



**2017**

## **SUSTAINABILITY REPORT**

For the reporting  
period from January  
to December 2017

**EDV:TSX**

*This is Endeavour's first sustainability report. This report adheres to guidelines as set out by the Global Reporting Initiative ("GRI") and has been prepared in accordance with the Core GRI guidelines, with no External Assurance.*

CAUTIONARY STATEMENT

All amounts in this document are in US\$ unless otherwise stated.

This document contains "forward-looking statements" including but not limited to, statements with respect to Endeavour's plans and operating performance, the estimation of mineral reserves and resources, the timing and amount of estimated future production, costs of future production, future capital expenditures, and the success of exploration activities. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "expects", "expected", "budgeted", "forecasts" and "anticipates". Forward-looking statements, while based on management's best estimates and assumptions, are subject to risks and uncertainties that may cause actual results to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the successful integration of acquisitions; risks related to international operations; risks related to general economic conditions and credit availability, actual results of current exploration activities, unanticipated reclamation expenses; changes in project parameters as plans continue to be refined; fluctuations in prices of metals including gold; fluctuations in foreign currency exchange rates, increases in market prices of mining consumables, possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in the completion of development or construction activities, changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in countries in which Endeavour operates. Although Endeavour has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Please refer to Endeavour's most recent Annual Information Form filed under its profile at [www.sedar.com](http://www.sedar.com) for further information respecting the risks affecting Endeavour and its business.

This document includes certain terms or performance measures commonly used in the mining industry that are not defined under International Financial Reporting Standards ("IFRS"), including "cash operating costs", "all-in sustaining costs" (or "AISC") and "adjusted cash operating costs". Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS, and should be read in conjunction with Endeavour's consolidated financial statements.

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MESSAGE FROM OUR CEO AND PRESIDENT

SÉBASTIEN DE MONTESSUS, CEO AND PRESIDENT



I am pleased to share with you our first sustainability report. Over the following chapters, we set out how we approach the subject of sustainability and responsibility in our mining operations.

While this is our first sustainability report, sustainability itself is nothing new for Endeavour – it is something that we work towards every single day. For many years, individual mines have implemented their own social responsibility initiatives. As the business has developed and we have reshaped our portfolio, we have also developed a stronger corporate function. This now has responsibility for sustainability, as we recognise that we must all – from the leadership down – take responsibility for what happens in our name.

That is why this is a particularly important moment for Endeavour, as we integrate our sustainability approach. This report codifies for the first time how we measure the impact that we have on the world around us, and the programs that we have in place to mitigate any adverse effects that may arise as a result of our activities.

We recognize that building and maintaining trust in our operations is fundamental to achieving a sustainable business. Every day, we make decisions that have direct impacts on our environment and our stakeholders, including our employees, the members of the communities where we operate, and our host governments. These decisions must never be driven by financial considerations alone. At the same time, we are now an important employer and a significant contributor to the economies of several countries. All these factors play a role in our decision making, yet their significance is rarely acknowledged by traditional financial reporting metrics.

“ We recognise that we must all – from the leadership down – take responsibility for what happens in our name. ”

As our business has grown, so has our impact in the countries where we operate. We are now among the largest mining companies in Côte d'Ivoire and Burkina Faso, and we recognise the increased responsibility this brings. We must be transparent with our stakeholders about the risks and opportunities that we face, and the processes and tools that we use to manage them. In turn, this helps us to build and maintain the trust that forms our license to operate.

Our approach to responsible mining is based on four main pillars:

- Health and Safety:** ensuring the safety of our employees is our number one priority, as no tasks are so important that they cannot be performed safely.
- Employees:** developing our people and culture is a competitive strength which is critical to our current and future success.
- Community:** maintaining interaction with all local communities and all stakeholders, including governments, is based on mutual respect and the creation of lasting partnerships and prosperity.

**Environment:** managing our responsibilities in all operations to ensure the environment is protected today and preserved for future generations.

This report looks at each pillar in more detail. While we continue to embed these within our operations – and have embarked on a number of initiatives to ensure that we approach sustainability with the same rigour as our operational excellence targets – we have also chosen to adopt the GRI framework for our sustainability reporting. Beyond our direct impacts, however, we aim to go further by leveraging our operations to leave a sustainable economic footprint around our mines. To this end, we will shortly be launching an economic development fund that seeks to work with local communities and governments to identify sectors and businesses in need of investment, then work with them to fund their development and allow them to thrive. It is measures such as these that will allow us to become a partner of choice for our neighbouring communities and governments. I wish you a pleasant read.




# ABOUT ENDEAVOUR

Endeavour Mining is focused on becoming a premier intermediate African gold producer with a portfolio of high-quality mines.

The company has established a solid operational and construction track record and delivers cash flow from its five operating mines. In 2017, the full-year production was up 12% year-on-year and reached 663koz, at an AISC down \$17/oz to \$869/oz, in line with FY17 guidance. Endeavour also has immediate growth potential through its high-quality development projects, which include the construction-stage Ity CIL (Carbon-in leach) project and DFS-stage (Definitive Feasibility Studies) Kalana project. In addition, Endeavour offers long-term upside through its exploration program, which aims to discover 10-15Moz of gold between 2017 and 2021, which represents more than twice the reserve depletion during the period.

Endeavour shares trade on the Toronto Stock Exchange under the trading symbol EDV. Its corporate office is in London, UK, with an operational office in Abidjan, Côte d'Ivoire. Endeavour sells its gold to a trading company, which is then sent to a refinery.

  
**4,000**  
EMPLOYEES  
WORLD-WIDE

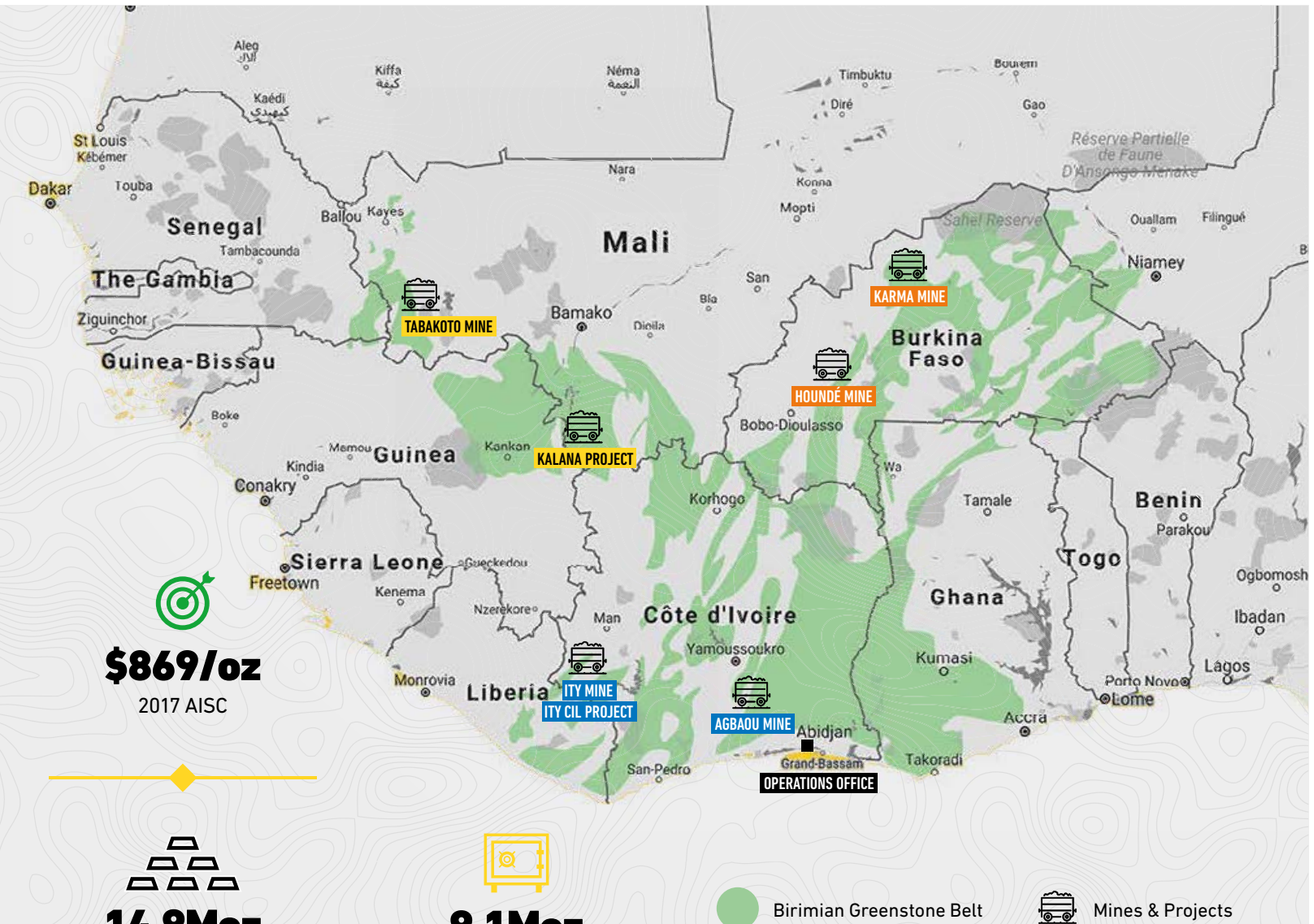
  
**663Koz**  
2017  
PRODUCTION

  
**10-15Moz**  
5-YEAR DISCOVERY  
TARGET

  
**\$869/oz**  
2017 AISC

  
**14.9Moz**  
M+I RESOURCES

  
**9.1Moz**  
P+P RESOURCES



## ITY MINE & ITY CIL PROJECT



Ity has produced over 1.2Moz since its start in 1991. The Ity CIL Project is expected to give a second life to the Ity mine with a long 14-year mine life based on current reserves. The Feasibility Study outlined the potential for Ity to deliver average production of 165Koz over the first 5 years at an AISC of \$507/oz.

## AGBAOU MINE



Agbaou was built ahead of schedule and under the \$160m budget, commercial production was declared in January 2014. Agbaou has delivered very strong cash flows, with a payback period of less than 2 years.

## TABAKOTO MINE



Tabakoto was acquired in 2012 following which the Segala open pit was converted to an underground mine and the Kofi C open pit was commissioned, and mill capacity was doubled. Current efforts are focused on cost-optimization and exploration.

## KALANA PROJECT



The Kalana Project was acquired in 2017, to further strengthen Endeavour's high quality project pipeline. Endeavour expects to take advantage of its construction expertise, operating synergies and exploration experience to re-design and optimize the current feasibility study, which is expected to increase the annual production profile and improve the project economics.

## HOUNDÉ MINE



The Houndé mine was successfully built ahead of schedule and below budget, with its first gold pour occurring in October 2017. Houndé has become the Company's flagship low-cost mine, ranking amongst West Africa's top tier cash generating mines.

## KARMA MINE



The Karma mine was acquired in 2016, shortly after its first gold pour. Karma includes six identified gold deposits and is a shallow open pit with little blasting required and a low strip ratio, making it a low cost operation. In 2017, an optimization project was completed to lift the stacking capacity.



# SUSTAINABILITY AT ENDEAVOUR

Our approach to sustainability is based on our values and Code of Business Conduct and Ethics and reflects our deep respect for our social and natural environments. We want to bring lasting benefits to the regions where we operate by working collaboratively with local stakeholders. We commit to complying with applicable laws and regulations and upholding high standards of business ethics and transparency. Policies and management systems support our commitments and detail processes for managing health, safety and environmental issues and integrating sustainability into our decision-making and everyday practices.

- 1. Governance — 7
- 2. Anti-bribery and corruption — 8
- 3. Materiality — 8
- 4. Stakeholder engagement — 10
- 5. Integrating the United Nation's Sustainable Development Goals — 11

## 1. GOVERNANCE

The Corporate Governance and Health, Safety and Environment (“HSE”) Committees of our Board of Directors direct our sustainability efforts, with the participation of key members of the senior management team. The Committee oversees HSE and corporate social responsibility (“CSR”) policies and practices, and is ultimately accountable for setting sustainability priorities and assessing performance.

Our Board of Directors has extensive and diverse experience in corporate governance, geology, mining, politics, accounting, finance and African diplomatic relations. It is composed of eight Directors, six of which are independent and seven of which are non-executive. We have established Corporate Governance Guidelines to assist our Board and its five committees (Audit Committee, Corporate Governance and Nomination Committee, HSE Committee, Remuneration Committee and Technical Committee) in the exercise of their responsibilities. There were 27 committee meetings held in 2017. Furthermore, we have a regional CSR department under the responsibility of the Executive Vice President of Public Affairs, CSR and Security.



### CORPORATE GOVERNANCE SNAPSHOT

Size of the proposed board	8
Number of independent directors	7
All committee members are independent	✓
Directors are elected annually	✓
Directors are elected individually	✓
Majority voting policy for the election of directors	✓
The roles of Chairman and CEO are separate	✓
Anti-hedging polices	✓
Policy on interlocking directors	✓
Director share ownership guidelines	✓
New director orientation	✓
Continuing director development	✓
Regular assessment of the Board and its committees	✓
Code of business conduct and ethics rooted in core values	✓
Mechanisms to ensure Board renewal	✓



### Our Policies

- › Human Rights Policy
- › Environmental Policy
- › Health and Safety Policy
- › Corporate Disclosure Policy
- › Business Conduct and Ethics Policy
- › Anti-bribery and Anti-corruption Policy
- › Diversity Policy
- › Whistleblower Policy

For more information, please consult the below corporate policies available on our website

## OUR VALUES



Safety



Transparency



Commitment



Respect



Performance

## 2. ANTI-BRIBERY AND CORRUPTION

The importance of business ethics is reflected as the first of the ten principles of the International Council on Mining and Metals (“ICMM”) to implement and maintain ethical business practices that seek to prevent bribery and corruption. Domestic and international laws have been established and enhanced to promote stronger business ethics, and to increase transparency of payments to government. Businesses are also experiencing increasing legal requirements associated with anti-corruption and tax transparency as well as public pressure for general transparency in transactions.

