ASX Release / 14 September 2018

2018 Sustainability Report

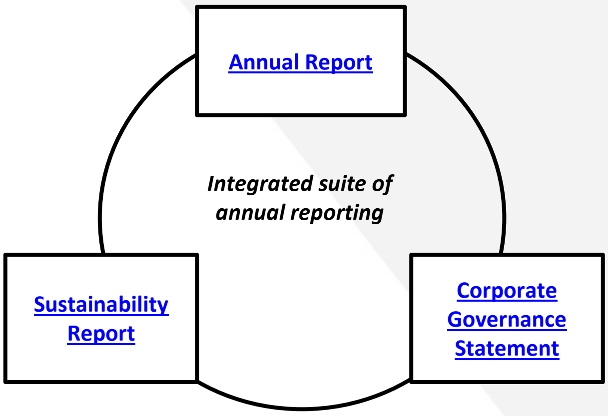
The attached Sustainability Report presents the environmental, social and governance (ESG) performance of St Barbara Ltd and its controlled entities (the 'Group') for the 2018 financial year.

The content of this report has been determined by assessing the Group's material sustainability issues and identifying those which could most impact the Group and its stakeholders.

This announcement comprises:

- a presentation of the sustainability highlights for the year, and
- a detailed Sustainability Report.

The Sustainability Report complements, and should be read in conjunction with, information contained in the Group's corresponding Annual Report and Corporate Governance Statement, both released today and available at www.stbarbara.com.au .



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BOB VASSIE, MANAGING DIRECTOR & CEO / 14 September 2018

Sustainability Report Highlights

Welcome to the St Barbara Sustainability Report.

The Company has had a strong year in sustainability, with highlights including our second consecutive national award for gender diversity excellence, and progressing further in our projects that extend mine-life and improve our energy efficiency.

This year St Barbara has responded to the Carbon Disclosure Project (CDP) for the first time, joined the Extractive Industries Transparency Initiative (EITI), and United Nations Global Compact (UNGC). We recognise the risk of climate change as defined in the Paris 2015 Climate Change Agreement and our disclosure is aligned with the Task Force on Climate-related Financial Disclosure.

Sustainability is a founding and ongoing focus, central to our Company culture, and for that I acknowledge and thank current and former team members responsible for the results presented here. I am proud of St Barbara's considerable financial and sustainability achievements, and I look forward to continued improvement and success in all measures.

(Mr Vassie's full statement appears on page 4 of the Sustainability Report)

Bob Vassie
Managing Director and CEO

Disclaimer

This presentation has been prepared by St Barbara Limited ("Company"). The material contained in this presentation is for information purposes only. This presentation is not an offer or invitation for subscription or purchase of, or a recommendation in relation to, securities in the Company and neither this presentation nor anything contained in it shall form the basis of any contract or commitment.

This presentation may contain forward-looking statements that are subject to risk factors associated with exploring for, developing, mining, processing and sale of gold. Forward-looking statements include those containing such words as anticipate, estimates, forecasts, should, will, expects, plans or similar expressions. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, and which could cause actual results or trends to differ materially from those expressed in this presentation. Actual results may vary from the information in this presentation. The Company does not make, and this presentation should not be relied upon as, any representation or warranty as to the accuracy, or reasonableness, of such statements or assumptions. Investors are cautioned not to place undue reliance on such statements.

This presentation has been prepared by the Company based on information available to it, including information from third parties, and has not been independently verified. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information or opinions contained in this presentation.

The Company estimates its reserves and resources in accordance with the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves 2012 Edition ("JORC Code"), which governs such disclosures by companies listed on the Australian Securities Exchange.

Financial figures are in Australian dollars unless otherwise noted.
Financial year is 1 July to 30 June.

Title slide picture: Jeanette Anderson (Byrnecut Australia), June 2018

This presentation published 14 September 2018.

As at 30 Jun 2018: AUD 1.00 = USD 0.74, USD 1.00 = AUD 1.35
AUD 1.00 = PGK 2.71, PGK 1.00 = AUD 0.37
www.rba.gov.au

Welcome to St Barbara's Sustainability Report

Left: Amy Lowe (Mine Geologist) and Western Australian bush wallaby juvenile at Gwalia WA. Top Right: Thomas Garret (Paramedic and ERT Co-ordinator), visiting Maragon Village clinic, Simberi Island PNG. Bottom Right: Ben Elliot, (Environmental Officer), water testing at Company owned reservoir in disused Tower Hill mining pit, Leonora WA.

Contents

Above: Melissa Walker (Loader Operator), Gwalia, WA. Photo by Sharee Briggs

St Barbara at a Glance

St Barbara LIMITED

Leonora

- Gwalia underground mine
- FY18 production 268 koz
- Mine plan to FY31
- Prospective tenements

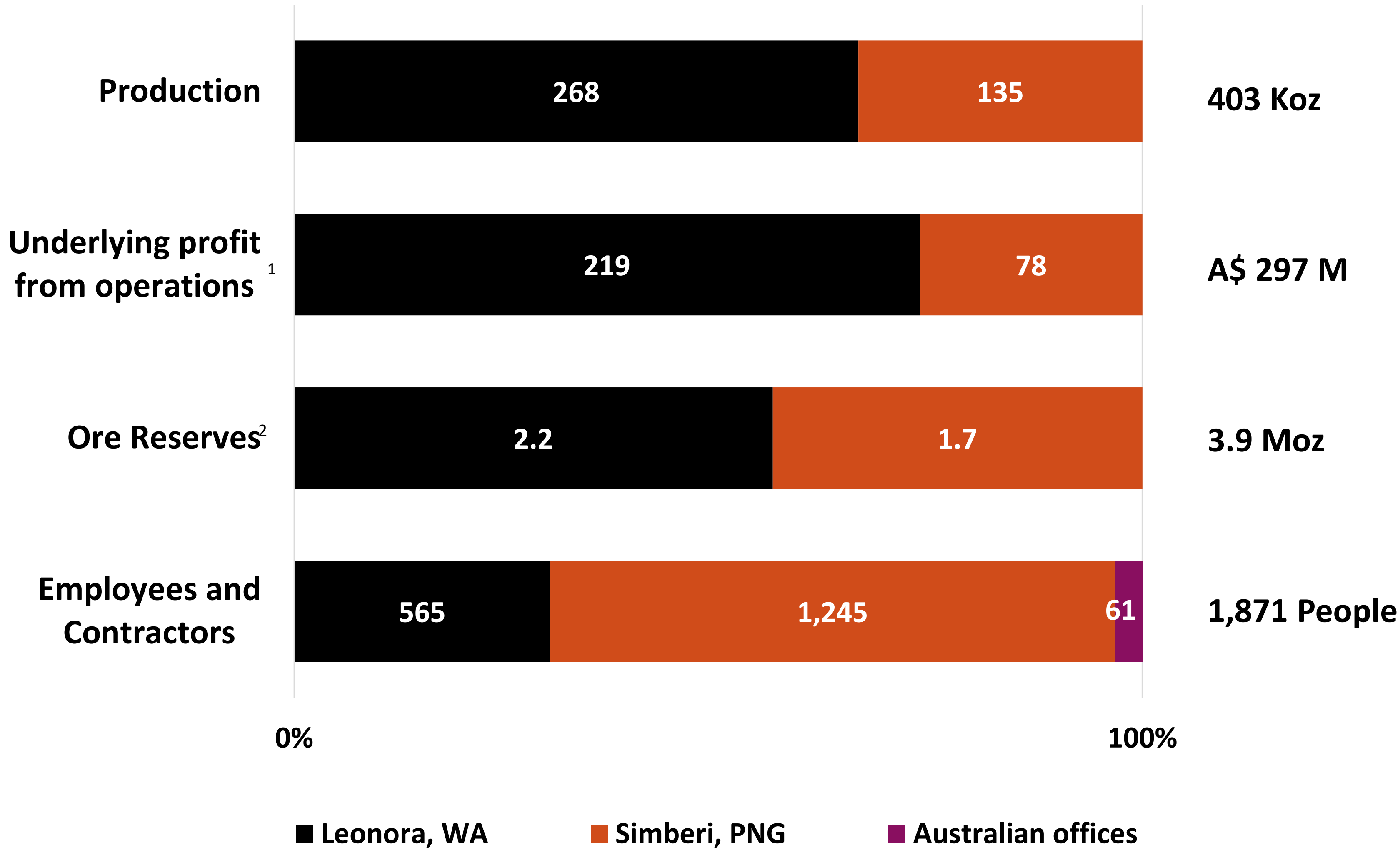
Simberi

- Open pit mine
- FY18 production 135 koz
- Mine plan to FY21
- Potential for life extension
- Nearby exploration

St Barbara at a Glance

St Barbara LIMITED

2018 Geographic Segments



1. Non IFRS measure, defined on page 4 of the 2018 Annual Report, equivalent to segment profit before income tax.
2. Refer 'Ore Reserves and Mineral Resources Statements 30 June 2018' released 27 August 2018

St Barbara's Values

We act with **honesty** and **integrity**

We treat people with **respect**

We value **working together**

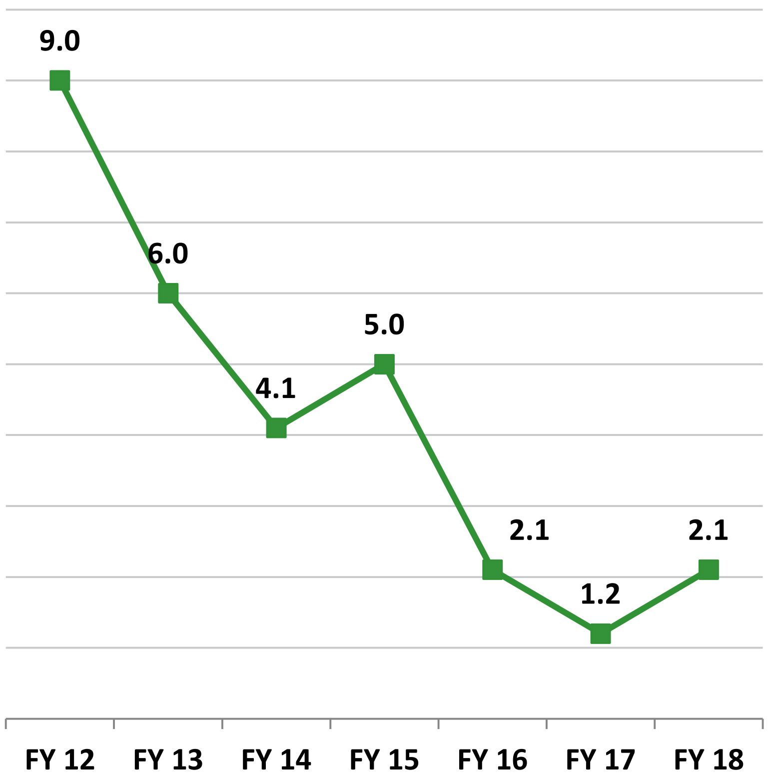
We **deliver** to promise

We strive to **do better**

Above: Melissa Walker (Loader Operator) and Alex Manco (Process Technician), Gwalia WA

Top left: Leonora (Gwalia) Emergency Response Team Trainees, photo by Troy Davison. Top right, traffic control at the Gwalia extension project yard. Bottom left, geochemical testing at Pigiput waste dump, photo by Alphonse Kulam. Bottom right, survey team members Ivan Andrew and Joe Bunip at Simberi PNG walking a waste dump checking for instability indicators, photo by Rachael Kulame.

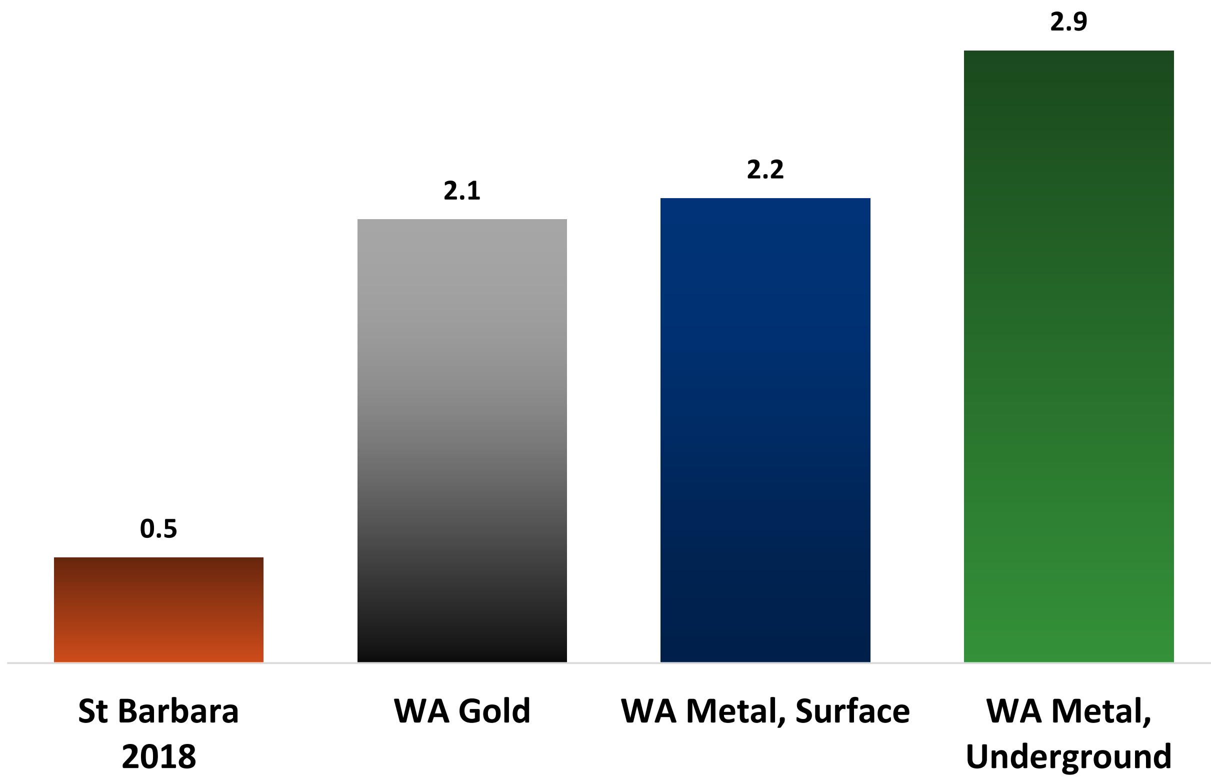
Total Recordable Injury Frequency Rate[1]



1. Total Recordable Injury Frequency Rate (12 month average) injuries per million hours worked

Above – isolation tag in an MCC room at Gwalia, WA.
Below – the 'tag board' at 865 metres below surface, Gwalia, WA.

St Barbara LTIFR in comparison with Western Australian Mining benchmarks



2016-2017 benchmarks, from: http://www.dmp.wa.gov.au/Safety/Safety-statistics-16198.aspx
LTIFR = Lost Time Injury Frequency Rate, the number of lost time injuries per million hours worked.

People

L: Bob Love (Manager Geology), Gwalia WA. Top R: Kylie Okely (Principal Land Management) at Pinjin WA. Bottom R: Admin, Camp, IT and Safety staff at Safety Week 2017, Simberi PNG.

St Barbara LIMITED

The '5 Pillars' of St Barbara's People Strategy

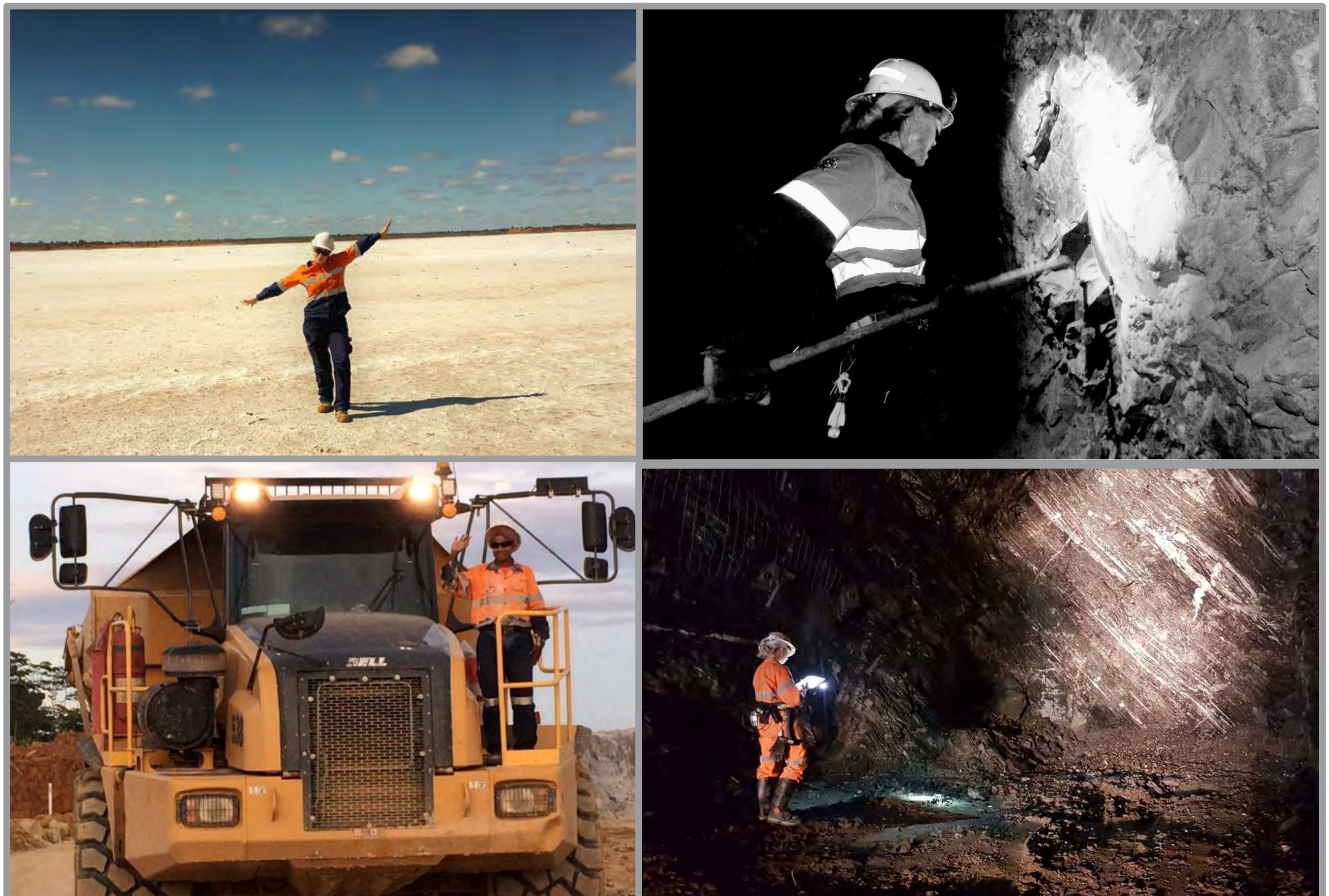
A successful, leading and growing gold company

- Talent
- Diversity
- Leadership
- Engagement
- Performance

A comprehensive framework with award winning components

- Leadership training and development for all levels of management
- Annual employee engagement survey
- Comprehensive anti bullying and harassment program and training
- Free counselling service for all employees
- Mental health awareness training for all supervisors
- Incentive system for all employees

Gender Diversity – We’re No. 1 in Australian Mining



Top L: Shauna Finlay (Field Assistant), photo by Daniel McDwyer, Pinjin WA. Top R: Jane Graham (Health, Safety and ER advisor), Gwalia WA, photo by Troy Davison. Bottom L: Josephine Lakngnen (Truck Driver), Simberi PNG. Bottom R: Ashleigh Smyth (Graduate Mine Geologist): Gwalia WA.

