



# RESPONSIBLE GOLD MINING PRINCIPLES

## **YEAR 3 CONFORMANCE REPORT**

AS AT AND FOR THE YEAR ENDING DECEMBER 31, 2023

## EXECUTIVE SUMMARY

Torex Gold Resources Inc. (“Torex” or the “Company”) (TSX:TXG) is committed to ensuring that our gold is ethically sourced and responsibly produced. As such, and as a proud member of the World Gold Council, the Company has adopted the Responsible Gold Mining Principles (“RGMPs” or the “Principles”).

The purpose of this Responsible Gold Mining Principles Year 3 Conformance Report (the “Report”) is to outline our Company’s conformance with the RGMPs as at and for the year ending December 31st, 2023 per the timelines and requirements set out by the World Gold Council. Detailed assessment

criteria have been included to demonstrate our level of conformance with all RGMP principles and sub-principles as outlined in the tables that follow, which were subject to independent limited assurance as detailed in the Appendix of this Report.

Our efforts to fully adopt the RGMPs are aligned with our organizational purpose statement: *“To transform finite mineral resources into lasting prosperity by positively impacting all the lives we touch.”* We are proud of our efforts to date to implement RGMP principles and sub-principles and remain committed to continuous improvement and transparent reporting on our ongoing efforts in this regard.



# ABOUT THE RESPONSIBLE GOLD MINING PRINCIPLES

The RGMPs, established by the World Gold Council (“WGC”) in September 2019, are a framework that set out clear expectations for gold producers by addressing key environmental, social, and governance (“ESG”) issues in the gold mining industry.

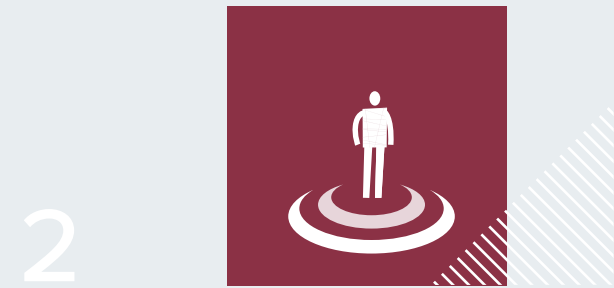
The framework is presented through 10 principles and 51 sub-principles that are material to the mining sector and designed to provide confidence to consumers, investors, governments, communities, supply chain participants and civil society that gold is ethically sourced and responsibly produced. The 10 Principles are:



1

## ETHICAL CONDUCT

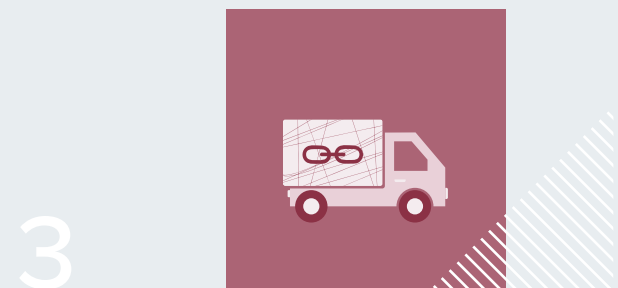
We will conduct our business with integrity including absolute opposition to corruption



2

## UNDERSTANDING OUR IMPACTS

We will engage with our stakeholders and implement management systems so as to ensure that we assess, understand and manage our impacts, realize opportunities and provide remedy where needed



3

## SUPPLY CHAIN

We will require that our suppliers conduct their businesses ethically and responsibly as a condition of doing business with us

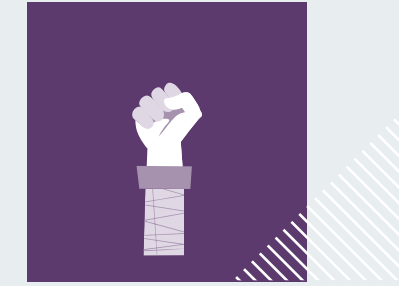


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## SAFETY AND HEALTH

We will protect and promote the safety and occupational health of our workforce (employees and contractors) above all other priorities and will empower them to speak up if they encounter unsafe working conditions

5



## HUMAN RIGHTS AND CONFLICT

We will respect the human rights of our workforce, affected communities and all those people with whom we interact

6



## LABOUR RIGHTS

We will ensure that our operations are places where employees and contractors are treated with respect and are free from discrimination or abusive labour practices

7



## WORKING WITH COMMUNITIES

We will contribute to the socio-economic advancement of communities associated with our operations and treat them with dignity and respect

8



## ENVIRONMENTAL STEWARDSHIP

We will ensure that environmental responsibility is at the core of how we work

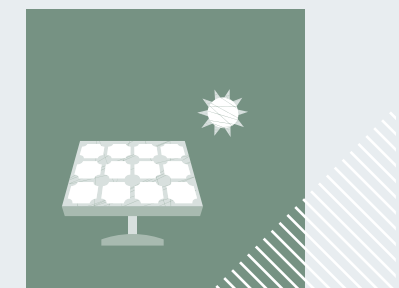
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## BIODIVERSITY, LAND USE AND MINE CLOSURE

We will work to ensure that fragile ecosystems, habitats and endangered species are protected from damage, and will plan for responsible mine closure

10



## WATER, ENERGY AND CLIMATE CHANGE

We will improve the efficiency of our use of water and energy, recognizing that the impacts of climate change and water constraints may increasingly become a threat to the locations where we work and a risk to our license to operate

## ADOPTING THE PRINCIPLES: REQUIREMENTS

In December 2020, Torex became a member of the WGC. In doing so, we committed to supporting and fully implementing the RGMPs, in line with our Company values.

The WGC outlines a three-year implementation process for companies to be in conformance with the RGMPs, and requires implementing companies to:

- ▲ Make a public commitment to align with the RGMPs;
- ▲ Develop internal systems, processes and performance that conform with the Principles;
- ▲ Report publicly on the status of conformance with the Principles; and
- ▲ Obtain independent limited assurance on conformance with the RGMPs.

### YEAR 1

In 2021, Torex declared its public commitment to support and implement the RGMPs and conducted a comprehensive self-assessment to identify key gaps. Our Year 1 Report, which was independently assured, can be found [here](#).

### YEAR 2

Following our Year 1 Report, in 2022 the Company progressed on a number of key areas where gaps were identified to move closer to full conformance with the RGMPs. Our Year 2 Report, which can be found [here](#), highlighted implementation progress and included independent assurance of key assessment criteria.

### YEAR 3

This Year 3 Report represents the Company's assessment of conformance as at and for the year ending December 31, 2023, fulfilling the World Gold Council's requirements, and includes detailed assessment criteria for each sub-principle. The assessment criteria were established in consultation with the WGC's "Guidance on implementing and assuring the RGMPs" found [here](#), and were subject to independent limited assurance.

## REPORTING BOUNDARY

This Report covers our Corporate Office and all mining and processing operations undertaken by Torex at our Morelos Complex in Guerrero, Mexico, which includes the El Limón Guajes ("ELG") Mine Complex, the Media Luna Project, processing plant and related infrastructure.

## INDEPENDENT ASSURANCE

Torex engaged the services of KPMG LLP to provide independent limited assurance of the assessment criteria used to demonstrate Torex's level of conformance with the RGMPs, which can be found in the Appendix.

## SUMMARY AND NEXT STEPS

Torex is proud of the work completed over the past three years to adopt the RGMPs, which affirms our commitment to responsible gold mining and our commitment to build on ESG excellence. Through this process, we have identified where continuous improvement opportunities exist to enhance implementation, such as the introduction of a new Supplier Code of Conduct and an update of our Social Harmony and Human Rights policy, both of which are currently in progress. As part of our commitment as a WGC member, and through our annual Responsible Gold Mining Reports, we will continue to report on our ongoing conformance and progress with the RGMPs.



# YEAR 3 SELF-ASSESSMENT: CRITERIA TO SUPPORT DECLARATION OF CONFORMANCE WITH THE RGMPS

The following table outlines a sample of the assessment criteria used to demonstrate conformance with each of the RGMP principles and sub-principles, in consultation with guidance provided by the World Gold Council. Independent limited assurance of this assessment criteria can be found in the Appendix of this Report.

## PRINCIPLE 1 – ETHICAL CONDUCT: WE WILL CONDUCT OUR BUSINESS WITH INTEGRITY INCLUDING ABSOLUTE OPPOSITION TO CORRUPTION

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>1.1 LEGAL COMPLIANCE</b></p> <p>As a minimum expectation, we will comply with applicable host and home country laws and relevant international law, and will maintain systems to deliver this objective</p>	<ul style="list-style-type: none"> <li>• The Company's Code of Business Conduct and Ethics explicitly confirms our commitment to comply with applicable host, home country and international laws, and is publicly available on the Torex website.</li> <li>• Our Health and Safety, Environmental Protection and Anti-Bribery and Anti-Corruption Policies expressly state that the Company will comply with relevant laws and legislation.</li> <li>• We have implemented an annual attestation process, with formal acknowledgement, for all staff employees stating that they have reviewed and understood the Code of Business Conduct and Ethics.</li> <li>• Our General Counsel has been designated accountability to monitor new legislation and work with applicable department leads to incorporate legislative changes into our business practices. An established process is in place, led by our Legal team, to track, assess, implement and communicate changes to relevant legal requirements.</li> <li>• Our Standard Form of Agreement with contractors at Operations includes specific clauses on complying with applicable laws and legislation</li> <li>• We retain external legal counsel in Canada and Mexico to monitor new legislation and send alerts/updates as appropriate.</li> <li>• An annual Enterprise Risk Management (ERM) update is provided to the Board of Directors along with quarterly risk updates to appropriate Board Committees highlighting any risks associated with legal compliance.</li> </ul>
<p><b>1.2 CODE OF CONDUCT</b></p> <p>We will maintain a code of conduct to make clear the standards with which we expect our employees, and those with whom we do business, to comply. We will actively promote awareness of our code and implement systems to monitor and ensure compliance.</p>	<ul style="list-style-type: none"> <li>• Our Code of Business Conduct and Ethics explicitly covers guidance to mitigate key risks including health and safety, conflicts of interest, anti-competitive behaviour and insider trading.</li> <li>• An annual attestation process is in place, with formal acknowledgement, for both staff and unionized employees stating that they have reviewed and understood the Code of Business Conduct and Ethics.</li> <li>• A specific provision in Torex Employment Agreements is in place that a material violation of the Code of Business Conduct could result in termination.</li> <li>• The Company has publicly committed to develop a Supplier Code of Conduct by the end of 2024 that will be publicly available on our website.</li> <li>• A Contractor Management System is in place which manages Contractor compliance and adherence to our Policies including our Code of Business Conduct and Ethics.</li> <li>• The Company provides training to contractors attending site through our Contractor Management System, which includes an overview of the Company's Code of Conduct.</li> <li>• A whistleblower system, accessible online, by phone and in-person, is maintained and available to employees, contractors and community members to speak up where non-compliance to the Code of Business Conduct and Ethics is identified.</li> </ul>

**PRINCIPLE 1 – ETHICAL CONDUCT: WE WILL CONDUCT OUR BUSINESS WITH INTEGRITY INCLUDING  
ABSOLUTE OPPOSITION TO CORRUPTION (continued)**