The Corporate Governance Committee of our Board of Directors ensures that we conduct our business in compliance with all anti-bribery and anti-corruption legislation and has adopted a “zero-tolerance” attitude for failure to comply.

The objective of our Business Conduct and Ethics Policy is to provide a procedure that ensures the company, together with its directors, officers, employees, consultants and contractors, conducts its business in an honest and ethical manner, reflecting the highest standards of integrity and in compliance with all relevant laws and regulations in application.

We also comply with the UK Bribery Act of 2010, and in order to equip our teams with the necessary knowledge to identify and respond appropriately to risks of corruption, we conduct a yearly mandatory training program. In 2017, we worked with external consultants to produce an intensive review of our policies across the company to identify potential risks of bribery. Across the group, 186 people whose positions expose them to potential bribery

risk completed the on-line mandatory training. The company intends to replicate this initiative in 2018 to make sure people, including newcomers, remain vigilant to this “no compromise” approach to bribery and corruption.

Lastly, our Whistleblower Policy allows directors, officers, employees, contractors and consultants of the firm and its subsidiaries to make complaints and report concerns on a confidential basis.

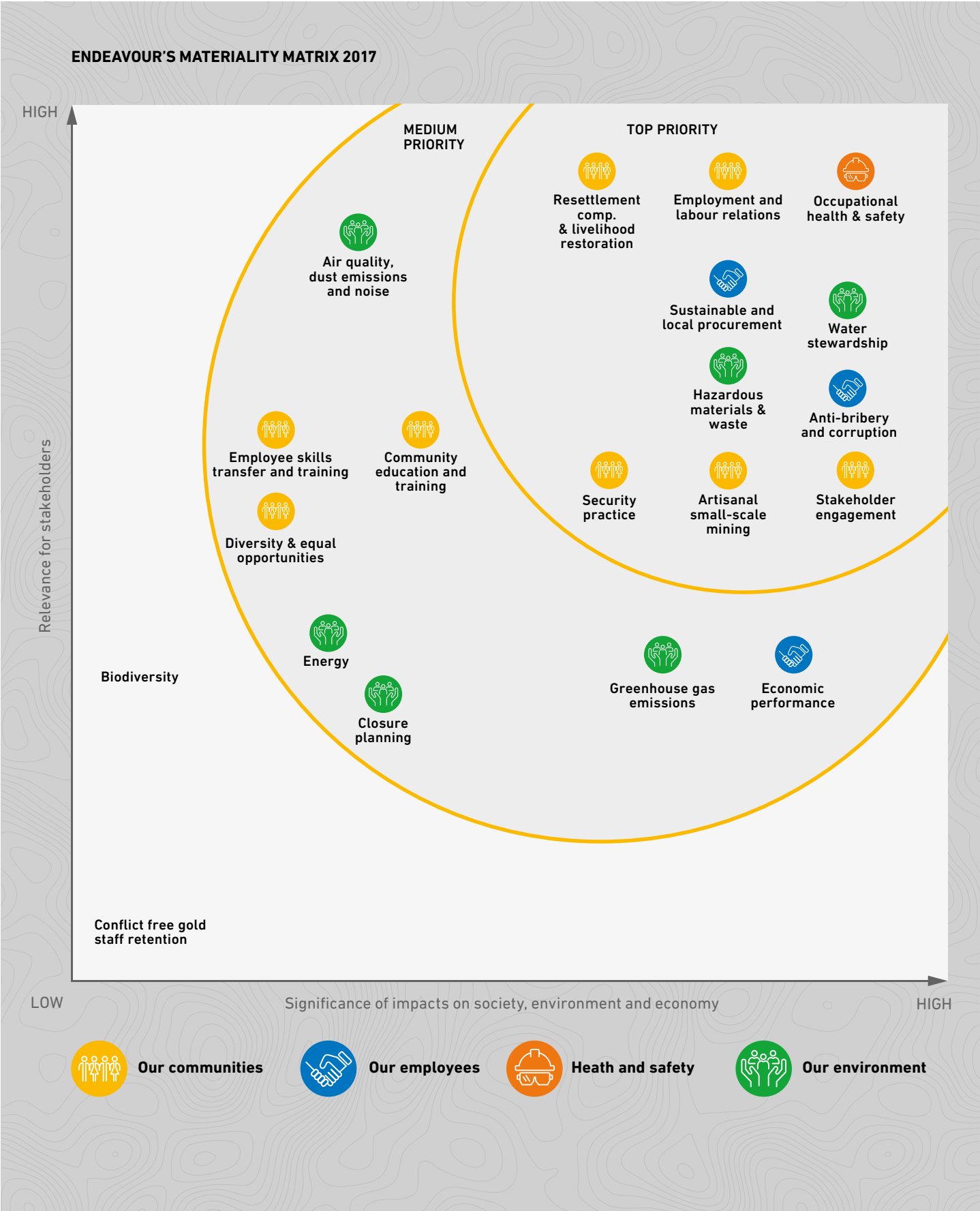


## 3. MATERIALITY

This year, as a first step, a long list of issues were identified upon the study of existing elements within the organization (policies, management systems, communication), relevant frameworks, standards and regulations (eg, GRI Standards, SASB-Framework, Global Compact and Sector standards such as ICMM), sector specific studies, NGO reports, media coverage, and existing contacts with stakeholders inside and outside the company.

The list then went to management - General Managers, Country Managers and regional key functions, who short-listed the most important. As per guidance from the GRI, we have ensured these material issues reflect our company’s significant economic, environmental and social impacts, and matter to our stakeholders. The importance to stakeholders has been assessed indirectly by key persons with contact with these stakeholders.

Our first materiality assessment identified ten top priority issues and eight medium priority issues, as illustrated in our materiality matrix. This matrix was validated by government representatives and our Executive Committee. The senior management team validated the consolidated data and the management approach. Our sustainability efforts are directed at addressing these issues, as highlighted in the upcoming sections of this report.





4. STAKEHOLDER ENGAGEMENT

Building strong and sustainable relationships based on trust and respect with our key stakeholders is of the outmost importance. It is therefore necessary to deepen our understanding of our stakeholders to respond to their concerns and expectations the best we can. It allows us to identify the most effective methods and structures through which

we disseminate project information, and to ensure regular, accessible, transparent and appropriate consultations.

We have site-specific stakeholder engagement plans that are refined and modified throughout the life of the operation. Our goal for 2018 is to develop country stakeholder plans. The stakeholders are

identified during this process based on the degree to which they are affected by our activities and relationships, as well as by their ability to influence the achievement of our business objectives. The materiality analysis reflects the most important concerns to our stakeholders that we address on a regular basis: local employment, local procurement, health and safety.

The eight main categories of stakeholders we engage with, along with the channels we use to interact with them, are represented in the below table.

OUR STAKEHOLDERS

DIALOGUE CHANNELS	1/ COMMUNITIES	2/ EMPLOYEES
	<ul style="list-style-type: none"> <li>› Consultation committees at various levels</li> <li>› Grievance mechanisms</li> <li>› Regular meetings with traditional and religious authorities, as well as other community groups</li> <li>› Consultations, environmental and social impact assessments, public hearings, stakeholder engagement plans</li> <li>› Local cultural and sporting events</li> <li>› Newspapers, radio, television</li> <li>› Newsletters and noticeboards</li> <li>› Participation in local sporting and cultural events</li> <li>› Mine site visits</li> <li>› Community focal points</li> </ul>	<ul style="list-style-type: none"> <li>› Staff representatives</li> <li>› Performance reviews and appraisals</li> <li>› Daily pre-start and toolbox meetings</li> <li>› Training programs</li> <li>› Newsletters</li> <li>› Intranet</li> </ul>
	3/ AUTHORITIES	4/ UNIONS
	<ul style="list-style-type: none"> <li>› Formal meetings and correspondence</li> <li>› Board meetings</li> <li>› Site visits and inspections</li> <li>› Presentation of annual reports</li> <li>› Government and private sector meetings</li> <li>› Chamber of mine meetings and events</li> <li>› National and international mining conferences</li> </ul>	<ul style="list-style-type: none"> <li>› Union representatives' meetings</li> <li>› Formal meetings, correspondence and events</li> <li>› On-site training</li> </ul>
	5/ SUPPLIERS AND CONTRACTORS	6/ SHAREHOLDERS
	<ul style="list-style-type: none"> <li>› Relationship building by procurement team</li> <li>› Supplier appraisal process</li> <li>› Tender documents process or request for quote process</li> <li>› Supply contracts process or purchase order process</li> <li>› Meetings with local businesses plus expediting and quality control</li> </ul>	<ul style="list-style-type: none"> <li>› Investor roadshows</li> <li>› Access to meetings and calls, including with CEO/COO/CF0/VP IR</li> <li>› Conferences and forums</li> <li>› Site visits</li> <li>› Press releases, website and filed TSX regulatory documents</li> <li>› Responding to sustainability questionnaires</li> <li>› Responding to rating agency questionnaires</li> </ul>
	7/ NGOs	8/ MEDIA
	<ul style="list-style-type: none"> <li>› Partners in our community development and livelihood restoration projects</li> <li>› Formal correspondence and meetings</li> <li>› CSR Forums</li> </ul>	<ul style="list-style-type: none"> <li>› Publications and online information</li> <li>› Press releases and market statements</li> <li>› Interviews</li> <li>› Site visits</li> <li>› Short films</li> <li>› Regular coverage of site activities</li> <li>› Meetings with journalists</li> <li>› Press events</li> </ul>

5. INTEGRATING THE UNITED NATION'S SUSTAINABLE DEVELOPMENT GOALS

We support the United Nation's Sustainable Development Goals ("SDG"). We believe that the mining industry has an opportunity to contribute positively to the SDG and we specifically participate in seven of them.



GOAL 1: END POVERTY IN ALL ITS FORMS EVERYWHERE

We aim to contribute to the prosperity of our communities, regions and countries by creating employment opportunities, supporting local businesses through

procurement of goods and services, community investment and payments to governments.

Examples our 2017 contributions included:

- › Nearly \$500 million in economic value distributed in our host countries.
- › Over \$200 million spent with local suppliers.
- › Direct community investments of circa \$2 million across all sites (in addition to the 0.5% community development tax).



GOAL 2: END HUNGER, ACHIEVE FOOD SECURITY AND IMPROVED NUTRITION AND PROMOTE SUSTAINABLE AGRICULTURE

We support communities to increase their agriculture output in order

to meet their immediate needs and sell the surplus.

Examples our 2017 contributions included:

- › Trained circa 530 women, 15 farmers and 120 youth to increase their agricultural production.



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

We value the health and well-being of our staff and community stakeholders.

Examples our 2017 contributions included:

- › Anti-malaria programs.
- › HIV/AIDs awareness campaigns and voluntary testing programs.



GOAL 4: ENSURE INCLUSIVE AND QUALITY EDUCATION FOR ALL AND PROMOTE LIFELONG LEARNING

We aim to increase access to quality education for communities surrounding our operations.

Examples our 2017 contributions included:

- › 10 tertiary bursaries for students in Houndé.
- › 40 prizes for student excellence at primary and secondary level in lty.
- › Construction of 3 classrooms, a management office and latrines for 2 primary schools at Tabakoto mine.
- › Construction of latrines and solar installation in a school at Karma.
- › 186 school kits given to the best students from the primary schools of 5 impacted villages and 3 schools with highest pass rates awarded computers and printers at Agbaou.



GOAL 5: ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

We promote equal opportunity hiring policy and seek to empower women and girls through mentoring and training programs, as well as income-generating activities.

Examples our 2017 contributions included:

- › Currently employ 250 women, representing 6% of total staff, with the aim of increasing this proportion.
- › Women in Mining Program launched at the Houndé mine, designed to provide training and employment for local women.

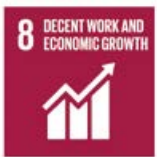


GOAL 6: ENSURE ACCESS TO WATER AND SANITATION FOR ALL

We seek to improve access to water and sanitation for the communities surrounding our operations.

Examples our 2017 contributions included:

- › Rehabilitation of 12 boreholes and drilling of 3 large diameter boreholes around Houndé mine.
- › Drilling of 6 community boreholes for 6 villages around Tabakoto and a solar bowered borehole for the health centre of Tabakoto.



GOAL 8: PROMOTE INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, EMPLOYMENT AND DECENT WORK FOR ALL

We seek to create conditions that allow people to have quality jobs that stimulate the economy.

Examples our 2017 contributions included:

- › Employment opportunities are over 4,000 direct jobs created by our operations, 94% of our workforce are host country nationals.
- › We have spent over \$200 million with local suppliers.

# OUR COMMUNITIES

Our interaction with all local communities and stakeholders is based on mutual respect and the creation of lasting partnerships and prosperity.

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We recognize that local communities are at the heart of our operations' livelihoods and are fundamental to our day to day work. We are committed to building strong relationships and proactively engaging in dialogue with local communities and institutions, as well as the government at a local, regional, and national level. Ultimately, we believe that the construction and operation of our mines can serve as a catalyst for further long-term regional development.

Where resettlement is necessary, we engage with affected communities early on to assess and mitigate the potential impact and work closely with them throughout the process to ensure their expectations and needs are not only met, but exceeded.

