

Sustainability report

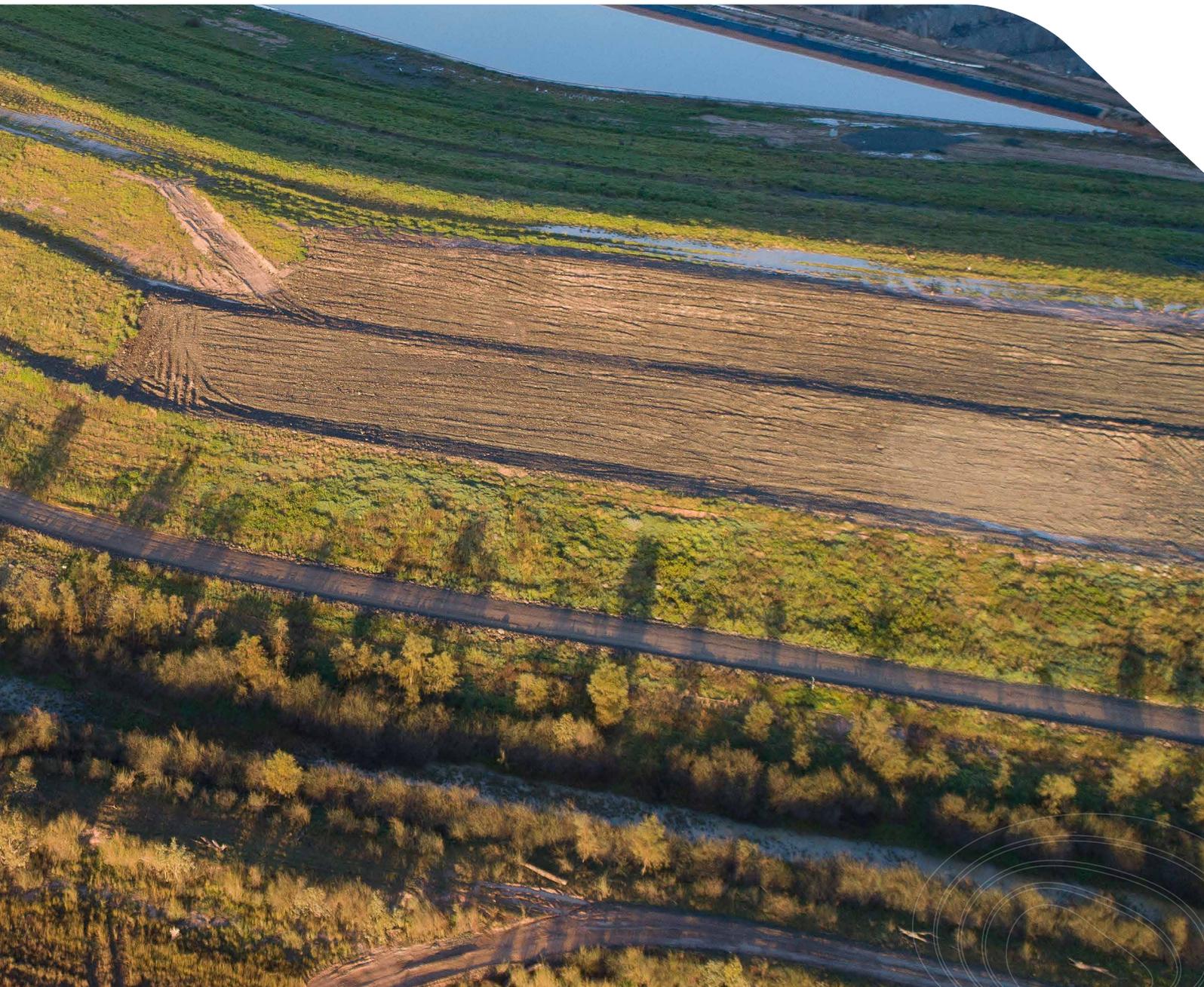
FY20

An aerial photograph showing a winding asphalt road that curves through a dense, green forest. A river flows alongside the road, and the surrounding landscape is a mix of green vegetation and brownish soil, suggesting a natural or semi-natural environment. The lighting is bright, casting shadows that emphasize the contours of the terrain.

Our culture revolves around the characteristics of **humility, respect, belief** and **empowerment**. Continuing to develop this culture is core to Evolution's ongoing success.

Jake Klein

Executive Chairman
Evolution Mining



FY20 achievements

Governance

- **Strategic uplift** in the integration of Sustainability Principles, Policies and Standards
- **100%** of all assets internally and externally audited and verified with oversight from the Board Risk and Sustainability Committee
- Tailings Storage Facility (TSF) Governance Committee providing **effective oversight** of TSF management

Healthier and safer

- **40% increase** in safety interactions
- **18% decrease** in Total Recordable Injury Frequency (TRIF)¹
- **Proactive COVID-19 management** with no material impact on our people or our operations

People

- **62%** female graduate intake (**50% target**)
- **7%**² Indigenous workforce
- **41%** job opportunities filled internally (**24% increase from FY19**)

Social responsibility

- **65%** local employment across our operations
- **A\$1.56B** contribution to the Australian and Canadian economies³
- **A\$130.0M** contribution to local and regional businesses and organisations including A\$79.2M in direct spend⁴ with local organisations
- **A\$3M** donation to bushfire recovery, drought relief and community support and committed A\$1.5M to Sustainability projects

Environment

- No material environmental incidents
- Improved water security with 11% increase in water reuse
- Agreed climate risk mitigation strategy and targets, moving from measuring to planned mitigation



Environmental, Social and Governance (ESG) ratings

- MSCI rating score of 'A' for the Company's resilience to long-term ESG risks
- SAM Corporate Sustainability Assessment S&P Global: Inclusion in 2019 Dow Jones Sustainability Index Australia



"The possibilities in front of us are so exciting. By harnessing our talent and experience, and by continuing to be 'uniquely Evolution', I am looking forward to creating an even bigger positive impact on the lives of our employees, our communities and the stakeholders that join us on our journey."

FIONA MURFITT, VICE PRESIDENT - SUSTAINABILITY

1. TRIF: Total recordable injury frequency. The frequency of total recordable injuries per million hours worked. Results are based on a 12-month moving average. Includes Red Lake Operation as of 1 April 2020
 2. Includes Red Lake Operation
 3. Economic contributions include supplier payments, wages, dividend payments, interest, taxes and royalties
 4. Local organisations are defined by postcode in relation to geographical proximity to Evolution mine sites

New sustainability projects in FY20

Jonathon Thurston
JT Academy



Yalga-binbi Institute for
Community Development



Kalgoorlie LoKal
Working Hub



Lake Cowal Cultural
Heritage Education Centre



Great Barrier Reef Yellow
Zone Research Project



Fitzroy Basin Pest
Management Project



Pumped Hydro
Feasibility Study



Ongoing sustainability projects

University of Queensland's Research for Early
Cancer Diagnosis Using Gold



Somewhere Down The Lachlan
Sculpture Trail



Water Treatment
wetlands project



Great Barrier Reef Beach
Scrub Protection



Our sustainability vision is to deliver **long-term stakeholder value** through safe, low-cost gold production in an environmentally and socially responsible manner.

The Executive Chairman on sustainability at Evolution

On behalf of the Evolution Mining team, I am pleased to present our FY20 Sustainability Report which reflects our values driven approach to creating measurable value for our stakeholders through safe and reliable, low-cost gold production in an environmentally and socially responsible way.

We have been maturing in our sustainability journey, creating value and integrating sustainability into everything we do. We are energised by our next phase of improvement - leveraging our increased capability, experience and passion. This step change and the strategic importance of sustainability has also been recognised through the creation of a new role of Vice President of Sustainability. Fiona Murfitt is responsible for leading Health, Safety, Environment, Risk and Social Responsibility across the portfolio.

Our FY20 Sustainability Report describes our approach and performance in the areas of health and safety, environmental stewardship (including the management of climate-related risks), helping our communities thrive, cultural heritage, innovation and the development of our people. This is leveraged by our culture which emphasises doing the right thing because we want to, not because we have to.

Integral to the sustainability of our business is the health and safety of our people. Performance in this area is never good enough, however, we are seeing positive signs and metrics that our culture of engaging, reporting and learning is improving, and that our people are healthier and safer.

Our rigorous environmental standards and assurance meant there were no material events in FY20. We continue to operate above compliance to reduce our environmental footprint and support our surrounding ecosystems to thrive. At Cowal we have taken significant steps to improve our water security by investing in projects that reduce our reliance on surface fresh water. We have also applied science and innovation in the CSIRO wetlands project at Mt Rawdon, Queensland where we are teaming with global leading researchers to look at the use of wetlands and tall gums as a passive way to clean water for reuse or recharge back into the natural environment.

As the short-term custodians of the land in which we operate, we consider environmental and cultural heritage as both an honour and a responsibility. The recent destruction of culturally sensitive land in Australia made many of us in the industry challenge and re-validate our own standards, protocols and processes. We reaffirmed

the importance of the protection of cultural heritage at all levels of the business.

We made significant social contributions through our activities including a A\$1.56 billion contribution to the Australian and Canadian economies. We contributed A\$130.0 million to local and regional businesses and organisations including A\$79.2 million in direct spend locally in the communities in which we operate in Queensland, New South Wales, Western Australia and Ontario, Canada. Group-wide, we sourced 65% of our employees from our local communities, providing community benefits that endure beyond the life of our mines.

We continued to improve diversity by increased participation for all people that may face more barriers than others including Indigenous peoples, females and the LGBTI+ community. By increasing our graduate intake of females to 62% in FY20, together with building clearer career pathways for all, improved diversity will be delivered in the next generation of miners.

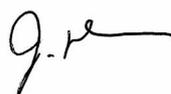
We focused on the management of climate-related risks around water, energy, waste minimisation, environmental footprint reduction, and extreme weather and health events.

We continue to successfully manage the Novel Coronavirus (COVID-19) with no material impact on our people or our operations in FY20.

Our high levels of transparency have been recognised by key ratings agencies including the Dow Jones Sustainability Index Australia and resulted in an upgrade to an 'A' rating from MSCI.

I would like to acknowledge and thank all our staff, contractors, and partners for their dedication and ongoing contribution to our sustainability efforts and I look forward to reporting on significant, planned step changes in FY21.

Yours faithfully



JAKE KLEIN
EXECUTIVE CHAIRMAN

Our business

Our vision

Inspired people creating a premier, global, mid-tier gold company.

Our corporate strategy

- A portfolio of six to eight assets generating superior returns with an average mine life of at least 10 years
- Embed financial discipline across the business
- An active pipeline of quality exploration and development projects
- Open to all quality gold, silver and copper-gold value accretive investments
- Build a reputation for sustainability, reliability and transparency

Our values

Four values guide workforce behaviours and decision-making at Evolution:

Safety

think before we act, every job every day



Accountability

if it is my responsibility, I own it – good or bad



Excellence

we take pride in our work, deliver our best and always strive to improve



Respect

we trust each other, act honestly and consider each other's opinion



Group and report information

This FY20 Sustainability Report for the period from 1 July 2019 to 30 June 2020 is approved for release by our Board of Directors. It outlines our approach to sustainable development and complements the FY20 Annual Report.

The Sustainability Report covers operations at our 100%-owned gold mines in Australia: Cowal in NSW, Mt Carlton and Mt Rawdon in Queensland, Mungari in Western Australia and our exploration activities in Australia. The Cracow gold mine in Queensland, which was divested on 1 July 2020, has also been included in the report.

In FY20, we acquired the Red Lake Operation in Ontario, Canada. We acquired economic interest on 1 January 2020 and operational control on 1 April 2020. Due to the period of ownership, summaries on Red Lake are provided in relevant sections. Unless specified, all figures in the report do not include Red Lake Operation.

In addition to these assets, we hold an interest in the Ernest Henry copper-gold mine in Queensland, a large-scale, long-life asset operated by Glencore. More information on Ernest Henry's sustainability performance is available on the Ernest Henry website¹.

1. www.ernesthenrymining.com.au/en/Sustainability/Pages/sustainable-development.aspx

Sustainability at Evolution

“It’s my privilege to have been directly involved in the maturing of Evolution’s sustainability culture. We are deeply committed to further enhancing our efforts as a socially responsible, sustainable gold miner.”

JIM ASKEW, BOARD RISK & SUSTAINABILITY COMMITTEE CHAIR

Sustainability Principles

The objective of our sustainability efforts is to deliver long-term stakeholder value through safe, low-cost gold production in an environmentally and socially responsible manner.

