



HOCHSCHILD
BEYOND MINING

ANNUAL REPORT 2025

Strengthening today, building the future





WHO WE ARE

Hochschild Mining PLC is a leading precious metals company listed on the London Stock Exchange with a primary focus on the exploration, mining, processing and sale of silver and gold. We have over 60 years of experience in the mining of precious metal epithermal vein deposits and currently operate two underground epithermal vein mines, one located in southern Peru and one in southern Argentina as well as an open-pit mine in Brazil. We also have numerous long-term projects throughout the Americas.

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MARKET LISTING

Market: Main Market (FTSE 250)	SEDOL: B1FW502
ISIN: GB00B1FW5029	Issue date: 18 December 2006
Market segment: STMM	Year end: 31 December 2025

Visit our website [hochschildmining.com](https://www.hochschildmining.com)



Strategic report

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- Climate-related Financial Disclosure Report 2025
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- Viability statement
- Group non-financial and sustainability information statement





HIGHLIGHTS



This year marks a key moment for Hochschild, delivering our strongest ever financial performance, driven by disciplined execution at Inmaculada and precious metal price tailwinds. We added

1.7 million ounces to our resource base, advanced our two exciting growth projects in Peru and Brazil, and significantly increased the dividend, reflecting the strength of our balance sheet. At Mara Rosa, we are close to completing our turnaround plan, positioning the operation for a stronger and more sustainable future.

EDUARDO LANDIN
CHIEF EXECUTIVE OFFICER

¹ Revenue is reported in the financial statements net of commercial discounts, plus revenue from the sale of aggregates and services revenue.
² Revenue (pre-exceptional) is reported in the financial statements net of commercial discounts, plus revenue from the sale of aggregates and services revenue, and excludes the non-cash recycling of \$26.4 million of accumulated losses related to the roll-forward of gold hedges.
³ Adjusted EBITDA, net debt and AISC are non-IFRS measures. Please see the Financial Review pages 38-39 for a definition and calculation of Adjusted EBITDA, net debt and Attributable AISC. The Company has calculated its all-in sustaining cost on an attributable basis and excludes Peruvian royalties which are recognised in the income tax line. Management believes that the updated methodology better aligns with prevailing industry practices and enhances comparability with peers. All previous periods have been re-presented to reflect this change.
⁴ Please see the Financial Review page 41 for the calculation of the final proposed dividend.
⁵ 2025 and 2024 equivalent figures calculated using the gold/silver ratio of 83x.

2025 STRONG FINANCIAL PERFORMANCE

- Revenue up 25% at \$1,182.1 million (2024: \$947.7 million)¹.
- Revenue (pre-exceptional) up 28% at \$1,208.6 million (2024: \$947.7 million)².
- Adjusted EBITDA up 39% at \$583.7 million (2024: \$421.4 million)³.
- Profit before income tax (pre-exceptional) up 66% at \$330.4 million (2024: \$199.1 million).
- Profit before income tax (post-exceptional) up 110% at \$372.8 million (2024: \$177.2 million).
- Basic earnings per share (pre-exceptional) at \$0.31 (2024: \$0.23).
- Basic earnings per share (post-exceptional) at \$0.39 (2024: \$0.19).
- Cash and cash equivalents balance of \$317.0 million as at 31 December 2025 (2024: \$97.0 million).
- Net debt² of \$22.7 million as at 31 December 2025 (2024: \$215.6 million).
- Recommended final dividend of 5.00 US cents per share (\$25.7 million)⁴.

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2025 OPERATIONAL PERFORMANCE⁵

- Strong 2025 safety performance.
- Full-year attributable production of 311,509 gold equivalent ounces (2024: 347,374 ounces).
- Attributable all-in sustaining costs (AISC)² from operations of \$2,138 per gold equivalent ounce (2024: \$1,558).
- Strong performance at Inmaculada producing 209,921 gold equivalent ounces.
- Turnaround plan at Mara Rosa progressing in-line with expectations, positioning the asset for stronger and sustainable long-term production.
- San Jose performance in line with expectations producing 120,639 gold equivalent ounces.
- Senior management team strengthened with key appointments including Cassio Diedrich as Chief Operating Officer.

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2025 EXPLORATION AND PROJECT HIGHLIGHTS

- Total resource additions of 1.7 million gold equivalent ounces.
- Monte do Carmo project progressing towards updated economics and a final investment decision by mid-2026.
- Royropata silver project permitting process on track.
- Strong progression on monetisation of non-core assets: Tiernan Gold Corp. now trading on the TSX Venture Exchange.

[READ MORE ON PAGE 31](#)



Hochschild at a glance

Our operations follow a disciplined pipeline – from exploration to production – delivering value at every stage of the mine life cycle.

GOLD

Over the past several decades, the price of gold has been influenced by many different factors such as central bank buying, inflation, geopolitics, monetary policy and equity markets.

259^k_{oz}

TOTAL GOLD PRODUCTION 2025

\$3,471/oz

AVERAGE PRICE FOR 2025

SILVER

Silver has tended to perform in line with gold demonstrating its store-of-value characteristics although with over 50% of silver demand coming from industrial uses, the metal can also move with other industrial metals in line with global growth expectations.

9.3^k_{oz}

TOTAL SILVER PRODUCTION 2025

\$40.4/oz

AVERAGE PRICE FOR 2025

1 INMACULADA

PERU 210koz Au Eq

Inmaculada is a 20,000 hectare gold and silver underground mine. The mine consists of 40 mining concessions and is located in the Ayacucho Department in southern Peru.

4,512 Employees & contractors
 \$66.0m Wages paid
 \$39.2m Taxes & royalties
 \$83.8m Local procurement

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2 MARA ROSA

BRAZIL 40koz Au

Mara Rosa is an open pit gold mine located in the mining-friendly jurisdiction of Goias State.

1,769 Employees & contractors
 \$9.9m Wages paid
 \$4.0m Taxes & royalties
 \$44.8m Local procurement

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PROJECT PIPELINE

Hochschild currently has a strong project pipeline with assets based in Peru, Brazil and Chile. These include the advanced development project, Monte do Carmo in Brazil, as well as former operations that have strong geological potential, such as Royropata, and regional targets close to our current mines.

Development Projects

- 4 Monte do Carmo (Brazil)
- 5 Royropata (Peru)
- 6 Volcan (Chile) (through 69.8% holding in Tiernan Gold)

Other

- 7 Aclara Penco (Chile, 19.5%)
- 8 Aclara Carina (Brazil, 19.5%)

3 SAN JOSE

ARGENTINA 121koz Au Eq

San Jose is a gold-silver underground mine located in the Santa Cruz province, 1,750km southwest of Buenos Aires.

2,850 Employees & contractors
 \$87.5m Wages paid
 \$19.2m Taxes & royalties
 \$90.5m Local procurement

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Our strategic framework

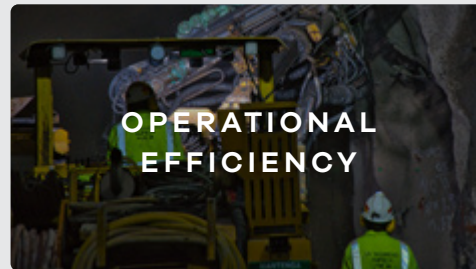
OUR PURPOSE

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Responsible and innovative mining committed to a better world

OUR STRATEGIC PILLARS

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OUR SUSTAINABILITY AREAS OF FOCUS

[READ MORE ON PAGE 42](#)

Serving our Communities

Protecting the Environment

Ensuring Health and Safety

Empowering our People

Ensuring we are a Responsible Business

UNDERPINNED BY OUR VALUES

Innovation

Inspiring others

Recognising talent

Seeking efficiencies

Demonstrating responsibility



Our investment case

Low-cost precious metal growth potential in key jurisdictions in the Americas.



GROWTH OPTIONS IN THE AMERICAS

We currently have two projects underway – Royropata in Peru and Monte do Carmo in Brazil – that are expected to drive significant production growth in the next few years.

[READ MORE ON PAGE 25](#)



BROWNFIELD PROGRAMME

Our brownfield team has a strong track record of adding high-quality resources at all our operating mines.

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STRONG ESG PERFORMANCE

Our corporate purpose places ESG at the heart of our business operations. This commitment is demonstrated through a broad range of programmes, initiatives, and actions that consistently drive positive change.

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LONG-TERM DIVIDEND GROWTH

As part of our comprehensive capital allocation strategy, we recognise the importance of capital return to our shareholders.

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OPTIMISING THE BUSINESS

A strengthened leadership team

We are confident that we have the right team in place to drive and optimise the business. Moving forward, this strengthened team will also play a vital role in realising the full potential at the Mara Rosa mine and advancing the development of the Monte do Carmo and Royropata projects.

Biographies for our leadership team can be found on our website.

EDUARDO LANDIN
CHIEF EXECUTIVE OFFICER

Eduardo was appointed CEO on 26 August 2023. Eduardo previously served as Hochschild's COO for over 10 years.

EDUARDO NORIEGA
CHIEF FINANCIAL OFFICER

Eduardo was appointed Chief Financial Officer of Hochschild Mining on 10 December 2021 having joined the Company in March 2007.

CASSIO DIEDRICH
CHIEF OPERATING OFFICER

Cassio, who joined Hochschild in September 2025, is an experienced mining engineer with 15 years at Vale in senior roles followed by leadership positions at Glencore and Kinterra Capital. A Brazilian national, he brings strong local expertise.

EDUARDO VILLAR
VP, HUMAN RESOURCES

Eduardo has been with the Group since 1996. Prior to his current position, he served as Human Resources Manager, Deputy HR Manager and Legal Counsel.

JOSÉ ENRIQUE FRÍAS
VP, LEGAL & PUBLIC AFFAIRS

Jose joined Hochschild Mining as Vice President of Legal and Public Affairs in June 2024.

NICOLAS HOCHSCHILD
VP, PLANNING & BUSINESS DEVELOPMENT

Nicolas was Corporate Manager of Business Development from June 2023 before assuming his current role in May 2025.

OSCAR GARCÍA
VP, BROWNFIELD EXPLORATION

Oscar was promoted to the position of VP, Brownfield Exploration in 2019 having joined Hochschild Mining in 2007 as an Ore Control geologist.





OPTIMISING THE BUSINESS

Driving the turnaround at Mara Rosa

OVERVIEW OF CHALLENGES

Mara Rosa faced several challenges in 2025, including heavier-than-usual seasonal rainfall, contractor performance issues that limited access to higher-grade ore and tailings filter problems. These issues also slowed recovery from delays in the mine's waste removal which were carried over from 2024. Furthermore, in May, the Group's COO and much of his team at the operation left the organisation, prompting a country-wide reorganisation led by Eduardo Landin.

SUMMARY OF ACTIONS

A comprehensive operational review strengthened mining, processing, and permitting systems, supported by a one-month plant shutdown to complete essential maintenance and filter repairs. Mining continued throughout the year, and production improved steadily as all tailings filters returned to service, reflecting stronger fleet efficiency and better haulage conditions. The Company also completed a successful reorganisation of its Brazil operations, with new leadership and a more effective management structure positioning Hochschild for continued improvement.

88%

EMPLOYEES ARE FROM GOIAS
(2024: 81%)

116

LOCAL EMPLOYEES
FROM MARA ROSA AND
AMARALINA (2024: 40)



Q & A WITH
CASSIO DIEDRICH,
CHIEF OPERATING OFFICER

Q. What made you want to join Hochschild?

A. Hochschild is a vastly experienced and reputable operator with a strong track record, combined with an exciting pipeline of projects in Brazil and Peru. Its ambitious growth plans and focus on long-term value creation made it a compelling opportunity for me to contribute my experience and help shape the next phase of the Company's development.

Q. Are there any opportunities for efficiencies and cost control?

A. We have recently initiated a disciplined, organisation-wide approach to cost optimisation. Each department has been asked to develop a set of initiatives aligned to our strategic roadmap, with a clear focus on priorities and accountability. This has resulted in over 150 initiatives, many with measurable economic returns that are already included in the 2026 plans, with others still under assessment – creating a strong pipeline for ongoing efficiencies and cost control.



Q & A WITH
EDINEY DRUMMOND,
BRAZIL COUNTRY MANAGER

Q. How have you found the first few months of working at Hochschild?

A. The first few months at Hochschild have been both engaging and professionally rewarding. Working on the Mara Rosa turnaround plan and getting familiar with the other operations and projects has presented a number of challenges but provided me with a valuable learning opportunity early on. I have been particularly impressed by the strength of the management team, whose experience and support have been evident from the outset. It is also a privilege to be part of a company with a strong reputation in the mining industry, which is clearly reflected in its culture and standards.

Q. What special challenges have you had to deal with at Mara Rosa?

A. At Mara Rosa, the key challenges were both operational and organisational, with a major turnaround already underway when I joined. Since then, significant improvements have been made to mine access and efficiency, alongside necessary upgrades to processing and filtering activities. In parallel, a timely cultural reset has been implemented to stabilise the operation and place it on a stronger, more sustainable footing.

Q. Are you excited about the Monte do Carmo project?

A. The team is looking forward to reaching a construction decision on the exciting Monte do Carmo project sometime in 2026. We are completing the detailed engineering and, of course, improving the business case with the lessons learned from Mara Rosa. Combined with the opportunity to advance a high-quality Brazilian project in a buoyant precious metal market, Monte do Carmo represents a compelling growth opportunity for the Company.



OPTIMISING THE BUSINESS

Dedicated to a sustainable future

Since the Company's inception, we have endeavoured to maintain and reinforce our corporate values of respecting the well-being of our employees, the environment and the communities in which we operate.

SUSTAINABILITY IS KEY TO OUR BUSINESS STRATEGY

Our purpose at Hochschild is responsible and innovative mining, committed to a better world. Sustainability is fundamental to this purpose and underpins how we operate as a business; it shapes our culture and guides our day-to-day actions. It defines our relationships with communities, our people and local governments, and underlies how we interact with the environment and the physical landscapes in which we operate.

SUMMARY OF ACTIONS

In 2025, the Company delivered a strong improvement in ESG performance such as in Lost Time Injury Frequency Rates, fresh water usage and recycled waste. This has built on prior-year momentum and expanding the scope of environmental and social performance tracking across operations to now include Mara Rosa. Progress was made in local employment and procurement, waste management, and overall operational sustainability, alongside continued

improvements in environmental, health, and safety performance.

Governance and transparency were strengthened through alignment with international frameworks and enhanced external reporting. Ongoing safety and environmental culture initiatives continued to embed consistent practices across the business, with these achievements reflected in our latest MSCI ESG rating of BBB, and our inclusion in the FTSE4Good Index Series.



0.97

LOST TIME INJURY FREQUENCY RATE (2024: 1.25)

81%

RECYCLED WASTE VS WASTE GENERATED (2024: 57%)



Stakeholders

We are focused on driving long-term sustainable performance for the benefit of our customers, shareholders and wider stakeholders. Only by fully understanding our stakeholders' needs and their expectations can we measure the extent of our success.



CUSTOMERS



SHAREHOLDERS



EMPLOYEES



SOCIAL



GOVERNMENTS/
REGULATORS



SUPPLIERS/
LENDERS

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MARKET REVIEW

Our markets and their key drivers

WHY IS GOLD IMPORTANT IN TODAY'S WORLD?

Gold represents enduring value, underpins financial systems, and plays an important role across a range of industries, with its significance rooted in its rarity, versatility, and timeless visual appeal that has attracted interest for centuries.

Throughout history, gold has held cultural, religious, and economic importance, functioning as a symbol of wealth, a medium of exchange, and an integral element in many traditions and ceremonies. Its distinctive physical and chemical characteristics – such as durability, malleability, rarity, and enduring shine – underpin its value across industries including jewellery, technology, and investment, while investors and central banks continue to rely on gold for wealth preservation, portfolio diversification, and protection against economic uncertainty, inflation, and geopolitical risk.

GOLD IN TECHNOLOGY

Gold's excellent conductivity makes it a key material in electronics, including printed circuits and transistors. In the automotive industry, it plays a critical role in safety systems, such as anti-lock brakes and airbag sensors. In defence and aerospace, gold is valued for its ability to reflect infrared radiation, finding use in windscreens, astronaut helmet visors, and other space applications. Additionally, gold-coated glass is employed in commercial buildings to reflect sunlight, improve energy efficiency, and reduce solar heat gain.

WHY IS SILVER IMPORTANT IN TODAY'S WORLD

Silver is a precious metal with intrinsic value that, like gold, has long been regarded as both a commodity and a form of money, having served as a medium of exchange for thousands of years. Today, however, silver's importance is driven primarily by industrial demand, with widespread use in technologies such as mobile devices, solar panels, and a growing range of emerging innovations that capitalise on its distinctive properties.

As a noble metal, silver resists corrosion and oxidation and offers the highest thermal and electrical conductivity of any metal, making it especially valuable for electrical and electronic applications. Its antimicrobial and non-toxic characteristics support uses in medicine and consumer products, while its high lustre and reflectivity underpin demand in jewellery, silverware, and optical applications.