We facilitate community development programs with a special focus on education and training – in addition to our mining investments, we are launching and financing other sustainable income-generating projects which seek to build the momentum that will attract other investors and ultimately create a local sustainable economic capital for the region.







1

LOCAL STAKEHOLDER ENGAGEMENT

Maintaining trust through effective community engagement in order to mitigate negative impacts and to maximize positive impacts is a critical component of maintaining a company’s social license to operate, which was ranked as one of the business risks facing the mining and metals sector in 2017/18 by EY<sup>1</sup>. The ICMM established stakeholder engagement as one of its ten Principles.

We acknowledge that community engagement is an important part of doing business for mining companies. As such, we aim to engage with our stakeholders in an open and transparent manner to maintain an open dialogue throughout the life of the mine.

We have site-specific stakeholder engagement programs across our operations to both identify their main concerns and expectations and set a strategy to communicate and engage with them. Our engagement programs are updated on a regular basis and include

WE AIM TO ENGAGE WITH OUR STAKEHOLDERS IN AN OPEN AND TRANSPARENT MANNER TO MAINTAIN AN OPEN DIALOGUE THROUGHOUT THE LIFE OF THE MINE

functional, accessible and widely published external grievance mechanisms that are managed by our community relations teams. In 2018, we will be developping country stakeholder plans.

413-1 OPERATIONS WITH LOCAL COMMUNITY ENGAGEMENT, IMPACT ASSESSMENTS, AND DEVLEOPMENT PROGRAMS

	AGBAOU	ITY	KARMA	HGO	TABAKOTO	KALANA
Social impact assessments, including gender impact assessments, based on participatory processes	2009	Commissioned with Environmental and Social Impact Assessment	Yes	2014	Yes	2016
Environmental impact assessments and ongoing monitoring	Audit every 6 months by an external agency	Data collection and monitoring by Environmental department	Data collection and monitoring by Environmental department	Data collection and monitoring by Environmental department	Data collection and monitoring by Environmental department	Data collection and monitoring by Environmental department
Public disclosure of results of environmental and social impact assessments	2009	No	Yes	2014	Results released to the national accredited departments	2016
Local community development programs based on local communities’ needs	2017	2016 for Local Mining Community Development Fund and 2017 for Ity project	2017	2017	Community Relations activities included in the communal development plan	No formal plan but activities based on consultation and needs
Stakeholder engagement plans based on stakeholder mapping	Updated in 2017	Put in place in 2017	Updated in 2017	Updated in 2017	Updated in 2017	Updated in 2017
Broad based local community consultation committees and processes that include vulnerable groups	Yes	RAP committee put in place	1 formal committee and 2 formal sub-committees	4 formal compensation committees, 1 formal provincial committee and 3 sub-committees	1 formal consultation committee	2 formal Resettlement Action Plan committees
Works councils, occupational health and safety committees and other worker representation bodies to deal with impacts	Health, Safety and Environment (HSE) committee, which also works with staff reps and trade union leaders	Work council and syndicat created for Ity project, HSE committee"	Worker reps and trade union committees, HSE committee"	Worker reps and trade union committees, HSE committee"	Worker reps and trade union committees, HSE committee"	Worker reps and trade union committees, HSE committee"
Formal local community grievance processes	In place - with 4 levels of resolution	2017	In place and translated into local language	In place - with 4 levels of resolution	In place	In place

1\_ Top 10 Business Risks Facing Mining and Metals in 2017-2018. EY: [www.ey.com/Publication/vwLUAssets/ey-top-10-business-risks-facing-mining-and-metals-2017-2018/%24File/ey-top-10-business-risks-facing-mining-and-metals-2017-2018.pdf](http://www.ey.com/Publication/vwLUAssets/ey-top-10-business-risks-facing-mining-and-metals-2017-2018/%24File/ey-top-10-business-risks-facing-mining-and-metals-2017-2018.pdf)

2

ARTISANAL AND SMALL-SCALE MINING

Artisanal and small-scale mining (“ASM”) has become a widespread challenge across the mining industry. Despite government actions to regulate this activity, ASM has experienced strong growth both globally and in West Africa in the recent years, mainly due to the rising value of mineral. ASM is notably associated with negative health and safety, human rights and environmental impacts for local communities.

We estimate that there are over 220 ASM sites, ranging from gold panning sites to semi-mechanized sites across our exploration permits in Côte d’Ivoire, Burkina Faso and Mali. We estimate the number of active ASM sites on or near 83% of our operating sites at 15 and 18 on the Kalana project.

Our strategy consists in constantly monitoring these ASM activities and dialoguing extensively with both artisanal and small-scale miners, and the national and local authorities.


Our security and community relations teams on-site manage ASM activities on our land and make a record of all ASM activities either by foot or using drones. Their roles include conducting risk assessments, controlling and minimizing ASM activities, and monitoring high risk. We ran a survey to identify the various environmental, social and health related risks of ASM. Our environmental evaluation conclusions raised concerns about mercury and cyanide pollution, pollution of rivers from alluvial mining, destabilization of slopes from undercutting, loss of topsoil, disturbance of fauna and flora. The social issues are violent and aggressive behavior, conflict over land

access, child labour, drug and alcohol addiction and prostitution. The hazards to health come from the fumes from mercury, working in dark and damp conditions, and without safety equipment.

As the artisanal and small-scale miners are part of our community of stakeholders and we encourage them to participate in our education and training activities to convert their skills and offer them the possibility to access a different type of employment.

We are also closely working with the national and local authorities as we rely on them for support. Authorities have made progress to tackle this issue. For instance, Côte d’Ivoire has rolled out a closure program, Mali has created a corridor where ASM is legally authorized and Burkina Faso has planned to create a regulatory agency in 2018.

In 2018, we will undertake a group-wide exercise to have a comprehensive overview of all ASM sites on our exploration and exploitation permits with a view to rolling out a group strategy and various action plans depend on priority and risk.



**ASM activity represents<sup>1</sup>:**

**20%**  
of the global gold supply is produced by the ASM sector

**Over 40 million**  
people working in ASM in 2017 world-wide, up from 6 million people in 1993

**Over 54 million**  
people whose livelihoods depend on the sector world-wide

**Over 9 million**  
ASM people in Africa, of which 40 to 50% are women

1\_ Ledwaba & Nhlengetwa, 2016 Persaud et al., 2017) and (IGF, Global Trends in Artisanal and SmallScale Mining, 2018)





3

RESETTLEMENT  
IMPACT

We believe that through our resettlement activities we have the opportunity to make a significant positive contribution to the community development. We therefore conduct our resettlement programs with care, following a Resettlement Action Plan (“RAP”) drafted by external experts and in line with the International Financial Corporation (“IFC”) Performance Standards for land acquisition and involuntary resettlement.

We are aware that if resettlement activities are run well, they can make a significant contribution to development in the areas surrounding their projects. However, if resettlement activities are not managed properly communities can face poverty and social exclusion, and companies can face disruption of the project, and run legal or reputational risks. Our policy is therefore to avoid or minimize the need to resettle people. The community relations team ensures stakeholder consultation and

implication at every stage of this process. The local authorities and leaders guide and advise, while the affected parties are fully engaged and help to shape a process that affects their lives.

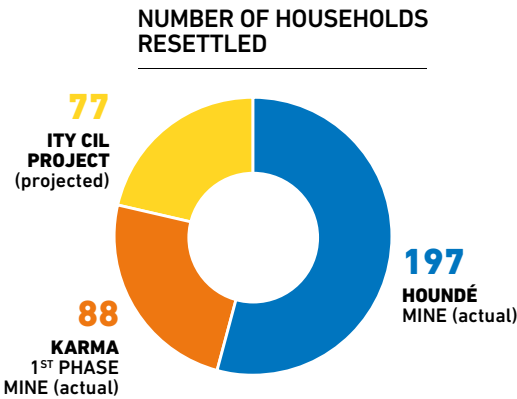
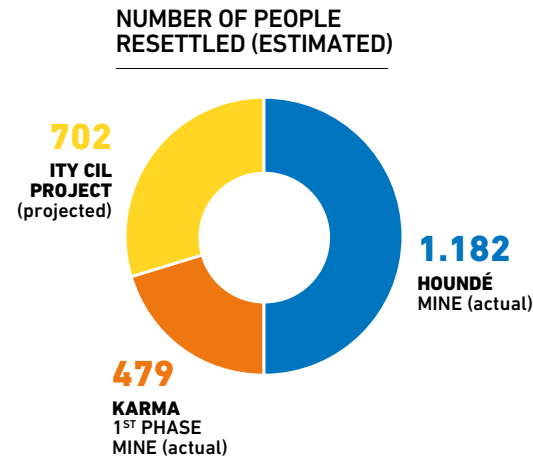
In 2017, the community relations teams completed the resettlement programs at Houndé and Karma’s first phase, while starting the compensation process at Ity for the CIL project. At the newly acquired Kalana project, they reviewed the resettlement action plan.

In 2018, our site resettlement managers will capitalize on this experience with a view to producing Endeavour’s compensation and resettlement best practices guidelines.



The implementation  
has various components:

1. Delimitation of the impacted area and public announcement
2. Identification and inventory of the people affected by the project (“PAP”) and their assets
3. Identification of the resettlement site
4. Calculation of cost to compensate or replace impacted assets
5. PAP decision for in-kind or monetary compensation
6. Monetary compensation payment for impacted assets
7. Construction of resettlement site
8. Moving house for the resettled PAPs
9. Final audit and evaluation



THE KARMA RESETTLEMENT:  
A PEOPLE CENTERED APPROACH

CASE  
STUDY

At the Karma mine in Burkina Faso, some of the residents of Boulounga, the village next to the mine, were resettled on a 60-hectare site some 5 km away. The programme, a two-phase resettlement operation concerned 1,197 residents from 208 households.

Acknowledging that community resettlement is always delicate, it was important for us to listen to the local residents in an aim to not disrupt the social ties that bind communities together. It has always been clear to us that people need to remain at the centre of our thinking when defining the new village structure. With this approach, we developed the Boulounga RAP around two key principles: respect for people and their environment and compliance with international standards.

RESPECT FOR PEOPLE  
AND THEIR ENVIRONMENT

To make residents as comfortable as possible, the resettlement area was designed to reflect the familiar layouts of the properties left behind by their residents.

Working with the Regional Department of Housing and Urban Planning, we strove to keep traditional designs, while ensuring the houses upgraded the living conditions of resettled residents. Unlike the typical Mossi mudbrick houses that must be maintained after each rainy season, we built the new houses with cement bricks, simplifying maintenance. The new lots measure 400m² and can accommodate up to three buildings. Each household has a kitchen. Each lot at the resettlement site has a toilet, a shower and solar power. Resettled residents were also given security of tenure.

Resettlement is also an opportunity to upgrade the community’s facilities. We have thought the new site with solar street lighting and a supply of drinking water. The new mosque has three times the floor area of the old one, with an added minaret, a prayer area for women and a small dwelling next door to accommodate the occasional pilgrim. The primary school, consisting of two buildings of three classrooms, has a multipurpose sports area with a cement floor, and the seven teachers’ houses are all be connected to the drinking water supply system.

ADHERING TO THE HIGHEST  
INTERNATIONAL STANDARDS

In line with our company policy, the resettlement project was conducted within the highest international standards (IFC’s Performance Standard 5) and with the support of an international resettlement expert. Public consultations were



A PAP employee selecting the interior colours for his house.

held at every stage of the project to involve residents in key decisions surrounding the resettlement, from the choice of site, to the house design, paint selection, kitchen and washroom location and tree species to be planted. Key decisions were ratified by a resettlement subcommittee composed of representatives of the Boulounga village reporting to the Community Liaison Committee, which facilitated communications between the mine and the community. A grievance register was also put in place, so residents could register complaints to be addressed, even after the resettlement completion.

Consultations with the community identified early on the importance of turning the resettlement into a local employment opportunity. As a result, 67 of the 270 local workers hired to build the resettlement houses, were residents of Boulounga, while a total of 23 local businesses were contracted to build the washrooms, kitchens and community services.



The new mosque at the resettlement site.



4

TRAINING AND EDUCATION FOR LOCAL AND NATIONAL COMMUNITIES

In our countries of operation, access to education and literacy levels are low and yet, there is a direct and indisputable correlation between access to quality education and economic and social development. The reasons for lack of quality education are the lack of adequately trained teachers, poor conditions of schools and equity issues related to opportunities provided to rural children. We therefore support SDG 4: Ensure inclusive and equitable quality education and promote

life-long learning opportunities, by running programs to improve the quality of education especially to the children of impoverished families through educational scholarships, building of schools and improvement water and electricity access to schools.

In 2017, our community relations teams ran 18 community education projects, impacting approximately 7,330 individuals, through activities such as scholarships, prizes,

vocational training, entrepreneurship training, agricultural training, construction of classrooms and toilets, solar electrification and literacy training.

In 2018, we will focus more closely on supporting the emergence of dynamic and well-educated youth so they can become tomorrow's leaders. We will also concentrate on improving the competencies and employability of the communities around our mines.

5

SECURITY PRACTICES

Security practices for the mining sector consider potential risks to employees and to community members, country risk profiles, and the protection of property and assets. Our security teams serve to protect our employees and our investment. They play an essential role in allowing us to operate in a safe environment and contribute to the security of the local communities and populations.

Our site Security Managers and their teams as well as private security contractors and national security forces (police, gendarme and military) on our operational sites are overseen by the General Manager and the Senior Vice President ("SVP") Security. The gendarmes, police and military who reinforce security on our sites remain accountable to their national chain of command and operate closely with our security personnel through a mechanism of Memorandums of Understanding signed with the national authorities. The SVP Security has authority to manage all

security practices and procedures for our firm. Standardized technological resources such as access control and Closed Circuit TV system, deployment of specialized software and applications, drones, perimeter surveillance sensors and tracking systems have been deployed on all sites and are being standardized. Those technological systems aim to collect accurate information on possible security issues and to limit the risk of violence to the lowest possible level.

