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About This Report

The reporting boundary of Swakop Uranium’s sustainability performance includes the activities and impacts of all operations that we control during the period 01 January 2021 to 31 December 2021. Swakop Uranium is proud to be able to contribute to the ever-increasing global demand for carbon-neutral energy production. Our purpose is to mine uranium responsibly and efficiently, thus contributing to clean energy production and the provision of long-term benefits to all our stakeholders.

The aim is to continuously improve and expand on Swakop Uranium’s sustainability reporting. This is an ongoing process, which is done using the guideline of the Global Reporting Initiative (GRI) Standards.

In accordance with Swakop Uranium’s certification in terms of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018, its Quality, Environmental and Occupational Health and Safety processes and statistics, as portrayed in this report, have been independently audited and assured. The report as a whole has however not been subjected to independent assurance, a milestone that we aim to achieve in future as a result of the continuous improvement in our disclosure and reporting.

Swakop Uranium’s Husab Mine being a relatively new operation, it is unfortunately not yet possible to always provide information regarding comparative performance over the past years. Where such figures are available, they are provided; in cases where 2021 was the first

year of measurement, it will be stated as such, and 2021 be used as the base year going forward. In cases where measurement has not taken place, it will be stated as such, and the necessary steps will be taken to introduce measurement in cases where the metric is material in nature.

The aim of this report is to provide an overview of our performance against the background of topics considered as material to our business. In this report, our objective is to give an honest reflection of our performance by highlighting our achievements, but also by identifying areas in which improvement is still needed.

The Issues Material To Our Business

The GRI Standards places an important focus on the issue of materiality, which is defined and described as follows:

In sustainability reporting, materiality is the principle that determines which relevant topics are sufficiently important that it is essential to report on them. Not all material topics are of equal importance, and the emphasis within a report is expected to reflect their relative priority.

Below topics were regarded to be of most

material importance to the sustainability of the Company. These mentioned issues will therefore form the focus of the reporting and disclosures in this report.

Governance and Operations	People and Social	Planet and Environment
Bene ciation Bribery and corruption Ethical conduct Legal compliance Transparency of revenues and payments	Community development Community health Community relations Employee diversity Employee health and wellbeing Employee retention Labour relations Local employment Local procurement and business support Occupational health Skills and employee development Stakeholder engagement Supply Chain Workplace safety	Rehabilitation and biodiversity management Waste management Water management



*“Swakop Uranium
plants seeds and nurtures growth
among all stakeholders”*

Introduction

Peculiar as it might seem to start a sustainability report with the topic on mine closure, this is intentional.

Everything we do, every decision we take regarding production issues, environment or social responsibility is aimed to ensure that we leave a lasting positive legacy for the communities who have been impacted by Swakop Uranium's operations.

This is responsible mining, it's what we stand for.

Throughout the life of the mine, we will, and we do, engage with our primary stakeholders regarding the impact of mine-decommissioning.

Our actions are, from the outset, robust, focused, specific and conducted with integrity and commitment. This is to ensure that we achieve our aim of leaving a lasting legacy once our operations have reached the end of their life, which is inevitable in the extractive industries. This aim includes leaving behind sustainable and prosperous communities in a natural environment that has been rehabilitated in such a manner that it supports continued socio-economic activity, especially given the mine's location in the Namib Naukluft National Park.

This Sustainability Report shows our commitment to the key areas that mark out our business and it sets our strategy, the challenges we face, our performance, as well as social, governance and environmental issues that impact our sustainability and commitment to continuous growth in Namibia.

Our business strategy leaves no stone unturned in ensuring that our uncompromising standards leave a positive legacy for sustainable growth and long-term investment in this country.

How Our Business Is Structured

The northern part of the Namib Naukluft National Park is home to the world-class Husab Mine, the second largest Uranium Mine in the world by drummed U₃O₈ production. Located in the Erongo region of western-central Namibia, the Husab Mine is 60 kilometres from the Namibian port of Walvis Bay.

Swakop Uranium enjoys the full support of its majority shareholder in China as well as the Namibian Government through the Ministry of Mines and Energy.

In December 2011, the company received its Mining License (licence number 171) to mine for nuclear fuels. It also conducts explorational activities under two exclusive prospecting licenses, EPL 3439 and EPL 3138.

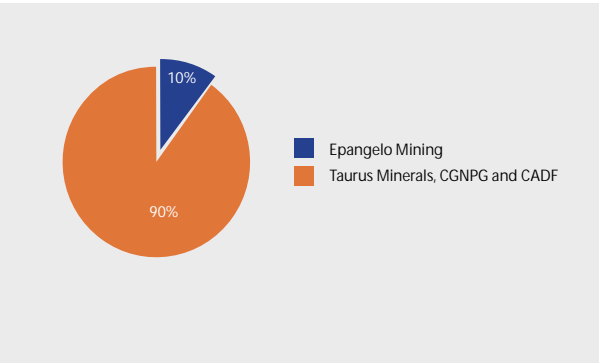
Construction started in 2014, while production commenced in 2016. In terms of Life of Mine, Swakop Uranium's estimate has been set at 2036, based on Zone 1 and Zone 2 anticipated to run up to this date. Significant mineralisation however exists at depth within the two pits and also in exploration targets within the

mining license and EPL, which has the potential to extend Life of Mine beyond this date.

Doing Things Right In One Go

Given current global uranium prices, the Life of Mine (LOM) is predicted to be until 2036.

Underpinning the mine's philosophy is the company's vision to be a world-class operation and to produce uranium efficiently and responsibly.



Our leadership is committed to the core tenet of Doing Things Right In One Go, and this is woven into the tapestry of our operating model where we strive to create a workforce that is accountable, committed and responsible during the efficient extraction of uranium from the two open-pits at our mine.

More Than Mining

Swakop Uranium is More than mining as it strives to create economic value for its stakeholders, its employees and the community it serves. Committed to true Namibian development, it is a company that delivers on its promises and ensures that its mining activities, although they do have an impact on the natural environment, are managed responsibly, within the country's legislation and in accordance with global standards.



The Numbers For 2021 In A Nutshell



Health And Safety

Measure	2020	2021	Change
Lost Time Injuries	1	3	+200%
Lost Time Injury Frequency Rate (LTIFR)	0.17	0.45	+164.7%
All Injuries	21	36	+71.4%
All Injury Frequency Rate (AIFR)	3.98	5.61	+41.0%

Employment

Measure	2020	2021	Change
Total permanent employment created (incl. expats)	1 569	1 628	+3.1%
Namibian females employed	186	190	+2.2%
Namibian females in management positions	10	12	+20%
Percentage of Namibian Employees	96%	96%	- %
Average number of contractor employees	500	1100	+120%
Training and Development	N\$13.66m	N\$15.7m	+14.9%

Financial

Indicators	2020 N\$ mil	2021 N\$ mil	Change: 2020 - 2021
Fixed investment	133	1 557	1 070.7%
Total procurement spends	4 316	5 542	+28.4%
Local procurement spend (excluding utilities)	3 506	3 244	-7.4%
Expenditure on electricity	382	394	+3.1%
Expenditure on water	348	354	+1.7%

Local contractor spend	555	804	+44.9%
Loss recorded	(2 359)	(3 144)	+33.3%

Financial Value Added

Namibian Dollar (N\$)	2020	2021
Value added		
Payments to suppliers	4,862,061,063	7,335,369,359
Total value added	11,838,244,660	13,547,896,316
Income from investments/other sources	11,216,057	19,474,455
Wealth Created	11,849,460,716	13,567,370,770
Direct economic value generated: Revenues		
Operating costs	8,250,165,664	8,254,652,576
Payments to Government		
Taxes	753,857,676	774,214,123
Community investments (only monetary donations are accounted)	555,418	1,331,909
Total direct economic value generated	754,413,094	775,546,032
Economic value retained		
Direct economic value generated less economic value distributed	(2,359,580,043)	(3,143,849,343)

Production

Indicators	2020	2021	Change: 2020 - 2021
Output volume (tonnes U O)	3 893	3 902	+0.2%
Tonnes mined	71 352 630	102 905 369	+44.2%
Water consumption (m3)	7 619 488	8 329 517	+9.7%
Electricity consumption (kWh/MWh)	244 101 620	250 907 667	+2.7%

Message From Our Chairperson: Sustainable Development Committee



It is my pleasure to proudly present all our stakeholders with our Sustainability Report for our 2021 Financial Year. In our quest to continually improve on our reporting and disclosure, we have gone to considerable lengths to ensure that this report provides a true and accurate reflection of Swakop Uranium's sustainability efforts.

These sustainability efforts are at the heart of everything we do and inform our planning and execution of all initiatives from the start. Being a comparatively young operation, we had the benefit of implementing sustainability as a core principle and value from the onset, not only because we believe it to be the correct and responsible approach, but also because it makes good business sense. Whereas Swakop Uranium is not a listed company, and the expectation for reporting on sustainability normally comes from shareholders that wish to get an indication of whether their investment is in an entity that applies the principles of responsible business, we believe that voluntarily publishing this report demonstrates the openness and good faith with which we conduct our business for the benefit of all our stakeholders.