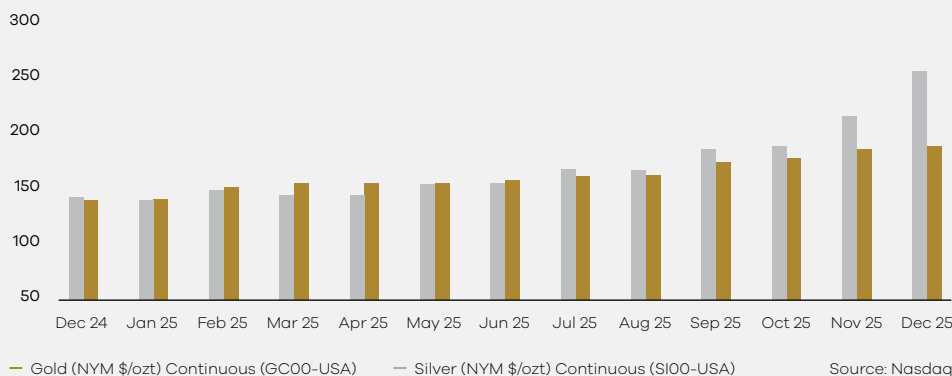
Silver is used extensively across a wide array of applications, including soldering and brazing alloys, batteries, dentistry, electronics, glass coatings, LEDs, medical and pharmaceutical products, semiconductors, solar energy systems, water purification, satellites, imaging technologies, and many other industrial processes.

SILVER IN TECHNOLOGY

As technology advances rapidly, silver's importance continues to expand, particularly in applications like 5G networks and semiconductors. The global rollout of 5G and the surge in data demand have driven the need for faster, more reliable devices, with silver playing a critical role in manufacturing high-performance chips and components.

Semiconductors, essential to modern digital devices, depend on silver for efficient electrical conduction and regulation, making the metal a key driver in the ongoing evolution of technology.

Gold and silver prices in 2025 (indexed)



GOLD

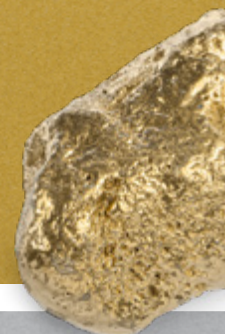
Gold is a precious metal bought by people across the world for different reasons, often influenced by socio-cultural factors, market conditions, and macroeconomic drivers in their country.

The gold price ended 2025 at \$4,341/oz (2024: \$2,641/oz), another record high year-end close and increasing by a record 64% year-on-year.

\$4,341/oz
2025 YEAR-END PRICE

The average 2025 gold price of \$3,471/oz (2024: \$2,406/oz) – also another record was 44% higher than 2024.

+44%
AVERAGE PRICE VERSUS 2024



SILVER

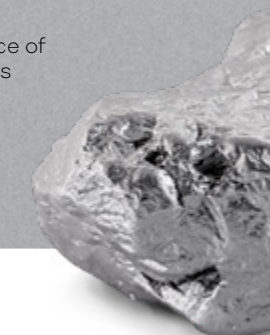
Silver is known for its lustrous appearance, malleability and conductivity and has been prized for centuries in jewellery, currency, and industrial applications. With a rich history tied to wealth and craftsmanship, silver plays a vital role in various sectors, from technology to medicine.

The silver price ended 2025 at \$70.6/oz (2024: \$29.2/oz) which is a 142% increase on the 2024 closing price.

\$70.6/oz
2025 YEAR-END PRICE

The average 2025 silver price of \$40.4/oz (2024: \$28.5/oz) was also 42% higher than 2024.

+42%
AVERAGE PRICE VERSUS 2024





MARKET REVIEW CONTINUED

Gold

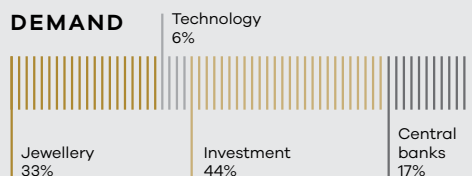
Gold delivered an exceptional performance in 2025, rising in nearly every month and recording its largest annual gain in 46 years. Driven by ongoing geopolitical tensions, volatile US trade policies and interest rate expectations, and broader economic uncertainty, gold emerged as one of the top-performing asset classes of the year.

SUMMARY

Gold is a precious metal bought by people across the world for different reasons, often influenced by socio-cultural factors, market conditions, and macroeconomic drivers in their country.

AVERAGE 2025 PRICE

\$3,471_{/oz}

SUPPLY**DEMAND**

Gold prices delivered a historic performance in 2025, rising nearly every month and climbing as much as 55% to surpass \$4,000 per ounce for the first time in October, before reaching record highs above \$4,300. The rally was driven by a mix of US trade-related uncertainty, reduced demand for the US dollar, increased central bank buying, shifting monetary policy expectations, and ongoing wars in Ukraine and the Middle East. Together, these forces created ideal conditions for gold's strongest annual gain in 46 years.

Total gold demand in 2025, including over-the-counter transactions, surpassed 5,000 tonnes for the first time on record. Supported by a record-breaking price rally that delivered a huge number of new all-time highs, total demand reached an unprecedented value of \$555 billion, up 45% year-on-year. Rising investment activity was the primary driver, with global gold ETF holdings increasing by 801 tonnes – the second-strongest annual inflow on record – whilst bar and coin demand accelerated to a 12-year high.

Investment demand in 2025 was underpinned by consistent safe-haven and diversification motives, alongside price-driven interest, while central bank purchases remained historically elevated and spread across the globe at 863 tonnes, albeit slower than recent peaks. In addition, in a background of record gold prices, jewellery demand declined, though sentiment stayed strong, with the value of global jewellery demand rising 18% to a record \$172 billion. Meanwhile, technology demand held steady despite disruption in consumer electronics markets, supported by continued growth in AI-related applications.

Total gold supply in 2025 rose 1% year-on-year to an estimated 5,002 tonnes, the highest since 1970, supported by record mine production and higher recycling. Initial early estimates point to mine output increasing marginally to 3,672 tonnes, just beating the 2018 record of 3,663 tonnes. Recycling rose 3% to 1,404 tonnes, a relatively muted response to the soaring US dollar gold price. Outstanding net producer hedging also fell as producers delivered into maturing contracts and bought back some longer-dated positions.

**POSSIBLE DRIVERS FOR GOLD IN 2026**

Volatile geopolitical conditions are likely to remain a key driver of gold prices in the year ahead, supporting continued strong central bank buying, healthy gold ETF inflows, and robust bar and coin demand.

Bond market uncertainty, further expected interest rate cuts delivered by a new Federal Reserve Chairman, and continued pressure on the US dollar should underpin strength across investment demand.

Jewellery spending is expected to remain resilient.

Central bank demand is forecast to stay solid, broadly in line with 2025 levels.

Mine supply and recycled gold are likely to remain similar to last year, with high margins continuing to incentivise production.

Sources: World Gold Council, Metals Focus



MARKET REVIEW CONTINUED

Silver

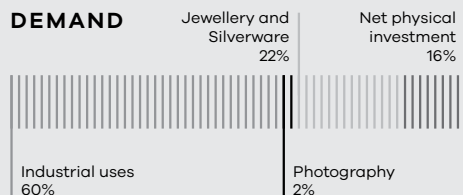
Silver generally tracks gold as a store of value, but with over half its demand from industry, it also moves with industrial metals and global growth trends.

SUMMARY

Silver is known for its lustrous appearance, malleability, and conductivity and has been prized for centuries in jewellery, currency, and industrial applications. With a rich history tied to wealth and craftsmanship, silver plays a vital role in various sectors, from technology to medicine.

AVERAGE 2025 PRICE

\$40.4/oz

SUPPLY**DEMAND**

Silver prices were again extremely strong in 2025, with the silver spot price gaining 141%, rocketing from \$29.2 to \$70.6 per ounce and reaching a record high at just over \$77 per ounce. This was due to an unprecedented liquidity squeeze that has driven lease rates to record highs, alongside record volumes being delivered into CME (Chicago Mercantile Exchange) vaults amid US tariff concerns and the US government's official designation of silver as a critical mineral. These developments are unfolding against a backdrop of heightened macroeconomic and geopolitical risks – particularly surrounding US trade policy – which has encouraged investors to increase allocations to precious metals for diversification. Consequently, investment demand has strengthened materially, more than offsetting weakness across all major segments of silver demand.

In terms of market fundamentals, global supply is estimated to have risen by 1%, underpinned by a modest return to producer hedging. Global demand is expected to have declined by 4%, with all significant demand categories posting lower totals. Even so, the market has remained in deficit in 2025, marking the fifth consecutive year.

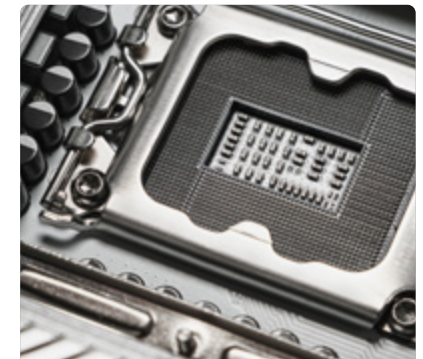
Global silver demand is expected to have fallen by 4% year over year to 1.12 billion ounces in 2025, with all major demand segments projected to decline, led by industrial demand, as well as weaker jewellery and bar-and-coin demand. Industrial demand is forecast to have dropped by 2% to 665 million ounces, reflecting heightened global economic uncertainty stemming from tariff policies and geopolitical tensions, alongside a faster pace of thrifting in response to elevated silver prices. In the photovoltaics (PV) sector, global installations are set to reach a new record; however, a sharp reduction

in silver loadings per module is expected to drive PV-related silver demand down by around 5% year over year. This weakness should be partially offset by continued growth in AI-driven data centre infrastructure and further, albeit more moderate, expansion in electric vehicle sales.

Jewellery and silverware are expected to have declined by 4% and 11%, respectively, this year. For each segment, this largely reflects weakness in India, where the rupee silver price has been trading at record highs, well before the international market experienced the same trend.

Exchange-traded product (ETP) holdings rose by around 18% up until November 2025, lifting year-to-date inflows to 187 million ounces. This increase reflects mounting investor concerns over stagflation, the independence of the US Federal Reserve, government debt sustainability, the US dollar's role as a safe haven, and ongoing geopolitical risk. Silver's strong price performance, together with its supportive supply-demand fundamentals, has further bolstered investor confidence.

In 2025, global mined silver supply is expected to have remained flat at 813 million ounces. Higher Mexican and Russian production was offset by lower output in Peru and Indonesia. Primary silver supply is forecast to have risen 3 million ounces to 227 million ounces, accounting for 28% of global output. Mexican production is predicted to have risen by 5 million ounces to 186 million ounces, driven by the restart of Penoles' Tizapa mine following a prolonged labour dispute, the ongoing ramp-up at Endeavour Silver's Terronera project, and higher output from Southern Copper.

**POSSIBLE DRIVERS FOR SILVER IN 2026**

Silver is expected to benefit from improving investor sentiment toward precious metals, supported by tightening physical supply-demand balances.

Silver may also be supported by many of the same drivers underpinning gold: a softer US dollar, US interest rate cuts, and renewed demand for safe-haven assets amid geopolitical concerns.

Historically, silver has outperformed gold during falling rate cycles, as lower real yields tend to boost both investor allocations and industrial activity.

The solar sector – the largest driver of silver demand – appears to be nearing a near-term peak in annual capacity additions. Analysts are suggesting solar installations may plateau or even decline from 2026 onwards.

Silver is currently forecast to remain in deficit.

Sources: Silver Institute, Metals Focus



EDUARDO HOCHSCHILD
COMPANY CHAIR

CHAIR'S STATEMENT

Disciplined financial management

\$1,209_m

REVENUE
2024: \$948m

\$584_m

ADJUSTED EBITDA
2024: \$421m

2025 was a year that provided a number of challenges, but also one that clearly demonstrated the strength of our business and our people.

Record precious metal prices towards the end of the year provided a powerful tailwind, delivering strong financial results and reinforcing our confidence in the long-term fundamentals of our portfolio. At Mara Rosa in Brazil, we responded quickly and decisively to operational challenges, executing a comprehensive turnaround plan that is now close to completion. As we look ahead, I am excited by the progress and potential of our two high-value projects in Peru and Brazil, which position the Company well for the year ahead and beyond.

Success for the Group is defined by achieving operational efficiency while delivering transformative change. We engage proactively with our communities, creating a meaningful and lasting positive social legacy. Through sustained effort, we achieved record proportions of local employment across our workforce and local procurement. We also implemented a comprehensive social investment programme benefiting communities across all our operations.

Environmental management is integral to our approach to sustainable growth. In 2025, we delivered excellent environmental performance, reflected in our best-in-

class ECO Score tool. This was further demonstrated by year-on-year reductions in fresh water consumption per tonne of ore processed, alongside continued improvements in waste management. In addition, our two ESG-linked loans delivered interest rate reductions linked to defined environmental and safety performance indicators. We also made significant progress in addressing climate-related risks, with our operations in Brazil and Argentina meeting 100% of their energy requirements from renewable sources.

Safety excellence remained a defining feature of the Group's operational performance in 2025. This was reflected in an all-time low injury frequency rate, and the achievement of 2 million man-hours worked in San Jose without incidents. Together, these outcomes are a clear testament to the dedication, discipline, and professionalism of our operational teams.

Our people remain central to our performance. Hochschild's ability to attract and retain talent continues to be reflected in consistently low levels of employee turnover. We are also pleased to report that, in a traditionally male-dominated industry, we have made good progress in workforce diversity, reaching an all-time high level of female representation across our total workforce.



CHAIR'S STATEMENT CONTINUED

Our performance across these areas has been independently validated through upgrades from leading ESG rating agencies, including MSCI and Sustainalytics, as well as our inclusion in the FTSE4Good Index. Comprehensive details of the programmes delivered across our countries of operation are set out in the Sustainability section of the Annual Report.

Mara Rosa had a challenging start to the year, reflecting a combination of adverse seasonal conditions and operational issues. But I am pleased to report that the situation was addressed decisively through a comprehensive review of the operation, led by Eduardo Landin. The review resulted in the implementation of a turnaround plan for our Brazilian business, strengthening leadership including our new Chief Operating Officer, Cassio Diedrich, and operational oversight, alongside targeted maintenance and process improvements. Following a temporary plant shutdown in July, the mine's performance improved steadily throughout the second half of the year as access to higher-grade areas improved and plant stability was restored. With the reorganisation now complete, the operation is on more stable footing, and management remains focused on delivering consistent performance and realising the asset's long-term value.

Our other operations again delivered a solid performance, led by Inmaculada, which again exceeded annual production guidance and will continue to be our flagship asset for some time, notwithstanding the elevated prices that are enabling the processing of lower-grade material over the coming quarters. While costs were moderately above our revised guidance, this largely reflected the immediate impact of sharply rising prices on cyclical costs such as royalties and export taxes. Furthermore, record precious metals prices, together with strong operational performance in Peru and Argentina, resulted in robust cash generation. This allowed

the Group to significantly reduce net debt while continuing to invest in brownfield exploration and the advancement of our development projects.

The performance of our brownfield exploration team continues to be a key strength of Hochschild. Building on the success of previous years, the team delivered another strong result in 2025, adding 1.7 million gold equivalent ounces to our resource base. This outcome reflects both disciplined execution and the underlying quality of our asset portfolio and reinforces our long-standing view that there remains significant potential within our existing operations. These additions support the long-term sustainability of the business and confirm the important role that brownfield exploration continues to play in our overall strategy.

OUTLOOK

As noted above, 2025 saw a continuation of the extraordinary uplift in the precious metals market, with both gold and silver reaching record levels on an almost monthly basis. Gold has recently risen to further new highs of over \$5,400 per ounce, whilst silver has climbed to over \$100 per ounce, with both metals benefiting from tight market conditions and heightened global political and economic uncertainty. This exceptional pricing environment has materially enhanced the Group's financial position, and we are encouraged to see this strength continuing into 2026 although precious metal markets remain volatile. It provides a strong foundation as we move forward to finance our project pipeline and complete the turnaround of our operations in Brazil.

2025 was a year marked by disciplined financial management, as we made substantial progress towards our medium-term financial objectives. A central priority during the year was the reduction of our debt position, and I am pleased to report



The performance of our brownfield exploration team continues to be a key strength of Hochschild.

that strong cash generation enabled us to reduce net debt by almost \$200 million. This was achieved whilst also strengthening the Company through the monetisation of non-core assets. Management did an excellent job in successfully listing Tiernan Gold on the Toronto Stock Exchange Venture Exchange (TSXV), raising capital to advance the Volcan gold project in Chile while retaining an approximately 70% interest. As a result, our balance sheet is now well-positioned to finance our next development project in Brazil, Monte do Carmo, with updated project economics underway and a final investment decision targeted for mid 2026.

Last year, we highlighted that, as part of our capital allocation strategy, we recognised the importance of returning capital to our shareholders. Accordingly, we introduced a new dividend policy designed to provide greater predictability and consistency for our investors in the years ahead. Building on this, the Board is pleased to announce that the performance of the Company this year and the strength of our balance sheet allows

us to recommend a final dividend of 5.00 US cents per share, representing a distribution of \$25.7 million for a total of \$30.9 million in 2025.

As we reflect on a successful 2025, I would like to extend my thanks to our leadership team, as well as the thousands of Hochschild employees, contractors, and partners whose dedication has been central to our progress during the year. Whilst we faced challenges in Brazil during the year, the commitment and hard work of our teams across all operations have been instrumental in delivering value for our Company and our stakeholders. I am truly proud of what has been accomplished and confident in our ability to build on this progress in the year ahead as we continue to develop our exciting portfolio.

