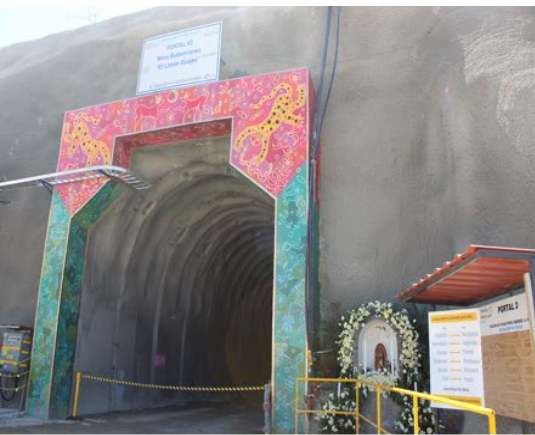




TOREX GOLD RESOURCES INC.



# FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS

Report for the Financial Year Ended December 31, 2024

## INTRODUCTION: OUR COMMITMENT TO RESPONSIBLE MINING AND THE PROTECTION OF HUMAN RIGHTS

The following report (the “**Report**”) has been prepared by Torex Gold Resources Inc. (“**Torex**”, “**Torex Gold**” or the “**Company**”) in accordance with reporting requirements under Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) for the financial year ended December 31, 2024. As this is only the Company’s second Report under the Act, we are committed to continuous improvement in our reporting and efforts to assess and mitigate the risks of forced labour and child labour within both our operations and our global supply chain.

Our commitment to responsible mining is grounded in our organizational purpose statement: *To transform finite mineral resources into lasting prosperity by positively impacting all the lives we touch*. For Torex, implicit in this statement is a deep commitment to respect and protect the rights of all of those connected with Torex directly through our operations and more broadly through our business relationships in Canada, Mexico, and the other jurisdictions where we procure goods and services.

This Report is organized according to the information required by the Act, and describes the specific actions, policies and programs that support the mitigation of risks associated with forced labour and child labour. The Company remains committed to transparency in our approach as we move forward in this regard.

## CORPORATE STRUCTURE AND ACTIVITIES

Torex Gold is an intermediate gold producer actively engaged in the exploration, development, and operation of our wholly-owned Morelos Property, spanning over 29,000 hectares within the highly prospective Guerrero Gold Belt in Mexico, situated 180 kilometers southwest of Mexico City.



The Company is headquartered in Canada, with our corporate office located in Toronto, Ontario. The Company is a corporation governed by the *Business Corporations Act* (Ontario). The Company’s common shares are listed on the Toronto Stock Exchange under the symbol TXG.

In 2024, our workforce consisted of 1,380 employees and 3,040 contractors, of which 55 were corporate office employees based in Canada. We are proud that 99% of our direct operational workforce is from Mexico, with 67% of our employees from Guerrero State. In 2024, 59% of our employees in Mexico were covered by a collective bargaining agreement.

The Company’s mining asset is the Morelos Complex, which includes the El Limón Guajes (“**ELG**”) Mine Complex, Media Luna Project, processing plant and related infrastructure. Commercial production from the Morelos

Complex commenced on April 1, 2016 and an updated Technical Report for the Morelos Property was released in March 2022. Torex is currently the largest gold producer in Mexico, with 452,523 ounces of gold produced in 2024.

The Company’s principal product is gold doré bars, which require refining to become a marketable material. In 2024, the Company had two contracts for refining all of its gold, including one contract with two affiliated refineries, Asahi Refining USA Inc. and Asahi Refining Canada Ltd, located in the United States and Canada, respectively, for 75%

of its doré; and a second contract for the remaining 25% with a refiner in Switzerland, MKS PAMP SA, with operations in Switzerland and India.

Following year-end, the Company substantially completed the construction of the Media Luna Project, completed the tie-in period at the processing plant and achieved first production of copper concentrate with high gold and silver elements. A portion of the Company's gold production will continue to be in the form of doré and refined by a refinery.

The Company has the following subsidiaries:

Company	Jurisdiction of Registration	Principal Business
2290456 Ontario Inc.	Ontario, Canada	Administration Services
Caymus Holding S.à r.l.	Luxembourg	Holding Company
Groth Holding S.à r.l.	Luxembourg	Holding Company
TGRXM, S.A. de C.V.	Mexico	Holding Company
Minera Media Luna, S.A. de C.V.	Mexico	Mining Operations

This is a joint report made under section 11 of the Act on behalf of the Company and its operating subsidiary, Minera Media Luna, S.A. de C.V., which have each been determined to be a reporting entity (collectively, the **"Reporting Entities"**). In this report, references to "Torex", "Torex Gold", the "Company", "we", "us", "our" and similar expressions include the Reporting Entities, unless the context suggests otherwise.

