

## C0. Introduction

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### C0.1

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**(C0.1) Give a general description and introduction to your organization.**

Hochschild is a leading underground precious metals producer focusing on high grade silver and gold deposits, with over 50 years' operating experience in the Americas. We currently operate three underground mines, two located in southern Peru and one in southern Argentina. A fourth mine- Arcata did not operate in 2022 and is under temporary suspension until resources are confirmed. All of our underground operations are epithermal vein mines and the principal mining method used is cut and fill. The ore at our operations is processed into silver-gold concentrate or dore.

Hochschild Mining plc is listed on the Main Market of the London Stock Exchange and is headquartered in Lima, Peru. In addition, the Group has an office in Argentina and a corporate office in London.

In 2022, Hochschild produced 11.0 million attributable ounces of silver and 206 hundred thousand attributable ounces of gold. This compared with 12.2 million attributable ounces of silver and 221.4 hundred thousand attributable ounces of gold in 2021. The emissions intensity, per thousand ounces of total silver equivalent produced, was 3.64 (location-based) and 1.88 (market-based) in 2022, compared with 3.11 (location-based) and 1.76 (market-based) in 2021.

Hochschild have been measuring their carbon footprint since 2012. GHG accounting includes Scope 1 (combustion of fuel and operation of facilities) and Scope 2 (purchased electricity). Scope 1 and 2 emissions (market based) in 2022 were 58,763 tCO<sub>2</sub>e, compared with 59,159 tCO<sub>2</sub>e in 2021. The carbon footprint for the operational mines is verified externally since 2020 (scope 3 included since 2021).

### C0.2

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**(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.**

**Reporting year**

**Start date**

January 1 2022

**End date**

December 31 2022

**Indicate if you are providing emissions data for past reporting years**

Yes

**Select the number of past reporting years you will be providing Scope 1 emissions data for**

2 years

**Select the number of past reporting years you will be providing Scope 2 emissions data for**

2 years

**Select the number of past reporting years you will be providing Scope 3 emissions data for**

1 year

### C0.3

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**(C0.3) Select the countries/areas in which you operate.**

Argentina

Brazil

Peru

United Kingdom of Great Britain and Northern Ireland

### C0.4

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**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

### C0.5

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**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

(C-MM0.7) Which part of the metals and mining value chain does your organization operate in?

Row 1

- Mining
  - Gold
  - Silver
- Processing metals
  - Gold
  - Silver

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	GB00B1FW5029

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Chief Executive Officer (CEO)	<p>Participates on the Sustainability Committee which has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal &amp; Corporate Affairs, and of Human Resources.</p> <p>The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with sustainability matters, ensuring compliance and implementing systems and practices effectively throughout the Company to manage ESG-related risks and opportunities. This includes climate change and GHG emissions, as they affect the Company's operations.</p> <p>Yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration. After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval.</p> <p>The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required.</p> <p>Our Environmental Policy was updated in February 2022 and now includes specific provisions regarding climate change and protection of biodiversity.</p> <p>In 2022, among decisions taken in climate-related issues was to continue working towards net zero emissions by 2050 and plan on setting interim targets for 2030 in 2023, which will serve as a stepping-stone to achieve the goal. These interim targets, including a GHG emissions target to 2030 have been defined and will be presented to the Board in August 2023. Updates on GHG emissions and related topics are already being presented to the committee.</p>
Other, please specify (Chair of the Sustainability Committee)	<p>Leads the Sustainability Committee which has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal &amp; Corporate Affairs, and of Human Resources.</p> <p>The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with sustainability matters, ensuring compliance and implementing systems and practices effectively throughout the Company to manage ESG-related risks and opportunities. This includes climate change and GHG emissions, as they affect the Company's operations.</p> <p>Yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration. After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required.</p> <p>In 2022, among decisions taken in climate-related issues was to continue working towards net zero emissions by 2050 and plan on setting interim targets for 2030 in 2023, which will serve as a stepping-stone to achieve the goal. These interim targets, including a GHG emissions target to 2030 have been set and will be presented to the Board in August 2023. Updates on GHG emissions and related topics are already being presented to the committee.</p>

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Overseeing the setting of corporate targets Monitoring progress towards corporate targets	<Not Applicable>	The Sustainability Committee has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal & Corporate Affairs, and Human Resources. The Sustainability Committee was convened four times in 2022 and considered the following matters: – Monitoring the execution of the annual plan in key areas: Serving our Communities, Protecting the Environment, Ensuring Health and Safety, Empowering our People, and Guaranteeing we are a Responsible Business. – Oversight of the ongoing rollout of the Environment Culture Transformation Plan as well as updates on the progress of the Company’s Carbon Strategy. – Reviewing and approving the updated Corporate Environmental Policy; – Benchmarking the risk assessment of the Company’s Tailings Storage Facilities (TSF) with reference to the International Council on Mining and Metals’ (ICMM) Global Standard on Tailings Management. – Reviewing key sustainability-related risks faced by the Company and evaluating the adequacy of the mitigation measures put in place. – Providing oversight and updates on external ESG-related disclosure initiatives, for example the Company’s participation in the Carbon Disclosure Project (CDP), MSCI and Sustainalytics. – Selecting and adopting ESG-related Key Performance Indicators (KPIs) in alignment with the Company’s strategy, including a GHG interim target to 2030.
Sporadic - as important matters arise	Reviewing and guiding the risk management process	<Not Applicable>	Special work committees can be activated for specific climate related events, such as the one recently activated to monitor and manage risks related with the El Niño phenomenon.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	Previous experience and executive responsibility for aspects of climate change and water management, and extensive experience of managing sustainability in mining.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Executive Officer (CEO)

Climate-related responsibilities of this position

Setting climate-related corporate targets  
Monitoring progress against climate-related corporate targets  
Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Corporate Sustainability/CSR reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

Participates on the Sustainability Committee which has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal & Corporate Affairs, and of Human Resources.

The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with sustainability matters, ensuring compliance and implementing systems and practices effectively throughout the Company to manage ESG-related risks and opportunities. This includes climate change and GHG emissions, as they affect the Company’s operations.

Yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration. After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company’s operations and is responsible for reviewing management’s investigation of incidents or accidents that occur in order to assess whether policy improvements are required.

In 2022, among decisions taken in climate-related issues was to continue working towards net zero emissions by 2050 and plan on setting interim targets for 2030 in 2023, which will serve as a stepping-stone to achieve the goal. These interim targets, including a GHG emissions target to 2030 have been set and will be presented to the Board in August 2023. Updates on GHG emissions and related topics are already being presented to the committee.

Position or committee

Risk committee

**Climate-related responsibilities of this position**

Assessing climate-related risks and opportunities

**Coverage of responsibilities**

<Not Applicable>

**Reporting line**

CEO reporting line

**Frequency of reporting to the board on climate-related issues via this reporting line**

Quarterly

**Please explain**

The monitoring of climate-related risks and opportunities ultimately resides with the Management Risk Committee (the MRC), which is responsible for implementing Hochschule's policy on risk management and monitoring the effectiveness of controls in support of Hochschule's business objectives. The MRC meets four times a year and more frequently as required.

The MRC is comprised of the CEO, Vice Presidents, Country General Managers and the head of the Internal Audit function. In preparation for the MRC meetings, the Internal Audit head meets with the Sustainability Director to review climate risks and controls.

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**Position or committee**

Environment/ Sustainability manager

**Climate-related responsibilities of this position**

Developing a climate transition plan

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

**Coverage of responsibilities**

<Not Applicable>

**Reporting line**

CEO reporting line

**Frequency of reporting to the board on climate-related issues via this reporting line**

Quarterly

**Please explain**

The Environmental Manager (since 2022 Sustainability Director) reports into the Vice President of Legal and Corporate Affairs, who reports directly to the CEO and is a regular attendee at meetings of the Sustainability Committee.

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**Position or committee**

Sustainability committee

**Climate-related responsibilities of this position**

Setting climate-related corporate targets

Monitoring progress against climate-related corporate targets

Other, please specify (Oversee and to make all necessary recommendations to the Board in connection with ESG issues)

**Coverage of responsibilities**

<Not Applicable>

**Reporting line**

Reports to the board directly

**Frequency of reporting to the board on climate-related issues via this reporting line**

Quarterly

**Please explain**

The Sustainability Committee has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal & Corporate Affairs, and of Human Resources.

The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with sustainability matters, ensuring compliance and implementing systems and practices effectively throughout the Company to manage ESG-related risks and opportunities. This includes climate change and GHG emissions, as they affect the Company's operations.

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In 2022, among decisions taken in climate-related issues was to continue working towards net zero emissions by 2050 and plan on setting interim targets for 2030 in 2023, which will serve as a stepping-stone to achieve the goal. These interim targets, including a GHG emissions target to 2030 have been set and will be presented to the Board in August 2023. Updates on GHG emissions and related topics are already being presented to the committee.

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## C1.3

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	We established the ECO Score program in 2017, which brings together the management/mitigation of environment and climate change risks. The ECO Score incorporates quantitative and qualitative indicators directly related to environmental management and climate-related issues- including water consumption and waste generation - and forms a link between our employees and our environmental performance since they are directly related to our daily activities. Performance against the annual ECO Score objective determines the extent of annual bonus payouts to eligible employees, thereby employees co-operate in reducing the company's environmental footprint. The results are shared across the company on a monthly basis.

**C1.3a**

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

**Entitled to incentive**

All employees

**Type of incentive**

Monetary reward

**Incentive(s)**

Bonus - % of salary

**Performance indicator(s)**

Achievement of a climate-related target

**Incentive plan(s) this incentive is linked to**

Please select

**Further details of incentive(s)**

We established the ECO Score program in 2017, which brings together the management/mitigation of environment and climate change risks. The ECO Score incorporates quantitative and qualitative indicators directly related to environmental management and climate-related issues- including water consumption and waste generation - and forms a link between our employees and our environmental performance since they are directly related to our daily activities. Performance against the annual ECO Score objective determines the extent of annual bonus payouts to eligible employees, thereby employees co-operate in reducing the company's environmental footprint. The results are shared across the company on a monthly basis.

In May 2022, after a comprehensive internal review, our Board of Directors approved the publication of new KPIs, against which the Company's future sustainability performance will be measured.

We will report our performance against the chosen KPIs on an annual basis. In addition, to track our ESG performance, we will set clear and actionable interim targets for 2030. These interim targets, including a GHG emissions target have been defined and will be presented to the Board in August 2023.

**Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan**

Our ECO Score program aims to foster and embed an eco-friendly culture across our business and operations. This allows future initiatives to have greater acceptance from all personnel and directly involves them in the process towards net zero by 2050 and the 2030 interim GHG target.

**C2. Risks and opportunities**

**C2.1**

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

**C2.1a**

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	0	1	2023 - 2024
Medium-term	1	5	2025 - 2029
Long-term	5	15	2029 +

**C2.1b**

## **(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

We define substantive change' as anything that could materially affect Hochschild's ability to meet business objectives and, or, is of material importance to stakeholders. Materiality is defined as matters that, in the view of the Board, management and stakeholder groups, are of such importance that they could: substantively influence the company's ability to meet its strategic objectives; have a significant influence on, or is of material interest to our stakeholders; or have a high degree of inter-connectivity with other material issues.

From a financial perspective and with respect to climate change, a 'substantive change' would be a disruption to our operations caused by climate change that results in a change in production or increase in costs. Examples would be flood-related business interruptions leading to a greater than 5% of annual revenue loss or major widespread social conflict due to a future scarcity of water resources which might jeopardize our social license to operate. Hochschild uses its risk assessment methodology and in particular the financial consequence rating within the risk methodology to identify and measure a substantive financial or strategic impact to our business. Financially Hochschild defines substantive change as a loss in revenue or increase in costs of more than \$3.2 million.

## **C2.2**

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### **(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

#### **Value chain stage(s) covered**

Direct operations  
Upstream  
Downstream

#### **Risk management process**

Integrated into multi-disciplinary company-wide risk management process

#### **Frequency of assessment**

More than once a year

#### **Time horizon(s) covered**

Short-term  
Medium-term  
Long-term

#### **Description of process**

Hochschild Mining has implemented a framework of risk management and internal controls that ensures that key risks are identified and, where they cannot be eradicated, are mitigated to within tolerable levels. The Risk Committee is responsible for implementing the Group's policy on risk management and monitoring the effectiveness of controls in support of the Group's business objectives. It meets four times a year and more frequently if required. The Risk Committee comprises the CEO, the Vice Presidents, Country General Managers and the head of the Internal Audit function. A 'live' risk matrix is reviewed which maps the significant risks faced by the business as well as those considered to be emerging risks. The significance of each risk is considered, mapped (using a heat map), and takes into the Board's assessment of the likelihood of the unmitigated risk occurring as well as the extent of the impact on the organization. The matrix is updated at each Risk Committee meeting, and the most significant current and emerging risks, as well as potential actions to mitigate them, are reported to the Group's Audit Committee, which has oversight of risk management on behalf of the Board. In light of their strategic importance, sustainability risks, if any, and their mitigation plans are monitored by the Sustainability Committee.

Hochschild draws on input from subject matter experts to identify, quantify, forecast and manage exposure to risks associated with these regulations and is in the process. Risks and opportunities are prioritized based on their likelihood of impacting our business and the potential severity of impact. Impacts to business considered include financial risks, operational risks, macro-economic including political and legal risks, and sustainability risks including environmental risks. The Company will integrate climate related financial risks and the associated decision-making process into the financial planning process once the assessment quantifying the financial risks is complete. The Company aims to start reporting the financial risks in the next 2 years.

Climate change risk has been identified by the Company as one of the principal risks facing the business. As such, this risk and its mitigation actions are monitored on an ongoing basis by the MRC and Environmental Management and reported to the Audit and Sustainability Committees and the Board of Directors on a quarterly basis.

Assessments are carried out at least 4 times a year, to be presented to the Risk Committee (CEO, VP, Country General Managers and CRO) and to the board in the quarterly meetings. Specific environmental risk assessments have also been carried out with each of the mines (operating, suspended and closed).

Additionally, special work committees can be activated for specific climate related events, such as the one recently activated for the El Niño phenomenon.

## **C2.2a**

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**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & Inclusion	Please explain
Current regulation	Relevant, always included	Many of Hochschild's customers are taking regulatory and/or voluntary positions to reduce energy and GHG emissions in their operations. Those more mature organisations are now requiring and pushing for GHG emission reductions in the value chain. While Hochschild is not yet exposed to these requirements, it is understood that this will happen, and as such, Hochschild has committed investment and demonstrated leadership in technology for future growth in alignment with intersecting global industry megatrends – including electrification, software and more.
Emerging regulation	Relevant, always included	<p>Mining continues to be a highly regulated industry where multiple permits are required leading to increased delays and costs. Changes in the legal, tax and regulatory landscape could result in significant additional expense, restrictions on or suspensions of operations and may lead to delays in the development of current operations and projects. Emerging carbon regulations will also impact operational costs as renewable portfolio standards, renewable fuel requirements and carbon taxes will directly and indirectly increase the cost of fuels and energy sources.</p> <p>Carbon targets, like those being established in the UK (Net Zero by 2050), Peru (reducing GHG emissions by 30% by 2030), and Argentina (absolute, economy-wide and unconditional goal of limiting greenhouse gas emissions to 313 MtCO<sub>2</sub>e (excl. land use, land use change and forestry by 2030) are likely to directly increase future capital costs as Hochschild integrates and adopts more energy efficient and lower emissions technologies in mining operations.</p>
Technology	Relevant, always included	<p>Technological advancements have the ability to impact both operational competitiveness as well as demand for Hochschild's products. For example, the increased adoption of renewable energy technologies and electric vehicles will likely play a role on the path to achieving carbon neutrality and increase the demand for Hochschild's metal products. However, operationally, off-road vehicle and engine manufacturers can be slow to adopt to low/no-carbon products and as such, there is only a handful of market players offering these products. Much like the electric light duty vehicle market, this is a short-term transition that will be mitigated as more manufacturers enter the market and the market matures. Adopting these technologies has the potential to hinder Hochschild's competitiveness in the short term (i.e. increase costs and reduce EBITDA) but would improve Hochschild's social licence to operate and move the Company towards its climate goals. Renewable energy technologies and electric vehicles will also likely require increased battery demand for energy storage which is also a risk in the short term as battery storage is relatively new; over time, this risk will dissipate.</p> <p>Hochschild has recognised this risk and as part of its strategy, actions include improving processes on energy conservation and transitioning to power sourced from renewable energy.</p>
Legal	Relevant, always included	<p>If no action is taken on climate change and GHG emissions, Hochschild could be at risk to climate-related legal action, reputational issues (social licence to operate) and investor risk which could materialise as increased costs, longer permitting delays, higher interest loans, or reduced access to capital. Given what is occurring in jurisdictions, like Canada and the US, where lawsuits have been filed against oil and gas companies for climate-related impacts, the Company anticipates that over the medium to long term, should no action be taken to reduce/eliminate its carbon footprint, there could be a carbon legal related risk to Hochschild. Hochschild has not experienced legal issues regarding climate change-related issues. Hochschild is keeping abreast of regulatory changes such as carbon tax undertaken by host governments where it operates or have current project developments. For example, while Peru does not levy a tax on carbon, other countries such as Argentina, Chile and Canada impose carbon taxation, which can directly impact the operational cost of the business as well.</p>
Market	Relevant, always included	<p>Hochschild is currently monitoring the risk of changing demand for its metal products under a low-carbon economy. Under a 2 degree scenario, it is likely that there will be an increase in the uptake of battery powered vehicles and 5G networks which increase the demand for silver. For example, most internal combustion cars use between 15g and 28g of silver, whereas hybrid cars require between 18g to 34g, and electric vehicles typically need upwards of 50g. Bloomberg estimates that by 2040, 55% of vehicles on the road will be electric which means more demand for silver. Gold demand could also play out well under a 2 degree scenario as the metal can be used in nanomaterial technologies (e.g., enhance hydrogen fuel cell performance and solar PV) that can help facilitate the transition to a low-carbon economy. In light of these opportunities, Hochschild also sees a downside of not managing their own environmental and social footprint as under a 2 degree scenario, Hochschild's customers and investors will expect them to perform to higher standards as part of their procurement and investment criteria. This may result in uncertainty in market signals and increased cost of raw materials which may impact the Company. Hochschild continuously engages with their customers to understand their requirements and align with their goals. Hochschild has also begun to mitigate these risks by implementing a carbon neutral strategy, completing a climate risk assessment, and are continually pushing internally to improve their ESG performance and scorecard.</p>
Reputation	Relevant, always included	<p>Poor performance with respect to managing the risks and opportunities of climate change could result in reputational impairment. This could lead to public and regulatory opposition to Hochschild's projects and/or operations or lead to a potential increase in cost of capital and perceived risk amongst the investor community. For example, Hochschild may suffer from reputational risk and may be liable for losses arising from environmental hazards associated with its mining activities and production methods. In Peru, protests relating to mining projects have increased social demands and expectations and have led to wider social unrest. Communities living in the areas surrounding Hochschild's operations may oppose the activities carried out at existing mines or, with respect to development projects and prospects, may invoke their rights to be consulted under new laws. A number of actions were taken during the year to maximise Hochschild's ability to work with partner communities which included:</p> <ul style="list-style-type: none"> <li>• increased efforts to collect and process information and intelligence regarding potential social conflicts;</li> <li>• increased interaction with local governments and other key stakeholders;</li> <li>• continue to maximise local hiring and local purchasing practices; and</li> <li>• continue executing social programmes with surrounding communities.</li> </ul> <p>Investors are increasingly requiring companies to demonstrate strong ESG credentials especially regarding climate change and requesting that companies adequately demonstrate a commitment to reducing CO<sub>2</sub> emissions and mitigating climate change risks to assets and business operations into its long-term business strategy.</p>
Acute physical	Relevant, always included	<p>Climate change may, among other things, cause or result in sea level increases, changes in precipitation, changes in freshwater levels, increases in extreme weather events and resource shortages. We have completed a climate risk assessment (CRA) and noted the following climate related physical risks: atypical precipitation patterns which could result in overtopping; prolonged drought resulting in water shortages for operations, and extreme weather events (winds) and sea-level rise resulting in impacts to ocean transportation and shipping facilities and disruptions to upstream and downstream operations.</p> <p>We are adapting to the physical impacts of climate change and increasing the resilience of our operations by incorporating climate scenarios into project design and mine closure planning. We also have an active programme to reduce water consumption that will allow us to continue operating in a more water scarce environment.</p>
Chronic physical	Relevant, always included	<p>We are in the process of implementing an adaptation plan to identify and mitigate chronic physical risks. The most common chronic physical risks we have historically experienced are drought which reduce water available for processing and may affect power supply in regions that rely on hydro-electric power plants. This will continue to be monitored for severity.</p> <p>A Climate Risk Assessment (CRA) was completed on five mine properties – the Arcata Mine, Pallancata Mine, Inmaculada Mine, Selene plant and the San Jose Mine, considering the physical medium- and long-term nature of climate-related issues (2020s to 2050s) under RCP 8.5 scenario (high warming).</p> <p>The CRA identified several high and medium risks to the infrastructure and operations at the Hochschild mines in Peru and Argentina. The high risks are to be evaluated on a regular basis and risk reduction measures used to reduce the possible impacts to the mines' operations.</p> <p>– Peru: The highest risk was associated with intense rainfall affecting the tailings facilities/tailings dams at the mine sites. The high risks are associated with the potential failures of the tailings containment facilities/dams, which would most likely result in shutting down the mine operations, thus having a major impact on the Company's overall business operations.</p> <p>– Argentina: The highest risk score at the San Jose mine under future climate was associated with drought affecting the process facilities at the mine sites. Drought conditions could have a significant impact on the Company's business objectives as a shortage of water could negatively impact the mines ore treatment processes.</p> <p>Many of the climate risks identified are being addressed through policy changes and new monitoring programs at mine sites to track the impacts of climate on our operations and develop proactive policies and operating procedures to minimize the impacts to our operations. The completion of the climate risk and vulnerability assessment has been used to inform the risks to our operations, enable us to better assess the possible financial impacts, and develop appropriate mitigation measures to mitigate those risks.</p>

**C2.3**

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.3a**

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Current regulation	Carbon pricing mechanisms
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**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

The possibility of carbon pricing / taxes / programs in jurisdictions in which we operate combined with the lack of equivalent pricing in competing jurisdictions (for instance a law project in the Peruvian congress from April 2021 to incorporate a "social price to carbon" and a carbon tax to fuels), may not only lead to increased direct and indirect costs, but may also impact our cost competitiveness compared to our peers (decreased attractiveness of assets resulting in decreased investment). The direct financial impacts will arise from the deployment of carbon taxes or programs where we operate, whereas the indirect impacts result from our fuel and material suppliers passing through their carbon tax liability to end-users like us.

