

SUSTAINABILITY REPORT 2020



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Photographs

- > Taken in Influence Areas of the Group in Colombia, Nicaragua, and Argentina. Some pictures were taken before the Pandemic.
- > Bank of images.

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ABOUT THESE MEMOIRS

1



Message from the President

(102-14)

Generating wellbeing for all, our commitment

It is a pleasure for me to introduce the 2020 Sustainability Memoirs of Mineros S.A., which summarizes our main activities during this year in all the territories where we have operations.

Thanks to the teamwork and commitment of our personnel and associates, we can feel proud today for our contribution to the sector and the communities in our areas of influence.

At the same time, we are challenged to continue working with the firm conviction to continue generating value for our stakeholders and the society, promoting responsible mining actions to achieve sustainable development in those regions.

The pandemic brought up important challenges and gave greater relevance to our main objective of generating wellbeing for all. In that



«
The pandemic brought up important challenges and gave greater relevance to our main objective of generating wellbeing for all.»

sense, we ratify that gold is mainly a haven and that 2020 was a year in which serving as a haven became much more important than during the previous years.

Therefore, we strive to make this a reality, not only for our investors, but also for all our stakeholders and countries where we have operations. We trust having achieved this, and having made the difference for as many people, as possible.

This new reality also generated new challenges, which we have faced with enthusiasm and responsibility, encouraging us to continue implementing all our lessons learned and knowledge.

We continue concentrating our efforts to move forward our Company's projects, giving priority to our personnel's health and safety. We understand the importance of continuing the rigorous application of all biosecurity protocols and measures promoted by the different governments. We have learned that each one of us is responsible for our own care, as well as the care of those around us.

With our committed management, we strive to continue consolidating operations and projects in Argentina, Chile, Colombia and Nicaragua, countries in which we continue working together, learning new and best practices, always based on our corporate principles and values, which are not negotiable.

« We are challenged to continue working with the firm conviction to **continue generating value for our stakeholders and the society, promoting responsible mining actions.** »

Therefore, I invite you to read these Memoirs and to continue working jointly with us to achieve the goal that motivates us to continue working at Mineros S.A.: the generation of wellbeing for all.



Andrés Restrepo Isaza
President  Grupo Mineros S.A.

Message from the Vice President of Mineros Colombia

(102-14)

Year 2020 left good results and the achievement of our goals

This atypical year has encouraged us to innovate, improve and transform our way of thinking and acting, also allowing us to reach good results and achieve important social, environmental and labor goals, guaranteeing the continuity of our activities and prioritizing our personnel's safety and care. We work under different conditions, but always with the same mysticism.

Since the beginning of the pandemic, we took the necessary measures to avoid the virus' spread and mitigate its impact. For that reason, we implemented bio-security protocols for workers and contractors, adopted preventive social distancing for the vulnerable populations and remote work, contributing with the authorities to strengthen the local and regional health systems, broadening the healthcare network for the communities. This was demonstrated through the delivery of six (6) intensive care units to Clínica Universitaria Bolivariana, jointly with HACEB Foundation, Gran Colombia Gold, Isagen and BIOS Group.

We also joined the departmental program "Masks for Life", led by the Government of Antioquia, delivering 107,300 personal protection elements manufactured in the Lower Cauca region of Antioquia, to support the development of business initiatives and promote local purchases. We also developed solidarity campaigns to deliver food and hygiene elements in our immediate surroundings. Thanks to the empathy and solidarity of our workers, we benefitted 5,744 families, including afro and indigenous populations. We appreciate the constant support received from the Workers' Union, who have always replicated our positive actions and have supported the achievement of our common objectives.

On the other hand, we sold the subsidiary Operadora Minera to Soma Gold Corp., for USD \$5.5 million, in a negotiation announced in January and satisfactorily ended in September. The Company's Commitments were supported during the year, in order to give continuity to underground mining operations.



A critical time such as what we have lived through with Covid 19 has made us **innovate, improve, and transform the way of thinking and acting**, allowing this 2020 to be a successful year for our operation in Colombia. »

We leverage productive projects through alliances established in 2019, adding strength to programs such as Mujeres de Oro and Avancemos Bajo Cauca in the sub-region, impacting more people and obtaining national recognition. Promoting ideas and local entrepreneurs is to contribute to the economy and offer sustainable alternatives in the territory.

We joined the Alliance called “United for the Planet”, whose goal is to re-forest 10,000 degraded hectares in Antioquia, being our area of influence one of the main actors of the project. Likewise, through Negocios Agroforestales and Providencia I hydroelectric plant, we obtained the certification of 57,071 carbon credits, which allows us to compensate the carbon footprint and contribute to reduce greenhouse effects.

Leaving a sustainable legacy is what commits us daily to work tenaciously, aiming to comply with our main purpose. Therefore, during the last quarter, we received four (4) recognitions which prove the positive work being done with our work teams. For the first time, the Regional Corporation of the Center of Antioquia (CORANTIOQUIA) awarded the Sustainability Seal in the AA Category to Negocios Agroforestales, and for the second consecutive time, to Mineros Aluvial. On the other hand, the Secretariat of Mines of the Government of An-

« We were able to transform Mineros Aluvial and Negocios Agroforestales into Companies of Collective Benefit and Interest (BIC, for its acronym in Spanish). This converts us in one of the pioneer organizations in Colombia to take this step and generate a triple impact (social, environmental and economic) for our stakeholders. »»

tioquia, granted to Mineros Aluvial, for the second consecutive year, the Social Seal of Mining in Antioquia, and in the award ceremony to “Mining Women from Antioquia”, Mineros Aluvial obtained the award as the “Best Company in Commitment to Gender Equality”.

I take advantage of this opportunity to exalt the work teams, vendors and partners, who have accompanied us in complying with our goals. Their work reflects that well-done mining operations have a positive impact for the transformation of imaginaries, developing the country and being the driver of the economic reactivation and progress of the regions.



Santiago Cardona Múnera
Vice President - Colombia

Message from the Vice President of Mineros Nicaragua

(102-14)

“A year of great challenges for HEMCO”

2020 was a period full of challenges for the world and for us, at Hemco.

Covid 19 pandemic and the two hurricanes that passed by the Northern Caribbean of Nicaragua really tested us. We made it because we prepared ourselves, adopting timely measures, and especially, because we had full commitment of our 1,496 workers. Today, when we look back, I can assure that Hemco is a stronger and more united team.

In 2020, our solidarity became evident. As Company, and with support of our workers, we were able to deliver food packages and hygiene elements, as well as products for the prevention of Covid 19 for more than 800 low-income families from Bonanza. Additionally, we supported health authorities in broad prevention campaigns and making donations of supplies and protection equipment.



« In 2020, we were able to make it because we prepared ourselves, adopting timely measures and especially, because we had the full commitment of **our 1,496 workers**. Today, when we look back, I can assure that Hemco is a stronger and more united team. »

Some months before ending the year, with the impact of Iota and Eta hurricanes, we extended our hand again to our vulnerable neighbors. We supported the mitigation, prevention and care efforts and plans, in coordination with national authorities and through our Rescue Brigade. After the hurricanes, our efforts focused on supporting the reconstruction of the country, and to bring relief to more than 500 affected families.

With regards to our corporate challenges, we continue working to guarantee sustainability and contribute to fulfilling our goals. Accidents were reduced by 70% vs. 2018, the year in which we presented our Life Project that later turned into Life Culture, the internal program that promotes safe working conditions for our workers.

We concluded the 4.7 km. road which will facilitate transportation of small-scale mining, the flagship project for the city of Bonanza. We started the construction of our new laboratory and implemented the Alchemy Project, an initiative to improve the efficiency of Hemco's main productive processes.

Our environmental management continued focused on encouraging recycling and environmental education among our staff and the community, as well as the maintenance of more than 360,000 native plant species in order to protect the biodiversity and water resources in our region. Additionally, after Iota hurricane, we united with small-scale miners to reforest private areas and affected zones.

« With regards to our corporate challenges, we continue working to guarantee sustainability and contribute to fulfilling our goals. »

In terms of production, in 2020 we produced 123,000 ounces of gold, contributing to the economic development of Bonanza and Nicaragua.

We expect 2021 to be a year in which we continue developing our integrated growth, continuing to provide wellbeing for all.



Carlos Mario Gómez Peláez
Vice President - Nicaragua

Message from the Vice President of Mineros Argentina

(102-14)

A year of gratitude, improvement and growth

2020 was a different year for everybody. For Gualcamayo, our mine in Argentina, it was not the exception. Before mentioning the main activities we developed during the year, I would like to express my gratitude to all workers of Minas Argentinas, who were able to overcome the difficulties and are the main players of safe work, with environmental awareness and social commitment.

I also thank the communities close to our operations, with whom we worked in a cordial and transparent relationship, as well as the mining authorities of San Juan and the municipality of Jáchal, for the respect and professionalism demonstrated, always searching for the better development of mining operations and the people.

The pandemic generated many difficulties and enormous challenges. Week by week, we strengthened our capacity to learn and constantly adapt, up-



dating our work protocols, and implementing measures to protect our workers' health.

This situation also represented a new opportunity to demonstrate how close we are to communities in the vicinity of Gualcamayo,

and how our social management allows the generation of wellbeing for all. Throughout the year, we supported the authorities, medical teams, and the community through family food packages, rapid tests, masks, hospital clothes, and other supplies.

Despite the pandemic, we maintained our operations in the mine and our social work with the communities. We committed important resources from our Trust Fund for financing important infrastructure works for the community of Jáchal, such as the completion of San Roque Hospital, which will become the main health institution of the northern zone of San Juan, the construction and renovation of three (3) schools, and paving one of the main access roads to the urban center of San José del Jáchal.

We also financed the drilling of boreholes to provide drinking water to Huaco, a community with more than 1,200 inhabitants. These works not only generate jobs and opportunities during their execution, but also durable wellbeing for thousands of families.

In the social field, we worked with the municipality of Jáchal and the government of the province of San Juan in the expansion and paving of Eugenio Flores Street, which connects the city center with the main agriculture and livestock sectors of the department, we contributed the materials to renovate an important aqueduct in the northern area of Jáchal, which will provide more and better drinking water to more than 4,000 families, and we supported the construction of the Sports City of Jáchal, and different clubs and institutions.

We undertook two (2) important productive projects. One of them, dedicated to the production and industrialization of tomato, and the second one, to strengthen the pig farming sector of Jáchal. These two projects will empower sectors with great development potential, independently from the mining industry.

We maintained in place all our Security and Environmental standards, making sure that all tasks were executed in an efficient and safe manner, using tools of the Integrated Management System, and always protecting the environment and wellbeing of our personnel, which is considered the main asset of Minas Argentinas. This was achieved thanks to the commitment of our employees and contractors, as well as the direct participation of our leaders.

« We have closed a difficult year, but we were able to achieve good production figures, with competitive costs, and very positive margins. **This year allowed us to demonstrate our teamwork spirit, our commitment to the communities, and our capacity to cope with adversity.** »

We have closed a difficult year, but we were able to achieve good production figures, with competitive cost, and very positive margins. This year allowed us to expose our teamwork spirit, our commitment to the communities, and our capacity to cope with adversity, without forgetting our objectives and always prioritizing our workers' safety, as well as the respect for the environment.

We laid solid foundations for the construction of the future Gualcamayo, a deposit we know will be able to generate wellbeing for all, during many more years. We have promising projects such as the Deep Carbonate Project (DCP), as well as explorations in different targets close to the current mine, both at the surface, as underground, with the purpose of giving continuity to Gualcamayo and continue our contribution with the comprehensive development of our zone of influence.



John Jairo Cuervo Muñoz
Vice President - Argentina

About our Sustainability Report 2020

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As we have done every year since 2008, we present to our stakeholders the Sustainability Memoirs for the period between January 1st and December 31st, 2020, in accordance with the Standards of the Global Reporting Initiative (GRI) – Essentia option and supplement of Mining and Metals -, which is used by most of the industries, giving a comparable framework globally applied, to analyze and understand the economic, social and environmental aspects.

There have not been significant changes in the scope of this report, with respect to the 2019 report. This document includes all operations executed by the Entrepreneurial Group Mineros S.A.

In May, 2020, the sale of Operadora Minera, owner of La Y Mine and one of Grupo Mineros' subsidiaries, was concluded. Therefore, these memoirs only include information until the date we had control over such operation. At Compañía Minera de Ataco there were no mining activities; therefore, there is no information about such company included in these memoirs.

These memoirs report our performance in relation to every material topic during 2020, in the social, environmental, economic, occupational safety and health and labor wellbeing areas, providing information required to understand the nature of the Entrepreneurial Group, the material topics, the most representative impacts generated, and the way in which they were managed, as well as our contribution for the achievement of the Sustainable Development Goals (SDGs) defined by the United Nations.

Information presented in this document was obtained through data collected by each of the responsible operation areas. This allowed us to have reliable data to measure our progress and risks, being able to act with responsibility and transparency before our stakeholders, communicating our management and performance to comply with our sustainability goals.

In this 2020 version, we ratify our commitment to inform our stakeholders, with transparency, the results of our performance in terms of sustainability of the companies making part of Grupo Mineros: Mineros Aluvial, Operadora Minera, Negocios Agroforestales, Compañía Minera de Ataco, Fundación Mineros, Hemco, in Nicaragua and Minas Argentinas, in Argentina.

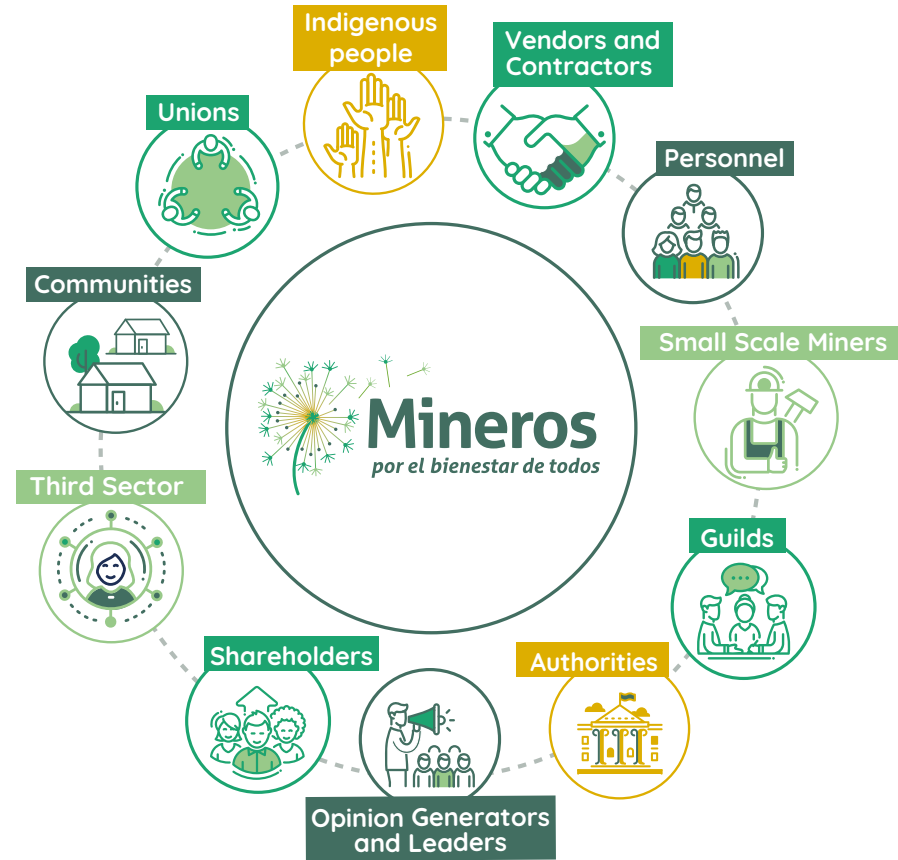
Finally, the opinion of our stakeholders is of vital importance for Grupo Mineros S.A. Therefore, all questions or doubts about information reported herein can be written in our Web page, www.mineros.com.co.

All monetary figures in this report are expressed in U.S. dollars, unless it is otherwise established.

Our stakeholders

(102-42)

The identification of our stakeholders was done through a participative process in each of the mining operations of the entrepreneurial group. Variables such as degree of influence in decision-making, obtention of income, in the operation, in the organizational strategy and the reputation, were considered. This allowed us to highlight their importance and relevance.



Relation with each one of them

(102-43)

Shareholders. We maintain a transparent relationship with our shareholders, who receive relevant information about our management and results. We ensure profitable and sustainable growth, looking after the generation of value for them, and for the society.

Authorities. We are respectful of the institutions and the law. We interact with the authorities, trying to cooperate, without interfering, and support, without supplanting their obligations. We promote governance and the rule of law.

Personnel. We base our relations with all our workers on mutual respect and respect for their individuality and integrity. We promote and guarantee the adequate working resources and methods to achieve optimal conditions which promote the workers' occupational health and safety.

Communities. We work to improve the living conditions of communities in the area of influence of our operations, and to promote a sustainable development.

Indigenous People. Our relation with the indigenous people is based on the respect of their rights, their culture and ancestral traditions.

Unions. Our relations with workers' unions are respectful. We guarantee decent working conditions and strict respect for Human and Labor Rights. Likewise, we maintain open and permanent communications and offer support for the exercise of union activities.

Third Sector. Our relationship with non-governmental organizations (NGOs), associations and foundations operating in our areas of influence are of respect and collaboration.

Opinion Generators and Leaders. With communication media and opinion generators at local, national and international level, we maintain a relation of respect and permanent communication for the provision of information on relevant aspects of the Entrepreneurial Group.

Guilds. We are linked to the most important guilds of the sector in each country, with whom we maintain permanent relations through different specific committees, generating specialized information to position the mining sector and promote best mining, environmental and social practices.



Delivery of a house at Los Ceibos, Nicaragua

Vendors and Contractors. We encourage relations of trust and mutual respect. Special consideration is given to local enterprises, offering them equal competition conditions and, if necessary, training is given to improve their technical qualities, competitiveness, and human development of their personnel. The Vendors of Grupo Mineros and their affiliates must follow the Code of Ethics defined by the Organization.

Small-Scale - Traditional Miners. This is a very important group for our operation. We have relations with the cooperatives and associations of artisanal miners and we develop joint work in order to offer them technical support and best social, environmental and occupational health and safety practices. We also support the governmental initiatives for the formalization of traditional miners.

Materiality

(102-47) (102-44)

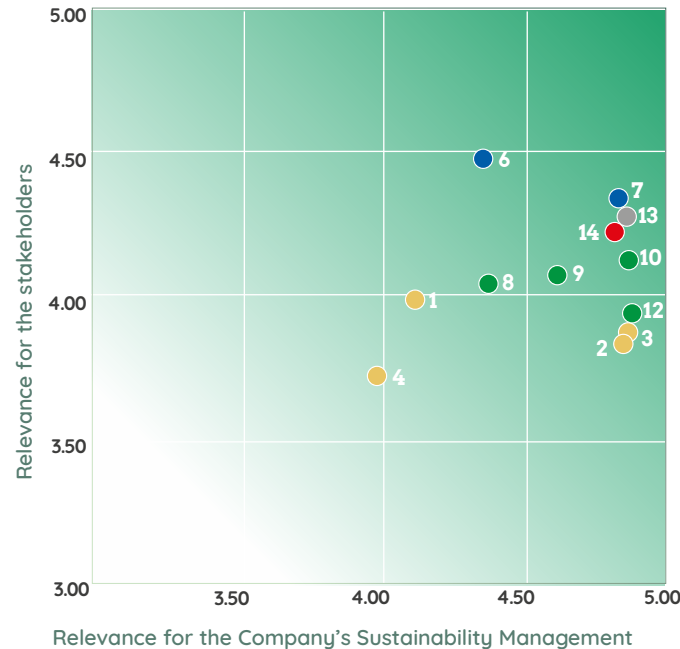


▬▬▬ Rubber tree scraping technique - La Natalia Farm - Caucasia, Antioquia

For the 2020 Sustainability Memoirs we have revised the relevance and importance of all material topics considered in the materiality analysis made between the end of 2019 and beginning of 2020, presented in the survey made to our stakeholders, with respect to topics such as: social management, Human Rights, economic development, labor practices and environmental management, which allowed us to confirm the validity, relevance and importance of each of the topics, which clearly reflect the impact and the positive and negative effects that are

specially relevant and significant for our internal and external stakeholders.