Reporting voluntarily is made much easier by Swakop Uranium's aspiration to go beyond compliance as a key component of its commitment to responsible business. From the Introduction and Overview section of the report, it will be very clear that our Code of Ethics, and the consistent application thereof – especially when it comes to the application of ethical principles over and above compliance with legislation and regulations. This is a central part of the culture and ways of work that we actively

cultivate and entrench within the organisation, which we not only expect all within the business to comply with but actively drive through awareness and governance programmes.

Due to the continued impact of the COVID-19 pandemic, 2021 presented itself as another challenging year, during which it was not possible to grow and develop to the extent envisaged. We are however proud of the way in which Swakop Uranium has been able to mitigate the impacts of this pandemic, not only on our own operations but also in the communities. Details of these initiatives are outlined in the report, and I will therefore not dwell on these in length at this point, apart from saying that it again served as a prime example of doing responsible business because it is part of Swakop Uranium's DNA. This business philosophy is satisfying as it provides us with the capacity to go into the future knowing that we are building on a solid foundation of values and principles-driven business approach.

We believe that we can never stop growing and improving. Continuous improvement in all we do is part of our ways of work and permeates all the different realms of our operations, from governance to operations, through to our social impact and care of the environment. It is therefore a core part of our approach to creating a workplace in which individuals can grow and reach their full potential. I am confident that the examples cited in this report will serve to illustrate how we have put these vital principles into practice. We believe that doing so makes an important contribution to Namibia and her people through the transfer of skills. This, together with creating a work environment

and culture within which employees can be actively engaged and contribute to the growth and development of the Mine, all speak of an approach which is starkly in contrast with the archaic and hierarchical way in which mining as an industry has been traditionally perceived to manage its affairs.

For the same reason mentioned above, our approach to stakeholder relations, regardless of who these stakeholders are, is one of building trust and mutually beneficial relationships to ensure that the socio-economic benefits of Swakop Uranium's operations can positively impact all who are affected by them. While the COVID-19 pandemic has to some extent limited our ability to actively engage with and contribute to communities, it has created opportunities to make a tangible contribution. Now that the pandemic is largely something of the past, we are confident that we will be able to both build on past initiatives and contribute tangibly to our local stakeholders in new and different ways. Although we were not able to do a full materiality assessment for this report, our continuous engagement with stakeholders and taking their views into account in designing our business processes has provided us with satisfactory insight into what is materially important to our business. Please refer to the Introduction and Overview part of the report of what these issues are. We believe that taking these issues into account is important in the interpretation of the information provided in the rest of the report.

Although we believe that the end of the life of mine is still some years into the future, it is an unfortunate fact that mining



Message From Our Chief Executive Officer



Although I found it difficult to believe that a year has passed since we published our Sustainability Report for 2020, a scan through this document quickly reminded me that 2021 was indeed a year on its own. With the COVID-19 pandemic still having a profound impact during the year, and many other factors playing a role, 2021 was challenging and we could not in all cases demonstrate the potential and growth that Swakop Uranium is capable of. However, it is with pride that we present to you our 2021 Sustainability Report, which I believe will testify to the resilience, resourcefulness, and single-minded focus on sustainable development of the people of the Mine.

With many of the challenges that were new in 2020 continuing into 2021, we were better prepared to tackle these and find ways of overcoming obstacles to efficient and sustainable production, although we ultimately fell short of the goals that we have set ourselves. That said, we are grateful and excited that the contributions and support of all our internal and external stakeholders allowed us to keep operating efficiently during a time when other mining companies had to suspend operations or close. In my view, this is a clear indication of the integral strength of our resource, our business model and our relations with our stakeholders. Much of this required significant flexibility and sacrifice from the side of individuals across the value chain, and we thank them for that.

At an operational level, it is regrettable that the unforeseen continuation of COVID-19, together with global financial and political instability, has led to a situation in which we were not

able to achieve all the objectives that we have set ourselves. Probably most telling was the shortfall in uranium oxide (U3O8) production against our target, which has led to Swakop Uranium incurring a net loss for the year, against the forecasted small profit.

The challenges we faced in 2020, including COVID-19 and water and electricity supply, continued into 2021. But I am satisfied that the strategy to deal with these has served us well, and we are therefore continuing to apply the approach outlined, i.e. striving for first-time excellence, being unrelenting about the application of safety and ethical standards, keeping sustainability at the top of our minds, and assigning priority to stakeholder relations.

Swakop Uranium exists to add value to all that are in any way affected by its existence. This has significant implications and places serious obligations on Swakop Uranium's management and its people. These implications and obligations relate to profitable production, as the enabler of any value that could potentially be added, the people affected in any way by our operations – both internally and externally, as well as the sensitive natural environment in which we operate.

We have made great strides in production since Swakop Uranium started up operations, which was not very long ago in mining terms. Although unforeseen circumstances have been a barrier to us achieving the full profitable production that we had projected, Swakop Uranium has quickly established itself as the largest mining operation in Namibia, and one of the largest uranium

producers in the world. This has demonstrated our ability to operate efficiently and productively, and together with the potential of our mineral resource, it justifies our optimism about the future of our operations. In addition to this, the accelerated drive to find alternative sources of clean and responsible energy, and the fossil energy crunch that the world has lately experienced, are sure to work in our favour. I am therefore positive that we can for many years into the future still make a tangible contribution to Namibia.

A large part of this contribution towards the growth and prosperity of Namibia is aimed at its people. The transfer of skills and empowerment of Namibians within a safe and healthy work environment is one of our primary objectives, one that we have set up the policies and processes to achieve. Regrettably, our safety performance in 2021 fell short of our targets and did not achieve the exemplary performance of the previous year, but our programmes are aimed at stemming this decline and continue building on the significant improvements made since our operations started.

Our vision of letting benefits from our operations flow to people is however wider than the workplace only and includes real and constructive development of our local communities, over and above the benefits that accrue to Namibia as a whole - directly through levies and taxes, and indirectly through the economic stimulus of providing employment and generating economic activity. The areas in which we can and should contribute are identified in collaboration with our stakeholders, with whom

our structured engagement processes have led to positive and constructive relationships and seek to address the most pressing obstacles that stand in the way of our communities becoming prosperous and sustainable. In this regard, our contributions to education and the youth, in general, are very close to our hearts, as we know that investing in the next generation means investing in the future.

Our operations, being a key component of a responsible energy generation value chain, care for the environment – the third component of our sustainability strategy. Mining in an ancient and spectacular part of the world such as the Namib Desert has given us a new appreciation of the wonder and the diversity of our planet. At the same time, it places an obligation on us to ensure that minimal damage is incurred to the natural environment during our operations and that the environment disturbed is restored to be sustainable, as it has been for millions of years. For this reason, we are proud of the high standards of environmental management that we maintain, as well as the partnerships that we have formed with various Government and non-Governmental institutions for the conservation of the natural environment.

In closure, I wish to thank our social partners, shareholders and other key stakeholders for maintaining the positive and constructive relationships that are a key part of our success. We trust that you will find this report a true and informative reflection of our efforts toward multi-faceted sustainability, and that it will add to your understanding of both the challenges and

the opportunities that present themselves to Swakop Uranium.





Our Management Approach





Our Management Approach

What We Stand For

Our Vision

Our Mission

Our Core Values

Our Basic Values

Our Basic Principles

Our Brand Slogan

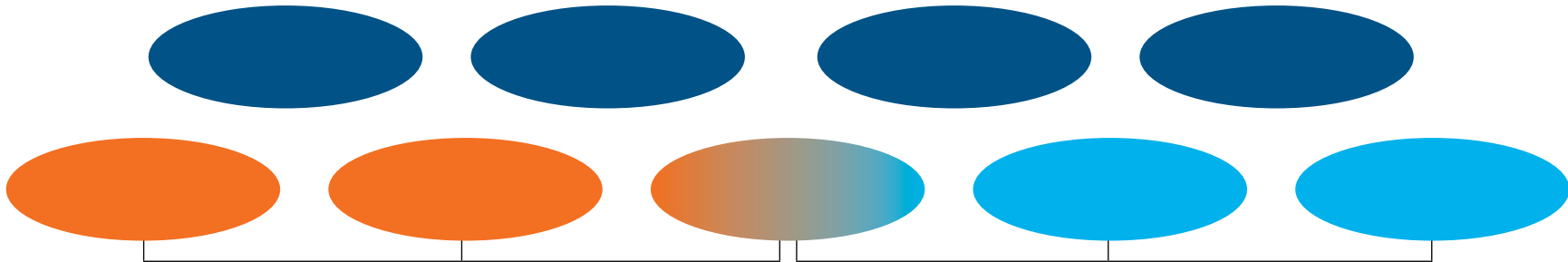
Codes of Conduct



Our Management Approach

Board And Executive Oversight

Swakop Uranium s Board of Directors (Board) consists of nine members, as depicted in the graphic below:



The Board fulfils its mandate both directly and through its committees via regularly scheduled and ad hoc meetings.

