



SHANTA GOLD

2022

Sustainability Report



We are committed to creating new opportunities, putting our people first, managing and mitigating our environmental impact, and behaving ethically with accountability in all that we do. We strive to report on the sustainability issues that are most material to our stakeholders fully and transparently.

This is Shanta's second Sustainability Report, reflecting our unwavering commitment to robust environmental, social and governance ("ESG") reporting and responsible mining. It also provides insight into the priorities and key projects that shaped the year and presents our 2022 performance.

Our report covers the operational activities for the period 1 January 2022 to 31 December 2022, which corresponds to our fiscal year. The report has been prepared in accordance with the Sustainability Accounting Standards Board (SASB) Metals and Mining Sustainability Accounting Standard. It includes metrics aligned to the UN Sustainable Development Goals (SDGs) and SASB. All financial figures are quoted in U.S. dollars ("US\$") unless otherwise stated.

For further information, please refer to the SASB Content Index within the Appendix on page 51.



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Foreword from the Chairman



“We are committed to implementing robust management systems and ethical corporate governance to ensure responsible mining practices that not only drive growth and development but also promote positive change for all stakeholders.”

On behalf of the Board, it is my pleasure to present to you our latest Sustainability Report. 2022 has been a transformational year as we ramped up construction of our second mine, Singida which has subsequently commenced production in March 2023, and will transform the Group into a 100,000 oz/pa producer going forward. During 2022, we continued to build our team and focused on transferring industry best practices and implementing policies and procedures across the Singida Mine.

ESG and sustainability continues to rise to the top of corporate agendas within the mining sector, wider business community as well as for other stakeholders. We believe that transparency and engagement are crucial to building trust and credibility, and this report continues to highlight Shanta’s journey to address this.

Through this report, we have sought to articulate our progress in various areas of sustainability, including environmental stewardship, social responsibility, and economic impact. As a mining company, we believe with the right management systems and corporate governance, our operations can be a driver of growth, development, and positive change for all. Forming a sustainability strategy that is relevant, purposeful, and aligned with our stakeholders’ concerns is paramount in delivering holistic benefits that include real gains in performance and output. Our commitment to sustainability is not just a matter of meeting regulations or ticking boxes; it is an integral part of our company culture and values.

Our approach to sustainability

Shanta’s approach to sustainability focuses on four areas: putting our people first, creating new opportunities in the communities where we operate, managing resources and impacts, and being a responsible and accountable business.

These areas have been highlighted by analysing recognised ESG and sustainability frameworks and methodologies including SASB and MSCI, reviewing global trends, benchmarking ourselves against the industry, engaging with internal and external stakeholders, and receiving expert advice.

In terms of environmental stewardship, we have implemented a comprehensive environmental management system to minimise our impact. Our operations are subject to rigorous environmental standards, and we are continuously seeking ways to reduce our carbon footprint and improve our energy efficiency. In terms of social responsibility, we recognise our role in creating sustainable communities surrounding our operations. We work with local communities to understand their needs and concerns, and we aim to create meaningful opportunities for local employment and economic growth. Finally, in terms of economic viability, we recognise the importance of financial sustainability for our business and stakeholders. We aim to create long-term value through responsible management practices, ensuring that our business remains resilient and successful over the long term.

Robust governance

Robust governance is a key pillar to achieve our sustainability and business objectives and we continue to enhance ours to ensure it keeps abreast of developments in sustainability and ESG matters. In 2022, we continued to strengthen our sustainability governance by implementing various initiatives based on our materiality assessment finalised in late 2021. The main initiatives included environmental stewardship, community projects, stakeholder management, health and safety, training, and professional development.

At the heart of our governance process is the need for transparency, accountability, and stakeholder engagement. We believe that by being transparent about our environmental and social impacts, and by engaging with our stakeholders, we can better understand their concerns and expectations, and incorporate them into our decision-making processes.

Our governance process also includes clear policies and procedures for managing our environmental and social impacts. We have set targets, monitor progress, and report on our performance on an ongoing basis. We also have systems in place for identifying and mitigating risks and for addressing any incidents that occur.

We continue to refine and expand our existing policies which govern our behaviours and ensure they are in line with our sustainability ambitions. A strong corporate culture is one we have long sought to embed in our business activities and is reflected in key corporate policies such as our Anti-Bribery and Procurement policy. This communicates the Company's zero tolerance approach to bribery and corruption in any forms, and the expectations of our team and supply chain in their undertakings internally and with third parties.

These matters are material to our stakeholders, and the Board takes an active role in monitoring the risks to the business together with the Audit & Risk Committee through regular communication with the Executive Committee and formal internal reporting.

Climate change disclosure

As a responsible gold miner, we are focused on staying abreast of the developments that are affecting our business and the expectations of our stakeholders. The Financial Stability Board's Task Force on Climate-related Financial Disclosures ("TCFD") recommends that main market companies report on a long-term climate change strategy. Even though we are not captured under these recommendations, we recognise our responsibilities here, and Shanta will work towards TCFD alignment.

We are committed to the Global Industry Standard on Tailings Management ("GISTM") which targets zero harm to people and the environment through robust management of tailings, and we will look to review our tailings governance and management framework against the requirements of the GISTM. The Board and Sustainability Committee looks forward to supporting the management team in these undertakings and will engage with the executive team on a quarterly basis to assess the implementation of these changes.

Our path forward

The Shanta Board, Sustainability Committee, Executive and senior management teams recognise that sustainability is not a one-time achievement but a continuous journey towards responsible practices. We are committed to ensuring ESG and sustainability are intertwined in our decision-making.

In addition, we are committed to setting measurable sustainability targets and to regularly tracking our progress towards achieving them. We will leverage industry-leading frameworks and standards to ensure that our sustainability targets are ambitious, achievable, and aligned with global sustainability goals. Through this approach, we aim to establish ourselves as a responsible leader in the mining industry and to contribute to a sustainable future for all.

On behalf of the Board, I would like to take this opportunity to thank the Shanta team and our wider stakeholders for their continued dedication and collaboration in advancing our sustainability agenda. This report is a testament to our commitment to building a better future for both our company and our wider stakeholders and I am looking forward to the future of Shanta Gold as it progresses on this journey.

Anthony Durrant

Chairman

3 April 2023

Business overview

Shanta Gold is a growth-driven, people-focused, responsible business, motivated by a commitment to deliver long-term value for all stakeholders. Alongside its Tanzanian projects, the New Luika Gold Mine (“New Luika”) and the Singida Gold Project (“Singida”), Shanta also owns the West Kenya Project in Kenya with defined high-grade resources and prospecting licences.

The Company is listed on the Alternative Investment Market (AIM) of the London Stock Exchange under the trading symbol SHG.

Our main producing asset is New Luika, the 4th largest gold mine in Tanzania. It is located in the Songwe District of Southwestern Tanzania approximately 700km South-West of Dar es Salaam. New Luika is an open pit and underground mining operation. Production at New Luika commenced in 2012, and the current reserve life was extended in 2022 to H1 2028.

Our second producing asset is Singida, which is located in the Ikungi region of Central Tanzania. We commenced construction of Singida in late 2020, and it has commenced production in March 2023. Singida is in the process of ramping up to achieve commercial levels of production. Seven open pits are planned to be mined as per the current Life of Mine Plan, which extends to the end of 2029 based on existing reserves. The processing plant is designed to treat 365kt/pa of fresh ore from the mine with a planned average production of 32 Koz per annum of doré over the life of mine. Singida also has considerable upside potential given its location within a greenstone deposit, meaning it is well suited to further exploration growth and the crushing circuit is designed to facilitate future expansion.

In late 2020, Shanta acquired the West Kenya Project which is believed to be among the highest-grading gold projects in Africa, and a high-quality addition to the asset portfolio. As at the end of 2022, the West Kenya Project covers approximately 556 km² of the highly prospective Lake Victoria greenstone gold field in western Kenya, and has total Inferred resources of 1,719,000 ounces grading 5.21 g/t, including 722,000 ounces Indicated grading 11.45 g/t.

Presently, two potential mining centers have been identified on our Licences: Kakamega Potential Mining Centre (Isulu-Bushiangala is the main resource-stage target) and Ramula Potential Mining Centre (Ramula is a new resource-stage target). This presents an exciting opportunity for the company to establish itself as a major mining company in Kenya.

Shanta is a multinational business, structured with regional operating and exploration hubs in Tanzania and Kenya, resulting in an energetic, enterprising, and collaborative workplace, consisting of a talented and aspirational team that continuously looks to drive the company forward.

As a well-established company in Tanzania, and a growing presence in Kenya, we recognise the importance of developing a sustainable approach to the work that we do. Shanta's strategy is to put our people first, create new opportunities, manage our resources responsibly while mitigating any environmental impacts, and being an ethical and accountable business. We believe these are enablers to growing our asset portfolio and delivering strong shareholder returns for the long term.



Highlights in 2022

0.75

Lost Time Injury
Frequency Rate.

US\$94m

Local procurement (Tanzania and
Kenya) 80% of total purchases.

1.51

Total Recordable Injury
Frequency Rate.

914

employees at the end of 2022
and 664 contractors.

99%

Local Employment (Tanzania
and Kenya).

US\$26.8m

Total payments to government.

Nil m³

Water discharge.

0

Zero major environmental
incidents.



90.3% complete

Singida Project.

22%

New Luika Gold Mine power requirements met by solar and grid power.

US\$20m

Finance facility with Stanbic Bank.

Porcupine South Mining License received.

0.71 tCO₂e

per Au ounce ('oz') sold.

Transformative drilling results for West Kenya.

65 koz

production at AISC of US\$1,270/oz.

LoM extension at New Luika to H1 2028.



CEO message



“Creating value should not simply be for the short term. We aim to deliver sustainable returns for shareholders while creating long term benefits for wider stakeholders.”

I am delighted to share with you Shanta’s second Sustainability Report. Sustainability has continued to grow in importance on corporate agendas and with investors seeking greater disclosure on Environmental, Social and Governance (“ESG”). We are pleased to share this report outlining the issues which are most material to our stakeholders, and the work we have been doing for several years to address these. We look forward to strengthening our commitment to ESG issues by continuing to integrate it within our business operations and by reporting openly on our performance.

2022 has been an important year for the company as we ramped up construction of Singida, our second mine in Tanzania and it has subsequently commenced production in March 2023. Singida is in the process of ramping up to achieve commercial levels of production. In time, Singida will transform Shanta Gold into a 100,000 oz/pa producer with a diversified resource base, de-risking the balance sheet and providing the business with further financial flexibility. At New Luika, we have increased the Life of Mine to 2028 and the mine will continue to provide long-term benefits for wider stakeholders.

This report represents the second time we have formally reported on our activities across the company, however ESG issues and initiatives have been embedded in our strategy, culture, and operations throughout our history. Our approach to sustainability is based on a belief that value creation should not simply be for the short term. We aim to deliver sustainable returns for shareholders while creating long term benefits for wider stakeholders.

Our sustainability journey in 2022

As we ramped up construction of our second mine (Singida) during 2022, we have continued to build our team over the last twelve months. This enhanced group has focused on and made excellent progress across a diverse range of topics including community projects, stakeholder management, health and safety, training and professional development.

During 2022, we focused on transferring of industry best practices and implementing our Groups policies and procedures at Singida to replicate the huge success we have had at New Luika. Based on the materiality assessment finalised in late 2021, we continued to monitor and review ESG issues that are most important to our stakeholders and implement various initiatives accordingly.

Our countries of operation

While we are now geographically diversified across Tanzania and Kenya, our current production is solely based in Tanzania at New Luika and Singida. Since the inauguration of the President Samia Suluhu Hassan who was sworn in on 19 March 2021, the Tanzanian political environment has improved materially over the past 24 months with the mining sector open for business.

Our team have always worked hard to maintain a strong and open relationship with the government. Shanta is an important economic contributor in Tanzania at community and national level, and we strive for a mutually beneficial relationship with local leaders and government levels surrounding our operations at Singida and New Luika. Whilst our work is at an early stage in Kenya, we understand the keen interest local and national stakeholders have in our activities, and we are taking care to ensure the community are supported and that national laws and licensing requirements are respected as we explore the licenses we hold at the West Kenya Project.

We have long championed local procurement and source more than 80% of our supplies for New Luika and Singida within Tanzania, and 86% of our suppliers from vendors in Kenya for our exploration activities. Similarly, our team is an extension of the communities and nations we work in. 99% of our total workforce is employed from host nations with 40% from local communities. We strive to be a community focused company, and we are proud of our local employee mix.

Prioritising safety

As always, our commitment to health and safety underpins everything we do, and we have an uncompromising approach to safety standards. Unfortunately, our long-standing Lost Time Incident (“LTI”) record at New Luika was broken in April 2022. During 2022, we had two LTIs and have subsequently rolled out various refresher training programmes to replicate our past safety performance and to achieve a zero-harm working environment. Since our last LTI in July, the group has achieved 2.2 million hours without an LTI.

We have grown our Emergency Response team significantly from 46 members in 2021 to 69 in 2022. Fortunately, no major incident regarding any employee, visitor, or contractor occurred on our sites in 2022, due to the strong

mitigating measures in place. During 2022, our New Luika ERT teams did however assist with community emergency response.

While the impact from COVID-19 on our operations continues to be minimal, we have maintained our alertness to the potential risks any spread of infection could cause and continue to adopt several best practices designed to prevent COVID-19 from entering our sites and protect our team.

Safe management of tailings and other environmental issues are also crucial to the safety of our communities and longevity of our operations. We were pleased that during 2022 there continued to be zero reportable environmental and community incidents, and no issues of regulatory non-compliance noted. While our record is strong to date, we understand the risks associated with tailings are a particular concern to our stakeholders and are determined to continue our focus on maintaining high levels of safe management and avoid complacency.

Developing our communities

Shanta has long been a supporter of social and economic development around our assets. Our established community development programme in Tanzania drives change through investing in and supporting projects around the local Songwe region. These initiatives are devised with the direct involvement of key community and regional stakeholders. We were pleased to progress several of these in 2022, including an expansion of the water pipeline to a school and the medical centre in the Mbangala village, continued educational sponsorship for underprivileged students in Songwe, constructed educational related infrastructure, and we continued to work on increasing access to ICT equipment and learning.

Our approach at New Luika is a model we are replicating in Singida as we progress through mine construction. Various community projects were completed during 2022, including the construction of classrooms and toilets at two schools, improved water access (boreholes), a new mosque as well as renovation works at the Mang’onyi Dispensary.