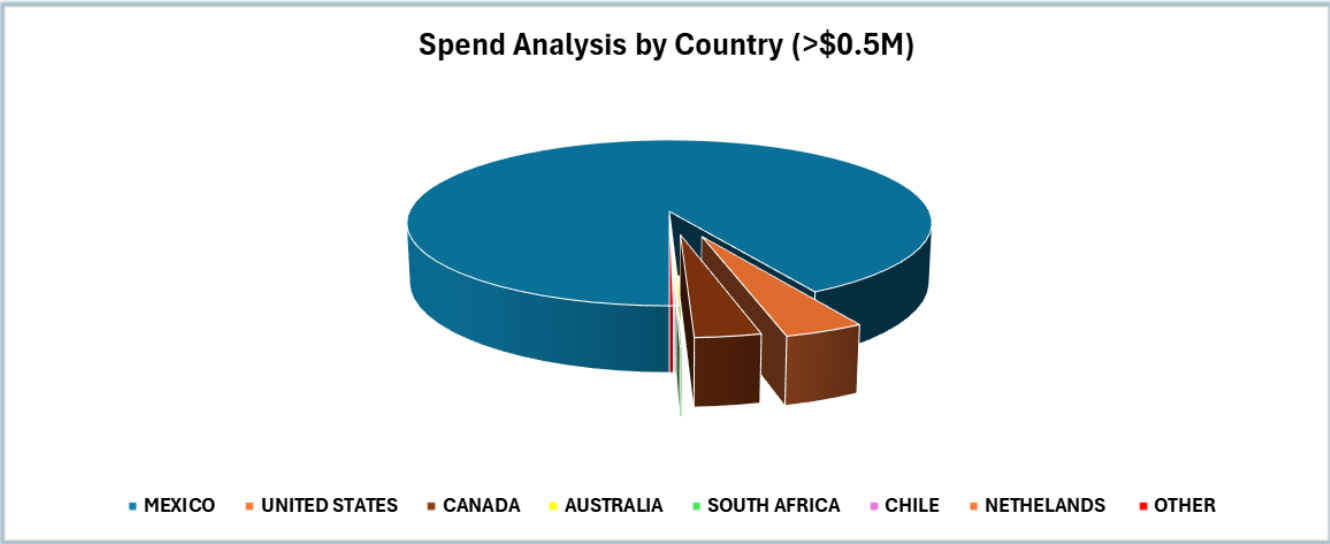
## TOREX GOLD'S SUPPLY CHAIN

Torex recognizes the critical importance of effective supply chain management in supporting our operations and fulfilling our commitment to sustainable business practices and the fundamental respect of human rights. Strategic and ethical sourcing are fundamental to our operations, facilitated by robust systems and governance.

To ensure our partners live up to the ESG standards that we expect from them, in 2024 the Company introduced a new [Supplier Code of Conduct](#), endorsed by the Safety and Corporate Social Responsibility (CSR) Committee of the Torex Board of Directors, which establishes the minimum standards of conduct expected from our Suppliers in all business activities conducted with or on behalf of the Company and its subsidiaries. The Supplier Code of Conduct requires compliance with all relevant labour laws, regulations and taxation requirements and specifically prohibits the use of forced labour and child labour, as defined by applicable legislation, at any stage of production or in connection with goods imported. All standard Torex contracts entered into since the implementation of the Supplier Code of Conduct now include a provision that suppliers must read, understand and agree to abide by the provisions of the Code.

Our supply chain is a vital component of our value chain, incorporating approximately 1496 direct suppliers in 2024 with 75% of those vendors from Mexico, underscoring our dedication to supporting the local business community. In total, procurement from vendors in Mexico represented 92% of our total procurement spend in 2024, or US \$853 million of a total procurement spend of \$929 million in 2024. Of the remaining spend on goods and services procured outside of Mexico in 2024, our largest suppliers by spend came primarily from the United States (4%), Canada

(3%), Australia, South Africa, Chile, and Netherlands, each with 0.1%, and other countries with an individual spend of \$0.5 million or less (0.2%), as shown in the pie chart below.