Our commitment

 <p>Be an employer of choice attracting the most talented people and foster a safe, diverse and inclusive workplace</p>	 <p>Demonstrate robust risk management and safety leadership</p>	 <p>Contribute positively to local, regional and national sustainability efforts by achieving an outstanding level of environmental stewardship</p>
 <p>Actively manage climate-related risks and opportunities including improving energy efficiency and the responsible management of water</p>	 <p>Protect and enhance our reputation as a trusted partner and provide community benefits that endure beyond the life of our mines</p>	 <p>Advance the outcomes for Indigenous peoples and protect their Cultural Heritage</p>
 <p>Respect the human rights of all our stakeholders</p>	 <p>Be transparent at all levels of Corporate Governance, comply with applicable laws and regulations and operate at the highest standards of financial and ethical behaviour</p>	 <p>Relentlessly drive for operational excellence through an innovative culture and inspired people delivering to plan</p>

At Evolution, we integrate our sustainability efforts into every cycle of the business to ensure we deliver long-term stakeholder value through safe, reliable, low-cost gold production in an environmentally and socially responsible way.

We made a strategic decision to operate in the Tier 1 mining jurisdictions of Australia and Canada, where community support, our social licence to operate and the contribution we can bring to our communities are amongst our most valuable assets. We support the local communities in which we operate and are determined to leave a positive legacy once mining operations have been completed.

We have developed nine Sustainability Principles that provide the foundation for how we approach and integrate sustainability into everything we do. These principles align

with the United Nations Sustainable Development Goals and support our drive for improvement as we mature in our sustainability journey.

Our short-term strategy focuses on value creation to advance our sustainability performance through:

- A safe and supportive workplace and improved health and safety culture
- A risk-based approach to sustainability and climate-related risk (focused on water, energy and extreme weather and health events) supported by integrated reporting measures and targets
- Excellence in Environmental Stewardship
- Robust risk management including climate-related risks

- Partnering with local communities to thrive beyond the life of our mines
- Developing effective teams aligned with our approach to diversity, inclusion and cultural competency

Sustainability Policy and Strategic Planning Policy

The Sustainability Policy¹ and Strategic Planning Policy² provide our key focus areas for the management of risk and sustainability in the business and are designed to be read together. These policies provide guidance on how to integrate sustainability into the business in the following areas:

- Health and safety
- Environment
- Cultural heritage
- Risk-based decision making
- Reporting, learning excellence, innovation and continuous improvement
- Crisis and emergency management and corporate governance
- Accountabilities for Risk, Sustainability and Strategic Planning

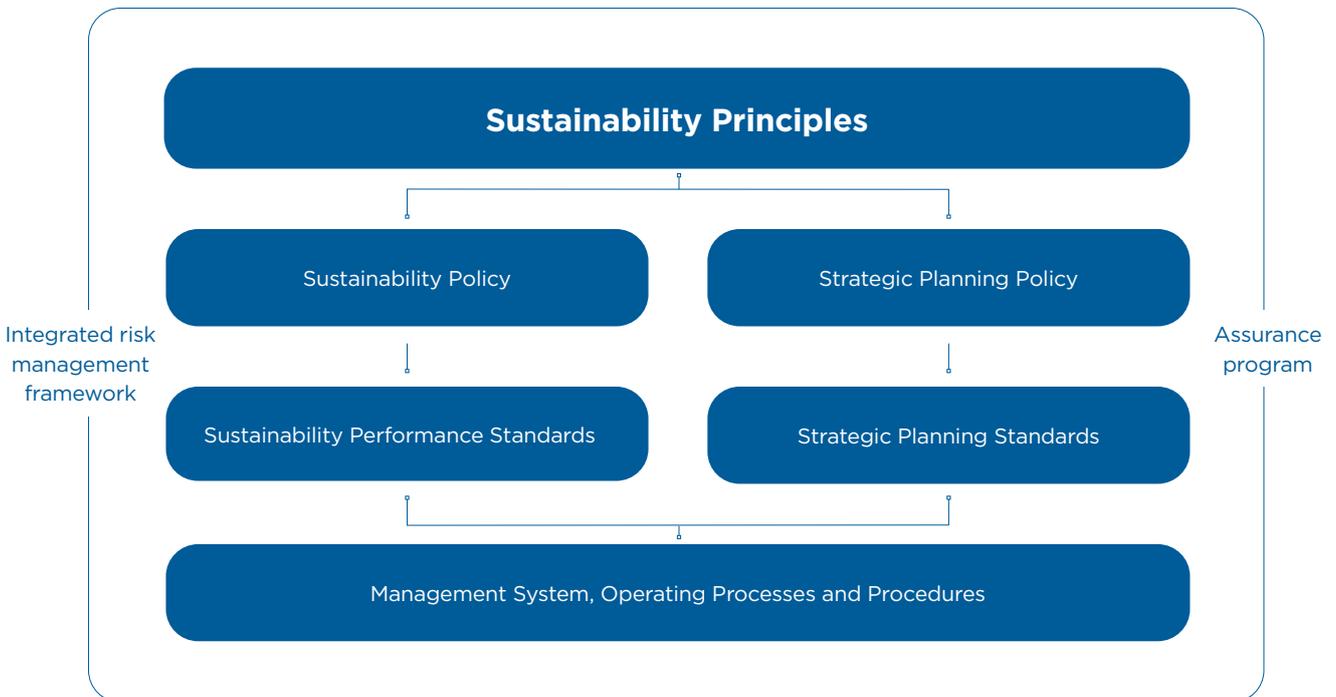
Sustainability Performance Standards and Strategic Planning Standards

The Sustainability Performance Standards³ and Strategic Planning Standards support the Sustainability Policy and Strategic Planning Policy in providing the minimum risk and sustainability requirements to be met or exceeded in all areas of our business, including our operations, exploration and group activities.

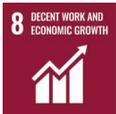
In FY20 we completed an internal audit of each asset for compliance against these standards. While we identified areas for improvement, we did not identify any material issues. These findings were independently verified by third-party auditors.

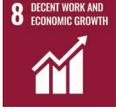
United Nations Sustainable Development Goals

We recognise the global importance of the United Nations Sustainable Development Goals (UN SDGs) and have aligned our Sustainability Principles with these goals where appropriate. The UN SDGs are the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, including those related to poverty, inequality, climate change, environmental degradation, peace and justice.



1. <https://evolutionmining.com.au/env-sustain-policy/>
 2. <https://evolutionmining.com.au/strat-plan-policy/>
 3. https://evolutionmining.com.au/wp-content/uploads/2020/09/EVN_COR_STD_001-Sustainability-Performance-Standards.pdf

Evolution's Sustainability Principles	SDG Goal	SDG Indicator	Reference Section
Be an employer of choice attracting the most talented people and foster a safe, diverse and inclusive workplace	 	<p>3.5 Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol</p> <p>3.D Strengthen the capacity of all countries, developing countries, for early warning, risk reduction and management of national and global health risks</p> <p>5.4 Recognise and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate</p> <p>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life</p>	People
Demonstrate robust risk management and safety leadership	 	<p>3.4 By 2030, reduce by one third premature mortality from noncommunicable diseases through prevention and treatment and promote mental health and wellbeing</p> <p>3.5 Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol</p> <p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p>	People Environment Social Responsibility
Respect the human rights of all our stakeholders		<p>8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms</p>	Social Responsibility
Relentlessly drive for operational excellence through an innovative culture and inspired people delivering to plan		<p>9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p> <p>9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending</p>	Environment Social Responsibility
Advance outcomes for Indigenous peoples and protect cultural heritage	 	<p>10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</p> <p>11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage</p>	Social Responsibility

Evolution’s Sustainability Principles	SDG Goal	SDG Indicator	Reference Section
<p>Contribute positively to local, regional and national sustainability efforts by achieving an outstanding level of environmental stewardship</p>	  	<p>7.2 By 2030, increase substantially the share of renewable energy in the global energy mix</p> <p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p> <p>15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements</p> <p>15.3 By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world</p> <p>15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species</p>	<p>Environment</p>
<p>Protect and enhance our reputation as a trusted partner and provide community benefits that endure beyond the life of our mines</p>	    	<p>1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day</p> <p>2.1 By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round</p> <p>4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</p> <p>8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services</p> <p>12.B Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products</p>	<p>Social Responsibility</p>

Evolution's Sustainability Principles	SDG Goal	SDG Indicator	Reference Section
Actively manage climate-related risks and opportunities including improving energy efficiency and the responsible management of water	  	<p>3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</p> <p>6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally</p> <p>6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity</p> <p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p> <p>13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>	Environment
Be transparent at all levels of Corporate Governance, comply with applicable laws and regulations and operate at the highest standards of financial and ethical behaviour	  	<p>10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard</p> <p>12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle</p> <p>16.B Promote and enforce non-discriminatory laws and policies for sustainable development</p>	Governance

Reporting what matters to our stakeholders

High-quality stakeholder relationships are central to creating positive impacts across the communities in which we operate. Trusted partnerships and relationships are the foundation of our social licence to operate, supporting shared value and reputational improvement.

Community support and our social licence to operate are among our most valuable assets. In FY20, we undertook our fourth independent biennial Stakeholder Perception Survey, a targeted independent research project which gauges sentiment across a wide range of community stakeholders in and around our operating sites.

“Evolution is not at arm’s length - they’re very involved and want to understand. There are no false promises attached. They’re very realistic and a true partner.” – COWAL COMMUNITY MEMBER

Stakeholder mix



University of Queensland's research for early cancer diagnosis using gold. One of the ongoing Evolution Mining sustainability projects.

Material topics

Evolution's Sustainability Report focuses on the following social, environmental and economic topics that were identified as being material to our stakeholders and business. Materiality is reviewed on an annual basis across a number of business forums including the Board Risk and Sustainability Committee. In FY20 materiality was reviewed using the Evolution Risk Register and particularly for climate risk in Leadership Team and Board workshops.

All material topics identified were rated according to the impact on the business versus the importance to stakeholders by using a materiality matrix.

Stakeholder interests were plotted against the vertical axis and ranked from low to high importance. Topics material to our business were plotted against the horizontal axis from low to high impact.

The material topics that fall into the high stakeholder interest and high business impact quadrant are listed below.

Evolution's material business risks are also referenced in the 2020 Annual Report.



Case study: First Nation Groups Collaboration

The Red Lake Operation has two signed Collaboration Agreements with their First Nation Groups: Lac Seul First Nation and Wabauskang First Nation. As part of the new ownership, Red Lake worked with their partners to transfer both Collaboration Agreements to Evolution Mining.

An Evolution team led by Chief Operating Officer, Bob Fulker visited both First Nation communities where they toured the communities with their Chiefs. Gifts were exchanged as a sign of respect and Bob spoke about the importance of the partnerships and Evolution's plans to continue strengthening the relationships.



ESG reporting agencies, benchmarking and memberships

We participate in ESG benchmarking assessments undertaken by organisations such as SAM Corporate Sustainability Assessment (CSA) and MSCI and through membership of leading industry bodies.

In FY20 we continued to improve the transparency of our disclosures and received a rating of 'A', up from a 'BBB' in the MSCI ESG Ratings assessment for resilience to long-term ESG risks, and ranked among the top five industry leaders globally for 'Health and Safety' and 'Business Ethics and Fraud'. We are, at time of publishing, also recognised as a member of the Dow Jones Sustainability Index

(DJSI) Australia, ranking Evolution in the top performing Australian mining companies for corporate sustainability in the annual assessment.

Together with our commitments, partnerships and stakeholder feedback, these assessments and memberships allow us to track our ESG performance against relevant standards and peers to deliver continual improvement.

Feedback from FY20 Investor Surveys confirmed that the ESG rating organisations that we report to align with their preferred ESG assessors. We will continue to prioritise participation with the following rating agencies on ESG benchmarking:



We validate our sustainability practices through our association with the following industry organisations:

	Board Representation	Health, Environment & Community representation
New South Wales Minerals Council	Yes	Yes
Queensland Resource Council	Yes	Yes
Chamber of Minerals and Energy of Western Australia	No	Yes
Gold Industry Group (Australia)	Yes	Yes
Lake Cowal Foundation (Australia)	Yes	Yes
Ontario Mining Association (Canada)	No	Yes
NSW Government Sustainability Advantage	N/A	Yes



Corporate Governance

We support the intent of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations (4th Edition)* unless disclosed otherwise. Our full Corporate Governance Statement is available on our website¹.

In FY20 we reviewed the following policies to respond to internal or external factors:

- Anti-Bribery and Corruption Policy
- Continuous Disclosure Policy
- Diversity and Inclusion Policy
- External Communications Policy
- Shareholder Communication Policy
- Sustainability Policy (safety, health and wellbeing, environment, tailings storage facility, risk, social responsibility and cultural heritage)
- Strategic Planning Policy
- Climate Risk Position Statement
- Code of Conduct

No material changes were made, except for extreme health events being added to the Climate Risk Position Statement. Policies are available to view in the Corporate Governance section of our website².

A TSF Governance Committee was established in FY18 to provide effective governance and oversight of our policies, standards and practices with respect to tailings management. This committee reports through to the Leadership Team and the Board Risk and Sustainability Committee and continues to operate as per its Charter³.