Our activities in Kenya are at an early stage, however we still believe it is important to start our operations with a relationship based on trust within the community. This means ensuring a mutually beneficial relationship from the

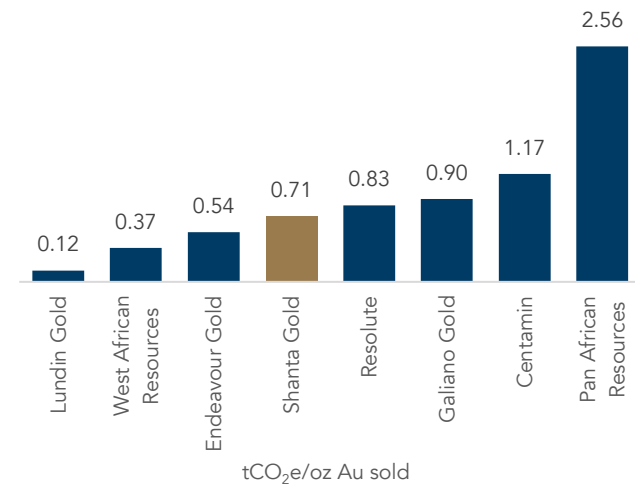
outset. During 2022, we renewed our initiative to support 500 community members to assist them to access the National Hospital Insurance Fund (NHIF). We have also completed a rain harvesting infrastructure project at two schools to provide access to water.

Climate change

The transition to a net zero carbon economy has accelerated in recent years and there is virtually no company whose business will not be affected. 2022 was an important year in the wider landscape around climate change, with G20 leaders agreeing at COP27 conference to keep the 1.5°C warming target and the European Union agreeing to a loss and damage fund for vulnerable countries.

Shanta has been committed to efficient energy usage at New Luika for several years. We have also adopted initiatives to reduce GHG emissions, such as connecting to the national electricity grid in Tanzania in 2019, which generates a significant proportion of its supply from hydropower and operating a solar plant since 2017. The solar plant powers a proportion of our operations at New Luika. During late 2022, we completed the installation of a voltage regulator at New Luika, with the aim to stabilise voltage and ensure that the mine can increase its proportion of supply from the grid and thereby decreasing the need for HFO. At Singida, we have seized the opportunity to connect to the national electricity grid and are targeting nearly 100% of our energy supply to come from the grid.

Peer group comparison



Data is taken from latest published Sustainability Reports available.

For Scope 1 and 2 GHG emissions, we continue to benchmark competitively against our peers for GHG intensity per ounce of gold sold. However, we recognise that there are important steps to take to make further progress in decarbonising our footprint and driving down emissions.

We are committed to doing the work necessary to align ourselves with the targets of the Paris Agreement and to report in line with TCFD in future periods. In 2023, we will focus on measuring and disclosing our Scope 3 emissions to help us expand understanding of our full GHG footprint, although we expect that Scope 3 emissions are likely to form a limited proportion of our overall footprint in comparison to other metals which undergo greater refining. We will also begin working on an emissions target informed by climate science to demonstrate our objectives and ambitions towards a net-zero global economy.

Looking forward

This Sustainability Report is a benchmark for future periods, and we have made it as comprehensive as possible. I am proud of the work we do and the daily efforts of the team in driving our vision to be a responsible gold miner that delivers sustainable returns and long-term value for stakeholders. I want to take this opportunity to thank them for their commitment to embed our approach to sustainability in our daily operations, and I believe this report tells the story of their achievements. We recognise that standards of good international practice continue to progress, and by implementing a proactive management approach over the long term, we will continue to meet stakeholder expectations.

Eric Zurrin
Chief Executive Officer

3 April 2023



MUPERY LYIMO

Bisley

SHANTA

SHANTA GOLD



REPUBLICAN OF INDONESIA
KEMENTERIAN PERTANAHAN DAN PERUMAHAN RAKYAT

Our approach to sustainability

Sustainability at Shanta

Shanta's approach to sustainability focuses on four areas: putting our people first, creating new opportunities in the communities where we operate, managing resources and our impacts, and being a responsible and accountable business.

In terms of environmental stewardship, we have implemented a comprehensive environmental management system to minimise our impact. Our operations are subject to rigorous environmental standards, and we are continuously seeking ways to reduce our carbon footprint and improve our energy efficiency. In terms of social responsibility, we recognise our role in creating sustainable communities around our operations. We work with local communities to understand their needs and concerns, and we aim to create meaningful opportunities for local employment and economic growth. Finally, in terms of economic viability, we recognise the importance of financial sustainability for our business and stakeholders. We aim to create long-term value through responsible management practices, ensuring that our business remains resilient and successful over the long term.

As we ramped up construction of Singida during 2022, we have continued to build our team over the last twelve months. The team has focused on and made excellent progress across a diverse range of topics including community projects, stakeholder management, health and safety, training and professional development.

During 2022, we focused on transferring best practices and implementing our policies and procedures across Singida to replicate the huge success we have had at New Luika. Based on the materiality assessment finalised in late 2021, we continued to monitor and review ESG issues that are most important to our stakeholders as well as implement various initiatives accordingly.

Looking ahead to 2023 we are driven to improve what we do and align ourselves with industry best practice, including greater disclosure in line with TCFD recommendations, a Scope 3 emissions methodology, tailings management and reporting alignment.

Stakeholder engagement

Engaging with all our stakeholders is crucial to understanding and meeting their needs and expectations. We understand that our long-term success relies upon good relations with all stakeholder Groups, both internally and externally. Our stakeholders include shareholders, employees, suppliers, customers, regulators, industry bodies, government bodies, local community groups, and creditors (including the Group's lending banks).

We strive to hold a comprehensive understanding of the needs and expectations of all stakeholders and feedback is sought regularly across several platforms. Primarily we gather feedback through meetings and conversations, and our interactions with stakeholders based in Tanzania and Kenya are conducted internally during regular meetings held by Shanta Mining Company Limited and Shanta Gold Kenya Limited ("SGKL") Executive Committees. By holding regular meetings with stakeholders, we can identify views and ensure that there is a platform for dialogue on any relevant matters.

These meetings also enable bilateral discussions on any topics relevant to respective stakeholders, and ensure that our presence in Tanzania and Kenya is positive for all parties. Throughout the year we have maintained regular dialogue with District and Regional Commissioners in Songwe and Singida in Tanzania, and with National and County Government officials across the West Kenya Project in Kenya, ensuring that the Group's operations are compliant with local laws and that social responsibilities are directed in line with the needs of local communities.

We are proud of our strong positive relationships with senior government officials in Tanzania and Kenya and place great value on these. The management team of SMCL and SGKL regularly attend government-run conferences to promote the mining industry. SMCL also regularly sponsors mining and community events in Tanzania.

We are also aware of the needs and expectations of our institutional and private shareholders and engage primarily through quarterly calls and the Annual General Meeting ("AGM"), which provides the opportunity for two-way communication and feedback. All shareholders are given the chance to ask questions and raise issues; this can be done formally during the meeting or informally afterwards.

The Executive Director, Eric Zurrin also has a regular programme of individual meetings with institutional shareholders and analysts following the release of each set of quarterly, half-yearly and annual results. These meetings provide an opportunity to communicate detailed updates on the performance of the business. Feedback from these meetings is shared with the Board to ensure that shareholder opinion is central to ongoing strategic decision-making.

The Executive Directors also engage with retail shareholders following the release of each set of quarterly, half-yearly and annual results via the Investor Meet Company platform. Here questions can be put forward and directly answered, facilitating direct engagement between shareholders and the Company.

The Company Secretary can be contacted by shareholders on matters of governance, as can Eric Zurrin and Michal Devine. Contact details are provided within every Company announcement.

Materiality assessment

During 2021, Shanta had conducted a materiality assessment with internal and external stakeholders, with the goal to help us better understand and prioritise the ESG risks and opportunities that are most material to the company, its stakeholders, and wider society. This materiality assessment continues to drive our business focus.





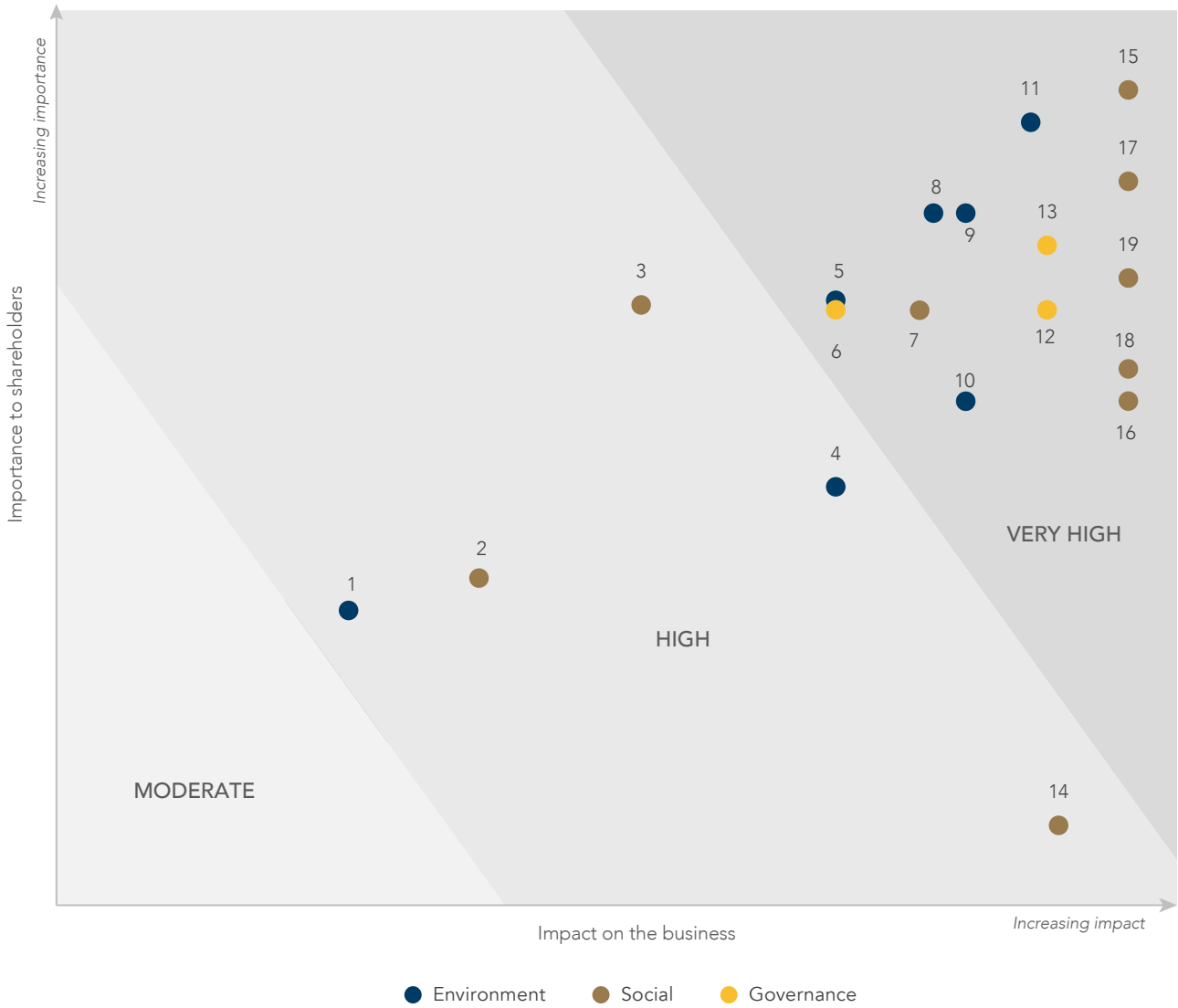
New Lufika Mine



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Shanta Materiality Matrix – Material Topics



- | | | |
|--------------------------------------|--|--|
| 1. Air quality and noise pollution | 8. Energy use and efficiency | 15. Health and safety |
| 2. Human rights | 9. GHG Emissions | 16. Local employment and procurement |
| 3. Labour relations | 10. Mine closure and rehabilitation | 17. Community engagement |
| 4. Water stewardship | 11. Tailings and waste management | 18. Community investment and development |
| 5. Land use and biodiversity | 12. Transparency and accountability | 19. Local economic development |
| 6. Corporate Governance | 13. Business ethics | |
| 7. Equality, Diversity and Inclusion | 14. Employee attraction, retention and development | |

Date: November 2021

Sustainability strategy

The results of our materiality assessment detail the topics that are most important to Shanta’s stakeholders. Through thematic analysis of these topics and by drawing on insights from internal and external interviews, we have used the exercise to guide our sustainability strategy and ESG priorities.

The assessment has identified priority areas where we will focus our sustainability efforts, which distils itself into four distinct pillars. These pillars have been used as the framework for this report and will form the focus of our ESG reporting and sustainability strategy moving forward.

Each sustainability pillar supports our goal of delivering sustainable value to all stakeholders. Under each heading are the aligned material topics and the UN SDGs to which they align. Behind the pillars we have considered how Shanta should focus its business and engage with stakeholders to deliver against the key themes within. We also use these as a framework for analysis when benchmarking against our peers and identifying policy gaps against specific areas.

UN Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) are a collection of 17 goals and targets adopted in 2015 that are designed to outline how we can achieve a better and more sustainable future for all.

Shanta supports the UN SDGs, and we believe our business can make a difference in contributing to their realisation. Our approach to managing the material ESG risks and opportunities relevant to our company is aligned to these goals, and we are committed to looking at how we can better contribute to activities that help achieve them.

We continue to review our activities and have determined that we are already aligned with several of the SDGs through the sustainable development impacts of our business. Six SDGs are highlighted in the below table that align with our sustainability focus areas and material topics which continue to assist us in prioritising our efforts going forward.