In 2024, our procurement spend was generalized into the purchase of goods and services associated with the following categories: mine development services (28%), bulk materials and chemicals (17%) equipment, parts and accessories (14%); construction services and materials (13%); mine services (13%); maintenance services (7%); power supply and distribution (4%); professional services (3%) and travel and meals (1%). The remaining 0.2% of total spending relates to 'other' materials and services acquired during the year.

## POLICIES AND DUE DILIGENCE PROCESSES IN RELATION TO FORCED LABOUR AND CHILD LABOUR

Due diligence processes at Torex involve embedding responsible business conduct into our governance structure, corporate policies, and internal management systems and approaches. As part of a robust risk management system, we also identify and assess the risk of adverse impacts to our business including human rights, and, where necessary, seek to cease, prevent or mitigate those risks through effective and documented controls that are regularly reviewed. Any adverse impacts, complaints and/or violations can be reported through our whistleblower channel and/or our grievance mechanism, and the Company is committed to address issues and cooperate in remediation if and where appropriate through those processes.

In 2024, Torex released its [Year 3 World Gold Council Responsible Gold Mining Principles \(RGMPs\) Conformance Report](#), with associated limited independent assurance, demonstrating full conformance with the RGMPs. Compliance with this standard serves to strengthen the Company's governance and transparency with respect to responsible mining practices and provides additional confidence to our investors that we are delivering on our financial and operational commitments with the highest level of ethics and corporate social responsibility.

### Governance

The Safety and Corporate Social Responsibility Committee of the Torex Board of Directors, as reflected in its [mandate](#), is responsible for overseeing the Company's corporate responsibility strategy, which includes maintaining a healthy and safe workplace, environmentally sound and responsible resource development, good community relations, and the protection of human rights and associated risks.

At the executive level, the President and Chief Executive Officer (“CEO”) is ultimately accountable for all risk management, including human rights risks. The Senior Vice President, Human Resources, ESG and Communications reports directly to the CEO and is responsible for the Company’s overall ESG strategy, which includes the protection of human rights and, by extension, mitigating risks associated with child labour and forced labour. Overall operational accountability for managing risks related to human rights rests with the Senior Vice President Mexico, who also reports to the CEO and is a member of the Executive Team.

In 2020, an internal sustainability committee called the “ESG Working Group” was established, which is comprised of leaders from both the corporate office and operations. The mandate of the group is to drive excellence in responsible mining and sustainability practices across the Company. In 2023, a “Responsible Supply Chain” sub-group was formed, comprised of leaders from the Procurement, Human Resources, Community Relations, Risk, Legal and Compliance, Safety and Corporate Affairs teams, to enhance strategies, processes and systems associated with due diligence of our supply chain and to strengthen confidence that our supply chain partners are meeting the Company’s expectations and standards of conduct with respect to responsible mining. Ongoing improvement with respect to assessing and mitigating risks associated with forced labour and child labour within our supply chain will be part of the ongoing mandate of this group.

### Corporate Responsibility Policies

Our approach to doing business is guided by a set of policies that are applicable across our entire organization and designed to ensure that individuals are aware of their responsibilities and expectations regarding conduct and behaviour. The policies are developed by executive management and approved by our CEO and Board of Directors. Our main policies in relation to the protection of human rights, and by extension the prevention of forced labour and/or child labour, are as follows:

- Our [Code of Business Conduct and Ethics](#) affirms the commitment of the Company to conduct its business and affairs in alignment with our core values, while also specifying the behaviour expected from all levels of the organization, including the Board of Directors. While the code does not explicitly reference child labour or forced labour, it commits to foster a work environment that is safe and healthy and free of discrimination, harassment, intimidation and hostility of any kind and to obey all laws governing the conduct of the business and affairs of the Company. It also provides a mechanism for reporting violations to the code through the corporate Whistleblower Policy.
- Our [Social Harmony and Human Rights Policy](#) affirms our commitment to the protection of workers and human rights in our management systems and behaviours. The policy explicitly commits that the Company will regularly review and audit our performance, and that of our supply chain, on security and human rights matters relative to our stated policies and standards.
- Our [Whistleblower Policy](#) promotes openness and transparency and sets out procedures through which anyone connected with the Company, including employees, contractors, vendors and community members can submit a complaint regarding potential wrongful behaviour. Retaliation against an individual who submits a complaint in good faith is strictly prohibited.

