

EL GALLO | PROJECT FENIX



Environmental and Social
Commitment

ESG REPORT
2023





Contents



PRESENTATION	4
Message from Rob McEwen	6
Message from Adrián Blanco	8
Message from Santiago Grande	9
About this Report	10
Independent Verification	11
KEY ASPECTS	12
McEwen Mining	14
Portfolio of Projects and Operations	16
Compañía Minera Pangea	18
OUR RESPONSIBLE APPROACH	22
Vision and Commitment	23
Key Sustainability Strategies	24
Materiality 2024	26
SAFETY OF OUR TEAM	30
Health and Safety System	32
Compliance with Mexican and International Standards	34
Safety Committees and Brigades	35
Health and Safety Training	36
Safety Tools and Protocols	37
Occupational Health	38
Accidents and Incidents	41
ENVIRONMENTAL COMMITMENT	42
Message from Hernan Beltran	44
Environmental Compliance	45
Risk Management	45



Environmental Reclamation	46
Materials Used	47
Energy	48
Water	50
Biodiversity	54

COMMUNITY COMMITMENT 58

Developing Communities	60
Community Projects 2023	62
Volunteering and Donations	68
2023 Outcomes	68

TEAM IN ACTION 70

Employment	72
Compensation and Benefits	74
Team Development	75
Workplace Well-being	76
Human Rights, Diversity, Equity and Equality	76

PROJECT FENIX UPDATE 78

RESPONSIBLE GOVERNANCE 82

Corporate Governance	84
Sustainability Management	85
Ethics and Integrity	86
Responsible Supply Chain Management	87
Stakeholder Engagement	88

ECONOMIC PERFORMANCE 90

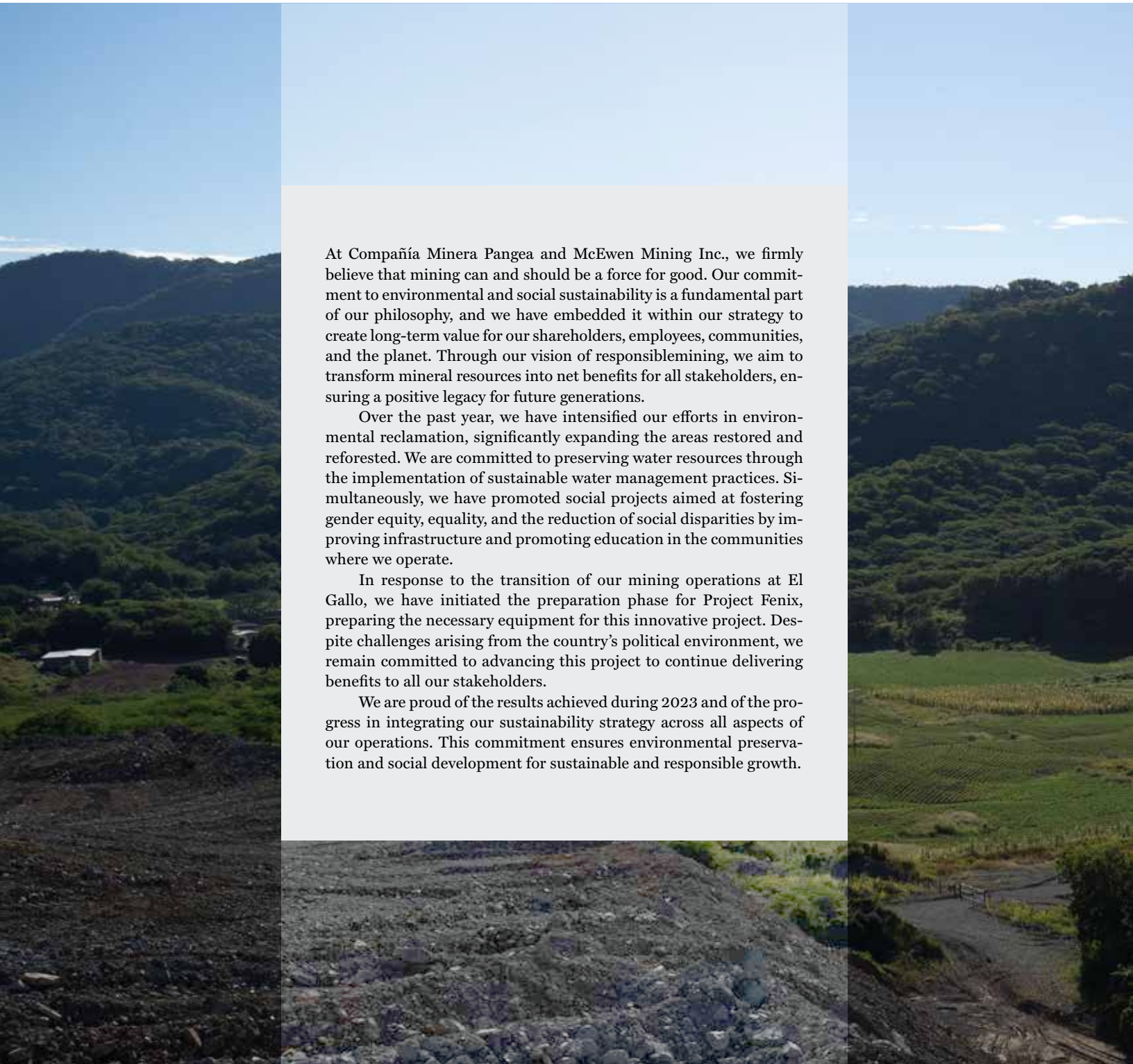
Message from Alejandro Morales	92
Economic Context	94
Economic Value Generated and Distributed Economic	95
Tax Compliance	95
Pangea Laboratory	96
Memberships	97

Indexes	98
----------------	-----------

Cautionary Statement	108
-----------------------------	------------

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

PRESENTATION



At Compañía Minera Pangea and McEwen Mining Inc., we firmly believe that mining can and should be a force for good. Our commitment to environmental and social sustainability is a fundamental part of our philosophy, and we have embedded it within our strategy to create long-term value for our shareholders, employees, communities, and the planet. Through our vision of responsible mining, we aim to transform mineral resources into net benefits for all stakeholders, ensuring a positive legacy for future generations.

Over the past year, we have intensified our efforts in environmental reclamation, significantly expanding the areas restored and reforested. We are committed to preserving water resources through the implementation of sustainable water management practices. Simultaneously, we have promoted social projects aimed at fostering gender equity, equality, and the reduction of social disparities by improving infrastructure and promoting education in the communities where we operate.

In response to the transition of our mining operations at El Gallo, we have initiated the preparation phase for Project Fenix, preparing the necessary equipment for this innovative project. Despite challenges arising from the country’s political environment, we remain committed to advancing this project to continue delivering benefits to all our stakeholders.

We are proud of the results achieved during 2023 and of the progress in integrating our sustainability strategy across all aspects of our operations. This commitment ensures environmental preservation and social development for sustainable and responsible growth.

2023 REPORTE DE SOSTENIBILIDAD





We are committed to
being environmentally
sensitive and
through our actions
demonstrating that we
are working to improve
the perception of
mining.

Message from Rob McEwen



Dear Readers:

I am pleased to share with you the 2023 sustainability report for Minera Pangea, a subsidiary of McEwen Mining. This year, we have focused on strengthening the pillars of responsible and sustainable mining, with priorities in environmental restoration, employee safety, and community support.

In 2023, we dedicated significant resources to reforestation projects aimed at regenerating the natural environment. Through these initiatives, we strive to restore ecosystems and enhance local biodiversity, ensuring that our actions have a positive long-term impact on the environment.

The safety of our employees is an ongoing top priority. We have continuously improved our safety protocols and provided the necessary training to ensure that all workers operate in a secure environment. We firmly believe that a safe and protected team is essential to the sustainable success of our operations.

We have also strengthened our engagement with local communities. From educational programs to initiatives that improve quality of life, our goal is to be a reliable partner in the social and economic development of the regions where we operate.

Looking ahead, we are exploring new opportunities that will further reinforce our commitment to sustainability, safety, and community support. While we wait patiently for government permit approval, no new projects have been officially launched yet. Mining provides the materials that are the foundation of the modern world, without which we would return to the stone age. We are committed to being environmentally sensitive and through our actions demonstrating that we are working to improve the perception of mining.

Striving to be transparent.

Rob McEwen
Chairman and Chief Owner
McEwen Mining Inc

■ Rob

is the Chairman and Chief Owner of McEwen Mining. He has dedicated his entire career to the gold industry with his first 18 years in the investment industry and as CEO of various gold mining companies since 1990.



FROM MILLIONS
TO BILLIONS

Rob founded Goldcorp, taking the Company from a market capitalization of \$50 million to over \$8 billion. **He owns 17% of McEwen Mining (MUX) and 13% of McEwen Copper** and receives a yearly salary of \$1 USD.



SUPPORTING
CAUSES

Rob and his wife, Cheryl, have donated more than \$60 million to various causes to foster healthcare and education.



EXEMPLARY
AWARDS

Rob was awarded the Order of Canada in 2007, the Queen Elizabeth Diamond Jubilee Award in 2013, was inducted into the Mining Hall of Fame in 2017, and has Honorary Doctor of Law Degrees from York University and Western University.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Message from Adrián Blanco



At our company, we firmly believe that success is built as a team, and every achievement reflects the collective effort of all members.

Estimados Amigos:

It is a pleasure to address you through this ESG Report for Compañía Minera Pangea, a subsidiary of McEwen Mining. At our company, we firmly believe that success is built as a team, and every achievement reflects the collective effort of all members.

Responsible mining is a cornerstone of our vision. We are committed to efficient resource extraction while minimizing environmental impact and ensuring sustainable practices. This commitment guides every step we take, ensuring that we respect and protect the environment around us.

The values of Compañía Minera Pangea are the principles that steer our daily decisions and actions. These values unite and strengthen us, ensuring that we work with a shared and clear purpose.

We prioritize maintaining a safe work environment where every employee can perform their duties with confidence, knowing that robust measures and practices safeguard their physical and mental well-being.

Collaboration with the communities where we operate is a key priority. We work closely with our neighbors to identify and address the most pressing infrastructure needs, fostering inclusive and sustainable development.

We also recognize the importance of building strong relationships with diverse stakeholders. These partnerships allow us to share knowledge, adopt best practices, and collaborate effectively. Working closely with government authorities helps us address challenges, contribute to economic and social development, and enhance the regions where we operate.

We remain committed to our corporate social responsibility model, striving to build a prosperous and sustainable future for all. We also acknowledge that the dedication and collaboration of every team member are essential to advancing toward our goals and tackling challenges with strategy and determination.

Thank you for being part of Compañía Minera Pangea and for helping us turn our vision of responsible and sustainable mining into a reality.

Adrian Blanco S.
Director – America and Mexico Operations

Adrian has considerable international and executive experience in Argentina, Peru, Mexico, England, and the United States. At McEwen Mining, he has successfully led transformations in operational discipline, best business practices, and profitability. He is also a strong advocate for industry safety, innovation, and competitiveness. Currently, he is responsible for defining growth strategies to expand McEwen Mining’s presence in Mexico and the United States.



Message from Santiago Grande



Safety is a core value at Minera Pangea. Our top priority is ensuring that each of our employees returns home healthy and safe.

Dear Readers:

I am honored to present the sustainability report of Compañía Minera Pangea. In this document, we aim to share the progress and achievements we have made in social responsibility and sustainability throughout 2023.

At Compañía Minera Pangea, we understand

At Compañía Minera Pangea, we understand that our activities must go beyond generating economic value; they must also contribute positively to society and the environment. Social responsibility is a fundamental pillar for us, and we are committed to implementing practices that ensure responsible and sustainable mining, minimizing our environmental impact while maximizing the benefits for the communities in which we operate.

In 2023, one of our most notable achievements was the creation of the Orange Network. Through this initiative, we invited other mining companies to join the Orange Campaign and, with our guidance, carry out activities that support women and prevent gender-based violence. This commitment reflects our strong support for equality and the empowerment of women in our industry.

Safety is an essential value at Minera Pangea. Our top priority is ensuring that each of our employees returns home healthy and safe. We have implemented rigorous safety protocols and foster a culture of prevention because safety is the foundation of all our operations. We are committed to being transparent and accountable in all our actions, building trust and collaboration with our stakeholders.

Our commitment to supporting the community is unwavering. We believe our operations should drive local development, and we work closely with communities to identify their needs and contribute to improving their quality of life. We invest in projects related to education, health, infrastructure, gender equality, and economic development, ensuring that our impact is lasting and meaningful.

Furthermore, we are proud to be a company aligned with the Global Compact, having signed the Women's Empowerment Principles. Our social responsibility management model is based on the Sustainable Development Goals (SDGs), which align us with international best practices and ensure that our operations contribute to global sustainable development.

In conclusion, at Minera Pangea, we are committed to creating a more sustainable and equitable future. This report reflects our ongoing efforts to improve and be a company that not only extracts resources but also contributes to societal well-being and environmental conservation.

Thank you for your interest in our report, and we invite you to learn more about our initiatives and achievements.

Santiago Grande
General Manager

Santiago

is an experienced executive with extensive knowledge and expertise in mining operations at all levels. He is responsible for ensuring compliance with applicable regulations and establishing operational guidelines that enhance performance and increase the company's profitability.

Additionally, he serves as the primary advocate for the health and safety of our employees, fosters strong community relations, and promotes environmental preservation and protection.

About this Report

We appreciate your interest in the 2023 ESG Sustainability Report: Environmental and Social Commitment of Compañía Minera Pangea S.A. de C.V., a subsidiary of McEwen Mining Inc. This report covers the period from January 1 to December 31, 2023, and has been prepared to provide a transparent and detailed overview of our environmental, social, and governance (ESG) performance.

This report includes data and activities from our operations in Mexico, specifically those of Compañía Minera Pangea in El Magistral, Municipality of Mocorito, Sinaloa. This is the seventh sustainability report we have published, continuing our series of annual reports that began in 2015.

The preparation of this report has been a collaborative effort involving various teams and experts within our organization. We would like to express our gratitude to all those who contributed in the collection and analysis of the information, as well as to the executives who participated in its review and approval. The dedication and effort of everyone involved have been crucial to the creation of this document.

The purpose of this report is to provide our stakeholders, including investors, employees, local communities, suppliers, and governments, with a clear understanding of our sustainability initiatives, commitments, and achievements.

Reporting Frameworks and Standards

This report has been prepared in reference with the following international frameworks and standards:

- **Global Compact Global Reporting Initiative:** Following the Principles of content and quality in reference to the standards from the Global Reporting Initiative (GRI).



- **United Nations Global Compact:** Communicating our progress regarding the Ten Principles of the Global Compact.



- **Sustainable Development Goals (SDGs):** Aligning our activities with the 17 SDGs, which cover topics of sustainable development including: ending poverty and hunger; improving health, education, and conditions of equity; making cities more sustainable; addressing climate change; and protecting oceans and land.



- **SASB Metals and Mining:** For the first time, we have integrated the SASB Metals and Mining standards as a reference, with the aim of measuring and benchmarking our performance in key areas of sustainability and governance.



This report presents information related to our material topics. As our projects are in a transition phase, we continue to build, implement, and improve our data collection processes. The figures in the tables and text presented in this report are rounded to the nearest thousand, and discrepancies between totals and sums are due to rounding. All monetary values in this report are presented in U.S. dollars (USD), using the exchange rate as of December 31, 2023.

For a comprehensive view of our operations, performance and financial results, please visit our website: www.mcewenmining.com.

Contact Point

For any inquiries or comments regarding the content of this report, please contact: María José Sepeda, Social Responsibility Coordinator, at msepeda@mcewenmining.com.

Independent Verification

This report has been subject to limited assurance in accordance with the “International Standard on Assurance Engagements” (ISAE 3000) published by the International Auditing and Assurance Standards Board (IAASB).

The independent opinion was issued following a limited verification of key indicators contained in the 2023 Sustainability Report, in compliance with the “Code of Ethics for Professional Accountants,” including the international independence standards published by the International Ethics Standards Board for Accountants (IESBA).

Independent Statement and Recommendation Letter on Compañía Minera Pangea 2023 ESG Sustainability Report

To the strategic team and the board of directors,
Compañía Minera Pangea, S.A. de C.V.

Bvtd. Antonio Rosales 855 Altos 12
Col. Morelos, Guamúchil, Sinaloa, 81460

Following the lifting of pandemic restrictions on conducting on-site verification, a physical visit was made this year to the mining operations at El Gallo / Proyecto Fénix. This visit provided a greater degree of certainty to the independent verification process and a better understanding of Compañía Minera Pangea's future projects.

In this issuance of the 2023 ESG Sustainability Report, titled 'Environmental and Social Commitment,' it's important to acknowledge that the complex political environment in the country has significantly influenced the company's future plans. However, these circumstances also underscore how sustainability has become a fundamental pillar of the operations and decision-making processes.

While Compañía Minera Pangea remains focused on ensuring the continuity of its mining operations amid regulatory and governance challenges, the company has made significant progress over the past few years in several key areas: environmental restoration, adopting a social approach aimed at developing self-sufficient and resilient communities, and collaborating with stakeholders in the mining and sustainability sectors.

It is worth noting that, despite the limitations imposed by the reduction in operations, a transition phase toward the Proyecto Fénix was initiated, which boosted productivity in 2023 compared to previous periods.

A key aspect of the sustainability strategy is taking the first steps toward human rights due diligence, which will enable the integration of these aspects into the management of ESG criteria.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the indicators in the Report are not reliable, are presented incorrectly, or contain material deviations or omissions.

Responsibility

The procedures we performed were based on our professional judgment, an assessment of the appropriateness of the criteria used. These procedures included document review, interviews with responsible parties, and an analytical review of key sustainability performance indicators to verify their accuracy and reliability. The strategic team is responsible for the detailed review of the sustainability report and for maintaining internal controls that ensure the integrity of data collection, development, and reporting of the GRI Index and key sustainability performance indicators.

The independence criteria used for this verification are stated within the body of the report. Additionally, we will provide a separate internal report with findings and identified areas of opportunity.

This letter is issued on September 30, 2024, and remains valid provided that no subsequent substantial modifications are made to the 2023 ESG Sustainability Report of Compañía Minera Pangea.



Guillermo Juárez Salinas / Valuecode
Miembro de Caux Round Table
Septiembre 2024
Adobe® Sign

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

KEY ASPECTS

■ ESG



Women’s Empowerment:
In 2023, we signed the **Women’s Empowerment Principles**.



Continuous Reporting:
We have published **sustainability reports** annually since 2015.



Reporting Frameworks: We use the GRI, SDGs, Global Compact and SASB standards as reference to ensure transparency.

Communication on Progress: This report also serves as our Global Compact communication on progress.

Leadership in Sustainability: This report has been prepared with contributions from the entire Strategic Team.