**Time horizon**

Medium-term

**Likelihood**

Virtually certain

**Magnitude of impact**

High

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – minimum (currency)**

3500000

**Potential financial impact figure – maximum (currency)**

12400000

**Explanation of financial impact figure**

The range of costs is based on our corporate 2022 market-based GHG emissions and using a low and high social cost of carbon value (global shadow price). The range of costs would be annual and we estimate to range between 40 \$/tonne and 140 \$/tonne.

**Cost of response to risk**

100000

**Description of response and explanation of cost calculation**

The Company is in the process of evaluating how to track physical and transition risks and opportunities, including pricing mechanisms, which could have a potential impact to business. A detailed Transitional Risk Assessment (TRA) will be conducted during the next 2 years, including prediction of market opportunities and social and regulatory liabilities. This will be used to inform the quantification of climate related financial risks to the Company. The Company aims to start reporting the financial risks in the next 2 years.

**Comment**

The range of costs would be annual and we estimate to range between 40 \$/tonne and 140 \$/tonne.

**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Technology	Transitioning to lower emissions technology
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**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

While we are forecasting increased consumption of gold and silver consumption, there is a risk that if we do not reduce our operational GHG emissions intensity compared to industry peers, we could be a risk of declining revenues due to the emissions intensity of our products. With climate change mitigation a renewed global focus, and a focus on greening the supply chain (e.g., automotive companies are already engaging with Tier 1 suppliers on GHG emission reduction programs), this is realistic risk in the medium term under a RCP 2.6 scenario and a longer term risk under a 4.6 degree scenario.

**Time horizon**

Medium-term

**Likelihood**



About as likely as not

**Magnitude of impact**

High

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

This is a long range risk, and the cost cannot be estimated at this time.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

This is a long range risk, and the cost cannot be estimated at this time. The Company is in the process of evaluating how to track physical and transition risks and opportunities which could have a potential impact to business. A detailed Transitional Risk Assessment (TRA) will be conducted during the next 2 years, including prediction of market opportunities and social and regulatory liabilities. This will be used to inform the quantification of climate related financial risks to the Company.

**Comment**

This is a long range risk, and the cost cannot be estimated at this time.

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**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Acute physical	Heavy precipitation (rain, hail, snow/ice)
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**Primary potential financial impact**

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Climate change may, among other things, cause or result in sea level increases, changes in precipitation, changes in freshwater levels, increases in extreme weather events and resource shortages. We have completed a climate risk assessment and noted the following climate related physical risks: atypical precipitation patterns which could result in overtopping; prolonged drought resulting in water shortages for operations, and extreme weather events (winds) and sea-level rise resulting in impacts to ocean transportation and shipping facilities and disruptions to upstream and downstream operations.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

High

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

There has been no material impact to operations, so there is no financial value that can be provided.

**Cost of response to risk**

8400000

**Description of response and explanation of cost calculation**

The Company is in the process of evaluating how to track physical and transition risks and opportunities which could have a potential impact to business. A detailed Transitional Risk Assessment (TRA) will be conducted during the next 2 years, including prediction of market opportunities and social and regulatory liabilities. This will be used to inform the quantification of climate related financial risks to the Company.

For context, in terms of investments already made \$8.4M was invested in Capex between 2017 and 2019 at the San Jose operation in Argentina to implement a water recovery plant as a measure to protect against water scarcity in the area.

**Comment**

Cost evaluation underway

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**C2.4**

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**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

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**C2.4a**

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**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.****Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Markets

**Primary climate-related opportunity driver**

Access to new markets

**Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

**Company-specific description**

The demand for Company's products may increase as a consequence of regulatory or market curtailments. For example, under a 2 degree scenario, there is likely to be an increase in the uptake of battery powered vehicles and 5G networks which incorporate silver and gold in the manufacture of their hardware components. Bloomberg estimates that by 2040, 55% of vehicles on the road will be electric which means more demand for silver. Gold will also play out well under a 2 degree scenario as the metal can be used in nanomaterial technologies (e.g., enhance hydrogen fuel cell performance and solar PV) that can help facilitate the transition to a low-carbon economy.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Increased revenues may result from increased demand for our products. Actual financial impacts may vary significantly based on demand.

**Cost to realize opportunity**

150000

**Strategy to realize opportunity and explanation of cost calculation**

We utilize various external market analyses to monitor short and long-term market trends so that our business and growth strategy accounts for the changes in product demand, market shifts, and technology adoption. The cost to realize opportunity listed above as an estimate is based off of employee hours assigned to assessing market demand trends for our products.

Additionally, the Company is in the process of evaluating how to track physical and transition risks and opportunities which could have a potential impact to business. A detailed Transitional Risk Assessment (TRA) will be conducted during the next 2 years, including prediction of market opportunities and social and regulatory liabilities. This will be used to inform the quantification of climate related financial risks to the Company.

**Comment**

-

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**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resilience

**Primary climate-related opportunity driver**

Other, please specify (Improved market capitalization)

**Primary potential financial impact**

Reduced indirect (operating) costs

**Company-specific description**

Investors are demanding that companies improve their long-term sustainability/ESG performance to reduce climatic and climate-related risks while improving shareholder value and social and environmental wellbeing. Current market and shareholder pressures with regards to 'sustainable investments' and consideration of climate change in investment could potentially impact Hochschild's share price over the medium to long term simply on the basis of the Company's ESG rating.

In consequence, the Company is heavily focused on improving their ESG performance. This is evidenced by robust standalone sustainability reports, the ECO Score programme, continuing efforts to strengthen the Company's environmental culture, and carefully managing climate-related risks and their impacts by the completion of a climate change risk assessment (2021) and the implementation of a carbon strategy (completed in 2022) to continually reduce the GHG emissions.

The Company is in the process of evaluating how to track physical and transition risks, as well as opportunities, which could have a potential impact to business. A detailed Transitional Risk Assessment (TRA) will be conducted during the next 2 years, including prediction of market opportunities and social and regulatory liabilities, allowing Hochschild to start reporting on the quantitative side of climate impacts. The detailed TRA will be used to inform the quantification of climate related financial risks to the Company.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Assuming that our share price could increase by a conservative figure of 0.25%, due to positive investor sentiment on our ESG performance, this could translate into an US\$ 2.69M market capitalization alone.

**Cost to realize opportunity**

300000

**Strategy to realize opportunity and explanation of cost calculation**

This is the cost to manage our ESG program (not the capitalization / investment aspect). We have developed a carbon strategy that focuses on reducing fuel consumption, improving energy efficiency (e.g., digital applications, such as digital twinning), fuel switching (electric), the application of new low-no-carbon technologies, and improvements in the use of compressed air, pumping, ventilation and refrigeration and the optimization of our footprint.

Additionally, the Company is in the process of evaluating how to track physical and transition risks and opportunities which could have a potential impact to business. A detailed Transitional Risk Assessment (TRA) will be conducted during the next 2 years, including prediction of market opportunities and social and regulatory liabilities. This will be used to inform the quantification of climate related financial risks to the Company.

**Comment**

-

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**Identifier**

Opp3

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Energy source

**Primary climate-related opportunity driver**

Use of new technologies

**Primary potential financial impact**

Reduced indirect (operating) costs

**Company-specific description**

Our emissions primarily result from electricity use in mining and processing operations. Hochschild's operations have a favourable GHG emissions intensity (1.81 tCO<sub>2</sub>e/ k oz Ag Eq – market based / 0.13 tCO<sub>2</sub>e/ oz Au Eq – market based) compared to other gold and silver mines globally. This is due to the underground nature of their mining operations (which generally have lower GHG emissions than larger open pit mines) and a low-carbon, grid-based electricity supply which is around 81% sourced from hydro or wind power. However, acknowledging the global significance of climate change, the Company is committed to taking the necessary measures to continually reduce their GHG footprint by evaluating additional low-carbon energy options and improving their operational energy efficiency, which also helps to deliver valuable cost savings to the business. Hochschild is currently implementing a carbon strategy (completed in 2022) to continually reduce their GHG emissions, the Company has set a net zero target for 2050 and has set a 2023 interim target that will be taken to the Board in August. As part of this, the Company has signed a new contract to source renewable energy for the Ares and Arcata mines starting in January 2022.

With our carbon strategy, to continually reduce our GHG emissions, we have set a net zero target for 2050 and defined an interim GHG emissions target to 2030 which will be presented to the Board in August 2023.

**Time horizon**

Medium-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

2300000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

The \$2.3M USD value is based on investment in energy and GHG emissions reduction technologies, such as electric vehicles.

**Cost to realize opportunity**

0

**Strategy to realize opportunity and explanation of cost calculation**

At the moment there is no cost calculation. The Company is in the process of evaluating how to track physical and transition risks and opportunities which could have a potential impact to business. A detailed Transitional Risk Assessment (TRA) will be conducted during the next 2 years, including prediction of market opportunities and social and regulatory liabilities. This will be used to inform the quantification of climate related financial risks to the Company.

**Comment**

-

### C3. Business Strategy

#### C3.1

**(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?**

**Row 1**

**Climate transition plan**

Yes, we have a climate transition plan which aligns with a 1.5°C world

**Publicly available climate transition plan**

No

**Mechanism by which feedback is collected from shareholders on your climate transition plan**

We do not have a feedback mechanism in place, but we plan to introduce one within the next two years

**Description of feedback mechanism**

<Not Applicable>

**Frequency of feedback collection**

<Not Applicable>

**Attach any relevant documents which detail your climate transition plan (optional)**

Carbon roadmap presentation. Slide 15 includes transition plan.

hochschild\_carbon roadmap.pdf

**Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future**

<Not Applicable>

**Explain why climate-related risks and opportunities have not influenced your strategy**

<Not Applicable>

#### C3.2

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative, but we plan to add quantitative in the next two years	<Not Applicable>	<Not Applicable>

#### C3.2a

**(C3.2a) Provide details of your organization's use of climate-related scenario analysis.**

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios RCP 8.5	Other, please specify (Because of the geographic dispersion of the Hochschild mines, two climate profiles were prepared. One profile covers the general area for the mines in Peru (Arcata, Inmaculada, Pallancata and Selene) and one for the San Jose mine in Argentina)	<Not Applicable>	<p>The climate periods selected for the assessment are current climate (1991-2010) and the 2050s (2040-2059) for future climate, to cover the operational life and decommissioning phases of the infrastructure at the mine sites. The risk assessment process is intended to inform Hochschild management of the projected changes in climate and the associated risks to their ongoing operations. The assessment was based on climate parameters estimated under the RCP 8.5 scenario. The recent IPCC Special Report on Global Warming of 1.5°C (October 8, 2018) supports the selection of the RCP 8.5 for the assessment. The following climate parameters were selected for the assessment based on reported impacts at some of the properties being assessed:</p> <ul style="list-style-type: none"> <li>• High temperature: &gt;25°C and relative humidity &gt;70%</li> <li>• Freezing Days: Icing Days (Tmax &lt; 0°C)</li> <li>• Rainfall (High Intensity): &gt;50 mm in 24 hours</li> <li>• Drought: SPEI (Standardized Precipitation-Evapotranspiration Index)</li> <li>• High winds: &gt;50 kph</li> <li>• Snowfall: &gt;15 cm in 24 hours</li> <li>• Lightning/Atmospheric Discharges</li> </ul>
Transition scenarios IEA 2DS	Business activity	<Not Applicable>	<p>Climate modelling uses various greenhouse gas (GHG) emissions scenarios, known as Representative Concentration Pathways (RCPs), to project future climate variables under different concentrations and rates of release of GHGs to the atmosphere, as well as different global energy balances. RCP 8.5 is being used to assess the impacts that climate change would have on Hochschild's operations and infrastructure. The time horizon has been set between the 2020's and the 2050's as this aligns with Hochschild's mines current operational lives and decommissioning phases.</p> <p>RCP 2.6 is being used as the &lt;2°C Scenario to align with the mid-century goals of the Paris Agreement and is being used to assess Hochschild's market (electric vehicles), regulatory (e.g., carbon pricing), technology and renewable energy risks / opportunities (e.g., increased adoption of renewables resulting in improved ROI) as part of the carbon strategy to put the organization on a path towards net zero operations.</p>

**C3.2b**

**(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.**

**Row 1**

**Focal questions**

What are the impacts of climate-related risks to Hochschild's businesses, strategy, and financial planning. What opportunities can be capitalized on to reduce / eliminate these risks?

**Results of the climate-related scenario analysis with respect to the focal questions**

Under RCP 8.5 there are likely to be more potential disruptions to supply chains, changes in consumer choices, impacts to capital markets, and an increased likelihood of damage / disruption to operations thereby impacting Hochschild's cost structure, the value or recoverability of reserves, and revenue potential. While carbon legislation and pricing mechanisms are unlikely under RCP 8.5, it is still highly likely that fuel and energy rates will escalate at a minimum rate of at least 2-3% per year (because of the effects of climate change and supply chain interruptions) and negatively impact ongoing operating costs. As such, there will be a financial impetus to adapt assets to withstand the effects of climate change and reduce energy and GHG emissions to mitigate these rising costs. Under RCP 4.5, Hochschild's annual average carbon liability could be as high as \$3 million per year (on average), or in aggregate upwards of \$77 million between 2025 and 2050. Under the RCP 2.6 scenario, Hochschild's annual average carbon liability could be as high as \$10 million per year (on average), or in aggregate upwards of \$268 million by 2050 (Figure 6). Conversely, under scenarios RCP 2.6 and 4.5, Hochschild is likely to benefit with the increased demand for minerals as there likely to be an increase in the uptake of battery powered vehicles and 5G networks which require silver. Gold will also play out well under these scenarios as the metal can be used in nanomaterial technologies (e.g., enhance hydrogen fuel cell performance and solar PV) that can help facilitate the transition to a low carbon economy. Under these scenarios, renewable energy demand will increase, but so will supply and could result in lower costs over time. These opportunities could be available to Hochschild on the basis that it actively reduces its operational GHG emissions. By actively reducing and neutralizing GHG emissions, Hochschild also avoids the cost of carbon both directly and indirectly (e.g., fuel costs). In terms of physical (chronic and acute) risks, under RCP 8.5, climate change may, among other things, cause or result in atypical precipitation patterns which could result in overtopping; prolonged drought resulting in water shortages for operations, and extreme weather events (winds) and sea-level rise resulting in impacts to ocean transportation and shipping facilities and disruptions to upstream and downstream operations. Hochschild is adapting to these risks by increasing the resilience of operations by incorporating climate scenarios into project design and mine closure planning. Risks or losses from climate change or other natural events are being continuously monitored and reviewed as part of ongoing operations. Where an unacceptable risk has been identified, asset level mitigation plans are developed and are the responsibility of local management.

**C3.3**

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Both physical and transitional risks are impacting and will continue to impact Hochschild's existing and future operations. To remain competitive and improve our ESG performance, we have completed a climate change risk assessment and strategy, and have developed a carbon strategy to put us on a path towards net zero operations. Hochschild is adapting to climate risks by increasing the resilience of operations by incorporating climate scenarios into project design and mine closure planning. Risks or losses from climate change or other natural events are being continuously monitored and reviewed as part of ongoing operations. Where an unacceptable risk has been identified, asset level mitigation plans are developed and are the responsibility of local management. GHG emissions are being proactively reduced through the use of renewable power and incorporating fuel switching activities into existing mine capital upgrades. Future new mines will be assessed to be electric where possible.
Supply chain and/or value chain	Evaluation in progress	Our onsite contractor and freight transportation activities account for 43% of total organizational GHG emissions and 69% of Scope 3 GHG emission. Without engaging and collaborating with these entities to reduce GHG emissions, Hochschild will not be able to achieve our renewable and GHG targets. As such, we are developing a plan to engage with our contractors on low/no-carbon technologies (as appropriate) and are working with the HOC Transportation Committee to set GHG goals and objectives and every 3 months and to track progress towards these goals.
Investment in R&D	Evaluation in progress	The implementation of our recently developed carbon strategy will require the procurement of green electricity, operational changes in existing mines and operations (process changes, asset upgrades and the use of technological breakthroughs when they are conceived), the electrification of new mines, the use of RECs where the electricity is not from renewable sources, the use of procurement tools and contracting requirements of their suppliers and the use of offsets or neutralization projects to eliminate residual GHG emissions. We are currently evaluating where there are R&D opportunities to implement some of these actions - for instance, fuel additives that improve combustion efficiency and process improvements to reduce energy and GHG emissions (e.g., on-demand ventilation, natural cooling techniques, on-site sorting, process changes, etc.), switching to renewable fuels in vehicles (e.g., hydrogen, electric) and developing onsite renewable energy systems like wind, solar, hydrogen, and hydropower.
Operations	Yes	The implementation of our recently developed carbon strategy will require the procurement of green electricity, operational changes in existing mines and operations (process changes, asset upgrades and the use of technological breakthroughs when they are conceived), the electrification of new mines, the use of RECs where the electricity is not from renewable sources, the use of procurement tools and contracting requirements of their suppliers and the use of offsets or neutralization projects to eliminate residual GHG emissions. We are currently evaluating where there are R&D opportunities to implement some of these actions - for instance, fuel additives that improve combustion efficiency and process improvements to reduce energy and GHG emissions (e.g., on-demand ventilation, natural cooling techniques, on-site sorting, process changes, etc.), switching to renewable fuels in vehicles (e.g., hydrogen, electric) and developing onsite renewable energy systems like wind, solar, hydrogen, and hydropower. Currently 81% of purchased energy for operating mines is from renewable sources. This is has been expanded in 2022 to include Ares and Arcata.

## C3.4

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Capital expenditures Assets	Climate-related risks such as prolonged droughts have been identified in our risk management tools and have triggered precise plans and budget allocations to implement the necessary actions to minimize the risk.  Additionally, a detailed Transitional Risk Assessment (TRA) will be conducted during the next 2 years, including prediction of market opportunities and social and regulatory liabilities. This will be used to inform the quantification of climate related financial risks to the Company. The Company aims to start reporting the financial risks in the next 2 years.

## C3.5

**(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?**

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

## C4. Targets and performance

### C4.1

**(C4.1) Did you have an emissions target that was active in the reporting year?**

Absolute target

### C4.1a

**(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.**

Target reference number

Abs 1

**Is this a science-based target?**

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

**Target ambition**

1.5°C aligned

**Year target was set**

2021

**Target coverage**

Company-wide

**Scope(s)**

Scope 1

Scope 2

Scope 3

**Scope 2 accounting method**

Market-based

**Scope 3 category(ies)**

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Category 4: Upstream transportation and distribution

Category 6: Business travel

**Base year**

2021

**Base year Scope 1 emissions covered by target (metric tons CO2e)**

46339

**Base year Scope 2 emissions covered by target (metric tons CO2e)**

12820

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)**

28926

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)**

89

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)**

14

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO2e)**

29029

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

88188

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

52.55

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

14.54

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**

32.8

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**

0.1

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**

0.02

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**

<Not Applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

32.92

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2050

**Targeted reduction from base year (%)**

100

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

0

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

45374

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**



**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**

29691

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

28

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)**

16

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

29735

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

88498

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

-0.351521748990792

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

Target covers GHG emissions scopes 1, 2 and 3. Note that we are not seeking validation by SBTi as our target is net zero (there is no other applicable CDP drop down option).

Category 3 for the base year (2021) has been recalculated and updated in this questionnaire.

**Plan for achieving target, and progress made to the end of the reporting year**

There is a slight increase in overall emissions, responding to production requirements. However, Category 1 and 2 emissions were reduced in 0.7%, which includes Ares and Arcata using 100% purchased energy from renewable sources starting January 2022.

We have developed a carbon strategy and are in the process of implementing the strategy. At a high level getting to net zero operations will involve the procurement of green electricity, operational changes in existing mines and operations (process changes, asset upgrades and the use of technological breakthroughs when they are conceived), the electrification of new mines (based on case by case assessments), the use of RECs where the electricity is not from renewable sources, the use of procurement tools and contracting requirements of their suppliers and the use of offsets or neutralization projects to eliminate residual GHG emissions (likely to come from remediated / held lands)

**List the emissions reduction initiatives which contributed most to achieving this target**

&lt;Not Applicable&gt;

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management	metric tons of waste generated
------------------	--------------------------------

Target denominator (intensity targets only)

Other, please specify (person/day)

Base year

2015

Figure or percentage in base year

0.00194

Target year

2027

Figure or percentage in target year

0.001

Figure or percentage in reporting year

0.00105

% of target achieved relative to base year [auto-calculated]

94.6808510638298

Target status in reporting year

Underway

Is this target part of an emissions target?

This is part of the ECO Score, established in 2015 to form a link between the Company's environmental performance and risks. It brings together the management/mitigation of environment and climate change risks. The ECO Score programme incorporates quantitative and qualitative indicators directly related to environmental management. This target is "Domestic waste to landfill" measured in kg/person/day (for this questionnaire, numbers converted to Ton/person/day), with the goal of reducing generation of waste.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

Measured at all mine sites (does not include projects or offices). Excludes mine waste, such as waste rock and tailings.

Plan for achieving target, and progress made to the end of the reporting year

Each site has plans in place to achieve the goal, according to their specific needs. At the end of 2022, the goal has almost been met (almost 95% reduction towards the goal).

List the actions which contributed most to achieving this target

<Not Applicable>

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	2	12977
Implementation commenced*	0	0
Implemented*	1	1585
Not to be implemented	0	0

#### C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

**Initiative category & Initiative type**

Low-carbon energy consumption	Hydropower (capacity unknown)
-------------------------------	-------------------------------

**Estimated annual CO2e savings (metric tonnes CO2e)**

1585

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

<1 year

**Estimated lifetime of the initiative**

6-10 years

**Comment**

New contract signed with supplier to provide renewable energy (hydro) for the Ares and Arcata mines started in January 1st, 2022. The contract extends to 2032. This reduced the Category 2 emissions of these mines to 0.

#### C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	Based on specific energy savings actions and proposals, such a purchase of electric equipment, budgets are allocated and executed.