Currently there are two Board Sub-Committees; the Audit and Risk Committee and the Sustainable Development Committee:

Committee	Function	Members
Audit and Risk Committee	Assists the Board in fulfilling its corporate governance and oversight responsibilities in relation to the company's financial reports and financial reporting processes, internal control structure, risk management systems and the internal and external audit process.	Chen Deshao (Chairperson) Eliphas Hawala Dong Kun
Sustainable Development Committee	<p>Established in recognition of the importance of conducting business responsibly, sustainably and for the benefit of all stakeholders, and the contribution that the company could make to the sustainable development of Namibia, and in particular the Erongo Region.</p> <p>It assists the Board in fulfilling its duties and responsibilities to Namibian stakeholders (including employees, local communities, etc.).</p>	Inge Zaamwani-Kamwi (Chairperson) Cai Yusheng Eliphas Hawala



Our Management Approach

Business Ethics And Governance Principles

Globally, the natural-resources industry, given its transformative effect on the landscape and where labour is concerned, faces key ethical challenges concerning all business-related operations. Swakop Uranium is no exception.

The company's management strategy is not merely profit-driven, though it must contend with a market in which uranium prices remain low for long periods of time; it is also built upon the aim to produce returns to the country in the form of social investment, financial well-being and development of local skills.

Management has a keen awareness of the company's obligations in making decisions that are also in the interest of the company's customers, employees, shareholders, surrounding communities and the ecology. It must therefore continuously consider the social and environmental consequences of the company's mining activities.

Consequently, management places a high value on the ethical dimension of the company's business operations and does not merely focus on the necessity to obey the law.

Ensuring That We Comply

In accordance with Namibian laws and regulations, Swakop Uranium has developed a Total Risk Management Procedure, which is reviewed on a regular basis. This procedure, which encapsulates also the ethical principles that we believe need to drive our business, is an important demonstration of the company's commitment to conduct business ethically.

Clear and precise, it is upheld company-wide and bears witness to our company culture. This is evident from the high level of voluntary compliance to the Code, employee ambassadorship for the Code, and the low number of disciplinary cases reported that relate to breaches thereof. The policy and its measures define in precise terms what is expected of all internal stakeholders, which include Shareholders, the Board of Directors, the Executive Management Committee and the entire staff.

The company has reiterated its stance regarding the consequences of non-compliance and breach of the company's Total Risk Management Procedure. This procedure highlights the company's total risk management process principles and makes provision for risk analysis and control.

Furthermore, each section makes provision for Risk Management under the relevant sections management procedures. This is an important cornerstone in our efforts to build a world-class company with not only respect for the rule of law, but voluntarily committing itself to the highest ethical standards over and above legal compliance.

Despite the challenges that we continued to experience during 2021, all internal stakeholders were still expected to:

- Comply with operational standards;
- Uphold management norms; and
- Demonstrate unquestionable integrity.

To ensure that all stakeholders operate from a shared understanding of the Total Risk Management Procedure's requirements, Swakop Uranium has appointed a Compliance Committee whose members, dedicated to each department, oversee and supervise compliance in the various business units.

Committed To The Transformation Of Namibia

Management remains committed to the National Affirmative Action Policy. To this end, it established an Affirmative Action Consultative Committee that is governed by an Affirmative Action Charter. The Chief Executive Officer is accountable for the company's compliance with affirmative action. This includes ensuring the necessary development and career-pathing of employees to facilitate effective affirmative action by merit-based career advancement.

Employment equity reports are submitted to Government annually, and in the past three years we have obtained a compliance certificate in terms of equity. In terms of gender equity, 12% of our employees are female, whereas the general standard in the mining industry is around 10%.

Management actively supports the implementation of various programmes aimed at promoting internal growth, be it through training programmes or by providing financial assistance for employees who wish to advance in their profession by studying.

In 2015, Swakop Uranium established the Swakop Uranium Foundation by which means it channels investment in



Our Management Approach

communities at both local and national level. Management ensures that the foundation is adequately funded.

A Culture-Driven Organisation

The company's corporate culture, which is reflected in its governance structure, reflects the collective beliefs, value systems and thinking patterns that are rooted in our goals, strategies, structure and management. The integration of culture and leadership must be an ongoing management process, both from shareholder and the local point of view.

As such, it functions as the backbone of Swakop Uranium, which maintains a competitive advantage and drives sustainable development, both now and into the future. Management remains committed to ensuring that all the company's activities are conducted in a safe, cost-effective and eco-friendly manner and with due consideration of excellence and quality to the benefit of all stakeholders.

Serious About Ethics – Making It A Way Of Life

Swakop Uranium is unequivocally serious about ethics. It is our number one priority, as there cannot be good governance without ethics. All our stakeholders, including shareholders and employees, are firm that ethics are very important and essential to conducting the business fairly.

Our brand slogan, 'More than mining', and our core value, 'Doing things right in one go', reflect this commitment.

The interests of our employees and the public is of great significance to us, as such much care and due diligence is applied to ensure that operational activities yield mutual benefits with Zero harm to people and society. In addition, we ensure that we comply with all legislation and regulations, such as being registered for income tax, value-added tax, and paying royalties to the State.

We are however not satisfied with compliance only, but wish to go beyond compliance to consistent ethical behaviour. Our Code of Ethics and Anti-Corruption Policy, the purpose of which is to enhance the ethical culture within the Company and to communicate the Company's stance of zero tolerance toward corrupt practices, alerts staff that management will not tolerate corrupt or unethical conduct. Efforts are made to promote ethical conduct amongst staff members and in 2020 we developed an Anti-Corruption Handbook that was distributed to everyone.

In accordance with the company's commitment to ethics, all personnel are expected to maintain the company's high standards of ethical conduct, over and above the mandatory full compliance with applicable laws and Government regulations. There is, however, always room for improvement in terms of our people living a more ethical existence both off-site and on-site, as they need to learn the company values and consistently live them.

We regularly provide training in order to promote awareness of the Code of Ethics and Anti-Corruption Policy. All new recruits

undergo this training before their appointments are confirmed. Every year in December, International Anti-Corruption Day is celebrated, whereby the legal section raises awareness among employees. Competitions are held to encourage employees to familiarize themselves with what the company's code of ethics and anti-corruption procedure entails. In addition, memos have been sent out informing employees of the whistleblower platform which can be used to report unethical conduct.

New employees undergo the code of ethics induction, whereby the company's code of ethics, the declaration of interest and gift declarations as well the whistleblower platform and how to use it, is explained.

On the Swakop Uranium portal, employees have access to the whistleblowers helpline at any time.

An Anti-Corruption Handbook was distributed electronically to all staff members in December 2020 when international anti-corruption day was commemorated, which serves as guidance for employees to act ethically and ensure that they will not make themselves guilty of corruption and bribery. It was distributed via sumis (the online application used for internal communication by Swakop Uranium) and emailed to all staff.

The Ethics committee consists of the HOD: Compliance and Risk Management, the Superintendent: Corporate Legal and any other co-opted member as per the code of ethics and anti-corruption procedure. The Ethics committee is responsible for receiving



Our Management Approach

whistleblower reports, investigating, providing comments on gift and conflict of interest declarations, etc. This is in line with the Code of Ethics and Anti-Corruption procedure.

We have incorporated key ethical principles in mining planning, development and operations, as well as adopted ethical principles in our closure and rehabilitation policy. Since the commencement of our construction phase, and now through the operational phase, the trust we have garnered from our stakeholders has been an asset foundational to our growth and development.

Our ethical conduct, focused on safety and the environment, helps all stakeholders in our business operations to appreciate what values we aspire to and abide by.

Business Continuity And Crisis Management Plan

In order to ensure business continuity and the ability to deal effectively with crises occurring, Swakop Uranium has compiled and approved a Business Continuity and Crisis Management Plan (BCP). This is a comprehensive document, covering all business continuity activities, and describes:

- Identified potential emergency or crisis situations;
- Decided countermeasures to prevent their occurrence and mitigate their effects;
- Established responses in case of emergency or crisis situations;
- Responsibilities and authorities of the BCP players;
- Resources provided for BCP implementation;
- Tools, methods and criteria for identifying and managing emergency and crisis situations; and
- Interfaces with crisis management, emergency management and emergency response plans, managed by external parties.

Subordinate to the BCP, the following also play an important role in the entrenchment and execution of activities to ensure that the objectives of the BCP are attained:

1. Sectorial Business Continuity Management Procedure (SBCMP)
Sectorial Business Continuity Management Procedures are documents detailing the BCP in covering specific business continuity management activities. They outline, and put into practice, the Swakop Uranium Business Continuity & Crisis Management Procedure, dealing with the potential emergency or crisis situations related to Swakop Uranium.
2. Detailed Procedures and Work Instructions

These are detailed procedures and work instructions that outline how the Sectorial Business Continuity Management Procedures cover generic risk scenarios. They are:

- The Emergency and Crisis Management Procedures (ECMP) Procedures; they outline the response plan for emergency and crisis situations to mitigate and restore the business to a pre-defined state;
- The Work Instructions (WI); they describe activities and channels of internal and external communication, from the initial response to the incident to the return to normal business operations.

Security Management Plan

Swakop Uranium's Security Management Plan forms an important component of putting the necessary measures in place to manage risks and ensure business continuity. It is essential to ensure that the Security Management Plan operates as designed, and to this end, it will be regularly updated as new mining, projects and processing methods are introduced and changes required by new legislation are implemented. Husab Mining and Processing Operations Management are required to comply with this Security Management Plan to ensure that all members of staff give the Plan their fullest support, and hence strategic ownership of the Security Management Plan is held by the CEO of Swakop Uranium.