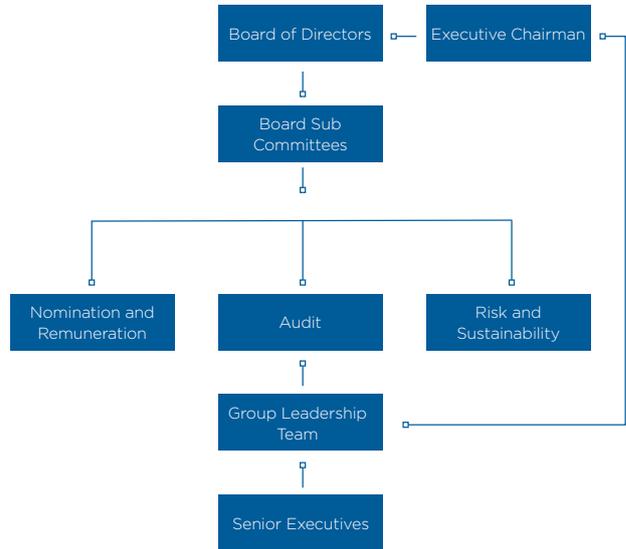
Assurance review outcomes

While areas for improvement were identified during the audit program which included health and safety, environment, social responsibility, cultural heritage and TSF management, no material or critical risk actions were overdue. There were also no overall significant rated findings from audits, which was also verified by independent auditors. The management of assurance activities and of corrective actions (including the expectation of no overdue material or critical actions) are also integrated into the Company scorecard and associated remuneration strategy.

Quarterly

Tailings Storage Facility Governance meetings

Governance Framework



Risk management

We have an established, risk-based decision approach that is supported by the Sustainability and Strategic Planning Policies, Standards, Risk Management Framework and supporting sites processes and procedures that aligns to the principles of the Australian and international standards and guidance. The Group risk reporting and assurance control mechanisms are designed to ensure strategic, operational, legal, financial, reputational and other risks are identified, assessed and appropriately managed. Matters relating to sustainability are recorded in a database and communicated widely across the organisation on daily, weekly, monthly, quarterly and annual timelines dependent on the issue. These are reviewed by our Board Risk and Sustainability Committee⁴ throughout the year, supported by regular reviews by the Leadership Team, site leadership teams and subject matter experts such as the Tailing Storage Facility (TSF) Governance Committee. Further, an integrated three level Line of Defence (LOD) program has been implemented, supported by subject matter experts and internal and external audit.

1. <https://evolutionmining.com.au/corporate-governance/>
 2. <https://evolutionmining.com.au/corporate-governance/>

3. <https://evolutionmining.com.au/tsf-gov-comm-board-charter/>
 4. <https://evolutionmining.com.au/risk-sustain-charter>

Two sites

ISO 14001 accredited

all other assets aligned with ISO principles

The financial reporting and control mechanisms are reviewed during the year by management, the internal audit process, the Audit Committee and external auditors. The Group has policies in place to manage risk in the area of sustainability, with individual annual Risk and Governance Assurance confirmation letters submitted at the end of each financial year by the asset management to the Chief Operating Officer and the Board Risk and Sustainability Committee.

The Board delegated committees and Leadership Team regularly review the risk portfolio of the business and the effectiveness of the management of those risks.

CASE STUDY: Mitigating against extreme weather events at Mt Carlton

Evolution has implemented strategies to mitigate against the impact of extreme weather events such as Cyclone Oma in 2019 which led to extensive flooding at the Mt Carlton Operation and surrounding regions. In response to severe weather, the Mt Carlton operation has strengthened their business continuity planning strategy. This included the construction of shelter areas and creek crossings, increased stockpiling of ore and water management innovation and procedures, including the use of evaporation fans to ensure that mine affected water is not discharged offsite.



COVID-19

COVID-19 did not materially impact our people or operations in FY20 and we continue to proactively respond to the virus.

We operate under specific business continuity plans developed to minimise risks to our people and communities and to support the safe production of gold during challenging periods. These plans are actively reviewed as part of our crisis management protocols and meet, as a minimum, local and national regulatory requirements.

Controls implemented included:

- Regular Operation and Group Crisis Management situational reports, trigger action review plans and reviews
- Enacting strict social distancing protocols including reducing face-to-face interactions
- Implementing specific site relevant visitor and travel protocols
- Restricting domestic and international travel
- Suspending activities across most of the Group's greenfields exploration projects
- Increasing flexible working arrangements
- Increasing on-site screening, hygiene protocols and social distancing
- Ensuring best practice health management including mental health support
- Regular COVID-19 communication with the workforce and all stakeholders
- Ongoing community support
- Business continuity, scenario planning and supply chain reviews completed

We are working closely with regulators, community and industry groups and independent specialist medical and occupational health advisors to ensure all operations are complying as a minimum with agreed protocols and requirements. We recognise that we play an important role in supporting the economic security of our families and communities as the resource industry works to support community stakeholders through and beyond the pandemic.

In our local communities, we have:

- Donated iPads to aged care facilities to ensure residents stay connected to loved ones and have access to online telehealth services
- Provided local schools with supplies to assist students transitioning to online learning
- Supported vulnerable people in our communities through assistance with local foodbanks and Women’s Refuges
- Supported local emergency services personnel through the provision of personal protective equipment (PPE) such as disposable gloves, glasses and masks

COVID-19 approach

People



- Driven by our values of safety, excellence, accountability and respect
- Continued discipline with health and safety practices
- Sound reporting culture

Process

- Risk assessments and Triggered Action Response Plans (TARPs) with ongoing review
- Supply Chain regularly reviewed
- Scenarios modelled through the cycle
 - People and site response
 - Commercial and financials



Structure



- Roles and responsibilities appointed
- Regular meetings of Crisis Management Team
- Central storage of all data and information

Communication



- Internal – Our people and contractors
- External – Communities, Government, Industry

Ethical business

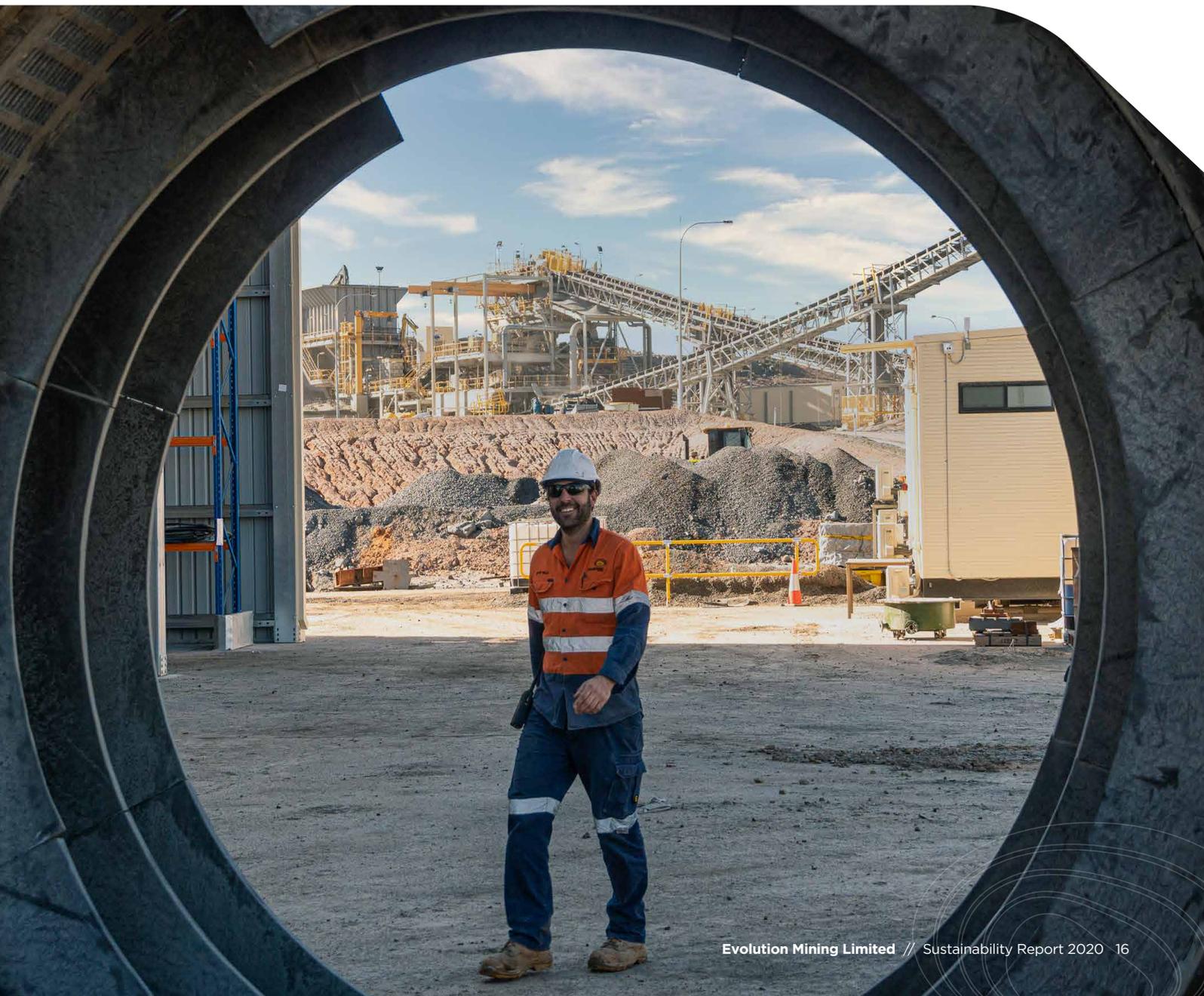
Our Code of Conduct applies to Directors¹ and employees² including contractors and consultants employed to undertake work on behalf of or for Evolution and subsidiaries.

All employees, contractors and service providers are required to operate and behave in accordance with Evolution’s values of Safety, Excellence, Accountability and Respect. In FY20, all employees completed ‘Respect & Dignity’ training that included a section on the Code of Conduct.

100% of employees received Code of Conduct training

1. <https://evolutionmining.com.au/board-of-conduct/>
 2. <https://evolutionmining.com.au/empl-code-conduct/>

People



People

- **40%** increase in safety interactions¹
- **18%** decrease in Total Recordable Injury Frequency (TRIF)¹
- **62%** female graduate intake **(50% target)**
- **7%** Indigenous workforce²

“As a result of COVID-19, we’ve needed to respond to the challenging environment and it’s demonstrated our adaptive culture and that regardless of the environment, our people continue to act and think like owners and deliver real value”

PAUL EAGLE,
VICE PRESIDENT PEOPLE AND CULTURE

Building an exceptional company

We are committed to providing an experience for employees that they genuinely describe as ‘a highlight of their career’ in which they:

- Return home healthy and safe every day
- Have an opportunity to grow, develop and contribute their knowledge and skills
- Experience a real sense of ownership for our business
- Feel proud of the contribution that Evolution is making to the community

We offer as many job opportunities as possible to our local communities, while managing the need to source critical skills to ensure the viability of our operations and meet regulatory requirements.

In FY20, we focused on achieving our goal of amplifying our high achieving culture to create a work environment based on trust, empowerment and accountability.

FY20 achievements

- Weekly storytelling, information sharing and incident review sessions
- 100% of significant incidents reviewed with senior management and front-line leaders to promote learning across the business
- 40% increase in safety interactions (with 54,287 recorded compared with 32,588 in FY19)
- Strong hazard reporting culture (13,526 recorded compared with 13,040 in FY19)
- 17% improvement in Take 5 pre-start safety checks (with 207,910 recorded compared with 173,259 in FY19)
- All Performance Standards audited at assets with no material findings identified
- Practiced crisis management and emergency exercises at all locations, including scenario planning and supply chain reviews completed

FY20 performance

We are committed to the highest standards of health and safety leadership for employees, contractors and the communities in which we operate. Across our operations, we aim to investigate all safety incidents, and prioritise peer and leadership safety interactions as we believe an increase in field discussion and local operational ownership leads to improved performance.

Our overall safety performance improved in FY20. There was increased reporting and investigations to prevent recurrence and a focus on safety risk management including audits at all sites with no significant findings identified. These findings were also verified through external review and audit.

While TRIF reduced by 18% to 6.8 compared with 8.3 in FY19, this fell short of our target reduction of 34%.

In July 2019 the Queensland mining industry commenced a state-wide Safety Reset with the 49,000 mine workers across the state stopping to reflect on tragic industry incidents over the last 12 months. We held safety resets at every mine and exploration site including those outside

18%

reduction

in Total Recordable Injury Frequency¹

Safety

“Imagine a workplace where people go home healthier and safer than when they arrived - this is why we are committed to providing a healthy and safe workplace for all.”

FIONA MURFITT,
VICE PRESIDENT SUSTAINABILITY

1. Safety statistics include Red Lake from 1 April 2020

2. Include Red Lake operation

of Queensland to talk about safety and identify what we could do together to prevent injuries.

FY21 focus

In FY21, we will continue to drive improvements in health and safety performance which includes reduction in people being hurt and increased rigour in our risk management. Targets have also been incorporated into the business strategy including improving TRIF, increased reporting transparency, closing material and critical actions on time, improving in-field leadership and site interactions and improved incident investigation transparency and learning.