The materiality matrix for the 2020 report shows the relevance given by the stakeholders and the Entrepreneurial Group to the indicated topics, which are considered within the management plans.



Materiality Matrix

Each of the subjects shown in the Materiality Matrix has a color code to facilitate their identification, as follows:

- Economic development
- Social Management
- Environmental Management
- Labor practices
- Human rights

- 1 Job creation
- 2 Economic and organizational development of small-scale mining
- 3 Acquisition and supply of local goods and services
- 4 Generation of local economic alternatives
- 6 Ethics and transparency
- 7 Investment and social development
- 8 Environmental impact management
- 9 Protection and efficient use of natural resources
- 10 Environmental risk management
- 12 Recovery of areas intervened by mining activities
- 13 Occupational health and safety
- 14 Respect for Human Rights

Our Commitment to Sustainable Development Goals

(102-12)

We have voluntarily assumed our commitment to align our social, environmental and economic management with the Sustainable Development Goals (SDGs) defined by the United Nations in 2015 and adopted by all of its Member States, who strive to end poverty and hunger, guarantee food security, improve nutrition and protect the Planet. The goal for year 2030 is that all the people of the World live in peace and prosperity.

Our alignment as Organization, with the SDGs, strongly supports our managerial approach to develop responsible mining for the wellbeing of all.

We make sure our management and performance contribute to reduce poverty, provide quality education, health and well-being, guaranteeing gender equality, the reduction of inequalities, and promoting the responsible use of natural resources in the areas where we operate, strengthening social programs developed in the territory.

These are the Sustainable Development Goals with which we align all our management areas and processes.

To know more in detail the relationship of our work with each SDG, please visit the GRI Content Index at the end of this document.





WHO ARE WE?

2



Mineros S.A. Entrepreneurial Group

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We are a stock company listed in the Colombian Stock Exchange Market, whose main activity is the extraction of gold and other precious metals. We work with the commitment to implement sustainable use processes for minerals, through methods that contribute to the protection of the environment, the wellbeing of all our stakeholders and the economic and social development of the regions where we operate. Today, those practices convert us in an important reference for sustainable and responsible mining.

« We develop our mining operations in the Lower Cauca region of Antioquia, in Colombia, in the municipality of Bonanza, in Nicaragua, and in the province of San Juan, in Argentina. »



||| Bucket dredge in the municipality of El Bagre, Colombia

- > Corporate headquarters of the entrepreneurial group are located in Medellín, capital city of the department of Antioquia, in Colombia.
- > Mining operations **in Colombia** are mainly located in the municipalities of El Bagre, Nechí and Zaragoza, in the sub-region of the Lower Cauca in Antioquia. We own two (2) hydro-electric plants (Providencia I and Providencia III) located in the municipality of Anorí, which supply our operations' energy.
- > **In Nicaragua**, we have operations in the municipality of Bonanza, in the Autonomous Region of the Northern Caribbean Coast (RACCN for its acronym in Spanish), with mining concessions in the Nicaraguan Mining Triangle, which is located in the municipalities of Bonanza, Siuna and Rosita, through open pit and underground mining methods.
- > **In Argentina**, mining operations are located in the northern part of the province of San Juan, at the Gualcamayo Mine, with open pit and underground mining exploitation.

Location of our Operations

(102-4)

Colombia

- > Alluvial and underground mining
- > 89,674 hectares of mining properties in the alluvial valley of the Nechí River, Ataco, Guamocó, Guintar and Remedios
- > Hydroelectric capacity: 18.2 MW

Nicaragua

- > Underground and small-scale mining
- > 12,270 hectares in the historic Mining Triangle
- > Nicaragua's Concessions: 151,389.5 hectares
- > Hydroelectric capacity: 5.3 MW

Argentina

- > Surface and underground mining deposits
- > 91 mining properties between the provinces of San Juan and La Rioja, with 40,801.9 hectares.





Delivery of zinc donations, Nicaragua



Colombia , El Bagre

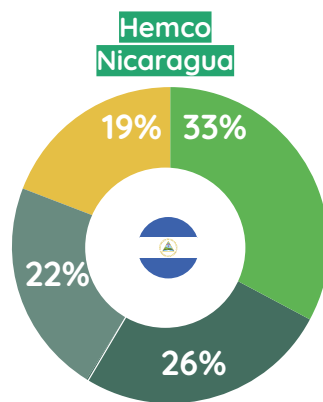
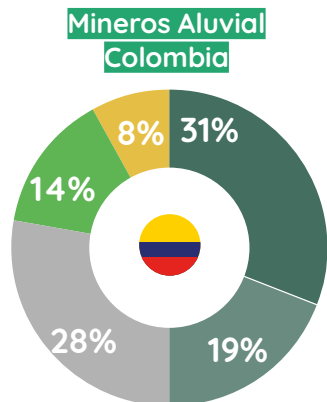
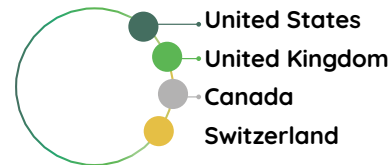


Conveyor belt, Gualcamayo, Argentina

Export Destinations

[102-6]

Our production of gold and related metals allows us to reach several global markets. Canada, United States and the United Kingdom are the main destinations of Mineros S.A.'s products.



Main Clients

Mineros Aluvial

- > Asahi Refining – U.S.A.
- > Auramet – U.S.A.
- > Stone X – United Kingdom
- > Scotiabank – Canada
- > Argor Heaeus -Switzerland

HEMCO Nicaragua

- > Auramet – U.S.A.
- > Asahi Refining – U.S.A.
- > Stone X – United Kingdom
- > Argor Heaeus – Switzerland

Minas Argentinas

- > Asahi Refining – Canada

Corporate Structure

(102-7)

Companies of the Entrepreneurial Group



Mineros S.A.
Sociedad matriz.



The company that operates mining deposits located in the paleochannels in the alluvial valley of the Nechí River, in a wells system using dredging processes.



Company dedicated to underground operations at La Ye and Mangos Icacales Mines, both located in the municipality of Zaragoza, department of Antioquia. **This Company was sold on May 28, 2020.**



Company created for gold extraction of mining titles of its property in the municipality of Ataco, department of Tolima.



The Corporate object is the exploitation, industrialization, use and commercialization of renewable and non-renewable resources, and the provision of services related to such exploitation.



Foundation created in 2010 to strengthen the Company's Social Responsibility, promote partnerships and local development projects, manage agreements and leverage resources to improve living conditions of people in the areas of influence of the Group in Colombia.



Nicaragua



This company operates underground deposits in the city of Bonanza, in the Autonomous Region of the Northern Caribbean Coast (RACCN) in Nicaragua, which is part of the Nicaraguan Mining Triangle. It includes small scale miners through regulated and legally incorporated cooperatives for gold extraction in authorized areas.



Argentina



Company operating open pit and underground mining deposits in Gualcamayo Mine, North of the province of San Juan, in the municipality of Jáchal, Argentina.

Mineros Aluvial and Negocios Agroforestales: BIC Companies



After the recent bylaws' amendment of Grupo Mineros, approved by the Shareholders Assembly and registered at the Chamber of Commerce of Me-

dellín for Antioquia, two (2) of its subsidiaries, Mineros Aluvial and Negocios Agroforestales, fulfilled all legal procedures to become Companies of Collective Benefit and Interest (BIC for its acronym in Spanish), a figure created in Colombia according to Act 1901 of 2018, and regulated by Decree 2046 dated November 12, 2019.

This is how Grupo Mineros makes progress in complying with its major objective, **“for the wellbeing of all”**, and maintains its commitment to the economic and social development of the Lower Cauca Region of Antioquia, where these two (2) companies operate. Having been declared as BICs by the Ministry of Commerce, **Industry and Tourism compels us to incorporate a social and environmental purpose that goes beyond the benefit and interest of the Company and our shareholders.**

With this transformation, the two (2) companies acquire some mid and long-term commitments in five (5) dimensions: business model, corporate governance, labor practices, environmental and community practic-



Decisions made jointly by shareholders and managers in search of public benefits, simultaneously with the generation of profit, is the main characteristic of BIC companies.

es. This commits us to execute actions for the improvement of all our stakeholders' wellbeing and to leverage best practices.

It commits us to work harder for local contracting and procurements in order to contribute to the reduction of poverty and to promote participation opportunities which highlight the inclusion, diversity and equality.

From now on, these activities will be part of the corporate object of Mineros Aluvial and Negocios Agroforestales, and their entrepreneurial practices will be aligned with Sustainable Development Goals (SDGs), as all other subsidiaries of Grupo Mineros, as it is mentioned in these Sustainability Memoirs. These companies will be identified as Mineros Aluvial SAS - BIC and Negocios Agroforestales SAS - BIC.

Strategic Approach

The **Corporate Governance model** based on the pillars of Good Governance, Social Responsibility, Environmental Management, Occupational Safety and Health, and Quality Assurance, is the strategic operation framework of Grupo Mineros.

We are oriented towards the generation of the highest value possible for our shareholders, increasing the liquidity of our stock and the access for a greater number of national and international institutional investors through the growth and sustainability of our mining operations, being committed to responsible mining and the preservation and protection of biodiversity and natural resources, as well as the development of communities and the regions where we have operations.

Our purpose is to develop initiatives that generate impact over our stakeholders, offering innovative proposals for the wellbeing of all. To achieve this, our strategic vision orients us to continue with the expansion of our operations in the Americas, based on good entrepreneurial and sustainability practices that translate into well-done and responsible mining.

We are characterized by our passion, persistence and dedication to our work, in order to achieve enormous challenges and going across our borders.

Main Strategic Goals

- > Increase the liquidity of our shares in the Colombian Stock Exchange Market.
- > Give access to a greater number of international investors and institutions.



Mission

Grupo Mineros is a private Organization dedicated to gold and associated metals' mining, oriented to generate the greatest value to its shareholders with the expansion of its mining operations through an excellent Integrated Management System and within the framework of entrepreneurial social responsibility. social empresarial.



Vision

In 2025, Grupo Mineros will be recognized for the profitable growth of its production and its good environmental, human and social management.

TOTAL DIRECT JOBS

Mineros S.A. **82**
 Mineros Aluvial S.A.S. **842**
 Negocios Agroforestales: 1
 Fundación Mineros: 1

Hemco **1,496**

Minas Argentinas S.A. **674**

TOTAL 3,096

Values, Principles and Conduct Standards

(102-16)



|||| All employees, at all levels, share the Corporate Values of the Company

Our values, policies and conduct standards guide our behavior within the Organization and our relations with the communities, government entities and, in general, with all the persons we relate to.

Corporate Values

Honesty

We are transparent, we tell the truth and do things correctly.

- > We are guided by ethical principles; we respect the authorities and comply with the standards.
- > We are coherent between what we think, what we do, and what we say.
- > We generate confidence by consistently complying with our commitments.

Responsibility

We assume the causes and consequences of our own actions.

- > We consciously act evaluating the effect of our behaviors and decisions.
- > We assume self-care and the maintenance of a safe environment as the fundamental basis for our daily work.
- > We apply environmental practices that assure the sustainability of natural resources.

Respect

We recognize the value of cultural and opinion's diversity.

- > We appreciate diversity and the autonomy of individuals and communities.
- > We promote Human Rights and encourage healthy co-existence environments.
- > We build relations based on confidence and politeness.

Simplicity

We are genuine, we recognize our mistakes and take advantage of them in order to grow.

- > We act with authenticity, without boasting or bragging.
- > We learn from one another and help others improve.
- > We listen to others' opinions, and open our minds to new ways of doing things.

Solidarity

We act for the wellbeing of the Company, our stakeholders and the environment.

- > We favor collective benefit over individual interests.
- > We work as a team to achieve our common goals and results.
- > We help and support whoever needs us and we try to be useful and serve others.

Corporate Policies

Mineros S.A. and its affiliates define the mandatory corporate policies framework which establishes guidelines to drive the Organization's management. These are the following:

Comprehensive Management



We perform responsible mining which promotes sustainable development for the wellbeing of all. We search for operational excellence with innovation and continuous improvement, we work with empowered, ethical and competent personnel, respecting Human Rights and the legal requirements.

Risk Management



Through a systematic process, we focus on risks which may affect our operations and compliance of our strategy, in order to take advantage of business opportunities and manage events which may affect the achievement of our objectives.

Internal Control



We define the application of our Internal Control System under the COSO structure, which is understood as a process executed by the Board of Directors, the Management and the Workers, designed to provide reasonable security about operational effectiveness and efficiency, reliability of financial statements, protection of assets and compliance of the law and regulations, based on self-control, efficiency and effectiveness principles, and maintaining the three (3) defense lines for risk management and controls.

Environmental Protection



We respect and value natural resources, encouraging their rational and sustainable use. Committed to the protection of the environment, we implement strategies that allow the responsible development of our operations, preventing, mitigating, controlling and compensating the potential negative impacts caused and leveraging the positive impacts within the applicable legal framework and the voluntarily subscribed agreements.

Occupational Safety and Health



We promote self-care and safe behavior in our activities, preventing and controlling the associated risks in order to preserve the integrity, quality of life, and health of our workers, contractors, and other stakeholders, under the legal and continuous improvement framework.

Sustainability



We make available a set of resources and capabilities so the benefits generated by the mining operation may contribute to the economic development, the responsible use of natural resources, the respect for Human Rights and better living standards and wellbeing for the population in communities where we have productive activities.

Human Rights



We respect internationally recognized Human Rights in all the functions and levels of the Organization. We perform due diligence actions to identify, prevent, mitigate and respond to the negative consequences caused by our activities over human rights, during the entire life cycle of our mining operations, according to international standards established, and agreements subscribed in each of the countries where we have operations.

Contracting



We respect business relations with our vendors, based on the transparency of our processes and compliance of legal standards. We give priority to companies located in the areas where we operate, with equal competition and suitability conditions, providing educational and training support to improve the technical quality, competitiveness, and human development of their personnel.

Job Creation



We select and contract our human talent according to our equality, independence, and transparency principles, focusing on the creation of quality, stable, legal, and properly compensated jobs, respecting our personnel's social condition, sexual orientation, race, and gender, according to the technical and human profile required by the Organization, with the objective of having a highly qualified team. In the case of new contracts, we prioritize positions for candidates located in the areas where we have operations. We also prefer to first fill out job vacancies with our own personnel.

Comprehensive Security



We comply with all security policies established by the Government and its legitimately incorporated institutions, we respect the citizens' rights, recognize the armed forces as legitimate guarantors of public order, we maintain good relations with the society and the Government, and we use the legal ways of dialogue to settle potential conflicts, to safeguard the integrity of our personnel and the assets of our Organization.

Communications



We focus on the improvement of the perception and reputation of our Organization, both inside and outside, aligning the information with the entrepreneurial group's strategy, highlighting the management and sustainability best practices that strengthen and position our brand before the stakeholders and the countries where we are present.

Independence



We respect the Rule of Law and the exercise of democracy in the countries where we operate.

Personal Data



We protect the adequate personal data treatment and we guarantee the protection of the rights of data holders, implementing protection mechanisms in the different jurisdictions where we operate, according to the applicable standards in effect.

Information Security



We protect and regulate our own information and the third parties' information, as a valuable asset for the Organization, respecting, recognizing and complying with licensing and copyrights requirements, obliging our workers with the responsible and ethical use of information management and custody, as well as information confidentiality and disclosure through authorized channels.

Prevention of Asset Laundering and Financing of Terrorism



We perform due diligence actions and adopt measures in order to prevent and avoid that any of the Company's subsidiaries is used for illegal activities related to asset laundering or financing of terrorism.

Corporate Governance

(102 -18) (102-28) (102-25) (102-19)

The implementation of **Corporate Good Governance standards** in Grupo Mineros constitutes the basis for generation of our operations' credibility, ensuring the way we respect the rights of those investing in our stock, seeking for transparency, objectivity and equality in the treatment of partners and shareholders, the proper business management, the responsibility before internal and external control organisms and the public and transparent knowledge of its management.

Composition of its Main Governance Organ and its Committees

(102-22) (102-23)

Members of the Board of Directors

- |||| Eduardo Pacheco Cortés
- |||| José Fernando Llano Escandón
- |||| Santiago Perdomo Maldonado
- |||| Juan Carlos Páez Ayala
- |||| Alberto Mejía Hernández
- |||| Beatriz Orrantia
- |||| Dieter W. Jentsch
- |||| Mónica Jiménez González
- |||| Sergio Restrepo Isaza

The average length of stay of Board of Directors' members is 8 years. The members join as independent members and do not have any other position within the Organization. The Chairman of the Board of Directors does not have any executive position in the Organization.

Corporate Governance Structure

An effective separation is established between the three (3) governance levels: the General Shareholders Assembly, the Board of Directors and the President. This is a public, clear and transparent structure that allows the determination of clear lines of responsibility and communication, and facilitates the strategic orientation, supervision, control and effective management of the Entrepreneurial Group. The Board of Directors has four (4) support committees:

1 Auditing and Risk Committee

This Committee supports the Board of Directors in the assessment of accounting procedures, the relations with the Statutory Auditor and in general, the revision of the Control Architecture of the Company, including the audit of the risk management system.

2 Good Corporate Governance and Sustainability

Supports the Board of Directors in the assessment and supervision of Good Governance Code regulations and policies, and in general, all related documents. This Committee also proposes the necessary changes, according to best practices in effect.

3 Nomination and Compensation

Provides assistance to the Board of Directors in the appointment, training and evaluation of Board of Directors members and Top Management, and in the definition of compensation policies of the Company.

4 Business and Optimization Committee

Supports the Board of Directors in addressing the development and technological and operational strategy of Mineros S.A. and its subsidiaries. This Committee follows up the businesses and proposes the creation or adjustment of current businesses and the development of technological and operational optimization projects. Likewise, it makes recommendations for tender processes, investments, new businesses and periodical follow-up of the Company's strategic plan and business plan.

Conflicts of Interest

The Company makes sure any Board member, officer or manager refrains from participating in transactions, promotions or celebrations of businesses, definitions of policies, standards or procedures, etc., if they have any kind of direct or indirect interest on them, which can affect their impartiality. The Company has a procedure in its Code of Good Governance, to minimize any conflict of this type, which is available at the Company’s Web page, www.mineros.com.co

Delegation of Authority

The bylaws and documents of Good Governance establish the functions and powers of the managerial organs, clearly defining which may not be delegated. **Likewise, through the Institutional Relations Reference Framework Agreement (Annex No. 2), the Group established the rules and principles applicable for each of its Companies and their Manager and employees, in its economic, legal, administrative and operational relations.** This, with the purpose of aligning the interests and objectives of each of the subsidiaries of the Group, and provide greater value to its shareholders with the development of its mining operations, through an excellent integral management system, and framed withing entrepreneurial social responsibility.

