks. During 2020 this due diligence is being expanded on to include human rights and modern slavery compliance and a programme to conduct regular reviews of existing suppliers on a risk based approach. Systematically, our supply contracts and service agreements are being updated to include clauses for:

- Anti Bribery and Corruption
- Modern Slavery
- Code of Conduct
- Human Rights

These practices and processes help to raise awareness, accountability and improve governance standards throughout the supply chain.

#### Performance

During 2019, the HSES and CGC Committees commenced reviews of the Company’s Human Rights Policy and Supplier Code of Conduct along with the Whistleblowing Policy, Company’s Code of Conduct and Anti-Bribery and Corruption Policy. The review process took into consideration the local customs, regulations and laws of our respective host countries.

At the senior management and site level, working with external consultants, a review was conducted on Centamin’s approach to supply chain management with particular focus on ensuring the Company is taking the appropriate steps to minimise the risk of Modern Slavery occurring within the Company’s immediate supply chain.

“ RESPONSIBLE AND EFFECTIVE SUPPLY CHAIN MANAGEMENT CAN CREATE A MEANINGFUL MULTIPLIER EFFECT, THROUGH ECONOMIC CONTRIBUTION AND IMPROVING GOVERNANCE STANDARDS THROUGH THE SUPPLY CHAIN. ”

Actions taken in 2019 included:

- Development and Committee review of a new standalone Human Rights Policy. Policy implementation, including teach-ins, are underway in 2020.
- Development and Committee review of a new Supplier Code of Conduct, which sets out the standards we expect all contracted suppliers to meet. Policy implementation, including teach-ins, are underway in 2020.
- Implemented a new grievance mechanism and whistleblowing hotline for improved reporting and addressing of supplier, community, workforce concerns
- Development and implementation of an evolved risk assessment methodology for assessing suppliers for modern slavery risks.



## SOCIAL AND ECONOMIC DEVELOPMENT SUPPLY CHAIN MANAGEMENT CONTINUED

### Human rights

In 2020, supported by ongoing governance, Human Rights tailored training programmes are being conducted across the Group.

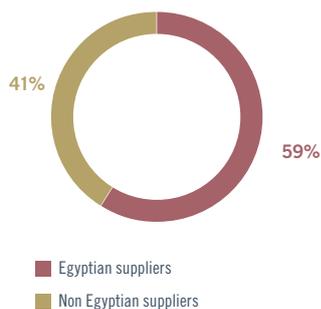
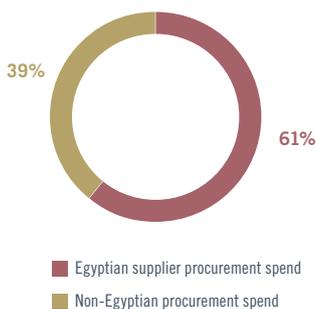
A specific Human Rights Policy has been reviewed by the CGC and HSES Committee, and is being implemented across the Group's operations. The policy covers all human rights-related aspects of our business and expressly cover modern slavery and human trafficking. Like all Centamin policies the Human Rights Policy is global in nature and applicable to all our operational and exploration sites. Compliance with this policy is being systematically integrated into all supplier agreements and introduced to our supplier on-boarding programme.

Further consideration to the 2015 Act, the equivalent Australian legislation and related UK guidance on adherence with the 2015 Act's principles continue to be monitored regularly together with supplier risk assessments. It is our intention to continue focusing on raising awareness and understanding to the 2015 Act throughout the business.

### Domestic supply chain development

To the extent practicable Centamin is committed to sourcing goods and services from local companies and contractors – when they have the requisite skills, goods and experience. This provides one of the best opportunities to create economic centres near operations, support sustainable development in the regions we operate and can improve valuable deliver time and cost savings to the Company, providing mutual benefit to the Group and stakeholders.

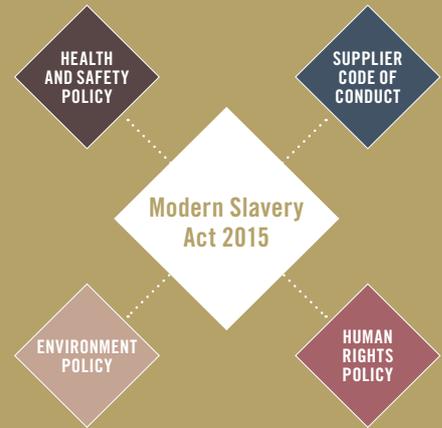
An improvement from 2018, in 2019, 473 or 59% of all suppliers at Sukari were Egyptian, and US\$161 million (or more than 61%) of Sukari's total procurement spend was to Egypt-based suppliers. Over the past five years Centamin has paid almost US\$480 million to Egyptian suppliers.



### Actions against modern slavery

Centamin respects internationally recognised Human Rights standards and we continue to improve efforts in monitoring our operations and business relationships that can be affected by poor human rights practices and ultimately affect our people. Safety, security and respecting the rights of the environment and the people in it are championed across the business. The Board continue to embrace human rights due diligence processes to identify, prevent and mitigate negative effects to our operations and relationship with wider community. We firmly believe that our Human Rights

Policy facilitates the positive global ongoing work to fighting poor practices that contributes to Modern Slavery. Whilst Centamin is not in scope of the UK Modern Slavery Act 2015 (the “2015 Act”) because of its operations being established outside the UK, the committee considered it as good practice to respect the 2015 Act. The 2015 Act relates to slavery, servitude, forced compulsory labour and human trafficking which affects global supply chains. Consideration was also given to the Modern Slavery Act 2018 (Commonwealth Act) which came into effect for accounting periods on or after 1 January 2019.



**Modern Slavery is the fastest growing criminal industry but you can't see the chains.**

You may be a victim of Modern Slavery, if you:



Are forced to work when you don't want to



Have to pay someone money to give you work



Are forced to live in accommodation against your will



Have your identity documents or bank account controlled by someone else



Are under 17 and work more than six hours a day, or more than four hours without a break



Or your family is threatened or intimidated



The committee considers the guiding principles of the 2015 Act and equivalent legislation in Australia to set against the Company's positive record of accomplishment for employee welfare and highest health and safety standards.

# CHAPTER FOUR: ENVIRONMENTAL RESPONSIBILITY

## SUKARI 2019 HIGHLIGHTS

**44%**

OF WATER REUSED, A 56%  
IMPROVEMENT FROM 2018

**30.9kwh/  
TONNE**

MILLED ENERGY EFFICIENCY,  
A 4.4% IMPROVEMENT ON 2018

TRANSITION TO DEFINITIONS  
ALIGNED WITH THE  
INTERNATIONAL COUNCIL ON  
METALS AND MINING ("ICMM")  
GUIDE TO WATER REPORTING

**Zero**

REPORTABLE ENVIRONMENTAL  
INCIDENTS

**33.9co<sub>2</sub>-E**

EMISSIONS INTENSITY,  
A 1.5% IMPROVEMENT ON 2018

“

OUR VISION IS TO BE RESPONSIBLE STEWARDS  
OF THE NATURAL ENVIRONMENTS IN WHICH  
WE OPERATE AND TO MINIMISE CLIMATE RISK

”

Centamin is committed to the safeguarding of the environment, educating our employees and communities, and applying sound environmental management practices to minimise the risks of the environmental impacts of its operations to a reasonably practical level. Early recognition of potential environmental impacts from mining operations is essential. At Sukari, incorporating relevant indicators at the project design stage helped to avoid, prevent and mitigate potential environmental impacts and build effective controls into our facilities.

