



at the
HEART *of*
WHO WE ARE

2023 RESPONSIBLE GOLD MINING REPORT

at the
HEART *of*
WHO WE ARE

At Torex Gold, mining with purpose beyond profit has always been at the heart of who we are. While our existence as a Company depends on our ability to deliver superior value to shareholders, we aim to do so in a way that leaves a lasting legacy of positive impact wherever we operate. This means co-existing peacefully with the environment, creating lasting economic impact, and uplifting all those around us – from our employees, to our host communities to broader society.

Our approach has been defined in our organizational purpose statement: **“To transform finite mineral resources into lasting prosperity by positively impacting all the lives we touch.”**

Our people, from our Board of Directors to our front-line employees, are committed to a shared set of values that guide our actions and behaviour, and we share a firm belief that mining responsibly and generating value in our business go hand in hand. We have proven over the past decade that we can make a positive impact on people’s lives and the environment around us, all while improving safety, achieving operational efficiencies, realizing cost reductions and generating positive return on investment. This is at the heart of who we are. This is the Torex way.



ABOUT THIS REPORT

REPORTING FRAMEWORK AND MATERIALITY

The 2023 Responsible Gold Mining Report (the “Report”) is the Company’s annual disclosure of our Environmental, Social, and Governance (ESG) performance. As our ninth consecutive Report, it serves as a comprehensive disclosure of our ongoing efforts and achievements in responsible mining practices.

The Report has been prepared with reference to the Global Reporting Initiative (GRI) including the Mining and Metals Sector Supplement, and the Sustainability Accounting Standards Board (SASB) Metals & Mining Sustainability Accounting Standard (Version 2023-12). Indexes for these reporting frameworks are provided on [pages 121-129](#) of this Report.

Energy and climate-related disclosures are aligned with the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD), as per the Phase 1 recommendations of the Expert Panel on Sustainable Finance’s Recommendation on Phased-in Approach to the Adoption of the TCFD Framework in Canada.

Water-related indicators have been recently revised to conform with the Water Stewardship Framework established by the International Council on Mining and Metals (ICMM), alongside its latest water reporting guidelines outlined in the Good Practice Guide, second edition, released in 2021.

We have also aligned aspects of our supply chain disclosures with the Local Procurement Reporting Mechanism (LPRM) of the Mining Shared Value Initiative of Engineers Without Borders Canada.

BOUNDARIES AND SCOPE

The Report covers our 2023 ESG performance for our Corporate Office headquartered in Toronto, Ontario and our Morelos Complex in Guerrero, Mexico, which includes the El Limón Guajes Mine Complex (“ELG” or “ELG Mine Complex”) and our Media Luna Project (“Media Luna”). All performance data is current as of December 31, 2023 (unless otherwise indicated).

Throughout this report references to Torex Gold Resources Inc. include “Torex Gold”, “Torex”, “the Company”, “we”, “us” and “our”.

This Report includes three-year ESG Performance Data Tables, summarizing our achievements from 2021 to 2023. Additionally, comprehensive annual

ESG and financial data can be explored through our Interactive Analyst Center™, accessible on our website for detailed analysis.

RESTATEMENTS

Ongoing improvements to our data collection systems and measurement methodologies can result in restatements of previously reported data. Restatements of performance data and information are provided as applicable throughout the Report, including the associated ESG Performance Data Tables.

SIGNIFICANT CHANGES IN REPORTING PARAMETERS

In line with our commitment to transparency and accountability, we recognize the importance of highlighting any significant changes in our reporting parameters within this Report. Hence, we have implemented notable updates to our reporting parameters to ensure heightened accuracy and relevance in our ESG disclosures. These adjustments encompass methodological refinements in data collection and an expanded scope, which now includes the Media Luna Project in all of our metrics.

CURRENCY

All financial figures are stated in United States dollars unless otherwise noted. Some figures and percentages may not add to the total figure or 100 percent due to rounding.

ADDITIONAL INFORMATION

For a complete picture of our business and our 2023 performance, please read this report in conjunction with our 2023 Annual Information Form, 2023 Management Information Circular, 2023 ESTMA Report, our 2024 quarterly Management Discussion and Analysis reports, and our 2023 Deloitte Economic Impact Study, all of which are available on our website at www.torexgold.com.

THIRD PARTY ASSURANCE

Limited independent assurance was procured for our 2023 Health and Safety Incidents Inventory specific to the ELG Mine Complex and our 2023 Greenhouse Gas (GHG) inventory. Both verification reports are publicly available on our website under our ESG Reporting Portal.

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2023 HIGHLIGHTS



Achieved Operational Excellence

Became **#1 gold producer in Mexico**

Industry-leading safety performance:
0.31 lost time injury frequency per million hours worked¹

10 million hours worked without a lost-time injury at ELG; third time since 2020

454 koz gold produced; fifth consecutive year meeting production guidance

Achieved **60% completion** of Media Luna Project

Guajes Tunnel to connect ELG & Media Luna completed **3 months ahead of schedule**

93,084 hours of safety and technical training



¹ As at December 31, 2023 for both employees and contractors over a 12 month period



Respect for the Environment

Zero reportable environmental incidents or spills

100% compliance with environmental regulations

66% water usage recycled

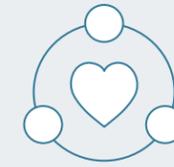
63% non-mineral waste recycled

70,560 native trees planted from two on-site greenhouses

108.5 hectares reforested

500,000 fingerlings released into local waterways

Annual participatory water monitoring program in partnership with the Autonomous University of Guerrero



Social Cohesion and Shared Benefits

33% workforce growth (employees + contractors) relative to 2022

99% operational employees from Mexico; ~69% from Guerrero

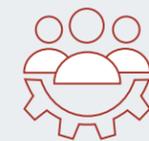
Awarded ESR 2024 Distinction in Mexico for **Excellence in Corporate Responsibility** for 6th year in a row

11 Community Development Agreements signed; **\$3.1M** in direct community investment

Procurement spend of \$802M; 90% of spend in Mexico and 20% from Guerrero businesses

\$215M in government payments including taxes and royalties

3% annual contribution to Guerrero's GDP



Commitment to Good Governance

43% female representation on Executive Team; **37% female** representation on Board of Directors

Earned honouree status in The Globe and Mail's 2023 Report on Business **"WOMEN LEAD HERE"** list for the fifth consecutive year

ESG performance linked to **20% of annual Company-wide incentive plan**

Internal Audit function operationalized

Highest ISS Governance Quality Score ranking (1) for positive corporate governance practices

Continued improvement in scoring from key ESG Ratings Agencies

A MESSAGE FROM OUR PRESIDENT AND CHIEF EXECUTIVE OFFICER



As we became the largest gold producer in Mexico in 2023, we have an even more heightened sense of responsibility to demonstrate what “good” looks like when it comes to showcasing the positive and lasting impact mining can have on people and the planet.

Jody Kuzenko
President and Chief Executive Officer

On behalf of the Torex team, I am pleased to welcome you to our 2023 Responsible Gold Mining Report. The theme of this year’s Report, “At the Heart of Who we Are”, reinforces that responsible mining truly is at the centre of how we conduct ourselves as a business, reinforced by our organizational purpose: “To transform finite mineral resources into lasting prosperity by positively impacting all the lives we touch”.

Throughout this Report, we highlight the work we are doing to bring our purpose statement to life as we continue to minimize our environmental footprint, build on relationships of trust and partnership with local communities, create prosperity for our people and business partners through well-paying jobs and local procurement, and foster lasting economic impact through sustainable community development. Our goal is to leave a net positive legacy in our host communities well beyond our mine life, and to replicate the positive impact we are making in Mexico as we grow.

In 2023, in order to quantify not only our direct economic impact but also indirect and induced impacts,

we commissioned an Economic Impact Study by Deloitte LLP, which found that our operations represent a 3% contribution annually to the state of Guerrero’s total gross domestic product (GDP). It also found that we create or sustain almost 13,000 jobs in Mexico every year, and more than 3,500 jobs in Guerrero. As we continue to make significant progress on our Media Luna Project, which is on schedule to achieve commercial production in early 2025, we are focused on extending the life of our operations to create decades of employment and lasting prosperity for our communities, business partners, our employees and their children. The work of generational impact has well and truly begun.

As I reflect on our performance and the stories profiled in this Report, nothing makes me prouder than our safety performance. We ended 2023 with a combined lost-time injury frequency of 0.31 per million hours worked, an impressive result given the substantial increase in contractors and construction activity across our Morelos Property due to the Media Luna Project. At ELG, we had no lost time injuries in the entire year and celebrated 10 million hours worked without a



The Development Team celebrating breakthrough at the Guajes Tunnel in December 2023

lost time injury for the third time since 2020. We will continue to be relentless when it comes to safety – it is foundational to our culture and our sustained operational excellence.

We continued to make progress on our climate change plan in 2023, which includes a clear and proportionate pathway to achieve a 10% reduction in absolute Scope 1 and Scope 2 emissions by 2030 in support of our overall commitment to achieve net zero GHG emissions by 2050. For example, we advanced the construction of our new solar facility, with land preparation work completed and photovoltaic equipment delivered to the site. In 2023, we also completed procurement transactions for our new hybrid fleet of vehicles for Media Luna, which will include the largest collection of battery-electric vehicles in all of Latin America.

2024 will be an important year for us on our journey to adopt globally recognized ESG performance standards, to give added confidence to our shareholders and all those who share stakes in Torex that we are conducting ourselves to the very highest of sustainability and

governance standards. After many years of preparation, we will undertake a full compliance audit against the International Cyanide Management Code as well as the World Gold Council Responsible Gold Mining Principles this year. We also continue to work toward adoption of the Global Industry Standard on Tailings Management, with full compliance targeted in 2025.

As we became the largest gold producer in Mexico in 2023, we have an even more heightened sense of responsibility to demonstrate what ‘good’ looks like when it comes to showcasing the positive and lasting impact mining can have on people and the planet. On behalf of our Executive Team, I want to thank all of our employees for their continued commitment to mining safely and giving their best every day to support our Company’s success. It is our people that make our Company great – they are truly at the heart of who we are.

Jody Kuzenko
President and Chief Executive Officer

ABOUT TOREX GOLD

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, situated 180 kilometres southwest of Mexico City.

The Company is headquartered in Canada, with our Corporate Office located in Toronto, Ontario. As of 2023, Torex became the largest gold producer in Mexico.

In 2023, our workforce consisted of 1,212 employees and 3,382 contractors. We are proud that 99% of our operations workforce is from Mexico, with almost 70% of our employees from Guerrero State and 41% from our local communities.

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's key strategic objectives are: deliver Media Luna to full production; integrate and optimize the Morelos Property; grow reserves and resources; disciplined growth and capital allocation; retain and attract best industry talent; and build on ESG excellence. In addition to realizing the full potential of the Morelos Property, the Company is seeking opportunities to acquire assets that enable diversification and deliver value to shareholders.



THE MEDIA LUNA PROJECT

Laying the Foundation for Growth in Mexico and Beyond



Media Luna is an underground deposit containing gold, copper and silver mineralization, located on the south side of the Balsas River, seven kilometres from our existing ELG Mine Complex. The Media Luna Project was approved by the Torex Board of Directors in March 2022, and represents a total capital expenditure of almost \$1 billion, the largest single mining investment ever made in Guerrero. At the end of 2023, the project was 60% complete, and as of March 31, 2024, it progressed to approximately 70% completion, which puts the project on schedule to achieve commercial production in early 2025.

In so many ways, Media Luna represents the Company's commitment to responsible mining practices and sustainable growth. The investment in this project will extend our current mine life through at least 2033, and with continued investments in exploration and drilling, create the foundation for a multi-decade mining operation that will continue to generate lasting prosperity in Mexico and beyond.

Media Luna isn't just about growth; it's also about diversifying our revenue streams. With more than 20% of Media Luna's life-of-mine revenue attributed to copper, we will enable the technologies of tomorrow that will transition the world toward a low-carbon economy.

The Media Luna Project is being built with the future in mind and will advance Torex Gold on our own journey towards decarbonization and our ultimate goal of net zero GHG emissions. We have procured a hybrid fleet for our Media Luna operations, which contains more than 70 pieces of battery electric equipment, representing the largest battery electric fleet in Latin America and one of the largest in the world. With less diesel emissions underground, the design of the mine is such that less ventilation is required, which will further reduce energy requirements and associated GHG emissions.

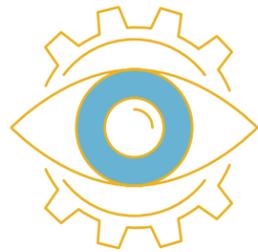
Importantly, the transition to battery electric equipment underground will provide a much cleaner and healthier underground environment for our workforce.

In 2023, we hit significant project milestones that solidify Media Luna's trajectory towards success. For example, we received a key permit that allows for in-pit tailings deposition at our mined out Guajes Pit, which means that the project is now fully permitted for both the development and operational phases. Importantly, we also broke through at the Guajes Tunnel, a 7-kilometre tunnel under the Balsas River that connects the existing operations at ELG on the north side of the river with the Media Luna deposit on the south side. The breakthrough of the tunnel happened in December 2023, three months ahead of schedule, thanks to our development crews and the world-class advance rates achieved by our team.

We are proud of the positive impact Media Luna is having within our host communities and the surrounding regions. In 2023, our permanent employee workforce grew by 5% relative to 2022, and our contractor base grew by almost 47%, reflecting the substantial increase in development and construction activity. Our procurement spend in 2023 grew by almost 45% relative to 2022, providing significant economic stimulus at the local, state and national levels in Mexico.

Despite the increased activity at our Morelos Property, and the inclusion of Media Luna in our ESG metrics, many of our ESG metrics associated with environmental impact have remained relatively flat, and in some cases have even been reduced. The data and information contained in this Report demonstrate our efforts to maximize value creation while containing our impact on the environment as we increase activity at our Morelos Property and build our future through Media Luna.

OUR APPROACH



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RESPONSIBLE MINING & ESG: A CORE STRATEGIC BUSINESS PILLAR

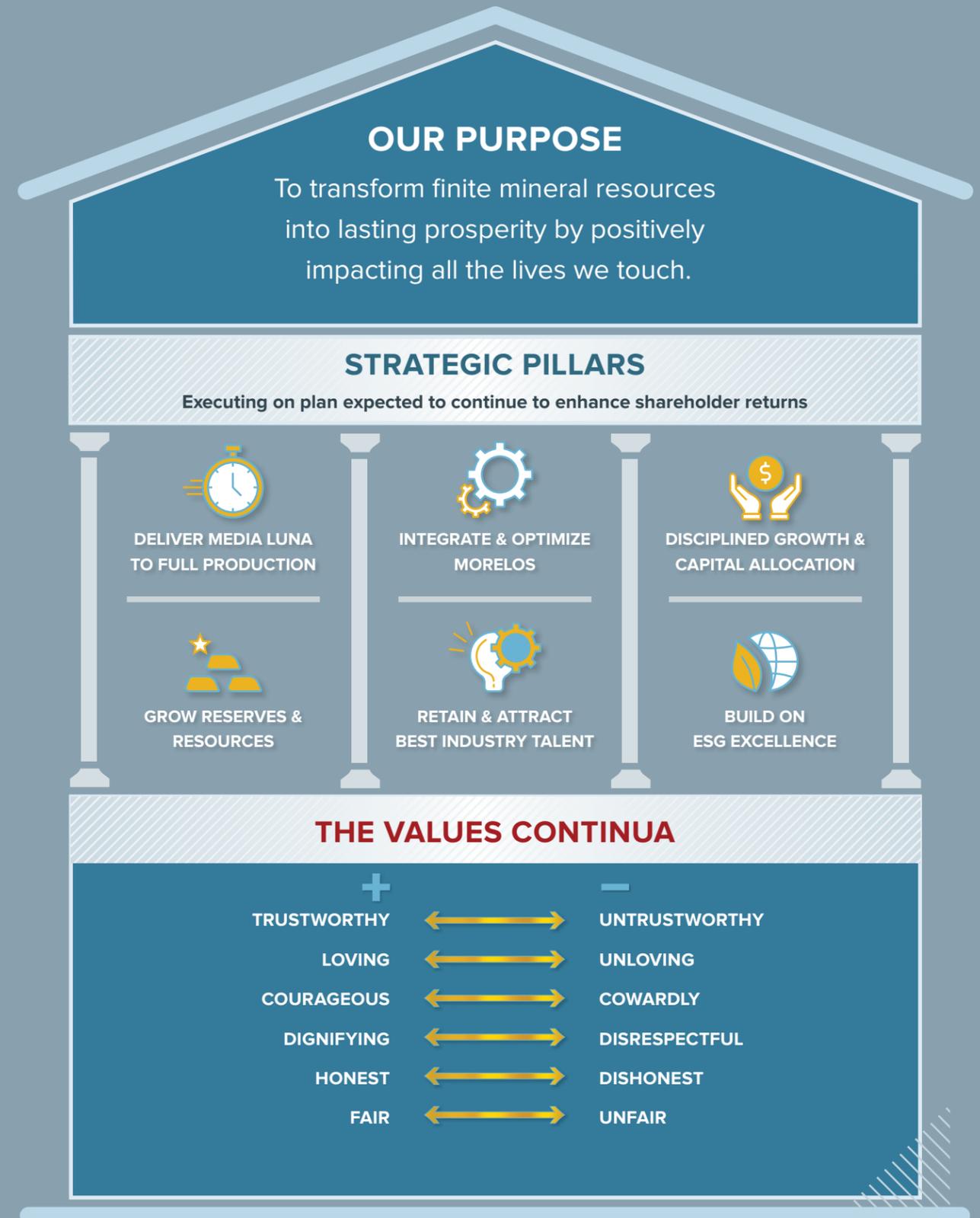


From the very beginnings of Torex, a commitment to responsible mining guided the design of the Morelos Complex and the way we approach our business. In 2021, under the guidance of our CEO, the Executive Team defined the Company's Organizational Purpose as a means of capturing who we are and what we stand for as a Company beyond generating profit, and to unify and inspire employees at all levels of our business toward a common mission.

Our key strategic pillars were defined in 2021 and updated in 2023 to reflect the progress we have made and the evolution of the business. "Building on ESG Excellence" has continued to be a core strategic focus as we work to complete the Media Luna Project, integrate and optimize our Morelos Property, maintain a healthy balance sheet and grow reserves and resources through exploration and

drilling. Notably, in 2023, "Retaining and Attracting Key Industry Talent" was added as a key strategic pillar – certainly not a new focus for Torex, but one that we felt should be clearly articulated as part of our overall strategy. We continue to see our talent and our culture as a key strategic differentiator in terms of the Company's ability to consistently deliver excellence in our results.

Our values have been, and will remain, the foundation of our business success as we continue to generate positive returns to our investors in a way that touches lives in a positive way. They were defined before our operations began and have remained consistent in guiding our actions and behaviour at all levels of the organization. We consistently aim to be on the left side of the continua as we build and maintain productive relationships based on mutual benefit and trust.



BUILDING ON ESG EXCELLENCE

For Torex, building on ESG excellence encompasses excellence in performance and disclosure on health and safety, environmental management, community engagement and development, value sharing, good governance and human rights throughout our mining lifecycle from exploration, to operations to closure.

We have established an internal ESG Working Group comprised of senior corporate and operations leadership representatives across various ESG topic areas. The ESG Working Group is

instrumental in providing subject matter expertise for various areas of the business and in advancing ESG initiatives across the Company.

In order to support continuous improvement and incorporate evolving ESG standards and practices, we are committed to implementing the highest level of global corporate responsibility standards on performance and disclosure, developed through international initiatives and programs, including the following:



Since December 2020, we have been a proud member of the World Gold Council (WGC) and, as such, have committed to adopt the Responsible Gold Mining Principles (RGMPs), comprising 10 Principles and 51 sub-principles which address key ESG issues material to the gold mining sector. The RGMPs were designed to provide confidence to governments, investors, employees, communities, supply chain partners and civil society that gold is produced responsibly.

In September 2023, as part of our ongoing compliance efforts, we published our inaugural Conflict-Free Gold Report, which was independently assured and is available on our website. We also continued to work toward full adoption of all principles and sub-principles, ahead of a full independent verification audit to be completed in 2024.



In 2021, the Company became a signatory to the International Cyanide Management Code (ICMC), a voluntary initiative conceived under the guidance of the UN Environmental Program and in collaboration with stakeholders from the former International Council on Metals and the Environment. Serving as a global benchmark, it sets forth best practices and a certification framework ensuring the safe handling, transportation, and disposal of cyanide.

Throughout 2023, we continued to execute against our action plan to align with ICMC standards, and a pre-audit assessment in December 2023 demonstrated 85% adherence. We continue to work toward a full certification audit in 2024 in order to demonstrate our excellence and best practice in addressing risks associated with cyanide management.



The Company continues to advance progress to gain certification under the Mexican Industria Limpia (Clean Industry) program — a national, voluntary environmental audit program established by the environmental enforcement agency PROFEPA. The program consists of two components, namely an audit of environmental compliance and a review of good environmental practices. Certificates are granted by PROFEPA for a period of two years. The Company continues to implement an action plan approved by PROFEPA in advance of full certification, and as of December 2023, the action plan was 74.0% complete. Certification under the Clean Industry Standard is expected in 2024.



We recognize the importance of providing clear, comprehensive, and credible information on the impacts of climate change on our business and our own impact on the climate. In 2022, Torex released its inaugural Climate Change Report aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which is publicly available on our website. We continue to refine our understanding of climate-related financial risks and opportunities and will continue to provide ongoing disclosures aligned with the TCFD to communicate our progress, as outlined on [pages 90-93](#) of this Report.

BUILD ON ESG EXCELLENCE



We are committed to meeting or surpassing regulatory requirements while mitigating the impacts of our operations on the environment and contributing to its continued health and diversity.



We are dedicated to maintaining a culture and associated systems that prioritize health and safety and enable productive and mutually beneficial working relationships based on transparency, trust and respect.



We are committed to upholding the highest standards of governance and ethics, in line with global corporate sustainability standards on ESG performance and disclosure.



In alignment with international calls for enhanced transparency and governance in tailings management, in 2022 the Company's Board of Directors approved the adoption of the Global Industry Standard on Tailings Management (GISTM).

Comprising 15 principles and 77 auditable requirements, GISTM sets a comprehensive framework applicable to tailings facilities across the entire mine lifecycle, encompassing operations, closure, and post-closure phases. The Company continues to work towards a full compliance audit with GISTM in 2025, encompassing both its existing Filtered Tailings Storage Facility (FTSF) and the new in-pit tailings facility being constructed as part of the Media Luna Project.



The Voluntary Principles on Security and Human Rights (Voluntary Principles), which were established in 2000, are aimed at guiding companies on ensuring the safety and security of their operations within an operating framework that demonstrates respect for fundamental freedoms and human rights.

In 2023, we continued to educate our site security team on the Voluntary Principles on Security and Human Rights (VPSHR). Four dedicated training sessions were conducted between October 2023 and January 2024, aimed at deepening our security team's understanding and application of these principles within our specific operational context. In 2024, we will continue to strengthen our commitment to the Voluntary Principles and initiate a second phase of training on the VPSHR for all security contractor personnel.



We have implemented an Environmental and Social Management System (ESMS), which is based on the International Finance Corporation's (IFC) Environment, Health and Safety Guidelines. Our ESMS is made up of 15 management plans comprising a total of 54 mitigation measures to protect the soil, water, air, flora and fauna on our site. It is implemented by environmental specialists at our operations in Mexico, with oversight from our Executive Team.



Torex is working to support progress on the United Nations Sustainable Development Goals (SDGs). We recognize that we have an opportunity to positively contribute to all 17 of the SDGs as we work hand in hand with local communities and government officials to promote a positive and lasting socioeconomic impact. We have included SDG icons throughout this report where we describe initiatives that support these goals.

MATERIALITY ASSESSMENT



Summary of Material Topics

A key component of our approach to building on ESG excellence is to identify, understand and prioritize material ESG risks and topics that are most relevant to our business, our investors and others who share stakes in Torex. In 2023, with the help of a third-party expert on ESG and in consultation with our internal ESG Working Group, our Executive Team and our Board of Directors, we refreshed our existing ESG materiality assessment, which was completed in 2020, to reflect the evolution of our business and the rapidly evolving ESG landscape. The ESG materiality assessment identified and prioritized the ESG factors with the greatest potential to materially impact company value and our ability to achieve our strategic objectives over the short, medium, and long-term.

We assessed the ESG factors using the impact and likelihood criteria informed by our existing risk management processes to ensure that the ESG factors are assessed consistently and proportionately to other risks. In assessing the ESG factors, we used a materiality threshold aligned with Canadian

securities law materiality definitions as well as the International Financial Reporting Standards (“IFRS”) materiality definition.

In line with best practice, we internally review our ESG materiality assessment on an annual basis to accommodate the dynamic nature of materiality, operational and market realities. We are also committed to conducting a more thorough analysis of material topics in consultation with external experts every three years or as appropriate due to changing circumstances in our business.

Our latest materiality assessment identified key shifts in the significance of various factors compared to the previous assessment in 2020. For example, workforce health and safety, biodiversity impacts, energy efficiency and supply chain management emerged as increasingly critical factors. Furthermore, new ESG dimensions such as tailings storage facilities management and cybersecurity have gained prominence, justifying inclusion in our latest assessment.

The outcome of our 2023 materiality assessment is shown in the figure below.



- ENVIRONMENT
- SOCIAL
- GOVERNANCE

INPUTS TO IDENTIFY MATERIAL ESG FACTORS

- Torex’s Current ESG Policies and Disclosures
- Peer Benchmarking
- Investor Priorities
- ESG Research and Ratings Providers
- ESG-related Regulations, Rules, Guidance Documents and Industry Initiatives
- ESG Reporting Frameworks and Standards (SASB, TCFD)

IMPACT AND LIKELIHOOD ASSESSMENT

- Assessment of potential materiality over the short-, medium- and long-term, based on likelihood of occurrence and potential magnitude of impact

VALIDATION

- Validation by internal ESG Working Group
- Validation by Torex Executive Team
- Validation by Torex Board of Directors

APPROACH TO MEANINGFUL ENGAGEMENT

We recognize that we operate in a geopolitical area that is economically challenged and socially complex in many ways. As such, we understand that our success as a business depends on fostering positive and mutually beneficial relationships with those around us.

We place a priority on local employment and procurement and on improving the quality of life in local communities through an emphasis on education, health and local infrastructure. We also partner with our communities through unique and innovative Community Development Agreements called CODECOPs (Convenio

de Desarrollo Comunitario Participativo) through which community projects are defined according to local needs with an emphasis on promoting local citizen participation. We have a very close presence in our local communities through dedicated community relations offices and personnel, to ensure our team is accessible and well-known by local residents.

Our commitment extends well beyond compliance when it comes to proactive engagement and collaboration, and our approach is underpinned by the following key principles:

INCLUSIVITY AND DIVERSITY

We recognize the importance of engaging with a diverse range of people representing various interests and perspectives. Our engagement efforts include employees, local communities, union leaders, investors, regulators, associations, business leaders and other relevant parties. By embracing inclusivity, we ensure that our decision-making processes consider various perspectives.

TRANSPARENCY AND ACCOUNTABILITY

Transparency forms the cornerstone of our approach to engagement. We are committed to providing clear and accurate information regarding our operations, performance, and impacts. Through regular communication channels, such as community meetings, open forums, and face-to-face conversations, we place a priority on active listening, seeking feedback and responding to ideas and concerns.

ADAPTIVE AND RESPONSIVE APPROACH

We understand that dynamics evolve over time, influenced by changing circumstances and external factors. Therefore, we maintain flexibility in our engagement approach, adapting to emerging issues and evolving needs.

EARLY AND CONTINUOUS ENGAGEMENT

We believe in early and consistent engagement throughout the lifecycle of our projects. By initiating dialogue in the planning stages, we gain valuable insights into local concerns, aspirations, and expectations. Continuous engagement allows us to address issues proactively, mitigate risks, and earn trust.

PARTNERSHIPS AND COLLABORATION

We recognize that complex challenges require collaborative solutions and we actively seek opportunities to collaborate with those around us to address shared goals and promote sustainable development. Through our CODECOP agreements, and partnerships with local fishing and agricultural organizations, academic institutions, government agencies and others, we leverage collective expertise and resources to implement initiatives that deliver positive social, environmental, and economic outcomes.

RESPECT FOR HUMAN RIGHTS

We uphold the fundamental principles of human rights and work collaboratively with local communities to understand their cultural heritage, traditional knowledge and priorities, ensuring that our activities contribute to their well-being and empowerment.

We have a very close presence in our local communities through dedicated community relations offices and personnel, to ensure our team is accessible and well-known by local residents.