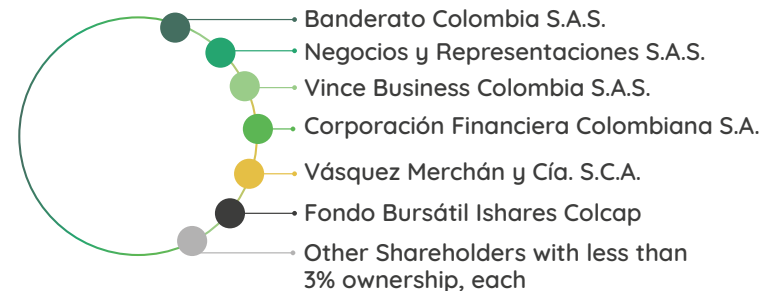
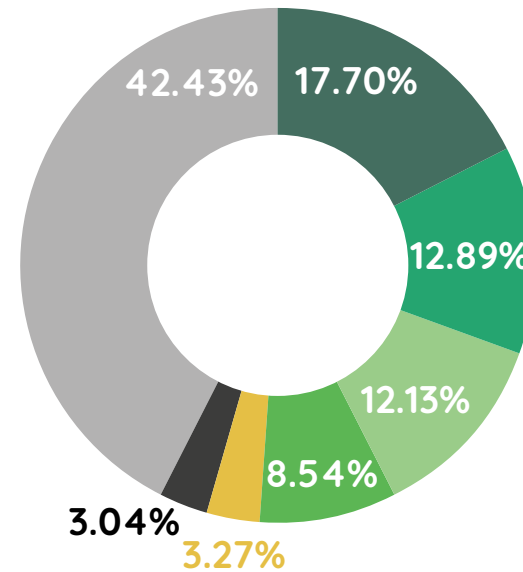
Evaluation of the Board of Directors and Top Management

In February, 2020, the self-evaluation process of Board of Directors’ members for the 2019 period, was held.



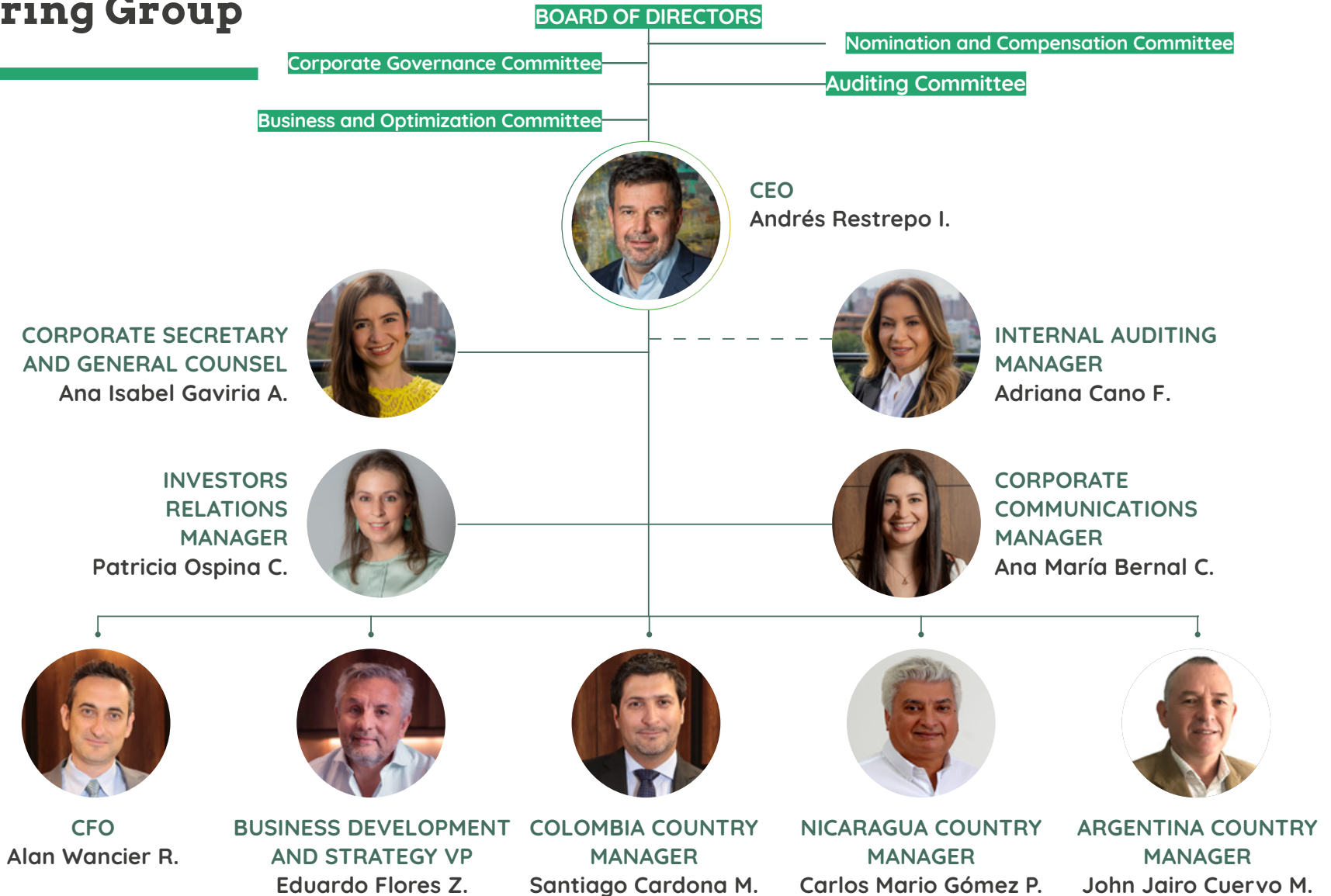
For more information, scan this code.

Main Shareholders



Steering Group

(102-22)



Corporate Ethics

(102-16) (102-17) (205-2)

Mineros S.A. establishes in its Ethics Code the set of values, principles, policies and guidelines of behavior which serve as guide to orient the relations and personal and professional contact that must exist between the Organization and its employees, the vendors, communities and other stakeholders with whom we relate. Their compliance is mandatory for all employees, in all levels of the Organization.

The main behavior guidelines and standards are under title "How do we behave", which establishes that our acts are not only based on our Corporate Values. We also have the definition of behaviors that the Company expects on the daily activities of its personnel, such as respectful relations, no discrimination, proper management and confidentiality of information, control of asset laundering to avoid financing of terrorism, bribery and corruption prevention, respect for Human Rights, equality, rejection of child labor, economic privileges, prevention of labor and sexual harassment, and copyrights' respect.



|||| The Code of Ethics of the Company is of mandatory compliance for all its employees

Grupo Mineros ensures the dissemination of these policies and guidelines through annual training programs for all personnel, from all the different hierarchical levels. Likewise, the Code of Ethics is published in the Company's Web page, for the knowledge of counterparts and vendors. Additionally, our policies make part of selection and work contracting processes.



Scan this code to read the Code of Ethics.

Risk Management

(102-15) (102-29) (102-30) (102-31)

The systemic approach of our processes and potential risks affecting our operations, as well as compliance of our strategy, allows us to seize our business opportunities and manage events which may hinder the achievement of our objectives.

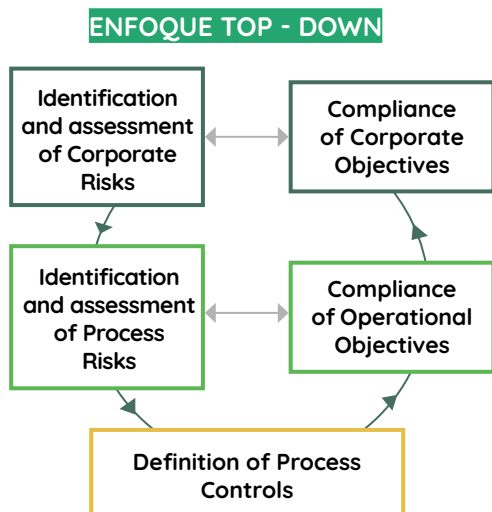
The Organization manages its risks through a Top-Down approach, based on its corporate strategy and deploying its processes and projects in the different countries.

This approach confirmed most of the Corporate Risks identified in 2019 and allowed the distinction and assessment of new emerging risks at global level, or relevant risks within the mining industry in 2020. These include:

- > COVID 19 pandemic risk
- > Inadequate environmental and sustainability management
- > Inadequate workers' health and safety management

The governance of the risk model actively involves all Organization levels, starting with the Board of Directors, through the Auditing and Risk Committee, until the processes and personnel, specifying responsibilities which guarantee the contribution of all in their management.

Following are 2020 Corporate Risks and their prioritization within the Residual Risk Color Map:



	N°	Risks
Strategic	RC1	Upsurge of mining opposition
	RC2	Socio-political uncertainty
	RC3	Failures in the acquisition and integration of new mining projects
	RC4	Inadequate definition and deployment of the Corporate Strategy
	RC5	Difficulty in obtaining operation licenses and permits
	RC6	Mineros reputational damage
	RC7	Incorrect estimate or lack of mineral resources and reserves
	RC8	Inadequate relations with stakeholders
	RC9	Inadequate environmental and/or sustainability management ●
Operational	RC10	Inadequate human capital management
	RC11	Loss of gold production or loss of related data
	RC12	Opposition to digital transformation and improper cyber risk management
	RC13	Lack of energy sources to support operations (energy grid)
	RC14	Inadequate workers' safety and health management ●
	RC15	COVID 19 pandemic risk ●
Compliance	RC16	Fraud or corruption risks
	RC17	Non-compliance of legal operation requirements
	RC18	Inadequate management of civil, legal and social responsibility related to Mineros' operations
Financial	RC19	Inefficient cost management for the generation of value
	RC20	Inadequate financial resources management
	RC21	Price volatility or loss of relevance of commodities

● Risks identified and assessed during 2020

External Initiatives

(102-12)

Minas Argentinas S.A. | Gualcamayo Mine



Gualcamayo, as Minas Argentinas S.A., is certified under the Cyanide Management International Code (April 1, 2019).



Mineros Aluvial



SA200-1

ISO 14001: Environmental Management System
SA200-1: Exploration and exploitation of gold and associated metals



OS173-1



OHSAS 18001: Occupational Safety and Health Management System
OS173-1: Exploration and exploitation of gold and associated metals



Operadora Minera



SA200-2

ISO 14001: Environmental Management System
SA200-2: Exploration and exploitation of gold and associated metals



OS173-2



OHSAS 18001: Occupational Safety and Health Management System
OS173-2: Exploration and exploitation of gold and associated metals



The management system is applicable to: Prospecting, exploration, mine exploitation (Open pit and Underground), processing of minerals, smelting, and operation support services to obtain Dore bullion.
Certificate Number: 0016535



The management system is applicable to: Prospecting, exploration, mine exploitation (Open pit and Underground), processing of minerals, smelting, and operation support services to obtain Dore bullion.
Certificate Number: 0016532

Voluntary Initiatives we adhere to

(102-12)

- > Company guiding principles and Human Rights
- > Voluntary principles related to Safety and Human Rights
- > Colombian network against Child Labor

2020 Acknowledgments

In Nicaragua



- > For the “commitment to well-done mining for the benefit of all its workers and the community”, granted by the Mining Chamber of Nicaragua (Cominic) on December 11, 2020, within the celebration of their 25th anniversary.
- > “Environmental care and protection promoting recycling policies, as well as Entrepreneurial Social Responsibility work supporting Bonanza’s development”, granted by the Network of Nicaraguan Recycling Entrepreneurs (Rednica), on October 17, 2020.

En Colombia



- > Transformation into Collective Benefit and Interest Company of Mineros Aluvial S.A.S. BIC and Nego-



HEMCO recognition by Caminic



Recognition to Responsible Mining

- cios Agroforestales S.A.S. BIC, authorized by the Ministry of Commerce, Industry and Tourism on August 28, 2020.
- > Sustainability Seal, Category AA, awarded to Negocios Agroforestales S.A.S BIC and Mineros Aluvial S.A.S. BIC by the Regional Autonomous Corporation of the Center of Antioquia (CORANTIOQUIA) on November 24, 2020.
- > Antioquia’s Social Mining Seal awarded to Mineros Aluvial S.A.S. BIC, in the “Large Scale Mining Project” category, presented by the Secretariat of Mines of the Government of Antioquia, on December 23, 2020.

- > Women in Mining of Antioquia, 2020, in the category to the “Best Company committed to Gender Equality” for Mineros Aluvial S.A.S. BIC. Recognition made by the Secretariat of Mines of the Government of Antioquia on December 2, 2020.

- > Zero Non-Conformities in the follow-up audit of the Management System under ISO 14001 and OHSAS 18 18.0001 Standards presented by ICONTEC - Iqnet in March, 2020.

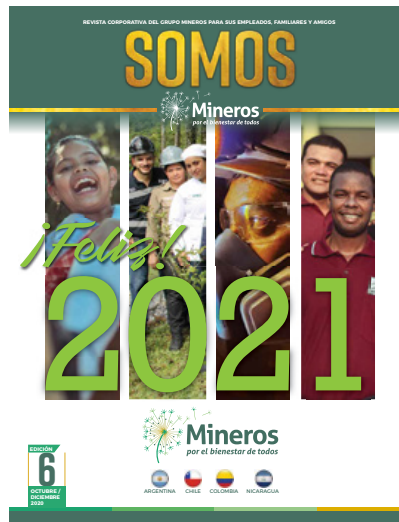
- > Continuity in the PINE (Strategic Project of National Interest, for its acronym in Spanish) category granted by the Ministry of Mines and the Competitiveness Advisory Office of the Presidency of the Republic of Colombia, on December, 2019, with continuity until December, 2020.

- > Appointment of Santiago Cardona Múnera, VP Colombia, as Champion of Women in Mining in Colombia (WIM), opresented the own organization for being an ambassador of the WIM message and promotor of gender equality actions in his company and in the sector.

- > Scholarship for Professional Excellence to the Woman in Mining - GERENS Peru - for our worker Marcela Marín Rincón, offered by the Colombian Association of Mining and GERENS Peru, on August 14, 2020.

Communication Media

Our communication media allow us to maintain our public informed and up-to-date, as well as to establish a permanent and open dialogue with our stakeholders. For that reason, we have established and strengthened different media and channels. These are some of them:



Corporate

- > Intranet “La Lingotera”
- > “SOMOS Mineros” magazine for our workers and their families
- > “Mineros al Día” internal electronic bulletin.
- > “Entérate” corporate mailings
- > Press releases
- > Quarterly calls to investors
- > Monthly bulletin for our investors.



Nicaragua

- > HemcOro” internal bulletin
- > “La Lingotera Hemco” Intranet
- > Corporate murals
- > Murals in Cooperatives of Small-Scale Mining
- > Corporate mailings
- > Radio Program “Hemco in the community”
- > “El Semanario” Bulletin
- > HEM Community Tabloid



Colombia

- > “En resumen” electronic bulletin
- > “Entérate” Corporate mailings
- > Physical and digital billboards
- > Press releases
- > Al día con Santiago
- > Workers Forum
- > “La Lingotera Colombia” intranet



Argentina

- > Electronic bulletins
- > Corporate mailings
- > Corporate news applications
- > Physical and digital billboards
- > Press releases



Web Sites
www.mineros.com.co
www.hemco.com.ni

Social networks



MinerosSA



Mineros_sa | Hemco Nicaragua S.A.



Mineros_sa



Minerossa



@Mineros_sa

Organizations we belong to

(102-13)





Mineros
por el bienestar de todos

3

OUR SOCIAL MANAGEMENT

Our Social Management

(413 -1) (413-2) (203-1)

The goal of social management at Grupo Mineros is to contribute to improve the living conditions of the communities in the economic, social, environmental, and human rights areas, as well as to strengthen the local governance, peace and citizens' coexistence.

- > Our social management **in Colombia** is located at the Lower Cauca sub-region of the **department of Antioquia**, specifically in the urban and rural areas of the municipalities of **El Bagre, Zaragoza, Caucasia, Nechí and Anorí**.
- > **In Argentina**, our social management programs are developed at communities close to the Gualcamayo Mine, in the department of Jáchal, in which the deposit is located, and at Coronel Felipe Varela, a town close to the mine in La Rioja province.
- > Our social management **in Nicaragua** is mainly focused on the communities in the urban and rural municipality of Bonanza.



Delivery of humanitarian aid at the Nechí river banks in Antioquia, Colombia

Programs and Social Projects

These Memoirs describe the most relevant programs and projects of our social intervention in each of the countries where we have mining activities. In all of them, the positive impact generated by our management is noticeable.

Within the framework of our social responsibility and being solidary with the inhabitants of the territories where we execute operations, we stress the support actions in the communities, and with governments due to emergency caused by the COVID-19 pandemic. Likewise, the most important programs and projects of our social intervention in each of the countries.



2020 SOCIAL INVESTMENT

	USD
Nicaragua	1.628.295
Argentina	1.197.823
Colombia	1.113.405
Fundacion Mineros	646.032
Total	4.585.555

Nicaragua

- > To face the Covid-19 pandemic, we support the Ministry of Health (Minsa) and allocate our resources to provide all possible help in order to reduce the impact of COVID 19 in the community.
- > We had radio, audio-visual, graphical and megaphone advertising campaigns, we distributed masks and health elements, as well as other articles required for the health protection of the communities. We were always ready to support community initiatives as well as the local and national governments to support care and prevention measures.
- > We delivered economic aid to small-scale miners and low-income people for their commute to hospitals in the capital city, and the purchase of medications. We air-carried seriously ill patients with low income to hospitals in the capital city.
- > After the emergency caused by Iota and Eta hurricanes in Nicaragua, we delivered food and materials to reconstruct households in the towns of Rosita, Bonanza and Prinzapolka, in coordination with the local authorities and the Municipal Committees for the Prevention, Mitigation and Care of Disasters.



|||| Delivery of biosecurity elements in the municipality of Bonanza, Nicaragua

Argentina

- > In Argentina we also deployed all our capacity to help mitigate the pandemic: we delivered food kits in Jáchal and Guandacol, progressively distributing them among the most needy families, especially those who during the quarantine were not able to generate any type of economic income.
- > Throughout the year, we supported the San Roque Hospital, with rapid tests to detect coronavirus. This contribution was fundamental to help health authorities work in the prevention and early detection of cases in such District.
- > In the hardest stage of the quarantine, we worked with different institutions in the communities of Jáchal, Guandacol and Villa Unión, and we helped purchase materials to be delivered to hospitals, health centers and safety elements, such as masks, gowns, overalls and hairnets, as well as other required supplies.
- > We delivered Personal Protection Elements (PPEs) to security personnel at Jáchal. This allowed them to work with greater security (tyvek overalls, boots, goggles, etc.) and during the whole year, we contributed with food and supplies to be prepared and delivered in the community's eating facilities of Jáchal.

En Colombia

- > Due to the pandemic, we oriented our work towards rural communities, and among them, to indigenous and afro-Colombian communities, providing them with food, and personal hygiene and home products.
- > We developed awareness and prevention programs for an important number of families. We participated in the manufacturing and delivery of mouth covers (masks), as well as the strengthening of El Bagre's Health Network, the medicalization of an ambulance, and the donation of three (3) Intensive Care Units (ICUs), as well as supplies for their operation.
- > Donation campaigns were organized with the company workers and employees. Thanks to contributions received, we had more resources to optimize the community's care. We also supported the economical reactivation and employment plan, the development of crops, and the promotion of local businesses.