The environment is assessed, managed and protected in all mining phases starting from exploration. In 2018, at our Doropo exploration project in Côte d'Ivoire, Digby Wells and PAH (CDI) completed a preliminary environmental, social and community screening assessment review (EIES-RAP).

The process of extracting gold from the ground inevitably results in significant environmental impacts. Environmental issues are important to our business and important to our stakeholders, for example 'waste management' and 'resource efficiency' ranked as two of the highest priority issues in our 2019 materiality assessment. From a business point of view, environmental liabilities constitute a major corporate risk factor, while increases in energy efficiency and water and waste recycling can lead to valuable day-to-day cost savings. Thus, it is in Centamin's business interests to ensure these impacts are appropriately minimised and managed, and to act as a responsible environmental steward.

### Our environmental approach

Centamin's approach to environmental management is formally set out in the HSE policy. Each asset has a tailored environmental management system that is in line with national regulations and IFC standards and takes into account the country and unique environmental specific to that site. The technical details for each environmental management system ("EMS") are based on the detailed Environmental and Social Impact Assessments ("ESIAs") carried out during the feasibility stage of any project.

During 2019, in recognition of the importance of environmental management Centamin developed a standalone Environment Policy. The policy includes commitments to:

- Use water efficiently
- Assess climate risk
- Conserve biodiversity
- Industry good practice standards for the design, construction, operation and closure of any TSF

At Sukari the environmental management system is regularly monitored to ensure compliance with national environmental laws and to assess performance against international industry best practice. All aspects of onsite environmental management, including chemicals and hazardous substances, energy and emissions, water use, biodiversity and waste management are included in monitoring.

### Environmental incidents

One of the most important ways Centamin monitors environmental performance is by tracking the number, frequency and severity of any environmental incident on site or linked to Centamin activities. Centamin's environmental risks and incidents are rated on a one to five scale of consequence.

- **Level 5 – Catastrophic** Incidents that result in death, impacts beyond the site boundary with huge detrimental effect and damage, and financial loss of more than US\$10million
- **Level 4 – Major** Incidents that lead to permanent disability, impacts beyond site boundary causing significant detrimental effect and damage, and financial loss between US\$1 -10 million
- **Level 3 – Moderate** Incident has medium but manageable environmental damage within the site boundary, causes lost time or restricted work, and financial impact between US\$100,000 and US\$1 million
- **Level 2 – Minor** Incident is on-site and immediately contained and has financial impact between US\$10,000 and US\$100,000
- **Level 1 – Negligible** Small localised incident or spill, financial impact of less than US\$10,000.

Any environmental incident that occurs is reported to the relevant authorities and remedial steps taken to repair damage and minimise the chance of recurrence. If an incident involves hazardous chemicals or materials, clean up involves specialist equipment and specially trained staff. Centamin has a target to reduce the number of level 1 - 3 environmental incidents year-on-year, and to have zero level 4 or 5 incidents each year.

## ENVIRONMENTAL RESPONSIBILITY

### ENERGY EFFICIENCY AND EMISSIONS

#### Performance

There were a total of 25 environmental incidents at Sukari in 2019, a 40% increase on 2018. The bulk of Centamin's environmental incidents (88%) tend to be limited to localised spills of hydrocarbons, process water, reagents or sewage.

There have been no level 5 environmental incidents in Centamin's corporate history, and the last level 4 incident occurred more than three years ago. It should be noted that we recognise that low-level incidents can often act as an early warning mechanism which, when properly analysed and resolved, can prevent more serious incidents from occurring in the future.

#### Environmental incidents at Sukari

	2019	2018	2017
Level 5- Catastrophic	0	0	0
Level 4 – Major	0	0	0
Level 3 – Moderate	8	0	4
Level 2 – Minor	3	7	6
Level 1 – Negligible	14	11	6
<b>Total</b>	<b>25</b>	<b>18</b>	<b>16</b>

## 4.1 ENERGY EFFICIENCY AND EMISSIONS

Centamin's approach to energy use is informed by two key strategic objectives. The Company's first aim is to provide a secure and steady supply of electricity to operations, on-site facilities and accommodation. The second aim is to use energy efficiently. Maximising energy efficiency not only helps to deliver valuable cost savings to the business but also helps to reduce the Company's greenhouse gas emissions. An emerging priority for Centamin's approach to energy use is the introduction of renewable energy sources into the overall energy mix.

Sukari, for example, is situated in Egypt's Eastern Desert and has limited access to Egypt's national grid, and the mine's electricity requirements exceed the capacity of the power station at Marsa Alam. This means Sukari must generate its own electricity. Currently the electricity needs of the mine are met by a 68MW onsite diesel fired power station. However, Centamin is working to integrate an initial 36MWDC / 30MW AC peak power solar hybrid power farm into Sukari's energy mix.

As shown below, in 2019 Sukari consumed 397,422 MWh of electricity, this represents a decrease from 2018 electricity consumption. Centamin's energy efficiency per tonne of ore milled improved by 4.5%.

#### Electricity use (MWh)

	2019	2018	2017
Electricity consumed MWh	397,442.1	403,788	388,931.3

#### Energy efficiency per tonne of ore milled

	2019	2018	2017
Energy efficiency kWh/tonnes milled	30.91	32.13	32.32

#### Managing climate risk

Centamin is committed to assessing and reducing its exposure to climate risk and from 2020 will consider disclosing climate risks in line with the requirements of the Task Forces on Climate-related Financial

Disclosures ("TCFD"). During 2019, Centamin added climate to the enterprise level risk register for the first time.

The Company's strategy to reduce its exposure to climate risk remains unchanged as follows:

- Use electricity as efficiently as practicably possible, through the adoption of new technologies and electricity savings initiatives, and
- to integrate clean energy sources (such as solar power) into the mix as they become economically viable.

Both these elements also help to deliver significant cost savings for the business.

Centamin also aims to be fully transparent on its progress to reduce emissions and reports its environmental data to bodies such as CDP (formerly Carbon Disclosure Project) and in this report, this includes reporting a limited number of scope (upstream) three emissions.

“

THE COMPANY'S FIRST AIM IS TO PROVIDE  
A SECURE AND STEADY SUPPLY OF ELECTRICITY TO  
OPERATIONS, ON-SITE FACILITIES AND ACCOMMODATION.

