

Report on Fighting Against Forced Labour and Child Labour in Supply Chains

For the Financial Year Ended
December 31, 2023

CONTENTS

INTRODUCTION	1
ABOUT GALIANO GOLD INC.	1
OUR APPROACH TO HUMAN RIGHTS	4
POTENTIAL MODERN SLAVERY RISKS	6
TRAINING	6
ASSESSING EFFECTIVENESS	6
LOOKING AHEAD	7
APPROVAL AND ATTESTATION	7

INTRODUCTION

The following is our inaugural Fighting Against Forced Labour and Child Labour in Supply Chains Report (“Report”) prepared by Galiano Gold Inc. (“Galiano” or the “Company”) in accordance with Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (S.C. 2023) (“the Act”).

Except as otherwise noted, this Report discloses the approach that Galiano has taken during the previous financial year to identify, assess, prevent, and reduce risks concerning forced or child labour (also referred to as “Modern Slavery”) in any step of the production of its products. Galiano is not subject to supply chain reporting requirements in any other jurisdiction.

ABOUT GALIANO GOLD INC.

Our Structure and Business Activities

Galiano is a publicly traded, precious metals mining company listed on the Toronto Stock Exchange (TSE) and the New York Stock Exchange (NYSE) under the symbol GAU with its corporate headquarters located in Vancouver, Canada. Galiano has an ownership interest in, and operates, the Asanko Gold Mine (“AGM”), located in the Ashanti Region of Ghana, West Africa.

At the end of 2023, the AGM was a 50:50 joint venture (“JV”) with Gold Fields Limited (“Gold Fields”), whereby Galiano owned 45% of the AGM, with the remaining interests owned by Gold Fields (45%) and the Government of Ghana (10% free-carried interest) respectively.

On March 4, 2024, Galiano completed the acquisition of Gold Fields 45% interest in the AGM, such that it now owns a 90% interest, with the Government of Ghana continuing to hold a 10% free-carried interest. Irrespective of the change in ownership structure in early 2024, Galiano managed and operated the AGM throughout 2023.

For the completeness of Galiano’s business operations, this Report covers Galiano’s

management and operation of the AGM.

The AGM produces gold, the sale of which has formed the Company’s revenue since commercial production began in 2016. In 2023, the AGM produced 134,077 ounces of gold, bringing total production to approximately 1.60M ounces.

As of December 31, 2023, the Company and the AGM combined had a total workforce of approximately 2,922, including contractors. Galiano had 15 employees based in the Company's corporate office in Vancouver, Canada, 407 employees working for the AGM in Ghana with the remainder of the workforce comprised of contractors.

Galiano's Board of Directors is responsible for the oversight of the Company's enterprise-wide risk management, which includes risks relating to human rights. Each Board committee is responsible for subject-specific oversight as prescribed in each Board committee’s mandate. More specifically, accountability for monitoring and reviewing sustainability risks and associated prevention and mitigation measures including human rights and the potential for forced labour and child labour is within the mandate of the Sustainability Committee.

Galiano’s Chief Executive Officer has responsibility for enterprise-wide risk management, that includes Modern Slavery Risks. The EVP Sustainability has been delegated responsibility for the assessment, design, and implementation of Galiano’s sustainability strategy and program, which includes managing, monitoring, and reporting on human rights risk assessments, due diligence, and ongoing performance in our

business activities and supply chain, including the prevention of forced labour and child labour.

Our Supply Chains

Only a very small portion of the total procurement expenditure emanates from Galiano’s corporate office in Canada; predominantly comprised of providers of administrative supplies and services to support the AGM and the work of our executive management team. The majority of Galiano’s total procurement occurs through AGM’s Supply Chain department. The Procurement Head of Department (HOD) reports to the Manager, Finance and Administration, who reports to the General Manager. The General Manager reports to the VP, Mining Technical Services at Galiano’s corporate office in Canada.

Categories of contractors and types of goods or service activities that contribute to the production of gold at the AGM include, but are not limited to:

- Exploration & Discovery**
- Surveyors
- Geology and geophysical contractors
- Earthmoving contractors
- Drilling contractors
- Analytical laboratories
- Support Services**
- Administration (including Legal, IT, communication, Insurance)
- Workforce transportation

Catering & camp management
Health & Safety and PPE
Water & waste management
Mining/Extraction
Contract mining & ore haulage
Fuel, oil and tire supply
Processing
Operations & maintenance contractors for plant & equipment
Chemicals, reagents, explosives, fuel, grinding media etc.
Laboratory testing
Tailings construction and construction supervision
Transportation
Workforce and goods haulage
Security
Security services

Procurement is managed at the AGM through the Logistics & Procurement Unit (the "Unit") of the Supply Chain Department, which is responsible for sourcing and contracting all goods and services. Contractors that are providing goods and services are required to adhere to the AGM policies and procedures. The AGM periodically reviews contractor compliance with such policies and procedures. All contractors execute documents stating their agreement and compliance with applicable laws, ethical codes, rules, and regulations about the jurisdiction of operations. In addition, contractors must

adhere to the AGM policies and procedures relating to: labour standards, health & safety, human rights, discrimination, conflict of interest, whistleblowing processes, anti-corruption & anti-bribery, and the environment.