Crisis Management and Emergency Response Plans

Emergency Response and Crisis Management

Emergency response Action: to commence immediately to prevent loss of life, damage to the environment or property and to minimise harm

Level 1 Response: Operations Emergency Response Team (ERT) action at a site level

Level 2 Response: Incident Management Team (IMT) action from site and local external involvement

Level 2.5 Response: Customised grouping of Leadership Team (CMT sub-team), if required in support of a site, operations or exploration IMT level 2 activation

Level 3 Response: Crisis Management Team (CMT) Leadership Support and Management

The framework above outlines the manner in which Evolution responds to an emergency or crisis. This framework is supported by the Crisis Management Plan that outlines the roles, responsibilities and processes to be followed by the corporate crisis management team in the event of a crisis, both at a site and at a Group level.

A CMT exercise was conducted in FY20 and benchmarked against other similar organisations. The CMT was well led and supported, with all team members demonstrating excellent initiative against the agreed CMT tasks and priorities.

In February 2020 the CMT and on-site teams were formally activated to respond to the then emerging issue of COVID-19. These teams continue to meet on a regular basis to address the ongoing COVID-19 crisis.

Emergency Response Team

We continue to build the capability of 136 members in our Emergency Response Team (ERT), using both personnel and resources to support our operations and to assist our communities through significant incidents or threatening situations. In FY20, our ERT responded to offsite emergency incidents within our local communities which included an off-site fire, motor vehicle incidents, a tyre fire and a farm accident.

Our ERT also attended Mines Rescue Competitions in Victoria and Queensland and hosted the New South Wales Mine Rescue challenge at West Wyalong. Our Cracow ERT participated in a joint training exercise with the Queensland Fire and Emergency Services at the Theodore airport.

Health and wellbeing

A holistic, risk-based health and wellbeing program that encourages mental and physical good health of our people is effectively deployed across our business. This is offered to all employees and permanent contractors.

In FY20 more than 78% of people voluntarily participated in health programs. One of the benefits included the reduction in high-risk health categories for some participants. The following consultations were undertaken:

- **6,828** voluntary one-on-one consultations with onsite physiologists
- **1,367** employees and contractors attended at least one, with 921 people attending at least two consultations
- **139** confidential counselling sessions for employees and their family members

Over the long term we have seen an ongoing focus in people's health, particularly in high-risk health categories. This was evidenced with a long term reduction in the high risk health categories for cholesterol (77%), for blood pressure (73%) and Body Mass Index (26%).

Additional onsite Health and Wellbeing activities include 'warm-up for work' sessions, fatigue prevention, health education and manual handling education sessions and mindfulness/breathing training.

78%

voluntary participation in health and wellbeing programs

Red Lake Operation - Health and Safety

- Increased focus on material and critical risk management
- Increased reporting and incident review

Creating a diverse and inclusive workplace

We believe in growing a rich culture, diverse workforce and a work environment in which every employee is treated fairly, respected and able to contribute to the business success. This work is guided by our Diversity and Inclusion Policy¹.

In a truly diverse business, everyone is an individual, and we recognise how they can bring their very best to work. Across our 2,099 people, we continued to improve diversity and inclusion through increased participation for underrepresented people that may face more barriers than others including Indigenous people, females and our LGBTI+ community. In FY20 female Board representation was increased to 25%, our female workforce representation increased to 17% and our Indigenous workforce representation increased to 7%². To increase diversity in FY20 we:

- Built cultural awareness through training and collaboration with our local Indigenous communities
- Focused on increasing female participation in our pipeline programs with 62% of our graduate intake being female (50% target)
- 64% of vacation students were female (50% target)
- Doubled the number of female mentee opportunities through Women in Mining partners
- Held a second Women in Mining forum where 12 female employees from other businesses came to network and receive professional development on career mobility

Our sites offer unique work opportunities and operating challenges, and we are committed to maintaining a flexible and dynamic approach to recruitment within a clear values framework. To better reflect our community, we embrace and celebrate our different cultural backgrounds. We do this by observing and acknowledging various dates and festivities on the cultural calendar throughout the year. We also work with community partners to help solve challenges, with a core focus on reconciliation with Indigenous Australians.

We relaunched our career website³ to reflect our culture and the opportunities at Evolution.

Our Team, countless opportunities

Explore the stories of the people that make evolution



Developing our people

We recognise that development is not a 'one size fits all'

[Read more](#)

In FY20 we welcomed 338 new colleagues to our Australian operations and our most significant onboarding was the addition of 714 new colleagues at our Red Lake Operation in Canada.

Given the COVID-19 pandemic has restricted access to the Red Lake Operation, we would like to publicly acknowledge the remarkable commitment of our team members in both Australia and Canada for making the acquisition and ongoing management of the site a success.

We are delivering diversity and equality in the graduate pipeline and have a clear understanding of how all candidates move through our selection process. A fifth cohort of new graduates were welcomed to the business in January 2020.

1. <https://evolutionmining.com.au/diversity-inc-policy/>
 2. Includes Red Lake Operation
 3. <https://evolutionmining.com.au/careers/>



“The graduate program has provided a clear pathway for personal development and building skills in my field”

CHARLESE CONOLLY
GRADUATE METALLURGIST
MT RAWDON OPERATION



“Just wanted to say thank you and great job. I truly believe that everyone at Red Lake admires, respects and appreciates being a member of the Evolution team.”

PAUL FAULCONER
TRAINER
RED LAKE OPERATION

Employee engagement

We conduct monthly voluntary employee engagement surveys through a Culture Pulse Feedback Survey to team members, giving our people an opportunity to let their leaders and team members know what is important to them.

During FY20, an average of 53% of team members responded to the survey. The results identified that we successfully sustained or improved over the period against our key culture measures, which are aligned to our values.

In FY20 we added a question on whether our employees felt they could have open, honest and courageous conversations to support our commitment to providing a work environment based on trust, empowerment and accountability. This question scored a consistent 76/100, a 5% increase since the beginning of the year. We were pleased that engagement was at its highest point during the peak in the COVID-19 crisis.

The success of any engagement strategy is ultimately measured by how well we retain our talent and in FY20 we were successful in retaining 88% of our team members. In FY21, we will maintain our focus on attracting and retaining high-quality talent and continuing to engage with and develop our people.



Dashboard Summary

Combined score average **78**

Change **+5**

Response rate **53%**



Recognising and rewarding our people

At Evolution, we want our team members to ‘Act Like an Owner (ALO)’ by treating our business as if it is their own. We also reward employees by issuing them shares to ensure they share in Evolution’s success. FY20 saw the continuing of our Employee Share Scheme into its sixth year and highest ever participation at 99.1%.

Feeling empowered to contribute and make improvements is central to team member engagement. We seek to recognise people who display this behaviour through initiatives and actions that improve safety, reduce costs, deliver operational excellence, offer environmental enhancement and make Evolution a safer or more efficient business in which to work.

In FY20, 196 ALO initiatives were generated across our operations that delivered significant value for our business through change, improved safety and innovation. Our people are being the best they can be, are really making a difference and are having a great time doing it – making Evolution a great place to work.

For us, the strategic importance of sustainability performance is also recognised and linked to Management’s short-term incentive process. This process evaluates Evolution’s performance against established targets including for health and safety, people, environment, climate risks (water and emissions), social responsibility and innovation, including ALO contributions.

CASE STUDY: Act Like an Owner - Processing at Mt Rawdon



Dan Morton (Processing Coordinator) identified an improvement opportunity during the changing out of trash screens in the mill. By changing out the underflow of the trash screens the site was able to run on one screen at a production rate of 430t per hour as opposed to 320t per hour in the original configuration. This allows the site to change between the screens for maintenance activities without reducing throughput, resulting in a production improvement of approximately 580 ounces or an extra A\$220,000 of cashflow annually. It also improves energy use, reduces risk during maintenance activities, reduces work required during mill shutdowns and improves health and safety outcomes.

Development and retention

The ongoing challenges posed by the COVID-19 pandemic demonstrates that the ability to learn, relearn, collaborate and adapt are more important than ever. We are creating an operating culture in which ongoing learning is built into the fabric of how we do business.

In FY20 our deliberate focus on development, leadership and retention was measured through:

- 75% of people fulfilling their stated development goals
- Improved continuity in our leadership pipeline effectively retaining and attracting top talent in our management group
- The enrolment and participation of 34 of our leaders in development program despite COVID-19
- 41% of roles appointed through succession and internal candidates, an increase of 24% from FY19

This focus on leadership will continue in FY21 to deliver improved business continuity and leverage our front-line leadership talent by increasing the percentage of 'ready now' successors for our employees at superintendent level roles and above, in addition to our manager pipeline.

We reiterated our leadership development through a revised leadership training and coaching program, refreshing our Dignity and Respect Training and implementing our Cultural Competency Framework for all team members.

Partnerships

Our partnership programs foster an environment where we deliver on our commitment to diversity as an equal opportunity employer, supporting our employees' work-life integration and providing a stimulating and inclusive environment.



In FY20, we were thrilled to become an accredited partner with Work 180, who provide applicants with a directory of Australian employers who support women in the workplace. This partnership supports our commitment to attracting greater diversity and women in the workforce and across the broader resources sector.



Participants in the school partnerships program visiting Mt Carlton Operation.

Johnathan Thurston (JT) Academy

Our ongoing partnership with the JT Academy supports our commitment to improving access to employment and training opportunities for local and Indigenous jobseekers aged between 16 and 25 across Australia. The JT Academy team facilitated the JTCommunity program in Theodore, Queensland near the Cracow Operation. The program is designed to foster self-belief, courage and confidence and prepare participants well through the job application and interview stages. The program attracted a total of 47 applicants, 20 of whom identified as being Aboriginal or Torres Strait Islander.

“The program made me think about me and what I want and need to do to achieve my goals.”

PARTICIPANT OF JT ACADEMY EMPLOYMENT WORKSHOP, THEODORE



School partnerships

In FY20, we offered students and teachers from three schools in Sydney and ten schools in Brisbane a unique experience that connected classroom lessons as part of the science curriculum to applications beyond the classroom.

Participants toured our Cowal and Mt Carlton Operations and listened to talks on what it is like to work in the gold industry. The excursions raised awareness of our operations and our industry and showcased the positive benefits of mining and the potential for future employment pathways into the industry. We have expanded the school partnerships into Western Australia around our Mungari operation.

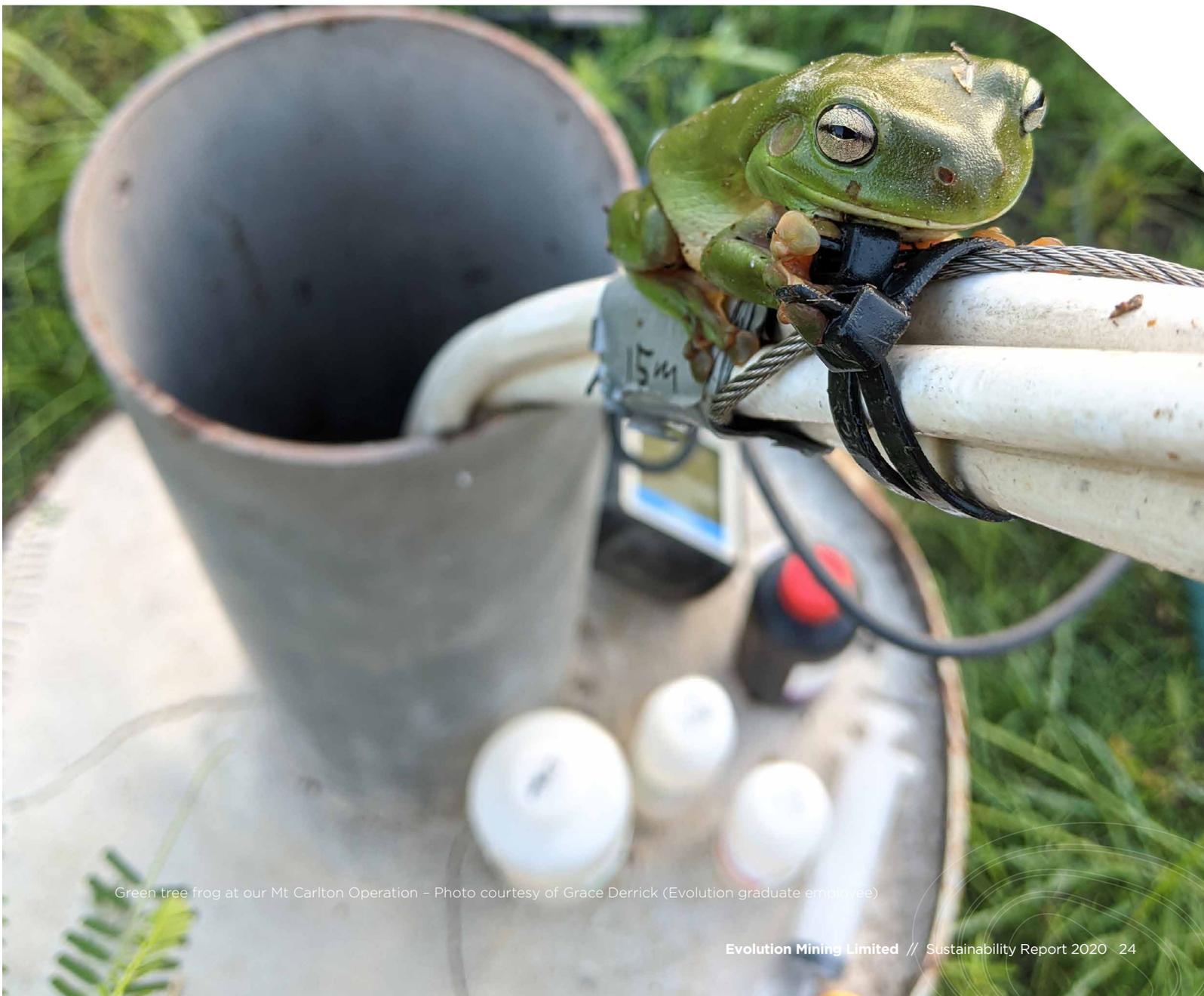
“A really well-balanced experience which not only shows the impressive mine operation and mining career pathways but also the concern with the maintenance of the local environment and the preservation of Indigenous artefacts and the inclusion of the Indigenous community”