Shanta’s four sustainability pillars

Putting our people first

- Safety
- Occupational health
- Wellbeing and development
- Equality, diversity and inclusion
- Labour relations



Creating new opportunities in the communities where we operate

- Financial Contribution
- Local business
- Local engagement
- Local investment and development



Managing resources responsibly and mitigating environmental impacts

- Climate change and energy use
- Water stewardship
- Tailings management
- Waste management
- Mine closure
- Air quality and weather
- Biodiversity



Being an ethical and accountable business

- Sustainability governance
- Business ethics
- Transparency and accountability
- Human rights



Alignment to the Sustainable Development Goals

Priority SDG	Our contribution	2022 highlights
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Our contribution to good health and wellbeing is met through prioritisation of the health and welfare of our employees and local communities. Safety is non-negotiable and we are committed to achieving the highest safety standards. Our robust management measures ensured the welfare of our team through the peak of COVID-19. We have also directly supported the health of our local communities through targeted projects.</p>	<ul style="list-style-type: none"> Minimal impact of COVID-19 and malaria on our business Community health projects supported page 33
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Shanta supports the economic growth of our communities by prioritising local employment and procurement. Our community investments enhance this through initiatives for alternative livelihoods. Nationally we contribute to the economic development of our host countries through taxes and royalty payments made to governments, and by prioritising employment.</p>	<ul style="list-style-type: none"> US\$26.8m paid to governments US\$94m spent on national and local procurement Economic development community projects page 33–34
 <p>10 REDUCED INEQUALITIES</p>	<p>We contribute to reducing inequalities through our community engagement which aims to include our local stakeholders in key decision making. Our local economic development projects contribute to the economic empowerment of local communities by developing skills and opportunities for populations to grow. Our policies support the recruitment and inclusion of all, irrespective of age, sex, disability, race, ethnicity origin, religion or economic or other status.</p>	<ul style="list-style-type: none"> Economic development community projects page 33–34 Equal employment opportunity policy page 23–24 Recruitment policy page 55
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Shanta adopts rigorous controls and procedures to ensure that chemicals and waste are managed in an environmentally sound way throughout the mine lifecycle. We adhere to national environmental compliance regulations and maintain a zero-tolerance policy regarding safety breaches. We aim to be an efficient operator in the resources that we utilise.</p>	<ul style="list-style-type: none"> Zero major environmental incidents in 2022
 <p>13 CLIMATE ACTION</p>	<p>We have robust Environmental Management Plans and comprehensive monitoring systems in place to develop the resilience to the effects of climate change. We report our GHG emissions and are developing appropriate targets to mitigate our environmental impacts. Our investment in local agricultural projects builds adaptation of communities by improving the resilience of seeds to extreme variations in climate.</p>	<ul style="list-style-type: none"> 44,726 tCO₂e Scope 1 and 2 GHG emissions in 2022 Environmental policies page 37–46 Community investment projects in agriculture page 34
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Shanta does not engage in or tolerate bribery in any form. We have clear policies, standards, and guidelines in place to communicate the expectations for our employees and partners. We have robust corporate governance and seek to maintain the highest standards, which includes regularly reviewing and updating our policies. We follow SASB standards to ensure transparent disclosure and report on our ESG performance annually.</p>	<ul style="list-style-type: none"> Governance policies page 47 Bribery policy page 48







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Shanta Mine Project



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Putting our people first

Safety

Safety is critical to mining companies due to the inherently risky conditions that often accompany operating a mine. The welfare of our employees and local communities is our first priority at Shanta – we recognise that we do not get a second chance if something goes wrong.

Safety is non-negotiable and we are committed to achieving the highest global standards to ensure fatalities and injuries are prevented. We aim to create a culture whereby safety and wellbeing are embedded in the mentality of our team at all levels. We believe that by doing so we can help prevent accidents, mitigate costs and operational downtime, and enhance our productivity. We do not take shortcuts, and safety performance is linked to employee remuneration at all levels.

We ensure compliance to the statutory requirements as stipulated in the Tanzania Occupational Safety and Health Act (2003). To verify compliance, statutory inspections are carried out by the Tanzania Occupational Safety and Health Authority (OSHA) annually. In 2022, statutory inspections were not conducted as OSHA deferred the inspections to early 2023.

Safety performance	2022
Fatality frequency rate per 1,000,000 hours worked	
New Luika Gold Mine	0.00
Singida Project	0.00
West Kenya Project	0.00
Group	0.00
Lost time injury frequency rate ("LTIFR") per 1,000,000 hours worked	
New Luika Gold Mine	0.42
Singida Project	0.85
West Kenya Project	2.23
Group	0.75
Total recordable injury frequency rate ("TRIFR") per 1,000,000 hours worked	
New Luika Gold Mine	0.42
Singida Project	0.85
West Kenya Project	4.46
Group	1.51

Unfortunately, our long-standing Lost Time Incident ("LTI") record at New Luika was broken in April 2022. During 2022, we had two LTIs and we have subsequently conducted various refresher training programmes to replicate our past safety achievements and to achieve a zero-harm working environment. Since our last LTI in July, the group has achieved 2.2 million hours without an LTI. The Group LTIFR was 0.75 with 3,526,253 hours worked, TRIFR was 1.51.

Whilst being proud of our strong track record to date, we are determined to avoid complacency and are motivated to ensuring that safety remains the highest priority to protect the wellbeing of our workforce, our reputation, and our license to operate.

“There is no job that is so urgent it cannot be carried out safely.”

Communication and awareness

We are committed to the safety of our employees, contractors, management, and visitors to our worksites in Tanzania and Kenya. We maintain a zero-tolerance policy to negligence of health and safety best practices.

All employees and visitors to our worksites at New Luika and Singida, have a health and safety induction on arrival to make them aware of key risks and to inform them of relevant safety protocols in the event of an emergency. This is overseen by our Health and Safety Manager and attendees must pass a training assessment before having access to the site.

Signage is prevalent at New Luika and Singida, and there are many prominent messages and graphics displayed to communicate the key risks and measures that should be respected. Through making our safety priorities part of the infrastructure at New Luika and Singida, we ensure that the message permeates through our activities.

Training, development and evaluation

We recognise that ongoing training – both formal and on the job – is vital to support our team in carrying out their duties safely. Shanta has implemented various health and safety training and development programs to help make individuals aware of the possible hazards associated with

working in the different parts of our operations. We support health and safety training of our workforce to ensure we are fully compliant with position specific health and safety requirements.

Formal training and development are combined with daily safety briefings and awareness campaigns to foster a culture of safety among the team to create a culture where everyone takes accountability for their own safety and that of those around them. At New Luika and Singida, formal joint management worker health and safety committees operate in small groups within respective departments. These committees comprise of Shanta employees and onsite contractors, representation depends on the size of the section and department as per the Tanzania Occupational Safety and Health Act (2003). All hazards, near misses and incidents are reported for follow up action by the relevant department. Recording and analysis is overseen by the Safety Department. We also routinely monitor the performance of contractors working on our sites for compliance with the applicable health and safety laws and regulations.

No aspect of our performance is considered more important than maintaining a safe working environment, and responsibility for this is held by everyone at Shanta. This is reflected when evaluating the performance of all employees, who are monitored for their safety awareness and performance on a monthly basis to encourage safe practices. Safety is also the top key performance indicator when considering bonus awards for Executive Directors.

Emergency response planning

While our statistics for serious incidents are low, we recognise the importance of being fully prepared for the worst-case scenario. Our specialised Emergency Response Team (“ERT”) are highly trained and fully equipped to deal with an emergency at New Luika or Singida, and Shanta has an Emergency Response Plan (“ERP”) and Emergency Crisis and Management Plan (“ECMP”) in use to instruct how the team should respond to an emergency.

Groupwide, we have expanded our Emergency Response Team (ERT) and in 2022, we had 69 ERT members, 26 of whom are always on standby on site. New members of the ERT go through a rigorous Emergency Response training course which includes training on vertical rescue, operating self-contained air breathing and regenerative oxygen breathing apparatus, and on responding to mine and fire

incidents. Members of the team also undertake continuous learning to ensure they are kept up-to-date on the latest techniques and best practice regarding emergency rescue.

Fortunately, our teams did not need to respond to a major incident regarding any employee, visitor, or contractor across our sites in 2022, because of the strong mitigating measures in place. During 2022, our New Luika ERT teams did however assist with emergency response in the communities surrounding New Luika. These included two incidents involving collapsed artisanal miners’ workings and two incidents of fire at a residential house and NMB Bank building.

Occupational health

We want to be an employer that provides good social and living conditions for our workforce, improves the health and mental wellbeing of our team, and enhances productivity and motivation.

The health risks at our workplaces include opportunistic, stress related and communicable diseases. We manage these risks through programmes that monitor the health of our people to detect early signs of illness.

Occupational Health performance	2022
Work related injuries	
New Luika Gold Mine	14
Singida Project	4
West Kenya Project	1
Group	19
Lost days due to illness	
New Luika Gold Mine	1,382
Singida Project	186
West Kenya Project	56
Group	1,624

Examination and education

In Tanzania we comply fully with the Occupational Health and Safety Act (2003) which outlines requirements for companies concerning the health and wellbeing of all employees, contractors, and visitors, and governs Shanta’s approach in protecting the health and wellbeing of our team.

For employees, we provide every new team member with a full and thorough medical examination, which ensures they are medically fit and healthy to meet the demands of their role. It also provides an opportunity to inform the individual of any health issues they might have but are unaware of. This check is conducted by a qualified health professional from the Tanzanian Occupational Safety and Health Agency (OSHA). We repeat this check annually, which is not a requirement of the Act, but something that Shanta does as best practice to help protect the health of our team.

We support our detective checks with a preventative approach, and health education is a key focus of our activities. We concentrate on diseases like HIV/AIDS, diabetes, stress, and other serious occupational diseases, and provide learning materials and information sessions through awareness, management, and prevention campaigns on site.

A healthy environment

We have designed our mines at New Luika and Singida to ensure there is good hygiene facilities in place for employees, contractors, and visitors. Our facilities are thoroughly cleaned daily to ensure good sanitation, and we have appropriate cleaning products and facility teams in place to support this.

We routinely monitor and test for indicators attached to our operation that could cause health conditions for our team. Specific testing and monitoring are undertaken across several areas including dust, noise pollution, vibration, and water quality, all to measure and report on our impact at site level. Should any area get close to an intolerable threshold, we swiftly take action to mitigate this.

Personal protective equipment (PPE) is mandatory for all those engaged in activities that are considered high risk, and a level of PPE is required for all those operating on our sites. Shanta provides PPE which includes steel capped boots, high visibility clothing, eye and hearing protection and helmets. We routinely assess our work environment and receive visits from OSHA to ensure compliance.

All team members at our sites in Tanzania have access to a medical centre, which is staffed by qualified medical professionals and equipped with the medicine and equipment needed to deal with a range of health issues. In the event of an emergency there is an ambulance onsite, and we have clear procedures in place if a serious incident occurs and someone needs to be taken to a hospital facility offsite. These procedures are governed by Shanta’s Medical Health Policy.

Professional development

A skilled and motivated team are critical to the success of any organisation, and we recognise the importance of this to our own business. Our aim is for everyone to take accountability for their own professional development, and we strive to provide the tools for individuals to succeed in this.

We support ongoing professional development for our team and fund training to meet any skill gaps and help individuals succeed. Key focus areas for the training programs provided included health and safety, mining and mine support, exploration, asset protection and leadership.

Our preference is to promote from within wherever possible, and all positions are advertised internally in the first instance. Our aim is for employees to be able to progress from entry-level through to a senior-level if they possess the skills and ability to do so. During 2022, we were pleased to promote 52 employees and look forward to supporting their development as they grow within the business.

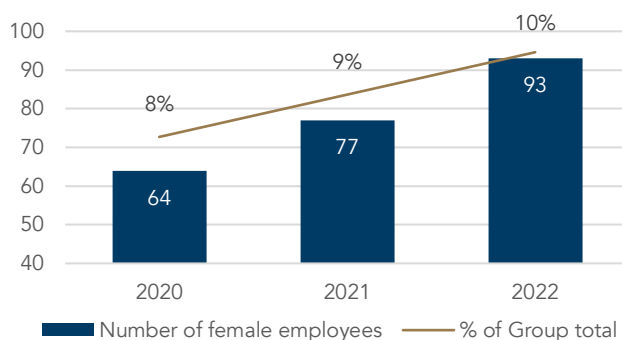
Equality, diversity and inclusion

A diverse workforce that reflects the societies in which we operate in is a key contributor to our collective success. We believe in a fair approach to employment practices to maintain equitable treatment across all levels of our team.

We recognise the importance of increasing the diversity of our workforce, including the representation of women and other under-represented groups, so that it better reflects the make-up of the societies in which we operate. We are committed to being an inclusive company that supports equal opportunities to potential recruits and that strives to create a culture where people are treated fairly.

Gender equality

Shanta Group female employees



Mining has historically been a male-dominated industry, and there is a general under-representation of women across the mining sector. This is reflected in our current 10% female representation across the organisation, with 9% representation in Tanzania and 30% in Kenya. In 2022, at Board level, we have one female independent non-executive director who is Chair of our Audit Committee, bringing our female Board representation to 17%.

We are committed to identifying and resolving barriers to the advancement and fair treatment of women in our workplaces. Through our employment, supply chain, training, and community investment programmes, our goal is to contribute to the socio-economic empowerment of women in the communities associated with our operations.

In 2023, we will continue to work for greater gender diversity and equality of opportunity. Our targets for the proportion of female representation we would like to see in our organisation is 13% for 2023 and 15% by 2025.

Diversity and Inclusion

We believe in having a team with a diverse background, who can bring broad perspectives to our business, and work to be an inclusive employer.

Our Equal Employment Opportunity Policy commits to offering equal employment opportunities regardless of ethnicity, gender, age, or religion, and we strive to employ and promote the best qualified person for each job while valuing and promoting diversity within our team. This commitment extends to all aspects of employment, from the advertisement of job opportunities, to recruitment, compensation, and promotion. The policy applies to every employee at all levels, and we believe its application is key to having the best people.

The Company does not tolerate any form of harassment or conduct which contributes to an intimidating or offensive work environment, particularly when the conduct is related to a person's gender, colour, age, race, or religion. There are strict disciplinary consequences for employees who engage in harassment.

Discrimination is any practice that makes unjustified distinctions between people based on the groups, classes, or other categories to which they belong or are perceived to belong. We work to ensure that discrimination doesn't occur in our workplace or in dealings with our supply chain and the public, and there are strict disciplinary consequences for anyone found engaging in discriminatory conduct.

Labour relations

Working conditions in mining operations are often physically demanding and hazardous, which can be a source of conflict, strikes, and disruptions if not managed properly in line with the interests of our team. Good management of these issues and effective labour engagement can result in reduced safety incidents and benefits to work practices.

Our approach to labour relations is to build strong relationships with our team through mutual trust, transparency, and diplomatic resolution. We have effective channels through which our team can raise grievances, including direct support through line managers and regular public meetings at each site.