”



## ENVIRONMENTAL RESPONSIBILITY

### ENERGY EFFICIENCY AND EMISSIONS CONTINUED

# GATHERING THE RAYS: SUKARI'S EXPANDING SOLAR AMBITIONS

The bulk of Centamin's greenhouse gas emissions result from the on-site power generation at Sukari. The site is powered entirely by heavy fuel oil burning generators consuming over 90–100 million litres of diesel to meet the mine's electricity needs.

As a significant source of carbon emissions Centamin has been investigating alternative power and fuel options and carried out detailed analysis on the viability of integrating solar power. Egypt, and more specifically Sukari, is in an ideal geographic area for light conversion to power.

Solar is a growing source of power in Egypt, with the government target of increasing the supply of electricity generated from renewable sources to 20% by 2022 and 42% by 2035. As one of the world's largest solar parks, the Benban Solar Park was completed and commissioned in 2019. Located 300km east of Sukari, near Aswan, the 1650 MW solar farm is a good example of the solar potential within Egypt.

Sukari's position in Egypt's Eastern Desert has some of the highest levels of solar irradiance globally, annualising over ten hours a day of sunshine. Figure [X] is a heat map of photovoltaic power potential averaged between 1994 to 2016. The photovoltaic power potential makes solar power a viable source of renewable energy for the mine.

In 2019, Centamin completed a preliminary study assessing the technical viability of integrating a solar plant at the Sukari mine. As expected, the results of the study demonstrated the potential

of the project to materially reduce the consumption of fossil fuels and thereby reducing our environmental footprint and operating expenditure. The study indicated a minimum of 36MW DC / 30MW AC peak power hybrid solar plant would be the optimal capacity for an initial staged integration to the processing plant.

The project is engineered as a solution to reducing site fossil fuel consumption, powering the site during daylight hours, thereby reducing diesel consumption by an estimated 18 to 20 million litres per annum, reducing both overall greenhouse gas emissions and diesel costs. A limited amount of battery storage (7.5MW) is required to manage start up and shut down surges for integration into the existing site distribution and control systems. The solar farm is scoped over an 85-hectare site on the Sukari tenement.

The project will be developed in two phases:

- Phase One will require the upgrade of Sukari's high voltage distribution system to prepare the system for connection of large scale solar, and
- Phase Two will be the construction, installation and connection of the solar photo voltaic plant to the Sukari electrical distribution system.

Centamin estimates up to 25% of Sukari's power needs could be met through solar generation. It is planned that the initial 30MW plant will be engineered with the ability to expand the power capacity in the future, if appropriate.

The construction spend for 30MW is expected to be US\$37 million<sup>(3)</sup>. Centamin will recover the capital outlay under the cost recovery mechanism set out in the Concession Agreement. Initial capital of US\$6 million was committed at the end of 2019 to upgrade the high voltage reticulation on site and commence earth-clearing works in H1 2020.

Construction was scheduled to commence in 2020, however, as a precautionary move to protect the health and wellbeing of the workforce, non-essential 2020 capital expenditure has been temporarily deferred, including the Sukari solar plant. This is in order to minimise contractors and other non-operating traffic on and off site, while restrictions related to COVID-19 remain in place.

Some of the expected benefits of the solar project include:

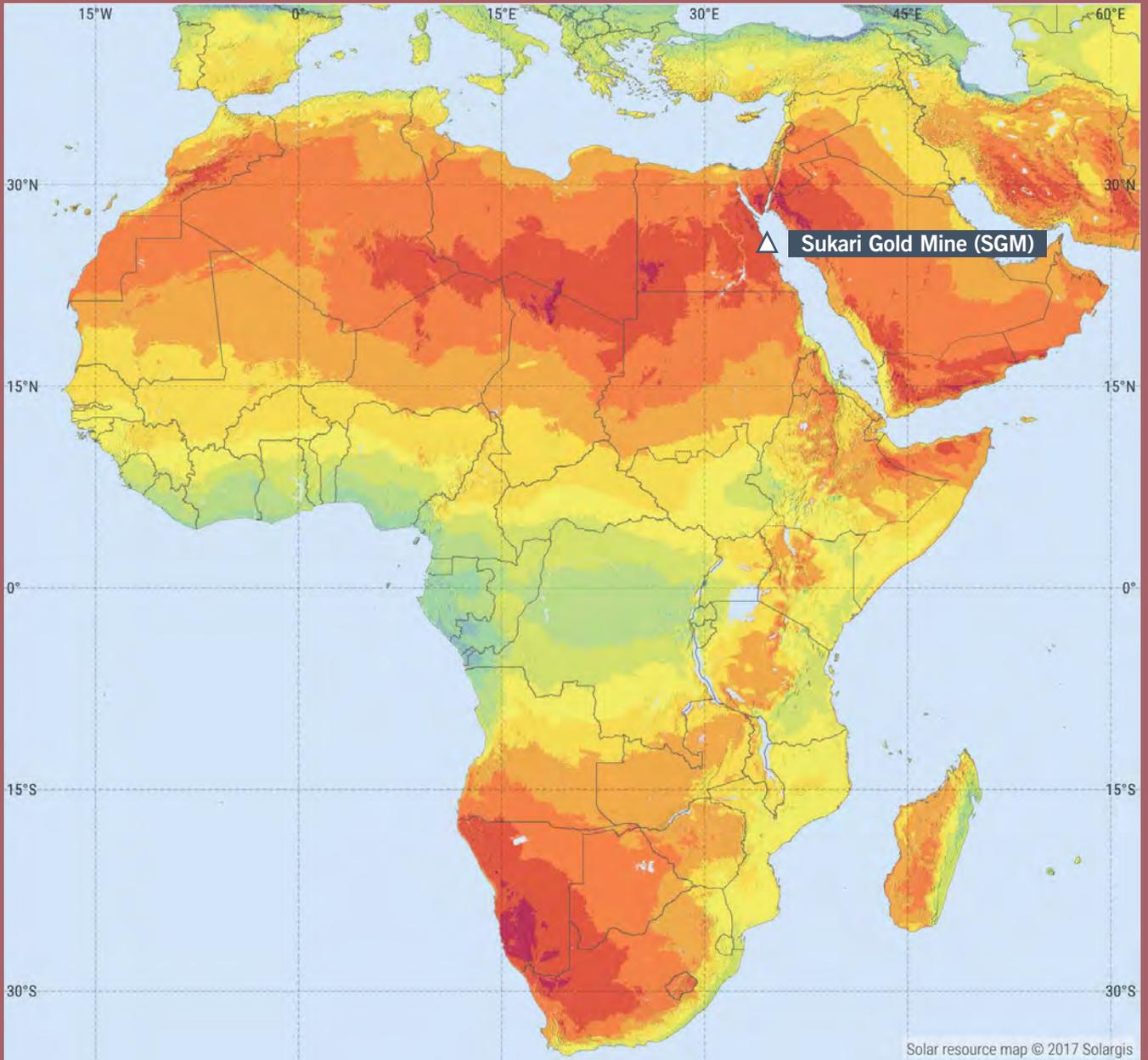
- Saving 18 to 20 million litres of fuel through power generation per year
- Lowers exposure to fuel price volatility
- Reduced traffic and fuel transport to site
- Consequent reduction in Scope 1 and Scope 3 emissions associated with the above, the mines CO<sub>2</sub> emissions would be reduced by 48,000 – 53,000 tonnes per annum<sup>(1)</sup>
- A payback period of approximately three years<sup>(2)</sup>