#### C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

#### C5. Emissions methodology

##### C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

##### C5.1a

## Row 1

Yes, an acquisition

No

Amarillo Gold Corporation (Amarillo)

On 1 April 2022, the Group acquired a 100% interest in Amarillo Gold Corporation (Amarillo) flagship Mara Rosa ('Mara Rosa') project located in Goiás State, Brazil. The transaction was accounted as a purchase of assets as no systems, processes or outputs were acquired, with the main asset acquired being the Mara Rosa project which is in a development stage.

During 2022 (and 2023) the Mara Rosa mine is under construction and has not been included in the GHG emissions calculation. It will be incorporated once operation begins.

**(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?**

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	No, because the operations acquired or divested did not exist in the base year	<Not Applicable>	During 2022 (and 2023) the Mara Rosa mine is under construction and has not been included in the GHG emissions calculation. It will be incorporated once operation begins.	Yes

**(C5.2) Provide your base year and base year emissions.**

### Scope 1

## January 1 2021

## December 31, 2021

## 46339

2021 was established as our base year to which we set a net zero target (2050).

### Scope 2 (location-based)

January 1 2021

## December 31 2021

## 58133

2021 was established as our base year to which we set a net zero target (2050).

#### Scope 2 (market-based)

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

12820

**Comment**

2021 was established as our base year to which we set a net zero target (2050).

#### Scope 3 category 1: Purchased goods and services

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

23

**Comment**

Paper and water consumption emissions

#### Scope 3 category 2: Capital goods

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

0

**Comment**

Relevant, not calculated.

#### Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

0

**Comment**

Relevant, not calculated. This emissions source will be considered in future inventories.

#### Scope 3 category 4: Upstream transportation and distribution

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

15947

**Comment**

Freight transportation related GHG emissions

#### Scope 3 category 5: Waste generated in operations

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

438

**Comment**

Waste generated, transportation and offsite disposal

**Scope 3 category 6: Business travel****Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

6028

**Comment**

Air travel emissions. Recalculated for the San Jose site, since an overestimation was detected when calculating the 2022 emissions.

**Scope 3 category 7: Employee commuting****Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

5063

**Comment**

Employee transportation to site and offices

**Scope 3 category 8: Upstream leased assets****Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not applicable

**Scope 3 category 9: Downstream transportation and distribution****Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

1516

**Comment**

Land transportation of concentrate and dore bars from mines to shipping port.

**Scope 3 category 10: Processing of sold products****Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not relevant

**Scope 3 category 11: Use of sold products****Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not relevant

**Scope 3 category 12: End of life treatment of sold products**

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not relevant

**Scope 3 category 13: Downstream leased assets**

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not relevant. We do not own leased assets

**Scope 3 category 14: Franchises**

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not relevant. We do not have franchises

**Scope 3 category 15: Investments**

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

0

**Comment**

Relevant, not assessed

**Scope 3: Other (upstream)**

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not applicable

**Scope 3: Other (downstream)**

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not applicable

**C5.3**

---

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

- IPCC Guidelines for National Greenhouse Gas Inventories, 2006
- ISO 14064-1
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- The Greenhouse Gas Protocol: Scope 2 Guidance

C6. Emissions data

C6.1

(C6.1) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year
Gross global Scope 1 emissions (metric tons CO2e)
45374
Start date
January 1 2022
End date
December 31 2022
Comment
Restated from value reported in 2022 Annual Report following a review of underlying data and external verification of the emissions from Inmaculada, Pallancata, Selene and San José.
Past year 1
Gross global Scope 1 emissions (metric tons CO2e)
46339
Start date
January 1 2021
End date
December 31 2021
Comment
Externally verified, published in 2022 Annual Report.
Past year 2
Gross global Scope 1 emissions (metric tons CO2e)
40647
Start date
January 1 2020
End date
December 31 2020
Comment
Externally verified, published in 2022 Annual Report.

C6.2

(C6.2) Describe your organization’s approach to reporting Scope 2 emissions.

Row 1
Scope 2, location-based
We are reporting a Scope 2, location-based figure
Scope 2, market-based
We are reporting a Scope 2, market-based figure
Comment
Our Scope 2, market-based figure, reflects changes in use of renewable energy.

C6.3



(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

**Reporting year**

**Scope 2, location-based**  
68116

**Scope 2, market-based (if applicable)**  
13389

**Start date**  
January 1 2022

**End date**  
December 31 2022

**Comment**  
Externally verified, published in 2022 Annual Report.

**Past year 1**

**Scope 2, location-based**  
58133

**Scope 2, market-based (if applicable)**  
12820

**Start date**  
January 1 2021

**End date**  
December 31 2021

**Comment**  
Externally verified, published in 2022 Annual Report.

**Past year 2**

**Scope 2, location-based**  
41254

**Scope 2, market-based (if applicable)**  
6591

**Start date**  
January 1 2020

**End date**  
December 31 2020

**Comment**  
Externally verified, published in 2022 Annual Report.

C6.4

---

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

---

**(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.**

**Source of excluded emissions**

The Mara Rosa project was not included as it is under construction. Once operations begin it will be included.

**Scope(s) or Scope 3 category(ies)**

Scope 1

Scope 2 (market-based)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Scope 3: Upstream transportation and distribution

Scope 3: Business travel

**Relevance of Scope 1 emissions from this source**

Emissions excluded due to a recent acquisition or merger

**Relevance of location-based Scope 2 emissions from this source**

<Not Applicable>

**Relevance of market-based Scope 2 emissions from this source**

Emissions excluded due to a recent acquisition or merger

**Relevance of Scope 3 emissions from this source**

Emissions excluded due to a recent acquisition or merger

**Date of completion of acquisition or merger**

April 1 2022

**Estimated percentage of total Scope 1+2 emissions this excluded source represents**

<Not Applicable>

**Estimated percentage of total Scope 3 emissions this excluded source represents**

<Not Applicable>

**Explain why this source is excluded**

The Mara Rosa project was not included as it is under construction. Once operations begin it will be included.

**Explain how you estimated the percentage of emissions this excluded source represents**

<Not Applicable>

---

**C6.5**

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

**Purchased goods and services**

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO<sub>2</sub>e)**

8

**Emissions calculation methodology**

Spend-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

**Please explain**

These scope 3 GHG emissions were calculated on actively output data and IPCC emission factors.

**Capital goods**

**Evaluation status**

Relevant, not yet calculated

**Emissions in reporting year (metric tons CO<sub>2</sub>e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

The direct emissions (Scope 1 & 2) associated with our capital assets have been calculated and disclosed. Should we decide to complete an LCA on its product line, the emissions boundary would be set as a unit of production and thus, such an analysis would not consider the embodied energy and GHG emissions with our capital goods.

#### Fuel-and-energy-related activities (not included in Scope 1 or 2)

##### Evaluation status

Relevant, not yet calculated

##### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

##### Emissions calculation methodology

<Not Applicable>

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

##### Please explain

Other than what has been disclosed, we have already accounted for fuel-and-energy-related activities in the Scope 1 and 2 reporting categories.

#### Upstream transportation and distribution

##### Evaluation status

Relevant, calculated

##### Emissions in reporting year (metric tons CO2e)

14349

##### Emissions calculation methodology

Average data method

Fuel-based method

Distance-based method

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

##### Please explain

Value accounts is based on fuel consumption in third-party vehicles for freight transportation

#### Waste generated in operations

##### Evaluation status

Relevant, calculated

##### Emissions in reporting year (metric tons CO2e)

345

##### Emissions calculation methodology

Fuel-based method

Distance-based method

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

##### Please explain

We track our solid waste generated and sent to offsite landfill.

#### Business travel

##### Evaluation status

Relevant, calculated

##### Emissions in reporting year (metric tons CO2e)

9050

##### Emissions calculation methodology

Distance-based method

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

##### Please explain

Value accounts for all air travel

#### Employee commuting

##### Evaluation status

Relevant, calculated

##### Emissions in reporting year (metric tons CO2e)

4705

##### Emissions calculation methodology

Average data method

Fuel-based method

Distance-based method

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

##### Please explain

We transport many of our employees to the mine sites by land. This accounts for those GHG emissions. Additionally, this includes transportation to offices and emissions generated from remote working.

#### Upstream leased assets

##### Evaluation status

Not relevant, explanation provided

##### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

##### Emissions calculation methodology

<Not Applicable>

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

##### Please explain

If this was applicable, it would include all the emissions from the operation of assets that are leased by our company in the reporting year that are not already included in our Scope 1 or 2 emission inventory. We do not lease capital assets.

#### Downstream transportation and distribution

##### Evaluation status

Relevant, calculated

##### Emissions in reporting year (metric tons CO<sub>2</sub>e)

1278

##### Emissions calculation methodology

Fuel-based method

Distance-based method

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

##### Please explain

Includes land transportation from mine sites to the shipping port.

#### Processing of sold products

##### Evaluation status

Not relevant, explanation provided

##### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

##### Emissions calculation methodology

<Not Applicable>

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

##### Please explain

Our products are used in a variety of processes and products. Counting the GHG emissions and/or reductions associated with our product would most likely be double counting and thus is not calculated.

#### Use of sold products

##### Evaluation status

Not relevant, explanation provided

##### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

##### Emissions calculation methodology

<Not Applicable>

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

##### Please explain

Our products are used in a variety of processes and product's. Counting the GHG emissions and/or reductions associated with our product would most likely be double counting and thus is not calculated.

#### End of life treatment of sold products

##### Evaluation status

Not relevant, explanation provided

##### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

##### Emissions calculation methodology

<Not Applicable>

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

##### Please explain

Not currently tracking this- exceedingly difficult to do so with millions of our products being used in different applications daily.

#### Downstream leased assets

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

We do not lease downstream assets.

#### Franchises

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

We do not have franchises

#### Investments

**Evaluation status**

Relevant, not yet calculated

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

We do hold investments mainly for the purposes of hedging currencies, etc. However, this may be an opportunity to invest using ESG criteria in the future.

#### Other (upstream)

**Evaluation status**

Not evaluated

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not evaluated

#### Other (downstream)

**Evaluation status**

Not evaluated

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not evaluated

### C6.5a

---

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

January 1 2021

End date

December 31 2021

Scope 3: Purchased goods and services (metric tons CO2e)

23

Scope 3: Capital goods (metric tons CO2e)

0

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

0

Scope 3: Upstream transportation and distribution (metric tons CO2e)

0

Scope 3: Waste generated in operations (metric tons CO2e)

438

Scope 3: Business travel (metric tons CO2e)

6028

Scope 3: Employee commuting (metric tons CO2e)

5063

Scope 3: Upstream leased assets (metric tons CO2e)

0

Scope 3: Downstream transportation and distribution (metric tons CO2e)

1516

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

0

Scope 3: Downstream leased assets (metric tons CO2e)

0

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

0

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

Restated from value reported in 2022 Annual Report following a review of underlying data and external verification of the emissions from Inmaculada, Pallancata, Selene and San José.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0245

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

58763

Metric denominator

metric ton of ore processed

Metric denominator: Unit total

2396165

Scope 2 figure used

Market-based

% change from previous year

0.3

Direction of change

Increased

Reason(s) for change

Change in renewable energy consumption

Please explain

Very slight increase in emissions, due to a lower percentage of renewable energy used at the San Jose mine (2022: 77%, 2021: 80%), due to energy market in the province of Santa Cruz. However, two additional mine sites in Peru began sourcing renewable energy.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?  
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	40908	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	103	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	2	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Peru	33945
Argentina	11428
United Kingdom of Great Britain and Northern Ireland The Group's UK operations consist of a single office with an occupancy of three. Its total Scope 1 and Scope 2 emissions and energy consumption represent less than 0.01% of the Group's reported totals.	0

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.  
By business division  
By facility  
By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Mining and metal processing	45374

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Arcata	504	-14.97904	-72.314752
Arequipa Office	0	-16.411496	71.544631
Ares	364	-72.122564	-72.122564
Azuca	2	-14.594869	-72.481572
Crespo	0	-14.76514	-72.380429
Inmaculada	20594	-14.94987	-73.240459
Lima Office	4	-12.100853	-76.977738
London Office	0	51.516685	-0.145974
Matarani	0	-17.005096	-72.099081
Pallancata	10264	-14.737892	-73.171105
San José	11421	-46.631621	-70.294245
Selene	2009	-14.646336	-73.142944
Sipán	204	-6.916869	-78.771722
Buenos Aires office	7	-34.592802	-58.4055

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Mining and metal processing	45374

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions , metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	45374	<Not Applicable>	We carry out external verification of the operating mines, which amount to 96% of scope 1 emissions.
Oil and gas production activities (upstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (midstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (downstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C7.5



**(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.**

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Argentina	17485	3972
Peru	50631	9417
United Kingdom of Great Britain and Northern Ireland	5	5

**C7.6**

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By business division

By facility

By activity

**C7.6a**

**(C7.6a) Break down your total gross global Scope 2 emissions by business division.**

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Mining and metal processing	68116	13389

**C7.6b**

**(C7.6b) Break down your total gross global Scope 2 emissions by business facility.**

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Arcata	353	0
Arequipa Office	3	3
Ares	1232	0
Inmaculada	34136	6344
Lima office	187	187
London office	5	5
Matarani	13	13
Pallancata	9502	1766
San José	17466	3936
Selene	5015	932
Sipán	186	186
Buenos Aires office	18	18
Azuca	0	0
Crespo	0	0

**C7.6c**

**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Mining and metal processing	68116	13389

**C7.7**

**(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?**

No

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	68116	13389	We carry out external verification of the operating mines, which amount to 97% of scope 2 emissions (location based).
Oil and gas production activities (upstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (midstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (downstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

## C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?  
Increased

## C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	9414	Increased	121	Considered difference between location-based and market-based emissions as an indicator of the amount of emissions from purchased energy "saved" each year, since they it corresponds to the renewable energy. In 2021 this was 45,312.98 tCO2e, and in 2022 it was 54,726.75 tCO2e, an increase in renewable energy consumption. This is consistent with the absolute consumption of energy from renewable sources between years. Additionally, it includes 2 mine sites (Arcata and Ares) which, since 2022 are supplied with renewable energy.
Other emissions reduction activities	0	No change	0	0
Divestment	0	No change	0	0
Acquisitions	0	No change	0	0
Mergers	0	No change	0	0
Change in output	0	No change	0	0
Change in methodology	0	No change	0	0
Change in boundary	0	No change	0	0
Change in physical operating conditions	0	No change	0	0
Unidentified	0	No change	0	0
Other	0	No change	0	0

## C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?  
Market-based

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

**C8.2****(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

**C8.2a****(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	4593	154739	159333
Consumption of purchased or acquired electricity	<Not Applicable>	256099	61842	317942
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	260692	216582	477274

**C-MM8.2a****(C-MM8.2a) Report your organization's energy consumption totals (excluding feedstocks) for metals and mining production activities in MWh.**

	Heating value	Total MWh
Consumption of fuel (excluding feedstocks)	HHV (higher heating value)	156315
Consumption of purchased or acquired electricity	<Not Applicable>	308020
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0
Total energy consumption	<Not Applicable>	464335

**C8.2b****(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

**C8.2c****(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Sustainable biomass**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

4509

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

Fuels (gasoline and diesel) available in Peru and Argentina have a percentage of ethanol or biodiesel. This considers that source. No other renewable fuels are used.

**Other biomass**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

Not applicable

**Other renewable fuels (e.g. renewable hydrogen)**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

Not applicable

Coal

Heating value  
HHV

Total fuel MWh consumed by the organization  
0

MWh fuel consumed for self-generation of electricity  
0

MWh fuel consumed for self-generation of heat  
0

MWh fuel consumed for self-generation of steam  
<Not Applicable>

MWh fuel consumed for self-generation of cooling  
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration  
<Not Applicable>

Comment  
Not applicable

Oil

Heating value  
HHV

Total fuel MWh consumed by the organization  
0

MWh fuel consumed for self-generation of electricity  
0

MWh fuel consumed for self-generation of heat  
0

MWh fuel consumed for self-generation of steam  
<Not Applicable>

MWh fuel consumed for self-generation of cooling  
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration  
<Not Applicable>

Comment  
Not applicable

Gas

Heating value  
HHV

Total fuel MWh consumed by the organization  
0

MWh fuel consumed for self-generation of electricity  
0

MWh fuel consumed for self-generation of heat  
0

MWh fuel consumed for self-generation of steam  
<Not Applicable>

MWh fuel consumed for self-generation of cooling  
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration  
<Not Applicable>

Comment  
Not applicable

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value	HHV
Total fuel MWh consumed by the organization	154739
MWh fuel consumed for self-generation of electricity	2947
MWh fuel consumed for self-generation of heat	0
MWh fuel consumed for self-generation of steam	<Not Applicable>
MWh fuel consumed for self-generation of cooling	<Not Applicable>
MWh fuel consumed for self- cogeneration or self-trigeneration	<Not Applicable>
Comment	Diesel, gasoline and LPG

Total fuel	
Heating value	HHV
Total fuel MWh consumed by the organization	159333
MWh fuel consumed for self-generation of electricity	3050
MWh fuel consumed for self-generation of heat	0
MWh fuel consumed for self-generation of steam	<Not Applicable>
MWh fuel consumed for self-generation of cooling	<Not Applicable>
MWh fuel consumed for self- cogeneration or self-trigeneration	<Not Applicable>
Comment	Diesel, gasoline and LPG and their content of biodiesel and ethanol.

C8.2e

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(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

**Country/area of low-carbon energy consumption**

Peru

**Sourcing method**

Physical power purchase agreement (physical PPA) with a grid-connected generator

**Energy carrier**

Electricity

**Low-carbon technology type**

Large hydropower (>25 MW)

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

205422

**Tracking instrument used**

Other, please specify (Supplier certifies renewable energy provided annually with an external third party)

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

Peru

**Are you able to report the commissioning or re-powering year of the energy generation facility?**

Yes

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2010

**Comment**

Supplier has emitted a certificate for the renewable energy in 2022

---

**Country/area of low-carbon energy consumption**

Argentina

**Sourcing method**

Physical power purchase agreement (physical PPA) with a grid-connected generator

**Energy carrier**

Electricity

**Low-carbon technology type**

Wind

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

50677

**Tracking instrument used**

Contract

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

Argentina

**Are you able to report the commissioning or re-powering year of the energy generation facility?**

Yes

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2018

**Comment**

Supplier has emitted a certificate for the renewable energy in 2022.

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C8.2g

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(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

<b>Country/area</b> Peru
<b>Consumption of purchased electricity (MWh)</b> 252448
<b>Consumption of self-generated electricity (MWh)</b> 0
<b>Is this electricity consumption excluded from your RE100 commitment?</b> <Not Applicable>
<b>Consumption of purchased heat, steam, and cooling (MWh)</b> 0
<b>Consumption of self-generated heat, steam, and cooling (MWh)</b> 0
<b>Total non-fuel energy consumption (MWh) [Auto-calculated]</b> 252448
<b>Country/area</b> Argentina
<b>Consumption of purchased electricity (MWh)</b> 65486
<b>Consumption of self-generated electricity (MWh)</b> 0
<b>Is this electricity consumption excluded from your RE100 commitment?</b> <Not Applicable>
<b>Consumption of purchased heat, steam, and cooling (MWh)</b> 0
<b>Consumption of self-generated heat, steam, and cooling (MWh)</b> 0
<b>Total non-fuel energy consumption (MWh) [Auto-calculated]</b> 65486
<b>Country/area</b> United Kingdom of Great Britain and Northern Ireland
<b>Consumption of purchased electricity (MWh)</b> 8
<b>Consumption of self-generated electricity (MWh)</b> 0
<b>Is this electricity consumption excluded from your RE100 commitment?</b> <Not Applicable>
<b>Consumption of purchased heat, steam, and cooling (MWh)</b> 0
<b>Consumption of self-generated heat, steam, and cooling (MWh)</b> 0
<b>Total non-fuel energy consumption (MWh) [Auto-calculated]</b> 8

C9. Additional metrics

C9.1



**(C9.1) Provide any additional climate-related metrics relevant to your business.**

**Description**

Energy usage

**Metric value**

0.13

**Metric numerator**

317,942 MWh of purchased energy

**Metric denominator (intensity metric only)**

2,396,165 tonnes, ore production

**% change from previous year**

7

**Direction of change**

Increased

**Please explain**

Slight increase of total purchased energy (2022: 0.13; 2021: 0.12) due to production requirements.

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**C-MM9.3a**

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**(C-MM9.3a) Provide details on the commodities relevant to the mining production activities of your organization.**

**Output product**

Gold

**Capacity, metric tons**

3230250

**Production, metric tons**

2396165

**Production, copper-equivalent units (metric tons)**

49905

**Scope 1 emissions**

4349

**Scope 2 emissions**

2690

**Scope 2 emissions approach**

Market-based

**Pricing methodology for copper-equivalent figure**

Gold conversion factor for the calculation of the copper-equivalent figure based on prices (gold 1,798 \$/oz and copper 0.27 \$/oz).

**Comment**

Capacity, metric tons and Production, metric tons are in metric tonnes of processed ore.

Production, copper-equivalent corresponds only to the production of gold. Emissions for the operations (Inmaculada, San José, Pallancata and Selene) were allocated referentially taking Pallancata (mine) and Selene (processing plant) as the base, since their emissions are calculated separately. Allocation of emissions by metal was calculated based on the production of gold and silver in koz.

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**Output product**

Silver

**Capacity, metric tons**

3230250

**Production, metric tons**

2396165

**Production, copper-equivalent units (metric tons)**

33261

**Scope 1 emissions**

2899

**Scope 2 emissions**

1793

**Scope 2 emissions approach**

Market-based

**Pricing methodology for copper-equivalent figure**

Gold conversion factor for the calculation of the copper-equivalent figure based on prices (silver 22 \$/oz and copper 0.27 \$/oz).

**Comment**

Capacity, metric tons and Production, metric tons are in metric tonnes of processed ore.

Production, copper-equivalent corresponds only to the production of gold. Emissions for the operations (Inmaculada, San José, Pallancata and Selene) were allocated referentially taking Pallancata (mine) and Selene (processing plant) as the base, since their emissions are calculated separately. Allocation of emissions by metal was calculated based on the production of gold and silver in koz.

---

(C-MM9.3b) Provide details on the commodities relevant to the metals production activities of your organization.