EDUARDO HOCHSCHILD
COMPANY CHAIR

10 March 2026



EDUARDO LANDIN
CHIEF EXECUTIVE OFFICER

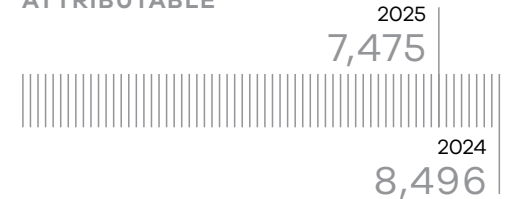
CHIEF EXECUTIVE OFFICER'S STATEMENT

The outlook remains compelling

GOLD PRODUCTION KOZ ATTRIBUTABLE



SILVER PRODUCTION KOZ ATTRIBUTABLE



During 2025, Hochschild Mining made solid progress across the Company, supported by disciplined execution of our strategy, despite operational challenges at Mara Rosa in Brazil.

Our focus remains firmly on our four strategic pillars – brownfield exploration, operational efficiency, ESG leadership, and disciplined capital allocation – which continue to guide our decision-making and underpin our commitment to long-term value creation. While Mara Rosa did not meet our expectations, decisive action was taken, and with a strengthened team including a new COO, a comprehensive operational review, and targeted optimisation initiatives now delivering results, a robust platform is in place to support improved performance in Brazil and reliable production in 2026.

ESG

Our corporate purpose places responsibility at the core of how we operate. As highlighted by the Chair, this commitment is reflected in a comprehensive range of initiatives that underpin our long-term value creation targets. In 2025, our ESG programme made strong progress, delivering year-on-year improvements across 10 of our 16 key ESG performance indicators and reinforcing its central role in the execution of our corporate strategy.

Through active community engagement, we reinforced our social licence to operate across all our sites. We delivered an excellent Lost Time Injury Frequency Rate of 0.97 (2024: 1.25), while our operations in Peru and Argentina continued to maintain Level 8 safety management system certification from Det Norske Veritas. Environmental performance remained robust, reflecting the effective integration of sustainability principles and responsible resource stewardship throughout our operations.

OPERATIONS

Our operational performance in 2025 highlighted the resilience of our diversified asset base. Attributable gold equivalent production totalled 311,509 ounces, a 10% reduction compared with 347,374 ounces in the prior year, largely attributable to challenges at the Mara Rosa operation. All-in sustaining costs for the year were higher than initially anticipated, reflecting lower production in Brazil, additional capital investment to support the operational reset at Mara Rosa, the mining of lower-grade border areas of the veins at San Jose, and the impact of higher precious metal prices in royalties, selling expenses and workers' profit sharing.



CHIEF EXECUTIVE OFFICER'S STATEMENT CONTINUED

In 2025, the Inmaculada mine delivered another solid performance in line with plan, producing 209,921 gold equivalent ounces, 5% lower than 2024 (220,501 ounces), reflecting a scheduled reduction in grade. All-in sustaining costs were \$1,732 per gold equivalent ounce (2024: \$1,479 per ounce), with the increase year-on-year driven by the planned grade profile, partially offset by higher throughput. Over at San Jose in Argentina, production of 120,639 gold equivalent ounces was modestly below 2024 (123,732 ounces), primarily due to scheduled lower grades, although this was mitigated by higher-than-anticipated tonnage processed. All-in sustaining cost of \$2,520 per gold equivalent ounce was higher than expected, reflecting the mining of lower-grade border areas, higher royalties and export taxes driven by increased precious metal prices,

and the removal in April 2025 of the export benefit allowing partial settlement of exports at the blue dollar rate.

Mara Rosa faced a challenging 2025, with early-year rainfall and operational constraints affecting access to higher-grade zones and delaying recovery from 2024 backlogs. Following the resignation of our COO in May, I led a comprehensive operational review covering mining, processing, and permitting, including a temporary suspension of the plant at the end of June for essential maintenance and repairs. Production resumed in July 2025 and steadily ramped up through the remainder of the year, with mining movement and throughput improving as operational stability strengthened.

A reorganised Brazil management team, including the appointment of our new General Manager, Ediney Drummond, has strengthened oversight and execution. Operational improvements in the latter part of the year enhanced access to ore, increased productivity, and laid the groundwork for sustainable performance. Key focus areas—mining development, water management, filtration, and plant reliability—were addressed through improved maintenance and infrastructure readiness. These actions have established a solid platform for consistent operations and workforce stability as we have moved into 2026.

Gold production for the year at Mara Rosa totalled 40,062 gold equivalent ounces (2024: 63,538 ounces). Throughout the review process, we remained closely engaged with all stakeholders, including local authorities and communities, and are focused on unlocking the full potential of this asset in the next few quarters.

PROJECTS

In terms of strategic delivery, we continued to make strong progress across our high-potential growth projects. In Brazil, detailed engineering studies at our Monte do Carmo project in Tocantins are nearing completion. With the permitting pathway now substantially de-risked and lessons learned from our Mara Rosa experience being applied, we are preparing the project for a potential construction decision around mid-year. In Peru, the exciting Royropata silver project has advanced following the securing of all necessary land easements in 2024. The team is now preparing the documentation required to submit the Modified Environmental Impact Assessment application to the Peruvian government later this year, following the national elections and the installation of the new administration in the third quarter.

In the second half of the year, I was pleased to see our management team make further progress in adding value to our non-core project portfolio through the listing of Tiernan Gold Corp ('Tiernan') on the TSXV and concurrent capital raise. This transaction represented an important step for Tiernan and reflected the significant work completed over the past few years on the Volcan gold deposit in Chile. Tiernan now provides a dedicated platform to advance the project and realise its full potential under experienced leadership. Tiernan raised approximately \$30 million, and Hochschild received approximately \$12 million in proceeds from the secondary offering, while retaining a 69.8% stake of Tiernan. With gold prices remaining strong, we believe this structure offers the best path to maximise long-term value for all stakeholders.

EXPLORATION

Exploration continues to be a core pillar of the Group's growth strategy, and during 2025 we built on our strong track record by adding a total of 1.7 million ounces of resources across the portfolio, with, in particular, significant further additions at Inmaculada and Royropata. The brownfield exploration team remains focused on identifying new opportunities for resource expansion within 10 kilometres of our existing operations, including drill testing at one of three deposits identified within the Inmaculada-Pallancata district in Peru. Over the longer term, the strategy also includes the selective acquisition of additional mining properties to further support sustainable growth and replace resources.

FINANCIAL POSITION

Record precious metal prices during the year drove the Company to generate significant cash flow with the result that the Company's balance sheet is the strongest it has been for





CHIEF EXECUTIVE OFFICER'S STATEMENT CONTINUED

several years. Cash and cash equivalents was \$317.0 million at the end of December (2024: \$97.0 million) reflecting strong operational cash flow during the year along with the consolidation of Tiernan's cash balance following its listing and capital raise on the TSXV in the second half of the year. Total debt was \$339.6 million (2024: \$312.6 million) and therefore net debt was reduced to \$22.7 million (2024: \$215.6 million).

FINANCIAL RESULTS

Total attributable Group production was 9% lower than 2024 but this was offset by a 37% rise in the gold price received and a 54% rise in the silver price. Consequently, revenue increased by 25% to \$1,182.1 million (2024: \$947.7 million) and pre-exceptional revenue increased by 28% to \$1,208.6 million (2024: \$947.7 million). Attributable all-in sustaining costs were at \$2,138 per gold equivalent ounce or \$25.7 per silver equivalent ounce (2024: \$1,558 per ounce/\$18.8 per ounce). Adjusted EBITDA of \$583.7 million (2024: \$421.4 million) increased by 39% versus 2024 reflecting the significant price rises partially offset by a fall in production and an increase in cost of sales. Pre-exceptional profit for the year was \$200.7 million (2024: \$133.5 million) and basic earnings per share (pre-exceptional) increased to \$0.31 (2024: \$0.23 per share) mainly due to the higher profitability, net of taxes. On a post-exceptional basis, profit for the year was \$247.4 million (2024: \$113.7 million) and basic earnings per share (post-exceptional) was higher at \$0.39 (2024: \$0.19) and includes the non-cash recycling of \$26.4 million of accumulated losses related to the roll-forward of gold hedges, the reversal of impairment at the Volcan project of \$43.2 million, the reversal of impairment of the investment in Aclara Resources Inc. of \$22.2 million, the reversal of impairment of \$13.6 million of the San Jose mine, and the listing and transaction expenses in

connection with Tiernan's transaction of \$10.2 million. The tax effect of exceptional items was a gain of \$4.2 million.

OUTLOOK¹

We expect attributable production in 2026 to be between 300,000 and 328,000 gold equivalent ounces. This will be driven by: 174,000-185,000 gold equivalent ounces from Inmaculada; an attributable contribution of 59,000 to 63,000 gold equivalent ounces from San Jose; and an increased level of production from the Mara Rosa mine of between 67,000 and 80,000 gold ounces. All-in sustaining costs for operations are expected at between \$2,157 and \$2,320 per gold equivalent ounce. This forecast which is an increase versus 2025 reflects the lower production in Inmaculada driven by lower grade expectations as well as additional capex on expansion of Inmaculada's tailings dam. This will be partially offset by increased production at Mara Rosa and higher expected currency devaluation in Argentina.

The outlook for the Company remains compelling as we complete the turnaround at Mara Rosa, advance our two high-quality growth projects in Brazil and Peru, and continue to generate strong cash flows in a highly supportive precious metals price environment. This financial strength has enabled us to strengthen the balance sheet, increase returns to shareholders and position the business to support sustainable growth. Alongside our focus on operational excellence and disciplined capital allocation, we will continue to assess opportunities to optimise our portfolio, whether through value-accretive acquisitions or the monetisation of our non-core assets, with the clear objective of delivering sustained value creation.

EDUARDO LANDIN
CHIEF EXECUTIVE OFFICER

10 March 2026



The Company's balance sheet is the strongest it has been for several years.

¹ All forecast equivalent figures assume a gold/silver ratio of 77x.



BUSINESS MODEL

Creating sustainable value

We use these resources...

MINERAL

Our high-quality mineral resource base allows us to manage the business for the long term.

NATURAL

We aim to effectively manage the water and energy requirements of our mining and processing activities.

HUMAN

Our talented people use industry-leading technical, market and sustainability expertise to generate value from our assets.

PHYSICAL

Strong relationships with our suppliers across the world enable us to deliver tailored equipment and operating solutions.

FINANCIAL

Our focus on cost efficiency and disciplined capital allocation help deliver sustainable cash flow and improve stakeholder returns.

to create value...

1. DISCOVER

We have strong expertise in discovering geological districts and our experienced exploration team believes that there is potential to continue to generate strong returns from the Company's existing resource base.

2. DEVELOP

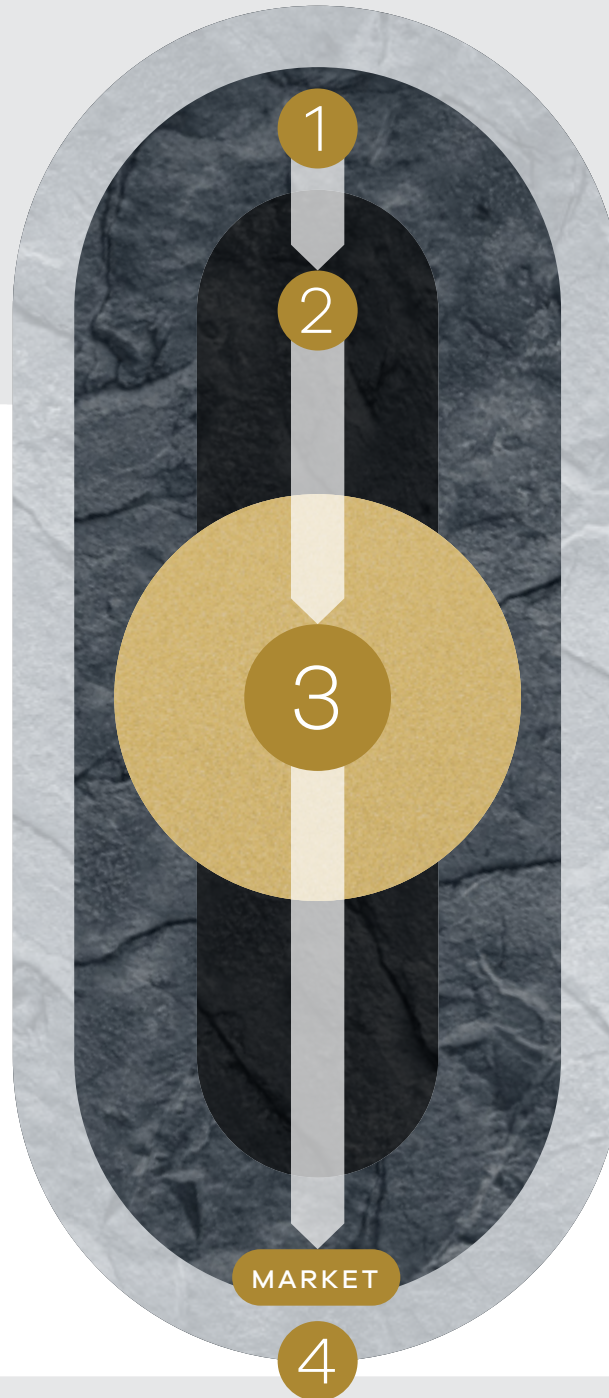
We progress our projects quickly and efficiently and the ability to operate in remote locations remains a core competitive advantage along with our extensive knowledge of the key mining jurisdictions throughout the Americas.

3. EXTRACT

Our extensive knowledge base of different ore bodies as well as a variety of environments has resulted in us consistently meeting annual operational targets, implementing cost efficiency programmes and adding to our resource base.

4. RESTORE

The future use of our land has always been a fundamental consideration and we have a long track record of restoring our areas to a safe and stable physical condition in accordance with the surrounding landscape.



for all our stakeholders.

COMMUNITIES

Local programmes focus on our core themes of education, health and socio-economic development, allowing us to operate collaboratively with communities across our regions.

\$219m
LOCAL PROCUREMENT IN 2025

EMPLOYEES

We aim to provide our people with personal development and competitive compensation whilst empowering them with learning opportunities and new challenges in a healthy and safe work environment.

3,281
NUMBER OF EMPLOYEES IN 2025

CUSTOMERS

As we have relatively few customers, successful relations are of critical importance and our Sales and Logistics teams oversee a relationship of co-operation and constant dialogue.

11
TOTAL NUMBER OF CUSTOMERS

SUPPLIERS

As a key influence on how we operate our business, we seek a relationship of mutual benefit while requiring high standards of conduct.

5,852
TOTAL NUMBER OF SUPPLIERS

GOVERNMENTS

It is our aim to maintain a constructive relationship and open dialogue with the various governmental authorities we interact with through direct engagement and also through various national mining associations.

\$62m
TAXES AND ROYALTIES PAID IN 2025

SHAREHOLDERS

We are committed to the principle of capital return and have announced the resumption of dividends along with a new dividend policy to provide more certainty through the investment cycle.

\$26m
PROPOSED 2025 FULL-YEAR DIVIDEND

MARKET

4



STRATEGY

Strategy for delivery and growth

STRATEGIC

PILLARS AND

KEY PRIORITIES

2025 ACTIVITIES

2026 PRIORITIES

KEY METRICS

RISKS

CASE STUDIES

BROWNFIELD

- Generating long-term value
- Extending life-of-mine
- Focused on mineable resources

- Exploration added approximately 1.7 million gold equivalent ounces of total resources
- More than 1 million gold equivalent ounces of resource additions achieved at Pallancata/Royropata
- Additional resources added at Monte do Carmo from the west side of the Serra Alta pit

- Explore new potential areas for resource expansion within 10km of existing operations at Inmaculada and Pallancata
- Drill testing programme in Inmaculada South, East and North in the first quarter
- Drilling for potential resources at Monte do Carmo as well as adding inferred resources
- Continue to drill at Mara Rosa for additional resources close to current mining area
- Continue to add resources by drilling close to the San Jose mine as well as regional targets

+6 moz
**AU EQ TOTAL RESOURCES
 DISCOVERED SINCE 2006**

- Political, legal and regulatory
- Community relations
- Exploration and reserve and resource replacement

PERU

Inmaculada

We have been highly successful in finding additional ounces of inferred resources in the rich Inmaculada district since the mine's first production in 2015 and we believe there is strong potential to identify more resources in the next decade.

[READ MORE ON PAGE 24](#)

OPERATIONAL EFFICIENCY

- Onsite leadership
- Lean philosophy
- Cost efficiencies
- Project development

- Mara Rosa turnaround plan completed – revised Group production and cost guidance issued
- Monte do Carmo detailed engineering study and gap analysis on schedule
- Modified Environmental Impact Assessment (MEIA) for Royropata on schedule
- Reverse osmosis plant project at Inmaculada nearing completion

- Reach Final Investment Decision (FID) for Monte do Carmo
- Submit Royropata MEIA to Peruvian government
- Achieve production targets across the Company including between 67,000 and 80,000 ounces at Mara Rosa
- Minimise impact of cost inflation, care and maintenance costs and macroeconomic volatility

\$2,132/oz Au Eq
**2025 ATTRIBUTABLE
 OPERATIONS AISC**

- Operational performance

BRAZIL

Mara Rosa

Mara Rosa experienced a challenging year due to heavy rainfall, operational constraints and management turnover. A comprehensive operational review and targeted maintenance were initiated which included a one-month processing plant shutdown. This allowed production to resume and performance to stabilise. Since then, operating rates have steadily improved, reflecting better efficiency and operating conditions.