Delivery of food and hygiene products to indigenous communities close to the operation in Colombia



Manufacturing of mouth covers in Argentina


Economic Development Support

Following are the most relevant programs and projects of our social intervention during 2020. It is important to mention that due to restrictions caused by the Covid-19 emergency, our direct exchange with communities was restricted. However, we maintained contact with the nearby communities in the countries where we operate.

The promotion of better opportunities for economic and social development, and the generation of income are the main objective to comply while supporting the community's productive initiatives.



In spite of the limitations imposed by Covid 19, we permanently maintained contact with communities close to our operations.

 **In Argentina** we implemented an Entrepreneurs Support Program to finance and support productive projects developed by intermediate community institutions, or by in-

dividuals, with the purpose of promoting the generation of work sources independently from the mining work. The following are some of the projects supported:



|||| Plantulas for sowing hectares of tomato

> **Pig farming Project**, through the San Gabriel Cooperative in Jáchal, we promoted pig farming with 11 entity associates. The company contributed with the infrastructure to improve the conditions of each of their farms, and veterinarian supplies during one (1) year.

> **Tomato production and industrialization**. We worked with the municipality of Jáchal in favor of a family enterprise and small agricultural farmers of the department, to develop a crushed tomato production and industrialization program. The company contributed with the plantulas to sow six (6) hectares.

> **Support to Gualcamayo peasants**. Approximately 15 families live in the mountains close to the mine, whose main activity is stock farming. Our support consisted in the development of a system to collect, transfer and store water for their animals.

> **Support to agricultural producers**. We delivered agricultural implements (plowing disks, blades, bulldozers, etc.) for Cooperatives September 21st and New Horizon of Jáchal, for optimization of their work.

> **Producers of Caballo Anca**. Support was given to the producers of the rural zone of Caballo Anca, with construction materials and the civil work to collect and store water for their animals.



|||| Animals' water collection work



|||| Use of implements for agricultural production in Jáchal, Argentina

 **In Colombia**¹, a great effort was made in 2020 to support the economic recovery of communities close to our operation, through financing of the necessary infrastructure works, as well as promoting the contracts of local labor and the provision of services with local vendors.

In the sub-region of the Lower Cauca region, where our mining operations are located, we have been working with the communities through the implementation of different productive initiatives in each of the municipalities in our area of influence: 14 productive projects of poultry, pisciculture, apiculture, and rice and corn crops, with a total participation of 20 communities and 255 families.

1) The initiatives developed by the RSE Division and Mineros Foundation are included

We continued implementing several productive programs in alliance with national and international entities (USAID, COMFAMA, BID), in topics related to pisciculture, apiculture, stock farming and the promotion of gender equality. **Among them, Mujeres de Oro and Avancemos Bajo Cauca were outstanding alliances:**

> **Avancemos Bajo Cauca Alliance:**

Through this alliance with USAID, COMFAMA and Interactuar, associations of producers have participated in commercial strengthening and support processes. A total of 97 companies have benefitted, beekeepers have increased their productivity by 9.1%, and those in pisciculture production have increased by 6.5% vs. the previous year. This initiative obtained the third place in the “Emprender Paz” Program.

> **Mujeres de Oro Alliance:**

Also in alliance with USAID, the strengthening of businesses was reactivated with 60 companies, creating the Rotary Fund to support women’s entrepreneurships and businesses in the region, and training 126 women in political leadership. Sixty women participated in the Care Network and we started the GenderEquality strategy in our company, Mineros Aluvial.

> **Colombia Sustainable Alliance:**

With this alliance, we developed the fish farming project, whose objective is the development of a sustainable production model. A total of 206 families from the Asoagrollana Fish Farming Association of El Bagre participated. They received support for entrepreneurial, technical, commercial and associative strengthening.

> **Commercial Alliances:**

Through these alliances, we have trained 615 producers (185 women and 430 men) in topics related to best practices in cow-milking, fertilization, cattle management and sustainable livestock. We delivered equipment for the plant and equipment for the analysis of milk quality. Eighty stockbreeders from El Bagre participate in the production strengthening program for their farms.



Delivery of the road Escarralao – Zaragoza, in Antioquia

> **With regards to local vendors,**


we have supported food preparation initiatives, and others such as Chocofe, winner of the “Antóciate de Antioquia” Contest and participant in the “Sena Emprende Rural” Program, and for the manufacturing of industrial supplies with three women’s associations of El Bagre, who were selected to be maquila manufacturers for part of the uniforms, generating 16 direct jobs.



Visit to socialization processes in communities. Operation in Colombia



Improvement of Social Infrastructure

 **In Argentina.** We supported the following projects through the social infrastructure program, to improve and optimize the community institutions' facilities.

- > **Villa Mercedes Aqueduct:** We provided all materials for the renovation of the main aqueduct of the northern area of Jáchal, with its household connections, to replace a 60-year old network. The Municipality and the Directorate of Sanitation Works contributed with labor and technical assistance. More than 1,000 families living in Villa Mercedes and nearby districts benefitted from this work.
- > **Pavement of the Eugenio Flores Street:** This is a very important project for Jáchal, because it allows the connection between downtown San José and the sectors with greater agricultural production of the department, where approximately 7,000 people live. The Company provided the machinery for the expansion and paving of the street, in an extension of 11 kilometers, generating important savings for the municipality.
- > **Repair of the Defenses of the Huaco River:** We worked with the Hydraulic Directorate, using the mine's machinery, to repair river defenses destroyed by the heavy rainfall and flood of the Huaco River. This was done to avoid water flooding in populated or cultivated areas.
- > **Pavement of Vicuña Larraín Street:** We contributed with resources to pave four (4) kilometers of Route No. 497 in Jáchal (also known as the Vicuña Larraín Street), one of the main access roads to the city of San José.



||||| Refurbishment of the main aqueduct in the northern area of Jáchal, Argentina

- > **Schools Upgrades:** We allocated resources to complete the work at September 24 School, in Jáchal (Part of the ceramics of some classrooms and W.C.'s had collapsed in October, 2017). We contributed with resources to complete work on Agustín Gómez School and supported the renovation and maintenance of Fray Just Santa María de Oro School, which has 104 years of existence, and was recently declared as a Historic Monument.



With an investment of USD 4.6 million paid by the Trust Fund of Gualcamayo, which receives contributions from Minas Argentinas, the San Roque Hospital was enlarged. This hospital will be the main medical center of the province of San Juan. >>

> **Trust Fund of Gualcamayo:** This trust fund is used to finance social investment for the construction of large infrastructure works. Minas Argentinas contributes with a percentage of the gross billing. Works financed with these resources are of great relevance, and high social impact. Most of them promote contracting local labor and vendors. These are some of the works financed with the Trust Fund:

Improvement of the Water Well in Huaco. This will allow inhabitants of that district to have drinking water in the household networks once again, after the old well collapsed.

Expansion of San Roque Hospital. Due to its location and characteristics, this hospital will become the main medical and hospital center of the municipality of Jachal, with first level medical equipment, in an area of 11,000 sq. meters. With resources of the Trust Fund, an investment of USD 3.6 million will be made.



||| Bypass Road in Bonanza, Nicaragua

In Colombia we work for the improvement of roads and village paths, rural schools, community centers and recreational parks. With the program “Alliance for Water”, Drinking Water Treatment Systems (STAP for its acronym in Spanish) for rural schools, we built five school aqueduct systems.

We also promoted the Digital Connectivity Project that accelerates connectivity in rural schools. More than 30 students from rural, remote areas have benefitted, improving their education quality in two schools - Sabalito and El Pital, in the municipality of El Bagre.



||| Escorralao Road, without pavement, in Colombia



||| Escorralao Road, after being paved

In Nicaragua our constant support to the Land Use and Urban Development Plan (PODU for its acronym in Spanish) of Bonanza, was of great importance. Bonanza is the only municipality of the Caribbean region that has a progress instrument of that type, which facilitates making social investments to solve sensitive community needs. In 2020, pro-

moted by PODU, we executed 13 projects and supported the municipal government for the contracting of five (5) specialists, who are in charge of the coordination, design, revision, execution and project management for the community; i.e., the enhancing of urban and rural streets in Bonanza, and access roads for indigenous and mestizo communities.

Our Contribution to Social Development

Education Improvement



In Nicaragua we continue developing the “Education with Quality” program which is aimed at identifying, along with the educational community, parents and opinion leaders, the problems which impact the good academic results of the students of the municipality. Therefore, there have been several projects developed, such as: scholarships for empiric professors and with educational preparation, opening of the municipal library, study scholarships for elementary and trade schools.

There is also the “Mathematics Portal” Program to improve the faculty skills and contribute to improve the academic results curve of the students.

Other actions are taken, such as supporting the work of the delegation from the Ministry of Education, with participation of parents from the different schools, in order to encourage them to support the teachers in the educational process. This, with the purpose of improving school retention, the academic performance, and to decrease social risks among students.

In Colombia, we have increased the number of scholarships to finance students from Universidad de Antioquia, who come from areas where we have mining operations: we increased from 12 to 30 scholarships, per year.



|||| Maintenance of Fray Justo Santa María de Oro School, which is 104 years old




|||| Delivery of masks in the Bonanza market in Nicaragua

Health Improvement

Hemco continues strengthening the local health program promoted by the Ministry of Health of Nicaragua, through PODU, to reduce epidemics, offer better outpatient services, multiply health campaigns to prevent diseases, reinforce the medical and health personnel, and have zero maternal and child deaths in the rural and urban zones. This program delivers food, fuel, surgical replacement material, equipment maintenance, etc., and the payment of three (3) health technicians and two (2) specialist physicians.

Sports, Recreation and Culture Promotion





 **Epecially in Argentina,** the practice of sports is very important for the communities; not only because it offers alternatives for youngsters during their free time, but because the clubs are also great promoters of social and cultural activities that reunite the entire family.


Through the different programs and activities, we support the different institutions to encourage sport disciplines, so the offer is broad and varied. Among actions developed in 2020 are the following:

- > We supported the Bicycle Race “Other Band” in its 18th consecutive version, with participation of more than 150 cyclists of the entire province.
- > We supported the construction of W.C.s and changing rooms in the Sports Center, along with the Xackall Hockey Group and the municipality of Jáchal, for the completion of this work in 2021.
- > We worked with Condor Rugby Club, Aero Club and the municipality of Jáchal, in the construction of the irrigation network of the Sports Center, and particularly, in the rugby field. We supported the Veteran’s Soccer Association of Jáchal by donating the equipment and furniture for their daily activities.
- > Among other actions, we delivered a lighting system for the main field of Estrella Club, and for Soccer Field No. 5 of San Lorenzo Club. We donated the furniture for the Soccer League of Jachal, construction materials for a poli-sport area of Club Peñarol, for the Newcom Association in the Sports Center, and for the renovation of Club Florida’s swimming pool.



 Delivery of outdoor gymnastics equipment for Rosita’s Park in Bonanza, Nicaragua

 **In Colombia,** in alliance with Caja de Compensación de Antioquia (COMFAMA), we developed the “Soccer with Heart” Project, which includes 370 boys and girls from the municipality of Nechí. Through recreational and experience trainings, the goal is to leverage the development of values, promote soccer techniques, and life skills for the children.

 **In Nicaragua,** as part of the Land Use and Urban Development Plan of Bonanza (PODU) we continue promoting the good use of the sports infrastructure. Hemco and the national Government dedicated resources for the construction and maintenance of all municipal sport facilities, promoting sports, giving sponsorship to the area’s representative teams, and sponsoring the first division baseball team of the region.



Promotion of Human Rights

In 2020 we developed the following activities regarding Human Rights:

Education and Training

- > Participation in the Gold, Copper and Human Rights Group, sponsored by national mining companies.
- > Training of 100% of the Company's personnel on the application of the Code of Ethics and Conduct Manual, which included the most relevant aspects of Human Rights.
- > Course of Human Rights and Enterprise.

Control of Social Risks

- > Regarding community complaints and claims, a total of 136 complaints and claims were closed, leaving 5 pending, with a response period lower than 30 days.
- > Important progress was made in the Community Relationship Plan with indigenous communities in the territory and government entities of the sector, including the indigenous reservation Puerto Claver, the Indigenous and Afro Management of Antio-



Training in the application of the Code of Ethics in Argentina

quia, the Community Council of Bijagual (Afrobijagual), the indigenous reservation Senú of Bojalá, the Mayor Indigenous Cabildo of El Bagre, the Indigenous reservation Emera Sohaibadó and the Community Council Los Cargueros (Afrocargueros).

- > In terms of diversity and inclusion, a plan was made to close the identified gaps - ONUDI (United Nations Organization for Industrial Development), a contracting policy aligned with Human Rights and a strategy with the Company's Human Relations.
- > The municipality of Bonanza in Nicaragua is multi-ethnic, where there are two indigenous territories of the Mayangna ethnic, in which Hemco has its mining concessions. The relations with these indigenous communities and their leaders have been very respectful of their culture and traditions.



Relations with Local Institutions and Administrations

We maintain permanent communication with public entities, local, departmental, provincial and national governments in the countries where we operate. We promote dialogue and communications to listen to requests and initiatives that benefit the development and wellbeing of communities, and the responsible use of natural resources.

Small-scale Mining in Nicaragua

Our social management becomes more relevant considering the experience with small-scale mining of Hemco in Nicaragua, which constitutes a model of inclusion that is considered a significant advancement in the country.

The **Bonanza model** is a shared-value model that contributes to reduce social conflicts and facilitates its operational growth, improving the living conditions of small miners.

The following 2020 achievements are worth mentioning:

- > **Registration of 805 workers** (members of collectives or cooperatives) **in the Social Security System**, for a total of 2,249 registered in the year.
- > **Decrease in accidents by 43%** vs. year 2019. Casualties decreased by 11% compared to the previous year.
- > **A total of 57 training sessions were given, with participation of 1,714 Small-Scale Miners.** Topics included sustainability, the environment, prohibition of child



The number of hectares allocated by Hemco for artisanal mining equals to **3% of the concession area. A total of 21 cooperatives work in this areas.**

Associated miners

1.678  **402**  **1.276**

labor, prevention of COVID-19, and another 129 training hours to strengthen the Cooperatives' governance.

- > **Support mediation and resolution of conflicts between small-scale miners** along with the Municipal Artisanal Mining Commission (CMMA) and the Ministry of Energy and Mines (MEM).
- > **Security inspections** were made according to requests made by small-scale miners in order



Collection of artisanal mineral, Hemco

to offer them blast services, as well as routine inspections to provide SISO-Environmental advice to control risks and prevent accidents in the work sites.

- > In general, a proper level of awareness **has been reached regarding the importance of security/safety among the small-scale miners to prevent accidents, control environmental contamination and avoid child labor.** These miners now follow the recommendations of SISO-Environmental Inspectors.

OUR ENVIRONMENTAL MANAGEMENT

4



Our commitment to the biodiversity, the sustainable use of natural resources and the proper management of environmental impacts generated, are a fundamental part of Grupo Mineros' sustainability policy. We pay special attention to all tasks performed in the different countries where we have our mining operations.

|||||
The protection of river basins is a permanent task.




Environmental compliance


(307-1)

Our mining operations are performed rigorously and in accordance with legal provisions and internal actions for environmental control and management, such as the Environmental Management Plan, Environmental Licenses, Environmental Management Plans, Environmental Impact Declarations and other authorizations for the use and management of natural resources, according to applicable regulations in each of the countries.

In 2020, we did not receive any sanctions for breaching environmental, social and economic standards.



 **In Colombia,** the evaluation, control and follow-up of environmental obligations for our alluvial operation are regulated by the **National Environmental Licenses Authority (ANLA for its acronym in Spanish) and by the Regional Autonomous Corporation of the Center of Antioquia (Corantioquia)**, to whom we periodically report our compliance with the environmental management.

 **In Nicaragua,** the evaluation, control and follow-up of environmental obligations are regulated by the Regional Environmental Commission. The permits, depending on their category, are granted by the Autonomous Regional Council of the Northern Caribbean Coast (CRACCN), after legal procedures that include Terms of Reference, Environmental Impact Studies, Public Consultation and Socialization at the Council, as well as the **Secretariat of Natural Resources and Environment (SERENA)**.



For Grupo Mineros, general compliance of obligations, and in particular, with the national and regional regulations of the countries where we operate, are our priority. **We control this systematically, with inspections in different areas of our operation, and with external supervision.**

Other types of permissions for forestry land-use and discharge of wastewater are granted by the **Forestry National Institute (Inafor) and the Water National Authority (ANA)**. In 2020, HEMCO complied with all environmental legal requirements through management of 31 environmental permits and/or authorizations.

In Argentina, the entity in charge of controlling compliance of environmental, health and security standards, in the Directorate of Mining Environmental Supervision and Control, which reports to the Secretariat of Mining Environmental Management and Control. It is also the entity in charge of following-up conditions established in the Environmental Impact Declaration of our operation, which was granted by the Ministry of Mines, before starting the exploitation of the deposit. This declaration is updated every two (2) years. It is currently in effect and there are no compliance observations made.



||||| Gualcamayo Mine, Argentina

Energy and climate change



Energy consumption

(302-1) (302-2) (302-3)

Mineros S.A. recognizes the reality of **climate change** and the challenges represented by the adaptation and mitigation requirements. We have made efforts, such as the reduction of emissions of greenhouse gases through energy self-generation with clean sources in two (2) of our operations, the operation of electrical dredges, measurements of our carbon footprint, forestry credits and plantations, and development of measures for physical and biotic management.


Energy consumption in our operations were a total of 225,503 MWh, out of which, 47% came from renewable sources from our hydroelectric plants, 20% from energy purchased from the electric grids of each country, and 33% from non-renewable sources, such as diesel and liquefied petroleum gases (LPG).

In Colombia, our Providencia I and Providencia III hydroelectric plants generated 143,711 MWh-year. **Total operational consumption was 84,068 MWh-year, equivalent to 58.5% of hydroelectric generation.**




|||||
Gualcamayo Offices
in Argentina

«
HEMCO has more than **500 hectares of forest in the direct areas of influences of the hydroelectric plants and their affluents.** This enhances the conservation of the resource and the biodiversity.»

 **In Nicaragua,** Siempre Viva and Salto Grande hydroelectric plants **generated 21,383 MWh, equivalent to 43% of the total energy consumption.** The other 57% of energy was generated in diesel plants (50%) and purchased from the national grid (7%). Therefore, we did not have any surplus energy for sale.

HEMCO has more than 500 hectares of forest in the direct areas of influences of the hydroelectric plants and their affluents. This enhances the conservation of the resource and the biodiversity. The total hydroelectric power consumption in 2020 decreased vs. the previous year (22,592 MWh), considering the development of new products and the impact caused by the IOTA hurricane in the hydroelectric plants.

 **In Argentina,** total energy consumption was **40,245 MWh** in 2020, being purchased from the national electric grid. However, given the seasonal conditions, we generated heat in the processing and camp management areas, consuming a total of 9.6 MWh using LPG.

Energy consumption outside the mining operation, we reported consumption in our administrative offices in Medellín (113,471 KWh), Managua (52,567 KWh), and San Juan (61,342 KWh). The decrease vs. 2019 is explained by the fact that during most of year 2020, these offices were closed or partially operating due to the COVID-19 pandemic.