Output product

Gold

Capacity (metric tons)

3230250

Production (metric tons)

2396165

Annual production in copper-equivalent units (thousand tons)

49905

Scope 1 emissions (metric tons CO2e)

22226

Scope 2 emissions (metric tons CO2e)

5097

Scope 2 emissions approach

Market-based

Pricing methodology for-copper equivalent figure

Gold conversion factor for the calculation of the copper-equivalent figure based on prices (gold 1,798 \$/oz and copper 0.27 \$/oz).

Comment

Capacity, metric tons and Production, metric tons are in metric tonnes of processed ore.  
Production, copper-equivalent corresponds only to the production of gold. Emissions for the operations (Inmaculada, San José, Pallancata and Selene) were allocated referentially taking Pallancata (mine) and Selene (processing plant) as the base, since their emissions are calculated separately. Allocation of emissions by metal was calculated based on the production of gold and silver in koz.

Output product

Silver

Capacity (metric tons)

3230250

Production (metric tons)

2396165

Annual production in copper-equivalent units (thousand tons)

33261

Scope 1 emissions (metric tons CO2e)

14814

Scope 2 emissions (metric tons CO2e)

3397

Scope 2 emissions approach

Market-based

Pricing methodology for-copper equivalent figure

Gold conversion factor for the calculation of the copper-equivalent figure based on prices (silver 22 \$/oz and copper 0.27 \$/oz).

Comment

Capacity, metric tons and Production, metric tons are in metric tonnes of processed ore.  
Production, copper-equivalent corresponds only to the production of gold. Emissions for the operations (Inmaculada, San José, Pallancata and Selene) were allocated referentially taking Pallancata (mine) and Selene (processing plant) as the base, since their emissions are calculated separately. Allocation of emissions by metal was calculated based on the production of gold and silver in koz.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	No	In 2023 as part of the implementation of the carbon roadmap, carbon reduction mechanisms will be evaluated.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

## C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Y

Dec 2022 ISO 14064-1 PALLACANTA 2022 PE.VER916.pdf

Dec 2022 ISO 14064-1 SELENE 2022 PE.VER916.pdf

Dec 2022 ISO 14064-1 SAN JOSE 2022 PE.VER916.pdf

Dec 2022 ISO 14064-1 IMMACULADA 2022 PE.VER916.pdf

2021 HC\_Hoch\_SanJose (1).pdf

2021 HC\_Hoch\_Selene (1).pdf

2021 HC\_Hoch\_Inmaculada (1).pdf

2021 HC\_Hoch\_Pallancata (1).pdf

**Page/ section reference**

Attached the certificates of the 2021 and 2022 verification of scopes 1, 2 and 3 of operating mines (In the 2021 survey we attached draft versions, as the final certificates had not been emitted yet).

Page 1 has location-based emissions and page 3 has location- and market-based emissions.

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

98

## C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

**Scope 2 approach**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Y

Dec 2022 ISO 14064-1 PALLACANTA 2022 PE.VER916.pdf

Dec 2022 ISO 14064-1 SELENE 2022 PE.VER916.pdf

Dec 2022 ISO 14064-1 SAN JOSE 2022 PE.VER916.pdf

Dec 2022 ISO 14064-1 IMMACULADA 2022 PE.VER916.pdf

Draft Dec 2022 ISO 14064-1 SAN JOSE 2022 PE.VER916.pdf

2021 HC\_Hoch\_SanJose (1).pdf

2021 HC\_Hoch\_Selene (1).pdf

2021 HC\_Hoch\_Inmaculada (1).pdf

2021 HC\_Hoch\_Pallancata (1).pdf

**Page/ section reference**

Attached the certificates of the 2021 and 2022 verification of scopes 1, 2 and 3 of operating mines (In the 2021 survey we attached draft versions, as the final certificates had not been emitted yet).

Page 1 has location-based emissions and page 3 has location- and market-based emissions.

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

97

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**Scope 2 approach**

Scope 2 market-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Y

Dec 2022 ISO 14064-1 PALLACANTA 2022 PE.VER916.pdf

Dec 2022 ISO 14064-1 SELENE 2022 PE.VER916.pdf

Dec 2022 ISO 14064-1 SAN JOSE 2022 PE.VER916.pdf

Dec 2022 ISO 14064-1 IMMACULADA 2022 PE.VER916.pdf

Draft Dec 2022 ISO 14064-1 SAN JOSE 2022 PE.VER916.pdf

2021 HC\_Hoch\_SanJose (1).pdf

2021 HC\_Hoch\_Selene (1).pdf

2021 HC\_Hoch\_Inmaculada (1).pdf

2021 HC\_Hoch\_Pallancata (1).pdf

**Page/ section reference**

Attached the certificates of the 2021 and 2022 verification of scopes 1, 2 and 3 of operating mines (In the 2021 survey we attached draft versions, as the final certificates had not been emitted yet).

Page 1 has location-based emissions and page 3 has location- and market-based emissions.

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

97

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**C10.1c**

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(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

**Scope 3 category**

Scope 3: Purchased goods and services  
Scope 3: Upstream transportation and distribution  
Scope 3: Waste generated in operations  
Scope 3: Business travel  
Scope 3: Employee commuting  
Scope 3: Downstream transportation and distribution

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Y

Dec 2022 ISO 14064-1 PALLACANTA 2022 PE.VER916.pdf  
Dec 2022 ISO 14064-1 SELENE 2022 PE.VER916.pdf  
Dec 2022 ISO 14064-1 SAN JOSE 2022 PE.VER916.pdf  
Dec 2022 ISO 14064-1 IMMACULADA 2022 PE.VER916.pdf  
Draft Dec 2022 ISO 14064-1 SAN JOSE 2022 PE.VER916.pdf  
2021 HC\_Hoch\_SanJose (1).pdf  
2021 HC\_Hoch\_Selene (1).pdf  
2021 HC\_Hoch\_Inmaculada (1).pdf  
2021 HC\_Hoch\_Pallancata (1).pdf

**Page/section reference**

Attached the certificates of the 2021 and 2022 verification of scopes 1, 2 and 3 of operating mines (In the 2021 survey we attached draft versions, as the final certificates had not been emitted yet).  
Page 1 has location-based emissions and page 3 has location- and market-based emissions.

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

94

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Waste data	International Standard on Related Services (ISRS) 4400	The 2022 Eco Score results were independently assured by EY Peru. Waste generation is part of the ECO Score. This can be found in page 58 of the 2022 Annual Report (attached).

2022AR-annual-report-final (1).pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

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**(C11.3) Does your organization use an internal price on carbon?**  
No, but we anticipate doing so in the next two years

C12. Engagement

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C12.1

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**(C12.1) Do you engage with your value chain on climate-related issues?**  
Yes, our suppliers

C12.1a

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**(C12.1a) Provide details of your climate-related supplier engagement strategy.**

**Type of engagement**  
Information collection (understanding supplier behavior)

**Details of engagement**  
Collect GHG emissions data at least annually from suppliers

**% of suppliers by number**  
1

**% total procurement spend (direct and indirect)**  
14

**% of supplier-related Scope 3 emissions as reported in C6.5**  
68

**Rationale for the coverage of your engagement**  
Our onsite contractor and freight transportation activities account for 34% of total organizational GHG emissions and 68% of Scope 3 GHG emission. Without engaging and collaborating with these entities to reduce GHG emissions, Hochschild will not be able to achieve our renewable and GHG targets. As such, we are working with the HOC Transportation Committee, that includes Peruvian land transportation companies, with meetings every 3 months and to track progress on reporting. The 1% of suppliers by number and 14% total procurement spend (direct and indirect) reflect Peruvian suppliers only.

**Impact of engagement, including measures of success**  
Data collected was used for the 2022 Scope 3 emissions calculation by fuel use and distances.

**Comment**  
The HOC Transportation Committee includes all transportations contractors, such as large companies and smaller community managed companies.

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C12.2

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**(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?**  
No, but we plan to introduce climate-related requirements within the next two years

C12.3

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(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

**External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

**Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?**

No, but we plan to have one in the next two years

**Attach commitment or position statement(s)**

<Not Applicable>

**Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan**

We have developed a carbon strategy that sets out the guidelines to put us on a path towards net zero operations.

**Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

## C12.3b

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(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

**Trade association**

Other, please specify (Sociedad Nacional de Minería, Petróleo y Energía (Peru))

**Is your organization's position on climate change policy consistent with theirs?**

Consistent

**Has your organization attempted to influence their position in the reporting year?**

Yes, we publicly promoted their current position

**Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position**

Currently this association is in the information collection phase of the participating companies.

**Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)**

0

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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## C12.4

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(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

Y

2022AR-annual-report-final (1).pdf

Page/Section reference

2022 Annual Report:  
- Sustainability section: 50-67  
- TCFD disclosure: 68-74  
- Net zero target: 58, 83

Content elements

Strategy  
Risks & opportunities  
Emissions figures  
Emission targets

Comment

The 2022 Annual Report includes a sustainability section with climate change as a material topic.

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Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

Y

2021SR final-hochschild-sustainability-report-2021\_interactive (2).pdf

Page/Section reference

2021 Sustainability report (published in August 2022)  
- Material topic: 3. Climate change resilience: 38-40  
- TCFD summary: 40  
- Net zero target: 39

Content elements

Governance  
Risks & opportunities  
Emissions figures  
Emission targets

Comment

The Sustainability Report will be published every two years. In the off year, the Sustainability Report will be issued within the Annual Report (see Annual Report 2022).  
This report has been prepared in accordance with the 'Core' option of the Global Reporting Initiative Standards ('GRI'), and was independently assured by PWC (assurance report in page 80).

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C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization’s role within each framework, initiative and/or commitment
Row 1	Task Force on Climate-related Financial Disclosures (TCFD)	TCFD supporter, as can be seen on their website ( <a href="https://www.fsb-tcf.org/supporters/">https://www.fsb-tcf.org/supporters/</a> )

C15. Biodiversity

C15.1



**(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?**

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	<p>Sustainability Committee</p> <p>Participates on the Sustainability Committee which has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal &amp; Corporate Affairs, and of Human Resources.</p> <p>The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes biodiversity, as they affect the Company's operations. For example, yearly ECO Score targets are recommended by management, and these are presented to the Sustainability Committee for review and consideration. After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required.</p> <p>Chair of the Sustainability Committee and Chief Executive Officer (CEO) participate on the Sustainability Committee</p> <p>In 2022, our Environmental Policy was updated in February and now includes specific provisions regarding protection of biodiversity.</p>	<Not Applicable>

**C15.2****(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?**

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments only	Other, please specify (Protect biodiversity and natural resources in the areas where the Company carries out its activities.)	<Not Applicable>

**C15.3****(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?****Impacts on biodiversity****Indicate whether your organization undertakes this type of assessment**

No, but we plan to within the next two years

**Value chain stage(s) covered**

&lt;Not Applicable&gt;

**Portfolio activity**

&lt;Not Applicable&gt;

**Tools and methods to assess impacts and/or dependencies on biodiversity**

&lt;Not Applicable&gt;

**Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)**

&lt;Not Applicable&gt;

**Dependencies on biodiversity****Indicate whether your organization undertakes this type of assessment**

No, but we plan to within the next two years

**Value chain stage(s) covered**

&lt;Not Applicable&gt;

**Portfolio activity**

&lt;Not Applicable&gt;

**Tools and methods to assess impacts and/or dependencies on biodiversity**

&lt;Not Applicable&gt;

**Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)**

&lt;Not Applicable&gt;

**C15.4****(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?**

Yes

**C15.4a**

**(C15.4a) Provide details of your organization's activities in the reporting year located in or near to biodiversity -sensitive areas.**

**Classification of biodiversity -sensitive area**

Other biodiversity sensitive area, please specify (Natural Protected Area)

**Country/area**

Peru

**Name of the biodiversity-sensitive area**

Landscape Reserve Sub Cuenca del Cotahuasi

**Proximity**

Up to 5 km

**Briefly describe your organization's activities in the reporting year located in or near to the selected area**

Arcata is located 1.34 km from the Landscape Reserve Sub Cuenca del Cotahuasi. Arcata did not operate in 2022 and is under temporary suspension until resources are confirmed.

Additionally, Ares, Inmaculada, Pallancata and Selene are located between 20-23 km

**Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity**

No

**Mitigation measures implemented within the selected area**

<Not Applicable>

**Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented**

The topic of biodiversity is critical in our monitoring and planning of activities within our operations reflected by its explicit inclusion in the revised 2022 Environmental Policy. We conduct detailed baseline studies which allows us to implement appropriate monitoring plans. At each mining unit we have consultants conducting specialist research, bi-annually, during rainy and dry seasons to monitor and maintain the biodiversity of our surroundings.

**C15.5**

**(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?**

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years	<Not Applicable>

**C15.6**

**(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?**

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	State and benefit indicators Other, please specify (biodiversity indexes, based on monitoring results)

**C15.7**

**(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In mainstream financial reports	Content of biodiversity-related policies or commitments Impacts on biodiversity	2021 Sustainability Report: page 42-23, Material Topic 5. Safeguarding natural resources 2022 Annual Report: page 60 2021SR final-hochschild-sustainability-report-2021_interactive (2).pdf 2022AR-annual-report-final (1).pdf

**C16. Signoff**

**C-FI**

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

We include references to the 2021 Sustainability report since it was published in August 2022, and was not included in last year's CDP Climate questionnaire. The Company will publish Sustainability reports every two years. In the off year, the Sustainability Report will be issued within the Annual Report (see Annual Report 2022).

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	VP, Legal and Corporate Affairs	Other C-Suite Officer

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Hochschild is a leading underground precious metals producer focusing on high grade silver and gold deposits, with over 50 years' operating experience in the Americas. We currently operate three underground mines, two located in southern Peru and one in southern Argentina. A fourth mine- Arcata did not operate in 2022 and is under temporary suspension until resources are confirmed. All of our underground operations are epithermal vein mines and the principal mining method used is cut and fill. The ore at our operations is processed into silver-gold concentrate or dore.

Hochschild Mining plc is listed on the Main Market of the London Stock Exchange and is headquartered in Lima, Peru. In addition, the Group has an office in Argentina and a corporate office in London.

In 2022, Hochschild produced 11.0 million attributable ounces of silver and 206 hundred thousand attributable ounces of gold. This compared with 12.2 million attributable ounces of silver and 221.4 hundred thousand attributable ounces of gold in 2021. The emissions intensity, per thousand ounces of total silver equivalent produced, was 3.64 (location-based) and 1.88 (market-based) in 2022, compared with 3.11 (location-based) and 1.76 (market-based) in 2021.

Hochschild have been measuring their carbon footprint since 2012. GHG accounting includes Scope 1 (combustion of fuel and operation of facilities) and Scope 2 (purchased electricity). Scope 1 and 2 emissions (market based) in 2022 were 58,763 tCO2e, compared with 59,159 tCO2e in 2021. The carbon footprint for the operational mines is verified externally since 2020 (scope 3 included since 2021).

W-MM0.1a/W-CO0.1a

(W-MM0.1a/W-CO0.1a) Which activities in the metals and mining and coal sectors does your organization engage in?

Activity	Details of activity
Mining	Gold Silver
Processing	Gold Silver

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2022	December 31 2022

W0.3

(W0.3) Select the countries/areas in which you operate.

Argentina  
Brazil  
Peru

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.	
Exclusion	Please explain
Only including water consumption from operating mines.	Only including operating mines, since closed/suspended mines use water mainly for human consumption, and discharges from non-domestic use are not related to production

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?	
Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	GB00B1FW5029

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.			
	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Important	There are only a few production processes in operating mines that require good quality freshwater. Due to the importance of water, we include potable water consumption as part of the ECO Score indicators. It originally had a target of 250 liters per person per day of potable water, and from 2023, we set a new target of 193 liters per person per day. We are also working towards increasing the amount of water recirculated in processing plants in order to reduce freshwater intake. Additionally, we have set interim targets to 2030, which incorporate water-related targets such as water recycling, and will be presented to the Board for approval in August 2023.
Sufficient amounts of recycled, brackish and/or produced water available for use	Vital	Vital	The bulk of operational water needs at our operations are met by recycled water (on average around 84%) within closed systems. Where insufficient recycled water is available to counter losses, we utilize freshwater.

W1.2

**(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?**

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volumes	100%	Continuously	We measure water withdrawals using flowmeters.	Water withdrawals are regulated by the National Water Authority in Peru, which grants permits on previously defined and approved volumes of water in the environmental permits. Water withdrawals are regularly reported to the authority. In Argentina, all wells must have an authorization from the Provincial Water Authority.
Water withdrawals – volumes by source	100%	Continuously	We measure water withdrawals using flowmeters.	Water withdrawals are regulated by the National Water Authority in Peru, which grants permits on previously defined and approved volumes of water in the environmental permits. Water withdrawals are regularly reported to the authority. In Argentina, all wells must have an authorization from the Provincial Water Authority.
Entrained water associated with your metals & mining and/or coal sector activities - total volumes [only metals and mining and coal sectors]	Not monitored	<Not Applicable>	<Not Applicable>	Entrained water associated with the metals & mining sectors are between 0.3 - 24%
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Water withdrawals quality	100%	Quarterly	Water quality is sampled onsite and sent to an accredited laboratory for testing.	Water withdrawals are monitored according to the source and use, especially for human consumption.
Water discharges – total volumes	100%	Continuously	We measure discharge volumes with installed flowmeters.	We monitor discharge using flowmeters - this data is reported to the Regulator
Water discharges – volumes by destination	100%	Continuously	We measure discharge volumes with installed flowmeters.	We monitor discharge using flowmeters - this data is reported to the Regulator
Water discharges – volumes by treatment method	100%	Continuously	We measure discharge volumes with installed flowmeters.	We monitor discharge using flowmeters - this data is reported to the Regulator
Water discharge quality – by standard effluent parameters	100%	Monthly	Water discharge quality is monitored at the site level and taking samplers for lab testing.	We monitor discharge quality to ensure compliance with maximum permissible limits - this data is reported to the Regulator
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	Not monitored	<Not Applicable>	<Not Applicable>	Not relevant for the processes associated with mineral mining and processing. Water discharge quality complies with national regulations.
Water discharge quality – temperature	100%	Monthly	Water quality is sampled onsite and sent to an accredited laboratory for testing.	We monitor discharge quality to ensure compliance with maximum permissible limits - this data is reported to the Regulator
Water consumption – total volume	100%	Continuously	We measure volumes with flowmeters.	We monitor water consumption using flowmeters - this data is reported to the Regulator
Water recycled/reused	100%	Continuously	We measure discharge volumes with flowmeters.	We monitor water consumption using flowmeters - this data is reported to the Regulator
The provision of fully-functioning, safely managed WASH services to all workers	100%	Continuously	We monitor water quantity continuously and control water quality with testing at an accredited laboratory.	It is a priority to ensure the quality of water available to all employees.

**W1.2b**

**(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?**

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	2483.9	Higher	Increase/decrease in efficiency	Lower	Increase/decrease in efficiency	Total withdrawals increased by 8%. This was caused mainly due to the Water recovery plant in San Jose, which was not fully operative in the first quarter of 2022. This plant provides recycled water to the processing plant from tailings, thus reducing freshwater withdrawals. Additionally, we have defined 2030 interim ESG targets, including reduction of freshwater use at the processing plants. These will be presented to the Board in August 2023 for approval. With the target in place and the water recovery plant in San Jose fully functional, we expect increased water recycling and reduced water withdrawals. This volume does not include the Mara Rosa Project in Brazil, which will be included once it begins operations.
Total discharges	3277.24	Lower	Increase/decrease in efficiency	Lower	Investment in water-smart technology/process	Total discharges decreased by 16% mainly due to efforts to increase water reuse and the reduction of treated water discharge from the TSF in Pallancata. Additionally, we have defined 2030 interim ESG targets, including reduction of freshwater use at the processing plants. These will be presented to the Board in August 2023 for approval. With the target in place, we expect increased water recycling and reduced water discharge.
Total consumption	-793.34	Lower	Increase/decrease in efficiency	Lower	Increase/decrease in efficiency	Calculated as per the technical note, by subtracting the total water discharge from organizational boundary from total water withdrawn into the organizational boundary during the reporting period.

**W1.2d**

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Identification tool	Please explain
Row 1	Yes	51-75	About the same	Increase/decrease in efficiency	Lower	Increase/decrease in efficiency	WRI Aqueduct	According to the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI), Inmaculada is in a high, and Selene in a medium-to-high baseline water stress areas. Selene already recirculates 99% of water for the processing plant, with a minimum of freshwater withdrawal. Inmaculada is at 78%, and investigation is underway to continue reducing withdrawals. In the 2021 disclosure we included San Jose in the % withdrawn from areas with water stress, however, it is not identified as such by the WRI.

## W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	86.14	Lower	Change in accounting methodology	Fresh surface water withdrawals decreased in 2022 for the Pallancata mine.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	0
Groundwater – renewable	Relevant	2397.75	Higher	Increase/decrease in efficiency	Groundwater withdrawals increased by 8%, mainly due to groundwater withdrawal permit approved in 2022 for Pallancata mine.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	0
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	0
Third party sources	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	0

## W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	Relevant	3277.24	Lower	Investment in water-smart technology/process	Total discharges decreased by 16% mainly due to efforts to increase water reuse and the reduction of the treated water discharge from the TSF in Pallancata.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	0
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	0
Third-party destinations	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	0

## W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	Primary reason for comparison with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Relevant	3215.08	Lower	Increase/decrease in efficiency	100%	Discharges decreased by 16%. Industrial water discharged to the environment receives treatment according to its specific characteristics, in order to comply with maximum permissible limits.
Secondary treatment	Relevant	62.16	Lower	Investment in water-smart technology/process	100%	All domestic wastewater is treated in order to comply with regulations before discharge. Discharges decreased by 7% due to reduced potable water use and water reuse efforts, reducing domestic wastewater discharge.
Primary treatment only	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	0
Discharge to the natural environment without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	0
Discharge to a third party without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	0
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	0

## W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	765643000	2483.9	308242.280285036	We aim to reduce water withdrawal in the future. In addition to the domestic water consumption target applied at the mine sites, we have set a new target to 2030 to reduce freshwater use in the processing plants and increase water reuse. This will be presented to the Board in August 2023 for approval.

## W-MM1.3/W-CO1.3

(W-MM1.3/W-CO1.3) Do you calculate water intensity information for your metals and mining activities?

Yes

## W-MM1.3a/W-CO1.3a

(W-MM1.3a/W-CO1.3a) For your top 5 products by revenue, provide the following intensity information associated with your metals and mining activities.