In 2023, the AGM had a total of 422 contractors; 76% (320) of which were in-country/Ghanaian contractors and 24% (102) of which procured goods and services from international sources. Approximately \$139M (86%) of the total procurement spend was sourced within Ghana while the remaining \$22M (14%) of goods and services were sourced from international providers.

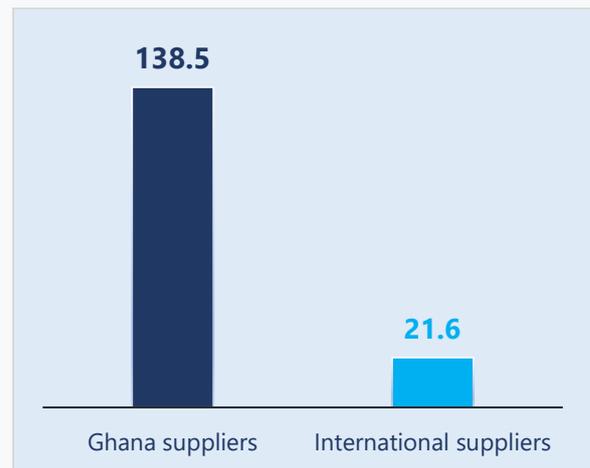


Figure 1: AGM Procurement by Spend

Examples of products or services that cannot be procured locally include sodium cyanide, some process plant equipment replacement parts, SAG mill liners, and grinding media, as well as specialized services and inspections.

In 2023, Galiano conducted a mapping exercise of the AGM’s suppliers to arrive at a more comprehensive understanding of potential risks of forced or child labour that may be present within its supply chain.

Further details regarding our supply chain and procurement practices can be found in our 2023 Sustainability Report, which will be made available on our website.

OUR APPROACH TO HUMAN RIGHTS

Policies

At Galiano, our Code of Business Conduct and Ethics (Code) covers essential aspects of our work. Our Code establishes a framework of guiding principles that applies to all employees, contract workers, officers, directors, and suppliers as they engage in their respective company roles to promote a responsible and ethical manner. The Code encompasses all essential aspects of our work, including the requirement of a respectful workplace, equal opportunity for our workforce to achieve their full potential, the prevention of discrimination, bullying and harassment, conflicts of interest, and the protection of health, safety, and the environment.

Our Human Rights Policy describes our responsibility to avoid causing or contributing to adverse human rights impacts through our business activities in our workplace or in our local communities.

These Galiano policies have been mandated to be utilized at the AGM under the company's operatorship. These policies together with the AGM Supplier Code establish expectations for standards of conduct that the AGM requires from its suppliers so that they have clarity regarding the ethical and responsible conduct of their

business activities. Suppliers must also demonstrate that they have the organizational capacity to adhere to these commitments, measures for the control of risk, and any relevant accreditations.

The AGM has a Tender Procedure for Contracts to establish principles of fairness and transparency and to enable the AGM to select suppliers that share the AGM's values and have acceptable performance and compliance standards regarding respect for labour, health and safety, protection of the environment, and respect for social/human rights.

Policies and practices relating to the elimination of forced and child labour include:

- Galiano Gold Human Rights Policy
- Galiano Gold Sustainability Policy
- Galiano Gold Code of Conduct and Ethics
- Galiano Gold Whistleblower Policy
- AGM Supplier Code of Conduct
- AGM Tender Procedure for Contracts
- AGM Procurement Contracts
- AGM Community Complaint & Grievance Management Procedure

We align our business practices, policies, and procedures, including those at the AGM, with internationally recognized human rights standards, principles, goals, and reporting frameworks including:

- The UN Guiding Principles on Business and Human Rights

- OECD Due Diligence Guidance for Responsible Business Conduct
- The UN Global Compact
- The UN Sustainable Development Goals
- The Global Reporting Initiative
- Sustainability Accounting Standards Board

We engaged with partner organizations to increase our understanding and ability to identify and manage risks relating to child and forced labour including:

- Government of Ghana
- Ghana Chamber of Mines

Grievance Mechanisms

Galiano makes available the tools and information to our employees, contractors, and host communities that allow access to comprehensive mechanisms at both the corporate and site levels for legitimate and accessible ways to raise concerns. Concerns or complaints may relate to adherence to the Code and ethical practices or any social or environmental impacts of our business activities for which they wish to seek remedy.