■ HEALTH AND SAFETY



Health and Safety System:
100% of our employees, contractors, and visitors are covered by our health and safety system.



Recordable Incident Rate:
TRIFR of 0.54, with only one incident reported throughout the year.



Safety Commitment: We have completed one year without any disabling incidents.

Ongoing Training: 100% of our employees participated in induction and reinduction courses.

Occupational Health: Preventive screenings detected zero occupational diseases.

ENVIRONMENTAL PERFORMANCE



Environmental Reclamation: Achieved **reclamation of 80 hectares, 33% of the target** of 240 hectares for our entire operation.



Water Management: **100% of the water** used was sourced from the pits.



Biodiversity Conservation: Produced 2,500 plants and observed an increase in local wildlife.

Environmental Compliance: Zero fines and environmental incidents in 2023.

Emissions Reduction: CO2 emissions were reduced from 2,973 tCO2e in 2022 to 1,998 tCO2e.

SOCIAL PERFORMANCE



Infrastructure Beneficiaries: **409 beneficiaries** through infrastructure projects, including access to water.



Education: **50 beneficiaries**, including 10 employees enrolled in the High School Program and 40 children from our communities who visited the Sinaloa Science Center.



Community Empowerment: We supported communities in strengthening their autonomy and management capabilities.

Eye Exams: 253 students received eye exams.

Advancing Human Rights: Implemented the Orange Campaign and Peacebuilding program.

GOVERNANCE AND ECONOMIC PERFORMANCE



Additional Production: **2,000 ounces were recovered** during maintenance processes.



Regulatory Adaptation: Progressed in a complex political environment.



Compliance: Zero reports to the Ethics Line.

VAT Recovery: Recovered 85% of VAT in 10 out of 12 months, improving our liquidity.



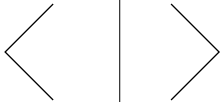
McEwen Mining

McEwen Mining Inc., headquartered in Toronto, Canada, and based in the United States is engaged in the exploration, development, production, and sale of gold and silver, as well as in the exploration and development of copper projects.

Originally founded as US Gold Corporation on July 24, 1979, yet the company changed its name to McEwen Mining Inc. in January 2012. Currently, McEwen Mining operates across four countries in the Americas and has a diverse portfolio of projects across various stages of development and production.

Our Goal Is to Improve the Productivity & Lifecycle of Our Assets, With the Objective to Increase the Share Price & Provide Yields.







Portfolio of Projects and Operations

GOLD BAR ■

McEwen Mining
Nevada, United States
Gold

USA

EL GALLO / PROJECT FENIX ■

Compañía Minera Pangea
Sinaloa, México
Gold / Silver

MEX

LOS AZULES ■

McEwen Copper
San Juan, Argentina
Copper

ARG

SAN JOSÉ ■

Minera Santa Cruz
Santa Cruz, Argentina
Oro / Plata

ARG

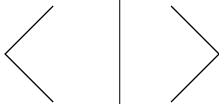
CAN

FOX COMPLEX ■

McEwen Mining
Timmins, Canada
Gold

FOX WEST ■

McEwen Mining
Timmins, Canada
Gold



McEwen Mining Inc. trades
as MUX on the New York and
Toronto Stock Exchanges.

HOLDING 52,985,900

MARKET
CAPITALIZATION \$471 MILLION

Updated 03/10/2024.

On February 12, 2024, McEwen Mining Inc. announced that the production results for the year 2023 represent a significant improvement compared to the previous year.

The total annual production for 2023 was **154,600 gold equivalent ounces (GEOs)**, meeting the annual guidance.

Consolidated Production
2023

Metal	Full Year
Gold	128,512
Silver	2,174,056
GEO's	154,587



Invest in Our Company

More information related to our legal status, financial and operating results for the 2023 period is available at [McEwen Mining - Investor Relations](#).

To invest in our Company, please contact:
Investor Relations
• (866)-441-0690 Toll Free
• (647)-258-0395
• info@mcewenmining.com

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Compañía Minera Pangea

Compañía Minera Pangea S.A. de C.V., a subsidiary of McEwen Mining, is a Mexican Variable Capital Corporation specializing in the exploration, development, production, and sale of gold and silver. Its corporate offices are located in Guamúchil, Sinaloa, while its operations are centered in the community of El Magistral, Municipality of Mocorito, Sinaloa.

History and Development

The Magistral mine has a rich history, beginning gold mining operations in the early 1800s. It was formally established as Compañía Minera Pangea S.A. de C.V. in 1994. Since becoming part of McEwen Mining Inc. in 2007, the company has made significant investments to enhance mining and social development in the region. The operational hub is at the El Gallo complex in the Sierra Madre Occidental, 48 kilometers northwest of Guamúchil. This complex includes multiple gold and silver deposits within a 13-kilometer radius, such as the El Gallo and Palmarito silver deposits, and the El Magistral gold deposit.

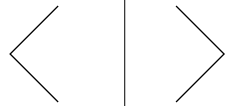
El Gallo mine began its first gold production in September 2012 and commenced commercial operations in January 2013. Up until mid-2018, the mine operated as an open-pit with a capacity of 4,500 tons per day, employing heap leaching to produce approximately 284,000 gold equivalent ounces at an average cash cost of \$655 per ounce. As the mine transitioned to deeper sulfide mineralization, not suitable for heap leaching, mining and crushing activities ceased in the second quarter of 2018. From 2018 to mid-2022, gold production continued through residual heap leaching.

In 2023, we transitioned towards the Project Fenix, allowing ex-



tensive maintenance activities, including on excess ponds, resulting in an additional production of 2,000 ounces by the end of the year, marking a particularly productive period.

Over the past two years, Compañía Minera Pangea has focused on environmental reclamation, increasing restored areas and ensuring careful water management. We have also engaged in social projects emphasizing equality, equity, and infrastructure development, while preparing equipment for the Project Fenix.



The company specializes
in the exploration,
development, production,
and sale of gold and silver.

Corporate Culture

Our corporate culture guides our interactions with all stakeholders. In 2023, we focused on strengthening this culture, ensuring alignment with our sustainability and responsible governance goals.

Mission

Our mission is to be a safe and respectful company towards all stakeholders by continuously improving the development of our mining projects responsibly and sustainably.

Vission

Our vision is to be a profitable company, ethically contributing to the economic and social development of the regions where we operate.

Values:

Safety: We care for each other, even when no one is watching.

Ethics: We act consistently and always speak the truth.

Environment: Our operations are conducted with respect for environmental conservation.

Respectful Treatment: We treat others as we would like to be treated, listening and accepting differences.

Social Responsibility: We engage and are committed to improving the living conditions of our communities and employees.

Innovation: We foster innovation at all levels of the organization.



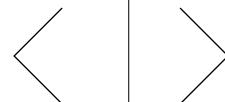
Project Fenix

The Fénix Project is the operational conversion plan for McEwen Mining's El Gallo Complex in Mexico.

The project began with a Preliminary Economic Assessment (PEA) published in 2018 and was updated with a Feasibility Study (FS) presented in February 2021. The Fenix Project aims to extend the production of the complex through a two-phase transformation of processing at the El Gallo mine, including the innovative disposal of tailings in pits and the use of additional nearby deposits.

One of our most significant achievements in the development of this project was the acquisition of a new mill in October 2022, previously used by GoldCorp. This plant, in good maintenance condition, was located only 200 kilometers from our operation. By the end of 2022, more than





80% of its components were already on our site, and in 2023 we began the process of updating and rehabilitating the plant.

This acquisition has provided significant financial benefits, reducing logistics and import costs. As we move forward, we expect the savings to exceed the initial projections, although some adjustments to the original engineering will be required. To support this, we are updating the Feasibility Study, which will include a new geological model, additional metallurgical testing, and an extended mine life plan. We will also submit the corresponding modifications to SEMARNAT to obtain the necessary permits. With these advances, we aim to begin construction and production of the Fenix Project between 2024 and 2025.

Despite facing legal challenges and a complex political context within the mining industry, we continue to work closely with the sector to foster economically and environmentally sustainable development.

Compañía Minera Pangea Production

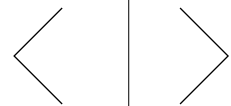
Year	Gold	Silver	Gold Equivalent Ounces
2018	39,000	9,000	39,256
2019	16,233	8,398	16,394
2020	8,038	4,967	8,100
2021	3,543	7,044	3,644
2022	844	616	851
2023	2,000		2,000

* Production 2019 - 2022: Residual heap leaching.
Production 2023: Ounces recovered from sludge during maintenance operations.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	-----------------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

OUR RESPONSIBLE





APPROACH

Vision and Commitment

At Compañía Minera Pangea, sustainability is the cornerstone of our operations and decision-making processes. We are committed to responsible and sustainable practices that create long-term value for our investors, employees, communities, and the environment.

Our approach adheres to international sustainability standards, using the Global Reporting Initiative (GRI) guidelines as a reference and ensuring compliance with both local and international regulations. Additionally, we integrate the 10 Principles of the United Nations Global Compact and the 2030 Agenda into our business strategy, actively contributing to the Sustainable Development Goals (SDGs).

Our sustainability policy is based on transparency, accountability, and continuous improvement, ensuring that our operations minimize environmental impact and maximize social well-being in the communities where we operate.

Sustainability oversight is led by a management team jointly directed by our leadership in Mexico and the United States, along with General Management. This structure ensures that all decisions are evaluated based on their social and environmental impact. Furthermore, we maintain constant dialogue with our stakeholders to better understand their needs and expectations, enabling us to adjust our strategies effectively and responsibly.

With a firm commitment to sustainability, we work towards a future where responsible mining becomes the standard, contributing to the social and economic development of our communities while safeguarding the environment for future generations. Through continuous innovation and adherence to global standards, we strive to create lasting positive impacts, ensuring that our operations align with sustainability principles and benefit all of our stakeholders.

Mining offers a unique opportunity to make a positive, lasting impact on society.



	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------



Key Sustainability Strategies

At Compañía Minera Pangea, we have developed a comprehensive set of sustainability strategies to address environmental, social, and governance (ESG) challenges across our operations. These strategies align with global standards and best practices, ensuring that our activities contribute to the sustainable development of the communities where we operate while minimizing our environmental impact and promoting ethical and transparent governance.



Health and Safety

We strive to act proactively in managing health and safety by conducting risk analyses and applying best practices that go beyond the workplace. We implement prevention and protection strategies to ensure the safety and well-being of all our employees.



Environmental Performance

We are committed to maintaining sustainable environmental performance in all our operations, minimizing negative impacts, and implementing strategies and actions that strengthen the benefits for the environment and the communities where we operate. In 2023, we continued to focus on environmental restoration, biodiversity protection, and the responsible use of water and energy.



Governance and Economic Performance

We strive to adhere to the highest standards of corporate governance and sustainability, following ESG recommendations and guidelines. This involves strong corporate governance that prioritizes transparency, accountability, and the inclusion of all stakeholders in the decision-making process.

We aspire to be a profitable and ethically committed company, focused on the economic and social development of our region of influence.



Social Performance

We have implemented our new social management model, based on three pillars:



1 EQUITY (EGALA):

We ensure that our operations promote equality by reviewing internal policies, collaborating with external organizations, and providing training and awareness programs for our employees.



2 VOCATION (VOCARE):

We develop sustainable leadership programs and exchange knowledge and best practices across the company. We align our business objectives with the Sustainable Development Goals (SDGs) to ensure a positive global impact.



3 EDUCATION (PAIDEIA):

We implement training programs on the importance of equity, human rights, sustainable mining, and peacebuilding. We also establish collaborations with local educational institutions to bring education to the communities where we operate.

SOCIAL
MANAGEMENT
MODEL

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Materiality 2024

In 2024, we updated our Materiality Assessment to identify the most relevant topics for our organization, focusing on business priorities and stakeholder concerns. This process helped us clearly define the key economic, social, and environmental issues that are crucial for sustainability.

Methodology

Our 2024 materiality study was conducted using the principles of the Global Reporting Initiative (GRI) as a reference, including stakeholder inclusiveness, sustainability context, materiality, and completeness. These guidelines ensured a thorough and representative analysis of the topics impacting our company and stakeholders. The methodology included:

Initial Topic Identification

We reviewed 30 aspects influencing our operations and sustainability, aligning them with international standards such as GRI, UN Sustainable Development Goals (SDGs), the UN Global Compact, and the “Towards Sustainable Mining” (TSM) principles. From this process, we identified and validated 18 material topics critical for our long-term operations.

Strategic Team Interviews

In-depth interviews with our Strategic Team members helped align internal perspectives with emerging topics identified in the initial mapping, providing a cohesive understanding of the company’s strategic needs.

Stakeholder Surveys

We conducted extensive surveys in 2023 with local community members, employees, suppliers, government officials, and civil society representatives to capture their views and concerns about our operations, broadening our understanding of external expectations.

Evaluation and Prioritization

We evaluated each of the 18 identified topics based on their impact on Compañía Minera Pangea’s sustainability and their influence on stakeholder perceptions. This rigorous process prioritized the most critical issues requiring immediate action or continuous attention.

Our 2024 materiality study was conducted using the principles of the Global Reporting Initiative (GRI) as a reference.



Priorized Material Topics for 2024

The material topics are grouped into three categories: Environmental, Social, and Governance. Key priorities include:

Environmental Compliance and Risk Management: Essential for ensuring sustainable operations and regulatory compliance.

Community Relations and Human Rights: Strong relationships with local communities and respect for human rights are vital for maintaining our social license to operate.

Health, Safety, and Workplace Diversity: A safe, inclusive work environment is crucial for talent attraction and retention.

Ethics, Transparency, and Anti-Corruption: Upholding ethical practices and transparency strengthens corporate integrity and stakeholder trust.

Impact of the Materiality Results

The findings of this materiality study guide our sustainability strategy and drive continuous improvement in our practices and policies. Each prioritized topic informs our future actions and commitments, ensuring Compañía Minera Pangea remains a leader in responsible and sustainable mining.

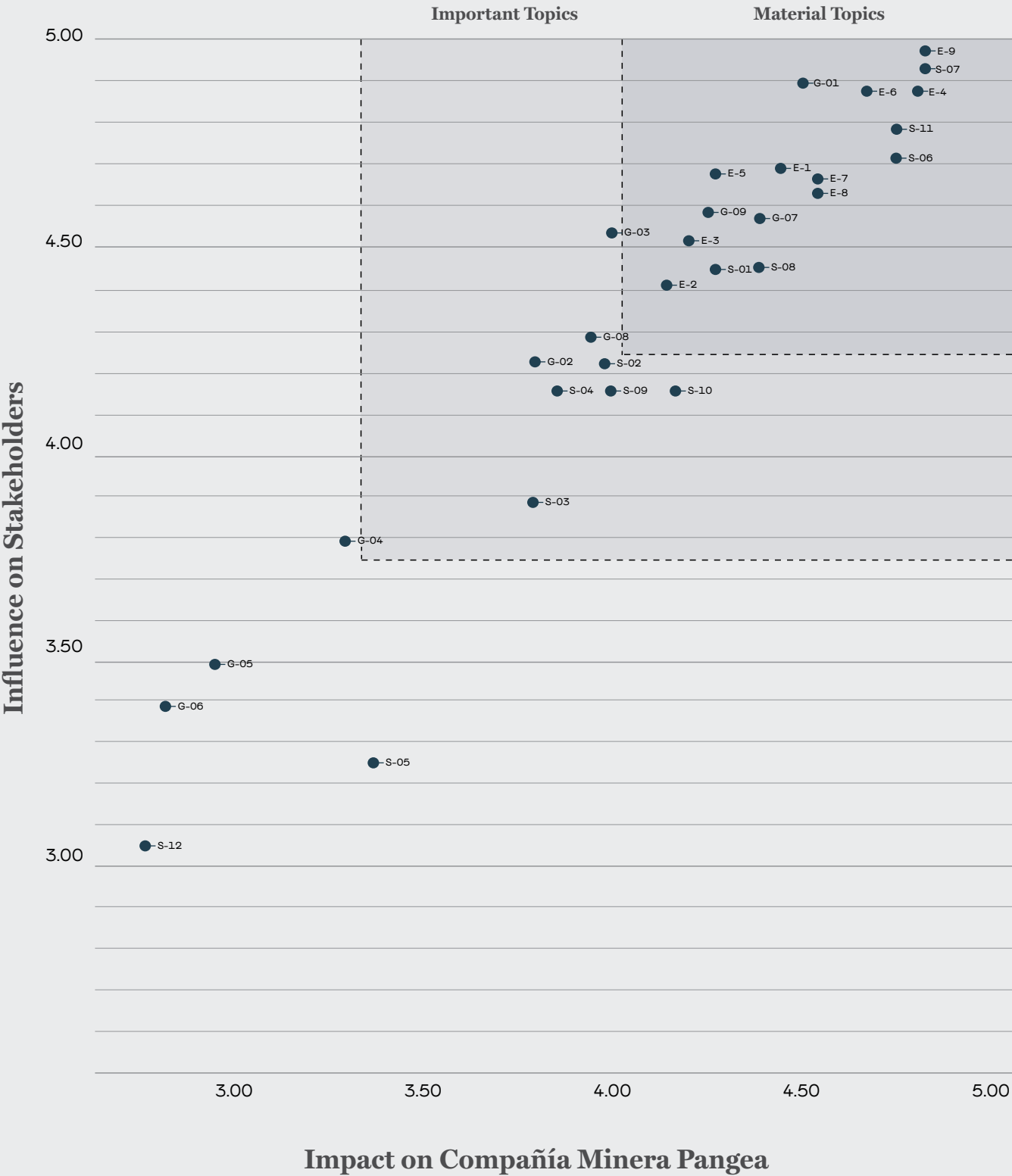
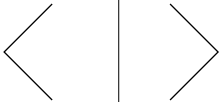
Next Steps and Ongoing Commitment

The 2024 materiality study results will shape our future sustainability strategies and management approaches. We will continue engaging with all stakeholders to ensure our actions meet their needs and expectations through open and constructive dialogue.