The Company’s new [Supplier Code of Conduct](#), which was introduced in 2024, also clearly establishes the minimum standards of conduct expected from our Suppliers, including all entities that provide goods or services to the Company, including contractors, vendors, and advisors. Suppliers must ensure the same of any affiliates, agents, subcontractors, intermediaries or those who work for them. The policy explicitly prohibits the use of forced labour and child labour, as defined by applicable legislation, at any stage of production or in connection with goods imported. The document also sets standards of conduct and includes a number of provisions relating to human rights and ethical labor practices, including the following:



- Suppliers must not employ children below the minimum legal age where the work is performed and are expected to take proactive measures to assess, prevent, and mitigate the risk of forced or child labour within their own supply chains.
- Suppliers must ensure fair and appropriate terms of employment as defined by applicable legislation, including working hours and remuneration, and must support fundamental rights at work, such as freedom of association and the right to collective bargaining.
- All forms of forced labour, human trafficking, modern slavery, and other inhumane treatment including physical, moral, sexual or verbal abuse, bullying, or intimidation are strictly prohibited.

## Internal Management Systems and Approaches

The following internal management systems and approaches contribute to the protection of human rights and workers' rights and, by extension, the prevention and reduction of risks associated with forced labour or child labour as part of the business activities of Torex.

**Reglamento Interior de Trabajo (Internal Working Regulations):** Torex maintains a Reglamento Interior de Trabajo (the “**Reglamento**”), which are internal working regulations that define how the Company will align with, or exceed, Mexican labour laws. The Reglamento includes, among others, the following provisions:

- Company commitments to respect the rights of workers as defined in Mexican legislation, including the international human rights conventions Mexico is party to;
- Minimum age requirements, which in Mexico is 18, thereby prohibiting child labour in our workforce;
- Working hours policy, including provisions for overtime pay;
- Provisions for the fair payment of wages and salaries as well as vacation entitlements;
- Health and safety provisions, including the right to refuse unsafe work;
- Equal protection provisions for men and women, including for pregnant and breastfeeding women; and
- A grievance mechanism to resolve complaints fairly and effectively.

**Fair Treatment System (internal):** We maintain a ‘Fair Treatment System’ within the Company, the purpose of which is to resolve employee complaints about perceived unfair treatment in the workplace and ensure fair resolution through a set of established policies and procedures.

**Whistleblower Channel:** As set out in our Whistleblower Policy referenced above, the Company maintains a whistleblower channel, through which anyone, including all employees, contractors, vendors and members of the public, can submit a complaint regarding potential wrongful behaviour. Complaints can be submitted anonymously, and all complaints are treated confidentially. In 2024, the Company received one complaint through the whistleblower channel, which was not associated with forced labour or child labour issues.

**Grievance Mechanism:** In addition to the Company’s whistleblower channel, we maintain a grievance mechanism to understand and respond to community concerns. The grievance mechanism is intended to address concerns promptly and effectively, using an understandable and transparent process that is culturally appropriate and readily accessible to all parties. Grievances can be submitted through a variety of means, including monthly community meetings, informal meetings with mine site staff, and the Company’s formal grievance procedure. Grievances are classified according to their severity of impact and are subject to corresponding management controls to streamline

Company responses and enable effective resolution. The grievance mechanism contains a commitments tracker system to digitally document and register all complaints. The grievance mechanism may also be used by stakeholders to address grievances against contractors and subcontractors. In 2024, there were 41 grievances received, none of which were related to concerns regarding forced labour or child labour.

**Supplier Onboarding and Contractual Compliance:** In addition to compliance with our Supplier Code of Conduct, our contractual clauses include a provision that the Contractor must ensure that the guidelines and policies of the Company are met, as well as applicable laws and official Mexican legislation. We also maintain a Contractor Management System that the Company established in 2022, which is intended to align contractor work and performance to Torex operational policies, procedures and systems with respect to health, safety and environmental management.

### Compliance with Global Sustainability Standards

The Company is in full conformance with the World Gold Council RGMPs, a set of 10 principles and 51 sub-principles which address key sustainability issues material to the gold mining sector. Sub-principle 6.3 specifically references that members must prohibit child labour, forced labour and modern slavery in operations and supply chains. In 2024, following a third-party external assurance audit, the Company released its [Year 3 RGMP Conformance Report](#), with associated limited independent assurance, demonstrating full conformance to all principles and sub-principles.