Product name	Numerator: Water aspect	Denominator	Comparison with previous reporting year	Please explain
1.037 m3 Freshwater withdrawal/tonnes of ore processed	Freshwater withdrawals	Ton of ore processed	Higher	2,483,890 m3 freshwater (surface water and groundwater) withdrawal/ 2,396,165 tonnes of ore processed.

## W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
Row 1	No	Our products are gold and silver concentrate and dore. Hazardous wastes generated as part of the processing are handled according with best industry practices and national permits.

## W1.5

(W1.5) Do you engage with your value chain on water-related issues?

	Engagement	Primary reason for no engagement	Please explain
Suppliers	Yes	<Not Applicable>	<Not Applicable>
Other value chain partners (e.g., customers)	No	Important but not an immediate business priority	-

## W1.5a

(W1.5a) Do you assess your suppliers according to their impact on water security?

Row 1

### Assessment of supplier impact

No, we do not assess the impact of our suppliers and have no plans to do so within the next two years

### Considered in assessment

<Not Applicable>

### Number of suppliers identified as having a substantive impact

<Not Applicable>

### % of total suppliers identified as having a substantive impact

<Not Applicable>

### Please explain

Onsite suppliers contribute towards the ECO Score results and goals, including the water consumption indicator. In this way they are part of the monthly assessment carried out for each mining site.

## W1.5b



(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization's purchasing process?

	Suppliers have to meet specific water-related requirements	Comment
Row 1	Yes, water-related requirements are included in our supplier contracts	<Not Applicable>

W1.5c

(W1.5c) Provide details of the water-related requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

**Water-related requirement**

Complying with going beyond water-related regulatory requirements

**% of suppliers with a substantive impact required to comply with this water-related requirement**

<Not Applicable>

**% of suppliers with a substantive impact in compliance with this water-related requirement**

<Not Applicable>

**Mechanisms for monitoring compliance with this water-related requirement**

Supplier scorecard or rating

**Response to supplier non-compliance with this water-related requirement**

Retain and engage

**Comment**

Onsite suppliers contribute towards the ECO Score results and goals, including the water consumption indicator. In this way they are part of the monthly assessment carried out for each mining site. In addition, as part of the ECO Score, there are monthly inspections to onsite areas where they work, in order to verify environmental compliance, including responsible use of water.

W1.5d

(W1.5d) Provide details of any other water-related supplier engagement activity.

**Type of engagement**

Incentivization

**Details of engagement**

Incentivize demonstrable progress against targets on WASH in your supplier relationship management

**% of suppliers by number**

1-25

**% of suppliers with a substantive impact**

<Not Applicable>

**Rationale for your engagement**

Water use of all onsite personnel, including contractors, is measured. Domestic water use is reflected in the ECO Score. In this regard, these contractors are part of the ECO Score communication campaigns. If higher than usual use is detected, or exceeding Company targets, an action plan is requested to reach the set target.

**Impact of the engagement and measures of success**

In 2022 we have saved 515 thousand m3 of drinking water at our mine sites, for a total of 2.12 million m3 saved since 2015.

**Comment**

-

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Fines, enforcement orders, and/or other penalties	Comment
Row 1	No	<Not Applicable>	-

## W3. Procedures

### W3.1

(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

	Identification and classification of potential water pollutants	How potential water pollutants are identified and classified	Please explain
Row 1	Yes, we identify and classify our potential water pollutants	We closely monitored over 2,000 parameters measured each year in our water discharges to the environment. We analyzed all the parameters and compared them with the national maximum permissible limits,	<Not Applicable>

### W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

#### Water pollutant category

Inorganic pollutants

#### Description of water pollutant and potential impacts

Due to the nature of the mining and processing activities, there may be presence of metals or other inorganic pollutants in the wastewater, which can cause harm to the environment if discharged above certain concentrations.

#### Value chain stage

Direct operations

#### Actions and procedures to minimize adverse impacts

Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

#### Please explain

Each mine has water treatment plants and systems implemented designed specifically to ensure each discharge to the environment complies with all regulations and permits. This is assessed on a site-by-site basis, ranging from physical-chemical treatment to reverse osmosis, as needed.

## W-MM3.2/W-CO3.2

(W-MM3.2/W-CO3.2) By river basin, what number of active and inactive tailings dams are within your control?

Country/Area & River basin	Number of tailings dams in operation	Number of inactive tailings dams	Comment
Peru Other, please specify (Camana)	0	4	Ares - Presa de Relaves: undergoing closure - currently dewatering Arcata - Presa de Relaves No. 6: Care and Maintenance - Inactive due to temporary suspension of operations - Presa de Relaves 1 - 4: Undergoing Closure - Inactive - Presa de Relaves No. 5: Closed
Peru Ocona	2	0	Pallancata - Presa de Relaves No. 3: active Inmaculada - Presa de Relaves: active
Peru Other, please specify (Interbasin Alto Apurimac)	0	2	Selene - Presa de Relaves No. 1: Undergoing Closure - Inactive - Presa de Relaves No. 2: Undergoing Closure - Inactive
Argentina Other, please specify (Rio Deseado)	2	1	San José - Presa de Relaves No. 1: Care and Maintenance - Inactive - Presa de Relaves No. 2: Active - Presa de Relaves No. 3: Active

## W-MM3.2a/W-CO3.2a

(W-MM3.2a/W-CO3.2a) Do you evaluate and classify the tailings dams under your control according to the consequences of their failure to human health and ecosystems?

	Evaluation of the consequences of tailings dam failure	Evaluation/Classification guideline(s)	Tailings dams have been classified as 'hazardous' or 'highly hazardous'	Please explain
Row 1	Yes, we evaluate the consequences of tailings dam failure	Other, please specify (ICMM (2020) Global Industry Standard on Tailings Management)	Yes, tailings dams have been classified as 'hazardous' or 'highly hazardous' (or equivalent)	Tailings dams in Peru were classified as high or very high under the ICMM (2020) as updated in the Church of England Pensions Board disclosure (2022) available on the company website ( <a href="https://www.hochschildmining.com/media/wt5bs313/church-of-england-info-request-v090622.pdf">https://www.hochschildmining.com/media/wt5bs313/church-of-england-info-request-v090622.pdf</a> ). This is due mainly to the Andean topography and proximity to population. We continue to implement robust systems to manage TSFs which are assessed regularly. We have a policy for commissioning external inspections of operational facilities every two years. Our last audit took place in Q3 2021 and concluded that all dams were stable, with only minor maintenance-related observations. An action plan addressed these issues in 2022. Our next audit is scheduled for 2023

W-MM3.2b/W-CO3.2b

(W-MM3.2b/W-CO3.2b) Provide details for all dams classified as 'hazardous' or 'highly hazardous'.

Tailings dam name/identifier

Ares Presa de Relaves

Country/Area & River basin

Peru	Other, please specify (Camana)
------	--------------------------------

Latitude

-15.036

Longitude

-72.173

Hazard classification

High

Guideline(s) used

Other, please specify (ICMM (2020) Global Industry Standard on Tailings Management)

Tailings dam's activity

Inactive

Current tailings storage impoundment volume (Mm3)

4.1

Planned tailings storage impoundment volume in 5 years (Mm3)

4.1

Please explain

TSF is currently being dewatered for closure, using advanced technology to be able to discharge water to the environment in compliance with the national discharge maximum permissible limits. Volume of tailings will not be increased.

We have comprehensive, Group-wide principles which guide our approach to the management of TSFs, which include:

- Implement an accountable TSF management structure
- Apply appropriate risk management strategies;
- Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;
- Take a safety-first approach in ensuring the responsible management of TSFs;
- Design and implement the necessary measures in the event of an emergency; and
- Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

Tailings dam name/identifier

Arcata Presa de Relaves 1 - 4

Country/Area & River basin

Peru	Other, please specify (Camana)
------	--------------------------------

Latitude

-14.988

Longitude

-72.308

Hazard classification

Very high

Guideline(s) used

Other, please specify (ICMM (2020) Global Industry Standard on Tailings Management)

Tailings dam's activity

Inactive

**Current tailings storage impoundment volume (Mm3)**

0.44

**Planned tailings storage impoundment volume in 5 years (Mm3)**

0.44

**Please explain**

TSF is currently undergoing closure, as reported in the updated Church of England Pensions Board disclosure available on the company website. Volume will not be increased.

We have comprehensive, Group-wide principles which guide our approach to the management of TSFs, which include:

- Implement an accountable TSF management structure
- Apply appropriate risk management strategies;
- Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;
- Take a safety-first approach in ensuring the responsible management of TSFs;
- Design and implement the necessary measures in the event of an emergency; and
- Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

**Tailings dam name/identifier**

Arcata Presa de Relaves No. 5

**Country/Area & River basin**

Peru	Other, please specify (Camana)
------	--------------------------------

**Latitude**

-14.99091

**Longitude**

-72.30946

**Hazard classification**

Very High

**Guideline(s) used**

Other, please specify (ICMM (2020) Global Industry Standard on Tailings Management)

**Tailings dam's activity**

Inactive

**Current tailings storage impoundment volume (Mm3)**

1.01

**Planned tailings storage impoundment volume in 5 years (Mm3)**

1.01

**Please explain**

TSF is currently closed as reported in the updated Church of England Pensions Board disclosure available on the company website. Volume will not be increased.

We have comprehensive, Group-wide principles which guide our approach to the management of TSFs, which include:

- Implement an accountable TSF management structure
- Apply appropriate risk management strategies;
- Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;
- Take a safety-first approach in ensuring the responsible management of TSFs;
- Design and implement the necessary measures in the event of an emergency; and
- Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

**Tailings dam name/identifier**

Arcata Presa de Relaves No. 6

**Country/Area & River basin**

Peru	Other, please specify (Camana)
------	--------------------------------

**Latitude**

-14.98888

**Longitude**

-72.323396

**Hazard classification**

Very High

**Guideline(s) used**

Other, please specify (ICMM (2020) Global Industry Standard on Tailings Management)

**Tailings dam's activity**

Inactive

**Current tailings storage impoundment volume (Mm3)**

2.43

**Planned tailings storage impoundment volume in 5 years (Mm3)**

2.43

**Please explain**

Activities at Arcata are currently suspended, and the TSF is not operating. For the Church of England disclosure, we have considered that volume will not be increased. We have comprehensive, Group-wide principles which guide our approach to the management of TSFs, which include:

- Implement an accountable TSF management structure
- Apply appropriate risk management strategies;
- Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;
- Take a safety-first approach in ensuring the responsible management of TSFs;
- Design and implement the necessary measures in the event of an emergency; and
- Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

**Tailings dam name/identifier**

Selene Presa de Relaves No. 1

**Country/Area & River basin**

Peru	Other, please specify (Interbasin Alto Apurimac)
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**Latitude**

-14.658814

**Longitude**

-73.142156

**Hazard classification**

High

**Guideline(s) used**

Other, please specify (ICMM (2020) Global Industry Standard on Tailings Management)

**Tailings dam's activity**

Inactive

**Current tailings storage impoundment volume (Mm3)**

1.85

**Planned tailings storage impoundment volume in 5 years (Mm3)**

2.12

**Please explain**

Tailings pond is currently undergoing closure, as reported in the updated Church of England Pensions Board disclosure available on the company website. Volume of tailings is considered to increase as part of the closure process.

We have comprehensive, Group-wide principles which guide our approach to the management of TSFs, which include:

- Implement an accountable TSF management structure
- Apply appropriate risk management strategies;
- Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;
- Take a safety-first approach in ensuring the responsible management of TSFs;
- Design and implement the necessary measures in the event of an emergency; and
- Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

**Tailings dam name/identifier**

Selene Presa de Relaves No. 2

**Country/Area & River basin**

Peru	Other, please specify (Interbasin Alto Apurimac)
------	--

**Latitude**

-14.660656

**Longitude**

-73.139718

**Hazard classification**

High

**Guideline(s) used**

Other, please specify (Interbasin Alto Apurimac)

**Tailings dam's activity**

Inactive

**Current tailings storage impoundment volume (Mm3)**

1.4

**Planned tailings storage impoundment volume in 5 years (Mm3)**

1.58

**Please explain**

Tailings pond is currently undergoing closure, as reported in the updated Church of England Pensions Board disclosure available on the company website. Volume of tailings is considered to increase as part of the closure process.

We have comprehensive, Group-wide principles which guide our approach to the management of TSFs, which include:

- Implement an accountable TSF management structure

- Apply appropriate risk management strategies;
- Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;
- Take a safety-first approach in ensuring the responsible management of TSFs;
- Design and implement the necessary measures in the event of an emergency; and
- Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

#### Tailings dam name/identifier

Pallancata Presa de Relaves No. 3

#### Country/Area & River basin

Peru	Ocona
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#### Latitude

-14.68444

#### Longitude

-73.145143

#### Hazard classification

Very High

#### Guideline(s) used

Other, please specify (ICMM (2020) Global Industry Standard on Tailings Management)

#### Tailings dam's activity

Active

#### Current tailings storage impoundment volume (Mm3)

4.27

#### Planned tailings storage impoundment volume in 5 years (Mm3)

4.56

#### Please explain

TSF currently operating.

We have comprehensive, Group-wide principles which guide our approach to the management of TSFs, which include:

- Implement an accountable TSF management structure which promotes learning and communication, and which maintains an interdisciplinary knowledge base to support safe tailings management through the TSF lifecycle;
- Apply appropriate risk management strategies;
- Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;
- Take a safety-first approach in ensuring the responsible management of TSFs;
- Design and implement the necessary measures in the event of an emergency; and
- Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

#### Tailings dam name/identifier

Inmaculada Presa de Relaves

#### Country/Area & River basin

Peru	Ocona
------	-------

#### Latitude

-14.934981

#### Longitude

-73.240113

#### Hazard classification

Very High

#### Guideline(s) used

Other, please specify (ICMM (2020) Global Industry Standard on Tailings Management)

#### Tailings dam's activity

Active

#### Current tailings storage impoundment volume (Mm3)

6.15

#### Planned tailings storage impoundment volume in 5 years (Mm3)

8.14

#### Please explain

TSF currently operating.

We have comprehensive, Group-wide principles which guide our approach to the management of TSFs, which include:

- Implement an accountable TSF management structure which promotes learning and communication, and which maintains an interdisciplinary knowledge base to support safe tailings management through the TSF lifecycle;
- Apply appropriate risk management strategies;
- Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;
- Take a safety-first approach in ensuring the responsible management of TSFs;

- Design and implement the necessary measures in the event of an emergency; and
- Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

## W-MM3.2c/W-CO3.2c

(W-MM3.2c/W-CO3.2c) To manage the potential impacts to human health or water ecosystems associated with the tailings dams in your control, what procedures are in place for all of your dams?

Procedure	Detail of the procedure	Please explain
Operating plan	An operating plan that is aligned with your established acceptable risk levels and critical controls framework	<p>We set out below the comprehensive, Group-wide principles which guide our approach to the management of TSFs and which are consistent with Hochschild's corporate purpose:</p> <ul style="list-style-type: none"> <li>– Comply with all applicable regulatory requirements of all jurisdictions in which the Group Companies operate and Hochschild's corporate standards;</li> <li>– Implement an accountable TSF management structure which promotes learning and communication, and which maintains an interdisciplinary knowledge base to support safe tailings management through the TSF lifecycle;</li> <li>– Apply appropriate risk management strategies;</li> <li>– Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;</li> <li>– Comply with regulatory requirements regarding public consultations with local communities on the design of new TSFs and their operation with a view to minimising their environmental and social impact;</li> <li>– Take a safety-first approach in ensuring the responsible management of TSFs;</li> <li>– Design and implement the necessary measures in the event of an emergency; and</li> <li>– Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.</li> </ul>
Assurance program	An assurance program that includes an external audit covering the life of facility or the operating plans	<p>We have a policy for commissioning external inspections of operational facilities every two years. Our last audit took place in Q3 2021 and concluded that all dams were stable, with only minor maintenance-related observations. An action plan addressed these issues in 2022. Our next audit is scheduled for 2023.</p>

## W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

## W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

### Value chain stage

Direct operations

### Coverage

Full

### Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

### Frequency of assessment

More than once a year

### How far into the future are risks considered?

1 to 3 years

### Type of tools and methods used

Enterprise risk management

### Tools and methods used

COSO Enterprise Risk Management Framework

### Contextual issues considered

Water availability at a basin/catchment level  
 Water quality at a basin/catchment level  
 Stakeholder conflicts concerning water resources at a basin/catchment level  
 Water regulatory frameworks  
 Status of ecosystems and habitats  
 Access to fully-functioning, safely managed WASH services for all employees

### Stakeholders considered

Employees  
 Local communities  
 Regulators  
 Other water users at the basin/catchment level

### Comment

Enterprise Risk Management is used for risk assessments. According to the severity and probability identified, controls are implemented and constantly monitored in order to minimize related risks. Water is a critical resource in order to ensure production.

**(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.**

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	We worked with an external agency to undertake a materiality assessment, that has enabled us to identify the sustainability topics that provide, among others, a financial or reputational risk to our business.	Our initial materiality assessment highlighted 'Water management' as a 'high priority' topic, and in the later update 'Climate change' rose in importance as well. These are addressed in detail in our 2021 Sustainability report and in our 2022 Annual Report. Currently, these topics are among the 15 risks of the 'live' risk matrix reviewed by the Risk Committee.	<p>The materiality assessment included a series of interviews and surveys with key internal and external stakeholders, conducted to gain their perspective on a material topic list. The internal stakeholders were selected based on their expertise and knowledge of Hochschild's business. External stakeholders included a representative sample of investors, key suppliers, customers, industry associations and NGOs. The stakeholder insights were used to refine the material topic list for deeper analysis, scoring and prioritisation in the next phase. This included the merging of certain topics and the updating of topic definitions.</p> <p>The Risk Committee is a management committee tasked with implementing the Group's policy on risk management and monitoring the effectiveness of controls in support of the Group's business objectives. It meets four times a year and more frequently if required. The matrix is updated at each Risk Committee meeting, and the most significant current and emerging risks, including those related with water issues, as well as actions to mitigate them, are reported to the Group's Audit Committee, and if considered appropriate, also to the Board. In light of their strategic importance, sustainability risks, if any, and their mitigation plans are monitored by the Sustainability Committee.</p> <p>Special work committees can be activated for specific issues related with water, such as the one recently activated to monitor and manage risks related with the El Niño phenomenon.</p>	In the first place we identify the risk, then the probability of occurrence and the impact it can have on the company and its objectives. We verify the implemented controls in order to minimize the risk. In case there are not enough controls, we implement new controls and carry out continuous monitoring.

## W4. Risks and opportunities

### W4.1

**(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes, only within our direct operations

### W4.1a

**(W4.1a) How does your organization define substantive financial or strategic impact on your business?**

We define substantive change as anything that could materially affect Hochschild's ability to meet business objectives and, or, is of material importance to stakeholders. Materiality is defined as matters that, in the view of the Board, management and stakeholder groups, are of such importance that they could: substantively influence the company's ability to meet its strategic objectives; have a significant influence on, or is of material interest to our stakeholders; or have a high degree of inter-connectivity with other material issues. From a financial perspective and with respect to climate change, a 'substantive change' would be a disruption to our operations caused by climate change or biodiversity that results in a change in production or increase in costs. Examples would be flood-related business interruptions leading to a greater than 5% of annual revenue loss or major widespread social conflict due to a future scarcity of water resources which might jeopardize our social license to operate. Hochschild uses its risk assessment methodology and in particular the financial consequence rating within the risk methodology to identify and measure a substantive financial or strategic impact to our business. Financially Hochschild defines substantive change as a loss in revenue or increase in costs of more than \$3.2 million.

### W4.1b

**(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?**

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	2	26-50	According to the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI), Inmaculada is in a high, and Selene in a medium-to-high baseline water stress area and represent 2 of 6 facilities.

### W4.1c



(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Peru	Ocona
------	-------

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

0

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

51-60

Comment

We do not have a financial estimate as the described event has not yet occurred.

Country/Area & River basin

Peru	Other, please specify (Interbasin Alto Apurimac)
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

0

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

We do not have a financial estimate as the described event has not yet occurred.

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Peru	Other, please specify (Camana)
------	--------------------------------

Type of risk & Primary risk driver

Regulatory	Regulation of discharge quality/volumes
------------	---

Primary potential impact

Fines, penalties or enforcement orders

Company-specific description

Severe precipitation events could result in the overtopping of the TSF; however, it is currently being dewatered with the state-of-the-art detoxification treatment plant implemented in 2021, which operated during 2022 reducing water level considerably. Once the dewatering has been completed, the risk will be reduced to medium-low.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

We do not have a financial estimate as the described event has not yet occurred.

Primary response to risk

Increase capital expenditure

Description of response

Severe precipitation events could result in the overtopping of the TSF; however, it is currently being dewatered with the state-of-the-art detoxification treatment plant implemented in 2021, which operated during 2022, reducing water level considerably. Once the dewatering has been completed, the risk will be reduced to medium-low.

Cost of response

4750000

Explanation of cost of response

US\$4.75 M was the CAPEX and OPEX cost during 2022 required to operate the detoxification treatment plant in order to comply with national regulations to dewater the TSF.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	While there may be water related risks in the value chain, we do not expect them to have a substantive impact to our operations.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?  
Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

**Type of opportunity**

Efficiency

**Primary water-related opportunity**

Improved water efficiency in operations

**Company-specific description & strategy to realize opportunity**

Our Inmaculada mine site was accepted into the Peruvian Water Authority Blue Certificate programme in 2019 and throughout 2020 we worked on the implementation of a water reduction programme with the objective of recirculating water from the domestic and grey water treatment plants to the processing plant through the installation of pumps and piping, always assuring an adequate quality of the treated water. In 2021, Hochschild successfully completed the goal set for reducing its water footprint in line with the Blue Certificate water programme in the Inmaculada mining site. During the second year of implementation, in 2022, savings achieved were over 61,000m3 – equivalent to a reduction of 21% of the annual industrial water consumed at the processing plant at Inmaculada and surpassing the initial goal of 20,000m3 per year.

**Estimated timeframe for realization**

1 to 3 years

**Magnitude of potential financial impact**

Low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

The opportunity here is to reduce water withdrawal for industrial purposes / production. In 2022, we saved over 61,000 m3 (freshwater) by reusing our treated domestic wastewater in the process. The financial impact is expected to be low.