	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Key	Aspects	Topics	GRI	Impact	Influence	Priority
E-9	Environmental	Environmental Compliance	GRI 307	4.84	4.97	4.90
S-07	Social	Risk Identification	GRI 403-2	4.84	4.92	4.88
E-4	Environmental	Water Consumption	GRI 303	4.82	4.88	4.85
E-6	Environmental	Environmental Restoration	GRI 304	4.73	4.88	4.80
S-11	Social	Community Relations	GRI 413	4.78	4.78	4.78
S-06	Social	Health and Safety	GRI 403	4.78	4.72	4.75
G-01	Governance	Ethics and Compliance	GRI 2-23	4.61	4.89	4.75
E-7	Environmental	Waste Management	GRI 306	4.63	4.66	4.65
E-8	Environmental	Risk Management	GRI 2-25	4.63	4.63	4.63
E-1	Environmental	Climate Change	GRI 305	4.56	4.69	4.62
E-5	Environmental	Biodiversity Protection	GRI 304	4.43	4.68	4.55
G-07	Governance	Anti-Corruption	GRI 2-26	4.51	4.57	4.54
G-09	Governance	Ethics and Values Training	GRI 2-23	4.42	4.58	4.50
S-08	Social	Occupational Diseases	GRI 403-10	4.50	4.45	4.48
E-3	Environmental	Greenhouse Gas Emissions	GRI 305	4.38	4.52	4.45
S-01	Social	Diversity, Equity, and Inclusion	GRI 405	4.44	4.46	4.45
G-03	Governance	Responsible Business Practices	GRI 2-23	4.23	4.54	4.39
E-2	Environmental	Energy Consumption / Efficiency	GRI 302	4.35	4.41	4.38
S-10	Social	Human Rights	GRI 2-26	4.35	4.16	4.26
G-08	Governance	Stakeholder Communication	GRI 2-28	4.19	4.28	4.24
S-02	Social	Employee Recognition and Benefits	GRI 401	4.22	4.22	4.22
S-09	Social	Health and Safety Training	GRI 403-5	4.23	4.16	4.19
G-02	Governance	Transparency and Communication	GRI 2-29	4.09	4.23	4.16
S-04	Social	Work-Life Balance	GRI 401-2	4.13	4.16	4.14
S-03	Social	Talent Attraction and Retention	GRI 401	4.08	3.89	3.99
G-04	Governance	Financial Risks and Opportunities	GRI 2-22	3.73	3.80	3.76
S-05	Social	Local Supplier Engagement	GRI 2-6	3.78	3.27	3.52
G-05	Governance	Social and Environmental Supplier Selection	GRI 414	3.47	3.50	3.49
G-06	Governance	Sustainable Finance	GRI 207	3.37	3.40	3.39
S-12	Social	Career Development and Planning	GRI 404	3.34	3.07	3.20



	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	--------------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

TAKING CARE



OF OUR TEAM

We recognize the inherent risks in the mining industry, unique challenges that demand the highest standards in health and safety. At Compañía Minera Pangea, our focus is on risk prevention, driven by our commitment to the health and safety of our employees and contractors as our top priority. This commitment is particularly critical given our operations in complex geographic locations and extreme climates, requiring continuous dedication to risk mitigation. We strive to meet the most stringent regulations and standards, ensuring the well-being and protection of everyone involved.

2023 Highlights:

- **Commitment to Safety:** We completed a full year without lost-time incidents. In June, we had our first lost-time incident in over a year; however, the second half of the year was incident-free.
- **Rigorous Standards:** We adopted standards that are stricter than the official Mexican regulations, including thorough medical examinations and chemical agent controls.
- **Safety Culture:** We reinforced our safety culture by implementing the STOP model and providing ongoing training for employees and contractors.
- **Proactive Risk Management:** We implemented advanced risk analysis procedures and collaborated with external consultants to perform audits and evaluations.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes

Health and Safety System

Our health and safety management system goes beyond compliance.

1 CONTINUOUS TRAINING

We provide thorough training in safe mining practices, equipment operation, emergency response, and accident prevention. In 2023, we implemented training programs covering topics such as safe material handling, heavy machinery operation, and emergency management. We ensure all employees are well-informed and prepared to maintain a safe working environment.

We proactively address occupational risks to protect everyone working in our facilities, whether in mining, administrative, or external sites. Additionally, we aim to maintain operational productivity and reduce costs associated with occupational hazards. The Health, Safety, and Environmental Management Department ensures the effective implementation and supervision of this model.

3 CONTINUOUS IMPROVEMENT

We operate under continuous improvement principles, regularly updating our protocols and procedures to prevent the recurrence of risks and incidents. We use Key Performance Indicators (KPIs) to monitor and assess our health and safety performance. When areas for improvement are identified, we implement corrective measures to ensure a safe and efficient work environment.

2 PREVENTION FRAMEWORK

Our preventive tools include ongoing training for all employees on safe work procedures, compliance with official Mexican standards, and risk management. This ensures the timely application of administrative and engineering controls, as well as the proper use of Personal Protective Equipment (PPE). Additionally, we conduct regular audits and reviews to ensure compliance with the highest standards.

100 %

of our workforce, including employees, contractors, and suppliers, is covered by our health and safety system, ensuring compliance with our safety protocols.



Legal Compliance

We reaffirm our commitment to health and safety by adhering to legal regulations and implementing internal policies that exceed the requirements of the Official Mexican Standards. We ensure compliance with federal workplace health and safety regulations, including NOM-023-STPS, which applies to both underground and open-pit mining activities.

In addition, we reference international standards such as those from the U.S. Occupational Safety and Health Administration (OSHA) and voluntarily participate in the Self-Management Program in Workplace Safety and Health by the Ministry of Labor and Social Welfare.

Our approach emphasizes the use of management systems that ensure a systematic and evidence-based process for managing health and safety effectively.

Industry-Specific Official Mexican Standards

Mexican Standard	Title of the Standard
023-STPS-2012	Work in Underground and Open-Pit Mines
031-STPS-2011	Construction

Organizational Official Mexican Standards

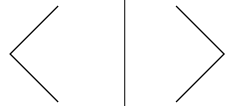
Mexican Standard	Title of the Standard
017-STPS-2008	Personal Protective Equipment
018-STPS-2015	Hazard Communication and Chemical Risk
019-STPS-2011	Safety and Hygiene Committees
026-STPS-2008	Safety Colors and Signs
028-STPS-2012	Safety in Processes and Equipment with Chemical Substances
030-STPS-2009	Preventive Safety and Health Services
033-STPS-2015	Work in Confined Spaces

Safety Official Mexican Standards

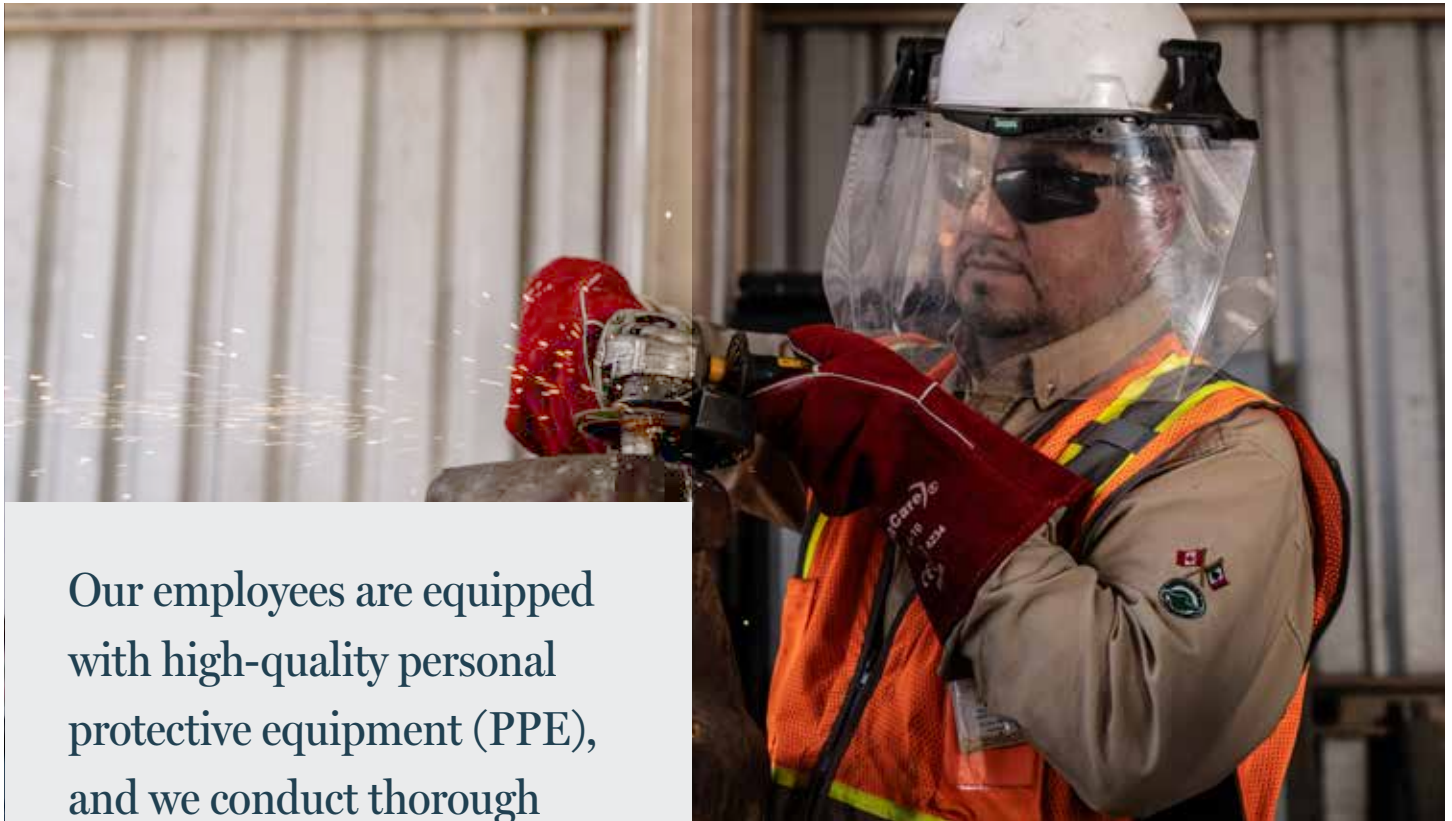
Mexican Standard	Title of the Standard
001-STPS-2008	Buildings, Premises, and Installations
002-STPS-2010	Fire Prevention and Protection
004-STPS-1999	Safety Systems and Devices on Machinery
005-STPS-1998	Handling, Transport, and Storage of Hazardous Substances
006-STPS-2014	Handling and Storage of Materials
009-STPS-2011	Work at Heights
020-STPS-2011	Pressure Vessels and Boilers
022-STPS-2015	Static Electricity
027-STPS-2008	Welding and Cutting
029-STPS-2011	Maintenance of Electrical Installations
033-STPS-2015	Work in Confined Spaces

Health Official Mexican Standards

Mexican Standard	Title of the Standard
010-STPS-2014	Chemical Pollutants in the Workplace Environment
011-STPS-2001	Noise
013-STPS-1993	Non-Ionizing Radiation
015-STPS-2001	Extreme Thermal Conditions
024-STPS-2001	Vibrations
025-STPS-2008	Lighting
035-STPS-2018	Psychosocial Risk Factors
036-STPS-2018	Ergonomic Risk Factors



Safety Tools and Protocols



Our employees are equipped with high-quality personal protective equipment (PPE), and we conduct thorough inspections and maintenance

We implement safety policies and protocols using the Bird Pyramid to identify risks and track incidents. Our employees are equipped with high-quality personal protective equipment (PPE), and we conduct thorough inspections and maintenance to ensure all PPE remains in optimal condition. In 2023, we introduced a behavioral safety initiative to enhance focus during work activities and continuously monitor chemical detectors.

Our safety protocols include risk assessment at every stage of the operational process, from planning to the execution of daily tasks. We utilize advanced tools such as Job Safety Analysis (JSA) to identify and mitigate potential hazards. The JSA is a comprehensive

evaluation that identifies hazards, assesses risks, and defines roles and recovery measures. This procedure is essential before starting any activity, especially those with a history of incidents, non-routine tasks, or modifications. The JSA ensures each task is performed in the safest manner possible, enhancing worker efficiency and commitment to safety.

Furthermore, we have implemented an incident reporting system that allows employees to anonymously report hazardous situations, fostering a culture of transparency and continuous improvement.

All our employees are trained to immediately suspend any activity in the presence of a risk and notify a supervisor. This approach allows for an immediate assessment to determine whether the hazard can be eliminated without exposure or if a specific procedure is required. Additionally, all workers are required to refrain from engaging in any activity that poses uncontrolled risks or when the appropriate equipment is not available. This policy ensures that safety remains the top priority in all our operations.

Cumplimiento Legal

Reafirmamos nuestro compromiso con la salud y seguridad, cumpliendo tanto con las normativas legales como con políticas internas más rigurosas que las Normas Oficiales Mexicanas, incluyendo la NOM-023-STPS para minería subterránea y a cielo abierto.

Además, tomamos como referencia organismos internacionales como la Administración de Seguridad y Salud Ocupacional de los Estados Unidos (OSHA) y participamos voluntariamente en el Programa de Autogestión en Seguridad y Salud en el Trabajo de la Secretaría del Trabajo y Previsión Social.

Nuestro enfoque incluye la implementación de sistemas de gestión que aseguren un proceso sistemático y basado en evidencia para la gestión de la salud y la seguridad.

Normas Oficiales Mexicanas Específicas

Número	Título de la Norma
023-STPS-2012	Minas Subterráneas y Minas a Cielo Abierto
031-STPS-2011	Construcción-Condiciones de Seguridad y Salud en el Trabajo

Normas Oficiales Mexicanas en Organización

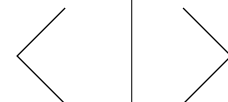
Número	Título de la Norma
017-STPS-2008	Equipo de protección personal
018-STPS-2015	Comunicación de peligros y riesgos por sustancias químicas
019-STPS-2011	Comisiones de seguridad e higiene
026-STPS-2008	Colores y señales de seguridad
028-STPS-2012	Seguridad en procesos y equipos con sustancias químicas
030-STPS-2009	Servicios preventivos de seguridad y salud
033-STPS-2015	Trabajos en espacios confinados

Normas Oficiales Mexicanas en Seguridad

Número	Título de la Norma
001-STPS-2008	Edificios, locales e instalaciones
002-STPS-2010	Prevención y protección contra incendios
004-STPS-1999	Sistemas y dispositivos de seguridad en maquinaria
005-STPS-1998	Manejo, transporte y almacenamiento de sustancias peligrosas
006-STPS-2014	Manejo y almacenamiento de materiales
009-STPS-2011	Trabajos en altura
020-STPS-2011	Recipientes sujetos a presión y calderas
022-STPS-2015	Electricidad estática
027-STPS-2008	Soldadura y corte
029-STPS-2011	Mantenimiento de instalaciones eléctricas
033-STPS-2015	Trabajos en espacios confinados

Normas Oficiales Mexicanas en Salud

Número	Título de la Norma
010-STPS-2014	Agentes químicos contaminantes del ambiente laboral
011-STPS-2001	Ruido
013-STPS-1993	Radiaciones no ionizantes
015-STPS-2001	Condiciones térmicas elevadas o abatidas
024-STPS-2001	Vibraciones
025-STPS-2008	Iluminación
035-STPS-2018	Factores de Riesgo Psicosocial
036-STPS-2018	Factores de riesgo ergonómico.



Herramientas y Protocolos de Seguridad



Proveemos a nuestros colaboradores con equipo de protección personal (EPP) de alta calidad y realizamos inspecciones y mantenimientos rigurosos.

Implementamos políticas y protocolos de seguridad basados en la Pirámide de Bird para identificar riesgos y rastrear incidentes. Proveemos a nuestros colaboradores con equipo de protección personal (EPP) de alta calidad y realizamos inspecciones y mantenimientos rigurosos para asegurar que todo el EPP se mantenga en óptimas condiciones. En 2023, introdujimos una iniciativa de seguridad conductual con el fin de mejorar la atención en el trabajo, y monitoreamos continuamente los detectores de productos químicos.

Nuestros protocolos de seguridad incluyen la evaluación de riesgos en cada etapa del proceso operativo, desde la planificación hasta la ejecución de tareas diarias. Utilizamos herramientas avanzadas como el Análisis Seguro de Trabajo (AST) para identificar y mitigar posibles peligros. El AST es una evaluación detallada que identi-

ca peligros, evalúa riesgos y define roles y medidas de recuperación. Este procedimiento es esencial antes de iniciar cualquier actividad, especialmente aquellas con un historial de incidentes, trabajos no rutinarios o modificaciones. El AST asegura que cada tarea se realice de la manera más segura posible, mejorando la eficiencia y el compromiso del trabajador con la seguridad.

Además, hemos implementado un sistema de reporte de incidentes que permite a los colaboradores informar sobre situaciones peligrosas de manera anónima, fomentando una cultura de transparencia y mejora continua.

Todos nuestros colaboradores están capacitados para suspender cualquier actividad ante la presencia de un riesgo y notificar a un supervisor de manera inmediata. Esta medida permite una evaluación rápida para determinar si es posible eliminar el riesgo o si se requiere un procedimiento específico. Asimismo, todos los trabajadores están obligados a abstenerse de realizar cualquier actividad que implique riesgos no controlados o cuando no se disponga del equipo adecuado. Esta política asegura que la seguridad sea siempre la prioridad en nuestras operaciones.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------



Safety Committees and Brigades

Our Management Team meets daily to oversee safety practices and environmental management, coordinated by the Health, Safety, and Environmental Department. Together, they address identified risks in the workplace and rectify unsafe conditions. We follow Official Standards-based formats for detailed reviews, ensuring a proactive and preventive approach. Employees are encouraged to communicate concerns and suggestions, actively involving them in measures aimed at protecting their health and safety.

The Management Safety Committee, comprised of departmental leaders, also meets daily to address health and safety matters. Additionally, the committee conducts monthly inspections to ensure

We follow Official Standards-based formats for detailed reviews, ensuring a proactive and preventive approach.

regulatory compliance and uphold high safety standards. It works closely with the Safety and Hygiene Commission to ensure that all areas of the company meet safety regulations.

Emergency Brigades, formed by volunteer employees, are a key component of our risk management strategy. These brigades receive training in first aid, firefighting, and evacuation procedures, enabling them to respond swiftly and effectively to incidents. They also participate in regular drills and emergency exercises to ensure preparedness in crisis situations. We maintain two Emergency Brigades: one at the mine and another at our administrative offices.



Health and Safety Training

In 2023, we conducted several internal and external health and safety training sessions, aligning with our training program and meeting regulatory requirements. We carried out a safety reinduction in April and trained new members of the Safety Committee. We update the induction program annually, which has an 8-hour duration for our employees and 4 hours for contractors. In addition to these formal training sessions,

our daily 5-minute talks are essential for continuously reinforcing health and safety topics.

Additionally, we implemented a series of specialized courses designed to address critical aspects of occupational health and safety. These courses enhance emergency response capabilities, ensure the safe handling of hazardous substances, and promote responsible driving.

Key Safety Trainings Conducted in 2023

Training	Description	Participants	Frequency	Notes
Safe Handling of Hydrofluoric and Perchloric Acid	Training on the behavior, risks, and control of these substances, including emergency actions.	12	Annual	Mandatory for laboratory personnel
Safety and Environmental Induction and Reinduction Course	Introduction to the company, policies, values, and operational standards.	128	Annual	Mandatory for all personnel
Antivenom Training	Training on the use, scope, and limitations of antivenoms for scorpions and spiders.	27	Annual	Open course
Defensive Driving	Techniques for safe driving, vehicle inspection, and recommendations for efficient driving.	12	Biannual	Mandatory for personnel driving utility vehicles

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes

Occupational Health

In 2023, as part of our commitment to occupational health, we implemented a comprehensive program that included preventive screenings for lead and mercury levels in the blood, as well as physical stress tests. These efforts aimed to prevent occupational illnesses and ensure that chemical exposures remained within the limits set by the Ministry of Health. We successfully achieved this goal, with the results indicating zero cases of occupational illnesses among our employees.