In 2024, the Company also issued its second [Conflict Free Gold Report](#), including [independent limited assurance](#), which confirms our commitment and declaration that our gold is produced in a manner that does not cause, support or benefit, unlawful armed conflict or contribute to human rights abuses or breaches of international humanitarian law, which includes forced labour and child labour.

## IDENTIFYING POTENTIAL FORCED LABOUR AND CHILD LABOUR RISKS

### Enterprise Risk Management (ERM) Policy and Process

Torex has developed a formal ERM Policy, that is reviewed by the Board on an annual basis, to articulate Torex's risk management philosophy and the processes that are in place to identify, communicate, and manage material risks across the Company. The Policy provides that the Board of Directors is responsible for the oversight of the ERM Program, ensuring that controls are in place to appropriately manage the material risks of the Company. The CEO is the owner of the Company's ERM Program and is ultimately responsible for its effective implementation.

To operationalize the ERM Policy, an ERM Framework was developed that defines a set of concepts, practices and tools for continually monitoring and improving risk management across the Company. Existing and emerging risks are documented at a level of detail required to support subsequent risk evaluation and management. Risks are reviewed and updated on a regular basis, with a full review performed annually through risk workshops. Key risks impacting the long-term strategic objectives are monitored and reported to the Executive Team and the Board on a quarterly basis, along with details on the controls in place to mitigate the risks. Assessments of the effectiveness of the key mitigation actions are performed by the risk team. In 2022, Torex also implemented an Internal Audit program to further assess the effectiveness of mitigating controls implemented for significant risks for the Company.

In 2024, the Company key risk profile did not include any specific risks with respect to forced labour or child labour as part of our business activities. However, we acknowledge that risks can also arise in our extended supply chain, and we are committed to ongoing improvement in our due diligence in the identification of risk in this regard.

## Human Rights Impact Assessment

In 2022, the Company undertook a comprehensive human rights impact and due diligence assessment by external human rights experts, which included an assessment against the United Nations Guiding Principles on Business and Human Rights as well as an assessment to identify potential human rights risks linked to security and to determine the Company's conformance with the Voluntary Principles on Security and Human Rights ("VPSHR"). This assessment did not flag any significant risks associated with forced labour and child labour connected to our business activities.

## Preliminary Internal Assessment of Risks associated with Forced Labour and Child Labour

To get a better understanding of the Company's exposure to modern slavery and child labour risks in the countries where we operate and source our goods and services, the Company performed a preliminary high-level self-assessment of its 1,314 Tier 1<sup>1</sup> suppliers, using publicly available information, including the Global Slavery Index and global Child Labour Data, which concluded a low to moderate risk of forced labour and child labour in the Company's operations and supply chain according to geography<sup>2</sup>:

Country	# transactions	Overall forced labour and child labour risk rating (High / Moderate / Low)
Mexico	42,132	Moderate
USA	1,257	Low
Canada	2,087	Low
Australia	24	Low
South Africa	24	Moderate
Chile	59	Moderate
Netherlands	2	Low
Other (including Switzerland, Austria, Italy, United Kingdom, Peru, Norway, Brazil, Spain, Germany, Panama, Ireland, Uruguay, France, Singapore, and Colombia)	244	Moderate

An analysis was conducted per country, focusing on the types of materials or services provided, and the amount spent. The most significant expenses include professional and specialized services, mining equipment and parts, bulk materials and chemicals, production consumables and construction and other on-site services. All these on-site activities strictly adhere to Torex policies prohibiting forced labour and child labour on its premises.

Additionally, further analysis was performed using publicly available information to understand the profiles of vendors located in countries with moderate Global Slavery Index, vulnerability score, and/or child labour risks. This enhanced analysis included an assessment of vendors' main activities against those items identified as having the highest risk of modern slavery, according to the Global Slavery Index.

<sup>1</sup> Tier 1 suppliers are defined as those suppliers that provide goods and services to the Company directly.