2023 PERFORMANCE ON ESG GOALS AND TARGETS

On an annual basis, the Company sets clear objectives and metrics to drive our ESG management and performance. Our ESG goals and targets are closely

linked to executive compensation and our Company-wide performance incentive plan, which constituted 20% of our short-term incentive plan (STIP) in 2023.

| AREA | 2023 GOAL | PROGRESS |
|-------------------|---|--|
| SAFETY AND HEALTH | Zero fatalities* | ACHIEVED |
| | No lost time injuries* | The Company ended 2023 with four lost time injuries and a lost-time injury frequency of 0.31 per million hours worked on a rolling 12-month basis for both employees and contractors |
| | Implement personal safety plan for site Operating Managers and Superintendents, at >80% compliance | IN PROGRESS. Implementation with Managers concluded in Q1 2024 with cascade to Superintendents initiated in Q2 2024 |
| | Continue to implement SafeStart® and SmartCap® to support continuous improvement on safety | ACHIEVED. 7,089 training hours delivered on SafeStart® in 2023. Implementation of SmartCap® fatigue management system continued in open pits, with plans to expand to underground mine mobile fleet in 2024 |
| ENVIRONMENT | Zero reportable spills of 1,000 litres or more that report to a natural water body* | ACHIEVED. There were no spills or environmental incidents reportable to authorities in 2023 |
| | Report against the 2023 CDP Climate Change Questionnaire | ACHIEVED. Improvement in scoring from 'C' in 2022 to 'B-' in 2023 |
| | Complete Year 1 Climate Change work plan, including commissioning of new 8.7 megawatt solar plant, to support target of delivering 10% absolute reduction of GHG emissions by 2030* | IN PROGRESS. Solar Plant construction will continue into 2024. Commissioning to occur thereafter once operational permit is received |
| | Develop 5-year water conservation strategy and associated targets for the Morelos Property* | IN PROGRESS. A preliminary draft of the strategy has been completed, with a view to finalizing the strategy in 2024 |
| COMMUNITY | 100% compliance with commitments from Community Development Agreements (CODECOPs) signed with 11 local communities | ACHIEVED. Commitments associated with 2023 agreements substantially met. New 2024 CODECOP agreements with all 11 communities were signed in March 2024 |
| | Conduct an economic impact study with external experts to measure indirect and induced benefits in Guerrero State and Mexico | ACHIEVED. Study released publicly in October 2023. Available on our website |

The table below provides a snapshot of our performance against the 2023 ESG goals, with asterisks (*) denoting objectives directly influencing our 2023 STIP reward.

| AREA | 2023 GOAL | PROGRESS |
|--------------|--|--|
| HUMAN RIGHTS | Conduct annual training on the Voluntary Principles on Security and Human Rights with all site security personnel | COMPLETE. 155 site security guards and 9 security staff trained. Broader training with all contract security personnel to take place in April 2024 |
| | Update our Company-wide Social Harmony and Human Rights policy to formalize our human rights commitments under one umbrella | IN PROGRESS. For finalization in 2024 |
| | Maintain or improve scoring from key ESG ratings agencies* | SUBSTANTIALLY ACHIEVED. Scoring maintained or improved from MSCI, Sustainalytics, S&P Global, Refinitiv and ISS, with the exception of ISS 'Social' score |
| TRANSPARENCY | Conduct an assessment of conformance with the World Gold Council Conflict-Free Gold Standard, including third-party assurance | ACHIEVED. Inaugural Conflict-Free Gold Report disclosed publicly in Q3 2023, including third-party assurance from KPMG |
| | Substantially complete outstanding requirements for compliance with global sustainability performance standards including*: <ul style="list-style-type: none"> • Year 3 compliance with World Gold Council's Responsible Gold Mining Principles in preparation for verification audit in 2024 • Year 3 compliance with International Cyanide Management Code in preparation for verification audit in 2024 • Year 2 work plan for compliance with the Global Industry Standard on Tailings Management | ACHIEVED. Execution against consolidated workplan progressed in 2023 to plan to set up for compliance deadlines, as follows: <ul style="list-style-type: none"> • RGMPs: Third-party limited assurance of substantial compliance by September 2024 • ICMC: Compliance audit by May 2024 • GISTM: Compliance audit by August 2025 |
| GENERAL | Update key ESG policies | IN PROGRESS. Scheduled for completion 2024 |

For additional details on goals and targets that are directly linked to executive compensation and Company-wide incentive plans, see page 7 of our Q4 2023 MD&A, and our 2024 Management Information Circular, both of which are available on our website.

2024 ESG GOALS AND TARGETS

Goals marked with an asterisk (*) are directly linked to executive compensation and Company-wide incentive plans for 2024¹.

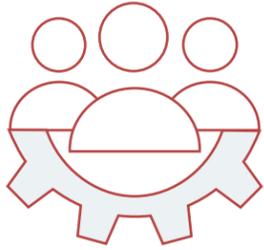
| AREA | 2024 GOAL |
|-------------------------|---|
| SAFETY AND HEALTH | Zero fatalities* |
| | Lost-time injury frequency less than 1* |
| | Implement personal safety plan down to Superintendent level |
| | Design fatal risk standards plus critical controls with implementation plan for underground operations by year end 2024* |
| ENVIRONMENT | Zero reportable spills of 1,000 litres or more that report to a natural water body* |
| | Complete Year 2 Climate Change work plan to support target of delivering 10% absolute reduction of GHG emissions by 2030* |
| | Finalize design of 5-year water conservation strategy and associated targets for the Morelos Property* |
| COMMUNITY | 100% compliance with commitments from 2024 Community Development Agreements (CODECOPs) signed with 11 local communities |
| HUMAN RIGHTS | Conduct annual training on the Voluntary Principles on Security and Human Rights with site security personnel |
| | Disclose inaugural disclosure to comply with Canada's <i>Fighting Against Forced Labour and Child Labour in Supply Chains Act</i> by the compliance deadline of May 31, 2024 |
| | Update our Security Policy and Company-wide Social Harmony and Human Rights policy to formalize our human rights commitments |
| | Conduct annual assessment of conformance with the World Gold Council Conflict-Free Gold Standard, including third-party assurance |
| GOVERNANCE | Substantially complete outstanding requirements for compliance against global sustainability performance standards including*: <ul style="list-style-type: none"> ▬ Completion + Verification Audit against World Gold Council's Responsible Gold Mining Principles ▬ Completion + Verification Audit against International Cyanide Management Code ▬ Year 3 workplan against Global Industry Standard for Tailings Management |
| | Maintain or Improve Scoring from key ESG ratings agencies |
| | |
| | |
| SUPPLY CHAIN MANAGEMENT | Develop a Supply Chain Code of Conduct to set clear expectations for our business partners with respect to managing key ESG risks |

¹ For additional details on goals and targets that are directly linked to executive compensation and Company-wide incentive plans, see page 7 of our Q4 2023 MD&A, which is available on our website.



Our ESG goals and targets are closely linked to executive compensation and our Company-wide performance incentive plan, which constituted 20% of our short-term incentive plan (STIP) in 2023.

GOVERNANCE



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2023 HIGHLIGHTS

Zero allegations of corruption

100% Board Committees comprised of Independent Directors

One of eight Board members (13%) and one of seven Executive Team members (14%) are ethnically diverse

Recognized by the Canadian Coalition for Good Governance (“CCGG”) in its “2023 Best Practices for Proxy Circular Disclosure”

MSCI ESG rating improved from “A” to “AA”, governance practices noted as “leading global peers” (96th percentile)

100% staff employee attestation to Code of Business Conduct and Ethics, Anti-Bribery and Corruption and Whistleblower Policies

A MESSAGE FROM THE CHAIR, SAFETY AND CSR COMMITTEE



Mining with purpose beyond profit is at the heart of how Torex conducts business, supported by a set of core values that are ingrained in the Company's DNA.

Jennifer Hooper
Independent Director, Chair of the Safety and CSR Committee

Mining with purpose beyond profit is at the heart of how Torex conducts business, supported by a set of core values that are ingrained in the Company's DNA.

Our Safety and Corporate Social Responsibility (CSR) Committee meets quarterly and provides oversight on safety, environmental and CSR strategies, policies and performance. The Committee also assists the Board in monitoring and reviewing key ESG risks and ensuring compliance in these areas.

Certain ESG issues are also addressed by the Compensation Committee, the Corporate Governance & Nominating Committee, the Audit Committee and by the full Board of Directors, which underlines the Company's commitment to good governance and transparency with respect to our ongoing ESG performance and disclosure. Oversight of these issues has been supported by a focus on continuous improvement of the risk management framework at Torex, including the recent introduction of an internal audit function.

Strong ESG governance has been embedded throughout the organization from the Executive Team through to site level management and our front-line employees. As such, ESG performance is closely linked to employee and executive compensation through our company-wide short-term incentive plan (STIP), which represented 20% of the overall incentive award in 2023.

We are proud that our focus and effort on strong ESG governance has been recognized by global ESG research and ratings agencies. For almost three years, the Company has maintained a Governance Quality Score of "1" from Institutional Shareholder Services (ISS), a leading global proxy advisory firm, which is the highest possible governance score that ISS provides. In addition, the Company's MSCI ESG rating recently improved from an "A" to a "AA", with the overall corporate governance rating noted as "leading global peers" and falling within the 96th global percentile.

We understand that strong governance requires a focus on diversity and inclusion, and we currently have 37% female representation on our Board of Directors



and 43% on our Executive Team. We are proud that for the fifth consecutive year, Torex earned honouree status in The Globe and Mail's 2024 Report on Business "Women Lead Here" list, an annual editorial benchmark that acknowledges the Canadian corporations with the highest gender diversity among executive ranks.

Recognizing the need for urgent action to reduce greenhouse gas ("GHG") emissions and the growing integration of climate change into the decision-making process of our shareholders globally, the Safety and CSR Committee along with the entire Torex Board, continues to play an active role in the oversight and guidance of the Company's climate change strategy toward a goal of net zero emissions by 2050. The strategy, which includes a 2030 target of a 10% reduction in absolute Scope 1 and Scope 2 GHG emissions, is supported by a clear, credible and fully funded pathway, with all carbon reduction measures approved by the Board of Directors. Of note, in December 2023, The Globe and Mail recognized Torex as one of only 13 companies out of 219 to receive full marks for climate-related

disclosure and oversight in the annual 'Board Games' corporate ranking.

While we are proud of the progress we have made and associated recognition, we remain focused on continuous improvement when it comes to ESG governance. We are progressing well toward compliance with key global sustainability performance and disclosure standards including the International Cyanide Management Code, the World Gold Council Responsible Gold Mining Principles and the Global Industry Standard on Tailings Management. We believe these standards will serve to strengthen the Company's governance and transparency with respect to key ESG risks and provide additional confidence to our Board and shareholders that we are delivering on our financial and operational commitments with the highest level of ethics, rigour and social harmony.

Jennifer Hooper
Independent Director, Chair of the Safety and CSR Committee

CORPORATE GOVERNANCE

Strong corporate governance, led by an experienced management team with the oversight of an experienced, skilled and diverse Board, is critical to the long-term success of Torex. As the Company pursues growth plans in Mexico and abroad while continuing to provide superior returns to our shareholders, we are focused on maintaining and enhancing leading governance practices, adopting evolving governance standards and applying these in a manner consistent with our organizational purpose and values.

Board of Directors

Our Board of Directors is the highest governance body within our organization. The Board is responsible for governing the management of the business and affairs of the Corporation. The Board fulfills its oversight responsibilities both directly and indirectly through various committees, including the following:

- Audit Committee
- Compensation Committee
- Corporate Governance and Nominating Committee
- Safety and Corporate Social Responsibility (CSR) Committee
- Technical Committee

In 2023, the independence of the Board stood at 89% in terms of composition and a full 100% of our Board Committees are comprised of Independent Directors. Our current average Board tenure as at the end of 2023 was 2.7 years, up from 2.2 years in 2022.

Details of our Board and Committee mandates, articles and by-laws, and position descriptions can be found on our public website. Full disclosure of our corporate governance practices is contained in our latest Annual Information Form (AIF) and Management Information Circular (MIC), both of which are publicly available on our website.

Board Composition and Diversity

Members of the Torex Board of Directors leverage their diverse backgrounds, skills and experience to oversee the Company's strategy and evaluate risk and performance for the Company's long-term success. Our Directors have a wide range of leadership and senior management experience in industry and specialized fields, as well as in different operating regions. We believe that diverse skills and backgrounds create a business environment that encourages a range of perspectives and fosters excellence in corporate governance and the creation of shareholder value.

Against the backdrop of our Diversity Policy, the Board's Corporate Governance and Nominating Committee has been intentional about considering Board diversity in director searches, with meritocracy as the key principle reflected in Board appointments. In identifying suitable candidates for appointment to the Board or executive positions, individuals are considered on merit against objective criteria regarding required skills, experience, education, expertise and knowledge, with due regard for the benefit of diversity.

Our commitment to diversity is evident in our Board composition. Throughout 2023 and to date in 2024, three of eight (37%) of our Board members are women, and one of eight (13%) is considered ethnically diverse.

As the Company pursues growth plans in Mexico and abroad while continuing to provide superior returns to our shareholders, we are focused on maintaining and enhancing leading governance practices, adopting evolving governance standards and applying these in a manner consistent with our organizational purpose and values.

Director Diversity¹

| METRIC | 2023 | 2022 | 2021 |
|--------------------------------|------|------|------|
| Number of Directors | 8 | 9 | 9 |
| Male Directors | 63% | 56% | 56% |
| Female Directors | 37% | 44% | 44% |
| Ethnically Diverse Directors | 13% | 13% | 0% |
| Average Board of Directors age | 60 | 58 | 59 |

¹ Figures from Jan 2022 to June 2022

Director Education

Torex's Board of Directors puts an emphasis on ongoing education on topics relevant to the business. In 2023 and early 2024, director education included:

- An update on current trends in executive and director compensation and review of current and growing best practices in compensation committee governance provided by the Board's independent compensation consultant.
- A presentation on the Mexican political landscape and risk environment provided by a political consultant in Mexico.
- Education on the Board's role in a crisis situation provided by a global expert in issues management and crisis communications.
- Education on Battery Electric Vehicle safety considerations, to support the Board's understanding of the implications of adopting a new battery electric fleet at Media Luna.
- A presentation on the copper concentrate market given Torex will become a substantial copper producer with the Media Luna Project.

The Company will also pay for any Director who wishes to become accredited by the Institute of Corporate Directors (ICD) as a Certified Director. Ms. Kuzenko and Ms. Hooper have each completed the course and hold the ICD.D designation.

Board Shareholder Engagement Program

Our Board of Directors is focused on further strengthening dialogue and gaining feedback from our shareholders. In 2023, our Chair of the Board, Rick



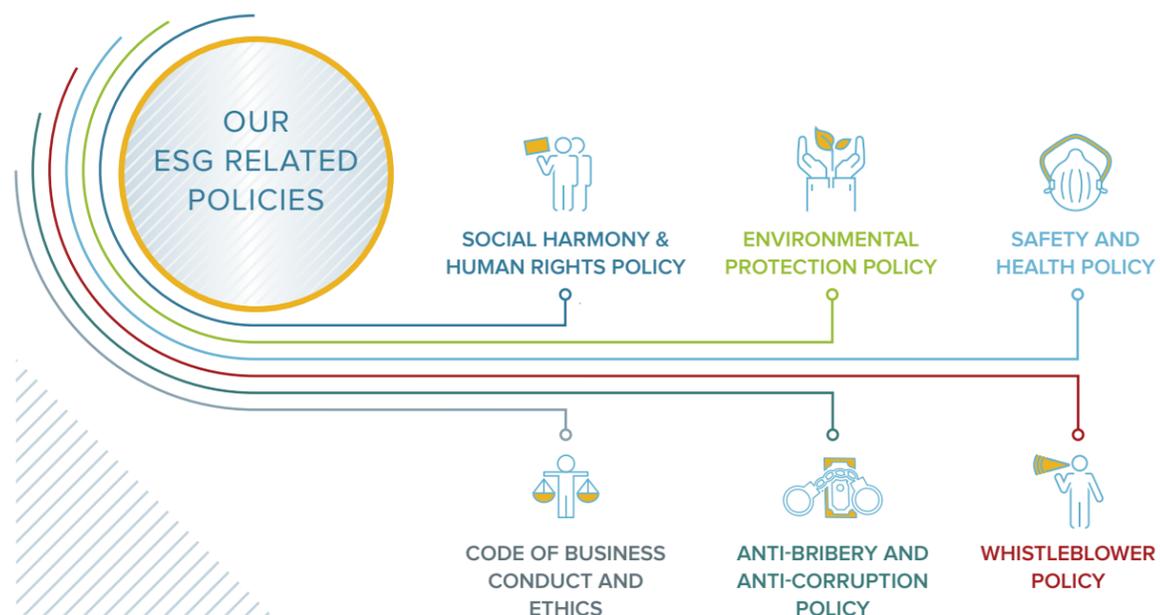
Howes, together with our Safety and CSR Committee Chair, Jennifer Hooper and directors Rosie Moore and Rodrigo Sandoval, met with several of our largest shareholders to discuss the Company's strategy, growth opportunities, governance and material ESG topics. This outreach included a number of our largest shareholders, representing approximately 22% of our shares outstanding. The Company is committed to continuing this engagement and welcomes any interest from our shareholders.

Guiding Policies

Strong governance requires a set of policies that are applicable across the entire organization and establish clear expectations with respect to expected conduct, actions and behaviour.

The policies are developed by executive management and approved by our CEO and Board of Directors.

Our main policies related to ESG are as follows:



These policies are communicated to all staff employees through employee onboarding and an annual attestation process, through which all staff employees receive the policies and must attest that they have reviewed and understand each policy document.

In 2023, in an effort to further encourage a culture of transparency and accountability across all levels of our organization and within the communities we serve, efforts were focused on raising awareness of our Whistleblower Policy through a poster campaign and communication with employees in our Corporate Office and at site, as well as communications with contractors and members of our host communities. There were also some improvements made to the Whistleblower system to ensure that any concerns are promptly received and addressed.

In early 2024, our Safety and Health Policy was updated to reflect our commitment to continuous improvement with respect to ensuring zero harm in our operations.

BUSINESS ETHICS AND TRANSPARENCY

Torex strives to conduct our business with the highest standards of ethics and integrity. Our Code of Business Conduct and Ethics (the “Code”) outlines the guiding principles and standards of conduct expected of people at every level of our organization, including our Board of Directors.

Our Company is subject to various anti-corruption and anti-bribery laws, including the Canadian Corruption of Foreign Public Officials Act (CFPOA) as well as Mexican laws and regulations.

According to Transparency International’s 2023 Corruption Perceptions Index, Mexico received a score of 31/100, indicating a significant perception of corruption in the jurisdiction where we operate. In response to this risk, we have implemented a comprehensive set of measures aimed at promoting transparency and integrity in our business activities.

Our Anti-Corruption and Anti-Bribery Policy, available on our public website, serves as the foundation of our approach to managing corruption and bribery risks. The purpose of the policy is to guide the Company and its representatives to conduct themselves in an honest and ethical manner as well as to comply with all applicable anti-bribery and anti-corruption laws. The policy is communicated to all staff employees through employee onboarding and the annual attestation process referenced above.

As per the Company’s Anti-Bribery and Anti-Corruption Policy, the Company prohibits donations or contributions to any candidate for public office or political party in the name of the Company. As a result, we did not make any political contributions to candidates for public office in 2023. We also report our payments to governments annually as per the Canadian Extractives Sector Transparency Measures Act (ESTMA). Our annual ESTMA reports are available on our public website.

Bribery and corruption risks are regularly incorporated into our ongoing enterprise risk management (ERM) process. Bribery and corruption risk assessments were also integrated into a third-party human rights impact assessment that the Company completed in early 2022.

Our Whistleblower Policy contains a provision for a whistleblower hotline 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. Retaliation against an individual submitting a complaint in good faith is strictly prohibited.

In 2023, the Company received two whistleblower complaints, which were reported to the Audit Committee and fully investigated. There were no legal actions taken against the Company or its subsidiaries in relation to corruption, anti-competitive, or anti-trust behaviour. There were no incidents in which employees were dismissed or terminated for anti-corruption related issues and there were no contracts with business partners that were terminated for anti-corruption related issues.

Anti-Corruption and Whistleblower Metrics

| METRIC | 2023 | 2022 | 2021 |
|--|------|------|------|
| Corruption incidents | 0 | 0 | 0 |
| Whistleblower complaints | 2 | 1 | 3 |
| Attestation to Anti-Corruption and Anti-Bribery and Whistleblower policies | 100% | 100% | 100% |

Executive Team

Our Executive Team constitutes a group of professionals with diverse knowledge and skills. Individuals at the executive level have been selected using a thorough selection and vetting process, thus ensuring that the very best talent is attracted. This process assesses not only technical experience, but also a shared belief in our core values and other critical selection criteria including competence, capability, character, and curiosity. We believe this approach has been instrumental in the creation of a diverse workforce and inclusive culture.

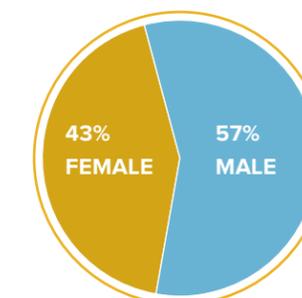
The Executive Team is made up of seven members, three of which are women (43%) and one of whom is considered ethnically diverse (14%). We are one of very few companies in the mining industry to have a female President and CEO.

For the fifth consecutive year, Torex received honouree status in The Globe and Mail’s 2024 Report on Business “Women Lead Here” list, an annual editorial benchmark to identify best-in-class executive gender diversity in corporate Canada.

Executive Team Diversity

| METRIC | 2023 | 2022 | 2021 |
|-------------------------------|------|------|------|
| Male Executives | 57% | 57% | 50% |
| Female Executives | 43% | 43% | 50% |
| Ethnically Diverse Executives | 14% | 14% | 14% |

For the fifth consecutive year, Torex received honouree status in The Globe and Mail’s 2024 Report on Business “Women Lead Here” list, an annual editorial benchmark to identify best-in-class executive gender diversity in corporate Canada. This recognition acknowledges Canadian corporations with the highest gender diversity among executive ranks. In total, 97 companies earned the 2024 Women Lead Here seal, and we were one of only 7 mining companies to be named to the list.



ESG GOVERNANCE

The Torex Executive Team maintains senior management and oversight of ESG topics and issues, which are discussed at weekly meetings forming part of cross-boundary updates and strategic alignment. Direct oversight and accountability for ESG performance standards and disclosure lies with our Senior Vice President Human Resources, ESG & Communications, who reports directly to the CEO. Overall operational accountability for managing environmental and social related risks and opportunities at our site in Mexico rests with the Senior Vice President, Mexico. The Chief Financial Officer has accountability for enterprise risk management (ERM) and the ESG risks that are identified as part of our ERM program.

The Safety & CSR Committee, appointed by the Board, is comprised of independent directors including Jennifer Hooper (Chair), Rosie Moore, and Roy Slack. The mandate of the Committee includes responsibilities to assist with the development and review of annual ESG strategic plans including the development of short, medium, and long-term ESG targets to evaluate our ESG performance. In 2023, four committee meetings were held with 100% attendance of both the committee and the full Board. As outlined in our 2024 Management

Information Circular, which can be found on our website, the Torex Board has a wide range of experience and expertise on key ESG-related topics.

Integral to our ESG governance framework is our Company-wide ESG Working Group, comprised of senior corporate and operations leaders who bring expertise to diverse ESG topic areas within their sphere of accountability and help integrate leading sustainability practices across the organization.

In 2023, the mandate of the ESG working group included:

- Providing subject-matter expertise
- Governing the implementation of global ESG standards including the RGMPs, ICMC and GISTM
- Reviewing and providing input into various ESG disclosures
- Considering and recommending improvements to ESG related policies and practices of the Company

The ongoing work of this group will continue to advance continuous improvement of key ESG initiatives across the Company.



SPOTLIGHT

Aligning Financial Strategy with ESG Objectives through a Sustainability Linked Loan

In May 2023, Torex announced that the Company is one of the first mid-tier gold producers to enter into a Sustainability-Linked Loan (“SLL”), reflecting our commitment to aligning financial strategies with our ESG objectives.

The SLL involved amending the terms of the Company’s revolving credit facility and term loan to include incentive pricing terms related to achieving various Sustainability Performance Targets (“SPTs”) including those in safety, climate change, and alignment with the World Gold Council’s Responsible Gold Mining Principles (“RGMPs”).

We see this as an opportunity to lead and support the shift in the markets towards connecting the cost of capital with performance excellence on matters that are critical to the reputation and success of our Company. Amending our credit facilities in this way is yet another example of Torex working in that “sweet spot” between continuously improving the commercial aspects of our business while even further bolstering our leadership position on matters of ESG.



RISK MANAGEMENT

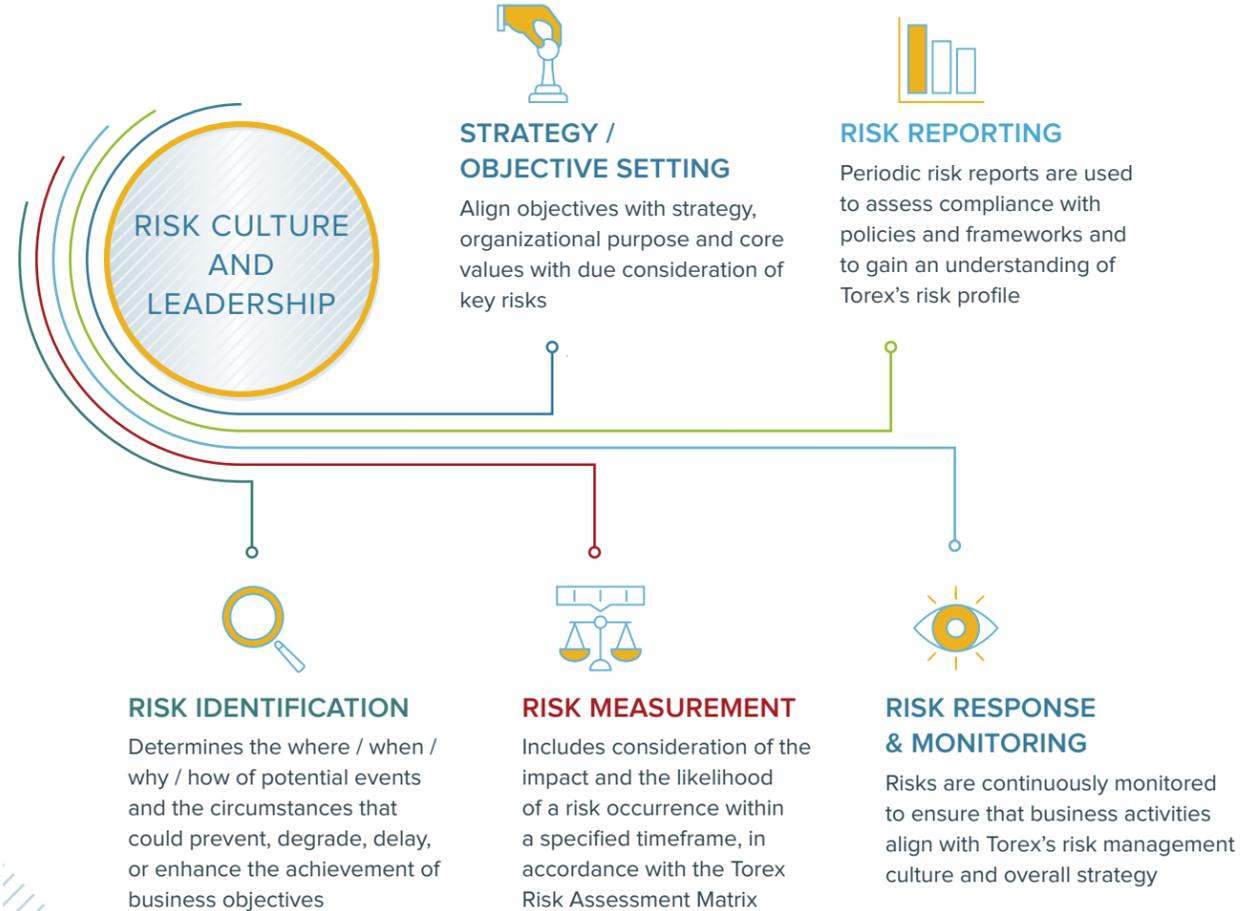
The Company's success is heavily reliant on effective risk management, which is a core component of its overall strategy. We have developed a formal ERM Policy that undergoes annual review by the Board. This policy articulates our risk management philosophy, processes, and practices for identifying, communicating, and managing material risks across the organization. It also ensures that responsibilities for risk management are appropriately delegated.

The Board's focus on effective risk oversight is crucial in setting the tone and culture towards risk management excellence. While the Board of Directors oversees the ERM Program, management is responsible for

making risk-related decisions using their judgment, skills, and experience. The Chief Executive Officer (CEO) is ultimately responsible for the effective implementation of the ERM Program, as outlined in the Torex ERM Policy.

The Safety and CSR Committee supports the Board by reviewing specific ESG risks, controls, plans and timelines on a quarterly basis. To operationalize the ERM Policy, an ERM Framework was developed, defining concepts, processes, and tools for designing, implementing, monitoring, reviewing, and continually improving risk management throughout the Company.

ERM Framework



In alignment with the ERM Framework, risks, both existing and emerging, are documented in a Risk Register at a level of detail necessary to support subsequent risk evaluation and management. Regular reviews and updates of these risk registers are conducted, with a comprehensive annual review carried out through risk workshops. Key risks that impact long-term strategic planning are closely monitored and reported to the Executive Team and the Board on a quarterly basis, including information

on the mitigation actions in place. 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.

For more information related to Torex's material risks, please refer to the 2023 Annual Information Form (AIF), which is available on the Company's website.



ENSURING A RESPONSIBLE SUPPLY CHAIN

We recognize the critical importance of effective supply chain management in supporting our operations and fulfilling our commitment to sustainable business practices. As our operation continues to mature, our supply chain function must evolve in parallel. Our supply chain is a vital component of our value chain, incorporating approximately 758 direct suppliers in 2023 with 87% of those suppliers from Mexico,

underscoring our dedication to supporting the local business community.