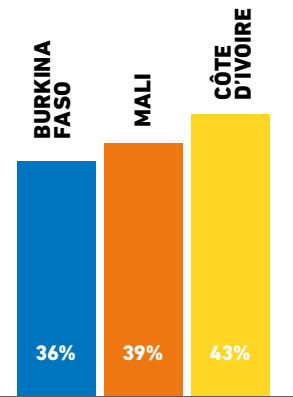
Our security personnel is trained in human rights as it is important for us to ensure their appropriate conduct towards third parties therefore all sites conducted human rights policies and procedure training.

In 2018, we aim to train all our own security personnel training on human rights using the most appropriate methods, like on-line, formal and hands-on training, delivered by recognized, internal or independent, actors with a proven record on the subject, and to train all security personnel on VPSHR.

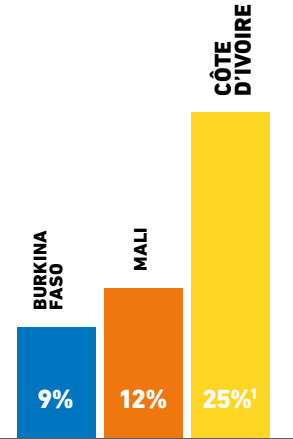
**Our objectives are to:**

- **Respect the host nation laws, its administrative procedures, and work locally with the police and judiciary system**
- **Identify the risks and threats with enough prior-warning to address the issues and put in place mitigation measures**
- **Use responsible security forces either public or private trained on UN Voluntary Principles on Security and Human rights ("VPSHR") by an independent and recognized actor**
- **Always resolve conflicts with the lowest possible violence, in particular by advising government security forces and controlling private contracted forces**

ADULT LITERACY (% OVER 15 YEARS OLD)



POPULATION WITH SECONDARY EDUCATION (% OVER 25 YEARS)



1\_ <http://hdr.undp.org/en/countries/profiles>

CONSTRUCTION OF INFRASTRUCTURE AND SUPPLY OF EQUIPMENT FOR THE EDUCATION SECTOR IN TABAKOTO

CASE STUDY

Part of the education process is having pride in your school, which encourages students to want to learn and stay in school. So, when the classrooms are in poor shape, or when they are not well-equipped and lack tables, benches and blackboards, the learning experience is diminished. As part of Tabakoto mine's sustainable development strategy at the local level, the mine has invested in education to improve the teachers' working conditions, the enrolment capacity and the quality of school education for children in the nearby communities.

In 2017, we carried out the construction of three classrooms, a management office and latrines for each of the primary schools of Balabougou in Kenieba and in the village of Kofi.

The keys were handed over to the school directors and administration teams in November 2017.

All sites conducted VPSHR training the following results :

410-1 SECURITY PERSONNEL TRAINED IN HUMAN RIGHTS POLICIES OR PROCEDURES

Data for 2017	Endeavour Operations
Number of security personnel	
Number of Endeavour Mining employees who act as security personnel ("own security personnel")	202
Number of employees by third-party organizations providing security services for Endeavour Mining ("third-party security personnel")	668
Percentage of security personnel who received training in human rights	
Percentage of own security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security	72.2%
Percentage of third-party security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security	27.5%





6

CLOSURE PLANNING

We recognize that the successful closure of a mine is important to our host countries and communities. Our closure planning is guided by each host country’s legislative requirements and international standards. Furthermore, we believe that it is important to integrate mine closure plans from the very start to reduce its impacts on the community and manage our financial liabilities.

At mine closure stage, we believe that it is important to eliminate any health and safety concerns that communities could be exposed to, ensure all legal requirements

are met, conduct projects that could benefit communities, and restrict mine access to possible illegal artisanal miners.

All operational sites except the Tabakoto Mine have formal closure plans (80%) although Tabakoto has a cost closure estimate with a description of activities. The Kalana project also has a closure plan. We update closure plans on an annual basis. The plans take into consideration the dismantling of infrastructures and equipment, the decommissioning of the process plant and the environmental aspects of closure. Activities include

revegetation of waste dumps and rock piles, decontamination of old leach pads, cyanide circuit and ponds, spreading top soil on ground for local communities, and camp and haul road handover to local authorities.

WE PLAN FOR  
CLOSURE AT THE VERY  
START OF  
THE OPERATION

7

ECONOMIC PERFORMANCE

We view our economic performance as a driver for responsible mining. To enable us to operate responsibly and to contribute to long-term positive impacts in the regions where we operate, we need sustainable economic performance.

In 2017, we showed a strong performance as our revenues increased by 15% compared to 2016. For the fifth consecutive year, we met both production and AISC cost guidance. From the \$652 million of revenues generated in 2017, \$151 million were paid to the governments in the form of taxes, dividends, and royalties.

Through their at least 10% free-carried interests, our host countries have a strong alignment with our interest as the also benefit from potential dividends in addition to taxes and royalties. Our host countries are Extractive Industries Transparency Initiative (“EITI”) compliant and all our payments to governments for 2017 are reported

to the Canadian government on a country and project basis, as required under the Extractive Sector Transparency Measures Act (“ESTMA”).



EITI session in Houndé.

This economic value generated by the company is distributed as detailed in the next table:

201-1 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

(in US\$ million)		2017
Direct economic value generated (A)		
Gold revenue	US\$ million	652
Economic value distributed (B)		
Operating costs	US\$ million	365
Employee wages and benefits	US\$ million	
> taxes on salaries paid to gvts and declared in ESTMA report	US\$ million	-34
Payments to providers of capital	US\$ million	20
> dividends paid already included into the ESTMA report	US\$ million	-5
Payments to government	US\$ million	112
Payments to government: Côte d'Ivoire	US\$ million	45
Payments to government: Burkina Faso	US\$ million	19
Payments to government: Mali	US\$ million	49
Economic value retained (C) = (A) - (B)		
Economic value retained	US\$ million	192



8

SUSTAINABLE AND LOCAL PROCUREMENT

We seek to utilize our supply chain and procurement to multiply our positive impact on local, regional and national economies. Our goal is to increase local procurement as it boosts the local economy, strengthens local businesses, and creates indirect employment.

The indirect economic benefit that a mining company can bring through local and national procurement is important for governments. In addition, local communities have high expectations concerning opportunities that a mining project brings. It may also be favourable for mining companies to purchase goods and services from local communities to maintain good relations and potentially lower supply chain costs.

All operational sites have a procurement policy on the purchase of goods and services that encourages mine sites to give priority to local suppliers, provided they are competitive. “Competitive” refers to the total cost, delivery, and quality of the good or service.

The challenge we face is that purchasing needs to make commercial sense in comparison to international supply alternatives and critically important is the quality assurance, undisrupted supply and lead-time of supply, which is often a challenge at local level. Where two suppliers are considered equal, the local supplier should prevail.



A corporate procurement policy will be adopted in 2018, which iterates our commitment to the integration of sustainable local economic development into its business activities and the integration of local suppliers of goods and services into our procurement network. The regional supply chain team will be regularly monitoring site compliance with this policy and assisting the site teams to develop initiatives to encourage local procurement.

1\_ [https://s21.q4cdn.com/954147562/files/doc\\_downloads/2018/ESTMA-2017-E785212-ENDEAVOUR-MINING-CORPORATION.pdf](https://s21.q4cdn.com/954147562/files/doc_downloads/2018/ESTMA-2017-E785212-ENDEAVOUR-MINING-CORPORATION.pdf)



In 2017, we had over 12,000 suppliers and spent nearly \$250 million on local suppliers representing approximately 26% of the procurement annual budget. We support local businesses in various ways: capacity building in administration and finance, entrepreneurship training, regular consultations between the community

relations teams, procurement team and local businesses, special effort to implicate local businesses and associations during construction of camps and resettlement sites.

PROCUREMENT BY A MINING OPERATION IS OFTEN THE SINGLE LARGEST POTENTIAL ECONOMIC IMPACT IN A HOST COUNTRY, AHEAD OF TAXES, WAGES AND COMMUNITY INVESTMENT COMBINED

204-1 PROPORTION OF SPENDING ON LOCAL SUPPLIERS

Procurement budget spent on local suppliers		OPERATIONS	AGBAOU	ITY HL	TABAKOTO	HOUNDÉ	KARMA	PROJECTS
Total spent on procurement	USD	958,193,030	109,636,689	48,568,846	494,630,462	181,994,628	123,362,406	45,554,776
Total spent to local suppliers	USD	248,287,668	41,196,887	32,301,402	31,913,310	69,022,608	73,853,460	11,438,195
Percentage of the procurement budget that is spent on local suppliers <sup>1</sup>	%	25.9%	37.6%	66.5%	6.5%	37.9%	59.9%	25.1%

1\_ «local» is defined as any company that is registered in the country of operation and/or paid in CFA.

MAÏMOUNA AÏDHARA, CEO OF ANNE-JO

CASE STUDY

Maïmouna Aïdhara was born into a modest family. She comes from one a small village of approximately 1,000 inhabitants, in the area of our lty mine. Growing up, she did not have access to secondary education and she became a builder. Today, she runs a company called Anne-Jo, and provides services, linked to the construction industry, which is the most significant in the area. She decided to start her business more than a decade ago. At the time, she decided to base her business model on a network approach. And her approach proved successful as very

soon, she became the main channel between the heavy equipment demands of the mine for construction equipment needs and machinery rental companies. Her strength relied on her ability to complete and deliver work on time. In 2017, when we met her, we entrusted her with the reprofiling of the national road linking Danané to Zouan Houien, which she managed from start to finish. Since then, Maïmouna’s company has acquired a larger market presence in the construction industry and she has diversified her customer portfolio.

9 ECONOMIC DEVELOPMENT INITIATIVE

Our goal is to accelerate and promote local economic development to create a sustainable long-term impact. While we already run several initiatives, promoting healthcare, agricultural improvement, water access and education, we believe there is more that we can do to boost the wider local economies where we operate. As such, in 2018 we plan on launching an economic development fund to support local economic development of countries by funding and promoting small businesses.

The programme builds on our existing initiatives with a mission to identify and support local business that can provide long-term employment and self-sustaining wealth creation within West Africa.

Under the programme, Endeavour and its largest shareholder La Mancha will work with other partners to invest in projects, which are economically viable in the long term, independent of the mining activity, respectful of the environment and have the potential to have a significant positive impact on the greatest number of people.

Management of each project will be led by classM, a company specializing in economic development in Africa, with a successful track record of managing and supporting similar projects. The aim is to create successful and sustainable businesses that will in time allow Endeavour to exit its investment and redeploy its capital into new ventures.



Women of Kalana collecting shea almonds.



This initiative aims to:

- › Support direct and indirect job and wealth creation locally (around our operation sites) and nationally
- › Have a sustainable impact
- › Rely on available natural and human resources (around operating sites and in the countries of operation) and respond to the need of local people and with an identified market
- › Showcase African entrepreneurship



# OUR EMPLOYEES

We believe that developing our people and culture is a competitive strength and critical to our current and future success.

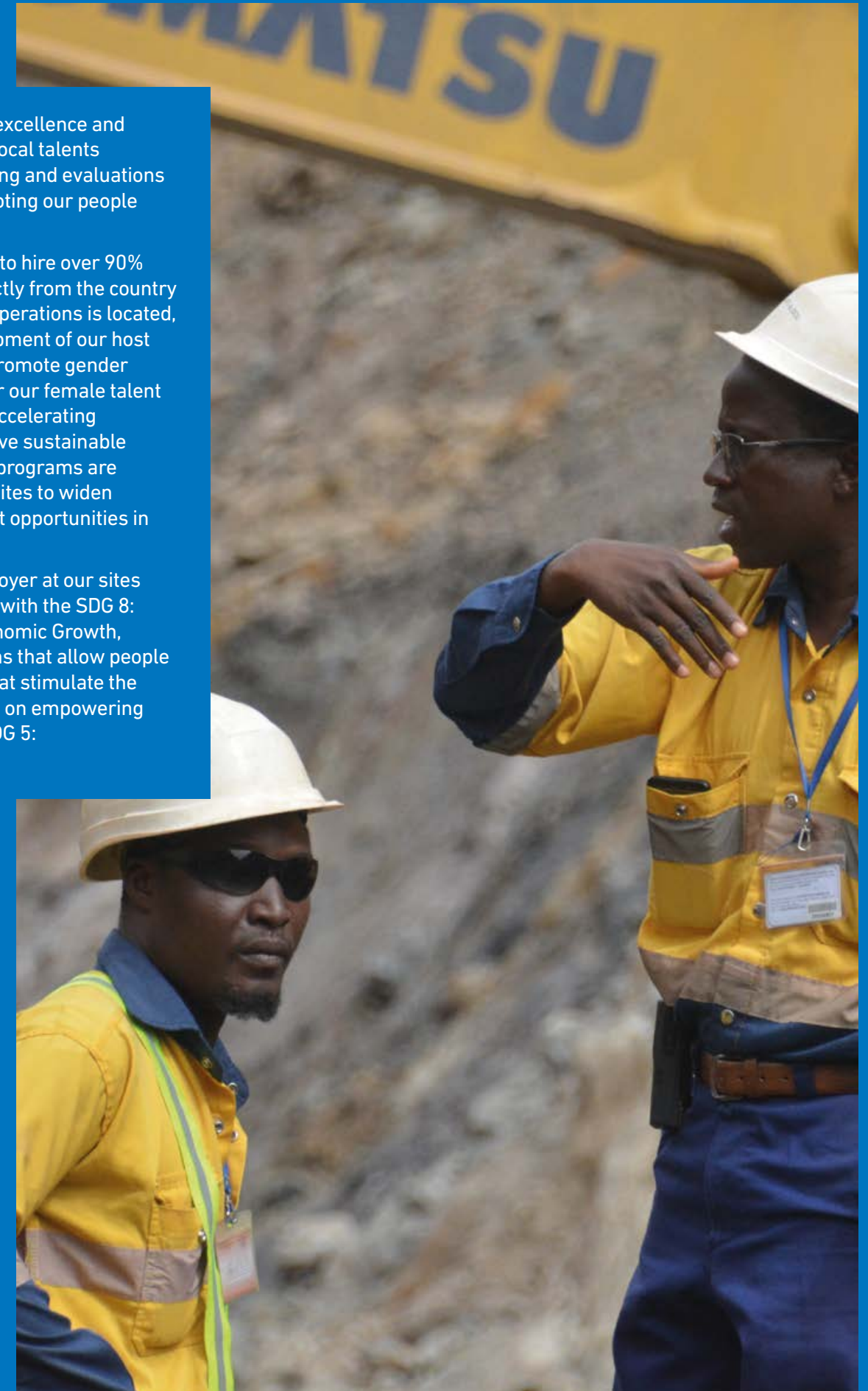
- 
- 1. Employment and labor relations — 26
  - 2. Skills transfer and training — 28
  - 3. Diversity and equal opportunities — 30
- 



We are committed to excellence and strive to develop our local talents with continuous training and evaluations with the goal of promoting our people internally.