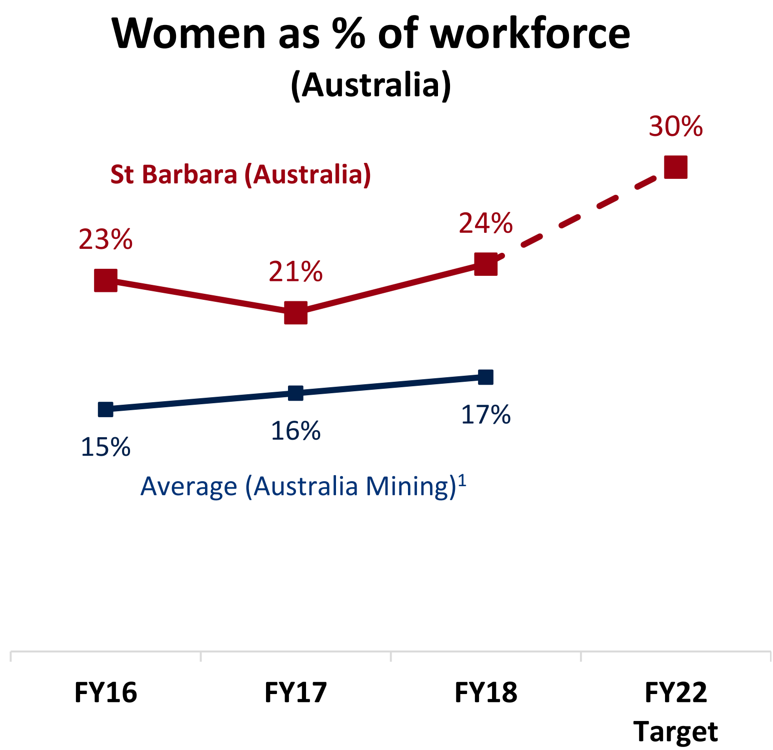
Gender Diversity – Repeat Winner of National Mining Diversity Excellence Award

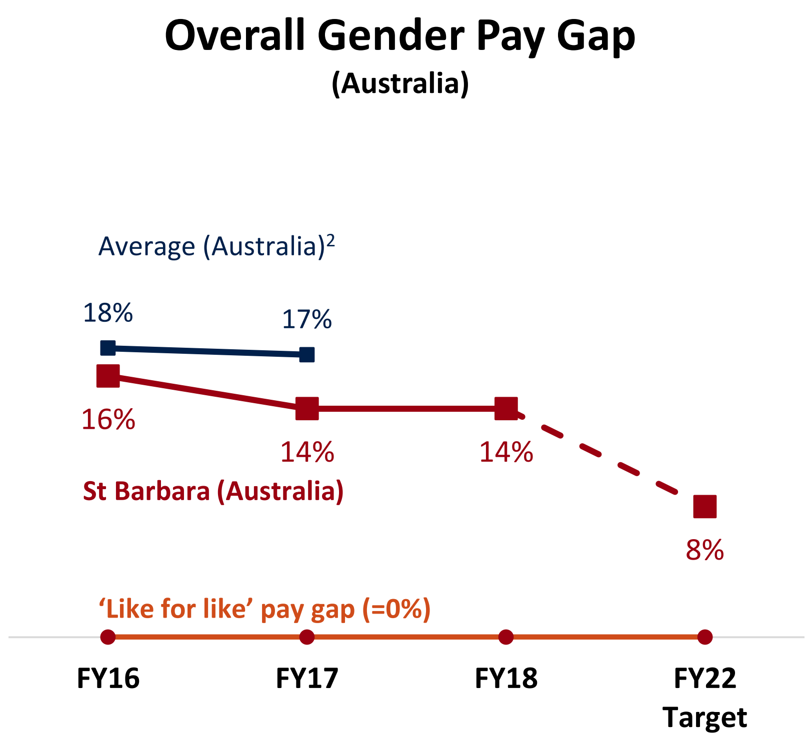
- WGEA[1] **Employer Of Choice For Gender Equality** in **2014-15, 2015-16, 2016-17 and 2017-18** and the only mining company to be certified in 2017-18.
- **2017 Winner** Excellence in Diversity Programs and Performance, Women in Resources National Awards
- **2018 Winner** of AMMA[2] 'Australian Women in Resources Alliance' National Award
- Bob Vassie, MD & CEO:
    - 2014-18 **Pay Equity Ambassador** for the WGEA
    - 2018 member of AusIMM 'Council for Diversity and Inclusion'

1. Workplace Gender Equality Agency – Australian Federal Government https://www.wgea.gov.au/sites/default/files/WGEA-Employer-of-Choice-citation-holders-by-industry-2017-18.pdf
2. Australian Mines and Metals Association http://www.amma.org.au/news-media/media-center/resources-energy-awards-highlight-industrys-bright-future/

Gender Diversity – Achievements and Targets

St Barbara LIMITED





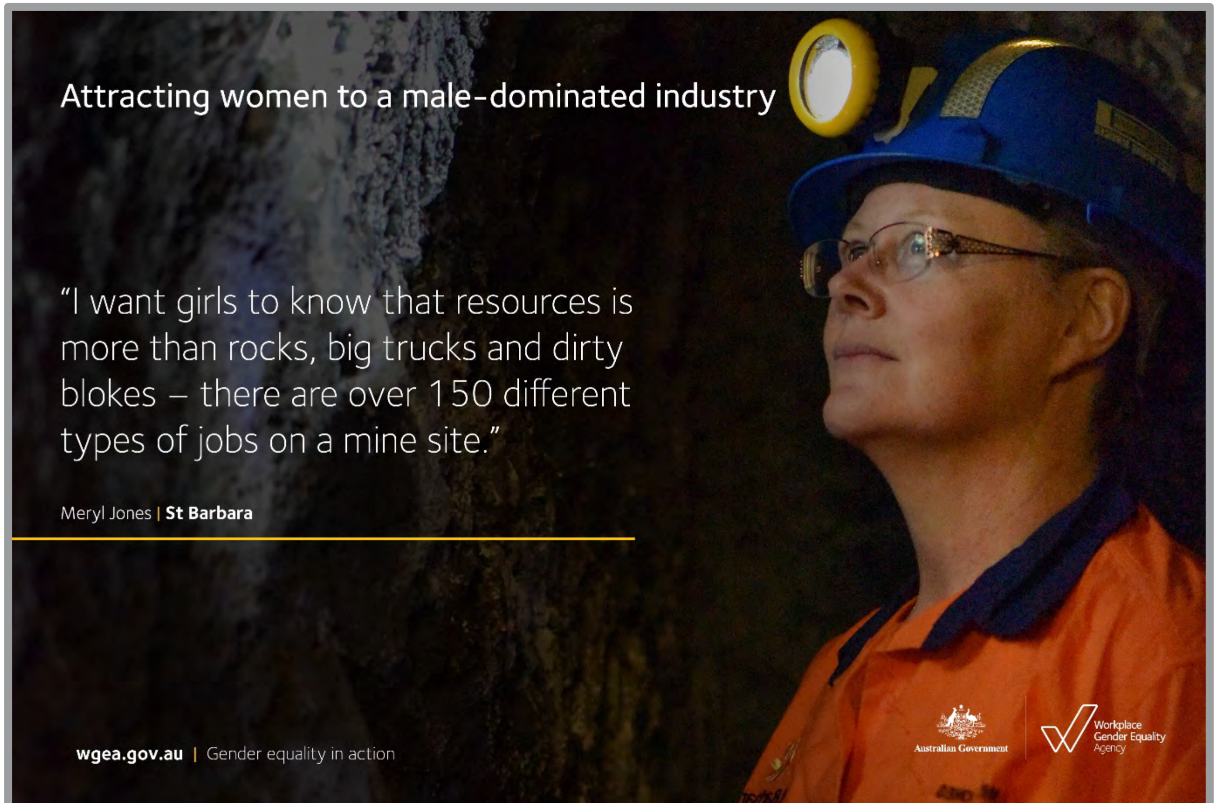
New targets in 2018:

- Maintain percentage of women returning to work after parental leave: target 80%, last 4 years performance: 100%
- Increase proportion of women in Papua New Guinea Operations to 15%, currently 14%

'Overall Gender Pay Gap' calculated according to WGEA guidelines (www.wgea.gov.au). 'Like for like' gender pay gap measures the difference in base salary over the year between male and female employees in comparable roles. 1. Average for Australian Mining, Aon Hewitt's 'Gold and General Mining Industries Remuneration Report' (April 2018). 2. WGEA's gender pay gap statistics August 2018 for Australian Mining www.wgea.gov.au/sites/default/files/gender-pay-gap-statistic.pdf

Case Study: Meryl Jones – Women in Mining

Meryl Jones, Principal Business Development.



Finalist Outstanding Women in Resources 2017[1]

Winner Minerals Council of Australia AICD Scholarship Award[2]

Earth Science WA Director[3]

1. http://www.cmewa.com/news-and-events/upcoming-events/women-in-resources-awards
2. http://www.minerals.org.au/news/scholarships_for_board_ready_women_in_mining
3. http://www.earthsciencewa.com.au/mod/resource/view.php?id=1733

Addressing Domestic Violence and Gender Safety

Domestic and Family Violence

- In 2018 St Barbara developed a Domestic and Family Violence Policy and implemented measures to support affected employees (building on previous Domestic Violence Strategy)

Bob Vassie
Managing Director & Chief Executive Officer, St Barbara Ltd

St Barbara has implemented a number of initiatives to address women's safety at work, including piloting the Business Coalition for Women's Gender Smart Safety program at our Simberi Gold Mine. Although we are in the early stages of the program the feedback from staff has been overwhelmingly positive. We joined the pilot because we specifically wanted to improve the safety of our highly valued female employees, who have the right to feel safe at all times at work. However, it's obvious the influence of the Gender Smart Safety program is already positively impacting the safety of everyone on site. As the MD and CEO of St Barbara, I'm proud to see our company leading the mining industry on such an important initiative. I am glad that St Barbara and Simberi Gold Mine have been involved up-front in the pilot program and recommend the Gender Smart Safety program to other companies in PNG.

Gender safety

- In 2015 Simberi mine participated with 3 other employers in research on PNG undertaken by 'Business Coalition for Women':
  - 12% of women working in remote areas do not have secure transportation to and from work
  - 10% of workplaces offer anti-harassment training to employees
  - 56% of employed women believe their career has been affected because of a real or perceived safety concern.

Case Study: Gender Safety

"I have been researching and training on gender and safety in workplaces for almost a decade. The program in place in PNG is truly world class. It is practical, educational, transformative, and aligned with international safety standards. Simberi has been a leader in introducing this program to the country and practicing Gender Smart Safety on its worksite."
- Dean Laplonge, Principal Consultant, Factive

Above: Women from the Simberi Finance and Administration team

2015-2018: Gender Safety at Simberi PNG

- Implementation of Safety improvements identified by audits, including:
    - Women camp workers,
    - travel to work,
    - provision of 'contact officers'
- Year-on-year results show 18% increase in women feeling happy about their safety

FY19: First gender safety audit Leonora WA

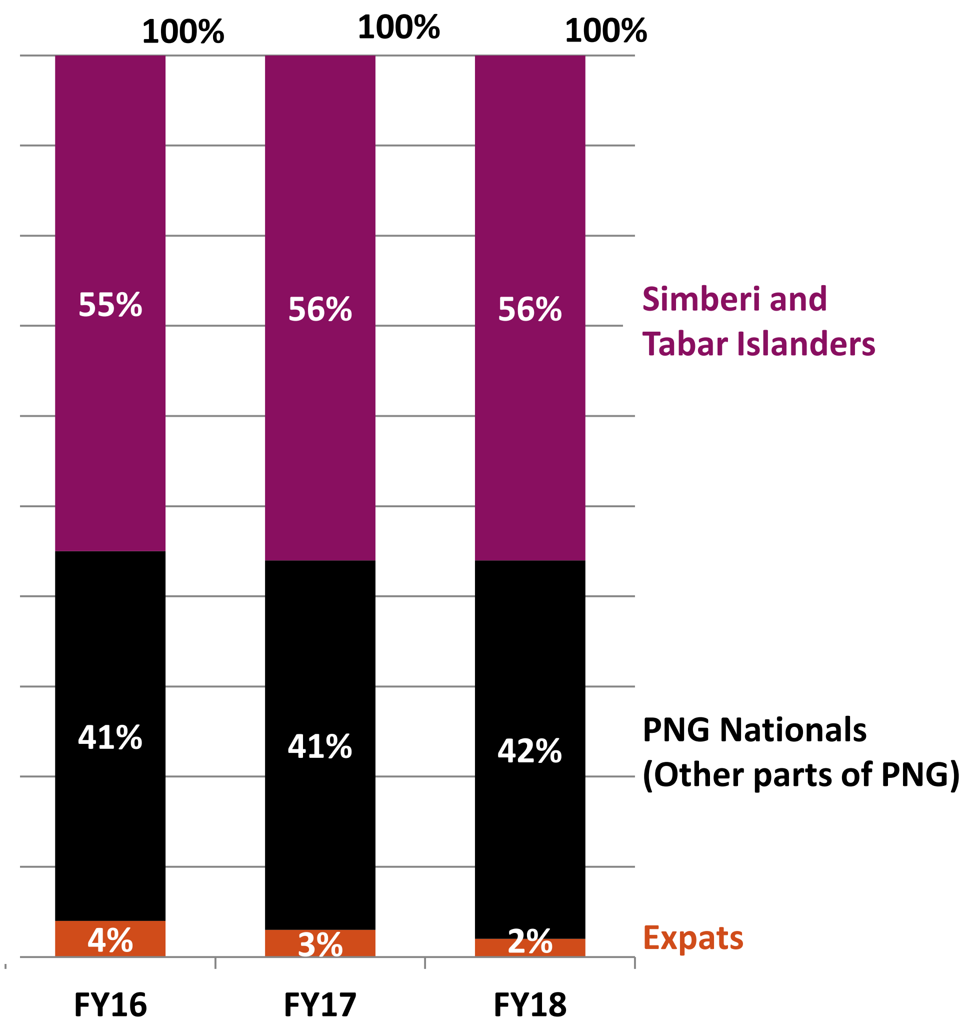
- Resulting recommendations to be reviewed by management
- Reversal of normal 'north- south' knowledge flow.

Simberi – Local Employment

L: Steven Rangrnag. Centre top: John Abraham Rupa. Centre bottom L: Eric Casper Dako, R: Gerard Gulung. L: Cathy Andrew. All Simberi, PNG 2018

Local Employment and Minimisation of Expat Labour

Simberi employees diversity



Employee Development

St Barbara
LIMITED

Upskilling our Workforce at Simberi

Commitment to upskilling our workforce

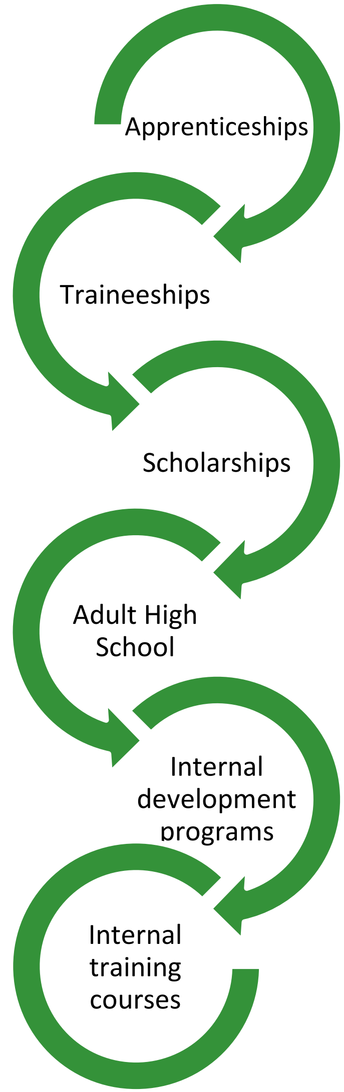
1.6 million kina spent on training in 2018

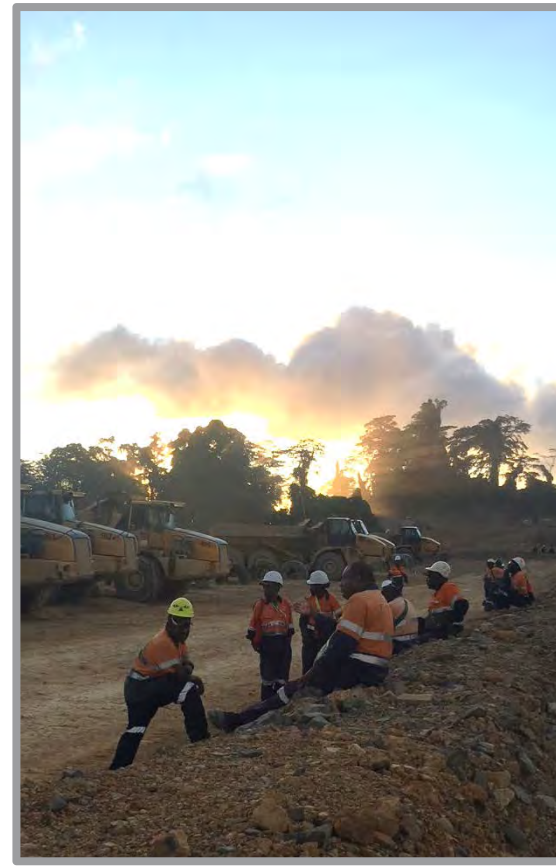
- 19 employees enrolled in nationally recognised **apprenticeships**.
- In addition, 3 completed their apprenticeships and were appointed as qualified tradespeople

- 13 students were offered **Work Experience** opportunities
- 3 **scholarships** granted to university degree level students
- 5 **graduated** from Office Administration trainee program, 3 **employed**

Flexible **Open & Distance Education** (FODE, e-learning)

- Free to employees & locals
- 29 completed 1 or more subjects at year 10-12





Truck drivers at the 'Go-line' at change of shift, Simberi PNG.

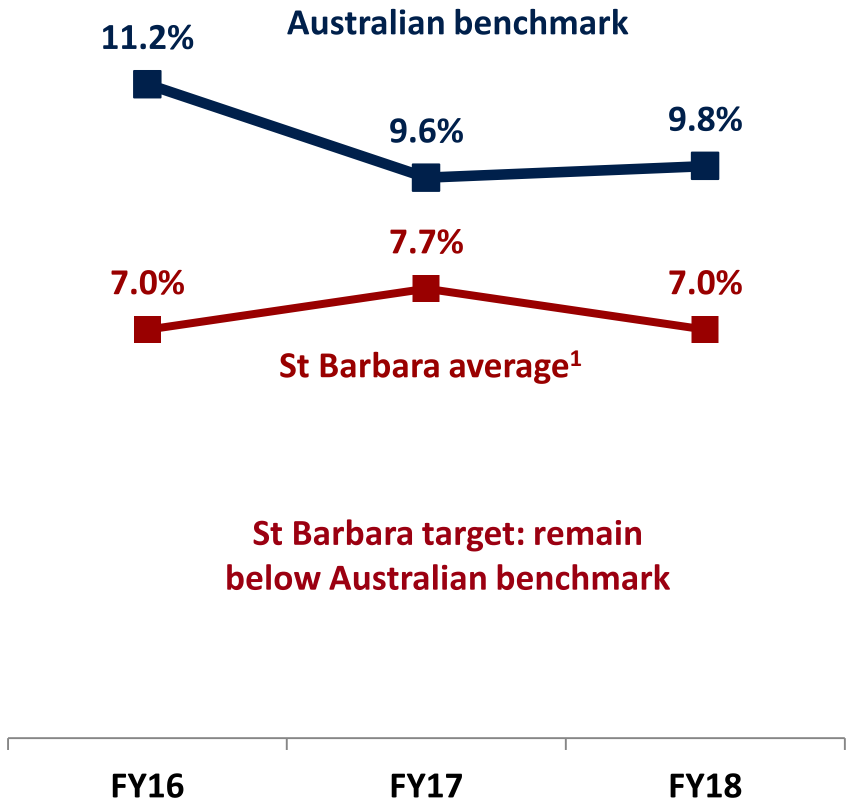
Leadership Development Framework

Above: Supervisor training at Simberi PNG

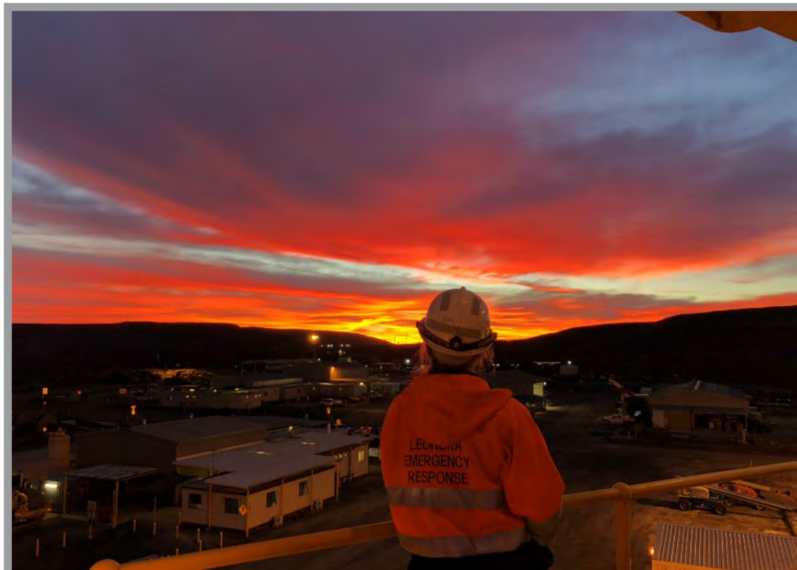
Supervisor	Superintendent	Manager	Senior Leaders
4 x 1 day workshops	360 degree leadership survey, 4 x 1 day workshops	360 degree leadership survey, 2 day workshops	Leadership circle, executive coaching
Coaching sessions, ‘Supervisor toolkit’	‘Leadership Blueprint’	Coaching for high performance, leading change, managing unconscious bias	Navigating organisational relationships, stakeholder management

St Barbara LIMITED

Annual employee turnover



Benchmark: Mackie Employer Solutions - Resources Industry Turnover Analysis Reports.