ENERGY CONSUMPTION AT GRUPO MINEROS' FACILITIES (MWh)

Source	Colombia	Nicaragua	Argentina
Non-renewable - Diesel/LPG	40,571	24,876	8,391
Renewable- Hydroelectric	84,068	21,383	NA
National Electric Grid	2,146	3,822	40,245
Sold Energy	(59,702)	NA	NA
Total Group	67,083	50,081	48,636

Total Group: 165,800 MWh



Reduction of Energy Consumption

(302-4) (302-5)

- > **In Colombia** we promoted energy savings with initiatives such as the “Clear Light” Campaign, to promote energy savings in administrative areas, **replacement of halogen lighting with LED lighting, and adjustment of dredge power factor.**
- > **In Nicaragua** we carried out initiatives related to energy saving awareness campaigns, changing to LED technology, installing photocells in common spaces, replacing A/C systems with more efficient technologies, etc. However, energy consumption increased by 50,080 MWh (7.8% higher than 2019), especially due to new projects and expansion of existing ones, the use of more non-renewable energy than in 2019, due to damages caused by ETA and IOTA hurricanes in our hydroelectric plants.

The company donated 1.68% of its energy generation to the municipality for the permanent operation of consumption water intake pumps.

- > **In Argentina** we achieved a **2.5 MWh reduction in energy consumption** vs. 2019, due to changes in production and to a lower extent, due to substitution of halogen lights by LED lights in our facilities.

Climate Change Risks and Opportunities

(201-2)



- > **In Colombia**, during 2020, the route map to implement climate change actions was defined. One of the activities aimed at analyzing risks and opportunities, was the definition of the methodology to be used, which was standardized by the Ministry of Mines and Energy, and developed according to guidelines of the Inter-Governmental Climate Change Panel (IPCC for its acronym in Spanish), and the Task Force on Climate-Related Financial Disclosures (TCFD).

Likewise, one of the activities developed in 2020 was the calculation **adjustment of the car-**



||| Pis-Pis River which feeds the Siempre Viva Hydroelectric Plant in Nicaragua

bon footprint, which will be relevant for decision-making in terms of mitigation and adaptation to climate change.

A total of 2,900 tons of CO₂ were compensated, considering emissions generated by the use of fuel in the alluvial operation. **The TryMyRide mobility program avoided the emission of 8,106.8 kgCO₂**, with the implementation of activities such as home office, shared car rides, bicycle riding, etc.

We also made investments on instrumentation of the Nechí River Basin, especially to improve reliability, data visualization and analysis, **in the construction of levees to protect operations and the installation of river level sensors** with the purpose of controlling impacts caused by climate changes in the area.

- > **In Nicaragua** one of the main identified risks was the decrease of precipitation in the region, and the increase of tropical storms, or hurricanes. Although precipitation in 2020 was higher compared to 2019, this was due to hurricanes ETA and IOTA in November of last year, which increased annual precipitation by 53%. The figures exclusively for November increased by 349%, going from 179 mm in November, 2019, to 805 mm in November, 2020.

According to United Nations, IOTA hurricane's power was due to factors occurring in a climate change era. For Hemco, the economic impact caused by these hurricanes was USD\$ 4.4 million, affecting in a great amount, the production and forestry resources.



Reservoir of the Siempre Viva Hydroelectric Plant in Nicaragua

- > **In Argentina**, we have not identified major risks and opportunities derived from climate change, which significantly affect our operation and demand the implementation of adaptation and mitigation measures.

However, there were some seismic movements and Gualcamayo River's level increases caused by persistent rainfall during the summer, which could cause damages on the mine's access road, causing the paralysis of the operations. To manage this risk, we have implemented early meteorological alerts through upstream river cameras.



Air emissions

(305-1) (305-2) (305-4) (305-5)
(305-6) (305-7)

We periodically monitor air quality and emissions in the fixed sources, guaranteeing compliance with allowable limits defined by each country's applicable standards.

Direct Greenhouse GAS Emissions (scope 1)

> **In Colombia**, the main sources of greenhouse gas emissions are caused by gasoline and diesel fuels necessary for the operation of boats, heavy machinery and the helicopter.

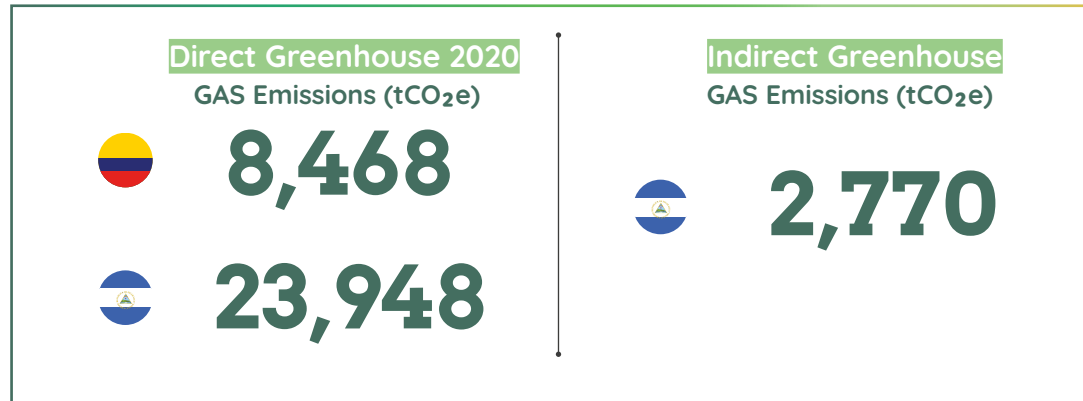
In 2020, greenhouse gas emissions decreased by 6,169 equivalent tons of CO₂ (tCO₂e) vs. 2019. This was mainly affected by the sale of Operadora Minera and the credit of 2.4 million tons of CO₂e in compliance with provisions in Decree 926 of 2017.

> **In Nicaragua** we started measurements of our carbon footprint in 2020. The main sources of greenhouse gas emissions are generated by the use of diesel fuel for the generation of electricity.

Indirect Greenhouse GAS Emissions (Scope 2)

> Indirect emissions of greenhouse gases result from consumption of electricity in our facilities. **In Colombia**, self-supply is covered by the power generated at Providencia I and Providencia III hydroelectric plants.

Given our self-supply of power, we did not report indirect greenhouse gas emissions in 2020, thanks to having obtained a certificate by Empresas Públicas de Medellín (EPM), which indicates that energy purchased by Mineros in Colombia was generated by renewable sources. Therefore, we reported energy consumption with zero emissions in the annual inventory of greenhouse gas emissions – scope 2.



« In Colombia, we did not report indirect greenhouse GAS emissions in Scope 2 because **electricity purchased was generated by renewable sources**, according to certificate of Empresas Públicas de Medellín.»

> **In Nicaragua**, indirect emissions of greenhouse gas resulting from energy purchased from third parties, were 2,770 tCO₂e.

According to direct and indirect emissions generated, and based on gold ounces sold in 2020 in our operations **in Colombia**, the **intensity ratio of greenhouse gas emissions was 7.2 tCO₂ e/kgAu**. For **Nicaragua**, the **intensity ratio of greenhouse gas emissions was 14 tCO₂e/kgAu**.



Emissions of Ozone Layer Depleting Substances

(305-6)

- > **In Colombia** we use refrigerating gases containing HCFC, such as R22, for air conditioning, which generate 15.4 kg of CFC-11 equivalent. We are planning the transition in technology that allows us to eliminate the use of this gas from our productive system.
- > **In Nicaragua** we use refrigerating gases containing HCFC, such as R-141B, R22, R-410A, R-410, R134A. Currently, the Company is investing in the gradual reduction of these substances and substituting for CFC and HCFC-free technologies in the water refrigeration and cooling systems. **This challenge will be strengthened in 2021, so one of the first initiatives to undertake is the calculation of carbon footprint and the inventory of greenhouse gas emissions in the entire organization.**
- > **In Argentina** we use R134a, R22 and R404a refrigerating gases, which represented an emission of 1,021 tCO₂e of ozone layer depleting substances.

Emissions of particulate matter and nitrogen and sulphur oxides (305-7)

> **In Colombia**, according to the last measurement made to the fixed source, we obtained the following figures:



Particulate material (PM10)

6.53

Sulphur dioxide (Sox)

1.57 mg/m³

Nitrogen dioxide (Nox)

8.32 mg/m³

> We do not have an updated measurement of emissions **in Nicaragua and Argentina.**

Materials used

(301-1) (301-3)

The operation of our mines for extraction and processing of gold, and the support and administrative management activities require the use of different materials coming from renewable and non-renewable natural resources. These are the main materials we use in our operations. According to their category, they are controlled and managed with the required procedures and measures.

Material Classification	Material	Unidad	Colombia	Nicaragua	Argentina
Raw Materials	Paper	kg	1.657	1.468	1.395
	Wood	t	545	825	-
	Iron	t	734	297	699
	Aluminum	t	4.836	-	-
	Steel	t	17	1.089	1.818
Auxiliary Materials	Cyanide	t	50	1.723	2.780
	Drilling Reagents	t	124	2	-
	Lime	t	26	1.775	8.805
	Explosives	t	156	633	1.855
Semi-finished Products	Gasoline	gal	384.870	9.467	
	Diesel	gal	344.027	2.489.259	1.202.861
	Oil	t	46	352	8
	Oxygen	t	93	11	2
	Acetylene	kg	39	2.000	1.110
	LPG	t	18	8	559

Reused Supplies

(301-3)



Some supplies are reused in our operations and are reincorporated for different uses in our facilities, or as a contribution to communities in our area of influence. That allows to establish a small-scale circular economy, optimizing some materials, reducing our waste and enhancing the living conditions of the communities.

- > **In Colombia**, part of the recycled materials in the operation are used to solve needs or problems, and to develop responsible consumption habits. The application of the internal circular economy helps the orientation of Company efforts to reduce waste volumes. The responsible management makes the environment be more sustainable, generating economic savings and helping to reduce our carbon footprint.
- > **Deteriorated tires** and left-overs of the vehicle fleet and yellow-line machinery were used to enhance the common areas and recreation areas of El Bagre, as part of the social integration and generation of value, which is shared with the different social stakeholders in the area of influence.



- > **In Colombia and in Nicaragua**, **metallic containers** are subject to sterilization processes and are located at ecological sites for the separation of solid waste. This avoids their disposal as metallic waste.
- > **In Colombia and in Nicaragua**, **polyethylene pipes** removed from the productive mining process are used for runoff water channeling and routing to avoid impact on roads and/or to be used in the infrastructure of camps and operation areas. The use of industrial oils and metallic surplus (scrap) is done through external, accredited third parties.

Recovery and reuse of residues. Wastuna Sanitation Complex, Nicaragua



The application of the **internal circular economy** allows to channel the efforts for waste reduction and with its responsible management, **make the environment be more sustainable.**

- > **Waste most commercialized** and of greater value were bayo paste, which represents 38.2% of the total waste, followed by shavings, with 29.6%, and cardboard, representing 9.2%.
- > **In Argentina** we reused the sleeves of underground mines to make tents for containers, the left-overs of metallic meshes used for sub-floors, drilling bars as perimeter fences, wood for benches, oil drums to collect waste, old hoses to transport water, and the veneers for roof sidings.

Water Management



(303-1) (303-2)

The protection and efficient use of natural resources is a permanent policy and concern at Grupo Mineros. Water is a vital element for our operations, for the general population, and the ecosystems. That demands us to take the necessary measures to use water in a responsible manner, without affecting its quality and current and future availability.

Environmental impact related to the use of water is identified in the different studies we make in order to get the required permits from competent environmental authorities, who assign water flows to be collected and drained, according to the domestic or industrial use needed, safeguarding the availability and quality of the surface or underground water resource.

Alteration of the availability, quality and dynamics of water and how water-based systems are affected, are the impact we have identified in the environmental studies, which have a moderate or irrelevant score, given our exploitation model in which we favor water recirculation, as well as the availability and quality of water in our different operations.



Underground water re-circulation system for industrial use in the Panama Mine

We have environmental permits required from environmental authorities for water collection and discharge for the different operations of Grupo Mineros. We have gauge and capacity measuring systems to avoid exceeding the authorized water flow, we make periodical monitoring of each of the points included in the permits, and we verify the quality parameters and allowable limits of domestic and industrial waste water with certified laboratories, and in accordance with each country's regulations. This is how we guarantee compliance and avoid affecting this vital resource.





Meteorological station at the Siempre Viva Hydroelectric Plant


In order to manage impact generated on water resources, we apply physical management measures duly certified by environmental authorities, among which are the domestic and industrial wastewater treatment systems, water recirculation systems, water quality follow-up, and programs for the efficient water savings and use.




|||| Mining extraction processes protect water sources

  **In Colombia and in Nicaragua** we use surface and underground water sources in our alluvial and underground mining operations, in the processing and support activities and in the generation of energy recirculating water in the alluvial, underground and processing extraction activities. For generation of energy, in both countries, we ensure minimal water resources and water ecosystems' impact, using water without altering its quality and quantity.

For the generation of energy in Colombia, we use Anorí River water, controlling the ecological quality and water flow. This also allows having early alert systems in case the river's water level increases during the rainy season.

 **In Nicaragua** we use water from the Pis Pis River, which starts with the discharge of the Siempre Viva hydroelectric plant and feeds the Salto Grande plant which is located downstream, later reaching the Waspanona River, also ensuring the economical water flow between both plants.

 **In Argentina** we use underground water coming from two well areas, to feed the areas of process, camps, open pit and underground mines, recirculating the water of the processes.

country where we operate. Therefore, we incentive water recirculation, decreasing the impact in water resources and contributing with its permanence.

> **In Colombia**, extracted water comes from surface sources of the Nechí, Anorí, Tiquí Rivers, and the Villa water stream, as well as from underground waters in their exploitation sites at La Ye mine.

> **In Nicaragua**, water comes from surface sources of the Pis Pis, Waspanona Rivers, and from Pioneer and Bonancita pipelines, as well as underground water for domestic and industrial use in the Panamá mine.

> **In Argentina**, extracted water comes from underground sources and is re-circulated in the milling process.



Water Extraction

(303-3) (303-5)


In 2020, our operation required a volume of **2,506,302 m³ of water to develop its exploration, exploitation and processing**, always in compliance with criteria and amounts established in the standards of each

EXTRACTION OF WATER IN MINING AND SUPPORT PROCESSES (M³/YEAR)

	Colombia	Nicaragua	Argentina
Surface water	1,081,965	20,601	NA
Underground water	86,318	99,418	1,218,000
Total operation	1,168,283	120,019	1,218,000

Total Group

2,506,302 m³

 **In Colombia** the extracted water volume for domestic supply of Mineros camp is equivalent to 88.5% (958.1 Mega Liters) of the total volume reported in 2020, while the concessionaire for gold milling of Operadora Minera contributes with 9.71% (105.1 ml)

Extraction of surface water in 2020 shows an 18.35% decrease (243.25 ml) vs. 2019, caused by the optimization of pumping times for domestic use, and the absence of data on water collection of Operadora Minera S.A.S. during the second semester, as consequence of having sold this company.

Additionally, underground water consumption decreased by 60.6% (133.26 mega liters) vs. consumption during 2019, since the use of water was only used during the first five months of 2020.


The use of water in the hydroelectric plants (when operating under a system of adduction channels at the entrance and later discharge on the Anorí River (once the turbines are fed) is considered as a non-consuming use of water (in other words, water is used, but not spent). Therefore, the volume of used water is not included in the extraction or discharge of water in 2020, which represents 557,735.7 ml.

Water Consumption (303-5)


Water consumption in 2020 was 567.36 ml, or 67.58% (393,43 ml) for domestic use (water treatment for consumption), and 32.4% (183,92 ml) for industrial use in underground and alluvial operations (this item includes the re-circulation of the underground current coming

« In Colombia and Nicaragua the use of water in the hydroelectric plants is considered as a non-consuming use of water (in other words, water is used, but not spent). »

from La Ye Mine – North and South Blocks – between the months of January and May, used in domestic and industrial processes, equivalent to 86,31 ml).

 **In Nicaragua,** during 2020, the company extracted 120,019 m³ of water resources coming from 6 different sources: 4 superficial and 2 underground, for domestic and industrial use, out of which 17% represented surface water and 83% underground waters.

Additionally, Hemco uses underground water for domestic use in its facilities, and provides a part of it to the community of Bonanza. That is our way to improve living standards, guaranteeing that the extraction is lower than the water offer, making sure to have the underground resource continue. In 2020, 24,350 m³ were supplied to the municipality. Hemco recirculated 92% of the water required for its operations.

 **In Argentina,** the volume of extracted underground was 1,2 mm³, which we used to supply process areas, camps, open pit and underground mine, and drinking water added to the circuit of recirculation of processes to humidify the mineral stockpiles and to make up for the evaporation losses.



Waste Water Generation and Treatment

(303-2) (303-4) (306-1)

At Mineros Group, we have water treatment systems in the camps, industrial and mining areas for the management of domestic and industrial waters in all operations. According to the physical position of the facilities, these are formed by domestic and industrial water treatment plants, or by decentralized treatment units.

Parameters measured for domestic and industrial wastewater are BOD5, COD, fats and oils, Total Suspended Solids, and pH. Additionally, we monitor cyanide, chromium, arsenic, phosphorus, in our industrial waters, among other substances, whose allowable limits vary in every country where we operate.

Likewise, periodic controls are made to guarantee compliance of minimum water quality criteria of wastewater. We also have expert personnel in treatment of cyanide solutions and the determination of their concentrations. We have cyanide measurement equipment for “in situ” revision of allowable limits. Our industrial processes, both for milling and exploitation, are designed to re-circulate used waters.

- > **In Colombia,** water discharge of domestic and industrial operation activities is subject to efficient treatment processes that remove the contaminating organic load. We have decentralized, highly efficient systems for the management of ARD, antibiotic removal devices (Fissa type anaerobic systems) and physical-chemical treatment processes for ArnD effluents. Each one of them have been correctly designed and operated to contribute to preserve water resources in the region. Discharges generated and treated in our facilities are in compliance with provisions established in Resolution 0631 of 2015.
- > **In Nicaragua,** industrial processes for milling and exploitation, are designed to re-circulate used water. This guarantees the permanence of water resources, reduction of water discharges, re-use of substances and lower investment required for water treatment plants.

« We comply with applicable regulations on water discharges and promote water re-circulation in our operations to ensure the permanence of water resources.»

Industrial discharges registered due to potential excess of rainfall water are previously treated using primary and secondary systems, until complying with current regulations. For management of domestic wastewater generated in the camp, we have two (2) water treatment plants. The system works through activated sludge with expanded aeration and decentralized units. We bi-annually monitor our water discharges, verifying allowable limits and guaranteeing compliance. Due to water re-circulation strategies, the Company decreased its discharges by 28%. This means 912,818 m³ were not discharged due to water re-circulation.

WATER DISCHARGES (M³/YEAR)


	Colombia	Nicaragua	Argentina
Surface Water	342,060	377,773	NA
Underground Water	NA	2,868,911	793,200
Total Operation	342,060	3,246,684	793,200

Total Group


4,381,944 m³

In 2020, the 4,381,944 m³ of water discharges generated by Grupo Mineros were planned and in compliance with quality parameters defined in environmental legislation in the countries where we operate. Given the location and/or absence of other companies in our areas of influence, discharged waters are not reused by other organizations.

Additionally, water bodies in our areas of influence are not significantly affected by treated discharges, or runoff water because we treat domestic and industrial wastewater from our operations, complying with allowed limits established in the legislation of the countries where we operate.


 **In Nicaragua**, for example, considering that water bodies close to our operations are highly intervened by anthropogenic activities (which affect Nature), the quality of water improves in certain parameters.