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>1.3 COMBATTING BRIBERY AND CORRUPTION</b></p> <p>We will put in place controls to combat bribery and corruption in all their forms, conflicts of interest and anti-competitive behaviour by employees, agents or other company representatives.</p>	<ul style="list-style-type: none"> <li>• An Anti-Bribery and Corruption Policy is in place that sets out the Company's expectations in relation to preventing bribery and corruption and is publicly available on the Torex website.</li> <li>• An annual attestation process, with formal acknowledgement, is in place for all staff employees that confirms they have reviewed and understood the Anti-Bribery and Corruption Policy.</li> <li>• A Gifts Policy, applicable to all Torex employees, is maintained, which clearly sets out expectations regarding the giving and receiving of gifts.</li> <li>• Bribery and corruption risks are integrated into the Company's ERM program.</li> <li>• Fair dealings, anti-competitive behaviour, and conflicts of interest are integrated into our Code of Conduct and Ethics.</li> <li>• A functioning whistleblower system is maintained and available to employees, contractors and community members to speak up where non-compliance to the Anti-Bribery and Anti-Corruption Policy is identified.</li> <li>• The Company specifically discloses that facilitation payments are prohibited under the Company's Anti-Bribery and Anti-Corruption Policy.</li> </ul>
<p><b>1.4 POLITICAL CONTRIBUTIONS</b></p> <p>We will disclose the value and beneficiaries of financial and in-kind political contributions that we make, whether directly or through an intermediary.</p>	<ul style="list-style-type: none"> <li>• The Company prohibits political contributions as per the Company's Anti-Bribery and Anti-Corruption Policy.</li> <li>• The Company publicly discloses that it does not make political contributions in its annual Responsible Gold Mining Report, published on the Company's website.</li> </ul>
<p><b>1.5 TRANSPARENCY</b></p> <p>We will publish our tax, royalty and other payments to governments annually by country and project. We support the principles of the Extractive Industries Transparency Initiative (EITI) and will encourage governments to promote greater transparency around revenue flows, mining contracts and the beneficial ownership of license holders.</p>	<ul style="list-style-type: none"> <li>• The Company publishes an annual report as required by the Canadian Extractive Sector Transparency Measures Act ("ESTMA") that is publicly available on the Company's website and includes all tax, royalty and other payments made to governments, including public disclosure of the value and beneficiaries of these payments. ESTMA reporting supports the principles of the EITI.</li> <li>• Torex is a member of organizations including CAMIMEX and the Guerrero Mining Cluster, promoting best practices and transparency within the mining industry in Mexico.</li> <li>• In addition to the Company's ESTMA Report, the Company publishes records of government payments including taxes and royalties in its annual Responsible Gold Mining Report.</li> <li>• In addition to reporting on economic contributions annually through its Responsible Gold Mining Report, the Company has published an Economic Impact Study which declares all tax, royalty and other contributions at the State and Federal levels in Mexico.</li> </ul>
<p><b>1.6 TAXES AND TRANSFER PRICING</b></p> <p>We will pay the taxes and royalties required by host country codes. We will seek to ensure that transfer pricing outcomes are in line with fair business practices and value creation.</p>	<ul style="list-style-type: none"> <li>• The Company has an internal process to identify relevant royalties and local taxes for payment.</li> <li>• Torex reports annually on taxes and royalties paid to host countries through its annual Responsible Gold Mining Reports and ESTMA Reports.</li> <li>• Torex maintains a clear transfer pricing process that guides the Company in ensuring transfer pricing outcomes are in line with fair business practices and value creation and receives a transfer pricing study annually to ensure best practice and alignment with Mexican Regulations.</li> <li>• The Company engages an external consultant to conduct transfer pricing studies on an annual basis in accordance with Mexican Regulations.</li> </ul>

**PRINCIPLE 1 – ETHICAL CONDUCT: WE WILL CONDUCT OUR BUSINESS WITH INTEGRITY INCLUDING  
ABSOLUTE OPPOSITION TO CORRUPTION** *(continued)*

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>1.7 ACCOUNTABILITIES AND REPORTING</b></p> <p>We will assign accountability for our sustainability performance at Board and/or Executive Committee level. We will report publicly each year on our implementation of the Responsible Gold Mining Principles.</p>	<ul style="list-style-type: none"> <li>• The Company has assigned senior level accountability for sustainability performance to the SVP, HR, ESG and Communications, who reports directly to the CEO.</li> <li>• Board level accountability for sustainability policies and performance has been assigned to the Safety &amp; Corporate Social Responsibility (CSR) Committee, which meets on a quarterly basis.</li> <li>• The Company has linked sustainability performance to executive compensation and our Company-wide performance incentive plan, and discloses this annually through our Management Information Circular and Responsible Gold Mining Report.</li> <li>• The Company has endorsed the RGMPs on its website and in annual reporting in its Responsible Gold Mining Report. We have also published Year 1 and Year 2 RGMP Progress Reports, which were subject to independent limited assurance. These reports are publicly available on the Company's website.</li> </ul>

**PRINCIPLE 2 – UNDERSTANDING OUR IMPACTS: WE WILL ENGAGE WITH OUR STAKEHOLDERS AND IMPLEMENT MANAGEMENT SYSTEMS SO AS TO ENSURE THAT WE ASSESS, UNDERSTAND AND MANAGE OUR IMPACTS, REALIZE OPPORTUNITIES AND PROVIDE REMEDY WHERE NEEDED**

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>2.1 RISK MANAGEMENT</b></p> <p>We will maintain systems to identify and prevent or manage both the risks that face our operations and those which our activities may pose to others.</p>	<ul style="list-style-type: none"> <li>• The Company maintains a comprehensive Enterprise Risk Management (“ERM”) program and undertakes regular risk assessments and monitoring at both the corporate and site level.</li> <li>• The Company implements a risk assessment process which covers ESG risks and maintains risk registers with risk categorization.</li> <li>• The Company identifies risks and implements preventive and responsive action plants to prevent and manage risks to an acceptable level.</li> </ul>
<p><b>2.2 STAKEHOLDER ENGAGEMENT</b></p> <p>We will listen to and engage with stakeholders in order to understand better their interests and concerns and integrate this knowledge into how we do business.</p>	<ul style="list-style-type: none"> <li>• The Company has developed and continuously updates stakeholder maps.</li> <li>• The Company undertakes continued engagement with identified key stakeholders to understand their interests and documents these engagements.</li> <li>• The Company takes into account stakeholder concerns through continued engagement and input into decision making.</li> </ul>
<p><b>2.3 DUE DILIGENCE</b></p> <p>We will regularly and systematically conduct due diligence to identify human rights, corruption and conflict risks associated with our activities and in our supply chain with the intention of preventing adverse impacts. We will exercise risk-based due diligence on those entities to which we sell our products.</p>	<ul style="list-style-type: none"> <li>• The Company maintains a corporate Social Harmony and Human Rights Policy that outlines the Company’s commitments to respecting the human rights of its stakeholders. An update of the policy will be completed in 2024 aligning the Policy with the United Nations Guiding Principles on Business and Human Rights and the requirements of the Voluntary Principles on Security and Humans rights.</li> <li>• A comprehensive human rights impact assessment was completed in early-2022 with internationally recognized human rights experts. As part of the assessment, areas of improvement were identified to comply with the Voluntary Principles on Security and Humans rights. The Company has implemented high priority findings during 2023 and continues to work towards full implementation in 2024.</li> <li>• The Company has undertaken a Conflict Free Gold Assessment which includes a conflict-affected assessment that consults the Heidelberg Conflict Barometer. The latest report on Conformance with the Conflict Free Gold Standard was issued for the period from January 1, 2022, to December 31, 2022.</li> </ul>
<p><b>2.4 IMPACT ASSESSMENT</b></p> <p>We will conduct impact assessments that involve substantive environmental components, socioeconomic (including human rights where relevant) and cultural elements, and ensure that these are periodically updated. We will seek to identify and take account of local cumulative impacts. We will ensure that such assessments are accessible to affected communities and include plans to avoid, minimize, mitigate or compensate for significant adverse impacts.</p>	<ul style="list-style-type: none"> <li>• The Company has undertaken all required Environmental &amp; Social Impact Assessments (“ESIA”) [or Manifestacion de Impacto Ambiental (“MIA”) in Spanish], and these are updated as legally required and when material changes occur at Operations. A full ESIA was completed for the ELG Mine Complex in September 2014. The Company’s latest assessment of the Morelos Mining Complex was undertaken through the MIA-Integral<sup>1</sup> approved in 2022.</li> <li>• The Company has shared publicly the results of ESIA’s with potentially affected and interested stakeholders. An extract of the MIA-Integral was published in local and regional newspapers and the full document was made available through the Mexican Secretariat for Environment and Natural Resources (Secretaría de Medio Ambiente y Recursos Naturales, SEMARNAT). Copies were also sent directly to Cocula and Eduardo Neri Municipalities. A non-technical summary of the latest version of the MIA-Integral was prepared and provided to local stakeholders.</li> <li>• The Company has determined, through the ESIA and MIA processes, how significant adverse impacts can be avoided, minimized, mitigated or compensated for in project design.</li> <li>• Both the 2014 ESIA and the 2022 MIA-Integral contain substantive social as well as environmental elements.</li> <li>• A Health Impact Assessment and a Cumulative Effects Assessment were integrated into the 2014 ESIA.</li> </ul>

<sup>1</sup> The MIA-Integral – integrates our environmental requirements for both ELG on the north side of the Balsas River and Media Luna on the south side under a single authorization.



**PRINCIPLE 2 – UNDERSTANDING OUR IMPACTS: WE WILL ENGAGE WITH OUR STAKEHOLDERS AND IMPLEMENT MANAGEMENT SYSTEMS SO AS TO ENSURE THAT WE ASSESS, UNDERSTAND AND MANAGE OUR IMPACTS, REALIZE OPPORTUNITIES AND PROVIDE REMEDY WHERE NEEDED** *(continued)*

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>2.5 RESOLVING GRIEVANCES</b></p> <p>We will establish fair, accessible, effective and timely mechanisms through which complaints and grievances related to our activities can be raised and resolved and remedies implemented. Those raising such grievances in good faith will not face discrimination or retaliation as a result of raising their concerns.</p>	<ul style="list-style-type: none"> <li>• The Company has established a complaints and grievance procedure and maintains a record of complaints and grievances raised through this procedure.</li> <li>• The Company communicates and generates awareness and understanding of the grievance process for all relevant stakeholders.</li> <li>• The grievance mechanism is monitored and continuously improved.</li> <li>• The Company publicly discloses annually the type of grievances by category and the total number of grievances received, resolved and outstanding.</li> </ul>

## PRINCIPLE 3 – SUPPLY CHAIN: WE WILL REQUIRE THAT OUR SUPPLIERS CONDUCT THEIR BUSINESSES ETHICALLY AND RESPONSIBLY AS A CONDITION OF DOING BUSINESS WITH US