[READ MORE ON PAGE 29](#)



STRATEGY CONTINUED

STRATEGIC
PILLARS AND
KEY PRIORITIES

2025 ACTIVITIES

2026 PRIORITIES

KEY METRICS

RISKS

CASE STUDIES

ESG

- World-class safety performance
- Water management focus
- New community approach
- Effective talent management
- 2030 ESG KPI's in place
- Strong corporate values

- Year-on-year growth in local procurement to 30%
- Excellent environmental performance: 5.61 out of 6 in ECO Score
- Reduction in fresh water consumption to 0.26 m³/tonne
- Excellent Lost Time Injury Frequency Rate (LTIFR) of 0.97
- Consistently low levels of employee turnover (4.0%)
- Record percentage of female workers (10.6% vs 10% in 2024)

- Continue work towards alignment with the Taskforce on Nature-related Financial Disclosures (TNFD)
- Conduct a detailed physical risk assessment and financially quantify the most material identified risks
- Conduct human rights due diligence to identify and assess related company risks

0.97
LTIFR IN 2025

- Political, legal and regulatory
- Community relations
- Personnel: recruitment and retention
- Health & Safety
- Environmental
- Climate Change

ARGENTINA

San Jose

The Safe Mind ('Segura Mente') programme at the San Jose mine promotes workplace mental health to support employee well-being and safety. It focuses on managing anxiety, improving sleep hygiene, and encouraging digital disconnection, based on psychological consultations and psychosocial risk assessments.

[READ MORE ON PAGE 27](#)

DISCIPLINED
CAPITAL
ALLOCATION

- Funding organic growth
- Debt repayment
- Capital return
- Value accretive M&A

- Tiernan Gold listed on TSXV raising proceeds of approximately \$30 million for Tiernan offering and approximately \$13 million for Hochschild secondary offering
- Dividend reinstated and dividend policy announced
- Net debt reduced to \$23 million vs \$216 million at year-end 2024

- Continue to repay existing debt
- Position the Company to finance potential Monte do Carmo project construction start
- Assess additional medium-term acquisitions
- Consider the disposal of non-core assets

\$12 million
PROCEEDS FROM TIERNAN
GOLD SECONDARY
OFFERING

- Commodity price
- Operational performance

CHILE

Tiernan Gold Corp.

In H2 2025, as part of our drive to dispose of non-core assets, the wholly owned subsidiary, Tiernan Gold Corp., which is advancing the Volcan gold project in Chile, completed its qualifying transaction and listed on the TSX Venture Exchange. We realised approximately \$12 million from a partial sale of the holding and ended the year with a 69.8% stake.

[READ MORE ON PAGE 13](#)



KEY PERFORMANCE INDICATORS

Measuring our performance

FINANCIAL MEASURES¹

PRODUCTION	Links to strategy:	Links to remuneration:	Risks
371 MOZ AU EQUIVALENT	1 2 3 4	Yes (Page 118)	Operational performance
25 ██████████ 371	Definition Total gold equivalent production equals total silver production divided by a gold/silver ratio for 2026 forecasts of 77x, 2022-2025 of 83x, 2021 of 86x and added to the total gold production.	Performance Total gold equivalent production decreased by 9% versus 2024 due to the reduction in production from Mara Rosa arising from the plant stoppage at the mine and scheduled moderate reductions in production at Inmaculada and San Jose due to reduced grades.	Outlook Total gold equivalent production is forecast to be between 357,000 and 390,000 gold equivalent ounces in 2026.
24 ██████████ 408			
23 ██████████ 367			
22 ██████████ 408			
21 ██████████ 434			

REVENUE	Links to strategy:	Links to remuneration:	Risks
1,209 \$M	1 2 4	Yes (Page 118)	Operational performance and commodity prices
25 ██████████ 1,209	Definition Revenue presented in the financial statements is disclosed as net revenue and is calculated as gross revenue less commercial discounts.	Performance Total revenue increased by 28% versus 2024 due to the strong increase in precious metal prices offset by the reduced production at all the mines.	Outlook Total gold equivalent production is forecast to be between 357,000 and 390,000 gold equivalent ounces in 2026 assuming a gold/silver conversion ratio of 77x although much will depend on the performance of precious metal prices.
24 ██████████ 948			
23 ██████████ 639			
22 ██████████ 736			
21 ██████████ 811			

STRATEGIC PILLARS:

- 1** Brownfield
- 2** Operational efficiency
- 3** ESG
- 4** Disciplined capital allocation

ADJUSTED EBITDA	Links to strategy:	Links to remuneration:	Risks
584 \$M	1 2 4	Yes (Page 118)	Operational performance, commodity prices and cost management
25 ██████████ 584	Definition Adjusted EBITDA is calculated as profit from continuing operations before exceptional items, share of profit/loss from associates, net finance costs, foreign exchange losses and income tax plus non-cash items (depreciation and amortisation and changes in mine closure provisions) and exploration expenses other than personnel and other exploration-related fixed expenses.	Performance Adjusted EBITDA increased by 39% versus 2024 due to the strong increases in precious metal prices offset by a fall in production and a rise in costs.	Outlook Adjusted EBITDA for 2026 will depend on precious metal prices and cost control, along with the ability of the operations to operate as expected.
24 ██████████ 421			
23 ██████████ 273			
22 ██████████ 255			
21 ██████████ 383			

BASIC EARNINGS PER SHARE	Links to strategy:	Links to remuneration:	Risks
0.31 \$PRE-EXCEPTIONAL	1 2 4	No	Operational performance, commodity prices
25 ██████████ 0.31	Definition The per-share profit (using the weighted average number of shares outstanding for the period) available to equity shareholders of the Company from continuing operations before exceptional items.	Performance Pre-exceptional earnings per share increased by 35% to \$0.31 due to the substantial rise in Adjusted EBITDA.	Outlook Pre-exceptional earnings per share will depend on Adjusted EBITDA performance and the effective tax rate which may be impacted if local currencies including the Peruvian sol, Argentinian peso and Brazilian real continue to depreciate versus the US dollar.
24 ██████████ 0.23			
23 ██████████ 0.02			
22 ██████████ 0.01			
21 ██████████ 0.14			

DIVIDEND PER SHARE	Links to strategy:	Links to remuneration:	Risks
5.0 US CENTS PER SHARE	2 4	No	Operational performance, commodity prices
25 ██████████ 5.0	Definition The per-share (using the weighted average number of shares outstanding for the period) dividend paid to equity shareholders of the Company as recommended by the Board.	Performance The Board has announced a final dividend of \$26 million for 2025.	Outlook Dividend per share for 2026 will depend on the level of profitability of the Company and the available uses of cash and is at the discretion of the Board and in accordance with the implemented dividend policy.
24 ██████████ 1.9			
23 ██████████ -			
22 ██████████ 2.0			
21 ██████████ 4.3			

¹ All silver equivalent figures (2025 and historic figures) have this year been converted to gold equivalent metrics in line with the Company's dominating commodity.



KEY PERFORMANCE INDICATORS CONTINUED

FINANCIAL MEASURES CONTINUED

ALL-IN SUSTAINING COSTS	Links to strategy: 1 2	Links to remuneration: Yes (Page 118)	Risks
2,138 \$/OZ AU EQUIVALENT 25 2,138 24 1,558 23 1,454 22 1,448 21 1,153	Definition Calculated on an attributable basis before exceptional items and includes cost of sales less depreciation and amortisation and change in inventories, administrative expenses, brownfield exploration and operating capex divided by gold equivalent ounces produced using a gold/silver ratio of 83:1 ¹ .	Performance All-in sustaining costs from operations rose versus 2024 mainly due to the operational challenges and resulting reduced production at Mara Rosa, lower grades in Argentina and higher precious metal prices resulting in increased royalties, selling expenses in Argentina, and increased workers' profit sharing in Peru.	Risks Operational performance, local cost inflation, increases in brownfield exploration investment Outlook The all-in sustaining cost from operations in 2026 is expected to be between \$2,157 and \$2,320 per gold equivalent ounce using a gold:silver ratio of 77x.
TOTAL GOLD CASH COSTS	Links to strategy: 1 2	Links to remuneration: No	Risks
1,430 \$/OZ AU EQUIVALENT 25 1,430 24 1,108 23 1,110 22 996 21 806	Definition Cash costs are calculated based on pre-exceptional figures. Co-product cash cost per ounce is the cash cost allocated to the primary metal (allocation based on proportion of revenue), divided by the ounces sold of the primary metal.	Performance Total gold cash costs for the Company increased by 34% versus 2024 due to the increase in unit costs at Mara Rosa resulting from the operational challenges and a moderate increases in unit cost in Argentina.	Risks Operational performance including dilution, grade and tonnage control and local inflation Outlook Cash costs performance in 2026 is expected to be dependent on operational performance, local cost inflation and levels of local currency devaluation in Argentina, Brazil and Peru.

¹ For the three years prior to 2024, all-in sustaining costs includes Peruvian royalties and was calculated on a total basis. The Company has calculated 2024 (restated) and 2025 figures on an attributable basis and excluded Peruvian royalties which are recognised in the income tax line. Management believes that the updated methodology better aligns with prevailing industry practices and enhances comparability with peers. 2022 to 2025 figures used a gold:silver ratio of 83x and 2021 figures used 86x.

NON-FINANCIAL MEASURES

LTIFR	Links to strategy: 2 3	Links to remuneration: Yes (Page 118)	Risks
0.97 25 0.97 24 1.25 23 0.99 22 1.37 21 1.26	Definition Calculated as total number of accidents per million labour hours.	Performance LTIFR decreased by 22% vs 2024.	Risks Health and safety risks Outlook The Company is working towards its 2030 objective of LTIFR of 1.2.
RESOURCE BASE	Links to strategy: 1 4	Links to remuneration: Yes (Page 118)	Risks
1,739 M OZ AG EQUIVALENT 25 1,739 24 1,708 23 1,506 22 1,542 21 1,273	Definition Total attributable silver equivalent metal resources as at 31 December 2025.	Performance Total attributable silver equivalent metal resources increased by 2% in 2025 due to the increases in resources at Inmaculada, Pallancata and Mara Rosa although partially offset by the sale of Arcata and Azuca.	Risks Exploration and revenue and resource replacement, political, legal and regulatory and community relations Outlook Resource increases in 2026 will depend on the ability to secure permits in Peru and the level of ongoing success in finding potential resources and the ability to convert these resources into the inferred and measured and indicated categories through drilling.



Operating review

GOLD

259.2^k_{oz}

TOTAL GROUP PRODUCTION OF GOLD
2024: 281.1koz

255.6^k_{oz}

TOTAL GROUP GOLD PRODUCTION SOLD
2024: 281.5koz



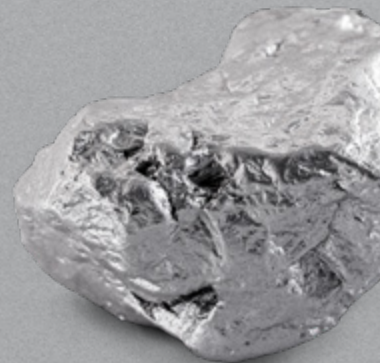
SILVER

9,251^k_{oz}

TOTAL GROUP PRODUCTION OF SILVER
2024: 10,530koz

9,145^k_{oz}

TOTAL GROUP SILVER PRODUCTION SOLD
2024: 10,643koz



TOTAL 2025 GROUP PRODUCTION

	Year ended 31 Dec 2025	Year ended 31 Dec 2024
Silver production (koz)	9,251	10,530
Gold production (koz)	259.16	281.14
Total silver equivalent (koz)	30,762	33,864
Total gold equivalent (koz)	370.62	408.00
Silver sold (koz)	9,145	10,643
Gold sold (koz)	255.56	281.46

Total production includes 100% of all production, including production attributable to Hochschild's minority shareholder at San Jose.

ATTRIBUTABLE 2025 GROUP PRODUCTION

	Year ended 31 Dec 2025	Year ended 31 Dec 2024
Silver production (koz)	7,475	8,496
Gold production (koz)	221.44	245.01
Silver equivalent (koz)	25,855	28,832
Gold equivalent (koz)	311.51	347.37

Attributable production includes 100% of all production from Inmaculada, Mara Rosa and 51% from San Jose.

ATTRIBUTABLE 2026 PRODUCTION FORECAST SPLIT

Operation	Oz Au Eq
Inmaculada	174,000-185,000
Mara Rosa	67,000-80,000
San Jose (51%)	59,000-63,000
Total	300,000-328,000

2026 ATTRIBUTABLE AISC FORECAST SPLIT

Operation	\$/oz Au Eq
Inmaculada	2,047-2,175
Mara Rosa	2,296-2,520
San Jose	2,304-2,495
Total from operations	2,157-2,320

OPERATIONS

Note: 2025 and 2024 equivalent figures assume a gold/silver ratio of 83x. 2026 forecasts assume a ratio of 77x.

PRODUCTION

In 2025, Hochschild delivered attributable production of 311,509 gold equivalent ounces or 25.9 million silver equivalent ounces, in line with the Company's revised guidance but lower than the 2024 result (347,374 gold equivalent ounces) mainly due to the challenges at Mara Rosa and lower scheduled production at Inmaculada.

The overall attributable production target for 2026 is 300,000-328,000 gold equivalent ounces.

COSTS

Attributable all-in sustaining cost from operations in 2025 was \$2,138 per gold equivalent ounce (2024: \$1,558 per gold equivalent ounce), higher than original guidance of \$1,587 – \$1,687 mainly as a result of: the significantly higher costs and reduced production related to the challenges at Mara Rosa; lower grades in Argentina; and higher precious metal prices resulting in increased royalties, selling expenses in Argentina, and increased workers' profit sharing in Peru.

The attributable all-in sustaining cost from operations in 2026 is expected to be between \$2,157 and \$2,320 per gold equivalent ounce.



OPERATING REVIEW

Peru

Hochschild operates one underground mine in southwest Peru, Inmaculada, as well as a nearby development project, Royropata.



INMACULADA

READ MORE ON PAGE 24

ROYROPATA

READ MORE ON PAGE 25

4,500+

HOCHSCHILD EMPLOYEES AND CONTRACTORS IN PERU



INTRODUCTION

Hochschild Mining's base is in Peru where we control and plan operations at our head office in Lima. Our origins can be traced back to the original group of companies founded in 1911 by Mauricio Hochschild. Many of the Company's precious metals mines have been in our southern Peru 'cluster' and our first operation there was Arcata which started production in 1964 and continued until 2019. Our key current operation is Inmaculada which has been producing since 2015 and contributes over 50% of our attributable output and is expected to remain the Company's flagship for many years to come.

Although the Pallancata mine was placed on care and maintenance in 2023, we believe that the nearby Royropata zone will be a high-value successor when it reaches production in approximately two to three years. This development demonstrates that Hochschild's extensive land package in Peru still has exciting geological potential and reinforces our commitment to our home country.

SUSTAINABILITY

Sustainability in Peru is based around our five strategic pillars: Serving our Communities; Protecting the Environment; Promoting Health & Safety; Empowering our People; and Being a Responsible Business. With regards to our Peruvian communities, we have made a large effort to strengthen our social engagement strategy and find meaningful ways of supporting them. This has included increasing local employment and procurement, supporting local governments with public infrastructure, and positively engaging local communities through educational, health, and digital connectivity programmes.



OPERATING REVIEW : PERU

Inmaculada

The 100% owned Inmaculada gold/silver underground operation is located in the Department of Ayacucho in southern Peru. It commenced operations in June 2015.

PERU

Inmaculada

PRODUCTION

The Inmaculada mine delivered gold equivalent production of 209,921 ounces (2024: 220,501 ounces), which although a 5% reduction versus 2024 was according to the mine plan and was due to reduced gold and silver grades partially offset by increased tonnage arising from a number of efficiency initiatives executed since the first half of 2024.

The Company is currently focused on managing grade variability inherent to sequencing, maintaining access to higher-grade zones, and sustaining stope inventory through continued geomechanical discipline and flexibility in development work.

COSTS

All-in sustaining cost was \$1,732 per gold equivalent ounce (2024: \$1,479 per ounce). The increase compared with 2024 was primarily driven by forecasted lower gold and silver grades and higher production volumes, which increased production costs, as well as other cost components directly affected by significantly higher precious metal prices, including workers' profit sharing and commercial deductions.

1,732/koz Au Eq

2025 ALL-IN SUSTAINING COST

	Year ended 31 Dec 2025	Year ended 31 Dec 2024	% change
Inmaculada summary			
Ore production (tonnes)	1,372,800	1,197,965	15
Average silver grade (g/t)	143	179	(20)
Average gold grade (g/t)	3.42	3.90	(12)
Silver produced (koz)	5,618	6,368	(12)
Gold produced (koz)	142.23	143.78	(1)
Silver equivalent produced (koz)	17,423	18,302	(5)
Gold equivalent produced (koz)	209.92	220.50	(5)
Silver sold (koz)	5,601	6,342	(12)
Gold sold (koz)	143.67	143.64	-
Unit cost (\$/t)	142.5	143.2	-
Total cash cost (\$/oz Au co-product)	982	809	21
All-in sustaining cost (\$/oz Ag Eq)	20.9	17.8	17
All-in sustaining cost (\$/oz Au Eq) ¹	1,732	1,479	17

¹ Excludes Peruvian royalties which are recognised in the income tax line. Management believes that the updated methodology better aligns with prevailing industry practices and enhances comparability with peers. All previous periods have been re-presented to reflect this change.