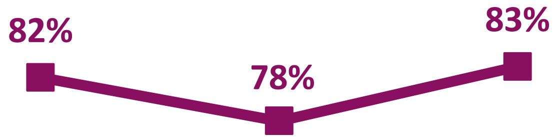


Top: Emily Mort (Plant Metallurgist), Bottom L to R, Sarah Bramham (Senior Mining Engineer), Mariette Nagel (Geotechnical Engineer), Bob Love (Manager Geology), Andrew Shepherd (Manager Technical Services)

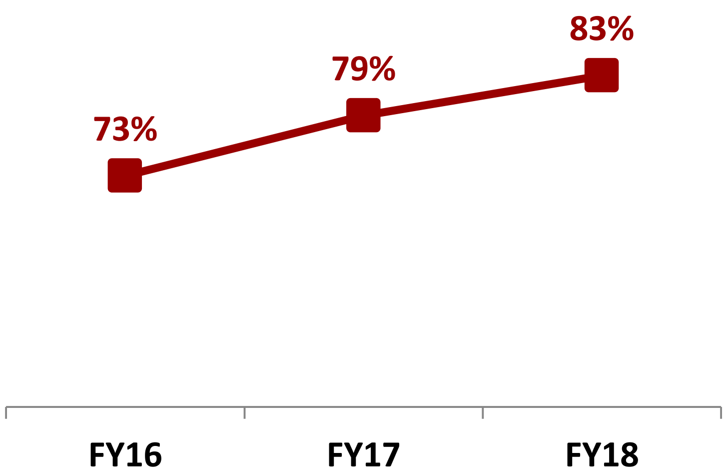
1. Total St Barbara

Employee Satisfaction Metrics

% of employees who responded



% favourable responses



Top: Procurement Superintendent Carmen Potito
Below: L: Andrew Scott (Contract Gold Room Operator), R: Mark Kirkby (Goldroom supervisor)

Community

Top L & R: Front of shop and admin staff at the Simberi Mine Services shop, within the mine administration area. Bottom left: local women's group at Simberi, PNG, during mine tour. Right: Gwalia mine staff at Cultural Awareness Training with Leonora aboriginal community members.

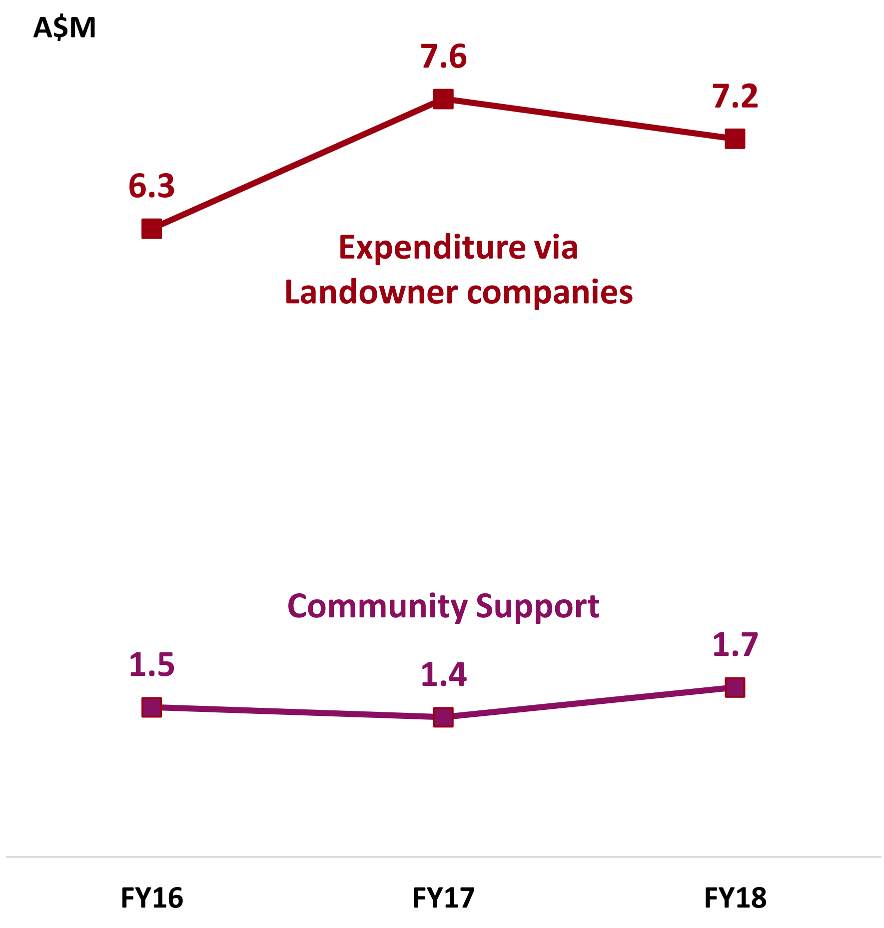
Commitment to Landowner Businesses at Simberi

A$7 million spent with Landowner businesses in FY18

- Mine services:
    - Bakery, market garden, wet mess management
    - Boats (exploration & logistics)
    - Earthmoving & trucking
- Community support:
    - Relocation of houses
    - Roads & water maintenance
    - Implementing plantation and mariculture partnership development initiatives

Contracts range between A$1,000 to A$200,000 per month

Spending in the Community



Expenditure converted from US$ and PGK to A$ per Sustainability Report, p12 & 13.

Simberi's Contribution to the Community

St Barbara LIMITED

Top: Local Elders at the ceremonial opening of 'safety week' 2017. Bottom L: Clinic team with patient.
R: Simberi Ring Road, construction of new culverts

Yumi Rausim Malaria

MALARIA AWARENESS

St Barbara
Simberi Operations

PNG | MALARIA FREE | BY 2050

adi australian doctors international
Working for a healthier PNG

In 2019: The Fred Hollows Foundation

Supporting the Community with Infrastructure and Services

St Barbara LIMITED

Road and water infrastructure, education, medical services

- Maintaining roads, bridges, water supply, school and clinics, including new community clinic staff housing in 2018
- Logistical support to school and police including housing, travel and vehicles
- Simberi clinic conducts approx. 900 consultations per month, 40-50 people community medivacs p.a.
- Various visits from Australian Doctors International (ADI) in 2016-17
- Ongoing efforts to eradicate malaria
- **Planned for 2019** – considering full vaccination campaign, first visit by Fred Hollows Foundation, further visit from ADI, expansion of clinic facilities

Top: Construction of housing for teachers, Maragon village, Simberi PNG.
Bottom – Delivery of books to Maragon Primary school – over 600 second hand children's books sourced for the primary school via Company initiative in 2017.

Simberi Ring Road Maintenance

- Resurfacing - utilizing local landowner contractors
- Re-sheeting of washouts / potholes
- Culvert and bridge maintenance

School Support

- Maintenance of classrooms, provision of books and stationery on ad hoc basis
- Joint venture with landowners to construct two teachers' houses

Community Policing Support

- Provision of vehicle for police operations
- Accommodation and meals onsite
- Travel to and from Simberi Island

Top: Selection of traditional spiritual icons at Simberi. Bottom: Staff at the Simberi Mine Services Fish Shop.

Supporting Simberi's Post-Mining Future

St Barbara LIMITED

Sustainable business development

- Landowners business umbrella company 'SMS' (Simberi Mine Services) established as vehicle for sustainable business opportunities post mining e.g. bakery, rehabilitation, agriculture, tourism, fishing
- Training in business acumen & accounting
- In 2018 fisheries business advisor engaged. Hatchery established on mining lease to grow clams, sea cucumbers before transplanting to reef areas

Business Development Initiatives

• Market Garden	Complete FY16
• Chicken Farm	Complete FY16
• Mariculture	Expanding FY19
• Coffee and Cocoa plantations	In progress

Top: Sign to SMS (Simberi Mine Services) market garden on mining lease.
Bottom: Mariculture (Claims and sea-cucumbers) aquarium

Case study: Simberi Mine Services (SMS) Cocoa Plantations

St Barbara LIMITED

Co-operative Cocoa plantation project

Company provided:

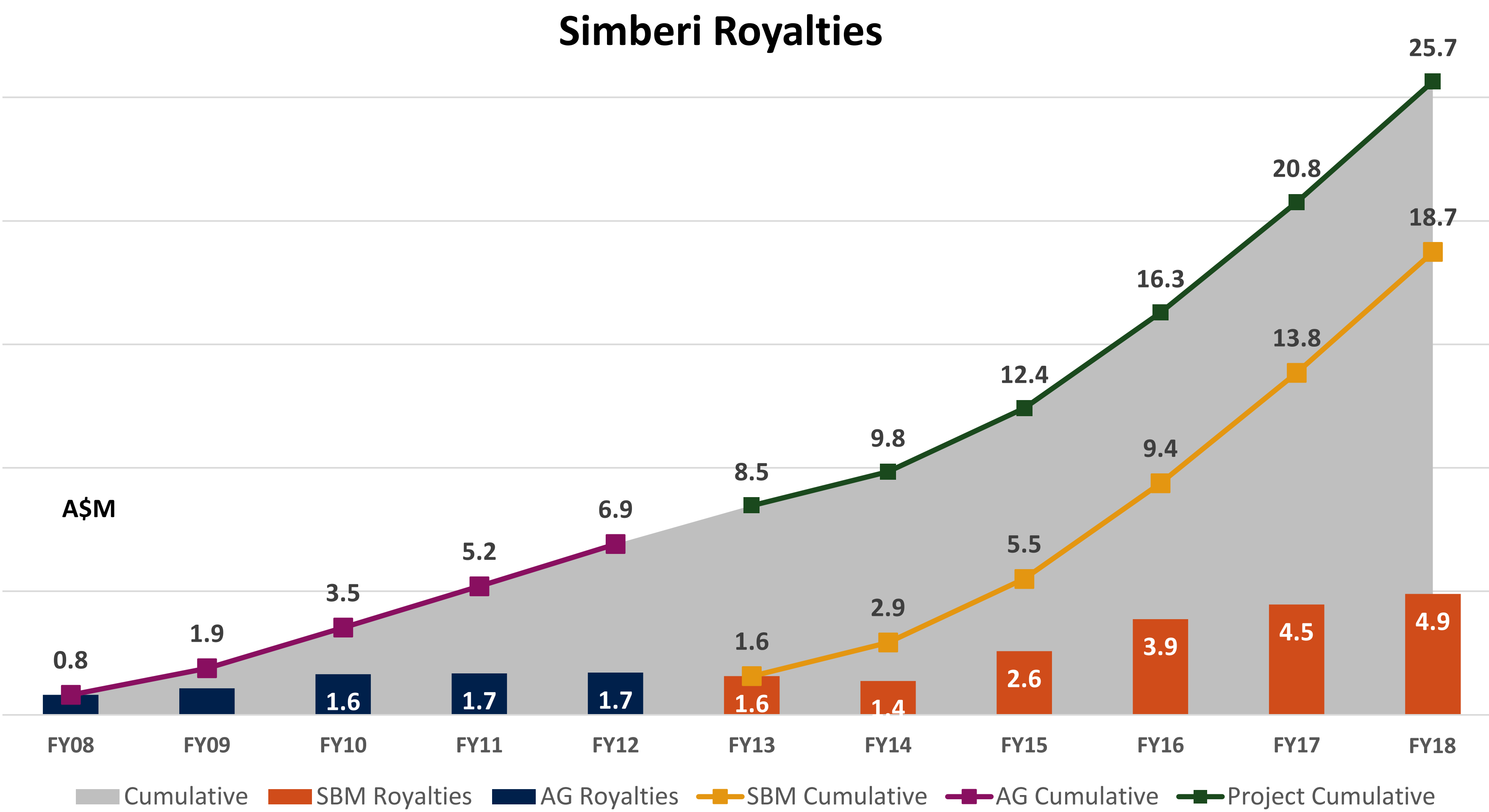
- Initial 5,000 seedlings, nursey for ongoing seedling production (now self sustaining)
- Initial plantation within the mining lease, labour provided by SMS with company assistance, demonstrates successful mixed cropping based on traditional organic farming method – subsistence tree crops to provide shade for cocoa plants
- Drainage ditches to prevent water-logging, key problem to overcome in high rainfall area

Planned for 2019:

- Seeking further plantation land on Simberi island
- Providing seedlings and advice to further community groups in adjacent island group, assist with export via SMS co-operative

Cocoa plantation: Top: Cocoa plant nursery. Below: Company /SMS plantation, showing drainage ditch and food tree crops providing shade to cocoa as well as drainage ditch.

Sharing our Success through Royalties



A$/Kina conversion per corresponding Annual Reports
AG = Allied Gold, previous owner of Simberi, SBM = St Barbara

St Barbara LIMITED

Sponsorships

- Golden Gift (athletic carnival)
- Kambalda/Leonora Football Club
- Goldfields Girl (personal development program for young indigenous women)
- St Barbara Cup (horse race)

- Shooting Stars (netball sport program for indigenous girls)
- Exercise, school, addiction programs

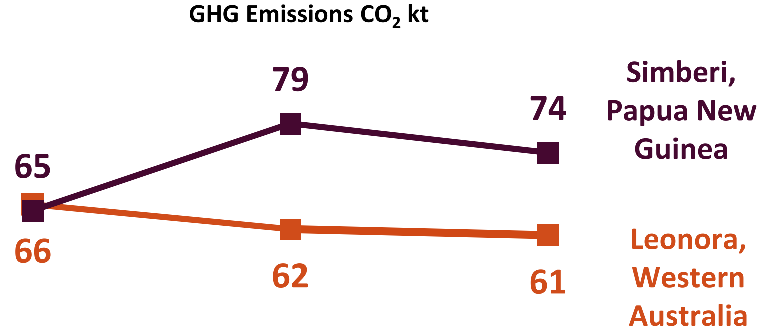
ShootingStars Glass Jar netball WESTERN AUSTRALIA

Above: Golden Gift Athletic Carnival, live performance. Bottom L: Shooting Stars – from material provided to Sponsors, Bottom L: Running of the St Barbara Cup Horse Race, 2017

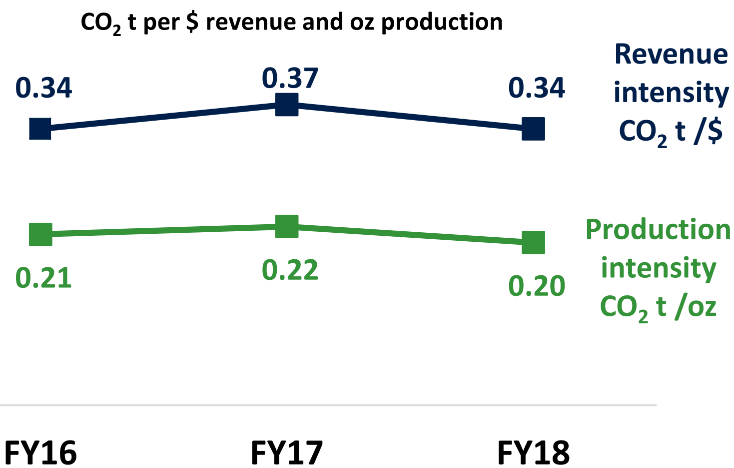
Top L: Ocean water testing at Simberi. Top R: 'Hi-Vis' Insect, covered with pollen at Gwalia, WA, photo by Alex Fincher. Bottom L: Jonathan Mountford (Environmental Advisor), Gwalia WA. Bottom R: Amanda Rukuwai (former Senior Environment and Community Advisor) and Lisa McCreery from Chatfield's nursery in seed storage container - collected locally for future rehabilitation, Gwalia WA

St Barbara LIMITED

Greenhouse Gas emissions[1]



Combined Emissions intensity



Intensity = CO_2 kt / koz (thousands of gold ounces). This measures GHG output on a per unit of production basis.

Above: Aerial Rope Conveyor or 'Ropecon', at Simberi, PNG, manufactured by Doppelmayr

Simberi 'Ropecon'

- Gravity powered, moves ore 3.7km from mining pits to processing plant
- 2.5 million tons of ore moved p.a. in FY17 & FY18
- Saves ~7,000 tons of CO_2 per year compared to conventional trucking

1. Scope 1 only. Scope 2 emissions for group are minor, relating to office locations. Other gases included as CO_2 equivalents. PNG emissions estimated based on fuel amounts using Australian NGERS conversion rates.

Current and future emission intensity improvements

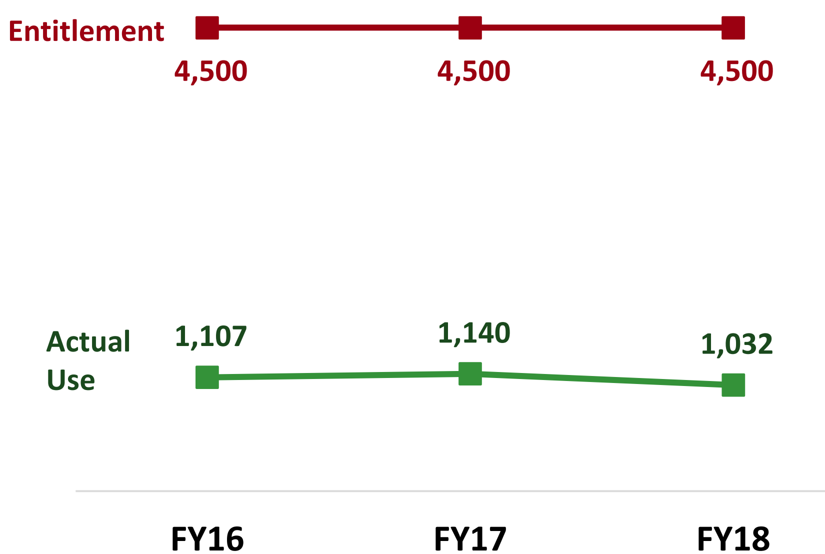
- First adsorption chilling plant (using waste heat to cool underground mine) installed in 2015, saves 5,000 CO_2 t p.a., second due for installation as part of Gwalia Extension Project.
- Paste Aggregate Fill (PAF) due for completion in late 2018, underground crushing of waste to fill mine voids will eliminate trucking of waste to surface
- Gwalia Mass Extraction (GMX) prefeasibility study proposes to eliminate trucking of ore to surface via 'slurry pumping'
- Elimination of trucking to surface will allow more efficient use of ventilation and heavy vehicles, improving revenue and production emission intensity

Left: Installation of first Adsorption chiller in 2015, second scheduled for 2019.
Right: PAF equipment being unloaded. Both at Gwalia WA.

Environment – Water at Leonora (Western Australia)

St Barbara LIMITED

Non-potable water use at Leonora (Ml)



Gwalia mine, Leonora, WA

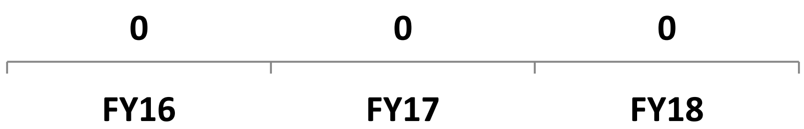
- Water usage is 97% non-potable, unsuitable for domestic or agricultural use
- Net producer of non-potable saline water
- Award winner 2012-2013 for water use reductions
- Ongoing voluntary participant with water regulator in WEMP (Water Efficiency Management Plan)

L to R: Australian Water dragon. Environment Advisor Ben Elliot carrying out water testing. Jonathan Mountford (Environmental Advisor), Lake Rishworth after heavy rain. All at Leonora, Western Australia.

Case Study – Leonora WA - Cultural Awareness Training

- 57 senior employees from Leonora Operations, Gwalia (WA) completed Bush Day immersion in Aboriginal culture overseen by local aboriginal community elder and community members during NAIDOC week July 2018.

Significant environmental incidents[1]



Environmental incidents[2]

Juvenile white bellied Sea Eagle at Simberi Island. A community of birds subsist off insects attracted to the mining pit night-shift floodlights. Photo by George Danga Jnr.

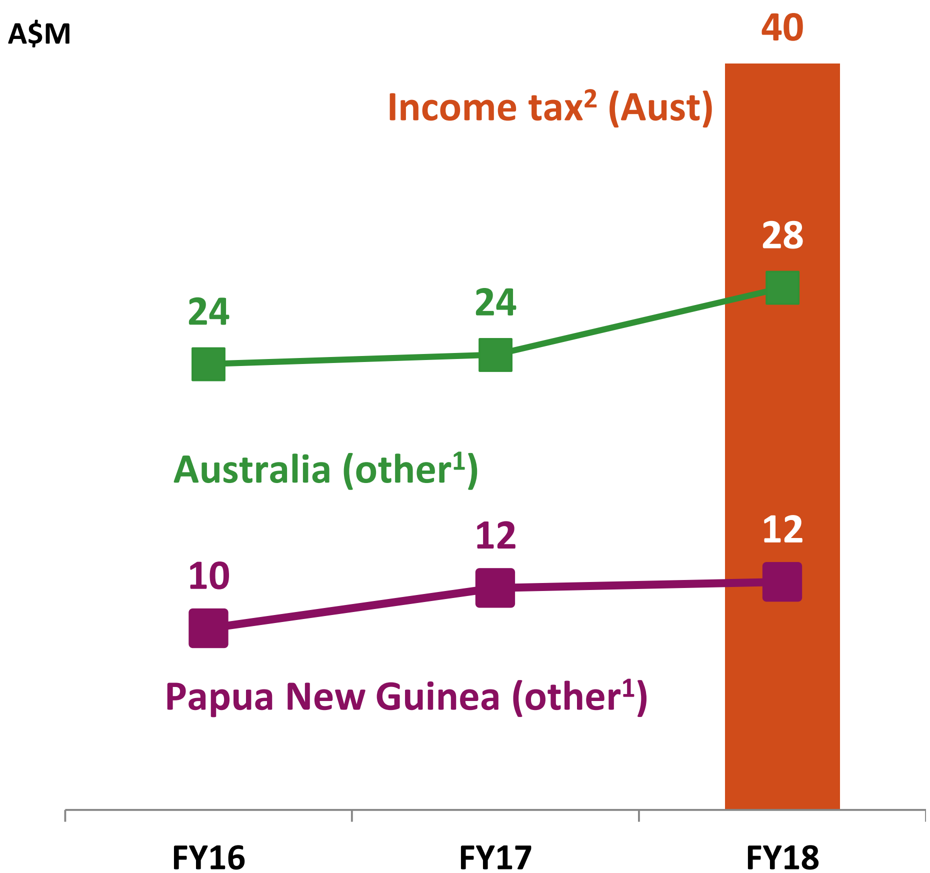
1. 'Major' and Critical' incidents defined by use of a risk matrix. See page 24 of Sustainability Report.
2. 'Minor' and 'Moderate' incidents defined by use of a risk matrix. See page 24 of Sustainability Report.

