

B2GOLD CORP. Social Performance Standard 5: Local Content

November 2020 Page **1** of **3**



5 LOCAL CONTENT

5.1 OBJECTIVE

This Standard defines the minimum requirements to support skills and economic development where we operate through the implementation of local employment and procurement strategies.

5.2 PRINCIPLES

Local Content activities will:

- Improve access of local people and businesses to B2Gold opportunities;
- Build the capacity of local people, employees, businesses and organizations;
- Be transparent and fair; and
- Rely on coordination between Procurement, Human Resources, Operations, Community Relations and other relevant functions.

5.3 REQUIREMENTS

5.3.1 Planning

- Sites will establish responsibility for local employment and local procurement.
- Sites will either develop local employment and local procurement plans and/or processes or build local employment and procurement requirements into existing plans/processes. Plans/processes will consider or reflect:
 - o Site objectives and risks, including closure and community investment objectives;
 - Relevant regulations;
 - o Stakeholder priorities and local/regional/national development objectives;
 - An assessment of local employment and procurement capacity including a survey of local businesses; and
 - o An analysis of internal and external barriers to employment and procurement.
- Relevant departments and stakeholders will be consulted in developing the local procurement and local employment plans/processes, including Procurement, Human Resources, Operations, Community Relations and other relevant functions.
- Sites will define "local" considering factors such as geographic location, identity (e.g. indigenous, vulnerable groups) and ownership.



B2GOLD CORP. Social Performance Standard 5: Local Content

November 2020 Page **2** of **3**

5.3.2 Implementation

- Sites will classify local employees and suppliers in existing or stand-alone databases.
- Sites will communicate local employment and procurement opportunities to relevant stakeholders, including hiring/tender processes and criteria, and provide support for local employees and suppliers to access opportunities.
- Sites will adapt employment and procurement processes to improve access for local employees and suppliers (e.g. through preferential hiring, hiring targets, contract splitting, local premiums, prequalification, etc.).
- Sites will build local employment and procurement capacity, in partnership with government and/or existing organizations.
- Sites will communicate Local Content requirements to business partners and contractors and assess the implementation by partners and contractors.

5.3.3 Monitoring and Reporting

- Sites will track local employment and procurement.
- Sites will report internally and externally to relevant stakeholders on local employment and procurement plans/processes and performance.
- Sites will regularly review local employment and procurement performance, including feedback from stakeholders, and adjust plans/processes accordingly.

5.4 REFERENCE MATERIAL

5.4.1 Guidelines and Tools

A Guide to Getting Started in Local Procurement; by International Finance Corporation (IFC); available in English

Mining Local Procurement Reporting Mechanism; by Mining Shared Value; available in English, French and Spanish

5.5 TERMS AND DEFINITIONS

Closure: Refers to the period of time and associated actions that occur at a site when the site activities (e.g. exploration or ore-extraction activities) are diminishing or have ceased, and final decommissioning and site reclamation is being completed.

Community Investment: The involvement of the Company in social initiatives to meet the needs of the communities in which the Company operates. Investment is typically made in programs of community health, education, and other development programs that improve people's quality of life. Community Investment does not include investments necessitated by the Company's operations or infrastructure development, but does include social investment activities such as employee volunteering and charitable donations.

Legitimate: Legitimate Grievances are those where an actual adverse impact has occurred that B2Gold caused, contributed to, or is directly linked to. This excludes commercial disputes and issues with employed labour and/or unions.



B2GOLD CORP. Social Performance Standard 5: Local Content

November 2020 Page **3** of **3**

Livelihoods: The occupational activities associated with the maintenance or support of one's existence and/or that of their dependent family. Livelihoods can be associated with formal employment and cash remuneration, but can also be dependent on subsistence hunting and gathering, arable farming and animal husbandry. Hybrid livelihoods are common, relying on a mixture of occupational activities.

Local Content: Value brought to a local region (host nation, region or locality) through: i) workforce development (employment of local workforce, training of local workforce) and ii) investments in supplier development (developing supplies and services locally; procuring supplies and services locally).

Site: For the purposes of this Standard, sites include B2Gold offices, operating mines, satellite mines (either independently or included within an operating mine's reporting), construction sites, and legacy sites; and, does not include exploration (unless otherwise expressed), joint-venture sites (non-management roles), relinquished sites, non-active sites, and sites under care and maintenance.

Stakeholder: Any individual or group that is impacted by or has an interest in B2Gold and its activities. Stakeholders may include locally affected communities or individuals and their formal and informal representatives, employees and contractors, national or local government authorities, politicians, religious leaders, civil society organizations and groups with special interests, the academic community, or other businesses or groups.

Vulnerable persons: people who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage or social status may be more negatively impacted than others, and who may not be as able to take advantage of project benefits.

5.6 DOCUMENT CONTROL

Revision	Approved	Date	Description
Final	Ken Jones	29 November 2020	Original 2020 issue of the B2Gold Social Performance Standards