The company's Code of Conduct, as it applies to management and staff respectively, is built on four pillars each:	
Management is expected to display:	Staff are expected to be:
Serving as a role model, Accountability, Business savvy, and Integrity	Disciplined, Diligent, Dedicated, and Developed.



Operations And Production

The uranium oxide (U₃O₈) produced by Swakop Uranium is mainly sold to our primary shareholder at a price higher than the global market to produce nuclear fuel, while some of it is sold on the open market.

A Year In Which Challenges To Production Continued

As was outlined in our previous Sustainability Report, the lock-down measures instituted in March 2020 to combat the spread of COVID-19 had a negative impact on mining and processing operations. Manpower was scaled down significantly and a skeleton crew was temporarily accommodated at the on-site camp to perform priority work. These challenges partly continued during 2021. Although the Mine has been able to mitigate some of the impacts, it did contribute to production performance not achieving the budgeted results.

Good Performance Under Strained Circumstances

Total Uranium produced in 2021 was 3,902 tonnes of U₃O₈, just marginally above the 2020 production of 3,893 t U₃O₈, and well below the annual target.

Mining

Despite COVID-19, the mining operations recorded their highest production ever, with over 103 million tonnes mined from Zone 1 and Zone 2 pits, which was 4% above the plan, after rebounding from the 2020 COVID-19 challenges. Although ore production was 3% lower than expected, this was mostly due to resource model performance, and the company is working to improve confidence in the resource by completing in-fill-drilling exercises.

All existing systems remain operationally robust, with a fatigue monitoring system being one of the new systems introduced to ensure the safety of staff and operations. The quality of ore delivered to the process plant was also favourable, with an 8% improvement in feed grade.

Processing

The Processing Plant run time was 6% below budget. Major challenges were:

- Water supply shortage
- Conveyor challenges
- SCADA system faults
- SAG Mill grate liner failures

Milled tons were 8.45% below budget; affected by low throughput rate and runtime.

Final product was 11.27% below budget; the major contributors to the deficit were low recovery and low throughput. Jarosite scale formation in various areas of the plant remains a major challenge for the operation, and a key issue to be addressed in 2022.

Water supply shortage impacts were felt in 2021 as well, and strategies have been put in place to mitigate this situation for 2022. Water consumption for 2021 was 8,329,517m³, at 0.8m³/t, and 19% above budget.

The major achievement for 2021 was the achievement of one

Four Main Mining Methods

Open pit is a surface mining technique of extracting rock or minerals from the earth by their removal from an open pit

Underground refers to the various underground methods used to excavate minerals, usually those containing metals.

In-situ is a mining process used to recover minerals such as uranium through boreholes drilled into a deposit

Placer mining is the mining of stream bed (alluvial) deposits.

Primary Mining Equipment

Secondary Support Equipment

Classification of Pit Material

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>

MINING PROCESS

Open Pit

Staking

Drilling

Probing

Blasting

Compositing

Loading

Hauling

Stockpile

Waste

¹ Jarosite is a family of iron-hydroxysulphate minerals that commonly occur in acidic, sulfate-rich environments and mining and ore processing waste.



Operations And Production

Water – A Critical Resource

“Water supply shortage impacts were felt in 2021...and milling and processing operations continued to be hampered by the inconsistent supply of water”

As a rule, the treatment of ore by the mining industry is a water-intensive process. This is no different in the case of Swakop Uranium, but – like many mines in the same region and elsewhere in the world – it is situated in an area in which water is a scarce and precious resource. Water use by the mine, the recycling and any disposal of it, always need to be considered in conjunction with the scarcity thereof, as well as the impact the use of water could have on people and the natural environment.

No groundwater is used, and, the bulk of the water used by Swakop Uranium is sourced from NamWater, the Namibian Governmental water supply utility. This water is supplied by them from a desalination plant that desalinates sea water from the Atlantic Ocean, for use throughout the Erongo Region. Swakop Uranium is the biggest water user in the region, and uses about 70% of the water supplied by the plant. The capacity of the desalination plant is however such that it cannot supply sufficient water for the full needs of all water users in the region, and is often faced with maintenance-related issues. By the year 2025 there will be a deficit of around 20 million cubic meters in the water supplied from this plant, and the Water Committee at the Chamber of Mines requested a second desalination plant to be constructed to eliminate this deficit. This will also address the issue of increased usage by holidaymakers on the coast during December, a period during which supply to the Mine can become critically low.

The government, through NamWater, is finalizing preparations to start the public-private partnership procurement stage to construct this second desalination plant at the coast.

Given this situation, Swakop Uranium is investigating opportunities of establishing a reliable source of water supply, which will be a cost-intensive undertaking, but with positive influence on the company and community.



million milled tonnes for the November production month. However, the milling and processing operations continued to be hampered by the inconsistent supply of water. Milled tonnes for the year were 8% below target and as a result, saleable U3O8 production was 11% below budget. Over the past five years, the average loss of production due to water supply issues was around 400 tonnes of uranium oxide per year. These interruptions were, inter alia, due to high sulphur levels in seawater and shutdowns of the desalination plant.

In addition to water supply challenges, some technical challenges and equipment failures impacted the overall performance of the processing plant which, despite an improvement in head feed grade, has recorded lower than planned uranium recoveries.

Furthermore, the impact of COVID-19 on the global supply chain has resulted in challenges with the delivery of spare parts and other consumables. Product shipment and exports were also delayed due to challenges in securing shipping containers and vessels to deliver the final product to end-users. There has also been a significant increase in the price of consumables such as sulphur and fuel, which is used in the production process.

Amongst the other challenges to efficient production, is the reliance of the Mine on the national grid for electricity. Although the mine does generate around 2MW of power through a solar plant and 15MW, at full capacity, from the acid power plant, this is not sufficient to mitigate the risks around a sufficient and cost-effective power supply.

Exploration – The Key To A Profitable And Sustainable Future



Operations And Production

Producing In The Time Of Covid - Making Good Use Of Opportunities

Significant staff shortages were experienced because of COVID-19, with many employees being in isolation, impacting the productivity and performance of the business. Swakop Uranium sadly also lost seven employees to COVID-19, which also impacted operations, employee morale and skills shortages.

In addition, the volatile state of the global economy as a result of COVID-19 made it even more difficult to attract talent and scarce skills for the mining industry, although the skill becoming available through other mines closing did create the opportunity to attract some vital recruits.

This situation required the Mine to introduce major operational and staffing changes and enter the 4th Industrial Revolution. To Swakop Uranium's credit, meetings were already conducted via digital means, which meant that the required technology was already set up for the office and staff, making the transition much less arduous than it would otherwise be.

With the different waves in which the COVID-19 pandemic presented itself, came social distancing measures which included the half capacity on busses and other public transport. This had an impact on the normal work arrangements, given that the number of employees that could be transported to work had been reduced by 50%. To deal with this, Swakop Uranium implemented work arrangements which included:

Working-from-home for office staff.
Staggered work schedules, i.e. work schedules that would allow 50% of crew to come in at one time and others to come in at a different time.

Operations are by and large now back to normal, but the Mine still has the technology to assist with remote work should it be required going into the future.

Exploration – The Key To A Profitable And Sustainable Future

Continuous assurance and extension of the mineral resource on the two license areas, EPL3138 and EPL3439, is an important component of ensuring operational sustainability. For this reason, Swakop Uranium is continuously conducting exploration, both on existing resources and new prospects, to assure the continued availability of ore going into the future. The below represents a summary of exploration activities, the results achieved, and the planning for 2022.

1. EPL3138 Exploration

Hildenhof:

The first reconnaissance RC hole for 250m was drilled to assess the sub-surface uranium-hosting potential of this target. The hole was drilled in the core zone of the anticlinal structure and returned several intervals of encouraging mineralized intersections above a 100ppm U3O8 cut-off which warrants further follow-up work in the future.

Zone 6:

One diamond hole for 250m was completed with encouraging results.
A rock density study was completed to assess the density of different rock types at the deposit.

Ida Deposit:

Completion of an updated resource model for the Ida deposit.
Significant scope identified for further resource expansion.

U6 and U7 Targets:

Detailed geological mapping and radiometric surveys of the target areas were completed.

Environmental Rehabilitation

Environmental rehabilitation was completed at Hildenhof and Zone 6 to remedy disturbed areas.

2. EPL3439 Exploration

Geophysical re-interpretation Study

A geophysical re-interpretation study of the entire EPL area completed.
Seven new target areas of potential uranium mineralization were identified.

Holland's Dome

Drilling of 2 RC holes for 431m completed testing continuation of mineralization in the south towards the EPL



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Management Plan was compiled, which outlines the formal approach taken in combatting COVID-19 and the practical measures implemented, including conducting risk assessments, contact tracing, prevention, and handling the response of Swakop Uranium to COVID-19 infections at the company, among others.

The COVID-19 Management Committee was also made responsible for communication with the Ministry of Health and Social Services, as well as advising senior management regarding best practices for mitigating the risks associated with COVID-19.