Governance and Economic Performance

View from Mt Leonora, adjacent to Gwalia, Western Australia. Photo by Scott Thomas

Income Tax and other Taxes and Duties

Income tax, other taxes, royalties and duties[1] paid



1. Other taxes includes salary taxes paid by Group on behalf of employees. Excludes corporate royalties
2. Income tax paid. Commenced paying income tax in Australia in 2018. PNG in net tax loss position, no income tax paid FY16-FY18.

Top: The Hoover Decline, the main entrance to the Gwalia underground mine, WA, 2018

Bottom: Jumbo operations, Gwalia, WA, 2018

The St Barbara 'Code of Conduct'

St Barbara's Code of Conduct: the framework of policies that puts our values into practice

Code of Conduct

Our People

- Diversity Policy
- Equal Employment Opportunity Policy Statement
- Health & Safety Policy Statement
- Whistleblower Policy

Community & Environment

- Donations, Sponsorships and Community Programs Policy
- Environmental Policy Statement
- Community Relations Policy Statement

Business Integrity

- Anti-Bribery and Anti-Corruption Policy (incl. Gifts, Entertainment and Hospitality)
- Conflict of Interest and Related Party Transactions Policy
- Securities Dealing Policy

Safeguarding St Barbara

- Continuous Disclosure and External Communication Policy
- Privacy Policy
- Risk Management Policy Statement
- Social Media Policy

Values

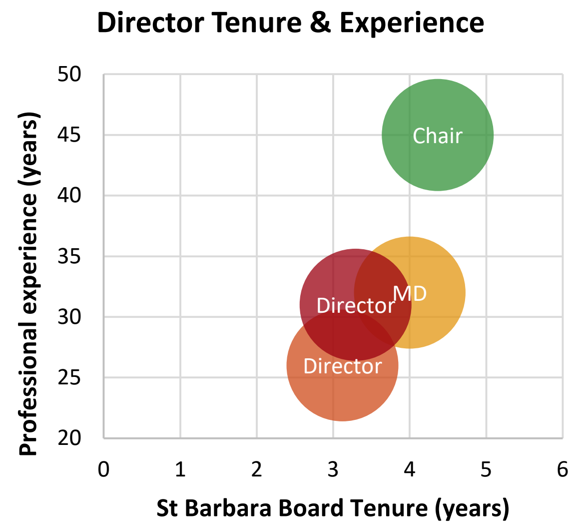
St Barbara LIMITED

Corporate Governance Statement highlights

- Corporate Governance Statement published annually at stbarbara.com.au/about-us/governance
- 100% compliance with ASX CGC Principles & Recommendations[1]

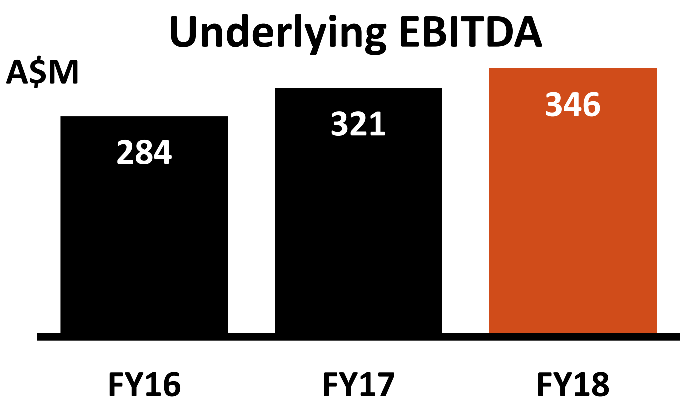
Key features:

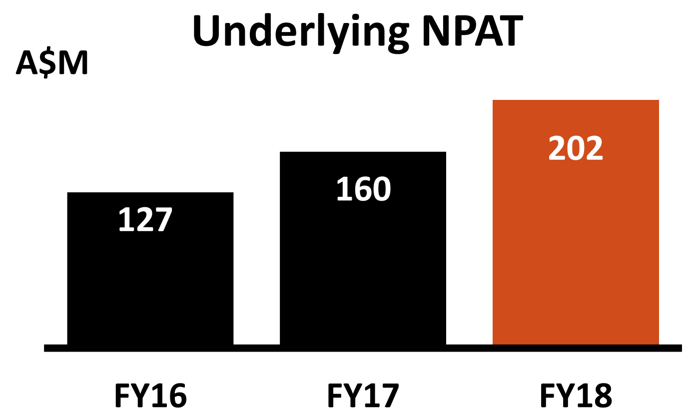
- Board comprises a majority of non-executive directors and a non-executive chairman
- Appropriately structured Board committees:
  - Audit and Risk
  - Health, Safety, Environment and Community
  - Remuneration and Nomination
- Board skills and experience matrices
- Comprehensive remuneration disclosure
- Annual Board performance review

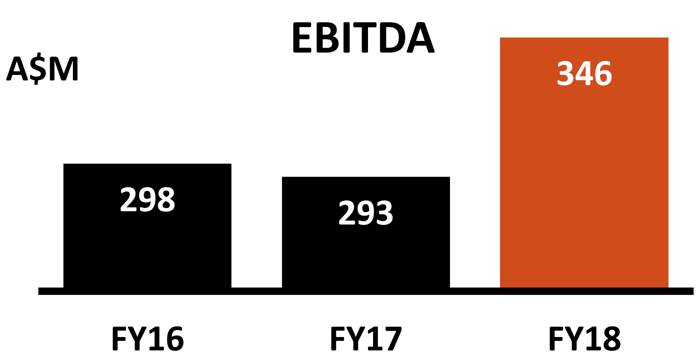


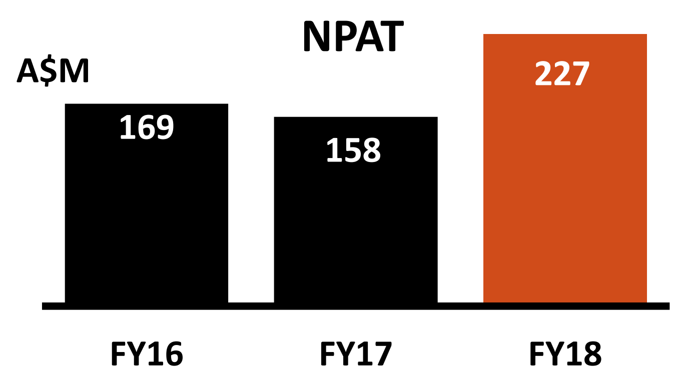
1. Compliance, or satisfactory disclosure of alternative governance practices adopted in lieu of a recommendation, as prescribed under the ASX Corporate Governance Council Principles and Recommendations 3rd edition

Economic Performance









FY18 Financial Presentation – 22 August 2018

EBITDA, Underlying EBITDA and Underlying NPAT are non IFRS measures, see corresponding slide in Appendix

St Barbara's Anti-Bribery and Anti-Corruption program

St Barbara has developed a comprehensive framework of **Anti-Bribery and Anti-Corruption** measures to prevent and detect bribery and corruption, comprising an integrated set of policies, training, audits, procedures and registers.

Online registers

- Gifts, Entertainment and Hospitality
- Conflict of Interest and Related Party Transactions
- Donations, Sponsorships and Community Programs

Training

- Training at **induction** and **annually** for **all staff**
- Specific induction and ongoing training for supplier facing staff

Policies

- Anti-Bribery and Anti-Corruption (inc. Gifts, Entertainment and Hospitality)
- Conflict of Interest and Related Party Transactions
- Donations, Sponsorships and Community Programs
- Whistleblower

Joining the Extractive Industries Transparency Initiative

St Barbara LIMITED

The Extractive Industries Transparency Initiative (EITI)

- Not for profit international organisation founded by UK government in 2002, now based in Norway
- Created a global standard for the good governance of oil, gas and mineral resources by companies and governments
- EITI standard requires information along the value chain from the point of extraction, revenue to government, contribution to the economy.

St Barbara endorses the aims and methodology of the EITI and is a financial supporter of the EITI international secretariat.

https://eiti.org/

Joining the UN Global Compact

St Barbara LIMITED

COMMUNICATION ON PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

United Nations initiative founded in 2004 to build direct commitment by corporations to goals aligned with UN principles.

Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. Make sure that they are not complicit in human rights abuses.

Labour

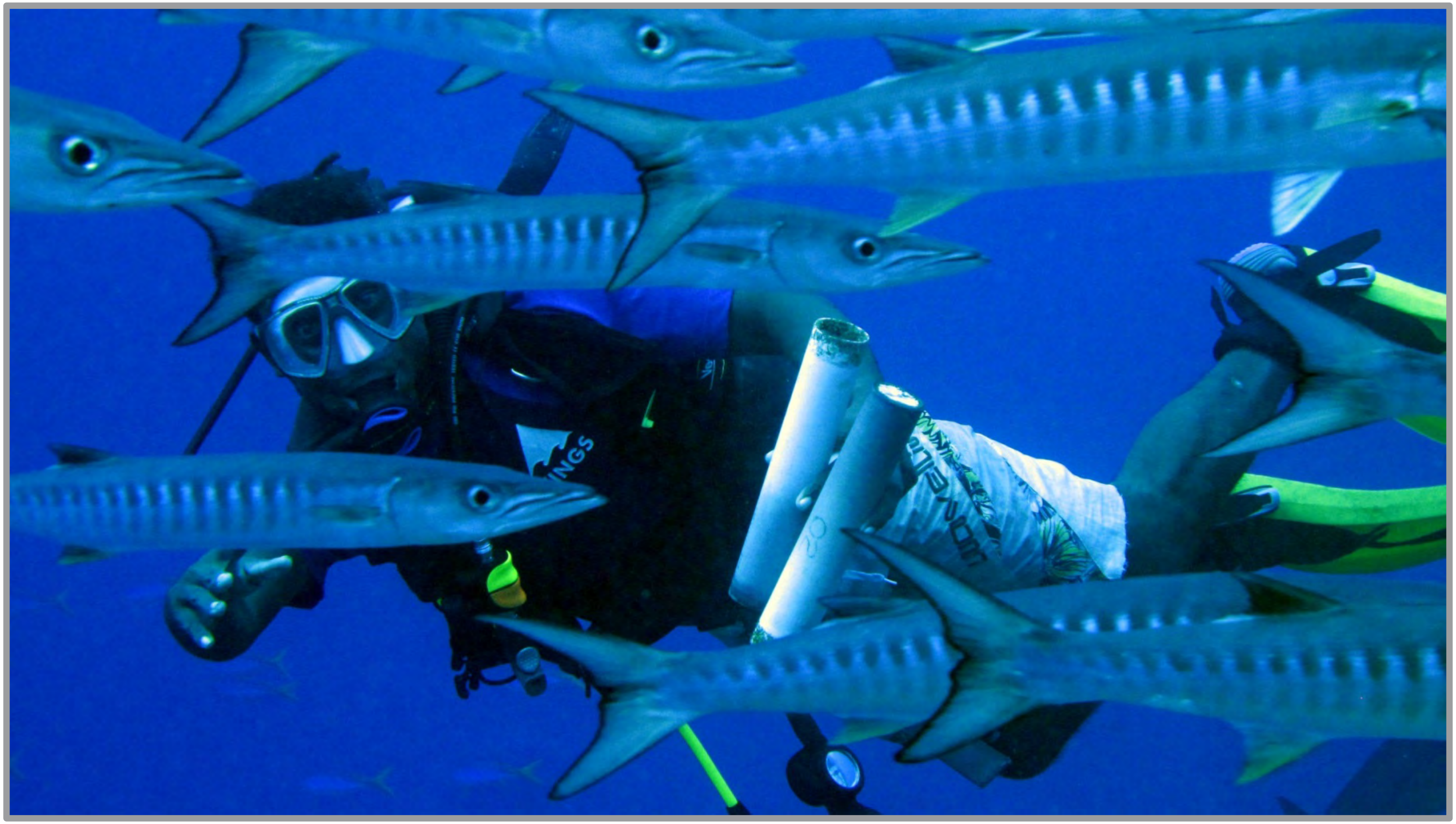
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. The elimination of all forms of forced and compulsory labour;
5. The effective abolition of child labour; and
6. The elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. Undertake initiatives to promote greater environmental responsibility; and
9. Encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.



Near shore sampling at Simberi

Non-IFRS Measures

We supplement our financial information reporting determined under International Financial Reporting Standards (IFRS) with certain non-IFRS financial measures, including cash operating costs. We believe that these measures provide meaningful information to assist management, investors and analysts in understanding our financial results and assessing our prospects for future performance.

All-In Sustaining Cost	All-In Sustaining Cost is based on Cash Operating Costs, and adds items relevant to sustaining production. It includes some, but not all, of the components identified in World Gold Council's Guidance Note on Non-GAAP Metrics - All-In Sustaining Costs and All-In Costs (June 2013). Refer most recent quarterly report available at www.stbarbara.com.au for example
EBITDA	EBIT before depreciation and amortisation.
Significant Items	Items whose nature or amount is considered material to the financial report. Refer Note 3 of 2018 Financial Report (p48) for details
Underlying EBITDA / NPAT	EBITDA or NPAT after excluding identified significant items. Refer 2018 Annual Report (p3) for details, available at www.stbarbara.com.au

Investor Relations Enquiries

Rowan Cole
Company Secretary

T: +61 3 8660 1900

David Cotterell
Manager Investor Relations

E: info@stbarbara.com.au

Above: Gwalia processing Plant, Leonora WA, Bulk air cooler to left, Gwalia open pit in foreground.

St Barbara

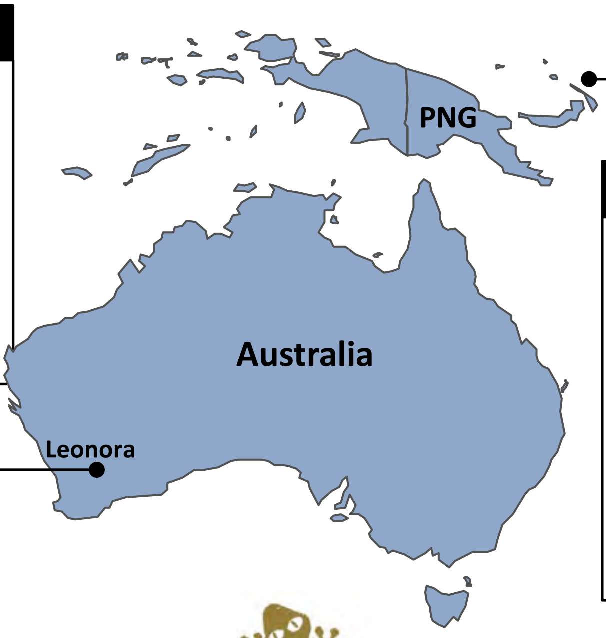
Sustainability Report

For the year ended 30 June 2018

St Barbara at a glance

Leonora

- Gwalia underground mine
- FY18 production 268 koz
- Mine plan to FY31
- Prospective tenements



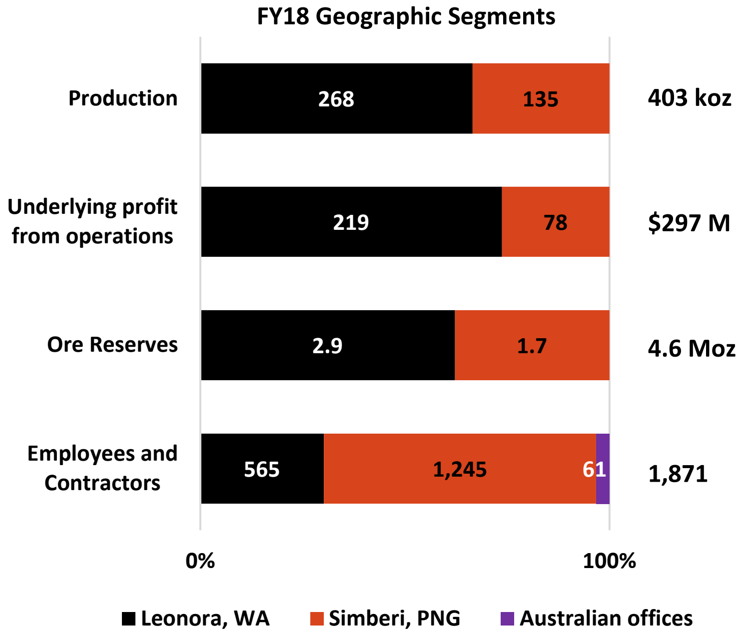
Simberi

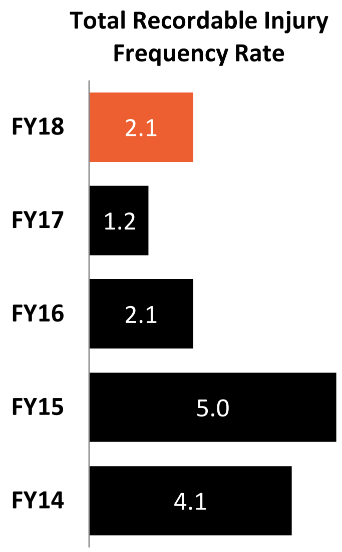
- Open pit mine
- FY18 production 135 koz
- Mine plan to FY21
- Potential for life extension
- Exploration on neighboring islands

Australian Women in Resources Alliance
Strength through workforce diversity
2018

GOLDEN GECKO
Awards for Environmental Excellence
CERTIFICATE OF MERIT
2015

WGEA Employer of Choice for Gender Equality
2014 - 2018





Notes: 'Underlying profit from operations' is a Non-IFRS measure, defined on page 4 of the 2018 Annual Report, and equivalent to segment profit before income tax. Ore Reserves as at 30 June 2018 per 'Ore Reserves and Mineral Resources Statements 30 June 2018' released 27 August 2018. Total Recordable Injury Frequency Rate measured for each million hours worked on a 12-month rolling basis.

Sustainability Report

This report presents the environmental, social and governance (ESG) performance St Barbara Limited and its controlled entities (the 'Company' or 'Group'), or provides the reference to where this information is presented in the Group's corresponding:

- Annual Report,
- Corporate Governance Statement, or
- www.stbarbara.com.au.

The content of this report has been determined by assessing the Group's material sustainability issues and identifying those that could most impact the business and its stakeholders. The 2018 report contains increased disclosure including, where applicable, the Group's targets and commitments.

The Sustainability Report is for the financial year ended 30 June 2018. Financial figures are in Australian dollars unless otherwise stated.

About these disclosures

St Barbara has used the Global Reporting Initiative (GRI) standards to guide its sustainability disclosures. This report is in accordance with the GRI Core option. The content of the disclosures is based on St Barbara's assessment of its material sustainability topic areas. St Barbara's material sustainability topic areas reflect its significant economic, environmental and social impacts, and those areas that substantively influence the assessments and decisions of its stakeholders. St Barbara's sustainability disclosures comprise:

- this Sustainability Report,
- identified sections of the Annual Report,
- the Corporate Governance Statement, and
- the website, www.stbarbara.com.au.

The Sustainability Report has been authorised for release by a resolution of the Board of Directors.

14 September 2018
Rowan Cole
Company Secretary

Contents

UN GLOBAL COMPACT
COMMUNICATION ON PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

St Barbara is committed to achieving its sustainability objectives through its core values:

We act with **honesty** and **integrity**

We treat people with **respect**

We value **working together**

We **deliver** to promise

We strive to **do better**

Message from Managing Director & CEO

Welcome to the 2018 St Barbara Limited Sustainability Report.

The activities and metrics described in the Sustainability Report are representative of the values that guide everything we do: we act with honesty and integrity, we treat people with respect, we value working together, we deliver to promise, and we strive to do better.

Our values are enacted through a framework of policies, standards and procedures, and appropriately resourced sustainability professionals that work in our operations to help facilitate agreed sustainability action plans.