We are supportive of the right to freedom of association and do not place any restriction on union representation. During 2022, we had no reported incidents of discrimination or strikes, and 8% of our employees were represented by a union.

Case study

Malaria Prevention Program

Shanta is fully aware of the impact that Malaria could have on the health and safety of our employees and the downstream consequences on production. On average, one case of malaria requires a minimum of seven days leave and thorough treatment before the employee is back to work.

Shanta has developed a malaria prevention program for our employees, visitors, and contractors. This program includes:

- Health education to employees, visitors, and contractors during first induction.
- Accommodation units are appropriately designed to reduce mosquito access.
- Accommodation units and other site buildings are equipped with mosquito spray and repellent.
- Outside environments are sprayed regularly with insecticide by use of a fogging machine.
- Use of Malaria prophylaxis for international short-term visitors arriving from malaria free areas.
- A malaria travel pack including a one-page instruction of what to do when one feels signs and symptoms of malaria while travelling, plus a full dose of antimalaria and Paracetamol and instruction how to use before seeking a medical assistance.
- A great medical team and a well-equipped medical centre on site with best malaria diagnostic tests and treatments.

As a result of these measures, our operations have remained largely unaffected by the endemic in 2022. During the year we diagnosed and treated 12 employees and contractors for malaria contracted at New Luika, compared to 761 malaria cases from the surrounding Mbangala Village.





Creating new opportunities for our communities

Shanta puts shared success at the heart of its business model. We recognise that our commercial performance is a result of effective partnerships with the local and national communities who host our operations. We strive for a beneficial relationship for all by creating employment, investing in local economies, and paying our taxes. Our efforts and engagement from village to government are improving the living standards and prospects of local communities.

We understand that as a mining operator in a developing part of the world, we are in a unique position to directly impact the lives of populations surrounding our operations. We strive to do so and align with a shared value approach, by working to provide key socio-economic benefits to our communities, while operating profitably and delivering shareholder value.

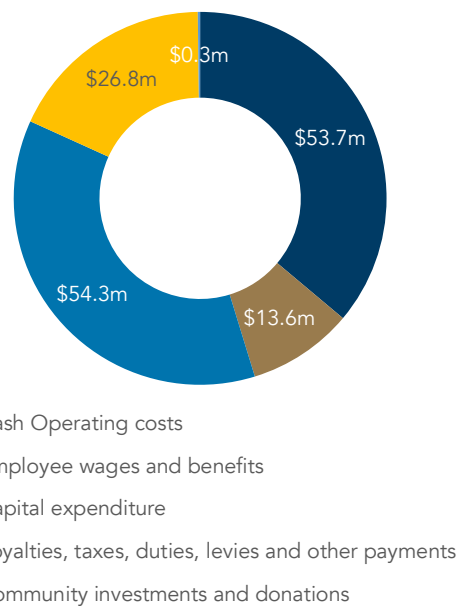
Our contribution

We recognise that the financial contributions we make through taxes, royalties and other duties play an important role as a source of government revenue. This assists to drive economic growth in our host countries, and to deliver fiscal stability and public investment across the areas in which we operate.

The Board has ultimate responsibility for the governance of our tax matters. We actively engage with our host communities and governments to build and maintain our social license to operate through trust and mutual respect.

We comply with all laws and regulations relevant to our business in Tanzania and Kenya. Our aim is to behave ethically and responsibly, by following both the letter and spirit of the law. We do not seek any aggressive tax avoidance schemes, nor do we structure our activities in a way that tries to gain any unfair advantage.

Shanta’s direct economic contribution to Tanzania and Kenya (US\$m)



In 2022, Shanta’s direct economic contributions amounted to US\$148.8 million. This comprises of US\$53.7 million in cash operating costs, US\$13.6 million in employee wages and benefits, US\$54.3 million in capital expenditure, US\$26.8 million in royalties, taxes, duties, levies, and other payments to the government, and US\$0.3 million in community investments and donations. Tanzania received 95% of the total economic value distributed, while exploration and evaluation activities in Kenya received the remaining 5%.

We are proud that our taxpayer contribution is significant for Tanzania – we are the third largest gold mining contributor by our taxes paid. All our tax filings are reviewed by external experts to avoid errors or omissions. We disclose our tax and broader economic contributions in our Annual Report, along with payments to government.

Local business

Shanta is committed to supporting social and economic development around our mining operations. We aim to support local business wherever possible and procure products locally to both streamline the Company’s logistics and support the local economy. This is something formalised in our Procurement Policy which specifically encourages dealing with businesses near our operations and regards locality as an important factor in the overall decision-making equation.

Our procurement and supply chains facilitate a secondary developmental impact on local, regional, and national economies, by providing a market for local business and creating employment. We work with a range of contractors, suppliers, specialised small and medium enterprises (SMEs), and with small-scale independent businesses located in the vicinity of our operations.

2022 procurement spend

Country	Total (US\$m)	Spend on national and local suppliers (US\$m)	Proportion spent on national and local suppliers
Tanzania	108.7	86.9	80%
Kenya	8.3	7.1	86%
Total	117	94	80%

In 2022, our overall expenditure in Tanzania and Kenya was US\$117 million. Out of this expenditure, 80% was procured in-country (or US\$94 million). This reflects our continued strategy to prioritise national and regional suppliers, and we are proud to be supporting the national economy in this way.

It is not our strategy to pay a premium for sourcing locally, instead we look at the comparative advantages of dealing locally in terms of quicker service, after hours emergency service, prompt deliveries leading to shorter lead times and smaller inventories. We will only procure internationally where local suppliers are unable to meet quality and performance requirements.

The key principles of Local Content legislation are to build capacity in the areas where mining companies operate and for Tanzania in general, as well as to facilitate leadership creation at a local and national level, improve the livelihoods of communities close to mining operations and to enhance long-term investment and development opportunities through growth in the availability of workforce, suppliers, and markets.

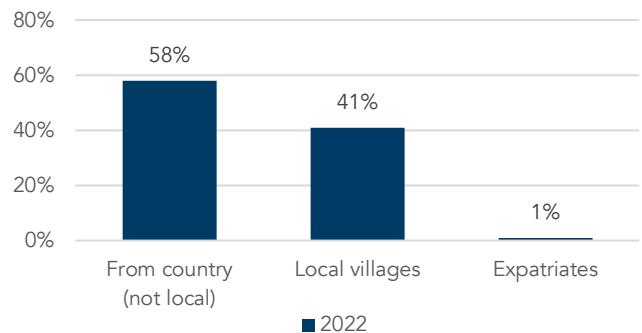
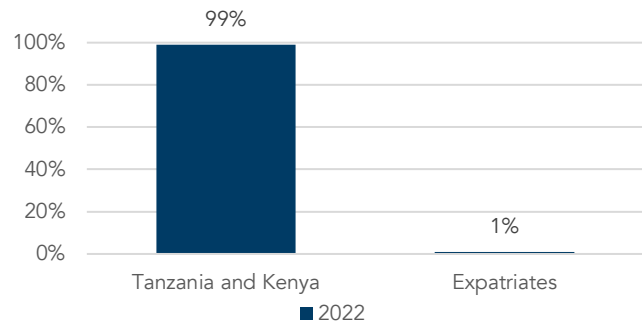
Proportion of local procurement required under local content regulations in Tanzania

Description	Minimum % requirement	Shanta performance 2022
Goods and Services	60-90%	80%
Recruitment and Training		
Management Staff	70-80%	94%
Technical Core Staff	70-80%	99%
Other Staff	100%	100%

During 2022, we complied fully with the procurement of goods and services according to the requirements of the Local Content regulations, with 80% of our goods and services coming from in-country suppliers and 99% of recruitment and training coming from in-country talent.

We endeavour to continue supporting local suppliers wherever possible by adhering to our Procurement Policy. This provides much needed economic benefits for the local area, further improving the strong relationships that we already have with our neighbouring communities.

Local inclusion



We are proud that 99% of our Group workforce in 2022 are Tanzanian or Kenyan, and over 41% of local teams are permanent residents of villages near our assets. Shanta has a long-established track record of training and employing residents, and we believe this creates success that yields direct and sustainable benefits to local communities.

Our goal is to continue to hire close to 100% of our workforce directly from the country in which each of our projects are located, by prioritising recruitment from qualified staff in-country. This is a principle formalised and embedded in our Recruitment & Selection policy.

Community engagement

Strong community engagement is vital to protect our license to operate, and we work hard to build positive relationships with our communities, governments, and other local, national, and global stakeholders.

Shanta is committed to driving an engagement strategy which enables us to become a responsible corporate citizen by managing social risks and encouraging sustainable development in the communities we operate in. We strive to operate openly and transparently and communicate clearly with our stakeholders, while being receptive to their concerns and the risks and issues that they face.

In Tanzania, our stakeholder approach is guided by a Stakeholder Engagement Strategy which outlines the objectives and overall guiding principles of Shanta and identifies all our key stakeholder groups at the local, regional, and national levels. Our engagement ranges from regular ad hoc meetings that can be scheduled whenever a need arises, to formal engagement via meetings and site visits.

Through the above we seek to maintain an active community engagement programme across our operations. However, we are also looking at ways of expanding our engagement and assessing the effectiveness of our consultation practices and the value created through our community investment programmes.

Artisanal and small-scale mining

Artisanal and small-scale mining (“ASM”) takes place across some of our prospecting licenses in Tanzania and Kenya. In both countries it is unlawful to engage in ASM without an artisanal or mining permit issued under the respective acts, and the respective country Mining Acts do not allow for legal ASM operations within a prospecting licence.

In addition to the traditional ASM, the last few years have seen a marked increase in more sophisticated and professional Small-Scale Mining (“SSM”) which is often instigated, funded, and run by outsiders, from different parts of the country or even from abroad. These more sophisticated operations pose a greater challenge to our operations and our communities as they are more likely to contribute to conflict should they occur on our licences.

To ensure consistency in our approach and guidance to our team, we are developing a Group ASM policy and a standard operating procedure for Tanzania and Kenya to outline the responsibilities, steps, and resources available in responding to these issues.

Our approach is pragmatic, and we recognise that the ASM sector provides an income for many thousands of Tanzanians and Kenyans who live below the poverty line, and that ASM operators are members of our host communities and therefore stakeholders. However, we also understand that it can pose significant security, safety and environmental risks, and our approach is to adhere to the laws of our host countries while resolving issues peacefully.

Community investment and development

Investment in community projects

(US\$000)	2022
New Luika Gold Mine	167
Singida	86
West Kenya	34
Total	287

We recognise the potentially significant impact that our business has on the communities in which we operate. We strive to empower these communities by investing in programmes that help long-term sustainable development of the community, its people, and the local economy.

In 2022, we invested US\$287k in community projects across our operations, with US\$253k invested in Tanzania and US\$34k invested in Kenya.

Our goal is to leave a lasting, sustainable legacy for future generations, so that even when our mining activities have ceased, the regions we have impacted can continue to prosper.

Our approach

We understand the complexities involved in developing schemes that have a meaningful impact and the risks involved in investing without a coherent strategy.

Therefore, our approach is to use our community engagement channels to develop successful and mutually beneficial relationships by identifying and developing the key projects that will deliver the greatest impact. While we fund projects where needed, a core objective from our overall strategy is to engage in capacity building for the local populations to promote self-sustaining development.

By working with the community in this way, our goal is also to ensure the viability and durability of any development projects we introduce. It is our aim that communities will take ownership of the projects we support, allowing benefits to accrue long after we have ceased mining operations. Our Social Management Plan acts as a framework for how we approach the management of community issues and mitigate any potentially harmful impact from our operations.

Case study

Building Singida, a local approach

We began construction of Singida towards the end of 2020 and committed to the project having a positive impact on the Singida Region. In 2022, we continued ramping up construction and mining activities and therefore expanded our headcount at pace, resulting in an increased support of local economic development.

We are committed to recruiting and developing Tanzanian nationals at Singida, recognising the new mine has a huge opportunity to be a significant employer in the region. As at end 2022, we had 560 short term, fixed term SMCL employees and contractors at the mine. All employees and contractors are 100% Tanzanian, including the Senior Managers and General Manager of the project. We look forward to training and developing the new members of our team as construction continues. In 2022, 52% of the workforce were from local communities surrounding the mine.

We have spent US\$23.8 million during 2022, bringing the total spend to US\$34.6 million from the project's inception. We have engaged with local suppliers where possible and are proud to be directly supporting local economies around the mine. Many of our camp supplies are sourced from local suppliers, including food and janitorial supplies.

Various community projects were constructed and completed during 2022. These include four classrooms and toilets at Mlumbi and Number 7 schools, enhanced water access through boreholes, a new mosque and renovation works at the Mang'onyi Dispensary. The maternity ward at the Mang'onyi Dispensary and Mwau Primary School toilet construction projects are scheduled for completion in H1 2023. These projects utilised labour and materials from local communities surrounding the mine.





Tanzania stakeholder engagement

National stakeholders

We engage with stakeholders at a presidential and ministerial level through formal meetings and communications with our CEO, Chairman and Technical Director.

District and constituent stakeholders

Monthly updates are provided to local authorities by our CSR team and asset-level management. As with all our stakeholders, communication channels are always open and the team available for a meeting should the need arise.

Regional stakeholders

Our Senior Management team communicate on a quarterly basis with regional stakeholders for operational updates. General meetings can be scheduled whenever the need arises with our Senior Management team.

Ward and village stakeholders

Operational updates are provided to local communities by our CSR team on a monthly basis. Meetings can be scheduled, and the CSR team regularly visit nearby villages to monitor the progress of ongoing projects and discuss any issues.



Kenya stakeholder engagement

Community Consultative Committees (“CCCs”)

CCCs are set up in areas of advanced exploration to provide a two-way engagement mechanism between Shanta and our host Communities and their leadership. Meetings occur monthly with community representatives, and quarterly with leadership representatives. The composition of the CCC closely resembles that set out in the Community Development Agreement Regulations which apply in the event a prospect transitions to a mine.

In areas of brownfields exploration we engage with stakeholders on an ‘as needed’ basis when we are periodically active in their areas.

Community Public Meetings (“Barazas”) and Town Hall Meetings

Shanta organises community public meetings (“barazas”) or uses existing baraza schedules on a periodic basis when there are specific and significant issues that need to be communicated to the entire target community. Town Hall Meetings are held for sections of the community which may be affected or have more input on a particular issue. Each meeting typically contains around 50 individuals to discuss and build consensus on certain issues and is mediated by our local CSR and Environmental team.