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>3.1 SUPPLY CHAIN POLICY</b></p> <p>We will adopt and publish a Supply Chain Policy and support our contractors and suppliers to operate responsibly and to standards of ethics, safety, health, human rights and social and environmental performance comparable with our own. We will conduct risk-based monitoring of compliance.</p>	<ul style="list-style-type: none"> <li>• In order to ensure our partners live up to the corporate responsibility standards that we expect from them, Torex maintains a Social Responsibility Policy for suppliers and contractors, which describes the behaviors expected of them. The policy emphasizes prioritization for engagement with local communities.</li> <li>• As at December 31, 2023 the Company has not implemented a Supplier Code of Conduct however, have publicly committed to develop a Supplier Code of Conduct by the end of 2024. The standalone Code will formalize the Company's commitments as well as complement its Contractor Management System. The Code will require compliance with all relevant Mexican labour laws, regulations and taxation requirements. The Code will set standards of conduct and include a number of provisions relating to ethical labor practices.</li> <li>• The Company has developed and implemented a Contractor Management System to ensure that contractors perform work to the safety, ethics, health, environmental and social responsibility standards set by the Company.</li> <li>• The Company's Social Harmony and Human Rights Policy explicitly commits that the Company will regularly review and audit our performance, and that of our supply chain, on security and human rights matters relative to our stated policies and standards.</li> <li>• The Contractor Management System includes pre-qualification and pre-screening on HSE elements.</li> <li>• Disciplinary procedures related to non-conformance with the Company's policies, are incorporated into the Company's Contractor Management System.</li> </ul>
<p><b>3.2 LOCAL PROCUREMENT</b></p> <p>We will promote access for local businesses for procurement and contracting opportunities generated by our operations and, where appropriate, provide capacity building support to help them improve their capability as suppliers.</p>	<ul style="list-style-type: none"> <li>• As part of our Social Responsibility for Contractors, Torex maintains a Fairness and Transparency Program in Local Procurement, dedicated to fostering the inclusion and advancement of local personnel from communities surrounding our Operations.</li> <li>• The Company has proactively put in place programs to encourage local suppliers/contractors to be part of the Supply Chain through initiatives such as Confecciones Luna and through active participation in the Guerrero Mining Forum.</li> <li>• The Company makes contributions to local communities to support business and skill development and other entrepreneurship opportunities. Preference is given to local community companies in the awarding of contracts.</li> <li>• The Company has implemented a number of capacity building programs which assist local suppliers, as described in our annual Responsible Gold Mining Reports.</li> <li>• We track and disclose externally, local contracting numbers/values through our annual Responsible Gold Mining Report.</li> </ul>
<p><b>3.3 MARKET ACCESS FOR ASM</b></p> <p>We support access to legitimate markets for those artisanal and small-scale miners (ASM) who respect applicable legal and regulatory frameworks, who seek to address the environmental, health, human rights and safety challenges often associated with ASM activity, and who, in good faith, seek formalisation. We will consider supporting government initiatives to reduce and eliminate the use of mercury by ASM.</p>	<ul style="list-style-type: none"> <li>• The Company does not operate in an area where artisanal and small-scale mining occur.</li> </ul>

**PRINCIPLE 4 – SAFETY AND HEALTH: WE WILL PROTECT AND PROMOTE THE SAFETY AND OCCUPATIONAL HEALTH OF OUR WORKFORCE (EMPLOYEES AND CONTRACTORS) ABOVE ALL OTHER PRIORITIES AND WILL EMPOWER THEM TO SPEAK UP IF THEY ENCOUNTER UNSAFE WORKING CONDITIONS**

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>4.1 SAFETY</b></p> <p>We will be proactive in preventing fatalities and injuries to our workforce. Regular safety training will be conducted and personal protective equipment will be supplied at no cost to our workforce. Our objective is zero harm.</p>	<ul style="list-style-type: none"> <li>• The Company maintains a comprehensive Safety and Health Management System (HSMS) at the operational level, which includes identifying and analyzing risk, managing and controlling risk, monitoring metrics and reviewing performance. The HSMS covers 100% of our employees and contractors.</li> <li>• A commitment to maintain a comprehensive integrated HSMS is enshrined in the Company's Health and Safety Policy. The Health and Safety Policy was updated in 2023 and formally approved by the Board in 2024. The updated Policy includes commitments to promote a safe and healthy working environment.</li> <li>• In addition to the Company's Health &amp; Safety Policy and HSMS, the Company maintains a Morelos Safety Rules Book, which is provided to all employees and contractors attending our Operations, to make site-specific health and safety requirements and standards clear to all employees and contractors.</li> <li>• Torex Maintains a 4-Layer Safety System as a tool to make safety requirements and standards clear and to reinforce critical controls to prevent high potential safety incidents.</li> <li>• Each week, a Safety Actions Register (RAS) Meeting is held with all the General Supervisors, Superintendents, and Managers on rotation at the site. The focus is on reinforcing the safety themes of the week, reinforcing authorities at each leadership level and calling leaders to account for their actions concerning preventing or correcting incidents. This routine helps reinforce safety accountabilities and authorities by area and to ensure critical controls to prevent safety incidents are in place.</li> <li>• Health and Safety is listed as a material topic in the Company's annual Responsible Gold Mining Reports, and comprehensive safety and health disclosures and metrics are provided.</li> <li>• Critical controls are a key component of the overall health and safety management system and are reviewed regularly by the Operations safety team.</li> <li>• The Company reports internally on safety and health metrics through regular internal and external routines on a weekly, monthly, quarterly and annual basis.</li> <li>• Incident management, including near misses, is a key pillar of the Company's monitoring and measurement component of its HSMS. This includes provisions for reporting and investigating near misses, which are monitored, tracked, and reported on regularly.</li> <li>• The Company conducts comprehensive investigations into safety incidents and near misses and shares these regularly through incident notifications and internal reporting.</li> <li>• The Company employs highly specialized safety and health personnel, including doctors, who are responsible for all safety and health reporting.</li> <li>• The Company provides all required personal protective equipment to all employees at Operations.</li> <li>• The Company's Safety and CSR Committee of the Board of Directors maintains oversight of the Company's health and safety management and performance.</li> <li>• The SVP, Mexico holds a monthly safety meeting in the field with employees and contractors to reinforce safety themes.</li> <li>• Contractor Health and Safety is managed through the Contractor Management System. Contractor health and safety performance is monitored and tracked in parallel with employee performance. The Company maintains comprehensive records of contractor health and safety performance, which is aligned with employee data.</li> <li>• The Company maintains an Annual Integrated H&amp;S Technical Training Plan to coordinate safety training each year.</li> <li>• In 2023, in recognition of the Company's positive safety performance, Torex was awarded a Safe Workplace Distinction by the Instituto Mexicano del Seguro Social (IMSS) as part of the Safe and Healthy Work Environments program ("ELSS"). 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.</li> </ul>

**PRINCIPLE 4 – SAFETY AND HEALTH: WE WILL PROTECT AND PROMOTE THE SAFETY AND OCCUPATIONAL HEALTH OF OUR WORKFORCE (EMPLOYEES AND CONTRACTORS) ABOVE ALL OTHER PRIORITIES AND WILL EMPOWER THEM TO SPEAK UP IF THEY ENCOUNTER UNSAFE WORKING CONDITIONS (continued)**

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>4.2 SAFETY MANAGEMENT SYSTEMS</b></p> <p>We will implement safety and health management systems based on internationally recognized good practice and focused on continuous improvement of our performance. We will engage regularly on these issues with our workforce and their representatives.</p>	<ul style="list-style-type: none"> <li>• The HSMS is reviewed annually by management. It is also audited periodically by regulatory authorities and externally assured. Ultimate oversight responsibility rests with the Safety and CSR Committee of the Board of Directors.</li> <li>• The Company’s Health and Safety Policy contains a provision that the HSMS will be “Assessed internally, regularly and will undergo periodic regulatory audits’.</li> <li>• In November 2022, the Mexican government, through the Labour Secretariat, completed a formal inspection at the ELG Mine Complex focused on regulatory compliance of Health and Safety Conditions for Underground and Open Pit Mines. The inspection found 100% compliance, with no additional requirements or recommendations.</li> <li>• In 2023, the Company committed to the voluntary PASST program (Occupational Health and Safety Self-Management Program), under the Labour Secretariat. The Labour Secretariat completed a comprehensive documentation audit, as part of the initial certification steps to obtain the “Safe Industry Distinction” from the Federal government.</li> <li>• The Company maintains a Health and Safety Working Committee comprised of management and employees, both unionized and non-unionized, which enables constructive relationships based on ongoing dialogue on Health &amp; Safety Issues.</li> </ul>
<p><b>4.3 OCCUPATIONAL HEALTH AND WELLBEING</b></p> <p>We will maintain high standards of occupational health and hygiene and implement risk-based monitoring of the health of our workforce based on occupational exposures. We will promote the physical and mental wellbeing of our workforce.</p>	<ul style="list-style-type: none"> <li>• The Company’s Health and Safety Policy specifically states that the Company will “Provide a team of health and safety specialists at corporate and site levels to administer the on-site occupational health and safety services through our on-site clinic, including: appropriate health surveillance and risk-based monitoring standards and programs to minimize health risks and prevent adverse health effects to employees, service providers, and visitors, from occupational exposure to dust, fumes, chemicals, noise, vibration, ergonomics, and communicable and non-communicable diseases.”</li> <li>• The occupational health program, is the process employed at Operations to identify, evaluate and manage risks and is the foundation of our safety and health management system and is within the scope of the Company’s HSMS. Official Mexican Standards (NOM) are factored into the response to each risk in order to meet at least the minimum requirements for all occupational health topics.</li> <li>• The Health Team provides an annual plan and schedule, on health surveillance of employees and workplace environmental health surveillance.</li> <li>• Occupational Health and Safety (OHS) issues are regularly discussed via established joint worker-management labour committees as stipulated by collective bargaining agreements (CBAs) signed with union partners.</li> <li>• Disclosures regarding occupational health and safety are included in the Health and Safety section of the Company’s annual Responsible Gold Mining Report.</li> <li>• The Company reports internally on occupational health through regular routines on a weekly, monthly, quarterly and annual basis.</li> <li>• The Company develops programs and campaigns on an annual basis to promote healthy lifestyles. 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.</li> <li>• The Company’s benefits and Employee Family Assistance Program (“EFAP”) program includes access to counselling and mental health services.</li> <li>• The Company’s Health &amp; Safety Policy specifically notes that Torex commits to “provide a physically and psychologically healthy and safe workplace environment to every person employed at, or visiting, one of our sites.”</li> <li>• In 2023, in recognition of the Company’s positive safety performance, Torex was awarded a Safe Workplace Distinction by the Instituto Mexicano del Seguro Social (IMSS) as part of the Safe and Healthy Work Environments program (ELSS). 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.</li> </ul>

**PRINCIPLE 4 – SAFETY AND HEALTH: WE WILL PROTECT AND PROMOTE THE SAFETY AND OCCUPATIONAL HEALTH OF OUR WORKFORCE (EMPLOYEES AND CONTRACTORS) ABOVE ALL OTHER PRIORITIES AND WILL EMPOWER THEM TO SPEAK UP IF THEY ENCOUNTER UNSAFE WORKING CONDITIONS** *(continued)*

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>4.4 COMMUNITY HEALTH AND EMERGENCY PLANNING</b></p> <p>We will identify and eliminate or minimize significant risks to the health and safety of local people as a result of our activities and those of our contractors. We will develop, maintain and test emergency response plans based on national regulations and international best practice guidelines, ensuring the involvement of potentially affected stakeholders.</p>	<ul style="list-style-type: none"> <li>• The Company maintains a comprehensive crisis management system and process with clear accountabilities assigned, with frequent simulations to test the plan with relevant teams.</li> <li>• The Crisis Management Team at Corporate provides overall coordination of response; the Emergency Management Team provides site specific coordination of response; and the Emergency Response Team produces in field real-time response to crisis incidents.</li> <li>• The Company maintains a variety of emergency response programs for the Operations, including a Cyanide Emergency Response Plan, Fire Emergency Response Plan, Evacuation Emergency Response Plan, and an Injury Emergency Response Plan.</li> <li>• The Company regularly performs tabletop and real-time field simulations as part of the Crisis Management System, which includes a tiered approach to manage an emergency response regardless of size. Emergency Response Plans are continuously updated and improved.</li> <li>• Local communities, stakeholders and authorities potentially affected by an emergency are considered in Emergency Response Plans. A human health risk and impact assessment was conducted as part of the 2014 ESIA with the objective of mitigating risks to community health associated with the project.</li> <li>• The Company has established a complaints and grievance procedure and maintains a record of complaints and grievances raised by the community, including Health and Safety topics.</li> <li>• Stakeholder identification and communication procedures are in place to enable effective communication with a variety of key stakeholders and regulatory officials at the local, regional, national, and international levels in the event of an emergency. Specific protocols are in place to ensure transparent communication for these stakeholder groups.</li> <li>• The Company regularly promotes safe driving campaigns to raise awareness among employees and contractors of the need to keep communities safe when driving.</li> <li>• The Company conducted a Fire emergency drill of the RopeCon® Conveyor in August 2023. The Company has been recognized for its efforts in cooperating with authorities on Emergency Response Plans. In November 2022, the Operations received formal recognition from the Mexican government through PROFEPA for the Company’s participation in the National Chemical Emergency Preparedness and Response Day (DINAPREQ), for a drill that was held on site in July 2022.</li> </ul>