This report presents the sustainability activities undertaken by St Barbara in the financial year to 30 June 2018, with comparative data for the preceding two years. This year we have increased disclosure to include employee satisfaction, employee development spending, risk management, mining waste, water licences and a variety of disclosures of our sustainability related targets.

We recognise that a safe workplace, and the wellbeing of employees, contractors, consultants and visitors, are fundamental to the success of the Company. Our injury frequency rate has disappointingly increased this year, although the injuries suffered have all thankfully been relatively minor. Our lost time injury frequency rate is less than half the Western Australian underground mine average[1].

We place great importance on responsible environmental management and we are committed to continued improvement in the identification, assessment, mitigation and monitoring of the environmental effects of our operations.

We believe that mining is a positive force for social and economic development for local communities and work closely with them to nurture a mutually beneficial social licence to operate.

The Company that I joined in 2014 was proud of its strong safety, environment and community focus, winning numerous awards in environment and gender diversity. Since then the Company has progressed on all aspects of sustainability, winning a variety of industry awards, including 'Water Wise' awards in 2013 and 2014, and following the construction in 2015 of an industry-first power-saving adsorption chiller plant, powered by waste heat from our power plant, acknowledgement with a 'Golden Gecko' environmental certificate of merit. The Company received national recognition in 2014 and 2017, winning the 'Women in Resources National Award' and in 2018 from the AMMA 'Australian Women in Resources Alliance' as an industry leader in gender diversity, plus certification as a WGEA 'Employer of Choice for Gender Equality' consistently since 2014, and is currently the only mining company to hold the certification.

This year St Barbara has responded to the Carbon Disclosure Project (CDP)[2] for the first time, became a supporter of the Extractive Industries Transparency Initiative (EITI)[3], and became a signatory to the United Nations Global Compact (UNGC)[4]. This Sustainability Report contains our first Communications on Progress (CoP) on furthering the goals contained in the UNGC principles. In this report we recognise the risk of climate change as defined in the Paris 2015 Climate Change Agreement[5] and our disclosure is aligned with the Task Force on Climate-related Financial Disclosure[6].

St Barbara's sustainability approach aligns with the underlying principles of these international sustainability organisations.

St Barbara welcomes the challenge and opportunity of providing sustainability related transparency to our stakeholders. Sustainability is a founding and ongoing focus, central to our Company culture, and for that I acknowledge and thank current and former team members responsible for the results presented here. I am proud of St Barbara's considerable financial and sustainability achievements, and I look forward to continued improvement and success in all measures.

Bob Vassie
Managing Director & CEO

1 St Barbara 12 month average LTIFR (per million hours worked) = 0.5, WA underground average = 2.9, per Western Australian mining regulator 2016-17 report
2 www.cdp.net/en
3 https://eiti.org/
4 www.unglobalcompact.org/
5 https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement
6 https://www.fsb-tcfd.org/

Key developments in Sustainability Activities and Reporting

The key developments in sustainability activities since the previous Sustainability Report are:

- the Group has responded to the Carbon Disclosure Project (CDP)[1]
- the Group has become a financial supporter of the Extractive Industries Transparency Initiative (EITI)[2]
- the Group has become a signatory of the UN Global Compact[3].

The key developments in sustainability reporting since the previous Sustainability Report include increased disclosure on:

- employee engagement and training
- mining waste
- water usage
- targets.

Ten Principles of the UN Global Compact

The Company has become a signatory to the UN Global Compact, and subscribes to its Ten Principles.

Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. Make sure that they are not complicit in human rights abuses.

Labour

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. The elimination of all forms of forced and compulsory labour;
5. The effective abolition of child labour; and
6. The elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. Undertake initiatives to promote greater environmental responsibility; and
9. Encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

Framework for Sustainable Development

As part of its membership of the Minerals Council of Australia (MCA), St Barbara is committed to meeting the obligations of the MCA ‘Enduring Value’ framework for sustainable development. The Enduring Value framework incorporates the International Council on Mining and Metals (ICMM) Sustainable Development Principles, summarised as:

1. Implement and maintain ethical business practices and sound systems of corporate governance.
2. Integrate sustainable development considerations within the corporate decision-making process.
3. Uphold fundamental human rights and respect cultures, customs and values in dealings with employees and others who are affected by our activities.
4. Implement risk management strategies based on valid data and sound science.
5. Seek continual improvement of our health and safety performance.
6. Seek continual improvement of our environmental performance.
7. Contribute to conservation of biodiversity and integrated approaches to land use planning.
8. Facilitate and encourage responsible product design, use, re-use, recycling and disposal of our products.
9. Contribute to the social, economic and institutional development of the communities in which we operate.
10. Implement effective and transparent engagement, communication and independently verified reporting arrangements with our stakeholders.

1 www.cdp.net/en
2 https://eiti.org/
3 www.unglobalcompact.org/

Material Issues and Boundaries

The Group assesses materiality of issues disclosed in this report according to:

- Our values
- Laws, licences and regulations
- Engagement with stakeholders, issues we discuss with them frequently
- Engagement with experts, industry organisations & international initiatives focused on sustainability issues
- Issues identified as critical in our risk management system.

This Sustainability Report prioritises reported issues according to assessed materiality, as summarised in the table below:

<table>
<tr><th rowspan="2">Reported Issues</th><th colspan="2">Boundaries & Stakeholders</th></tr>
<tr><th>External</th><th>Internal</th></tr>
<tr><td>Governance & Economic Performance
• Board and management alignment with long term shareholder and stakeholder interest
• Ethical business conduct, including Anti-bribery and Anti-corruption
• Fines and penalties
• Risk management
• Taxes, duties and royalties</td><td>• Local communities
• Government & Regulators
• Investors & Analysts
• Suppliers
• NGO (non-governmental organisation)</td><td rowspan="5">All the reported issues are identified and managed according to the impact upon our employees and contractors</td></tr>
<tr><td>Health and Safety
• Safe work environment and workplace practices for employees and contractors
• Incident analysis and trends</td><td>• Regulators
• Visitors</td></tr>
<tr><td>People
• Attract, retain, engage and develop workforce
• Diversity, non-discrimination, Equal Opportunity</td><td>• Local communities
• Government & Regulators
• Existing and potential employees</td></tr>
<tr><td>Social & Communities
• Engage, respect, enhance
• Minimise adverse impact
• Resolve grievances fairly</td><td>• Local communities
• Government
• NGO
• Local suppliers</td></tr>
<tr><td>Environment
• Closure – planning and provisions
• Climate Change – vulnerability, our impact, risk management, GHG emissions, energy efficiency
• Incidents
• Mine waste management – tailings, waste rock
• Water usage and management</td><td>• Local communities
• Government & Regulators
• Investors & Analysts
• NGO</td></tr>
</table>

Boundaries are defined by our impacts. We define our impacts to include direct and indirect, intended and unintended, short and long term consequences. We do not consider our impacts to include:

- Product safety and product recycling
- The role of gold in international political and economic relations
- Engagement with communities beyond those geographically proximate to our operations
- Commercial activity of individuals and entities connected with our operations but not relating to us (for example, other business activities of contractors and royalty recipients)
- Issues relating to minority equity interests and previously divested assets.

Our Sustainability Approach

We recognise that a safe workplace, and the wellbeing of employees, contractors, consultants and visitors, are fundamental to the success of the Group.

We place great importance on responsible environmental management and we are committed to continued improvement in the identification, assessment, mitigation and monitoring of the environmental effects of our operations.

We believe that mining is a positive force for social and economic development for local communities and work closely with them to nurture a mutually beneficial social licence to operate.

Governance of sustainability

We believe high standards of governance are critical to delivering on our strategy, creating long-term value and maintaining diversity and our social licence to operate.

The Board oversees the Group's values, culture, governance framework and sustainability approach. The Audit and Risk Committee monitors the Group's systems of financial and operational risk management. The Health, Safety Environment and Community (HSEC) Committee monitors the Group's HSEC responsibilities and compliance across those activities. The Remuneration and Nomination Committee advises the Board on the Group's overall remuneration and diversity strategies and policies.

The Managing Director and CEO has overall responsibility for Sustainability at the executive level.

Applying our sustainability approach

In applying our sustainability approach, the daily activities and decisions of the Group are supported by the applicable Board policies. These are the foundation for developing and implementing management systems at our operations. These policies align with environmental, social and governance management as set out in the table below.

Managing risk

The Group maintains an enterprise wide risk management framework to support the responsible achievement of its strategic objectives by identifying and addressing risk in an organised and transparent manner.

The risk management framework delivers enhanced risk reporting and control mechanisms designed to ensure that strategic, operational, environmental, legal, social, reputational, financial and other risks are identified, assessed and managed. The framework is consistent with International and Australian risk management standards.

ESG area of focus	Policies	Board / Board Committee[1]	Executive / General Manager responsible
Environmental	Environmental Policy	HSEC	GM Tech Services
Social	Community Relations Policy Health and Safety Policy	HSEC	GM Tech Services
	Diversity and Inclusion Policy Equal Employment Opportunity Policy	Remuneration & Nomination	GM Human Resources
	Donations Sponsorships Community Programs Policy	Board	Company Secretary
Governance	Anti-Bribery and Anti-Corruption Policy Code of Conduct Conflict of Interest and Related Party Transactions Policy Continuous Disclosure and External Communication Policy Privacy Policy Securities Dealing Policy Social Media Policy	Board	Company Secretary
	Whistleblower Policy	Board	Company Secretary & GM Human Resources
	Delegation of Authority	Audit & Risk	Chief Financial Officer
	Risk Management Policy	Audit & Risk	Company Secretary

1 HSEC: Health Safety Environment & Community Committee

Governance and Economic Performance

The Board and Management of St Barbara are committed to maintaining high standards of ethics, integrity and statutory compliance in all Group dealings.

The Group has implemented a formal set of behavioural values designed to uphold high standards of integrity and work performance for the Board, Management, employees, and other members of the work force. The Group is committed to achieving its sustainability objectives through its core values:

- We act with honesty and integrity
- We treat people with respect
- We value working together
- We deliver to promise
- We strive to do better.

The Group's internal and corporate governance is explained in depth in the annual Corporate Governance Statement. The Corporate Governance Statement describes the Corporate Governance framework that underpins the Group's conformance with the ASX Corporate Governance Principles and Recommendations (3rd Edition) ("the ASX Principles and Recommendations"), by reference to each of the stated principles. The eight central principles are:

1. Lay solid foundations for management and oversight
2. Structure the Board to add value
3. Act ethically and responsibly
4. Safeguard integrity in corporate reporting
5. Make timely and balanced disclosure
6. Respect the rights of security holders
7. Recognise and manage risk
8. Remunerate fairly and responsibly.

The Group has an integrated suite of governance policies that together form our Code of Conduct. The individual policies are available on our website under 'Governance', and include policies addressing:

- Bribery and corruption
- Community relations
- Conflicts of interest
- Continuous disclosure
- Diversity and inclusion
- Donation & sponsorships
- Environment
- Equal opportunity
- Health and safety
- Privacy
- Risk management
- Securities dealing
- Social media
- Whistleblower.

The Group reviews and updates the policies on a regular basis, and has comprehensive employee training, updated on a cyclical basis.

The Group's **economic performance** is published in the Annual Report, with earnings per share as a key indicator set out in the Performance Data section of this report. Commentary on the Group's economic performance commences on page 3 of the Annual Report.

The Group's direct economic contribution to government is published in the Performance Data section of this report.

Follow a period of where no income tax was payable due to accumulated income tax losses, the Group resumed paying company income tax in 2018.

Other taxes, royalties and duties have broadly increased over the last several years associated with the increase in gold production and related activity.

The Group's **governance performance** is published in the Corporate Governance Statement, with a key indicator set out in the Performance Data section of this report. The Group has maintained, and will seek to maintain, 100% compliance with the ASX Corporate Governance Council Principles and Recommendations.

The Group reports annually to the Papua New Guinea Extractive Industries Transparency Initiative (EITI) and is a financial supporter of the EITI PNG and EITI International Secretariat. PNG is a candidate country to the EITI. The Group supports the efforts of the EITI to improve transparency in the area of the financial dealings between mining companies and governments.

During 2018, the Group was a financial member of selected mining industry bodies, including:

- Australian Mines and Metals Association
- Chamber of Minerals and Energy of Western Australia
- Gold Industry Group (Australia)
- Minerals Council of Australia
- PNG Chamber of Mines and Petroleum.

Health, Safety and Risk Management

The **health and safety** of our employees, contractors, suppliers, visitors and surrounding community is fundamental to the success of the Group. The Group's health and safety policy is available at: www.stbarbara.com.au/about-us/governance/. The Group's Health, Safety and Environment Management System is aligned with AS/NZS 4801:2001 (Health and Safety Management Standard).

The Group's primary safety performance measure is 'Total Recordable Injury Frequency Rate' (TRIFR) per million hours worked on a rolling 12-month basis, which is not widely available for comparison with peer companies. The Group's corresponding Lost Time Injury Frequency Rate (LTIFR) per million hours worked of 0.5 for the year to 30 June 2018 is well below relevant available industry benchmarks[1].

The Group's management of safety is comprehensive, well resourced, strict and proactive.

The Group has a comprehensive Health, Safety and Environment Management System (HSEMS) in use across the Group, which is supported by significant numbers of specialist health and safety staff at both mines, as well as in corporate leadership and support. The HSEMS encompasses the following components:

1. Leadership and Accountability
2. Risk and Management of Change
3. Contractor Management
4. Incident Reporting and Investigation
5. Communication, Consultation and Participation
6. Critical Risk Control Standards
7. Environmental Management
8. Training, Competency and Behaviour
9. Health and Hygiene
10. Legal Requirements, Commitments and Document Control
11. Crisis and Emergency Management
12. Design, Construct, Commissioning and Decommissioning
13. Monitoring, Audits and Review
14. Planning, Goals and Targets.

The Group has developed and maintains a set of 'Critical Risk Control Standards', each containing various systems, standards and guidelines. These Critical Risk Control Standards address specific work activities, including:

- Explosives
- Hazardous material management
- Isolation, working at heights, and confined spaces
- Light vehicles
- Marine operations
- Mobile and lifting equipment
- Underground ground control.

Health and safety meetings occur at the start of every shift at all operational sites. Specialist health and safety staff, and all levels of operational management rigorously identify, prioritise and control risk through active communication and consultation with the workforce.

Working safely in compliance with safety standards and procedures is mandatory. Safety is a personal accountability held by everyone, with all personnel empowered to initiate a "cease work authority" when exposed to, or witnessing, an unsafe activity. Incidents and near-misses are investigated and analysed.

The Group has a zero tolerance approach where key critical risk non-compliances with procedures are observed.

The Group has a proactive regime of training linked to workplace safety observations. Various 'lead' and 'lag' safety targets are included in the at-risk remuneration component of all operational managers.

Health and Safety is audited at the mine sites regularly, including:

- Annual regulatory audits by the relevant government authorities
- External audits of compliance with the Group's Critical Risk Control Standards, part of the Group's Health Safety and Environment Management System (also itself regularly audited)
- Regular internal audits performed by the Group's own health and safety specialist staff.

Health and safety performance is measured using 'Total Recordable Injury Frequency Rate' which expresses the number of injuries per million hours worked on a rolling 12-month basis. This measure is a widely recognised benchmark, allowing measurement and comparison of safety performance across industries.

Health and safety targets are included in the at-risk remuneration of all employees and most contractors.

All standards **apply equally** to employees and contractors.

During the year the following new health and safety related initiatives commenced:

- Focused training on hand safety at Gwalia, WA.

1 Industry Lost Time Injury Frequency Rate (LTIFR) for WA gold companies of 2.1 per Department of Mines, Industry Regulation and Safety report titled 'Safety Performance in the Western Australian Mineral Industry' for 2016-2017.

- A **gender safety** initiative at Leonora, based on the Simberi program which has been in place for the last three years. This program of surveys, focus group meetings, interviews, risk assessments originated in partnership with the 'PNG Business Coalition for Women'. The program acknowledges the different safety concerns and issues of women working on a mine site. These programs build upon previous initiatives in domestic violence programs at Simberi.
- Behavioural safety reviews were completed at Gwalia in 2018. The resulting action plans have been incorporated into the safety management plan and program.

External audits of health and safety practices are conducted at both operations. Audit result improvements are a component of individual at-risk remuneration for employees with middle and senior site management responsibilities. Certification to the new ISO 45001 Safety standard is being considered for possible future implementation.

The Group's **health and safety performance** is published in the Performance Data section of this report.

The Group's lead indicator for safety performance, 'Total Recordable Injury Frequency Rate' (TRIFR) has unfortunately increased from 1.2 last year to 2.1 as at 30 June 2018. All the impacted colleagues had, at the time of this report's release, returned to their pre-injury duties.

Details regarding all nine 'recordable' injuries in 2018 (2017: five) are shown below.

Details and analysis of safety incidents in 2018

Number	Location and type of injury	Employee/Contractor/ location
4	Hand & forearm	2 employees 2 contractors (4 Australia)
2	Foot & lower leg	2 contractors (1 Australia, 1 PNG)
3	Other: • 2 head • 1 shoulder	2 employees 1 contractor (1 Australia, 2 PNG)
Total 9	Recordable injuries	4 employees 5 contractors (6 Australia, 3 PNG)
includes 2	Lost time injuries (injuries requiring time off work)	2 employees (2 PNG)

Analysis and commentary on 2018 Recordable Injuries

The number of injuries for contractors was higher than for employees in 2018. This is consistent with the greater number of specialist contractors at the Gwalia mine in Western Australia, where the majority of recordable injuries occurred. Outsourcing of mining and exploration drilling services is a typical feature of the Western Australian mining environment.

The Group's underground mining contractor, Byrnecut Australia, has a robust, comprehensive, standardised 'occupational health and safety' (OH&S) approach, and is certified for ISO 9001: 2008 (Quality Management Standard), ISO 14001:2004 (Environmental Management Standard), OHSAS 18001:2007 (Health and Safety Management Standard) and AS/NZS 4801:2001 (Health and Safety Management Standard).

Risk Management & Emergency Preparedness

The Group identifies, assesses and manages risks through an established enterprise-wide risk management framework, which conforms to Australian and international standards and guidance. The Group's risk reporting and control mechanisms are designed to ensure strategic, safety, environmental, operational, legal, financial, reputational and other risks are identified, assessed and appropriately managed.

Senior management and the Board regularly review the risk portfolio of the business and the effectiveness of the Group's management of those risks.

The Group's Audit and Risk Committee oversees risk management. The Group's material business risks are reported in the Annual Report.

Emergency Preparedness

The Group has a Crisis Management System and prepares Business Continuity Plans (BCP) for key risks with a business interruption element.

Both mine sites have highly trained 'emergency response teams' (ERT). The teams are equipped and trained appropriately to perform the functions of first aid, rescue and fire-fighting, specific to their location and mining activities. The St Barbara Gwalia mine underground ERT won both of the most recent Chamber of Minerals and Energy of Western Australia (CMEWA) Underground Mine Emergency Response Competition consecutively in 2015 and 2016[1]. The Simberi team competed strongly at the most recent PNG Extractive Industries Emergency Response Challenge (EIERC) event in 2017 and at the previous 2015 competition, winning four categories in 2015.

1 There was no competition in 2017

People

The Group has a centralised Human Resources (HR) function with representation at every Group location. The HR Function is charged with ensuring there are capable people in the right roles, doing the right work, all the time.

The Group's HR strategy of 'talented people who deliver' has five pillars:

Talent	ensuring the Group has the talent needed to reliably deliver its business strategy
Diversity	ensuring a diverse and inclusive workforce to support a high performance culture
Leadership	building capable leadership at all levels in the Group
Engagement	maintaining productive direct relations with our people
Performance	maintaining an integrated suite of effective people systems

Talent

There are a number of HR frameworks, systems and activities to ensure the Group attracts, recruits and retains talent including:

- Talent management framework
- Recruitment system
- Career development system
- Training and development system
- Graduate development system.

All employees have a role description and an annual development plan. Each year the Group conducts talent identification and succession planning.

Training and development average hours per employee have been published for the first time in this year's report. The emphasis on training of the Simberi PNG workforce is evident, especially in the early part of the three year reported period.

Diversity

The Group's **Diversity and Inclusion Policy** sets the tone for diversity activities, with progress against Board approved objectives reported annually in the Corporate Governance Statement.

The Group's commitment to diversity is recognised with its citation as a Workplace Gender Equality Agency Employer of Choice for Gender Equality since 2014, currently the only mining company so awarded.

The Group was awarded the 'Women in Resources' state (Victorian) and the national award for 'Excellence in Diversity Programs and Performance' in 2017 and in 2018, the Group received the AMMA 'Australian Women in Resources Alliance[1] National award.

Other diversity initiatives include actively managing the gender pay gap, gender advocacy, gender safety programs, the Women's Internal Network, a commitment to developing the National workforce in PNG, Indigenous engagement targets, support for victims of domestic violence, and employee wellbeing programs.

At its Simberi PNG mine, the Group has pioneered a new gender safety program, recognising the different safety concerns of women, in partnership with the PNG 'Business Coalition for Women'. This program is now being implemented at the Group's Gwalia mine in Western Australia.