National stakeholders

Regular one to one meetings are held with National and County Government leadership and relevant authorities such as Mining and Environment, National Administration, and Security, to provide updates, seek guidance, and remain compliant.

Community Outreach Office (“COO”)

We have a dedicated COO within our main area of operation where any member of the community can access Shanta to report issues, make requests, and share their feedback on our operations. The office has copies of relevant documents and information that may be of interest to the community. The COO is situated within the community away from Shanta’s premises, so that community members are encouraged to visit.

Continuous engagement

Site tours to our operations are arranged to introduce community members to our activities by being able to see them in action. We have developed a database of over 1,800 community members’ phone contacts to whom we send periodic text messages to update them on operations, and share opportunities such as job openings.

Shanta Social Management Plan



The Community Development Plan commits to Shanta developing annual projects that deliver sustainable benefits to nearby communities, while our Stakeholder Engagement Plan’s purpose is to identify Shanta’s stakeholders, determine their impact to our business and then tailor engagement strategies to each group of stakeholders.

Shanta’s Community Health and Safety Management Plan aims to avoid or minimise risks and impacts to community health and safety from activities relating to the mine. The plan ensures that all commitments made during permitting stages regarding community health and safety are managed with no harm to the communities due to Shanta’s activities, and there are appropriate channels for how community emergencies are identified, reported, and resolved.

We understand that the complexity of mining operations and scale of our work can cause disruption to our communities through noise pollution, vibrations, greater traffic, and resettlements. We have robust grievance and dispute mechanisms in place to allow community members to raise any concerns or complaints, with our preference in the first instance to look for an amicable resolution between Shanta and the aggrieved party before involving any third party.

Shanta Grievance Mechanism

First Order

Resolution made between Shanta and the aggrieved party.

Second Order

Resolution made by referring the matter to third parties (e.g. government offices).

Third Order

Resolution made by referring the matter to the court of the host country.

Community members can raise any grievances through their village offices, which are then communicated to Shanta in writing. We always respond with a letter acknowledging receipt and commit to providing a resolution within a specified period.

Mine closure and the related post-closure social-economic impact are part of the mining lifecycle. Our Social Closure Plan ensures that all regulatory requirements regarding mine closure are built into our comprehensive Mine Closure Plan (discussed in more detail on page 44). It mandates that consultations with stakeholders from the village to the national level are conducted, and that where possible, specialised social studies, surveys and community awareness sessions are conducted to aid the closure consultation processes.

How we determine which projects to support

Shanta’s community investment programmes in Tanzania and Kenya are developed through the implementation of community initiatives that are devised with the direct engagement of key community and regional stakeholders.

In addition to the wider regional investment projects that we support, Water, Education, Livelihood and Health continue to represent the core pillars of Shanta’s approach to community investment. We recognise that due to our size we are limited in the scale of the investment we can make, and therefore we prioritise the areas we feel will make the greatest impact. We focus on the needs of our local communities, and from our experience and dialogue, these four areas will remain an ongoing priority.

The projects we commit to are determined based on engagement with local stakeholders. On an annual basis we obtain our key community priorities during consultation sessions conducted in the villages surrounding our assets. We take these priorities and determine which are aligned with our overall principles and community strategy. The final list of priorities for the following year is then discussed by the Sustainability Committee and approved by the Board.

During regular meetings with the village and local leaders, our General Manager or senior representative from Shanta will discuss operational performance. There is also a forum for discussion around programmes that were agreed at the start of the year, and the community representatives can challenge what progress has been made. If the programmes are not on track, Shanta will communicate the reasons for this – be it operational, financial, or otherwise, to inform the stakeholders.

2022 Community investment projects

Water

Water access is a challenge for many residents in the Songwe region of Tanzania, which has unpredictable rainfall coupled with limited water infrastructure. We have historically supported projects which improve water infrastructure through work such as drilling boreholes, constructing pumps for existing wells, and building storage facilities in our villages.

In 2021, we invested in connecting the Luika River Dam to Mbangala village, via a >4km pipeline with the goal of providing approximately 7,600 people with reliable, clean, running water. In 2022, Shanta was able to install additional water stations as extension of this pipeline to the Mbangala Primary School, Mbangala Medical Centre and near to the furthest dwellings of the village.

Access to clean and safe water is a challenge in the entire West Kenya licence area. The challenge is specifically worse around the Ramula prospect where there is no existing water infrastructure in place and therefore the majority of the residents rely on rivers, streams and springs as their source of water supply. Most notably, schools are affected as they are often a far distance from any water source.

In 2022, Shanta implemented a water harvesting initiative in two of the affected schools (Nyangulu Mixed Secondary School and Marende Primary School) around the Ramula prospect. This initiative involved installation of the entire rainwater harvesting infrastructure, guttering and water storage tanks. We encouraged the community to be part of the project and they provided locally available materials as well as casual labour during this initiative. This initiative has benefited both schools and neighbouring households with a cumulative population of about 1,500 people.

Health

The prevalence of long-term health issues and the barriers to accessing quality health services is an ongoing problem for many in Kenya and Tanzania.

During 2022, Shanta was pleased to renew its partnership with PharmAccess Foundation and AMREF to support the Innovative Partnership for Universal Sustainable Healthcare (i-PUSH) project in West Kenya. The project aims to connect at least half a million Kenyans to the National Hospital Insurance Fund (NHIF), which provides medical insurance cover to all its members.

Due to a lack of finances to meet even basic needs, combined with a perception that health cover is not an essential need, many families in our project areas are not enrolled in the NHIF scheme. The programme targets women of childbearing age, and once enrolled in i-PUSH, they will have access to subsidised health cover for a year.

We made a financial contribution to the project by donating 50% of the first year's annual premium for 500 low-income women in our project area which triggers the remaining 50% contribution from i-PUSH. The result is that enrolled women and their families now have access to NHIF cover for a year.

At the Mang'ony village close to Singida, we have fully renovated the Mang'onyi Dispensary and have advanced with the maternity ward construction, which is scheduled for completion in H1 2023.

Education

Education is embedded as a core pillar of our approach to community investment, and we believe that inclusive and quality education is an absolute priority to sustainably develop our local communities and promote lifelong learning.

For many years Shanta has been involved in various education projects, including infrastructure development within local communities, sponsoring underprivileged students, and expanding access to and education of Information and Communications Technology ("ICT").

In 2022 our highlights included:

Sponsorship programme Shanta has been offering a sponsorship programme for underprivileged students in the Songwe region since 2014. In 2022, we provided 77 secondary school and 231 primary school students from underprivileged families with uniforms, shoes, and stationery. This support will allow these students to attend school.

Education infrastructure Attracting and retaining the best teachers is a challenge for our local schools, which typically have poor quality infrastructure and accommodation for the teachers who work and live there.

As part of our 2022 Education Projects, we constructed the following:

- A two unit teachers house at Miembeni Primary School in Saza village;
- Four classrooms as well as two teachers' offices in Mbangala Secondary School in Mbangala village; and
- Four classrooms and toilets at Mlumbi and Number 7 schools.
- In West Kenya, we fully renovated the entire Bushiangala Primary School administration block.

ICT We continued to work on increasing access to ICT equipment and learning, and during 2022 completed work on the construction of a computer lab at Saza Secondary School. We also partnered with Vodacom Tanzania for the installation of a communication tower and issued 50 tablets, installed with education materials as per the National Curriculum at the school.

Livelihood

Farming and artisanal mining are key income generating activities in Songwe, Singida and near our work in West Kenya. Shanta has supported a range of livelihood programmes to grow the economic prospects of our local communities.

We continue to support local farmers in Songwe through our Mining Agriculture Improvement Program ("SMAP") as well as our Saza Village Beekeepers group. The number of farmers engaged with our agricultural schemes has grown exponentially since inception in 2017. In 2022, Shanta sponsored 8 farmer representatives and 2 beekeeper representatives at the National Farmers exhibition which takes place annually. These representatives managed to show case their products as well as having the opportunity to learn from other farmers and suppliers attending the exhibition.

Case study

Supporting local farmers in Songwe

Farmers in Songwe can face significant challenges, with inadequate food crops making it a struggle to guarantee a self-sufficient food supply or meaningful income from agriculture outside of harvesting season. This has led to a reliance on dangerous and illegal artisanal mining to supplement income.

Since 2016, Shanta has been working with local farmers near New Luika to develop modern farming methods as part of our community investment work, with three core aims:

- To introduce modern farming methods to mitigate hunger and avoid resorting to dangerous and illegal artisanal mining used to generate income to buy food.
- To introduce commercial crops which grow well in the community areas and find markets for the crop.
- To form Agriculture Market Cooperative Societies (AMCOS) that unite farmers and create centres for all activities related to improving commercial farming and farmer livelihoods.

Over several seasons we have grown our Mining Agriculture Improvement Program ("SMAP"), and the number of farmers engaged with our agricultural schemes has risen from 350 in 2017 to more than 2,500 in 2022.

During the scheme we have engaged with experts from the Export Trading Group ("ETG") and met with officials from the District Commissioner, District Executive Director, and District Agriculture, Cooperative and Marketing Officers to go through each village and obtain details of all farming activities, and the food or commercial crops that grow well in their area.

From engaging with local farmers, sesame and sunflower were chosen as the preferred commercial crops to focus on as these would have a ready market to grow. We have since worked with the ETG to provide expertise on farming and advice on how to market harvested sesame and sunflower. Shanta has also donated seeds, fertiliser, planters, and insecticides.

In 2022, Shanta continued to support members of its programme by providing training and donating planters, seeds, and fertiliser. In addition, the harvest which was the result of several years' work with the community, yielded 1,600,000kg and 1,350,000kg of sunflower. Sesame had a price of \$1.23 per kilogram (totalling US\$1.9 million) and Sunflower had a price of \$0.43 per kilogram (totalling US\$580k). This meant that US\$2.5 million was generated by the farmers as direct income to support their family needs.

For the 2023 season, Shanta has added further investment in the programme to continue to benefit the region.





Managing resources responsibly and mitigating environmental impacts

While mining is a resource intensive process, we seek to manage our environmental impacts carefully. From monitoring our water usage and tailings facilities to introducing solar power to meet some of our energy requirements, we work hard to protect natural resources and avoid unnecessary harm. We recognise the need to be transparent about our approach and are working to strengthen our commitments in this area.

We work tirelessly to reduce the impacts of our operations on the environment – whether through best-in-class Tailings Storage Facilities (“TSF”), community-focused water stewardship programmes or a shift towards the use of lower-carbon power sources in our operations, we’re taking steps to safeguard the local environment.

In Tanzania, we report on our environmental performance at New Luika in an Annual Environmental Monitoring Report which is submitted to the National Environmental Management Council (NEMC) in Dar es Salaam. This is completed in accordance with the Tanzanian Mining Act 2010 and our Mining Licences which require that accurate records are kept, and that annual reports are submitted which contain results of monitoring activities, instances whereby limits have been exceeded according to the Environmental Management Act (EMA) together with remedial action and responses taken, as well as details of emissions, discharges, and wastes.

In Kenya, we adhere to the Constitution of Kenya 2010 and the Environmental Management and Coordination Act (EMCA) 1999 (Amendment 2015) and we have an Environmental Rehabilitation and Restoration Plan that outlines the process for the rehabilitation and restoration of sites where exploration activities have been undertaken.

Climate change and energy use

The impact of climate change and how the mining industry can respond to it has become increasingly relevant and urgent over the past decade. We are committed as a responsible gold miner to scrutinise what we do and mitigate our impacts.

Gold mining and exploration can be an energy-intensive exercise, and our operations require a stable and reliable supply of power. Affordable and easily accessible energy has long been an important competitive factor for Shanta, both from an operational perspective in delivering consistent production and regarding cost.

However, increasingly we recognise that our approach to energy use and efficiency should integrate an effort to reduce our direct (Scope 1) and indirect (Scope 2) emissions from fuel combustion on-site and electricity purchases from the national electricity grid in Tanzania and Kenya. We understand that a priority should be placed on achieving carbon and emissions reductions, and that we need to play our part in the global energy transition.

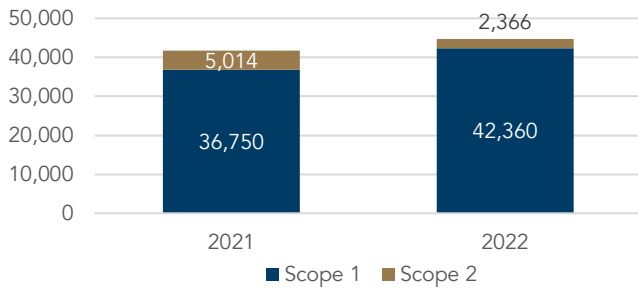
Energy use and efficiency was recognised as ‘Very High’ on the materiality scale by our stakeholders, and it is a priority for Shanta to reduce energy use without compromising on operational performance or cost control.

We believe we have already started our journey to improve how and what we use in relation to our energy consumption, and we are motivated to learn from best practice across the sector and implement robust policies, measures, and changes to our organisation to set the benchmark for our peers.