Our long-term goal is to hire over 90% of our workforce directly from the country in which each of our operations is located, to support the development of our host country. We actively promote gender equality and empower our female talent with the objective of accelerating individual and collective sustainable development. Mining programs are implemented on our sites to widen access to employment opportunities in the mining sector.

As an important employer at our sites of operation, we align with the SDG 8: Decent Work and Economic Growth, to create the conditions that allow people to have quality jobs that stimulate the economy, with a focus on empowering women in line with SDG 5: Gender Equality.





1

EMPLOYMENT  
AND LABOR RELATIONS

Employment is one of the biggest concerns among our host countries, especially among the youth. As an important employer at our sites of operation, we are aligned with the SDG 8 to promote inclusive and sustainable economic growth, employment and decent work for all.

We have over 4,000 direct employees and we also call on the services of 3,793 contractors who work in the areas of mining, laboratory, catering, security, construction and blasting services. In 2017, we are proud to showcase that 94% of our workforce are nationals, of which 78% came from surrounding communities. In 2017, our senior management was composed of 37% of national employees, 10% of West African expatriates and 53% of other expatriates<sup>1</sup>. Our goal is to promote nationals and West African expatriates to gradually reduce the number of other expatriates at senior management roles.

The General Managers alongside the site Human Resources (HR) teams manage the day-to-day HR issues with a regional HR team to monitor, standardise, drive initiatives and provide support.

WHILE IT IS DIFFICULT  
TO ESTIMATE THE  
NUMBER OF INDIRECT  
JOBS GENERATED,  
A CONSERVATIVE  
ESTIMATE IS THAT  
THE MINING SECTOR  
CONTRIBUTES TWO  
TO FIVE ADDITIONAL  
JOBS FOR EVERY  
DIRECT JOB CREATED

102-8 INFORMATION ON EMPLOYEES  
AND OTHER WORKERS

Total Endeavour		
DATA FOR 2017 (headcount)	Permanent	Temporary
Total number of employees by employment contract and gender		
Men	3,290	612
Women	202	48
Total number of employees by employment contract and region		
Employees in Côte d'Ivoire	556	41
Employees in Mali	1,623	181
Employees in Burkina Faso	1,286	16
Employees in UK	20	0
Employees in Monaco	4	0
Employees in France	2	0
Employees in Canada	1	1
	Full-time	Part-time
Total number of employees by employment type and gender		
Men	3,902	0
Women	249	1
Total number of employees		4,152

During community consultations, the request for jobs for youth and women is one of the top five consultation topics that preoccupy the surrounding communities. For example in 2017 at Houndé, 40% of consultations concerned local direct and indirect employment issues. Our recruitment policy stipulates that we attempt, wherever possible, to recruit from the villages and communities near our mines. If we are unable to find staff with the appropriate skills from the local community, we then look to recruit host country nationals, followed by regional and Africa-based employees, before finally looking to other expatriates.

As we strongly support the freedom of association and collective bargaining, the unions and staff representatives have their role to play and we regularly meet with staff



representatives. We do not place any restriction on which union representation employees choose, and all forms of labor representation among our workforce are welcome.

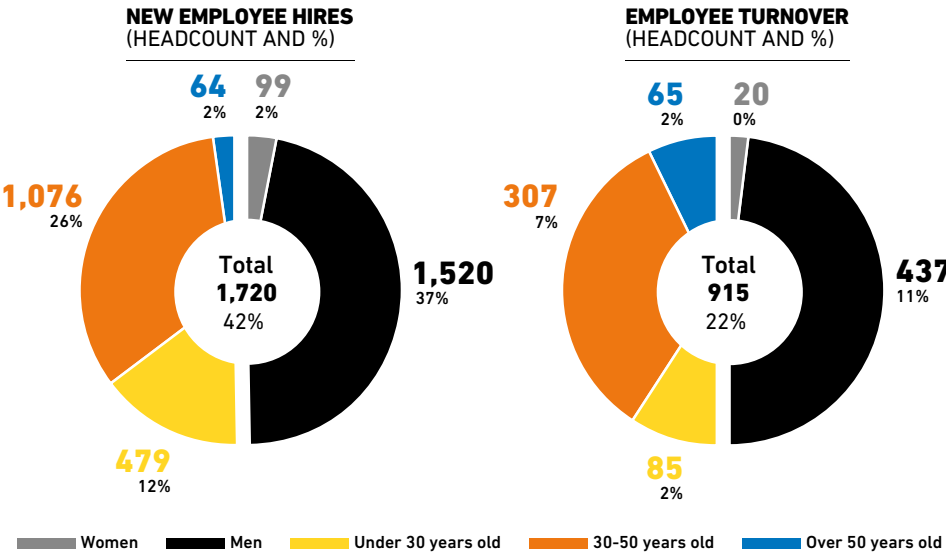
All our sites are covered by national collective agreements and our aim is to continue to hire over 90% nationals and increase the number of nationals in senior management positions, focus on the localization of entry-level position, and identify top talent. We actively monitor the presence of expatriate labour in our employment mix and develop a sponsorship program connecting high-potential local individuals with senior leaders to accelerate their development.

In 2017, we had some significant variations in staff over the year due to geological sampling at Ity, grade control at Karma, the transition between construction and operation at Houndé, the economic retrenchment at Tabakoto and the drilling campaigns for the exploration teams<sup>1</sup>.

In December 2017, the HR regional support team set up a database to consolidate all HR data in line with many of the GRI indicators. The aim is to continue improving the data collection system in 2018 to enable us not only to track performance, but then to support site HR teams in developing systems and programs to improve.

ENDEAVOUR EMPLOYEES							
Provenance						Gender	
Projects	Other Expatriate	Expatriate from West Africa	Nationals	Community	Total	M	F
AGBAOU	18	4	155	90	267	234	33
TABAKOTO	71	3	598	356	1,028	1,007	21
ITY	11	6	402	104	523	497	26
KARMA	19	3	306	457	785	739	46
KALANA	11	2	24	446	483	470	13
HOUNDÉ	44	1	552	252	849	783	66
EXPLORATION	14	0	121	9	144	120	24
COUNTRY, REGIONAL AND CORPORATE OFFICES	21	15	37	0	73	62	11
Total Endeavour Employees	209	34	2,195	1,714	4,152	3,912	240
Total Contractors					3,793		

401-1  
NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER



1\_ Local and national employment indicator is calculated by mine site, project site, local exploration teams and at the regional office in Abidjan respectively.

1\_ Houndé was unable to provide data by gender and age for employee turnover for 2017 but provided global numbers.





2

SKILLS TRANSFER AND TRAINING

Training and development is critical for the sustainability of the mining industry due to mining conditions toughening and mechanization increasing.

We firmly believe in investing in local talent and creating the right environment for skill transfer and training. Skills transfer and training programmes ensure that we continuously increase the level of expertise of our employees and make sure we have the right skills to run our business. It constitutes an important staff retention tool and encourages employees in their daily tasks.

We strive to support the local development of mining labour skills through partnerships with various institutions, to provide education and training opportunities for both current and future employees. In 2017, we set up various training programs for our employees in order to improve their skill sets with a view to career progression and general improved employability.

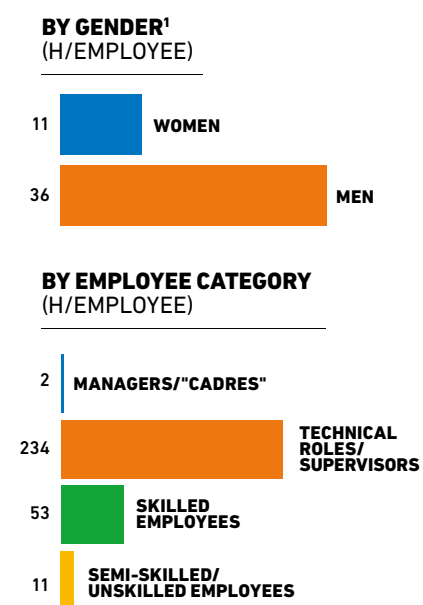
In 2017, we averaged 36 hours of training per employee with the technical roles receiving more training due to the

specificities of their tasks. As men still mainly fill these positions, it explains the difference in training hours by gender.

We aim to increase this number in 2018 by extending the women in mining program to our other sites to attract more women in technical roles. In 2018, we will also work on a company-wide training and career development plan and seek to improve data collection to capture all the hours of training and better reflect the efforts undertaken.



404-1  
AVERAGE HOURS OF TRAINING  
PER YEAR PER EMPLOYEE



1\_ Agbaou and Karma mines did not track training hours in 2017.



CASE  
STUDIES

TRAINING PROGRAMS  
IN HOUNDÉ

In 2017, at the Houndé mine we rolled out various training programs during the construction phase:

- › Women in mining program which is designed to provide training and employment for local women for positions in Houndé.
- › Employee Career Progression ("ECP") provides the pathway for employees, both male and female to enter the workforce in Houndé, with or without skills and progress through the skills levels to obtain a supervision and leadership skill set.
- › Technical training modules specifically for the mobile maintenance and mining teams.

MANAGEMENT DEVELOPMENT PROGRAM

We also launched a group wide Executive Development's comprehensive Management Development Programme with the University of Stellenbosch. For 25 participants from Ghana, Côte D'Ivoire, Mali and Burkina Faso covering all five mining operations and departments. The purpose of the training is to develop an integrated, high level and future feedstock group that can contribute and influence the company's performance to achieve the strategic drivers of the company as a whole. This provided a real opportunity to obtain management training and exposure, preparing employees for future senior roles. The programme equips managers on a middle management level with the necessary competencies to implement their organisations' strategic objectives. Furthermore, the programme helps to develop a basic understanding

of the different fields of management to ensure that managers do not perform their own management functions in isolation. The MDP provides a broader understanding of management and leadership, and in this way, brings real business benefits to participants and their organisations.



Management Development Program participants.





3

DIVERSITY AND  
EQUAL OPPORTUNITIES

Diversity is becoming a more significant priority for the mining industry, where women especially are under-represented. A diverse workforce, which integrates a wider range of people, backgrounds and perspectives, not only helps enhance corporate performance, but it also makes local economies more resilient.

We align with the SDG 5 to achieve gender equality and empower all women and girls. We are an equal opportunity employer and our Business Conduct and Ethics Policy prohibits any form of discrimination.

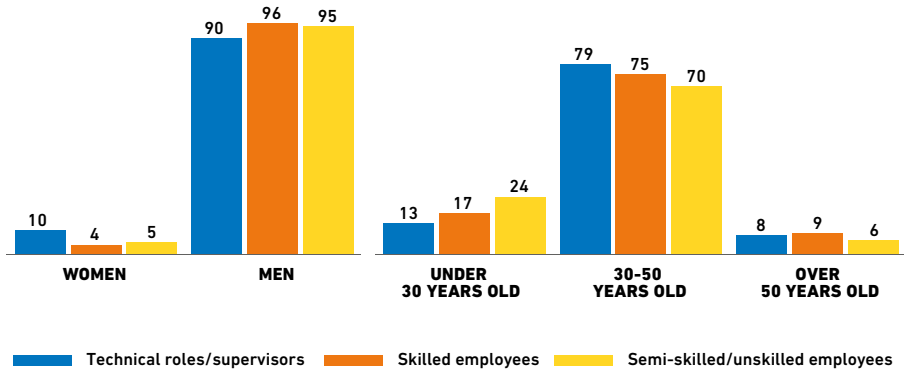
Three of our sites run professional training programs for youth both in mining skills and in other skills to promote equal opportunities.

While attracting women to the workforce has proven challenging due to cultural traditions, we strive to encourage diversity and gender equality. Our goal is to develop a workforce whose diversity reflects that of the communities in which it operates. Furthermore, we are increasingly focused on youth development and employment within the company and broader community and empowering women to apply for job opportunities in fields not traditionally seen as female occupations.



International Women's Day at Houndé.