OPERATING REVIEW : PERU

Development project: Royropata

The 100% owned Royropata project is located in the Department of Ayacucho in southern Peru and is close to the Pallancata mine which was placed on temporary care and maintenance in December 2023.

In 2025, work continued on the Modified Environmental Impact Assessment for Royropata, which is progressing on schedule and is expected to be completed in early Q2, with submission to the Peruvian government planned following the national elections in July 2026. A public workshop in the Pallancata community to present the environmental and social baseline results was successfully held in December 2025, and a corresponding workshop for the Iscahuaca community in February 2026.

2028

PRODUCTION EXPECTED TO START

3,910_T

PALLANCATA MEASURED & INDICATED RESOURCE TONNAGE





OPERATING REVIEW

Argentina

We have been operating in Argentina since 2007 and there remains strong geological potential in our San Jose land package.



INTRODUCTION

Our 51%-owned San Jose mine is operated by Minera Santa Cruz, which was created in 2001, through a joint venture between Hochschild and Minera Andes, now known as McEwen Mining, with the aim of carrying out the exploration and construction of San Jose. The deposit is epithermal in origin with low sulfidation quartz veins enriched with gold and silver. The site is located in the northwest of the Deseado Massif, around 50km from the town of Perito Moreno in the province of Santa Cruz. When it began operations, San Jose was the first underground mine with on-site mineral processing in the province.

SUSTAINABILITY PROGRESS

In Argentina, as with the entire Hochschild Group, we aim to have a positive impact on our region and our Community Relations office works closely alongside municipal and provincial authorities to identify the needs of our communities and thus ensure they get the benefits. For example, in collaboration with local technical and agricultural institutions, we created a strawberry cultivation project in the Perito Moreno region ('Frutillas Peritenses'). The project aimed to optimise agricultural processes by providing machinery which helped boost efficiency and yield per hectare.

SAN JOSE

READ MORE ON PAGE 27

1,900+

HOCHSCHILD EMPLOYEES
IN ARGENTINA



OPERATING REVIEW : ARGENTINA

San Jose

The San Jose silver/gold mine is located in Argentina, in the province of Santa Cruz, 1,750 kilometres south west 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.

ARGENTINA

San Jose

PRODUCTION

San Jose's production in 2025 totalled 120,639 gold equivalent ounces (2024: 123,732 ounces) with the decrease versus 2024 reflecting scheduled declining grades although this has been partially offset by increased tonnage due to the expansion of the processing plant which was completed at the end of 2024.

COSTS

All-in sustaining costs were at \$2,520 per gold equivalent ounce (2024: \$1,973 per ounce) with the significant increase versus 2024 mostly due to: the mining of lower-grade border areas of the veins at San Jose; the impact of higher precious metal prices on royalties and export taxes; and the impact of the removal of the export benefit in April 2025 which had allowed the Company to settle a portion of exports at the blue dollar rate. These were partially offset by higher treated tonnage.

2,520^{/oz}
Au Eq
2025 ALL-IN SUSTAINING COST

\$293.0_{/T}
2025 UNIT COST

San Jose summary	Year ended 31 Dec 2025	Year ended 31 Dec 2024	% change
Ore production (tonnes)	705,426	581,303	21
Average silver grade (g/t)	190	253	(25)
Average gold grade (g/t)	4.02	4.55	(12)
Silver produced (koz)	3,625	4,150	(13)
Gold produced (koz)	76.97	73.73	4
Silver equivalent produced (koz)	10,013	10,270	(3)
Gold equivalent produced (koz)	120.64	123.73	(2)
Silver sold (koz)	3,534	4,290	(18)
Gold sold (koz)	72.31	74.37	(3)
Unit cost (\$/t)	293.0	287.2	2
Total cash cost (\$/oz Ag co-product)	26.4	19.5	35
All-in sustaining cost (\$/oz Ag Eq)	30.4	23.8	28
All-in sustaining cost (\$/oz Au Eq)	2,520	1,973	28



OPERATING REVIEW

Brazil

We commenced operations at our first operation, Mara Rosa, in Brazil in 2024 and are close to a construction decision on a new project in the country, Monte do Carmo.



INTRODUCTION

In 2022, we completed the acquisition of Amarillo Gold, signalling our first move into Brazil. The purchase of this asset aligned with our core strengths and long-term strategy of investing in development stage projects in the Americas and was the result of a long-term Company review process of a wide range of growth opportunities. The development of Mara Rosa in Goias state was completed in early 2024. Despite a number of operational issues in 2025 (expected to be completely resolved in 2026), we expect 2026 to be the strongest year of output so far.

Furthermore, we made an additional acquisition in the neighbouring business-friendly state of Tocantins in 2024. The Monte do Carmo project was acquired from Cerrado Gold for total cash consideration of \$60 million. The project benefits from significantly advanced permitting and compelling exploration upside potential and we are on track to make a final construction decision sometime in 2026.

SUSTAINABILITY

Mara Rosa has benefited from a complementary ESG-led approach with strong local community and government support and we have continued that focus during 2025 despite disruption from the reorganisation at the mine and the changes in management. Our health and safety corporate standards have been being implemented at the mine, including the introduction of the Company's 'SeguScore' safety indicator. In addition, a solar plant designed to meet 100% of the mine's energy demand throughout its useful life became operational in July 2025.

MARA ROSA

MONTE DO CARMO

READ MORE ON PAGE 29

READ MORE ON PAGE 30

1,500+
HOCHSCHILD EMPLOYEES AND
CONTRACTORS IN BRAZIL



OPERATING REVIEW : BRAZIL

Mara Rosa

The 100% owned Mara Rosa open pit gold mine is located in the mining friendly jurisdiction of Goiás State in Brazil. Mara Rosa commenced production in mid-May 2024.

PRODUCTION

Following Q1 2025, the Company reported that operations at Mara Rosa were adversely affected by heavier-than-usual seasonal rainfall and contractor performance issues. These challenges restricted access to ore – particularly higher-grade zones – and compounded persistent problems with the filtering processes. Consequently, efforts to recover from mine waste removal delays, carried over from the previous year, were further hampered.

In response, CEO Eduardo Landin temporarily assumed direct operational oversight and led a comprehensive review of mining, processing, permitting, and waste management activities. The processing plant was suspended for approximately one month to allow for critical maintenance and upgrades across the crushing, milling, and filtering circuits, whilst mining activities continued uninterrupted. Processing subsequently resumed using two of the four tailings' filters, with the remaining units brought back online following maintenance and testing. Operational performance has since shown steady improvement. A tailings thickener, planned for installation in the first half of 2026, is expected to further enhance waste filtration and support the plant's ability to operate at full capacity.

Mining performance improved over the second half of the year, with increasing material movement rates reflecting enhanced fleet efficiency and improved haulage conditions. This progress was supported by pushback development that improved access to future higher-grade ore zones, as well as stabilisation of the processing plant through stronger maintenance routines. Focus areas included rainy-season water management, strengthening filtration and detoxification availability, and improving moisture control through better maintenance planning and spares readiness. Reliable equipment availability and infrastructure performance further supported gains in productivity and operational stability.

In parallel, the Company completed a reorganisation of its Brazil operations, including the appointment of a new Brazil General Manager, Ediney Drummond, and a new Mine Manager, alongside the implementation of a revised management structure. With the operational ramp-up progressing in line with expectations, management remains focused on sustaining

consistent performance through reliable mining and plant operations, effective rainy-season management, completion of the tailings thickener installation, and maintaining workforce stability.

For the year, Mara Rosa produced a total of 40,062 gold equivalent ounces including minor silver by-product (2024: 63,770 ounces). Production in the latter part of the year reflected a strong improvement following the implementation of the turnaround strategy.

COSTS

As a result of the challenges outlined above, including production falling short of expectations and lower grades, AISC increased sharply to \$3,697 per gold-equivalent ounce, compared with \$1,408 per ounce in 2024. Higher capex also contributed to the increase, as the cost of the remediation activities increased the spend from the original budget of \$11–12 million to just over \$34 million.

Mara Rosa summary	Year ended 31 Dec 2025	Year ended 31 Dec 2024	% change
Ore production (tonnes)	1,424,031	1,757,955	(19)
Average silver grade (g/t)	0.30	0.13	131
Average gold grade (g/t)	0.96	1.35	(29)
Silver produced (koz)	9	11	(18)
Gold produced (koz)	39.96	63.64	(37)
Silver equivalent produced (koz)	3,325	5,293	(37)
Gold equivalent produced (koz)	40.06	63.77	(37)
Silver sold (koz)	9	11	(18)
Gold sold (koz)	39.58	63.54	(38)
Unit cost (\$/t)	63.3	48.3	31
Total cash cost (\$/oz Au co-product)	2,103	1,034	103
All-in sustaining cost (\$/oz Ag Eq)	44.5	17.0	162
All-in sustaining cost (\$/oz Au Eq)	3,697	1,408	163





OPERATING REVIEW : BRAZIL

Monte do Carmo



We are close to a decision on construction at our Monte do Carmo project which was acquired in 2024.

The Project, comprising 21 mineral concessions totalling 82,542 hectares, hosts multiple identified gold targets along a 30km mineralised trend, including the principal Serra Alta gold deposit. The Project benefits from significant existing site infrastructure including year-round access via a paved highway and close proximity to the Isamu Ikeda hydropower plant. Permitting is substantially advanced, with the Environmental Impact Assessment approved and the Preliminary Licence granted by the Tocantins state environmental agency in May 2023.

2025 PROGRESS

Project activities continued across technical, engineering, and planning streams, with key studies and gap analyses completed, incorporating lessons learned from the Company's experiences at Mara Rosa. Geotechnical work is largely advanced, with drilling and metallurgical sampling taking place in the fourth quarter, whilst environmental permit boundaries have been updated to reflect revised design and waste footprint changes.

Engineering efforts are focused on updating the master plan to minimise changes to the schedule and evaluating

process optimisation opportunities, including the use of Carbon-in-Leaching (CIL) and the installation of a SAG Mill. These considerations will inform permitting requirements, development sequencing, and future timelines.

Staffing is being strengthened through the recruitment of a Project Manager, while execution and procurement activities remain on hold pending validation of studies and master plan updates, with a financial model update and a construction decision planned for the middle of 2026.

Development project: Monte do Carmo

Work has continued on the Monte do Carmo project in 2025 and included:

- Project Manager recruitment
- Engineering studies ongoing (Ausenco) and including GAP analysis from Mara Rosa experience
- Review of process optimisation options underway, including potential for 100% Carbon-in-Leach configuration, utilisation of a SAG mill and plant and mine capacity expansion opportunities
- Completion of metallurgical testwork
- Meeting with Tocantins state agency to discuss workforce development plans
- Award of the installation licence
- Signing of contract for transmission line and power distribution network to support water intake and construction infrastructure
- Evaluation of the use of water harvesting for the project
- Review of proposed filtration system
- Validation of pit engineering study
- Geotechnical studies almost complete

The Company currently expects updated economics and a final investment decision in mid-2026.

\$60 million

TOTAL COST OF ACQUISITION

82,542

HECTARES OF MINERAL CONCESSIONS

1,012 /koz Au

AU MEASURED & INDICATED RESOURCES



OPERATING REVIEW

Brownfield exploration

INMACULADA

During the year, the team carried out a further 13,142m of potential drilling and 17,363m of resource drilling. By the end of the year 0.5 million gold equivalent ounces of resources had been added at a grade of approximately 2.8 grams per tonne of gold equivalent (38.5 million silver equivalent ounces at a grade of approximately 239 grams per tonne of silver equivalent).

Vein	Results (potential)
Anomalia 1	IMM25-422: 1.6m @ 2.2g/t Au & 94g/t Ag
Anomalia 4	IMM25-422: 1.1m @ 1.5g/t Au & 210g/t Ag
Martha	IMM25-423A: 0.9m @ 2.3g/t Au & 53g/t Ag
Mariana	IMM25-282: 1.2m @ 0.9g/t Au & 100g/t Ag
San Martin	IMS25-281A: 0.9m @ 0.3g/t Au & 99g/t Ag IMS25-290: 1.4m @ 0.5g/t Au & 15g/t Ag
Melisa	IMM25-475: 0.8m @ 1.0g/t Au & 22g/t Ag IMM25-482: 2.1m @ 106.6g/t Au & 546g/t Ag IMS25-316: 2.0m @ 8.2g/t Au & 57g/t Ag
Melisa NE	IMS25-312: 1.1m @ 0.5g/t Au & 12g/t Ag IMS25-316: 3.5m @ 2.1g/t Au & 32g/t Ag IMS25-328: 0.8m @ 2.7g/t Au & 47g/t Ag IMS25-336: 1.0m @ 1.1g/t Au & 16g/t Ag

Vein	Results (resources)
Mariana	IMM25-286: 1.7m @ 1.4g/t Au & 55g/t Ag IMM25-288: 1.6m @ 2.2g/t Au & 113g/t Ag IMM25-293: 0.9m @ 0.7g/t Au & 89g/t Ag
Angela	IMM25-455: 3.6m @ 2.4g/t Au & 231g/t Ag IMM25-471: 2.6m @ 0.9g/t Au & 227g/t Ag IMM25-473: 3.4m @ 1.8g/t Au & 194g/t Ag IMS25-304: 1.0m @ 4.5g/t Au & 334g/t Ag IMM25-454: 1.1m @ 4.9g/t Au & 232g/t Ag IMS25-315: 1.0m @ 3.0g/t Au & 167g/t Ag
Martha Techo	IMS25-299: 1.6m @ 2.6g/t Au & 53g/t Ag IMS25-302: 2.9m @ 2.9g/t Au & 154g/t Ag IMS25-307: 1.1m @ 3.8g/t Au & 24g/t Ag IMS25-310: 3.8m @ 3.7g/t Au & 96g/t Ag IMS25-313: 1.1m @ 8.1g/t Au & 121g/t Ag IMS25-311: 0.8m @ 1.9g/t Au & 12g/t Ag IMS25-325: 1.0m @ 0.3g/t Au & 21g/t Ag
Dayona	IMM24-385: 2.4m @ 5.0g/t Au & 21g/t Ag IMS25-322: 1.3m @ 1.3g/t Au & 106g/t Ag IMS25-331: 2.2m @ 2.8g/t Au & 20g/t Ag IMS25-335: 0.8m @ 0.7g/t Au & 53g/t Ag IMS25-337: 1.0m @ 0.3g/t Au & 50g/t Ag IMS25-344: 2.5m @ 0.2g/t Au & 246g/t Ag

Vein	Results (resources)
Lady	IMS25-306: 2.6m @ 3.6g/t Au & 26g/t Ag IMS25-306: 0.9m @ 2.9g/t Au & 46g/t Ag
Melisa N.E.	IMS25-314: 1.2m @ 3.4g/t Au & 17g/t Ag
Angela Sur	IMM25-418: 0.9m @ 6.2g/t Au & 189g/t Ag IMM25-419: 0.9m @ 2.7g/t Au & 110g/t Ag
Mirella	IMM25-454: 0.8m @ 7.8g/t Au & 215g/t Ag IMM25-455: 0.8m @ 0.2g/t Au & 130g/t Ag IMM25-471: 2.2m @ 1.1g/t Au & 551g/t Ag
Liz	IMM25-454: 0.8m @ 4.4g/t Au & 393g/t Ag IMM25-455: 1.1m @ 2.4g/t Au & 150g/t Ag IMM25-471: 1.3m @ 2.2g/t Au & 137g/t Ag IMM25-467: 1.1m @ 1.6g/t Au & 42g/t Ag
Ann	IMM25-427: 0.8m @ 0.9g/t Au & 147g/t Ag
Gera	IMS25-314: 0.9m @ 3.0g/t Au & 46g/t Ag
Ramal Y	IMM25-476: 0.8m @ 10.1g/t Au & 132g/t Ag IMM25-471: 0.9m @ 4.0g/t Au & 453g/t Ag IMM25-473: 0.8m @ 3.5g/t Au & 151g/t Ag
Angela Tesoro	IMS25-318: 2.3m @ 2.3g/t Au & 185g/t Ag IMS25-323: 0.8m @ 1.4g/t Au & 87g/t Ag
Isabella	IMS25-320: 2.8m @ 1.9g/t Au & 57g/t Ag IMS25-326: 2.1m @ 5.2g/t Au & 101g/t Ag IMS25-330: 1.9m @ 4.7g/t Au & 101g/t Ag IMS25-334: 3.2m @ 2.5g/t Au & 64g/t Ag IMS25-338: 0.9m @ 2.3g/t Au & 50g/t Ag IMS25-341: 1.3m @ 2.8g/t Au & 36g/t Ag IMS25-345: 4.5m @ 3.7g/t Au & 81g/t Ag
Martha	IMS25-311: 1.0m @ 1.4g/t Au & 45g/t Ag
Split NS	IMS25-319A: 0.8m @ 1.2g/t Au & 12g/t Ag IMS25-325: 1.0m @ 0.2g/t Au & 8g/t Ag



In the first quarter of 2026, the team is planning 3,600m of potential drilling in Inmaculada Central and Southern zones.





OPERATING REVIEW: BROWNFIELD EXPLORATION CONTINUED

SAN JOSE

During the year, the team carried out 11,458m of potential drilling in the region. By the end of the year 168,000 gold equivalent ounces of inferred resources had been added at a grade of approximately 7.65 grams per tonne of gold equivalent (13.9 million silver equivalent ounces at a grade of approximately 635 grams per tonne of silver equivalent).