(1) Assuming 2.68kg/CO<sub>2</sub> per litre of diesel

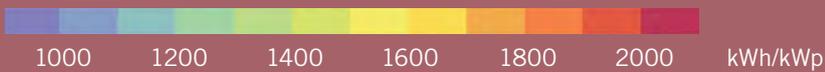
(2) Assuming a fuel cost of US\$0.60 per litre

(3) Budgeted capital spend, subject to final Board approval ahead of contract award

# PHOTOVOLTAIC POWER POTENTIAL AFRICA



Average annual sum of PVOUT, period 1994–2016



## ENVIRONMENTAL RESPONSIBILITY

### ENERGY EFFICIENCY AND EMISSIONS CONTINUED

#### Performance

The direct (scope 1 and 2) operational emissions continued to increase in 2019 and were 435,365 tonnes CO<sub>2</sub>-e in comparison to 422,437 tonnes CO<sub>2</sub>-e in 2018. Importantly our emissions intensity per ton of ore milled remained largely stable, with less than 1% increase from 2018, and still below 2017 emissions intensity. Centamin continues to work towards reducing emissions intensity and are in the process of establishing science induced absolute emissions targets for medium- (2025) and long-term (2030) target years.

Other carbon reduction strategies being considered by Centamin include transitioning onsite vehicles to electric vehicles and alternative truck buckets to improve hauling efficiency.

#### Fuel consumption (million litres)

	2019	2018	2017
Fuel Consumption (million litres)	158	151	148

#### Emissions

	2019	2018	2017
Scope 1	435,365	422,437	413,537
Scope 2			
Total	435,365	422,437	413,537
Emissions intensity	33.9	33.6	34.4



## 4.2 MANAGING AIR QUALITY

Ensuring air quality is an important issue facing most mining companies. The presence of thermal generators on site to provide the mine with necessary electricity produce nitrogen and sulphur oxides (NOx and SOx). Heavy vehicles, crushing and grinding processes and blasting are sources of dust; as to are waste rock dumps and the heap leach. Significant levels of airborne dust can cause problems for workers and local communities, including breathing issues and eye irritations. If not carefully managed dust and other airborne particulate matter can:

- Increase the risk of accidents
- Impact working conditions
- Cause occupational health issues
- Damage relations with local communities and endanger social license to operate.

Centamin follows IFC guidelines to monitor and manage air quality at operational sites. A number of programmes are in place at Sukari to monitor ambient dust levels and gas emissions and ensure that airborne particulate levels remain within limit.

(1) Updated as at 21 April 2020 with the Q1 2020 Report

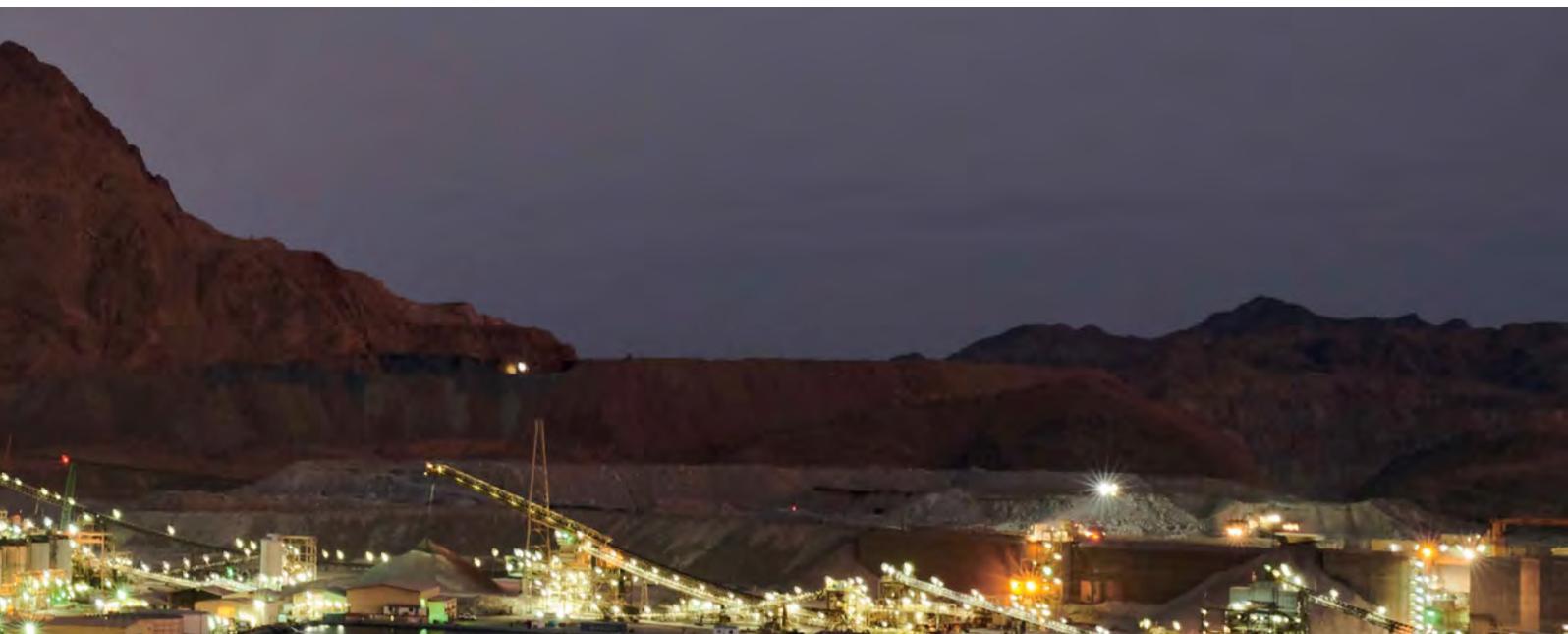
Programmes in place include the routine collection of samples from various areas across site and assessing the different work areas and positions with personal dust monitors. Dust suppression measures at the Sukari include:

- Fitting water sprayers to the crushers
- Regular wetting of on-site roads.

As Sukari is located 25 kilometres away from the nearest permanent community air quality monitoring outside the mine boundary is not considered necessary. Going forward and as exploration activities increase, Centamin plans to begin to monitor dust at exploration sites and in the nearby communities in West Africa.