## W5. Facility-level water accounting

### W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

**Facility reference number**

Facility 1

**Facility name (optional)**

Inmaculada

**Country/Area & River basin**

Peru	Ocona
------	-------

**Latitude**

-14.94987

**Longitude**

-73.240459

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**

1448.25

**Comparison of total withdrawals with previous reporting year**

Lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

1448.25

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

1277.03

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

1277.03

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

171.22

Comparison of total consumption with previous reporting year

Lower

Please explain

During 2022, we reduced water withdrawal for the processing plant, by reusing treated domestic wastewater. We plan on continuing this, and where possible replicating at other mines.

---

Facility reference number

Facility 2

Facility name (optional)

Pallancata

Country/Area & River basin

Peru	Ocona
------	-------

Latitude

-14.737892

Longitude

-73.171105

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

218.43

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

41.17

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

177.26

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

1976.69

**Comparison of total discharges with previous reporting year**

Lower

**Discharges to fresh surface water**

1976.69

**Discharges to brackish surface water/seawater**

0

**Discharges to groundwater**

0

**Discharges to third party destinations**

0

**Total water consumption at this facility (megaliters/year)**

-1758.26

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain**

Decreased discharge is mainly related to reduction of the discharged of treated water from the TSF in Pallancata.

**Facility reference number**

Facility 3

**Facility name (optional)**

Selene

**Country/Area & River basin**

Peru	Other, please specify (Interbasin Alto Apurimac)
------	--

**Latitude**

14.646336

**Longitude**

-73.142944

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**

44.98

**Comparison of total withdrawals with previous reporting year**

Lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

44.98

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

0

**Withdrawals from groundwater - non-renewable**

0

**Withdrawals from produced/entrained water**

0

**Withdrawals from third party sources**

0

**Total water discharges at this facility (megaliters/year)**

23.52

**Comparison of total discharges with previous reporting year**

Lower

**Discharges to fresh surface water**

23.52

**Discharges to brackish surface water/seawater**

0

**Discharges to groundwater**

0

**Discharges to third party destinations**

0

**Total water consumption at this facility (megaliters/year)**

21.46

**Comparison of total consumption with previous reporting year**

Higher

**Please explain**

In 2022 there were only discharges from treated domestic wastewater. Industrial water was recirculated from the TSF.

**Facility reference number**

Facility 4

**Facility name (optional)**

San Jose

**Country/Area & River basin**

Argentina	Other, please specify (Rio Deseado)
-----------	-------------------------------------

**Latitude**

-46.631621

**Longitude**

-70.294245

**Located in area with water stress**

No

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

772.24

**Comparison of total withdrawals with previous reporting year**

Higher

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

772.24

**Withdrawals from groundwater - non-renewable**

0

**Withdrawals from produced/entrained water**

0

**Withdrawals from third party sources**

0

**Total water discharges at this facility (megaliters/year)**

0

**Comparison of total discharges with previous reporting year**

About the same

**Discharges to fresh surface water**

0

**Discharges to brackish surface water/seawater**

0

**Discharges to groundwater**

0

**Discharges to third party destinations**

0

**Total water consumption at this facility (megaliters/year)**

772.24

**Comparison of total consumption with previous reporting year**

Higher

**Please explain**

The increase of final consumption was caused mainly due to the Water recovery plant in San Jose, which was not fully operative in the first quarter of 2022.

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

**Water withdrawals – total volumes**

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

Water withdrawals at all sites have permits that limit the annual volume. These volumes are reported regularly to the authority, and may carry out compliance audits.

**Water withdrawals – volume by source**

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

Water withdrawals at all sites have permits that limit the annual volume. These volumes are reported regularly to the authority, and may carry out compliance audits.

**Water withdrawals – quality by standard water quality parameters**

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

Water withdrawals at all sites have permits that limit the annual volume and may require water quality monitoring to ensure the quality. Water samples are sent to an accredited laboratory.

**Water discharges – total volumes**

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

Water discharges at all sites have permits that limit the annual volume. These volumes are reported regularly to the authority, and may carry out compliance audits. Flowmeters are installed to allow continuous monitoring.

**Water discharges – volume by destination**

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

Water discharges at all sites have permits that define the exact location of the discharge. The authority may carry out compliance audits to ensure this.

**Water discharges – volume by final treatment level**

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

Water discharges at all sites have permits that set the annual volume allowed. The volume is reported regularly to the authority. The authority may carry out compliance audits to ensure this.

**Water discharges – quality by standard water quality parameters**

**% verified**

76-100

**Verification standard used**

ISRS 4400, as part of the ECO Score assurance.

Water discharges at all sites have permits that set the maximum permissible limits to ensure the quality. Water samples are sent to an accredited laboratory and reported regularly to the authority. The authority may carry out compliance audits to ensure this.

**Please explain**

<Not Applicable>

Water consumption – total volume

% verified

Not relevant

Verification standard used

<Not Applicable>

Please explain

-

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of the scope (including value chain stages) covered by the policy Description of business dependency on water Description of business impact on water Commitment to prevent, minimize, and control pollution Commitment to reduce water withdrawal and/or consumption volumes in direct operations Commitments beyond regulatory compliance Reference to company water-related targets	We are committed to managing water responsibly, through safeguarding its availability by the efficient use of water resources within our mining operations.  Our Environmental Policy covers the following topics related with water: 1. Comply with all legal and environmental regulations of the countries in which the Company operates, as well as the environmental requirements established by the Company. 2. Set an annual environmental performance goal for Company employees. 3. Require an efficient use of resources by implementing best-in-class industrial and mining practices, modern technologies, and robust procedures for environmental management and control.  In compliance with this, we have the ECO Score, which incorporates quantitative and qualitative indicators and targets directly related to water management, by measuring water quality in discharges and water consumption.  Additionally, we have set interim targets to 2030, which incorporate water-related targets such as water recycling, and will be presented to the Board for approval in August 2023.  2022-annual-report-final.pdf - See page 51  final-hochschild-sustainability-report-2021_interactive (2).pdf - see pages 41-44 page 41: Mines rely hugely on water to operate, making water recovery, reuse and consumption key focus areas for us. final-hochschild-sustainability-report-2021_interactive (2).pdf 2022-annual-report-final.pdf

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a



**(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.**

Position of individual or committee	Responsibilities for water-related issues
Other, please specify (Chair of the Sustainability Committee )	<p>Participates on the Sustainability Committee which has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal &amp; Corporate Affairs, and of Human Resources.</p> <p>The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes climate change and GHG emissions, as they affect the Company's operations. For example, yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration (for example, our water target of 193 l / person / day). After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required.</p>
Chief Executive Officer (CEO)	<p>Participates on the Sustainability Committee, which has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal &amp; Corporate Affairs, and of Human Resources.</p> <p>The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes climate change and GHG emissions, as they affect the Company's operations. For example, yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration (for example, our water target of 193 l / person / day). After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required.</p>

**W6.2b**

**(W6.2b) Provide further details on the board's oversight of water-related issues.**

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - all meetings	<p>Monitoring implementation and performance</p> <p>Overseeing major capital expenditures</p> <p>Providing employee incentives</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding strategy</p> <p>Setting performance objectives</p>	<p>The Board approves Company's strategy and monitors implementation, providing leadership and support to the senior management team in achieving sustainable added value for shareholders.</p> <p>The Sustainability Committee has delegated authority from the board and their role is to ensure the efficient implementation of good governance practices. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal &amp; Corporate Affairs, and of Human Resources.</p> <p>The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes climate change and GHG emissions, as they affect the Company's operations. For example, yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration. After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required.</p> <p>The Sustainability Committee was convened four times in 2022.</p>

**W6.2d**

**(W6.2d) Does your organization have at least one board member with competence on water-related issues?**

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Yes	Previous experience and executive responsibility for aspects of climate change and water management, and extensive experience of managing sustainability in mining.	<Not Applicable>	<Not Applicable>

**W6.3**

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

**Name of the position(s) and/or committee(s)**

Chief Executive Officer (CEO)

**Water-related responsibilities of this position**

Assessing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

As important matters arise

**Please explain**

Participates on the Sustainability Committee which has delegated authority from the board.

**Name of the position(s) and/or committee(s)**

Environment/Sustainability manager

**Water-related responsibilities of this position**

Assessing future trends in water demand

Assessing water-related risks and opportunities

Managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

As important matters arise

**Please explain**

The Sustainability Director (previously the Environmental Manager) reports into the Vice President of Legal and Corporate Affairs, who reports directly to the CEO and is a regular attendee at meetings of the Sustainability Committee.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	We established the ECO Score program in 2017, which brings together the management/mitigation of environment and climate change risks. The ECO Score incorporates quantitative and qualitative indicators directly related to environmental management and climate-related issues- including water consumption and waste generation - and forms a link between our employees and our environmental performance since they are directly related to our daily activities. Performance against the annual ECO Score objective determines the extent of annual bonus payouts to eligible employees, thereby employees co-operate in reducing the company's environmental footprint. The results are shared across the company on a monthly basis

W6.4a

**(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?**

	Role(s) entitled to incentive	Performance indicator	Contribution of incentives to the achievement of your organization's water commitments	Please explain
Monetary reward	Corporate executive team Chief Executive Officer (CEO) Chief Financial Officer (CFO) Chief Operating Officer (COO) Chief Purchasing Officer (CPO) Chief Risk Officer (CRO) Other, please specify (Employees)	Reduction of water withdrawals – direct operations Reduction in water consumption volumes – direct operations Improvements in water efficiency – direct operations	Achievement of commitments and targets	We established the ECO Score program in 2017, which brings together the management/mitigation of environment and climate change risks. The ECO Score incorporates quantitative and qualitative indicators directly related to environmental management and climate-related issues- including water consumption and waste generation - and forms a link between our employees and our environmental performance since they are directly related to our daily activities. Performance against the annual ECO Score objective determines the extent of annual bonus payouts to eligible employees, thereby employees co-operate in reducing the company's environmental footprint. The results are shared across the company on a monthly basis.
Non-monetary reward	Corporate executive team Chief Executive Officer (CEO) Chief Financial Officer (CFO) Chief Operating Officer (COO) Chief Purchasing Officer (CPO) Chief Risk Officer (CRO) Other, please specify (Employees)	Reduction of water withdrawals – direct operations Reduction in water consumption volumes – direct operations Improvements in water efficiency – direct operations	Best practices, acknowledgement of extraordinary employee behaviours that reflect our cultural attributes and Company purpose.	We have a general recognition program open for anyone.

## W6.5

**(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?**

Yes, trade associations

## W6.5a

**(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?**

As a foundation of everything we do, all employees must comply with our Code of Conduct. One of the basic principles of our Code of Conduct is to behave with honesty, integrity and professional ethics, as well as behave with professionalism and responsibility at all times. Breaches are treated very seriously and to facilitate anonymous reporting, the Company has a Whistleblowing Policy.

## W6.6

**(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?**

Yes (you may attach the report - this is optional)

2022-annual-report-final.pdf

*Page 82. The Group continues to adopt measures to minimise natural resource use, with particular emphasis on water consumption in its operations.*

## W7. Business strategy

### W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	We consider water related issues in our risk assessments and during environmental impact / permitting processes. Any relevant water related issues are incorporated into short- to -long-term strategic plans.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	We consider water related issues in our risk assessments and during environmental impact / permitting processes. Any relevant water related issues are incorporated into short- to -long-term strategic plans.
Financial planning	Yes, water-related issues are integrated	5-10	We consider water related issues in our risk assessments and during environmental impact / permitting processes. Any relevant water related issues are incorporated into short- to -long-term strategic plans.

### W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

#### Row 1

Water-related CAPEX (+/- % change)

71

Anticipated forward trend for CAPEX (+/- % change)

-99

Water-related OPEX (+/- % change)

43

Anticipated forward trend for OPEX (+/- % change)

10

#### Please explain

CAPEX varies year to year mainly depending on water related infrastructure and life of mine estimations. Capex related with detoxification plant in Ares for 2022 is the main driver for the current change. The forward trend in Capex is associated with expansion of existing or projected mines, new treatment plants will be required, which, for this survey, is not projected to occur in 2023.

OPEX may be driven by CAPEX, e.g. new plants require additional OPEX. Anticipated water related OPEX trend is to increase associated with additional plants related with expansion of existing or projected mines.

These figures include operation of water treatment plants, monitoring, payments associated with permits, maintenance of water management structures, etc. in the mines in Peru.

### W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	We are in the process of implementing an adaptation plan to identify and mitigate chronic physical risks. Based on the climate risk assessment conducted, climate change will likely result in the following risks: <ul style="list-style-type: none"><li>• Intense rainfall/long duration rainfall</li><li>• Chronic drought</li><li>• Extreme precipitation events (heavy snowfall, intense rains) can impact roads and transportation to/from the mines.</li><li>• High winds, snow and ice, and electrical storms</li><li>• Free-thaw cycles and increasing extreme cold temperatures</li></ul>

### W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Climate-related	<p>RCP 8.5 is being used to assess the impacts that climate change would have on Hochschild's operations and infrastructure. The time horizon has been set between the 2020's and the 2050's as this aligns with Hochschild's mines current operational lives and decommissioning phases.</p> <p>RCP 2.6 was used as our &lt;2°C Scenario to align with the mid-century goals of the Paris Agreement and is being used to assess Hochschild's market (electric vehicles), regulatory (e.g., carbon pricing), technology and renewable energy risks / opportunities (e.g., increased adoption of renewables resulting in improved ROI) as part of the carbon strategy to put the organization on a path towards net zero operations.</p> <p>For each scenario, the time horizon was set between the 2020's and the 2070's as this aligns with our mines current operational lives and decommissioning phases. Our scenario analysis covers all of our operating sites and take into consideration downstream and upstream impacts.</p>	Changes in climate and weather patterns, including the occurrence of extreme weather events such as higher rainfall, droughts, and storm conditions, may cause operational disruption and, at worse, could result in a suspension of operations.	<p>Hochschild implements risk reduction and adaptation measures to improve the resilience of the mines exposed to the impacts of climate change and associated extreme weather events as needed, taking into consideration site-specific resilience and adaptation measures, and will continue to do so based on the results of future risk assessments. For instance, Hochschild has taken water conservation measures to address water scarcity, such as enhancing water recovery at its San Jose mine. Additional assessment on quantifying financial risks implications is ongoing and will be progressively completed, in line with future climate risk assessments. The Company aims to start reporting the impact of climate-related issues on financial performance &amp; financial position in the next 2 years.</p> <p>The Risk Committee is tasked with implementing the Group's policy on risk management and monitoring the effectiveness of controls in support of the Group's business objectives. The risk matrix is updated at each Risk Committee meeting, including those related with water issues, with actions to mitigate them, and are reported to the Audit Committee, and, if considered appropriate, also to the Board. In light of their strategic importance, sustainability risks, if any, and their mitigation plans are monitored by the Sustainability Committee.</p> <p>Special work committees can be activated for specific water issues, such as the one recently activated to monitor and manage risks related with the El Niño phenomenon.</p>

## W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

Water is a valuable resource that is heavily regulated, and as such it is already part of business decisions.

## W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	No, but we plan to address this within the next two years	<Not Applicable>	Important but not an immediate business priority	We are currently working on reducing our water footprint through several mechanisms. Based on this we will carry out an assessment and benchmarking against our peers to determine if our products are classify as low water impact, and if not, take additional measures.

## W8. Targets

### W8.1

(W8.1) Do you have any water-related targets?

Yes

### W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	Yes	<Not Applicable>
Water withdrawals	No, but we plan to within the next two years	We have set interim targets to 2030, which incorporate water-related targets such as water recycling that aim to reduce water withdrawals, and will be presented to the Board for approval in August 2023.
Water, Sanitation, and Hygiene (WASH) services	No, and we do not plan to within the next two years	We consider this ensuring good quality Water, Sanitation, and Hygiene (WASH) services is mandatory, and does not require a specific target.
Other	Yes	<Not Applicable>

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

Target reference number

Target 1

Category of target

Water consumption

Target coverage

Company-wide (direct operations only)

Quantitative metric

Other, please specify (litres/ person/day)

Year target was set

2022

Base year

2015

Base year figure

408.35

Target year

2027

Target year figure

193

Reporting year figure

171

% of target achieved relative to base year

110.215927559786

Target status in reporting year

Achieved

Please explain

For 2022, our daily water consumption was 171.21 litres/person. We aim to stay under the target of 193 litres/person/day every year.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, we are waiting for more mature verification standards and/or processes

W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

	Plastics mapping	Value chain stage	Please explain
Row 1	Not mapped – and we do not plan to within the next two years	<Not Applicable>	No extensive mapping carried out, however plastic reduction opportunities are implemented when identified.

W10.2

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

	Impact assessment	Value chain stage	Please explain
Row 1	Not assessed – and we do not plan to within the next two years	<Not Applicable>	-

W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

	Risk exposure	Value chain stage	Type of risk	Please explain
Row 1	Not assessed – and we do not plan to within the next two years	<Not Applicable>	<Not Applicable>	Not likely.

## W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

	Targets in place	Target type	Target metric	Please explain
Row 1	Yes	Waste management	Increase the proportion of recyclable plastic waste that we collect, sort, and recycle	Waste plastic is part of our ECO Score objectives, encouraging increased recycling, and reducing the amount of plastic sent to landfills.

## W10.5

(W10.5) Indicate whether your organization engages in the following activities.

	Activity applies	Comment
Production of plastic polymers	No	-
Production of durable plastic components	No	-
Production / commercialization of durable plastic goods (including mixed materials)	No	-
Production / commercialization of plastic packaging	No	-
Production of goods packaged in plastics	Yes	Concentrate is packaged in big bags for offsite transportation.
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	No	-

## W10.8

(W10.8) Provide the total weight of plastic packaging sold and/or used, and indicate the raw material content.

	Total weight of plastic packaging sold / used during the reporting year (Metric tonnes)	Raw material content percentages available to report	% virgin fossil-based content	% virgin renewable content	% post-industrial recycled content	% post-consumer recycled content	Please explain
Plastic packaging sold	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Plastic packaging used	0	None	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	No data

## W10.8a

(W10.8a) Indicate the circularity potential of the plastic packaging you sold and/or used.

	Percentages available to report for circularity potential	% of plastic packaging that is reusable	% of plastic packaging that is technically recyclable	% of plastic packaging that is recyclable in practice at scale	Please explain
Plastic packaging sold	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Plastic packaging used	None	<Not Applicable>	<Not Applicable>	<Not Applicable>	No data, to be assessed.

## W11. Sign off

## W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

We include references to the 2021 Sustainability report since it was published in August 2022, and was not included in last year's CDP Climate questionnaire. The Company will publish Sustainability reports every two years. In the off year, the Sustainability Report will be issued within the Annual Report (see Annual Report 2022).

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	VP, Legal and Corporate Affairs	Other C-Suite Officer

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Yes, CDP may share our Main User contact details with the Pacific Institute

Please confirm below

I have read and accept the applicable Terms



## F0. Introduction

## F0.1

**(F0.1) Give a general description of and introduction to your organization.**

Hochschild is a leading underground precious metals producer focusing on high grade silver and gold deposits, with over 50 years' operating experience in the Americas. We currently operate three underground mines, two located in southern Peru and one in southern Argentina. A fourth mine- Arcata did not operate in 2022 and is under temporary suspension until resources are confirmed. All of our underground operations are epithermal vein mines and the principal mining method used is cut and fill. The ore at our operations is processed into silver-gold concentrate or dore.

Hochschild Mining plc is listed on the Main Market of the London Stock Exchange and is headquartered in Lima, Peru. In addition, the Group has an office in Argentina and a corporate office in London.

In 2022, Hochschild produced 11.0 million attributable ounces of silver and 206 hundred thousand attributable ounces of gold. This compared with 12.2 million attributable ounces of silver and 221.4 hundred thousand attributable ounces of gold in 2021. The emissions intensity, per thousand ounces of total silver equivalent produced, was 3.64 (location-based) and 1.88 (market-based) in 2022, compared with 3.11 (location-based) and 1.76 (market-based) in 2021.

## F0.2

**(F0.2) State the start and end date of the year for which you are reporting data.**

	Start Date	End Date
Reporting year	January 1 2022	December 31 2022

## F0.3

**(F0.3) Select the currency used for all financial information disclosed throughout your response.**

USD

## F-MM0.9/F-CO0.9

**(F-MM0.9/F-CO0.9) Select the option that best describes the reporting boundary for which biodiversity-related issues are being reported?**

Companies, entities or groups over which operational control is exercised

## F-MM0.10/F-CO0.10

**(F-MM0.10/F-CO0.10) Within your reporting boundary, are there any geographical areas, business units or mining projects excluded from your disclosure?**

Yes

## F-MM0.10a/F-CO0.10a

**(F-MM0.10a/F-CO0.10a) Please report your exclusions and describe their potential for biodiversity-related risk.**

Exclusion	Description of exclusion	Potential for biodiversity-related risk	Please explain
Mining project(s)	Sipan mine, which has been in closure for approximately 20 years. Exploration projects.	Potential for biodiversity-related risks but not evaluated	Sites with limited activity at the present, or where Company presence is sporadic.
Business unit(s)	Offices in urban areas, concentrate deposit located in an industrial area.	No potential	These units are located in urban or industrial areas with no potential of biodiversity related risks.

F-MM9.1/F-CO9.1

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(F-MM9.1/F-CO9.1) Provide details on the mining projects covered by this disclosure, by specifying your project(s) type, location and mining method(s) used.

**Mining project ID**

Project 1

**Name**

Inmaculada

**Share (%)**

100

**Country/Area**

Peru

**Latitude**

-14.94987

**Longitude**

-73.240459

**Project stage**

Production

**Mining method**

Underground

**Raw material(s)**

Gold

Silver

**Year extraction started/is planned to start**

2015

**Year of closure**

2024

**Description of project**

The 100% owned Inmaculada gold/silver underground operation is located in the Department of Ayacucho in southern Peru. It commenced operations in 2015.

The Inmaculada mine delivered gold equivalent production of 237,289 ounces in 2022 (2021: 252,337 ounces), in line with the upwards revised forecast published in August 2022 and slightly reduced versus 2021 owing to budgeted lower grades.

The year of closure 2024 is based on the current approved Mine Closure Plan. A new environmental permit has been presented to the authority in order to extend the life of mine until 2042, which is under evaluation as at the date of submission. Once this is approved, a new mine closure plan will be presented to modify the year of closure to 2042.