Vein	Results (potential)
Escondida	SJD-2979: 1.7m @ 1.1g/t Au & 30g/t Ag SJD-3003: 0.9m @ 30.5g/t Au & 153g/t Ag
Escondida EW	SJD-3071A: 0.9m @ 5.9g/t Au & 94g/t Ag
Agostina	SJD-2469: 2.5m @ 3.8g/t Au & 182g/t Ag
Isabel	SJD-2969: 1.7m @ 2.1g/t Au & 181g/t Ag SJD-2972: 0.5m @ 0.2g/t Au & 18g/t Ag
Isabel I	SJD-2970: 0.6m @ 2.1g/t Au & 112g/t Ag SJD-2972: 2.4m @ 1.1g/t Au & 46g/t Ag SJD-2973: 0.9m @ 0.8g/t Au & 70g/t Ag
Isabel II	SJD-2973: 0.6m @ 2.2g/t Au & 205g/t Ag
Isabel N	SJD-2972: 1.5m @ 2.5g/t Au & 109g/t Ag SJD-2972: 4.2m @ 1.3g/t Au & 121g/t Ag
Angelica	SJD-3069: 1.7m @ 9.0g/t Au & 783g/t Ag SJD-3003: 0.9m @ 30.5g/t Au & 153g/t Ag SJD-3012: 0.8m @ 2.7g/t Au & 71g/t Ag SJM-732: 1.0m @ 1.3g/t Au & 25g/t Ag SJD-3059: 0.8m @ 0.4g/t Au & 28g/t Ag
Piso Pilar	SJM-729: 0.9m @ 7.5g/t Au & 714g/t Ag SJM-733-A: 0.8m @ 12.7g/t Au & 114g/t Ag SJM-734: 1.1m @ 5.6g/t Au & 269g/t Ag SJD-3066: 0.9m @ 5.7g/t Au & 90g/t Ag SJM-735: 0.8m @ 53.8g/t Au & 347g/t Ag SJM-740: 0.8m @ 4.4g/t Au & 107g/t Ag
Ramal Pilar	SJD-3066: 1.9m @ 3.2g/t Au & 259g/t Ag SJM-733-A: 1.0m @ 3.1g/t Au & 54g/t Ag SJM-740: 0.8m @ 5.4g/t Au & 45g/t Ag
Betania	SJD-3017: 2.4m @ 7.9g/t Au & 15g/t Ag
Piso Betania	SJD-3026: 1.7m @ 16.0g/t Au & 26g/t Ag SJD-3017: 2.0m @ 5.0g/t Au & 12g/t Ag
Micaela N.E.	SJD-3066: 1.2m @ 0.8g/t Au & 441g/t Ag
Pilar	SJM-729-A: 1.2m @ 3.7g/t Au & 296g/t Ag
HVC	SJD-3097: 1.9m @ 14.6g/t Au & 1,907g/t Ag SJD-3112: 5.1m @ 9.0g/t Au & 885g/t Ag
Pepa	SJM-738: 1.2m @ 22.6g/t Au & 1,133g/t Ag SJM-739: 0.9m @ 13.5g/t Au & 115g/t Ag
Pierina	SJD-3115: 1.8m @ 0.02g/t Au & 314g/t Ag

The plan for the first quarter of 2026 is to perform potential drilling in the HV-W area and in the northern zone.

ROYROPATA

Exploration work continued at the Royropata project in 2025 with the team adding approximately 1.1 million gold equivalent ounces of resources at a grade of approximately 6.4 grams per tonne of gold equivalent (89.0 million silver equivalent ounces of inferred resources at a grade of approximately 534 grams per tonne of silver equivalent).

MARA ROSA

Within the district, the team carried out 5,805m of potential drilling and 7,903 of resource drilling during 2025.

Vein	Results (potential)
Speti	24POSP_061: 3.4m @ 0.5g/t Au
Passo	24POSP_063: 21.6m @ 0.4g/t Au
Vein	Results (resources)
Posse	25POSP_019A: 43.3m @ 0.5g/t Au 25POSP_020: 40.3m @ 0.5g/t Au 25POSP_022: 15.7m @ 0.4g/t Au 25POSP_023: 5.8m @ 0.4g/t Au 25POSP_024: 22.2m @ 0.3g/t Au
Posse-Passo	25POSP_030: 40.3m @ 0.5g/t Au 25POSP_030: 0.4m @ 1.9g/t Au 25POSP_020: 0.6m @ 6.7g/t Au 25POSP_032: 55.3m @ 0.3g/t Au 25POSP_031: 46.6m @ 0.3g/t Au 25POSP_033: 30.2m @ 0.3g/t Au 25POSP_035A: 24.3m @ 0.1g/t Au 25POSP_036: 40.2m @ 0.1g/t Au 25POSP_036: 5.9m @ 0.3g/t Au 25POSP_038: 21.0m @ 0.5g/t Au <i>Incl. 11.6m @ 0.8g/t Au</i> <i>Incl. 5.8m @ 1.5g/t Au</i> 25POSP_039A: 15.7m @ 0.3g/t Au 24POSP_041: 2.3m @ 0.3g/t Au 24POSP_048: 40.7m @ 0.3g/t Au 24POSP_050: 41.1m @ 0.3g/t Au 24POSP_051: 30.3m @ 0.9g/t Au 24POSP_052: 1.0m @ 1.0g/t Au 24POSP_054: 10.8m @ 0.5g/t Au 24POSP_058: 1.0m @ 0.9g/t Au 24POSP_059: 29.1m @ 0.3g/t Au
Posse FW	24POSP_043: 0.8m @ 1.2g/t Au

Vein	Results (resources)
Araras	25POSP_036: 39.2m @ 0.9g/t Au <i>Incl. 16.2m @ 1.3g/t Au</i> 25POSP_038: 29.1m @ 0.4g/t Au <i>Incl. 1.0m @ 10.9g/t Au</i> 25POSP_039A: 6.9m @ 0.3g/t Au 24POSP_041: 11.3m @ 0.4g/t Au 24POSP_047: 1.9m @ 0.4g/t Au 24POSP_049: 0.9m @ 3.1g/t Au
Speti	25POSP_038: 3.9m @ 0.2g/t Au 24POSP_044: 2.0m @ 0.5g/t Au 24POSP_048: 2.2m @ 0.4g/t Au 24POSP_054: 11.4m @ 0.3g/t Au 24POSP_055: 19.8m @ 0.3g/t Au
Speti HW	24POSP_056: 1.5m @ 1.4g/t Au

The plan for the first quarter is to continue the potential drilling in the Passo-Araras-Speti areas and structures parallel to Posse.

MONTE DO CARMO

During the year, 4,550m of potential drilling was executed along with 6,879m of resource drilling.

Vein	Results (potential)
Serra Alta	25SAP_002: 0.8m @ 0.6g/t Au
Gogo	25GO_002: 2.2m @ 1.4g/t Au 25GO_002: 6.5m @ 0.3g/t Au 25GO_002: 2.1m @ 5.0g/t Au 25GO_002: 0.6m @ 0.9g/t Au 25GO_002: 0.7m @ 0.5g/t Au
Dourado	25DOU_001: 0.8m @ 10.4g/t Au
Cigano	25CIG_001: 0.6m @ 0.7g/t Au 25CIG_001: 0.4m @ 0.7g/t Au 25CIG_001: 0.4m @ 1.2g/t Au
Adebaldo	25ADE_001: 6.7m @ 0.2g/t Au 25ADE_001: 3.6m @ 0.2g/t Au 25ADE_001: 0.7m @ 1.2g/t Au 25ADE_001: 1.1m @ 0.7g/t Au
Vein	Results (resources)
Gogo	25GO_004: 1.9m @ 0.5g/t Au 25GO_004: 1.4m @ 0.5g/t Au 25GO_004: 1.0m @ 0.3g/t Au



OPERATING REVIEW: BROWNFIELD EXPLORATION CONTINUED

Vein	Results (resources)	Vein	Results (resources)
Sierra Alta	25SA_031: 55.1m @ 1.6g/t Au <i>Incl. 8.9m @ 6.5g/t Au</i> <i>Incl. 5.6m @ 2.7g/t Au</i> <i>Incl. 3.7m @ 1.8g/t Au</i> 25SA_031: 0.9m @ 1.4g/t Au 25SA_032: 5.0m @ g/t Au <i>Incl. 0.8m @ 1.3g/t Au</i> 25SA_032: 32.9m @ 0.4g/t Au <i>Incl. 8.7m @ 1.0g/t Au</i> 25SA_033: 18.4m @ 0.6 g/t Au <i>Incl. 2.9m @ 1.3g/t Au</i> <i>Incl. 7.6m @ 0.9g/t Au</i> 25SA_033: 10.8m @ 0.4 g/t Au 25SA_033: 3.8m @ 0.9 g/t Au 25SA_034: 11.1m @ 0.7 g/t Au <i>Incl. 3.1m @ 1.9g/t Au</i> 25SA_035: 4.6m @ 0.4 g/t Au <i>Incl. 1.0m @ 1.5g/t Au</i> 25SA_035: 9.8m @ 0.4 g/t Au <i>Incl. 5.9m @ 105g/t Au</i> 25SA_035: 0.9m @ 9.0 g/t Au 25SA_028: 0.7m @ 1.6 g/t Au 25SA_028: 0.3m @ 3.4 g/t Au 25SA_030: 4.5m @ 0.4 g/t Au 25SA_037: 3.4m @ 0.5g/t Au 25SA_037: 7.2m @ 0.5g/t Au 25SA_038: 17.9m @ 0.4g/t Au 25SA_038: 91.8m @ 0.6g/t Au 25SA_038: 7.9m @ 0.3g/t Au 25SA_038: 12.0m @ 0.4g/t Au 25SA_040: 6.0m @ 0.6g/t Au 25SA_041: 108.6m @ 0.9g/t Au 25SA_041: 8.2m @ 0.3g/t Au 25SA_041: 1.9m @ 0.5g/t Au 25SA_042: 29.3m @ 0.6g/t Au	Sierra Alta	25SA_043: 2.6m @ 0.4g/t Au 25SA_043: 24.4m @ 0.4g/t Au 25SA_044: 35.4m @ 0.6g/t Au 25SA_044: 5.9m @ 0.5g/t Au 25SA_044: 23.8m @ 1.1g/t Au 25SA_044: 12.1m @ 1.8g/t Au 25SA_044: 33.6m @ 0.5g/t Au 25SA_045: 56.4m @ 0.9g/t Au 25SA_047: 26.6m @ 0.9g/t Au 25SA_048: 67.2m @ 0.8g/t Au 25SA_049: 2.8m @ 0.5g/t Au 25SA_050: 30.0m @ 0.4g/t Au 25SA_050: 2.8m @ 1.7g/t Au 25SA_051: 7.5m @ 0.4g/t Au 25SA_052: 3.0m @ 0.6g/t Au 25SA_053: 5.6m @ 0.7g/t Au 25SA_053: 28.7m @ 0.4g/t Au 25SA_053: 1.3m @ 5.6g/t Au 25SA_054: 36.3m @ 1.2g/t Au 25SA_054: 13.5m @ 0.3g/t Au 25SA_055: 18.8m @ 0.3g/t Au 25SA_057: 2.9m @ 0.5g/t Au 25SA_058: 31.9m @ 0.4g/t Au 25SA_058: 6.2m @ 0.5g/t Au 25SA_058: 15.7m @ 1.1g/t Au 25SA_059: 13.7m @ 0.4g/t Au
		El Dorado	25ELD_002: 1.0m @ 0.9g/t Au
		Boqueirao	25BQR_013: 8.0m @ 0.3g/t Au

During Q1 2026, resource drilling will continue in Sierra Alta.





EDUARDO NORIEGA
CHIEF FINANCIAL OFFICER

FINANCIAL REVIEW

Disciplined capital allocation drives our strategy and value creation.

\$1,209_m

REVENUE
2024: \$948m

\$584_m

ADJUSTED EBITDA
2024: \$421m

\$0.31

EARNINGS PER SHARE
2024: \$0.23

\$23_m

NET DEBT
2024: \$216m

The reporting currency of Hochschild Mining PLC is US dollars. In discussions of financial performance, the Group removes the effect of exceptional items, unless otherwise indicated, and in the income statement results are shown both pre and post such exceptional items. Exceptional items are those items, which due to their nature or the expected infrequency of the events giving rise to them, are disclosed separately on the face of the income statement to enable a better understanding of the financial performance of the Group and to facilitate comparison with prior years.

REVENUE

Gross revenue¹

Gross revenue before exceptional items increased by 27% to \$1,229.7 million in 2025 (2024: \$966.1 million) due to the higher average realised precious metal prices, partially offset by lower gold and silver production with gold output decreasing mainly due to the operational challenges at Mara Rosa. Silver output fell mainly due to scheduled grade reductions at Inmaculada and San Jose, partially offset by higher tonnage at both operations.

Gold

Gross revenue before exceptional items from gold increased to \$823.4 million (2024: \$660.1 million) due to the 37% increase in the average realised gold price, partially offset by lower gold production from Mara Rosa.

Silver

Gross revenue before exceptional items from silver increased in 2025 to \$404.6 million (2024: \$305.6 million) due to the 54% increase in the average realised silver price, partially offset by lower silver production at Inmaculada and San Jose.

Gross average realised sales prices

The following table provides figures for average realised prices (before the deduction of commercial discounts) and ounces sold for 2025 and 2024:

Average realised prices	Year ended 31 Dec 2025	Year ended 31 Dec 2024	% change
Silver ounces sold (koz)	9,145	10,643	(14)
Avg. realised silver price (\$/oz)	44.2	28.7	54
Gold ounces sold (koz)	255.6	281.46	(9)
Avg. realised gold price (\$/oz)	3,222	2,345	37

¹ Includes revenue from services of \$0.4 million in 2025 (2024: \$0.4 million), and aggregate sales in Mara Rosa of \$1.4 million in 2025. Gross revenue is the net revenue plus commercial discounts from the sale of concentrates, and non-cash hedged items.



FINANCIAL REVIEW CONTINUED

Hedges

2025 realised prices and revenue include the effect of the following hedges: forwards for 29,167 gold ounces at a price of \$2,117 per ounce, and zero cost collars for 60,000 gold ounces at a strike put of \$2,000 per ounce and a strike call of \$2,485 per ounce, the impact of which was a loss of \$86.1 million in 2025. 2024 realised prices and revenue include the effect of the following hedges: forwards for 27,600 gold ounces at a price of \$2,100 per ounce, and zero cost collars for 100,000 gold ounces at a strike put of \$2,000 per ounce and a strike call of \$2,252 per ounce, the impact of which was a loss of \$27.9 million in 2024.

In August 2025, the Group renegotiated the gold forward hedge agreement resulting in the extension of 20,813 ounces from August to December 2025 to the first semester of 2028. At the date of the roll-forward, the fair value of these instruments amounted to a liability of \$26.4 million. In accordance with IFRS 9, the accumulated loss recognised in the cash flow hedge reserve within equity was reclassified to the income statement following the discontinuation of the original hedge relationship and the realisation of the hedged item. Given the non-recurring and non-cash nature of this hedge accounting reclassification to the income statement, and the fact that the cash settlement will occur in 2028 once the instruments mature, the resulting charge of \$26.4 million has been presented as an exceptional item within revenue. This presentation facilitates a better understanding by users of the financial statements of the Group's underlying operating performance by separating the effects of this discrete, non-cash hedge accounting reclassification from revenue and profitability trends.

Commercial discounts

Commercial discounts refer to refinery treatment charges, refining fees and payable deductions for processing concentrate, and are deducted from gross revenue on a per tonne basis (treatment charge), per ounce basis (refining fees) or as a percentage of gross revenue (payable deductions). In 2025, the Group recorded commercial discounts of \$21.1 million (2024: \$18.4 million). The ratio of commercial discounts to gross revenue in 2025 was 2%, in line with 2024.

Revenue

Revenue before exceptional items was \$1,208.6 million (2024: \$947.7 million), including gold revenue of \$813.4 million (2024: \$649.3 million) and silver revenue of \$393.4 million (2024: \$298.0 million). In 2025, gold accounted for 67% and silver 33% of the Company's consolidated net revenue (2024: gold 69% and silver 31%).

Reconciliation of gross revenue by mine to Group net revenue before exceptional items

\$000	Year ended 31 Dec 2025	Year ended 31 Dec 2024	% change
Silver revenue			
Inmaculada	226,695	180,285	26
Mara Rosa	358	343	4
Pallancata	–	(59)	100
San Jose	177,514	125,027	42
Commercial discounts	(11,162)	(7,599)	47
Net silver revenue	393,405	297,997	32
Gold revenue			
Inmaculada	441,218	324,129	36
Mara Rosa	101,701	150,634	(32)
Pallancata	–	(185)	100
San Jose	280,500	185,512	51
Commercial discounts	(9,981)	(10,839)	(8)
Net gold revenue	813,438	649,251	25
Other revenue	1,732	448	287
Net revenue	1,208,575	947,696	28



FINANCIAL REVIEW CONTINUED

Cost of sales

Total cost of sales was \$677.9 million in 2025 (2024: \$605.3 million). The direct production cost excluding depreciation and amortisation was higher at \$508.0 million (2024: \$454.0 million) mainly due to: higher volumes at Inmaculada and San Jose; higher mining and waste movement at Mara Rosa due to the normalisation of the stripping ratio as well as higher filtration and tailings management costs; and rising precious metal prices resulting in increased royalties. Depreciation and amortisation in production cost increased from \$157.2 million in 2024 to \$173.6 million in 2025 mainly due to higher tonnage extracted at Inmaculada and San Jose and the change in the depreciation method from units of production to straight-line basis for certain minor equipment in Inmaculada. The depreciation increase was partially offset by the impact of lower tonnage produced in Mara Rosa. Workers' profit sharing increased from \$3.1 million in 2024 to \$15.5 million in 2025 mainly due to higher precious metal prices. Fixed costs incurred during total or partial production stoppages due to operational challenges at Mara Rosa were \$15.5 million (2024: \$11 million due to bad weather in San Jose). Increase in inventories was \$35.5 million in 2025 (2024: \$10.1 million) mainly due to higher products in process of \$23.0 million and \$8.3 million at Mara Rosa and Inmaculada respectively; and higher final products at San Jose of \$5.5 million.