In addition to heavy metal screenings, our health monitoring program included regular physical and mental health evaluations, aligned with NOM-035 on Psychosocial Risk Factors. These assessments encompassed eye exams, glucose and hypertension tests, and body mass index evaluations, all in collaboration with the Mexican Social Security Institute (IMSS). We also enhanced our laboratory procedures and tools, thanks to the accreditations and certifications obtained in 2023, which included new safety training and equipment for handling hazardous substances.

The occupational health monitoring also included tailored medical exams for each job position, as well as regulatory assessments according to NOMs 010, 011, 013, 015, and 025, covering chemical agents,



noise, non-ionizing radiation, vibrations, and lighting. These assessments allowed us to identify risks and ensure the inclusion of Occupationally Exposed Personnel (OEP) in our Health Surveillance Program.

We maintain complete medical records for each worker from the moment they join the company, including results from periodic medical and clinical examinations. This information is handled with strict confidentiality and securely stored by the Health, Safety, and Environmental department. If any health irregularities are detected, we initiate personal communication with the affected employee, taking corrective actions and ensuring appropriate follow-up.



We maintain complete medical records for each employee from the time they join the company, including results from periodic medical and clinical examinations.

Screenings

Description	Tests Conducted
Heavy Metal Tests (Lead-Mercury)	5 Tests
Antigen Tests	1
Audiometries	11
Spirometries	10

Health Promotion for Employees

We have implemented a range of initiatives and programs focused on health promotion, ensuring that our employees have access to medical and healthcare services beyond occupational needs.

We facilitate access to healthcare services for our employees through health campaigns conducted by both internal staff and external providers. These campaigns include monitoring blood pressure, glucose levels, and weight, as well as administering vaccines for Covid-19, influenza, and tetanus. Additionally,

we have established a protocol for employees exhibiting respiratory symptoms, advising them to notify their supervisor and refrain from coming to the workplace. Employees are given a Covid-19 antigen test, and if positive, they are provided with support to access the Mexican Social Security Institute (IMSS) for medical care.

Moreover, we offer voluntary health promotion programs to address non-work-related health risks. One of the most notable programs is our Vision Health

Campaign, which includes visual acuity and cataract screenings. We provide support for employees to obtain corrective lenses and offer free cataract surgeries. This program is also extended to neighboring communities, providing the same services to residents, thereby strengthening our commitment to the health and well-being of both our employees and the broader community.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

THE IMPACT OF EXTREME HEAT ON OCCUPATIONAL HEALTH AND SAFETY

One of the most frequently addressed concerns in our daily 5-minute safety talks is the risk associated with high temperatures, particularly during the summer months when the Mocarito region experiences extreme conditions that can exceed 100°F. These conditions make mining operations especially challenging and significantly increase the risk of heat-related illnesses.

Among the most severe issues is heatstroke, which occurs when the body is unable to regulate its temperature effectively, causing a dangerous rise in body heat. Symptoms include hot, dry skin, confusion, disorientation, and in severe cases, loss of consciousness or seizures. On the other hand, heat exhaustion results from excessive loss of fluids and salts due to sweating. Common symptoms include weakness, dizziness, nausea, headache, and heavy sweating; in more serious cases, vomiting or fainting may occur.

To mitigate these risks, we have implemented a comprehensive system that regularly monitors both the ambient temperature and the body temperature of our workers, ensuring that breaks are taken in accordance with the environmental conditions. We provide hydration stations at rest points to support proper fluid and salt replenishment. It is recommended to consume approximately 200 ml of water every 15 minutes, even in the absence of thirst, as a preventive measure.

Our safety talks also focus on the early identification of symptoms related to heat exposure and outline immediate actions to be taken in the event that someone shows signs of heatstroke or heat exhaustion. Additionally, taking breaks in cool, shaded areas during rest periods is another critical measure to ensure the health and safety of our employees.





Accidents and Incidents



Our approach to managing and evaluating accidents and incidents aims to mitigate risks and ensure the safety of everyone involved. We have a specific procedure in place for investigating these events, providing clear guidelines for recording, analyzing, classifying, and communicating incidents, with the goal of preventing recurrence. This procedure applies to both our operations and contractor companies, covering all types of accidents.

Responsibility for accident investigations is shared among the General Manager, Area Heads and Supervisors, the Head of Industrial Safety, and representatives from the Safety and Hygiene Committee. They must collaborate and report the incident investigation results within a maximum of 48 hours. For each incident or accident, a Job Safety Analysis (JSA) is conducted, identifying associated risks and implementing control measures. The supervisor is responsible for validating the JSA and ensuring all personnel involved

understand the risks and control measures.

Additionally, our reporting system allows employees to anonymously report hazardous situations, fostering a culture of transparency and continuous improvement. Thorough investigations of each incident enable us to identify root causes and implement corrective actions using methodologies such as Root Cause Analysis (RCA) and the Ishikawa Diagram. These tools help prevent the recurrence of similar incidents and improve our safety practices.

In 2023, we successfully completed a full year without any lost-time incidents. However, in June, we experienced a single incident related to load handling. This incident was investigated according to our procedures, and corrective actions were implemented. Despite this incident, we managed to maintain the second half of the year without any additional incidents.

Registered Accidents

Category	Description	2023 Data
Lost-time Incidents	Accidents resulting in temporary or permanent disability	1
Safety Incidents	Recorded incidents in the second half of the year	0
Total Recordable Incident Frequency Rate (TRIFR)	Accidents per 200,000 person-hours worked	0.54

By the end of 2023, we achieved a Total Recordable Incident Frequency Rate (TRIFR) of 0.54.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

COMMITMENT TO

We understand that our responsibility extends beyond mineral extraction to include the stewardship of the environment we impact. Mining, by its very nature, has the potential to cause significant environmental impacts. Therefore, we have adopted an environmental management approach focused on minimizing these impacts and promoting sustainability across all our operations. Throughout 2023, we faced various climatic and operational challenges, yet we made significant strides in key areas such as remediation, resource conservation, and waste management. This report details our environmental actions and achievements, emphasizing our commitment to a greener and more sustainable future.

Key Highlights:

Environmental Reclamation: To date, we have restored approximately 80 hectares, representing 33% of our total goal of 240 hectares.

Water Management: We saved approximately 100,000 m³ of groundwater by utilizing water contained in the open pits.

Energy Efficiency: We reduced the operation of the ADR plant to 20%, achieving energy savings and reducing our atmospheric emissions.

Biodiversity Conservation: We produced between 2,000 and 2,500 plants in our nursery and observed an increase in local wildlife, including deer, wild boars, foxes, and various bird species.



ENVIRONMENT



	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Message from Hernan Beltran



This year, our focus during the closure phase has been ecological reclamation, creating and fostering the necessary conditions to reintegrate ecological diversity into the ecosystem.

DEAR FRIENDS:

The company is currently in a transition phase, balancing ongoing reclamation activities and planning for future projects.

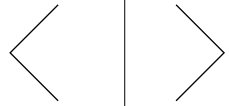
To begin with, we have allocated significant resources and efforts to the progressive closure and environmental reclamation of mining operations that have reached the end of their useful life. At the same time, we are focusing our resources on future planning, exploring the best technologies and sustainable practices to ensure environmental protection and efficient resource use, integrating them into the strategy for upcoming projects.

This year, our focus has been ecological reclamation, creating and fostering the necessary conditions to reintegrate ecological diversity into the ecosystem. We have undertaken an intensive reforestation campaign that, beyond merely planting trees, provides a range of environmental benefits, such as climate change mitigation, carbon footprint reduction, biodiversity protection, and the generation of renewable resources. Additionally, this initiative directly benefits nearby communities by promoting soil and landscape protection and recovery. We have also implemented various measures for efficient water use and management, positively impacting water infiltration and the recovery of aquifers. This ensures that areas meeting environmental closure objectives are optimally prepared for reintegration into the surrounding ecosystem. The swift adoption of newly created habitats by local wildlife is a testament to our success.

Our environmental goals, both in reclamation activities and future projects, are focused on achieving the highest standards of environmental responsibility. This includes integrating innovation into processes aligned with sustainability principles and environmental respect, in line with the Sustainable Development Goals.

Hernan Beltran
Health, Safety, and Environmental Manager

Hernan is an expert in EHS in mining operations and regulatory government institutions. He is responsible for developing, implementing, and coordinating the necessary actions to comply with safety, health, and environmental policies, standards, and regulatory guidelines, in line with ESG principles. Hernán has led the company to achieve significant recognitions, such as the Clean Industry Certification and Safe Company status from PROFEPA and the Ministry of Labor and Social Welfare (STPS), respectively.



Legislación Ambiental

Compliance with environmental legislation is of utmost importance for our operations and demonstrates our commitment to sustainability amidst the emerging challenges of the legal framework. In 2023, we worked diligently to ensure that all our activities were conducted responsibly and in accordance with current regulations.

We are proud to report that in 2023, no observations, fines, or environmental incidents were recorded in our operations.

Operating Permits: We ensured all necessary environmental permits were up to date, maintaining compliance with local, state, and federal regulations. These permits provide the legal basis for our operations, confirming that we meet all environmental requirements.

Regulatory Compliance: We ensured adherence to all applicable environmental regulations, including proper waste management and emissions control. Complying with these regulations is crucial to avoid penalties and maintain our social license to operate.

Environmental Management Protocols: We implemented protocols to identify, monitor, and control the environmental aspects of our operations, aligned with international standards and industry best practices. These protocols allow us to anticipate and mitigate environmental impacts, fostering a culture of continuous improvement.

Environmental Risk Management

Environmental risk management is a main concern in the mining sector, where activities can have significant environmental impacts. We regularly identify and assess the environmental risks associated with our activities to implement preventive and corrective measures.

In 2023, we adapted our reclamation program to address climatic challenges, considering increased rainfall and prolonged drought periods. These adjustments allowed us to minimize environmental impacts from climate change and enhance our resilience to adverse weather conditions. Proactive risk management is essential to ensure our operations are sustainable and environmentally respectful.

Risk Identification and Assessment: We conduct regular evaluations to identify potential environmental risks and analyze their possible impacts on ecosystems, water, air, and local communities. This assessment includes factors such as soil and water contamination, biodiversity loss, and climate change-related risks.

Impact Prevention and Mitigation: We implement preventive measures and corrective actions to minimize identified risks. This involves adopting best operational practices, using clean technologies, and training our personnel in responsible environmental practices. Prevention is always more effective and less costly than correcting impacts after they occur.

Monitoring and Continuous Improvement: We maintain a rigorous environmental monitoring system to ensure compliance with environmental standards and early identification of any deviations or unintended impacts. We regularly review our practices and procedures to identify opportunities for optimization and further reduce environmental risks.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Water Management

Our approach to water usage acknowledges its critical importance and prioritizes its management. This is essential to ensure the availability of clean and safe water for nearby communities and local ecosystems. We have implemented policies and procedures to use water responsibly, minimizing negative impacts on both people and the environment. Our practices include continuous monitoring, the implementation of water efficiency technologies, and active engagement with stakeholders.

Water Extraction and Usage

We strive to optimize water consumption and minimize its environmental impact. In Mexico, water use is regulated by the National Water Commission (Conagua), which issues permits for water extraction. Our company is authorized to use up to 150,000 m³ of groundwater annually. In 2023, we continued to avoid groundwater extraction while maintaining our permits.

A key strategy to avoid groundwater extraction is the use of rainwater accumulated in pits, also known as process water. In 2023, we used a total of 32.57 megaliters of process water in our operations, reflecting a reduction compared to the 41.7 megaliters consumed in 2022. This practice reduces our reliance on external sources and helps conserve groundwater, minimizing our water footprint.

Additionally, we continue to implement recirculation methods to maximize water efficiency. In 2023, we successfully recirculated 2,733,747 m³ of water, maintaining its quality through continuous monitoring projects. One example is the tilapia farm project in the pits, where the population has multiplied, demonstrating the water's suitability for sustaining aquatic life.

Water Discharge

We ensure proper management of wastewater generated by our operations, treating and disposing of it to minimize environmental impact. In 2023, no contaminated discharges were reported. Wastewater from sanitary services is collected in cisterns and handled by specialized companies responsible for its treatment in regional plants.

Water Use in Project Fenix

For Project Fenix, we are assessing the implementation of a water purification plant at our mining sites. This plant will provide potable water to our facilities, reducing the need to transport water from the City of Guamúchil and ensuring a safe and reliable water supply. Furthermore, we plan to expand our recirculation systems and process optimization to ensure even more efficient water use in our future operations.





Environmental Reclamation

Environmental reclamation was one of our top priorities in 2023. Despite facing climatic challenges, we effectively managed these issues and allocated a robust budget that allowed significant progress in restoring impacted areas. For us, reclamation is a commitment to the communities and ecosystems affected by our operations.

Reclamation of Affected Areas: To date, we have reclaimed approximately 80 hectares, representing 33% of our total goal of 240 hectares. This effort is critical to restoring the ecological functionality of areas previously used for mining activities.

Vegetative Cover: We implemented hydroseeding to promote vegetative cover in reclaimed areas. This technique allowed us to stabilize the soil and encourage the growth of native vegetation, enhancing local biodiversity.

Water Control Structures: We built drainage and rainwater control systems to prevent erosion and ensure the stability of reclaimed slopes. These structures are vital for preventing soil degradation and securing the sustainability of our reclamation efforts.

Throughout the reclamation process, we dedicated significant time to planning and designing terraces, determining the appropriate angles, managing rainwater, and calculating the necessary number and dimensions of berms to ensure the stability and effectiveness of the reclamation. The implementation of hydroseeding and other advanced techniques enabled us to promote effective and sustainable vegetative cover. These efforts underscore our commitment to sustainability and environmental responsibility.

We have reclaimed approximately 80 hectares, representing 33% of our total goal of 240 hectares.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Biodiversity

We recognize the potential impact our operations may have on local ecosystems and are committed to minimizing these effects through proactive and responsible environmental management. Our activities are located within the tropical dry forest, a rich biodiversity ecosystem, with our operations concentrated in an 8.8 km² area. We ensure that these operations occur outside federally, state, and municipally protected areas and hold all necessary land-use permits and authorizations issued by CONAFOR and SEMARNAT, complying with current environmental regulations.

We conduct environmental baseline studies to assess the ecosystem’s characteristics. These studies help us develop flora and fauna rescue programs, focusing particularly on species protected under NOM-059. Additionally, we implement best practices to collect topsoil, which is stored and later used for reforestation efforts with native species, fostering the rapid return of native wildlife and the restoration of ecological balance in affected areas.

Our environmental impact indicators cover a range of ecosystem components, including soil, water, terrestrial flora and fauna, landscape, and socio-economic factors. During our operations and maintenance, we identified key areas to manage, including waste recovery, gas emissions, and dust control.

- **Waste Pollution:** We manage the recovery, transfer, and proper disposal of waste through authorized third parties, ensuring safe and responsible handling..
- **Gas and Noise Pollution:** We control gas and noise pollution through appropriate operational practices and regular maintenance, ensuring compliance with current environmental standards.
- **Dust Control:** We use road sprinkling to control dust dispersion, reducing its impact on the environment and the health of nearby communities.

In addition to addressing these impacts, we are also attentive to others, such as alterations to the terrain and natural landscape. We implement mitigation actions, such as slope adjustments and the recovery of affected areas, to restore the landscape and minimize environmental changes.

Flora and Fauna Conservation

Our Health, Safety, and Environment team is responsible for flora and fauna conservation, adhering to the environmental standards set by NOM-059 and the IUCN classification. We have identified seven endangered species in our operational area, two vulnerable species, and two threatened species. To monitor and protect these species, we continue to use camera traps, collecting data on their presence and behavior, and taking appropriate protective measures.

We see biodiversity conservation as an ethical responsibility. Protecting and promoting biodiversity is essential to ensuring the health and balance of local ecosystems.





Plant Production

We produce approximately 25,000 plants annually, which are used to restore affected areas and enhance local biodiversity. These plants not only contribute to soil stabilization but also provide habitats for regional wildlife.



No.	Common Name	Scientific Name
1	Acacia	Acacia Sp
2	Rubber Vine	Cryptostegia grandiflora
3	Pink Trumpet Tree	Tabebuia penthapylla
4	Octopus Agave	Agave vilmoriniana
5	Mexican Calabash	Crescentia alata
6	Birdcatcher Tree	Pisonia capitata
7	Palmer's Stemmadenia	Stemmadenia palmeri
8	Desert Hackberry	Celtis pallida
9	Bloodwood Tree	Hematoxylum brasiletto
10	Acacia	Acacia cymbispina
11	Sweet Acacia	Acacia farnesiana
12	Coyotillo	Karwinskia humboldtiana
13	Hairy Cereus	Pachycereus pecten/aboriginum
14	Kapok Tree	Ceiba pentandra
15	Spanish Cedar	Cedrela odorata
16	Copal	Bursera penicillatum
17	Coutarea	Coutarea pterosperma
18	Mimosa	Mimosa purpurancens
19	Acacia	Acacia spp
20	Ironwood	Caesalpinia sclerocarpa
21	Manila Tamarind	Pithecellobium dulce
22	West Indian Elm	Guazuma ulmifolia
23	Guaiacum	Guaiacum coulteri



Producimos aproximadamente
 We produce approximately
25,000 plants annually, which
 are used to restore affected
 areas and enhance local
 biodiversity

No.	Common Name	Scientific Name
24	White Leadtree	Leucaena leucocephala
25	Elephant Ear Tree	Enterolobium cyclocarpum
26	Brazilwood	Caesalpinia cacalao
27	Jerusalem Thorn	Parkinsonia aculeata
28	Perityle	Perityle microglossa
29	False Tamarind	Lysiloma divaricata
30	Mesquite	Prosopis juliflora
31	Dyer's Mulberry	Maclura tinctoria
32	Tree Morning Glory	Ipomoea arborecens
33	Mexican Ebony	Havardia mexicana
34	Brazilian Ironwood	Caesalpinia platyloba
35	Monkeypod	Pithecellobium mangense
36	Brazilian Raintree	Pithecellobium tortum
37	Ten Thousand Vines	Thounidium decandrum
38	Prickly Ash	Randia echinocarpa
39	Gardenia	Randia mitis
40	Mexican Erythroxylum	Erythroxylum mexicanum
41	Coral Tree	Erythrina lanata
42	White Silk Cotton Tree	Ceiba aesculifolia
43	Spiny Jacquinia	Jacquinia pungens
44	Alamos Cholla	Cylindropuntia alamosensis
45	Acapulco False Tamarind	Lysiloma acapulcensis
46	Pacific Mahogany	Swietenia humilis



Increase in Wildlife

We observed an increase in local wildlife, including deer, wild boar, foxes, and various birds. This increase is a positive indicator of ecosystem health and the success of our conservation initiatives.