TEACHER, CANTERBURY GIRLS HIGH SCHOOL

91%

of students reported that their interest in STEM subjects at school increased as a result of the mine site experience

Environment



Green tree frog at our Mt Carlton Operation - Photo courtesy of Grace Derrick (Evolution graduate employee)

Environment

- **No catastrophic** or major (material) environmental incidents
- Improved water security with **11% increase in water reuse** compared to FY19
- **Agreed climate risk mitigation strategy and targets**, moving from measuring to planned mitigation

'As the short-term custodians of unique environments, we are committed to delivering an outstanding level of environmental performance to return a positive legacy for future generations'

FIONA MURFITT
VICE PRESIDENT - SUSTAINABILITY

In accordance with our Sustainability and Strategic Planning policies, we incorporate environmental management into all areas of operations to manage the risks and potential impacts through all cycles of the business. We operate beyond legal compliance to deliver against our social licence obligations and strive for leading practice to meet community expectations.

FY20 achievements

- Identified and workshopped climate-related risks (including transition risk) and governance, measures and mitigation opportunities across its operations
- First phase of aligning with key Task Force on Climate-related Financial Disclosures (TCFD) Principles and UN SDGs through the development of our Sustainability Principles
- Embedded accountability for our eight environmental performance standards to lift the Group's environmental performance
- Improved management, governance and assurance practices for our TSFs
- Ongoing quarterly environmental assurance reviews and environmental team engagement to accelerate our sustainability performance
- A\$400,000 contributed to improve or enhance environmental values onsite or in communities adjacent to our operations
- Embedded risk mitigation strategies and targets for FY21 leveraging off the detailed measures captured from previous years
- Revised our Climate Risk Position Statement

FY21 focus

- Balanced Business Plans include the requirement to accelerate sustainability performance and includes the introduction of measures and targets associated with the reduction in use of raw water and emissions against production metrics
- Increased focus on innovation, technology and renewables use

CASE STUDY: Integrated Waste Landform at Cowal

The Integrated Waste Landform (IWL) currently in construction at Cowal uses site waste rock to construct TSF embankments which encapsulate tailings. The practice of utilising waste rock as it is mined to the final landform meets remediation principles and benefits people, planet and process:

- **People:** Improved safety through improved structural stability and storage
- **Planet:** Non-polluting; eliminates rehandle of materials. Rehandle is a major contributing factor to increased CO₂-e emissions. Our environmental footprint is minimised by combining our waste streams into one final landform. The IWL includes surface and sub-surface water management to optimise capture and re-use of water providing greater water security
- **Process:** Planning, construction, operation, closure and post mine land use are enhanced – approximately 70% of waste mined in FY21 will be used in IWL construction. Controlled seepage systems enable increased reuse of mine water and reduced demand on raw water which is in demand for agriculture and municipal supply
- **Future focus:** Waste tailings and rock are the significant considerations for environmental management. We continuously work to reduce the volume of our waste streams and as an improvement option we want to unlock the value to convert our waste to assets. In FY21 we will explore partnerships which through research and development will seek to extract more minerals from the waste streams and find alternative uses such as use for grouting and road base



Zero

material environmental incidents in FY20

Environmental Performance Standards

Our Sustainability Performance Standards contain eight key business risk areas related to environment: air quality, biodiversity, rehabilitation and mine closure, resource efficiency and emissions, tailings storage facilities, waste, waste rock and ore, and water.

All our sites and workplaces are required to meet the Standards which are audited on a regular basis. Details of the performance of the eight business risk areas are available on our website¹.

Environmental data (water, air emissions and energy) at our operations is collated and verified by third party auditors Greenbase. FY20 data can be found on p.49-50. They are reported monthly and measures have been set to establish baseline improvements year on year.

Climate-related risks, emissions and energy

Evolution acknowledges that climate-related risks, both transitional and physical, have the potential to impact our business, communities and the environment. We are committed to understanding and proactively managing these risks.

Sound risk management practices and strategic planning are integrated across all areas of our business, leveraging off technology to ensure projects return long term value. Comprehensive Board-level governance and oversight are applied.

In FY20, as a first step towards the TCFD framework, emerging climate-related risks were identified and included in the Risk Register.

Climate-related risks are actively reported, and targets have been developed for FY21 to build on opportunities, improve energy efficiency and water security, prepare for extreme weather and health events, (including pandemic and smoke impacts from fires) and adopt responsible water management practices. Specific targets have also been captured in the Balanced Business Scorecard, including implementing community plans, year-on-year reduction of

CO₂-e emissions per tonne of material mined, and year-on-year reduction of raw water demand per dry tonne milled based on historical data. The case studies for water efficiency at Cowal, extreme weather at Mt Carlton and the management of COVID-19 demonstrate our ongoing commitment and mitigation of climate-related risk.

The climate-related physical risks identified as applicable to our business are as follows:

- **Energy and emissions:** We keep informed of changing regulations, including policy, codes and principles to help manage transition risk. We engage with our community and stakeholders to ensure we are operating with a holistic mindset. We remain agile in response to changing markets and explore innovative technology including renewables to improve our resilience to resource financial and supply uncertainty. We aim to contribute positively to local, regional and national sustainability efforts


- **Water security:** Production is reliant on the availability of water. In the short term, the Group is adapting to a changing water security environment by working towards reducing demand and reusing a greater portion of water. In the medium to long term, we are investing in water recycling and reuse strategies to improve efficiencies


- **Extreme weather events:** We ensure we minimise the impact of extreme weather events on our operations through business continuity planning. This includes the consideration of potential climate impacts in the design and construction of new and upgraded assets and alternate supply chains


- **Extreme health events:** the events of COVID-19 this year have impacted globally and have highlighted the need to act early and collectively to mitigate loss, both of life and financial. We also recognise that we must remain prepared to manage these events and support the communities in which we operate with their recovery efforts. We have integrated this into our scenario plans, supply chain reviews and we have stress tested our balance sheet and our financial capacity



1. <https://www.evolutionmining.com.au/environment>

CASE STUDY: Pumped hydro renewable energy at Mt Rawdon

We are progressing with the feasibility project to integrate renewable energy infrastructure at the Mt Rawdon Operation. The pumped hydro scheme would entail the use of the open pit void as the lower reservoir and the construction of an upper reservoir. There is potential for long-term benefits to the region and economy should the project become a reality.

CASE STUDY: Energy efficiency initiatives at Cowal

During FY20, options were identified to reduce energy use and emissions at the Cowal Operation. Through remote monitoring and analysis of the processing plant using business intelligence software MillROC, processing efficiency was optimised and electricity and inputs demand in the processing plant were reduced. The MillROC efficiency program also identified opportunities to reduce wear and grinding media requirements to achieve optimum grind in the milling circuit for improved gold recovery.

Emissions reporting

Each year, we submit annual reports¹ for Australia's National Pollutant Inventory (NPI) and the National Greenhouse and Energy Reporting Act 2007 (NGER Act) to estimate greenhouse gas (GHG) emissions and energy use at our Australian operations.

In FY20, we developed baseline data and analysis for each operation to understand the source of peak energy use and emissions. We will continue this work in FY21 through a newly formed Resource Efficiency Working Group that aims to implement strategies to reduce climate-related risk through analysis of past performance and sharing of innovation and technology initiatives.

Emissions performance

Overall, the Group's total GHG emissions increased 3% compared to FY19, with a 2% increase in Scope 1 emissions and a 4% increase in Scope 2 emissions. The increase is largely a result of an increase in activity at Mt Carlton and an increase in electricity purchased at Cowal. In line with the increase in emissions, energy consumed also increased by 3%.

At our Cowal Operation total Scope 1 emissions were stable compared to FY19 with diesel use (predominantly for mining) decreasing by 2% and LPG (used in processing) increasing by 26%. Electricity use increased by 6% in line with a 7% increase in ore processed. However Scope 2 emissions increased by 5% due to NSW grid factors increasing. Electricity use increased by 6% in line with a 7% increase in ore processed.

At our Mt Carlton Operation, emissions increased in FY20 due to underground developments and process plant upgrades. This resulted in Scope 1 and Scope 2 emissions increasing in comparison to production metrics. These developments, along with the construction of a new TSF, support life of mine (LOM) ore processing and long-term storage of by-products. The use of enhanced water evaporation powered by diesel has been an integral part of a new water management system and has led to Scope 1 emission increases.

Water management

We recognise the importance of water to our business and our communities and take a proactive approach to responsible water management and security. Our standards aspire to reduce the demand for fresh water and the overall requirement for water in our operations. The water management performance standard ensures that our operations effectively manage water, including process water, stormwater, discharges and dewatering activities.

FY20 achievements

- 85% water utilised for operations was recirculated for reuse onsite
- 11% increase in water reuse between FY19 and FY20
- 0.74kL average water demand per tonne of ore milled at all operations

Our total water withdrawn increased by 21% in FY20. The increase in water withdrawn was due to mine dewatering at all operations with increases at Mt Carlton and Mungari.

Total water recycled and reused increased by 11% between FY19 and FY20. We use recycled water primarily to process ore and in other activities such as paste fill, irrigation, dust suppression and construction.

Operations prepare for seasonal variations in water flow and maintain routine dewatering activities to satisfy water licence conditions. Probabilistic site water balance models are used to predict water flow and requirements during droughts and stormwater flows at operations.

In FY20, one uncontrolled release of water of more than 10kL occurred. Cracow had a 11.7kL release of mine affected water which was contained with no environmental harm or enforcement action.

1. <https://evolutionmining.com.au/environment>

In FY21, there is a focus on reducing the volume of fresh water used and increasing the portion of water reuse for all operations.

CASE STUDY: Cowal water usage

During summer 2019/20, the Lachlan catchment of NSW in which our Cowal Operation is located faced Level 3 water restrictions due to prolonged drought conditions. Although our mining operations were not materially impacted by the restrictions, agricultural and municipal areas in the region were. Evolution responded by adopting a regional mindset to identify water saving measures at the Cowal Operation. After polling 300+ employees on ways of decreasing raw water use and demand, our Cowal Water Strategy Group introduced a series of initiatives that included:

- Increasing reuse of mine water from current 47% average
- Increasing site water storage capacity from 725ML to 1080ML
- Reducing the operation’s reliance on fresh water by increasing saline groundwater use from 8% (2ML) per day to 16-20% (4ML) per day
- Reducing water demand for the operation from the current 24ML per day

Waste management

The major waste streams in mining are tailings and waste rock. Minor waste streams include industrial waste, organic and inorganic waste. The management of waste is supported by group wide policies and performance standards and local operating procedures.

All waste streams are monitored through regular inspections and waste tracking.

Operations use specialist, licenced waste management service providers and tracking arrangements for the approved and safe disposal of transfers of obsolete or used hazardous materials. Generally, chemicals are consumed in the process. Regulated waste streams are transferred off-site for industrial re-refining (for reuse) or converted into energy.

Operations seek to reduce impact to our communities and the environment through elimination, reduction, recycling and reuse of waste streams in favour of disposal.

- **Elimination:** waste converted to energy (pre-feasibility studies in progress)
- **Reduction:** 43% reduction in hazardous chemical use achieved at Cracow and Mt Rawdon has significantly increased their haul truck hours reducing the environmental footprint

- **Reuse:** Waste rock is used for the construction of TSF embankments at most of our operations forming Integrated Waste Landforms (IWL) reducing our environmental footprint
- **Recycle:** investigating sustainable recycling of tyres and PPE clothing options with community partners

43%

reduction in hazardous chemical use at Cracow

CASE STUDY: Reduction in reagents use, Cracow

In FY20, a hazardous chemical reduction project at the Cracow Operation was completed. This resulted in a 43% reduction in the consumption of critical hazardous chemicals in the process plant - hydrogen peroxide consumption was cut by 75% and cyanide consumption by 20% relative to FY19. The resulted in a reduction in exposure to the chemicals within the local environment of the operation and a reduction in transport requirements and tailings disposal. This change was completed without any negative impact to recovery. In FY21 the learnings from this will be applied to other operations to increase the benefits to communities and the environment.