DIVERSITY IN OTHER EMPLOYEE CATEGORIES  
(IN %)



WOMEN IN MINING  
PROGRAM IN HOUNDÉ

CASE  
STUDY

Since the start of the Houndé mine in April 2016, we have created many new jobs for Burkinabe nationals. However, women are underrepresented in the mining sector around the world and Houndé is no exception. Only 7% of the 948 employees during the construction phase were women.

Houndé wants to take up the challenge of making women a strong link in the mining industry. We believe that women's access to employment in the mining sector not only improves women's lives, but also benefits the communities in which they live. That is why Houndé launched a program in 2017 called "Women in Mining" to promote equal access to work and training opportunities within the mine and encourage the women of Houndé to apply for jobs considered more masculine (operators of mining machines) and secondly to enable women to access these jobs.

The women who were successful in passing the various competency tests were assisted in obtaining their driver's license after being trained and assessed on their skills and use of equipment.



Haoua, who has been working at Houndé since June 2016, is a good example. She started as a laborer and was promoted to the position of spotter. She then successfully completed her training as a dump truck operator. In 2017, Haoua was the only woman among Houndé's 18 staff representatives.

Haoua hopes that the women of Houndé will benefit from community programs created by Houndé as much as its men, and stresses the importance of empowering local women entrepreneurs. Haoua is very active in local social and political programs, and heads up an association dedicated to fighting against Female Genital Mutilation.



# HEALTH AND SAFETY

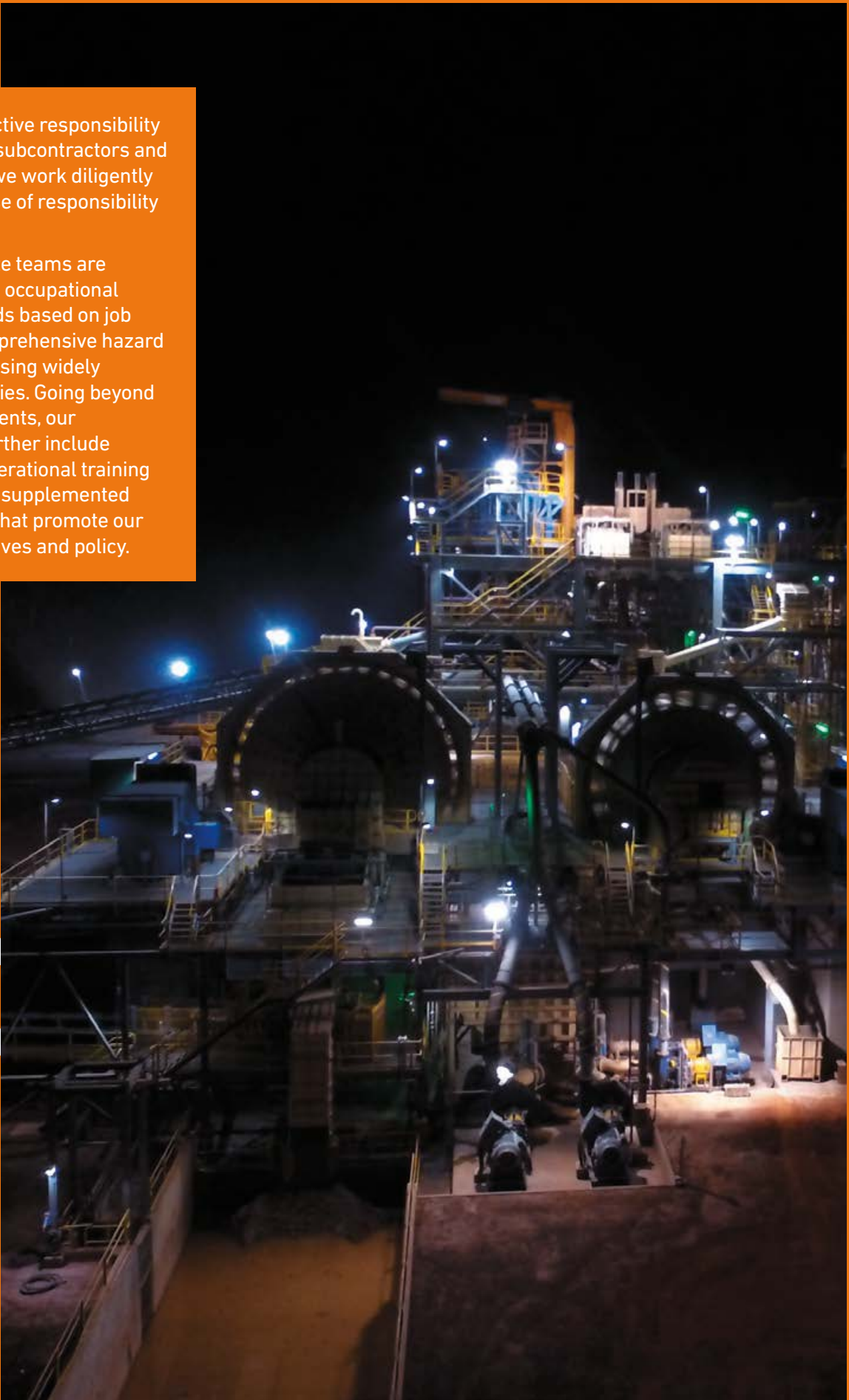
Ensuring the health and safety of our employees is our number one priority.

- 1. Approach and training — 34
- 2. Safety track record — 36



We consider this a collective responsibility which we extend to our subcontractors and host communities, and we work diligently to instill a personal sense of responsibility in all our employees.

Our health and safety site teams are committed to identifying occupational health and safety hazards based on job safety analysis and comprehensive hazard and risk assessments, using widely established methodologies. Going beyond the regulatory requirements, our prevention programs further include awareness sessions, operational training and inspections and are supplemented by additional initiatives that promote our health and safety objectives and policy.







403-8 WORKERS COVERED BY AN OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

DATA FOR 2017		Endeavour Operations	Projects	Exploration
I...who are covered by an OHS management system:				
Employees	Headcount	4,115	1,476	108
	%	100	100	100
Other Workers	Headcount	3,483	325	129
	%	100	100	100
II...who are covered by an OHS system that has been internally audited:				
Employees	Headcount	1,298	448	0
	%	100	100	0
Other Workers	Headcount	1,510	241	0
	%	100	100	0
III...who are covered by an OHS system that has been audited or certified by an external party:				
Employees	Headcount	270	0	0
	%	100	0	0
Other Workers	Headcount	756	0	0
	%	100	0	0

MODERN MINES ARE COMPLEX AND DYNAMIC WORKPLACES. THEY INVOLVE THE HANDLING OF LARGE VOLUMES OF MATERIAL AND THE USE OF HEAVY EQUIPMENT. THE INTERNATIONAL LABOUR ORGANISATION (“ILO”) ESTIMATES THAT WORKPLACE ACCIDENTS AND WORK-RELATED ILLNESS GLOBALLY CAUSE MORE THAN 2.78 MILLION DEATHS EACH YEAR, AND THE ICMM FIFTH PRINCIPLE HAS CALLED TO “PURSUE CONTINUAL IMPROVEMENT OF OUR HEALTH AND SAFETY PERFORMANCE”

1

APPROACH AND TRAINING

Our health and safety programs’ objective is to achieve “zero harm”. Protecting our workforce is a fundamental prerequisite to achieving long-term success and upholding our commitment to sustainability. Making sure that everyone returns home healthy and safe is a collective responsibility involving all our employees, subcontractors and our host communities.

Our management of safety and health starts at the executive level where the board has a health and safety Committee. Its management comes under the responsibility of the Chief Operating Officer and the Senior Vice President for Operations to ensure that all sites align with best industry practices (OHSAS 18001), requirements and technologies. The General Managers for each site are responsible for applying risk management strategies and

monitoring all safety key performance indicators through weekly and monthly reporting, as well as incident reporting. These are then communicated to the board.

The site health and safety departments carry out their daily implementation covering areas such as first aid, firefighting, chemicals exposure and spillage management, vehicle extrication, or snake handling. Our health and safety site teams are committed to identifying and eliminating health and safety hazards, based on a five-step approach. Our management systems cover all our direct employees and our contractors. All our major sub-contractors are required to provide their safety management plan, and adhere to our OHS management plan before engaging any contract.

The Five Steps to Risk Assessment

- Step 1  
Identify the hazards
- Step 2  
Identify the people who might be harmed and how
- Step 3  
Evaluate the risk and decide on precautions
- Step 4  
Record the significant findings and implement
- Step 5  
Reveiw and update as necessary

We work on minimising the risks by communicating the results of our risk assessments to the workforce through the daily prestart meetings. Each site ensures the provision of appropriate safety equipment for all workers and training on its use. Should any employee be injured or fall ill, there are clinics on each operational site for treatment or referral. Employees are also trained on a regular basis and here are some examples of training modules conducted in 2017:

- › Malaria, HIV, AIDS, STI awareness campaigns
- › Management of hazardous materials
- › Oxy-acetylene welding hazards
- › Work permits (Confined space, hot work, working at height, excavation)
- › General inductions
- › Pit induction
- › Defensive driving
- › Good practices at laboratory (including cyanide first aid)
- › Hazard recognition, JSA
- › Environment sustainability programme
- › Leaks and spillage management
- › Sillicose
- › Waste management
- › First aid
- › Health and safety regulations overview
- › Fire fighting







2

SAFETY TRACK  
RECORD

We improved our safety performance during 2017, a stepping-stone towards our goal of “zero harm” and safe production. We recorded a Lost-Time Injury Rate of 0.2 per million man hours worked, compared to 0.4 in 2016. These accomplishments were only possible through the hard work and dedication at all of our operations, not only by our safety personnel, but by every single employee from operator to management, who took ownership of their personal safety and the safety of everyone around them.

In 2017, we had no fatalities at any of our operations. Our Houndé mine had no lost time in injury (“LTI”) during its 18-month build. However, we did record four LTI incidents at our mines in 2017: one LTI (hot water burn) at Agbaou, two LTIs (finger and eye injuries) at Ity and one LTI (foot injury) at Karma.

We seek to reduce the Lost Time Injury Frequency Rates (“LTIFR”) at all the operations and strive to improve our performance in 2018. All sites will start working towards aligning our systems with the new ISO45001 for safety from 2018 onwards.



Celebration of 8 million hours LTI free at Agbaou.

403-9 WORK-RELATED INJURIES

	Endeavour Operations	Projects	
DATA FOR 2017 (in hours)	Employees and other workers (no breakdown possible)	Employees	Other worker
Indicate the total number of hours worked in the reporting period	19,983,341.5	951,428.0	
Fatalities as a result of work-related injury			
Number of incidents	0	0	0
Rate	0	0	0
Lost Time Injury (LTI)			
Number of incidents	4	0	0
Rate	0,2	0	0
LTI of high-consequence work-related injuries (expected recovery not within 6 months; excluding fatalities)			
Number of incidents	0	0	0
Rate	0	0	0
Medical Treatment Injury (MTI)			
Number of incidents	13	0	1
Rate	0,7	0	1.1
First Aid Injury (FAI)			
Number of incidents	193	3	0
Rate	9,7	3	0
Recordable work-related injuries (includes fatalities, LTI, MTI)			
Number of incidents	17	0	1
Rate	0,9	0	1.1

FIGHTING AIDS  
AT THE KALANA PROJECT

CASE  
STUDY

In December 2017, our Kalana project team in Mali marked the annual World AIDS Day by offering a week of free, voluntary and anonymous HIV testing for employees and their families, and by launching a new AIDS awareness campaign.

West and Central Africa has been hit particularly hard by the HIV virus. While there is no cure for HIV infection, effective antiretroviral drugs can control the virus and help prevent transmission so that people with HIV can enjoy healthy, long and productive lives. However, it is estimated that currently only 70% of people with HIV know their status. The incidence of HIV among employees at Kalana is currently known to be 2%. According to Dr. Serge Lowé, an occupational

physician at the mine, HIV is an ever-present public health challenge: “New infections still occur, even after four decades of awareness-raising, particularly about condom use. “Preventing the spread of HIV among our workers and their families is a key priority for the company, in line with our health and safety goal of “zero harm”, and our desire to empower employees to be stewards of their own safety. The foundation of a resilient mining operation is having employees and the community around them to be healthy and stable. Workers who feel well and know that their families are being cared for can focus on doing their jobs well.

At Kalana, the initiative is just the latest part of a continuous HIV/AIDS information and awareness-raising campaign, aimed at changing behavior through posters, radio debates, and the distribution of free condoms. According to Dr. Lowé, marking World AIDS Day is an

opportunity to boost the regular HIV/AIDS-fighting effort. The primary goal is to have as many people as possible take the voluntary HIV test, to find out if they might have contracted

THE PRIMARY GOAL  
IS TO HAVE AS  
MANY PEOPLE  
AS POSSIBLE TAKE  
THE VOLUNTARY  
HIV TEST

the virus, which is an essential step towards providing treatment and preventing the transmission to others. “Prevention is better than a cure”, Dr. Lowé says.

For those already living with HIV at Kalana, We provide all the support needed for regular medical follow-up. “In partnership with Yanfolila Hospital (the regional centre), the Endeavour Mining clinic in Kalana gives the patients their antiretroviral drugs every month”, explains Dr. Lowé. “We also do free regular check-ups in conjunction with the hospital”.

Follow-up is provided on a highly confidential basis: “We grant them any permissions they might need as part of this regular medical follow-up. We also make sure that people living with HIV are not stigmatized, especially at work”, says Dr. Lowé.



Kalana doctor administering the HIV test.