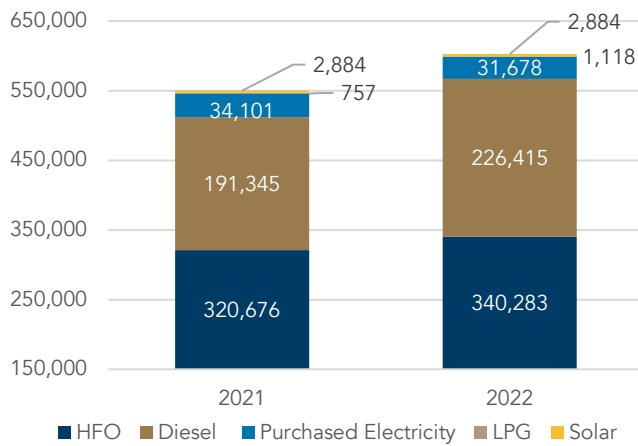
2022 performance

Shanta Group energy consumption and GHG emissions	2022	2021
Greenhouse gas emissions (tCO ₂ e) Scope 1 and 2	44,726	41,764
Gold sales	62,707	57,517
Emissions intensity (tCO ₂ e)/Au oz sold	0.71	0.73
Energy consumed (GJ)	602,378	549,763
Energy intensity (GJ/Au oz sold)	10	10

Our Scope 1 and 2 emissions (tonnes CO₂e)



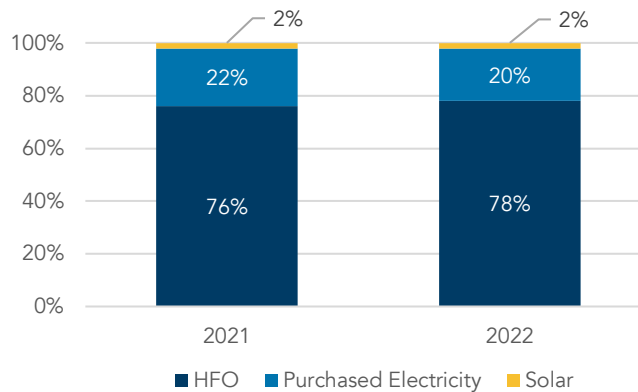
Group energy consumption (GJ)



New Luika energy consumption and GHG emissions

	2022	2021
Greenhouse gas emissions (tCO ₂ e) Scope 1 and 2	40,884	40,663
Gold sales	62,707	57,517
Emissions intensity (tCO ₂ e/Au sold)	0.65	0.71
Energy consumed (GJ)	558,528	534,537
Energy intensity (GJ/Au sold)	8	9

New Luika power contribution by source (MWh)



We calculate our GHG emissions using the GHG Protocol Corporate Accounting and Reporting Standard and report our total emissions, energy intensity and GHG intensity. Currently this excludes Scope 3 emissions for which we are aiming to complete an assessment in 2023. We recognise that climate data and the methodology and tools for such analysis will continue to evolve and improve over time, therefore we expect to update our disclosed data in the future.

In 2022, our total Group Scope 1 and 2 GHG emissions were 44,726 tCO₂e with an emissions intensity of 0.71 tCO₂e / Au oz sold, a decrease on the 0.73 tCO₂e / Au oz sold in 2021 primarily due to the increase in ounces sold. Most of these emissions were associated with the operations at New Luika which contributed 91% or 40,884 tCO₂e. Our energy is primarily sourced from HFO, diesel and the national grid electricity supply, TANESCO. Solar energy contributed 2% of New Luika’s power needs.

At New Luika, our total Scope 1 and 2 emissions increased marginally year-on-year by 0.5% due to an increase in tonnes of ore milled of 4.9%. Scope 2 emissions decreased marginally year-on-year due to less electricity purchased from TANESCO, whilst Scope 1 emissions increased marginally as we utilised our power plant more with its associated HFO consumption.

At Singida, power to the mine will be supplied via a 33 kV, 5MW overhead powerline connected to the national grid electricity supply, TANESCO. This is a cleaner source of energy than HFO, with its generation system consisting mainly of hydropower and thermal based generation. Emergency standby power generation is supplied via a 1,600 kVA diesel powered generator. As at end December 2022, the bulk power supply project is 99% completed.

Overall, Group Scope 1 and 2 emissions increased to 44,726 tCO₂e in 2022 due to a full year of construction at Singida and an increase in tonnes of ore milled at New Luika. In 2023, we expect our energy consumption at New Luika to stay consistent or reduce as the tonnes of ore milled stabilises and we draw down more electricity from TANESCO. Energy consumption at Singida is expected to increase as the mine exits the construction phase and production ramps up to commercial levels.

We are proud that a portion of our energy supply at New Luika is generated from a renewable source on-site. Our main 630kWp solar power plant was constructed, installed, and commissioned at New Luika in partnership with Redavia in July 2017 and has been a clean source of power ever since. In 2022, Shanta purchased the solar plant from Redavia. The solar plant is a cheaper source of energy than HFO at approximately 56% of the unit cost per kWh. In addition, with each 1,000 litres of HFO emitting 3 tonnes CO₂e, and nearly 193,000 litres of HFO needed to replace the solar contribution in 2022, our Scope 1 emissions were approximately 579 tonnes less in 2022 than they would have been otherwise¹.

¹ Assuming all solar kWh are replaced with HFO.

Case study

Grid power at New Luika

The remoteness of New Luika presents a challenge in connecting to the national grid electricity supply, TANESCO, a cleaner source of energy than HFO, with its generation system consisting mainly of hydropower and thermal based generation. Hydro plants contribute 33.9%¹ of the grid's power generation.

During 2019, TANESCO initiated construction of a 33kV power line in the vicinity of New Luika, opening the possibility of New Luika being able to draw some of its energy supply from the grid. The company arranged to purchase 2MVA power from TANESCO, which was facilitated by the construction of an overhead power line to connect the main TANESCO power line to New Luika.

In 2020, its first full year of being connected, grid power met 11% of New Luika's energy needs which increased to 22% in 2021 and then reduced to 20% in 2022. The reduction in 2022 was mainly due to the ongoing drought in Tanzania limiting hydropower capacity.

TANESCO has sufficient power supply to provide New Luika with nearly all its power requirements. However, the actual amount that can be drawn down by New Luika is limited due to the instability of supply because of the current configuration of the network. Currently New Luika receives power through a ring feed network from the Chunya or Mbozi power lines. The Mbozi power line runs for a very long distance and along the way supplies many customers in Mbeya and Songwe. As there is no direct line to New Luika, there are regular power outages and inconsistent voltage.

We are continually looking at ways to increase the proportion of our power supply at New Luika from TANESCO, to help reduce our carbon footprint and dependence on HFO. In late 2022, we installed and commissioned a voltage regulator. Going forward, a power factor correction unit is being considered, subject to the ongoing performance results of the voltage regulator.

Increasing our proportion of power from TANESCO will also benefit the government through payments made for grid power supply, but also New Luika's operations through lower costs and reduced carbon footprint.

¹ Source: TANESCO website – Power Generation.

Currently there is no energy storage through batteries attached to the solar plant, limiting its contribution to New Luika overall power supply.

The bulk of GHG emissions associated with gold mining are predominately found in Scope 1 and 2 sources, and because gold undergoes significantly less downstream refining when compared with iron ore or thermal coal, Scope 3 emissions from downstream activities are usually lower than other mining companies.

However, we understand the importance of accounting for our full GHG emissions, therefore in 2023, Shanta will start an assessment of Scope 3 GHG emissions and develop targets for reducing Scope 1 and 2 emissions with an absolute emissions target informed by climate science.

Water stewardship

Our approach to water stewardship is community-focused – we understand that supporting specific water projects through community investment goes hand-in-hand with diligently managing our own water usage.

Mining activities rely on a large volume of water, primarily for the processing of mined ore. This can present a direct challenge to the water needs of our local communities if we are not responsible with our usage. In addition, mining activities involve the use of chemicals and other toxic materials that if not used or disposed of with care can contaminate water supplies, thereby endangering the health and safety of employees and communities who use the water for drinking and cooking.

WRI Aqueduct water risk

We plot our operations on the World Resources Institute's Aqueduct water risk atlas to analyse our water risks and ensure we devise appropriate water management plans to mitigate any risks that may impact our projects.

At New Luika the baseline water measure is in an area of 'low water stress', and as a result, our water strategy focuses on water reuse and efficiency. Our exploration project in West Kenya is also considered to be in an area of 'low water stress', and as the water needs of current operations here are minimal, there is currently no water management plan at this operation.

Our Singida Project is in an area of 'high water stress'. Water demand will increase in 2023 as the construction phase ends and as Singida ramps up to commercial levels of production. Management has implemented a water stress exposure and an appropriate water management plan, which will continue to be refined over the lifespan of the operation. At Singida, we will draw water from five key sources: boreholes, the Vivian Pit water reservoir, TSF recycled water, and storm water runoff storage.

The bulk of our water use is from operations at New Luika, which is based in the Songwe region. Here the year divides

into extreme wet and dry seasons, presenting a challenge to obtaining a consistent water supply. We draw water from three major sources: the Jamhuri Pit water reservoir, boreholes, and rainwater harvesting, and a small amount from storm water runoff storage. Water drawn from each source is stored in three main water storage areas at the mine site.

At New Luika, we have a focused water reuse program whereby water used in processing is recovered via a Return Water Dam. This allows us to recover water used in operations with a 75% water recycling achievement for 2022 (surpassing our target of >45%). Excess water from underground mining activities is also pumped and treated by passing through a sedimentation treatment system before reuse.

Precipitation collected in Tailings Facility 1 ("TSF 1") during the wet season is recovered and reused in the process plant. TSF 2 receives water from the processing plant and precipitation during the wet season. Using flowmeters installed on water lines, our team records the volume of water reticulated around the site. Utilisation is monitored in a water balance model to ensure there is zero water discharge.

Our performance

We measure our performance using several key indicators including water consumption, water reuse and water quality. Our water reporting is aligned with the Metals & Mining Sustainability Accounting Standards Board (SASB) Standard guide on water management disclosure.

New Luika water use (000m ³)	2022
Water withdrawn¹	489
Jamhuri	274
Luika Weir	0
Boreholes	31
Hippo Dam	174
Water discharge²	0
Water consumption³ (m³)	489

1. Water withdrawn is water received or extracted that is used for operation or stored.
2. Water discharge is water removed from the facility and discharged to the water environment or a third party.
3. Water consumption is sum of: water evaporated during withdrawal, usage, and discharge + water that is directly or indirectly incorporated into mining + water that doesn't return to the same catchment area from which it was withdrawn.

At New Luika, our total water withdrawn and consumed in 2022 was 488,700 cubic metres. We were pleased to report zero discharge, a positive water balance model, and continued to produce and supply of our own potable water for use by our team at site. We continued to fully utilise the Jamhuri Pit to source water for use in our processing and on site in 2022.

Singida water use (000m ³)	2022
Water withdrawn¹	26
Borehole 08	10
Borehole 14	16
Water discharge²	0
Water consumption³ (m³)	26

1. Water withdrawn is water received or extracted that is used for operation or stored

Our approach

We have a robust internal monitoring system which outlines the responsibilities of each department in the management of water and production of internal reports. The main ones are our annual reports on water usage and monitoring, and our monthly reports on water status, as well as operational reports which contain data on the amount of water volumes drawn from each source, water reused, and any incidents regarding leakage or contamination.

The team at New Luika work closely with the Lake Rukwa Basin Water Board to communicate water conservation strategies, and annual water reports are prepared for the Board to monitor the status of water resources and consumption.

Our team have local targets to ensure zero discharge from the mine, and that we produce our own potable water for consumption by the team on site, and maintain a monthly positive water balance.

In addition, we routinely monitor the quality of water at each of our sources. We take regular water samples at the boreholes and surface water bodies used by the mine, which are then analysed by a third party accredited environmental laboratory and compared with the Tanzanian Bureau of Standard ("TBS") to identify any anomalies and determine if the water exceeds either the World Health Organisation ("WHO") or TBS limits, or is harmful to health.

The Luika River is seasonal and the only main watercourse that flows through the New Luika project area to Lake Rukwa. Water monitoring is conducted when flowing, usually from December to June, on points that are upstream, downstream, and along the mine operations. Samples are taken by a qualified environmental water technician and submitted to a third party accredited environmental laboratory. The test results are received each quarter and compared with the TBS limits on drinking water or industrial effluent depending on water source, usage and type of disposal.



Tailings management

Gold mining generates large volumes of tailings waste due to the processing of mined ore which is necessary to recover the gold from the ore.

Tailings are generated via a chemical leaching process which uses small quantities of hazardous chemicals such as cyanide in the carbon-in-leach process to extract fine gold from minerals existing within the ore. These processes are water based, meaning tailings from the processing plant are pumped as slurry to Tailings Storage Facilities (TSFs) where they are stored.

It is imperative that the TSFs are designed to the highest technical standards when constructed and are routinely managed and monitored to protect their stability and prevent seepage into the local environment. It is widely accepted in the mining industry that the management of TSF is a core focus as the materials they contain are often toxic and can cause major environmental hazards if not properly contained and managed.

Shanta is committed to ensuring that tailings produced from our operation pose no threat to people or the environment, and we have robust monitoring processes in place to comply with all licence conditions and permits necessary for the safe storage of tailings.

Our Approach

As at end 2022, Shanta has one TSF which is operational and in use: TSF 2. TSF 2 was engineered with care to the highest technical standards in 2016, and our aim has been to align its construction and upkeep with best practice.

TSF 2 is equipped with storm water diversion trenches to allow for a high surge capacity of storm water to compensate for near future storm events. As such, design is important for operations to manage stormwater runoff, thereby diverting from areas it may cause harm. The basin is compacted and clay-lined to prevent contaminants from seeping into the ground, whilst a waste rock starter wall is lined with a high-density polyethylene (HDPE) plastic liner to prevent contaminants from infiltrating the wall and entering the environment.

TSF 2 receives tailings effluent from the processing plant and is also equipped with a Return Water Dam (RWD) lined with high-density polyethylene (HDPE) pipes. Here decanted water is recycled back into the processing plant to ensure that no process water is discharged into the environment. The RWD is also equipped with a leak detection system which improves the ability of our team to detect any incidents as early as possible.

We monitor our TSFs on a weekly and monthly basis. Environmental and safety inspections are conducted daily, and water quality monitoring is conducted quarterly for internal and regulatory reporting purposes to ensure physical-chemical thresholds are not exceeded.

The site monitors evaporation by use of a Class ‘A’ evaporation pan that is used to monitor daily evaporation on site. The evaporation data is used to estimate evaporation of surface water bodies within and around the mine site.

Our facilities are inspected annually during a TSF audit whereby a registered third-party independent auditor is engaged. This is in accordance with the national Water Resources Management, and Dam Safety Monitoring and Management Regulations.

We have also integrated an emergency action plan within our Emergency Response Plan in case of any potential failures.

Performance

New Luika Gold Mine Tailings	2022
Tailings waste deposited (tonnes)	874,843
Percentages of tailings waste recycled (%)	Nil
Tailings water recycled (%)	90
Evaporation (mm per 24 hours)	7.8

In 2022, a total of 874,843 tonnes of tailings were deposited into TSF 2 and 90% tailings water recycled. In 2022, the evaporation at New Luika was 7.8 mm over 24 hours. No material issues were noted from the annual audit inspection. From the quarterly water quality monitoring results there is no indication that the TSF is impacting the environment.

In addition, construction of TSF 2 Phase 3A progressed well during H2 2022 and is expected to be finalised in Q2 2023 in accordance with the dam safety guidelines and the permit granted by the Ministry of Water.

At Singida, the construction of TSF Earthworks was 95% complete as at end December 2022. The TSF is equipped with catchment paddocks and storm water diversion trenches similar to those used in TSF 2. It is also lined with HDPE to prevent infiltration into the surrounding environment.

The Singida TSF will receive tailings effluent from the processing plant and is also equipped with a HDPE lined Return Water Dam (RWD) with HDPE pipes whereby decanted water is recycled back into the processing plant and no process water is discharged into the environment. The RWD is also equipped with a leak detection system which improves the ability of our Environment team to detect any incidents as early as possible. Monitoring

groundwater boreholes have been drilled at the TSF downstream as per compliance requirements.

In 2023, we will target continued safety, monitoring and satisfaction of governmental regulations and guidelines, whilst also looking at ways of expanding disclosure in line with current best practice across the industry. This will include the aim to review our current tailings governance and management framework against the requirements of the Global Industry Standard on Tailings Management (“GISTM”).

Cyanide management

New Luika is currently our only operation that uses cyanide, and Singida will utilise Cyanide once the process plant is operational. Our policies and practices in place ensure the safe and environmentally responsible management of its use within our operations.

We make purchases from a certified manufacturer and require that accreditation is provided to confirm each shipment. The terms and conditions in the contract ensure that there are clear responsibilities outlined for all aspects of the transport of cyanide to site, and the unloading sheds at New Luika and Singida are constructed from adequate material, with the surrounding area sloped and drained to mitigate the risk of any spills and reduce the chance of contact with water. Our storage facilities are well ventilated to prevent the build-up of hydrogen cyanide gas, and all tanks, mixing facilities, valves and pipes that come into direct contact with liquid cyanide are constructed with appropriate materials.

We have developed clear operating plans and procedures for the use, management and disposal of cyanide, and the key processes that involve its use are clearly communicated to our team. Our facilities are also inspected regularly to ensure they are compliant with worker and environmental safety. We have conducted full plant HAZOP studies and risk assessments and have defined responsibilities for each aspect of the cyanide use cycle assigned to senior personnel where they are described in relevant job descriptions.

All personnel who encounter cyanide on site receive specific information and training. These include the characteristics of cyanide and hazard recognition, the site emergency plan, safe handling of cyanide, and emergency response involving the location and use of antidotes and hygiene requirements as well as required personnel protective equipment. We also have an Emergency Response Plan to address potential releases of cyanide, and certain members of our ERT have received specialised training on this.

We clearly communicate the nature and risks associated with cyanide with potentially affected communities and hold community liaison sessions to provide stakeholders with the opportunity to communicate issues of concern in general, and regarding the management of cyanide.

Case study

Rehabilitation projects in West Kenya.

Over 75% of land within our West Kenya licences are either private residential plots or private smallholder farmlands. Our main exploration activity is diamond drilling, and to achieve our exploration targets, we are required to conduct drilling from occupied farmlands. This means that the heavy drilling rigs, supply trucks and field vehicles must access the farmlands, which has a direct effect on the surface and soil fertility, if not well managed. The consequence would be denial of consent by landowners to successfully undertake the exploration work.

To mitigate this potential risk, Shanta has a comprehensive drilling site rehabilitation procedure in its Environmental and Social Management Plan. The process starts with obtaining free, prior and informed consent from the individual landowners based on Shanta's commitments to rehabilitate the land to its original state or better. These agreements are signed before commencement of activities and after on condition that the landowner is satisfied with completed rehabilitation.

The entire process starts with completing a formal standard drilling pre-start risk assessment for each new drilling site. This checklist lists all the potential social, safety and environmental risks and any recommended mitigation measures are recorded and assigned to specific individuals. This process covers the entire area of potential disturbance and access to the site.

One of the major standard mitigations is proper handling of waste streams from the drilling sites. Solid waste is segregated at the point of generation and stored in lidded bins for collection and proper handling. Potential hydrocarbon waste is strictly managed with blankets under machines, hydrocarbon sausages and spill kits for any accidental spillage in the sumps or on the ground. All hydrocarbon waste is then disposed of using an authorised handler.

The objective is to restore the site to its original state or improved state and our target is to complete rehabilitation within three days after completion of drilling. The process involves grouting and capping of drill holes, removal of sludge materials, removal and clearing of any foreign material from the site, tilling of the land, comprehensive application of organic manure, rehabilitation and renovation of any damaged infrastructure and signing of satisfactory rehabilitation forms.

The environmental rehabilitation process has worked well in mitigating all potential impacts. Evidence from rehabilitated sites shows that vegetation and crops have regrown extremely well and there is a stark noticeable difference in adjacent unimpacted areas. During feedback sessions or public engagements, landowners have consistently indicated that farm yields from the rehabilitated areas have been far higher than prior seasons due to the tilling of land and the comprehensive application of organic manure.



Waste management

We take the disposal of all waste very seriously and recognise that inadequate disposal, storage, and generation of waste can present problems for our operations and our communities.

Waste is produced from various sources around New Luika and Singida and is categorised into mining waste (waste rock) and non-mining waste. By volume, waste rock makes up the largest amount of waste.

Biodegradable non-hazardous waste is disposed of in landfill, while recyclable waste is collected by a waste contractor that is approved by the National Environmental Management Council (NEMC) to collect hazardous and non-hazardous waste across the region. Hazardous waste that cannot be collected is incinerated onsite using a high temperature incinerator, which is operated by qualified personnel. In case of any chemical waste that is required to be disposed of, the appropriate Government Authority is consulted for advice and permits.

Waste rock from surface and underground mining activities is deposited on professional engineered waste rock dumps ("WRD") which have been designed with care and approval to ensure their structural integrity is robust. Waste rock is also utilised for the construction of our TSFs, and future wall raises.

At New Luika, a total volume of 1,883,397 tonnes of open pit waste rock was mined and deposited either at our WRD or used for TSF raise construction purposes in 2022. During the year we have also taken steps to continue rehabilitation of the Luika Waste Rock Dump by planting tree seedlings as well as dispersing seeds.

At Singida, a total volume of 2,799,752 tonnes of waste rock were mined and 1,822,272 deposited at our WRD and 977,480 deposited at our TSF for construction purposes in 2022.

Mine closure

We understand that the environmental and social impacts of our operations will affect our communities long after our mines have closed. We are committed to restoring our surroundings to a state that is as close as possible to – if not better than – its original condition.

At New Luika, we have a detailed Mine Closure and Rehabilitation Plan which was approved by the National Mine Closure Committee in 2020, with the next review occurring in 2023 in line with national guidelines. The Detailed Mine Closure Plan incorporates a Mine Rehabilitation Plan which is used in progressive rehabilitation of the mine site. During 2022, we finalised a mine closure criteria study which has been submitted to the National Mine Closure Committee and is pending review.

At Singida we have a detailed Mine Closure and Rehabilitation Plan which is still to be approved by the National Mine Closure Committee. Our objectives for rehabilitation are:

- To stabilise the land physically and chemically by; ensuring that disturbed areas are rehabilitated and revegetated as soon as possible, minimising land and water erosion wherever feasible, reducing negative aesthetic and visual impacts, and ensuring appropriate signage to prevent re-disturbance.
- To promote and encourage the return of flora and fauna; progressively re-vegetating portions of the WRD by applying 0.3 metres of topsoil followed by seeding with local plant species.
- To return the land to appropriate land use systems; identifying requirements for and implementing rehabilitation research and field testing to ensure that new concepts and methods are shown to be appropriate prior to being implemented via the Rehabilitation and Closure Plan.
- To analyse soils and other materials suitable for use as cover or growth medium at New Luika and ensure these are stripped in advance of construction and stockpiled at strategic sites for use in reclamation.

At New Luika, rehabilitation work progressed in 2022 through the planting of 5,500 tree seedlings at the Luika WRD, which are showing a high survival rate. 56,000 seeds were also collected and dispersed at the Luika WRD. Our 2023 rehabilitation plans include planting approximately 10,000 seedlings at Luika WRD, Magazine and Ilunga borrow pit as well as topsoil covering of the Shamba WRD.

Air quality and weather

We understand that greenhouse gas air emissions are not the only environmental impact to the atmosphere we need to consider. Non-greenhouse gas (GHG) air emissions from mining operations include hazardous air pollutants which can have a significant localised human health impact and environmental impact if not properly managed. Dust emissions from mining activities and wind erosion from unvegetated areas or working spaces can also present a potential health risk if smaller particles are inhaled.

We aim to actively manage these issues at our operations to protect our team, the local environment, and surrounding communities. We recognise that this is not only necessary from a regulatory perspective, but also an occupational health and environmental priority.

New Luika has a meteorological station to record data on weather and climate frequently (every minute or hour depending on the parameters). We take measurements of humidity, temperature, air pressure, wind direction, wind speed, evaporation, and rainfall, and report on our findings in an Annual Environmental Monitoring Report (AEMR).



Our team also perform robust air quality monitoring analysis to determine any changes in concentration of pollutants which may have been driven by our mining activities. Our environment team take measurements from eleven different monitoring locations across our site, whereby the following gases are monitored on a monthly basis: Sulphur Dioxide (SO₂), Nitrogen Dioxide (NO₂), Nitrogen Monoxide (NO), Carbon Monoxide (CO) and Carbon Dioxide (CO₂) as well as inhalable particulate matter with aerodynamic diameters less than 10 microns (PM10). The sites where we test are located within our site boundary and at the nearest villages of Saza and Mbangala.

The parameters by which we measure air quality have been selected based on legislative requirements and international standards relevant to the project. Results from our monitoring are compared to the baseline data previously collected from the sampling locations and evaluated against the Tanzanian Air Quality Specifications.

We report these results in our AEMR, which is submitted to the Tanzania Bureau of Standards (TSB). In 2022, we were fully compliant with the TBS for our air quality and dust measurements.

Biodiversity

We are committed to reducing our impact on the surrounding flora and fauna and to contribute to the protection of our biodiversity. New Luika is situated in a rich ecological area near Lake Rukwa, and there is an abundance of wildlife and plant species in the surrounding area.

Prior to commencing work in undisturbed areas, we conduct fauna surveys to determine the presence of any protected or rare species, and where identified, these areas are clearly marked to limit disturbance.



In line with laws around the protection of wildlife, we communicate and enforce strict rules around their protection to all visitors and employees. Although not a common occurrence, we also have clear guidelines for what to do should any of our team encounter wildlife to facilitate their safe relocation. A wildlife log is maintained for employees to record wildlife observations within the mine area and to facilitate ongoing monitoring.

We report any incidents that result in harm to wildlife or damage to vegetation, and have training and measures in place to ensure drivers of our vehicles take appropriate care to reduce the risk of incidents occurring.

In addition, we monitor flora and fauna biodiversity on an annual basis including looking at the condition of vegetation (in terms of its abundance and distribution) and any introduction or outbreak of invasive species.

We have an acid rock drainage column test from which progressive mineral leaching is tested through water analysis. In 2022, there were no instances at New Luika where acid rock drainage occurred, was actively mitigated or under treatment or remediation.

New Luika is in the Patamela Forest Reserve, a protected area of approximately 23,550 hectares. As at the end of 2022, the area that our mining activities have disturbed is less than 1% (214 hectares), and we are committed to rehabilitating the areas that have been disturbed as part of our mine rehabilitation plans.

Being a responsible and accountable business

Shanta is committed to acting fairly, ethically and with integrity in all the territories where we operate. We do not engage or tolerate bribery in any form, and seek to maintain the highest standards of corporate governance, including regular reviews and updates of our policies, disclosure of relevant information, and ensuring that we have an effective and appropriate balance of skills among our team.

We recognise that supporting the human rights of our workers and the communities surrounding our activities is a core value to Shanta, and we strive to avoid any instances of human rights abuses, either directly or indirectly through our operations.

Sustainability governance

Sustainability needs to be embedded in our strategic decision making and applied across multiple levels of our organisation. We are working to challenge our corporate structure and examine how ESG principles can be increasingly integrated into our operational business practices.

Board level

We recognise that governance frameworks are the foundation of how companies are run. At Shanta, we are evolving ours to ensure that our Board and management team are successful, that their duties and responsibilities are transparent, and sustainable business practices adopted.

Shanta’s governance framework follows the main principles of the QCA Corporate Governance Code and aligns with best practice for AIM-listed companies.

Ultimate responsibility for the Company’s sustainability performance sits with the Board. The Board also monitor major risks, ensure high standards of ethical business are met, and approve and oversee the Company’s sustainability strategy.

The Board are supported by three core committees that focus on key areas: Audit and Risk, Remuneration, and Sustainability. Charters define the role and responsibility of the Board and each committee within the Company’s corporate governance framework.

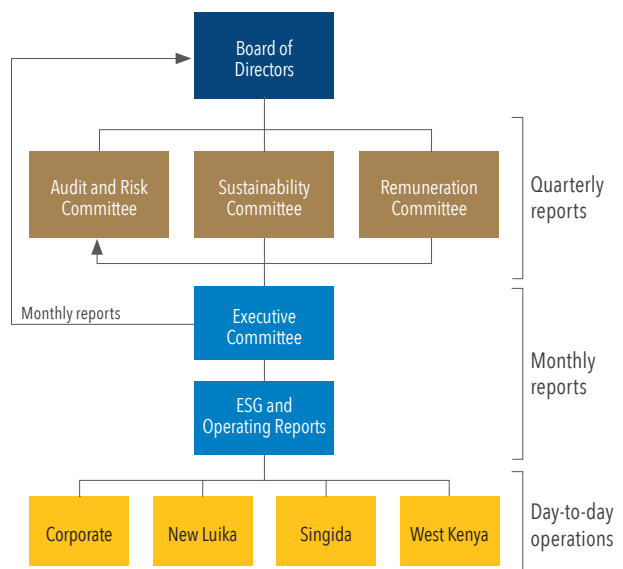
The Sustainability Committee is responsible for setting the sustainability strategy for the Group and monitors and reviews our performance in areas of community development, safety, environmental management, business ethics and other sustainability issues. The aim of the committee is to support the Board by identifying the sustainability issues that are most material to our stakeholders, while monitoring the Group’s effectiveness in addressing these. The committee formally reviews and approves this annual sustainability report and ensures all material topics are covered.

Day-to-day management

The Sustainability Committee is supported by our newly established management-level ESG Team, which was set up in 2021 to coordinate the Group’s ESG and sustainability strategy moving forward. It serves to provide management leadership for implementation of our ESG reporting and monitor performance standards across operations.