Tailings management

We maintain 11 TSFs in Australia, eight of which are active, one under construction and two decommissioned.

In producing 746,463oz gold, 15.06Mt of ore was processed and deposited into storages.

More than 700kt of approximately 1.5Mt tailings were recovered for reuse at the Mungari Operation.

Our tailings governance and assurance frameworks incorporate the six key components of the Tailings Governance Framework as outlined by the International Council on Mining and Metals (ICMM).

Our Tailings Storage Facility Governance Committee provides effective oversight of our policies, standards and practices with respect to tailings management.

A Group Head of Technical Storage Management was appointed in FY20 to oversee such operations and gain greater insight into the risks and mitigation potential associated with TSF management.

Quarterly performance assessments are completed for each of our operations, the outcomes of which are reported to the Board via the Risk and Sustainability Committee. Dam break studies have been completed for all active TSFs. Additional monitoring controls are progressively being implemented with the adoption of Interferometric Synthetic Aperture Radar (InSAR) technology which uses satellite data to study deformation. These audits also ensure that operations meet the requirements for the characterisation of tailings, protection of wildlife, protection of groundwater, prevention of uncontrolled releases to the environment, management of process fluids and planning for closure and rehabilitation of facilities.

The Board and Leadership Team completed tailings fundamental training to further develop their knowledge. Personnel from all operations who are responsible and accountable for tailings management have commenced a tailings training program delivered internally in FY20, supported by sites, subject matter experts and an independent expert.

Life-of-mine planning has been further integrated into operations with the continued construction of IWLs, in-pit deposition and reprocessing of tailings. Risk is further reduced through annual improvement planning and removal of tailings liquid for reuse and harvest of tailings for repurposing. All tailings facilities effectively contain tailings on land in built impoundments with plans to expand to in-pit depositions. There are no controlled tailings releases to natural water bodies (lakes, rivers) or the ocean.

We regularly audit the Group's TSFs to ensure that operations meet the requirements for the characterisation of tailings, protection of wildlife, protection of groundwater, prevention of uncontrolled releases to the environment, management of process fluids and planning for closure and rehabilitation of facilities.

Ongoing efficient recovery of tailings decant water for reuse is essential for water security by limiting potential to impact the environment and reducing demand on raw water supplies. We adopt cyanide destruction systems to reduce the concentration of cyanide discharged to our facilities and Cowl and Red Lake are certified against the International Cyanide Management Code.

Approximately

45%

of solid tailings at Mungari being reused as paste fill

CASE STUDY: Repurposing tailings at Mungari

Tailings are harvested at the Mungari Operation for repurposing. This reduces the size of the operation's tailings output which creates space and reduces geotechnical risk. The tailings are used for grouting underground to improve ground stability.

Over 1.5M tonnes of ore was processed in FY20 with solids disposed to tailings and over 700kt of tailings were harvested for reuse, representing approximately 45% of the solids disposed to the facility being reused.

Waste rock and ore management

Significant work is undertaken to reduce and mitigate risks associated with waste rock at our operations. Material risks associated with waste rock emplacement include geochemical risks around potential leachate impacting environmental values and risk of landform structural failure.

In FY20, the Australian operations produced 31.56Mt waste rock to extract 15,064Mt ore. This represented a 2.12 ratio of waste to ore and an improvement on the 2.64 FY19 ratio.

Each operation is unique in terms of potential for acid mine drainage (AMD), neutral mine drainage (NMD) and saline drainage (SD) impact on the surrounding environment.

Where Potentially Acid Forming (PAF) waste rock is suspected or known to occur, the operation implements progressive rehabilitation activities to ensure the receiving environment is not impacted by leachate or potential failure.

Rehabilitation and closure management

As the short term custodians of the land in which we operate, we recognise mining as a finite resource. As such, the need to integrate future land use into planning is acknowledged. We also aspire to relinquish our mining lands for future sustainable purposes, be it traditional land use, conservation, agriculture or future clean energy industries.

- All operations have mine closure plans. An example of a Rehabilitation and Land Use Management Plan can be found for our Cowl Operation on our website¹
- All operations engage with external stakeholders regarding mine planning
- 3,437 hectares of land approved for disturbance covered by rehabilitation liability
- 3,028 hectares of land disturbed by mining activity (Australian operations only as of 30 June 2020)

1. <https://evolutionmining.com.au/compliance/#cowlpart>

- All operations are undertaking progressive rehabilitation and reclamation activities
- External Assurance Audits have been undertaken in FY20 to verify and validate closure costs

CASE STUDY: Mt Rawdon wetlands

The Mt Rawdon Operation in central Queensland continues to collaborate with CSIRO on a biological water treatment system¹ to effectively treat mine affected waters post closure.

The wetlands are intended to treat water in mine water ponds. If successful, the wetlands would provide a sustainable passive water treatment option post closure. A constructed wetland could potentially be a cost-effective process to treat water to a stage where it is safe to release back into the environment. The Wetland Pilot Project was constructed concurrent with active mining and is intended to form part of the mine closure plan.



Vacation Student Elynee Tyson involved in the Wetlands Pilot Project at Mt Rawdon

Biodiversity

Rich and sensitive biodiversity exists at all our operations. We believe that everyone has a role to play in demonstrating our environmental responsibility by identifying biodiversity related risks and contributing to enduring environmental benefits at every stage of our operations.

1,467ha

of land managed under biodiversity management plans

In FY20:

- All operations have undertaken biodiversity assessments prior to disturbance (under our ownership period)
- 4,010 hectares of land assessed and mapped for biodiversity
- 259 hectares of land adjacent to nationally important biodiversity (Lake Cowal)
- All operations have fire, pest and weed strategies to protect biodiversity and Management Plans. An example of a Management Plan can be found for our Cowal site on our website²
- 1,467 hectares of land managed under biodiversity management plans (protected)
- All operations performed biodiversity self-assessment and internal assurance audits

Red Lake State of Play - Environment

Top three environmental focus areas:

- Balmer Lake and Creek management: Recovery plan in action
- Arsenic Trioxide: Underground recovery and stabilisation in autoclave
- Groundwater management: Implementation plan for remediation underway

Sustainability projects

We believe in the power of partnerships, which is why we contribute to projects that are relevant to our communities and leave a positive environmental impact.

In FY20, over A\$400,000 was contributed to improve the environment at our operations or in communities adjacent to our operations.

Partnerships with North Queensland Dry Tropics and James Cook University were developed to support two projects which aim to protect and enhance the Great Barrier Reef, the world’s largest coral reef system. We contributed:

- A\$200,000 over two years to a project which enhances bush scrub tributaries to the Great Barrier Reef
- A\$218,000 over 2-3 years to support the protection and conservation of the Great Barrier Reef’s Conservation Park (Yellow) Zone

A\$400k

contributed to enhance environmental outcomes onsite or at adjacent local communities

1. <https://ecos.csiro.au/water-treatment/>
 2. <https://evolutionmining.com.au/compliance/#cowalpart>

Environmental reporting and compliance

We are pleased to report that there were no material environmental incidents during FY20.

All environmental incidents, including breaches of any regulation or law are recorded in a Group wide reporting system. Incidents are assessed according to their actual or potential environmental consequence. Environmental incidents are tracked and managed based on risks factors such as spill volume, incident location (onsite or offsite) potential or actual environmental impacts and legal obligation.

In FY20:

- No fines were received for environmental events
- No environmental events which lead to operational interruptions with substantial (more than US\$10,000) impacts on costs/revenues
- Quarterly Environmental Assurance Visits were conducted at each operation, with findings shared with both site and Group leadership
- Monthly Environmental Network meetings undertaken to share and learn from incidents and review assurance findings

Our Environmental Assurance Audit Program is undertaken by Group and other subject matter experts with quarterly assurance visits to each of our operations. Assurance visit and audit recommendations are tracked and followed up via our Group-wide incident management system.



"Partnerships with North Queensland Dry Tropics and James Cook University to protect and enhance the Great Barrier Reef"

Social responsibility



Social responsibility

- **65%** local employment across our operations
- **A\$79.2M** in direct spend with local organisations
- **Over A\$5M** in community contributions¹

“At Evolution we are extremely proud of the new and continued partnerships we have fostered with our local stakeholders including Indigenous organisations, First Nation Groups and community groups”

BOB FULKER
CHIEF OPERATING OFFICER

We understand that we have an obligation to create shared value for all our stakeholders.

Robust relationships built on a foundation of trust are critical throughout the entire mining cycle, from exploration and development through to operations and closure. We view them as an essential part of securing and maintaining our social licence to operate.

FY20 achievements

- A\$1.56B contribution to the Australian and Canadian economies
- A\$955M in goods and services payments to suppliers
- A\$130.0M to local and regional businesses and organisations including A\$79.2M in direct spend with local organisations
- 100% of Community Plans Actions completed
- Increase in ‘social licence to operate’ scores from Stakeholder Perception Survey
- Committed A\$1.5M to support farming families and communities, in collaboration with Rural Aid
- Seven new Sustainability Projects

Community Principles

Our behaviours are always guided by our Community Principles. This ensures that:

- Everyone has a role to play in building **positive** community relations
- We consider our **community impact** with every decision that we make
- **We aspire** for every interaction with our community stakeholders to be positive and aligned with our values
- We listen to and communicate regularly with our stakeholders about the things that matter to them, in an honest, timely and transparent way
- **We work closely** with our stakeholders, sharing ideas and identifying opportunities for collaboration
- **We value our stakeholders**, respect their beliefs, backgrounds and aspirations and aspire to achieve outcomes of mutual benefit
- We strive to always leave a **positive legacy**, so that our communities are better off overall for Evolution having been there



1. Includes Sustainability Projects, sponsorships and donations spend in FY20

CASE STUDY: Project LoKal Working Hub Kalgoorlie

We are proud to partner with the Kalgoorlie-Boulder Chamber of Commerce and Industry to provide Kalgoorlie with its very own co-working space that promotes retaining skills in the community and enhancing community liveability. The LoKal Hub in Kalgoorlie-Boulder aims to foster innovation and growth by providing the Kalgoorlie community people and businesses with a smart space equipped with modern technology in a prime location. The space boasts a child friendly zone that includes a playroom and parents coworking area which affords working parents with an alternative option to childcare.

Listening to our stakeholders

Trusting relationships are built by regularly listening to, and engaging with, our communities and other key stakeholders in an honest and transparent manner.

We recognise the important role the operations serve as catalysts for social and economic development in our host communities and beyond. Therefore, all our operations support a wide range of community development initiatives based on the local socioeconomic environment and host community needs.

Each of our communities are unique and have different priorities and goals. It is therefore an imperative that we identify common goals that foster a collaborative approach to achieving community resilience and building effective relationships with all stakeholders.

Community Relations plans

Every Evolution operation and greenfield exploration project has a targeted plan for partnering with local and regional stakeholders to generate shared value. Each plan is developed following a review of:

- What our stakeholders are telling us through consultation records
- Stakeholder Perception Survey results and recommendations
- Stakeholder identification and mapping
- Community/regional projects and priorities
- Strategic operational and exploration objectives for each site and for Evolution
- Progressive rehabilitation planning and current life-of-mine

In FY20, 100% of Community Relation Plans actions were completed.

Community Relations planning and success is tracked through our Balanced Business plan reporting.

High approval
Social Licence to Operate

2020 Stakeholder Perception Survey

In FY20, the fourth biennial Stakeholder Perception Survey was conducted to gauge stakeholder sentiment within communities local to our operating sites, focusing on reputation, quality of relationship and communication.

The Stakeholder Perception Survey was undertaken by Deloitte acting as an independent external facilitator. A total of 100 in-depth surveys were undertaken with key stakeholders, supported by a public opinion poll involving 300 participants contacted and surveyed within the postcodes of our operational communities.

Each site provided a list of identified stakeholders who were invited to participate in in-depth telephone interviews. The stakeholder mix included local community and environment groups, education providers, employees, government bodies, local residents and businesses and Indigenous Groups.

There was widespread acceptance of our activities and an overall Social Licence to Operate score of 4.21 (FY18: 4.06) out of 5, placed at the upper end of the 'high approval' category. For comparison, Deloitte prescribes the mean score in over 2,000 cases of social licence studied globally as 3.39.

Our 'Reputation' increased to 4.16 (FY19: 4.08) and the percentage of stakeholders who think our relationship is "getting better" increased to 51% (FY19: 38%).



The Social License to Operate score was strengthened through stakeholder relationship development and increased economic and other impacts. In FY21 and beyond, we will further leverage our social capital and collaborate on projects to help increase community resilience and broaden the economic foundations and opportunities within local communities. We will also build upon our relationships with local councils and industry bodies to develop regional solutions for ongoing economic viability.