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, we maintain a Social Responsibility Policy for contractors, which requires compliance with all relevant Mexican labour

laws, regulations and taxation requirements. The Policy also sets standards of conduct and includes provisions for health and safety, labour requirements and local hiring and procurement.

Given the complexity and multi-tiered nature of our supply chains, there are inherent challenges in ensuring full compliance across all suppliers. While we proactively work to mitigate these risks through ongoing due diligence efforts, we acknowledge the ongoing challenges in ensuring responsible sourcing of raw materials and services.

Looking ahead, we are committed to further strengthening our supply chain management practices through the introduction of a new Supplier Code of Conduct and a review of how we might enhance our due diligence of key suppliers. These efforts will support ongoing improvement in ethical sourcing, setting clear expectations for our suppliers and enhancing our ability to manage supply chain risks effectively.

CYBERSECURITY

| | |
|---------------------------------------|---|
| Information security breaches in 2023 | 0 |
|---------------------------------------|---|

We recognize the critical importance of safeguarding our digital assets, protecting sensitive information, and ensuring the uninterrupted operation of our systems. Therefore, oversight of IT services and systems falls under the purview of the Audit Committee, chaired by Mr. Tony Giardini, who has expertise in IT and cybersecurity. Our CFO assumes the highest executive responsibility for IT matters, providing quarterly reports to the Audit Committee on cybersecurity risks and the IT controls program.

To address the evolving cybersecurity landscape, we have implemented proactive measures to manage IT risks effectively and ensure the security of personal and corporate data. Central to this strategy is a comprehensive IT program, designed to safeguard assets and mitigate the risk of data compromise or misuse.

Additionally, we've developed a sophisticated Cyber Incident Response Plan (CIRP), aligned with industry-leading frameworks like NIST SP 800-61, to guide our response to cybersecurity incidents swiftly and effectively. This plan comprises detailed procedures and protocols aimed at mitigating the impact of cyber threats and maintaining operational resilience.

Torex has invested in Cyber Security Awareness Training for all personnel with access to a Company email

account to provide periodic email phishing simulation and mandatory cyber awareness training campaigns.

In 2023, we introduced a Cybersecurity Incident Response Policy, designed to enable swift and effective responses to cyber incidents, ultimately reducing overall business risk. Furthermore, in our commitment to enhancing protection and mitigating risk, we partnered with a managed security services provider. This strategic collaboration aims to enlist the expertise of a specialized firm to proactively reduce the likelihood and impact of cyber events or breaches.

These proactive initiatives represent integral components of our overarching strategy to effectively manage cybersecurity risks, minimize the potential impact of incidents, and safeguard the resilience and continuity of our Company's operations.

More information related to IT risks and our management controls can be found in our 2023 AIF available on our public website.

PUBLIC POLICY ADVOCACY

The Company is a member of multiple industry associations advocating for relevant aspects of public policy and responsible mining in Mexico. This includes Cámara Minera de México (CAMIMEX), the Mexican Mining Chamber, whose purpose is to foster positive development of the mining and metals industry in Mexico. With its affiliate companies, CAMIMEX promotes the implementation of best ESG practices to strengthen the performance of member companies.

We are also a member of the Guerrero Mining Cluster, which is comprised of mining companies operating in Guerrero State as well as local suppliers. The primary objective of the cluster is to foster collaboration between mining companies, local suppliers, and governments as well as to promote responsible mining practices in the State.

The Company is also part of the Canadian Chamber of Commerce in Mexico (CANCHAM), which represents Canadian business interests in Mexico and promotes trade and investment between Mexico and Canada.

While we advocate independently and through these industry associations, we do not make any political contributions to influence public policy. Our commitment lies solely in fostering positive change and upholding the highest standards of ethical conduct within the mining industry.

SPOTLIGHT

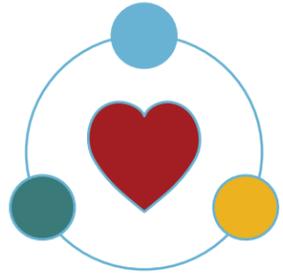
ESG Leadership – Ongoing Improvements in Key ESG Ratings

Torex has continued to engage with ESG rating agencies and investors to provide transparent and comprehensive ESG disclosures and since 2020, we have seen a significant improvement in our scoring. As of publication of this Report, our key ESG ratings relative to 2022 are as follows:

| | | | | | | | | | | |
|---|---|--|---------------------|---------------------|----------------|----------------|-----------|-----------|---------------|---------------|
|  | S&P Global Corporate Sustainability Assessment (CSA) | The Company participated in the S&P Global 2023 CSA and is now ranked in the 83rd percentile relative to industry peers, up from the 81st percentile in 2021 (higher is better). | | | | | | | | |
|  | ISS (Institutional Shareholder Services) | Where a lower number on a scale of 1-10 indicates lower risk, the Company's ISS ESG Quality Scores were as follows: <table border="0"> <tr> <td><i>January 2023</i></td> <td><i>January 2024</i></td> </tr> <tr> <td>Environment: 5</td> <td>Environment: 5</td> </tr> <tr> <td>Social: 2</td> <td>Social: 5</td> </tr> <tr> <td>Governance: 1</td> <td>Governance: 1</td> </tr> </table> | <i>January 2023</i> | <i>January 2024</i> | Environment: 5 | Environment: 5 | Social: 2 | Social: 5 | Governance: 1 | Governance: 1 |
| <i>January 2023</i> | <i>January 2024</i> | | | | | | | | | |
| Environment: 5 | Environment: 5 | | | | | | | | | |
| Social: 2 | Social: 5 | | | | | | | | | |
| Governance: 1 | Governance: 1 | | | | | | | | | |
|  | MSCI | In early 2024, the Company's MSCI ESG rating improved to "AA" from "A" in 2023, ranking Torex among the top 11 companies within the Metals & Mining – Precious Metals Industry. Our governance practices were noted as 'leading global peers' (96th percentile). We are also in the top quartile on MSCI scoring dimensions including community relations, health & safety and toxic emissions and waste. | | | | | | | | |
|  | Refinitiv | The Company maintained its overall ESG Score of "B-" in 2023 relative to 2022. | | | | | | | | |
|  | Sustainalytics | Our overall Sustainalytics ESG Risk Rating score improved from 31.5 for 2023 (High risk) to 28.5 for 2024 (Medium risk). This puts Torex in the top quartile of the gold sub-industry (23/90). | | | | | | | | |
|  | CDP Climate Change Questionnaire | The Company participated in the 2023 CDP Climate Change Questionnaire and received a "B-" score (Management band) up from a "C" score (Awareness level) in 2022. This score is higher than the North America regional average of "C", and higher than the Metallic mineral mining sector average of "C". The Company's score of "B-" means Torex is seen by CDP to be taking coordinated action on climate issues. | | | | | | | | |

SOCIAL

OUR PEOPLE



39 2023 HIGHLIGHTS

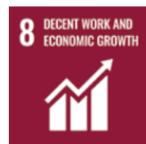
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2023 HIGHLIGHTS

9% employee turnover rate in 2023, down from 14% in 2022

33% increase in number of female contractor employees since 2022

69% of employees from Guerrero State, up from 59% in 2022

59% of employees covered by collective bargaining agreement (CBA)

Recognized with international Learning & Development awards by Brandon Hall Group

Zero strikes or lockouts maintained

Feris de la Seguridad y Salud en el Trabajo MML

SAFESTART

MANAGEMENT APPROACH

In 2023, we articulated “Retention and Attraction of Industry Talent” as one of the key strategic pillars of our business, knowing that recruiting, retaining and developing the right people in the right roles is critical to our ongoing success.

We have worked hard over the years to build a positive workplace culture where employees are inspired to willingly give their very best. Our workplace culture embodies the character and personality of our organization and is critical in driving excellence in safety, productivity, continuous improvement and social responsibility. Our approach is rooted in Systems Leadership, an integrated set of concepts, models, and tools, which aim to foster a business culture conducive to positive outcomes.

Through a set of 16 “People Systems”, Torex implements a process to clarify work, pay fairly, fill roles, manage performance, build capability, and resolve complaints. These People Systems are interconnected with a variety of other operational systems and are based on our four key guiding organizational principles: clarity, simplicity, meritocracy and mutuality.

Employment is one of the primary interests of local community members and we aim to fill vacancies locally as a priority. To do so, we implement a local hiring procedure, which includes an established Labour Committee, to manage the decision-making process. In 2023, approximately 41% of our employees were from surrounding communities, and we will continually seek ways to increase local employment.

In addition to direct employment, Torex hires contractors for a variety of functions at our mines, projects, and offices. Contractors are treated with the same respect and held to the same standard of excellence as our permanent employees.

In 2023, the Company implemented the “One ERP” Project, which included the implementation of a single enterprise resource planning system by moving from separate IT systems to one common system through the implementation of SAP within the Company’s HR, Finance, Procurement and Maintenance functions. Through this project, we have strengthened our digital backbone, allowing us to manage human resources processes more effectively and efficiently and to set ourselves up for growth in Mexico and beyond.

In 2023, a major focus was put on our Workforce Transition Program, to ensure our workforce is ready to transition from open pit operations at ELG to underground mining at Media Luna once production begins in late 2024. This work involves thoughtful planning and execution to deliver the right people into the right roles, with the right skills and training at the right time, so that we can safely deliver on our production commitments and transition from the project phase to operations. This is no small task, considering that by the end of 2024, approximately 400 employees will be required to be either transferred or recruited to Media Luna.

2023 PERFORMANCE

In 2023, with ongoing construction and development of our Media Luna Project, we saw a significant expansion of our workforce. The total number of employees and contractors increased from 3,454 in 2022 to 4,594 in 2023, including 1,212 direct employees and 3,382 contractors. Our total number of direct employees increased by more than 5% relative to 2022.

We take pride in the fact that 99% of our workforce is from Mexico. With a continued focus on local hiring, we increased the proportion of our employees from Guerrero State from 59% in 2022 to 69% in 2023. This underscores our commitment to fostering jobs and lasting economic prosperity in the regions we operate.



Moreover, the total number of female employees in the Company has grown by 13% since 2021, reflecting our efforts to recruit more women to our workforce and to create a more diverse and inclusive workplace where both men and women thrive.

We are pleased that we saw reductions in our employee turnover rates in both our Corporate Office and within our operations. Our overall turnover rate was 9% in 2023, an improvement from 14% in 2022, reflecting our efforts to focus on retention of our talent.

For a more comprehensive overview of our workforce metrics, please refer to the table below. More detailed data can be found in the “Our People” section of the ESG Performance Data Tables on [page 108](#) of this Report.



People Metrics

| METRIC | 2023 | 2022 | 2021 |
|--|-------|-------|-------|
| Total Number of Employees | 1,212 | 1,151 | 1,061 |
| Total Number of Contractors | 3,382 | 2,303 | 1,689 |
| Total Workforce Employed | 4,594 | 3,454 | 2,750 |
| % of Operations Employees from Local Communities | 41% | 43% | 44% |
| % of Operations Employees from Guerrero | 69% | 59% | 61% |
| % of Operations Employees from Mexico | 99% | 99% | 99% |
| Total number of Female Employees (corporate & operations) | 203 | 192 | 180 |
| Total Female Employment (as % of total employment) | 17% | 17% | 17% |
| Total Turnover Rate | 9% | 14% | 13% |
| % of Employees Covered by Collective Bargaining Agreements | 59% | 65% | 64% |

SPOTLIGHT

Program for Equity and Transparency in Local Hiring

At Torex, we believe in the profound impact capacity building can have on both individuals and local communities. That's why we maintain a Fairness and Transparency Program in Local Procurement, dedicated to fostering the inclusion and advancement of local personnel from communities surrounding our operations.

By prioritizing the hiring of individuals from nearby communities, we aim to not only generate employment opportunities, but also to create a ripple effect of economic growth and lasting prosperity throughout the region.

This program is designed to ensure that our contractor companies understand the priority we place on local employment and that all of the key participants, including our Human Resources and Community Relations teams, hiring departments, Labour Committees and Contractor Companies, know the process, their responsibilities and limitations.

Under this process, specific roles including general assistants and helpers, must be hired from local communities. All contractors must adhere to this program as part of their contractual obligations.

Our commitment to equitable hiring extends to communities in Nuevo Balsas, Puente Sur Balsas, Real del Limón, La Fundición, Atzcaala, and Valerio Trujano. By distributing employment opportunities across these regions, we aim to catalyze sustainable growth and prosperity for all.



LABOUR RELATIONS

We recognize the fundamental importance of fostering positive and constructive labour relations throughout our operations. We are committed to maintaining a workplace environment where employees are treated with fairness, dignity, and respect, and where open communication and collaboration are encouraged.

We have developed the “Torex Employment Deal”, where expectations are clearly defined between our Company and our employees. Through this agreement, both the Company and our people commit to work together in good faith, listen to each other and respect each others’ views.

We agree to work together in good faith, to listen to one another and respect each others’ views.

TOREX, THE EMPLOYER, WILL PROVIDE:

- A safe work environment
- Clearly defined work
- Competitive pay and benefits
- Regular feedback on your work performance
- Training and development to help you do a good job
- The opportunity for you to “have your say” and help find solutions
- Regular Company communication to keep you informed
- An independent procedure for addressing complaints

YOU, THE EMPLOYEE, WILL:

- Work safely at all times
- Follow the Company standards, rules and procedures
- Respect all Company property
- Go first to your Team Leader with any work-related issues
- Contribute ideas to help resolve any issues or problems
- Work with others according to the *Working Together* team steps
- Let the Company know if you feel you are not being treated fairly

Our Code of Business Conduct and Ethics (the “Code”) outlines key standards of conduct for establishing a workplace based on respect and dignity. The Code is applicable across the entire Company. As per the Code, we will not tolerate:

- Discrimination against any individual or group based on race, gender, religion, national origin, marital or family status, sexual orientation, age, physical limitation, political affiliation or any other personal characteristics protected by law.
- Intimidation, harassment or bullying of any kind, with harassment being any type of repeated unwelcome behaviour, including sexual, racial, religious, psychological, physical, verbal or other abuse.

- Workplace violence of any kind, with workplace violence being any act in which a person is abused, threatened, intimidated or assaulted.

Our compensation relative to other Mexican businesses and the mining industry in Mexico is highly competitive and above the living wage. We strongly believe that when the Company does well, our employees should do well, and this is reflected in our compensation structure, including base salaries, variable compensation and our approach to profit sharing with employees through the “PTU” in line with Mexico labour law. We regularly review and benchmark our compensation practices to ensure competitiveness with industry and country market data in Canada and Mexico.

Torex maintains a Reglamento Interior de Trabajo (the “Reglamento”), which are internal working regulations that define how the Company will align with, or exceed, requirements set out in 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 or on our property;
- 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 protections provisions for men and women, including for pregnant and breastfeeding women;
- A grievance mechanism to resolve complaints fairly and effectively.

Our conflict resolution framework guarantees the swift and equitable resolution of workplace issues. Central to this framework is our Fair Treatment System, comprised of policies and procedures through which employees can issue complaints and ensure their fair resolution. Additionally, our employees and contractors can use our Whistleblower Hotline, which offers a confidential avenue for reporting concerns anonymously, further reinforcing our commitment to accountability and transparency.

We prioritize upholding the rights of our entire workforce, including freedom of association, collective bargaining, and non-discrimination. In accordance with Mexican laws, regulations, and the core conventions of the International Labour Organization (ILO), we fully support the rights of our employees to unionize in alignment with Mexican laws and regulations. As of the end of 2023, 59% of our workforce was unionized, and we continue to diligently foster effective relationships with our union partners both directly and through a number of established labour committees, which enable constructive relationships through ongoing dialogue.

In late 2023, the Company signed a new one-year collective bargaining agreement (“CBA”) to December 31, 2024, with the National Union of

Mine, Metal, Steel and Allied Workers of the Mexican Republic (“CTM”). In addition to base salary increases, the current CBA covers a variety of benefits, including health benefits, contributions to a savings fund, vacation premium and increased provision of scholarships for the children and dependents of our employees. The Company provides all employees, without exception, the same health benefits, including private medical coverage, which is an industry leading practice in Mexico.

DIVERSITY AND INCLUSION

We are committed to creating a workplace environment where every individual feels valued, respected, and empowered to contribute their unique perspectives and talents. Our diversity and inclusion approach aims to cultivate a culture of belonging, equity, and meritocracy across all levels of our organization.

The Company believes that decision-making is enhanced through diversity in the broadest sense, including expression of thought, business experience, skill sets and capabilities. Diversity also includes valuing an individual’s race, colour, gender, age, religious belief, ethnicity, cultural background, economic circumstance, capability, as well as other factors. Taken together, these diverse skills and backgrounds help to create a business environment that encourages a range of perspectives and fosters excellence in the creation of shareholder value.

We are deeply committed to wage parity through equal compensation for men and women in our Company based on their roles, responsibilities and work experience. This year, for the first time we have included data on equal remuneration indicators, where we calculated our female / male average salary ratio to demonstrate our commitment to transparency on fair compensation practices. For more information, refer to our data tables on [page 113](#) of this Report.

While we take pride in the representation of women on our Board of Directors and Executive Team, we strive to continuously improve the proportion of females in our workforce. As of December 2023, 17% of our total employees, spanning both our corporate office and site, were female. Within our operations, female representation stood at 16% of our overall workforce despite an increase of 13% in the number of females employed relative to 2021, reflecting the overall increase in our workforce over the past two years. For further insights into our approach to diversity at the Board and Executive Team levels, please refer to [page 28](#) of this Report.

SPOTLIGHT

Responsibly Transitioning our Workforce from Open Pit to Underground Operations

In anticipation of the Media Luna Project, Torex implemented a Workforce Transition Program in 2022 to plan and execute the movement of employees from the ELG open pit operations to the Media Luna underground mine. The program kicked off with the design of the organizational structure at Media Luna followed by the development of role descriptions and overall career progression plans for underground workers. From there, the focus shifted to the review of training needs and ultimately served to match open pit employee skills to underground work to optimize workforce skills and abilities. In the end, every employee at the open pit was matched to a job opportunity at Media Luna.

The movement of people from open pit to underground began early in 2023 and slowly increased in volume throughout the year; 2024 will see over 230 employees from the current operations at ELG invited to transfer to the underground operations at Media Luna. Where vacancies exist after transfers have been completed, we will work with our local Labour Committees to source candidates from our local communities where possible.

The Workforce Transition Program embodies our commitment to our local employment, investing significant time and effort to ensure every employee receives an opportunity to continue their career with Torex as we transition our mining from open pit to underground.



SOCIAL PROCESS TRAINING AND DEVELOPMENT

Training is a central component of our overall approach to organizational effectiveness so that we develop and grow employee capabilities to enhance work satisfaction and performance. In addition to role-specific

technical training, we provide a program of social process training geared at building relationships that are positive and based on trust, in support of our unique workplace culture.



One of our key leadership training programs is our Supervisor Excellence Program (SEP). Trainees undertake classroom training, peer learning and individual coaching sessions. SEP aims to develop the leadership capability of our supervisors in Mexico to deliver the business excellence expected on safety, production, and costs. In 2023, 65 full-time employee supervisors participated in the program, representing 618 total hours of training.



Our “Working Together” program is a combination of Systems Leadership Theory and hands-on learning aimed at strengthening team leader and team members skills at all levels of the business. In total, 101 employees attended this course in 2023, representing 925 total hours of training.



Launched at the end of 2022, our award-winning Torex Academy is our centralized learning management system, offering a wealth of learning resources accessible in both English and Spanish. From videos and eLearning courses to registration for in-person classes, it's a comprehensive hub for all learning needs, where team leaders have the ability to monitor and assign learning tasks to their team members as necessary.

Accessible via mobile app or online, the Torex Academy caters to the diverse learning preferences of our workforce. The platform hosts a wide array of learning materials spanning social process training, technical training, onboarding and HR training, policy attestation and more, while also serving as a repository for tracking in-person learning data.



In 2023, we continued with our Leadership Enhancement Program (LEP), designed for Superintendents, Managers and Directors both in Mexico and our Corporate Office. The LEP provides team leaders with tools and models to build a positive and productive workplace experience for their teams, and to clarify the work that leaders across the business are expected to do so that productive teamwork is routinely achieved within and across teams. In 2023, 33 leaders participated in the LEP program from within our site and corporate teams, representing 520 total hours of training.



Graduates of the Leadership Enhancement Program in Mexico in March 2023

In August, 2023, Torex received two prestigious international Brandon Hall Group Awards of Excellence in the category of Leadership Development, including a Gold Award for our Supervisor Excellence Program, designed to provide our front-line leaders with the tools they need to be excellent people leaders and a Bronze Award for the implementation of our learning management system, the Torex Academy.



SPOTLIGHT

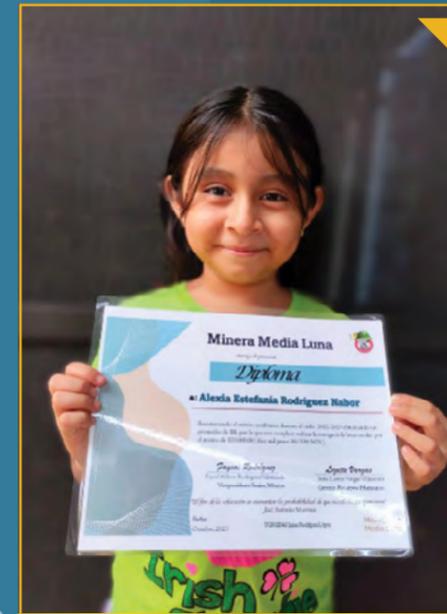
Supporting the Education of Employee Dependents through the Excellence Scholarship Program

We are committed to support education of youth in our local communities, and especially the children and dependents of our employees. As such, we have initiated the Excellence Scholarship Program, which is part of our commitment to support the academic performance of our employees' children in the communities in which we operate.

In 2023, these scholarships benefited 199 sons and daughters of our workers who achieved a minimum average grade of 9.0, with a value of \$10,000 MXN each for a total investment of \$1,990,000 MXN.

Over the last seven academic years, we have awarded 879 scholarships to the dependents of our employees, totaling \$6,478,000 MXN. We will continue to support this program to reinforce our commitment to the long-term well-being of our employees and their families.

In addition to this program, in 2023 we also provided scholarships for youth in our surrounding communities in the amount of \$882,000 MXN for students with the highest average in high school and undergraduate studies. We are committed to create opportunities for local youth through educational growth and development, which is consistent with our organizational purpose to positively impact all the lives we touch.



SOCIAL

HEALTH AND SAFETY



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2023 HIGHLIGHTS

Achieved 10 million hours worked lost-time injury free at ELG for the third time since 2020

LTIF of 0 at ELG; total LTIF of 0.31 for the Morelos Complex

22% reduction in TRIF compared to 2022

Average safety training hours of 28.6 per employee

3,355 hours of emergency response simulations and training

Earned the Safe and Healthy Workplaces Distinction (ELSS) from the Mexican Institute of Social Security (IMSS)

MANAGEMENT APPROACH

We know that excellence in safety performance doesn't "just happen". It is achieved through a culture of felt leadership, interconnected systems, disciplined adherence to clear rules, and lived values, which, in turn, inspires everyone to do their part to ensure that no lives are lost or harmed due to an occupational injury or illness.

Performance excellence in health and safety is at the core of our overall success as a Company. When health and safety performance is excellent, excellence in production and other operational aspects follow suit. Our safety and operational performance over the past five years is a testament to this assertion.

In early 2024, our Health and Safety Policy, which is publicly available on our website, was reviewed, updated and approved by our Executive Team and the

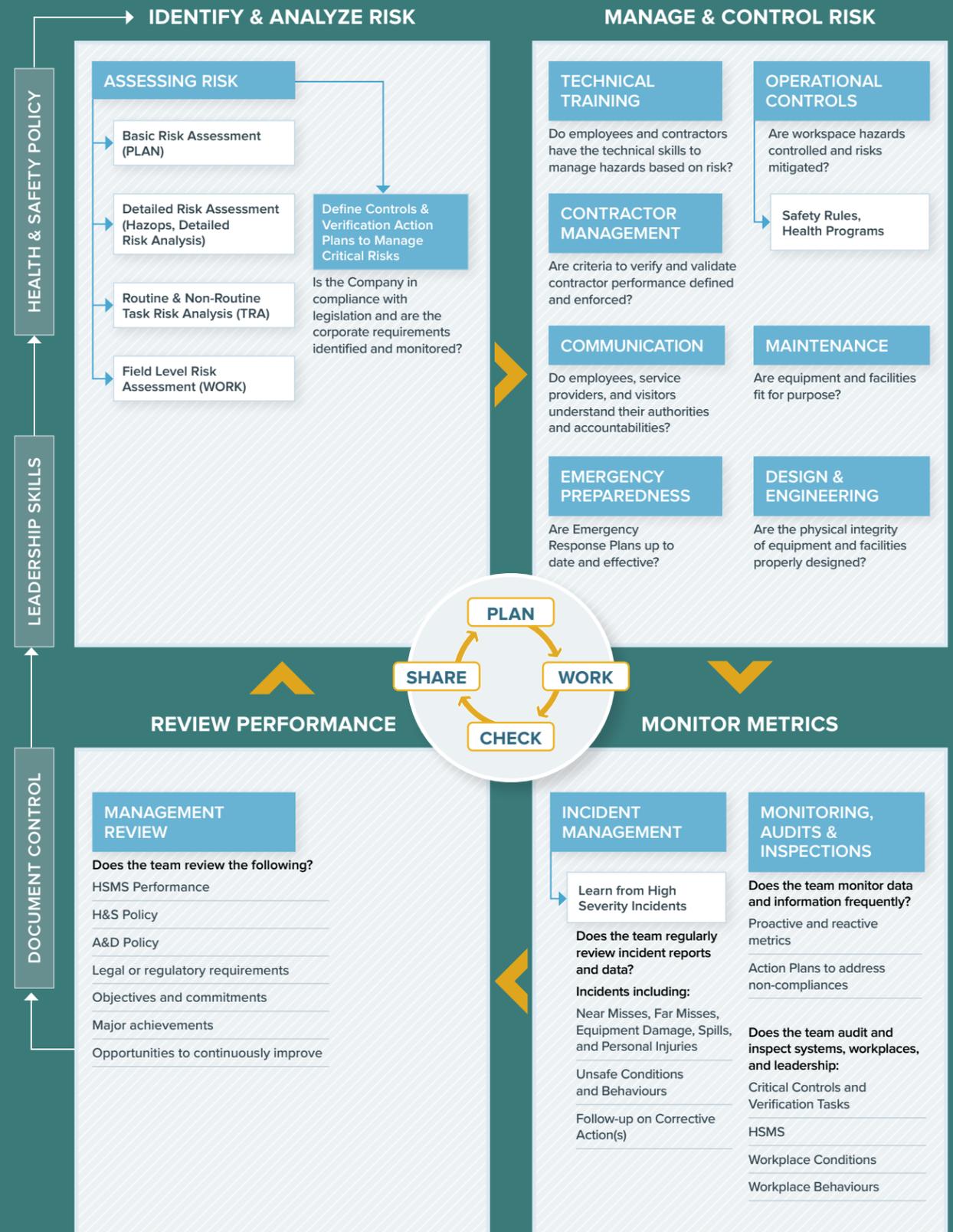
Board of Directors. The Policy guides our approach to managing health and safety risks and forms the foundation from which our leaders promote a culture that recognizes health and safety as both individual and collective responsibilities. In addition to physical well-being, the policy also prioritizes psychological health and safety. The policy is global in scope and applies to all directors, officers, employees, contractors, service providers, and visitors of Torex.

To operationalize our safety approach, we maintain a comprehensive Health and Safety Management System (HSMS), based on the "Plan-Do-Check-Act" model, which includes identifying and analyzing risk, managing and controlling risk, monitoring metrics and reviewing performance. The HSMS is aligned with Mexican federal labour laws and international standards, including the IFC Environmental, Health and Safety Guidelines, and IFC Performance Standard 2 on Labour and Working Conditions and covers 100% of our employees and contractors.

Led by a team of health and safety specialists at both corporate and operational levels, our Senior Vice President Mexico, who reports directly to the CEO, maintains primary system accountability for our operations. Similarly, the Executive Vice President, Technical Services and Capital Projects is accountable for the implementation of the HSMS at the Media Luna Project. Our Safety and CSR Committee of the Board of Directors provides governance and oversight of the system. The system is assessed internally on a regular basis and undergoes periodic regulatory audits.



HEALTH & SAFETY MANAGEMENT SYSTEM (HSMS) OVERVIEW



SPOTLIGHT

Celebrating Health and Safety at our Inaugural Occupational Health and Safety Fair

In April 2023, our first Occupational Safety and Health Fair was held at our operations in Mexico as part of a Safety Week campaign to commemorate the International Day of Mourning on April 28.

In addition to our employees, fifteen of our largest contractor companies participated along with the Mexican Institute of Social Security (IMSS) to share information about safety and the prevention of accidents. Employees from local communities were also encouraged to bring family members to reinforce “our reasons” to work safely and return home in the same condition we came to work.

In total, 3,795 employees, contractors and family members participated in this event and the broader campaign. With the success of this inaugural event, this will now become an annual occurrence at our operations.



We take pride in our safety performance, with injury rates significantly lower than the national average in Mexico and among our global industry peers. Compared to safety data compiled by the Mining Chamber of Mexico (CAMIMEX), our rates are 10 times lower than the national average.