**PRINCIPLE 5 – HUMAN RIGHTS AND CONFLICT: WE WILL RESPECT THE HUMAN RIGHTS OF OUR WORKFORCE, AFFECTED COMMUNITIES AND ALL THOSE PEOPLE WITH WHOM WE INTERACT**

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>5.1 UN GUIDING PRINCIPLES</b></p> <p>We will adopt and implement policies, practices and systems based on the UN Guiding Principles on Business and Human Rights.</p>	<ul style="list-style-type: none"> <li>• The Company maintains a corporate Social Harmony and Human Rights Policy that outlines our commitment to respect and protect Human Rights. A public commitment has been made in our 2023 RGMR to update our Policy in 2024 to more explicitly align with the provisions of the UN Guiding Principles on Business and Human Rights (UNGPs) and to affirm commitment to conduct human rights due diligence in our business activities. The Company’s Social Harmony and Human Rights Policy is publicly available on the Company’s website.</li> <li>• An independent assessment of the policies, procedures, and practices of the Company was completed to assess conformance to the requirements of the Voluntary Principles on Security and Human Rights (VPSHR) in 2022. The Company continues to work on the implementation of the key findings identified during the assessment.</li> <li>• Human rights refresher training has been provided to the Company’s ESG Working Group by external experts, in addition to a review of findings of compliance with the UNGPs and VPSHR.</li> <li>• The Company discloses its commitments to human rights, including systems, policies, goals, and targets within its annual Responsible Gold Mining Report.</li> </ul>
<p><b>5.2 AVOIDING COMPLICITY</b></p> <p>We will seek to ensure that we do not cause, and are not complicit in, human rights abuses either directly or through our business relationships.</p>	<ul style="list-style-type: none"> <li>• The Company has established a Code of Business Conduct and Ethics and a Social Harmony and Human Rights Policy, both of which support the protection of human rights in order to avoid complicity in human rights abuses.</li> <li>• The Company has implemented an annual attestation process, with formal acknowledgement, for all staff employees that states they have reviewed and understood our Code of Business Conduct and Ethics.</li> <li>• In order to ensure our partners live up to the corporate responsibility standards that we expect from the Contractors whom we engage, the Company maintains a Social Harmony and Human Rights Policy that outlines our commitment to respect and protect Human Rights. A public commitment has been made in our RGMR to update our Policy in 2024 to more explicitly align with the provisions of the UNGPs and to affirm commitment to conduct human rights due diligence in our business activities.</li> <li>• In addition to compliance with our Social Responsibility Policy for suppliers, our contractual clauses include a provision that the Contractor must ensure that the guidelines and policies of the Company are met, as well as applicable laws and official Mexican legislation.</li> <li>• Commitments associated with Human Rights are communicated in the Company’s annual Responsible Gold Mining Report.</li> <li>• An independent assessment of the policies, procedures, and practices of the Company was completed in 2022, to assess conformance to the requirements of the Voluntary Principles on Security and Human Rights (VPSHR). The Company continues to work on the implementation of key findings identified during the assessment. A review of findings of compliance with the UNGPs and VPSHR was provided to key site and operational leaders through the ESG Working Group to highlight key risks and potential areas of complicity.</li> </ul>
<p><b>5.3 SECURITY AND HUMAN RIGHTS</b></p> <p>We will manage security-related human rights risks through implementation of the Voluntary Principles on Security and Human Rights</p>	<ul style="list-style-type: none"> <li>• The Company publicly commits to implement procedures on ethical conduct, and security and human rights as part of its Social Harmony and Human Rights Policy.</li> <li>• The Company publicly commits to adhering to the VPSHR through its annual Responsible Gold Mining Report and its public website.</li> <li>• An independent assessment of the policies, procedures, and practices of the Company was completed in 2022, to assess conformance to the requirements of the Voluntary Principles on Security and Human Rights (VPSHR). The Company continues to work on the implementation of key findings identified during the assessment. The assessment demonstrated a low average risk score on human right risks in connection with the VPSHR.</li> <li>• The VPSHR have been integrated into a new Security Policy, which has been endorsed by the Torex Board of Directors and will be published in 2024.</li> <li>• Since 2023, training on human rights and the VPSHR is conducted annually for both public and private site security personnel.</li> <li>• Company contracts with private security providers include provisions associated with the VPSHR.</li> </ul>

**PRINCIPLE 5 – HUMAN RIGHTS AND CONFLICT: WE WILL RESPECT THE HUMAN RIGHTS OF OUR WORKFORCE, AFFECTED COMMUNITIES AND ALL THOSE PEOPLE WITH WHOM WE INTERACT** *(continued)*

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>5.4 CONFLICT</b></p> <p>We will implement the Conflict-Free Gold Standard. We will ensure that when we operate in conflict affected or high-risk areas our operations do not cause, support or benefit unlawful armed conflict or contribute to human rights abuses or breaches of international humanitarian law.</p>	<ul style="list-style-type: none"> <li>• The Company has undertaken a Conflict Free Gold Assessment which includes a conflict-affected assessment in accordance with the Heidelberg Conflict Barometer. The conflict-affected assessment concluded that the region in which we operate is “not conflict-affected or high risk”.</li> <li>• The latest report on Conformance with the Conflict Free Gold Standard (CFGS) was issued for the period from January 1, 2022, to December 31, 2022. The Company will continue to report annually.</li> <li>• Independent Limited Assurance of the CFGS Report was provided.</li> </ul>

## PRINCIPLE 6 – LABOUR RIGHTS: WE WILL ENSURE THAT OUR OPERATIONS ARE PLACES WHERE EMPLOYEES AND CONTRACTORS ARE TREATED WITH RESPECT AND ARE FREE FROM DISCRIMINATION OR ABUSIVE LABOUR PRACTICES

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>6.1 WAGES AND BENEFITS</b></p> <p>We will ensure that our workforce receives fair wages and benefits relative to relevant national and local benchmarks, norms and regulations.</p>	<ul style="list-style-type: none"> <li>• Torex maintains a Reglamento Interior de Trabajo, which are internal working regulations developed by the Company and approved by the Union, that define how the Company will align with, or exceed, Mexican labour laws. The Reglamento includes, among others, provisions for the fair payment of wages and salaries as well as vacation entitlements.</li> <li>• The Company has established the “Torex Employment Deal”, publicly available on the Company’s website, which commits the Company to pay competitive salary and benefits.</li> <li>• The Company undertakes regular compensation benchmarking at national and regional levels to ensure competitive remuneration and benefits.</li> <li>• The Company reports on remuneration in its annual Responsible Gold Mining Report.</li> </ul>
<p><b>6.2 PREVENTING DISCRIMINATION AND BULLYING</b></p> <p>We will engage regularly and constructively with our employees and their representatives and strive to insure a workplace free from bullying or harassment and unfair discrimination.</p>	<ul style="list-style-type: none"> <li>• The Company implements a Code of Business Conduct and Ethics that addresses discrimination, bullying, and harassment.</li> <li>• Torex maintains a Reglamento Interior de Trabajo, which are internal working regulations developed by the Company and approved by the Union, that clearly states that harassment, including sexual harassment, is forbidden in the workplace.</li> <li>• The Company maintains a “Fair Treatment System” to resolve employee complaints about perceived unfair treatment in the workplace and ensure fair resolution through a set of established policies and procedures, which expressly prohibits harassment and sexual harassment in the workplace.</li> <li>• The Company maintains a whistleblower channel, through which anyone, including all employees, contractors, vendors and members of the public, can submit a complaint regarding potential wrongful behaviour such as discrimination, bullying or harassment. Complaints can be submitted anonymously, and all complaints are treated confidentially.</li> </ul>
<p><b>6.3 CHILD AND FORCED LABOUR</b></p> <p>We prohibit child labour, forced labour and modern slavery in our operations and in our supply chains.</p>	<ul style="list-style-type: none"> <li>• Torex publicly commits to obeying all governing laws in its Code of Business Conduct and Ethics and other policies, Mexican Law prohibits forced labour and child labour.</li> <li>• The Company’s Social Harmony and Human Rights Policy affirms our commitment to the protection of workers and human rights in our management systems and behaviours. The policy explicitly commits that the Company will regularly review and audit our performance, and that of our supply chain, on security and human rights matters relative to our stated policies and standards.</li> <li>• The Company maintains a Reglamento Interior de Trabajo, which are internal working regulations jointly developed by the Company and approved by the Union, that includes, among others, provisions that the Company commitments to respect the rights of workers as defined in Mexican legislation, including the international human rights conventions Mexico is party to; and minimum age requirements, which in Mexico is 18, thereby prohibiting child labour in our workforce.</li> <li>• In 2023, a “Responsible Supply Chain” sub-group of the Company’s ESG Working Group was formed, comprised of leaders from the Procurement, Human Resources, Community Relations, Risk, Legal and Compliance, Safety and Corporate Affairs teams. The sub-group mandate will be to enhance strategies, processes and systems associated with due diligence of our supply chain and ensure that our supply chain partners are meeting the Company’s expectations and standards of conduct with respect to responsible mining. Ongoing improvement with respect to assessing and mitigating risks associated with forced labour and child labour within our supply chain is also part of the ongoing mandate of this group.</li> <li>• The Company maintains a Social Responsibility Policy for suppliers and contractors, which requires compliance with Mexican labour laws. The policy also sets standards of conduct and includes a number of provisions which mitigate against the risk of child and forced labour. In addition to compliance with our Social Responsibility Policy for suppliers, our contractual clauses include a provision that the Contractor must ensure that the guidelines and policies of the Company are met, as well as applicable laws and official Mexican legislation.</li> </ul>



**PRINCIPLE 6 – LABOUR RIGHTS: WE WILL ENSURE THAT OUR OPERATIONS ARE PLACES WHERE EMPLOYEES AND CONTRACTORS ARE TREATED WITH RESPECT AND ARE FREE FROM DISCRIMINATION OR ABUSIVE LABOUR PRACTICES** *(continued)*