Infiltration underground waters resulting from our underground operations are the ones which have the greater number of industrial discharges, although they are not used directly, but are treatment to eliminate solids and control pH, guaranteeing allowable limits established in the regulations.

 **In Colombia** the total volume of discharged water was 342,060 m³, out of which 305,260 m³ were domestic discharges, and 36,800 m³ were industrial. Of such amount, 53.7% (183,600 m³) were discharged in infiltration fields, and 46.29% (158,370 m³) in



superficial sources, such as those of the Anorí, Nechí and Tiguí Rivers. Our alluvial operation, which uses closed wells, did not generate any industrial discharges. Our sewer effluents are only of domestic type, and we treat them with an aerobic process. Liquids treated are chlorinated and then discharged in an infiltration gallery. A minor percentage is used for irrigation of vegetation coverage and trees in our facilities. We do not generate industrial discharges because our mineral milling is done in closed circuit, recirculating all solutions.

 Domestic Wastewater Treatment Plant in Nicaragua

 **In Argentina** sewer effluents generated by our operation are exclusively of domestic type, and are also treated with an aerobic process. We discharge them in an infiltration gallery and a lower percentage is used to irrigate vegetation coverage and trees in our facilities. We do not have industrial discharges because our milling process is done through re-circulation.

WATER CONSUMPTION (M³/YEAR) (303-5)

Colombia	Nicaragua	Argentina
567,361	77,815	113,900

Total Mineros Group Consumption


759,076 m³


Biodiversity Management

(304-2)



Biodiversity protection is a priority responsibility of our operations. We identify the impact caused by our operations, assess and grade them in the environmental impact studies. We also environmentally characterize the areas to be intervened, to indicate that effects caused over biodiversity due to changes in land coverages, the modification of fauna populations and the modification of land habitats are irreversible, recoverable at mid-term, or that can be mitigated and compensated.

-  **In Colombia,** among programs we do to manage the impact on biodiversity, are the following:
- > Drive away, rescue and relocate wild life from the operation sites.
 - > Cleaning of water mirrors in areas of influence.
 - > River turtles' release program (Podocnemis lewyana).
 - > Forestry compensations with native species, and with a certain degree of threat.
 - > Environmental education for workers, contractors and communities, on the importance and protection of fauna and flora.

 **In Nicaragua** and specifically in the city of Bonanza, where we have operations, the main economic activity is mining. However, this is not only at




 River Turtle Conservation Program

industrial level, but also small-scale mining and extraction of wood.

There, impact caused by mining activities of our company, specifically to the flora, are compensated taking into account the regulatory criteria of 1:10 for native species that leverage biodiversity. We also guarantee the conservation of areas close to important water sources, the proper closing of projects once the productive operation is finished. With respect to wild animals, we perform awareness and animal relocation campaigns, as well as moni-

toring to verify compliance of current regulations in the operation sites.

All systems related to the use and discharge of waters are designed in compliance with current standards. Waters are returned to the media, complying with allowable limits after their treatment. Water collection is always done guaranteeing the permanence of the resource.

 **In Argentina,** our operation is not inside, or near a protected area. The closes protected area is approximately 70 kilometers away.



|||| We protect the fauna in Argentina



|||| Flora in Nicaragua is compensated according to regulatory criteria for native species



Our Fauna and Flora of Interest

(304-1) (304-4) (304-3)

Environmental impact studies made in the habitats of our areas of influence, such as fragmented forest, foothills and continental waters, have shown the existence of various species with a certain degree of threat due to anthropic pressures suffered by these ecosystems during the last decades (especially in Colombia and Nicaragua).

That is why we ratify our commitment to the application of our operating model, as well as the biotic management measures to prevent, mitigate, correct and compensate the effects over biodiversity, such as the driving away, rescue and transfer of wild animals, the rehabilitation of intervened areas, forestry credits, fauna and flora monitoring, and environmental education of our workers and neighboring communities.




In Nicaragua, HEMCO has 1,633 private hectares in conservation, located in the buffer zone of the reserve where the Pis Pis River is the region's water source. The Wastuna Re-

serve is also located there, with an area of 130 hectares, which was declared by the Ministry of the Environment and Natural Resources (Marena) as a Private Wildlife Reserve (RSP) in 2009.

- > **Hemco has promoted reforestation campaigns to improve our ecosystem.** During the last three (3) years we have promoted reforestation subject to legal procedures to be complied with when proposing a mining project or another infrastructure of social development for the intervention of wood and fruit trees.
- > **Up to date, 426 hectares have been used for reforestation purposes, with a total of 368,999 native plants established. These plantations were severely affected by the above-mentioned natural phenomenon. The post-hurricane damage projections reflect that 52% of the area was affected, and the loss or death of 43% of the total number of plants.**
- > In November, 2020, the IOTA hurricane affected the area. **Post-hurricane damage projections indicate that from the total planted area, 30% was affected, losing 22% of the planted trees, and a deficit of 30% of the total cubic meters to be used.**
- > To mitigate this situation, in 2021 we will make strategic alliances with farm owners and government authorities in favor of recovering biodiversity in the municipality, sowing and giving priority to joint efforts in the areas of higher impact.



|||| We protect water resources by planting trees

 **In Colombia,** due to the endemic threat and affection we can cause to river turtle species (*Podocnemys lewyana*) and to cativo trees (*Prioria copaifera*), we have developed two (2) specific management and conservation programs for each of them.

« Since year 2018, we have planted approximately 370,000 native species, contributing to protect the biodiversity and water resources of the region. »

- > One of them is the river turtles' conservation program that strives to increase the population of turtles who are in critical danger (CR) in the lower Nechí River Basin, following the parameters of the International Union for the Conservation of Nature (UICN for its acronym in Spanish). By involving the communities in our area of influence, we recollected and incubated turtle eggs to later release the born turtles in strategic areas.
- > The other conservation program promotes the protection of the cativo forestry endemic species, which is endangered (EN), according to Colombian legislation.

The Red List of endangered species of the International Union for the Conservation of Nature (UICN) assigns a category for each species according to their extinction risk. This category is assigned based on standard criteria evaluated for each one of the species, as per their vulnerability characteristics and threats.

According to the list of species reported in environmental impact studies of project, some UICN species have been identified.



|||| Fauna protection in Hemco, Nicaragua



> CR: Critical danger > EN: Endangered > VU: Vulnerable
> NT: Nearly threatened > LC: Minor concern

Location	Identified Species		UICN Threat Category				
	Scientific Name	Common Name	CR	EN	VU	NT	LC
Sabalito, Colombia	<i>Chauna chavaria</i>	Chavarri			x		
	<i>Podocnemis lewyana</i>	River Turtle	x				
	<i>Trachemys scripta callirostris</i>	Hicotea			x		
	<i>Rhinoclemmys melanosterna</i>	Wood turtle			x		
	<i>Saguinus leucopus</i>	Gray Titi		x			
	<i>Lontra longicaudis</i>	Otter			x		
	<i>Aotus lemurinus</i>	Marteja			x		
	<i>Pantera onca</i>	Jaguar			x		
	<i>Bradypus variegatus</i>	3-claw lazy bear					x
	<i>Choloepus hoffmanni</i>	2-claw lazy bear					x
	<i>Tamandua mexicana</i>	Honey bear					x
	<i>Coendou prehensilis</i>	Urchin					x
	<i>Alouatta seniculus</i>	Red Howler Monkey					x
	<i>Cebus albifront</i>	White-faced Monkey					x
	Cocohondo, Colombia	<i>Tamandua mexicana</i>	Anteater				
<i>Didelphis marsupialis</i>		Possum					x
<i>Caiman crocodylus fuscus</i>		Caiman					x
<i>Chironius carinatus</i>		Juetiadora Snake					x
<i>Erythrolamprus melanotus</i>		Guardacaminos Snake					x
<i>Trachemys scripta callirostris</i>		Hicotea			x		
<i>Podocnemis lewyana</i>		River Turtle	x				
<i>Rhinella horribilis</i>		Common frog					x
<i>Chauna chavaria</i>		Chavarri			x		
<i>Dendrocygna viudata</i>		Cariseco Pisingo					x
<i>Cairina moschata</i>		Royal Duck					x
<i>Leptotila verreauxi</i>		White-tailed dove					x
<i>Sicalis flaveola</i>		Canary					x
<i>Pitangus sulphuratus</i>		Common bienteveo					x



Location	Identified Species		UICN Threat Category				
	Scientific Name	Common Name	CR	EN	VU	NT	LC
Bonanza, Nicaragua	<i>Amazona auropalliata</i>	Yellow neck parrot		X			
	<i>Caiman-crocodilus</i>	Spectacled caiman					X
	<i>Leptophis ahaetulla</i>	Green parakeet snake					X
	<i>Alouatta palliata</i>	Howler Monkey with Golden Mantle			X		
	<i>Ara ambiguus</i>	Lime Green Guacamaya	X				
	<i>Agalychnis callidryas</i>	Reddish frog			X		
	<i>Tamandua mexicana</i>	Northern Anteater			X		
	<i>Dasyprocta punctata</i>	Guatusa			X		
	<i>Cuniculus paca</i>	Guardatinaja			X		
Jáchal, Argentina	<i>Lepus europaeus</i>	European Hare					x
	<i>Lama guanicoe</i>	Guanaco Lama					x
	<i>Pseudalopex griseus</i>	Gray fox					x
	<i>Microcavia australis</i>	Small Cuis					x
	<i>Anairetes flavirostris</i>	Yellow beak Cochudito					x
	<i>Asthenes steinbachi</i>	Brown canastero					x
	<i>Ardea alba</i>	White Heron					x
	<i>Bolborhynchus aymara</i>	Large Serrana Catita					x
	<i>Carduelis crassirostris</i>	Black headed picudo					x
	<i>Catamenia analis</i>	Common Golden Piquito					x
	<i>Cyanoliseus patagonus</i>	Barranquero parrot					x
	<i>Falco sparverius</i>	Red Small Hawk					x
	<i>Geositta rufipennis</i>	Red Caminera					x
	<i>Guira Guira</i>	Pirincho					x
	<i>Hirundinea ferruginea</i>	Common Birro					x
	<i>Knipolegus aterrimus</i>	Common Viudita					x
	<i>Metriopelia melanoptera</i>	Palomita cordillerana					x
	<i>Mimus patagonicus</i>	Calandria mora					x
	<i>Ochthoeca oenanthoides</i>	Cinnamon Pitajo					x
	<i>Oreotrochilus leucopleurus</i>	Andean Hummingbird					x
<i>Phrygilus gayi</i>	Andean Comesebo					x	
<i>Saltator avantirostris</i>	Collar Pepitero, Picohueso					x	
<i>Phrygilus unicolor</i>	Yal Plomizo					x	
<i>Thraupis bonariensis</i>	Naranjero					x	
<i>Turdus chinguanco</i>	Zorzal chinguanco					x	
<i>Zonotrichia capensis</i>	Chingolo					x	

Protected or Restored Habitats

(304-3)



In Colombia, we continue with the conservation and protection of forest areas in the municipalities of Caucasia, Anorí, El Bagre and Nechí, where we monitor vertebrated fauna and the reforestation or enrichment with plant material.

We maintained the protection of forest coverage: 803 hectares in the municipality of Anorí, 398 hectares in Caucasia, and 124 hectares in El Bagre and Nechí.

In our Colombian operation, we focus our efforts in planting the Cativo species, with 120,000 planted trees in 22 hectares to enhance the forest areas. We do not recover intervened areas by the alluvial operations because we will be making selective dredging in those areas, leaving its rehabilitation process for a later phase, once the mining operations end.

In Nicaragua we have 1,633 private hectares in conservation, located in the buffer area of the Bosawás Biosphere Reserve. This is how we contribute to preserve the protected areas and biodiversity of the region, as well as protecting water sources in the municipality of Bonanza.



Protected areas in Bonanza, Nicaragua



The fauna and flora in Argentina are not affected by mining activities

Protected areas

1,325 hectares of forest coverage


1,633 private conservation hectares

Protected areas (304-3)




In Colombia's alluvial operation, we exploit an extension of 77 hectares of new reserve blocks located 6 kms. Away from the National Forestry Reserve of the Magdalena River, which was declared a Protecting Forestry Area through Act 2 of 1959. Likewise, we are lo-

cated 7 kms. away from the Regional Districts for Integrated Management of El Sapo and Hoyo Grande swamps, and Corrales and El Ocho, created by Corantioquia, the regional environmental authority in 2017 and 2019, respectively. None of our mining areas of interest are within areas protected at national or regional level, in which there may be any incompatibility with our activity.

 **In Nicaragua** our concessions are located in the reserve buffer area of the Bosawas Biosphere and close to the natural parks of Cala Blanca and Banacruz Hills.

Bonanza Concession is the only one currently in operation, with extraction activities. These include underground mines Grupo Panamá and Grupo Pioneer. Tajos Pioneer, Capitan and Neblina (in the process of being closed), the nurseries of La Curva, Vesmisa and HEMCO, the tailing dams Aguas Claras, Concha Urrutia (in the process of being closed), and Vesmisa II and San Jose (in operation), and the hydroelectric plants of Siempre Viva and Salto Grande. Currently there are only exploration activities in the other concessions.

 **En Argentina** our operation is not close to protected areas. The closest ones are 70 kilometers away from our facilities.

« In Colombia, we have 1,200 hectares planted with 503,060 rubber trees to promote productive alternatives that contribute to the region’s territorial sustainability in the Lower Cauca Region of the Department of Antioquia. »



Commercial Plantations

In Colombia we have since 2004, 1,200 hectares planted with 503,060 rubber trees of different ages, with which we seek to promote productive alternatives that contribute to the territorial sustainability of the Lower Cauca Region of the Department of Antioquia.

In 2020 we produced approximately 515,314 liters of latex, from 92,159 trees which were commercialized with local transformers, adding value to the rubber supply chain of the region.

Additionally, interested in having rubber become a sustainable life option for the population of the Lower Cauca Region, we implemented training programs jointly with local, social stakeholders and government entities, having knowledge transfer with educational institutions of the region and rubber expert groups of the country.

We also created spaces in the plantations for our workers to develop apiculture and pisciculture projects.

 **In Nicaragua** we have a 187-hectare area with trees for commercial purposes, established 12 years ago, with a total of 78,459 trees, distributed in eight (8) different areas of the municipality.

These plantations are reported in the National Forestry Register and in 2020 the thinning commercial phase was planned, in order to sell the treatment resulting timber. However, the plantation was affected by the IOTA hurricane that affected 30% of the planted area, causing the loss of 22% of the total trees established.

In order to mitigate this situation, in 2021 we will create strategic alliances with farm owners and government authorities in favor of recovering the biodiversity in the municipality.


Additionally, in year 2020, we started by planting 5,913 rubber trees in 7 hectares and establishing the Clonal Garden along with INTA (Nicaraguan Institute for Agricultural Technology), with the purpose of diversifying the local economy and develop new productive alternatives in the region.




Solid Waste Management

(306-2) (306-3)

Waste generated in our operations are responsibly managed and treated according to the waste characteristics and specific regulations of each country. We separate at the source, collect and dispose waste in landfills or sell waste to third parties, according to their classification, searching for their reduction or reinsertion as raw materials or inputs for local communities or within our facilities. We also have educational programs so our workers and communities in our area of influence learn about their proper management and disposal. We generate local jobs with the commercialization of recyclable residues. In 2020, there were no significant spills of effluents and residues.

 **In Colombia and Nicaragua,** we have landfills where we properly dispose of ordinary waste. We temporarily collect and separate waste according to the type of recyclable material (metals, plastic, cardboard, paper and glass) and hazardous waste. We also do the valuation of organic residues through compost.

 **In Argentina,** all residues generated are temporarily stored and then transferred for their final disposal. Non-hazardous waste is separately sent to the residue plant of the municipality of Jáchal. Hazardous waste goes through a thermo-destruction process for their disposal.

Hazardous Waste Management



(306-4)

Guaranteeing compliance of current regulations in each country where we operate, all hazardous waste generated (442 tons) was managed through contracting, certified companies certified by competent authorities. These companies have the environmental and safety conditions necessary for the opti-

mal transfer, treatment, elimination and/or final disposal.

We also seek the valuation of such waste through commercialization in the national market of used oils and acid-lead batteries disposed. For that reason, we do not need to export or import any kind of residue.

Investment in Environmental Management

In 2020, Grupo Mineros invested USD 14 million in environmental management and biodiversity protection. This allowed us to manage our own environmental impact and sustainable use of natural resources.

INVESTMENTS IN ENVIRONMENTAL MANAGEMENT (USD \$MM)



	2020
Colombia	6,2
Nicaragua	6,6
Argentina	1,3
Total	14,1

OUR ECONOMIC MANAGEMENT

5



Our Economic Management

2022 was a year of contrasts in the international capital markets, in which the effect of the Covid 19 pandemic were notorious in large companies, and in most of the countries of the World. Very few economies of the World will be able to say they were not affected in terms of their production and the demand of goods and services, the creation of jobs and the generation of value to support the needs of their employees and families, as well as the communities in the places where they operate.

However, for the mining sector in general, and specifically for Grupo Mineros, these range of contrasts had positive effects since considering the common uncertainty caused by the pandemic, large investors looked for gold as an “asset haven” and a safe investment to protect themselves from eventual risks of other investments.

Consequently, with the higher demand in global markets, the prices increased, as reflected in the 2020 Financial Statements of the Company, and therefore, the benefits we offer to our workers, the communities, the vendors and the municipalities who receive our royalties, and the Government were also benefitted.



PRODUCTION BY COUNTRY AND TOTAL SALES

Country	Production (onces)	Share	Sales in US\$ thousands
Colombia	76,725	28%	135,615
Nicaragua	122,495	45%	220,393
Argentina	72,427	27%	129,293
Total	271,647	100%	485,301

* Includes income for sale of energy and hedge operations for USD \$382,000

That is how Grupo Mineros continues advancing to an outstanding position within the regional and international markets.

In general, the Company was affected by Covid 19, like it happened all over the World, but it could face the difficulties in better conditions, being able to achieve greater efficiency by controlling its operating costs. Therefore, the pandemic generated important challenges for us, and made even more relevant to comply with our production goals in order to be able to continue generating wellbeing for all.



Before the general uncertainty in the middle of the pandemic, large investors consider gold as a “haven asset” and a safe investment to protect themselves from the eventual risk of other investments. >>

Created, Distributed and Retained Economic Value

(201-1)



Gold extraction generates wellbeing for the community

The payment of taxes, royalties and other contributions we make in each of the countries where we operate, are important factors for the economic and social development of such regions and therefore, the wellbeing of their communities.



CREATED, DISTRIBUTED AND RETAINED ECONOMIC VALUE (201-1)

Created Economic Value	Thousands of USD
Operating income	485,301
Non-operating income	6,021
Total	491,322
Distributed Economic Value	
Operating costs (exclude personnel costs, depreciation and amortizations)	(223,878)
Administrative expenses (exclude personnel costs, depreciation and amortizations)	(6,915)
Personnel costs and expenses	(66,757)
Other expenses (exclude payment of interests)	(38,604)
Interests	(8,196)
Paid dividends	(13,303)
Investments in the community	(4,250)
Total	(361,903)
Retained Economic Value	
Depreciations	23,848
Amortizations	16,352
Accrued reserves	184,724
Total	224,924

The Distributed economic value is being subtracted from the Created economic value.