REGULATORY COMPLIANCE AND RECOGNITION

In 2023, in recognition of our outstanding safety performance, we were awarded a Safe Workplace Distinction by the Instituto Mexicano del Seguro Social (IMSS) as part of their Entornos Laborales Seguros y Saludables (ELSS) or Safe and Healthy Work Environments program. ELSS is a voluntary program for companies to implement strategies and actions to improve the health, safety and well-being of workers, as well as productivity and quality in the workplace.

Additionally in 2023, our Safety, Health and Training team was invited by the Secretary of the Ministry of Labour and Social Security to participate in the pilot program “Voluntary Labour Verification Program” (VELAVO). The Secretary invited just five companies across varying economic sectors, and we were proud to be one of them. The VELAVO Project is a pilot program that will be implemented as an alternative to inspections, where workplaces can voluntarily declare compliance with general working conditions, training, productivity, safety and health on the job.

In 2023, the Company also committed to the voluntary PASST program (Occupational Health and Safety Self-Management Program), under the Federal Labour Secretariat. In early 2024, the Secretary of Labour (STPS) completed a comprehensive documentation audit, as part of the initial certification steps to obtain the ‘Safe Industry Distinction’ from the Federal government. Participation in this program demonstrates our strong commitment to the highest standards of health and safety and voluntary compliance.

2023 PERFORMANCE

In 2023, we achieved another strong year of excellence in our health and safety performance. In October 2023, we celebrated ten million hours worked without a lost-time injury (LTI) at ELG for the third time since 2020, an exceptional achievement that we celebrate with our entire workforce.

We ended the year with a LTI frequency rate (LTIF) of zero at ELG per million hours worked on a rolling 12-month basis. At our Media Luna project, there were four LTIs in the first half of 2023, with no LTIs in the second half of the year. We ended 2023 with an overall LTIF of 0.31 for our entire Morelos Complex, including both employees and contractors. While we strive for zero lost time injuries, we believe this to be an exceptional result given the significant increase in activity at our operations with the construction of the Media Luna Project. Our total recordable injury frequency (TRIF) in 2023 decreased by 22% relative to 2022, with a TRIF of 1.23 as at the end of 2023.

We take pride in our safety performance, with injury rates significantly lower than the national average in Mexico and among our global industry peers. Compared to safety data compiled by the Mining Chamber of Mexico (CAMIMEX), our rates are 10 times lower than the national average¹.

In 2023, we intensified our efforts to enhance near miss reporting among employees and contractors. The number of recorded near misses increased from 317 in 2022 to 575 in 2023, reflecting our proactive approach to identifying and addressing potential

¹ Source: CAMIMEX - 2023 Sustainability Report <https://camimex.org.mx/sostenibilidad2023/>

To validate our key 2023 metrics related to Health and Safety, we proactively engaged a third-party assurance company to verify the accuracy of our reporting. The verification process confirmed that our assumptions, methodologies, and conclusions align with appropriate standards and criteria. The assurance document is publicly available on our website under our ESG Reporting Portal.



hazards before they escalate into serious incidents. To facilitate near miss and incident reporting, we have introduced accessible kiosks and an Incident Notification Mobile App in the workplace. These tools empower our workforce to report near misses promptly, enabling us to analyze trends and intervene where necessary. As a result, near miss reporting has doubled compared to the previous year, underscoring our commitment to continuous improvement in safety.

To validate our key 2023 metrics related to Health and Safety, we engaged a third-party assurance company to verify the accuracy of our reporting. The verification process confirmed that our assumptions, methodologies, and conclusions align with appropriate standards and criteria. The verification statement is publicly available on our website under our ESG Reporting Portal.

Key year-over-year safety metrics are presented in the table below. Comprehensive safety metrics and indicators can be found in the Health and Safety section of the ESG Performance Data Tables on [page 104](#) of this Report. All rates are based on a 12-month rolling average and are calculated per millions hours worked.

Health and Safety Metrics
Morelos Complex, including employees and contractors

| METRIC | 2023 | 2022 | 2021 |
|--|------|------|------|
| Fatalities | 0 | 0 | 0 |
| Lost-Time Injury Frequency (LTIF) | 0.31 | 0.28 | 0.14 |
| Total Recordable Injury Frequency (TRIF) | 1.23 | 1.58 | 2.19 |

HEALTH AND WELL-BEING

To prioritize the health and well-being of our workforce, we provide comprehensive on-site occupational health services that are delivered with care and compassion. These services are accessible to both employees and contractors through our dedicated on-site clinic and medical staff. Our aim is to ensure prompt medical assistance, regular health screenings, and preventative care measures. There were 5,586 entry medicals and 5,743 medical consultations completed during 2023.

Further, in support of our commitment to employee well-being, we offer all our employees comprehensive private medical coverage. This coverage extends beyond basic healthcare needs, encompassing a wide range of medical services to promote overall worker health and wellness, so that we empower our team members to focus on health and prevention.

In 2023, numerous prevention and health promotion campaigns were undertaken for both employees and contractors to covering a wide range of topics, including encouraging physical activity and promoting healthy eating habits, ergonomics and the prevention of musculoskeletal injuries, prevention of breast cancer and colorectal cancer and respiratory infection prevention. These campaigns are designed to promote employee wellness and demonstrate genuine care for our entire workforce.

SAFETY RISK MANAGEMENT

Risk management is a core system element of our approach to health and safety, including clear processes for identifying, analyzing and evaluating health and safety risks. To effectively manage risks, we utilize a range of advanced risk assessment tools, including bowtie analysis, hazard and operability studies, failure mode and effects analysis. These tools enable us to comprehensively understand and mitigate potential risks, ensuring the safety of our workforce and surrounding communities.

Health and safety risks are integrated into our operational risk register. This register is continuously monitored by specialist staff on a weekly basis, ensuring that potential hazards are promptly identified and addressed to prevent incidents and injuries. In addition, every week a Safety Actions Register (Registro de Acciones de Seguridad) or “RAS” meeting is held with all the General Supervisors, Superintendents, and Managers on rotation at the site, and led by the Health and Safety team, to reinforce safety themes, recent safety incidents and actions taken to prevent or correct future incidents. Field inspections and verifications follow the RAS meeting throughout the next week to ensure follow up actions are completed and to guide conversations in the field between management and front-line workers.

We have implemented an incident management system to facilitate the reporting and investigation of incidents, near misses, and unsafe conditions. This system enables us to track and analyze incidents, identify root causes,



and implement corrective actions to prevent recurrence and enhance our safety performance.

CONTRACTOR SAFETY

Our Social Responsibility Policy for Contractors sets the stage for a partnership rooted in integrity and accountability. Our Policy mandates that all contractors and sub-contractors comply with Mexican labour laws and regulations, ensuring fair treatment and adherence to best practices in health, safety, labour requirements and human rights.

All contractors involved in our operations and projects undergo comprehensive onboarding into our tracking software and actively participate in our HSE Standards Employee pre-qualification and qualification audits, along with periodic performance assessments. We foster open and transparent channels of communication with our contractors, encouraging them to share safety concerns and ideas freely. By working together, we ensure that safety remains at the forefront of every decision and action.

Establishing safe working conditions is a key component of our Contractor Management System, which is intended to align contractor work and performance to Torex operational policies, procedures and systems. Every contractor and their sub-contractor(s) must verify that they have a health, safety and environment (HSE) policy and program, or the core elements of one.

We're proud of the progress we've made on our safety performance, which has been inspired by the safety culture we've built — one where every individual feels personally responsible for the well-being of themselves and their teammates.

It's a culture where safety isn't seen as procedures and rules to follow; it's a commitment we make to ourselves, each other and our loved ones who count on us to return home in the same condition we came to work.



Key components of this system include:

- Pre-qualification screening requirements on safety and risk management
- A requirement to submit a Health, Safety, Environment and Quality (HSE&Q) policy or program prior to a job being awarded, which is then scored on a matrix. If a scoring result is below a particular threshold, it will trigger a request for the program to be upgraded, failing which the contractor will be disqualified from the process
- A subsequent site-specific plan before work is started
- Periodic monitoring and auditing of work once started that is appropriate to the scope and nature of the work being performed
- Completion of a post-work performance audit

The Contractor Management System covers all contractors and sub-contractors. In 2023, 100% of our contractors performing work on our site were covered by our contractor management system.

Our safety training programs such as SafeStart® and other technical training are made available to our contractors to equip them with the knowledge and tools to work as safely as possible. In 2023, we provided 62,346 hours of safety and technical training to 3,382 contractors.

Additional details on our contractor safety metrics can be found on [page 107](#) of this Report.

SPOTLIGHT

“I am a Responsible Driver” Campaign

The “I am a Responsible Driver” campaign is an initiative aimed at enhancing driving skills, ensuring compliance with road safety regulations and mitigating accidents and vehicle damage, especially in local communities. It was initiated in September 2023 in response to the concerning trend of vehicle equipment damage in the previous year. The campaign garnered widespread participation, with a total of 3,697 workers and contractors actively engaging in the various activities organized.

A notable highlight of the campaign was the organization of a short film contest centered on safe driving, drawing participation from both employees and contractors. The contest received the submission of 22 videos, showcasing our collective dedication to promoting safe driving practices.



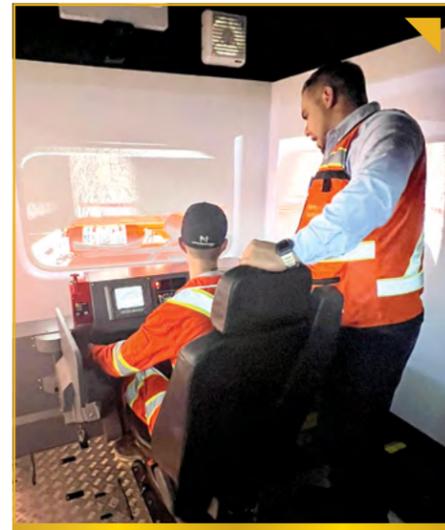
SAFETY TRAINING

Training is a central component of our health and safety management system. Throughout 2023, we focused on delivering comprehensive training programs aimed at instilling best safety practices and behaviors across all levels of the organization. This included a mix of traditional and behavior-based training, alongside leadership development programs.

In 2023, we continued to expand the implementation of SafeStart® across our organization. SafeStart® is a flagship safety training program designed to provide practical skills and safety awareness training to reduce

critical errors that can lead to safety incidents and injuries at work and at home. More than 75 SafeStart® sessions were conducted in 2023, totaling almost 7,100 training hours for both employees and contractors.

With the transition from open pit mining at ELG to underground mining at Media Luna, training will continue to be a major focus throughout 2024 as we ensure our workforce is trained and ready to take on new roles and responsibilities and operate new equipment. We have procured dedicated external training partners to assist us in these efforts, including the development of new



underground orientation and training materials. We have also established a new training facility and classroom within the community of Nuevo Balsas.

In addition, with the arrival of new battery electric equipment starting in late-2023, we have a new equipment training simulator to provide employees with hands-on experience on how to operate the equipment safely before using the equipment in an underground environment. In addition, original equipment manufacturers (OEMs) will be onsite with the arrival of new equipment to train both maintenance and operations team members on how to operate the equipment safely.

We're proud of the progress we've made on our safety performance, which has been inspired by the safety culture we've built—one where every individual feels personally responsible for the well-being of themselves and their teammates. It's a culture where safety isn't seen as procedures and rules to follow; it's a commitment we make to ourselves, each other and our loved ones who count on us to return home in the same condition we came to work.

For detailed safety and health training metrics, please refer to the ESG Performance Data Tables on [page 108](#) of this Report.



SPOTLIGHT

Using Technology to Manage Risks Associated with Fatigue: SmartCap®

Fatigue management, especially among mobile equipment operators, is a key risk in the mining industry. This is why Torex has partnered with SmartCap® to employ the use of a wearable fatigue detection device called LifeBand, which leverages electroencephalography (EEG) and Bluetooth technology to wirelessly transmit the fatigue status of users to support intervention before unwanted fatigue-related incidents occur. Torex is the first industrial organization to use the technology in a field setting.

Following a successful pilot study in 2022, in 2023 we initiated a phased integration of SmartCap® across our mobile fleet in our open pits, with more than 178 operators using LifeBand and 63 pieces of mobile equipment with in-cab installations by the end of 2023. Ultimately, the application of this technology will also include workers operating underground equipment once operations begin at Media Luna.

Since introducing SmartCap®, there have been hundreds of fatigue-related alarms, which helped prevent fatigue-related accidents or near misses. We have welcomed interest from other mining companies and organizations in our application of this technology as we lead the way in finding innovative solutions to keep our workforce safe.



SPOTLIGHT

Prolonging Lives through our Breast Cancer Prevention Program

Breast cancer is a leading cause of death for women in Mexico. Mexico reported 23,790 new cases in 2022, reflecting a national incidence rate of 27.64 per 100,000 people.

To address this issue, the Company holds an annual Breast Cancer Awareness, Prevention, and Early Detection campaign for all female employees and contractors. This involves informational sessions conducted by healthcare professionals to destigmatize self-examination and advocate for regular check-ups.

In 2023, for the first time as part of the program, female employees and contractors aged 40+ were provided with mammography screenings. Of the 47 women offered screenings, four women were referred for further medical studies, with two women ultimately referred for oncology care and surgery.

This program underscores Torex's dedication to employee health and wellness and emphasizes the critical role of prevention and early detection – which can truly be life-changing.



EMERGENCY RESPONSE AND PREPAREDNESS

Torex is committed to maintaining the highest standards of safety and preparedness across all our operations. Our Crisis Management System (CMS) is a comprehensive framework designed to ensure a swift and effective response to any crisis, regardless of its nature or location.

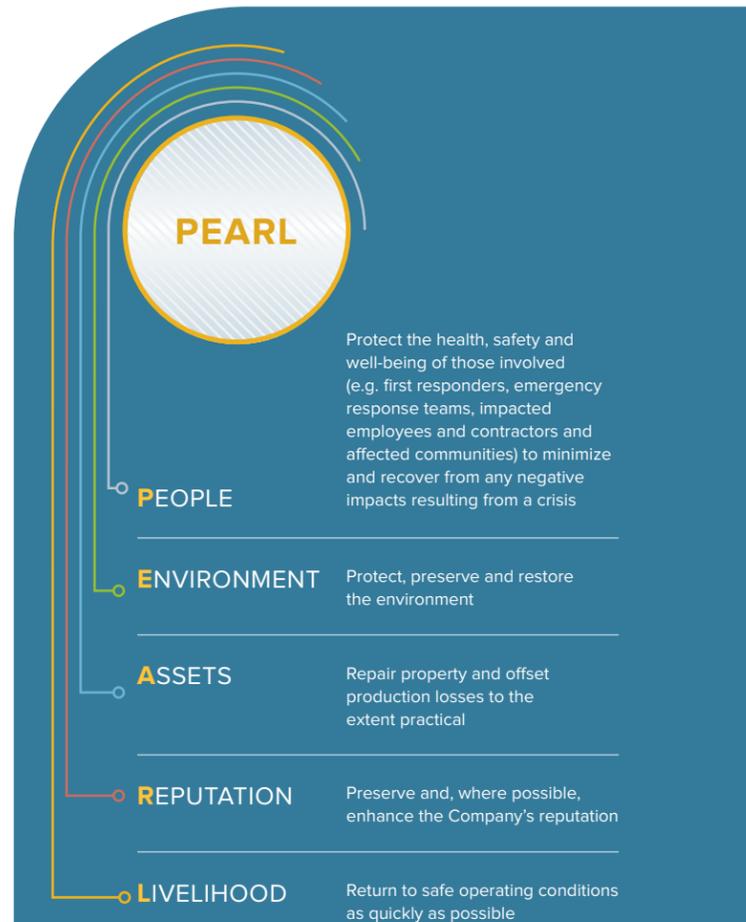
In the event of a crisis, our Crisis Management System (CMS) prioritizes protection according to the PEARL framework.

Our Emergency Management Plan outlines key criteria for various potential risks related to people, the environment, Company assets, and local communities. This plan includes an incident management procedure that defines clear processes for a safe and effective response to any potential incident.

We maintain both a site-level Emergency Management Team and a hybrid operations and corporate Crisis Management Team. These teams undergo regular scenario training to prepare for potential incidents. The Senior Vice President Mexico oversees the Emergency Management Team, while the Vice President of Health and Safety is responsible for the Crisis Management Team. Multiple mine rescue scenario drills are held annually, ensuring readiness for various emergency scenarios. In 2023, our commitment to readiness was evident as our employees and contractors spent 3,355 hours in emergency response simulations and training, an increase from 1,184 hours in 2022 reflecting the increase in personnel attending the Morelos Complex this year.

Effective communication is essential during emergencies, which is why we have established stakeholder identification and communication procedures. These procedures enable transparent communication with key stakeholders and regulatory officials at the local, regional, national, and international levels in the event of an emergency. We also prioritize community engagement and collaboration in emergency preparedness. Throughout 2023, we conducted training sessions for local community members as part of the implementation of the International Cyanide Management Code (ICMC).

As part of our commitment to environmental stewardship, we have integrated accident prevention and emergency preparedness protocols into our Environmental Quality and Monitoring Program. This includes procedures for incidents related to hazardous materials.



SOCIAL

COMMUNITY ENGAGEMENT AND DEVELOPMENT



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2023 HIGHLIGHTS

Awarded ESR 2024 Distinction in Mexico for Excellence in Corporate Responsibility for 6th year in a row

Signed 11 annual CODECOP agreements for the seventh year in a row

\$3.1 million spent on local community investment

25% increase in procurement spending¹ within local communities from 2022 and 85% increase from 2021

Zero delays caused by community-related issues

¹ Local procurement spending in the 11 communities surrounding our operations.

MANAGEMENT APPROACH

Building and maintaining positive, constructive and authentic community relationships based on our core values of trust, respect, honesty, fairness and transparency is critical to earning and maintaining our social license to operate and fundamental to the way we conduct our business.

Our Policy on Social Harmony and Human Rights outlines our Company-wide commitment to integrate positive community relations into our overall management systems. Community engagement is one of seven key components of our Environmental and Social Management System (ESMS) and a social management plan is a key component of our Environmental Quality and Monitoring Program.

We conduct socioeconomic baseline assessments for our major projects. We completed an assessment in 2015 for the ELG Mine Complex as well as an updated assessment in 2021 focused on the communities near the Media Luna Project. We regularly conduct and update stakeholder identification matrixes to identify key stakeholders impacted by our operations. The assessments consistently demonstrate that local communities and state, federal, and local regulatory authorities, including local municipalities as well as Ejido authorities, are some of the stakeholders with the highest potential impact and influence on our business. An updated socioeconomic baseline assessment is scheduled to be completed in 2025.

The vast majority of the land in and around our operations is Ejidal land, which is a communal form of land ownership. Ejidal land is collectively administered and held by its members (Ejidors) as either common land, which is jointly owned by the members, or as parcels that are held by individual members. We have signed long-term lease agreements with the Rio Balsas, Real del Limón, Atzcaala, and Puente Sur Balsas Ejidos, and with individuals (Ejeditarios/as) who own land parcels. In 2023, we paid \$15 million toward these land agreements.

A key component of our community relations strategy is to negotiate and maintain unique community-led development agreements, called CODECOPs (Convenios de Desarrollo Comunitario Participativo) with the 11 local communities nearest to our operations. The CODECOPs outline the development commitments made by the Company, as prioritized by local communities, and define the roles and responsibilities of the communities and the Company in designing and delivering local development projects. The agreements are led by local committees, with committee members elected by each community in order to empower local decision-making. More information on our CODECOP agreements can be found on the following page. In addition to spending associated with our CODECOP agreements, we allocate budget to direct investment in community projects, prioritizing initiatives associated with education, healthcare, community infrastructure and local economic development.

To ensure frequent, open and transparent communications, our Community Relations and Public Affairs teams hold monthly meetings with local communities to keep the community informed about developments in our operations and consult on issues and topics as appropriate. We also maintain community relations offices in several local communities to enable community members to access and communicate with community relations personnel directly and at their convenience. In 2023, we engaged in more than 1,700 meetings and interactions with community members. Through face-to-face meetings and ongoing dialogue, we ensure that community voices are heard, concerns are addressed and local residents are kept informed on the Company's key activities.



2023 PERFORMANCE

For the seventh year in a row, in 2023 we signed unique CODECOP agreements with each of our 11 surrounding communities. Through these agreements, we invested \$0.8 million in local community development projects. In addition to spending associated with these agreements, we invested \$2.3 million in other local community initiatives for a total community investment spend of \$3.1 million in 2023.

There were 25 grievances reported in 2023, compared to 16 in 2022, reflecting our efforts to make our grievance mechanism more accessible to community members. There were no interruptions to our operations in 2023 due to community-related issues.

The table below presents key community engagement and development metrics for 2023.

Community Development

| METRIC | 2023 | 2022 | 2021 |
|--|---------|---------|---------|
| Community Development Agreements (CODECOPs) | 11 | 11 | 11 |
| Amount invested in CODECOP projects | \$0.8M | \$0.7M | \$0.5M |
| Amount invested in non-CODECOP projects ¹ | \$2.3M | \$2.5M | \$2.0M |
| Total community investment ¹ | \$3.1M | \$3.2M | \$2.5M |
| Payments for local land agreements | \$15.0M | \$13.1M | \$13.5M |
| Delays caused by community-related issues | 0 | 0 | 0 |
| Number of grievances | 25 | 16 | 8 |
| Grievances resolved ² | 16 | 12 | 8 |

¹ Does not include dollars spent on road improvements in surrounding communities which also have an operational benefit for the Company in the amount of \$1.6M for 2021, \$2.2M for 2022 and \$4.1M for 2023.

² As at December 31, 2023.

COMMUNITY RELATIONS AND COMMUNITY DEVELOPMENT

Community development is at the heart of our approach to building strong community relationships and fulfilling our organizational purpose. We are committed to creating lasting economic prosperity for our host communities and to ensure that they will continue to thrive long after our mining operations are complete.

We implement unique, participatory CODECOP agreements in partnership with 11 host communities nearest to our operations. Funding priorities are

defined by the CODECOP committee representatives in consultation with community authorities and community members. Doing so helps build capacity in local communities and fosters a sense of ownership in the decision-making process and the projects themselves. Typical projects include infrastructure development and improvements, health initiatives, water and sanitation projects, agriculture and fishing initiatives, education initiatives, and cultural initiatives.

We implement unique, participatory CODECOP agreements in partnership with 11 host communities nearest to our operations. Funding priorities are defined by the CODECOP committee representatives in consultation with community authorities and community members.



Community population

SPOTLIGHT

Investing in the Health and Well-Being of Communities Near Media Luna

Healthcare is key focus of our community investment initiatives to support the well-being of residents in nearby communities.

Through municipal agreements, we fund a portion of the salaries of doctors and other health care workers in many of our surrounding communities. On a quarterly basis, we also provide medicines and medical supplies to local communities in consultation with medical personnel and community health committees.

In 2023, we supported the development of a new Community Health Centre in Puente Sur Balsas, which is located south of the Balsas River in close proximity to the Media Luna Project. The project represents an investment of \$1.5 million MXN to benefit more than 100 people in the local community.

These investments ensure that community members can have access to medical care on a timely basis, without having to travel long distances to receive potential life-saving care.



SPOTLIGHT

Supporting Education for Local Youth

For the consecutive third year, in 2023 Torex hosted a week-long children's summer camp with 300 local youth participating from five local communities. With the support of community leaders and Torex team members, the activities were focused on a range of topics including safety, leadership development, environmental protection, health, security, financial education and community development.

In addition to the scholarship funding we provide to dependents of our employees, in 2023 we continued the "Advancing Together" scholarship program for local secondary and university students. In 2023, the Company invested almost \$900,000 MXN in scholarship funding, benefitting more than 60 students from surrounding communities near both ELG and Media Luna.

Importantly, in coordination with the City Council of Cocula and the CODECOP committee of Atzcala, the Company provided telephone and internet services in order to promote ongoing virtual education of youth, as endorsed by the Secretariat of Public Education. In early 2024, the Company inaugurated virtual libraries with computer equipment and internet access in Nuevo Balsas, La Fundición, Real del Limón, and Atzcala, to promote digital learning for children and youth in communities directly influenced by our operations. In 2023, the Company also donated musical instruments to a local primary school, to promote extracurricular learning and activities.



The following is a small sample of projects associated with our 2023 CODECOP Agreements:

- Construction of a new recreational facility in Valerio Trujano and sports facility upgrades in Atlixac and Nuevo Balsas
- Construction of a new communal police station in Valerio Trujano
- Improvements to the town central plaza and garden, including new lighting and children's play equipment in Nuevo Balsas
- Sanitary drainage improvements and septic tank installations in Nuevo Balsas and Atzcala
- Improvements to water supply and catchment basins in Nuevo Balsas, Real del Limón and La Fundición
- Improvement of wastewater treatment facility at Real del Limón and La Fundición
- Power infrastructure upgrades in La Fundición

- School improvement initiatives, including installation of air conditioning, replacement of electrical wiring and ducts and roof improvements in Nuevo Balsas, Real del Limón, La Fundición, Mancillas and San Miguel

- Improvements to common areas including children's play areas, outdoor theatre and church in San Miguel

In addition, a small sample of direct community investment initiatives included the following:

- Construction of a new Health Centre in Puente Sur Balsas
- Rehabilitation and provision of equipment to the Cocula Health Centre
- Construction of two environmental education centres for local youth in Cocula and Eduardo Neri municipalities
- Road service maintenance, resurfacing and paving across a number of communities



In addition to the \$3.1 million spent on direct community investment in 2023, we also contributed approximately \$34.2 million in 2023 to the Fondo Minero (Mexican Mining Fund) now called Fondo para el Desarrollo de Zonas de Produccion Minera, in respect of our operations in 2022, which is a tax payable by mining companies under Mexican law. The purpose of the fund has traditionally been to invest in development projects in mining regions throughout Mexico, and is now primarily allocated by the government to a federal budget for educational projects and initiatives.

We also recognize the important role we play as a catalyst for economic development in our host communities, including through economic diversification and capacity building initiatives that leverage the skills of people that live around our operations. As such, the Company maintains a Local Procurement Procedure, which gives preference to local suppliers and prioritizes bids with significant local contributions in line with our commitment to leave a net positive legacy in the communities in which we operate. In 2023, \$17.1 million was spent on procurement within host communities, an increase of approximately 25% from 2022 and more than an 85% increase from 2021.

One of the fundamental pillars of our relationship with the local communities is sustainable development, aiming to provide local economic opportunities that

are not dependent on the mining industry. For the past eight years we have supported the development of fishing cooperatives in local communities via a fishing and aquaculture program. Fishing is a critically important economic activity in the region and the objective of the cooperatives is to develop sustainable fisheries. Programs are typically delivered in partnership with the cooperatives and often with regulatory authorities, including the National Commission of Fisheries and Aquaculture (CONAPESCA). With support of the Company, in 2023, 500,000 fingerlings were released into local waterways to improve fish supply and quality.

Agriculture is also an important industry within the communities. In 2023, in the town of Atzcala, we continued to work with local community members on a demonstration plot where producers were invited to witness crop rotation methodologies. Additionally, we initiated comprehensive training sessions for farmers within these demonstration plots, empowering them with practical knowledge and skills for sustainable agricultural practices. The aim of the initiative is to increase agricultural productivity within the community and to introduce non-traditional crops to aid profitability. To date, non-traditional crops such as tomatoes, chillies, onions, sunflowers, lemons, watermelons and melons have been harvested.

SPOTLIGHT

Supporting Acapulco in the Wake of Hurricane Otis

In the early morning of October 25, Hurricane Otis hit Acapulco, a Category 5 storm that was the most powerful storm in history to hit Mexico's Pacific coast, carrying with it winds of up to 266 km/hour, and leaving devastation in its wake.

During the Hurricane, 28 members of our team were in Acapulco for the XXXV Convencion Internacional de Minería Mexico 2023, and thankfully, no members of our team were seriously injured.

In the wake of the storm, in addition to financial support provided to our own employees who live in Acapulco, the Company donated more than 50 tonnes of basic supplies including food, bottled water, baby formula and essential sanitary goods. We subsequently supplied equipment to aid the government's efforts in the massive clean-up of garbage and debris. The Governor of Guerrero publicly acknowledged Torex for taking a proactive leadership role in providing assistance. Torex is committed to be there for the City of Acapulco through the rebuilding process.



SPOTLIGHT

Making our Towns Pretty (“Enchulemos Juntos nuestra Comunidad”)

Throughout 2023, we partnered with local communities including Mazapa, San Miguel, Tepehuaje, Atzcala, La Fundición, Nuevo Balsas, Real del Limón, and Valerio Trujano on our annual community improvement program called “Enchulemos Juntos nuestra Comunidad”, which was designed to beautify and enhance local communities.

Through this initiative, the Company, local contractors and community members come together to clean up the towns, paint exterior facades, plant trees and flowers, and make necessary repairs to streetlamps and other infrastructure and enhance common areas such as children’s areas and recreational facilities.

The program was designed to enhance a sense of pride in local communities and promote civic engagement – both from local community members and our employees, many of whom volunteered their time to assist with the enhancements.



GRIEVANCES & COMPLAINTS MANAGEMENT

In addition to the Company’s Whistleblower Hotline, 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.