---

**Mining project ID**

Project 2

**Name**

Pallancata

**Share (%)**

100

**Country/Area**

Peru

**Latitude**

-14.737892

**Longitude**

-73.171105

**Project stage**

Production

**Mining method**

Underground

**Raw material(s)**

Gold

Silver

**Year extraction started/is planned to start**

2007

**Year of closure**

2025

**Description of project**

The 100% owned Pallancata silver/gold property is located in the Department of Ayacucho in southern Peru. Pallancata commenced production in 2007. Ore from Pallancata is transported 22 kilometres to the Selene processing plant.

In 2022, Pallancata produced 3.2 million silver equivalent ounces (2021: 4.2 million ounces).  
The year of closure of 2025 is based on the approved Mine Closure Plan.

---

**Mining project ID**

Project 3

**Name**

San Jose

**Share (%)**

51

**Country/Area**

Argentina

**Latitude**

-46.631621

**Longitude**

-70.294245

**Project stage**

Production

**Mining method**

Underground

**Raw material(s)**

Gold  
Silver

**Year extraction started/is planned to start**

2007

**Year of closure**

2026

**Description of project**

The San Jose silver/gold mine is located in Argentina, in the province of Santa Cruz, 1,750 kilometres southwest of Buenos Aires.

San Jose commenced production in 2007. Hochschild holds a controlling interest of 51% and is the mine operator. The remaining 49% is owned by McEwen Mining Inc.

San Jose's production in 2022 totalled 11.0 million silver equivalent ounces (2021: 11.3 million ounces) with the decrease versus 2021 reflecting first quarter Covid-related employee absences and a fire in the rock crushing area, both of which temporarily affected operations and explain the reduction in tonnage.

The year of closure is 2026 as per its Mine Closure Plan.

---

**Mining project ID**

Project 4

**Name**

Arcata

**Share (%)**

100

**Country/Area**

Peru

**Latitude**

-14.97904

**Longitude**

-72.314752

**Project stage**

Other, please specify (Temporary suspension from 2019 to 2024)

**Mining method**

Underground

**Raw material(s)**

Gold  
Silver

**Year extraction started/is planned to start**

1964

**Year of closure**

2024

**Description of project**

The 100% owned Arcata underground operation is located in the Department of Arequipa in southern Peru. It commenced production in 1964.

On 13 February 2019, Hochschild announced the suspension of operations at Arcata with the mine subsequently placed on temporary care and maintenance until April 2024. Mine closure will commence once the suspension time period ends.

---

**Mining project ID**

Project 5

**Name**

Selene

**Share (%)**

100

**Country/Area**

Peru

**Latitude**

-14.646336

**Longitude**

-73.142944

**Project stage**

Production

**Mining method**

Other, please specify (Only processing plant for mineral produced in Pallancata)

**Raw material(s)**

Gold

Silver

**Year extraction started/is planned to start**

2003

**Year of closure**

2025

**Description of project**

Selene processes the ore from Pallancata.

The year of closure 2025 is based on the current life of mine of Pallancata.

---

**Mining project ID**

Project 6

**Name**

Ares

**Share (%)**

100

**Country/Area**

Peru

**Latitude**

-15.044431

**Longitude**

-72.122564

**Project stage**

Closure and/or legacy site

**Mining method**

Underground

**Raw material(s)**

Gold

Silver

**Year extraction started/is planned to start**

1998

**Year of closure**

2018

**Description of project**

Ares is currently undergoing closure in accordance with its approved Mine Closure Plan.

---

**Mining project ID**

Project 7

**Name**

Mara Rosa

**Share (%)**

100

**Country/Area**

Brazil

**Latitude**

-13.980323

**Longitude**

-49.178847

**Project stage**

Development

**Mining method**

Open-cut

**Raw material(s)**

Gold

**Year extraction started/is planned to start**

2024

**Year of closure**

2034

**Description of project**

41% project completion at the end of 2022. Mara Rosa is currently projected to start operations in 2024.

**F-MM9.2/F-CO9.2****(F-MM9.2/F-CO9.2) Can you disclose the mining project area and the area of land disturbed for each of your mining projects?**

	Disclosing mining project area and area of land disturbed?	Comment
Row 1	Yes	Mining projects and areas disturbed are from the closure plans and constructed components.

**F-MM9.2a/F-CO9.2a****(F-MM9.2a/F-CO9.2a) Provide details on the mining project area and the area of land disturbed for each of your mining projects.****Mining project ID**

Project 1

**Total area of owned land/lease/concession (hectares)**

52922.7

**Total area disturbed to date (hectares)**

179.54

**Area disturbed in the reporting year (hectares)**

0

**Type(s) of habitat disturbed in the reporting year**

Modified habitat

**Comment**

The mining concession "Acumulación Gran Inmaculada" (52,922.70 ha) includes the units of Inmaculada, Pallancata and Selene. Disturbance is calculated based on the constructed components in each mine.

**Mining project ID**

Project 2

**Total area of owned land/lease/concession (hectares)**

53922.7

**Total area disturbed to date (hectares)**

262.1

**Area disturbed in the reporting year (hectares)**

0

**Type(s) of habitat disturbed in the reporting year**

Modified habitat

**Comment**

The mining concession "Acumulación Gran Inmaculada" (52,922.70 ha) includes the units of Inmaculada, Pallancata and Selene. Disturbance is calculated based on the constructed components in each mine.

**Mining project ID**

Project 3

**Total area of owned land/lease/concession (hectares)**

40498.69

**Total area disturbed to date (hectares)**

1870

**Area disturbed in the reporting year (hectares)**

0

**Type(s) of habitat disturbed in the reporting year**

Modified habitat

**Comment**

Is the sum result of more than 10 mining concessions for the unit San Jose. Disturbed area is from the mine closure plan.

**Mining project ID**

Project 4

**Total area of owned land/lease/concession (hectares)**

15343.1

**Total area disturbed to date (hectares)**

236

**Area disturbed in the reporting year (hectares)**

0

**Type(s) of habitat disturbed in the reporting year**

Modified habitat

**Comment**

Disturbance is calculated based on the constructed components in each mine.

**Mining project ID**

Project 5

**Total area of owned land/lease/concession (hectares)**

54872.7

**Total area disturbed to date (hectares)**

71.09

**Area disturbed in the reporting year (hectares)**

0

**Type(s) of habitat disturbed in the reporting year**

Modified habitat

**Comment**

The mining concession "Acumulación Gran Inmaculada" includes the units of Inmaculada, Pallancata and Selene. Disturbance is calculated based on the constructed components in each mine.

**Mining project ID**

Project 6

**Total area of owned land/lease/concession (hectares)**

10112.51

**Total area disturbed to date (hectares)**

97

**Area disturbed in the reporting year (hectares)**

0

**Type(s) of habitat disturbed in the reporting year**

Modified habitat

**Comment**

Disturbance is calculated based on the constructed components in each mine.

**Mining project ID**

Project 7

**Total area of owned land/lease/concession (hectares)**

783

**Total area disturbed to date (hectares)**

299

**Area disturbed in the reporting year (hectares)**

247

**Type(s) of habitat disturbed in the reporting year**

Modified habitat

**Comment**

Disturbance is calculated based on the constructed components in each mine.

F-MM9.3/F-CO9.3

(F-MM9.3/F-CO9.3) Are any of your mining projects located in or near legally protected and internationally recognized areas?

	Are any of your projects in or near?	Comment
Legally protected area(s)	Yes	In Peru several of our sites are located near or inside the buffer zone of the Landscape Reserve Sub Cuenca del Cotahuasi, a legally recognised national protected area in the Arequipa region.
UNESCO World Heritage sites	No	No operations in or near UNESCO World Heritage sites. This assessment is carried out as part of the permitting process.
UNESCO Biosphere Reserves	No	No operations in or near UNESCO Biosphere Reserves. This assessment is carried out as part of the permitting process.
Ramsar sites	No	No operations in or near Ramsar sites This assessment is carried out as part of the permitting process.
Key Biodiversity Area(s)	No	No operations in or near Key Biodiversity Area(s). This assessment is carried out as part of the permitting process.

F-MM9.3a/F-CO9.3a

(F-MM9.3a/F-CO9.3a) Provide details on mining projects that are in or near legally protected and internationally recognized areas.

**Mining project ID**

Project 4

**Type of legally protected/ internationally recognized area**

Legally protected area

**Protected area category (IUCN classification)**

Category IV- VI

**Name of area**

In Peru several of our sites are located near or inside the buffer zone of the Landscape Reserve Sub Cuenca del Cotahuasi, a legally recognised national protected area in the Arequipa region. Arcata is located inside the Landscape Reserve Sub Cuenca del Cotahuasi buffer zone.

**Proximity**

Up to 5 km

**Area of overlap (hectares)**

<Not Applicable>

**Please explain**

Arcata is located inside the Landscape Reserve Sub Cuenca del Cotahuasi buffer zone, 1.34 km from the protected area.

**Mining project ID**

Project 1

**Type of legally protected/ internationally recognized area**

Legally protected area

**Protected area category (IUCN classification)**

Category IV- VI

**Name of area**

Landscape Reserve Sub Cuenca del Cotahuasi, a legally recognised national protected area in the Arequipa region.

**Proximity**

Up to 25 km

**Area of overlap (hectares)**

<Not Applicable>

**Please explain**

In Peru several of our sites (Ares, Inmaculada, Pallancata and Selene) are located near the Landscape Reserve Sub Cuenca del Cotahuasi.

F-MM9.4/F-CO9.4

(F-MM9.4/F-CO9.4) Are there artisanal and small-scale mining (ASM) operations active in your mining concessions or in their area of influence?

Yes

F-MM9.4a/F-CO9.4a

(F-MM9.4a/F-CO9.4a) Provide details on artisanal and small-scale mining operations active in your mining project areas or in their area of influence. Indicate the associated challenges, if there are any.

**Mining project ID**

Project 5

**Where does artisanal/small-scale mining operations occur?**

In the area of influence of mining project

**Legal status of artisanal and small-scale mining activity**

Illegal / informal

**Type of challenges**

Deforestation and/or forest degradation

Natural habitat conversion

Pollution

**Please explain**

The environmental impacts can result in social conflict, legal, and security issues.

## F-MM9.5/F-CO9.5

(F-MM9.5/F-CO9.5) Have biodiversity-related issues led to detrimental impact(s) on your business in the reporting year?

	Biodiversity-related issues led to detrimental impacts on the business?	Comment
Row 1	No	There have been no biodiversity-related issues related to the Company.

## F-MM9.6/F-CO9.6

(F-MM9.6/F-CO9.6) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for violation of biodiversity-related regulation?

	Any penalties for violation of biodiversity-related regulation?	Comment
Row 1	No	No penalties for violation of biodiversity

## F10 Procedures

## F-MM10.1/F-CO10.1

(F-MM10.1/F-CO10.1) Have biodiversity impacts and risks of your mining projects been assessed before the project development stage?

	Biodiversity impacts and risks assessed before the project development stage?	Please explain
Row 1	Yes, in all cases	<p>We have impact assessments carried out for environmental permits. The scope of each assessment depends on the project and activities (operation/exploration; type of modifications or components to be added, etc.)</p> <p>For instance, in the Second Modification to the Pallancata Environmental Impact Assessment (approved in 2017), the following possible biodiversity related impacts were assessed for the construction, operation and closure stages: loss of vegetation coverage, loss of habitats (flora and fauna), loss of natural grass, perturbation to fauna, alteration to aquatic communities, alteration of environmental quality of fragile ecosystems.</p>

## F-MM10.1a/F-CO10.1a

(F-MM10.1a/F-CO10.1a) Select the options that best describe your procedures for identifying and assessing biodiversity-related impacts and risks.

**Mining project ID**

Project 2

**Type of assessment**

Full-scale environmental and social impact assessment

**Impacts considered**

Direct impacts

Indirect impacts

Cumulative impacts

**Scope defined by**

Governmental agency requirements

**Methods and tools**

Desk-based research



Field surveys  
Expert consultation

**Aspects considered**

Threatened species  
Migratory species  
Endemic species  
Natural habitats

**Baseline biodiversity data available?**

Yes

**Is the Environmental Impact Statement publicly available?**

Yes

**Please explain**

In the Second Modification to the Pallancata Environmental Impact Assessment, the following possible biodiversity related impacts were assessed for the construction, operation and closure stages: loss of vegetation coverage, loss of habitats (flora and fauna), loss of natural grass, perturbation to fauna, alteration to aquatic communities, alteration of environmental quality of fragile ecosystems.

---

**Mining project ID**

Project 1

**Type of assessment**

Full-scale environmental and social impact assessment

**Impacts considered**

Direct impacts  
Indirect impacts  
Cumulative impacts

**Scope defined by**

Governmental agency requirements

**Methods and tools**

Desk-based research  
Field surveys  
Expert consultation

**Aspects considered**

Threatened species  
Migratory species  
Endemic species  
Natural habitats

**Baseline biodiversity data available?**

Yes

**Is the Environmental Impact Statement publicly available?**

Yes

**Please explain**

In the First Modification to the Inmaculada Environmental Impact Assessment, the following possible biodiversity related impacts were assessed for the construction, operation and closure stages: loss of vegetation coverage, loss of habitats (flora and fauna), loss of protected and endemic species, disturbance to fauna and alteration to aquatic communities.

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**Mining project ID**

Project 3

**Type of assessment**

Full-scale environmental and social impact assessment

**Impacts considered**

Direct impacts  
Indirect impacts

**Scope defined by**

Governmental agency requirements

**Methods and tools**

Desk-based research  
Field surveys  
Expert consultation

**Aspects considered**

Threatened species  
Natural habitats

**Baseline biodiversity data available?**

Yes

**Is the Environmental Impact Statement publicly available?**

Yes

**Please explain**

In the Fifth Modification to the San José Environmental Impact Assessment, the following possible biodiversity related impacts were assessed for the construction, operation and closure stages: alteration to vegetation coverage and vegetation dynamic, loss of habitat, alteration to fauna population dynamics and to aquatic communities, and modifications to ecological processes.

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**Mining project ID**

Project 4

**Type of assessment**

Full-scale environmental and social impact assessment

**Impacts considered**

Direct impacts  
Indirect impacts  
Cumulative impacts

**Scope defined by**

Governmental agency requirements

**Methods and tools**

Desk-based research  
Field surveys  
Expert consultation

**Aspects considered**

Threatened species  
Migratory species  
Endemic species  
Protected areas  
Natural habitats

**Baseline biodiversity data available?**

Yes

**Is the Environmental Impact Statement publicly available?**

Yes

**Please explain**

In the Fourth Modification to the Arcata Environmental Impact Assessment, the following possible biodiversity related impacts were assessed for the construction, operation and closure stages: loss of vegetation coverage, perturbation to fauna and aquatic communities.

---

**Mining project ID**

Project 5

**Type of assessment**

Full-scale environmental and social impact assessment

**Impacts considered**

Direct impacts  
Indirect impacts  
Cumulative impacts

**Scope defined by**

Please select

**Methods and tools**

Desk-based research  
Field surveys  
Expert consultation

**Aspects considered**

Threatened species  
Migratory species  
Endemic species  
Natural habitats

**Baseline biodiversity data available?**

Yes

**Is the Environmental Impact Statement publicly available?**

Yes

**Please explain**

In the Selene Environmental Impact Assessment the following possible biodiversity related impacts were assessed for the construction, operation and closure stages: loss of vegetation coverage, loss of habitats (flora and fauna) and perturbation to fauna.

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**F-MM10.2/F-CO10.2****(F-MM10.2/F-CO10.2) Does your organization undertake a corporate-level procedure to assess biodiversity-related risks to your business?**

	Is there a procedure to assess biodiversity-related risks?	Comment
Row 1	No	No, but there is a risk assessment, which takes into consideration all environmental aspects.

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**F-MM10.3/F-CO10.3**

(F-MM10.3/F-CO10.3) Do you adopt biodiversity action plans to manage your impacts on biodiversity?  
Yes

F-MM10.3a/F-CO10.3a

(F-MM10.3a/F-CO10.3a) Describe your criteria for defining which sites are required to produce biodiversity action plans.

Before commencing any operation, we conduct detailed baseline studies which allow us to understand any potential impact and define effective mitigation and monitoring plans. In the studies carried out to date for environmental permits, no significant impacts have been identified.

We carry out biological monitoring campaigns twice a year (in the rainy and dry seasons) in order to keep updated data after the baselines included in the environmental permits. These will allow us to identify in a timely manner any potential effects on biodiversity, if they happen. Additionally, we plan to develop a biodiversity management strategy in 2024. Based on this, we will develop biodiversity action plans, if required.

F11 Impacts, risks and opportunities

F-MM11.1/F-CO11.1

(F-MM11.1/F-CO11.1) Have any of your projects caused, or have the potential to cause, significant adverse impact(s) on biodiversity?

	Any projects caused, or have the potential to cause, significant adverse impact(s) on biodiversity?	Comment
Row 1	No	We have impact assessments carried out for environmental permits. The scope of each assessment depends on the project and activities (operation/exploration; type of modifications or components to be added, etc.). To date these have not identified potential significant impacts to biodiversity in Peru or Argentina.  At the Mara Rosa project, the area where the vegetation was removed for the construction has been compensated by the acquisition of three properties with a total area of 705 ha in the Terra Ronca State Park. In 2022, Hochschild has compensated 446 ha.

F-MM11.2/F-CO11.2

(F-MM11.2/F-CO11.2) Have you identified any biodiversity risks with the potential to have a substantive financial or strategic impact on your business?  
No

F-MM11.3/F-CO11.3

(F-MM11.3/F-CO11.3) Have you identified any biodiversity-related opportunities with the potential to have a substantive financial or strategic impact on your business?  
Yes

F-MM11.3a/F-CO11.3a

(F-MM11.3a/F-CO11.3a) For your disclosed mining projects, provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.

**Type of opportunity**

Resilience

**Primary biodiversity-related opportunity**

Improved climate change adaptation

**Where does the opportunity occur?**

Selected mines, business units or geographies only

**Mining project ID**

Project 1

**Estimated timeframe for realization**

1-3 years

**Company specific description & strategy to realize opportunity**

Interinstitutional Alliance Cooperation between the Cotahuasi Landscape Reserve and Hochschild: This cooperation agreement began in 2021 for a duration of three-years. The Cotahuasi Landscape Reserve is located in the La Union Province, in Arequipa, Peru, close to the Inmaculada mine. In 2022, Hochschild Mining's Peruvian operator, Compañía Minera Ares, continued its partnership with Profonampe, a Peruvian trust fund for national parks and protected areas, to preserve and conserve the Cotahuasi Landscape Reserve. Based on the Reserve's Master Plan, four strategic components were prioritised:

- i) Structural management: Improving the Reserve signage to demarcate the Reserve's boundaries and to clearly identify tourist attractions.
- ii) Response to natural disasters: Providing equipment (uniforms and tools) to the fire brigade within the Reserve. Holding training courses on fire control techniques, fire risks and hazards, personal safety among other topics for firefighters.
- iii) Environmental education: Holding educational conventions on biodiversity integrating the local schools and the general public.
- iv) Sustainable economic activities: Supporting local entrepreneurship through the 'Emprendedores por Cotahuasi' programme. In 2022, 3 business proposals from local communities received funding, benefiting 336 individuals.

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**Type of opportunity**

Other

**Primary biodiversity-related opportunity**

Contribution to biodiversity knowledge

**Where does the opportunity occur?**

Selected mines, business units or geographies only

**Mining project ID**

Project 7

**Estimated timeframe for realization**

Current - up to 1 year

**Company specific description & strategy to realize opportunity**

In order to protect biodiversity and to increase awareness on this topic, Hochschild developed a 'Knowledge Trail' in the municipality of Mara Rosa, with full accessibility for people with special needs. Open to the public since September 2022, the trail is an environmental and heritage education project aimed at the communities of Mara Rosa, Amaralina and the neighbouring localities. The trail, which spans approximately 400 metres, features 13 activity stations showcasing over 10 years of research on the Cerrado biome ecoregion and local communities.

The 'Knowledge Trail' is part of the Environmental and Heritage Education Program, and fulfils the obligations determined by the issued environmental permits. The project has a series of stations that address historical, archaeological, geological, geographic, biodiversity, cultural appreciation of the region, and other topics. The goal is to help improve the stakeholders' awareness to the appreciation of environmental and heritage (archaeology) themes.

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## F12 Governance

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### F-MM12.1/F-CO12.1

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(F-MM12.1/F-CO12.1) Is there board-level oversight of biodiversity-related issues within your organization?

Yes

### F-MM12.1a/F-CO12.1a

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**(F-MM12.1a/F-CO12.1a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for biodiversity-related issues.**

Position of individual	Please explain
Other, please specify (Chair of the Sustainability Committee )	<p>Participates on the Sustainability Committee which has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal &amp; Corporate Affairs, and of Human Resources.</p> <p>The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes biodiversity, as they affect the Company's operations. For example, yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration. After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required.</p> <p>In 2022, as part of its Policy &amp; risk management activities, the Committee approved an updated Environmental Policy, which now includes specific provisions regarding climate change and protection of biodiversity.</p>
Chief Executive Officer (CEO)	<p>Participates on the Sustainability Committee which has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal &amp; Corporate Affairs, and of Human Resources.</p> <p>The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes biodiversity, as they affect the Company's operations. For example, yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration. After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required.</p> <p>In 2022, as part of its Policy &amp; risk management activities, the Committee approved an updated Environmental Policy, which now includes specific provisions regarding climate change and protection of biodiversity.</p>

**F-MM12.1b/F-CO12.1b**

**(F-MM12.1b/F-CO12.1b) Provide further details on the board's oversight of biodiversity-related issues.**

	Frequency that biodiversity-related issues are a scheduled agenda item	Governance mechanisms into which biodiversity-related issues are integrated	Please explain
Row 1	Sporadic - as important matters arise	Monitoring implementation and performance Overseeing major capital expenditures Reviewing and guiding major plans of action Reviewing and guiding strategy	<p>The Sustainability Committee has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal &amp; Corporate Affairs, and of Human Resources. The Sustainability Committee was convened four times in 2022 and considered the following matters:</p> <ul style="list-style-type: none"> <li>– Monitored the execution of the annual plan for our five focus areas, including, Protecting the environment,</li> <li>- Oversaw the ongoing rollout of the Environmental Cultural Transformation Plan to assure a robust environmental culture across the organisation;</li> <li>– Reviewed the ICM's Global Standard on Tailings Management and adopted a Tailings Storage Facility Policy;</li> <li>– Reviewed the key sustainability-related risks to which the Company is exposed as well as assessing the adequacy of the mitigation measures that have been adopted.</li> <li>– Reviewing and approving the updated Corporate Environmental Policy, which now includes specific provisions regarding climate change and protection of biodiversity.</li> </ul> <p>The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes biodiversity, as they affect the Company's operations. As such, any biodiversity related issue can be taken to the Board when it arises. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required.</p>

**F-MM12.2/F-CO12.2**

(F-MM12.2/F-CO12.2) Provide the highest management-level position(s) or committee(s) with responsibility for biodiversity-related issues (do not include the names of individuals)

**Name of the position(s) and/or committee(s)**

Chief Executive Officer (CEO)

**Responsibility**

Managing biodiversity-related risks and opportunities

**Frequency of reporting to the board on biodiversity-related issues**

As important matters arise

**Please explain**

Participates on the Sustainability Committee which has delegated authority from the board.