Occupational health and hygiene risks are formally recognised in each area of the mine and the necessary controls implemented to mitigate these risks to our employees. These areas are routinely reassessed internally, on-site, on a monthly basis and by an external authority twice yearly to ensure that the controls remain relevant and effective.

Resultant of day-to-day operations on the mine site, including underground, is generation of dust, noise, minor spills and odour, as well as high temperatures. These measures are regularly monitored and assessed in the context of employee wellbeing, community impact and environmental impact. Safety personal protection equipment is required for the workforce and visitors, including high visibility clothing, protective glasses, earplugs, masks, hardhats and gloves. Additional mitigating measures include regular dust suppression and infrastructure upgrades where appropriate. In 2020, US\$7 million<sup>(1)</sup> of growth capital has been committed to substantial upgrades to the underground ventilation system and infrastructure. This will improve underground air quality and temperatures, as the mine prepares to expand at depth.



## ENVIRONMENTAL RESPONSIBILITY MANAGING AIR QUALITY

### 4.3 WATER MANAGEMENT



Water is a shared, vital and increasingly scarce resource. It is also a critical input for mining activities. If a mine does not manage its activities and water use adequately this can impact on the quality and quantity of water available to other users, damaging our social license, and risk potential fines.

The Company is committed to improving water management. Centamin's water management strategy is to use water efficiently as possible and to draw only as much water as needed, and to remain within the Company's permitted limits. The Company aims to reduce the impact on other water users in host countries and communities. A central pillar of Centamin's approach to water use is to maximise the amount of process water reused.

Site-specific water management plans are developed for all operational sites as part of the wider Environmental Management System ("EMS"). The water management plan includes:

- the different water sources available
- the needs of other users
- the specific evapotranspiration rates of the site
- the quality and quantity of water available, and
- permit allowances.

Because exploration activities tend to have limited water needs, Sukari is currently the only Centamin asset with a water management plan in place.

Access to groundwater at Sukari is limited, and the water needs of the mine surpass the capacity of municipal supplies and thereby would negatively impact access to water for the local community. That means that the bulk of water for Sukari is drawn from the Red Sea, which is 25km away and is pumped to site via a pipeline.

Centamin recognises the significant biodiversity and importance of the Red Sea, with its magnificent coral reefs and diversity of fish. When planning the pipeline, great care was taken to ensure the pipeline was positioned in an area without a coral reef and the pipeline is fitted with a series of micro-grills to ensure no fish or other life enter the pipes.

There are two reverse osmosis desalination plants on site, and to minimise the need for energy intensive desalination and associated costs, the process plant was built to use saltwater. Desalinated water is used during the final processing stages and for the employee camp and administration block. To maximise water reuse at Sukari a number of closed loop cycles are used throughout the process plant, including tailings thickening. Centamin will also review and update its water balance in 2020. This will include the use of predictive modelling and current data inputs to maximise water reuse and efficiencies. New water reuse targets will be established upon completion of the water balance update; an interim target was established to reuse 15,000m<sup>3</sup> of water per day.

#### Performance

Sukari does not discharge any water back into the environment. Any water that remains after processing is temporarily stored at the TSF and pumped back to the process plant for reuse as required or is lost through evaporation. Reusing water also makes business sense; it takes a significant amount of energy to pump water the 25km from the Red Sea and to run the desalination plant.

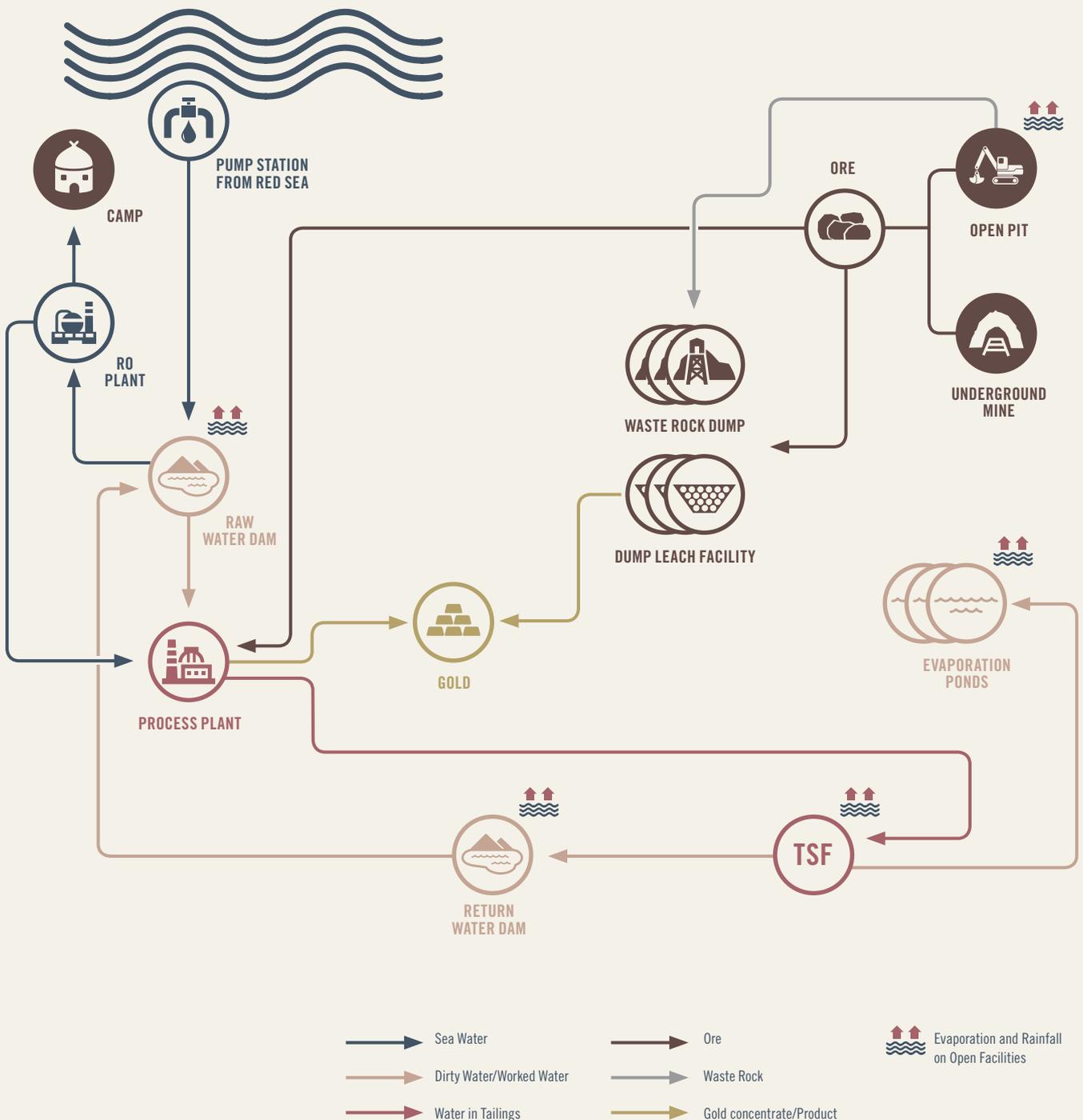
During 2019, Centamin transitioned the way we report on water, adopting the definitions of the International Council on Mining and Metals ("ICMM") Guide to Water Reporting. Consequently, we now refer to Total Water to Task and Water Reuse as opposed to the metrics previously reported against. Our performance for 2017 and 2018 was retrospectively calculated for comparison purposes.