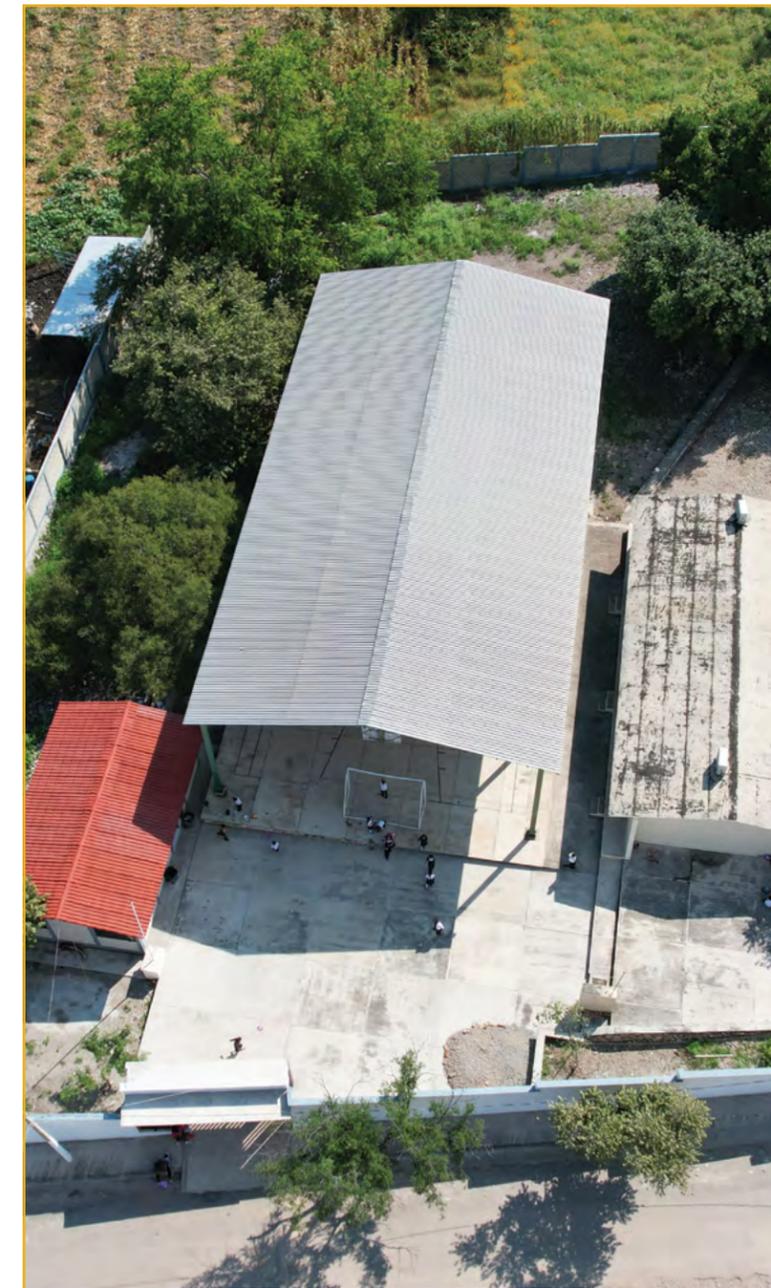
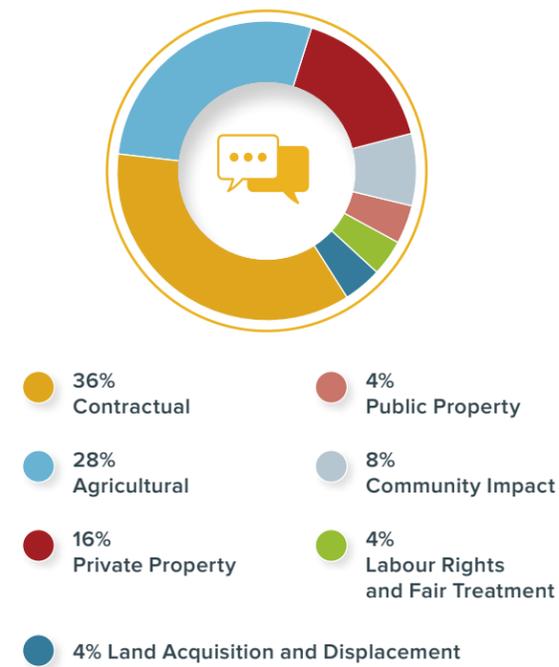
The grievance procedure is regularly reviewed in the spirit of continuous improvement. Grievances can be submitted through a variety of means, including monthly community meetings, informal meetings with mine site staff, and the Company’s formal grievance procedure.

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.

This demonstrates our commitment to accountability and responsibility throughout our supply chain.

In 2023, a total of 25 grievances were brought to our attention, and 16 of these grievances were resolved by the end of the year. The grievances were focused on a variety of topics, with the most prevalent complaints related to contractor activities and contract-related grievances, impacts to agricultural lands and/or animals, and impacts to private property. We are focused on ongoing improvement to address concerns promptly and effectively, fostering a culture of transparency and accountability within our organization.

2023 Grievances by Category



SOCIAL

HUMAN RIGHTS AND SECURITY



Our Social Harmony and Human Rights Policy outlines our Company-wide commitments to respect the human rights of our stakeholders. The Policy is guided by the “Protect, Respect, Remedy” framework of the UN Guiding Principles (UNGPs) on Business and Human Rights, the main global framework for business and human rights. The Policy is also applicable to our suppliers, vendors, and other business partners.

MANAGEMENT APPROACH

Our approach to human rights is grounded in our core values of dignity and respect for people. We recognize that while governments have the primary responsibility to protect human rights, we have a responsibility to respect and protect human rights both directly through our operations and through our business relationships.

Following on from the Human Rights Risk Assessment we undertook in 2022 with support of external human rights experts, we have continued to work on implementing the recommendations, which are also in line with Principle 5 (Human Rights and Conflict) of the World Gold Council RGMPs. In 2023, training continued to be given to the site security team on the Voluntary Principles on Security and Human Rights (VPSHR) in four sessions that occurred between October 2023 and January 2024. In total, 164 members of the team received training, including the Company’s security staff and leaders of our external security contractors IPAE and MSI. The training was led by an instructor authorized

by the federal Secretary of Labour in Mexico to deliver VPSHR training. Each participant received a formal certificate following the training.

In addition, all of our security personnel contracts now include provisions regarding human rights, and contractors are required to comply with a background check process on an annual basis. An update to our Social Harmony and Human Rights Policy will be undertaken in 2024 to more explicitly align with the provisions of the UNGPs and our commitment to conduct human rights due diligence in our business activities.

2023 PERFORMANCE

In 2023, we continued to use the Human Rights Risk Assessment completed in 2022 as a guide for continuous improvement in our due diligence and management of human rights. We also achieved our goal of zero authenticated human rights complaints against the Company.

The table on the right provides key disclosure metrics related to human rights.



Human Rights

| METRIC | 2023 | 2022 | 2021 |
|--|------|------|------|
| Percentage of proved and probable reserves in or near Indigenous land | 0 | 0 | 0 |
| Operations that have been subject to human rights reviews or assessments | 100% | 100% | 100% |
| Number of authenticated human rights complaints | 0 | 0 | 0 |
| Training hours on human rights provided to employees | 144 | 210 | 0 |

SOCIAL

EMPOWERING EQUITABLE PROSPERITY



79 2023 HIGHLIGHTS

80 2023 ECONOMIC IMPACT STUDY

82 2023 PERFORMANCE



2023 HIGHLIGHTS

FROM ECONOMIC IMPACT STUDY
(2022 REPRESENTATIVE YEAR)

\$960M annual contribution to Mexico's gross domestic product (GDP)

\$600M annual contribution to Guerrero's GDP (3% of Guerrero's total GDP)

~13,000 jobs created or sustained annually in Mexico

~26 jobs generated in Mexico for every \$1M that Torex spends

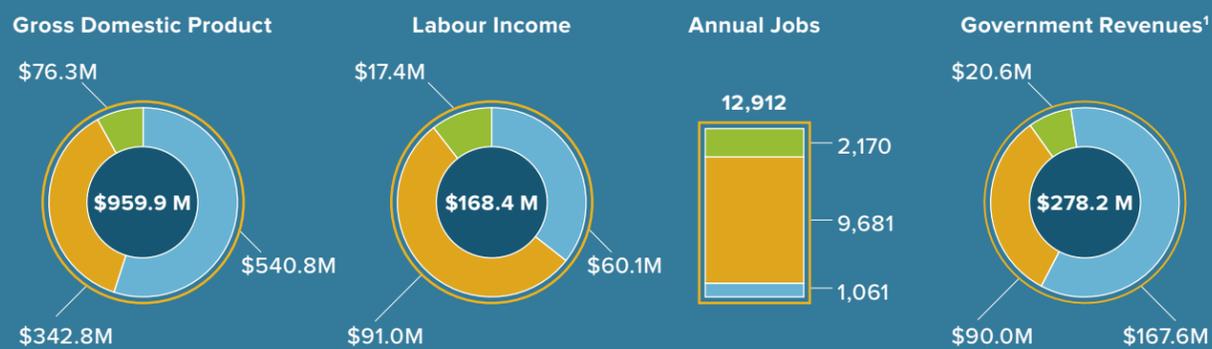
3,539 jobs created or sustained annually in Guerrero

2023 ECONOMIC IMPACT STUDY

The mining sector in Mexico is an important contributor to the nation’s economic vitality, serving as an engine for growth and job creation. With its abundance of natural resources, and with global recognition that mining is essential to unlocking a low carbon economy, we believe that Mexico has a very positive opportunity to hold a prominent place on the global stage for resource development.

ECONOMIC CONTRIBUTION TO MEXICO

It is estimated that Torex’s operations contribute **\$959.9 million to Mexico’s GDP**, of which **\$168.4 million** is contributed to **labour income**, and that Torex supports approximately **12,912 jobs across Mexico** on an annual basis. It is also estimated that the economic activity stimulated by Torex’s operations generates **\$278.2 million in government revenues** annually for federal and state governments across Mexico.



It is estimated that approximately \$1.91 of GDP is generated for the Mexican economy for every dollar Torex spends, accounting for direct, indirect, and induced impacts.

It is estimated that 25.8 jobs are generated in Mexico for every million dollars Torex spends, accounting for the direct, indirect, and induced impacts.

¹ This reflects the estimated contribution to government revenues in Mexico, i.e., revenues to federal, state and municipal level governments. This estimated contribution to government revenue comprises taxes on products and production, corporate income taxes, personal income taxes, and royalties. Note: Due to rounding, numbers presented on this page may not add up precisely to the total.

In October 2023, we were pleased to release the results of an Economic Impact Study (the “Study”) completed by Deloitte LLP (“Deloitte”) to assess the economic impact of the Company’s mining operations and capital investments during the 2022 representative year in Mexico and within the State of Guerrero. The Study traces how the Company’s expenditures and investments benefited the federal and state economies in 2022, considering direct impact (including the employment and income of workers directly employed and contracted); indirect impact (associated with businesses that provide goods and services); and induced impact (associated with the spending of wages and salaries earned by employees and suppliers).

Methodology and Quantification

Utilizing an input-output (I-O) methodology, the Study quantified the far-reaching economic implications of our operations and the high relevance of Torex in Mexico at the regional and national levels in terms of gross

domestic product (“GDP”), labour income, employment and government revenue.

Direct Impact

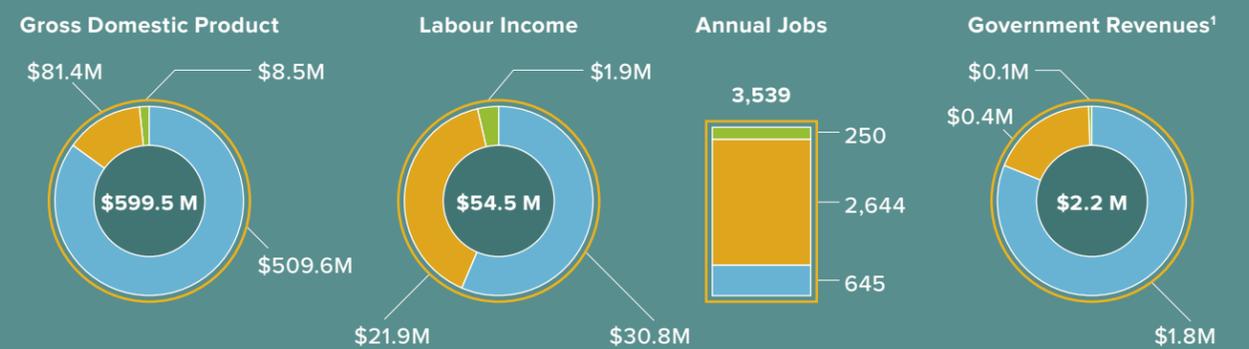
Torex’s expenditures in 2022 had tangible outcomes, particularly in terms of employment opportunities and income generation for individuals directly employed or contracted by the Company. This direct impact not only provided livelihoods but also contributed to local economic development by injecting resources directly into communities where mining operations are situated.

Indirect Impact

Beyond its immediate operations, Torex stimulated economic activity across various sectors. The need for goods and services essential for Torex’s overhead and operational needs created opportunities for businesses ranging from professional services to transportation. This indirect impact fostered a network of economic interdependence, amplifying the benefits of Torex’s presence beyond its core activities.

ECONOMIC CONTRIBUTION TO GUERRERO STATE

It is estimated that Torex’s operations contribute **\$599.5 million to Guerrero’s GDP**, of which **\$54.5 million** is contributed to **labour income**, and that Torex supports approximately **3,539 jobs across the State** on an annual basis. It is also estimated that the economic activity stimulated by Torex’s operations generates **\$2.2 million in government revenues** annually for state and municipal governments.



It is estimated that approximately \$1.19 of GDP is generated for Guerrero’s economy for every dollar Torex spends, accounting for direct, indirect, and induced impacts.

It is estimated that 7.1 jobs are generated in Guerrero for every million dollars Torex spends, accounting for the direct, indirect, and induced impacts.



¹ The estimated contribution to Guerrero’s government revenues reflects revenues attributed to the state government and municipal level governments across the state. The value reported comprises payroll taxes, property taxes, permits and other related fees. Note: Due to rounding, numbers presented on this page may not add up precisely to the total.

Induced Impact

The wages and salaries earned by Torex employees and suppliers circulated through the economy, catalyzing further spending at the household level. This induced impact perpetuated a cycle of economic stimulation, driving consumption and supporting local businesses.

The insights outlined in the Study commissioned from Deloitte provide an independent and holistic view of the significant economic impact of Torex's operations in Mexico and Guerrero State and the meaningful contributions we make on an annual basis to the state and national economies. With the \$874.5 million we are currently investing to build our Media Luna Project, and our strategic focus on exploration, we are demonstrating our strong commitment to Mexico and creating the conditions to sustain our positive economic impact for decades to come.

Our 2023 Economic Impact Study can be found [on the Company's website](#) under our ESG Reporting Portal.

2023 PERFORMANCE

Given the increase of activity associated with our Media Luna Project in 2023, there was an increase in value

sharing across our value chain. In 2023, our permanent employee workforce grew by 5% relative to 2022, and our contractor base grew by almost 47%, reflecting the substantial increase in development and construction activity. With our capital spend increasing by almost 75% from 2022 to 2023, our procurement spend in 2023 grew by almost 45% relative to 2022, with a 50% increase in procurement spending directed to vendors in Guerrero State.

Torex's financial contributions to local, state, and federal governments have shown a steady increase over the years, reaching \$215.1 million in 2023. These payments encompass various obligations such as taxes, royalties, and other levies, serving as a crucial source of revenue for funding public services and infrastructure development in the regions where we operate.

Torex's commitment to provide meaningful and well-paying jobs is evidenced by the consistent growth in salaries paid, which increased by 27% in 2023 relative to 2022.

The table below provides key disclosure metrics related to economic value distributed.

Economic Value Distributed (Millions of USD)

| METRIC | 2023 | 2022 | 2021 |
|---|---------|---------|---------|
| Production costs | \$371.5 | \$337.1 | \$304.9 |
| Mine capital expenditures | \$478.0 | \$277.2 | \$230.4 |
| Salaries paid | \$88.1 | \$69.3 | \$67.4 |
| Payments to local, state, and federal governments | \$215.1 | \$184.2 | \$200.5 |
| Direct community investments ^{1,2} | \$3.1 | \$3.2 | \$2.5 |
| Fondo Minero Payments ³ | \$34.2 | \$34.6 | \$34.5 |

Local Procurement Spend (Millions of USD)

| METRIC | 2023 | 2022 | 2021 |
|--|----------------|----------------|----------------|
| Host communities (local companies) ⁴ | \$17.1 | \$13.7 | \$9.1 |
| Host country (other Guerrero-based companies) ⁵ | \$140.9 | \$93.3 | \$65.6 |
| Host country (other Mexico) companies | \$564.4 | \$408.6 | \$371.5 |
| Total Mexican spend | \$722.4 | \$515.6 | \$446.2 |
| International companies | \$79.8 | \$44.1 | \$48.1 |
| TOTAL | \$802.2 | \$559.7 | \$494.3 |

1 Includes CODECOP contributions for community development and direct community investment.

2 Does not include dollars spent on road improvements in surrounding communities which also have an operational benefit for the Company in the amount of \$1.6M for 2021, \$2.2M for 2022 and \$4.1M for 2023.

3 Note these funds were paid in the calendar year in respect of the previous year. In Q1 2024, \$29.4M was paid to the Fondo Minero in respect of 2023 and will be reported in our 2024 Responsible Gold Mining Report.

4 Local companies are defined as companies located in the communities directly surrounding the Morelos Property.

5 Figures are in addition to spend values for companies in host communities.

SPOTLIGHT

Strengthening the Local Mining Supply and Service Sector in Guerrero

Torex is committed to working with industry and government partners to strengthen the local mining supply and service sector in the State of Guerrero.

In 2023, an event called the "Guerrero Mining Forum" was held and supported by the State Mining Council. Through the state's Ministry of Economic Promotion and Development, approximately 50 local suppliers were encouraged to come together with mining companies to discuss how more Guerrero-based companies can become part of the mining sector supply chain.

The event attracted the strong support of and presence of six state government secretariats, including representatives from the Secretary General of Government, Secretary of Economic Promotion and Development, Secretary of Welfare, Secretary of Finance and Social Administration, Secretary of Integral Risk Management and Civil Protection and Secretary of Labour. The Presidents of the Political Coordination Board of the State Congress and the Mining Commission of the State Congress were also present, along with Municipal Presidents from Cocula and Eduardo Neri, demonstrating the strong support of local and state government officials and recognition that mining is an important economic catalyst in Guerrero.



ENVIRONMENT



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2023 HIGHLIGHTS

Received approval of the amendment to the MIA-Integral permit to allow for in-pit tailings deposition at the Guajes Pit

66% of water recycled; water intensity of 0.00458 per total oz of gold produced

Renewal of participatory water monitoring agreement with the Autonomous University of Guerrero

70,560 trees planted from two on-site greenhouses; 108.5 hectares reforested

Target to offset our mine footprint to promote a net increase in habitat conservation at a ratio of 3:1

Received first deliveries of new Battery Electric Vehicles (BEVs)

Construction of new solar facility underway

MANAGEMENT APPROACH

Achieving our organizational purpose requires us to respect the planet and minimize our impact on the environment throughout all mining cycles including exploration, development, mining and closure activities. We are committed to meeting or surpassing regulatory requirements and leaving a net positive environmental legacy where we operate.

The Company's approach to environmental management is outlined in our Environmental Protection Policy. Adherence to our policy is driven via an Environmental and Social Management System (ESMS), which we have developed in alignment with the IFC Environmental, Health, and Safety Guidelines and the IFC Performance Standards. We also maintain an Environmental Quality and Monitoring Program, which is comprised of 16 management plans covering ten material environmental aspects.

The ESMS is implemented by a team of environmental specialists at our operations with overall operational accountability residing with our Senior Vice President, Mexico, who reports directly to our CEO. The Safety and CSR Committee of our Board of Directors maintains Board-level oversight of environmental management and associated performance. Senior management reports to the Committee quarterly on the Company's environmental management and performance.

We conduct social and environmental impact assessments (ESIAs) for all major projects. We completed an ESIA in 2015 for the ELG Mine Complex and in 2021, we completed an updated ESIA for the Media Luna Project. The ESIAs are the primary way in which we identify and assess potential environmental and social risks and impacts for major projects. In turn, they enable the development of mitigation measures that then form the basis of a variety of management plans. The ESIAs, which are submitted to regulatory authorities, form the basis of environmental approvals, which in

Mexico are referred to as a MIA (Manifestacion de Impacto Ambiental – Environmental Impact Assessment) authorization.

ENVIRONMENTAL PERMITTING AND COMPLIANCE

We maintain a comprehensive register of our environmental obligations, including all permits, authorizations, and commitments to ensure we meet or exceed regulatory guidelines as guided by our Environmental Protection Policy.

We submit annual compliance reports to SEMARNAT (Federal Secretariat of Environment and Natural Resources) and PROFEPA (Federal Environmental Protection Agency) – the main environmental regulatory bodies in Mexico. The reports are focused on compliance with our primary environmental authorizations. Our environmental performance is also audited annually by an independent auditor approved by SEMARNAT.

At the state level, we submit reports on compliance with our Environmental Quality Monitoring Program to the division of the General Directorate of Environmental Impact and Risk (DGIRA) of SEMARNAT, showcasing our commitment to regulatory transparency and compliance.

In the spirit of meeting and exceeding our regulatory obligations, we continue to advance progress to gain certification under the Mexican Industria Limpia (Clean Industry) program, a national, voluntary



environmental audit program established by PROFEPA. The program consists of two components, namely an audit of environmental compliance and a review of good environmental practices. As at the end of 2023, implementation of the action plan approved by PROFEPA to achieve certification was 74% complete. Once the action plan is fully implemented in 2024, a verification process will be undertaken by PROFEPA, following which certification will be granted.

In 2023, the Company received permit approval from SEMARNAT regarding an amendment to our MIA, which will allow for the deposition of tailings

into the mined-out Guajes open pit. This is the last environmental approval required for the operational phase of Media Luna and marks another significant project de-risking milestone for the project. The receipt of this approval further demonstrates the ongoing support of local communities and the endorsement of State and Federal Governments of both the social and environmental facets of the Morelos Complex.

In 2023, it was determined that we were in full compliance with all of our environmental permits and requirements.

2023 Performance

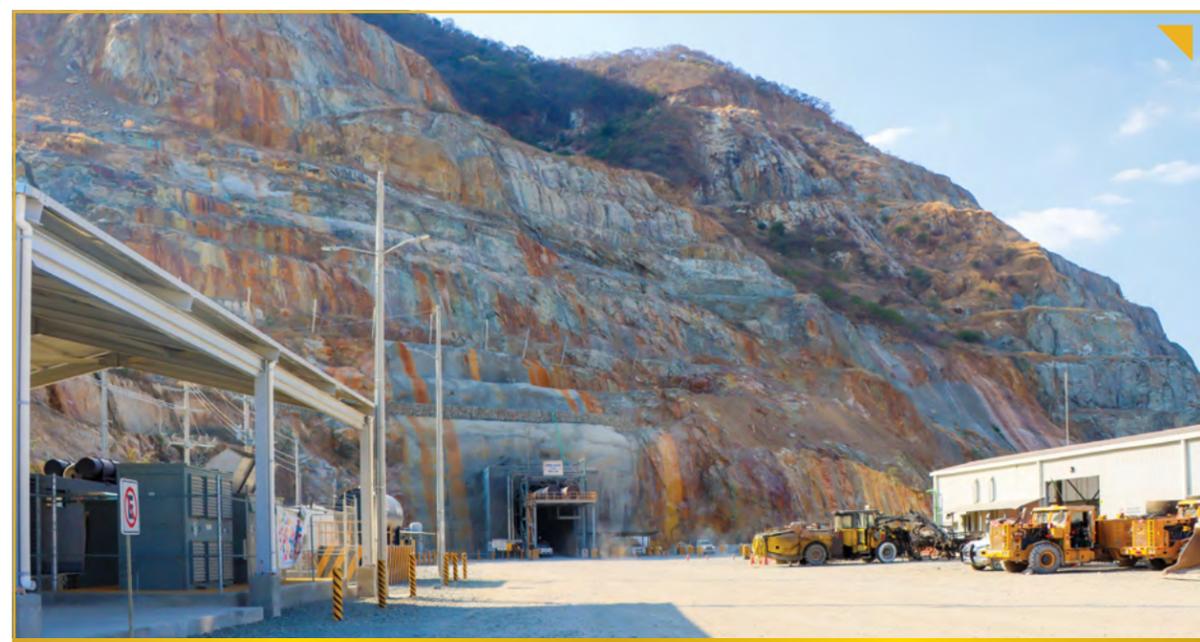
In 2023, Torex maintained 100% compliance with our environmental requirements during the year. We also achieved our goal of zero environmental spills of 1,000 litres or more to the receiving environment, a goal that was tied to our executive compensation and Company-wide incentive plans.

Environmental Compliance Metrics

| METRIC | 2023 | 2022 | 2021 |
|---|------|------|------|
| Water Quality Compliance | 100% | 100% | 100% |
| Air Quality Compliance | 100% | 100% | 100% |
| Reportable Environmental Incidents ¹ | 0 | 0 | 0 |
| Significant Spills ² | 0 | 0 | 0 |
| Significant Fines ³ | 0 | 0 | 0 |

1 To SEMARNAT
 2 Significant spills are defined as spills reportable to SEMARNAT and/or reportable in our annual Financial Statements.
 3 Significant fines are defined as fines levied by SEMARNAT and/or reportable in our annual Financial Statements.

More comprehensive data can be found in the Environmental Compliance section of the ESG Performance Data Tables on [page 114](#) of this Report.



ENERGY MANAGEMENT

As part of our commitment to reduce our greenhouse gas emissions, we strive to enhance energy efficiency in our operations and to increase the proportion of renewable energy in our overall consumption. Our efforts involve targeted initiatives to reduce energy waste through advanced technologies, equipment upgrades, and process optimization. These efforts aim to lower energy consumption while maintaining operational productivity.

Over the years, we have implemented a variety of initiatives to reduce our energy footprint. For example, we currently use a system called the RopeCon[®], a 1.3 kilometre conveyor system that transports ore from our open pits to our processing facilities over a 400 metre vertical fall. Doing so not only reduces the need for haul trucks and the safety risk from driving loaded trucks downhill – it also significantly reduces the consumption of diesel fuel. Importantly, the RopeCon[®] produces all of the energy it consumes, and acts as a net generator of electricity.

In 2023, we continued to make progress on our new solar facility in order to increase our generation and consumption of clean, renewable electricity. Land preparation work continued during 2023, and plant construction started in January 2024, with photovoltaic equipment delivered to the site. Completion and commissioning is anticipated in 2024 pending receipt of the required operating permit from the energy regulator in Mexico.



Currently, our main energy consumption sources and emissions derive from electricity usage at the ELG Mine Complex processing facilities and diesel consumption by mobile equipment. A full 100% of our electricity is supplied by the Mexican power grid operated by the Federal Electricity Commission (CFE). Backup diesel generators are also in place at processing facilities and our residential camp to ensure uninterrupted operations.

While our current energy mix is roughly divided as 50% diesel emissions and 50% electricity consumption, looking ahead, we plan to transition our energy mix at the Morelos Complex over the coming years, with projected proportions of approximately 70% electricity, 25% diesel, and 4.5% solar. Gasoline and propane will play minor roles in meeting our energy needs.

2023 Performance

As expected, with the increased activity, development and construction of the Media Luna Project, in 2023 our total energy consumption increased by just over 10% relative to 2022. Energy intensity per ounce of gold produced also increased due to an increase in energy consumption and lower gold production.

The following table presents our key energy metrics. Detailed energy consumption metrics can be found in the ESG Performance Data Tables on [page 115](#) of this Report.

Key Energy Metrics

| METRIC | 2023 | 2022 | 2021 |
|---|-----------|-----------|-----------|
| Total Direct Energy (GJ) | 1,381,434 | 1,228,505 | 1,232,202 |
| Total Indirect Energy (GJ) | 914,194 | 856,416 | 829,409 |
| Total Energy consumption (GJ) (Direct + Indirect) | 2,295,628 | 2,057,403 | 2,009,741 |
| Energy Intensity GJ/oz gold produced | 5.07 | 4.41 | 4.44 |
| Energy Intensity GJ/tonne processed | 0.48 | 0.45 | 0.46 |

CLIMATE CHANGE AND GHG EMISSIONS

We support the Paris Agreement goals and the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). We believe that the mining industry has a key role to play in reducing GHG emissions as well as supporting the transition to a lower carbon economy by supplying critical minerals and

metals that advance low emissions technologies and solutions. Our approach to addressing climate change incorporates actions that have a positive impact on people and the planet, while making good financial sense for the health and sustainability of our business.

GOVERNANCE

BOARD LEVEL OVERSIGHT

The Safety and Corporate Social Responsibility (“Safety and CSR”) Committee of our Board of Directors is responsible for overseeing the Company’s environmental management, including climate change. The Committee is chaired by an independent director, who has expertise in climate-related matters. Climate change is a standing agenda item in quarterly meetings, where Executive management provides reports to the Committee. The Board of Directors reviews major capital expenditures and strategic initiatives concerning energy and climate change, and approves ongoing climate-related targets and disclosures.

EXECUTIVE LEVEL ACCOUNTABILITY

The President and CEO holds the highest level of accountability for climate-related issues, reporting directly to the Board of Directors. The CFO is responsible for enterprise risk management, including climate-related risks, and reports to the CEO as a member of the Executive team. The Senior Vice President of Human Resources, ESG, and Communications is tasked with leading Torex’s climate change strategy and overseeing climate-related disclosures, reporting to the CEO.