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>6.4 FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b></p> <p>We will uphold the legal rights of our workforce to associate with others and to join, or to refrain from joining, labour organizations of their choice and to bargain collectively without discrimination or retaliation.</p>	<ul style="list-style-type: none"> <li>• Freedom of association safeguards are enshrined in the Company's internal labour rules – Reglamento Interior de Trabajo.</li> <li>• The Company's approach to fundamental labour rights and freedom of association and collective bargaining is outlined in its annual Responsible Gold Mining Report.</li> <li>• The Company maintains a Collective Bargaining Agreement with the National Mining and Metal Workers Union, which is negotiated annually.</li> <li>• We foster ongoing dialogue with our union partners through an established labour committee.</li> <li>• The Company maintains a Fair Treatment Policy, which explicitly outlines how to raise concerns regarding potential infringement of labour rights.</li> </ul>
<p><b>6.5 DIVERSITY</b></p> <p>We will implement policies and practices to promote diversity at all levels of the Company, including the representation and inclusion of historically underrepresented groups and will report on our progress.</p>	<ul style="list-style-type: none"> <li>• The Company publicly discloses a Diversity Policy as outlined in the annual Management Information Circular. The Policy states our belief that decision-making is enhanced through diversity, and recognizes valuing an individual's race, colour, gender, age, religious belief, ethnicity, cultural background, economic circumstance, capability, as well as other factors.</li> <li>• The Company is committed to wage parity for men and women and disclosed female/male average salary ratios as part of the 2023 Responsible Gold Mining Report.</li> <li>• While the Company deliberately has not set targets on diversity, the Company reports on diversity metrics in its annual Responsible Gold Mining Report.</li> <li>• Diversity and Gender Awareness Issues are communicated through the annual Code of Conduct attestation process.</li> <li>• The Company has undertaken a training initiative for female haul truck drivers, to promote the advancement of women.</li> </ul>
<p><b>6.6 WOMEN AND MINING</b></p> <p>We are committed to identifying and resolving barriers to the advancement and fair treatment of women in our workplaces. Through our employment, supply chain, training and community investment programs, we will aim to contribute to the socio-economic empowerment of women in the communities associated with our operations.</p>	<ul style="list-style-type: none"> <li>• The Company's CEO has trademarked a program called "Daughters" with a mandate to "create the conditions for young women to rise", and established an implementation committee.</li> <li>• The Company collects and analyzes data regarding recruitment and retention by gender across the Company and communicates this in its annual Responsible Gold Mining Report.</li> <li>• The Company collects data related to the representation of women among Contractors employed by the Company.</li> <li>• Company representatives, including the CEO, are speakers at WIM and other industry events to discuss how to increase female representation in the mining industry.</li> <li>• Multiple employees of Torex are members of Women in Mining Chapters in both Mexico and Canada.</li> <li>• The Company maintains annual CODECOP (community development) Agreements, led by local CODECOP committees, on which women figure prominently in decision making.</li> </ul>
<p><b>6.7 RAISING CONCERNS</b></p> <p>We will provide a confidential mechanism through which employees and others associated with our activities may raise ethical concerns and which will provide protection from retaliation for those who raise concerns in good faith.</p>	<ul style="list-style-type: none"> <li>• The Company maintains a Code of Business Conduct &amp; Ethics, which specifically references a confidential whistleblower mechanism through which individuals may confidentially raise concerns and which will provide protection from retaliation for those who raise concerns in good faith. The Whistleblower Mechanism is outlined in our Whistleblower Policy.</li> <li>• All employees are made aware of the Company's Whistleblower Policy through the Company's onboarding process, and all staff employees must attest to reviewing the Whistleblower Policy on an annual basis.</li> <li>• Posters outlining the Whistleblower Policy have been placed across operational sites and in local communities to ensure awareness.</li> <li>• Any internal concerns that are raised through the Whistleblower Policy are reported to the Audit Committee of the Board of Directors. The number of Whistleblower Complaints are also disclosed in the annual Responsible Gold Mining Report.</li> <li>• The Whistleblower Policy outlines how those speaking up are protected.</li> <li>• The Company's confidential Whistleblower hotline is available in both English and Spanish, which are the languages most commonly used by employees.</li> </ul>

## PRINCIPLE 7 – WORKING WITH COMMUNITIES: WE WILL CONTRIBUTE TO THE SOCIO-ECONOMIC ADVANCEMENT OF COMMUNITIES ASSOCIATED WITH OUR OPERATIONS AND TREAT THEM WITH DIGNITY AND RESPECT

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>7.1 COMMUNITY CONSULTATION</b></p> <p>We will consult regularly and in good faith with the communities associated with our operations on matters of interest to them, and will take account of their perspectives and concerns.</p>	<ul style="list-style-type: none"> <li>• As per the Company's Social Harmony and Human Rights Policy, the Company commits to “develop lasting relationships with our stakeholders aiming to reach mutually agreed objectives with shared involvement” and to “engage in accurate and timely consultation to discuss our short- and long-term plans aiming to address stakeholder concerns”.</li> <li>• The Company maintains stakeholder maps and engagement plans for each of its local communities.</li> <li>• 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.</li> <li>• The Company reports monthly to Management and quarterly and annually to the Board of Directors on community engagement activities.</li> <li>• The Company maintains meeting minutes and photographs. Meetings are reported on monthly to Management.</li> <li>• The Company maintains a team of specialist community relations staff at the Operations. A total of 14 community specialists are employed directly by the Company at the Operations.</li> <li>• The Company maintains community relations offices in several local communities to enable community members to access and communicate with community relations personnel directly and at their convenience.</li> <li>• The Company has established a complaints and grievance procedure and maintains a record of complaints and grievances raised through this procedure.</li> </ul>
<p><b>7.2 UNDERSTANDING COMMUNITIES</b></p> <p>We will ensure that we engage with communities, including traditional leaders, in a culturally appropriate manner. We will be alert to the dangers of causing differentially negative impacts on women, children, Indigenous Peoples and other potentially vulnerable or marginalized groups. We will strive to ensure that the voices of these groups are heard and that this knowledge is integrated into how we do business.</p>	<ul style="list-style-type: none"> <li>• The Company maintains a team of specialist community relations staff at the Operations. A total of 14 community specialists are employed directly by the Company at the Operations with an employee assigned to each community within the zone of influence of Operations.</li> <li>• There is strong female representation on the Community Development (CODECOP) Committees formed within each community within the zone of influence of the Operations. As per the CODECOP Agreements female representation per Committee must be at least 33%.</li> <li>• The Company maintains community relations offices in several local communities to enable community members to access and communicate with community relations personnel directly and at their convenience.</li> <li>• Meeting minutes are taken at community meetings.</li> <li>• The Company's Social Harmony and Human Rights Policy specifically states, “we respect the social, economic, cultural and customary rights of Indigenous People”.</li> <li>• Community Engagement policy and processes are regularly refined and improved.</li> </ul>

**PRINCIPLE 7 – WORKING WITH COMMUNITIES: WE WILL CONTRIBUTE TO THE SOCIO-ECONOMIC ADVANCEMENT OF COMMUNITIES ASSOCIATED WITH OUR OPERATIONS AND TREAT THEM WITH DIGNITY AND RESPECT** *(continued)*

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>7.3 CREATING LOCAL BENEFITS</b></p> <p>We will ensure that the communities associated with our operations are offered meaningful opportunities to benefit from our presence, including through access to jobs and training, and procurement opportunities for local businesses and social investment.</p>	<ul style="list-style-type: none"> <li>• The Company's Social Harmony and Human Rights policy explicitly commits to "share our success through partnership to implement sustainable community development programs with a focus on investment in economic development and human capital."</li> <li>• The Company maintains a Local Procurement and Local Employment Process, with clear responsibilities assigned, aimed at maximizing economic opportunities for local businesses and residents.</li> <li>• As part of the Company's Social Responsibility Policy for Contractors, contractors are obligated to employ the largest number of staff in the community in non-specialized positions (i.e. general assistants) as well as to consider hiring qualified personnel in the area, as long as they demonstrate the skills and abilities required to perform the required work.</li> <li>• The Company implements 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 involves them 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.</li> <li>• The Company clearly states its commitment to communities in its ESG reporting, including through its annual Responsible Gold Mining Report, which includes dedicated sections on community relations and community development.</li> <li>• The Company implements a variety of ongoing training initiatives for local communities. The programs are conceived in conjunction with local communities based on local needs.</li> <li>• Spending on community investment and community development is disclosed annually in the Company's Responsible Gold Mining Report.</li> </ul>
<p><b>7.4 SEEKING COMMUNITY SUPPORT</b></p> <p>We will seek to obtain and sustain the broad-based support of communities affected by our activities.</p>	<ul style="list-style-type: none"> <li>• The Company's Social Harmony and Human Rights Policy outlines its commitment to "accurate and timely consultation" with local stakeholders with a view to developing "lasting relationships".</li> <li>• The Company clearly states its commitment to communities in its ESG reporting, including through its annual Responsible Gold Mining Report, which includes a dedicated section on community relations and community development.</li> <li>• An organizational purpose statement was developed by the Executive Team, which is "to transform finite mineral resources into lasting prosperity by positively impacting all the lives we touch."</li> <li>• Meeting minutes are taken at all major community meetings and all meetings with communities are reported on monthly to Management via the ESG monthly reporting mechanism.</li> <li>• The Company has established a complaints and grievance procedure and maintains a record of complaints and grievances raised through this procedure.</li> <li>• The Company maintains community relations offices in several local communities to enable community members to access and communicate with community relations personnel directly and at their convenience.</li> <li>• We partner with our host communities through Community Development (CODECOP) Agreements. Funding priorities are defined by community-elected CODECOP committee representatives in consultation with community authorities and community members and involves them in the decision-making process and the projects themselves.</li> </ul>
<p><b>7.5 IN-MIGRATION</b></p> <p>We will work with local authorities and community leaders to control or manage the impact of migratory influxes of people attracted by mine development.</p>	<ul style="list-style-type: none"> <li>• The Company implements measures to prevent in-migration including rotation assignments, provision of busing and flights to enable commuting, and local hiring policies to employ people already living in the project area.</li> <li>• The Company has built contractor and employee residential facilities, which help reduce the burden on local resources.</li> </ul>

**PRINCIPLE 7 – WORKING WITH COMMUNITIES: WE WILL CONTRIBUTE TO THE SOCIO-ECONOMIC ADVANCEMENT OF COMMUNITIES ASSOCIATED WITH OUR OPERATIONS AND TREAT THEM WITH DIGNITY AND RESPECT** *(continued)*

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>7.6 INDIGENOUS PEOPLES</b></p> <p>We will respect the collective and customary rights, culture and connection to the land of Indigenous Peoples. We will work to obtain their free, prior and informed consent where significant adverse impacts may occur during exploration, project design, operation and closure, including around the delivery of sustainable benefits.</p>	<ul style="list-style-type: none"> <li>Indigenous Peoples were not identified in the Company's host communities in the Company's ESIA (2014) or MIA-Integral (2022), nor through a human rights impact assessment conducted in 2022.</li> <li>The Company is not currently aware of any evidence of Indigenous Peoples having rights in the lands covering the Company's mining concessions.</li> <li>Notwithstanding, the Company's Social Harmony and Human Rights Policy explicitly states that we will "respect the social, economic, cultural, and customary rights of Indigenous People".</li> </ul>
<p><b>7.7 CULTURAL HERITAGE</b></p> <p>We will seek to preserve cultural heritage from adverse impacts associated with project activities, including through our impact assessments. We will put in place chance finds procedures at all relevant operations.</p>	<ul style="list-style-type: none"> <li>A comprehensive cultural heritage baseline study was conducted in 2014 as part of the initial ESIA conducted by Golder Associates.</li> <li>Local Communities as well as the National Institute of Anthropology and History were consulted in the development of cultural heritage studies as part of the 2014 ESIA.</li> <li>Cultural Heritage Studies were undertaken and considered in design and construction of Operations. A Safeguarding Protocol for Archaeological and Paleontological Heritage has been developed in conjunction with the Instituto Nacional de Antropología e Historia ("INAH").</li> <li>The Company's Chance Finds Policy is contained within the Safeguarding Protocol for Archaeological and Paleontological Heritage. The Protocol is required to be observed by all Company personnel and contractors. Before developing any construction work in new areas, a study is carried out by INAH to ensure that there is no cultural heritage that could be damaged.</li> </ul>
<p><b>7.8 RESETTLEMENT</b></p> <p>We will seek to avoid involuntary resettlement. Where this is unavoidable, we will proceed on the basis of meaningful consultation with affected communities, a publicly available planning framework, the restoration of established livelihoods and the provision of fair and timely compensation. We will seek to minimize adverse impacts on displaced people.</p>	<ul style="list-style-type: none"> <li>The Company has implemented voluntary Resettlement Actions Plans ("RAP") for physical resettlement in alignment with International Finance Corporation Performance Standard 5 (IFC PS5).</li> <li>External experts oversaw the implementation of the RAP for the towns of Real de Limon and La Fundación, which were relocated due to their proximity to the El Limon Guajes Project. Resettlement is planned for the town of San Miguel Vista Hermosa which is located in very close proximity to the Media Luna project.</li> <li>As per IFC PS5, affected communities resettled by the Company are compensated fairly and on time. Compensation plans were in place for affected communities resettled by the Company during ELG development. Compensation studies are being carried as part of the future resettlement of the San Miguel community.</li> <li>IFC PS5 is used as the primary planning framework for all resettlements, which includes comprehensive provisions for community consultation. Extensive community consultation was undertaken using the legal Ejido processes, communal meetings, public information meetings and informal meetings with individuals and families.</li> <li>The Company retained RePlan (now a part of ERM Group), one of the most internationally recognized consultancies in resettlement, to develop and implement its RAP for Real del Limon and La Fundación. For resettlement at San Miguel Vista Hermosa external consultants GAP Guild Lawyers have been retained.</li> <li>The Company continues to support the resettled communities through a variety of investments and through its CODECOP Agreements.</li> <li>Grievance procedures were developed as part of the RAPs. Affected stakeholders also have access to routine company grievance mechanisms. Community liaison offices have also been established in resettled communities to facilitate feedback from affected communities.</li> </ul>