In 2019, nearly 44% of all water to task (i.e. used in processing) was reused water; the reused water is predominantly from the tailing storage facility. This was an improvement of 56% in comparison to the reuse efficiency in 2018.

Centamin is currently reviewing and updating its site wide water balance at Sukari. The updated water balance will allow robust and defensible targets to be established for water use and water efficiency. A 2020 reuse target of 15,000m<sup>3</sup> per day was established.

Water use	2019	2018	2017
Total water offtake (ML)	7,257.699	9,247.505	7,404.596
Total water reused (ML)	5,664.412	3,598.357	3,936.639
Total water to task (ML)	12,922.111	12,845.862	11,341.235
Water use efficiency (KL/tonne milled)	1.01	1.02	0.94
<b>Total Water Reused</b>	<b>43.8%</b>	<b>28.0%</b>	<b>34.7%</b>

## SUKARI WATER CIRCUIT



## ENVIRONMENTAL RESPONSIBILITY

### WASTE MANAGEMENT

## 4.4 WASTE MANAGEMENT

Gold mines generate a large amount of waste, the majority in the form of waste rock. Waste materials also include chemical reagents packaging, and food waste. Centamin has detailed waste management plans in place to ensure all the hazardous and non-hazardous waste generated is minimised and dealt with in a safe and responsible manner.

#### Responsible management of hazardous waste

The gold mining process involves the use of hazardous chemicals and reagents such as cyanide. The remnants of such chemicals remain in the tailings after processing. Tailings are the waste materials left after the economically recoverable metals and minerals have been extracted from ore and form the bulk of Centamin's hazardous waste.

At Sukari, tailings are stored in an engineered TSF, which is lined to ensure no there is no seepage and contamination of soil and groundwater. Centamin is committed to the highest standards of tailings management. The Company's current downstream TSF at Sukari, ("TSF1"), will reach capacity at the end of 2020. TSF1 is regularly reviewed according to regulatory and internal requirements, and water samples taken from adjacent wells and boreholes to monitor for seepage. Centamin's Geotechnical department conducts internal and external technical reviews of the TSF on a regular basis, as well as being inspected by third party and independent consultants. No significant issues were identified in 2019.

The engineering and design studies for "TSF2", were completed by Knight Piesold in Q4 2019 and construction has commenced in 2020, on schedule. This will extend tailings deposition to beyond 2030.

Further information regarding Centamin's TSF can be found in our disclosure response to the Church of England tailings engagement [www.centamin.com/production/sukari/tailings-storage-facility](http://www.centamin.com/production/sukari/tailings-storage-facility).

#### Performance

At Sukari, the largest waste product by volume is waste rock. Waste rock is placed in carefully managed waste dumps across site. All waste dumps are designed by geotechnical engineers to ensure maximum stability in line with IFC Performance Standards.

Other non-hazardous wastes produced at the Sukari are primarily waste oils and lubricants, equipment parts, domestic and food waste. The approach to this waste is to reduce, reuse and recycle as much as practicably possible. For example, all food waste from Sukari and camp kitchens is collected by HEPCA, a local conservation NGO, and distributed to local Bedouin for use as animal feed. This has helped increase flock and herd size and production yields. Other wastes are separated and stored at an onsite salvage area until they are transferred offsite to be reused, recycled, repurposed or disposed of.

#### Waste produced

Tonnes	2019	2018	2017
Tailings	12,859,214	12,567,791	12,031,915
Waste Rock	64,214,912	54,745,451	54,780,595
General waste	492.8	424.4	417.1
Waste to recycling		3,940.4	2,952.6
Waste to landfill	469,177	375,085	363,242

## RESPONSIBLE TAILINGS MANAGEMENT

The tragic tailings disaster at Brumadinho highlighted the devastating environmental and social consequences of poor TSF management. Such events are a reminder on the importance of handling tailings with the utmost care and diligence. Centamin is committed to the highest standards of tailings management.

Centamin currently only has one operational TSF, and no closed facilities. The Sukari TSF is lined so there is no seepage and contamination of soil and groundwater. It is regularly reviewed according to regulatory and internal requirements, and water samples taken from adjacent wells and boreholes to monitor for seepage. Centamin's Geotechnical department conducts

internal and external technical reviews of the tailings storage facility on a regular basis. It is also inspected on a regular basis by third-party consultants.

As part of Centamin's commitment to maintaining the highest standards of tailings management, in 2019 the Company undertook significant work on the TSF. Works focused on water management and overall stability of the TSF. Centamin also reassessed the area at risk should the TSF fail. As a result of this assessment a number of berms were constructed at strategic locations within the Sukari permit. The berms are designed to ensure that in the event of a dam failure all tailings would be contained within the permit zone, and not impact nearby communities.

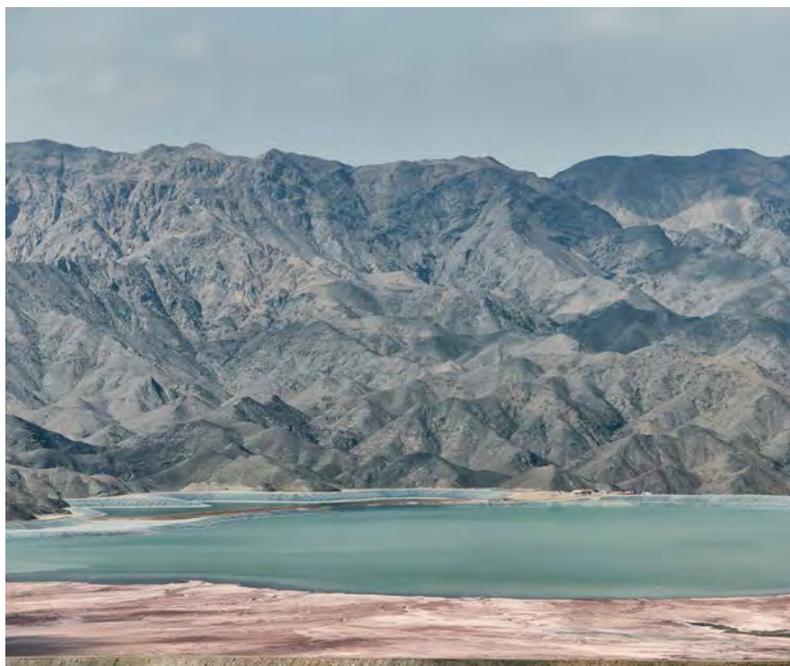
Centamin also built three new evaporation ponds to store excess water from the TSF. A new process water pond is currently under construction. The pond is located near the base of the TSF which will allow for the efficient transfer of water to the dam and improve recycling back to the plant for reuse.