Respecting the culture of Indigenous peoples

We respect the role of the traditional custodians of the land on which we operate, and value the partnerships we have built with them.

Securing the support of communities in which we operate is core to our operations and ongoing success as a business. It is important that we form trusting and mutually beneficial relationships with our Traditional Custodians and First Nation Groups, supporting their goals and protecting their cultural heritage.

How we engage with the Traditional Custodians and First Nation Groups is outlined in Evolution's Social Responsibility Performance Standards.¹ Each of our operations has a dedicated community team that liaises with our Traditional Custodians and First Nation Groups to oversee the relationship agreements we have in place and to ensure that we are focused on enhancing the outcomes

for Indigenous people and protecting their cultural heritage.

Significant industry-events which occurred in Australia in FY20 which adversely affected cultural heritage prompted us to:

- Review all cultural heritage audit reports including Board oversight
- Review our sites' areas of cultural sensitivity and revalidate the controls in place
- Engage with communities to acknowledge the significant impact and to re-affirm our commitment to our ongoing relationships and continued protection of cultural heritage

CASE STUDY: Yalga-binbi Training Centre

Based in Bundaberg, Central Queensland, Yalga-binbi Institute for Community Development is an Indigenous based training organisation that provides skills and knowledge to help build confidence amongst Indigenous and non-Indigenous people as they embark on new careers and challenges. We are proud to contribute to the ongoing sustainability of the Institute by supporting the inclusion of an Alternative School. The partnership will enable the Institute to grow their existing Environmental Marine Training Centre facility by accommodating the Alternative School, providing at-risk youth more opportunities to engage and learn.

'It's critical in the challenging times we live in that affordable and relevant educational opportunities be available for the most vulnerable of our community'

CEO, YALGA-BINBI INSTITUTE FOR COMMUNITY DEVELOPMENT

Investing in and giving back to our communities

We invest in and partner with our communities to achieve meaningful outcomes and generate shared value. We share the economic benefit by, wherever possible, prioritising local procurement and local employment and training opportunities, particularly for our local Indigenous communities.

Investment in our communities includes sponsorship of local community events and organisations, provision of local emergency response support, partnering with community stakeholders on sustainable development projects and working with their local needs in times of hardship, such as through COVID-19.

We consider our community investment in two streams: Group Sponsorship and Donation Programs; and Sustainability Projects (previously referred to as Shared

1. These are part of the Sustainability Performance standards and can be found at https://evolutionmining.com.au/wp-content/uploads/2020/09/EVN_COR_STD_001-Sustainability-Performance-Standards.pdf

Value and Environmental Enhancement projects).

We are guided by our Group Sustainability Investment Framework and have a set of community and business value drivers.

Sponsorships and Donations

Local sponsorships and donations are managed at an operational level and aim to make positive impacts to economic development, youth, health education and environmental outcomes.

Sustainability Projects

These are key to driving our approach to community investment which aims to leave a positive legacy. They differ from the Sponsorship and Donation program in being more future-focused and seeking to add sustainable value to the community or region, and environment beyond the life of mine.

In addition to community or regional outcomes, we seek to invest in opportunities that go above and beyond our obligations at an operational level to support outcomes that will enhance industry reputation locally, regionally, nationally or internationally.

Supporting local and regional economies through Rural Aid

Many of our employees, communities and landholders have been impacted by the natural disasters that affected Queensland and New South Wales. Some of the local communities have been among the hardest hit having endured one of the longest droughts in Australia's recent history.

We partnered with Rural Aid to make a larger impact across our regions and ensure that mental health and family support, as well as practical on-the-ground support, reached the right people through Rural Aid's extensive networks and relationships in rural Australia.

We committed A\$1.5 million in FY20 to support struggling farming families and communities. This support provided:

- 2,736 large bales of hay to over 200 thankful farmers
- 199 farmers and their families with financial assistance to pay bills and spend in their local community, empowering farmers and their families to buy their essential items while boosting local economies
- The gift of music to rural schools through a donation of instruments to Gayndah children as part of the creation of a new ensemble aimed at building self-esteem and self-confidence, developing new skills and a life-long love of music

"Many thanks for the hay delivery. What a great sight, seeing that road train come through our front gate full of beautiful hay for our sheep."

T. MCINTYRE, FARMER, NSW, AUSTRALIA



Participants in the school partnerships program at the Mt Carlton Operation

We continue to explore ways to provide further support for Rural Aid in their efforts to meet community needs.

CASE STUDY: Rural Fire Service donations

Evolution donated A\$1.5 million to Queensland Rural Fire Service and New South Wales Rural Fire Service (A\$750,000 each). These volunteer-based organisations are supported by community generosity and fundraising, enabling them to provide important community services including fighting fires, fire prevention, deployment for assistance during disasters and community education programs. Evolution’s donation will assist these Australian fire brigades to replenish equipment loss, provide vehicle maintenance and cover volunteer expenses without them having to seek donations or fundraise in communities already recovering from recent bushfires.

Local employment and procurement

We recognise that one of the primary benefits of our operations is the substantial local employment and business opportunities available for local stakeholders. By maximising local employment and procurement expenditure, we can play an even greater role as a catalyst for social and economic development in our communities.

Recent successes in this area include continuation of safety equipment supplies from providers in the regions near our mining operations, awarding of maintenance contracts to local and regional suppliers, along with various other businesses continuing to have the opportunity to deliver goods and services into our operations.

In FY20, A\$79M was directly spent with local organisations and 65% of our employees are local.

Throughout FY21, we will develop systems and processes to track our local procurement spending more systematically at all sites.

Group sustainability investment framework

Attraction and Retention	Build Community Advocacy	Enhance Outcomes for First Nation Groups and ATSI* people	Innovation and Industry Relevance
Raise awareness and strengthen reputation of Evolution/mining sector in broader community	Demonstrate industry relevance (now and in the future)	Demonstrate our respect and accountability for any disturbance	Unlock value for Evolution/mining sector
Attract younger generation to careers with Evolution/the mining sector	Foster trust in mining/gold sector	Partnerships that build capacity for the future	Support leading practice and new approaches in: <ul style="list-style-type: none"> ■ Environment ■ Safety ■ Discovery ■ Operations ■ Technology ■ Community outcomes
Grow Evolution’s brand as an employer of choice	Touch the hearts of our local, regional and national communities	Develop/support actions to help close the gap: <ul style="list-style-type: none"> ■ Health ■ Education ■ Employment 	
	Grow understanding of modern mining practices		

* Aboriginal or Torres Strait Islander

FY20 sustainability projects

Shared value at Evolution is a fundamental process of using business resources and strategic investment to help drive social, economic and environmental progress within our local communities. In FY20, we approved seven Sustainability Projects that are driving social impact across a number of local community and stakeholder groups where we operate. Our Sustainability Project Value Drivers¹ guide our investment opportunities.

CASE STUDY: Somewhere Down the Lachlan Sculpture Trail

This project will link Lachlan and Forbes Shire's to encourage tourism in the region and promote the Wiradjuri culture. The project has come to life after three years of meticulous planning with the 22m long, 5.5m tall galvanised steel goanna named Varganus (Gugaa) being the first addition to the trail. Coupled with the annual Grazing Down the Lachlan event, it also presents an opportunity to showcase the local produce. Evolution's partnership with this project will see another two works of sculpture art to be installed later in 2020.

Human rights and modern slavery

Our operations and activities may impact a broad range of human rights. As part of our commitment to be a responsible business, we recognise the important role and responsibility we have in respecting the human rights of our stakeholders.

In FY20, human rights and modern slavery awareness and compliance into the various supply chains continued to be embedded across the Evolution group. We fully endorse the Modern Slavery Act (MSA) and expect our suppliers to not only align with our core values of safety, excellence, accountability, and respect, but ensure our supply chains are not at risk of modern slavery or other breaches of human rights.

A Modern Slavery Statement will be developed by management for approval by the Board in FY21.

Key FY20 initiatives achieved included:

- Rollout of an MSA awareness and education pack to each Evolution site
- Review and update of procurement market engagement materials to accommodate questions for suppliers to address MSA compliance and enable tender evaluation panels to assess
- Development of an MSA questionnaire for issuance to new vendors as part of on-boarding compliance, and distribution to existing vendors in the Evolution supplier base to assess ongoing compliance
- Undertaking further questioning and review of suppliers considered to be at higher risk of modern slavery in their supply chains

1. <https://evolutionmining.com.au/social-responsibility/>



Somewhere Down the Lachlan sculpture trail - steel goanna named Varganus is the first addition to the trail

Supply chain and procurement

Contractors and suppliers are a crucial part of our business. We rely on them to support our overall operating strategy and maximise efficiencies. Our supply chain includes:



Our procurement activities include measures to assess vendors on their social and environmental practices. Market engagements for tender activities include evaluation of safety and environmental performance and compliance to ensure our business engages with socially and environmentally responsible vendors.

Our procurement considers sustainability as part of our tender process by assessing potential suppliers through a questionnaire. Focus areas include environmental performance, local and Indigenous sourcing, modern slavery, health and safety and support for the workforce, contractor management, compliance and governance.

Our supplier contracts require compliance with stringent safety, environment and social requirements. Through regular supplier relationship meetings and Key Performance Indicator reporting, we monitor ongoing compliance and performance. We also include measures in the evaluation of new suppliers and monitoring of existing performance which extends to supplier site visits.

Red Lake State of Play - Social Responsibility

- The operation employs a majority local workforce
- Collaboration agreements in place with the Lac Seul and Wabauskang First Nation Groups
- Well-established local hiring and procurement initiatives, community donations and investments
- Financial support for the Municipality of Red Lake's Community Improvement Plan for revitalising, beautifying and promoting economic development in the region
- Operation of a recreational facility and sponsorships of youth programs

Performance data



Performance data

Safety

Safety performance

	FY20 ¹	FY19	FY18	FY17	FY16	FY15
Employee fatalities	0	0	0	0	0	0
Contractor fatalities	0	0	0	0	0	0
Total Recordable Incident Frequency (TRIF)	6.76	8.31	5.49	7.96	9.70	9.60
Lost Time Injury Frequency (LTIF)	2.07	1.75	0.50	0.40	1.80	1.00
Significant Safety Occurrence Frequency (SSOF)	n/a	n/a	3.20	4.95	5.9	11.61 [^]
Safety Incident Frequency (SIF)*	14.84	15.97				

All classifications above include contractors

*In FY19 Evolution changed the definition of significant safety occurrence and renamed to significant incidents. The definition change has resulted in more incidents being classified as significant incidents

[^]FY15 figures are for Evolution operated assets. In the FY16 annual report Mungari and Cowal FY15 figures had been added for comparative purposes (operated by previous owner)

Emergency Rescue Teams (ERT)

	Number of ERT members				Community responses			
Cowal	28				0			
Cracow	25				1			
Mt Carlton	32				2			
Mungari	28				1			
Mt Rawdon	23				0			
Total	136				4			

Diversity

Profile FY20 ²	Full time		Part time		Fixed term		Casual		Employees		Contractors		Labour hire		Workforce	
	M	F	M	F	M	F	M	F	Total	Total	Total	Total	Total	Total		
	1,154	202	1	16	38	12	16	9	1,209	239	554	97	2,099			

* Service providers for specifically required roles ^ Temporary replacements for current Evolution positions

Levels FY20	Board		Senior Leaders		Manager / Superintendents		Professionals / Supervisors		Operations	
	M	F	M	F	M	F	M	F	M	F
	6	2	16	2	132	28	211	55	850	154

New Employees FY20	Age group <36		Age group 36-55		Age group >55		Total
	M	F	M	F	M	F	
	116	62	100	34	22	4	338

Turnover FY20	Age group <36		Age group 36-55		Age group >55		Total
	M	F	M	F	M	F	
	25%	13%	47%	9%	7%	0%	11%

Turnover result for EVN total is voluntary permanent only 12 month moving average result. The split by age bracket and gender is the % of all terminations (summing up to 100%), rather than turnover rates for each grouping

Site profile FY20	Corporate		Cowal		Mungari		Mt Carlton		Mt Rawdon		Cracow		Total		All
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	
Employees	84	53	358	63	221	61	152	17	182	25	212	20	1209	239	1,448

State profile FY20	NSW		WA		QLD	
	M	F	M	F	M	F
Employees	442	116	221	61	546	62

Developing our approach to diversity and inclusion	FY20 target	FY20 Actual	FY19
Female graduate intake	50%	62%	50%
Female summer vacation interns	50%	64%	39%
Indigenous and First Nation employees ³	7%	7%	4.8%

1. Includes Red Lake Operation TRIF from 1 April 2020.
2. Number of employees in Australia as at 30 June 2020

3. FY20 number includes Red Lake Operation

Environment

Environmental incidents

Incident level	FY20	FY19	FY18	FY17
Catastrophic	0	0	0	0
Major	0	0	0	0
Moderate	8	9	7	9