**PRINCIPLE 8 – ENVIRONMENTAL STEWARDSHIP: WE WILL ENSURE THAT ENVIRONMENTAL RESPONSIBILITY IS AT THE CORE OF HOW WE WORK**

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>8.1 MANAGING ENVIRONMENTAL IMPACTS</b></p> <p>We will implement systems to monitor and manage our impacts on the environment. We will avoid, minimize, mitigate or compensate for significant adverse impacts on the environment relating to our activities.</p>	<ul style="list-style-type: none"> <li>• The Company maintains an Environment Protection Policy, which outlines the Company's commitments to meeting regulatory requirements in all of our exploration, development, mining and closure activities while doing zero harm to the receiving environment beyond our operational boundaries.</li> <li>• We conduct social and environmental impact assessments (ESIAs) for all major projects. We completed an ESIA in 2014 for the ELG Mine Complex and in 2022, we completed an updated MIA-Integral for the Morelos Mining Complex.</li> <li>• The Company has determined, through the ESIA and MIA processes, how significant adverse environmental impacts can be avoided, minimized, mitigated or compensated for in project design.</li> <li>• We maintain an Environmental Surveillance Program (Programa de Vigilancia Ambiental, or "PVA"), which informs the actions that the MIA-Integral, approved in 2022, committed to address the potential environmental impacts of our mining projects in the Morelo Mining Complex. Both together are an integral part of our environmental management system.</li> <li>• As part of the original MIA authorization in 2013, the development of an Environmental Quality Monitoring Program (Programa de Seguimiento de Calidad Ambiental, "PSCA") was required. The PSCA was comprised of 16 management plans covering environmental and social risks and impacts. These programs were subsequently updated through the Environmental Surveillance Program (PVA), which is comprised of 13 management plans covering environmental and social risks and impacts.</li> <li>• A team of environmental specialists at our Operations manage environmental issues with overall operational accountability residing with our Senior Vice President, Mexico, who reports directly to our CEO.</li> <li>• 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.</li> <li>• We maintain a registry of our environmental obligations, including all permits and authorizations.</li> </ul>
<p><b>8.2 TAILINGS AND WASTE MANAGEMENT</b></p> <p>We will design, build, manage and decommission tailings storage and heap-leaching facilities and large-scale water infrastructure using ongoing management and governance practices in line with widely supported good practice guidelines. We will not develop a new mine that would involve the use of riverine or shallow submarine tailings.</p>	<ul style="list-style-type: none"> <li>• At ELG, the Company designed and constructed a filtered tailings storage facility (FTSF), which conserves water and eliminates the need for tailings embankments.</li> <li>• The Company provides an inventory of existing tailings facilities (i.e. FTSF with a waste rock buttress) in its Tailings Management Report. Existing and future tailings are also described in the Company's latest NI 43-101 report.</li> <li>• In 2022, the Torex Board of Directors approved the adoption of the Global Industry Standard on Tailings Management (GISTM), a global best-practice standard for the effective and safe management of tailings. The Company is currently in the process of implementing GISTM for both our existing FTSF and new in-pit tailings storage facility,</li> <li>• 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.</li> <li>• Tailings management is reported on quarterly by management as part of the Safety and CSR Committee of the Board annual workplan.</li> <li>• The Company's facilities follow the Canadian Dam Association guidelines classification system.</li> </ul>

**PRINCIPLE 8 – ENVIRONMENTAL STEWARDSHIP: WE WILL ENSURE THAT ENVIRONMENTAL RESPONSIBILITY IS AT THE CORE OF HOW WE WORK** *(continued)*

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>8.3 CYANIDE AND HAZARDOUS MATERIALS</b></p> <p>We will identify and manage potential risks relating to the transportation, handling, storage and disposal of all hazardous materials. Where our operations use cyanide, we will ensure that our arrangements for the transport, storage, use and disposal of cyanide are in line with the standards of practice set out in the International Cyanide Management Code (ICMC)</p>	<ul style="list-style-type: none"> <li>• Our Environmental Protection Policy outlines our company-wide commitments to identifying, assessing, and managing potentially harmful pollutants.</li> <li>• We maintain a Hazardous Waste Management Plan that is aligned with Mexican environmental legislation, namely the General Law for the Prevention and Integral Management of Waste.</li> <li>• In April 2021, the Company became a signatory to the ICMC. In May 2024, the Company completed the final audit for the ICMC, obtaining full compliance with every aspect of the standards of practice. Notification of full compliance is expected from ICMC in August 2024.</li> </ul>
<p><b>8.4 MERCURY</b></p> <p>We will not use mercury to extract gold in our processing facilities nor accept gold produced by third parties using mercury. We support the Minamata Convention’s objective of reducing mercury emissions for the protection of human health and the environment. We will identify point source mercury emissions to the atmosphere, arising from our activities, and minimize them. We will only sell mercury thereby captured for uses recognized as acceptable by international conventions.</p>	<ul style="list-style-type: none"> <li>• Waste mercury is emitted in very low quantities, approximately 500 gr every year, in the refining process in the furnace area.</li> <li>• The procedures for management and disposal of the mercury generated is outlined in our Procedure for Receipt and Handling of Hazardous Waste and our Hazardous Waste Management Plan.</li> <li>• Due to its composition and physicochemical characteristics, the mercury generated, cannot be recycled or reused. A specialist contractor is engaged to carry out appropriate management and disposal as required.</li> </ul>
<p><b>8.5 NOISE AND DUST</b></p> <p>We will adopt and implement policies and practices to avoid or mitigate impacts on local communities and the environment arising from noise, dust, blasting and vibration.</p>	<ul style="list-style-type: none"> <li>• Noise, dust, vibration, and blasting risks and impacts were all integrated into the 2014 ESIA for the Morelos Project and into the updated MIA-Integral for the Morelos Mining Complex, approved in 2022.</li> <li>• Stakeholders were consulted extensively during the ESIA process, which considered noise, dust, vibration, and blasting. Ongoing engagement continues to understand stakeholder concerns and adjust operational practices accordingly. Updated mitigation measures are taken to reflect grievances related to dust.</li> <li>• Environmental risk mitigation plans were developed based on the 2022 MIA-Integral. The umbrella system is outlined in the “Programa de Vigilancia Ambiental” or PVA, which is comprised of 13 management plans covering ten material aspects, from which 6 are classified as environmental.</li> <li>• The Company operates a network of stations for air quality monitoring in the project and in some of the surrounding communities to help maintain compliance with Mexican regulations. Some stations monitor for Total Suspended Particles (TSP), PM10, and PM2.5 and others measure gases as NO<sub>2</sub>, CO, and SO<sub>2</sub>.</li> <li>• The Company has established a complaints and grievance procedure and maintains a record of complaints and grievances raised through this procedure</li> </ul>

## PRINCIPLE 9 – BIODIVERSITY, LAND USE AND MINE CLOSURE: WE WILL WORK TO ENSURE THAT FRAGILE ECOSYSTEMS, HABITATS AND ENDANGERED SPECIES ARE PROTECTED FROM DAMAGE, AND WILL PLAN FOR RESPONSIBLE MINE CLOSURE

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>9.1 BIODIVERSITY</b></p> <p>We will implement biodiversity management plans. At a minimum, we will seek to ensure that there is no net loss of critical habitat. Where opportunities arise to do so, we will work with others to produce a net gain for biodiversity. We will incorporate both scientific and traditional knowledge in designing adaptation strategies in ecosystem management and environmental assessment.</p>	<ul style="list-style-type: none"> <li>• The Company maintains Biodiversity Management Programs as part of the Environmental Surveillance Program (Progama de Vigilancia Ambiental, “PVA”). The plans include monitoring programs to track biodiversity indicators and ensure compliance with conservation objectives.</li> <li>• Our target is to offset our entire mine footprint in natural habitat areas. Vulnerable Species are managed through the Company’s Biodiversity Management Programs.</li> <li>• A baseline study was conducted in 2022, as part of the MIA-Integral, identifying at-risk fauna and flora species including the margay (<i>Leopardus wiedii</i>), and military macaw (<i>Ara militaris</i>). In response, a specialized conservation and monitoring program for flora and fauna has been initiated.</li> <li>• To illustrate our commitment to the protection of vulnerable species, in 2023 the Company established the “UMA Bioluna”, a dedicated wildlife management unit endorsed by the Secretaría de Medio Ambiente y Recursos Naturales (SEMARNAT), to preserve the “Mexican Beaded Lizard” (<i>Heloderma horridum</i>), a species recognized as threatened in Mexico and safeguarded under national legislation.</li> <li>• Adaptive management was incorporated into the biodiversity component of the 2014 ESIA. Biodiversity management measures were also included in the updated MIA-Integral completed in 2022 for the Morelos Mining Complex.</li> <li>• Environmental impact assessments are conducted for all major projects. The Company conducted an ESIA with a biodiversity component in 2014 and in 2022, completed a MIA-Integral for the Morelos Mining Complex.</li> <li>• The Company collaborates with local communities and the Autonomous University of Guerrero (UAgro) for the monitoring of water and fish quality in the Caracol Dam. Consultations with the communities were carried out as part of Environmental and Social Impact Assessments and updates to the Mine Closure Plan, Water Management Plan, and Emergency Response Plan.</li> <li>• The Company leads regular environmental campaigns with local youth. In 2023, Torex’s newly established Environmental Education Centres (EECs) were inaugurated at ELG and Media Luna, which were designed to offer programs educate local youth about environmental matters.</li> </ul>
<p><b>9.2 WORLD HERITAGE SITES</b></p> <p>We will not explore or seek to develop new mining operations in an area designated as a World Heritage Site.</p>	<ul style="list-style-type: none"> <li>• Not Applicable to our Operations. There are no World Heritage Sites in Guerrero State.</li> </ul>
<p><b>9.3 LAND USE AND DEFORESTATION</b></p> <p>We recognize the importance of integrated land use planning. In determining our project footprint, we will give meaningful consideration to the land access needs of nearby communities and to the preservation of biodiversity. We will aim to minimize deforestation arising from our activities.</p>	<ul style="list-style-type: none"> <li>• The Company negotiated and entered into land agreements with local Ejidos to access land required for the Operations. Community needs were factored into the agreements with the Ejidatarios, as described in the 2014 ESIA.</li> <li>• Biodiversity was a key component of both the Morelos Gold Project ESIA in 2014 and the latest MIA-Integral in 2022, which consider the biodiversity-related impacts of the Operations.</li> <li>• The Company maintains a series of management plans related to biodiversity, which are derived from our Environmental Surveillance Program. One of these plans relates to affected areas compensations, by establishing compensation areas, at a ratio of 1:1, in the Morelos Property vicinity. Detailed plans for reforestation of the mine site during and post closure have been developed in the Mine Closure Plan, 2022.</li> <li>• The Company maintains two greenhouses to grow seedlings for progressive reforestation – one at ELG and one at Media Luna.</li> </ul>

