

Sustainability Policy

INTRODUCTION

Xanadu Mines aims to be a leader in sustainable exploration in Mongolia.

SCOPE

This policy applies to all Xanadu directors, employees, contractors, and suppliers.

OBJECTIVES

Xanadu Mines has established a sustainability framework that includes the following objectives.

- To maximise the potential of our people in a safe, supportive, and inclusive workplace.
- To support the aspirations of local communities and respect their rights.
- To support the low-energy transition, while minimising our environmental footprint.
- To uphold ethical business practices and transparency.

ACTIONS

To progress our Sustainability objectives, Xanadu will:

- Engage all stakeholders to create a safe and healthy work environment.
- Create a diverse and inclusive workplace where everyone feels safe, valued, and supported.
- Respect and protect the human rights of our employees, contractors, suppliers, and community members.
- Attract, retain, and provide development opportunities to our workforce representing the communities in which we operate.
- Deliver benefits to host communities in a manner that supports and respects their rights and aspirations. We support local initiatives in four areas – education, small business development, water, and health.
- Honour the cultural heritage, customs, and traditions of our host communities.
- Engage openly, honestly, and regularly with our host governments and communities, to consider their views in our decision-making.
- Establish processes to identify and manage risks and opportunities for efficient use of energy and water, to minimise wastewater generation, and to manage emissions that cause climate change.
- Ensure compliance with all applicable environmental regulations.
- Preserve biodiversity by effective planning and environmental management in areas affected by our operations.
- Build relationships with suppliers to optimise value through safe, efficient, continuous improvement.
- Uphold ethical business practices and comply with legal requirements in jurisdictions where we operate.

Monitor, measure, and report sustainability performance guided by stakeholder expectations. By delivering on these commitments, we maintain and enhance our licence to operate.

XANADU MINES

Xanadu will aim to align its sustainability policies and self-assessment practices to Global Reporting Initiative (GRI) Standards and International Council on Mining & Metals (ICMM) 10 Mining Principles.

We will apply our Risk Management Framework to manage sustainability risks. Xanadu's Risk Management policy is available on Xanadu's website.

This policy is to be read in conjunction with all other Xanadu policies available on our website at <https://www.xanadumines.com/corporate-governance>.

REVIEW

This policy will be reviewed periodically (and at least every 2 years) by the Audit and Risk Committee and will be updated as necessary. Any amendments to this policy must be approved by the Board.

AUTHORITY

This policy was approved by the Board on 14 December 2023.