The existing Sukari TSF has a further 18-month capacity while earth works for the construction of a second TSF begins. The second TSF will be located south of the open pit and dump leach and will have capacity for 30 million m<sup>3</sup> of tailings, which is enough to last the expected mine life.

### Cyanide management

Poor handling and management of cyanide could have dangerous or even fatal consequences for workers and could cause long-term damage to the environment. Centamin's use of cyanide is aligned with the principles of the International Cyanide Management Code ("ICMC"), and the requirements of Egyptian regulations. Specialised training and supervision in cyanide handling for employees and contractors who handle, transport or dispose of cyanide, and all suppliers are required to be certified to international standard.

Sukari has an emergency response team on site, who are trained and equipped to manage emergency situations, including potential incidents related to tailings management or hazardous chemical spills.



## ENVIRONMENTAL RESPONSIBILITY

### PROTECTING BIODIVERSITY / CLOSURE PLANNING

#### 4.5

## PROTECTING BIODIVERSITY

Careful management and maintenance of the range of flora and fauna at operations and exploration sites is an important part of Centamin's commitment to environmental stewardship. Centamin's approach to biodiversity seeks to:

- **Minimise and mitigate** – to minimise any potential negative effects that mining or exploration activities could have on the local environment; and
- **Restore and rehabilitate** – sites and any damage caused to the extent practicably possible.

Sukari is not located in a protected area and does not impact the habitats of any International Union for the Conservation of Nature ("IUCN") Red list species.

Detailed records of the full range of biodiversity present at Sukari were identified as part of the Environmental and Social Impact Assessment ("ESIA") process, and a proportion of every annual budget is ring fenced for closure restoration to ensure all future liabilities can be met. As Sukari is located in Egypt's Eastern desert, where there is minimal flora and fauna, the mine has limited need for the restoration of habitat. However, during 2019 as part of site rehabilitation plans, a tree nursery was established for the propagation of a range of native and endemic plant species for landscaping around on-site administrative and camp areas. Another biodiversity initiative being investigated for introduction at Sukari is the installation of sonic alarms near the tailings dam. The purpose of which is to prevent passing and migrating birds from drinking water stored behind the dam.

Wildlife such as snakes and scorpions are found on-site at Sukari, when this happens members of the site environmental management team capture and relocate them to safe areas on site away from people and operations. All members of the Sukari environment team have received training to ensure animals are carefully and safely handled.

#### 4.6

## CLOSURE PLANNING

Closure planning is one of most important issues for the mining industry. Centamin's approach to closure planning is informed by the legislative requirements of its host countries and the applicable IFC guidelines. The aim at closure is to rehabilitate and restore all sites and their surrounds to a stable condition, ensure all health and safety requirements are met, and that there are no outstanding liabilities.

Sukari has a large reserve base and long operating life, which means it is far from closure. To ensure Centamin can meet all closure liabilities, a proportion of every annual budget is ring-fenced for closure activities, and on-going and continual rehabilitation and restoration of land throughout the mine's life to help closure costs. During 2019 Centamin undertook a review of its closure plans for the Sukari. Centamin will review its closure plans upon completion of the asset Life of Mine plan in 2020.

# APPENDIX

## GRI CONTENT INDEX 2019

GRI Standard	Disclosure	Page number(s) and/or URL(s)
<b>GRI 101: FOUNDATION 2016</b>		
<b>General Disclosures</b>		
	<b>Organizational profile</b>	
	102-1 Name of the organization	Centamin plc
	102-2 Activities, brands, products, and services	Gold mining
	102-3 Location of headquarters	Jersey, Channel Islands
	102-4 Location of operations	Egypt, with exploration activities in Burkina Faso and Cote d'Ivoire
	102-5 Ownership and legal form	Centamin is incorporated and domiciled in Jersey and is listed on both the London and Toronto exchanges.
	102-6 Markets served	See scope and boundary of this report, page 1
	102-7 Scale of the organization	For total number of people – see 'Workforce table' page 43 Total operations – see scope and boundary of this report, page 1 Net revenues & total capitalisation – see financial review section of the Annual report from page 56
	102-8 Information on employees and other workers	page 43
	102-9 Supply chain	page 53
	102-10 Significant changes to the organization and its supply chain	No significant changes during 2019
	102-11 Precautionary Principle or approach	We address the precautionary principles by conducting full environmental and social impact assessments (ESIAs) before any project commences, through our risk assessments on site, which include sustainability risk, and through our Board-level strategic planning.
	102-12 External initiatives	pages 3; 23
	102-13 Membership of associations	Centamin is not a member of any industry or advocacy groups
	<b>Strategy</b>	
	102-14 Statement from senior decision-maker	pages 8 to 11
	<b>Ethics and integrity</b>	
	102-16 Values, principles, standards, and norms of behaviour	pages 12 and 13
	<b>Governance</b>	
	102-18 Governance structure	page 15
	<b>Stakeholder engagement</b>	
	102-40 List of stakeholder groups	pages 26 and 27
	102-41 Collective bargaining agreements	page 46
	102-42 Identifying and selecting stakeholders	pages 26 and 27
	102-43 Approach to stakeholder engagement	pages 26 and 27
	102-44 Key topics and concerns raised	pages 26 and 27
	<b>Reporting practice</b>	
	102-45 Entities included in the consolidated financial statements	page 208 of the Annual report
	102-46 Defining report content and topic Boundaries	pages 1; 29
	102-47 List of material topics	page 29
	102-48 Restatements of information	No restatements this year.
	102-49 Changes in reporting	No material changes to reporting during 2019.
	102-50 Reporting period	01 January – 31 December 2019
	102-51 Date of most recent report	23 June 2020
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	Alexandra Carse, Head of Investor Relations alexandra.carse@centamin.je
	102-54 Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
	102-55 GRI content index	Produced as appendix to the Annual report and included in the standalone sustainability report
	102-56 External assurance	This report has not been externally assured. External assurance is being considered for future reports.
<b>GRI 102: General Disclosures 2016</b>		