# OUR ENVIRONMENT

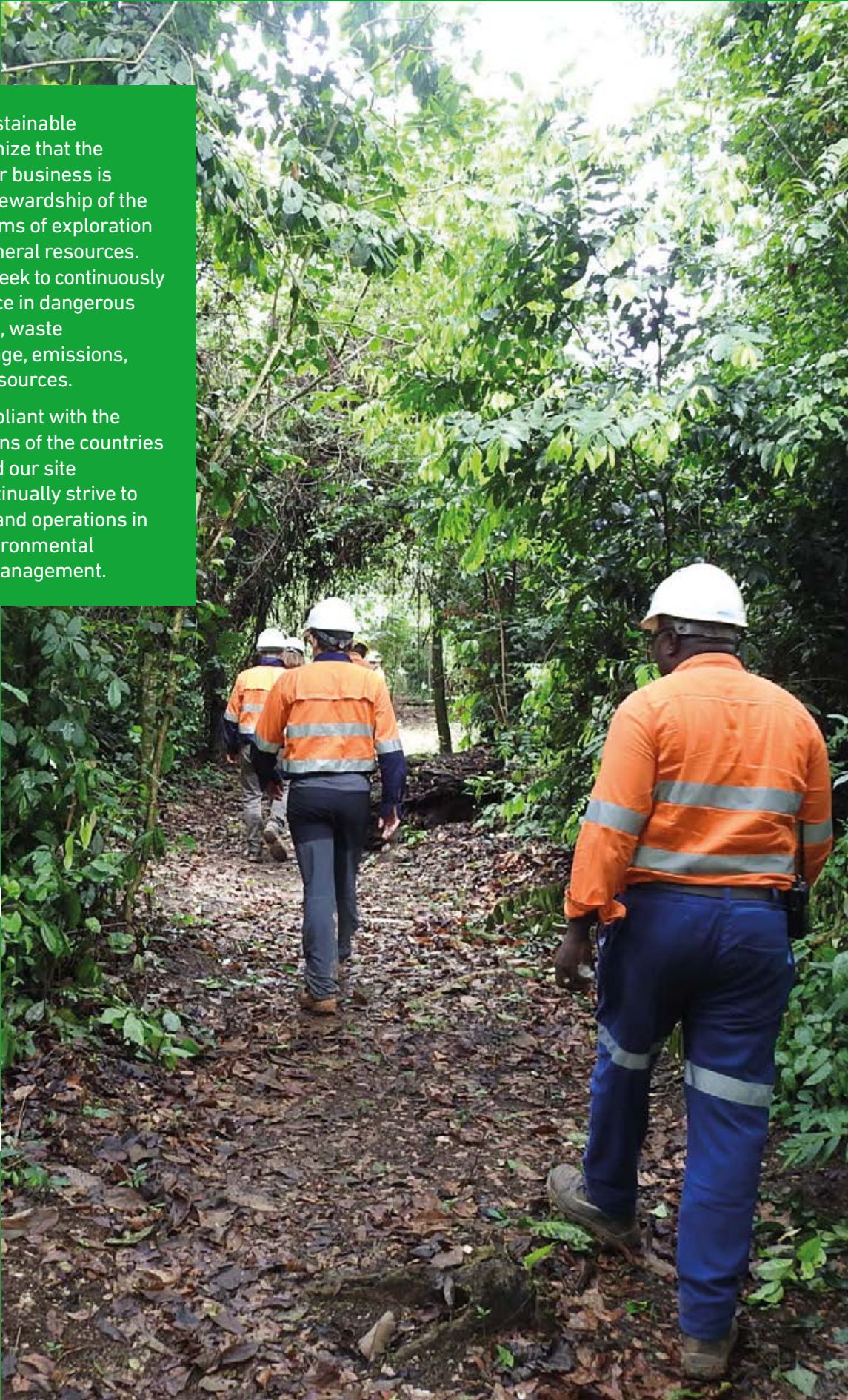
Responsible environmental management creates value for the communities near our mining operations as well as for our stakeholders and shareholders. Meeting and exceeding environmental standards support mining, recruitment and retention of employees, as well as contributing to the objectives of several UN SDG on a global scale.

- 1. Energy and greenhouse gas emissions — 41
- 2. Water stewardship — 42
- 3. Air quality — 44
- 4. Hazardous materials & waste — 44



We are committed to sustainable development and recognize that the long-term success of our business is dependent upon good stewardship of the environment, both in terms of exploration and the extraction of mineral resources. We closely monitor and seek to continuously improve our performance in dangerous substance management, waste management, water usage, emissions, biodiversity and energy sources.

Our operations are compliant with the environmental regulations of the countries in which we operate, and our site environment teams continually strive to improve our processes and operations in pursuit of improved environmental performance and risk management.







Karma mine water dam.

As a mining company, we have a significant global footprint and so, we constantly challenge ourselves to minimize, eliminate and offset our environmental impacts. Our environmental stewardship programs’ prime objective is to ensure the environment is maintained and enhanced for current and future generations of our host communities. We recognize that the long-term success of our business is dependent upon good stewardship of the environment, both in terms of exploration and extraction of mineral resources. We closely monitor and seek to continuously improve our performance in dangerous substance management, waste management, water usage, emissions, and energy sources.

Our consideration of a mine’s environmental impact and how to manage it begins long before mining starts. During scoping-study and feasibility stages of any project,

we conduct environmental and social impact assessments (“ESIA”) to identify and understand the exact environmental impacts and risks of the project. Once we move to construction and ultimately operational phase, the ESIA and Environmental Monitoring and Management Plans (“EMMP’s”) of a site-specific environmental management system (“EMS”) ensure that all identified risks are managed in line with national regulations and international best practice standards.

The standards are provided by the HSE Committee and the Executive Committee and Vice President of Operations are responsible for their implementations. General Managers alongside site HSE Managers and input from engineering, mining and finance teams look at the various environmental issues. There are also HSE Committees on sites.

WE CONSTANTLY  
CHALLENGE OURSELVES  
TO MINIMIZE, ELIMINATE  
AND OFFSET OUR  
ENVIRONMENTAL IMPACTS  
WHEREVER POSSIBLE



In order to reach  
these commitments,  
we use various tools,  
listed below, to monitor,  
evaluate and improve:

- 1. Hazard inspections
- 2. Tool boxes
- 3. Incident and accident reporting
- 4. Community relations grievance mechanism
- 5. Government inspections both planned and unexpected

# 1 ENERGY AND GREENHOUSE GAS EMISSIONS

Climate change increasingly impacts both businesses and communities and is addressed in the SDG 13: Take urgent action to combat climate change and its impacts. In 2017, the World Economic Forum rated “failure of climate-change mitigation and adaptation” as the number five risk in terms of global impacts.

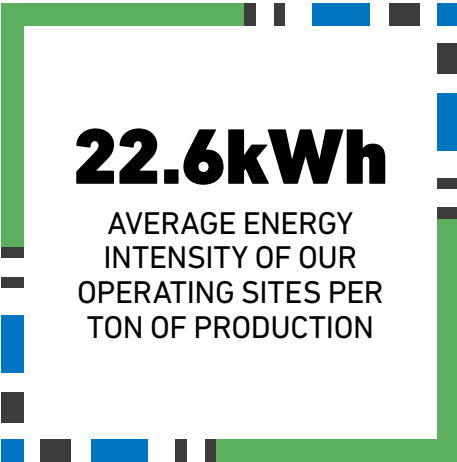
Our operations are energy intensive and use large amounts of diesel fuel and electric power. In addition to being among our largest expenditures, both of these energy sources emit greenhouse gases (“GHG”). Therefore, we are determined to minimize those negative effects through improved management and are looking to move towards using renewable energy.

Access and use of energy are important business drivers. We need to meet the current energy needs of our operations while maximizing our energy efficiency, as well as utilizing and developing clean and renewable energy sources wherever practicably possible.

Our sites are located in remote parts of the developing world, where access to the national grid may be unavailable or unreliable. This means that we need to use self-generated electricity through diesel power stations. In Mali, all site electricity is produced with diesel generators. In Burkina, there is a mixture of grid electricity from SONABEL’s (Burkina National Electricity Supplier) power station and site diesel generators.

The average energy intensity on our operating sites is 22.6kWh per tonne mined<sup>1</sup>. However, Tabakoto is at 74kWh due to its two underground mines that are energy intensive because of water management and ventilation systems, which also require more ancillary equipment to operate.

Côte d’Ivoire is rich in natural resources, which has allowed Ity mine to derive 5.7% of its electricity from natural gas and 1.2% from renewable sources of hydropower and biofuel. We expect this metric to improve once the CIL project is completed. In 2017, the Agbaou mine derived 17.5% of its energy from hydropower.



DATA FOR 2017	Agbaou Mine (Côte d’Ivoire)	Ity Mine (Côte d’Ivoire)	Karma Mine (Burkina Faso)	Houndé Mine (Burkina Faso)	Tabakoto Mine (Mali)
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302-1 ENERGY CONSUMPTION WITHIN THE ORGANIZATION (in MWh)					
Total fuel consumption from non-renewable sources	225,790	93,329	159,783	152,778	544,024
Gasoline (Petrol)			148		63
Diesel (total)	224,529	90,982	159,635	152,778	543,907
Fuel oil		2 347			54
LPG	1 261				
Kerosene			0,4		
Total purchased electricity	48,042	7,348	512	10,434	0
Total energy consumption	273,832	100,677	160,295	163,212	544,024

302-3 ENERGY INTENSITY (in kWh/t of production)					
Energy intensity ratio	10	15	5	9	74

305-1 DIRECT (SCOPE1) GHG EMISSIONS (in tCO <sub>2</sub> e)					
Scope 1: Emissions from fuel consumption*	55,635	23,062	39,399	37,673	134,149

\*. Source of emission factors: DEFRA. The DEFRA conversion factors for the GHG emissions include CO2, CH4 and N2O. Data have been compiled from supply chain information, warehouse reports and daily consumption reports. The GHG emissions have been calculated from the fuel use from vehicles, generators and machinery.

1\_ This is the ratio between the amount of tonnage mined and the total energy consumption of the site.



The key sources for direct GHG emissions at our operations are from electricity used to operate our mining processes and the fuel for mobile equipment. Overall, we average at 57,984 tCO<sub>2</sub>e but Tabakoto has by far the highest CO<sub>2</sub> emissions due to a very high consumption of diesel as it operates solely on diesel powered generators.

General Managers monitor fuel consumption on a monthly basis, through mining reports, in order to improve mine fleet efficiency and minimize light vehicle usage. Moreover, our procurement team considers fuel and consumable efficiency when purchasing any vehicles or equipment. In 2018, we will work towards maximizing efficiency of our energy use, reducing our overall emissions, and decreasing emissions intensity.

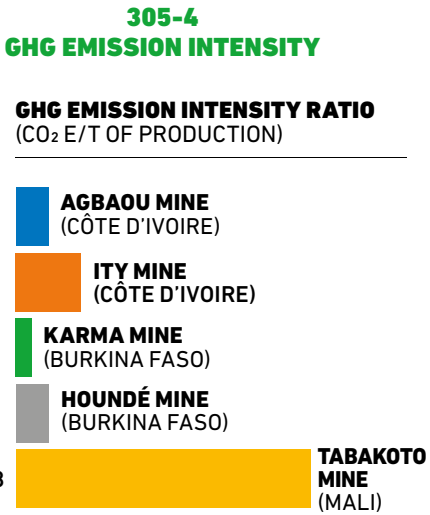
2

WATER STEWARDSHIP

Mining processes use large volumes of water, which has the potential to affect water reserves, the water quality and other water users. We acknowledge that the mining industry needs to ensure the efficient use of water and the protection of water quantity and quality, especially in areas sensitive to water management issues and water scarcity. We are committed to constantly improving our water management systems and their efficiency to ensure an adequate supply for operations and to monitoring our usage of water resources in order to protect and improve the supply and quality of water for our local communities.

Each operational mine has its own tailored water management plan, which is based on the initial impact studies, and is then implemented and amended by our site environmental teams on a regular basis. We also bring in external consultants for audits, and the environmental ministry runs planned and unexpected inspections. Our quality monitoring programs track water consumption, water quality, measure rainfall, and manage water around pits during wet season. According to the Water Risk Atlas, only our Karma mine in Burkina Faso is medium to high risk. Our other mining sites are considered to be low to medium risk<sup>1</sup>.

1\_ www.wri.org : Overall water risk identifies areas with higher exposure to water-related risks and is an aggregated measure of all selected indicators from the Physical Quantity, Quality and Regulatory & Reputational Risk categories. Sources: WRI Aqueduct 2014.



ENDEAVOUR RECOGNIZES  
THE SENSITIVITY AROUND  
WATER MANAGEMENT  
AND WATER SCARCITY  
IN OUR AREAS  
OF OPERATION

Our efforts are focused on keeping fresh water clean and avoiding to affect water quality whenever possible. We therefore divert water around our facilities and construct water storage ponds and Tailings Storage Facility ("TSF"), which are waterproof and covered by a protective plastic to minimize the potential for seepage to groundwater resources. All our mines, except Ity Heap Leach, operate a closed water circuit system ensuring that the water is well managed and conforms to the standards of



General Manager and Mayor of Hounde inaugurating the community boreholes.

the World Bank or the World Health Organization ("WHO"). Ity is currently transitioning to the same system. Wastewater is re-used for activities such as dust suppression and recycled through the plant. Any water that is discharged is treated, if required, in order to meet the national, WHO and IFC quality standards before being safely discharged back into the environment.

Water is drawn from a combination of surface water, ground water, and water produced from mine dewatering. In 2017, we abstracted a total of 6 million liters. This water was then discharged to various receiving environments after samples have been laboratory tested against IFC, WHO and national standards. In order to ensure compliance with these applicable standards, regulations and permits, we regularly monitor the quality of water (discharged, surface, groundwater) within and surrounding our operations, to ensure that we are not adversely affecting water resources. In 2017, we discharged 3.4 million liters. Our total water consumption (total water withdrawn minus total water discharged) was 2.4 million liters.



