

# GENERAL POLICY ON TAILINGS SYSTEMS

May 2023

Our vision: Zero Damage to the health and safety of our employees, communities and the environment.

Our commitment: To plan, design, build, operate and close our Tailings Systems in a responsible manner, with the goal of minimizing risks and impacts.

For this, we have established the following management tools for each one of our mining operations, following the Global Industry Standard on Tailings Management:

1. All components required to carry, deposit and contain solid residues (tailings) produced by the concentrator, including water recovery systems, are considered part of the Tailings System.
2. In all active units, an inventory of all Tailings Systems will be maintained and kept up to date.
3. All Company Tailings Systems will have an Operation, Maintenance and Surveillance manual (OMS), as well as a closure plan; said documents will be developed and authorized by the General Direction of Water Resources and the General Direction of Operations.
4. Each Manual must include the following information:
  - a. A description of each component within the Tailings System along with the design criteria, site studies (soil mechanics, topography, seismic, surface hydrology, permeability, geology, etc.), specifications, engineering calculations and construction drawings.
  - b. A detailed description of the operational procedures of the Tailings System;
  - c. A detailed description of preventive maintenance programs for the facilities;
  - d. A monitoring and surveillance program, with periodic reports as requested within the manual. These reports will indicate the preventive and corrective maintenance performed (if any), the corresponding rate of compliance, as well as key safety indicators;
  - e. An Emergency Response Plan, specifying the name of those responsible for implementing each action. Emergency drills will be performed yearly;
  - f. The roles and responsibilities of the staff involved in the operation, maintenance and surveillance of the Tailings System;
5. Each OMS manual will be published for comments and contributions by the General Direction of Engineering and Construction, and the Direction of Environmental Affairs.
6. Each unit will comply in a timely manner with the legal and administrative obligations derived from the authorization for the construction, operation, and closure of the Tailings System.

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7. The operational and structural safety of all Tailings System components will be revised periodically by a qualified third-party company through a Dam Safety Review. Any change in the design or operation of the Tailings System will require approval from the General Direction of Water Resources, the General Direction of Operations and informed to the General Direction of Engineering and Construction, and the Direction of Environmental Affairs.
8. The Responsible Person of each Tailing System and his deputy will report directly to the General Manager/Director of the business unit. Both will course specialized tailings management training required by the General Direction of Water Resources.
9. Each Tailings System will be managed through an independent budget and cost center.
10. New embankment projects will be built preferably with borrowed material using downstream method, whether these are impervious or filtering dams.
11. A close communication will be maintained with the surrounding communities through the Direction of Community Outreach, with the aim of promoting transparency.

This Policy shall be communicated to and fulfilled by all collaborators, contractors and suppliers involved in the management of the Tailings System and its facilities.