



I. STRATEGIC COMMUNITY INVESTMENT POLICY

This Galiano’s *Strategic Community Investment Policy* (the “Policy”) provides specific guidance with respect to voluntary contributions or actions by subsidiaries in our areas of operation that address the economic and social development priorities of affected communities, and leverage opportunities created by private investment in ways that are self-sustaining, locally managed, and are aligned with the Company’s objectives for strategic community investment.

This Policy is aligned with our *Code of Business Conduct and Ethics, Anti-Bribery and Anti-Corruption Policy, Human Rights Policy, and Sustainability Policy*, and supports our commitment to be a responsible mining company that makes positive, long-term, sustainable impacts in the communities in which we conduct our business activities at all stages of the project cycle and beyond the life of our mines. This Policy sets out the minimum requirements for all Galiano operations and projects, its employees and contractors, and should be implemented in conjunction with the guidance contained within the companion Community Investment Procedure.

A. Strategic community investment objectives

Our definition of ‘strategic’ is aligned with the International Finance Corporation (a member of the World Bank Group), in that community investment activities should be designed to:

- Flow from well-defined objectives and criteria, supported by risk and opportunity assessments;
- Address shorter-term as well as longer-term objectives;
- Maintain focus on specific topic areas and a small number of programs for greatest impact;
- Look beyond financial resources; also integrating expertise, advocacy, and leveraging relationships to benefit local communities; and
- Incorporate monitoring, review, and improvement on a regular basis to evolve with the changing stages of a project cycle.

The objectives of the Policy are to ensure that:

- All sites have a Community Investment Plan and Program in place that is responsive to development priorities of communities and stakeholders identified through stakeholder engagement activities;



- All sites ensure that resources (human and financial capital) are made available to support the efforts required to understand, manage, and maintain an annual Community Investment Plan and Program;
- All sites incorporate relevant aspects of their stakeholder engagement activities, specifically stakeholder mapping, stakeholder perceptions, and results of any risk and opportunity assessment exercises, to ground and inform the respective Community Investment Plan; and
- Employees and contractors are aware of the Galiano commitment to strategic community investment and sustainable development, and how this affects stakeholder engagement requirements and inclusion in operational decision making.

B. Responsibilities

At the corporate level, Galiano will:

- Support a workplace culture, management systems, and integrated decision-making processes that reflect our commitment to providing lasting benefits to affected local communities through capacity building initiatives and self-sustaining programs, which contribute to the economic and social development of host countries;
- Assign senior management responsibility (SVP External Affairs & Sustainability) to support the development and maintenance of strategic community investment initiatives and sustainable social development objectives;
- Ensure our subsidiaries budget and allocate sufficient financial and human capital resources (including trained staffing or competent consulting expertise) to support and fulfill this Policy commitment at our operations and/or project sites;
- Review Community Investment information from sites on a quarterly and annual basis and provide feedback if requested or necessary;
- Proactively communicate the composition and contributions of community investment and social development programs - including dollar value of expenditures, in-kind contribution values, and community benefits and impacts - to internal and external stakeholders, during ongoing engagement with ESG stakeholders and through the annual sustainability reporting process; and
- Periodically review this Policy and its implementation with a view to continuous improvement.

Each operation or project site will:

- Allocate community investment resources each fiscal year;
- Support community relations employees and provide guidance where necessary;



- Actively, inclusively, and continuously engage with affected communities to identify, prioritize, and implement community investment plans and programs;
- Develop a Community Investment Plan and implement a Community Investment Program based on strategic community investment eligibility criteria and participation with affected communities that builds local capacity, contributes to the economic development and social well-being of the local community;
- Prioritize investment areas that intersect between focus areas and where affected local communities have identified as important, where both Galiano and the community benefits, and where Galiano can have a meaningful impact without creating dependency;
- Document all community investment initiatives, including a clear link between community consultation, community investment, and the long-term strategic business goals of Galiano; and
- Submit community investment reports on a quarterly and annual basis to the SVP External Affairs & Sustainability.

C. Community investment plan

A Community Investment Plan will be required by each site and will be based on alignment with Galiano’s Strategic Community Investment Objectives (above) and will contain details and documentation for the additional following components; further detail for which is provided in the companion Community Investment Procedure:

1) Community Investment Priorities – eligible thematic investment categories will broadly:

- Support health, well-being, and encourage youth activity;
- Promote education;
- Create opportunities for economic and social development; and
- Protect and rehabilitate the environment.

2) Process for Community Donation Requests (20% of total budget)

For the portion of the Community Investment budget which meets eligibility requirements, however is intended to be more spontaneous and flexible to ad-hoc, emerging community requests (20% of total budget), a designated community relations representative/s for each site or project will:

- Receive, document, and track Community Investment request applications using appropriate monitoring, tracking, and recording procedures;
- All requests must be received in writing. The designated community relations representative/s will provide support to applicants who require assistance completing a request;



- Acknowledge receipt of the application (in writing), including a timeline in which the submitting party can expect a response;
- Assess/evaluate the application for alignment with eligibility criteria as well as Galiano sustainable development goals, partnership opportunities, and budget criteria; and
- Respond to the applicant in a reasonable amount of time regarding decision.

3) Monitoring, Tracking, and Reporting

The designated community relations representative/s for each site will track the following activities, inputs, outputs, impacts and business benefits regarding community investment:

- What was supported – a description of the type of initiative supported/focus of Galiano contribution;
- What was contributed – dollar value of expenditures, value of employee time, in-kind contributions, etc;
- Why we contributed – a description of the subsidiary’s connection to the community program and/or community initiatives (for example, what are the benefits of making this contribution);
- The impact of the contribution – a brief description (and quantitative measurement if applicable) of the outcome or impact of the program or initiative contributed to. An assessment of the long-term achievements of this activity, progress made, how many people benefitted etc;
- Where we contributed – the specific stakeholder groups, communities, or regions that received benefit from this initiative or contribution;
- What specific Galiano objectives aligned with each Program initiative; and
- Donations cannot be made to charities in the name of government officials, nor made to charities with which government officials are known to be affiliated. Requests from government-funded institutions (such as schools, universities, hospitals) for assistance not included or envisioned by the state or local government annual budgets will be assessed on a case-by-case basis.

Community Investment Program progress and updates will be integrated into department reporting on a quarterly basis to Galiano corporate office. All Galiano Community Investment expenditures will be reported internally to the Sustainability Committee and relevant executive management and externally through audited annual financial statements and sustainability reporting.

4) Continuous Improvement and Evaluation

With a view to progressively improve strategic Community Investment outcomes and to include the opportunity for organizational response to changing social contexts, all sites



will evaluate the effectiveness of the Community Investment Program initiatives against community investment objectives and verify outcomes through participatory monitoring and feedback from stakeholder groups and beneficiaries. Follow-up with independent social assessment and/or perception surveys to ensure that social investment activities achieve the desired level of impact for intended community groups and/or beneficiaries will be conducted.

Reviewed and approved by the Board of Directors on March 28, 2023