The COVID-19 Management Committee was supported by five task teams, each with the responsibilities for execution of the Management Plan as outlined on the right:

No	Task Team	Responsibilities
1	Communication Management	1) Responsible for approval of COVID-19 implementation plans and expenditure; 2) Responsible for communicating the status of COVID-19 management to CGN/URC/GRN and other relevant stakeholders; 3) Responsible for publicity of COVID-19 Management (external and internal); and 4) Responsible for COVID-19 Management plan inspection and compliance
2	People movement and environment control	1) Responsible for onsite people reduction plan; 2) Responsible for people movement control including commuting, travelling, etc.; 3) Responsible for Temperature monitoring on busses and other key areas; 4) Responsible for hand sanitiser management (entrances of Bus and building); 5) Responsible for decontamination of high exposure risk areas around the site; and 6) Responsible for Camp management
3	Operation and stock management	1) Responsible for optimization and implementation of the management and business continuity plans; 2) Responsible for material purchase, distribution and stock management & control; and 3) Responsible for internal communication with employees (Briefings, Ding talk)
4	Emergency response	1) Responsible for security reception and checkpoint management; 2) Responsible for the on-site treatment of suspected symptoms; 3) Responsible for on-site case confirmation and management; and 4) Responsible for the case investigation
5	Data Management	1) Responsible for all employees health status management; 2) Responsible for all cases tracing and their status following; and 3) Responsible for developing applicable IT systems to optimize COVID-19 management



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Employee Health and Wellness

Occupational Health And Safety

Our operations inherently involve high-risk activities that potentially expose employees, contractors, suppliers and other stakeholders to hazards that may be of a physical, safety or health nature. Swakop Uranium has an Occupational Health and Safety Management system in place to guide activities around occupational health and safety issues.

Air Quality Monitoring

Air-quality monitoring is used as a management tool to effectively monitor air pollution that is related to Husab Mine activities. Addressing the effects of air quality on personal and collective health is essential if our operations are to have a positive impact on people's lives. We strive to minimise the impact of our operations on air quality and to keep the levels of emissions in the air within legal limits. We mine in an arid region and our most significant air-quality issue is the production of dust, i.e. particulate emissions. Prolonged dry periods, coupled with increased temperatures and winds, increase the amount of dust that is generated by our operations. We promote continuous operational improvements to reduce particulate emissions and manage air-quality risks by implementing the appropriate standards. These standards provide a framework in which we monitor and manage emissions of dust that may pose a risk to people, fauna and flora. In doing so, we reduce the adverse effects on the health of our workers and ensure that we comply with all regulations regarding air quality.

Dust Suppression

Dust suppression is undertaken in the mining and plant areas. In the mining area, we employ chemical dust binders that are added to water and then sprayed on the primary and secondary roads. Dust binders also contribute to water conservation, consequently assisting our attempt to reach our water-saving targets.

Noise Exposure Management

Identification of noise-risk areas was accomplished by conducting a baseline-risk assessment of the mine. Subsequently, an annual monitoring plan was established to monitor both personal- and area-noise exposures to quantify the risk and level of exposure. Similar exposure groups (SEG) monitoring is conducted every week as per the programme. A hierarchy of controls is implemented based on the level of risk in the respective areas. Additional controls, such as approved hearing protection, are provided to employees, ranging from disposable earplugs and detachable earmuffs worn with hard hats, to custom-made hearing protection in the form of the noise-ban hearing device for employees exposed to high levels of noise pollution. As part of Swakop Uranium's hearing conservation programme, medical surveillance is also conducted on an annual basis in the form of audiometric tests. This method of monitoring also helps to identify any potential noise-related health problems at an early stage, thereby preventing hearing damage from developing further.

Radiation Exposure Management

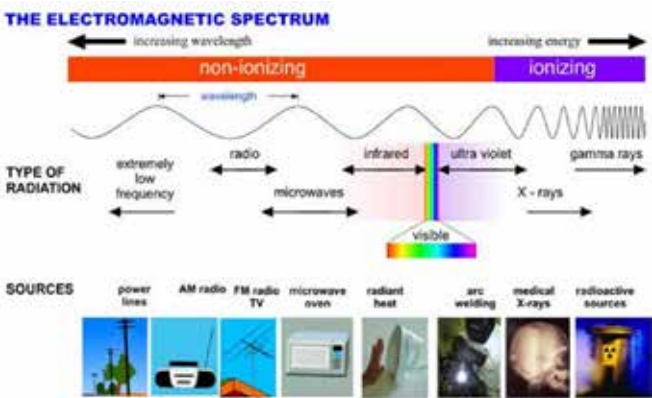
Radiation – A Normal, But Unseen, Part Of Everyday Life

What is radiation?

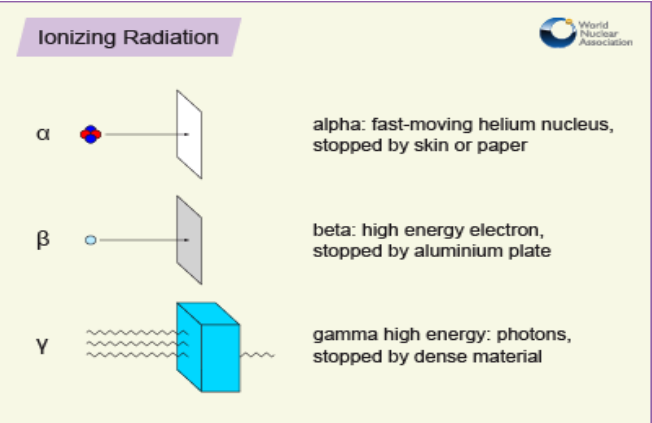
Radiation is ENERGY, which travels as waves or particles, emitted by a source, either natural or man-made and transferred through space. You cannot feel, smell, see, taste or hear radiation – but it can be measured! The exposure to radiation is measured in Sievert (Sv). We use milli-Sievert (mSv) which is a thousandth of a Sievert. Ionizing radiation is radiation with the ability to remove electrons from an atom (This is the dangerous one that we should be concerned about as it can be harmful to human cells)



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Ionising Radiation emits three kinds of particle, which also points at the origin of the symbol for radiation



Background Radiation	Man-made Sources of Radiation
Natural background radiation is everywhere, no matter where you live Natural background radiation in Erongo Region is around 1.8 mSv/a World average is in the region of 2.4mSv/a Can be much higher in certain places e.g. Ramsar region of Northern Iran around 50 mSv/a	Density Meters Cosmic radiation e.g. from aeroplanes Smoking Nuclear Power Plants Medical X-Rays Smoke Detectors Americium Television and computer screens, computer equipment

Namibia has legislation in place to safeguard workers, members of the public and the environment against the harmful effects of radiation. This includes the Atomic Energy and Radiation Protection Act, 2005 (Act No. 5 of 2005) and the Radiation Protection and Waste Disposal Regulations, 2011. The National Radiation Protection Authority (NRPA) is the custodian of Act No.5 of 2005 and is tasked with ensuring that the Act is adhered to by all licensees including Swakop Uranium. The NRPA's responsibilities include authorising, licensing, inspections and enforcement to ensure compliance with legislation.

In accordance with the Act and Regulations, Swakop Uranium has an NRPA-approved Radiation Management Plan (RMP) in place that outlines how Swakop Uranium will comply with Namibian legislation regarding radiation safety. The Radiation Safety Officer (RSO), who is assisted by Radiation Officers and Radiation Assistant in the Radiation and Occupational Hygiene Section to implement the RMP at SU, is legally responsible for the implementation of the RMP.

Swakop Uranium conducts comprehensive occupational, radiation-exposure monitoring to fully quantify radiation exposure by way of diverse exposure pathways. Occupational-exposure monitoring of workers at the Husab Mine is conducted by monitoring SEGs in which workers find themselves in the proximity of one another due to the nature of their job activities and the potential occupational health hazards associated with such activities. SEG doses represent actual occupational radiation exposure doses absorbed by workers.

The National Radiation Protection Authority (NRPA) visits Swakop Uranium site annually to inspect the implementation of the Radiation Management Plan. In 2021, the Authority conducted an inspection from 10 to 12 August to mainly familiarize itself with the situation of the TSF wall and to gain a better understanding of the proposed heap leach project. No major issues were recorded.

All permits are valid, and all reports are submitted according to schedule. This includes the Swakop Uranium Product export



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permit, the Sealed Source Permits, the Radiation Generator permits and the NRPA Annual RMP Implementation report.