**Name of the position(s) and/or committee(s)**

Environment/Sustainability manager

**Responsibility**

Both assessing and managing biodiversity-related risks and opportunities

**Frequency of reporting to the board on biodiversity-related issues**

As important matters arise

**Please explain**

The Environmental Manager (and since 2022, the Sustainability Director) reports into the Vice President of Legal and Corporate Affairs, who reports directly to the CEO.

**Name of the position(s) and/or committee(s)**

Sustainability committee

**Responsibility**

Other, please specify (Review the key sustainability-related risks and assess mitigation measures that have been adopted.)

**Frequency of reporting to the board on biodiversity-related issues**

As important matters arise

**Please explain**

The Sustainability Committee has delegated authority from the board.

F-MM12.3/F-CO12.3

(F-MM12.3/F-CO12.3) Do you provide incentives to C-suite employees or board members for the management of biodiversity-related issues?

	Are there incentives to C-suite employees or board members?	Comment
Row 1	Yes	The ECO Score ensures the quality of effluents discharge to the environment, which is critical to ensure no impacts are caused on aquatic biodiversity.

F-MM12.3a/F-CO12.3a

(F-MM12.3a/F-CO12.3a) What incentives are provided to C-Suite employees or board members for the management of biodiversity-related issues (do not include the names of individuals)?

	Role entitled to incentive	Indicator for incentivized performance	Please explain
Monetary reward	Chief Executive Officer (CEO) Chief Financial Officer (CFO) Chief Operating Officer (COO)	Achievement of commitments and targets	Performance against a number of objectives, including those set with reference to the ECO Score determines the level of payout of the annual bonus to eligible employees, including C-suite employees.
Non-monetary reward	Corporate executive team Chief Executive Officer (CEO) Chief Financial Officer (CFO) Chief Operating Officer (COO) Chief Procurement Officer (CPO) Chief Risk Officer (CRO) Other, please specify (Employees)	Other, please specify	We have a general recognition program open for anyone

F-MM12.4/F-CO12.4

(F-MM12.4/F-CO12.4) Does your organization have a policy that includes biodiversity-related issues?

Yes, we have a documented biodiversity policy that is publicly available

F-MM12.4a/F-CO12.4a

(F-MM12.4a/F-CO12.4a) Select the options that best describe the scope and content of your policy.

	Format	Content	Please explain
Row 1	Part of company-wide environmental/sustainability policy	Recognition of the overall importance of natural habitats	8. Protect biodiversity and natural resources in the areas where the Company carries out its activities.

environmental-policy-eng-2  
(4).pdf

F-MM12.5/F-CO12.5

(F-MM12.5/F-CO12.5) Has your organization made any public commitment(s) to reduce or avoid impacts on biodiversity?

Yes  
2021SR final-hochschild-sustainability-report-2021\_interactive (2).pdf  
environmental-policy-eng-2 (4).pdf

F-MM12.5a/F-CO12.5a

(F-MM12.5a/F-CO12.5a) Provide details on your public commitment(s), including the description of specific criteria, coverage, and timeframe.

Commitment

Avoidance of negative impacts on threatened and protected species

Coverage

Company-wide

% of total production covered by commitment

100%

Commitment timeframe

No specified timeframe

Please explain

We have a standalone Environmental Corporate Policy which provides clear context and structure for managing environmental related issues, including biodiversity. As such, we have several management commitments to protect our biodiversity (8. Protect biodiversity and natural resources in the areas where the Company carries out its activities.) and other actions, such as continuous monitoring. Additionally there are detailed actions in our Code of Conduct, training, amongst others. In accordance with this, Hochschild commits to (page 34 2021 Sustainability Report):  
Act and take decisions considering the impact on wildlife.  
Act and take decisions considering the impact on water quality.  
Discharge authorized effluents.

F13 Business strategy

F-MM13.1/F-CO13.1

(F-MM13.1/F-CO13.1) Are biodiversity issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are biodiversity-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	No, biodiversity-related issues not yet reviewed, but there are plans to do so in the next two years	<Not Applicable>	To date no critical biodiversity related issued have been identified. We plan to develop a biodiversity management strategy in 2024. Based on this, we will develop biodiversity action plans, as required.
Strategy for long-term objectives	No, biodiversity-related issues not yet reviewed, but there are plans to do so in the next two years	<Not Applicable>	To date no critical biodiversity related issued have been identified. We plan to develop a biodiversity management strategy in 2024. Based on this, we will develop biodiversity action plans, as required.
Financial planning	No, biodiversity-related issues not yet reviewed, but there are plans to do so in the next two years	<Not Applicable>	To date no critical biodiversity related issued have been identified. We plan to develop a biodiversity management strategy in 2024. Based on this, we will develop biodiversity action plans, as required.

F14 Implementation

F-MM14.1/F-CO14.1

(F-MM14.1/F-CO14.1) Have you specified any measurable and time-bound targets related to your commitment(s) to reduce or avoid impacts on biodiversity?  
Yes

F-MM14.1a/F-CO14.1a

(F-MM14.1a/F-CO14.1a) Provide details of your target(s) related to your commitment(s) to reduce or avoid impacts on biodiversity, and progress made.

Target reference number

Target 1

Target label

Biological surveys

Base year

2017

Target year

2025

% of target achieved

61-70%

Please explain

Before commencing any operation, we conduct detailed baseline studies which allow us to understand any potential impact and define effective mitigation and monitoring plans. To understand any variations against this baseline, biodiversity monitoring at each mine unit is conducted by a specialist consulting company biannually (i.e. in the rainy and dry seasons) to maintain the biodiversity of our surroundings. The results of these surveys confirmed the overall health of the ecosystem in 2022, the abundance of species across all sites has remained constant, with the sighting of key indicator species (most notably birds of prey), reflecting the overall health of the ecosystem. Flora and fauna of particular conservation interest, some of which are vulnerable and/or endangered, were also observed throughout the year. The base and target year are illustrative for all mines, taking Inmaculada as the example. The % of target achieved (61-70%) considers that the monitoring at all sites has been carried out every year from 2017 to 2022.

F-MM14.2/F-CO14.2

(F-MM14.2/F-CO14.2) Provide details on mining projects that are required to produce Biodiversity Action Plans.

Row 1

Number of mining projects required to produce a biodiversity action plan

0

% of mining projects required to produce a biodiversity action plan that have one in place

0

Format

Stand-alone document  
Part of general Environmental Management System

Frequency biodiversity action plans are reviewed

Regularly

Please explain

To date, no critical biodiversity related issues have been identified.  
We plan to develop a biodiversity management strategy in 2024. Based on this, we will develop biodiversity action plans, as required. These will be regularly reviewed.

F-MM14.3/F-CO14.3

(F-MM14.3/F-CO14.3) Has your organization adopted avoidance and/or minimization as strategies to prevent or mitigate significant adverse impacts on biodiversity?  
Yes

F-MM14.3a/F-CO14.3a



(F-MM14.3a/F-CO14.3a) Provide relevant company-specific examples of your implementation of avoidance and minimization actions to manage adverse impacts on biodiversity.

Mining project ID

Project 1

Approach

Avoidance

Type of measure

Site selection

Description

The Second modification of the environmental permit, which is currently under evaluation by the authority, requires new areas to be disturbed. The project has incorporated compensation plans of specific areas, such as Andean grasslands, and wetlands.

F-MM14.4/F-CO14.4

(F-MM14.4/F-CO14.4) Have significant impacts on biodiversity been mitigated through restoration?

	Have significant impacts on biodiversity been mitigated through restoration?	Comment
Row 1	No	No significant impacts have been recorded, however as part of the closure activities (progressive and final), restoration of disturbed areas has been carried out, mainly related to revegetation with native species. Mine closure plans for all mines are in place to restore areas where mining activity has ceased.

F-MM14.5/F-CO14.5

(F-MM14.5/F-CO14.5) Have significant residual impacts of your projects been compensated through biodiversity offsets?

	Have residual impacts been compensated through biodiversity offsets?	Comment
Row 1	Yes	<div>In Peru and Argentina no significant impacts have been recorded, however as part of the closure activities (progressive and final), restoration of disturbed areas has been carried out, mainly related to revegetation with local species.</div> <div>In Brazil, at the Mara Rosa project, the Company acquired three properties with a total area of 705 ha in the Terra Ronca State Park as compensation for 392 hectares of land where vegetation removal was carried out.</div>

F-MM14.5a/F-CO14.5a

(F-MM14.5a/F-CO14.5a) Provide details on the biodiversity offsets you have in place.

Mining project ID

Project 7

Description of the impact being offset

Removal of vegetation from 392 hectares as part of the construction.

Motivation

Legal requirements

Type of offset

Restoration offset (forests)

Area (hectares)

705

Describe the offset

In Brazil, at the Mara Rosa project, the Company acquired three properties with a total area of 705 ha in the Terra Ronca State Park as compensation for 392 hectares of land where vegetation removal was carried out. In 2022, Hochschild has compensated 446 ha.

F-MM14.6/F-CO14.6

(F-MM14.6/F-CO14.6) Is your organization implementing or supporting additional conservation actions?

	Implementing or supporting additional conservation actions?	Comment
Row 1	Yes	<p>Interinstitutional Alliance Cooperation between the Cotahuasi Landscape Reserve and Hochschild: This cooperation agreement began in 2021 for a duration of three-years. The Cotahuasi Landscape Reserve is located in the La Union Province, in Arequipa, Peru, close to the Inmaculada mine. In 2022, Hochschild Mining's Peruvian operator, Compañía Minera Ares, continued its partnership with Profonampe, a Peruvian trust fund for national parks and protected areas, to preserve and conserve the Cotahuasi Landscape Reserve. Based on the Reserve's Master Plan, four strategic components were prioritised:</p> <p>i) Structural management: Improving the Reserve signage to demarcate the Reserve's boundaries and to clearly identify tourist attractions.</p> <p>ii) Response to natural disasters: Providing equipment (uniforms and tools) to the fire brigade within the Reserve. Holding training courses on fire control techniques, fire risks and hazards, personal safety among other topics for firefighters.</p> <p>iii) Environmental education: Holding educational conventions on biodiversity integrating the local schools and the general public.</p> <p>iv) Sustainable economic activities: Supporting local entrepreneurship through the 'Emprendedores por Cotahuasi' programme. In 2022, 3 business proposals from local communities received funding, benefiting 336 individuals.</p>

F-MM14.6a/F-CO14.6a

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(F-MM14.6a/F-CO14.6a) Provide details on the main additional conservation actions you are implementing or supporting.

**Project title**

Interinstitutional Alliance Cooperation between the Cotahuasi Landscape Reserve and Hochschild

**Project theme**

Other, please specify (Environmental and social monitoring, Wildfire response, Support to local entrepreneurs)

**Country/Area**

Peru

**Location**

Outside area of influence of mining project

**Primary motivation**

Voluntary

**Timeframe**

Defined

**Start year**

2021

**End year**

2023

**Description of project**

Interinstitutional Alliance Cooperation between the Cotahuasi Landscape Reserve and Hochschild: This cooperation agreement began in 2021 for a duration of three-years. The Cotahuasi Landscape Reserve is located in the La Union Province, in Arequipa, Peru, close to the Inmaculada mine. In 2022, Hochschild Mining's Peruvian operator, Compañía Minera Ares, continued its partnership with Profonampe, a Peruvian trust fund for national parks and protected areas, to preserve and conserve the Cotahuasi Landscape Reserve.

**Description of outcome to date**

Based on the Reserve's Master Plan, four strategic components were prioritised:

- i) Structural management: Improving the Reserve signage to demarcate the Reserve's boundaries and to clearly identify tourist attractions.
- ii) Response to natural disasters: Providing equipment (uniforms and tools) to the fire brigade within the Reserve. Holding training courses on fire control techniques, fire risks and hazards, personal safety among other topics for firefighters.
- iii) Environmental education: Holding educational conventions on biodiversity integrating the local schools and the general public.
- iv) Sustainable economic activities: Supporting local entrepreneurship through the 'Emprendedores por Cotahuasi' programme. In 2022, 3 business proposals from local communities received funding, benefiting 336 individuals.

**Project title**

Knowledge Trail

**Project theme**

Community development

**Country/Area**

Brazil

**Location**

In the area of influence of mining project

**Primary motivation**

Voluntary

**Timeframe**

Undefined

**Start year**

2022

**End year**

<Not Applicable>

**Description of project**

In order to protect biodiversity and to increase awareness on this topic, Hochschild developed a 'Knowledge Trail' in the municipality of Mara Rosa, with full accessibility for people with special needs. Open to the public since September 2022, the trail is an environmental and heritage education project aimed at the communities of Mara Rosa, Amaralina and the neighbouring localities.

The 'Knowledge Trail' is part of the Environmental and Heritage Education Program, and fulfils the obligations determined by the issued environmental permits. The project has a series of stations that address historical, archaeological, geological, geographic, biodiversity, cultural appreciation of the region, and other topics. The goal is to help improve the stakeholders' awareness to the appreciation of environmental and heritage (archaeology) themes.

**Description of outcome to date**

The trail, which spans approximately 400 metres, features 13 activity stations showcasing over 10 years of research on the Cerrado biome ecoregion and local communities.

F-MM14.7/F-CO14.7

(F-MM14.7/F-CO14.7) Do your mining projects have closure plans in place?

	Are there closure plans in place?	Comment
Row 1	Yes	Yes, all mines (Arcata, Ares, Sipan, Inmaculada, Pallancata, Selene and San Jose) have mine closure plans. In Peru, these plans are approved by the Ministry of Energy and Mines.

## F-MM14.7a/F-CO14.7a

(F-MM14.7a/F-CO14.7a) Please provide details on mines with closure plans.

## Row 1

## Percentage of mines with closure plans

100

## Percentage of closure plans that take biodiversity aspects into consideration

100

## Is there a financial provision for mine closure expenditure?

Yes, for all mines

## Frequency closure plans are reviewed

Regularly (all projects)

## Please explain

In Peru, closure plans must be updated or modified after modifications to the projects have been approved in environmental permits or, in case of no modifications, they must be updated after 3 to 5 years.

## F-MM14.8/F-CO14.8

(F-MM14.8/F-CO14.8) Can you disclose the area rehabilitated (in total and in the reporting year) for each of your mining projects?

	Disclosing area rehabilitated (in total and in the reporting year)?	Comment
Row 1	No	In accordance with our closure plans, and as part of the progressive and final closure activities, rehabilitation has been carried out.

## F15 Engagement

## F-MM15.1/F-CO15.1

(F-MM15.1/F-CO15.1) Do you participate in or endorse any of the following global initiatives?

	Participate or endorse?	Comment
Extractive Industries Transparency Initiative	No, but plan do so in the next 2 years	We will make disclosures to the EITI standard at a local level once Peru is reinstated.
UN Global Compact	No, but plan do so in the next 2 years	We intend to re-instate our participation.
Natural Capital Coalition	No	-
Business and Biodiversity Pledge	No	-
New York Declaration on Forests	No	-

## F-MM15.2/F-CO15.2

(F-MM15.2/F-CO15.2) Do you participate in or support industry-led and/or standards-setting initiatives and organizations promoting sustainability in the mining sector?

	Participating or supporting industry-led and/or standards-setting initiatives?	Comment
Row 1	Yes	We proactively collaborate with policy makers, practitioners, and the civil society to discuss, shape and approve new initiatives that improve mining and environmental regulations. To promote ESG guidelines and practices in the mining industry, we actively participate in industry associations and professional forums such as the Sociedad de Minería and Petróleo y Energía (SNMPE) in Peru, Cámara Argentina de Empresarios Mineros (CAEM) in Argentina as well as the Confederação Nacional da Indústria (CNI) in Brazil.

## F-MM15.2a/F-CO15.2a

(F-MM15.2a/F-CO15.2a) Indicate the initiatives and/or organizations you took part in or supported during the reporting year.

Activities	Initiatives	Comment
Industry-led mining sustainability initiative/organization	Other industry-led initiative, please specify (SNMPE, CAEM, CNI)	We proactively collaborate with policy makers, practitioners, and the civil society to discuss, shape and approve new initiatives that improve mining and environmental regulations. To promote ESG guidelines and practices in the mining industry, we actively participate in industry associations and professional forums such as the Sociedad de Minería and Petróleo y Energía (SNMPE) in Peru, Cámara Argentina de Empresarios Mineros (CAEM) in Argentina as well as the Confederação Nacional da Indústria (CNI) in Brazil.

## F-MM15.3/F-CO15.3

(F-MM15.3/F-CO15.3) Do you collaborate or engage in partnerships with non-governmental organizations to promote the implementation of your biodiversity-related goals and commitments?

	Collaborating or partnering with non-governmental organizations?	Comment
Row 1	Yes	Interinstitutional Alliance Cooperation between the Cotahuasi Landscape Reserve and Hochschild

## F-MM15.3a/F-CO15.3a

(F-MM15.3a/F-CO15.3a) Provide details on main collaborations and/or partnerships with non-governmental organizations that were active during the reporting year.

**Organization**

PROFONANPE, a private environmental fund

**Scope of collaboration**

Specific mining project(s)

**Mining project ID**

Project 1

**Areas of collaborations**

Protected areas

Other, please specify (Wildfire response, Socio-economic support, Monitoring)

**Describe the nature of the collaboration**

Interinstitutional Alliance Cooperation between the Cotahuasi Landscape Reserve and Hochschild: This cooperation agreement began in 2021 for a duration of three-years. The Cotahuasi Landscape Reserve is located in the La Union Province, in Arequipa, Peru, close to the Inmaculada mine. In 2022, Hochschild Mining's Peruvian operator, Compañía Minera Ares, continued its partnership with Profonanpe, a Peruvian trust fund for national parks and protected areas, to preserve and conserve the Cotahuasi Landscape Reserve. Based on the Reserve's Master Plan, four strategic components were prioritised:

- i) Structural management: Improving the Reserve signage to demarcate the Reserve's boundaries and to clearly identify tourist attractions.
- ii) Response to natural disasters: Providing equipment (uniforms and tools) to the fire brigade within the Reserve. Holding training courses on fire control techniques, fire risks and hazards, personal safety among other topics for firefighters.
- iii) Environmental education: Holding educational conventions on biodiversity integrating the local schools and the general public.
- iv) Sustainable economic activities: Supporting local entrepreneurship through the 'Emprendedores por Cotahuasi' programme. In 2022, 3 business proposals from local communities received funding, benefiting 336 individuals.

**Duration (until)**

2021-2025

## F-MM15.4/F-CO15.4

(F-MM15.4/F-CO15.4) Do you engage with artisanal and small-scale miners operating within your concession(s) or their area of influence?

No

## F-MM15.5/F-CO15.5

(F-MM15.5/F-CO15.5) Do you engage with other stakeholders to further the implementation of your policies concerning biodiversity?

Yes

## F-MM15.5a/F-CO15.5a

(F-MM15.5a/F-CO15.5a) Provide relevant examples of other biodiversity-related engagement activities that happened during the reporting year.

Activities

Participating in government-led initiatives

Mining project ID

Project 1

Please explain

Interinstitutional Alliance Cooperation between the Cotahuasi Landscape Reserve and Hochschild: This cooperation agreement began in 2021 for a duration of three-years. The Cotahuasi Landscape Reserve is located in the La Union Province, in Arequipa, Peru, close to the Inmaculada mine. In 2022, Hochschild Mining's Peruvian operator, Compañía Minera Ares, continued its partnership with Profonampe, a Peruvian trust fund for national parks and protected areas, to preserve and conserve the Cotahuasi Landscape Reserve. Based on the Reserve's Master Plan, four strategic components were prioritised:

i) Structural management: Improving the Reserve signage to demarcate the Reserve's boundaries and to clearly identify tourist attractions.

ii) Response to natural disasters: Providing equipment (uniforms and tools) to the fire brigade within the Reserve. Holding training courses on fire control techniques, fire risks and hazards, personal safety among other topics for firefighters.

iii) Environmental education: Holding educational conventions on biodiversity integrating the local schools and the general public.

iv) Sustainable economic activities: Supporting local entrepreneurship through the 'Emprendedores por Cotahuasi' programme. In 2022, 3 business proposals from local communities received funding, benefiting 336 individuals.

Activities

Engaging with local communities

Mining project ID

Project 7

Please explain

In order to protect biodiversity and to increase awareness on this topic, Hochschild developed a 'Knowledge Trail' in the municipality of Mara Rosa, with full accessibility for people with special needs. Open to the public since September 2022, the trail is an environmental and heritage education project aimed at the communities of Mara Rosa, Amaralina and the neighbouring localities.

The 'Knowledge Trail' is part of the Environmental and Heritage Education Program, and fulfils the obligations determined by the issued environmental permits. The project has a series of stations that address historical, archaeological, geological, geographic, biodiversity, cultural appreciation of the region, and other topics. The goal is to help improve the stakeholders' awareness to the appreciation of environmental and heritage (archaeology) themes.

F16 Verification

F-MM16.1/F-CO16.1

(F-MM16.1/F-CO16.1) Do you verify any biodiversity-related information reported in your CDP disclosure?  
No, we are waiting for more mature verification standards/processes

F17 Signoff

F-FI

(F-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

We include references to the 2021 Sustainability report since it was published in August 2022, and was not included in last year's CDP Climate questionnaire. The Company will publish Sustainability reports every two years. In the off year, the Sustainability Report will be issued within the Annual Report (see Annual Report 2022).

F17.1

(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.

	Job Title	Corresponding job category
Row 1	VP, Legal and Corporate Affairs	Other C-Suite Officer

Submit your response

In which language are you submitting your response?  
English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms