INTRODUCTION

At K92 Mining, we have the privilege of owning and operating a gold mine in Papua New Guinea (PNG), a land rich in natural and mineral resources and one of the world’s most diverse countries, with more than 800 native languages. By putting sustainability at the heart of our business, we believe that we can be a catalyst for social and economic development in PNG and create long-term value for all of our stakeholders.

Table of contents

About K92 3
A Message from Our CEO 4
Our Approach 5
Our People 8
Our Communities 11
Environment 14
Sustainability Performance 17

About this report
This is K92’s first annual Sustainability Report, which provides an overview of how we manage key aspects of environmental and social responsibility, along with 2019 and 2020 performance highlights and key metrics from the SASB Metals and Mining Standard. Sustainability data for our 2019 fiscal year (ended December 31, 2019) can be found on pages 17 and 18. Unless otherwise noted, financial figures are in U.S. dollars.
ABOUT K92

K92 owns and operates the Kainantu Gold Mine in the Eastern Highlands province of Papua New Guinea. The Kainantu Gold Mine is a high-grade, low cost underground mine in a region known for Tier 1 deposits. The company successfully commissioned the Stage 2 processing plant expansion in September 2020, which is expected to double annual throughput to 400,000 tonnes and increase annual gold production to more than 120,000 ounces beginning in 2021. A Preliminary Economic Assessment for further expansion has been completed, and additional economic studies and drilling are underway.

K92 is headquartered in Vancouver, BC, and traded on the TSX Venture Exchange (symbol: KNT) and OTCQX (symbol: KNTNF) until December 2020, when it graduated to the Toronto Stock Exchange (TSX).

Our host communities

Ninety-seven per cent of land in PNG is traditionally owned by clans, people who are related by a common ancestor with an origin in a particular place. The traditional owners of the land that K92 leases total about 48 clans, with a population of close to 21,000 people. For the purposes of our mining activities, they are divided into two main groups:

- **Mining lease landowners** – Bilimoia people
- **Associated infrastructure group (AIG) landowners** – Unantu, Pomasi and Watarais peoples

---

**82,256 ounces**

2019 gold equivalent production

**120,000 ounces**

Expected life-of-mine average gold equivalent production once Stage 2 expansion is completed

**≈725 km²**

Top 50 performer on the TSX Venture and OTCQX for two consecutive years
A MESSAGE FROM OUR CEO

I am pleased to introduce K92’s first Sustainability Report. While being a responsible miner has been a priority for us from day one, we have now reached a stage where our stakeholders are experiencing the benefits of our efforts in a meaningful way – and we felt it was time to start reporting more comprehensively on our activities. This first report, which covers 2019 and some of 2020, will be followed by a more detailed 2020 report by the middle of next year.

A major milestone for our company, and our contribution to PNG, was achieved in 2020 with our first and second payments of corporate tax, totalling PGK17.6 million ($5.0 million) in July and PGK7.6 million ($2.2 million) in October. These payments were made possible through our achievement of profitable operations at the Kainantu Gold Mine just over two years after we declared commercial production, and despite major capital expenditures including the recently commissioned processing plant expansion, mine mobile equipment, infrastructure and camp.

Our first corporate tax payment was well ahead of schedule and reflects our commitment to sharing the economic benefits from the success of our operations. The company makes ongoing royalty payments on gross sales of two per cent (2019: PGK10 million). A 0.5 per cent on gross sales levy (2019: PGK2.5 million) to the PNG Mineral Resources Authority is also paid on an ongoing basis.

We could not be more pleased. While we are guests in PNG and operate on other people’s land, we are also very much a part of the local communities and we want to see them thrive. We provide support by paying taxes and royalties, but also by maintaining safe and environmentally responsible mining operations, engaging regularly with communities, investing in PNG’s future through education and training, helping develop infrastructure and services, and providing employment and economic opportunities for Papua New Guineans.

Among our other achievements:

- Ninety-six per cent of our employees were PNG nationals in 2019, with many holding senior management positions, and the large majority of workers coming from the local communities.
- Operations and construction projects have continued during the COVID-19 pandemic, although not without challenge. Our teams have had to undertake multiple projects without the benefit of having foreign specialists on site as would normally be the case. Their progress has been outstanding, and they have set a high bar for future projects.
- In July 2020, we reached an agreement in principle on a revised, five-year Memorandum of Agreement (MOA) between K92 and local landowners, and PNG state, provincial and local governments. By law, every mine in PNG must have an MOA, which serves as the framework for how companies engage with local communities and deliver the benefits of mining to these communities.

We are excited about the coming year, which will provide many positive outcomes for all of our stakeholders. We are expecting record annual production, committing to another major expansion over the next three years, and planning to increase employment in 2021, 2022 and likely beyond.

Thank you for taking the time to read our report. I would also like to take this opportunity to thank our entire K92 team and the PNG governments and local communities for their support and willingness to work together to create shared value for us all.

Sincerely,

John Lewins
Chief Executive Officer and Director
K92 Mining Inc.
OUR APPROACH

At K92, we view sustainability as an integral part of our business. To be successful, we must create long-term value for all of our stakeholders. As important as it is to run our business and operations efficiently, we must also focus on the prosperity and development of PNG and local communities, and apply industry best practices when it comes to protecting people and the environment.
GOVERNANCE AND CONDUCT

At the highest level, K92’s Board of Directors is accountable for the company’s sustainability approach and performance. The Board’s Health and Safety Committee has specific responsibility for overseeing health, safety and environmental matters.

Our Code of Business Conduct and Ethics (the Code) sets out our expectations for conducting business to the highest standards of openness, honesty and accountability. The Code applies to everyone working on behalf of our company, including contractors. We also have a Whistleblower Policy for anonymously reporting any potential cases of financial irregularity, fraud or misconduct.

In addition to upholding the Code, we align our policies, practices and contracts with recognized frameworks and initiatives that promote ethical behaviour and respect for human rights:

• We have zero tolerance for bribery and corruption, and comply with the Canadian Extractive Sector Transparency Measures Act (ESTMA), which aims to deter corruption in the global extractive sector by requiring companies to report any payments given to government bodies. K92’s 2019 report, filed in October 2020, is published on the ESTMA website.

• In the interest of transparency, the MOA between K92 and PNG governments and landowners requires that all payments received from our operations be reported in compliance with the standards and best practices of the Extractive Industries Transparency Initiative (EITI).

• Our approach to security is based on the Voluntary Principles on Security and Human Rights (the VPs), which provide a framework for maintaining safe and secure operations while respecting human rights. K92’s contracts with private security providers align with the VPs, and our site security team conducts regular briefings and discussions with security providers and local police to ensure they are aware of the VPs and how to apply them in daily security practice.

SUSTAINABLE DEVELOPMENT GOALS

The United Nations’ Sustainable Development Goals (SDGs) are a call to action for all countries to work together to end poverty, protect the planet and ensure that all people are able to enjoy peace and prosperity, today and in the future.

The 17 SDGs serve as a guide for our sustainability efforts, and we have included examples of these efforts throughout this report. Our key areas of focus are food security (SDG 2), good health and well-being (SDG 3), quality education (SDG 4), gender equality (SDG 5), clean water (SDG 6), decent work (SDG 8) and infrastructure development (SDG 9).

“We are very committed to mining the exceptional natural resources of the Kainantu Gold Mine in a socially responsible manner and in many cases exceeding what is expected from us.”

– Philip Samar, Vice President, Government and Community Affairs, K92 Mining, and former Managing Director, Papua New Guinea Mineral Resources Authority
ENGAGING WITH STAKEHOLDERS

We aim to be part of the communities that host our operations, and a partner to PNG’s governments in achieving their social, economic development and environmental goals. By engaging regularly with them – as well as with our employees, contractors, shareholders and industry peers – we are better able to understand and respond to their needs and expectations, and to collaborate on mutually beneficial solutions. Here are some recent engagement examples:

MOA review
In 2020, K92 leaders joined representatives of our host communities and PNG state, provincial and local governments in meetings organized by the Mineral Resources Authority to review and renew the Kainantu Gold Mine MOA. The MOA sets out how benefits from the mine will flow through to PNG stakeholders, and includes business development and supply and procurement plans, among other things (see page 13). An agreement in principle was reached in July, and we expect the MOA to be signed off by all parties in early 2021.

Exploration access
At the start of a major drill program in our licence area, we held meetings with Kapore landowners to educate them on our exploration process. For all exploration activities, we try to provide jobs to locals and give them the necessary technical training. Over the course of 2019 and 2020, K92 hired at least 300 community members for exploration-related work and trained well over 100 in exploration technical skills.

Industry involvement
K92 CEO John Lewins sits on the Council of the PNG Chamber of Mines and Petroleum, an active industry organization whose mission is to promote the mineral and petroleum exploration potential of PNG and the development of a world-class sustainable resources industry that provides benefit streams to improve the welfare of all Papua New Guineans.

In the community
K92 opened a project office in Kainantu Town in 2020, which will be the base for literacy training and other community programs. We also publish a bi-monthly newsletter, which features photos of projects and local residents. We are establishing a radio station that will be used for educating people about mining, announcing business opportunities and community programs, and keeping communities informed of our activities.

Joint OHS Committee
K92’s joint Occupational Health and Safety (OHS) Committee, composed of safety representatives from each department, meets monthly to discuss current issues and training needs. The committee also spearheads education campaigns, offering health and safety tips that apply not only to the workplace, but to workers’ homes and communities as well.
OUR PEOPLE

DEVELOPING COMMUNITY CAPACITY

By hiring and training Papua New Guineans, we develop capacity in our host country and deliver long-lasting benefits.

676 employees
plus 188 contractors

≈96% of employees are PNG nationals
OUR APPROACH TO TALENT MANAGEMENT

We are proud that almost all K92 employees are PNG nationals, with the majority coming from local communities. For many local landowners, working at K92 is their first formal job. Not only does K92 benefit from their service, so too does PNG – the skills people acquire in our operations are transferrable to other jobs and help drive the country’s economic development.

Under the MOA, K92 is required to focus initially on recruiting from our host communities: with 70 per cent of recruits coming from the mining lease landowning people, the Bilimoias, and the remainder from the Pomasi, Unantu and Watarais communities. When we are unable to meet the initial 70 per cent threshold, we reach deeper into the other host communities.

For specialized skills, we typically recruit from Kainantu Town, which is the local government centre, from the wider Eastern Highlands province and from across PNG. Expatriates, who make up about four per cent of our workforce, are mainly in senior management and highly specialized roles. Our goal is for this to change over time, as more and more locals develop the necessary management and technical skills. PNG nationals already occupy several senior management positions.

Employee training takes many forms, with a strong focus on helping workers become certified to operate large trucks, loaders and other heavy mobile equipment. Once they have verification of competency, they can move up the ranks in our operations or qualify for jobs at other industrial operations. We have also introduced initiatives to help women in our workforce advance their careers.

2019 PNG Employees by Origin

“Hiring local and continuing to upgrade skills are very important for the long-term development of the community. We have seen a real progression of skills in our workforce, to the extent that one of our local landowners is now a jumbo operator, which is the most senior underground operator role.”

– Warren Uyen, Senior Vice President, Operations, K92 Mining
HEALTH AND SAFETY

First and foremost, K92’s success depends on a strong health and safety culture. Our Health, Safety and Environment Policy emphasizes our commitment to going above and beyond statutory requirements and industry standards to protect people and nature.

K92’s health and safety management system and procedures are based on ISO 45001 and OHSAS 18001 standards. Safety training is ongoing and includes pre-start and toolbox talks, stop-work meetings if necessary, safety alerts via notice boards and emails, contractor meetings, and activities initiated by the joint Occupational Health and Safety Committee.

We engage in three different levels of risk assessment: brief individual risk assessments before embarking on a task; job safety and environmental analyses, which document the risks associated with specific activities and the measures to be put in place to control them; and formal risk assessments involving representatives from multiple departments for higher-level risks.

To protect workers’ health, we operate a modern underground mobile equipment fleet with scrubbing systems installed, which improve air quality by removing particulate matter.

As a result of our efforts, K92’s safety record is one of the best among mining companies in PNG and the Australasia region. In 2019, we recorded our first lost-time incident (LTI) in three years, when a worker fractured his wrist. Any LTI triggers an in-depth investigation to determine the root cause and add checks and controls if needed. Lessons learned are incorporated into safety training.

Health clinics

The Kainantu Gold Mine camp health clinic is run by PNG doctors, nurses and health extension officers, and includes a laboratory that has been critical for COVID-19 testing and is being expanded to enable additional standalone testing on site. While intended for K92 employees, the clinic often provides emergency support to people living very close to the mine.

We also support health clinics in the communities, paying for nurses, medicine and infrastructure. In 2019, K92 contributed to the rehabilitation and reopening of the Bilimoia community clinic, including partnering with the community to install a hot water system on the roof.

Sharon Tas was promoted from our on-site health clinic, where she worked as a nursing officer, to oversee the newly reopened K92-sponsored community clinic in her home village of Bilimoia 1. Having completed additional training, Sharon is qualified to give Bilimoia’s tuberculosis sufferers necessary treatments so they can avoid the difficult 2.5-hour trek to Kainantu Town.

COVID-19 response

Given the prevalence of diseases such as typhoid and malaria, PNG had strong pandemic and disease management plans in place before COVID-19 struck and was able to respond quickly and effectively.

At K92 operations, we implemented stringent practices as well, requiring all workers to quarantine upon arrival at the site, testing people prior to releasing them from quarantine, and drawing up longer rosters to address the need for workers to quarantine.

K92 also created a PGK1.5 million ($440,000) COVID-19 assistance fund to support government efforts to combat the pandemic.
OUR COMMUNITIES

BUILDING RESILIENCE AND SELF-SUFFICIENCY

K92 community programs seek to improve the quality of life of landowners and enhance their self-sufficiency.

PGK2,218,376 ($665,000) investment in local communities in 2019, up from PGK1,058,380 ($321,000) in 2018

PGK1.5 million ($440,000) COVID-19 assistance fund created to support government efforts to combat the pandemic
OUR COMMUNITIES

OUR APPROACH TO COMMUNITY RELATIONS

Our 30-person community affairs and sustainable development team brings to life our commitments to our host communities, going above and beyond the requirements of our MOA. The overall sustainable development objective is “to ensure that our impacted communities are able to thrive self-sufficiently without dependence on the mine.”

Composed of experienced community relations practitioners, the team includes eight village liaison officers who act as K92’s eyes and ears in their own villages and three women in specialist roles focused on empowering women, promoting agricultural production and running the Bilimoia health clinic.

We focus on three areas:

• Government relationships – working with local, provincial and national governments and the police.
• Exploration – making initial contact with communities, educating people on what to expect, and keeping lines of communication open between K92 and the community.
• Operations – integrating the community and the company through formal engagements in villages where we operate. We get involved in a wide variety of programs aimed at building community self-sufficiency in collaboration with these communities.

We have started a rolling sustainable livelihoods survey to document and model the various forms of capital and assets that communities already have or of which they may not even be aware. This work creates a complete picture of the natural system in which people live and the social and economic systems they have created for themselves, allowing us to help build on communities’ strengths and reduce their weaknesses through carefully designed programs and projects. The work also enables us to monitor the progress of existing projects more closely.

“Sweat equity is part and parcel of all our sustainable development projects in our host communities. Sweat equity leaves a legacy of life skills passed on from the people involved to their children in knowing how to care for and maintain the most needed facilities to improve livelihoods.”

– Mark Schubert, General Manager, External Affairs and Sustainable Development, K92 Mining

Education

Education drives development, exposing people to new skills and opening doors to new ideas and possibilities for their lives and communities as literacy improves. K92’s community education program covers a range of activities, from building and refurbishing schools, to teaching people how to read, to paying school fees, to offering scholarships and apprenticeships.

K92 provided tertiary (post-secondary) scholarships, covering half of the fees, for 56 qualifying students from host communities in 2019. We also assist parents in these communities by paying part of their children’s primary and secondary school enrolment fees. We pay the full fees for three of the best-performing students in the final year of the mineral processing, mining and geology programs at PNG’s University of Technology and the University of Papua New Guinea.

In addition, K92 has a long-term relationship with the Department of Mining Engineering at the University of Technology in Lae, which includes providing financial assistance (2019 grant of PGK50,000 ($14,900)), working on technical projects to improve mine efficiency and offering work experience to students and recent graduates.

Agriculture development

At least 80 per cent of the Papua New Guinean population lives in rural areas and relies on subsistence agriculture. However, malnutrition is a persistent problem, particularly among young children, who are not getting the protein and nutrients they need to grow.

We have introduced programs to help rural communities raise their standard of living by diversifying their crops and creating agricultural businesses. Through these programs, we provided seed capital, chicks and feed to women in the Marawasa and Pomasi communities to start poultry businesses. We also launched a Sustainable Food Cultivation Program to broaden community knowledge and cultivation of a wider variety of crops through training and experimentation farms.
Women’s empowerment
K92 has introduced a number of programs designed specifically for women, recognizing that PNG women often miss out on the benefits of mining due to cultural norms and challenges. We strive to help them develop the skills needed to protect and improve their lives. In addition to supporting women’s businesses, we offer women-only literacy classes and basic bookkeeping training.

When our Site Services department indicated that it needed curtains for the new accommodation rooms at the site camp, our gender co-ordinator recognized a business opportunity for local women. She subsequently arranged for donations of sewing machines and mobilized several women to sew the curtains and provide mending services for the camp going forward.

Business opportunities
K92 supports the development of sustainable long-term businesses owned by local landowners and is very proud to have been part of the development of multiple local landowner businesses to supply and support the Kainantu Gold Mine.

We prioritize local suppliers and facilitate the creation of local landowner businesses to support the mine through joint ventures (JVs). Designed to operate for the long term, the JVs are set up so that the local landowners own the equipment and gain experience from established supplier partners – as a way of positioning them for future growth including ventures beyond the mine. JVs with the local communities cover services such as transportation, security, camp services, catering, maintenance, mobile equipment and exploration support.

Features of the renewed Kainantu Mine MOA (agreed in principle)

• Five per cent interest in the mine to be acquired by local landowners and the Eastern Highlands government.
• New community project grants program, with a joint committee representing K92, local communities and the local government to decide on grants in response to project proposals from the communities.
• Training for landowners wanting to do business with K92, and anybody else who wishes to further their education, in areas such as literacy, numeracy and a range of business topics.
• Supply and procurement plan with guidelines for choosing prospective suppliers and preference given to local communities.

With heavy rainfalls frequently wiping out roads and bridges, and isolating communities, K92 has an ongoing program of building bridges, and constructing and upgrading roads. We also provide transportation services to connect communities and support trade.
ENVIRONMENT

PROTECTING THE PLANET

By applying industry best practices, we aim to preserve the delicate balance between human progress and the natural environment.

PGK $20,000 ($6,000) donated in 2020 to support the PNG government’s 10 million trees planting program

PGK $120,000 ($35,000) spent on community water projects in 2019

PHOTOGRAPH: LUKE PUNA
OUR APPROACH TO ENVIRONMENTAL STEWARDSHIP

We see environmental stewardship as a fundamental responsibility of a mining company. We manage our impacts to ensure that our activities and the natural environment can coexist for the collective benefit of all – both for today and for future generations.

Among the key features of our approach:

- Our environmental management system is based on the ISO 14001 standard.
- Exploration is conducted in ways that minimize disturbance to the environment and people.
- The environmental footprints of the underground mine, processing plant and tailings facility are designed to be as small as possible. The tailings impoundment has an ultimate capacity of approximately four million tonnes, of which about 300,000 tonnes has been used as of the third quarter of 2020.
- No cyanide is used on site.
- Essentially all of the waste rock from mining is backfilled underground or repurposed at the tailings storage facility.
- Other waste is separated according to whether it is biodegradable, hazardous, or can be reused or recycled, and is then picked up by local contractors to be managed appropriately.
- The K92 nursery grows seedlings, which we use in rehabilitating land after we have disturbed it and share with our communities to support their environmental programs.
- K92 submits quarterly and annual reports on our environmental performance to the PNG Conservation and Environment Protection Authority.

Water quality is our main environmental concern, and we control and monitor it very closely. Water discharge from operations and the tailings facility is tested regularly and consistently meets or exceeds environmental quality requirements.

“K92 operates Kainantu Mine as a world-class mining operation with many policies, procedures and practices adopted from Western Australia, one of the premier mining jurisdictions in the world.”

– Dave Weymouth, Occupational Health, Safety, Environment and Training Manager, K92 Mining
ENVIRONMENT

Water
Despite having the third highest rainfall on Earth, PNG has a water problem in that it cannot capture enough uncontaminated water for washing, bathing and drinking. While previous mining companies had installed water supply lines, many of these pipes had been removed over time, or needed upgrading or extensions to meet the current needs of our host communities. For years, residents have had to resort to fetching water from nearby creeks.

K92 has made bringing fresh water to impacted communities a top priority. This has involved conducting needs surveys, improving existing water lines and installing whole new water supply systems. We spent PGK120,000 ($35,000) on community water projects in 2019 and expect to have more than tripled that amount in 2020.

Biodiversity
In celebration of World Environment Day, K92 presented a PGK20,000 ($6,000) cheque to PNG’s Minister for Environment, Conservation and Climate Change toward the country’s decade-long 10 million tree program. Each year, one million new trees are planted to mitigate climate change, protect the environment and improve local communities’ livelihoods. We also donated 20,000 tree seedlings from the K92 nursery to local community schools as part of the program.

Energy
Of K92’s impacted communities, three Bilimoia villages have no access to the local power grid. While community energy supply is not K92’s responsibility, we are helping out where we can by conducting a feasibility study into options such as solar power or a dedicated hydroelectric generator unit to serve these villages.

Pomasi 1 Village celebrated the completion of a water supply project that brings fresh water direct to the community, saving Pomasi women and girls from the backbreaking work of hauling water to and from traditional creek sources. Community members were heavily involved in the work, forming a water users committee and appointing a chair whose job it was to gather workers each morning and direct the daily tasks. The committee will also oversee ongoing maintenance.
## SUSTAINABILITY PERFORMANCE

### Key performance indicators

<table>
<thead>
<tr>
<th>Topic/Issue</th>
<th>Metric/Unit</th>
<th>2019</th>
<th>SASB Code</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial/Operations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial and Operational Performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$ millions</td>
<td>101.7</td>
<td>EM-MM-000.A</td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>$ millions</td>
<td>24.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production of finished metal</td>
<td>AuEq ounces (thousands)</td>
<td>82,256</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employees and Suppliers</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Headcount</td>
<td>Number</td>
<td>676 employees</td>
<td>EM-MM-000.B</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>188 contractors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees and contractors as a percentage of the workforce</td>
<td>Percentage</td>
<td>78.2% employees</td>
<td>EM-MM-000.B</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>21.8% contractors</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Diversity and Inclusion</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PNG employees by nationality</td>
<td>Number</td>
<td>95.6% PNG</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>4.4% international</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Health and Safety</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fatality rate</td>
<td>Rate</td>
<td>0</td>
<td>EM-MM-320a.1</td>
<td>There were 41 near misses in 2019. The NMFR is calculated per 200,000 hours worked.</td>
</tr>
<tr>
<td>Near miss frequency rate (NMFR)</td>
<td>Rate</td>
<td>3.4</td>
<td>EM-MM-320a.1</td>
<td>There were 41 near misses in 2019. The NMFR is calculated per 200,000 hours worked.</td>
</tr>
<tr>
<td>Lost-time injuries (LTI)</td>
<td>Number</td>
<td>1</td>
<td></td>
<td>There were three consecutive years of no lost-time injuries prior to December 2019.</td>
</tr>
<tr>
<td>Lost-time injury frequency rate (LTIFR)</td>
<td>Rate hours</td>
<td>0.083</td>
<td></td>
<td>The LTIFR is calculated per 200,000 hours worked.</td>
</tr>
<tr>
<td>Average hours of health, safety, and emergency response training</td>
<td>Hours</td>
<td>102.96 hours per employee</td>
<td>EM-MM-320a.1</td>
<td>Training consists of emergency response training, general safety training and competency-based training.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>39.98 hours per contractor</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Communities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community investment expenditure</td>
<td>$</td>
<td>665,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditures to community joint ventures with businesses that are nationally owned</td>
<td>$</td>
<td>6,600,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topic/Issue</td>
<td>Metric/Unit</td>
<td>2019</td>
<td>SASB Code</td>
<td>Notes</td>
</tr>
<tr>
<td>-----------------------------------------</td>
<td>-------------------------------------------------</td>
<td>------------</td>
<td>------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Environment</td>
<td></td>
<td></td>
<td></td>
<td>K92 did not track extensive greenhouse gas emissions data in 2019 but aims to report on it in the future. K92’s Occupational Health and Safety, Environment and Training (OHSET) department and the External Affairs and Sustainable Development department have an internal working group looking at long-term sustainability, including greenhouse gas emissions. This group formed in 2020.</td>
</tr>
<tr>
<td>Greenhouse gas emissions</td>
<td>Metric tons of carbon dioxide equivalent (MtCO₂e)</td>
<td>Not available</td>
<td>EM-MM-110a.1</td>
<td>K92 did not track extensive greenhouse gas emissions data in 2019 but aims to report on it in the future. K92’s Occupational Health and Safety, Environment and Training (OHSET) department and the External Affairs and Sustainable Development department have an internal working group looking at long-term sustainability, including greenhouse gas emissions. This group formed in 2020.</td>
</tr>
<tr>
<td>Air emissions</td>
<td>Metric tons (t)</td>
<td>Not available</td>
<td>EM-MM-120a.1</td>
<td>K92 did not track extensive air emissions data in 2019. There will be an increased focus on measuring and improving air quality and emissions as the mine expands. The company is required by environmental permits issued to employ appropriate control measures to minimize aerial emissions. Embedded in the K92 Environmental Management Plan, the control of noise, dust emissions and other airborne contaminants is addressed. This includes minimizing impacts on the surrounding environment during operations.</td>
</tr>
<tr>
<td>Total electricity consumption</td>
<td>Megawatt-hours (MWh)</td>
<td>14,871</td>
<td>EM-MM-130a.1</td>
<td>K92’s aim is to report on full organizational energy consumption in the future.</td>
</tr>
<tr>
<td>Percentage grid electricity</td>
<td>Percentage</td>
<td>82%</td>
<td>EM-MM-130a.1</td>
<td>K92 aims to report on full organizational water consumption in the future.</td>
</tr>
<tr>
<td>Percentage renewable energy</td>
<td>Percentage</td>
<td>82%</td>
<td>EM-MM-130a.1</td>
<td>K92 aims to report on full organizational water consumption in the future.</td>
</tr>
<tr>
<td>Total freshwater withdrawal</td>
<td>Cubic metres (m³)</td>
<td>63,727</td>
<td>EM-MM-140a.1</td>
<td>K92 aims to report on full organizational water consumption in the future.</td>
</tr>
<tr>
<td>Total water discharged</td>
<td>Cubic metres (m³)</td>
<td></td>
<td></td>
<td>K92 aims to report on full organizational water consumption in the future.</td>
</tr>
<tr>
<td>Environmental compliance</td>
<td>Number of fines and non-monetary sanctions</td>
<td>0</td>
<td></td>
<td>There were no significant or reportable environmental issues or incidents in 2019.</td>
</tr>
</tbody>
</table>