Our commitment to responding to concerns and complaints is also embedded in the following governance and policy documents:

- Galiano Sustainability Policy
- Galiano Human Rights Policy
- Galiano Whistleblower Policy
- Galiano Harassment Prevention Policy & Complaint Procedure
- AGM Community Complaint and Grievance Management Procedure

In 2023, no grievances were received through the AGM Community Complaint and Grievance Management Procedure, or through the Galiano Whistleblower Policy, that were related to Modern Slavery issues.

Human Rights Due Diligence

Commencing during the reporting period and continuing to the date of this Report, Galiano has developed a Human Rights Due Diligence (HRDD) processes to identify and assess salient human rights impacts, and to prevent and manage potential adverse human rights risks and impacts. These due diligence processes and practices include but are not limited to:

- Conducting independent HRDD in operations, supply chains, and business relationships as well as on potential new projects/acquisitions;
- Conducting independent/external human rights assessments and audits;
- Embedding responsible business conduct into policies and management systems;
- Integrating risks of forced labour and child labour into Enterprise-Wide Risk assessment and management processes;
- Maintaining accessible complaint and grievance mechanisms and remedies;
- Maintaining anti-forced and anti-child labour clauses in contracting documentation;
- Monitoring suppliers and regularly updating assessment criteria;
- Enabling our employees and contractors to complete human rights training

including education and awareness of forced and child labour;

- Tracking and communicating our progress and findings through our sustainability reporting practice and disclosure.

Human Rights Monitoring

Galiano’s ongoing human rights risk and impact assessment and due diligence processes have resulted in recommendations for continuous improvement and alignment with best practices. Topics addressed have included road safety, interaction with public security forces, worker, contractor, and supplier rights, harassment, and discrimination prevention, and strengthening the grievance mechanism for safeguards regarding sensitive grievances. Follow-up audits of the organization’s performance are conducted by management and separately by independent, external subject matter consultants.

POTENTIAL MODERN SLAVERY RISKS

Galiano works diligently to reduce exposure to material risks involved in achieving our business objectives by employing a systematic approach to identify, assess, mitigate, review, and manage these risks, including the potential for forced or child labour. The AGM’s employment and vendor contracts require signed service provider acknowledgment and consent that they do not use forced or compulsory labour.

The AGM considers the risk for child labour as low, being fully compliant with robust Ghanaian Labour and Mining laws and adhering to strict proof-of-age requirements

when hiring employees and contractors. It is recognized, however, that child labour is a country risk in Ghana and may exist in Tier 2 or 3 supply chain providers.

The Company had no reported incidents of either forced or child labour at its operations in 2023. As a result, no measures were necessary to remediate any forced or child labour.

TRAINING

Governance training is provided during our employee and contractor induction process and is refreshed annually. Individuals must sign off on their understanding of the various requirements including their knowledge of the training modules and the need to uphold the Company’s Code of Conduct. Training in human rights includes training and awareness about forced labour and child labour and is mandatory for all employees and contract workers at the AGM, including those making contracting or purchasing decisions.

In 2023, we formally incorporated human rights training into the mandatory AGM induction process. All our Ghanaian employees and contractors have received training specific to human rights including equal opportunity, sexual harassment, bullying, conflict of interest, and the rights to freedom of association, collective bargaining, and policies and procedures designed to eliminate the risk of child or forced labour.

ASSESSING EFFECTIVENESS

Galiano has developed and implemented the HRDD processes to identify and assess salient

human rights issues, and to monitor and manage potential human rights risks and impacts.

We measure and track performance relevant to preventing and reducing risks of forced labour and child labour in our business activities, including employee and contractor training, as well as concerns reported and resolved through grievance mechanisms.

Our procurement procedures include the monitoring of supplier contracts containing anti-forced labour and anti-child labour clauses.

LOOKING AHEAD

Galiano remains committed to its broad HRDD approach which includes preventing and reducing risks of forced or child labour in our business activities and within our supply chains.

We intend to periodically review our policies, procedures, and practices and engage with relevant stakeholders to identify risks.

APPROVAL AND ATTESTATION

This Report has been approved by the Board of Directors of Galiano Gold Inc. on May 24th, 2024.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate, and complete in all material respects for the

purposes of the Act, for the reporting year listed above.

I have the authority to bind Galiano Gold Inc.



Matt Badylak

President & CEO, Galiano Gold Inc.

May 24th, 2024