OPERATIONAL OVERSIGHT

The SVP Mexico, who reports to the CEO, holds overall operational accountability for managing climate-related risks and opportunities. The Manager of Environment and Energy reports to the SVP Mexico, and has operational climate-related responsibilities, including ensuring compliance with Mexican regulations related to climate change and maintaining energy and GHG emissions inventories in collaboration with external experts for independent verification. The Company’s ESG Working Group, which is comprised of leaders from both the Corporate Office and operations, also supports the development and implementation of climate-related initiatives.

COMPENSATION

In 2023, 20% of our Company-wide short-term incentive plan (“STIP”), applicable to our Executive Team and staff employees was focused on ESG performance. Implementing Year 1 of our Climate Change Strategy, which was released in November 2022, was a component of the Company’s 2023 ESG STIP objective, which served to establish climate performance as a key strategic focus for Torex.

Strategy

Addressing climate change isn’t just a global concern. We believe that executing on the climate change strategy we established in 2022 will mitigate business risk and provide real opportunities to create value through health and safety improvements, cost savings and operational efficiencies that will benefit our operations.

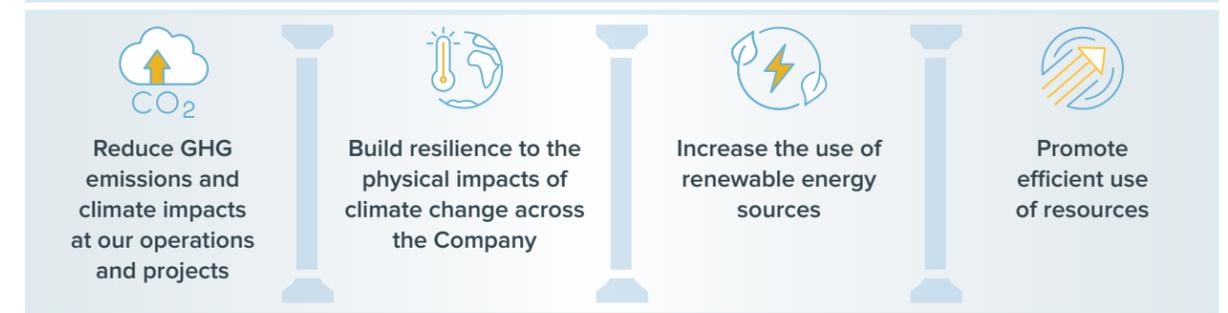
Through the development of our climate change strategy, we sought to advance our understanding of climate-related risks and opportunities as outlined in the TCFD recommendations, and their potential for impact on the value of our Company over the short (0 to 3 years), medium (3 to 10 years) and long term (10+ years). We used a materiality threshold aligned with Canadian securities law materiality definitions as well as the International Financial Reporting Standards (“IFRS”) materiality definition. A detailed breakdown of these risks and opportunities, along with a summary of the strategies we have implemented to mitigate risk and

capitalize on opportunities, can be found in our inaugural Climate Change Report found on our website.

A clear indication that climate-related risks and opportunities have influenced our operational strategy is that our Media Luna Project has been designed with the future in mind and will incorporate several key initiatives to reduce GHG emissions, including the adoption of battery electric equipment, and other opportunities.

While we have not yet conducted climate change scenario analysis, we are committed to continuing to enhance our understanding of climate-related risks and opportunities and the ways in which they could impact our business, strategy and financial planning. At an appropriate time, we will conduct climate change scenario analysis as we continue to enhance the alignment of our climate change disclosure with the TCFD recommendations, and the International Sustainability Standards Board (“ISSB”).

Our climate change strategy focuses on four key pillars:



Risk Management

In managing climate-related risks, Torex Gold adopts a comprehensive approach integrated within our Enterprise Risk Management (ERM) system. This entails a thorough assessment of risks based on their potential impact and likelihood, with due consideration to established financial thresholds. Each identified risk is carefully evaluated, and a residual risk rating is assigned, taking into account existing management controls. Regular monitoring mechanisms are in place to ensure that risk status is continuously reviewed and managed appropriately.

For a comprehensive breakdown of these risks and opportunities, refer to our 2022 inaugural Climate Change Report available on our website.



Metrics and Targets

Our Strategy is designed to support the achievement of our climate-related targets:

A 10% reduction in absolute Scope 1 and 2 GHG emissions by 2030, compared to a 2021 baseline (10% absolute target)

A 25% reduction from Scope 1 and 2 GHG emissions in 2030 forecasted if no action is taken on intervention measures to reduce carbon emissions at the Media Luna Project (25% Business as Usual target)

Achieve Net-Zero GHG Emissions by 2050

To monitor our advancement towards these goals, we maintain comprehensive inventories of our energy consumption and associated greenhouse gas emissions, including our Scope 1 (direct) and Scope 2 (indirect) emissions. The inventories are developed by external energy experts in partnership with our operational team annually, and the results are verified by an independent and accredited third party. Summary results are disclosed publicly on an annual basis.

Pathway to 2030

Our targets are supported by a clear and credible pathway that was determined by conducting a detailed energy audit at our operations to identify carbon savings opportunities. A Marginal Abatement Cost Curve (“MACC”) was leveraged to help identify opportunities that would help us reach our 2030 GHG emissions reduction targets in a cost-effective manner that considers return on investment.

Our pathway to achieving our 2030 GHG emissions reduction targets includes a set of planned measures to 2030, including the development of a new solar plant, the introduction of new battery electric equipment at our Media Luna Project, an

energy and carbon management program, and biodiesel and diesel tracking. In 2023, we made significant progress on our plan through the ongoing development of our new solar plant and the procurement of our new battery electric equipment, which will comprise the largest battery electric fleet in all of Latin America.

More information can be found in our 2022 Climate Change Report which can be found on our website.

2023 Performance

As we anticipated, due to the increased activity associated with the development and construction of our Media Luna Project, our absolute Scope 1 and Scope 2 emissions increased by approximately 10% relative to 2022. This increase was expected in our modelling, and we anticipate emissions will start on a trend downward post-2025 once Media Luna comes into production and our open pits at ELG wind down operations.

The following table presents our key climate change metrics. Detailed GHG (Greenhouse Gas) emissions metrics can be found in the ESG Performance Data Tables on [page 104](#) of this Report.

Key Climate Change Metrics¹

| METRIC | 2023 | 2022 | 2021 |
|---|---------|---------|---------|
| Scope 1 GHG emissions (t of CO ₂ e) | 112,078 | 100,032 | 99,249 |
| Scope 2 GHG emissions (t of CO ₂ e) | 111,227 | 103,484 | 97,456 |
| Total GHG emissions (Scope 1 + Scope 2 emissions in t of CO ₂ e) | 223,305 | 203,515 | 196,704 |
| GHG emissions intensity (t of CO ₂ e per oz gold produced) | 0.49 | 0.42 | 0.42 |
| GHG emissions intensity (t of CO ₂ e per t ore processed) | 0.04 | 0.04 | 0.04 |

¹ These GHG metrics have been assured by a third party. The 2023 GHG Inventory Verification Statement can be found on the ESG Reporting Portal section of our website.

SPOTLIGHT

Celebrating the 50th Anniversary of World Environment Day

June 2023 marked a significant milestone for environmental conservation with the 50th anniversary of World Environment Day. This momentous occasion was celebrated with a series of collaborative events featuring federal, state, and municipal officials, community members, and representatives from our Company.

A key highlight of the celebrations was the inauguration of Torex’s newly established Environmental Education Centres (EECs) at ELG and Media Luna. These facilities are a testament to our commitment to environmental education, offering programs designed to enlighten local youth about the importance of nurturing and safeguarding our natural world.

In tandem with the EEC, we proudly announced the launch of “UMA Bioluna”, a dedicated wildlife management unit. This initiative has received the endorsement of SEMARNAT and embarks on a mission to preserve the “Mexican Beaded Lizard” (*Heloderma horridum*), a species recognized as threatened in Mexico and safeguarded under national legislation.

As part of our June initiatives, we also conducted environmental training sessions to promote awareness among employees, contractors and community members regarding topics associated with environmental stewardship, conservation, and protection.



SPOTLIGHT

Ganar Ganar Awards: National Recognition for Environmental Excellence

The prestigious Ganar Ganar awards are an annual recognition program presented by the Mexican magazine of the same name, known for its unwavering commitment to addressing social responsibility topics in Mexico.

At the 2024 ceremony held in Mexico City, our Senior Vice President Mexico, Faysal Rodriguez, proudly accepted an award in the category of “Best Environmental Case”. The award was given for an article that detailed the inception of two environmental education centers for youth established by the Company, as well as the establishment of a Wildlife Conservation Management Unit to protect and conserve the Mexican Beaded Lizard (*Heloderma Horridum*).

In his acceptance speech, Mr. Rodriguez emphasized the Company’s long-standing dedication to implementing the highest standards of sustainability practices and our commitment to protect and safeguard the environment for future generations.



AIR QUALITY

Our operations generate fugitive air emissions, including from haul trucks, vehicle traffic, and waste rock storage facilities. Our approach to managing air quality impacts is compliant with all applicable Mexican regulations. We control dust generated from haul truck and vehicle movement through regular watering of haul and access roads. In doing so, we use recycled, treated process water, promoting water conservation and resource efficiency. We also use a specialized dust suppressant in sensitive receptor areas on haul and access roads. Water sprinklers are attached to crusher feed hoppers and the main ore stockpile at the ELG processing facilities is domed.

Given that Media Luna will be an underground mining operation, with ore processed at the existing processing facility, we expect dust generation to be reduced when the mine enters production and the open pits and ELG wind down.

The Company operates a network of eleven air quality monitoring stations in the project area to help maintain compliance with Mexican regulations. The stations monitor for Total Suspended Particles (TSP), PM₁₀, and PM_{2.5} as well as gases, including carbon monoxide, nitrogen oxides, and sulphur oxides.

Air Quality

| METRIC | 2023 | 2022 | 2021 |
|--|---|---|--------------------------------------|
| Sulphur oxides SO ₂ (tonnes) | 0.50 | 0.34 | 2 |
| Nitrogen oxides NO _x (tonnes) | 4 | 1 | N/A |
| Carbon monoxide CO (tonnes) | 9 | 12 | N/A |
| PM ₁₀ | Average of 35.73 µg / m ³ Hr | Average of 31.20 µg / m ³ Hr | Average of 29.55 µg / m ³ |

Air quality monitoring results are submitted to the environmental authorities annually. The data shows that air quality monitoring results are consistently below maximum permissible levels as defined by Mexican regulations. However, we will continue to explore opportunities to further reduce dust generation to help mitigate potential impacts.

2023 Performance

In 2023, we updated our air quality reporting metrics. The measurement units for Sulphur Oxides (SO₂), Nitrogen Oxides (NO_x), and Carbon Monoxide (CO) transitioned from parts per million (ppm) to tonnes. This change harmonizes our reporting with international standards, offering a clearer picture of our total emissions and ensuring consistency with updated measurement methods.

The notable decrease seen in SO₂ emissions relative to 2021 can be attributed to the replacement of two boilers, which has had a positive impact on emission levels.

More comprehensive data can be found in the “Air Quality” section of the ESG Performance Data Tables on [page 104](#) of this Report.



WATER STEWARDSHIP

Water is a vital shared resource, especially considering global challenges related to water scarcity. According to the World Resource Institute Aqueduct Water Risk Atlas, our operations are located in an area of “medium-high” overall water stress, meaning that the area has a risk score of between 2 and 3, where 0 is low risk and 5 is extremely high risk. We work diligently to embed effective water management across the business and prioritize sustainable water initiatives as a key component of our community development activities.

Water is a key input into our mining and processing activities. Our primary uses of water are in our processing plant, for dust suppression on haul and access roads, and for camp use.

Our operations are located adjacent to the Balsas River, which is an important economic and cultural resource in the region. Recognizing that many of our host communities have faced challenges with access to



water for domestic use and drinking water, we continue to prioritize community development projects such as the construction of water treatment facilities and drinking supply wells.

Because water is such an important resource for both the Company and our host communities, sound water management is a key operational priority. Our water management plans consider both the dry season, which includes periods of drought that can exacerbate challenges for access to reliable water sources; and the rainy season, which can bring intense rainfall and associated challenges for managing water in our process water ponds.

To navigate these challenges and ensure the sustainability of our water use, we have instituted a detailed Operational Water Management Plan. This plan encompasses a suite of monitoring protocols and management strategies designed to maintain the balance and quality of water resources. In addition, we maintain a comprehensive site-wide water balance model. Developed in close partnership with external engineering specialists, this model is a sophisticated tool that allows us to accurately track and predict the movement of water within our operational footprint.

Our water management system has been designed to maximize recycling by collecting and reusing water while minimizing potential impacts to the environment. Our processing facility is designed as a closed-loop system and, therefore, there is no release of process water, meaning we operate as a zero-process water discharge site.

In 2023, approximately 66% of the water we consumed was recycled through a variety of water recycling initiatives to optimize our water consumption.

For example:

- Through our filter plant reclaim system, which reuses water from the filter tailings press facility and returns it to the process plant, we reused 2,740 megalitres (“ML”) in 2023.
- Water collected in our process water ponds is captured and reused. We reused 643 ML from this source in 2023.
- Water is reused from the Guajes East Pit Lake for dust suppression. In 2023, 463 ML of water was reused for this purpose.

We maintain a comprehensive surface and groundwater monitoring program to establish baseline conditions,

predict and plan for potential impacts, and ensure ongoing compliance with water regulations. Through this program, we have established an operational monitoring network of 80 sampling points from which we collected 443 samples in 2023. The operations team conducts daily sampling and third-party verification is undertaken monthly using a Mexican accredited laboratory.

Since 2017, we have also partnered with the Autonomous University of Guerrero (UAGro) on a unique, participatory water monitoring program in the Rio Balsas and the Rio San Juan. Monitoring is conducted by UAGro for surface water quality and fish health, and results are shared with local fishermen and community members. In February 2023, the seventh annual agreement was signed between the Company and UAGro.

Looking forward, we are committed to ongoing improvement in terms of water conservation and efficiency, and we are currently developing a 5-year water conservation strategy, with associated metrics and targets. This forward-looking strategy is designed to project our water consumption over the next five years and identify opportunities to minimize water usage and consumption in alignment with our long-term operational goals.

2023 Performance

In 2023, we maintained compliance with water-related permits, and there were no reportable spills or regulatory non-conformance incidents for water-related issues.

To enhance our disclosure and transparency on water-related performance metrics, we have taken steps to refine our water reporting protocols in line with the International Council on Mining and Metals (ICMM) Water Stewardship Framework, specifically adhering to the updated water reporting guidelines presented in the Good Practice Guide’s second edition from 2021. As a

In 2023, we maintained compliance with water-related permits, and there were no reportable spills or regulatory non-conformance incidents for water-related issues.

result, we have re-stated our water-related metrics for the years 2021 and 2022 in line with this methodology which will continue to be used on a go-forward basis.

Our total water withdrawal has decreased from 2,266 ML in 2021 to 2,108 ML in 2023, demonstrating our ongoing commitment to reduce our reliance on external water sources.

In 2023, approximately 66% of the water consumed in our operations was recycled water, marking consistent performance in our recycling efforts.

The table below provides a snapshot of key water metrics for the year 2023. For a more comprehensive overview of our water-related performance, refer to the ESG Performance Data Tables located on [page 104](#) of this Report.

Water

| METRIC | 2023 | 2022 | 2021 |
|---|---------|---------|---------|
| Total water withdrawn (ML) | 2,108 | 2,118 | 2,266 |
| Total water consumption (ML) | 2,078 | 2,098 | 2,251 |
| Water discharged (ML) | 30 | 20 | 15 |
| Water recycled (ML) | 4,097 | 4,025 | 3,993 |
| Water recycled (as a percentage of total mine site consumption) | 66% | 66% | 64% |
| Water use intensity (ML per oz gold produced) | 0.00458 | 0.00443 | 0.00483 |

WASTE AND HAZARDOUS MATERIALS MANAGEMENT

As part of our Environmental Quality and Monitoring Program, we maintain a Solid Waste Management Plan and a Special Waste Management Plan that are aligned with Mexican environmental legislation, namely the General Law for the Prevention and Integral Management of Waste.

Our operations generate a variety of waste materials that can be classified as either hazardous or non-hazardous. Our approach to responsible waste management is designed to ensure the safe containment, management and disposal of all waste types.

Our approach to waste and hazardous materials management is aligned with IFC Performance Standard 3 on Resource Efficiency. Our Environmental Protection Policy outlines our Company-wide commitments to identify, assess and manage potentially harmful pollutants.

As part of our Environmental Quality and Monitoring Program, we maintain a Solid Waste Management Plan and a Special Waste Management Plan that are aligned with Mexican environmental legislation, namely the General Law for the Prevention and Integral Management of Waste.

Non-hazardous Waste Handling

Our sustainability commitment drives us to adopt and refine a range of measures for the effective management of non-hazardous waste. We strive not only to minimize our environmental footprint but also to contribute positively to ecosystem vitality. To this end, organic waste is repurposed within our reforestation projects, providing valuable nutrients to local habitats.

We extend care to the segregation of recyclables, with plastics and aluminum being sorted and processed by a certified government-accredited contractor. This ensures their responsible disposal and aligns with our commitment to environmental responsibility. A full 100% of special handling waste is recycled.

Moreover, we apply a conscientious approach to managing the solid urban waste produced in our administrative and residential camp areas.

By segregating this waste into specific categories, we facilitate more efficient recycling and disposal processes.

As we look to the future and the progression of the Media Luna Project, we recognize the impending increase in waste disposal needs during the construction and production stages. Therefore, we have undertaken the expansion of our landfill facility close to Nuevo Balsas to meet this demand, equipped with a double liner system, complete with leak detection capabilities, and a comprehensive leachate collection system. A new landfill facility is also being constructed south of the river at Media Luna.

Hazardous Waste Management

At the Morelos Complex, our operations produce a variety of hazardous wastes, such as materials saturated with hydrocarbons, used oil filters, and waste oils and we follow stringent waste management protocols to ensure their safe handling and containment.

Our process begins with the careful segregation of all hazardous waste, which we store in durable metal drums to prevent any risk of leakage or contamination. These drums are then securely housed in a specially allocated warehouse, awaiting disposal. When the time comes for removal, only government-accredited contractors with a proven specialty in handling hazardous waste provide this service, ensuring it is managed in a manner that complies with regulations and aligns with our high standards of environmental stewardship.

Mineral waste

Through our operations, we generate waste rock, which is a non-economically viable waste product. We currently manage five Waste Rock Storage Facilities (WRSFs) at ELG, and two WRSFs at Media Luna.



All the WRSFs have been designed based on geotechnical stability and geochemical characterization studies.

As our Media Luna Project enters commercial production, we will transition to entirely underground operations, which will significantly reduce waste rock generation and the resulting environmental footprint. Once open pit mining concludes at ELG, the WRSFs at ELG will begin to enter the closure phase.

Our tailings disclosures are presented on [page 119](#) of this Report.

International Cyanide Management Code

Procedures are in place at our operations to ensure the safe management of cyanide. As a member of the World Gold Council, we became a member of the International Cyanide Management Code (ICMC) for the manufacture, transport and use of cyanide in the production of gold, and in 2024, a full external compliance audit will be completed.

To ensure readiness for the audit, a progress review was completed by a recognized third-party expert in 2023, which demonstrated 85% compliance as at December 31, 2023.

2023 Performance

We have undertaken a comprehensive review of our waste reporting categories to ensure greater accuracy and alignment with industry standards. This review revealed opportunities for enhanced clarity in our reporting practices, prompting an update to the way

we categorize and present our waste data. The 2023 reporting structure reflects these improvements, with a clear distinction now made between mineral and non-mineral waste, and a more granular breakdown of the types of waste within these categories. As such, some figures from 2021 and 2022 have been restated.

An increase in the generation of both hazardous and non-hazardous waste can be attributed primarily to the increase in activity at our Morelos Property due to the construction and development of the Media Luna Project in addition to ongoing operations at ELG.

The table below presents key disclosures related to waste generation and chemicals consumption. More comprehensive data can be found in the 'Waste and Materials' data tables on [page 119](#) of this report.

Waste Management

| METRIC | 2023 | 2022 | 2021 |
|--------------------------------|--------|--------|--------|
| Total Hazardous Waste (Tonnes) | 785 | 741 | 494 |
| Total Non-Hazardous (Tonnes) | 342 | 246 | 179 |
| Total Waste Recycled (Tonnes) | 1,886 | 2,006 | 80 |
| Cyanide Consumption (Tonnes) | 12,416 | 11,734 | 21,049 |

TAILINGS STORAGE FACILITIES MANAGEMENT

Our approach to tailings management begins with project design. At ELG we designed and constructed a world-class filtered tailings storage facility (FTSF), which is one of the largest globally and one we believe to be best-in-class in the mining industry.

We filter our tailings through a filter press plant within our processing facility, which reduces the moisture content to approximately 17%. The remaining water is collected and sent back to the processing facilities for re-use.

The tailings are conveyed, placed, and compacted in the storage facility. A buttress of rock on the downstream side adds additional stability and safety. This process significantly conserves water, eliminates the need for tailing embankments, and essentially eliminates the risk of dam failure, which is a critical consideration given that we operate in a relatively high seismic area.

We have internal technical teams dedicated to monitoring the tailings facility. Site personnel responsible for the operation of the facility complete daily inspections and fill out daily inspection reports. Their work is audited by external experts who inspect the site monthly, as well as conduct dedicated inspections in both the wet and dry seasons. The facility is also inspected annually by an independent, third-party consultant.

As part of our Media Luna Project, we intend to begin depositing tailings into our Guajes Pit, which is an open pit at ELG that finished mining in 2023. Construction for the new in-pit tailings facility is underway, and in 2023 an amendment to our MIA was approved by SEMARNAT, meaning that the facility is fully permitted for operations.

As part of the new tailings facility and process, we plan to return sulphide rich tailings for backfill in underground mine workings. This approach will significantly reduce the need for further land disturbances and will help minimize our overall environmental footprint.

We are currently in the process of implementing the Global Industry Standard on Tailings Management (GISTM) for both our existing and new tailings facility, a global best-practice standard for the effective and safe management of tailings. For more information on GISTM refer to the Our Approach section of this Report on [page 15](#). The new in-pit tailings facility has been designed in accordance with the technical requirements of GISTM.

2023 Performance

In 2023, our 100% owned Filtered Tailings Storage Facility (FTSF) maintained zero discharge to the downstream environment. In addition, laboratory analyses conducted throughout the year continue to indicate no acid drainage potential. Inspection reports from our external engineer of record (EoR) and the annual report received from our independent, third-party consultant confirm that the facility is well-managed and performance is in accordance with the intent of the design.

The table below presents key performance metrics related to tailings management.

○ Tailings

| METRIC | 2023 | 2022 | 2021 |
|----------------------------|-----------|-----------|-----------|
| Tailings produced (tonnes) | 4,809,788 | 4,599,092 | 4,512,130 |

BIODIVERSITY AND LAND USE

Mexico is ranked as one of the most biodiverse countries in the world according to Conservation International. We operate in the vicinity of a priority region for biodiversity conservation – known as the Cañón del Zopilote – demonstrating the need for strong management of biodiversity risks and impacts.

At Torex, we are deeply committed to safeguarding biodiversity, recognizing its critical role in sustaining ecosystem health and resilience. We acknowledge the growing global imperative for businesses to address biodiversity concerns, particularly in light of escalating nature-related risks and the interconnectedness between biodiversity, climate change, and achieving net-zero emissions. The recent COP15 Summit and adoption of the Kunming-Montreal Global Biodiversity Framework underscore the urgency of action in this area, alongside the increasing prominence of initiatives such as the Task Force on Nature-related Financial Disclosures (TNFD).

Mexico is ranked as one of the most biodiverse countries in the world according to Conservation International. We operate in the vicinity of a priority region for biodiversity conservation – known as the Canon del Zopilote – demonstrating the need for strong management of biodiversity risks and impacts.

Our commitment to biodiversity conservation is codified within our Environmental Protection Policy, which mandates a zero-harm approach beyond our operational boundaries. Aligned with the International Finance Corporation (IFC) Performance Standard 6 on Biodiversity Conservation and Sustainable Management of Living Natural Resources, we adhere to a “no net loss” principle concerning natural and critical habitat. Our target is to offset our entire mine footprint in natural habitat areas, striving for a net increase in habitat conservation at a ratio of 3:1.

Integral to our approach are comprehensive biodiversity and land management plans, which are integrated into our Environmental and Social Management System (ESMS). Developed collaboratively with stakeholders and regulatory bodies, these plans feature extensive

monitoring programs to track biodiversity indicators and ensure compliance with conservation objectives. Key programs include:

● WILDLIFE CONSERVATION, RESCUE, AND RELOCATION PROGRAM

Goals: Prevent, mitigate, and compensate for potential adverse environmental impacts on wildlife resulting from our mining activities.

● REFORESTATION AND CONSERVATION PROGRAM FOR VEGETATION TYPES AND WILDLIFE:

Goals: Mitigate adverse environmental impacts on vegetation cover and wildlife diversity and contribute to biodiversity and ecosystem preservation.

● SOIL MANAGEMENT, RESTORATION, AND EROSION CONTROL PROGRAM:

Goals: Continue soil management and conservation efforts and implement activities to mitigate soil erosion processes.

Biodiversity risk and impact assessments form core components of our project-level environmental and social impact evaluations. Recent baseline studies conducted for the Media Luna Project identified at-risk fauna and flora species, including the margay, military macaw, and lesser long-nosed bat. In response, we have instituted specialized conservation and monitoring programs tailored to these species’ needs.

As part of our commitment to landscape-level conservation, we have dedicated an 84.3-hectare conservation area to extend biological corridors, promoting connectivity and resilience within the ecosystem.



Furthermore, we conduct annual reforestation initiatives, utilizing seedlings cultivated at two on-site nurseries to enhance habitat restoration efforts. Collectively, these initiatives are poised to yield a net increase in habitat conservation over the Morelos Complex’s operational lifespan, underscoring our commitment to biodiversity preservation and sustainable land management.

In 2022, we completed a comprehensive update of our mine closure plan, which covers both our existing operations as well as the Media Luna Project. The primary objectives of the plan are to protect public health and safety while restoring land to a productive, postmining land use while maintaining a healthy ecosystem. Progressive reclamation will occur as our Media Luna Project progresses and will continue until 2054.

2023 Performance

We maintain an extensive reforestation program as part of our biodiversity offset commitments. In 2023, we planted 70,560 trees using 22 native species across 108.5 hectares. Many of the reforestation areas selected are adjacent to local communities.

In 2023 our studies confirm that our existing and planned tailing facilities do not show the potential for acid rock drainage.

The table below presents key metrics related to biodiversity and land use. More comprehensive data can be found in the “Biodiversity and Land Use” section of the ESG Performance Data Tables on [page 120](#) of this Report.

Biodiversity and Land Use

| METRIC | 2023 | 2022 | 2021 |
|--|--------|--------|---------|
| New land disturbed (ha) | 17 | 39 | 33 |
| Area reforested (ha) | 108.5 | 81 | 157 |
| Native trees planted | 70,560 | 49,784 | 106,467 |
| Characterizations with acid drainage potential | 0 | 0 | 0 |

SPOTLIGHT

“Tapitas with Cause” Campaign in Support of Children with Cancer

The Company’s Environment Department made a meaningful contribution to environmental sustainability and social responsibility through its successful plastic cap collection initiative. Over a six-month period, the team collected more than 80 kilograms of plastic bottle caps, a resource often overlooked in recycling efforts. These caps were then donated to the “Banco de Tapitas” in Chilpancingo, a non-profit organization dedicated to recycling plastic bottle caps with the goal of generating funds to support cancer care programs for youth under the age of 21.



ESG PERFORMANCE DATA TABLES

PRODUCTION



PRODUCTION METRICS

| METRIC | 2023 | 2022 | 2021 |
|------------------------------|-----------|-----------|-----------|
| Total ore mined (tonnes) | 5,126,843 | 4,446,740 | 4,760,978 |
| Total ore processed (tonnes) | 4,809,789 | 4,599,080 | 4,497,992 |
| Total gold produced (oz) | 453,778 | 474,035 | 466,084 |



GOVERNANCE

DIRECTOR INDEPENDENCE AND TENURE

| METRIC | 2023 | 2022 | 2021 |
|---|------|------|------|
| % of Directors Independent | 89 | 89 | 89 |
| % Committee Independence | 100 | 100 | 100 |
| Audit Committee | 100 | 100 | 100 |
| Compensation Committee | 100 | 100 | 100 |
| Nominating and Corporate Governance Committee | 100 | 100 | 100 |
| Safety & CSR Committee | 100 | 100 | 100 |
| Technical Committee | 100 | 100 | 100 |
| Average Director tenure (years) ¹ | 2.7 | 2.2 | 2.7 |

¹ As at the end of the 2023 calendar year.

DIRECTOR DIVERSITY & INCLUSION

| METRIC | 2023 ² | 2022 ³ | 2021 |
|---|-------------------|-------------------|------|
| Number of Directors | 8 | 9 | 9 |
| % Male Directors | 63% | 56% | 56% |
| % Female Directors | 37% | 44% | 44% |
| % Ethnically Diverse Directors ⁴ | 13% | 13% | 0% |
| Average Directors age ⁵ | 60 | 58 | 59 |

² Figures from June 2023 to December 2023. Following the retirement of Elizabeth Wademan in June 2023.