Wildlife Watering Stations

To support local wildlife during periods of scarcity, we established watering stations for the dry season. This initiative is essential for ensuring the survival of species facing harsh climatic conditions.



Species Monitored in Our Environmental System

Common Name	Scientific Name	Potential Species	NOM-059	Endemic	Probability of Presence in the Environmental System	Probability of Presence in the Project Area	Field Prospecting	IUCN
Mexican Casquito Turtle	Kinosternon integrum	2	Pr		Yes	Yes	Yes	LC
Mexican West Coast Rattlesnake	Crotalus basiliscus	6	Pr	Yes	Yes	Yes	Yes	LC
Milk Snake or False Coral Snake	Lampropeltis triangulum	7	A		Yes	Yes	Yes	LC
Mexican Spiny-tailed Iguana or Black Iguana	Ctenosaura pectinata	9	A	Si	Yes	Yes	Yes	
Mexican Beaded Lizard	Heloderma horridum	10	A		Yes	Yes	Yes	LC
Beechy's Jay	Cyanocorax beecheii	22	P	A	Yes	Yes	Yes	LC
Brown-backed Solitaire	Myadestes occidentalis	89	Pr	S/C	Yes	Yes	Yes	LC
Mexican Parrotlet or Pacific Parrotlet	Forpus cyanopigius	219	Pr	Pr	Yes	Yes	Yes	NT

Materials Used

We understand the importance of managing the materials used in our operations responsibly. Our goal is to use resources efficiently, minimizing the environmental impacts associated with our material consumption.

During our operational phase in 2023, we focused on conserving resources and optimizing their use according to operational requirements. This includes careful management to prevent spills, leaks, and contamination, thereby reducing our reliance on natural resources and minimizing the environmental impact of our activities.

Our operations involve the use of various critical materials that

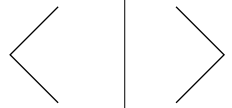
require responsible handling and special attention. These include gasoline, diesel, propane gas, liquid caustic soda, and activated carbon. We also use office supplies and health and safety items. All these materials are managed in compliance with current environmental and safety regulations.

Aligned with our commitment to sustainability, we have also implemented recycling and reuse practices to optimize material use and reduce waste. Throughout 2023, we continued these practices, achieving significant progress in managing our material resources.

Materials Used by Weight or Volume in 2023

Material	Quantity	Unit
Raw Materials		
Activated Carbon	15	ton
Process-Related Materials		
LP Gas	4,220	liters
Gasoline	80,323	liters
Diesel	137,448	liters
Anti-Scaling Agent	39,663	liters
Caustic Soda	23,894	liters
Crucibles	2,784	units
Recycled Materials		
Cardboard and Paper	1,148	tons
PET Bags	83	kilos
20L PET Jugs	328	kilos

All materials mentioned were sourced from external suppliers. The data presented is based on direct measurements taken throughout the year.



We have implemented recycling and reuse practices to optimize material use and reduce waste.



Energy

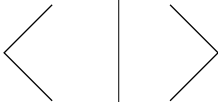
Energy efficiency is a key component of our environmental strategy. Mining is an energy-intensive industry, so optimizing our energy use not only reduces operational costs but also decreases our greenhouse gas emissions and overall environmental impact.

Operations Reduction: We reduced the operation of the ADR plant to 20% of its capacity, generating significant energy savings and reducing our environmental footprint.

Energy Supply: We primarily use energy supplied by the Federal Electricity Commission (CFE), with diesel backup generators to ensure a continuous and reliable power supply.

Lighting Upgrade: We replaced 1,000-watt lamps with energy-efficient LED lights, significantly reducing consumption.

In 2023, our energy consumption remained low, reaching a total of 3.3 million kW. No major changes were made to the measurement processes, and this reduction is partly attributed to the transition phase in our mining operations.



Energy Intensity

In our sustainability reports, we define energy efficiency by calculating the energy consumed per equivalent ounce of gold produced annually. This calculation allows us to assess both our energy efficiency and environmental impact.

The formula used to calculate energy intensity is:
Energy Intensity = Total Energy Consumption (GJ) / Total Production (equivalent ounces)

Parameter	Value
Consumo Total de Energía	12,230.81 GJ
Producción Total (onzas)	2,000 onzas
Intensidad Energética	6.11 GJ/Oz

In 2023, our efforts to reduce energy requirements focused on the responsible use of resources. While no significant changes in processes were reported, we continue to evaluate alternative energy sources for the next phase of operations.

Energy Use in the Project Fenix

Looking ahead to the next phase of our operation, we are evaluating the use of alternative energy sources that can ensure a sustainable supply while reducing our environmental impact. Key initiatives include:

- **Gas Usage Evaluation:** We are exploring the possibility of using gas for power generation in the Project Fenix. This energy source is cleaner compared to diesel and can significantly contribute to reducing our greenhouse gas emissions.
- **Energy Efficiency Technologies:** We will continue implementing advanced technologies to improve energy efficiency at various stages of the Project Fenix, including process optimization and upgrading to more energy-efficient equipment.
- **Energy Management Systems:** We are developing energy management systems to monitor and optimize energy use in real-time, allowing us to identify energy-saving opportunities and adjust our operations to maximize efficiency.

The Project Fenix represents a significant step toward adopting cleaner and more efficient energy sources. We are committed to implementing these initiatives and continuing to explore new opportunities to enhance our energy management and reduce our environmental impact.

Project Fenix
represents a
significant step
toward adopting
cleaner and more
efficient energy
sources.

GHG Emissions

Managing our greenhouse gas (GHG) emissions is critical to evaluating and reducing our environmental impact. In 2023, we continued to focus on the sustainability of our operations, collecting detailed and accurate data to implement more effective reduction strategies.

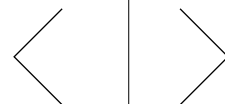
• **Emission Sources:** Our main sources of emissions come from diesel and gasoline consumption in vehicles and generators. In 2023, our direct emissions (Scope 1) totaled 602 metric tons of CO2 equivalent, while indirect emissions (Scope 2), derived from electricity consumption, amounted to 1,396 metric tons of CO2 equivalent.

• **Emissions Reduction:** In 2023, total emissions were 1,998 metric tons of CO2 equivalent, compared to 2,973 metric tons in 2022, representing a 32% reduction. However, this reduction cannot be solely attributed to effective management strategies, as 2023 was primarily a planning year without significant operations, and the ADR plant operated at reduced capacity. Therefore, the year-over-year comparison does not directly reflect changes in operational strategies.



Emission Type	Gases Included	2022 (tCO2e)	2023 (tCO2e)
Direct Emissions (Scope 1)	CO2, CH4, N2O	1,050	602
Indirect Emissions (Scope 2)	CO2	1,923	1,396
Total Emissions		2,973	1,998

Our main sources of emissions come from diesel and gasoline consumptions in vehicles and generators.



Emissions Intensity

In 2023, we also analyzed the emission intensity by calculating the total of direct and indirect emissions (Scope 1 + Scope 2) relative to the total ounces produced.

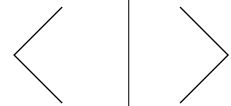
Parameter	tCO2 Equivalent
Total Energy Consumption	1,998 tCO2 equivalent
Total Production (ounces)	2,000 ounces
Energy Intensity	0.999 GJ/Oz

We recognize that a clearer emissions indicator will be established once we enter the next phase of our operation. Nevertheless, we consider this a fundamental aspect in decision-making for the Project Fenix, aiming to improve our operational efficiency by using energy more efficiently and reducing our emissions to the atmosphere.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

COMMUNITY





COMMITMENT



We believe that our responsibilities extend beyond mining activities. We are committed to driving sustainable development and enhancing the well-being of the communities around us, understanding that our operations have a significant impact on their environment. Therefore, we work to build strong, mutually beneficial relationships based on trust, respect, and collaboration.

Through initiatives focused on health, education, infrastructure, and culture, we contribute to improving the quality of life for people in our area of influence. Our goal is to foster long-term socioeconomic development and promote community self-sufficiency, leaving a legacy that lasts beyond the life of our operations

Key Highlights

In 2023, our efforts focused on strengthening relationships with communities through sustainable programs that promote development and autonomy. Despite the challenges of a transitioning operation, we continued to invest in key initiatives that generate lasting impact.

- **Increased Social Investment:** Our new social management model allowed us to focus on activities that drive long-term change, investing in infrastructure, health, and education projects.
- **Infrastructure Enhancements:** We implemented significant improvements to the water network, community spaces, and road maintenance.
- **Education and Training:** We bolstered educational programs, including the Open High School initiative, the Edumina program and visits to the Science Center.
- **Health and Wellness:** We conducted visual health programs and informational campaigns on gender violence, promoting human rights within the communities.
- **Community Involvement:** We worked alongside communities, encouraging active participation in decision-making regarding actions and projects that impact their lives.

Developing Communities

In 2023, with our new social responsibility model, we focused on empowering communities to take an active role in their own development by providing them with support to define their projects and priorities through community assemblies. We also offered technical assistance and guidance to help them navigate these processes. Decisions about infrastructure, health, and road projects are made independently by each community, allowing them to prioritize their resources.



We are focused on empowering communities to take an active role in their own development

Community Empowerment: Throughout the year, we accompanied communities in their decision-making processes through assemblies, enabling them to identify their most urgent needs and work more autonomously in managing their projects.

Long-Term Impact: Our investment strategy continues to prioritize infrastructure, health, and educational programs, aiming to ensure that communities can maintain and improve their quality of life sustainably, even after our operations conclude.

Collaboration and Peacebuilding: We have collaborated closely with communities to foster peaceful agreements and improve the overall environment. This includes activities for children, such as workshops and film screenings promoting messages of gender equality.

Open and Transparent Communication: We maintain open and transparent communication with communities, listening to their needs and concerns to help them prioritize projects and actions. Multiple communication channels, including in-person meetings, WhatsApp groups, and hotlines, have been established to facilitate direct contact with each community.



Benefited Communities

Our operations have a significant impact on surrounding communities. As a result, we have defined our area of influence, which includes both the communities directly linked to our activities and those with future project interests. This approach allows us to benefit a larger number of residents and improve the quality of life across the region.

Our operations have a significant impact on surrounding communities. As a result, we have defined our area of influence, which includes both the communities directly linked to our activities and those with future project interests. This approach allows us to benefit a larger number of residents and improve the quality of life across the region.

We have expanded our reach to other areas, ensuring our programs and efforts benefit a total of **7,115 residents** across **36 communities**.

Benefited Communities

Community	Population
Agua Blanca	10
Bacamopa	121
Cahuinahuatillo	37
Cahuinahuato	57
Canutillo	64
Cerro Agudo	914
Corral Quemado	117
El Aguajito	144
El Chinal	216
El Gallo	114
El Machón	130
El Magistral	27
El Mezquite	593
El Nacimiento	78

Community	Population
El Palmar de los Sepúlveda	491
El Ranchito de San Miguel	6
El Rincón de los Santos	12
El Sabino	16
El Taray	8
El Tule	164
El Tule de Arriba	52
El Valle	594
Haciendita de los Ceballos	7
La Higuera de los Vega	1278
La Higuera	11
La Virgen	40

Community	Population
Las Huacapas	68
Las Milpas	88
Las Tahonas	207
Lo de Gabriel	153
Los Troncones	111
Palmarito Mineral	347
Palo de Asta	144
Potrero de las Perdices	31
San Joaquín	527
San José del Álamo	89
Tezcalama	49
Total	7,115

Community Projects

Infrastructure

In 2023, our projects focused on improving access to potable water, road connectivity, and community spaces.

Nacimiento: We contributed to the purchase of materials to improve water access, directly benefiting **78 people** and supporting the continuity of supply in the region.

Bacamopa: We invested in the water network project at the community center, improving water supply and the quality of life for **121 residents**.

Cahuinahuato: We provided financial support of \$2,368 for community works. We also carried out road maintenance to improve accessibility and transportation within the community, benefiting **57 residents**.

Lo de Gabriel: We provided guidance and support to the community in managing the water supply project with the State Commission for Potable Water and Sewerage of Sinaloa (CEAPAS).

Project	Community	Beneficiaries
Water network	Nacimiento	78
Water network	Bacamopa	121
Road maintenance	Cahuinahuato	57



Educational Programs

Education is the cornerstone for the sustainable development of communities. Therefore, we have expanded our educational programs, focusing on providing young people with meaningful learning opportunities and personal development, enhancing their skills and competencies.

Open High School Program: This has been one of our standout initiatives, enabling employees living in our communities to continue their secondary education. In 2023, a group of 10 students advanced in their studies, with graduation expected in 2024. This program aims to reduce by 50% the number of employees without a high school diploma.

Science Center Visits: We organized educational trips for children from four regional schools to the Science Center in Culiacán. These visits fostered curiosity and interactive learning in 40 children, inspiring them to explore new areas of science and technology.

Edumina: We continued promoting our flagship program, providing information about the mining industry, its benefits, and our commitment to the community through various regional institutions.

Program	Beneficiaries
Open High School Program	10 students
Science Center Visits	40 children



Health and Well-being Programs

The physical and emotional well-being of communities is essential for their holistic development. For this reason, we have strengthened several initiatives designed to promote comprehensive health among the residents in communities near our operations. These programs address both immediate medical needs and preventive health education.

“See Better” Program: One of our standout initiatives in 2023 was the “See Better” Program, conducted in collaboration with Oftavisión. This program focused on improving the visual health of residents in our communities. Through the Visual Health Brigade, we visited 12 communities and performed eye exams for 253 students. As a result, eyeglasses were donated to children diagnosed with vision problems.

Program	Beneficiaries
"See Better"	253 students received eye examinations

Promoting Cultural Identity

The preservation of traditions and culture is key to social identity and cohesion. Therefore, in 2023, we continued supporting essential community celebrations.

Children’s Day: We distributed sweets in 29 communities, fostering moments of joy and highlighting the importance of childhood in community development.

December Posadas: We distributed 1,600 bags of sweets in 29 communities for Christmas celebrations independently organized by each community.

Mother’s Day: We recognized the women in our communities by providing shopping vouchers through raffles in the following communities: Lo de Gabriel, Potrero de las Perdices, Bacamopa, Cahui-nahuato, El Gallo, El Mezquite, and Palmarito Mineral.

Valle de Leyva Solano Carnival: Supporting local traditions, we provided logistical assistance with machinery to prepare the grounds for this important event.

Day of the Holy Cross: We assisted with land preparation using company machinery to celebrate this significant tradition on May 3rd.

Day of the Dead: We carried out maintenance work in community cemeteries, ensuring proper spaces for this deeply meaningful commemoration.

Event	Beneficiaries
Children’s Day	Children from 29 communities
December Posadas	29 communities with 1,600 bags of sweets
Mother’s Day	Communities of Lo de Gabriel and Palmarito Mineral
El Valle de Leyva Solano’s Carnival	Community of El Valle de Leyva Solano
Day of the Holy Cross	Communities of El Gallo and Potrero de las Perdices
Day of the Dead	Various Communities

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Human Rights, Diversity, Equity, and Equality

Respecting and promoting human rights is one of our fundamental priorities. We are committed to fostering a community culture that respects the dignity of all individuals, ensures equal opportunities, and protects the most vulnerable.

In 2023, we strengthened our focus on human rights by continuously promoting gender equality and non-discrimination through the Orange Campaign, an initiative aimed at preventing and eradicating violence against women and girls. During the campaign, we shared information and visual materials throughout the communities, raising awareness on this important issue.

HUMAN RIGHTS INITIATIVES IN 2023:

Orange Campaign: In alignment with the UN’s initiative to prevent and eradicate violence against women and girls, we participated in the Orange Campaign in November 2023. During the campaign, we organized a variety of educational and awareness-raising activities across our communities, including:

Talks and Workshops:

We conducted workshops on preventing gender-based violence, women’s rights, and the importance of gender equality. These workshops targeted both women and men in the communities, fostering an environment of mutual respect and support.

Reading Clubs:

In Bacamopa and El Valle de Leyva Solano, we organized reading clubs featuring inspiring stories that promote gender equality and the empowerment of girls.

Drawing Workshops:

We conducted drawing workshops where children illustrated their vision of a future free from violence. These activities fostered creativity and served as educational tools to encourage reflection on equality and respect.

Community Mural:

In Bacamopa, community members participated in creating a collaborative mural, imprinting their hands with orange paint as a symbol of their commitment to ending gender-based violence. This mural has since become a permanent symbol of support for the cause.





The Orange Campaign is a global initiative to prevent and eradicate violence against women and girls.

Peacebuilding Program: This program was implemented in the communities of Bacamopa and El Valle de Leyva Solano, focusing on conflict prevention and peace promotion through educational and cultural activities. Initiatives included workshops on conflict resolution, communication skills, and fostering a safe and respectful school environment

Through these actions, Compañía Minera Pangea has had a positive impact on raising awareness and promoting human rights within its communities of influence.

Initiative	Beneficiaries
Talks and Workshops of the Orange Campaign	Women, men, and youth in the communities
Reading Clubs	Boys and girls in Bacamopa and El Valle de Leyva Solano
Drawing Workshops	Boys and girls in the communities
Community Mural	Community of Bacamopa
Peacebuilding Program	Students of Bacamopa and El Valle de Leyva Solano

THE IMPACT OF HUMAN RIGHTS IN THE COMMUNITIES

Human rights are fundamental for everyone, regardless of who we are or where we come from. At Compañía Minera Pangea, we firmly believe in the importance of promoting and protecting these rights within our communities. Through our initiatives, we aim to empower individuals to understand and exercise their rights, contributing to the development of a more just and equitable society.

IMPORTANCE:

1. Dignity and Respect:

- Human rights ensure that all individuals are treated with dignity and respect.
- They promote equality, justice, and protect against discrimination.

2. Development and Peace:

- Human rights are essential for sustainable development and peace in society.
- They ensure that everyone can fully participate in community and economic life.



ORANGE CAMPAIGN:



La Campaña Naranja es una iniciativa global liderada por la ONU para erradicar la violencia contra las mujeres y las niñas. Utilizando el color naranja como símbolo de un futuro sin violencia, la campaña busca sensibilizar y movilizar a las comunidades para que tomen acciones concretas en la protección de los derechos de las mujeres.

1. Awareness:

- Raises awareness about the effects of gender-based violence.
- Motivates governments, organizations, and individuals to take action, to prevent and respond to violence.

2. Action and Change:

- Promotes effective policies to protect women and girls.
- Encourages cultural change towards greater gender equality.