\$000	Year ended 31 Dec 2025	Year ended 31 Dec 2024	% change
Direct production cost excluding depreciation and amortisation	508,024	454,006	12
Depreciation and amortisation in production cost	173,577	157,165	10
Workers' profit sharing and others ²	16,730	3,145	432
Fixed costs during operational stoppages and reduced capacity	15,094	1,071	1,309
Change in inventories	(35,486)	(10,124)	251
Cost of sales	677,939	605,263	12

² Includes cost of sale of aggregates of \$1.1 million and cost of services of \$0.1 million.

Fixed costs during operational stoppages and reduced capacity

\$000	Year ended 31 Dec 2025	Year ended 31 Dec 2024	% change
Personnel	2,960	712	316
Third-party services	9,563	301	3,077
Supplies	1,532	33	4,542
Others	1,039	25	4,056
Fixed costs during operational stoppages and reduced capacity	15,094	1,071	1,309

Unit cost per tonne

The Company reported unit cost per tonne at its operations of \$136.7 per tonne in 2025, an 8% increase versus 2024 (\$127.0 per tonne). This was mainly due to the impact of the lower tonnage at Mara Rosa.

Unit cost per tonne by operation (including royalties)³:

Operating unit (\$/tonne)	Year ended 31 Dec 2025	Year ended 31 Dec 2024	% change
Peru			
Inmaculada	142.5	143.2	-
Brazil			
Mara Rosa	63.3	48.3	31
Argentina			
San Jose	293.0	287.2	2
Total	136.7	127.0	8

³ Unit cost per tonne is a non-IFRS measure. It is calculated by dividing mine and treatment production costs (excluding depreciation and amortisation) of \$275.2 million and \$228.2 million respectively, by extracted and treated tonnage of 3,849k and 3,502k respectively.

Cash costs

Cash costs include cost of sales, commercial deductions and selling expenses, less depreciation and amortisation included in cost of sales.

Cash cost reconciliation**Year ended 31 December 2025**

\$000 unless otherwise indicated	Inmaculada	San Jose	Mara Rosa	Total
(+) Cost of sales	310,319	252,344	115,276	677,939
(+) Other adjustments ⁴	(167)	-	(16,145)	(16,312)
(-) Depreciation and amortisation in cost of sales	(100,581)	(49,492)	(15,275)	(165,348)
(+) Selling expenses	657	20,225	1,040	21,922
(+) Commercial deductions ⁵	3,389	21,814	44	25,247
Gold	2,417	10,542	38	12,997
Silver	972	11,272	6	12,250
Cash cost	213,617	244,891	84,940	543,448
Gold	441,218	270,167	102,053	813,438
Silver	226,695	166,355	355	393,405
Revenue (pre-exceptional)⁶	667,913	436,522	102,408	1,206,843
Ounces sold (000s)				
Gold	143.7	72.3	39.6	255.6
Silver	5,601	3,534	9	9,144
Group cash cost (\$/oz)				
Co product Au	982	2,096	2,103	1,430
Co product Ag	12.9	26.4	31.2	19.3
By product Au	(98)	930	2,101	534
By product Ag	(41.1)	(10.1)	(2,000.4)	(31.1)

⁴ Other adjustments include: fixed costs during operational stoppages and reduced capacity in Mara Rosa of \$15.1 million, cost of sale of aggregates of \$1.1 million in Mara Rosa, and cost of energy transmission services of \$0.1 million in Inmaculada.

⁵ Includes commercial discounts (from the sales of concentrate) and commercial discounts from the sale of ore.

⁶ Excludes: revenue from sale of aggregates of \$1.4 million (2024: \$nil), energy transmission services of \$0.4 million (2024: \$0.4 million), and pre-commercial revenue in Mara Rosa in 2024 of \$4.6 million.



FINANCIAL REVIEW CONTINUED

Year ended 31 December 2024

\$000 unless otherwise indicated	Inmaculada	San Jose	Mara Rosa ⁷	Other ⁸	Total
(+) Cost of sales	271,020	223,529	110,630	84	605,263
(+) Other adjustments ⁹	–	(1,071)	(31,638)	–	(32,709)
(-) Depreciation and amortisation in cost of sales	(94,190)	(46,905)	(15,690)	–	(156,785)
(+) Selling expenses	614	15,847	931	14	17,406
(+) Commercial deductions ⁵	3,436	17,620	1,590	11	22,657
Gold	2,291	9,872	1,584	1	13,748
Silver	1,145	7,748	6	10	8,909
Cash cost	180,880	209,020	65,823	109	455,832
Gold	324,057	175,892	144,836	(114)	644,671
Silver	180,285	117,443	330	(69)	297,989
Revenue⁶	504,342	293,335	145,166	(183)	942,660
Ounces sold (000s)					
Gold	143.6	74.4	61.2	–	279.1
Silver	6,342	4,290	11	–	10,643
Group cash cost (\$/oz)					
Co product Au	809	1,685	1,034	(230)	1,108
Co product Ag	10.2	19.5	13.1	14.9	13.5
By product Au	(4)	1,127	1,031	(1,058)	529
By product Ag	(22.9)	5.4	(7,074.8)	463.9	(19.4)

⁵ Includes commercial discounts (from the sales of concentrate) and commercial discounts from the sale of dore.

⁶ Excludes: revenue from sale of aggregates of \$1.4 million (2024: \$nil), energy transmission services of \$0.4 million (2024: \$0.4 million), and pre-commercial revenue in Mara Rosa in 2024 of \$4.6 million.

⁷ Excludes pre-commercial selling expenses of \$0.1 million, commercial deductions of \$0.1 million.

⁸ Mainly includes final adjustments to Pallancata's shipments that occurred in the last quarter of 2023.

⁹ Other adjustments include: Mara Rosa's pre commercial cost of sales of \$31.6 million, and costs during operational stoppages and reduced capacity in San Jose of \$11 million.

Co-product cash cost per ounce is the cash cost allocated to the primary metal (allocation based on proportion of revenue), divided by the ounces sold of the primary metal. By-product cash cost per ounce is the total cash cost minus revenue and commercial discounts of the by-product divided by the ounces sold of the primary metal.

All-in sustaining cost reconciliation¹⁰

All-in sustaining cash costs per silver equivalent ounce.

The Company has calculated its all-in sustaining cost per gold and silver equivalent ounce on an attributable basis and excludes Peruvian royalties which are recognised in the income tax line. Management believes that the updated methodology better aligns with prevailing industry practices and enhances comparability with peers. All previous periods have been re-presented to reflect this change.

¹⁰ Calculated using a gold/silver ratio of 83:1.



FINANCIAL REVIEW CONTINUED

Year ended 31 December 2025

\$000 unless otherwise indicated	Inmaculada	San Jose	Mara Rosa	Main Operations	Corporate & others	Total
(+) Direct production cost excluding depreciation and amortisation	199,360	206,007	102,657	508,024	–	508,024
(+) Other items and workers profit sharing in cost of sales ¹¹	16,369	(2,680)	993	14,682	–	14,682
(+) Operating and exploration capex for units ¹²	135,071	37,388	39,176	211,635	830	212,465
(+) Brownfield exploration expenses ¹³	2,713	11,883	987	15,583	4,404	19,987
(+) Administrative expenses (excl. depreciation and amortisation)	6,138	7,291	3,196	16,625	36,794	53,419
Sub-total	359,651	259,889	147,009	766,549	42,028	808,577
Sub-total attributable	359,651	132,544	147,009	639,204	42,028	681,232
Attributable Au ounces produced	142,233	39,255	39,956	221,444	–	221,444
Attributable Ag ounces produced (000s)	5,618	1,848	9	7,475	–	7,475
Attributable ounces produced (Au Eq oz)	209,921	61,526	40,062	311,509	–	311,509
Attributable ounces produced (Ag Eq 000s oz)	17,423	5,107	3,325	25,855	–	25,855
All-in sustaining costs per ounce produced (\$/oz Ag Eq)	1,713	2,154	3,670	2,052	135	2,187
All-in sustaining costs per ounce produced (\$/oz Au Eq)	20.7	26.0	44.2	24.7	1.6	26.3
(+) Commercial deductions	3,389	21,185	44	24,618	–	24,618
(+) Selling expenses	657	20,225	1,040	21,922	–	21,922
Sub-total	4,046	42,040	1,084	47,170	–	47,170
Sub-total attributable	4,046	21,440	1,084	26,570	–	26,570
Attributable Au ounces sold	143,667	36,879	39,567	180,546	–	180,546
Attributable Ag ounces sold (000s)	5,601	1,802	9	7,412	–	7,412
Attributable ounces sold (Au Eq oz)	211,153	58,596	39,688	309,437	–	309,437
Attributable ounces sold (Ag Eq 000s oz)	17,526	4,863	3,294	25,683	–	25,683
Sub-total (\$/oz Au Eq) attributable	19	366	27	86	–	86
Sub-total (\$/oz Ag Eq) attributable	0.2	4.4	0.3	1.0	–	1.0
Attributable all-in sustaining costs per oz sold (\$/oz Au Eq)	1,732	2,520	3,697	2,138	135	2,273
Attributable all-in sustaining costs per oz sold (\$/oz Ag Eq)	20.9	30.4	44.5	25.7	1.6	27.4

¹¹ Other items include workers profit sharing in Inmaculada of \$15.5 million, the gain in San Jose resulting from the government's export incentive programme of \$3.0 million, lease expenditure of \$2.1 million, \$1.4 million, and \$0.9 million in San Jose, Mara Rosa and Inmaculada, respectively, and other non-sustaining capex of \$1.8 million and \$0.4 million in San Jose and Mara Rosa, respectively.

¹² Operating capex excludes capitalised leases of \$3.9 million and \$2.6 million in San Jose and Inmaculada, respectively, capitalised depreciation resulting from mine equipment utilised for mine developments totalling \$1.9 million in San Jose, and capitalised interest of \$0.9 million and \$0.4 million in Inmaculada and Mara Rosa, respectively.

¹³ Corporate and others include personnel expenses related to brownfield exploration.

Year ended 31 December 2024¹⁴

\$000 unless otherwise indicated	Inmaculada	San Jose	Mara Rosa ¹⁵	Main Operations	Corporate & others	Total
(+) Direct production cost excluding depreciation and amortisation	171,372	176,365	106,185	453,922	84	454,006
(+) Other items and workers profit sharing in cost of sales ¹⁶	3,145	(14,468)	(30,059)	(41,382)	–	(41,382)
(+) Operating and exploration capex for units ¹⁷	138,582	33,035	5,289	176,906	2,857	179,763
(+) Brownfield exploration expenses ¹³	4,423	9,821	516	14,760	3,880	18,640
(+) Administrative expenses (excl. depreciation and amortisation)	4,639	6,512	1,932	13,083	33,654	46,737
Sub-total	322,161	211,265	83,863	617,289	40,475	657,764
Sub-total attributable	322,161	107,745	83,863	513,769	40,475	554,244
Attributable Au ounces produced	143,775	37,602	61,219	242,596	–	242,596
Attributable Ag ounces produced (000s)	6,368	2,117	11	8,496	–	8,496
Attributable ounces produced (Au Eq oz)	220,501	63,103	61,353	344,957	–	344,957
Attributable ounces produced (Ag Eq 000s oz)	18,302	5,238	5,092	28,632	–	28,632
All-in sustaining costs per ounce produced (\$/oz Ag Eq)	1,461	1,707	1,367	1,490	117	1,607
All-in sustaining costs per ounce produced (\$/oz Au Eq)	17.6	20.6	16.5	17.9	1.4	19.4
(+) Commercial deductions	3,436	17,620	1,590	22,646	–	22,646
(+) Selling expenses	614	15,847	931	17,392	–	17,392
Sub-total	4,050	33,467	2,521	40,038	–	40,038
Sub-total attributable	4,050	17,068	2,521	23,639	–	23,639
Attributable Au ounces sold	143,637	37,927	61,160	242,724	–	242,724
Attributable Ag ounces sold (000s)	6,342	2,188	11	8,541	–	8,541
Attributable ounces sold (Au Eq oz)	220,041	64,287	61,294	345,622	–	345,622
Attributable ounces sold (Ag Eq 000s oz)	18,263	5,336	5,087	28,686	–	28,686
Sub-total (\$/oz Au Eq) attributable	18	266	41	68	–	68
Sub-total (\$/oz Ag Eq) attributable	0.2	3.2	0.5	0.8	–	0.8
Attributable all-in sustaining costs per oz sold (\$/oz Au Eq)	1,479	1,973	1,408	1,558	117	1,675
Attributable all-in sustaining costs per oz sold (\$/oz Ag Eq)	17.8	23.8	17.0	18.8	1.4	20.2

¹⁴ 2024 all-in-sustaining costs before the change in methodology (as previously reported) were: Inmaculada \$1,512 per gold equivalent ounce, and main operations \$1,638 per gold equivalent ounce.

¹⁵ Excludes non-sustaining capex and pre-commercial production capex of \$30.0 million, and pre-commercial production brownfield exploration (\$0.8 million), administrative expenses (\$0.8 million), commercial discounts (\$0.1 million) and selling expenses (\$0.1 million).

¹⁶ Other items include production costs incurred before the declaration of commercial production in Mara Rosa of \$31.7 million, the gain in San Jose resulting from the government's export incentive programme of \$16.0 million, and lease expenditure of \$1.6 million and \$1.5 million in Mara Rosa and San Jose, respectively.

¹⁷ Operating capex from San Jose does not include non-sustaining capex and capitalised depreciation resulting from mine equipment utilised for mine developments totalling \$13.1 million.



FINANCIAL REVIEW CONTINUED

Administrative expenses

Administrative expenses were higher at \$55.6 million (2024: \$50.2 million) mainly due to higher professional fees of \$8.9 million (2024: \$7.1 million) and legal workers profit sharing in Peru of \$3.2 million resulting from higher precious metal prices (2024: \$1.4 million).

Exploration expenses

In 2025, exploration expenses increased to \$28.7 million (2024: \$26.9 million) mainly due to higher prospects and generative expenditure in Peru of \$4.1 million (2024: \$1.5 million), and higher exploration expenses at San Jose of \$11.9 million (2024: \$9.8 million). These were partially offset by lower exploration expenses at Inmaculada of \$2.7 million (2024: \$4.4 million), and Monte do Carmo exploration expenses in 2024 of \$1.6 million.

In addition, the Group capitalises part of its brownfield exploration, which mostly relates to costs incurred converting potential resources to the Inferred or Measured and Indicated categories. In 2025, the Company capitalised \$10.0 million relating to brownfield exploration (2024: \$7.4 million), bringing the total investment in exploration for 2025 to \$38.7 million (2024: \$34.3 million).

Selling expenses

Selling expenses increased to \$21.9 million (2024: \$17.5 million) mainly due to higher precious metal prices impacting Argentinian export taxes.

Other income/expenses

Other income was lower at \$10.2 million (2024: \$21.0 million) primarily reflecting a lower benefit from the Argentinian Government export programme to settle a portion of San Jose exports at the blue-chip exchange rate which remained in force until April 2025 totaling \$3.0 million (2024: \$16.0 million), partially offset by a \$1.3 million gain in 2025 on the early settlement of the deferred consideration for the acquisition of the Monte do Carmo project, originally payable in June 2026 for \$10 million.

Other expenses before exceptional items were higher at \$65.2 million (2024: \$43.2 million) mainly due to mine closure provision increases of \$24.0 million (2024: \$14.7 million) at Selene, Sipan and Ares, the provision for recovery of the ICMS credit (state tax on circulation of merchandise and transportation and communication services in Brazil) of \$4.6 million (2024: \$nil), higher provision for legal claims of \$5.9 million (2024: \$1.6 million), and a higher corporate social responsibility contribution in Argentina as a result of higher commodity prices of \$5.9 million (2024: \$4.4 million).

Adjusted EBITDA

Adjusted EBITDA increased by 39% to \$583.7 million (2024: \$421.4 million) mainly due to the increase in revenue resulting from increased precious metal prices, partially offset by lower production, higher costs of sales, and a lower benefit from the Argentinian Government export programme to settle a portion of San Jose exports at the blue-chip exchange rate.

Adjusted EBITDA is calculated as profit from continuing operations before exceptional items, net finance costs, foreign exchange losses and income tax plus non-cash items (depreciation and amortisation and changes in mine closure provisions) and exploration expenses other than personnel and other exploration related fixed expenses.