³ Figures from August 2022 to December 2022. Following the appointment of Rodrigo Sandoval in August 2022.

⁴ A member of an underrepresented group who share physical characteristics and/or a culture which may include shared language, history, traditions, among other commonalities, including without limitation, individuals who identify as Aboriginal (Indigenous, Inuit or Métis), Black, Asian, Hispanic or Latinx.

⁵ As at the end of the 2023 calendar year.

ESG Performance Data Tables – Continued

EXECUTIVE TEAM DIVERSITY & INCLUSION

| METRIC | 2023 | 2022 | 2021 |
|--|------|------|------|
| % Male Executives | 57% | 57% | 50% |
| % Female Executives | 43% | 43% | 50% |
| % Ethnically Diverse Executives ⁶ | 14% | 14% | 14% |

⁶ A member of an underrepresented group who share physical characteristics and/or a culture which may include shared language, history, traditions, among other commonalities, including without limitation, individuals who identify as Aboriginal (Indigenous, Inuit or Métis), Black, Asian, Hispanic or Latinx.

ANTI-CORRUPTION AND WHISTLEBLOWER

| METRIC | 2023 | 2022 | 2021 |
|---|------|------|------|
| Corruption incidents (number) | 0 | 0 | 0 |
| Whistleblower complaints (number) | 2 | 1 | 3 |
| Attestation to anti-corruption policies (%) | 100 | 100 | 100 |

HUMAN RIGHTS TRAINING

| METRIC | 2023 ⁷ | 2022 ⁷ | 2021 |
|--|-------------------|-------------------|------|
| Training on Human Rights provided to employees (hours) | 144 | 210 | N/A |
| Training on Human Rights provided to third-party organizations (hours) | 155 | 5,700 | N/A |

⁷ Training hours on Voluntary Principles on Security and Human Rights.

VALUE SHARING



ECONOMIC VALUE GENERATED AND DISTRIBUTED (MILLIONS OF USD)

| METRIC | 2023 | 2022 | 2021 |
|---|---------|---------|---------|
| Revenue | \$882.6 | \$868.5 | \$855.8 |
| Production costs | \$371.5 | \$337.1 | \$304.9 |
| Mine capital expenditures | \$478.0 | \$277.2 | \$230.4 |
| Salaries paid | \$88.1 | \$69.3 | \$67.4 |
| Payments to local, state, and federal governments | \$215.1 | \$184.2 | \$200.5 |
| Direct community investments ^{1,2} | \$3.1 | \$3.2 | \$2.5 |
| Fondo Minero payments ³ | \$34.2 | \$34.6 | \$34.5 |
| Payments for local land agreements | \$15.0 | \$13.1 | \$13.5 |

¹ Includes CODECOP contributions for community development and direct community investment.

² Does not include dollars spent on road improvements in surrounding communities which also have an operational benefit for the Company in the amount of \$1.6M for 2021, \$2.2M for 2022 and \$4.1M for 2023.

³ Note these funds were paid in the calendar year in respect of the previous year. In Q1 2024, \$29.4M was paid to the Fondo Minero in respect of 2023 and will be reported in our 2024 Responsible Gold Mining Report.

ESG Performance Data Tables – Continued

SAFETY & TECHNICAL TRAINING

| METRIC | 2023 | | | 2022 | | | 2021 | | |
|---|-----------|-------------|--------|-----------|-------------|--------|-----------|-------------|--------|
| | Employees | Contractors | Total | Employees | Contractors | Total | Employees | Contractors | Total |
| Total employees trained (number) ⁶ | 1,074 | 3,382 | 4,456 | 1,067 | 2,303 | 3,370 | 819 | 1,689 | 2,508 |
| Total managers trained (number) ⁶ | 10 | 21 | 31 | 10 | 9 | 19 | 9 | N/A | 9 |
| SafeStart training hours | 3,056 | 4,033 | 7,089 | 4,722 | 4,124 | 8,846 | 7,712 | 372 | 8,084 |
| Total training hours ⁷ | 30,738 | 62,346 | 93,084 | 27,537 | 64,215 | 91,752 | 24,843 | 57,756 | 82,599 |
| Average training hours ⁶ | 28.6 | 18.4 | 21 | 25.8 | 27.9 | 27 | 30.3 | 34.2 | 33 |

⁶ Values have been corrected to align with our new measurement methodology.

⁷ Total Training hours includes all Technical and Safety Training delivered.

EMERGENCY PREPAREDNESS

| METRIC | 2023 | | | 2022 | | | 2021 | | |
|---|-----------|-------------|-------|-----------|-------------|-------|-----------|-------------|-------|
| | Employees | Contractors | Total | Employees | Contractors | Total | Employees | Contractors | Total |
| Emergency response simulations and training (hours) | 1,423 | 1,932 | 3,355 | 272 | 912 | 1,184 | 216 | 52 | 268 |

OUR PEOPLE



EMPLOYEE COMPOSITION

| METRIC | 2023 | 2022 | 2021 |
|--|--------------|--------------|--------------|
| Corporate | | | |
| Total employees (number) | 49 | 43 | 41 |
| Operations | | | |
| Staff employees (number) | 475 | 428 | 363 |
| Non-staff employees (number) | 688 | 680 | 657 |
| Total employees (number) | 1,163 | 1,108 | 1,020 |
| Contractors (number) | 3,382 | 2,303 | 1,689 |
| Corporate & Operations Combined | | | |
| Total employees (number) | 1,212 | 1,151 | 1,061 |
| Total contractors (number) | 3,382 | 2,303 | 1,689 |
| Total workforce (employees & contractors) | 4,594 | 3,454 | 2,750 |
| Contractor share of workforce (%) | 74% | 67% | 61% |

ESG Performance Data Tables – Continued

EMPLOYEE ORIGIN (NUMBER)

| METRIC | 2023 | 2022 | 2021 |
|--------------------------------------|-------|-------|-------|
| Corporate | | | |
| International employees at corporate | 2 | 1 | 1 |
| Operations | | | |
| Local communities ¹ | 481 | 475 | 454 |
| Guerrero state | 808 | 649 | 629 |
| Mexico | 1,163 | 1,098 | 1,010 |
| International | 6 | 10 | 10 |

¹ Local communities are defined as communities within direct influence of MML. In Balsas Norte: Nuevo Balsas (including San Nicolas), Real del Limón, La Fundición, Atzcala & Valerio Trujano. In Puente Sur Balsas: Mezcala, Mazapa, Mancilla, San Miguel, Tepehuaje & Puente Sur Balsas.

EMPLOYEE ORIGIN (AS % OF TOTAL EMPLOYMENT)

| METRIC | 2023 | 2022 | 2021 |
|--------------------------------------|------|------|------|
| Corporate | | | |
| International employees at corporate | 4% | 2% | 2% |
| Operations | | | |
| Local communities | 41% | 43% | 44% |
| Guerrero state | 69% | 59% | 61% |
| Outside of Guerrero | 30% | 41% | 39% |
| Mexico | 99% | 99% | 99% |
| International | 1% | 1% | 1% |

CONTRACTOR ORIGIN (NUMBER)

| METRIC | 2023 | 2022 | 2021 |
|-------------------|-------|-------|-------|
| Operations | | | |
| Local communities | 364 | 467 | 336 |
| Guerrero state | 1,525 | 677 | 849 |
| Mexico | 1,479 | 1,148 | 1,680 |
| International | 14 | 11 | 9 |

ESG Performance Data Tables – Continued

CONTRACTOR ORIGIN (AS % OF TOTAL CONTRACTORS)

| METRIC | 2023 | 2022 | 2021 |
|-------------------|------|------|------|
| Operations | | | |
| Local communities | 11% | 20% | 20% |
| Guerrero state | 45% | 29% | 51% |
| Mexico | 100% | 100% | 100% |
| International | <1% | <1% | <1% |

EMPLOYEE TURNOVER (%)

| METRIC | 2023 | 2022 ² | 2021 ² |
|--|-----------|-------------------|-------------------|
| Corporate | | | |
| Male turnover rate | 3% | 24% | 38% |
| Female turnover rate | 13% | 39% | 19% |
| Total turnover rate | 7% | 29% | 30% |
| Operations | | | |
| Male turnover rate | 9% | 13% | 12% |
| Female turnover rate | 13% | 18% | 14% |
| Total turnover rate | 9% | 14% | 12% |
| Corporate & Operations Combined | | | |
| Total turnover rate | 9% | 14% | 13% |

² The reported balances have been corrected to reflect an updated measurement methodology in 2023.

EMPLOYEE VS COMPANY INITIATED TURNOVER (%)

| METRIC | 2023 | 2022 ² | 2021 ² |
|--|-----------|-------------------|-------------------|
| Corporate | | | |
| Employee-initiated | 4% | 24% | 28% |
| Company-initiated | 2% | 5% | 3% |
| Operations | | | |
| Employee-initiated | 4% | 10% | 4% |
| Company-initiated | 5% | 3% | 8% |
| Corporate & Operations Combined | | | |
| Total employee-initiated turnover | 4% | 11% | 5% |
| Total company-initiated turnover | 5% | 3% | 8% |

ESG Performance Data Tables – Continued

DIVERSITY

| METRIC | 2023 | 2022 | 2021 |
|---|------|------|------|
| Corporate | | | |
| Total female employment (number) | 16 | 16 | 16 |
| Total female employees in management or higher positions (number) | 6 | 7 | 10 |
| Females in management or higher positions (%) | 13% | 16% | 17% |
| Total female employment (as % of total employment) | 33% | 38% | 39% |
| Operations | | | |
| Total female employment (number) | 187 | 176 | 164 |
| Total female employees in management or higher positions (number) | 41 | 49 | 49 |
| Females in management or higher positions (%) | 22% | 28% | 30% |
| Total female employment (as % of total employment) | 16% | 16% | 16% |
| Corporate & Operations Combined | | | |
| Total female employment (number) | 203 | 192 | 180 |
| Females in management or higher positions (%) | 4% | 5% | 6% |
| Total female employment (as % of total employment) | 17% | 17% | 17% |

CONTRACTOR DIVERSITY³

| METRIC | 2023 | 2022 |
|--|------|------|
| Total female employment | 258 | 194 |
| Females in management or higher positions (%) | <1% | <1% |
| Total female employment (as % of total employment) | 8% | 8% |

³ Data for 2021 is unavailable and has consequently been omitted from the table.

LABOUR RELATIONS

| METRIC | 2023 | 2022 | 2021 |
|--|------|------|------|
| Operations | | | |
| % of staff covered by collective bargaining agreements | 59% | 65% | 64% |
| Strikes or lockouts | 0 | 0 | 0 |

ESG Performance Data Tables – Continued

EMPLOYMENT BY AGE (NUMBER)

| METRIC | 2023 | 2022 | 2021 |
|-------------------|------|------|------|
| Corporate | | | |
| <30 | 3 | 3 | 0 |
| 30-50 | 30 | 27 | 27 |
| 50+ | 13 | 13 | 14 |
| Operations | | | |
| <30 | 291 | 266 | 275 |
| 30-50 | 860 | 773 | 681 |
| 50+ | 66 | 69 | 64 |

CONTRACTOR EMPLOYMENT BY AGE (NUMBER)

| METRIC | 2023 | 2022 | 2021 |
|--------|-------|-------|------|
| <30 | 1,447 | 921 | N/A |
| 30-50 | 1,749 | 1,251 | N/A |
| 50+ | 186 | 131 | N/A |

NEW EMPLOYEE HIRES

| METRIC | 2023 | 2022 | 2021 | |
|-------------------------------------|------------|------------|------------|----|
| Corporate | | | | |
| New male hires (number) | <30 | 0 | 2 | 0 |
| | 30-50 | 3 | 5 | 6 |
| | 50+ | 2 | 2 | 3 |
| New female hires (number) | <30 | 0 | 2 | 0 |
| | 30-50 | 4 | 1 | 3 |
| | 50+ | 0 | 1 | 1 |
| Total Corporate new hires (number) | 9 | 13 | 13 | |
| % roles filled internally | 0% | 12% | 7% | |
| Operations | | | | |
| New male hires (number) | <30 | 41 | 61 | 77 |
| | 30-50 | 78 | 92 | 66 |
| | 50+ | 3 | 3 | 2 |
| New female hires (number) | <30 | 8 | 13 | 23 |
| | 30-50 | 24 | 18 | 21 |
| | 50+ | 0 | 0 | 0 |
| Total Operations new hires (number) | 154 | 187 | 189 | |
| % roles filled internally | 27% | 34% | 45% | |
| Total new hires | 163 | 200 | 202 | |

ESG Performance Data Tables – Continued

EMPLOYEE COMPENSATION AND EQUAL REMUNERATION⁴

| METRIC | 2023 | 2022 | 2021 |
|--|-------------|-------------|-------------|
| Corporate Ratio Female/Male Average Salary | | | |
| Level 1 | – | – | – |
| Level 2 | 0.93 | 0.94 | 0.96 |
| Level 3 | 0.99 | 0.94 | 1.11 |
| Level 4 | 0.98 | 0.99 | 0.91 |
| Executive Level | 1.19 | 1.20 | 1.12 |
| Operations Ratio Female/Male Average Salary | | | |
| Level 1 | 0.81 | 0.84 | 0.82 |
| Level 2 | 0.93 | 0.87 | 0.85 |
| Level 3 | 1.00 | 0.86 | 0.79 |
| Level 4 | – | – | – |
| Total ratio female/male average salary | 1.18 | 1.23 | 1.23 |

⁴ The formula used to calculate the gender pay gap is the average earnings of women divided by the average earnings of men.



TRAINING

TRAINING

| METRIC | 2023 | 2022 | 2021 |
|--|---------------|---------------------------|---------------------------|
| Corporate | | | |
| Total hours of social training (corporate) ¹ | 810 | 570 | 830 |
| Total hours of social training (operations) ¹ | 5,116 | 4,448 ³ | 3,134 ³ |
| Total hours of safety & technical training (corporate & operations) ² | 93,084 | 91,752 | 82,599 |
| Total hours of training | 99,010 | 96,770³ | 86,563³ |

¹ Accounts for all non-technical or safety training delivered by human resources.

² Includes all technical and safety training delivered.

³ Values have been revised and corrected

SOCIAL TRAINING⁴

| METRIC | 2023 | 2022 | 2021 |
|--|-------|--------------------|--------------------|
| Corporate | | | |
| Total hours of employee training | 810 | 570 | 830 |
| Average hours of training per employee | 17 | 13 | 21 |
| Operations | | | |
| Total hours of employee training | 5,116 | 4,448 ⁵ | 3,134 ⁵ |
| Average hours of training per employee | 2 | 6 ⁵ | 4 ⁵ |
| Total employees trained | 2,192 | 729 ⁵ | 872 ⁵ |

⁴ Social Training accounts for all non-technical or safety training delivered by human resources.

⁵ Values have been revised and corrected.

ESG Performance Data Tables – Continued

COMMUNITY



COMMUNITY AGREEMENTS

| METRIC | 2023 | 2022 | 2021 |
|------------------------------|------|------|------|
| Number of agreements signed | 11 | 11 | 11 |
| % compliance with agreements | 100 | 100 | 100 |

COMMUNITY INVESTMENT (MILLIONS OF USD)

| METRIC | 2023 | 2022 | 2021 |
|--|--------|--------|--------|
| Amount invested in CODECOP projects | \$0.8 | \$0.7 | \$0.5 |
| Amount invested in non-CODECOP projects ¹ | \$2.3 | \$2.5 | \$2.0 |
| Total community investment ¹ | \$3.1 | \$3.2 | \$2.5 |
| Fondo Minero Payments ^{2,3} | \$34.2 | \$34.6 | \$34.5 |

¹ Does not include dollars spent on road improvements in surrounding communities which also have an operational benefit for the Company in the amount of \$1.6M for 2021, \$2.2M for 2022 and \$4.1M for 2023.

² Note these funds were paid in the calendar year in respect of the previous year. In Q1 2024, \$29.4M was paid to the Fondo Minero in respect of 2023 and will be reported in our 2024 Responsible Gold Mining Report.

³ The Fondo Minero is now called the Fondo para el Desarrollo de Zonas de Produccion Minera

COMMUNITY GRIEVANCES

| METRIC | 2023 | 2022 | 2021 |
|------------------------|------|------|------|
| Number of grievances | 25 | 16 | 8 |
| Grievances resolved | 16 | 12 | 8 |
| Outstanding grievances | 9 | 4 | 0 |

NON-TECHNICAL DELAYS

| METRIC | 2023 | 2022 | 2021 |
|---|------|------|------|
| Delays caused by community-related issues | 0 | 0 | 0 |

RESETTLEMENT AND/OR RELOCATION ACTIVITY

| METRIC | 2023 | 2022 | 2021 |
|---|------|------|------|
| Resettlement and/or relocation activity occurred (yes/no) | No | No | No |
| Number of households resettled and/or relocated | 0 | 0 | 0 |

ENVIRONMENTAL COMPLIANCE



ENVIRONMENTAL MONITORING (NUMBER)

| METRIC | 2023 | 2022 | 2021 |
|---------------------------------|------|------|------|
| Water quality monitoring points | 80 | 77 | 77 |
| Water quality samples | 443 | 430 | 412 |
| Air quality monitoring points | 12 | 12 | 11 |
| Air quality samples | 48 | 48 | 44 |

ESG Performance Data Tables – Continued

ENVIRONMENTAL COMPLIANCE (% COMPLIANCE TO STATUTORY MONITORING PLAN AND STANDARDS REQUIREMENTS)

| METRIC | 2023 | 2022 | 2021 |
|---------------|------|------|------|
| Water quality | 100 | 100 | 100 |
| Air quality | 100 | 100 | 100 |

REPORTABLE ENVIRONMENTAL INCIDENTS

| METRIC | 2023 | 2022 | 2021 |
|-------------------------------------|------|------|------|
| Reportable to SEMARNAT ¹ | 0 | 0 | 0 |
| Significant fines ² | 0 | 0 | 0 |

¹ Mexican Secretariat of Environment and Natural Resources

² Significant fines are defined as fines levied by SEMARNAT and/or reportable in our annual Financial Statements.

REPORTABLE SPILLS

| METRIC | 2023 | 2022 | 2021 |
|--|------|------|------|
| Significant spills ³ (number) | 0 | 0 | 0 |
| Total volume of significant spills (L) | 0 | 0 | 0 |

³ Significant spills are defined as spills reportable to SEMARNAT and/or reportable in our annual Financial Statements.



ENERGY AND EMISSIONS

The following data have been prepared with reference to the *Corporate Accounting and Reporting Standard (Revised Edition)* developed by the Greenhouse Gas Protocol of the World Resources Institute (WRI) and the World Business Council on Sustainable Development (WBCSD). Reporting boundaries are based on 'financial control'. Emissions factors include Global Warming Potentials (GWP) from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report. All stated emissions are covered under an emissions-limiting regulation or program within Mexico.

ENERGY CONSUMPTION (GJ)¹

| METRIC | 2023 | 2022 | 2021 |
|---|-------------------|------------------|------------------|
| Direct Energy | | | |
| Diesel from mobile sources | 1,109,858 | 1,115,983 | 1,123,072 |
| Diesel from stationary sources | 220,389 | 63,272 | 47,998 |
| Gasoline | 48,869 | 47,488 | 60,425 |
| Liquefied petroleum gas ² | 2,292 | 1,762 | 706 |
| Renewable sources | 0 | 0 | 0 |
| Total direct | 1,1381,434 | 1,228,505 | 1,232,202 |
| Indirect Energy | | | |
| Electricity purchased ³ | 914,194 | 856,416 | 829,409 |
| Total indirect | 914,194 | 856,416 | 829,409 |
| Total energy consumption (direct + indirect) | 2,295,628 | 2,057,403 | 2,009,741 |

¹ The unit of measurement for energy consumption indicators has been changed to gigajoules (GJ) to better align with international reporting standards and provide a clear understanding of total energy consumption.

² Gas consumption is Liquefied Petroleum Gas.

³ All electricity is purchased from Federal Electricity Commission power plants in Guerrero.

ESG Performance Data Tables – Continued

ENERGY INTENSITY

| METRIC | 2023 | 2022 | 2021 |
|---------------------|------|------|------|
| GJ/oz gold produced | 5.07 | 4.41 | 4.44 |
| GJ/tonne processed | 0.48 | 0.45 | 0.46 |
| GJ/tonne mined | 0.45 | 0.47 | 0.43 |

GREENHOUSE GAS EMISSIONS (TONNES OF CO₂E)

| METRIC | 2023 | 2022 | 2021 |
|---|----------------|----------------|----------------|
| Scope 1 GHG emissions (direct)⁴ | 112,078 | 100,032 | 99,249 |
| Diesel from mobile sources | 87,675 | 90,703 | 90,162 |
| Diesel from stationary sources | 16,384 | 4,704 | 3,568 |
| Gasoline | 3,526 | 3,425 | 4,358 |
| Liquefied petroleum gas | 145 | 111 | 45 |
| Scope 2 GHG emissions (indirect)⁵ | 111,227 | 103,484 | 97,456 |
| Total emissions (Scope 1 + Scope 2 emissions) | 223,305 | 203,515 | 196,704 |
| Scope 3 GHG emissions ⁶ | Not measured | Not measured | Not measured |
| Total GHG emissions⁷ | 223,305 | 203,515 | 196,704 |

⁴ Calculations include CO₂, CH₄, and N₂O. Purchasing records and warehouse data were used to verify data.

⁵ Emissions factors provided by the Comisión Federal de Electricidad (CFE) were used to calculate Scope 2 emissions. Calculations include CO₂, CH₄, and N₂O. Purchasing records were used to verify data.

⁶ We do not currently calculate Scope 3 emissions, although we plan to do so as part of our ongoing energy and climate change strategy.

⁷ Scope 1 + Scope 2 emissions.

GREENHOUSE GAS EMISSIONS INTENSITY (TONNES OF CO₂e)

| METRIC | 2023 | 2022 | 2021 |
|-----------------------|-------|-------|-------|
| Per oz gold produced | 0.492 | 0.429 | 0.422 |
| Per ton ore processed | 0.046 | 0.044 | 0.044 |
| Per ton ore mined | 0.044 | 0.046 | 0.041 |

RENEWABLE AND NON-RENEWABLE ENERGY CONSUMPTION
(AS % OF OVERALL CONSUMPTION)

| METRIC | 2023 | 2022 | 2021 |
|---------------|------|------|------|
| Renewable | 0 | 0 | 0 |
| Non-renewable | 100 | 100 | 100 |

ELECTRICITY PURCHASED BY SOURCE (%)

| METRIC | 2023 | 2022 | 2021 |
|----------|------|------|------|
| Grid | 100 | 100 | 100 |
| Non-grid | 0 | 0 | 0 |

ESG Performance Data Tables – Continued



AIR QUALITY

AIR QUALITY¹

| METRIC | 2023 | 2022 | 2021 |
|--|--|--|--|
| Sulphur oxides SO ₂ (tonnes) | 0.50 | 0.34 | 2 |
| Nitrogen oxides NO _x (tonnes) | 4 | 1 | N/A |
| Total suspended particles (tonnes) | 35 | 16 | 27 |
| Carbon monoxide CO (tonnes) ² | 9 | 12 | N/A |
| Particulate matter PM ₁₀ ³ | Average of 35.73 µg / m ³ Hr | Average of 31.20 µg/m ³ Hr | Average of 29.55 µg/m ³ Hr |

¹ The unit of measurement for sulphur oxides (SO₂), nitrogen oxides (NO_x) and carbon monoxide (CO) has been changed from parts per million (ppm) to tonnes to better align with international reporting standards and to provide a clear understanding of the total emissions.

² Point source emissions are those that originate from a single identifiable source (e.g. Fixed Sources).

³ The reported balances have been updated to reflect an updated measurement methodology.



WATER

Our water reporting methodology has been revised to align with the International Council on Mining and Metals (ICMM) Water Stewardship Framework, adhering to the enhanced guidelines from the 2021 second edition of the ICMM's Good Practice Guide. The primary updates are as follows:

- 1) We have redefined our reporting boundary to ensure it encapsulates all relevant water data in accordance with the ICMM standards.
- 2) Our measurement methodology has been upgraded to incorporate the latest best practices for water accounting, enhancing the accuracy and reliability of our reported data.

These modifications are integral to our commitment to responsible water management and transparent reporting.

WATER BALANCE SUMMARY (ML)

| METRIC | 2023 | 2022 | 2021 |
|---|--------------|--------------|--------------|
| Operational Water Withdrawn | | | |
| Surface water | 1,163 | 1,045 | 997 |
| Groundwater | 945 | 1,073 | 1,269 |
| Seawater | 0 | 0 | 0 |
| Third-party water | 0 | 0 | 0 |
| Total water withdrawn | 2,108 | 2,118 | 2,266 |
| Percentage of fresh water withdrawn and consumed in regions with high or extremely high baseline water stress | 0% | 0% | 0% |
| Other Managed Water | | | |
| Surface water | 342 | 309 | 349 |
| Groundwater | 324 | 51 | 215 |
| Community use ELG | 314 | 39 | 207 |
| Community use ML | 10 | 12 | 8 |
| Seawater | 0 | 0 | 0 |
| Third-party water | 0 | 0 | 0 |
| Other managed water total | 666 | 360 | 564 |

ESG Performance Data Tables – Continued

WATER BALANCE SUMMARY (ML) (CONTINUED)

| METRIC | 2023 | 2022 | 2021 |
|--|--------------|--------------|--------------|
| Water Discharged | | | |
| Discharge to surface water ¹ | 30 | 20 | 15 |
| Discharge to ground water | 0 | 0 | 0 |
| Discharge to sea water | 0 | 0 | 0 |
| Discharge to third parties | 0 | 0 | 0 |
| Total water discharged | 30 | 20 | 15 |
| Total water consumption² | 2,078 | 2,098 | 2,251 |

¹ Treated domestic wastewater

² Total water withdrawn minus water discharged

WATER REUSED/RECYCLED (ML)

| METRIC | 2023 | 2022 | 2021 |
|--|--------------|--------------|--------------|
| Operational water recycled | 4,097 | 4,025 | 3,993 |
| Total reused water | 4,097 | 4,025 | 3,993 |
| Total water consumed (withdrawn minus discharged) | 2,078 | 2,098 | 2,251 |
| Total water recycled | 4,097 | 4,025 | 3,993 |
| Total water used (operational water demand) (consumed plus recycled) | 6,175 | 6,123 | 6,244 |
| Water recycled (as a percentage of total mine site consumption) | 66% | 66% | 64% |

WATER INTENSITY

| METRIC | 2023 | 2022 | 2021 |
|-------------------------------------|---------|---------|---------|
| ML per total ore mined (tonnes) | 0.00041 | 0.00047 | 0.00047 |
| ML per total ore processed (tonnes) | 0.00043 | 0.00046 | 0.00050 |
| ML per total gold produced (oz) | 0.00458 | 0.00443 | 0.00483 |

WATER RELATED INCIDENTS

| METRIC | 2023 | 2022 | 2021 |
|---|------|------|------|
| Number of incidents of water related non-compliance | 0 | 0 | 0 |

ESG Performance Data Tables – Continued



WASTE AND MATERIALS

We have refined our waste reporting methodology to ensure full compliance with current industry and regulatory standards, thereby enhancing the clarity, comparability, and transparency of our waste data. The key updates implemented are:

- 1) We have refined the measurement unit for mineral waste reporting from kilotonnes to tonnes, increasing the granularity of our data.
- 2) Our reporting framework has been reorganized to clearly distinguish between 'Mineral' and 'Non-Mineral' waste types, with a further breakdown into hazardous and non-hazardous subcategories.

These changes underscore our commitment to best practices in environmental stewardship and open, transparent communication with our stakeholders.

MINERAL WASTES (TONNES)¹

| METRIC | 2023 | 2022 | 2021 |
|----------------------------|-------------------|-------------------|-------------------|
| Tailings produced | 4,809,788 | 4,599,092 | 4,512,130 |
| Waste rock generated | 37,533,102 | 36,785,079 | 36,652,483 |
| Total mineral waste | 42,342,890 | 41,384,171 | 41,164,613 |

¹ The units of measurement for all mineral wastes indicators reported in this table have been changed from kilotonnes (kt) to tonnes.

NON-MINERAL WASTES (TONNES)²

| METRIC | 2023 | 2022 | 2021 |
|---|-------------------|-------------------|-------------------|
| Hazardous Waste | | | |
| Hazardous ³ | 465 | 470 | 269 |
| Assay waste ⁴ | 315 | 267 | 221 |
| Waste incinerated ⁵ | 4.27 | 4.31 | 4.15 |
| Total hazardous waste | 785 | 741 | 494 |
| Non-Hazardous Waste | | | |
| Domestic waste | 139 | 88 | 81 |
| Waste to landfill | 203 | 157 | 99 |
| Total non-hazardous | 342 | 246 | 179 |
| Waste Recycled | | | |
| Metal | 1,469 | 1,673 | 26 |
| Plastic | 90 | 65 | 15 |
| Waste oil | 326 | 269 | 40 |
| Total waste recycled | 1,886 | 2,006 | 80 |
| Total non-mineral wastes (hazards + non-hazards) | 3,012 | 2,994 | 754 |
| Total waste (mineral + non-mineral wastes) | 42,344,776 | 41,386,177 | 41,164,693 |
| % of non-mineral waste recycled | 63% | 67% | 11% |

² The units of measurement for all non-mineral wastes indicators reported in this table have been changed from kilotonnes (kt) to tonnes.

³ Includes hydrocarbons and chemical substances.