This program followed a research project into women working in remote locations in PNG and incorporates an annual audit process including employee surveys, focus group meetings, interviews, risk assessments and benchmarking. The annual audit report includes recommended actions based on the findings of the audit.

In August 2018, the Group presented on its gender safety program at the Minerals and Energy for Development Alliance Women in Resources conference in in Lae PNG.

The proportion of women employed in Australian operations increased in 2018 to 24%, with a target to reach 30% in 2022.

The Group conducts regular gender pay audits and has a nil gender pay gap for like-for-like roles. The Group has a target to reduce the 'overall gender pay gap'[2] to 8% by 2022[3].

The Group's Leonora Operation in Western Australia is progressing towards its target for **indigenous employment of** 5% by 2020, more than trebling this metric since 2016 to achieve 3.6% at June 2018. To support this initiative, 57 senior employees attended **Cultural Awareness training** during NAIDOC[4] week in July 2018 (a program of activities to recognise indigenous Australians' contribution to society). The training was hosted by local elders near significant indigenous sites in the mine locality.

1 Australian Minerals and Mining Association (AMMA)
2 'Overall Gender Pay Gap' is calculated according to the WGEA guidelines (www.wgea.gov.au), and represents the difference between the average pay for all male employees and the average pay for all female employees across the whole organisation.
3 'Like for like' gender pay gap measures the difference in base salary over the year between male and female employees in comparable roles
4 National Aborigines and Islanders Day Observance Committee, https://www.naidoc.org.au/

Leadership

The Group has developed and delivers annual **leadership** development programs for leaders of all levels including:

- Frontline supervisor program
- Superintendent program
- Manager program
- Senior leaders program
- Leadership essentials workshops
- Project management
- Mental health awareness
- eLearning modules on a range of leadership topics.

Engagement

Employee engagement is cover through a number of systems, and activities, including:

- Remuneration and benefits system
- Annual employee engagement survey
- Onboarding system and induction program for new employees and contractors
- Mentoring program
- Employee benefits
- Mental health policy and mental health and wellbeing guideline
- Domestic Violence Policy
- Employee photography competition.

An independent provider conducts the annual engagement survey for the Group. The various measures indicating employee engagement has increased steadily, with the overall favourability score in the last three years increasing from 73% in 2016 to 79% in 2017 to 83% this year.

Group employee turnover of 7.0% remains below our industry benchmark[1] of 9.8%. Employee turnover may increase in 2019, due to an improving mining employment market in Australia, with most mining subsectors enjoying historically strong commodity prices and increased competition between employers for specialist roles (such as mining engineers, geologists, drillers).

Performance

There are a number of HR systems and processes to ensure that employees perform to their full potential including:

- Recognition and reward
- Employee bonus plans
- Short and long term incentive plans
- Training and development
- Performance improvement
- Professional membership support
- Study assistance
- Annual CEO innovation awards.

Group HR policies are available here, and include:

- Diversity and Inclusion Policy
- Equal Employment Opportunity Policy
- Whistleblower Policy

These policies are supported by a range of internal guidelines, such as:

- Grievance Resolution Framework
- Fair Treatment System
- Flexible Working Guideline
- Mental Health and Wellbeing Guideline
- Workplace Discrimination and Harassment Guideline.

Mental health and wellbeing activities conducted during the year included:

- 'R U OK? Day' campaign
- Mental Health Awareness workshops for employees and supervisors
- Mental Health Week campaign.

Mental Health and Wellbeing resources available to employees include:

- Free professional and confidential counselling services for employees and their immediate family
- Free ergonomic assessments.

Australian employees who are members of the Group's preferred superannuation fund also have access to:

- Free at home medical information service
- Free salary continuance, death and disability insurance
- Free financial advice.

The Group's performance on 'people' metrics is published in the Performance Data section of this report.

1 The Mackie 'RITA' Report – July figures. RITA report has 25 Australian Resource industry companies participating. 'Turnover' is voluntary employment moves only. Only direct employees measured.

Awards

The Group recently won multiple awards for its achievements in gender equality and mental health and wellbeing.

Financial Year	Authority	Award
FY18	Workplace Gender Equality Agency	Employer of Choice for Gender Equality (since 2014)
	Australian Women In Resources Alliance - National Awards 2018	Excellence in Diversity
	Women In Resources National Awards 2017	Excellence in Diversity Programs and Performance
FY17	Victorian Women in Resources Awards	Gender Diversity Programs
	Australian HR Awards	Finalist for 'Best Health & Wellbeing Program'

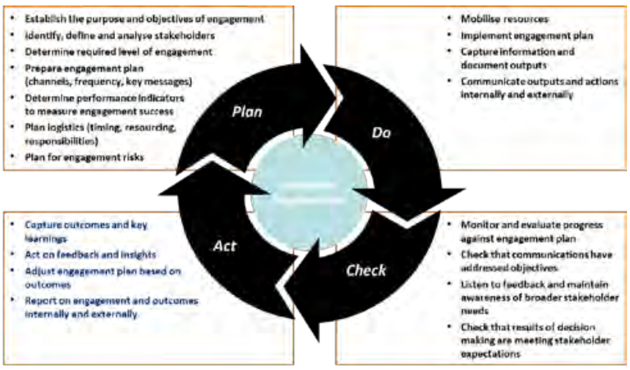
Social & Communities

We strive to conduct our activities in a socially responsible manner and demonstrate respect for St Barbara's host communities.

The Group's community relations policy is available here .

Australian employees are entitled to up to five days per annum paid leave for charitable volunteering.

The Group has a mature stakeholder management program, based on the AA1000SES Stakeholder Engagement Standard, resourced with dedicated teams in both Australia and PNG as well as a corporate support and strategy function.



Planning tool for stakeholder engagement activities from AA1000SES Stakeholder Engagement Standard.

Simberi

The Simberi Community Relationship Office (CRO) comprises 22 employees, including a project team constantly engaged in community and environment orientated civil works. The Group performs many civil-type functions, providing infrastructure and otherwise supporting health, law and order and education in the community.

Recent community initiatives at **Simberi** include:

- Ongoing road construction and maintenance
- Construction and maintenance of water infrastructure such as pipelines, tanks and rainwater collection catchments to ensure potable water supply to remote villages
- Construction and maintenance of classrooms and teachers' housing, purchase of books for students, provision of school truck
- Assistance in the construction of the community churches
- Long term provision of a fully equipped and staffed medical centre, servicing the community
- Provision of qualified trauma and community health nurse ('HEO' Health Emergency Officer), medical supplies and building maintenance of the community clinic in the neighbouring island.
- Purchase and distribution of 1,500 mosquito nets
- Immunisation of entire island population against measles
- Sponsorship of NGO initiatives to prevent malaria (PIMI) and provide medical services (Australian Doctors International)
- Logistical support to Royal PNG Constabulary (the police) on Simberi Island
- Medical evacuations to regional or national hospital (between 40 and 50 people including carers in each of the three years covered in this report).

The Group is committed to empowering local businesses towards effective business practice and sustainability following the conclusion of mining. Recent community business development initiatives at **Simberi** include establishing:

- Mariculture[1] business (clams and sea cucumbers)
- Market garden and plantation
- Poultry farm
- Bakery and pizzeria
- Simberi Mine Services ('SMS'), a community business umbrella and governance company, established in FY16. The Group provided training in governance and commerce practices, as well as seed funding in FY17.
- Handover of the site store and wet-mess function to a subsidiary of SMS

1 the cultivation of marine plants and animals in their natural environment

- Successful negotiation of business support to the Bank of the South Pacific (BSP) for the opening of a branch on the Island.

Facilitating the creation of the SMS oversight and management organisation has been a particular success. The organisation serves as a centralised voice for the community and landowner-owned businesses. Facilitating the training of SMS staff and partnering in its developing commercial ventures is an ongoing focus for the community relations team.

5,000 cocoa seedlings have been purchased by the Group and are being planted progressively by the Group and SMS in partnership, using traditional organic farming methods of mixed cropping where subsistence food crops provide shade for the lower growing cocoa plants.

In 2019 further plantation land will be cleared and the scheme is expanding as nearby communities see the benefit and seek to join and invest their land and labour in the project. The project moves forward on an influence basis, always seeking to promote ownership by the communities involved. The Group and SMS will jointly maintain the nursery which is already self-sustaining. Potentially the scheme will spread beyond the immediate Tabar island Group.

PNG Earthquake Appeal

In May 2018 the Group Donated US$100,000 to the CARE Appeal for emergency relief (relating to the February 2018 7.5 magnitude earthquake in central Papua New Guinea). See here

Leonora

The Group has announced a three-year commitment to the Leonora netball 'Shooting Stars' program of A$100,000[1] p.a, in partnership with neighbouring Leonora-region gold miner Saracen Mineral Holdings Ltd.

Other recent community sponsorship and development initiatives supported by the Group at **Leonora** include:

- Goldfields Girl: a series of workshops, scholarships and public events aimed at empowering young indigenous women. Modelled on other successful programs in WA 'Pilbara Girl' and 'Kimberley Girl'.
- Leonora Golden Gift: An historic and world famous elite mile running event. The associated community carnival incudes fun runs, horse races, fashions on the field, an elite cycling event and live music festival.
- Kambalda Football Club: The Group facilitates Leonora players participation in the Kambalda Football Club, (team bus and catering for the often 500 km round trip to play football). An immediate decrease in anti-social youth behaviours was noted when this initiative began in 2017.
- The Group sponsors the Leonora Cup, a horse-racing fixture each October.
- Other sponsorship and in-kind support of Leonora community events in 2017-18 included: the 'Leonora Bike Challenge' 10 week training program for children, Leonora District High School (includes primary school), Volatile Substance Use Community Workshop, Leonora Women's Company, Gwalia Christmas Appeal and Leonora Community Fitness Company, Clean-up Australia Day and Back to Country Day.

St Barbara is a platinum sponsor of Get Into Resources, an initiative to showcase the resources sector to secondary school students in WA.

The Group also sponsored the International Women in Resources Mentoring Program Dinner in August 2018 in Lae, PNG.

Commentary

The Group acknowledges its community responsibilities and seeks to be a good corporate citizen across its operations. The Group has a program of charitable giving and continues to support charitable causes and events associated with our local communities and consistent with our governance obligations.

The Group's **performance on social and community metrics** is published in the Performance Data section of this report.

1 Funding for this initiative commenced after 30 June 2018, outside this report.

Environment

St Barbara places great importance on responsible environmental management and is committed to continued improvement in the identification, assessment, mitigation and monitoring of the environmental impact of its operations. This section includes commentary on waste management, climate change and water management.

The Group's environment policy is available at www.stbarbara.com.au/about_us/governance/.

The Group has a well-resourced environment function with a program of compliance and proactive protection and mitigation activities, as part of its comprehensive Health, Safety and Environment Management System (HSEMS) mentioned previously. The HSEMS includes the following environmental components:

- Incident Reporting and Investigation
- Communication, Consultation and Participation
- Environmental Management
- Legal Requirements, Commitments and Document Control
- Crisis and Emergency Management
- Monitoring, Audits and Review
- Planning, Goals and Targets.

At **Gwalia (WA)** the environment team has four full-time qualified professionals, supported by contractors as required.

Mining in Australia is intensely regulated with numerous reports and audits required by federal and state government regulation. The Group completes a number of externally audited environment related reports pursuant to legislation and licences regarding Gwalia. These reports and audits include:

State Government (Western Australia)

The **Annual Environmental Report to Department of Water and Environment (DMER)**[1] – This report provides data on monitoring, compliance, complaints, tailings storage, waste water, dust, incidents, hazardous chemicals, land disturbance and other environmental type metrics. This report is publicly available and on our website[2].

The **Annual Environmental Report to Department of Mining, Industry Regulation and Safety (DMIRS) –** This report provides data on major activities, environmental management and rehabilitation activities, proposed developments, compliance, incidents, monitoring and disturbance.

The **Water Extraction Management Plan** – This report is to the state government water regulator, the Western Australian 'Water Corporation'. The report comprises water efficiency and water usage reduction activities.

The Annual Groundwater Monitoring Review – This report provides information on water 'abstraction', including monitoring, compliance and impact assessment.

Federal Government (Commonwealth of Australia)

National Pollution Inventory – This is a report to the Australian federal government and provides data on use of classified 'priority' substances (26 identified in the 2017 report) as well as control measures and any improvements. A summary is publicly available[3].

National Greenhouse and Energy Reporting - This is report to the Australian federal government on company information about greenhouse gas emissions, energy production, energy consumption and related information.[4]

Environment events and achievements

St Barbara's Leonora operations won Gold and Platinum 'Waterwise Business' awards in 2013 and 2014 for water conservation from the Western Australian 'Water Corporation', as well as 'Golden Gecko' certificates of merit in 2009 and 2015, see: St Barbara Sustainability Awards.

At **Simberi (PNG)** the environment team has four full time qualified staff, an extensive nursery to support revegetation of finished mining areas, supported by landowner companies and casuals from the local community as required. Key recent initiatives include:

- Ongoing investment in site rehabilitation and closure preparation, including disposal of site scrap metal and tree planting of waste dumps and disused mining areas.
- An ongoing investment in hydrology monitoring and management program. This included construction of permanent water monitoring infrastructure at key stream and catchment locations, automatic weather monitoring stations and also includes daily monitoring schedules and awareness programs with Island communities.
- The environment team manages a long established and effective grievance resolution process, in conjunction with the Community Relations office.
- The exploration team manages a similar grievance resolution function to support communities impacted by exploration activities in the Tabar Island Group.

The Group's **performance on environmental metrics** is published in the Performance Data section of this report.

1 Available on our website here, from 2008 to 2016, and on the regulator's website here from 2013 to present.
2 Available on our website here, from 2008 to 2016, and on the regulator's website here from 2013 to present.
3 A summary is available at the regulator's website here.
4 The Company 2017 report and summary of previous years is available here

Waste: Tailings and waste rock

Gold mining generates two bulk waste products: process tailings and waste rock.

Tailings

The Group manages tailings according to strict regulatory requirements with engineered and audited solutions at both mines.

Gwalia

Tailings Storage Facility

The Gwalia tailings storage facility (TSF) was designed by a leading specialist engineering firm to comply with Western Australian regulatory requirements. It is inspected annually by an external firm. Other engineered risk-prevention methods include telemetry, piezometers, freeboard monitoring and chemical testing, all reported q to the regulator in compliance with legal requirements.

The TSF is an isolated and elevated shallow pond, entirely separate to natural water catchments. The wide, arid, desert environment makes a permanent storage structure of this style extremely reliable.

Underground Tailings Storage

Gwalia's tailings are themselves mined to provide suitable aggregate material for use in cement (paste-fill) to fill underground mining voids. In 2018, approximately 70% of Gwalia's tailings were deposited permanently underground by this method. This also prolongs the life of the existing TSF, by creating space for the deposit of new tailings.

Simberi

Tailings at Simberi are disposed by deep-sea tailings deposition (DSTP). The discharge point is 135 metres below sea level and 300 metres offshore. The discharged heavier-than-water 'thickened' tailings deposit over a continental shelf to rest approximately three kilometres deep on the ocean floor. The tailings themselves are benign. The system was designed and built by a leading specialist engineering firm to what is generally recognised to be a leading risk standard.

The Group conducts monthly testing of the marine environment at multiple locations around the island. Results are reported to the regulators and the Simberi Island communities. The tailings pipeline is regularly inspected by divers, and periodically by deep sea robotic submersibles.

The Simberi mine has no other safe tailings disposal/ treatment option. Pond type tailings storage facilities (such as at Gwalia) are inappropriate due to tropical rainfall and the high potential for earthquakes in the area. The proximity to extremely deep water makes tailings management of this type uniquely low impact and low risk to the environment and local communities.

Targets and Progress

The Group does not have (and does not propose to have) tailings volume reduction targets beyond organic economic incentives, however, the Group seeks to avoid or minimise all environmental impacts, as well as to comply with the related strict regulations and licence obligations in place at both mines.

Waste Rock

The Group manages waste rock according to strict regulatory conditions at both mines.

Gwalia

Waste rock is presently deposited in the historic Gwalia open-pit, excavated by mining in the 1980s. This assists with rehabilitation obligations, reducing future closure costs. Since 2015, where possible the Group has deposited waste rock directly in underground voids, generally in conjunction with paste-fill.

'Paste Aggregate Fill' Underground waste rock crushing

The Group is building underground infrastructure to allow permanent underground storage of 100% of waste rock. This involves underground crushing (equipment circuit pictured above) and mixing with paste-fill piped down from surface. This is due for completion in the December 2018 quarter.

Simberi

Simberi waste rock is deposited into licenced 'dumps' in valleys on the mining lease adjacent to the mining pits.

All dumps have been built to civil engineered designs, reviewed and approved by PNG government environment department auditors.

All the water catchments in the Simberi mining area are fully within the mining lease with engineered drainage, ensuring any erosion does not impact neighbouring communities.

Targets and progress

The Group targets 100% of waste rock to be disposed of via licenced and controlled solutions. The Group does not have (and does not propose to have) waste rock volume reduction targets, as waste rock in open pit mines is determined by safety requirements of in-pit wall angles and access roads.

Other categories of waste

Data and commentary on several other categories of waste relating to the Gwalia mine is available in publicly available 'Annual Environment Reports'[1].

Water

The Group has low risk with regard to water at its mines.

Gwalia

Gwalia has negligible water security risk as it is not in competition with domestic or agricultural water users. Gwalia is located in a desert region with no natural potable water sources. There is an abundance of non-potable saline water sources, which are not suitable for domestic or agricultural use.

The mine participates in two types of water regulation.

'Town' or 'scheme' potable water (water extracted from non-potable saline sources by the municipal authorities and treated by them to a potable standard) is used in the mining accommodation camp and other domestic type situations and makes up less than 2.5% of overall mine water usage.

The mine works closely with the relevant water regulator and local government on 'town' water usage. This has included voluntarily participating in a second five year 'WEMP' (water efficiency management plan[2]). The plan involves minimising water usage and early detection of leaks and a self-selected target based on projected usage and planned efficiencies.

The Group itself extracts non-potable ground water from saline 'bore' sources, as well as from deep parts of the mine. The Gwalia mine is a net producer of saline water and uses less than a quarter of its regulated 'non-potable' saline water allocations[3]. Much of this water is treated to a near potable standard by the Group's own treatment plants for use in processing applications.

The Group won two WaterWise Business Awards from the Water Corporation, Western Australian in 2012 and 2013 for excellence in water usage reduction, including a 35% reduction in total water usage.

Simberi

Potable water at Simberi is abundant due to the high rainfall typical of tropical maritime regions, greater than 4 metres per year.

For commercial reasons, the Simberi mine utilises various water efficiency techniques, recycling almost all process water.

Targets and progress

The business essential water usage at Gwalia is from saline non-potable groundwater sources and is not in competition with any other user. Less than 25% of the permitted water entitlement is used by the mine. The Group works closely with regulators and local government on an ongoing basis regarding potable 'town' water usage (less than 2.5% of total mine usage).

The Simberi mine is currently expected to close in 2021. The mine's use of water does not impact the community or the environment due to the very high rainfall associated with the tropical climate.

1 Available on our website here, from 2008 to 2016, and on the regulator's website here from 2013 to present.

2 Western Australian Water Regulator website concerning its WEMP program for major water users

3 Refer Performance Data section of this report

Climate Change

St Barbara acknowledges the Paris 2015 UNFCCC agreement and seeks to make it relevant to the Group as detailed in this section.

St Barbara seeks to:

- limit absolute emissions,
- use carbon based fuels more efficiently, and
- protect the business from the effects of already occurring climate change and future climate change impacts.

Gwalia: greenhouse gas emissions – current performance and future trends

Greenhouse gas emissions intensity on a production and revenue basis at the Gwalia mine have trended downwards in recent years. This is due to ongoing improvement in operational performance as well as key efficiency innovations.

In 2015 an ‘adsorption chiller plant’ was built and commissioned at Gwalia, a world-first application for a mine. The chiller plant uses waste heat from the power plant, and replaced a traditional ammonia refrigeration plant, saving an estimated 4,000 to 5,000 tonnes of CO_2 per year. The $5.5 million purchase and construction price of the chiller plant was repaid in power savings within 2 years.

A further adsorption chiller plant is planned for construction in 2019 as part of the Gwalia extension project (GEP, see below), with plans and procurement already well advanced.

Emissions are likely to increase over time at Gwalia. The depth of mining increases by approximately 40 metres each year. In general, this increases the demands on ventilation and the distance trucks must travel.

In addition, it is anticipated that the mined grade will gradually reduce as the mine gets deeper.