PEACEBUILDING:



Peacebuilding involves efforts to create and maintain fair and harmonious relationships, particularly in communities that have experienced conflict. These efforts aim to achieve long-term stability and sustainable development.

1. Conflict Prevention:

- Helps prevent conflicts from recurring through reconciliation and mutual understanding.
- Fosters an environment of respect and collaboration.

2. Sustainable Development:

- Supports sustainable development by strengthening social cohesion and unity within communities.
- Facilitates the creation of essential infrastructure and services that benefit everyone.

BENEFITS FOR COMMUNITIES:



1. Empowerment and Protection:

- The Orange Campaign empowers communities by providing them with the tools and knowledge necessary to protect themselves against gender-based violence. This initiative improves the safety and well-being of women and girls, fostering a safer environment for everyone.

2. Social and Economic Development:

- Peace and stability are crucial for economic development. Communities can focus on growth and prosperity when free from conflict.
- Peacebuilding and human rights initiatives help create basic infrastructure and essential services that improve quality of life.



3. Cohesión y Unidad:

- Promoting human rights and equality contributes to social cohesion and unity within communities.
- Peacebuilding facilitates cooperation and collaboration among different groups, strengthening the community as a whole.

4. Access to Resources and Opportunities.

- Remote communities often face barriers to accessing resources and opportunities. Campaigns and programs that promote human rights and peace can reduce these barriers.
- Access to education, health, and employment significantly improves when communities are free from violence and conflict.

Connectivity and Internet Access

Access to information bolsters education and community development. Therefore, one of our key commitments is to improve connectivity in the areas where we operate, ensuring that more people have access to the internet, a crucial resource in today's world.

Internet Network Upgrades

In 2023, we carried out several improvements and upgrades to the internet connectivity infrastructure in various communities. These initiatives included:

Equipment Upgrades: In the communities of Potrero and Nacimiento, we upgraded connectivity equipment to enhance network performance and anticipate obsolescence.

Network Expansion: The internet network was expanded to new communities, including Agua Blanca and Cahuinahuato. These expansions have allowed more families and schools to access information, facilitating remote education and essential online services.

Ongoing Maintenance: A regular maintenance program was established to ensure the internet infrastructure remains operational, minimizing service interruptions and keeping the communities connected.



Community	Action Taken	Beneficiaries
Potrero and Nacimiento	Equipment Upgrades	Local families and schools
Agua Blanca and Cahuinahuato	Internet network expansion	New users connected

Volunteering and Donations

In 2023, the company and its employees actively participated in various volunteering and donation initiatives, demonstrating a strong commitment to social welfare and humanitarian aid.

Donation to the Red Cross and Firefighters:

We continued our commitment to the Mexican Red Cross and the Heroic Fire Department in the Mocorito delegation, institutions that provide emergency response services to the community.

Emergency Relief in Acapulco:

In response to the devastation caused by Hurricane Otis in Acapulco, we donated medicines to address the health emergency in the affected area.

Book Donations and Promoting Education:

In 2023, we donated used books to the communities of Lo de Gabriel, Bacamopa, and Potrero de las Perdices as part of an effort to support the creation of small community libraries. This initiative was made possible thanks to the collection of books generously donated by our employees, fulfilling requests from these communities.



In 2023, we invested \$135,571 in community development projects.

Resultados 2023

Community Projects Investment

Project	Investment (USD)	
Road Maintenance	\$	13,790
Mobile Equipment Maintenance	\$	7,503
Infrastructure Works in Potrero	\$	17,758
Celebration of the Day of the Holy Cross	\$	1,184
Infrastructure Works in Lo de Gabriel	\$	5,339
Medicine Donation in Lo de Gabriel	\$	814
Infrastructure Works in Bacamopa	\$	29,533
Infrastructure Works in Nacimiento	\$	33,826
Infrastructure in Cahuinahuato	\$	2,368
Donation for the December Bike Ride	\$	96
Internet Expansion and Maintenance in Communities	\$	4,810
Donation for Children's Day	\$	3,580
Donation for Christmas Posadas	\$	3,580
Mother's Day Donation	\$	663
Verte Mejor Program (Visual Health)	\$	2,348
Open High School Program	\$	3,861
Safety Talks	\$	191
Support to Community Authorities	\$	2,772
Emergency Relief in Acapulco	\$	373
Donation to Red Cross and Firefighters	\$	1,184
Total	\$	135,571



In 2023, we made significant progress in the development of the communities near our operations. Through our new social management model, we have empowered individuals to develop greater self-sufficiency and management capacity. The decisions made by community members reflect a focus on infrastructure projects, educational and

health programs, as well as improving connectivity in their localities.

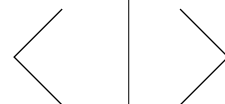
Looking ahead to 2024, we reaffirm our commitment to working closely with each community, not only to fulfill our promises but to exceed expectations, while continuing to generate a positive and lasting impact.

Community	Project/Initiative	Description	Benefits
Bacamopa	Water Network	Completion of the water network in the community center.	Access to water for all homes in the community center.
Lo de Gabriel	Water Management Support	Support and guidance for the water supply project.	Improved water management and supply for the community.
Lo de Gabriel	Road Maintenance	Maintenance of internal roads to facilitate mobility.	Improved access and transportation within the community.
Nacimiento	Water Network	Support with material purchases to improve water access.	Strengthened water access for all homes in the community.
Cahuinahuato	Road Maintenance	Regular rural road maintenance program.	Improved access and mobility within the community.
Cahuinahuato	Internet Network Expansion	Expansion of internet service to new areas of the community.	Increased access to information and online education.
El Valle de Leyva Solano	Orange Campaign and Peacebuilding	Workshops and activities to promote gender equality and community peace.	Strengthening of social cohesion and conflict prevention.
Potrero de las Perdices	Water Network	Development of ramps and fords to improve water infrastructure.	Improved access to water and flood prevention.
Palmarito Mineral	Road Maintenance	Maintenance of internal roads and support for community needs.	Improved access and local road infrastructure.
Agua Blanca	Internet Network Expansion	Expansion of internet service to new areas of the community.	Improved access to information and educational opportunities.
Magistral	Swing Installation and Land Leveling	Support to local schools with equipment installation and land leveling.	Improved school environment and recreational spaces for children.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

TEAM





IN ACTION



At our company, people are at the core of everything we do. Each team member plays a vital role in our mission to create value and drive sustainable growth. We strive to foster an environment where everyone feels valued, respected, and supported, both professionally and personally. Throughout 2023, we intensified our efforts to strengthen our commitment to our team members, ensuring their well-being and development during a year marked by numerous challenges. Even as the mine undergoes a transitional phase, our team remains active, facing current challenges and preparing for the next phase of operations.

Key Highlights

In 2023, we remained committed to our employees' stability and well-being, strengthening our corporate culture through training programs, wellness initiatives, and effective internal communication.

Job Stability: We retained all positions and provided salary increases to our employees, ensuring job security and supporting our team through a transitional period.

Corporate Culture: We emphasized ethics, inclusion, and human rights, enhancing both the work environment and the quality of life for our employees.

Competitive Compensation: We participated in the mining salary and wage survey by CAMIMEX and Cornell. Additionally, we used the compensation benchmark developed by Best Business Consulting Group as a reference to ensure our salaries remain competitive within the industry.

Employment

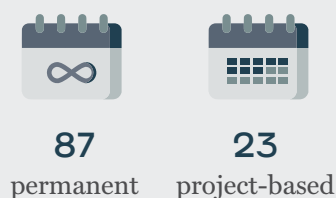
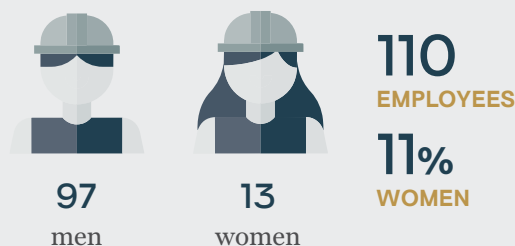
Our relationship with employees is based on respecting human and labor rights, such as the right to life, health, social security, property, freedom of association, and physical and moral integrity. We value our employees as talented individuals, providing them with fair wages and opportunities for training and development to ensure long-term well-being.

Aligned with our employment policies, we promote equal opportunities for men and women and reject all forms of discrimination. We respect diversity and foster inclusion. All employees are recruited and compensated based on their commitment, knowledge, and performance, with opportunities for growth through training and professional development programs.

We comply with labor legislation and adhere to the Principles of the Global Compact, with zero tolerance for child labor, forced labor, or discrimination. Throughout 2023, no violations of labor rights were reported or detected.

At the end of 2023, our workforce totaled 110 employees, a 7% increase compared to 2022. Of these, 87 are permanent and 23 are temporary. 87% of our employees are from the region, and 11% are women.

Throughout 2023,
no violations of labor
rights were reported
or detected.



Distribution by Age Group

Age Group	Female	Male	Other	Not Disclosed	Total
<20	0	0	0	0	0
20-29	4	10	0	0	14
30-39	3	30	0	0	33
40-49	3	39	0	0	42
50-59	2	15	0	0	17
60+	1	3	0	0	4
Total	13	97	0	0	110



Hiring and Employee Turnover

In 2023, we made 42 hires, 52% of whom were young professionals under the age of 30, reflecting our commitment to young talent. Of these new hires, 95% were local residents.



42
hires
52%
young talent

Age Group	Female	Male	Other	Not Disclosed	Total
<20	0	0	0	0	0
20-29	4	18	0	0	22
30-39	1	8	0	0	9
40-49	0	4	0	0	4
50-59	0	6	0	0	6
60+	0	1	0	0	1
Total	15	37	0	0	42

Employee Departures

During the same year, we had a total of 34 terminations due to the conclusion of fixed-term project contracts.



34
departures

Age Group	Female	Male	Other	Not Disclosed	Total
<20	0	0	0	0	0
20-29	3	14	0	0	17
30-39	1	8	0	0	9
40-49	0	2	0	0	2
50-59	0	6	0	0	6
60+	0	0	0	0	0
Total	4	30	0	0	34

Turnover Rate

Regarding employee turnover, we achieved a turnover rate of 3% in 2023, a significant improvement compared to the previous year.

Year	Men	Women	Total Rate
2023	3%	0%	3%
2022	5%	1%	6%
2021	4.5%	0.5%	5%



Compensation and Benefits

Our compensation and benefits strategy is designed to attract, motivate, and retain top talent, ensuring fair and competitive pay. We participate in CAMIMEX initiatives to benchmark industry salaries and offer a benefits package that exceeds legal requirements, including parental leave. All employees who took parental leave returned to work, reflecting the effectiveness of our family support policies and work-life balance initiatives.

Benefits Provided to Full-Time Employees

Benefit	Description
Life insurance	Applies to unionized and managerial staff
Major medical insurance	Applies to managerial staff
Birth support	Applies to all employees
Payroll advances	Applies to all employees
Post-grade scholarships	Applies to all employees

Parental Leave

Leave	Female	Male	Total
Entitled to parental leave	14	96	110
Took parental leave	1	3	4
Returned to work after leave	1	3	4
Retained post-leave (12 months)	1	3	4





Team Development

We continue to strengthen our technical training and personal development programs. Our strategy combines internal training, leveraging the knowledge and experience of our team, with programs delivered by third parties, covering a wide range of topics from technical aspects to soft skills, such as emotional intelligence and conscious leadership.

Additionally, we continue to support basic adult education with a group of 10 employees currently completing their high school education. This initiative will reduce the percentage of employees without this level of education by 50%. This is part of our commitment to developing our team's capabilities, providing them with the tools necessary for continuous growth both within and beyond the organization.

Average Training Hours per Employee

Category	Female	Hours	Male	Hours	Total Attendees	Total Hours
Management	0	0	5	85	5	85
Department Leaders and Superintendents	0	0	9	153	9	153
Supervisors	3	50	11	182	14	232
Operational Staff	10	166	72	1,189	82	1,355
Total	13	216	97	1,609	110	1,825

Percentage of Employees Receiving Regular Performance Reviews

Type	Women	Men	Total
Staff	20.8%	79.2%	100%
Non-Staff	7.6%	92.4%	100%

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Workplace Well-being

The well-being of our employees is a top priority. In 2023, we implemented various initiatives to ensure a safe and healthy work environment, promoting both physical and emotional well-being. Our focus on improving workplace culture included compliance with NOM-035, which addresses psychosocial risk factors at work.

Workplace Climate and NOM-035: We began implementing NOM-035 with Reference Guide III, which covers the evaluation of Severe Traumatic Events, Psychosocial Risk Factors, and Organizational Climate.

Corporate Culture Promotion: Through interviews and our Noti-Pangea newsletter, we identified and communicated topics valued by employees, such as safety and emotional management.

Team-Building Events: We organized events to highlight the importance of our team, celebrating milestones like a year without accidents, Miner’s Day, Mother’s Day, Father’s Day, and Christmas festivities. These events have been key in fostering a strong sense of community among our employees.

Health: We launched several health campaigns focused on employee well-being, with particular attention to visual health.

Human Rights and Due Diligence

Our policies reflect a firm commitment to respecting and promoting human rights across all operations. In 2023, we trained our procurement team on due diligence and human rights, aligning with international principles. Additionally, we strengthened our gender equity policies to ensure their integration into our corporate culture.

Orange Campaign: Since its inception, we have trained 100% of our employees on human rights, diversity, equity, and inclusion. This campaign, inspired by the UN initiative, aims to prevent violence against women and girls while promoting gender equality.

Gender Equity Policies: We are developing policies to integrate gender equity practices, fostering an inclusive culture within the organization.

Social Responsibility: We supported the social responsibility department in implementing diversity and equality initiatives and signed the Women’s Empowerment Principles.

Women’s Empowerment Principles

As part of our commitment to gender equality and women’s empowerment we signed the **Women’s Empowerment Principles (WEPs)**, reaffirming our dedication to implementing policies and actions that promote equity and inclusion at all levels of the organization.



The Impact of the Women's Empowerment Principles (WEPs)

The Women's Empowerment Principles (WEPs) are a set of guidelines aimed at helping companies promote gender equality and empower women in the workplace, marketplace, and community. Developed by the UN Global Compact and UN Women, these principles guide businesses in implementing policies and practices that enhance the role of women in the economy and society.

Women's Empowerment Principles:

1. Establish high-level corporate leadership for gender equality.
2. Treat all women and men fairly at work, uphold human rights, and promote non-discrimination.
3. Ensure the health, safety, and well-being of all employees.
4. Promote education, training, and professional development for women.
5. Implement business, supply chain, and marketing practices that empower women.
6. Advocate for equality through community initiatives and advocacy.
7. Medir e informar públicamente sobre los avances hacia la igualdad de género.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	----------------------	-------------------------------------	---------

PROJECT FENIX



OPERATIONAL CONVERSION OF COMPAÑÍA MINERA PANGEA



The Fenix Project marks a pivotal step in the evolution of Compañía Minera Pangea, incorporating technological and operational innovations that reinforce our commitment to social and environmental responsibility. In 2023, we made significant strides in planning and preparing the project, overcoming challenges and laying the groundwork for execution.

Key Highlights

Technological Innovations: Implementation of the “In Pit tailings” system for safe tailings management and water self-sufficiency through rainwater harvesting and storage.

CAPEX Optimization: Since 2022, we have reduced CAPEX from \$70 million to under \$40 million through strategic equipment acquisitions. In 2023, we further reduced costs by an additional \$4 to \$6 million through continuous process optimization.

Progress on Permits: Significant progress in obtaining key permits, though some environmental and energy approvals remain pending.

Operational Preparations: We reconditioned the acquired equipment, and we are evaluating technological alternatives to enhance efficiency and optimize costs.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Project Fenix: Overview

The Project Fenix is a proposed conversion plan for McEwen Mining’s El Gallo Complex in Mexico. Originally based on a 2018 Preliminary Economic Assessment (PEA) and later updated with a 2021 Feasibility Study, the project outlines a two-phase transformation of the processing facilities at El Gallo, featuring innovative in-pit tailings disposal and the use of additional deposit sites, optimizing both efficiency and environmental management.

Project Fenix Innovations

The Project Fenix stands out for its innovations, which enhance operational efficiency while minimizing environmental impact. The “In Pit tailings” method ensures sustainable tailings management, with the Samaniego Pit designated as the permanent storage site. To date, the pit has collected nearly 100,700 m³ of rainwater, contributing to our water self-sufficiency and reducing dependence on external sources.

Energy for the project will primarily be supplied by compressed natural gas (CNG) generators, supplemented by electricity from the Federal Electricity Commission (CFE) and limited use of diesel for vehicles and emergency backup systems. This approach significantly reduces our carbon footprint and enhances operational efficiency.

Key equipment has already been reconditioned , and we successfully relocated the plant from Mochis during the first half of 2023. In 2024, we will assess the new mill’s capacity to align with the specific requirements of the Project Fenix, ensuring continued operational optimization.

As part of the efforts to enhance the project’s operational efficiency, we conducted a comparative analysis of the Merrill-Crowe and ADR systems. This study confirmed that the ADR system is better suited to our needs, driving greater efficiency both operationally and financially.



CAPEX Optimization

Since 2022, we have successfully reduced CAPEX from \$70 million to under \$40 million through the strategic acquisition of equipment within the national territory, generating significant savings in logistics and import costs. In 2023, following the comparative analysis between the Merrill-Crowe and ADR systems, we further optimized our investment, achieving an additional CAPEX reduction of \$4 to \$6 million. These measures reinforce the long-term viability and profitability of Project Fenix.

Permitting Progress

In 2023, we made significant progress in securing the necessary permits for Project Fenix. We have fulfilled all the technical requirements established by regulatory authorities and are working on obtaining final approvals for some environmental and

energy permits. Our goal is to complete the permitting process by 2024 to proceed with the pre-construction phase.

Current Challenges

The construction and reactivation of operations present several challenges, including the rehiring and training of personnel and ensuring safety within a renewed operational environment. Additionally, maintaining strong relationships with local communities and renewing land lease contracts will be essential to ensuring the continuity of operations.

Mexico’s evolving political and regulatory landscape poses additional challenges that could delay permit approvals and impact the project’s timeline. We will continue to monitor these developments and adjust our strategies to mitigate any impact on the regional economy.

Mineral levels have remained within an optimal range, and residual leaching has not negatively impacted the project's profitability. As we continue to optimize our processes and build on the progress achieved so far, we project an increase in mineral recovery rates from 60-65% to 90-95%.

This improvement, combined with favorable gold prices in the current market, will significantly contribute to the profitability and financial performance of the company.

Projections and Goals

In 2025, we plan to initiate pre-hiring efforts to train personnel in safety and operations. While timelines aim for Project Fenix to achieve operational status by 2025, this remains subject to adjustment based on project progress and external factors. An estimated six-month period will be dedicated to the full integration and training of the operational team once operations commence.

Our primary goal for 2025 is to advance pre-construction activities, with efforts focused on leveraging favorable metal prices while navigating political and regulatory challenges.