⁴ Assay waste comprises waste generated in the geotechnical exploration and laboratory process, and waste generated in the metallurgical laboratory. Values for 2022 and 2021 were corrected.

⁵ Mexican legislation requires that waste generated from explosive activities be incinerated at source. Values for 2022 and 2021 were corrected.

ESG Performance Data Tables – Continued

MATERIALS & CHEMICALS CONSUMPTION

| METRIC | 2023 | 2022 | 2021 |
|---------------------|------------|------------|------------|
| Cyanide (tonnes) | 12,416 | 11,734 | 21,049 |
| Lime (tonnes) | 10,072 | 13,128 | 11,532 |
| Acid (tonnes) | 8,961 | 10,597 | 11,768 |
| Explosives (tonnes) | 9,691 | 7,922 | 8,625 |
| Diesel (L) | 35,031,724 | 31,022,893 | 31,308,189 |
| Lubricants (L) | 743,507 | 434,420 | 420,910 |



BIODIVERSITY AND LAND USE

LAND DISTURBANCE

| METRIC | 2023 | 2022 | 2021 |
|-------------------------------------|--------|--------|--------|
| Area of land package (ha) | 29,046 | 29,046 | 29,046 |
| Disturbance in current year (ha) | 17 | 39 | 33 |
| Disturbance to date (ha) | 691 | 674 | 635 |
| Acid-potential waste rock generated | 0 | 0 | 0 |

LAND REHABILITATION (HA)

| METRIC | 2023 | 2022 | 2021 |
|-------------------------------|-------|-------|-------|
| Rehabilitated in current year | 0 | 0.37 | 0 |
| Fully remediated to date | 21.58 | 21.58 | 21.21 |

REFORESTATION

| METRIC | 2023 | 2022 | 2021 |
|-------------------------------|--------|--------|---------|
| Hectares reforested | 108.5 | 81 | 157.14 |
| Native trees planted (number) | 70,560 | 49,784 | 106,467 |

PROTECTED SPECIES (NUMBER)¹

| METRIC | 2023 | 2022 | 2021 |
|---|-----------|-----------|-----------|
| Critically endangered | 0 | 0 | 0 |
| Endangered | 0 | 0 | 0 |
| Vulnerable | 3 | 3 | 3 |
| Near threatened | 2 | 2 | 2 |
| Least concern | 23 | 23 | 23 |
| Total IUCN red-listed species identified | 28 | 28 | 28 |

¹ The table has been revised to align with the classification system of the International Union for the Conservation of Nature (IUCN). The scope of data now encompasses a broader range of biodiversity categories, including fauna, flora, mammals, and reptiles, to provide a comprehensive overview consistent with globally recognized standards.

GRI CONTENT INDEX

Statement of Use: Torex has reported the information cited in this GRI content index for the period from January 1, 2023 to December 31, 2023 with reference to the GRI Standards.

GRI 1 Used: GRI 1: Foundation 2021 and G4 Mining and Metals Supplement
Torex's sustainability reporting adheres to the GRI 2: General Disclosures 2021, ensuring a transparent account of our

practices. The GRI has introduced GRI 14: Mining Sector 2024, set to take effect for reports on January 1, 2026, with early adoption recommended. Torex is actively reviewing this new standard to determine its relevance to our future disclosures, aiming to integrate its requirements seamlessly. For 2023 reporting, we maintained transparency through existing Topic Standards and the G4 Mining and Metals Supplement.

GENERAL DISCLOSURES

| GRI 2: GENERAL DISCLOSURES 2021 | PAGE/REFERENCE |
|---|--|
| 2-1 Organizational details | 2, 8 |
| 2-2 Entities included in the organization's sustainability reporting | 2 |
| 2-3 Reporting period, frequency and contact point | 2, 131 |
| 2-4 Restatements of information | 2 |
| 2-5 External assurance | 2 |
| 2-6 Activities, value chain and other business relationships | 8-9, 35 |
| 2-7 Employees | 108-113 |
| 2-8 Workers who are not employees | 108-113 |
| 2-9 Governance structure and composition* | 24-32 |
| 2-10 Nomination and selection of the highest governance body* | 28 |
| 2-11 Chair of the highest governance body* | 28 |
| 2-12 Role of the highest governance body in overseeing the management of impacts* | 28, 32 |
| 2-13 Delegation of responsibility for managing impacts* | 28, 32 |
| 2-14 Role of the highest governance body in sustainability reporting* | 32 |
| 2-15 Conflicts of interest | 2023 Annual Information Form, dated March 27, 2024, page 58. |
| 2-16 Communication of critical concerns | 30-31 |
| 2-17 Collective knowledge of the highest governance body* | 28, 29 |
| 2-18 Evaluation of the performance of the highest governance body* | 28, 29 |
| 2-19 Remuneration policies* | 28, 29 |
| 2-20 Process to determine remuneration* | 28, 29 |
| 2-21 Annual total compensation ratio* | 28, 29 |
| 2-22 Statement on sustainable development strategy | 6-7, 12-15, 26-27 |

* 2024 Notice and Management Information Circular, dated as May 8, 2024

GRI Content Index 2021 – Continued

| GRI 2: GENERAL DISCLOSURES 2021 | | PAGE/REFERENCE |
|---------------------------------|--|--|
| 2-23 | Policy commitments | Diversity Policy 28 |
| | | Code of Business Conduct and Ethics 30, 44, 45 |
| | | Anti-Bribery and Anti-corruption Policy 30 |
| | | Whistleblower Policy 31 |
| | | Safety and Health Policy 52 |
| | | Social Responsibility for Contractor Policy 35, 36, 57 |
| | | Social Harmony and Human Rights Policy 66, 76 |
| | | Environmental Protection Policy 86, 98, 101 |
| 2-24 | Embedding policy commitments | 29-31 |
| 2-25 | Processes to remediate negative impacts | 16-18, 75 |
| 2-26 | Mechanisms for seeking advice and raising concerns | 30-31 |
| 2-27 | Compliance with laws and regulations | 86-88 |
| 2-28 | Membership associations | 14-15, 36 |
| 2-29 | Approach to stakeholder engagement | 18-19, 29, 66 |
| 2-30 | Collective bargaining agreements | 42, 45, 111 |
| GRI 3: MATERIAL TOPICS 2021 | | |
| 3-1 | Process to determine material topics | 16-17 |
| 3-2 | List of material topics | 16-17 |
| 3-3 | Management of material topics | All management approach sections of Torex's 2023 Responsible Gold Mining Report. |

ECONOMIC PERFORMANCE

| GRI 201: ECONOMIC PERFORMANCE 2016 | | PAGE/REFERENCE |
|---|--|--|
| 201-1 | Direct economic value generated and distributed | 78-82, 105 |
| 201-2 | Financial implications and other risks and opportunities due to climate change | 90-92 , Torex's 2022 Climate Change Report |
| GRI 203: INDIRECT ECONOMIC IMPACTS 2016 | | PAGE/REFERENCE |
| 203-1 | Infrastructure investments and services supported | 67-74, 105 |
| 203-2 | Significant indirect economic impacts | 67, 80-81, 114 |
| GRI 204: PROCUREMENT PRACTICES 2016 | | PAGE/REFERENCE |
| 204-1 | Proportion of spending on local suppliers | 106 |
| GRI 205: ANTI-CORRUPTION 2016 | | PAGE/REFERENCE |
| 205-1 | Operations assessed for risks related to corruption | 30-31, 105 |
| 205-2 | Communication and training about anti-corruption policies and procedures | 30-31, 105 |
| 205-3 | Confirmed incidents of corruption and actions taken | 105 |

GRI Content Index 2021 – Continued

| GRI 206: ANTI-COMPETITIVE BEHAVIOUR 2016 | | PAGE/REFERENCE |
|--|--|---------------------|
| 206-1 | Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices | Zero |
| GRI 301: MATERIALS 2016 | | PAGE/REFERENCE |
| 301-1 | Materials used by weight or volume | 120 |

ENVIRONMENT

| GRI 302: ENERGY 2016 | | PAGE/REFERENCE |
|-----------------------------------|---|-----------------------------|
| 302-1 | Energy consumption within the organization | 115 |
| 302-3 | Energy intensity | 116 |
| GRI 303: WATER AND EFFLUENTS 2018 | | PAGE/REFERENCE |
| 303-1 | Interactions with water as a shared resource | 96-97 |
| 303-2 | Management of water discharge-related impacts | 96-97 |
| 303-3 | Water withdrawal | 97, 117-118 |
| 303-4 | Water discharge | 97, 117-118 |
| 303-5 | Water consumption | 97, 117-118 |
| GRI 304: BIODIVERSITY 2016 | | PAGE/REFERENCE |
| 304-1 | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | 101-102 |
| 304-2 | Significant impacts of activities, products and services on biodiversity | 101-102 |
| 304-3 | Habitats protected or restored | 102, 120 |
| 304-4 | IUCN Red List species and national conservation list species with habitats in areas affected by operations | 120 |
| GRI 305: EMISSIONS 2016 | | PAGE/REFERENCE |
| 305-1 | Direct (Scope 1) GHG emissions | 116 |
| 305-2 | Energy indirect (Scope 2) GHG emissions | 116 |
| 305-3 | Other indirect (Scope 3) GHG emissions We do not currently calculate Scope 3 emissions, although we plan to do so as part of our ongoing energy and climate change strategy. | N/A |
| 305-4 | GHG emissions intensity | 116 |
| 305-7 | Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions | 117 |
| GRI 306: WASTE 2020 | | PAGE/REFERENCE |
| 306-1 | Waste generation and significant waste-related impacts | 98-100 |
| 306-2 | Management of significant waste-related impacts | 98-100 |
| 306-3 | Waste generated | 119 |

GRI Content Index 2021 – Continued

 SOCIAL

| GRI 401: EMPLOYMENT 2016 | | PAGE/REFERENCE |
|--|--|-------------------------------|
| 401-1 | New employee hires and employee turnover | 112 |
| GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018 | | PAGE/REFERENCE |
| 403-1 | Occupational health and safety management system | 50-63 |
| 403-2 | Hazard identification, risk assessment, and incident investigation | 50-63 |
| 403-3 | Occupational health services | 56-63 |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | 50-63 |
| 403-5 | Worker training on occupational health and safety | 60 |
| 403-6 | Promotion of worker health | 50-63 |
| GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018 | | PAGE/REFERENCE |
| 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 50-63 |
| 403-8 | Workers covered by an occupational health and safety management system | 107 |
| 403-9 | Work-related injuries | 107 |
| 403-10 | Work-related ill health | 107 |
| GRI 404: TRAINING AND EDUCATION 2016 | | PAGE/REFERENCE |
| 404-1 | Average hours of training per year per employee | 108, 113 |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | 46-47 |
| GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016 | | PAGE/REFERENCE |
| 405-1 | Diversity of governance bodies and employees | 28-29, 31, 45 |
| 405-2 | Ratio of basic salary and remuneration of women to men | 113 |
| GRI 406: NON-DISCRIMINATION 2016 | | PAGE/REFERENCE |
| 406-1 | Incidents of discrimination and corrective actions taken | Zero |
| GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016 | | PAGE/REFERENCE |
| 407-1 | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | Zero |
| GRI 408: CHILD LABOUR 2016 | | PAGE/REFERENCE |
| 408-1 | Operations and suppliers at significant risk for incidents of child labour | Zero |
| GRI 409: FORCED OR COMPULSORY LABOUR 2016 | | PAGE/REFERENCE |
| 409-1 | Operations and suppliers at significant risk for incidents of forced or compulsory labour | Zero |
| GRI 410: SECURITY PRACTICES 2016 | | PAGE/REFERENCE |
| 410-1 | Security personnel trained in human rights policies or procedures | 76-77 |
| GRI 411: RIGHTS OF INDIGENOUS PEOPLES 2016 | | PAGE/REFERENCE |
| 411-1 | Incidents of violations involving rights of indigenous peoples | Zero |

GRI Content Index 2021 – Continued

| GRI 413: LOCAL COMMUNITIES 2016 | | PAGE/REFERENCE |
|---------------------------------|--|----------------|
| 413-1 | Operations with local community engagement, impact assessments, and development programs | 100% |
| GRI 415: PUBLIC POLICY 2016 | | PAGE/REFERENCE |
| 415-1 | Political contributions | Zero |

 G4 MM SUPPLEMENT

| GRI G4 MM | G4 ASPECT | DISCLOSURE | PAGE/REFERENCE |
|-----------|----------------------------------|---|---------------------------|
| MM1 | Biodiversity | Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated | 120 |
| MM2 | Biodiversity | The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place | 101-102 |
| MM3 | Effluents and Waste | Total amounts of overburden, rock, tailings, and sludges and their associated risks | 119 |
| MM4 | Labour/Management Relations | Number of strikes and lock-outs exceeding one week's duration, by country | Zero |
| MM5 | Indigenous Rights | Total number of operations taking place in or adjacent to indigenous peoples' territories, and number and percentage of operations or sites where there are formal agreements with indigenous peoples' communities | Zero |
| MM6 | Local Communities | Number and description of significant disputes relating to land use, customary rights of local communities and indigenous peoples | N/A |
| MM7 | Local Communities | The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and indigenous peoples, and the outcomes | 66-67, 75 |
| MM8 | Artisanal and Small-scale Mining | Number (and percentage) of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site; the associated risks and the actions taken to manage and mitigate these risks | N/A |
| MM9 | Resettlement | Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process | Zero |
| MM10 | Closure Planning | Number and percentage of operations with closure plans | 100% |

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

Torex seeks to report in alignment with the SASB Metals & Mining Sustainability Accounting Standard and this index is to be used only as a quick reference for the period January 1, 2023 to December 31, 2023.

This index does not intend to certify completeness of disclosures against the SASB Metals & Mining Sustainability Accounting Standard.

SASB INDEX

| GREENHOUSE GAS EMISSIONS | | UNIT OF MEASURE | PAGE/REFERENCE |
|--|--|--|---|
| EM-MM-110a.1 | (1) Gross global Scope 1 emissions, (2) percentage covered under emissions-limiting regulations | Metric tons (t) CO ₂ -e Percentage (%) | (1) 116 , (2) 0% covered under emissions-limiting regulations |
| EM-MM-110a.2 | Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | N/A | 91-92 |
| AIR QUALITY | | UNIT OF MEASURE | PAGE/REFERENCE |
| EM-MM-120a.1 | Air emissions of the following pollutants: (1) CO, (2) NO _x (excluding N ₂ O), (3) SO _x , (4) particulate matter (PM10), (5) mercury (Hg), (6) lead (Pb), and (7) volatile organic compounds (VOCs) | Metric tons (t) | 117 |
| ENERGY MANAGEMENT | | UNIT OF MEASURE | PAGE/REFERENCE |
| EM-MM-130a.1 | (1) Total energy consumed | Gigajoules (GJ) | 115 |
| | (2) percentage grid electricity and | Percentage (%) | 116 |
| | (3) percentage renewable | Percentage (%) | 116 |
| WATER MANAGEMENT | | UNIT OF MEASURE | PAGE/REFERENCE |
| EM-MM-140a.1 | (1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress | Thousand cubic meters (m ³), Percentage (%) | 96-97 , 117 |
| EM-MM-140a.2 | Number of incidents of non-compliance associated with water quality permits, standards, and regulations | Number | 118 |
| WASTE & HAZARDOUS MATERIALS MANAGEMENT | | UNIT OF MEASURE | PAGE/REFERENCE |
| EM-MM-150a.4 | Total weight of non-mineral waste generated | Metric tons (t) | 119 |
| EM-MM-150a.5 | Total weight of tailings produced | Metric tons (t) | 119 |
| EM-MM-150a.6 | Total weight of waste rock generated | Metric tons (t) | 119 |
| EM-MM-150a.7 | Total weight of hazardous waste generated | Metric tons (t) | 119 |
| EM-MM-150a.8 | Total weight of hazardous waste recycled | Metric tons (t) | 119 |
| EM-MM-150a.9 | Number of significant incidents associated with hazardous materials and waste management | Number | Zero |
| EM-MM-150a.10 | Description of waste and hazardous materials management policies and procedures for active and inactive operations | N/A | 98-99 |

| BIODIVERSITY IMPACTS | | UNIT OF MEASURE | PAGE/REFERENCE |
|---|--|--------------------------|---|
| EM-MM-160a.1 | Description of environmental management policies and practices for active sites | N/A | 86-87 , 101-102 |
| EM-MM-160a.2 | Percentage of mine sites where acid rock drainage is: (1) predicted to occur, (2) actively mitigated, and (3) under treatment or remediation | Percentage (%) | 102 |
| EM-MM-160a.3 | Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat | Percentage (%) | 101-102 , 120 |
| SECURITY, HUMAN RIGHTS & RIGHTS OF INDIGENOUS PEOPLES | | UNIT OF MEASURE | PAGE/REFERENCE |
| EM-MM-210a.1 | Percentage of (1) proved and (2) probable reserves in or near areas of conflict | Percentage (%) | Zero |
| EM-MM-210a.2 | Percentage of (1) proved and (2) probable reserves in or near indigenous land | Percentage (%) | 77 |
| EM-MM-210a.3 | Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict | N/A | 76-77 |
| COMMUNITY RELATIONS | | UNIT OF MEASURE | PAGE/REFERENCE |
| EM-MM-210b.1 | Discussion of process to manage risks and opportunities associated with community rights and interests | N/A | 64-77 |
| EM-MM-210b.2 | (1) Number and (2) duration of nontechnical delays | Number, Days | Zero |
| LABOUR RELATIONS | | UNIT OF MEASURE | PAGE/REFERENCE |
| EM-MM-310a.1 | Percentage of active workforce covered under collective bargaining agreements | Percentage (%) | 111 |
| EM-MM-310a.2 | (1) Number and (2) duration of strikes and lockouts | Number, Days | 111 |
| WORKFORCE HEALTH & SAFETY | | UNIT OF MEASURE | PAGE/REFERENCE |
| EM-MM-320a.1 | (1) All-incidence rate for (a) employees and (b) contractors | Rate | 107 |
| | (2) Fatality rate for (a) employees and (b) contractors | Rate | 107 |
| | (3) Near miss frequency rate (NMFR) for (a) employees and (b) contractors | Rate | 107 |
| | (4) Average hours of health and safety training for (a) employees and (b) contractors | Rate | 108 |
| BUSINESS ETHICS & TRANSPARENCY | | UNIT OF MEASURE | PAGE/REFERENCE |
| EM-MM-510a.1 | Description of the management system for prevention of corruption and bribery throughout the value chain | N/A | 30-31 |
| EM-MM-510a.2 | Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index | Metric tons (t) saleable | Zero |

Sustainability Accounting Standards Board (SASB) index – Continued

| TAILINGS STORAGE FACILITIES MANAGEMENT | | UNIT OF MEASURE | PAGE/REFERENCE |
|--|---|----------------------------|---------------------|
| EM-MM-540a.1 | <p>Tailings storage facility inventory table: (1) facility name, (2) location, (3) ownership status, (4) operational status, (5) construction method, (6) maximum permitted storage capacity, (7) current amount of tailings stored, (8) consequence classification, (9) date of most recent independent technical review, (10) material findings, (11) mitigation measures, (12) site-specific EPRP</p> <p>In 2022, Torex's Board of Directors approved the adoption of the Global Industry Standard on Tailings Management (GISTM) and is working towards implementation of the GISTM's 15 principles and 77 auditable requirements. We plan to provide enhanced disclosure on our TSF as we continue to implement the GISTM requirements with a view to full implementation in 2025.</p> | Various | N/A |
| EM-MM-540a.2 | <p>Summary of tailings management systems and governance structure used to monitor and maintain the stability of tailings storage facilities</p> <p>In 2022, Torex's Board of Directors approved the adoption of the Global Industry Standard on Tailings Management (GISTM) and is working towards implementation of the GISTM's 15 principles and 77 auditable requirements. We plan to provide enhanced disclosure on the governance structure used to monitor and maintain the stability of TSFs as we continue to implement the GISTM requirements with a view to full implementation in 2025.</p> | N/A | N/A |
| EM-MM-540a.3 | <p>Approach to development of Emergency Preparedness and Response Plans (EPRPs) for tailings storage facilities</p> <p>In 2022, Torex's Board of Directors approved the adoption of the Global Industry Standard on Tailings Management (GISTM) and is working towards implementation of the GISTM's 15 principles and 77 auditable requirements. We plan to provide enhanced disclosure on the approach to development of EPRPs for our TSF as we continue to implement the GISTM requirements with a view to full implementation in 2025.</p> | N/A | N/A |
| ACTIVITY METRICS | | UNIT OF MEASURE | PAGE/REFERENCE |
| EM-MM-000.A | Production of (1) metal ores and (2) finished metal products | Metric tonnes (t) saleable | 104 |
| EM-MM-000.B | Total number of employees, percentage contractors | Number, Percentage (%) | 108 |

LOCAL PROCUREMENT REPORTING MECHANISM INDEX

LPRM INDEX

| LPRM 100: CONTEXT FOR LOCAL PROCUREMENT DISCLOSURES | | PAGE/REFERENCE |
|---|---|--------------------------------|
| 101 | Mining company name | Torex Gold Resources |
| 101 | Mine site name | Minera Media Luna S.A. de C.V. |
| 101 | Reporting period | January 1 to December 31, 2023 |
| 101 | Stage of assets | Production & Development |
| 101 | Estimated mine life | 2033 |
| 101 | Average number of workers | 108 |
| LPRM 200: PROCUREMENT SYSTEM | | PAGE/REFERENCE |
| 201 | Policy on local suppliers | 35-36, 76 |
| 202 | Accountability on local suppliers | 35-36 |
| 203 | Major contractors and local suppliers | 35-36 |
| 204 | Procurement process | 35-36 |
| LPRM 300: LOCAL PROCUREMENT SPENDING BY CATEGORY | | PAGE/REFERENCE |
| 301 | Categorizing suppliers | 106 |
| 302 | Breakdown of procurement spend | 106 |
| LPRM 400: LOCAL PROCUREMENT DUE DILIGENCE | | PAGE/REFERENCE |
| 401 | Due diligence process | 35-36 |
| 402 | Anti-corruption policy | 30 |
| 403 | Training and guidance for suppliers | 57-58 |
| LPRM 500: METHODS TO INCENTIVISE LOCAL PROCUREMENT | | PAGE/REFERENCE |
| 501 | Commitments | 68, 72 |
| 502 | Preference in scoring of bids | 68, 72 |
| 503 | Preference in scoring of bids for significant local contributions | 68, 72 |
| 504 | Non-scoring methods to incentivise local purchasing | 43, 72, 83 |
| 505 | Supporting suppliers to understand the tender process | 72 |
| 506 | Special payment procedures for local suppliers | Not Yet Established |
| 507 | Encouraging procurement from particular groups | 43, 72, 83 |
| LPRM 600: EXTERNAL COMMITMENTS AND OBLIGATIONS | | PAGE/REFERENCE |
| 601 | Regulations | N/A |
| 602 | Other agreements and contracts | 68 |

CAUTIONARY NOTES

This report contains “forward-looking statements” and “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information also includes, but is not limited to the following statements and information: while our existence as a Company depends on our ability to deliver superior value to shareholders, we are committed to doing so in a way that makes a positive difference in society; mining with purpose beyond profit has always been at the heart of who we are at Torex, supported by a steadfast commitment to our core values, which are ingrained in our DNA; our values have been, and will remain, the foundation of our business success as we continue to generate positive returns to our investors while enhancing the lives of the people we touch; we strongly believe that mining responsibly and deriving value in our business go hand in hand – that we can reduce our impact on the environment and improve the quality of lives of our employees and those around us while improving safety, achieving operational efficiencies, realizing cost reductions and generating positive return on investment; we have built a mining facility in Mexico where we create prosperity and lasting economic impact, treat people with dignity and respect, and demonstrate genuine care for the natural environment around us; as we build a long future in Mexico through our Media Luna Project and look to grow our business in other jurisdictions, we will replicate our approach – always guided by our Purpose – and continue to demonstrate what responsible mining looks like; Media Luna represents a total capital expenditure of approximately \$1B; Media Luna will diversify Torex as a significant copper producer, with more than 20% of the life of mine revenue residing in copper – a metal that is increasingly in demand to enable technologies the world needs to support a low carbon economy; construction is now well underway, with first mine production anticipated in 2024 and commercial production in 2025; with this investment, the Company will extend current mine life through at least 2033 and lay a firm foundation for the future growth plans of Torex; with continued investment in drilling and exploration within the Company’s broader Morelos Property, the Company is striving to build a multi-decade mining operation that will continue to generate lasting prosperity in Mexico; this mine life runway positions Torex to create generational change, and the Company intends to do just that; the trend of increase permanent and contractor workforce will continue, with peak activity associated with the Media Luna Project expected through late 2023 and early 2024; Torex’s key strategic objectives are to extend and optimize production from ELG, de-risk and advance the Media Luna Project to commercial production, build on ESG excellence, and to grow organically through ongoing exploration across the entire Morelos Property; in addition to realizing the full potential of the Morelos Property, the Company is seeking opportunities to acquire assets that enable diversification and deliver value to shareholders; Media Luna will more than triple our existing mine life, and diversify Torex as a significant copper producer, with more than 20% of the life of mine revenue residing in copper; in 2023, the Company will continue the journey toward full internal compliance with the RGMPs by the end of the year, ahead of a full independent verification audit to be completed by August 2024; the Company is working toward full compliance with the International Cyanide Management Code (ICMC) and the Global Industry Standard on Tailings by dates set out in the report; the Company looking to grow and diversify through potential M&A opportunities, as the Company looks to replicate the success it has had on building strong relationships based on transparency and trust with its employees and local communities, being responsible stewards of the land and natural resources and remaining steadfast to its core values, which are ingrained in the DNA of the Company at all levels of the business; the Company’s commitment to meeting or surpassing regulatory requirements in all of our mining activities while doing zero permanent harm to the environment and leaving a net positive legacy in the areas in which the Company operates; the Company’s commitment to implementing the highest level of global corporate responsibility standards on performance and disclosure, developed through international initiatives and programs, including the following 2023 ESG goals and targets as described in the report; the Company believes its climate change strategy will mitigate business risk and provide real opportunities to create value through health and safety improvements, cost savings and operational efficiencies that will benefit its operations; the Company’s Climate Change Strategy is designed to support achievement of its climate-related targets: a 10% reduction in absolute Scope 1 and 2 GHG emissions by 2030, compared to a 2021 baseline (10% absolute target) and a 25% reduction from Scope 1 and 2 GHG emissions in 2030 forecasted if no action is taken on intervention measures to reduce carbon emissions at the Media Luna Project (25% Business as Usual target); the overall commitment to achieve net-zero GHG emissions by 2050; expected energy cost savings from the solar plant are approximately \$1 million per year over a 20-year lease period, with full payback of the solar plant to be realized within approximately nine years; the solar plant has the potential to reduce Scope 2 GHG emissions by up to 8.6% and overall Scope 1 and Scope 2 emissions by up to 3.9%; construction of the solar plant is scheduled for completion in August 2023; it is estimated that new battery electric vehicles (“BEVs”) at the Media Luna Project, in addition to savings in long-term operating costs, this will provide carbon savings of approximately 12,600 tonnes of CO₂e annually; the VoD system is expected to reduce costs associated with ventilation and reduce the Company’s emissions by approximately 900 tonnes of CO₂e annually; the development of an energy and carbon management program to measure and monitor energy use allowing the Company to optimize operation for efficiency and energy and carbon mitigation; the energy and carbon management program is expected to reduce GHG emissions by approximately 4.8% by 2030; biodiesel and diesel tracking is expected to reduce GHG emissions by approximately 0.5%; trade-off studies during the Media Luna Feasibility Study demonstrated a positive economic case, with an approximate 10% positive difference in net present value for a hybrid fleet relative to a purely diesel fleet; the Company will continually seek ways to increase local employment; the Company is committed to creating lasting economic prosperity for its host communities so that they will continue to thrive long after the Company’s mining operations are complete; in 2023, the Company plans to complete a socioeconomic benefits study to assess the Company’s economic impact on the local, state and national economy; the Company will continue to work closely with the citizens of San Miguel through the resettlement process with a view to leaving a lasting and positive impact on the lives of residents and their families; the Company expects waste rock and dust generation to be reduced when the Media Luna mine enters production; and the primary objectives of the mine closure plan are to protect public health and safety while restoring land to a productive, postmining land use while maintaining a healthy ecosystem. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “aim”, “plans”, “expects”, “estimates”, “intends”, “anticipates”, “believes”, “goal”, “strategy” or “potential” or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might”, “commitment to” or “will be taken”, “occur”, or “be achieved”. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including, without limitation, risk associated with the ability to accurately identify and assess issues that are important to stakeholders and the ability to identify, assess, mitigate and monitor risks to the enterprise and those risk factors identified in the Company’s technical report titled “Morelos Property - NI 43-101 Technical Report - ELG Mine Complex Life of Mine Plan and Media Luna Feasibility Study” dated effective March 16, 2022 (Technical Report) and the Company’s annual information form (AIF) and management’s discussion and analysis (MD&A) each available under the Company’s profile on SEDAR at www.sedar.com and the Company’s website at www.torexgold.com. Forward-looking information is based on the assumptions discussed in the Technical Report, AIF and MD&A and such other reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances at the date such statements are made. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not to be as anticipated. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, whether as a result of new information or future events or otherwise, except as may be required by applicable securities laws.

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Chair of the Board

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Director (Independent)

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We welcome feedback on this Report or on any other aspect of sustainability at Torex Gold Resources.



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