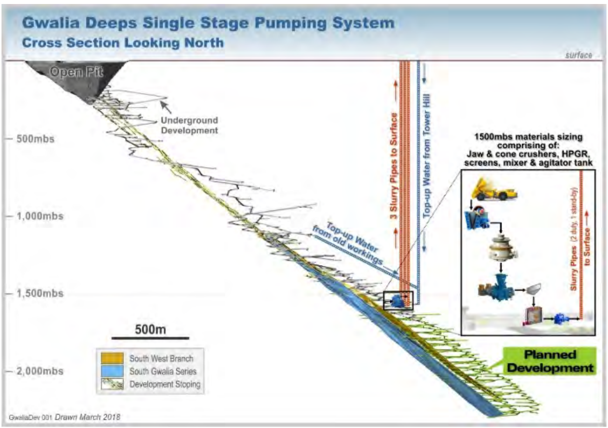
The Group is seeking to manage costs of production and contain the increase in emissions intensity by continuing to implement innovative projects as well as by incremental efficiencies.

GEP – Gwalia Extension Project

The Group is currently engaged in building various items of infrastructure that will reduce costs and increase mine-life. ‘GEP’ includes additional power generation, ventilation and cooling, as well as the ‘paste-aggregate-fill’ (PAF) underground crushing and mixing infrastructure.

GMX – Gwalia Mass Extraction

The Group is currently engaged in a program of linked studies to extend the life of the Gwalia mine to 2031 entitled ‘GMX’. The central innovation of this study involves installation of underground crushing and grinding of mined ore, mixing this with hyper-saline water (already present via leakage from the water table), then pumping it to surface as a slurry (‘slurry pumping’ or ‘hydraulic hoisting’).



Gwalia Mass Extraction, illustration of possible pumping system, reproduced from FY18 Financial Results Presentation.

Approximately 25% of Gwalia’s greenhouse gas emissions in FY16 to FY18 come directly from diesel emissions related to haulage of ore and waste to surface. A further 40% of emissions are related to the operation of ventilation and cooling required to maintain safe operating conditions underground, with high powered trucks and mining equipment contributing to this via emitting heat and exhaust.

The ‘PAF’ initiative and the ‘GMX’ slurry pumping solution, together, are anticipated to eliminate the need for truck haulage to surface (which is accomplished via an 11 km winding tunnel or ‘decline’). This will reduce emission intensity via allowing more productive use of ventilation and cooling.

Simberi greenhouse gas emissions – current performance and future trends

Greenhouse gas emission intensity at Simberi has improved over the last five years due to the improvements in production at that site.

An important contributor to emission efficiency at Simberi is the **Aerial Rope Conveyor** (or ‘Ropecon’). This conveyor stretches nearly 4 kilometres from the mining areas to the processing plant over rugged terrain and utilises gravity as a power source. When fully loaded the Ropecon contributes power to the Simberi grid and is a net contributor overall. Maximising usage of the Ropecon has a strong impact therefore on greenhouse gas emissions at Simberi. The Ropecon saved approximately 7,000 tonnes of CO_2 in each of FY17 and in FY18 compared to conventional trucking.

Climate Change Risk Management

The Group's climate change risk management is incorporated into its 'enterprise wide risk management framework' and is informed by the relevant guidelines provided by the Taskforce for Climate-related Financial Disclosure (TCFD)[1].

Three general areas of climate change risk have been identified and have associated management plans, summarised below**:**

- The vulnerability of our operations to physical risks such as changes in sea level ('chronic') and changed or increased weather events ('acute')
- The risk of increased energy costs through the implementation of a carbon trading scheme, carbon tax or similar regulatory instrument
- The long term vulnerability of our margins to climate change related macro-economic 'market' factors.

The risk associated with extreme weather events, such as might occur in a two degree Celsius warming scenario[2] is considered significant but manageable.

The Group's main source of revenue, the Gwalia mine in Leonora, Western Australia, experienced three 'high rainfall events' (associated with tropical depressions) in the three years of this report (March 2015, January and March 2017), with minimal economic impact. Extreme heat experienced in summer months is normal in Western Australia and its impact is included in operational forecasts and budgets.

The Simberi mine processing and logistics infrastructure is situated adjacent to the ocean and could prove vulnerable to future changes in sea level or changes to weather patterns. Simberi has not been impacted by extreme weather events during St Barbara's ownership.

The Group's management strategy for market and regulatory risk focuses on maintaining strong margins able to absorb cost increases, through:

- Controlling key carbon costs to the extent practicable through long-term agreements for natural gas supply (for Gwalia) and fuel hedging (for Simberi)
- A program of investment in mining infrastructure projects and related studies that reduce costs and emissions.

Targets

The Group is considering greenhouse gas reduction targets for future adoption, including consideration of guidance provided by the Science Based Targets Initiative (SBTI)[3].

An important enabler for consideration of targets is a study currently underway to model emissions at the Leonora operations after new infrastructure (comprising the current 'Gwalia Extension Project' and the planned 'Gwalia Mass Extraction project') are completed.

1 [Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures]

2 The upper temperature-increase threshold identified in the UN Paris Agreement 2015

3 https://sciencebasedtargets.org/

Performance Data

		Notes	FY16	FY17	FY18	Target
Governance & Economic Performance						
Governance						
Governance performance reported in Annual Report and Corporate Governance Statement (CGS).			Annual Report	Annual Report	Annual Report	
Selected key indicator of Governance Performance:			CGS	CGS	CGS	
Compliance with ASX Corporate Governance Council Principles and Recommendations		1	100%	100%	100%	100%
Political Donations (A$)			$0	$0	$0	$0
Payments to Peak Bodies (A$M)		2	$0.2 M	$0.2 M	$0.3 M	n/a
Economic Performance						
Economic performance reported in Annual Report.			Annual Report	Annual Report	Annual Report	
Selected key indicator of Economic Performance:						
Earnings per share (basic, underlying)			$0.34	$0.32	$0.39	n/a

		Notes	FY16	FY17	FY18	Target
People						
Diversity –reported in Corporate Governance Statement						
Diversity performance reported in Corporate Governance Statement.			CGS	CGS	CGS	
Selected key indicator of Diversity Performance:						
Proportion of women employed (Australia)			23%	21%	24%	30% by 2022
Indigenous Employees at Leonora Operations			1.1%	3.1%	3.6%	5% by 2020
Overall Gender Pay Gap		3	16%	14%	14%	8% by 2022
Nil gender pay gap for 'like-for-like' roles		4	nil	nil	nil	maintain nil
Employee and Contractor numbers						
Australia	Employees		198	219	229	n/a
	Contractors		327	326	397	
	Total		525	545	626	
Papua New Guinea	Employees		724	747	762	
	Contractors		383	391	483	
	Total		1,107	1,138	1,245	
Total	Employees		922	966	991	
	Contractors		710	717	880	
	Total		1,632	1,683	1,871	
PNG employment participation						
Nationality	PNG - Simberi and local islanders		56%	55%	56%	
	PNG - Other		41%	41%	42%	
	Non - PNG (expatriates)		3%	4%	2%	Remain under 5%

1 Compliance, or satisfactory disclosure of alternative governance practices adopted in lieu of a recommendation, as prescribed under the ASX Corporate Governance Council Principles and Recommendations (3rd edition).

2 Comprises Minerals Council Australia, Chamber of Minerals and Energy Western Australia and (from FY18) Gold Industry Group. Excludes where company pays professional service fees and employee memberships (for CME WA).

3 The 'Overall Gender Pay Gap' is calculated according to the WGEA guidelines (www.wgea.gov.au), and represents the difference between the average pay for all male employees and the average pay for all female employees across the whole organisation.

4 The 'like for like' gender pay gap measures the difference in base salary over the year between male and female employees in comparable roles.

	Notes	FY16	FY17	FY18	Target
People (continued)					
Employee turnover					
Australia		8.1%	8.8%	7.2%	Remain under benchmark
Australia Mining average for comparison	1	11.2%	9.6%	9.8%	
Papua New Guinea		5.5%	7.4%	7.0%	
Total turnover		7.0%	7.7%	7.0%	
Maternity/Paternity leave, return to work, last 3 years total		**Total 3 years FY16 to FY18**			
		# took parental leave	**% returned to work**	**% retained 12 months after returning**	**Target % returned to work by 2022**
Australia %, # maternity leave		9	100%	80%	80%
Australia %, # paternity leave		23	100%	91%	80%
PNG %, # maternity leave		25	96%	78%	80%
PNG %, # paternity leave,			No data		No target
Overall		57	98%	84%	
Employee Training & Development hours p.a.	2	**FY16**	**FY17**	**FY18**	
Australia overall		21	34	25	Target under consideration
Australia: Women		15	31	24	
Australia: Men		22	35	25	
Papua New Guinea overall		47	26	30	
PNG: Women		67	34	38	
PNG: Men		44	25	29	
Overall		41	28	29	
Overall women		50	33	33	
Overall men		40	27	28	
Employee engagement survey					
% of employees who responded	3	82%	78%	83%	70%
% favourable responses	4	73%	79%	83%	80%
Performance and development reviews, % of employees receiving					
Australia %		100%	100%	100%	100%
PNG% management and supervisory staff		100%	100%	100%	100%
PNG% overall	5	Insufficient data		16%	No target
Overall%		Insufficient data		35%	No target
Economic contribution					
Taxes/Duties paid (excluding company income tax & employee salary taxes)	A$M				
Australia		2.0	2.2	4.4	n/a
Papua New Guinea		0.4	0.5	0.5	
Total taxes / duties paid		2.4	2.6	4.9	

1 The Mackie 'RITA' Report – July figures. RITA report has 25 Australian Resource industry companies participating. 'Turnover' is voluntary employment moves only. Only direct employees measured.
2 Does not include Study Assistance, Study leave hours and contains an approximate consideration for annual hours spent in online compliance training.
3 Target = top quartile of participation observed by external survey provider
4 Target = top quartile of participation observed by external survey provider
5 FY18 figures represents number involved in the performance management system

	Notes	FY16	FY17	FY18	Target
Income tax paid	A$M				
Australia	1	0	0	40	n/a
Papua New Guinea	2	0	0	0	
Total Group income tax paid		0	0	40	
Wage/Salary taxes (paid by Group on behalf of direct employees)	A$M				
Australia		11	11	13	n/a
Papua New Guinea		5	7	7	
Total		16	18	20	
Royalties paid to gov't and communities (excluding corporate royalties)	A$M				
Australia		11	11	11	n/a
Papua New Guinea		4	4	5	
Total royalties paid		15	15	16	
Total taxation and royalties (excluding corporate royalties)	A$M				
Australia		24	24	68	n/a
Papua New Guinea		10	12	12	
Total		34	36	81	
Total as % of Net Profit After Tax		20%	23%	36%	
Community Expenditure	A$M				
PNG community expenditure	3	1.5	1.4	1.7	n/a
PNG expenditure with Landowner associated companies	4	6.3	7.6	7.2	
Australian sponsorships, in kind support		0.1	0.1	0.1	
Health and Safety					
Total recordable injury frequency rate (TRIFR)	5				**Target**
Australia		3.9	1.8	4.8	2.6
Papua New Guinea		1.3	0.8	1.2	1.4
Total		2.1	1.0	2.1	1.8
Recordable injuries					
Australia		4	2	6	3
Papua New Guinea		4	2	3	4
Total		8	4	9	7
Lost time injury frequency rate (LTIFR, 'serious injury rate', not used in Group targets, provided for information)	6				
Australia		1.0	0	0	N/A
Papua New Guinea		0.8	0.8	0.8	
Total (includes exploration)		0.8	0.5	0.5	
Benchmark (Underground mines, Western Australia)	7	2.1	2.6	2.9	
Fatalities					
Australia		0	0	0	0
Papua New Guinea		0	0	0	0
Total		0	0	0	0

1 The Group applied previous tax losses to reduce tax payable until 2017. The Group commenced paying income tax in 2018.
2 The Company has accumulated tax losses in PNG, which have been applied to reduce tax paid during the reporting period.
3 Cost of Community Clinic and support functions. Converted from US$ at exchange rates shown at the end of the Performance Data table.
4 Converted from PGK to A$ at exchange rates shown at the end of the Performance Data table.
5 Historical rolling 12 months recordable injuries per million hours worked.
6 Historical rolling 12 months lost time injuries per million hours worked.
7 http://www.dmp.wa.gov.au/Safety/Safety-statistics-16198.aspx

	Notes	FY16	FY17	FY18	Target
Health and Safety Fines & Penalties					
Australia		0	0	0	0
Papua New Guinea		0	0	0	0
Total		0	0	0	0
Environment	1				
Total Incidents	2				
Australia		10	10	10	No target
Papua New Guinea		21	22	29	
Reportable Incidents	3				
Australia		3	2	2	No target
Papua New Guinea		1	5	8	
Significant Incidents	4				
Australia		0	0	0	0
Papua New Guinea		0	0	0	0
Environmental Fines & Penalties					
Australia		0	0	0	0
Papua New Guinea		0	0	0	0
Total		0	0	0	0
Water use (Leonora Western Australia) mega litres (Ml)					
Potable	5	19	20	20	20
Non-potable	6	1,107	1,140	1,032	Below allocation
Allocation % Utilised		25%	25%	23%	
Absolute GHG Emissions Australia kilo tonnes (kt) CO_2					
Scope 1 emissions	7	66	62	61	Target under consideration
Scope 2 emissions	8	1	1	1	
Absolute GHG Emissions PNG[9] kilo tonnes (kt) CO_2					
Scope 1 emissions		65	79	74	
Scope 2 emissions		0	0	0	

1 2018 GHG, water and energy usage data is based on management reports. Final external reporting for NPI and NGERS (National Pollutant Inventory & National Greenhouse Emissions Reporting Standard – Federal Australian government reporting obligations) had not been finalised as at the date of this report and may vary.

2 Incidents are categorised via St Barbara Environment Incident Categorisation risk matrix as to their potential and actual environmental impact. The consequence component of this matrix is shown below. 'Total' incidents include all types of incident except 'insignificant', i.e. Minor, Moderate, Major, Critical.

Insignificant	Minor	Moderate	Major	Critical
Very low environmental impact (e.g.: localised spill)	Reversible environmental impact, immediately contained	Reversible environmental harm extending beyond site boundary, immediately contained.	Widespread environmental impact, not immediately contained.	Widespread irreversible environmental harm.

3 A reportable incident is where a licence or regulatory condition requires certain events to be reported. Typically, any environmental incident that impacts beyond the mine lease borders must be reported. Some events within the mine boundary must also be reported, for instance, discovery of certain hazardous materials in landfill. Relatively low impact environmental events can therefore sometimes be reportable.

4 Incidents are categorised via a risk matrix as to their potential and actual environmental impact. The consequence component of this matrix is shown in note 2 above. 'Significant' incidents include 'Major' and 'Critical' incidents.

5 Leonora only, potable water usage is measured versus an annual self-selected then approved target. Simberi is in a high rainfall environment with normal rain activity (>4m p.a.) typically in excess of community requirements. The operation nevertheless has a strong commercial focus on process water recycling and potable water usage minimisation.

6 Non-potable water at Leonora is usually saline, unfit for domestic or agricultural use and comes from bore holes or is pumped from the underground mine. The mine has an allocation associated with earlier operations.

7 2018 is estimate only pending formal NGERS report subsequent to this report

8 Australian office locations

9 Estimates from fuel & lubricants purchases

	Notes	FY16	FY17	FY18	Target
Absolute Energy Usage, tera joules (TJ)					
Australia, all sources	1	1,447	1,430	1,348	
PNG, all sources	2	1,037	1,263	1,189	
Production GHG Emissions Intensity – tons of CO_2 per ounce					
Gwalia, Australia, scope 1		0.24	0.24	0.23	
Simberi, PNG, scope 1		0.59	0.68	0.55	
Revenue GHG Emissions tons of CO_2 per $000 revenue					
Gwalia, Australia, all sources		0.15	0.14	0.13	
Simberi, PNG, all sources		0.38	0.39	0.33	
Consolidated GHG Emissions results					
Absolute GHG emissions (kt) CO2		131	142	136	
CO2 tons per A$ revenue		0.22	0.22	0.20	
CO2 tons per ounce		0.34	0.37	0.34	
Gwalia Tailings					
Absolute tons (dry, kt)		951	828	679	No target
# Leakage/spills to environment		0	0	0	0
% of tailings disposed according to licenced responsible methodologies		100%	100%	100%	100%
Simberi Tailings					
Absolute tons (dry, kt)		3,315	3,690	3,586	No target
# Leaks/spills to environment		0	0	0	0
% of tailings disposed according to licenced responsible methodologies		100%	100%	100%	100%
Gwalia waste rock – absolute and target					
Absolute tons (Mt)		0.2	0.3	0.3	No target
% stored furthering rehab obligations or underground		100%	100%	100%	100%
Simberi waste rock– absolute and target					
Absolute tons (Mt)		6.5	10.3	9.4	No target
% of tailings disposed according to licenced responsible methodologies		100%	100%	100%	100%

Foreign exchange rates

The Group uses Australian dollar presentation currency for reporting purposes. Financial figures are in Australian dollars unless otherwise stated. The following exchange rates (as used in previously published financial statements) have been applied where appropriate:			
A$ / US$ - average for year	0.7281	0.7539	0.7751
PGK / A$ - average for year	2.1167	2.3345	2.4995

1 2018 is estimate only pending formal NGERS report subsequent to this report
2 Estimate factor applied to generate total energy used from net energy used.

GRI Content Index

This table indicates how St Barbara has used the Global Reporting Initiative (GRI) sustainability reporting standards to guide its sustainability disclosures. St Barbara's sustainability disclosures comprise relevant sections of its:

- 2018 Annual Report (AR in table below),
- Corporate Governance Statement (GCS in table below) and
- website (www.stbarbara.com.au).

Sustainability reporting, as promoted by the GRI Standards, is an organisation's practice of reporting publicly on its economic, environmental, and/or social impacts, and its contributions – positive or negative – towards the goal of sustainable development.

St Barbara is a member of the UN Global Compact. The column to the furthest right provides additional guidance as to where to find CoP (Commentary on Progress) relevant discussion for the UNGC 10 principles.

General Disclosures

GRI Ref[1]	GRI Core[2]	Item	Disclosure	UNGC[3]
	●	**Organisational profile**		
102-1	●	Name of the organisation	St Barbara Limited	
102-2	●	Activities, brands, products, and services	Annual Report, Principal activities (p2)	
102-3	●	Location of headquarters	Annual Report, Registered Office (back cover)	
102-4	●	Location of operations	Annual Report, St Barbara at a glance (pii)	
102-5	●	Ownership	Annual Report, Shareholder information (p81-82)	
102-5	●	Legal form	St Barbara Limited is a public company incorporated in Australia and listed on the Australian Securities Exchange (ASX:SBM).	
102-6	●	Markets served	All gold bullion is sold to Australian registered financial institutions.	
102-7	●	Scale of the organisation	Annual Report, Directors' Report (p3)	
102-8	●	Information on employees and other workers	Sustainability Report, Performance Data	
102-9	●	Supply chain	Annual Report, Directors' Report (p3)	
102-10	●	Significant changes to the organisation and its supply chain	Annual Report, Directors' Report (p3)	
102-11	●	Precautionary Principle or approach	Environmental Policy	7
102-12	●	External initiatives	stbarbara.com.au/profile/recognition/	
102-13	●	Membership of associations	The Group maintains membership involvement in relevant business associations, resource sector specific associations, commodity specific associations, at local and national levels, including: Chamber of Minerals and Energy of Western Australia (CME WA) Minerals Council of Australia (MCA) Gold Industry Group (GIG) PNG Chamber of Mines and Petroleum	
		2. Strategy		
102-14	●	Statement from senior decision maker	Sustainability Report, Message from MD & CEO	

1 GRI disclosure standard, www.globalreporting.org
2 Disclosure required to comply with GRI Standards core reporting option, www.globalreporting.org
3 UN Global Compact Principle

GRI Ref[1]	GRI Core[2]	Item	Disclosure	UNGC[3]
102-15		Key impacts, risks, and opportunities	The Group's activities have various impacts upon the environment, neighbours and local communities. See for example regarding Leonora (annual emissions and environmental impact report): https://stbarbara.com.au/sustainability/our-environment/ Risks: Annual Report, Material business risks (p10) Opportunities: Annual Report, Business strategy and future prospects (p9)	8, 9
		3. Ethics and integrity		
102-16	●	Values, principles, standards, and norms of behaviour	Corporate Governance Statement, Principle 3: Act ethically and responsibly Code of Conduct, stbarbara.com.au/about_us/governance	
102-17		Mechanisms for advice and concerns about ethics	Board Charter, 6. Independent Advice, stbarbara.com.au/about_us/governance Whistleblower Policy, stbarbara.com.au/about_us/governance	10
		4. Governance		
102-18	●	Governance structure	Corporate Governance Statement, stbarbara.com.au/about_us/governance	10
102-19		Delegating authority	High level delegation set out in Board Charter. Detailed delegation not published externally.	
102-20		Executive level responsibility for economic, environmental, and social topics	Board and Committee Charters stbarbara.com.au/about_us/governance	
102-21		Consulting stakeholders on economic, environmental and social topics	Relationships and topics in general covered by licences and regulation. Participation with AMMA, CME, MCA other peak bodies on a variety of topics including economic, environmental, and social issues.	
102-22		Composition of the highest governance body and its committees	Corporate Governance Statement, Principle 2: Structure the Board to add value	
102-23		Chair of the highest governance body	Annual Report, Directors' Report (p2 and 13)	
102-24		Nominating and selecting the highest governance body	Constitution, https://stbarbara.com.au/about-us/governance/	
102-25		Conflicts of interest	Conflict of Interest and Related Parties Policy, stbarbara.com.au/about_us/governance	
102-26		Role of highest governance body in setting purpose, values, and strategy	Board charter stbarbara.com.au/about_us/governance	
102-27		Collective knowledge of highest governance body	Annual Report, Directors' Report (p13) Corporate Governance Statement, Principle 2: Structure the Board to add value	
102-28		Evaluating the highest governance body's performance	Board performance review, reported in Corporate Governance Statement, Principle 2: Structure the Board to add value	
102-29		Identifying and managing economic, environmental, and social impacts	Board and Committee Charters, Board Policies inc. Code of Conduct, Community Relations Policy, Diversity Policy, Environmental Policy, Health and Safety Policy, Risk Management Policy, all available at stbarbara.com.au/about_us/governance	
102-30		Effectiveness of risk management processes	Corporate Governance Statement, Principle 7: Recognise and manage risk	