2023 was a year of significant advancements for the Project Fenix. We met our technical objectives and are ready to move into the next phase.

Achievements:

Resource Confirmation: The remaining ore in the leach pads continues to be economically viable, even after five years of continuous leaching.

Process Optimization: We determined that the ADR plant is the most suitable for continued processing, supporting both current and future production plans.

Equipment Acquisition and Evaluation: The acquisition of the new mill and subsequent tests validated the decision to maintain the ADR process.

2023 was a year of significant advancements for the Project Fenix. We met our technical objectives and are ready to move into the next phase. Technological innovations and process optimization have proven highly beneficial, confirming the project's feasibility and profitability. As we approach the construction phase, we will continue optimizing our operations to ensure the long-term success of the Project Fenix, with a strong focus on sustainability and operational efficiency.



	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes

RESPONSIBLE



GOVERNANCE



We understand that strong governance is the foundation of our operations, ensuring that every decision and action aligns with our values and ethical principles. Our commitment to responsible governance is embedded in our corporate strategy and is reflected in our adherence to the highest international standards..

The year 2023 brought significant challenges due to the political and regulatory landscape in Mexico, which we addressed with a renewed focus on transparency, ethics, and sustainability. Our governance structure ensures regulatory compliance, fosters innovation, and promotes sustainable growth—key elements for operating in an increasingly complex environment.

Key Highlights

Adapting to the Political and Regulatory Environment: We faced a complex political environment in Mexico, with regulations restricting new licenses for open-pit mining and water resource use. We developed regulatory compliance strategies to protect our operational rights.

Strengthening Business Ethics: In 2023, we reinforced our commitment to ethics and integrity through due diligence training and the continuation of our values campaign initiated in 2022.

Engagement with Stakeholders: Interaction and communication with our stakeholders, including shareholders, employees, communities, suppliers, and government authorities, remained a priority throughout the year.



Sustainability Management

We have integrated sustainability into our corporate strategy, ensuring that every decision and action we take contributes to making our operations profitable, environmentally respectful, and socially responsible. Our sustainability policy is designed to embed environmental and social responsibility into every aspect of our operations.

In 2023, we continued aligning our strategy with the UN Sustainable Development Goals (SDGs), reinforcing our commitment to benefiting both our stakeholders and the environment in which we operate. This policy guides our actions by focusing on risk management, protecting the health and safety of our employees, and respecting human and labor rights.

Transparency is a cornerstone of our sustainability management. Throughout 2023, we reported our performance using internationally recognized frameworks such as the Global Reporting

Corporate Governance

Compañía Minera Pangea operates under McEwen Mining's governance framework, ensuring alignment with the highest international standards in corporate governance, ethics, and sustainability. McEwen Mining's Board of Directors, together with specialized committees such as the Audit Committee and the Governance Committee, directly oversees key policies governing our operations. These policies cover compliance with local and international regulations, risk management, and the promotion of transparency and accountability across all activities.



Governance and Oversight: McEwen Mining's governance is based on the principles of transparency, independence, and accountability. The Board of Directors is ultimately responsible for ensuring the effective implementation of corporate governance policies throughout all operations, including those of Compañía Minera Pangea. This is achieved through continuous oversight of governance practices, adapting to the company's evolving needs and those of its stakeholders.

Business Conduct and Ethics Code: McEwen Mining's Business Conduct and Ethics Code, applicable to all its global operations, establishes the standards governing the behavior of employees, directors, and business partners. All activities at Compañía Minera Pangea adhere to this Code, ensuring that our actions align with the company's ethical principles and global standards.

Communication and Reporting Channels: To ensure transparency and accountability, McEwen Mining has implemented a reporting system that facilitates direct communication between management and stakeholders, including employees and stakeholders of Compañía Minera Pangea.

McEwen Mining's governance is based on the principles of transparency, independence, and accountability.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Ethics and Integrity

We are committed to acting with honesty, fairness, and respect in all our operations, rigorously complying with applicable laws, standards, and regulations. In 2023, we reinforced our integrity policy, ensuring that all employees align with the principles outlined in the Code of Business Conduct and Ethics.

Our executives and officers are expressly prohibited from using company resources, information, or their position for personal gain or to compete with the company. This principle ensures that any legitimate opportunities identified during their duties are used for the company's benefit, maintaining loyalty to the organization.

All transactions are carried out with absolute integrity, avoiding manipulation, concealment, or misrepresentation of facts. This commitment extends to relationships with customers, suppliers, and competitors, ensuring that all business dealings are fair and transparent.

In 2023, we updated our policies to include aspects of diversity, equality, and inclusion. We also offered specialized training in due diligence, business ethics, human rights, and sustainability.

[Consult our Code of Business Conduct and Ethics.](#)

In 2023, no incidents related to human rights violations, labor disputes, extortion, discrimination, forced labor, or child labor were reported. Additionally, no complaints were received through the Ethics Line.

Ethical Risk Management Model

We have implemented a compliance management model that enables us to identify and address risks related to ethics and integrity effectively.

- Our policies and hiring processes are communicated clearly to all employees and our value chain. This includes knowledge and understanding of the Code of Business Conduct and Ethics, as well as our International Business Conduct and Anti-Corruption Policy.
- All employees participate in regular performance evaluations, which assess their understanding and adherence to our corporate culture. These evaluations help ensure the implementation of appropriate practices and allow us to proactively identify areas for improvement.
- Adherence to the Code of Business Conduct and Ethics is a mandatory condition for maintaining employment. Violations of the International Business Conduct and Anti-Corruption Policy may result in the termination of contracts with employees, representatives, consultants, and other business partners.

This model is designed to ensure that any risks in these areas are effectively identified and managed. For more details about our policies and procedures, please consult the governance documents of McEwen Mining, including the Code of Business Conduct and Ethics.

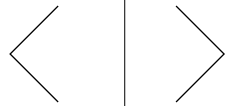
Ethics Line

We promote an environment where employees feel safe reporting any violations of our ethics and conduct policies without fear of retaliation. Our Ethics Line is a confidential and secure channel for reporting inappropriate behavior or policy violations.

The Ethics Line is available 24 hours a day, 365 days a year, and is managed by an independent third party to ensure impartiality and confidentiality in the process.

In 2023, no incidents were reported through the Ethics Line.

CONTACT INFORMATION:
 Phone: 866-420-4208
 Web: <http://mcewenmining.ethicspoint.com>



Responsible Supply Chain Management

Our corporate responsibility extends throughout our value chain. We operate with responsible mining practices, maintaining ethical and transparent relationships with our suppliers and business partners. We inform and require all members of our value chain to adhere to the standards set forth in our Business Conduct and Ethics Code, as well as the Supplier Code of Conduct. Any violations of these codes may result in the termination of the business relationship.

Our procurement process is designed to collaborate with suppliers who share our commitment to sustainability, respect for human rights, and compliance with laws. We prioritize hiring local suppliers who meet high standards of quality, competence, and experience. We rigorously protect the confidential information we receive from our suppliers and contractors, ensuring safe and respectful handling of their data.

We maintain a strict zero-tolerance policy towards corruption throughout our value chain. In 2023, no violations of the Supplier Code of Conduct were recorded, nor were there any cases of corruption related to our supply chain. This ongoing commitment demonstrates the alignment of our business partners with our compliance policies. We will continue to strengthen our relationships with suppliers and business partners, promoting practices that contribute to sustainability and the well-being of the communities in which we operate.



Our procurement process is designed to collaborate with suppliers who share our commitment to sustainability.

Stakeholder Engagement

We maintain strong, transparent relationships with our stakeholders, which include all individuals and organizations potentially affected by our activities. We strive to maintain open and effective communication to understand their concerns, interests, and expectations. We establish clear, accessible, and transparent communication mechanisms with the goal of building relationships based on trust and mutual respect.

In 2023, we continued our communication and engagement activities with stakeholders through virtual and in-person meetings, public consultations, training programs, and various communication platforms. We will continue to evaluate and improve our communication channels to foster open and productive dialogue with all interested parties.

We establish clear, accessible, and transparent communication mechanisms with the goal of building relationships based on trust and mutual respect.





Stakeholder Communication

Stakeholder	Objectives	Mechanisms	Participation
Shareholders, Investors, Corporate	Contribute to profitable growth and value generation.	- General Management Reports. - Executive Meetings. - Sustainability Report.	Provide clear and timely information about the business's current situation, challenges, and results.
Employees	- Promote compliance with our Code of Ethics, Anti-Corruption Code, philosophy, values, and respect for human rights. - Contribute to improving their quality of life and foster development in a safe, dignified, and positive work environment. - Inform them promptly about any operational changes that might significantly affect them.	- Business Conduct and Ethics Code - Ethics Line. - Periodic team meetings. - Communication via bulletins, intranet, email, notice boards, digital office screens. - Performance reviews. - Sustainability Report. - Technical training and human development. - Materiality assessment.	- Inform ethical guidelines at the beginning of the employment relationship. - Strengthen safety measures during daily 5-minute meetings. - Regularly communicate benefits, compensation, and activities. - Communicate social engagement and volunteering campaigns. - Establish training and development programs.
Communities	Contribute to the development of influence communities by creating dignified jobs and long-term benefits.	- Community Development Team. - External communication channels, WhatsApp groups. - Meetings with community leaders. - Processing support requests.	- Conduct business with technically capable suppliers with ethical principles. - Maintain respectful and collaborative relationships. - Respond to community requests. - Promote community well-being activities. - Respect local culture.
Suppliers	Build ethical and respectful relationships that promote their development and business continuity.	- Service contracts. - Procurement policies. - Due diligence evaluation. - Training. Sustainability Report.	- Conduct business with technically capable suppliers with ethical principles. - Promote the company's safety and sustainability culture.
Government	Promote participation and facilitate our operation.	- Permits and licenses. - Sustainability Report. - Support for the mining sector.	- Obtain and maintain valid permits - Maintain cordial and respectful relationships. - Assist with social and business challenges.
Civil Society Organizations	Promote social programs that generate shared value for employees and communities.	- Social support. - Participation with civil and business communities.	- Manage benefits for civil society. - Participate with business chambers.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

ECONOMIC



PERFORMANCE



In a year marked by global economic volatility, inflation, and exchange rate fluctuations, we strengthened our focus on financial sustainability. Throughout 2023, we concentrated on maximizing efficiency, diversifying revenue streams, and maintaining transparency in all operations. Despite significant challenges, we implemented a strategy that prioritized asset recovery, budget optimization, and a steadfast commitment to fiscal and social responsibility.

Key Highlights

Mine Revenue: We generated \$2.5 million in mine revenue and \$.7 in laboratory services.

VAT Recovery: We recovered 85% of VAT in 10 out of 12 months, improving liquidity, including VAT on the advance for the acquired plant.

Innovation in Resource Recovery: We recovered 2,000 ounces of ore during facility maintenance, representing additional income for the company.

Transparency and Fiscal Compliance: Both internal and external audits resulted in no findings, reaffirming our transparency and compliance in operations.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes

Message from Alejandro Morales



Despite economic challenges, we identified opportunities to optimize costs and improve profitability.

DEAR FRIENDS:

The efficient management of our resources has become a key area that has strengthened our company, enabling us to successfully navigate the economic challenges of the year. Our business partners and suppliers recognize us as a company that stands out for fulfilling its payment commitments on time, always aligned with the standards set in our internal policies and promoting best practices in ethics and responsibility.

Throughout this year, we have placed a strong emphasis on operational efficiency and cash flow management. Despite economic challenges, we identified opportunities to optimize costs and improve profitability. Every department has been actively involved in closely monitoring their budgets, analyzing savings opportunities, and ensuring alignment with our annual goals.

We are grateful for the dedication and commitment of our entire team in continuing to strengthen our financial position and proactively addressing the opportunities that lie ahead in the coming year.

Alejandro Morales
Controller

Alejandro

is a seasoned professional with over 20 years of experience in finance, accounting, and auditing. He specializes in accounting regulations and financial management and is an active member of the Mexican Institute of Public Accountants. Alejandro has contributed to various committees focused on financial reporting standards and auditing. His focus on transparency and ethics in corporate governance strengthens the company's reputation and sustainability, ensuring responsible financial management aligned with the industry's best practices.

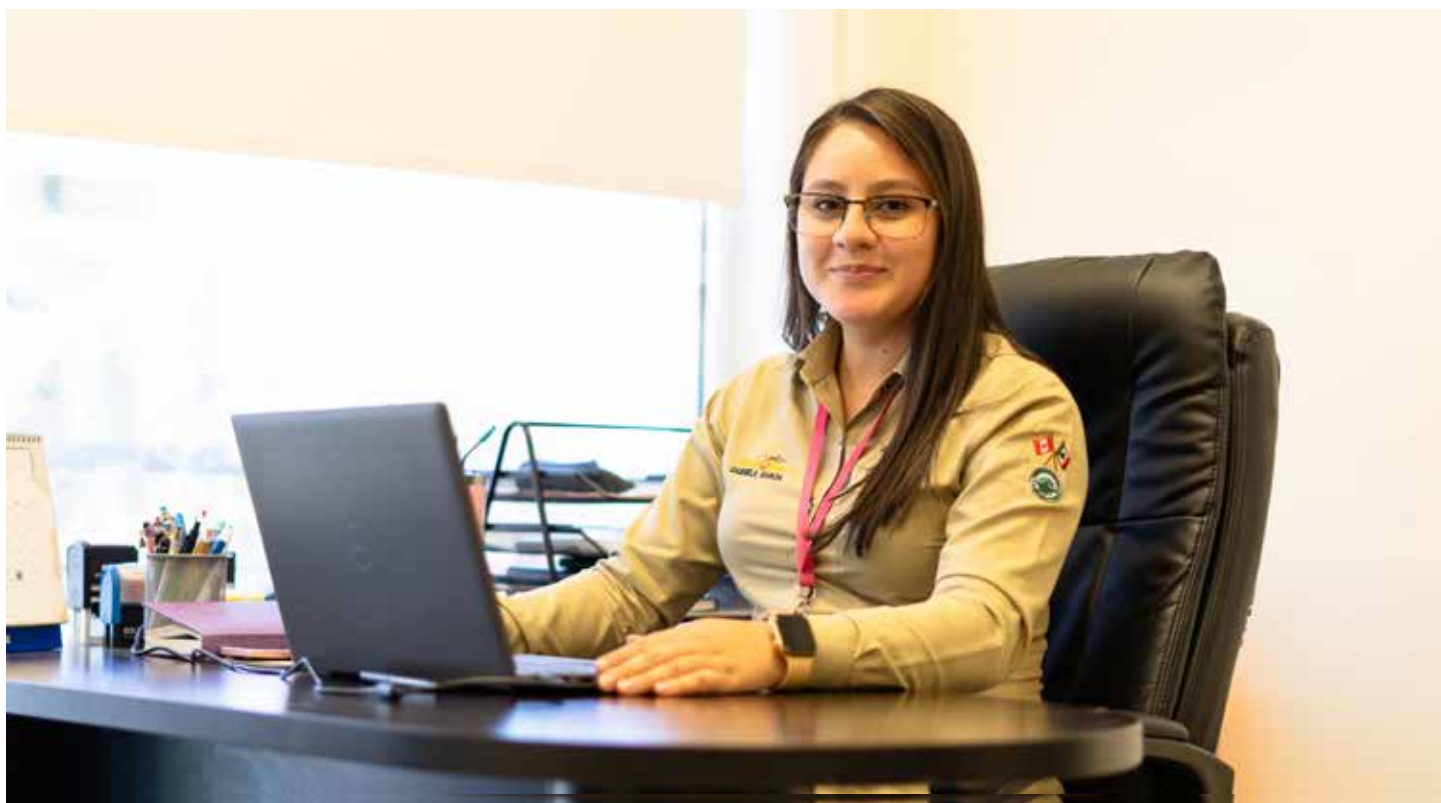
Economical Context

2023: A Challenging Year for the Mining Industry

The year 2023 presented significant challenges for the mining industry, both in Mexico and internationally. Global market volatility, driven by inflation, exchange rate fluctuations, and geopolitical tensions, significantly impacted operating costs and revenue expectations across the sector. In Mexico, changes in fiscal policies and regulatory uncertainty created a more complex operating environment, requiring companies to adapt swiftly. This situation underscored the importance of maintaining sound financial management, implementing cost optimization strategies, and exploring new business opportunities. In response, mining companies intensified their efforts to balance operational efficiency with regulatory compliance while preparing for an uncertain global economic landscape.

Impact of Climate Change

Climate change has heightened expectations for mining companies to adopt adaptation and mitigation strategies, requiring additional investments in clean technologies, energy efficiency, and water management. These demands present both challenges and opportunities, as they push companies to balance financial sustainability with compliance with stricter environmental standards. In this context, we have intensified our efforts to mitigate environmental impact through reclamation programs and assessing more efficient technologies, while continuing to adapt to economic fluctuations. Although we have not yet quantified the financial impact of climate change on our organization, we remain focused on developing strategies to integrate it into our decision-making processes, ensuring sustainable long-term growth.



Economic Value Generated and Distributed (EVGD)

The Economic Value Generated and Distributed (EVG&D) measures how our economic activities contribute to the communities where we operate and create value for our stakeholders, including employees, suppliers, governments, and local communities. This metric reflects not only the revenues generated from gold and silver sales but also how these revenues are redistributed through wages, payments to suppliers, tax contributions, and reinvestments in both the community and operational infrastructure.

In 2023, Compañía Minera Pangea achieved \$3.1 million in total revenue, driven by a diversified income strategy. This included \$2.5 million from mining operations and \$680,000 from analytical laboratory services. Our diversification beyond traditional mining activities has strengthened financial sustainability by reducing risks and seizing new business opportunities. Additionally, we made significant investments in advanced projects and capital expenditures, with a primary focus on developing Project Fenix. This strategic approach not only ensures business continuity but also positions us for long-term success as we move toward the production phase of Project Fenix.

Compañía Minera Pangea generated \$3.1 million in revenue thanks to its income diversification strategy.

Concept	Amount	Total Amount
Generated Economic Value		\$ 3,148,689
Mining Related Income	\$ 2,467,006	
Laboratory Related Income	\$ 681,683	
Community and Social Responsibility		\$ 164,358
Project Fenix		\$ 4,922,084
Environmental Reclamation El Gallo - Phase 1		\$ 1,432,845



Shared Value

Despite a challenging economic environment in 2023, we remained steadfast in our commitment to financial sustainability and value creation for our stakeholders

Employees: We continued to offer wages and benefits above the legal requirements, ensuring equal conditions for men and women with equivalent responsibilities.

Suppliers: We strengthened our relationships with local and regional suppliers, ensuring responsible supply chain management by maintaining evaluation and selection processes, considering tax compliance, and mitigating corruption-related risks

Supplier per Origin	Number of Suppliers
Local	162
Regional	208

Communities: We invested \$ 164,358 in social projects, including education, health, and community development, creating a positive and lasting impact in the areas where we operate, ensuring that the value generated by our mining activities directly benefits local communities.