<sup>2</sup> The following public sources have been used for the risk rating:

- [Global Slavery Index: https://worldpopulationreview.com/country-rankings/global-slavery-index-by-country/](https://worldpopulationreview.com/country-rankings/global-slavery-index-by-country/); and
- [UNICEF Child labour data: https://data.unicef.org/topic/child-protection/child-labour/#status](https://data.unicef.org/topic/child-protection/child-labour/#status)



The top 10 goods and top 10 services procured by Torex by spend in 2024 are summarized in the table below:

Top 10 materials and goods procured by spend	Top 10 services procured by spend
<ul style="list-style-type: none"> <li>• Major components</li> <li>• Fuel</li> <li>• Cyanide</li> <li>• Explosives and accessories</li> <li>• Spare parts and materials</li> <li>• Sodium metabisulfite</li> <li>• Underground equipment parts</li> <li>• Electrical parts</li> <li>• Power generators</li> <li>• Steel and iron plates</li> </ul>	<ul style="list-style-type: none"> <li>• Construction services</li> <li>• Mine development services</li> <li>• Contractor charges</li> <li>• Power supply and distribution</li> <li>• Drilling services</li> <li>• Hauling services</li> <li>• Consulting services</li> <li>• Building maintenance</li> <li>• Lease equipment</li> <li>• Subcontractor services</li> </ul>

While none of the assessments identified vendors or transactions carrying high risk, we recognize that other goods and services we procure with smaller expenditure could carry risk, and we are committed to ongoing due diligence of potential risks in this regard.

## MEASURES TAKEN TO REMEDIATE ANY FORCED LABOUR OR CHILD LABOUR

During 2024, no incidents of forced labour or child labour were identified by Torex in its activities or supply chains nor reported to Torex by employees, community members, suppliers or others through ongoing interactions, the Whistleblower Policy or the Company's grievance mechanism. As such, no remediation actions were taken during 2024.

## MEASURES TAKEN TO REMEDIATE LOSS OF INCOME TO VULNERABLE FAMILIES

As indicated in the previous section, no incidents of forced labour or child labour were identified by Torex in its activities or supply chains nor reported to Torex, no remediation actions were taken during 2024 and as such, vulnerable families have not experienced loss of income to our knowledge as a result of steps we have taken to eliminate forced labour and child labour risks in 2024.

## TRAINING AND AWARENESS ACTIVITIES FOR EMPLOYEES

Torex requires all employees to attest that they reviewed and understand the Company's Code of Business Conduct and Ethics, Whistleblower Policy and other related policies as part of our employee onboarding process. In addition, all staff employees must review and attest to these policies on an annual basis through our online learning management system called the Torex Academy.

In 2024, we also conducted Human Rights training for our site security personnel on the VPSHR, aimed at deepening our security team's understanding and application of these principles within our specific operational context. In total, 89 members of the private security team and 75 members of the public security team (contracted through the auxiliary security service operated by the state) were trained, for a total of 164 attendees. Additionally, five of our Security Team leaders completed the Diploma in "Legal Use of Force from a Human Rights Perspective" which is taught online through the CNDH Mexico, the National Human Rights Commission.

In 2024, there was no specific training provided to employees with respect to the risk of forced labour and child labour.

## ASSESSING EFFECTIVENESS IN PREVENTING FORCED LABOUR AND CHILD LABOUR IN ACTIVITIES AND SUPPLY CHAINS

We have assessed our effectiveness in preventing forced labour and child labour in our activities and supply chain according to our existing due diligence processes and management systems outlined above. Given the complexity and multi-tiered nature of our global supply chain, Torex recognizes that there are inherent challenges in assessing the effectiveness of ensuring the protection of human rights within our supply chain, and we are committed to continuous improvement in this regard.

Through a review of our whistleblower complaints and grievances in 2024, there were no incidents of forced labour or child labour reported through these channels.

Torex discloses our performance on certain human rights performance indicators in our Responsible Gold Mining Report, an annual disclosure which demonstrates our performance over time, and we are committed to ongoing transparency in this regard. Our Responsible Gold Mining Reports, and other ESG-related disclosures, can be found in the [ESG Reporting Portal](#) on our website.

Going forward, our action plan for enhancing effectiveness includes an ongoing review of methods to enhance our current due diligence of our suppliers supplying goods and services to Torex and its subsidiaries.

## APPROVAL AND ATTESTATION

This Report was approved by the Board of Directors of Torex Gold Resources Inc. on May 7, 2025 on behalf of itself and the other Reporting Entities in accordance with subparagraph 11(4)(b)(i) of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.



Jody Kuzenko  
President, Chief Executive Officer and Director  
Torex Gold Resources Inc.  
May 7, 2025

I have the authority to bind Torex Gold Resources Inc.