Significant Indirect Economic Impact

(203-2)



We fully pay taxes stipulated for the companies in our sector. Contributions are made to national, regional and local government entities in Colombia, Nicaragua and Argentina, for a total of USD\$40 million in 2020.

CONTRIBUTIONS TO THE STATE

Concept	Thousands of USD
Property, vehicular tax and seals	1,485.3
Income tax	7,145.1
Tax to gold, silver and platinum	4,303.3
Royalties	11,871.4
Industry and commerce	498.4
Compensatory Rates	186.8
Mining Fund	782.2
Export Rights	10,098.0
Import Rights	1,365.0
Carbon Dioxide and Fuel	517.0
Other	1,647.4
Financial Movements	1,647.4
Consumption Tax	3.2
Registration	5.8
Customs Services	129.8
Other tariffs	35.9
Total	40,074.6



||||| We are encouraged by the wellbeing of all and of our employees

Impact on the Generation of Employment

(203-2)

The generation of decent and good quality jobs which provide wellbeing and economic and social development in each of the regions, is one of the objectives which motivates the companies in Grupo Mineros, and a daily concern for all Top Management members.



Total direct jobs

3,096

In Argentina, the company has **674 direct employees:** 92% are originally from the Province of San Juan and more than 45% live in communities close to the deposit.

Minas Argentinas generates positive indirect economic impact to its communities of influence. Payment of salaries and fringe benefits for local workers are resources that circulate in the stores of these places and give feedback to other economic circles, to the extent that the impact of mining salaries is sensitively higher than the monthly funds managed by the Municipality of Jachal.

The different infrastructure works financed by **Minas Argentinas** through its Trust Fund also promote the generation of work, the contracting of services and the acquisition of goods in these communities.

In Colombia, **Mineros Aluvial** has **844 workers** and from them, more than 90% are originally from the municipalities of El Bagre and Zaragoza, located in the area of influence of the mining operations.

In Nicaragua there are **1,496 workers** and more than 90% come from the Autonomous Region of the Northern Caribbean Coast, where the mining operations are concentrated.

TOTAL DIRECT EMPLOYMENTS



Mineros S.A.

82

Mineros Aluvial S.A.S.

842

Negocios Agroforestales: 1
Fundación Mineros: 1



Hemco

1,496



Minas Argentinas S.A.

674

Supply Chain

(102-9) (204-1)

Our commercial relations are ruled by compliance of the legislations of the different countries where we operate and are supported by the internal policies and the environmental and occupational health and safety standards defined by Grupo Mineros. Likewise, we have mandatory compliance clauses that prohibit child labor and promote clear ethics and transparency standards, as well as policies against corruption in the acquisition of material, equipment and services.

We have **3,089 vendors in the three countries where we operate**. We purchase from them approximately **USD 190 million in elements, materials and spare parts for the different processes, personal protection elements, chemical precursors and elements for maintenance processes**.



Total vendors

3,089

Colombia 924

Nicaragua 1,376

Argentina 789

« We have **3,089 vendors in the three countries** where we operate. We purchase from them approximately **USD 190 million.** »

Special Support to Local Purchases

Grupo Mineros gives priority to the purchase of goods and services in the countries and locations where our mining operations are:

- > **In Nicaragua** we promote the development and growth of the companies of our local vendors; **65% of the purchases of products and services** in 2020 were acquired in Nicaragua, promoting the development of the economy of the country, our vendors and their families.
- > **In Colombia**, **94% of the purchases of goods and services** is done in the country and approximately 37% (USD 16.9 million) of the purchases are made within the area of influence of the mining operations.
- > **In Argentina**, more than **90% of the goods and services** are purchased in Argentina. From the total amount, 38% are direct purchases from vendors in the Province of San Juan.

VENDOR RELATIONS

Total Purchases	No. of Vendors	USD\$ 000	Local Purchase Share
Colombia	924	46,040	94%
Nicaragua	1,376	77,509	65%
Argentina	789	66,501	90%
Total	3,089	190,050	



|||| Tall of Mineros' vendors are evaluated based on our internal policies

Environmental Assessment of Vendors

(308-1-2) (412-3)

We have established guidelines within our internal policies, to evaluate our vendors and contractors based on environmental criteria and compliance of legal regulatory standards of safety and Human Rights. These topics are included in their respective working contracts. The omission or breach of these standards are sanctioned by suspension and/or the application of fines.



We evaluate contractors and vendors with environmental, legal, security and Human Rights criteria in each of the countries where we operate. >>

There have not been any negative environmental and social impacts in the supply chain.

- > **In Colombia** we evaluated with environmental criteria, a total of 23% of new vendors (7 contracts). In the pre-contractual phase, we analyzed the indispensable requirements to bid. These include having updated environmental authorizations, an environmental management system, and not having had any processes of sanction by environmental authorities. In the contractual phase, according to the environmental relevance of the service, we perform the evaluation and follow-up of 50% of the contractors.
- > We continue working in the formulation of guidelines for sustainable purchases within the Procurement Policy. To the extent it is allowed by the market, we strive to use environmentally-friendly materials, reasonably apply process materials, and establish actions to reduce industrial surpluses.
- > **In Argentina**, for the bidding processes of services provided in the mine, we evaluate our vendors in terms of Health, Security and the Environment through the Security and Environment System (SSMA for its acronym in Spanish). The results are taken into consideration for the selection of vendors to whom the contract will be assigned. No new vendors for mining operations were contracted in this country.

6



OUR PEOPLE

Work Generation and Labor Management



Grupo Mineros Workers by Type of Contract and Gender

(102-8)



Workers in Argentina

According to the Organization's policies, our workers and their wellbeing is our priority. Our labor practices are based on the respect, care, and safety, which are key elements in our entrepreneurial culture. Our workers' care is oriented by strict compliance of labor legislations in each of the countries where we operate.



Type of Contract	Gender	Mineros Aluvial	Negocios Agroforestales	Fundación Mineros	Total
Indefinite Term	Male	69	1	0	70
	Female	692	0	0	692
Fixed Term	Male	3	0	1	4
	Female	19	0	0	19
Work Duration	Male	0	0	0	0
	Female	59	0	0	59
Total		842	1	1	844

External Workers in the 3 Operations in 2020

662



Type of Contract	Direct Workers		External Workers	
	Male	Female	Male	Female
Indefinite Term	1,298	168	182	6
Fixed Term	24	4	12	2
Total	1,322	172	194	8



Type of Contract	Direct Workers	
	Male	Female
Indefinite Term	636	32
Fixed Term	4	2
Total	640	34

« Our labor practices are based on respect, care and security, which are key elements of our entrepreneurial culture. »»



New Contracts and Retirements

(401-1)

The generation of decent and stable jobs is one of the permanent interests of Grupo Mineros. In 2020, there were **86 people hired in Colombia, 35 in Nicaragua, and 15 in Argentina, for a total of 135 new workers.** However, there were also some retirements or cancellation of contracts for different reasons; 54 in Colombia, 120 in Nicaragua, and 55 in Argentina.

New Personnel



86



35



15

Total
136



Benefits for Full-Time Employees

(401-2) (401-3)



Program	Hierarchical level	Type of contract	Benefited employees
Life insurance	Beneficiaries of the Collective Bargaining Agreement (CCT)	Indefinite	482
Maternity, paternity leaves, and relative's death leave	All	Without differentiation of contract	844
Pension fund	TAII	Without differentiation of contract	844
Subsidy for eyeglasses, premium for hotel and food expenses, scholarships, mobile subsidy, seniority and Christmas premium, vacations subsidy, dental subsidy, medical referrals, child birth, public deed costs, death of relatives, pension bonus.	Beneficiaries of the Collective Bargaining Agreement (CCT)	Without differentiation of contract	482
Bi-annual bonus, vacation subsidy, subsidy for medical referrals	Administrative, professional, middle level managers.	Without differentiation of contract	325

Collective Bargaining Agreements (102-41)



Workers in Colombia

Of our direct workers in Mineros Aluvial S.A.S BIC, 473 (56%), in Argentina, 216 (32%), and in Nicaragua, 1,000 (67%) are members of the Union and are covered by the collective bargaining agreement.



Benefits	Description	Benefited employees
Life Insurance	By collective agreement, they receive a life insurance for 18 months of salary in case of natural death and 36 months of salary in case of death due to workplace accidents	1,476
Medical insurance	Mandatory by law; applies to all types of contracts	1,496
Coverage for disability	Mandatory by law; applies to all types of contracts	1,496
Maternity and paternity leave	Maternity leave is mandatory by law; applies to all types of contracts. Paternity leave by collective agreement: 5 days for child born withing a stable family nucleus.	1,496
Pension fund	A percentage is paid according to legal standards. The worker also contributes, independently from the type of contract.	1,496
Basic market basket	By collective agreement	1,471
Production bonus	Percentage applied to salary according to monthly goals	1,471
Quarterly slide	US dollar currency update applied to basic wage	1,471
Maternity, seniority, water, energy bonuses	According to the collective bargaining agreement, the maternal basket concept and seniority bonus are recognized to pay utilities.	10
Assistance to relatives	All benefits described in the collective bargaining agreement.	1,471
Scholarships		20
Lenses bonus		1,471



In this country, all full-time workers in our operation receive:

- > Life Insurance
- > Medical insurance
- > Coverage for disability
- > Maternity and paternity leave
- > Pension fund



Worker in Argentina



Diversity in Governance Organs and Employees

(405-1)

At Grupo Mineros we respect gender diversity and we select our employees for each position, according to their profiles and competencies. However, the male gender is predominant in most of the hierarchical levels.

In Colombia the Company's population continues being predominantly male, a majority that is difficult to modify at a short term, given the high personnel stability (average seniority of 15 years). The adaptation of personnel with loss of labor capacity has promoted labor reconversion. Aspects such as the religion, political or sexual preference, are topics that are not asked to respect each individual's privacy. Therefore, there is no record of such information, but the respect for freedom of election and religion is declared in the Human Rights awareness processes.

« At Grupo Mineros we respect gender diversity and we select our employees for each position, according to their profiles and competencies. Aspects such as their religion, political or sexual preference, are not asked, respecting the privacy of each employee. »

> At Mineros Aluvial there are 7 persons in top management positions: 6 men and 1 woman (86% - 14%); in middle management positions there are 20 people: 18 men and 2 women (90%-10%) and in managerial positions there are 77 people: 63 men and 14 women (82% - 18%).

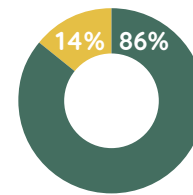
> Most of the Company's direct personnel is assigned to positions related to mining operations productive processes, which continue being occupied mainly by men. The relationship is 97% - 3%, with 678 male workers and 20 women.

> By age ranges, most of the personnel (529) are between 31 and 50 years old (63%). Personnel older than 50 (231) correspond to 27% and in ages between 18 and 30 years of age (83), is 10% of the workers.

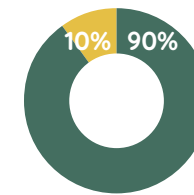


Total: 17 women

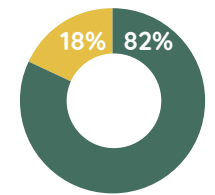
Total: 87 men



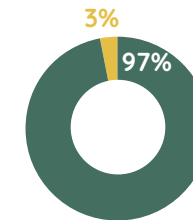
Top Management



Middle Management



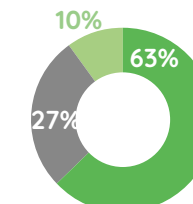
Management



Positions in Productive Processes

Total: 20 women

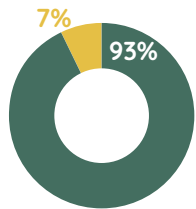
Total: 678 men



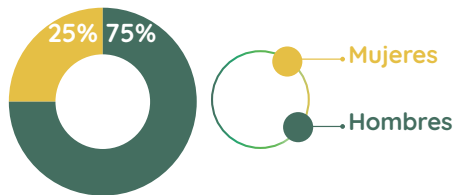
Age Ranges



In Nicaragua operations management has the greater number of employees (1,094) out of which 1,06 are men and 78 are women (93% - 7%). At administration and managerial levels (358 workers), male workers are 75% and 25% are women.

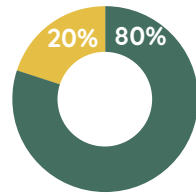


Operations Management

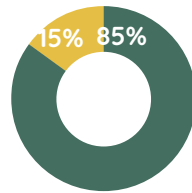


Administration and management

> The top and middle management positions have less personnel: 5 top management employees: 4 men and 1 woman (80%-20% ratio) and in mid management there are 20 people: 17 men and 3 women (85% - 15%).

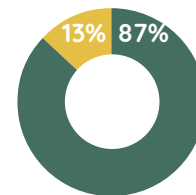


Top Management

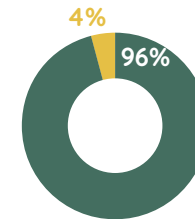


Mid Management

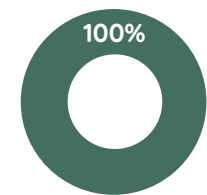
In Argentina, the operation is managed by 15 people: 13 men and 2 women (87% - 13%). At mid management there are 97 employees: 93 men and 4 women (96% - 4%) and 82% of them are between 30 and 50 years old.



Upper management

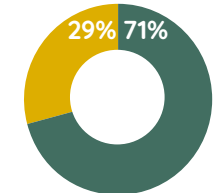


Mid management



Management

> In the administrative area there are 84 people working: 60 men and 24 women (71% - 29%). Of them, 80% are between 30 and 50 years old, and 14% between 18 and 30 years old.



Management

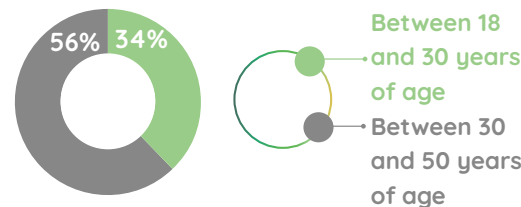
Total: 171 women

Total: 1.305 men

Total: 34 women

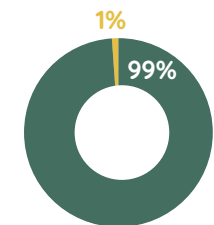
Total: 640 men

> By age range, most workers are between 18 and 30 years of age (515 people, or 34%) and between 30 and 50 years of age (828 employees, or 56%).



Age ranges

> Most personnel in operational management positions (478 workers). Out of the, 99% are men (475). 77% (399 workers) are between 30 and 50 years old and 12% (57 workers) are between 18 and 30 years old.




Operational Management

Occupational Safety and Health



(403-1)


Occupational Safety and Health Management System (SG-SST)

 **In Colombia,** the Occupational Safety and Health Management System is based on the PHVA cycle, according to diagnosis made by the regulatory framework of Decree 1072 of 2015 and Resolution 0312 of 2019, in compliance with the main factors of each cycle. In our case, we achieved 95% compliance of the matrix.

We have a tool for applicability analysis under a matrix of requirements, where we identify legal requirements of regulatory entities, we revise their impact on our operations, and apply them when necessary. We work with standards, norms and procedures for day-to-day work. These include:

- > AROS (Analysis by Occupational Risk)
- > Standards for performance of high-risk work
- > Blocking and labeling procedure
- > ATS – Safe Work Analysis
- > Load hoisting standards
- > Labelling, signaling and control of chemical substances
- > EPP Manual (Personal Protection Elements)
- > Our intention is to strengthen contractors in terms of occupational safety and health. We developed a development program with them, based on legal compliance and continuous process improvements.
- > With respect to other SG-SST activities, we have activities for training, field inspections for risk identification, and safety consultancy.



 Rescue Brigade, HEMCO Nicaragua

 **In 2020 in HEMCO Nicaragua,** we implemented and strengthened the SG-SST based on OHSAS 18001:2015 international standard.


We highlight the execution and legal compliance level through the revision of current legislation in topics such as:

- > Follow-up through legal matrices.
- > Management of changes in major maintenance work, projects and assemblies.
- > Cross-sectional operational control for high-risk work, and the corresponding work permits.
- > Operational control in areas with ATS (Safe Work Analysis), emergency plans, brigade and training plans certified by the competent authorities.

Legal requirements to comply with the Occupational Health and Safety Management System are the following:

- > Act 185: Nicaraguan Labor Code
- > Act 539: Social Security Act
- > Act 618: Occupational Health and Safety Act, and its regulations
- > Joint Occupational Health and Safety Commission (CMHST)
- > Occupational Health and Safety License
- > Act 837: Fire-fighters General Directorate Act
- > NTON 22 001 04 - Fire protection
- > NTON 22 003 10 - Emergency plans
- > Act 510: Special act for firearms, ammunitions, explosives and other related materials control and management, and its regulations.

The System covers direct workers, contractors, sub-contractors, and visitors to the plants and facilities, who shall pass an administrative control to have access, including an industrial security induction. We also consider other types of SG-SST activities, such as systematic and not routinary activities by the contractors and/or vendors within HEMCO facilities.


 **In Argentina,** Gualcamayo Mine has implemented and maintains the certification of its Occupational Health and Safety Management System, under OHSAS 18001 international standards, having been re-certified recently. The company complies with national and international occupational health and safety requirements.




Industrial safety is required in all processes



Risk Identification, Assessment and Incidents Investigations (403-2)

 **In Nicaragua** we use SAL-PRO-001 procedures (risks identification, assessment and control), AL-PRO-002 (Change Management) and AL-PRO-003 (Safe Work Analysis), which cover all methodologies and best practices of the sector.

 **In Argentina,** we have implemented a comprehensive process for risk identification and assessment, establishing control measures in order to eliminate danger and minimize risks to levels as low as reasonably possible.


The hierarchy of controls for the management of identified risks is applied according to standard ISO 45001:2018, prioritizing the elimination and/or substitution of the risk, through the following process:

- > Risk elimination
- > Substitution of risk with less dangerous processes, operations, materials or equipment
- > Engineering controls and reorganization of work
- > Administrative controls, including training
- > Adequate protection equipment and personal protection elements.



Health Services at Work


(403-3)

 **In Colombia,** we check factors in the working environment through security inspections at homes and restaurants, pest control services, epidemiology surveillance and programs, and workers through the Epidemiological Vigilance Program, for the prevention of musculoskeletal lesions, hearing and pulmonary conservation, prevention of intoxication with mercury, lead, cyanide, metallic smoke and other materials.

- > Support given to have the proper ergonomics and individual and collective protection equipment we train the different groups on the proper maintenance of personal protection elements, adjustment tests for respiratory protection elements, inspections of administrative work sites with videos, and inspections and evaluations of biomechanical risks in operative positions.
- > To offer first aid and emergency care in the mining operation of El Bagre, we have the services of Our Lady of El Carmen Hospital (ESE - State Social Company) and Medi-Cauca Clinic, which is managed by the Franklin D Roosevelt Hospital.




Health services at the Hemco Clinic

 **In Nicaragua,** our supervision of labor environment factors is made through a pre-employment check-up, as one of the initial occupational health services we have established in order to identify pathologies that may affect our workers' health and work performance.

- > Health vigilance of workers are done through an occupational medical test, from which the required follow-up plan is made for workers with new or known pathologies.

- > For first aid and emergency services, we have a physician for treatments after work or common accidents.

 **In Argentina** we have a full-time physician who manages the medical services in the micro-hospital premises at the mine. The professional works together with the Company's Health and Safety Service, inspecting work sites, evaluating ergonomic risks and studies.