# APPENDIX

## GRI CONTENT INDEX 2019 CONTINUED

GRI Standard	Disclosure	Page number(s) and/or URL(s)
<b>MATERIAL TOPICS</b>		
<b>GRI 200 Economic Standard Series</b>		
<b>Anti-corruption</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	pages 29; 53
	103-2 The management approach and its components	pages 53 to 55
	103-3 Evaluation of the management approach	pages 53 to 55
GRI 205: Anti corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	pages 27; 44  Centamin's anti-bribery policies are taught to all staff as part of induction training, and all employees receive regular refresher training. Anti-bribery and corruption provisions are also included in all supply agreements.
<b>Market Presence including local and national employment</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	page 43
	103-2 The management approach and its components	pages 43 and 44
	103-3 Evaluation of the management approach	page 44
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	page 44
<b>Indirect Economic Impacts</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	pages 47 to 52
	103-2 The management approach and its components	pages 47 to 52
	103-3 Evaluation of the management approach	pages 47 to 52
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	pages 47 to 52
<b>Procurement Practices</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	pages 53 to 55
	103-2 The management approach and its components	pages 53 to 55
	103-3 Evaluation of the management approach	pages 53 to 55
GRI 204: Procurement Practices 2016	204-1 Portion of spending on local suppliers	pages 47; 54
<b>GRI 300 Environmental Standards Series</b>		
<b>Water</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	page 64
	103-2 The management approach and its components	page 64
	103-3 Evaluation of the management approach	page 64
GRI 303: Water and effluents 2016	303-5 Water consumption	page 65
<b>Energy</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	page 58
	103-2 The management approach and its components	pages 58 to 62
GRI 302: Energy 2016	103-3 Evaluation of the management approach	pages 58 to 62
	302-3 Energy intensity	page 58

GRI Standard	Disclosure	Page number(s) and/or URL(s)
<b>MATERIAL TOPICS CONTINUED</b>		
<b>GRI 300 Environmental Standards Series continued</b>		
<b>Emissions</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	page 58; 63
	103-2 The management approach and its components	pages 58 to 63
	103-3 Evaluation of the management approach	pages 58 to 63
GRI 305: Emissions 2016	305-4 GHG emissions intensity	page 62
	305-1 Direct Scope 1 emissions	page 62
<b>Effluents and Waste</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	pages 66 and 67
	103-2 The management approach and its components	pages 66 and 67
	103-3 Evaluation of the management approach	pages 66 and 67
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	page 66
<b>Environmental Compliance</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	pages 57 and 58
	103-2 The management approach and its components	pages 57 and 58
	103-3 Evaluation of the management approach	pages 57 and 58
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	pages 57 and 58
<b>GRI 400 Social Standards Series</b>		
<b>Occupational Health and Safety</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	pages 36 to 41
	103-2 The management approach and its components	pages 36 to 41
	103-3 Evaluation of the management approach	pages 36 to 41
GRI 403: Occupational Health and Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	pages 34; 39
<b>Training and Education</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	pages 43 and 44
	103-2 The management approach and its components	pages 43 and 44
	103-3 Evaluation of the management approach	pages 43 and 44
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	page 44
<b>GRI 412: Human Rights Assessments</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	pages 53 to 55
	103-2 The management approach and its components	pages 53 to 55
	103-3 Evaluation of the management approach	pages 53 to 55
GRI 412: Human Rights 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	page 53 Centamin is currently review its approach to human rights as part of its on-going work on Modern Slavery – and this includes human rights reviews and impact assessments

## APPENDIX GLOSSARY

<b>2018 Code</b>	the 2018 UK Corporate Governance Code published by the FRC
<b>Board</b>	the Board of Directors of the Group
<b>CGC</b>	the Compliance and Governance Committee
<b>The Company</b>	Centamin plc
<b>COVID-19</b>	Coronavirus Pandemic
<b>Directors</b>	the Directors of the Board of Centamin plc
<b>dump leach</b>	a process used for the recovery of metal ore from typically weathered low-grade ore. Blasted material is laid on a slightly sloping, impervious pad and uniformly leached by the percolation of the leach liquor trickling through the beds by gravity to ponds. The metals are recovered by conventional methods from the solution
<b>EMRA</b>	Egyptian Mineral Resource Authority
<b>EMS</b>	Environmental Management Plan
<b>ESG</b>	Environmental, Social and Governance
<b>ESIA</b>	Environmental and Social Impact Assessment
<b>FRC</b>	Financial Reporting Council
<b>GHG</b>	Greenhouse Gas
<b>GRI</b>	Global Reporting Initiative
<b>HSES</b>	the Health, Safety, Environmental and Sustainability Committee
<b>ICMM</b>	International Council on Mining and Metals
<b>LTIs</b>	Lost Time Injury
<b>LTIFR</b>	Lost Time Injury Frequency Rate
<b>Moz</b>	million ounces
<b>Mt</b>	million tonnes
<b>Mtpa</b>	million tonnes per annum
<b>open pit</b>	large scale hard rock surface mine
<b>ore</b>	mineral deposit that can be extracted and marketed profitably
<b>ounce or Oz</b>	troy ounce (= 31.1035 grams)
<b>SDGs</b>	Sustainable Development Goals. Launched by the UN in 2015 as a universal call to action to address some of the world's most pressing sustainability issues.
<b>Sukari</b>	Sukari Gold Mine - Centamin's flagship and world class asset, located some 700km southeast of Cairo
<b>TCFD</b>	Task Forces on Climate-related Financial Disclosures.
<b>TRIFR</b>	Total Recordable Injury Frequency Rate
<b>TSF1</b>	existing, active tailings storage facility
<b>TSF2</b>	Under construction, second tailings storage facility
<b>VOC</b>	Voice of Sukari. An employee forum to encourage two-way dialogue between the Company and its employees

## DISCLAIMERS / FORWARD LOOKING STATEMENTS

# CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

There are risks associated with an investment in the shares of Centamin. Recipients of this presentation should review the risk factors and other disclosures regarding Centamin contained in the preliminary prospectus and subsequent annual reports of Centamin.

This report contains “forward-looking information” (or “forward-looking statements”) which may include, but are not limited to, statements with respect to the future financial or operating performance of the Company, its subsidiaries and its projects (including the Sukari Gold Mine), the future price of gold, the estimation of mineral reserves and resources, the realisation of mineral reserve estimates, the timing and amount of estimated future production, revenues, margins, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of construction, costs and timing of future exploration, the timing for delivery of plant and equipment, requirements for additional capital, foreign exchange risk, government regulation of mining and exploration operations, environmental risks, reclamation expenses, title disputes or claims, insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “hopes”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking information involves and is subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities and feasibility studies; assumptions in economic evaluations which prove to be inaccurate; fluctuations in the value of the United States dollar and the Canadian dollar relative to each other, to the Australian dollar and to other local currencies in the jurisdictions in which the Company operates; changes in project parameters as plans continue to be refined; future prices of gold and other metals; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes or slow downs and other risks of the mining industry; climatic conditions; political instability, insurrection or war; arbitrary decisions by governmental authorities; delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Discovery of archaeological ruins of historical value could lead to uncertain delays in the development of the mine at Sukari.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is made as of the date of this announcement and the Company disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking information or statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information or statements. Accordingly, readers should not place undue reliance on forward-looking statements.



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