**PRINCIPLE 9 – BIODIVERSITY, LAND USE AND MINE CLOSURE: WE WILL WORK TO ENSURE THAT FRAGILE ECOSYSTEMS, HABITATS AND ENDANGERED SPECIES ARE PROTECTED FROM DAMAGE, AND WILL PLAN FOR RESPONSIBLE MINE CLOSURE** *(continued)*

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>9.4 MINE CLOSURE</b></p> <p>We will plan for the social and environmental aspects of mine closure in consultation with authorities, our workforce, affected communities and other relevant stakeholders. We will make financial and technical provision to ensure planned closure and post-closure commitments are realized, including the rehabilitation of land, beneficial future land use, preservation of water sources and prevention of acid rock drainage and metal leaching.</p>	<ul style="list-style-type: none"> <li>• An updated mine closure plan, incorporating both, the existing ELG mine and the ML mine currently under construction, was developed in 2022. Mine Closure Plans are updated every three years, with the next update due to be delivered in 2025. The Plan was completed in 2022 by third party mine closure experts.</li> <li>• The Company regularly undertakes analyses to determine Acid Rock Drainage (ARD) potential within its facilities and to date. ARD potential was considered in the 2022 Conceptual closure plan. No sampling has shown an indication of ARD potential.</li> <li>• Quarterly asset retirement obligation (ARO) reviews are conducted to make a balance sheet provision for closure commitments. Life of Mine Closure Costs were calculated as part of the Closure Plan developed in 2022.</li> <li>• Mine closure plans are developed and implemented in conjunction with internationally recognized experts. The plans will be implemented by a designated team of specialists at the Operations, and include social programs to diversify the local economy beyond mining and by developing initiatives to improve agriculture and fishing activities.</li> </ul>



**PRINCIPLE 10 – WATER, ENERGY AND CLIMATE CHANGE: WE WILL IMPROVE THE EFFICIENCY OF OUR USE OF WATER AND ENERGY, RECOGNIZING THAT THE IMPACTS OF CLIMATE CHANGE AND WATER CONSTRAINTS MAY INCREASINGLY BECOME A THREAT TO THE LOCATIONS WHERE WE WORK AND A RISK TO OUR LICENCE TO OPERATE**

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>10.1 WATER EFFICIENCY</b></p> <p>We will use water efficiently and responsibly and in co-operation with authorities and, where possible, other users. When we operate in water-stressed areas, we will take proportionate and practicable steps to improve the efficiency of our water use and seek to reduce our water footprint, including, where possible, through increased recycling.</p>	<ul style="list-style-type: none"> <li>• Torex has implemented a Comprehensive Water Resource Management Program (PVA – “Programa de Vigilancia Ambiental”) at its Morelos Property as part of the environmental monitoring program, that includes monitoring protocols and management strategies designed to maintain the balance and quality of water resources.</li> <li>• In addition to the PVA, the Company maintains a site-wide water balance model, which is a tool that allows the Operations to accurately track and predict the movement of water within our operational footprint.</li> <li>• Process water needs were studied as part of pre-Operations technical studies and ESIA’s. Water management was a key component of the Company’s ESIA in 2014, as well for the MIA permit application submitted in 2022 and approved in 2023 by Mexico’s environmental regulator, SEMARNAT.</li> <li>• The Company has held, since 2016, all required licences for water extraction and discharge and regularly engages with local and national branches of Mexico’s water regulator, CONAGUA.</li> <li>• The Company regularly consults with local communities and water users concerning water access and use. The Company also supports independent, third-party monitoring of local watersheds to augment its internal monitoring practices and provide an additional layer of trust for local communities.</li> <li>• As part of ongoing community development efforts, the Company has partnered with local communities on a variety of projects to provide access to clean water for local community use.</li> <li>• The Company uses the World Resources Institute Water Risk Atlas to determine whether the mine site is located in a water-stressed area. As per the Atlas, the mine site is located in an area of “low-medium” risk in the overall water risk, and a “low” water stress zone. This determination is used as the basis for water components of materiality assessments.</li> <li>• Water-related activities have been designed to maximize the use of the resource by recycling process water and collecting rainwater. Our gold-recovery facility is designed as water-closed-loop system, therefore, we operate as a zero-process water discharge site. Process water refers to all water that comes in contact with the gold-recovery process.</li> <li>• The Company also maintains an Operational Water Management Plan (“POMA”) which outlines water management strategies at Operations. Efficiency provisions have been incorporated into the POMA and the Company currently implements water recycling measures for the water used in its Operations.</li> </ul>
<p><b>10.2 WATER ACCESS AND QUALITY</b></p> <p>Recognizing that access to water is a human right and fundamental ecosystem requirement, we will manage our operations so as to ensure that they do not adversely affect the overall quality of catchment water resources available to other users.</p>	<ul style="list-style-type: none"> <li>• The Company maintains a variety of water-related permits, which allows for discharge of water up to a volume of 31,115.90 m3 per year. However, we maintain “zero-discharge” for process water as we do not discharge process water to local watersheds. Treated domestic wastewater is discharged safely in accordance with relevant permits.</li> <li>• The Company maintains a comprehensive environmental monitoring program, including water monitoring activities, to ensure compliance with water regulations. Samples are collected daily, and third-party verification is conducted monthly. Periodically water sampling is conducted by an independent third party from the Autonomous University of Guerrero in partnership with local communities.</li> <li>• The Company maintains an emergency-response program that includes provisions related to potential water incidents. Incident reporting procedures are also well developed to respond to operational incidents that have the potential to affect local water resources.</li> </ul>

**PRINCIPLE 10 – WATER, ENERGY AND CLIMATE CHANGE: WE WILL IMPROVE THE EFFICIENCY OF OUR USE OF WATER AND ENERGY, RECOGNIZING THAT THE IMPACTS OF CLIMATE CHANGE AND WATER CONSTRAINTS MAY INCREASINGLY BECOME A THREAT TO THE LOCATIONS WHERE WE WORK AND A RISK TO OUR LICENCE TO OPERATE** *(continued)*

SUB-PRINCIPLE	TOREX CONFORMANCE ASSESSMENT CRITERIA
<p><b>10.3 COMBATING CLIMATE CHANGE</b></p> <p>We support the objectives of global climate accords through avoidance, reduction or mitigation of carbon emissions. Where relevant, we will work to enhance the ability of our operations and nearby communities to be resilient to the effects of climate change.</p>	<ul style="list-style-type: none"> <li>• The Company has publicly declared its support for the Paris Agreement goals in its Inaugural Climate Change Report released in November 2022, and in the 2022 and 2023 Responsible Gold Mining Reports.</li> <li>• The Company published its Inaugural Climate Change Report in 2022 aligned with the recommendations of the Task Force on Climate-Related Financial Disclosure (“TCFD”). In addition to a commitment to achieve net zero GHG emissions by 2050, the Report includes targets to achieve 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).</li> <li>• 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. GHG reduction targets were supported by conducting a detailed energy study undertaken by a third-party expert at our operations in 2022 to identify energy and carbon savings opportunities.</li> <li>• Climate change impacts were considered as part of the 2014 ESIA for the Morelos Gold Project and the updated MIA Integral in 2022 which incorporates the Media Luna Project. A climate change study was also conducted as part of the permit application for the new in-pit tailings facility.</li> <li>• The Company reports its carbon footprint through its annual Responsible Gold Mining Report and annual GHG Emissions Inventory, which is externally verified, as well as through the CDP Climate Change Questionnaire.</li> </ul>
<p><b>10.4 ENERGY EFFICIENCY AND REPORTING</b></p> <p>We will work to improve the efficiency of our energy use and to minimize our greenhouse gas emissions intensity. We will measure and report on our CO2 equivalent emissions in line with accepted reporting standards.</p>	<ul style="list-style-type: none"> <li>• The Company maintains 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 our operational team annually, and the results are verified by an independent third party. Summary results are disclosed publicly on an annual basis. The results are prepared as a GHG inventory in alignment with the ISO 14064. All verification statements are available on our website.</li> <li>• The Company reports its energy usage and intensity through its annual Responsible Gold Mining Report and annual GHG Emissions Inventory, which is externally verified, as well as through the CDP Climate Change Questionnaire.</li> <li>• 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.</li> <li>• Our 2030 GHG reduction targets were supported by conducting a detailed energy study undertaken by a third-party expert at our Operations in 2022 to identify energy and carbon savings opportunities.</li> <li>• Since 2021, the Company has participated in the CDP Climate Questionnaire which is aligned with TCFD disclosure. For 2023, the Company received a “B-” score (Management band) up from a “C” score (Awareness level) in 2022. The Company’s score of “B-” means Torex is seen by CDP to be taking coordinated action on climate issues.</li> </ul>

# APPENDIX

## INDEPENDENT PRACTITIONERS' LIMITED ASSURANCE REPORT



To the Board of Directors and Management of Torex Gold Resources Inc. ("Torex" or the "Entity"):

We have undertaken a limited assurance engagement in respect of Torex's description of the policies and processes in place, as at and for the year ending December 31, 2023, which supports Torex's conformance with the World Gold Council's Responsible Gold Mining Principles ("RGMPs") (the "Description"). The Description is set out in "Torex Conformance Assessment Criteria" contained in the table on pages 8-29 of the Responsible Gold Mining Principles Year 3 Conformance Report (the "Report").

There are no mandatory requirements against which conformance with the RGMPs is evaluated. The Description comprises the Entity's responses to the RGMPs, interpretations of which have been used as criteria (the "applicable criteria"). The applicable criteria, including significant interpretations made by the Entity are set out in the Description.

### MANAGEMENT'S RESPONSIBILITY

Management is responsible for determining the appropriateness of the use of the applicable criteria, measuring, and evaluating the Entity's conformance with the RGMPs in accordance with the applicable criteria, and the preparation of the Description.

Management is also responsible for such internal control as management determines necessary to enable conformance with the RGMPs, and the preparation of the Description that is free from material misstatement, whether due to fraud or error.

### OUR RESPONSIBILITIES

Our responsibility is to express a limited assurance conclusion on the Description based on evidence we have obtained. We conducted our limited assurance engagement in accordance with Canadian Standards on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan

and perform our engagement to obtain limited assurance about whether the Description is free from material misstatement.

A limited assurance engagement involves assessing the suitability of the criteria used by the Entity in measuring and evaluating the underlying subject matter and preparing the subject matter information in the circumstances of the engagement, assessing the risks of material misstatement, whether due to fraud or error, and responding to the assessed risks as necessary in the circumstances.

We exercised professional judgment and maintained professional skepticism throughout the engagement. Our procedures were designed and performed to obtain evidence that is sufficient and appropriate to provide a basis for our conclusion. In carrying out our engagement, we performed the following procedures:

- Evaluated the suitability and application of the criteria used by management in respect of measuring and evaluating conformance with the RGMPs;
- Completed an in-person site visit to El Limón Guajes in the Morelos Mining Complex;
- Performed inquiries of those responsible for completing the activities outlined in the Description;
- Reviewed relevant evidence and other documentation to support management's statements;
- Performed inquiries with relevant staff at the Morelos Mining Complex to understand the data collection and reporting processes for reporting on the information included in the Description;
- Performed comparisons of a selection of the reported information to supporting documentation; and,
- Reviewed the presentation of the Report to determine whether it is consistent with our overall findings.