The ESG Team’s remit is to implement ESG measures and sustainability performance standards, to routinely monitor targets, track progress, and report these to the Sustainability Committee.

The team consists of core management level individuals across the Group and contributors reflect departments that are key to executing our sustainability approach. From here, responsibility passes down to the operational level within each of our core teams that drive the operations at asset and administrative level.



Aligning remuneration to responsible behaviour

Executive Directors and senior management remuneration packages are heavily linked to performance criteria and historically have included specific performance indicators for safety and sustainability. These incentives are in place to motivate our team to work towards responsible action and to incentivise daily conduct in alignment with the best interests of our stakeholders and material issues. For more information on the Group's remuneration policy please refer to the 2022 Annual Report.

At New Luika, Singida and West Kenya, health and safety metrics represented 20% of the 2022 performance bonus pay-out (37% of the actual pay-out) and comprise TRIFR and LTI rates.

Business ethics, transparency, and accountability

We aim to implement appropriate business policies and practices that apply ethical behaviour to the values and norms governing the conduct of our team and interaction with parties throughout our supply chain. We expect all our team to act honestly, ethically and in the best interest of Shanta Gold and its stakeholders.

Transparency and disclosure

We have looked at Transparency International's Corruption Perception Index (CPI) to identify the rankings of the countries where we currently operate. In 2022, none of our production came from a country within the 20 lowest ranked.

We are currently reviewing the industry initiatives we will work to align with, including the Extractive Industry Transparency Initiative (EITI) standard, and will be publishing our voluntary commitments to initiatives around transparency and business ethics in our 2023 Sustainability Report.

Corruption and bribery

We have a zero-tolerance approach to bribery and corruption in all its forms and believe in operating in accordance with the highest ethical standards.

We communicate our common vision of how we wish to do business to all our people through our Board Approved Anti-Bribery Policy (ABP), which lays out a framework applicable to all Shanta personnel, including directors, officers, and employees across our operations. We also comply fully with key legislation in all relevant jurisdictions and were not in breach of any during 2022.

Inappropriate conduct, or that which is suspected of being inappropriate is taken very seriously and communicated to our Anti-Bribery Officer. We encourage a culture of transparency, and if there is any suspicion that behaviour by employees or those within our supply chain is contrary to the laws of the jurisdictions we operate in, or is unethical in nature, we instruct that this be reported through the appropriate channels.

We provide guidance around what should be interpreted as a bribe – including unapproved charitable donations, gifts, lobbying activities or political contributions, and facilitation payments to suppliers or contactors. No employee should ever make personal gain using opportunities, information, or property acquired from their position within Shanta. We have robust accounting systems in place to ensure that use of company funds is properly and accurately documented, and accountability for individual and collective actions is upheld.

Our policy is not to make payments to political parties or engage in lobbying activity, whether directly or indirectly, unless specifically approved by the Board. We recognise that political contributions at all levels represent a key risk for our company and others across the mining sector. This is especially the case during sensitive times, for example when bidding for or renewing licences and major contracts.

We have financial limits in place for all gifts and hospitality offered or accepted by our team, and our underlying principle is that the recipient of a gift or hospitality should not, consequently, feel beholden to the giver. We also prohibit the provision of gifts or hospitality to any public officials as defined in our ABP unless prior approval has been granted by the Anti-Bribery Officer, and report on all gifts or hospitality.

Management systems

To support our approach to business ethics we have developed strong processes and controls which we expect our team and third parties to follow. These are supported by appropriate IT and accounting systems and software which enable clear tracking and audit trails.

Our Procurement Policy integrates ethical behaviour in the procurement of goods, equipment, site works and services and engagement with suppliers. We source through formal closed tender procedures with companies from an approved vendor list. Our Procurement Team keep records of contracts and purchase orders to ensure accountability of purchases made.

Embedded within this policy is a Code of Conduct, which includes ensuring that information regarding the tender process is kept protected and confidential, and that all suppliers and contractors are treated fairly without bias or prejudice. In addition, no assistance or information can be offered to suppliers by our team that might provide an unfair advantage over competitors.

To avoid conflicts of interest, our employees are required to make a written declaration of interest to their respective Head of Department, specifically where they or a relative have shares or financial involvement with a supplier, or for any reason have regular social contact with any owner, shareholder, or employee of a Shanta supplier. Should any of this be the case, the employee must immediately cease from conducting business with the relevant supplier or contractor.

Respecting human rights

Adverse impacts to human rights can arise directly from mining operations or indirectly through the supply chain. This can be a particular risk for companies with assets in conflict zones, or areas that are near vulnerable communities, including indigenous peoples.

We support the human rights of all our stakeholders as defined in the International Labour Organisation's (ILO) fundamental principles. We work to ensure we do not cause or are complicit in human rights abuses either through our direct work or business relationships. We identify potential human rights impact through several methods, including environmental and social impact assessments, health and safety risk assessments, supplier due diligence, community and employee grievance mechanisms and general stakeholder engagement processes.

We give special consideration to vulnerable groups during land access and resettlement processes, recognising that these groups often have a weaker voice than others, and in the past have reached peaceful and successful relocations at New Luika and Singida.

Our asset protection team are essential to upholding security at our operations. They work hard to create the right relationship with our local stakeholders to ensure respect for human rights. Specifically, our teams at New Luika and Singida work in conjunction with Songwe and Ikungi district to align to the Voluntary Principles on Security and Human Rights, around which we also provide training.

In 2022, no human rights incidents or impacts were recorded from our business activities through internal or external mechanisms. None of our operations with proved or probable reserves are in or near areas of active conflict, or in areas that are considered to be indigenous people's land.

In 2023, we will perform a preliminary assessment of our most significant human rights issues in line with the United Nations Guiding Principles ("UNGPs") – those that are considered most at risks due to our activities. We will work to continue to align with the Voluntary Principles on Security and Human Rights.





Appendix

SASB Index – Metals and Mining Standard

Topic	Disclosure	Description	Location/information
Greenhouse Gas Emissions	EM-MM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Climate Change & Energy Use, page 37
	EM-MM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Climate Change & Energy Use, page 37
Air Quality	EM-MM-120a.1	Air emissions of the following pollutants: (1) CO ₂ , (2) NO _x (excluding N ₂ O), (3) SO _x , (4) particulate matter (PM10), (5) mercury (Hg), (6) lead (Pb), and (7) volatile organic compounds (VOCs)	Air Quality & Weather, page 44
Energy Management	EM-MM-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Climate Change & Energy Use, page 37
Water Management	EM-MM-140a.1	(1) Total fresh water withdrawn, (2) total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Water Stewardship, page 39
	EM-MM-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	None
Waste & Hazardous Materials Management	EM-MM-150a.1	Total weight of tailings waste, percentage recycled	Tailings Management, page 41
	EM-MM-150a.2	Total weight of mineral processing waste, percentage recycled	Tailings Management, page 41
	EM-MM-150a.3	Number of tailings impoundments, broken down by MSHA hazard potential	None
Biodiversity Impacts	EM-MM-160a.1	Description of environmental management policies and practices for active sites	Biodiversity, page 45
	EM-MM-160a.2	Percentage of mine sites where acid rock drainage is: (1) predicted to occur, (2) actively mitigated, and (3) under treatment of remediation	Biodiversity, page 45
	EM-MM-160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Biodiversity, page 45
Security, Human Rights & Rights of Indigenous Peoples	EM-MM-210a.1	Percentage (1) proved and (2) probable reserves in or near areas of conflict	None
	EM-MM-210a.2	Percentage of (1) proved and (2) probable reserves in or near indigenous land	None
	EM-MM-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	Respecting Human Rights, page 49
Community Relations	EM-MM-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	Community Engagement, page 29
	EM-MM-210b.2	Number and duration of non-technical delays	Zero
Labour Relations	EM-MM-310a.1	Percentage of active workforce covered under collective bargaining agreements, broken down by U.S. and foreign employees	Labour Relations, page 24. Breaking this information down by US and foreign employees is not applicable
	EM-MM-310a.2	Number and duration of strikes and lockouts	None
Workforce Health & Safety	EM-MM-320a.1	(1) MSHA all-incidence rate, (2) fatality rate, (3) near miss frequency rate (NMFR) and (4) average hours of health, safety, and emergency response training for (a) full-time employees and (b) contract employees	Safety, page 21
Business Ethics & Transparency	EM-MM-510a.1	Description of the management system for prevention of corruption and bribery throughout the value chain	Business Ethics, Transparency, and Accountability, page 48
	EM-MM-510a.2	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	None
Production of (1) metal ores and (2) finished metal products	EM-MM-000.A	Metric tons (t) saleable	Highlights in 2022, page 5
Total number of employees, percentage contractors	EM-MM-000.B	Number, percentage (%)	Highlights in 2022, page 5

ESG performance tables

Safety performance

	2022	2021	2020
Fatality Frequency Rate per 1,000,000 hours worked			
New Luika Gold Mine	0.00	0.00	0.00
Singida Project	0.00	0.00	0.00
West Kenya Project	0.00	n/a	n/a
Group	0.00	0.00	0.00
Lost Time Injury Frequency Rate ("LTIFR") per 1,000,000 hours worked			
New Luika Gold Mine	0.42	0.00	0.00
Singida Project	0.85	0.00	0.00
West Kenya Project	2.23	n/a	n/a
Group	0.75	0.00	0.00
Total Recordable Injury Frequency Rate ("TRIFR") per 1,000,000 hours worked			
New Luika Gold Mine	0.42	0.88	0.97
Singida Project	0.85	0.00	0.00
West Kenya Project	4.46	n/a	n/a
Group	1.51	0.67	0.97

Note: not including West Kenya Project – statistics unavailable for 2021, records begun in Jan-22

Occupational Health performance

	2022	2021	2020
Work related injuries			
New Luika Gold Mine	14	10	8
Singida Project	4	2	-
West Kenya Project	1	1	3
Group	19	13	11
Lost days due to illness			
New Luika Gold Mine	1,382	708	631
Singida Project	186	134	-
West Kenya Project	56	11	6
Group	1,624	853	637

Group employees

	2022	2021	2020
Gender			
Female	93	76	64
Male	821	778	700
Total	914	854	764
Country			
Tanzania	867	810	736
Kenya	36	33	15
Expatriates	11	11	13
Total	914	854	764

Note: West Kenya Project acquired in 2020

Community investment

	2022	2021	2020
Spend on community projects (US\$'000)			
New Luika	167	192	264
Singida	86	83	2
West Kenya	34	36	5
Total	287	311	271

Shanta Group energy consumption and GHG emissions

	2022	2021	2020
Greenhouse gas emissions (tCO ₂ e) Scope 1 & 2	44,726	41,764	37,913
Gold sales	62,707	57,517	83,228
Emissions intensity (tCO ₂ e /Au oz sold)	0.71	0.73	0.46
Energy consumed (GJ)	602,378	549,763	518,380
Energy intensity (GJ/Au oz sold)	10	10	6

Note: records for GHG accounting begun in for 2020 as the benchmark year

New Luika Mine water use (000m³)

	2022	2021	2020
Water withdrawn¹	489	277	325
Jamhuri	274	206	295
Luika Weir	0	1	2
Boreholes	31	19	20
Hippo Dam	174	51	8
Water discharge²	0	0	0
Water consumption³ (m³)	489	277	325

1. Water withdrawn is water received or extracted that is used for operation or stored

2. Water discharge is water removed from the facility and discharged to the water environment or a third party

3. Water consumption is sum of: water evaporated during withdrawal, usage, and discharge + water that is directly or indirectly incorporated into mining + water that doesn't return to the same catchment area from which it was withdrawn

Singida water use (000m³)

	2022	2021
Water withdrawn¹	26	19
Borehole 08	10	0
Borehole 14	16	19
Water discharge²	0	0
Water consumption³ (m³)	26	19

1. Water withdrawn is water received or extracted that is used for operation or stored

New Luika Gold Mine tailings

	2022	2021	2020
Tailings waste deposited (tonnes)	874,843	958,532	712,945
Percentage of tailings waste recycled (%)	-	-	-
Percentage of tailings water recycled (%)	90	98	90
Evaporation (mm per 24 hours)	7.8	8.0	7.2

ESG Policies and Management Systems

Category	Policy or Management
Governance	Anti-Bribery Policy
	Disciplinary Policy & Procedure
	Procurement Policy
Environmental	Environmental Policy
Social	Apprenticeship Policy
	Equal Employment Opportunity Policy
	Harassment & Discrimination Policy
	Localisation Policy
	Medical Policy
	Occupational Health Policy
	Performance Management Policy
	Recruitment & Selection Policy
	Social Responsibilities Policy
	Talent Management Policy
	Training & Development Policy

Glossary of terms

AEMR	Annual Environmental Monitoring Report
AISC	All In Sustaining Costs
AMCOS	Agriculture Market Cooperative Society
AMREF	African Medical and Research Foundation
ASM	Artisanal and Small-Scale Mining
CPI	Corruption Perception Index
ECMP	Emergency Crisis and Management Plan
EITI	Extractive Industry Transparency Initiative
EMA	Environmental Management Act
EMCA	Environmental Management and Coordination Act
ERP	Emergency Response Plan
ERT	Emergency Response Team
ESG	Environmental, Social, and Governance
ETG	Export Trading Group
GHG	Greenhouse Gas
GISTM	Global Industry Standard on Tailings Management
HFO	Heavy Fuel Oil
IPCC	Intergovernmental Panel on Climate Change
i-PUSH	Innovative Partnership for Sustainable Healthcare
LTI	Lost Time Incident
MSCI	Morgan Stanley Capital International
NEMC	National Environmental Management Council
NHIF	National Hospital Insurance Fund
New Luika	New Luika Gold Mine
OSHA	Occupational Safety and Health Authority
RWD	Return Water Dam
SASB	Sustainability Accounting Standards Board
SDGs	Sustainable Development Goals
SMAP	Mining Agriculture Improvement Program
SMCL	Shanta Mining Company Limited
TANESCO	Tanzania Electric Supply Company Limited
TBS	Tanzanian Bureau of Standard
TCFD	Task Force on Climate-related Financial Disclosures
TRIFR	Total Recordable Injury Frequency Rate
TSF	Tailings Storage Facilities
UN	United Nations
UNGP	United Nations Guiding Principles
WHO	World Health Organisation
WRD	Waste Rock Dump
WRI	World Resources Institute