« We focus on prevention activities in the health field, such as lectures, periodical and follow-up medical exams. »

- > We offer prevention lectures to improve workers' health, occupational health and safety, with aspects which may affect work performance due to common occupational diseases.



|||| All workers have personal protection elements



Workers Participation, Consultations and Communications about Occupational Health and Safety (403-4)

In Colombia we have the participation of workers every time standards and procedure are updated. Safety functions and responsibilities are clearly assigned by the Occupational Health and Safety Joint Committee (COPASTT), as well as the Labor Co-existence and Emergency Committees.

In Nicaragua the workers participate and are consulted for the development, implementation, and evaluation of the Occupational Health and Safety Management System, through the Occupational Health and Safety Joint Commission.

In Argentina, we implemented the Joint Committee which analyzes occupational health and safety issues. The Committee is formed by three (3) representatives of the workers (one of them is delegated by the work-

ers' guild) and three (3) company representatives (from the open pit and underground mines, and the processing plant). Members of the Occupational Health and Safety Management also participate as advisors. This Committee holds monthly meetings, guaranteeing the formal participation of workers on health and safety topics.



|||| Workers in Argentina



Training of employees on Occupational Health and Safety



Workers Training on Occupational Health and Safety (403-5)

In Colombia's training processes, the Occupational Health and Safety team meets on a yearly basis to evaluate the management system, based on work accidents, risk identification, and work plans. Based on them, the training sessions required during the year are established. Training plans are done jointly with the Human Development area.



In each of our operations there is a mechanism to promote workers' participation in occupational health and industrial security.»

> Topics discussed are related to electrical and mechanical risks, work at heights, dangerous electricity, integrated care, management of chemical products, use of personal protection elements, load hoisting, emergency control, health and safety management system and responsibilities within the system.



In Nicaragua training needs are identified when we implement procedures SAL-PRO-002 (Change Management) and SAL-PRO-001-001 (Safe Work Analysis). Training on risk management is provided both to direct workers, as well as to contractors and sub-contractors who perform high risk jobs.

> Training includes work site risk factors (physical, chemical, biological, ergonomic, etc.) and their controls, high risk jobs, technical and emergency training for exposed workers.



In Argentina we have a training system based on the needs of every work site and the Integrated Management System. Before joining the Company, workers receive a general induction and are later trained on specific health and safety issues related to the jobs to be performed and the risks and dangers identified in their activities, as well as comprehensive training on working procedures and their activities' standards.

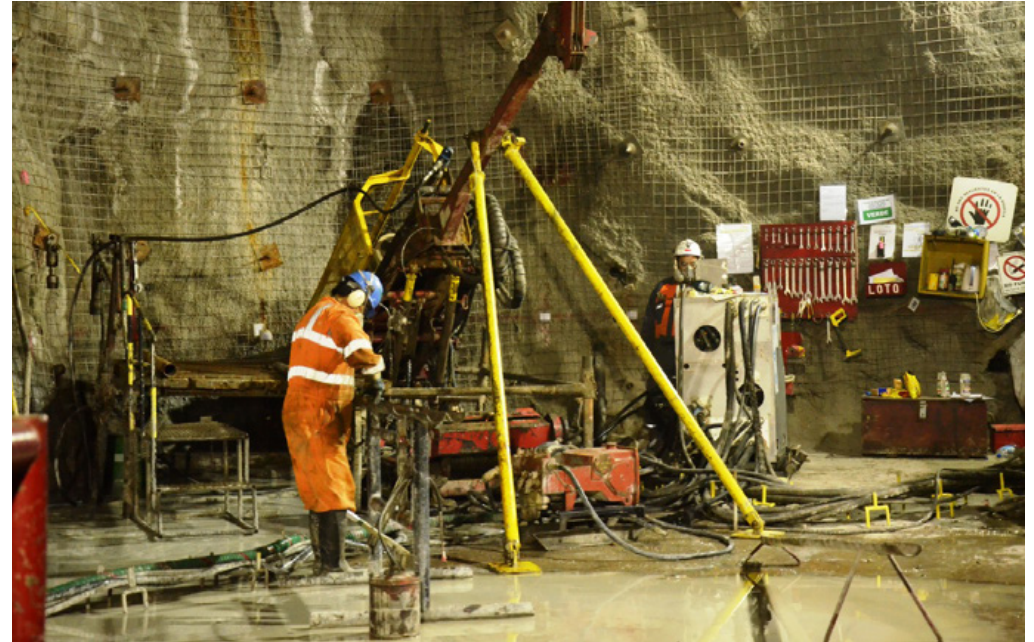
> Courses are offered during work hours and topics covered in the training sessions are related to the dangers, risks and controls, dangerous chemical products, defensive driving, energy control and blockage, safe equipment management, work at heights, confined spaces, management of explosives and inflammable materials, etc.



Workers' Health Promotion

(403-6)

- > **In Colombia** we develop health promotion services to face the main risks not related to their work. These include cardiovascular risks, prevalent cancer in men, eye-sight, nutrition, prevention of non-communicable and communicable diseases. We also have several agreements with external vendors for prevention programs and/or promotion of healthy life styles and health brigades with specialists.
- > **In Nicaragua** we have a hospital where we offer basic services and specialized consultation on urology, dermatology, gynecology, internal medicine, orthopedics, otolaryngology, and general surgery, which covers all Company workers and other services provided to their beneficiaries.
- > **In Argentina** we have a health program to promote the wellbeing and healthy habits, as well as the reduction of cardiovascular risk factors of our workers. There are actions to avoid obesity, and the reduction of tobacco consumption program. The employees of Gualcamayo Mine and its contractors have coverage (social works) to have access to medical services for ailments not related to the work performed.



Coverage of the Occupational Health and Safety Management System (403-8)



All risks for each of the mining jobs have protocols to be strictly followed

In our operations in the three (3) countries, the Occupational Health and Safety Management System covers 100% of direct workers.

We perform internal and external audits for a third of the health and safety management system through qualified internal and external auditors, with broad national and international experience. Audits include all Company workers and contractors.



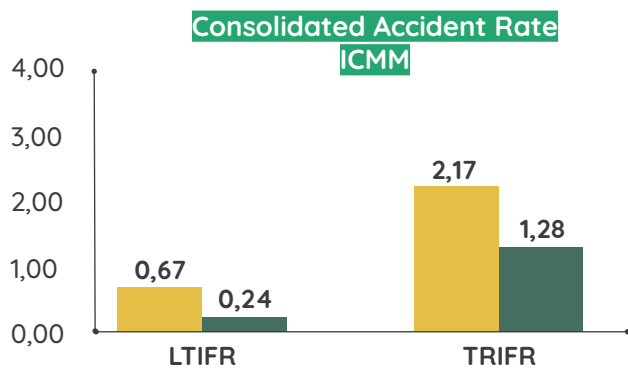
Work Accident Injuries

(403-9)

Accident rates are calculated based on 200,000 worked hours. Accidents and rates include our own personnel, and the contractors. Recordable injuries are calculated according to ICMM (International Mining and Metals Council) guidelines, as well as those from GRI (Global Reporting Initiative).

Consolidated data for the Group in 2020 are:

Total casualties **0**



Lost time injuries (LTIFR)
Recordable injuries (TRIFR)



Professional Ailments and Diseases

(403-10)



In Colombia there were no work-related cases for direct or indirect workers. However, the more frequent disease in both groups of workers was sensorineural hearing loss and the rotator cuff syndrome.



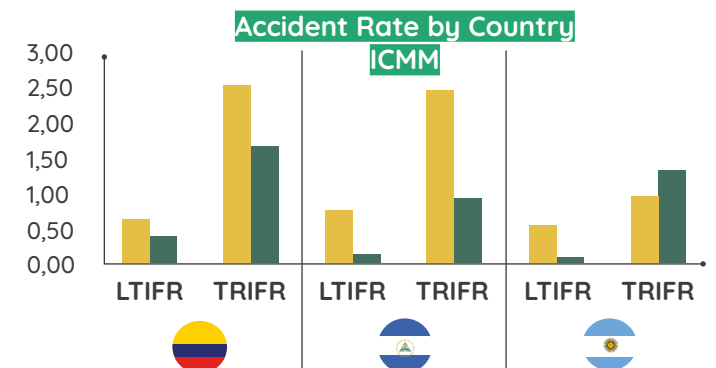
In Nicaragua the main disease was moderate and severe herniated disk



In Argentina the main disease was lumbar disc disease.



There were no casualties at Grupo Mineros in 2020



Human Development

(404-2)

The context imposed by 2020 as a result of Covid 19 pandemic leveraged a definitive boost to undertake several adjustments and adaptations to our old working methodologies.

Development of Leadership, Succession and Career Paths



- > In Nicaragua, the coverage of our Leadership Development Program in the operation, which includes a scope of **79 new leaders who are being trained and receive individual support**.
- > The same has been done in the Colombian operation, where the program is more advanced and mature, **covering 66 leaders during the year**.
- > Conceptually, the program had some adjustments and adaptations with regards to actual businesses and the most relevant diagnosis findings made by McKinsey Consultant. **Following are the adjustments mentioned:**

To Be (Self-Leadership)	To Do (Lead with others)		Comply (Achieve Results)	
Leadership in uncertain times	Employee Involvement	Talent Development	Challenging Leadership	Operational Discipline
Emotions management, personal balance, self-care, acceptance.	Power vs. authority, influence, inquiries, and listening.	Conversation: feedback and recognition. Team management.	The line: the victim's cycle. Behave as the owner (accountability), management individualization.	Being here and now, productivity improvement.

- > The program has focused on introducing a leadership style that promotes, manages and ensures change and results achievement. Being convinced that exercising leadership is the first step to model the Organization's desired culture through their capacity to influence the people's mind and will.
- > In the operation in Argentina, first steps were given for the identification of talent and potentials with an initial group formed by 39 leaders. The scope of this process will continue broadening and deepening gradually.
- > We continued with the exercise for identification and classification of successors and critical talent for future business sustainability, training a total of 40 positions from the entire Mineros Organization. This revision will continue increasing in 2020 in order to reach more levels of the organization, until having clearly defined the succession lines for more

positions and the individual and collective development actions necessary to sustain mobility cycles and talent development.



- > Another important milestone was the activation of CreSer technological platform, which will be used for the evaluation of competencies, development plans, performance management, and in the future, succession and career plants.
- > Through CreSer, we have already done the initial competencies valuations with the 360° methodology (self-valuation, boss, workers, pairs and internal clients), which will allow having a centralized and standardized database with the individual's historic data in order to know their evolution. CreSer is not only a platform, but a talent management model that will be activated in the Company between 2021 and 2022.



Expansion of Digital Training

(403-3) (404-1)

Challenges imposed by social distancing and remote working have forced us to adapt as a Company, reinforcing the offer to train with more and varied digital contents.



In this sense, we increased the coverage of Kilate, the virtual training platform, reaching 1,274 Company workers. **We created 15 virtual courses** (six exclusively for Argentina in the implementation of SAP, and nine offered to all the Company), which represented **3,329 training hours**, with **99.7% satisfaction** of the participants.



Virtual meeting at Grupo Mineros

Virtual courses

Training hours

Participants' Satisfaction

15

3.329

99,7%



Training our people

Challenges of Leadership Training

In 2021, leadership development will be sustained and extended to more public, especially in Nicaragua and Argentina. Knowledge of Company talent will continue broadening, as well as the succession and career plans for more positions and workers of the Group. The upcoming challenges of change, sustainability, and growth of the Organization, demand so.

GRI CONTENT INDEX

7



CONVENCIONES

Reported: R
 Not reported: N.R.
 Not Applicable: N.A.
 Not Material: N.M.



Indicator		ODS	Page No.	Status
ORGANIZATION PROFILE				
102-1	Organization Name		19	R
102-2	Activities, brands, products, and services		19	R
102-3	Headquarters Location		19	R
102-4	Location of Operations		19 -20	R
102-5	Property and Legal Identity		19	R
102-6	Markets Served		21	R
102-7	Organization Size		22- 23	R
102-8	Information on Employees and other workers		79-24	R
102-9	Supply Chain	12	76	R
102-10	Significant changes in the Organization and its supply chain		76	R
102-11	Caution Principle or Approach			NM
102-12	External Initiatives		33 -34	R
102-13	Affiliation to Associations		36	R
STRATEGY				
102-14	Declaration by Decision-Making Top Executives		5-7-9 -11	R
102-15	Main impacts, risks and opportunities		32	R
ETHICS AND INTEGRITY				
102-16	Values, Principles, Standards and Conduct Norms		25-26- 27	R
102-17	Consultancy Mechanisms and Ethical Concerns		31	R

Indicator		ODS	Page No.	Status
GOVERNANCE				
102-18	Governance Structure		28	R
102-19	Delegation of authority		29	R
102-20	Executives' Economic, Environmental, and Social Responsibility		28	R
102-21	Stakeholders Survey on Economic, Environmental and Social topics		16	R
102-22	Composition of the Maximum Governance Organ and its Committees		28 -30	R
102-23	President of the Maximum Governance Organ		28	R
102-24	Nomination and Selection of Maximum Governance Organ's Members			NA
102-25	Conflicts of Interest		29	R
102-26	Role of the Maximum Governance Organ in the selection of purposes, values and strategies		28	R
102-27	Collective knowledge of the Maximum Governance Organ		28	R
102-28	Maximum Governance Organ's Performance Assessment		29	R
102-29	Identification and management of economic, environmental, and social impacts		32	R
102-30	Efficacy of Risk Management Processes		32	R
102-31	Evaluación de temas económicos, ambientales y sociales		32	R
102-32	Role of the Maximum Governance Organ in the execution of sustainability reports			NA
102-33	Communication of critical concerns			NM
102-34	Nature and total number of critical concerns			NM
102-35	Remuneration Policies			Confidential
102-36	Process for the Determination of the Remuneration			Confidential
102-37	Involvement of Stakeholders in the Remuneration			NA
102-38	Ratio of Total Annual Compensation			NM
102-39	Ratio of percentage increase of total annual compensation			NM
STAKEHOLDERS PARTICIPATION				
102-40	List of Stakeholders		14	R

Indicator		ODS	Page No.	Status
102-41	Collective Bargaining Agreements		80	R
102-42	Stakeholders Identification and Selection		14	R
102-43	Stakeholders Participation Approach		14-15	R
102-44	Mentioned Key Topics and Concerns		16	R
STAKEHOLDERS PARTICIPATION				
102-45	Entities included in the Financial Statements			NM
102-46	Definition of Report Contents and Topic Coverage		13	R
102-47	List of Material Topics		16	R
102-48	Information Re-Expression			NA
102-49	Report Changes		13	R
102-50	Reporting Period		13	R
102-51	Date of Last Report		13	R
102-52	Report Execution Cycle		13	R
102-53	Point of Contact for Questions on the Report		13	R
102-54	Declaration of Conformity Report made according to GRI Standards		13	R
102-55	GRI Index of Contents		93	R
102-56	External Verification			NA
ECONOMIC PERFORMANCE				
201-1	Direct Economic Value Generated and Distributed		73	R
201-2	Financial Implications and other Risks and Opportunities Derived from Climate Change		53 -54	R
201-3	Obligations of the defined benefits plan and other retirement plants		81	R
201-4	Government's Financial Assistance			NA
MARKET PRESENCE				
202-1	Ratio of standard initial category salary by gender vs. the minimum local wage			NM
202-2	Proportion of senior executives contracted from the local community			NM

Indicator	ODS	Page No.	Status
INDIRECT ECONOMIC IMPACT			
203-1		43	R
203-2		74	R
ACQUISITION PRACTICES			
204-1		76	R
ANTICORRUPTION			
205-1			NR
205-2		31	R
205-3			NR
UNFAIR COMPETITION			
206-1			NA
ENVIRONMENTAL			
MATERIALS			
301-1		56	R
301-2		57	R
301-3		57	R
ENERGY			
302-1	13	51-52	R
302-2	13	51	R
302-3	13	52	R
302-4	13	53	R
302-5	13	53	R
WATER AND EFFLUENTS			
303-1	6	58	R
303-2	6	58-61	R

Indicator		ODS	Page No.	Status
303-3	Water Extraction	6	59 - 60	R
303-4	Water Discharge	6	61	R
303-5	Water Consumption	6	62	R
BIODIVERSITY				
304-1	Owned, leased or managed operations centers located inside or next to protected areas or areas of great value for the biodiversity outside protected areas.		64	R
304-2	Significant biodiversity impact due to activities, products, and services	15	63	R
304-3	Protected or restored habitats	15	64 -68 - 69	R
304-4	Total Species listed in the Red List of UICN and national conservation lists, whose habitats are located in areas affected by our operations and according to extinction risk level.		66 -67	R
EMISSIONS				
305-1	Direct emissions of GEI (Scope 1)	13	55	R
305-2	Direct emissions of GEI when generating energy (Scope 2)	13	55	R
305-3	Other Indirect Emissions of GEI (Scope 3)			NR
305-4	Intensity of GEI emissions		55	R
305-5	Reduction of GEI emissions	13	55	R
305-6	Emission of substances that deplete the ozone layer (SAO)	13	56	R
305-7	Nitrogen Oxides (NOX), Sulphur Oxides (SOX) and other significant emissions to air	13	56	R
EFFLUENTS AND WASTE				
306-1	Water discharge according to its quality and destination	6	61- 62	R
306-2	Waste by type and elimination method	6	70	R
306-3	Significant Spills	6	70	R
306-4	Transportation of Hazardous Waste	6	70	R
306-5	Water bodies affected by water discharges and/or run-off water	6	61-62	R
ENVIRONMENTAL COMPLIANCE OF VENDORS AND CONTRACTORS				
307-1	Breaching the environmental legislation and standards	12	50-51	R

Indicator	ODS	Page No.	Status
ENVIRONMENTAL ASSESSMENT OF VENDORS AND CONTRACTORS			
308-1		77	R
308-2		77	R
SOCIAL			
EMPLOYMENT			
401-1		80	R
401-2		80 - 81	R
401-3		81	R
WORKER-COMPANY RELATIONS			
402-1			NM
OCCUPATIONAL HEALTH AND SAFETY			
403-1		84	R
403-2		85	R
403-3	3	86	R
403-4		87	R
403-5		88	R
403-6		89	R
403-7			NR
403-8		89	R
403-9		90	R
403-10		90	R
TRAINING AND EDUCATION			
404-1		92	R
404-2		91-92	R

Indicator	ODS	Page No.	Status
404-3			NR
DIVERSITY AND EQUAL OPPORTUNITIES			
405-1		82 - 83	R
405-2			Confidencial
NO DISCRIMINATION			
406-1			NR
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
407-1			NR
CHILD LABOR			
408-1			NR
FORCED AND COMPULSORY LABOR			
409-1			NR
SECURITY PRACTICES			
410-1		47	R
RIGHTS OF THE INDIGENOUS PEOPLES			
411-1			NR
EVALUATION OF HUMAN RIGHTS			
412-1		47	R
412-2		47	R
412-3		77	R
LOCAL COMMUNITIES			
413-1	1-2-3-4-5-6-10	38-39-40-41-42-43-44-45-46-47-48	R
413-2			NR

Indicator	ODS	Page No.	Status
VENDORS' SOCIAL ASSESSMENT			
414-1			NA
414-2			NR
PUBLIC POLICY			
415-1			NA
HEALTH AND SAFETY OF CLIENTS			
416-1			NA
416-2			NA
MARKETING AND LABELLING			
417-1			NA
417-2			NA
417-3			NA
CLIENTS' PRIVACY			
418-1			NA
SOCIO ECONOMIC COMPLIANCE			
419-1		50	R



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