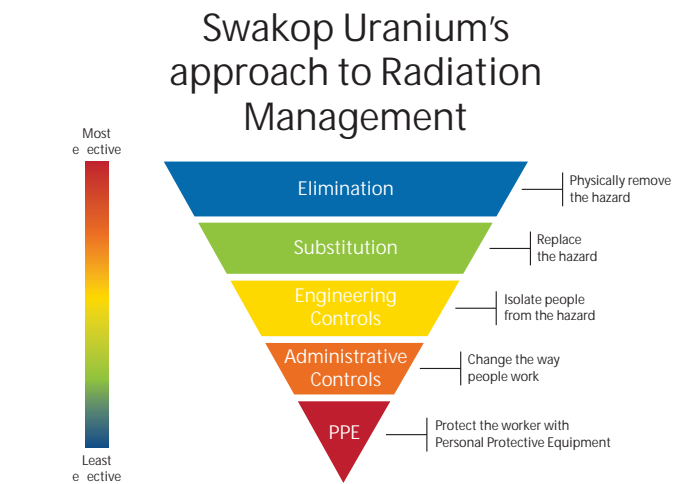
Radiation awareness forms an important module of the general induction that all employees and contractors need to complete before being allowed in the workplace. This Radiation Module deals with all pertinent aspects of radiation, including:

- The prevailing legislation and regulations;
- The RMP and accountabilities in terms thereof;
- What radiation is, and the different types of radiation;
- Ionising radiation and the sources thereof;
- The health effects of radiation;
- The different exposure pathways;
- Swakop Uranium's Radiation Exposure Control measures; and
- Dose limits and occupational exposure monitoring;

Personal Gamma Monitoring Of Final Product Recovery Workers

In addition to SEG monitoring, operators at Final Product Recovery (FPR) plant are issued with electronic personal dosimeters (EPDs) every month. As per Swakop Uranium's area classification, the FPR is classified as a controlled area and poses the highest exposure risk at the mine due to the amount of time and close proximity spent by operators to the final product during the drumming and container packaging stages. EPDs are used to monitor gamma exposure due to radiation produced by the final product and serves as an early-warning system to allow timely detection of high gamma-radiation exposure and thereby

pro-actively limiting exposure of workers through the application of relevant control measures.



Work-Area Monitoring

Different work areas at the mine are periodically assessed to proactively identify any adverse changes in exposure conditions. Work-area dosage measurements are used to alert management and workers of changes in exposure conditions in work areas, thereby facilitating the timely application of corrective controls to keep actual exposure doses to workers as low as reasonably achievable (ALARA). The exposure pathways that are monitored in the various work areas are

- inhalation of long-lived radioactive dust (LLRD),
- inhalation of radon progeny, and
- direct external radiation exposure

Pregnancy And Post-Natal Management

All female employees at the mine are required to immediately declare a pregnancy to the Radiation and Occupational Health section as soon as their condition is detected, as per the company's Pregnancy and After-birth Management-at-Work Procedure. The primary focus of the procedure is to re-assign pregnant employees working in hazardous areas to safe areas where health risks, specifically radiation exposure, can be limited for both the mother and her unborn child for the remainder of her pregnancy.

Uranium-In-Urine Testing

TEA Lab cc is the only service provider in Namibia that conducts the analysis of uranium in urine samples. All employees who have worked in high-risk areas have been monitored in 2021. The results were well below the warning level of 20 µg/L.

Emergency Preparedness

The security at Swakop Uranium is guided by the Security Management Plan, supported through various procedures and work instructions. Our operations always carry the potential for creating emergencies and we maintain a high degree of emergency preparedness with appropriate plans and ongoing training of emergency personnel to minimise the impact of an emergency on workers, the environment, and our operations. Our approach to emergency management is guided by our Business Continuity and Crisis Management Plan from which the Continuity and Crisis Management procedure was formulated, following international best practice standard that is observed



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globally by emergency personnel.

Husab Mine maintains highly trained emergency response teams and first-aid workers. A site clinic is manned by a senior sister. Two fire trucks, two fully equipped ambulances, an 8,500-litre water bowser with a water cannon, a fully equipped emergency trailer and a spill trailer are constantly on standby status so they can respond instantly in the event of an emergency. A total of 161 area-specific, first-aid specialists and 129 area-specific, fire marshals support the mines emergency preparedness. All visitors to the mine are subjected to a comprehensive safety induction, which includes details of our Emergency Response Plans.

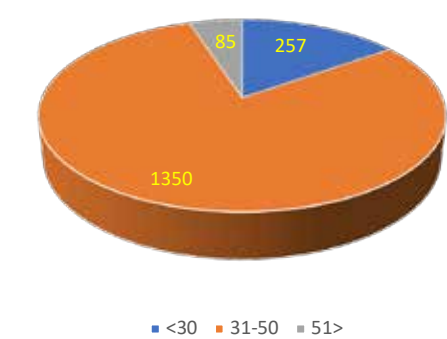
Our Employees

Local Employment

Namibia being rich in mineral resources, mining will remain a crucially important component of the national economy. Given the ongoing growth and development in the mining sector, including both mining and exploration, a shortage of skills in the industry is reasonably anticipated. Given Namibias comparatively small population of 2.6 million people, and the presence of four large operating mines, one of the industry's challenges will remain skill shortages, as mines tend to poach expertise from one another.

Swakop Uranium has made significant strides in its effort to employ a workforce that is representative of Namibian

Number of employees per age group



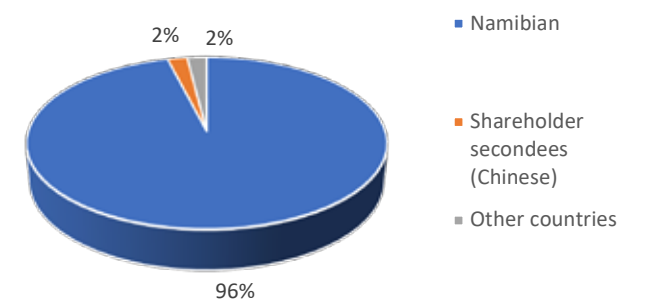
demographics. In 2021, the company's Namibianisation effort stood at 96 per cent Namibian, as has also been the case during the two preceding years. Only two per cent of the workforce is comprised of shareholder secondees, and two per cent is people from other countries.

As our main shareholder has a wealth of experience in the field of nuclear operations, some employees are seconded to strengthen the team and are engaged in transferring skills to local employees.

Swakop Uranium also hires from neighbouring countries such as South Africa, Botswana and other Southern African Development Community (SADC) countries, while always being guided by our purpose of building internal capacity.

Our recruitment strategy focuses on recruiting the best talent to transfer skills to alleviate skill-shortage challenges, now and in the future. Diversity and Equal Opportunity Swakop Uranium remains committed to the implementation of the National Affirmative Action (AA) Policy, and the company received an AA Compliance Certificate in 2021.

Origin of our workforce - 2021 (%)



Putting Affirmative Action Into Practice
To assist implementation of the policy's requirements, our Affirmative Action Consultative Committee was established. The committee's activities are governed by the AA Charter. The committee meets quarterly to discuss matters about AA. The Vice President: Human Resources reports to the CEO on the progress of implementation of its annual plan, while the CEO remains the individual who carries overall accountability for AA.



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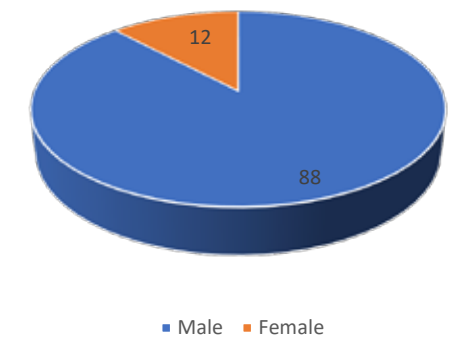
Using Employment To Uplift Namibia’s People

A total of 93 per cent of our workforce is from previously disadvantaged groups. Traditionally, the mining industry’s workforce demographics have been male dominated. However, because it is a company principle at Swakop Uranium, we enjoy a two-way relationship between employer and employee; the company engages the workforce in discussions aimed at improving and giving a helping hand to the community at large.

Promoting Gender Equality

To promote gender equality in decision-making, the company has continued to increase the number of women in senior positions and other key roles. Women currently represent 12 per cent of the total workforce. The company has further committed itself to employing persons with disabilities at all levels, as we continue the implementation of our AA agenda.

Gender diversity in the Workforce



Transfer Of Skills To Local Employees

The company has appointed Namibian understudies for each non-Namibian employee to promote the process of skills transfer. The ongoing progress of the understudy programme is monitored every quarter. Swakop Uranium fully supports the Government’s strategy as it is outlined in the Affirmative Action Act and will continue to drive its AA policy in tandem with its Namibianisation plans.

Enhancing Employee Relations

One of the strengths of Swakop Uranium over the past year was that the labour climate was stable and conducive with no strikes. This stable labour situation is largely ascribed to the employee relations approach followed, which aims at strengthening the employer-employee relationship. This is done through the effective identification and resolution of issues, and continuously measuring employee satisfaction and morale. This also places the employee relations function in the position to contribute to Swakop Uranium’s performance management system.

Employees have the freedom to join a union of their choice, and organised labour has the right to collective bargaining once they have reached defined thresholds in terms of membership numbers.

Employee Retention

Given the remote location, as well as the development and retention programmes implemented by Swakop Uranium, our employee turnover rate is relatively low. As mentioned elsewhere,

however, the scarcity of skills in the mining sector, together with the small population of Namibia, give rise to a significant level of poaching by other mining companies, especially of more senior employees, notably those with specialised skills.

No discrimination is made based on gender in determining remuneration. Remuneration scales used relate to the skills and position level and are consistently applied across gender (and other potentially discriminatory) lines.

Developing Our People

Given the emphasis on Namibianisation and the development of the required skills locally, the development of our people to equip them with the knowledge and skills required to make an optimal contribution, and realise their self-growth, takes very high priority with Swakop Uranium.

The process consists of identifying employees with the potential to grow and develop into positions of more responsibility and then selecting them for appropriate training and development courses that will aid them on their way to fulfilling their potential. Almost 100% of employees are retrained or have received refresher training on safety and compliance. At supervisory and managerial level, 100% of the workforce receive training annually.