GRI Ref[1]	GRI Core[2]	Item	Disclosure	UNGC[3]
102-31		Review of economic, environmental, and social topics	Economic topics are reviewed annually as part of the strategic planning process. Environmental and Social topics are reviewed regularly in the Health, Safety, Environment and Community Committee (HSEC) with broader reviews annually at Board level as part of strategic planning.	
102-32		Highest governance body's role in sustainability reporting	As per 102-31 above	
102-33		Communicating critical concerns	Group has clear hierarchy, role responsibility for communicating critical concerns and escalating where needed.	
102-34		Nature and total number of critical concerns	None in this or former reporting periods	
102-35		Remuneration policies	Annual Report, Remuneration report (p16-37)	
102-36		Process for determining remuneration	Annual Report, Remuneration report (p16-37)	
102-37		Stakeholders' involvement in remuneration	Annual Report, Remuneration report (p16-37)	
102-38		Annual total compensation ratio	Disclosure not required for GRI Core option	
102-39		Percentage increase in annual total compensation ratio	Disclosure not required for GRI Core option	
		5. Stakeholder engagement		
102-40	●	List of stakeholder groups	See page 6 of this report.	
102-41	●	Collective bargaining agreements	The Group respects employee rights to freedom of association and collective bargaining. The majority of Group employees are not covered by collective bargaining agreements. There have been no examples of significant industrial action in the reporting period.	3
102-42	●	Identifying and selecting stakeholders	The Group utilises in-house qualified and experienced (and where needed external) advisors and managers to manage government and community relations. The relevant departments have agreed mechanisms with executive management and the Board for managing and reporting on stakeholder engagement.	
102-43	●	Approach to stakeholder engagement	As per 102-42 above.	
102-44	●	Key topics and concerns raised	No general or significant concerns were noted in the reporting period.	
		6. Reporting practice		
102-45	●	Entities included in the consolidated financial statements	Annual Report, Note 17 Controlled Entities (p64)	
102-46	●	Defining report content and topic Boundaries	In general, matters relating to Health and Safety, Environment and Community.	
102-47	●	List of material topics	Sustainability Report, Material Topics and Boundaries	
102-48	●	Restatements of information	GHG emissions at Leonora & Simberi have been re-stated. At Leonora measurement process for GHG emissions each year concludes in October so an estimate is used in the Sustainability report. At Simberi, for this report, improved estimation methodology has been used.	
102-49	●	Changes in reporting	A number of changes have been made, in general increasing disclosure. See page 5.	
102-50	●	Reporting period	1 July 2017 to 30 June 2018.	
102-51	●	Date of most recent report	20 October 2017.	
102-52	●	Reporting cycle	Annual, released in conjunction with Annual Report	

GRI Ref[1]	GRI Core[2]	Item	Disclosure	UNGC[3]
102-53	●	Contact point for questions regarding the report	Company Secretary, company.secretary@stbarbara.com.au stbarbara.com.au/contact-us/contact-details/	
102-54	●	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.	
102-55	●	GRI content index	Sustainability Report, GRI content index.	
102-56	●	External assurance	This report has been reviewed by the Board. This report has been prepared in accordance with ASX Corporate Governance Council 'Corporate Governance Principle 5' to be 'factual, complete, balanced (disclosing both positive and negative information) and expressed in a clear and objective manner'. The Remuneration Report and Financial Report in the Annual Report is subject to independent external audit, the report on which appears in the Annual Report as the 'independent auditor's report' (p71-75). Certain other information is assured by external providers, as noted in this report.	

GRI Materiality Commentary

The Group has reported its identified material issues under the following headings:

- Governance & Economic Performance
- Health and Safety
- People
- Social and Communities
- Environment.

Detail is provided as to which topics are included.

Coverage of reported issues in the Sustainability Report is prioritised according to materiality. Not all standards, areas and topics are considered material, and have been excluded from this report because they have less impact on the Group and /or less impact by the Group than the issues that are included in the Report.

GRI Ref[1]	GRI Core met[2]	Item	Discussion	UNGC[3]
201	Yes	Economic Performance	The Group discloses the following material issues: 1. Direct Economic value generated 2. Financial implications and other risks and opportunities due to climate change The following issues are not considered material to the Group and are not disclosed: 3. The Group does not have exposure to defined benefit plans 4. The Group does not receive any financial assistance from government (other than generally available tax deductions)	10 7,8,9 10
		Mining &Metals Supplement area G4EC1	• Report countries of operation that are either candidate to or compliant with the Extractive Industries Transparency Initiative (EITI). – disclosed • Payments to local communities as part of land use agreements, not including land purchases. – disclosed, royalties, spending with local community companies.	
202	No	Market Presence, Mining & Metals Supplement area G4EC6	*In significant locations of operation, report proportion of the facility's total workforce from the local community*. – disclosed. This is a key requirement of PNG Government reporting so is considered material.	1, 6
205	No	Anti-corruption	The Group became a financial supporter of the PNG and International EITI and has provided information for the PNG EITI since the acquisition of the PNG operations in 2012. The Group has invested in anti-corruption efforts at all sites, including training, policies and procedures as well as related areas such as insider trading and conflict of interest. The Group has a whistle-blower service and investigation system. Detail regarding this is disclosed. This system has been evaluated via external audit but not within the reporting (3 year) period.	10
302	Yes	Energy	1. Energy Consumption within the organisation, - disclosed 2. Energy consumption outside the organisation – not disclosed 3. Energy Intensity, - disclosed 4. Reduction of Energy Consumption. – disclosed 5. Energy requirements of products and services – not disclosed Energy consumption outside the organisation (2) and Reductions in energy requirements of products and services (5) have not been reported on as they are inappropriate for a gold mining company.	7,8,9
303	Yes	Water	All topics are disclosed to the extent of topic relevance.	7,8,9

1 GRI disclosure standard, www.globalreporting.org
2 Disclosure required to comply with GRI Standards core reporting option, www.globalreporting.org
3 UN Global Compact Ten Principles, https://www.unglobalcompact.org/what-is-gc/mission/principles

GRI Ref[1]	GRI Core met[2]	Item	Discussion	UNGC[3]
305	Yes	Emissions	All topics 1-7 except 6 'Ozone depleting substances' are disclosed	7,8,9
		Mining &Metals Supplement area G4DMA	*Dust, Noise, Seismic*. Dust and noise are covered at Leonora by the Regulatory 'Annual Environment Report' which is disclosed here: https://stbarbara.com.au/sustainability/our-environment/ Neither Leonora Western Australia nor Simberi PNG have had stakeholder complaints on these issues in the period. For this and other reasons the area is considered of low materiality.	
		G4EN21	*NOX, SOX, Ambient air quality*. Broadly the Group considers this related to health and safety. Neither Leonora nor Simberi have had a stakeholder complaint on these issues in the period. For these and other reasons the area is considered of low materiality.	
306	Yes	Effluents and Waste	1. Water discharge – disclosed 2. Waste by type and disposal method – not disclosed here. Leonora Western Australia – several types of waste are covered in the Annual Environment Reports here: https://stbarbara.com.au/sustainability/our-environment/ 3. Significant spills – disclosed 4. Transport of Hazardous waste – not disclosed as this is not considered material due to the lack of significant transported hazardous waste. 5. Water bodies affected – disclosed	7,8,9
		Mining &Metals Supplement area G4DMA, MM3	*Waste rock and mine tailings* These topics are material and are disclosed.	
		G4EN23	Waste oil and various others- disclosed for Leonora Western Australia as per above separately in The Annual Environment Report here: https://stbarbara.com.au/sustainability/our-environment/	
307	Yes	Environmental Compliance	Disclosed	7,8,9
401	No	Employment	Disclosed: 1. Turnover is provided. Not disclosed: 2 & 3. Benefit Full time vs Part time/ temporary employees is not considered material. Parental leave is disclosed.	6
		Mining &Metals Supplement area G4DMA	*Application of policies to contractors.* Group OH&S policies apply equally to contractors. Group HR policies do not apply to contractors, however, the 'Code of Conduct' and all related policies (including Workplace Discrimination and Harassment Guideline) apply to contractors.	
403	Yes	Occupational Health and Safety (OH&S)	Disclosed: 2. Data concerning injuries 3. High risk of occupational disease Not disclosed: 1. Worker representation in formal HS committees and 4. HS topics in formal agreements with trade unions. Health and Safety in Australia & PNG is the subject of detailed government regulation put in place by democratic representative governments.	1,2

GRI Ref[1]	GRI Core met[2]	Item	Discussion	UNGC[3]
404	Yes	Training and Education	Average hours per year, and percentage of employees getting a performance and development review are disclosed.	1,2
405	Yes	Diversity and Equal Opportunity	All topics are disclosed. The focus in Australia is Gender and Indigenous diversity. In PNG the focus is on minimisation of expat labour, which is disclosed as a component of 413 and the Mining and Metals Supplement G4 DMA and MM5	6
413	No	Local Communities, Mining and Metals supplement - G4 DMA	'*Impact on local communities'* in the Mining and Metals supplement G4 DMA is excluded as a heading, but is disclosed under 'waste'. Benefits to the community in terms of initiatives is disclosed.	7,8,9
		MM6, MM7	MM6 'Disputes' and MM7 'Grievance Mechanisms' are disclosed .	1,2
		G4DMA	Emergency preparedness: Community aspects are disclosed in the 'Waste' section.	1,2
		Mining and Metals supplement - MM10	Number of sites with Closure plans. This is disclosed. 100% of Group sites have fully funded closure plans.	7
415	Yes	Public Policy	Political contributions are disclosed	10

Commentary on selected standards, areas and topics considered not to be material and excluded from this report:

202	-	Market Presence	The Group does not have a sufficient size and market power to have a material impact in this area.	-
		Mining &Metals Supplement area G4EC6:	*Proportion of senior management hired from the local community at significant locations of operation* - the Group holds that this area is not a material impact for the Group.	1, 6
203	-	Indirect Economic Impacts	The Group does not have a sufficient size and market power to have a material impact in this area.	10
204	-	Procurement Practices	The Group performs due diligence related to the sustainability performance of suppliers. The Group has an appropriate policy and detailed training for procurement specialists. However, given the Group's small size, with the large majority of its spend with large multinational conglomerates, this area is considered to be immaterial.	10
206	-	Anti-competitive behaviour	The Group does not have a sufficient size and market power to have a material impact in this area. Gold mining globally is not vulnerable to this type of market manipulation.	10
301	-	Materials	The Group's material environment impacts are not related to recyclable impacts. The Group pays third parties to recycle some waste products, notably waste oil, tyres and scrap metal.	7
		Mining &Metals Supplement area G4EN2:	*Percentage of materials used that are recycled input materials* - not disclosed. Tailings are used as an ingredient for underground void-filling concrete at Leonora, but in general this area is not material.	
304	-	Bio-diversity	The Group's mining operations are located in areas of low biodiversity characterised by pervasive long term human habitation.	7
		Mining &Metals Supplement area G4DMA, G4EN12, MM1 & 2:	*Disturbed land and other impacts* - Not disclosed as per above. Disturbed land area is tracked and reported to government in both Australia and PNG in regulatory annual environmental reports, see here: https://stbarbara.com.au/sustainability/our-environment/	
308	-	Supplier Environmental Assessment	The Group performs due diligence related to the sustainability performance of suppliers. The Group has an appropriate policy and detailed training for procurement specialists. However, given the Group's small size, with the large majority of its spend with large multinational conglomerates, this area is considered to be immaterial.	7

GRI Ref[1]	GRI Core met[2]	Item	Discussion	UNGC[3]
402	-	Labour management relations	Though important, the Group holds that this area is not a material impact for the Group. Employees at both our Australian and PNG mines have wages and conditions far exceeding the norm in those countries because of market factors (such as possession of in-demand skills and difficulties in attracting labour to remote locations).	3
		Mining and Metals supplement - MM4	*Number of strikes and lock-outs exceeding one week's duration* – Though also important, the Group holds this area to be of low materiality. No strikes or lock outs of this duration have occurred at any location in the Group's ownership in the period covered by this report.	
406	-	Non-Discrimination	The Group has appropriate anti-discrimination policies, annual training for managers and staff, a whistle-blower service, and in Australia, is a national award winner and recognised industry leader in gender diversity. Notwithstanding this, the Group holds that this area is not a material impact for the Group.	1,2
407	-	Freedom of association and collective bargaining	Though important, the Group holds that this area is not a material impact for the Group. Employees at both our Australian and PNG mines have wages and conditions far exceeding the norm in those countries because of market factors (in-demand skills and difficulties in attracting labour to remote locations). In PNG Labour relations with local employees are also regulated via mining licence type regulation where certain levels of local employment are mandated.	3
		Mining and Metals supplement	The *Freedom of Association* areas in the Mining and Metals supplement under 'Human Rights' are also excluded for the same reasons.	
408	-	Child Labour	Children are forbidden from entering (as well as working in) the Group's operations. The Group holds that this area is immaterial because the assessed risk of incidence is low.	5
409	-	Forced or Compulsory Labour	The Group holds that this area is immaterial, as the assessed risk of related issues is low.	4
410	-	Security Practices	The Group holds that this area is immaterial, as the assessed risk of related issues is low.	2
411	-	Rights of Indigenous Peoples	This area is considered immaterial. The Group has extensive procedures in place to ensure the rights of Indigenous peoples are not violated and has had no significant incidents during the reporting period and is therefore considered immaterial. The area is not considered material due to the established nature of the Groups operations, with mining activities confined to areas where mining has occurred for more than a 100 years at Gwalia Leonora WA and for 10 years at Simberi PNG.	2
		Mining and Metals supplement	MM5 *Operations adjacent to indigenous people's territories.* This area is considered immaterial for the same reasons. In Simberi PNG the local community is a party to a 'Memorandum of Agreement' along with different layers of government and the Group, in line with mining regulation.	2
412	-	Human Rights Assessment	The long term history of democratic liberal constitutional government in Australia and Papua New Guinea make these important issues of low materiality to the Group, in the sense that the assessed risk of related issues is low.	1,2
		Mining and Metals supplement	The *Human Rights* areas in the Mining and Metals supplement G4 DMA and MM5 are excluded also for the same reasons.	1,2
413	-	Local Communities	In Leonora, Western Australia, 'fly-in, fly-out' and centralised procurement functions, have reduced the economic relevance of the local community to the mine. In Papua New Guinea mining regulation mandates a high level of involvement. As a result, 1-2% of total costs of the Simberi mine are related to Community support functions, ~45% of the workforce lives locally, and 6% of total costs are spent with local suppliers and contractors. The Group reports on its employment of local community members, it's contracting with local community companies and its grievance/complaint function in this report.	1,2,3, 6

GRI Ref[1]	GRI Core met[2]	Item	Discussion	UNGC[3]
		Mining and Metals supplement - G4 DMA	‘*Impact on local communities’* in the Mining and Metals supplement G4 DMA is excluded as a heading, but is disclosed under ‘Waste’. Benefits to the community in terms of initiatives is disclosed.	7,8,9
		Mining and Metals supplement - MM8	*Artisanal and Small-scale Mining*: The Group has no mine sites that feature artisanal mining. The Leonora Western Australia mine is underground. The gold in Simberi ore can typically only be liberated by modern processing methods.	1,2
		Mining and Metals supplement – MM9	*Resettlements* – The Group has no mine sites with significant resettlements.	1,2
414	-	Supplier social assessment	The Group has invested considerably in due diligence related to the Sustainability performance of suppliers, with design of an appropriate policy and detailed training for procurement specialists. However, given the Group’s small size, with the vast majority of its spend with large multinational conglomerates (or in the case of Simberi with known local community firms), this area is considered to be immaterial.	All
416	-	Customer Health and Safety	This area is considered to be immaterial.	1,2
417	-	Marketing and Labelling	This area is considered to be immaterial.	1,2
418	-	Customer Privacy	This area is considered to be immaterial.	1,2
419	-	Socio-economic Compliance	All environmental and safety related penalties are disclosed (inclusive of G4 SO8 in the Mining and Metals supplement).	1,2,7

UN Global Compact - Communication on Progress

In this section, we describe our integration of Global Compact principles into our business strategy, culture and daily operations.

Issue Area	Global Compact Principle	Implementation and measurement
Human Rights	**Principle 1 -** Businesses should support and respect the protection of internationally proclaimed human rights **Principle 2 -** Businesses should make sure that they are not complicit in human rights abuses	Company policies and charters, especially: • Code of Conduct • Community Relations Policy • Health and Safety Policy 2018 Sustainability Report [this document] 'Health and Safety', 'Social and Communities' sections and related data table components
Labour	**Principle 3 -** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining **Principle 4 -** Businesses should uphold the elimination of all forms of forced and compulsory labour **Principle 5 -** Businesses should uphold the effective abolition of child labour **Principle 6 -** Businesses should uphold the elimination of discrimination in respect of employment and occupation	Company policies and charters, especially: • Code of Conduct • Diversity and Inclusion Policy • Equal Opportunity Policy • Health and Safety Policy 2018 Sustainability Report [this document] 'People' and related data table components.
Environmental	**Principle 7 -** Businesses should support a precautionary approach to environmental challenges **Principle 8 -** Businesses should undertake initiatives to promote greater environmental responsibility **Principle 9 -** Businesses should encourage the development and diffusion of environmentally friendly technologies	Company policies and charters, especially: • Environment Policy 2018 Sustainability Report [this document] 'Environment' section (sub-sections, 'Waste', 'Climate Change' and 'Water'.
Anti-Corruption	**Principle 10** Businesses should work against corruption in all its forms, including extortion and bribery	Company policies and charters, especially: • Anti-Bribery and Corruption Policy • Audit and Risk committee charter • Code of Conduct • Conflict of Interest and Related Parties Policy • Donations, Sponsorships, Community Programs Policy • Whistleblower Policy 2018 Sustainability Report [this document] 'Governance' section and related 'Governance and Economic results' data table component

Glossary	ref	
Annual Report / AR		St Barbara Limited Annual Report 2018
CDP		Carbon Disclosure Project, www.cdp.net/en
Climate Change	1	"a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods."
CGS / Corporate Governance Statement		St Barbara Limited ASX Appendix 4G and Corporate Governance Statement 2018
EITI		Extractive Industries Transparency Initiative, https://eiti.org/
ESG		Environmental, social, governance
GHG		Green-house gas
GRI		Global Reporting Initiative, www.globalreporting.org
material topic	2	"topic that reflects a reporting organisation's significant economic, environmental and social impacts; or that substantively influences the assessments and decisions of stakeholders"
MCA		Minerals Council of Australia, www.minerals.org.au/
NGO		non-governmental organisation
stakeholder	2	"entity or individual that can reasonably be expected to be significantly affected by the reporting organisation's activities, products and services, or whose actions can reasonably be expected to affect the ability of the organisation to successfully implement its strategies and achieve its objectives " Note 1: Stakeholders include entities or individuals whose rights under law or international conventions provide them with legitimate claims vis-à-vis the organisation. Note 2: Stakeholders can include those who are invested in the organisation (such as employees and shareholders), as well as those who have other relationships to the organisation (such as other workers who are not employees, suppliers, vulnerable groups, local communities, and NGOs or other civil society organisations, among others).
sustainability / sustainable development	2	"development that meets the needs of the present without compromising the ability of future generations to meet their own needs" Note 1: Sustainable development encompasses three dimensions: economic, environmental and social. Note 2: Sustainable development refers to broader environmental and societal interests, rather than to the interests of specific organisations. Note 3: In the GRI Standards, the terms 'sustainability' and 'sustainable development' are used interchangeably.
Sustainability Report		This report.
TCFD		Task Force on Climate-related Financial Disclosures, https://www.fsb-tcfd.org/
UNGC		United Nations Global Compact, www.unglobalcompact.org/

1 United Nations Framework Convention on Climate Change, 1992 https://unfccc.int/files/essential_background/background_publications_htmlpdf/application/pdf/conveng.pdf

2 Definitions from GRI Standards Glossary 2016, www.globalreporting.org

Contributors

This Sustainability Report encompasses all aspects of the Group. Its preparation involves a diverse range of people whose contribution is acknowledged below (in alphabetical order).

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K J Gleeson	Non-Executive Director
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