Environment Ministry tests the quality of the water.

The site environment teams monitor the community water sources around the mine on a regular basis against national and WHO drinking water standards. Water access and quality being of vital importance to our host communities, our community relations teams across our sites run water programs: borehole-

drilling programs equipped with manual or solar pumps, creation of water dams for agriculture and animals and assisting the local authorities with their water projects. For example, Houndé reinforced its drinking water system by rehabilitating 12 boreholes and drilling three large diameter boreholes.

DATA FOR 2017 (in Ml)	Endeavour Operations	Projects
303-3 WATER WITHDRAWAL		
Total water withdrawal	3,195	2,799
Surface water (total)	1,135	0
Groundwater (total)	1,018	2,799
Produced water (total)	984	0
303-4 WATER DISCHARGE		
Total water discharge	1,127	2,304
Groundwater (total)	0	2,304
Freshwater (≤1,000 mg/l Total Dissolved Solids)	952	0
Other water (>1,000 mg/l Total Dissolved Solids)	174	0
303-5 WATER CONSUMPTION		
Total water consumption (Water consumption = water withdrawal - water discharge)	1,906	495





3

AIR QUALITY

Air quality is a major health concern globally, but also for employees and communities in and around the mine site. Air pollutants associated with mining and mineral processing can include particulate matter (for example, fine and coarse dust that can include minerals and metals) and gases. Dust is generated during operations by a variety of sources, such as vehicle traffic on mine roads, dumping rock onto waste piles, storing materials, blasting and crushing. Dust can also be generated during the transportation of mineral products along the supply chain.

We seek to protect our employees and local communities for their long-term health and set a good environmental standard and response whilst committing to continual improvement. We work to reduce the dust emitted from mining operations by using dust suppression designs, water trucks to spray the road or treatment application of naturally made and synthetic binding agents. We also regularly monitor the air quality and conduct awareness raising campaigns with the communities regarding our dust suppression measures. In 2018, sites will invest in further dust monitoring equipment in order to better trend our dust emission and ensure predictive measures are taken.



Dust suppression measures.

landfilled. Sites distribute scrap metal and wood to communities and return waste oils, batteries and tires to contractors. Recycling on site is done whenever possible. However, local authority waste or private industry recycling initiatives or practices may be lacking, which therefore affects the quality of our site recycling initiatives.



306-2 WASTE BY TYPE AND DISPOSAL METHOD

DATA FOR 2017 (in tons)	Endeavour Operations
Total weight of hazardous waste	1,084
Hazardous waste by disposal method	
Reuse	14
Recycling	220
Composting	0
Recovery, including energy recovery	0
Incineration (mass burn)	738
Deep well injection	0
Landfill	0
On-site storage	1
Contractors	111
Total weight of non-hazardous waste	6,554
Non-hazardous waste by disposal method	
Reuse	280
Recycling	575
Composting	18
Recovery, including energy recovery	0
Incineration (mass burn)	119
Deep well injection	0
Landfill	1,836
On-site storage	3,690
Contractors	36

4

HAZARDOUS MATERIALS & WASTE

Mining activities can generate considerable amounts of both mineral and non-mineral waste. This waste, as well as the process for storing and transporting it, can pose environmental and public health risks. We therefore acknowledge that effectively managing waste and ensuring its safe storage and transportation is critical to protecting people and the environment.

Non-hazardous waste at our sites consists mainly of waste rock, biodegradable materials (food, paper, cardboard) and reused or recycled waste (glass, bottles, plastics, cans, tires, wood, scrap metal). The primary hazardous waste produced at our operations include chemical reagents (for example, cyanide and caustic soda boxes), waste oils, solvents, paint, and batteries. All sites have a full Material Safety Data System which lists all chemicals and waste types encountered throughout the mine life.

Sodium cyanide is an essential chemical in the gold extraction process. Carbon-in-Leach and Heap Cyanidation processes are the most effective, economical and safest metallurgical techniques to recover gold. However, poor handling and management of these components could have dangerous or even fatal consequences for workers and could cause damage to the environment. Cyanide management therefore ranks as high priority for both our internal and external stakeholders.

Our Environmental Policy commits to complying with relevant industry standards relating to the management of environmental risks, including the IFC Performance Standards, the IFC and World Bank Environmental, Health and Safety Guidelines, and the International Cyanide Management Code for the Manufacture, Transport and Use of Cyanide in the Production of Gold. We are audited against

these standards on a regular basis. Our objective is for zero environmental or health issues linked to cyanide.

Each mine has its site-specific waste management plan that sets out how organic, inorganic and hazardous wastes should be handled, stored, separated, recycled or disposed, to ensure all waste is responsibly disposed of. The greatest challenge in this area remains the lack of national infrastructure. In 2018, sites will be reviewing their waste management plans in order to improve our strategy and practices.

We generated a total of 7,639 tonnes, of which 1,084 tonnes are hazardous waste ore and 6,554 tonnes are non-hazardous waste rock. Of our hazardous waste, 68% was incinerated on site – a majority linked to disposal of cyanide boxes - and 84% of our non-hazardous waste was stored on site or

DEKPA FOREST RESERVE AT AGBAOU

CASE STUDY



During the 2012 Environmental and Social Impact Assessment (“ESIA”) for the installation of the 90kV power line at Agbaou, the Environmental team identified a forest rich with a diversity of 358 different plant species, 30 of which are classified as rare, threatened or endemic Ivorian flora.

Our team recommended a plan to create a forest reserve that eventually led to the official creation in 2013 of the Dekpa Forest Reserve included within the Agbaou permit area.

The Dekpa Forest Reserve has seen important growth since its creation, increasing from 8.05ha to 12.09ha today. The reserve includes an area of 4.5ha of unforested area, which

suffered from over-farming and is currently going through a restoration process. We are looking to acquire land near the Woya camp of Agbaou representing 21ha for a restoration plan to be launched in 2018 and led by Ivorian botanists.

Local communities have been included in the initiative, with the creation of committees for the protection of natural resources in the surrounding 5 villages. The Agbaou team also trained 30 educators for seed collection, the upkeep of plots and the creation of forest nurseries. The Agbaou HSE team also hires day workers from the neighbouring villages to help with maintenance work at the reserve.

# ABOUT THIS REPORT

This is Endeavour's first sustainability report covering the reporting period of January to December 2017 and we aim to report on an annual basis. Our report adheres to guidelines as set out by the Global Reporting Initiative (GRI). This report has been prepared in accordance with the GRI Standards: Core option. No External Assurance has been conducted. In this report we focus on our operational mines: Hounde (Hounde Gold Operation), Riverstone Karma, Tabakoto (SEMICO), Ity (Societe des Mines d'Ity), Agbaou (Agbaou Gold Operation) and our projects: Ity CIL and Kalana (SOMIKA). The Nzema mine is not included as it was sold in 2017. We have included Kalana that was bought in September 2017. There were no employees for Ity CIL in 2017. The corporate, country and regional offices and the exploration projects are not included in the reported data. The only exception to the above report parameters is the reporting of employment data – employees from all Endeavour operations across the globe are included.

## CONTACT POINT

info@endeavourmining.com

# GRI CONTENT INDEX

## GRI 101: FOUNDATION 2016 GENERAL DISCLOSURES

GRI Standard	Disclosure	Page number	Comments and further sources
GRI 102: General Disclosures 2016	Organizational profile		
	102-1 Name of the organization	1	
	102-2 Activities, brands, products, and services	4	
	102-3 Location of headquarters	4	
	102-4 Location of operations	5	
	102-5 Ownership and legal form	4	
	102-6 Markets served	4	
	102-7 Scale of the organization	4-5, 21, 26	
	102-8 Information on employees and other workers	26-27	
	102-9 Supply chain	21	
	102-10 Significant changes to the organization and its supply chain	46	
	102-11 Precautionary principle or approach	6	
	102-12 External initiatives	-	Endeavour has not yet committed to any external sustainability initiatives
	102-13 Membership of associations	-	The local companies of our mines are members of the national Chamber of Mines and Houndé and Karma are member of the Burkina CSR Forum
Strategy			
	102-14 Statement from senior decision-maker	3	
Ethics and integrity			
	102-16 Values, principles, standards, and norms of behavior	6-7	
Governance			
	102-18 Governance structure	7	
Stakeholder engagement			
	102-40 List of stakeholder groups	10	
	102-41 Collective bargaining agreements	27	
	102-42 Identifying and selecting stakeholders	10	
	102-43 Approach to stakeholder engagement	10	
	102-44 Key topics and concerns raised	10	



GRI Standard	Disclosure	Page number	Comments and further sources
GRI 102: General Disclosures 2016	<b>Reporting practice</b>		
	102-45 Entities included in the consolidated financial statements	46	
	102-46 Defining report content and topic boundaries	8	
	102-47 List of material topics	9	
	102-48 Restatements of information	-	This is Endeavour Mining's first report.
	102-49 Changes in reporting	-	This is Endeavour Mining's first report.
	102-50 Reporting period	46	
	102-51 Date of most recent report	46	This is Endeavour Mining's first report.
	102-52 Reporting cycle	46	
	102-53 Contact point for questions regarding the report	46, 52	
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#### MATERIAL TOPICS

GRI Standard	Disclosure	Page number	Omission, comments and further sources
<b>Energy and Greenhouse gas emissions</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	39, 41	
	103-2 The management approach and its components	39, 41-42	
	103-3 Evaluation of the management approach	42	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	41	
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GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	41-42	
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<b>Water stewardship</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	42	
	103-2 The management approach and its components	39, 42-43	
	103-3 Evaluation of the management approach	42-43	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	43	
	303-2 Management of water discharge-related impacts	43	
	303-3 Water withdrawal	43	
	303-4 Water discharge	43	
	303-5 Water consumption	43	

GRI Standard	Disclosure	Page number	Omission, comments and further sources
<b>Air quality</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	44	
	103-2 The management approach and its components	39, 44	
	103-3 Evaluation of the management approach	44	
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	-	The data for this indicator is not yet available on a consolidated basis. The processes for improving data quality are under way.
<b>Hazardous materials &amp; waste</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	44	
	103-2 The management approach and its components	39, 44-45	
	103-3 Evaluation of the management approach	44	
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	44-45	
<b>Local stakeholder engagement</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	13-14	
	103-2 The management approach and its components	14	
	103-3 Evaluation of the management approach	14	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	14	
<b>Security practices</b>			
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	103-3 Evaluation of the management approach	19	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	19	
<b>Artisanal and small-scale mining</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	15	
	103-2 The management approach and its components	15	
	103-3 Evaluation of the management approach	15	
Specific Standard Disclosures for Mining and Metals: Artisanal and Small-scale Mining 2013	MM8 Number (and percentage) of company operating sites where artisanal and small-scale mining takes place	15	
<b>Resettlement compensation and livelihood restoration</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	16	
	103-2 The management approach and its components	13, 16-17	
	103-3 Evaluation of the management approach	16	
Specific Standard Disclosures for Mining and Metals: Resettlement 2013	MM9 Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process	16	

GRI Standard	Disclosure	Page number	Omission, comments and further sources
<b>Training and education for local and national communities</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18	
	103-2 The management approach and its components	13 ,18	
	103-3 Evaluation of the management approach	18	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	18	
<b>Closure planning</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	20	
	103-2 The management approach and its components	20	
	103-3 Evaluation of the management approach	20	
Specific Standard Disclosures for Mining and Metals: Closure Planning 2013	MM10 Number and percentage of operations with closure plans	20	
<b>Economic Performance</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	20	
	103-2 The management approach and its components	20	
	103-3 Evaluation of the management approach	20	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	20-21	
<b>Anti-bribery and corruption</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	8	
	103-2 The management approach and its components	8	
	103-3 Evaluation of the management approach	8	
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	8	We do not have the data segregated to the extent required by GRI but will work to do so for 2018.
<b>Sustainable and local procurement</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	21	
	103-2 The management approach and its components	21-22	
	103-3 Evaluation of the management approach	22	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	22	
<b>Health &amp; Safety</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	34	
	103-2 The management approach and its components	33-37	
	103-3 Evaluation of the management approach	34	

GRI Standard	Disclosure	Page number	Omission, comments and further sources
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	-	We are not yet able to report on the extensive requirements for the topic-specific management disclosures of this standard and aim to complete this gap in the next reports.
	403-2 Hazard identification, risk assessment, and incident investigation	-	
	403-3 Occupational health services	-	
	403-4 Worker participation, consultation, and communication on occupational health and safety	-	
	403-5 Worker training on occupational health and safety	35	
	403-6 Promotion of worker health	-	We are not yet able to report on the extensive requirements for the topic-specific management disclosures of this standard and aim to complete this gap in the next reports.
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	-	
	403-8 Workers covered by an occupational health and safety management system	35	
	403-9 Work-related injuries	36	For Endeavour Operations, the data for the breakdown by employees and other workers is not available. We work on improving our data collection systems in order to close this gap in the next report.
<b>Skills transfer and training</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	25, 28	
	103-2 The management approach and its components	28-29	
	103-3 Evaluation of the management approach	28	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	28	
	404-2 Programs for upgrading employee skills and transition assistance programs	29	
<b>Employment and Labor relations</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26	
	103-2 The management approach and its components	25-27	
	103-3 Evaluation of the management approach	27	
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	26-27	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	27	
<b>Diversity &amp; equal opportunities</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	30	
	103-2 The management approach and its components	30-31	
	103-3 Evaluation of the management approach	30	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	30-31	





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