Energy

Energy consumption (GJ)	FY20	FY19	FY18	FY17	FY16
Total	4,102,171	3,986,905	4,075,493	4,402,695	4,415,040
Energy intensity (ore processed - GJ/tonne)*					
Total	0.270	0.280	0.291	0.272	0.273

*Ore processed does not include our financial stake in Ernest Henry

Emissions

Total direct and indirect emissions	FY20	FY19	FY18	FY17	FY16
Greenhouse gas emissions Scope 1 (t CO ₂ -e) ¹	157,857	155,085	159,061	167,734	157,584
Greenhouse gas emissions Scope 2 (t CO ₂ -e) ²	398,187	383,449	394,144	430,993	472,257
Total of Scope 1 and Scope 2 (t CO ₂ -e)	556,044	538,533	553,205	598,727	629,841
Sulphur oxide SO _x (kg)	932	916	926	1,002	936
Nitrous oxide NO _x (kg)	1,492,143	1,397,676	1,395,277	1,521,718	1,627,006
Carbon Monoxide (CO) (kg)	722,095	719,005	701,930	886,918	788,636
Particulate matter < 10 um (kg)	4,730,467	4,260,114	4,323,757	5,163,574	5,585,918
Particulate matter < 2.5 um (kg)	96,844	88,471	86,683	95,254	104,208
Total volatile organic compounds (VOC) (kg)	100,959	90,036	86,380	97,958	110,103
Emissions of lead and lead compounds	688	577	639	812	1,147
Emissions of mercury and mercury compounds	1.29	1.55	1.48	2.25	3.64
Emissions intensity (ore processed - t CO ₂ -e/tonne)					
Total	0.037	0.038	0.039	0.037	0.039

The energy and emissions boundary is based on operational control as defined by the National Greenhouse and Energy Reporting (NGER) Act 2007. The applied global warming potential (GWP) rates and emission factors are based on the NGER Act (2007) and the National Pollutant Inventory

- Scope 1 refers to emissions produced directly by operations, primarily resulting from combustion of various fuels and includes CO₂-equivalent values for greenhouse gases such as CH₄, N₂O and SF₆
- Scope 2 refers to indirect emissions resulting from the import of electricity from external parties; commonly the electricity grid

Water withdrawal

Water withdrawal Surface (ML) water	FY20	FY19	FY18
Surface water (ML)	4,948	3,506	2,077
Groundwater - mine dewatering (ML)	3,034	3,034	3,212
Groundwater - borefields (ML)	826	1,589	1,476
Rainwater (ML)	2,127	1,000	1,856
Municipal water (ML)	74	66	59
Total water withdrawal	11,087	9,194	8,680
Reused (ML)	9,475	8,545	7,018
% Total reused	85%	93%	81%
Water intensity (ore processed - kL/tonne)	0.74	0.65	0.62

Water discharge

Water discharge (ML)	Surface water	Sewers that lead to water	Land - Dust suppression	Land - Irrigation	Groundwater	Treatment Facility	Total
Total	1,726	0	915	0	0	0	2,641

Environment

Waste

Mineral waste	Waste material mined (kt)	Solids in tailings (kt)	Total ore processed (kt)	Explosives (t)*
Total*	31,563	15,011	15,065	11,414

* The reporting period for liquid fossil fuels, lubricants and explosives is July 2019 to June 2020 and reported as part of the National Pollutant Inventory.

Tailings

Asset	Cowal	Cracow	Mt Carlton	Mt Rawdon	Mungari
Active TSF	2	2	1	1	1
Inactive TSF	0	3	0	0	0
Construction Type	Upstream / IWL	Upstream	Downstream, HDPE Lined	Upstream / IWL	Upstream / IWL

Non-mineral waste

Tonnes	Off-site Landfill	On-site landfill	Recycling / Reuse	Tyres disposed of on-site	Tyres incinerated	Composted or bio-remediated	Other - Septic waste
Total	3,267	1,573	4,814	9	40	6,027	2,285

Acid-generating seepage

Asset	Cowal	Cracow	Mt Carlton	Mt Rawdon	Mungari
Predicted to occur	-	-	-	-	-
Actively mitigated	Yes	Yes	Yes	Yes	Yes
Under treatment or remediation	-	Yes	-	-	Yes

Rehabilitation and closure

Land management (ha)	Land disturbed	Land rehabilitated	Sites with protected conservation status
FY20 only	213	35	1
Total	2,193	188	1

Environmental compliance

Total volume of significant spills	13
Monetary value of significant fines (\$A)	0

Social responsibility

Socioeconomic contribution								
(A\$) million	Operations	Employees	Payments to providers of capital	Payments to financial	Payments to government	Payments to political organisations	Total contribution	
Region	Supplier payments (Goods and services)	Wages	Dividend payments to shareholders	Interest	Taxes	Royalties	Donations	
Total*	955	191	221	12	107	75	-	1,562

* Constitutes all payments made to suppliers via internal accounting systems

Economic contribution											
	FY20	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12	Total	
Contributed into Australian Economy (A\$) billion*	1.56	1.28	1.26	1.12	1.05	0.60	0.60	0.84	0.50	7.25	
Direct spend with local organisations (A\$) million	79	92	80								

* Economic contributions include supplier payments, wages, dividend payments, interest, taxes and royalties

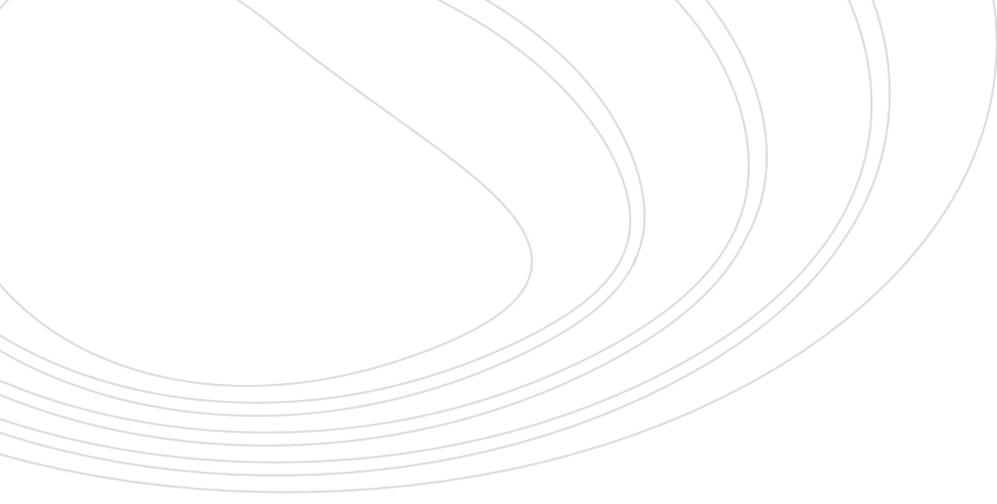
Reconciliation to income tax payable	30-Jun-20 (A\$) million
Profit before income tax expense	408.6
Permanent differences	
Temporary differences:	140.9
- Accounting and tax depreciation differences	(177.0)
- Mine development	(6.9)
- Exploration and evaluation expenditure	(58.4)
- Provisions	2.7
- Other	(1.5)
Taxable income before utilisation of carried forward restricted tax losses	308.4
Australian income tax payable	92.5
Corporate income tax paid during the year ended June 2019	(73.5)
Utilisation of carried forward restricted tax losses	(2.5)
FY19 R&D refund expected	(0.8)
Net income tax payable/(receivable)	15.7

Community and cultural heritage	
	FY20
Material Cultural Heritage incidents	0
Material Community Impact incidents	0

Glossary and acronyms

“A” rating	Rating credibility used in the DJSI review. The lowest rating of “CCC” to the highest rating of “AAA”
A\$	Australian dollars
ALO	Act Like an Owner. An internal ongoing award to reward our employees for their supportive behaviour
AMD	Acid mine drainage. When sulphide minerals (predominantly pyrite) are exposed to air, which allows them to oxidise and break down
B	Billion. The number equivalent to the product of a thousand and a million
CMT	Crisis management team. The CMT provides support through management of crisis level issues
CN	Cyanide. A chemical compound used in the extraction of gold and silver
COVID-19	Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) is the strain of Novel coronavirus that causes coronavirus disease 2019. A mild to severe respiratory illness that is caused by a coronavirus and is transmitted chiefly by contact with infectious material (such as respiratory droplets) or with objects or surfaces contaminated by the causative virus
CSA	Corporate Sustainability Assessment. A scoring methodology that companies and investors can review on a company’s ESG
CSIRO	Commonwealth Scientific and Industrial Research Organisation. An Australian government agency responsible for scientific research
Dewatering	The act of taking water from an operating mine
DJSI	Dow Jones Sustainability Indices. These are a family of indices evaluating the sustainability performance of thousands of companies globally
EAP	Employee assistance program. Program available to employees and their families to use to assist with their health and wellbeing
ERT	Emergency Response Team. Teams built at each operation to support both our operations and assist communities through significant incidents or threatening situations
ESG	Environmental, Social and Governance. The three key factors when evaluating the sustainability and ethical impact of an investment in a company or country
ESS	Employee Share Scheme. A scheme introduced by Evolution Mining 6 years ago which supports the issuing of shares to our full and part-time employees to ensure they share in Evolution’s success
FY20 / FY21	FY meaning financial year. FY20 would then be the period from July 2019 to end of June 2020
GHG	Greenhouse Gas. Compound gases that trap heat or longwave radiation in the atmosphere
ICMM	International Council on Mining and Metals. An international organisation whose purpose bringing together a safe, fair and sustainable mining and metals industry
ISS ESG	Institutional Shareholder Services (ISS). ISS ESG is a business that provides corporate and company ESG research and ratings
IWL	Integrated waste landform. A simple definition is a tailings storage facility that is located inside waste rock storage
JT	Johnathan Thurston. He is an Australian former professional rugby league footballer who has established an academy to provide employment initiatives and training
kL	Kilolitre. Measurement equivalent to 1,000 litres
LGBTI+ community	Loosely defined grouping of people who are lesbian, gay, bisexual, transgender/gender diverse, intersex and other minorities
LOD	Line of Defence
LoKal	Name given to a local community initiative in Kalgoorlie

M	Million. Number equivalent to the product of a thousand and a thousand
MillROC	Milling Remote Optimisation Consulting & Coaching. Software produced by Orway IQ which is a cloud-based reporting of all plant data related to circuit performance and optimisation
ML	Megalitre. Equal to one million litres
MSA	Modern Slavery Act. The Commonwealth Modern Slavery Act 2018 (the Act) established Australia's national Modern Slavery Reporting Requirement (reporting requirement). The reporting requirement entered into force on 1 January 2019. The reporting requirement aims to support the Australian business community to identify and address their modern slavery risks and maintain responsible and transparent supply chains
MSCI	Morgan Stanley Capital International. It is an investment research firm
NGER	National Greenhouse and Energy Reporting. A national framework for reporting and disseminating company information and greenhouse gas emissions, energy production and energy consumption
NGOs	Non-governmental organisation. A non-profit, citizen-based group that functions independently of government
NMD	Neutral mine drainage. In some instances, the acidity produced by sulphide oxidation can be neutralised in the presence of carbonate minerals
NPI	National Pollutant Inventory. The NPI provides the community, industry and government with free information about substance emissions in Australia
PAF	Potentially Acid Forming. Classification of a rock when tested if it has the potential to generate acid as a result of a metal mining activity
PPE	Personal protective equipment. Anything used or worn on our employees to minimise risk to their health and safety
S&P Global	Company that provides data, research, news and analytics to customers including institutional investors and corporations
SAM	Title for the Corporate Sustainability Assessment. SAM refers to historic naming when the CSA was hosted by RobecoSAM AG. It is now transferred to S&P Global Switzerland SA and known as the SAM Corporate Sustainability Assessment
Scope 1	Category of greenhouse gas emissions. Scope 1 is sometimes referred to as direct emissions and refers to emissions released to the atmosphere as a direct result of an activity
Scope 2	Category of greenhouse gas emissions. Scope 2 refers to emissions released to the atmosphere from the indirect consumption of an energy commodity
SD	Saline drainage. This is saline and metal-rich drainage that has been produced by the oxidation of metal sulphides that do not generate net acidity
t	tonnes
TCFD	Task Force on Climate-related Financial Disclosures. An organisation that was established in December 2015 with the goal of developing a set of voluntary climate-related financial risk disclosures which may be adopted by companies
TRIF	Total Recordable Injury Frequency. Usually forms part of the acronym TRIFR and refers to the number of fatalities, lost time injuries, alternate work, and other injuries requiring medical treatment per million hours worked
TSF	Tailings storage facility. A facility designed to safely store left over mined minerals
UN SDGs	United Nations Sustainable Development Goals. These are global goals adopted by all United Nations Member States as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030
WORK 180	A recruitment site showing Australian employers who support women in the workplace. Criteria include flexible work, pay equity and parental leave



Evolution
MINING

🏠 Level 24, 175 Liverpool Street SYDNEY NSW 2000

☎ +61 2 9696 2900

📠 +61 2 9696 2901

ASX: EVN

www.evolutionmining.com.au