Tax Compliance

We ensured that all our accounting and tax records complied with both national and international regulations, including the Sarbanes-Oxley Act (SOX) and Mexican tax laws.

One of our most notable achievements was recovering 85% of VAT in 10 out of 12 months, significantly improving our liquidity. Additionally, we secured the refund of VAT related to the advance payment for the acquired plant. These results were achieved through effective management and in full compliance with the VAT Law and the Federal Tax Code.

We participated in periodic audits conducted by McEwen Mining's Audit Committee, as well as external audits carried out by third parties. The Audit Committee, established by the Board of Directors of McEwen Mining, oversees the integrity of our financial statements, regulatory compliance, and the effectiveness of internal controls. In 2023, both our internal and external audits were completed without significant findings, reaffirming our commitment to sound financial management and transparency.

Pangea Laboratory

Innovation and Diversification



In 2023, Pangea Laboratory became a cornerstone of our diversification strategy. Operating under the highest quality standards, the laboratory not only provides essential support to our mining operations but also generates additional revenue, a crucial element during this operational transition phase.

Performance

Throughout the year, Pangea Laboratory strengthened its operational capacity, focusing primarily on internal clients. 98% of the processed samples came from our Gold Bar and Black Fox operations, while the remaining 2% were from external companies. This initial diversification of our client portfolio marks the beginning of new market opportunities.

A key achievement was the implementation of a new multielemental analysis method, utilizing four-acid digestion and Inductively Coupled Plasma Atomic Emission Spectrometry (ICP). This innovation positions us at the level of high-quality commercial laboratories, expanding our analytical capabilities and service offerings to attract new clients within the mining industry.

Achievements

Pangea Laboratory maintains its accreditation from the Mexican Accreditation Entity (EMA), certifying that our processes meet the highest standards of quality and technical competence. This recognition positions us as one of the few accredited mining unit laboratories in Mexico, further enhancing our reputation within the sector.



Outlook for 2024

To strengthen our presence in the industry, we plan to increase our participation in mining events and continue promoting our services to attract more external clients. Our goal is to solidify our position in the sector and further diversify our revenue streams.

In 2023, Pangea Laboratory became a cornerstone of our diversification strategy.

Organizaciones y Alianzas

Enfrentar los desafíos de la industria minera y promover prácticas responsables requiere de colaboración con diversas organizaciones y actores clave. Nuestras alianzas reflejan nuestro compromiso con la sostenibilidad, la responsabilidad social y la inclusión en el sector.



Centro Mexicano para la Filantropía

We reaffirm our commitment to sustainability and corporate social responsibility through active participation in initiatives promoted by the Mexican Center for Philanthropy (CEMEFI). We are proud to have received the ESR® Distinction (Socially Responsible Company) in 2023 for the seventh consecutive year, reflecting our continuous efforts to integrate sustainable practices into our operations. Furthermore, our General Management participates annually in training and update activities organized by CEMEFI, strengthening our vision and strategies in sustainability.



WIM México (Women in Mining)

Through our collaborators in the Sinaloa chapter, we support the Women in Mining México initiative, which promotes gender equity and professional development for women in mining. This alliance allows us to contribute to creating an inclusive and diverse environment, reinforcing our commitment to equal opportunities and female empowerment within the mining sector.



Mexican Mining Chamber (CAMIMEX)

As part of the Board of Directors of the Mexican Mining Chamber, we actively participate in shaping public policies for the sector, focusing on community development, human rights, and social responsibility. Through this involvement, we contribute to strengthening the mining industry at a national level, promoting respect for human rights, social inclusion, and sustainability in all our operations.



Sinaloa Mining Cluster

Being members of the Sinaloa Mining Cluster enables us to exchange best practices, knowledge, and experiences with other industry players in the region. It also provides an opportunity to collaborate on joint projects that promote sustainable development and regional economic growth.



Mexican Social Security Institute (IMSS)

Our collaboration with the IMSS in the Évora region is focused on ensuring the well-being of our employees and their families by maintaining a safe and healthy work environment, promoting disease prevention, and providing quality medical care.

Indexes

Global Reporting Initiative (GRI)

Compañía Minera Pangea uses the Global Reporting Initiative (GRI) standards as a reference to prepare this report, covering the period from January 1 to December 31, 2023. The GRI index included in this document outlines how our activities, policies, and performance align with international principles and metrics, ensuring transparent and comparable communication of our environmental, social, and governance (ESG) impact.



Key	Standar	Page
GRI 2: General Disclosures		
The organization and its reporting practices		
2-1	Organizational details	10, 14-18
2-2	Entities included in the organization's sustainability reporting	10, 18
2-3	Reporting period, frequency and contact point	10
2-4	Restatements of information	N/A
2-5	External assurance	11
Activities and workers		
2-6	Activities, value chain and other business relationships	87
2-7	Employees	72 - 73
2-8	Workers who are not employees	There is no information available on workers who are not employees. We aim to collect and report this data in future reporting cycles.
Governance		
2-9	Governance structure and composition	As subsidiaries of McEwen Mining, we are part of its governance structure, available at: https://www.mcewenmining.com/about-us/directors/default.aspx
2-10	Nomination and selection of the highest governance body	
2-11	Chair of the highest governance body	6
2-12	Role of the highest governance body in overseeing the management of impacts	Environmental Health & Safety Charter
2-13	Delegation of responsibility for managing impacts	23
2-14	Role of the highest governance body in sustainability reporting	
2-15	Conflicts of interest	86-87
2-16	Communication of critical concern	89
2-17	Collective knowledge of the highest governance body	97
2-18	Evaluation of the performance of the highest governance body	Compensation Committee Charter
2-19	Remuneration policies	Compensation Committee Charter
2-20	Process to determine remuneration	Compensation Committee Charter
2-21	Annual total compensation ratio	Due to confidentiality constraints, we are not disclosing the compensatiwon of directors and employees in the organization.
Strategy, policies and practices		

Key	Standar	Page
2-22	Statement on sustainable development strategy	6-9
2-23	Policy commitments	8-9, 10, 23, 24-25
2-24	Embedding policy commitments	23, 24-25
2-25	Processes to remediate negative impacts	24-27, 86-89
2-26	Mechanisms for seeking advice and raising concerns	86-89
2-27	Compliance with laws and regulations	No cases of non-compliance were reported, nor were any fines received.
2-28	Membership associations	97
Stakeholder engagement		
2-29	Approach to stakeholder engagement	89
2-30	Collective bargaining agreements	N/A
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	26-29
3-2	List of material topics	26-29
3-3	Management of material topics	26-29
Economic Standards (200)		
GRI 201: Economic Performance		
201-1	Direct economic value generated and distributed	94
201-2	Financial implications and other risks and opportunities due to climate change	Financial implications related to climate change have not been evaluated.
201-3	Defined benefit plan obligations and other retirement plans	The retirement benefit plan complies with Mexican legislation.
201-4	Financial assistance received from government	Not applicable, as no financial assistance was received from the government.
GRI 202: Market Presence		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	72. The minimum wage in our organization exceeds 1.5 times the local minimum wage.
202-2	Proportion of senior management hired from the local community	None.
GRI 203: Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	68-69
203-2	Significant indirect economic impacts	68-69
GRI 204: Procurement Practices		
204-1	Proportion of spending on local suppliers	95
GRI 205: Anti-corruption		
205-1	Operations assessed for risks related to corruption	86
205-2	Communication and training about anti-corruption policies and procedures	86
205-3	Confirmed incidents of corruption and actions taken	There were no instances incurred or detected during the reporting period.

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Key	Standar	Page
GRI 206: Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	We have not engaged in anti-competitive behavior, violations, or monopolistic practices, and no actions have been filed against the company regarding these matters.
GRI 207: Tax		
207-1	Approach to tax	95
207-2	Tax governance, control, and risk management	92, 93, Audit Comitee Charter
207-3	Stakeholder engagement and management of concerns related to tax	89
207-4	Country-by-country reporting	94, 2023 McEwen Mining Financials
Environmental Standards (300)		
GRI 301: Materials		
301-1	Materials used by weight or volume	52
301-2	Recycled input materials used	Not reported; it will be considered for inclusion in future reports.
301-3	Reclaimed products and their packaging materials	
GRI 302: Energy		
302-1	Energy consumption within the organization	50-51
302-2	Energy consumption outside of the organization	Not reported; it will be considered for inclusion in future reports.
302-3	Energy intensity	51
302-4	Reduction of energy consumption	50-51
302-5	Reductions in energy requirements of products and services	50-51
GRI 303: Water and Effluents		
303-1	Interactions with water as a shared resource	46
303-2	Management of water discharge-related impacts	46
303-3	Water withdrawal	46
303-4	Water discharge	46
303-5	Water consumption	46
GRI 304: Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	48
304-2	Significant impacts of activities, products, and services on biodiversity	45, 48
304-3	Habitats protected or restored	47-50
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	51
GRI 305: Emissions		
305-1	Direct (Scope 1) GHG emissions	56
305-2	Energy indirect (Scope 2) GHG emissions	56

Key	Standar	Page
305-3	Other indirect (Scope 3) GHG emissions	Non available.
305-4	GHG emissions intensity	57
305-5	Reduction of GHG emissions	57
305-6	Emissions of ozone-depleting substances (ODS)	Not reported; it will be considered for inclusion in future reports.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	
GRI 306: Effluents and Waste		
306-3	Significant spills	No incidents were reported during the period.
GRI 306: Waste 2020		
306-1	Waste generation and significant impacts	Waste related to operations is not reported due to the current transition phase. This indicator will be reported again once operations resume.
306-2	Management of significant impacts related to waste	
306-3	Waste generated	
306-4	Waste not directed to disposal	
306-5	Waste directed to disposal	
GRI 308: Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	Not reported; it will be considered for inclusion in future reports.
308-2	Negative environmental impacts in the supply chain and actions taken	
Social Standards (400)		
GRI 401: Employment		
401-1	New employee hires and employee turnover	72-73
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	74
401-3	Parental leave	74
GRI 402: Labor / Management Relations		
402-1	Minimum notice periods regarding operational changes	89
GRI 403: Occupational Health and Safety		
403-1	Occupational health and safety management system	31-32
403-2	Hazard identification, risk assessment, and incident investigation	35-37, 41
403-3	Occupational health services	38-39
403-4	Worker participation, consultation, and communication on occupational health and safety	36
403-5	Worker training on occupational health and safety	37
403-6	Promotion of worker health	38-39
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	N/A
403-8	Workers covered by an occupational health and safety management system	32
403-9	Work-related injuries	41

	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Key	Standar	Page
403-10	Work-related ill health	39. No detected during the reporting period.
GRI 404: Training and Education		
404-1	Average hours of training per year per employee	75
404-2	Programs for upgrading employee skills and transition assistance programs	75
404-3	Percentage of employees receiving regular performance and career development reviews	100% of our employees receive an annual evaluation.
GRI 405: Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	72
405-2	Ratio of basic salary and remuneration of women to men	Due to confidentiality constraints, we are not disclosing the compensatiwon of directors and employees in the organization.
GRI 406: Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	We did not identify or receive any reports of discrimination within our operations throughout the year.
GRI 407: Freedom of Association and Collective Bargaining		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	None
GRI 408: Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	72. Our policies strictly prohibit any form of child labor.
GRI 409: Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	72. We do not accept any form of forced or compulsory labor.
GRI 410: Security Practices		
410-1	Security personnel trained in human rights polices or procedures	All our security personnel have received training in Human Rights in previous exercises.
GRI 411: Rights of Indigenous Peoples		
411-1	Incidents of violations involving rights of indigenous peoples	There are no Indigenous communities within our operational area.
GRI 413: Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	59-69
413-2	Operations with significant actual and potential negative impacts on local communities	No negative impacts were detected.
GRI 414: Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	100% of our suppliers are evaluated for legal compliance.
414-2	Negative social impacts in the supply chain and actions taken	Non-disclosed. Information is currently not available. We aim to collect and report this data in future reports as we enhance our assessment processes.
GRI 415: Public Policy		
415-1	Political contributions	None. We have not made any political contributions during the reporting period.
GRI 416: Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	Not applicable. The mining industry does not produce consumer-facing products; hence, assessments of health and safety impacts for product categories are not relevant.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	

SASB: Metals and Mining

In 2023, Compañía Minera Pangea began a process to use the Sustainability Accounting Standards Board (SASB) Standards for the Metals and Mining sector as a reference. With this measure, we aim to assess and

compare our performance against international best practices, as well as identify areas for improvement in our operations to consolidate more efficient and responsible management in terms of sustainability.



Key	Principle	Description	Page and Additional Comments
-MM-110a.1	Energy Management	Total energy consumed, percentage from grid electricity, and percentage of renewable energy used in operations.	55
EM-MM-110a.2	Water Management	Total water withdrawn, consumed, and recycled, broken down by source (groundwater, surface water, recycled water).	46
EM-MM-120a.1	Air Quality	Air emissions (particulate matter, SO _x , NO _x), achieved reduction levels, and mitigation strategies implemented.	Information not available; new indicators are being considered for the next operational phase.
EM-MM-130a.1	Tailings and Waste Management	Number of significant incidents related to mining waste, management systems implemented, and mitigation measures.	The company does not have tailings operations.
EM-MM-140a.1	Human Rights and Labor	Human rights impact assessments conducted, community consultation policies, and audit results at operational sites.	No human rights audits conducted; related information is reported in the Community Engagement section. P 59-69.
EM-MM-210a.1	Operational Safety	Number of significant incidents, safety measures implemented, and progress in employee training.	32-41
EM-MM-310a.1	Community Engagement	Relationship with local communities, number of complaints or grievances received, engagement strategies, and community investment programs.	59-69
EM-MM-320a.1	Biodiversity and Rehabilitation	Rehabilitation projects, restored areas, and environmental monitoring results.	45-51
EM-MM-510a.1	Labor Practices and Diversity	Employment statistics by gender and region, diversity and inclusion policies, and local capacity-building programs.	72-75
EM-MM-520a.1	Regulatory Compliance	Number of significant violations and actions taken to comply with local and international regulations.	No significant violations or observations were received regarding our legal performance during the reporting period.
EM-MM-530a.1	Business Ethics and Anti-Corruption	Implemented anti-corruption policies, risk assessments conducted, and number of reported corruption incidents.	86

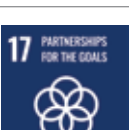
	Introduction	Responsible Approach	Health and Safety	Environmental Commitment	Community Engagement	Team in Action	Project Fenix	Governance and Economic Performance	Indexes
--	--------------	----------------------	-------------------	--------------------------	----------------------	----------------	---------------	-------------------------------------	---------

Sustainable Development Goals (SDGs)

We align our operations with the United Nations 2030 Agenda by integrating the SDGs into our strategy. This framework guides our actions toward generating a positive impact on the planet and society.



Key	SDG	Goal	Page
SDG 1		End poverty in all its forms everywhere.	59-69 72-73
SDG 2		End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.	N/A
SDG 3		Ensure healthy lives and promote well-being for all at all ages.	38-39, 63
SDG 4		Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	62, 64-65, 75
SDG 5		Achieve gender equality and empower all women and girls.	64-65
SDG 6		Ensure availability and sustainable management of water and sanitation for all.	46-51
SDG 7		Ensure access to affordable, reliable, sustainable, and modern energy for all.	54-55
SDG 8		Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.	72-73, 95

Key	SDG	Goal	Page
SDG 9		Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.	78-81
SDG 10		Reduce inequality within and among countries.	59-69
SDG 11		Make cities and human settlements inclusive, safe, resilient, and sustainable.	60-62
SDG 12		Ensure sustainable consumption and production patterns.	52-53
SDG 13		Take urgent action to combat climate change and its impacts.	56-57
SDG 14		Conserve and sustainably use the oceans, seas, and marine resources for sustainable development.	N/A
SDG 15		Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss.	46-51
SDG 16		Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels.	82-86
SDG 17		Strengthen the means of implementation and revitalize the global partnership for sustainable development.	97

UN Global Compact

Compañía Minera Pangea reaffirms its commitment by continuing to adhere to the United Nations Global Compact, maintaining its dedication to promoting sustainable development in human rights, labor rights, environmental protection, and anti-corruption efforts. This report also represents our Communication on Progress.



Key	Principle	Page
	Human Rights	
GC-1	Businesses should support and respect the protection of internationally proclaimed human rights.	64-67
GC-2	Ensure that they are not complicit in human rights abuses.	66-67
	Labour	
GC-3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	72-73
GC-4	Eliminate all forms of forced and compulsory labor.	72-73
GC-5	Effectively abolish child labor.	62, 72-73
GC-6	Eliminate discrimination in respect of employment and occupation.	64-66, 72-73
	Environment	
GC-7	Businesses should support a precautionary approach to environmental challenges.	42-45
GC-8	Undertake initiatives to promote greater environmental responsibility.	46-51
GC-9	Encourage the development and diffusion of environmentally friendly technologies.	54-57,
	Anti-corruption	
GC-10	Businesses should work against corruption in all its forms, including extortion and bribery.	78-81

Cautionary Statement

This report contains statements related to the actions, expectations, plans, management, policies, and culture regarding the social responsibility and sustainability of Compañía Minera Pangea's operations. This report is presented voluntarily and is based on the organization's views and estimates as of the date the information is provided. It is subject to known and unknown risks, uncertainties, and other factors that may cause Compañía Minera Pangea's actual results, performance, or achievements to differ from those expressed or implied in the report.

This report may contain variations due to risks and uncertainties that could cause actual results to differ materially from the expectations expressed or implied in the statements and information that are beyond the company's control, such as those related to the impact of the COVID-19 pandemic on our employees, suppliers, supply chain, ge-

neral economic conditions, risks associated with the mining industry, political, economic, and social risks of the region in which we operate, risks related to litigation, the state of currency and capital markets, environmental risks and hazards, uncertainty over the calculation of mineral resources and reserves, the risk of delisting from a public stock exchange, and other risks.

While we have sought to identify factors that could cause actual results to differ materially from those contained in the information presented, there may be other factors that result in outcomes different from those anticipated, estimated, or forecasted. All information contained in this document is considered within this cautionary statement.

All information in this document is presented in U.S. dollars unless otherwise specified.



McEwen Mining Inc.
150 King Street.
West Suite 2800
Toronto, Canadá



Compañía Minera Pangea
Blvd. Antonio Rosales 855 Altos 12
Col. Morelos, CP. 81460
Guamúchil, Sinaloa.
Tel. +52 (673) 734 1990



McEwen Mining Inc.
 150 King Street.
 West Suite 2800
 Toronto, Canadá



Compañía Minera Pangea
 Blvd. Antonio Rosales 855 Altos 12
 Col. Morelos, CP. 81460
 Guamúchil, Sinaloa.
 Tel. +52 (673) 734 1990