Swakop Uranium provided various types of training to employees, as outlined briefly below. A training recipient is usually guided and assisted by a mentor throughout their graduate programme with support from the Organisational



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Training stories



Epson Kamendu's training journey

Background:

Epson started working on-site in the construction phase of the Husab mine in 2013, first for China State Construction Company and then for Group 5 Construction until May 2017. In

that time, he showed great interest in working for the mine after construction and submitted his updated CV a few times to make sure that it reached the Human Resources Department.

During the interviews for rigger assistants, he showed that he had sound knowledge of rigging and an eagerness to be part of the Swakop Uranium team. He started working for Swakop Uranium in June 2017 and after a few months, he approached the Company to ask how he could be qualified as an artisan rigger. It was explained to him that the first requirement was that he should apply to do his National Certificate N2 at the trade test centre in South Africa and that there was no test centre for rigging in Namibia. He immediately contacted Technicol South Africa and enrolled to do the N2 course 2 subjects at his own cost. He also contacted South African Qualifications Authority in SA to send his Namibian qualifications to them to verify. He achieved the first two subjects in November 2018 and the other 2 subjects

in April 2019. In May 2019, he again approached Swakop Uranium to ask for advice on assistance in going for his trade test as he had completed his N2 and passed all subjects.

In February 2020, training was offered to train the rigger assistants and to transfer skills. Epson saw this opportunity to renew his quest for achieving his goal and immediately started to show that he had the quality and the heart to be an artisan rigger. The commitment that he showed in gaining his technical qualifications at his own cost clearly indicated his determination to achieve his goal, which convinced the relevant line management at the Mine that he would be the rigger that was needed for Swakop Uranium. The trade test centre in South Africa was contacted, and the Mine was requested to submit his qualifications to them to see if he would be accepted to do the trade test, and the response was positive. Hearing the news that the end goal was reachable, more effort was made by Epson, and every spare minute that he had he was busy making sure that his preparation was sufficient.

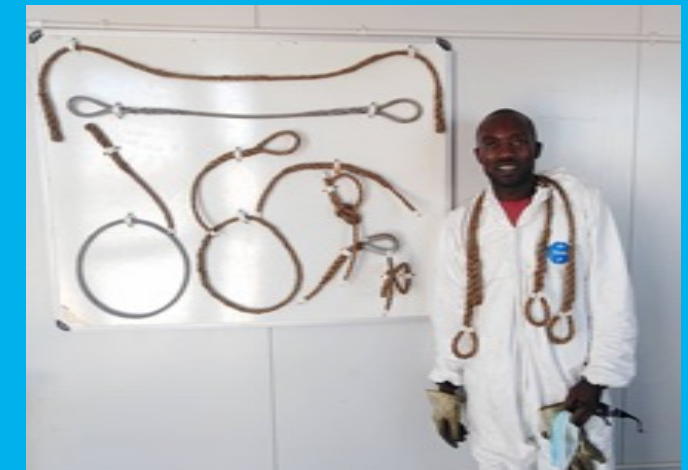
Once the dates for the tests had been received, all was expected to go without a hitch, but then COVID struck. It then became a challenge to get him there in time safely. With the teamwork of Swakop Uranium and Epson's maturity in knowing the dangers and the precautions of contracting COVID, he has gone to trade and came back safely and with a positive pass mark for his trade test.

This shows the commitment that he has had and that we believe

that he always will have. Based on the comments of those in South Africa with whom he had come into contact, he has been a good ambassador for Swakop Uranium, as they were all impressed by him.

"I would like to take this opportunity thank to Swakop Uranium for making my journey possible. First and foremost, I would like to thank my trainer Mr. Trevor Brock and my team leader Mr. Norman Sawab for the continuous motivation and skills transfer. Secondly, Mr. Fredinand Kanyemba and everyone else that helped and supported me on this journey of realising my dream of becoming an Artisan Rigger and finally the training department from Swakop Uranium for making my journey possible"

Epson Kamendu – Artisan Rigger.





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Forging Sound Relations With Our Social Stakeholders

Introduction

Swakop Uranium places a very high value on its relationships with all stakeholders and prioritises effective engagement with various stakeholder groups. The nature and approach of our engagement with stakeholders need to be seen against the backdrop of the environment and jurisdiction in which the Husab Mine is located.

Namibia, being an arid country with the second-lowest population density in the world, is rather unique for having comparatively high levels of education and being considered a middle-income country, as well as being regarded as one of the African countries with the best growth potential. At the same time, more than half the wealth in the country is owned by about 10% of the population, leading to a significant portion of the population being severely impoverished. Other factors playing an important role, and which need to be kept in mind when engaging with stakeholders, relate to the cultural diversity within Namibia, and historical inequalities, some of which have not been eliminated 30 years after independence.

The physical location of Husab Mine within the Namib-Naukluft National Park places it in an arid, and particularly sparsely populated area of high environmental sensitivity. This results in the mining community connected to the Mine being the biggest

and most prominent social stakeholder. The dual relationship, therefore, between the Mine and its employees – i.e., both as employees and community members – introduces additional complexities in the relationship with them, hence the need to ensure that engagement is thorough and effective.

Our Approach To Engagement With Stakeholders

Swakop Uranium follows a formalised process in order to engage with stakeholders on a planned and structured basis and ensure that we maintain positive relations by taking note of their views, concerns and needs.

For this reason, our stakeholder relations approach is contained in a structured Stakeholder Engagement Plan, which is constantly updated in order to keep it a living document and to address issues raised as they arise. The aim of this plan is to ensure that appropriate engagements are scheduled with stakeholders and that the issues addressed are relevant to both the stakeholders and the Mine. The objective is to build, maintain and improve relationships with stakeholders, in the interest of mutual understanding and benefit, through effective and continuous communication and active engagement.

The company keeps a formal Complaints register where all external grievances once reported to the company are logged, investigated and feedback provided to the aggrieved parties. The Grievance process also includes a close-out report which can only be achieved once the matter has been fully addressed and all parties have been briefed.

A Consistent Approach And The Way Forward

Swakop Uranium will continue needs-analysis research to gain a better understanding of the Namibian demographics and to identify communities that are severely hit by poverty. In addition, we will continue to identify and evaluate our stakeholders, and ensure that engagement plans with them on topics of mutual interest are engaged in such a way that the outcomes are in the best interest, and provide the most benefit, to those in whose lives the Mines operations can make the biggest difference.

We will endeavour to uphold a consistent approach to poverty alleviation by working with communities and helping them to become self-reliant, as empowerment will provide a foundation for raising the quality of life for previously disadvantaged Namibians. The sections below deal with our efforts in the aforementioned regard in more detail.



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Our Key Stakeholders

Stakeholder Grouping	Organisation
Internal Stakeholders	
Shareholders	China General Nuclear Power Company China-Africa Development Fund Epangelo Mining Company
Swakop Uranium / Husab Mine sta	Swakop Uranium Board Senior Management Employees of Swakop Uranium and Husab Mine Labour unions
Stakeholder Grouping	Organisation
Government	
Local and regional government councillors and key officers	Arandis Town Council, Erongo Regional Council, Municipality of Walvis Bay and Municipality of Swakopmund
Government Ministries	Ministry of Environment, Forestry and Tourism (MEFT); - Directorate of Environmental Affairs - Directorate of Wildlife and National Parks (DWNP); National Heritage Council of Namibia Ministry of Mines and Energy (MME); Ministry of Education Ministry of Agriculture, Water and Forestry (MAWF); - Department of Water Affairs; Ministry of Health and Social Services (MHSS); National Radiation Protection Authority (NRPA) Ministry of Labour and Social Welfare; Ministry of Home Affairs, Immigration, Safety and Security; and Ministry of Works, Transport and Communications.

Stakeholder Grouping	Organisation
Government Parastatals	NamPort; NamWater; NamPower; TransNamib; Roads Authority; Erongo Red; Telecom Namibia
Government Services (Arandis, Swakopmund and Walvis Bay)	Namibian Police, MHSS Clinic, Magistrates Office, Post Office, Telecom, NATIS
Business	
Neighbouring Mines / Exploration companies	Rössing Uranium; Areva Resources; North River Resources (Namib Lead and Zink); Bannerman (Etango), Langer Heinrich Uranium; Valencia; Reptile Uranium and Zhonghe Resources.
National Chambers	Chamber of Mines of Namibia; National Chamber of Commerce and Industry; and National Chamber of Environment (including the local representatives of these chambers).
Local Businesses	Various in Arandis, Swakopmund and Walvis Bay
Contractors / Suppliers	Contractors providing sub-contracting services to Husab Mine
Environmental	
Environmental Foundations and Environmental Non-Governmental Organizations (NGOs)	Namibian Uranium Association; Namibia Uranium Institute; Namibian Coast Conservation and Management Project (NACOMA); Southern Africa Institute for Environmental Assessment (SAIEA); Earthlife Namibia; Desert Research Foundation of Namibia (DRFN); Wildlife Society of Namibia; Namibian Nature Foundation (NNF); World Wildlife Fund in Namibia (WWF); Namibia Environment and Wildlife Society (NEWS); National Botanical Research Institute (NBRI)
Future generations	Future generations dealing with aspects such as a waste legacy and climate change