The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

### OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

The firm applies Canadian Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### SIGNIFICANT INHERENT LIMITATIONS

Non-financial information is subject to more inherent limitations than financial information, given the qualitative characteristics of the underlying subject matter and methods used for determining this information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable evaluation techniques, which can result in materially different measurements and can impact comparability.

The RGMPs are principles-based, allowing for the possibility that different organizations will implement a variety of policies and processes to demonstrate their alignment. For that reason, our conclusion does not extend to the adequacy of the Entity's policies and processes to achieve conformance with the RGMPs.

### CONCLUSION

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Based on the procedures performed and evidence obtained, no matters have come to our attention that cause us to believe that the Description is not, in all material respects, fairly stated.

### SPECIFIC PURPOSE OF SUBJECT MATTER INFORMATION

The Description has been prepared by management to support the Entity's self-assessment of conformance with the RGMPs using the applicable criteria and as a result may not be suitable for another purpose.

### RESTRICTION ON USE

Our report is intended solely for use by Torex Gold Resources Inc. for the purpose set out in our engagement agreement. Our report may not be suitable for any other purpose and is not intended for use or reliance by any third parties. While KPMG LLP acknowledges that disclosure of our report may be made, in full, by Torex Gold Resources Inc. with the Description, KPMG LLP does not assume or accept any responsibility or liability to any third party in connection with the disclosure of our report.

Chartered Professional Accountants  
August 6, 2024

## CAUTIONARY NOTES

This report contains or incorporates by reference “forward-looking statements” and “forward-looking information” as defined under applicable Canadian securities laws. All statements, other than statements of historical fact, which address events, results, outcomes or developments that the Company expects to occur are, or may be deemed to be, forward-looking statements and are generally, but not always, identified by the use of forward-looking terminology such as “intend”, “expect”, “potential”, “plan”, “objective”, “aim”, “goal”, “target”, “continue”, “ongoing”, or variations of such words and phrases and similar expressions or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved or the negative connotation of such terms.

Forward-looking statements and information are 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 risks factors included herein and elsewhere in the Company’s public disclosure, including without limitation the technical report (“Technical Report”) titled ELG Mine Complex Life of Mine Plan and Media Luna Feasibility Study, with an effective date of March 16, 2022, and a filing date of March 31, 2022 and in the Company’s annual information form (“AIF”) and management’s discussion and analysis (“MD&A”) and the Climate Change Report.

The inclusion of forward-looking statements and information is designed to help you understand management’s current views of our near- and longer-term prospects, and it may not be appropriate for other purposes.

Forward-looking statements and information contained in this report are based on expectations, estimates and projections as of the date of publication of this report.

Forward-looking statements and information in this report include, without limitation: the organizational purpose statement; the 10 Principles adopted by the Company; plans to introduce a new Supplier Code of Conduct and an update of our Social Harmony and Human Rights policy; expectations of effectiveness of the Company’s systems, programs, codes, policies, procedures and processes and contract provisions described herein, to mitigate or eliminate the respective risks each of which is intended to address, the effectiveness of such compliance with the Principles, and the compliance with such by employees and service and product suppliers; the continuation of work towards full implementation in 2024 of the areas of improvement identified to comply with the Voluntary Principles on Security and Human rights as part of a comprehensive human rights impact assessment was completed in early-2022; the Company has determined, through the ESIA and MIA processes, how significant adverse impacts can be avoided, minimized, mitigated or compensated for in project design; the Company’s Social Harmony and Human Rights Policy explicitly commits that the Company will regularly review and audit our performance, and that of our supply chain, on security and human rights matters relative to our stated policies and standards; the Company maintains a comprehensive safety and health management system (HSMS) at the operational level, which includes identifying and analyzing risk, managing and controlling risk, monitoring metrics and reviewing performance; critical controls are a key component of the overall health and safety management system and are reviewed regularly by the Operations safety team; the Company’s Health and Safety Policy specifically states that the Company will “Provide a team of health and safety specialists at corporate and site levels to administer the on-site occupational health and safety services through our on-site clinic, including: appropriate health surveillance and risk-based monitoring standards and programs to minimize health risks and prevent adverse health effects to employees, service providers, and visitors, from occupational exposure to dust, fumes, chemicals, noise, vibration, ergonomics, and communicable and non-communicable diseases”; the occupational health program, is the process employed at Operations to identify, evaluate and manage risks and is the foundation of our safety and health management system and is within the scope of the Company’s HSMS; the Company’s Health & Safety Policy specifically notes that Torex commits to “provide a physically and psychologically healthy and safe workplace environment to every person employed at, or visiting, one of our sites”; an independent assessment of the policies, procedures, and practices of the Company was completed to assess conformance to the requirements of the Voluntary Principles on Security and Human Rights (VPSHR) in 2022 and the company continues to work on the implementation of the key findings identified during the assessment; in order to ensure our partners live up to the corporate responsibility standards that the Company expects from the Contractors whom we engage, the Company maintains a Social Harmony and Human Rights Policy that outlines our commitment to respect and protect Human Rights; a public commitment has been made in our RGMR to update our Policy in 2024 to more explicitly align with the provisions of the UNGPs and to affirm commitment to conduct human rights due diligence in our business activities; an independent assessment of the policies, procedures, and practices of the Company was completed in 2022, to assess conformance to the requirements of the VPSHR and the Company continues to work on the implementation of key findings identified during the assessment; since 2023, training on human rights and the VPSHR is conducted annually for both public and private site security personnel; the latest report on Conformance with the Conflict Free Gold Standard (CFGs) was issued for the period from January 1, 2022, to December 31, 2022 and the Company will continue to report annually; the Company has established the “Torex Employment Deal”, publicly available on the Company’s website, which commits the Company to pay competitive salary and benefits; the Company undertakes regular compensation benchmarking at national and regional levels to ensure competitive remuneration and benefits; the Company implements a Code of Business Conduct and Ethics that addresses discrimination, bullying, and harassment; Torex maintains a Reglamento Interior de Trabajo (the “Reglamento”), which are internal working regulations developed by the Company and approved by the Union, that clearly states that harassment, including sexual harassment, is forbidden in the workplace; the Company maintains a “Fair Treatment System” to resolve employee complaints about perceived unfair treatment in the workplace and ensure fair resolution through a set of established policies and procedures, which expressly prohibits harassment and sexual harassment in the workplace; Torex publicly commits to obeying all governing laws in its Code of Business Conduct and Ethics and other policies, Mexican Law prohibits forced labour and child labour; the Company’s Social Harmony and Human Rights Policy affirms our commitment to the protection of workers and human rights in our management systems and behaviours and the policy explicitly commits that the Company will regularly review and audit our performance, and that of our supply chain, on security and human rights matters relative to our stated policies and standards; the “Responsible Supply Chain” sub-group of the Company’s ESG Working Group mandate will be to enhance strategies, processes and systems associated with due diligence of our supply chain and ensure that our supply chain partners are meeting the Company’s expectations and standards of conduct with respect to responsible mining; ongoing improvement with respect to assessing and mitigating risks associated with forced labour and child labour within our supply chain is also part of the ongoing mandate of this group; the Diversity Policy states our belief that decision-making is enhanced through diversity, and recognizes valuing an individual’s race, colour, gender, age, religious belief, ethnicity, cultural background, economic circumstance, capability, as well as other factors; the Company is committed to wage parity for men and women and disclosed female/male average salary ratios as part of the 2023 Responsible Gold Mining Report; the Company has undertaken a training initiative for female haul truck drivers, to promote the advancement of women; the Company’s CEO has trademarked a program called “Daughters” with a mandate to “create the conditions for young women to rise”, and established an implementation committee; the Company commits to “develop lasting relationships with our stakeholders aiming to reach mutually agreed objectives with shared involvement” and to “engage in accurate and timely consultation to discuss

our short- and long-term plans aiming to address stakeholder concerns”; 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 Company’s Social Harmony and Human Rights policy explicitly commits to ‘share our success through partnership to implement sustainable community development programs with a focus on investment in economic development and human capital’; the Company maintains a Local Procurement and Local Employment Process, with clear responsibilities assigned, aimed at maximizing economic opportunities for local businesses and residents; the Company’s Social Harmony and Human Rights Policy outlines its commitment to “accurate and timely consultation” with local stakeholders with a view to developing “lasting relationships”; the Company implements measures to prevent in-migration including rotation assignments, provision of busing and flights to enable commuting, and local hiring policies to employ people already living in the project area; the Company’s Social Harmony and Human Rights Policy explicitly states that we will “respect the social, economic, cultural, and customary rights of indigenous people”; the Company maintains an Environment Protection Policy, which outlines the Company’s commitments to meeting regulatory requirements in all of our exploration, development, mining and closure activities while doing zero harm to the receiving environment beyond our operational boundaries; the Company has determined, through the ESIA and MIA processes, how significant adverse environmental impacts can be avoided, minimized, mitigated or compensated for in project design; the Company is currently in the process of implementing GISTM for both our existing FTSF and new in-pit tailings storage facility; notification of full compliance is expected from ICMC in August 2024; stakeholders were consulted extensively during the ESIA process, which considered noise, dust, vibration, and blasting and ongoing engagement continues to understand stakeholder concerns and adjust operational practices accordingly. Updated mitigation measures are taken to reflect grievances related to dust; environmental risk mitigation plans were developed based on the 2022 MIA-Integral; the Company maintains Biodiversity Management Programs as part of the Environmental Surveillance Program (Progama de Vigilancia Ambiental, “PVA”) and the plans include monitoring programs to track biodiversity indicators and ensure compliance with conservation objectives; we commit to a “no net loss” principle concerning natural and critical habitat and our target is to offset our entire mine footprint in natural habitat areas. Vulnerable Species are managed through the Company’s Biodiversity Management Programs; a baseline study was conducted in 2022, as part of the MIA-Integral, identifying at-risk fauna and flora species including the margay (Leopardus wiedii), and military macaw (Ara militaris) and in response, a specialized conservation and monitoring program for flora and fauna has been initiated; the Company maintains a series of management plans related to Biodiversity, which are derived from our Environmental Surveillance Program. One of these plans relates to affected areas compensations, by establishing compensation areas, at a ratio of 1:1, in the Morelos Property vicinity; detailed plans for reforestation of the mine site during and post closure have been developed in the Mine Closure Plan, 2022; Mine Closure Plans are updated every three years, with the next update due to be delivered in 2025; the Company regularly undertakes analyses to determine Acid Rock Drainage (ARD) potential within its facilities; quarterly asset retirement obligation (ARO) reviews are conducted to make a balance sheet provision for closure commitments; mine closure plans are developed and implemented in conjunction with internationally recognized experts; the mine closure plans will be implemented by a designated team of specialists at the operations, and include social programs to diversify the local economy beyond mining and by developing initiatives to improve agriculture and fishing activities; Torex has implemented a Comprehensive Water Resource Management Program (PVA - “Programa de Vigilancia Ambiental”) at its Morelos Property as part of the environmental monitoring program, that includes monitoring protocols and management strategies designed to maintain the balance and quality of water resources; the Company uses the World Resources Institute Water Risk Atlas to determine whether the mine site is located in a water-stressed, area and as per the Atlas, the mine site is located in an area of “low-medium” risk in the overall water risk, and a “low” water stress zone; the Company has publicly declared its support for the Paris Agreement goals in its Inaugural Climate Change Report released in November 2022, and in the 2022 and 2023 Responsible Gold Mining Reports; in addition to a commitment to achieve net zero GHG emissions by 2050, the Inaugural Climate Change Report includes targets to achieve 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); 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.

Forward-looking information and statements are based on the assumptions discussed in the Technical Report, AIF and this MD&A, the annual MD&A, the Climate Change Report, and such other reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information because the Company can give no assurance that such expectations will prove to be correct. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.



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