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Societal	
Educational Institutions	The University of Namibia, Namibia University of Science and Technology, Namibian Institute of Mining and Technology (NIMT) Primary and secondary schools in Arandis, Swakopmund and Walvis Bay
Social Non-Governmental Organizations (NGOs), Churches	Rössing Foundation; Namibia Non-Governmental Organizations Forum (NANGOF); Walvis Bay Corridor Group; Fauna & Flora International (FFI)
Media	Newspapers: The Namibian; Allgemeine Zeitung; Die Republikein; Namib Times; Namibian Broadcasting Corporation
Other interested and affected parties	Any other people with an interest in the proposed project or who may be affected by the proposed project
Residents/ Community	
Residents	Residents of Informal settlements; Home owners/tenants in Arandis, Swakopmund and Walvis Bay
Local farmers	Farmers in Swakop River Valley and near Usakos (includes weekend farmers and subsistence farmers)
International	
Tourism groups	Coastal Tourism Association of Namibia (CTAN); Hospitality Association of Namibia (HAN)
Other countries	Recipient countries of the uranium products
International organisations	International Atomic Energy Agency International Council on Mining & Metals International Standards Organisation (ISO)

Developing Our Communities

The Positive Impacts Of Swakop Uranium On Communities

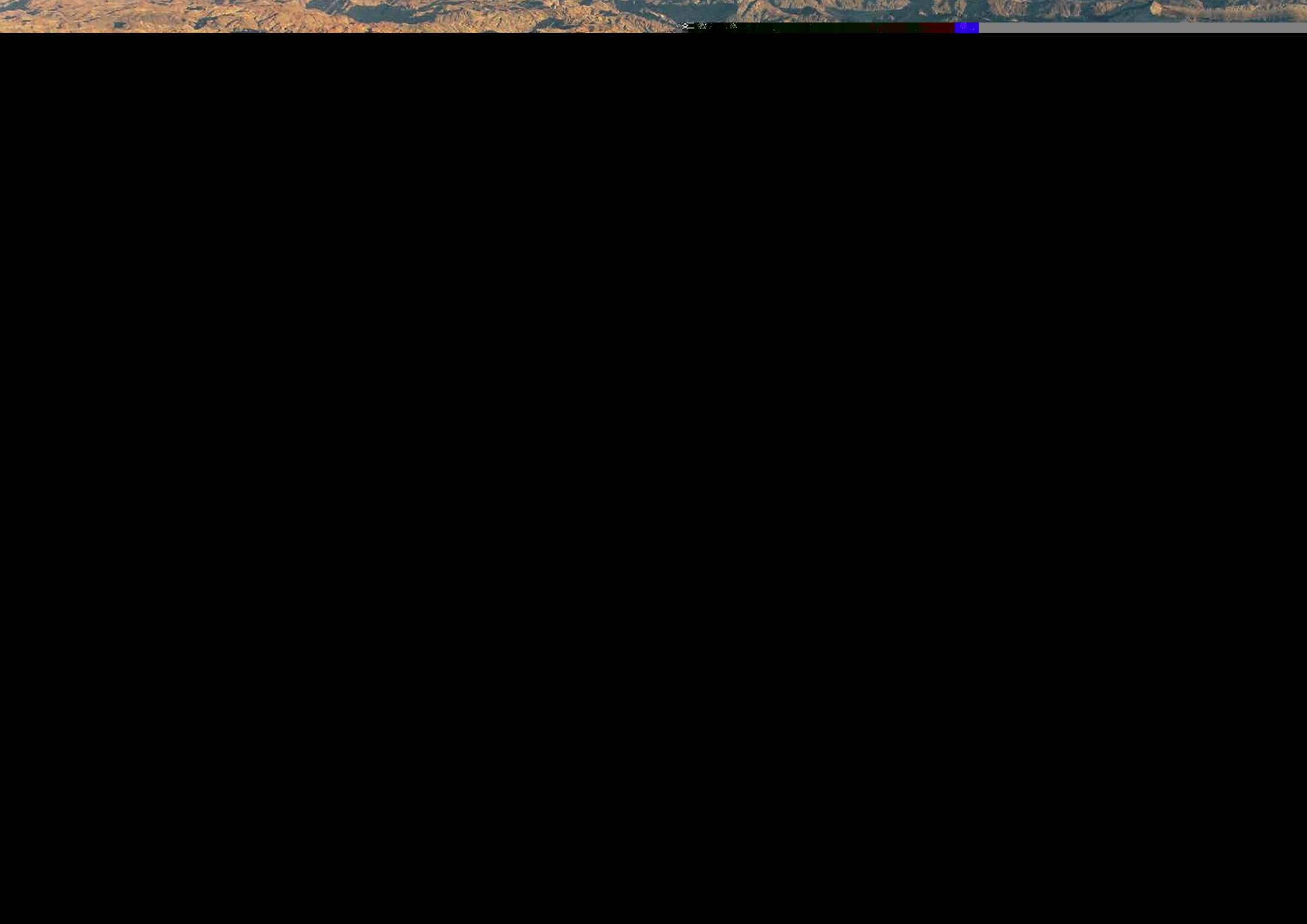
Swakop Uranium places a high value on Corporate Social Responsibility and endeavours to contribute to community projects that potentially have a long-lasting and positive impact on our host community, as well as the larger Namibian demographic landscape.

Swakop Uranium continues to make good progress in terms of aligning its CSR targets with those outlined in the National Development Plans and the UN Global SDGs. The years 2020 and 2021 were however of an unprecedented nature with the emergence of a global health crisis, in the form of COVID-19, which warranted governments and industries to come up with urgent measures to preserve life.

Swakop Uranium responded to the call of Government for support from the business community during the first and second waves and more so when the third wave collapsed the Health-Care System in Namibia, causing a shortage of oxygen supply for life support and hospital beds countrywide.

Swakop Uranium major donations were in the following areas:

- Sourcing of oxygen concentrators for donation to the Ministry of Health & Social Services
- Stationery supplies and COVID-19 PPE for the Namibian Police: Erongo Unit
- SME Development & Poverty Alleviation programs to marginalized communities
- Donation of Oxygen to Namibia Chamber of Commerce and Industry (NCCI)
- Donation of beds and Mattresses for the establishment of temporary COVID-19 treatment stations
- Sanitary pad drive for underprivileged girls
- Monetary Donation to One Economy Foundation



Environment And Biodiversity

Overview – Mining In A Very Special Part Of The World

There is a saying in the mining industry that, if you want to find minerals, you need to go and look in the most unlikely and inhospitable places. Although this is not true in all cases, it indeed applies to Husab Mine, with its location in the world's oldest desert, the Namib. As such, its area of operation falls within the Namib Naukluft National Park.

Given this precious environment, and sensitive ecosystem, Swakop Uranium approached operating in this environment with the necessary care and responsibility from the onset. Taking care of the natural environment is therefore not only a matter of compliance but is embedded in the culture of the Mine and the way we do things.

Our Approach To Environmental Management

To maintain our operating licence, Swakop Uranium must ensure compliance with a range of diverse laws and regulations that govern our activities. Over and above endeavouring to comply with all environmental laws, regulations and permit requirements of Namibia, the Mine has been certified in terms of the international ISO 14001:2015 standard for environmental management.

ISO 14001 is an internationally agreed standard that sets out the requirements for an environmental management system. It helps organizations improve their environmental performance through more efficient use of resources and reduction of waste, gaining a competitive advantage and the trust of stakeholders. Swakop

Uranium is proud that the Husab Mine has been able to retain its ISO14001: 2015 certification during a third-party audit conducted in 2021.

Swakop Uranium is committed to ensuring that the Husab Mine is constructed, commissioned and operated to the highest environmental standards. With this in mind, a number of Environmental Impact Assessments (EIA) have been completed. The aim of these EIAs was to identify both potential positive and negative impacts and to identify methods to mitigate negative impacts to acceptable levels.

Following on from the EIAs, Swakop Uranium has developed an Environmental Management Plan(s) (EMP) in which the

Workplace Awareness programmes to sensitise and educate employees about environmental issues constitute an important part of Swakop Uranium's Environmental Management Programme. Topics addressed during 2021 included:

- World Wildlife Day
- Strong Winds (weather)
- National Clean-Up Day
- Park Rules
- World Day to Combat Desertification and Drought
- World Ocean Day
- World Tourism Day

recommendations of the EIAs are clarified for the design, construction, commissioning and operational phases of the project and for all exploration activities.

The Environmental Section is responsible for assisting the CEO and other managers in all environmental and community issues, and specifically to ensure that the commitments as set out in this EMP are implemented during the design, operations, decommissioning and closure phases.

This includes the following aspects:

- Regular inspections and auditing compliance to this EMP and any other relevant legal requirements e.g. permits and authorisations;
- Conduct environmental awareness training during induction training and on an ad hoc basis thereafter;
- Conduct scheduled monitoring, as well as any additional monitoring, required by permit and authorisations issued to Swakop Uranium by relevant authorities;
- Ensure compliance to this EMP, permits and authorisations issued to Swakop Uranium by relevant authorities;
- Submit required information to relevant authorities such as reporting related to monitoring and with regard to compliance with the EMP, permit and relevant authorisations; and
- Liaise with Swakop Uranium Management and various external stakeholders such as authorities and interested and affected parties on environmental management (where required).