\$000 unless otherwise indicated	Year ended 31 Dec 2025	Year ended 31 Dec 2024	% change
Profit from continuing operations before exceptional items, share of loss of an associate, net finance income/(cost), foreign exchange loss and income tax	365,261	224,722	63
Depreciation and amortisation in cost of sales	165,348	156,785	5
Depreciation and amortisation in administrative expenses, other expenses and fixed costs during operational stoppages and reduced capacity	2,879	3,050	(6)
Exploration expenses	28,695	26,854	7
Personnel and other exploration related fixed expenses	(6,551)	(5,620)	17
Other non-cash items, net ¹⁸	28,097	15,563	81
Adjusted EBITDA	583,729	421,354	39
<i>Adjusted EBITDA margin</i>	48%	44%	9

¹⁸ Adjusted EBITDA has been presented before the effect of significant non-cash (income)/expenses related to changes in mine closure provisions which were \$24.0 million in 2025 (2024: \$14.7 million), and the write-off of property, plant and equipment of \$4.1 million in 2025 (2024: \$0.9 million).

Finance income

Finance income of \$11.8 million decreased from \$13.1 million in 2024 mainly due to lower interest on Argentinian mutual funds of \$2.9 million (2024: \$6.9 million), partially offset by a higher gain on Argentinian bonds of \$2.0 million (2024: \$0.3 million).

Finance costs

Finance costs increased from \$26.9 million in 2024 to \$41.1 million in 2025, principally due to the unrealised fair value loss of \$7.5 million on the financial liability related to the stream agreements with Sprott (2024: \$nil), and the unrealised fair value loss of \$7.4 million related to the warrants issued in connection with Tiernan's capital raise in December 2025.

Foreign exchange (losses)/gains

The Group recognised a foreign exchange loss of \$4.0 million (2024: \$10.4 million) mainly due to the impact of devaluation of the local currency on monetary assets in Argentina of \$6.5 million (2024: \$9.1 million), partially offset by a foreign exchange gain in Brazil of \$1.4 million (2024: loss of \$1.0 million).

Income tax

The Company's pre-exceptional income tax charge was \$129.7 million (2024: \$65.6 million). The increase in the charge is mainly explained by higher profitability versus 2024 due to increased precious metal prices.

The effective tax rate (pre-exceptional) for the period was 39.2% (2024: 33.0%), compared to the weighted average statutory income tax rate of 31.2% (2024: 31.1%). The higher effective tax rate in 2025 versus the average statutory rate is mainly explained by: the effect of higher royalties and the Special Mining Tax resulting from higher prices which increased the effective rate by 5.9%, and the withholding tax increasing the rate by 2.3%. These effects were partially offset by the impact of local currency devaluations on deferred taxes in Brazil and Peru decreasing the rate by 1.5%.



FINANCIAL REVIEW CONTINUED

Exceptional items

Exceptional items in 2025 totalled a \$46.7 million gain after tax (2024: \$19.8 million loss after tax) related to: the non-cash recycling of the accumulated loss arising from the roll-forward of gold hedges in August 2025 of \$26.4 million; and the reversal of impairment of: the Volcan project of \$43.2 million, the investment in Aclara Resources Inc. of \$22.2 million, and the San Jose mining unit of \$13.6 million. Also included were listing and transaction expenses of \$10.2 million arising from Tiernan Gold listing on the TSXV and concurrent capital raise. 2024 includes the impairment charges at the Azuca and Arcata projects of \$13.7 million, the impairment of the investment in Aclara Resources Inc. of \$5.1 million, and the write-off of work in progress of \$3.1 million in Peru.

The tax effect of these exceptional items was a \$4.2 million tax gain (2024: \$2.1 million).

Cash flow and balance sheet review**Cash flow**

\$000	Year ended 31 Dec 2025	Year ended 31 Dec 2024	Change
Net cash generated from operating activities	423,918	321,247	102,671
Net cash used in investing activities	(231,231)	(277,000)	45,769
Cash flows generated/(used in) from financing activities	27,618	(34,818)	62,436
Foreign exchange adjustment	(324)	(1,582)	1,258
Net increase in cash and cash equivalents during the year	219,981	7,847	212,134

Net cash generated from operating activities increased from \$321.2 million in 2024 to \$423.9 million in 2025 mainly due to higher Adjusted EBITDA of \$583.7 million (2024: \$421.4 million), partially offset by higher tax payments and working capital movements.

Net cash used in investing activities decreased from \$277.0 million in 2024 to \$231.2 million in 2025 mainly due to the cash consideration paid for the acquisition of Monte do Carmo of \$45.0 million in 2024 and lower expenditure on the Royropata MEIA process of \$8.3 million (2024: \$32.9 million), primarily due to investments in Royropata easements incurred in 2024. These effects were partially offset by the consideration received for the sale of Crespo project net of transaction costs of \$13.9 million in 2024, and the early settlement of the deferred consideration related to the acquisition of Monte do Carmo of \$8.8 million in 2025.

Cash from financing activities increased from an outflow of \$34.8 million to an inflow of \$27.6 million in 2025, primarily due to: the \$275.0 million final settlement of the former \$300m medium-term facility in 2024; the draw-down of \$90.0 million from the existing \$300.0 million medium-term loan facility (2024: \$30m draw-down); a net increase of \$135.0 million in short and medium-term bank loans (2024: net increase of \$80.0 million in short-term loans); and the net proceeds from Tiernan's capital raise of \$40.0 million (net of agent fees and transaction costs). These effects were partially offset by: the full repayment of the \$200.0 medium-term facility (2024: \$140 million draw-down); the payment for the execution of the buy-down option related to the Sprott stream agreements on the Monte do Carmo project of \$13.0 million in 2025; and payments of dividends to shareholders of \$15.2 million (2024: \$nil).

Working capital

\$000	As at 31 December 2025	As at 31 December 2024
Trade and other receivables	155,544	135,814
Inventories	118,211	87,087
Derivative financial liabilities	(111,567)	(40,276)
Income tax payable, net	(95,651)	(21,019)
Trade and other payables	(219,796)	(208,222)
Provisions	(55,455)	(35,082)
Working capital	(208,714)	(81,698)

The Group's working capital position decreased by \$127.0 million from \$(81.7) million to \$(208.7) million. The key drivers of the decrease were: higher income tax payable of \$74.6 million resulting from higher profitability and higher derivative financial liabilities of \$71.3 million due primarily to unrealised changes in fair value of the Group hedge contracts. These effects were partially offset by higher inventories of \$31.1 million.

Net debt

\$000 unless otherwise indicated	As at 31 December 2025	As at 31 December 2024
Cash and cash equivalents	316,954	96,973
Non-current borrowings	(225,000)	(163,333)
Current borrowings ¹⁹	(114,643)	(149,249)
Net debt	(22,689)	(215,609)

The Group's reported net debt position was \$22.7 million as at 31 December 2025 (2024: \$215.6 million). The decrease is mainly explained by the higher cash generated by the business and net proceeds from Tiernan Gold's capital raise in the TSXV in December 2025 of \$40.1 million. Net debt to adjusted EBITDA was 0.04x (2024: 0.5x).²⁰

Capital expenditure

\$000	As at 31 December 2025	As at 31 December 2024
Inmaculada	138,556	138,582
Mara Rosa	39,541	35,318
San Jose	43,575	46,143
Operations	221,672	220,043
Monte do Carmo	13,373	90,602
Pallancata	8,253	32,908
Other	6,478	4,529
Total	249,776	348,082

¹⁹ Includes pre-shipment loans and short-term interest payables.

²⁰ Net debt to EBITDA is a non-IFRS measure and is calculated as net debt divided by Adjusted EBITDA over the preceding 12-month period.



FINANCIAL REVIEW CONTINUED

Capital expenditure decreased from \$348.1 million in 2024 to \$249.8 million in 2025, mainly reflecting lower spending at Monte do Carmo following the acquisition of the project in November 2024. The acquisition resulted in one-off capital expenditure in 2024 totalling \$86.6 million, comprising \$60.0 million of cash consideration (\$45.0 million was paid and \$15.0 million deferred, of which \$10.0 million was settled in advance at a discount in 2025) and \$26.2 million of assumed liabilities representing the fair value of the loan and streaming agreements with Sprott transferred to the Group on completion, of which \$13.0 million was paid in 2025 related to the buy down of 50% of the stream agreements. Capital expenditure was also lower at Pallancata, primarily due to investments in Royropata easements incurred in 2024.

Final proposed dividends

\$000	As at 31 December 2025
Net cash generated from operating activities	423,918
Less: non-attributable net cash generated from operating activities	(75,480)
Attributable net cash generated from operating activities	348,438
Net cash used in investing activities	(231,231)
Less: non-attributable net cash used in investing activities	21,829
Attributable net cash used in investing activities	(209,402)
Attributable free cash flow	139,036
Net Debt/Adjusted EBITDA	0.04x
Dividend payout of 20-30%	27,807 – 41,711
Minimum annual dividend	10,000
Total dividends	30,868
Interim dividends	5,145
Final proposed dividends	25,723





STAKEHOLDER ENGAGEMENT

Engaging with our stakeholders

We are focused on driving long-term sustainable performance for the benefit of our customers, shareholders and wider stakeholders. Only by fully understanding our stakeholders' needs and their expectations can we measure the extent of our success.

In this section we describe the key stakeholder groups, our general approach in engaging with them, and where you can find further information within the Annual Report on specific examples of Hochschild's interactions during 2025.



CUSTOMERS



SHAREHOLDERS



SUPPLIERS/
LENDERS



EMPLOYEES

GOVERNMENT/
REGULATORS



SOCIAL




SECTION 172(1) STATEMENT

This section, together with the Stakeholder Engagement section of the Corporate Governance report (pages 103 and 104), explain how the Board takes account of stakeholder interests. Together, these comprise the Company's 'Section 172(1) statement'.




STAKEHOLDER ENGAGEMENT CONTINUED


Stakeholder group	Why they are Important	General Approach to Engagement
 <p>SHAREHOLDERS</p>	<p>Our shareholders are investors and owners of the business. We seek to establish and maintain constructive relations with all shareholders through open dialogue and an ongoing programme of engagement.</p>	<p>Engagement with shareholders is undertaken by a number of company representatives including the CEO, CFO, members of the Board, the Company Secretary and the Head of Investor Relations.</p> <p>These interactions take various forms and include participation at sector-specific conferences, direct meetings with institutional investors, discussions with proxy voting agencies and at the Annual General Meeting.</p> <p>In addition to establishing an open dialogue with significant shareholders, the Company seeks to pro-actively engage with investors on proposals of specific interest, such as those relating to executive remuneration.</p>

Stakeholder group	Why they are Important	General Approach to Engagement
 <p>EMPLOYEES</p>	<p>Our success relies greatly on our people. We seek to attract, retain and develop our people through competitive remuneration, a positive and safe working environment and equal opportunities for all.</p>	<p>Employee engagement generally takes many forms and incorporates Q&A sessions with management as well as surveys and presentations on specific subject matters.</p> <p>Regular meetings are held throughout the year with the labour unions in each of our countries of operation, not only to negotiate collective agreements but to also discuss matters of interest such as enhancements to working facilities.</p> <p>Opportunities are also taken to hold events that showcase the values that embody our corporate purpose of Responsible & Innovative Mining Committed to a Better World.</p>

READ MORE ON PAGE 103

READ MORE ON PAGE 60

Stakeholder group	Why they are Important	General Approach to Engagement
 <p>SUPPLIERS/LENDERS</p>	<p>As a key influence on how we operate our business, we seek a relationship of mutual benefit while requiring high standards of business conduct, safety and ESG performance.</p>	<p>The General Managers of our Peruvian, Argentinian and Brazilian operations maintain ongoing dialogue with suppliers to the mine sites, either directly or, in the case of our joint venture in Argentina, through organisations representing suppliers in the province. Other suppliers, including lenders, are managed by the relevant functional departments such as IT, Group Finance and others.</p> <p>With regards to existing lenders, the Company proactively engages on relevant business developments and sustainability performance.</p> <p>In all of our countries of operation, we seek opportunities to engage with suppliers within our spheres of influence.</p>


Stakeholder group	Why they are Important	General Approach to Engagement
 <p>CUSTOMERS</p>	<p>Due to the nature of what we produce, we have relatively few customers. As a result, successful relations with our customers are of critical importance to our business.</p>	<p>Our Sales and Logistics teams oversee a relationship of co-operation and constant dialogue.</p> <p>The Company seeks to continually establish new commercial relationships to mitigate the risks arising from a concentrated customer base and vulnerability to geopolitical developments.</p> <p>Hochschild representatives attend key trade events such as those held in LME Week in London and CESCO Week in Chile.</p>

READ MORE ON PAGE 65


READ MORE ON PAGE 66



STAKEHOLDER ENGAGEMENT CONTINUED

Stakeholder group	Why they are Important	General Approach to Engagement
 <p>SOCIAL</p>	<p>In acknowledgment of our social licence to operate, we recognise our steadfast commitments to (a) minimise our environmental footprint and (b) understand the needs and expectations of our local communities.</p>	<p>Through close collaboration, both directly with local communities and in partnership with third-party organisations and authorities, we implement a variety of programmes to generate a positive impact within our sphere of influence.</p> <p>Our Community Relations Policy is focused on education, health and nutrition, and promoting socio-economic development.</p> <p>The Company is also committed to building trust and listening to community concerns with respect to our current and future activities.</p>

READ MORE ON PAGE 49

Stakeholder group	Why they are Important	General Approach to Engagement
 <p>GOVERNMENT/REGULATORS</p>	<p>We seek to establish and maintain a constructive relationship and open dialogue with the various governmental and regulatory authorities in our countries of operation.</p>	<p>The Vice President of Legal and Public Affairs oversees the Company's engagement with relevant authorities and regulators in Peru, both directly and through participation in industry associations and other business forums.</p> <p>This is supplemented by the work of various teams who interact with public officials and regulators as part of their responsibilities.</p> <p>In our Argentinian joint venture, engagement with authorities is undertaken by the President, General Manager and General Counsel. The Company also actively participates in the Argentine Chamber of Mining Companies.</p> <p>In Brazil, the Country Manager and Legal Director jointly lead engagement activities. Hochschild is an active participant in institutional forums and industry associations, at both national and state levels.</p> <p>The Company Secretary and UK Counsel is responsible for engaging with authorities in the UK resulting from the Company's London listing.</p>

READ MORE ON PAGE 66



SUSTAINABILITY REPORT



TRACEY KERR
CHAIR, SUSTAINABILITY COMMITTEE

Our purpose is to deliver responsible and innovative mining that is committed to a better world.



Success for the Group means achieving operational efficiency while generating transformative change.



EDUARDO HOCHSCHILD
COMPANY CHAIR

DEAR SHAREHOLDER

At Hochschild, our purpose is to deliver responsible and innovative mining that is committed to a better world. We strive to fulfil this purpose by placing our sustainability ambition at the core of our business objectives. In this section of the Annual Report, I am pleased to share how we have been delivering on this ambition in 2025.

One of our most notable highlights has been the breadth of improvement in our ESG performance indicators, with 2025 seeing an improvement in 69% of the key statistics we monitor (compared to 38% in 2024). This achievement has been recognised by two ESG rating agencies – MSCI and Sustainalytics. This external recognition of the business' year-on-year progress has enabled us to meet our corporate objective of improving ESG performance in two of the four rating agencies that assess our performance. It has also enabled us to meet the sustainability targets established in our green loans with Scotiabank and BBVA which link the interest rate with our performance in five distinct environmental and safety indicators. As a result, in 2025 we obtained an improvement in loan interest rates and generate savings for the business worth \$45,000.

We remain committed to supporting and collaborating with our local communities. We are proud to employ a workforce that is largely (nearly 66%) made up of local

workers; this is an all-time high proportion for our business and now, for the first year, exceeds our 2030 ambition. This has been achieved, in part, through initiatives aimed at improving local employability across all operational areas, such as the Mining Partner Programme in Argentina. Education remains a key focus of our social development efforts, and this is exemplified by the 90 scholarships we provided in 2025 through our HOC Scholar Community Programme in Peru. The programme was recognised by The Technological University of Peru (UTP) at the 'Regional Boost' meeting, highlighting its contribution to strengthening the education of young people in the Ayacucho and Apurimac regions. Alongside our programmes, we have also increased local procurement to an all-time high of nearly 30%, up from approximately 26% in 2024, and hosted the third edition of the Mara Rosa and Amaralina Literature, Culture and Art Festival (FLICMA).

In terms of our environmental focus, we have maintained a strong environmental performance which includes an historical high level of waste recycled. We are also very pleased to announce that the solar plant set to cover 100% of the energy demand of Mara Rosa in Brazil is fully operational. Similarly, in Argentina, we have replaced our remaining fossil fuel energy contracts with renewable energy from wind whilst, in Peru, a similar effort is underway to transition the remaining fossil fuel energy to renewable.



SUSTAINABILITY REPORT CONTINUED

Biodiversity remains a top priority for our business. This year, we started the implementation of a second compensation plan at Inmaculada in collaboration with the Smithsonian Institute; the plan is focused specifically on restoring high-Andean grasslands in the buffer zone of the Sub Cuenca del Cotahuasi Landscape Reserve. We also achieved a positive water balance in San Jose as a result of designing and implementing a new water circuit with innovative measures such as the use of 'shade balls' in the new water storage pond.

We have also worked to strengthen our health and safety performance this year, reinforcing our steadfast commitment to upholding excellence in safety practices. We are proud to have achieved an all-time low workplace injury rate of 0.97. Alongside this, we have enhanced our safety platforms across the Company, including Brazil, and retained our Det Norske Veritas (DNV) Level 8 Occupational Health and Safety Management rating in our Peruvian and Argentinian operations.

Driving gender diversity in our workforce remains a key challenge in this industry and a top priority for our business. This year, we have made substantial progress, reaching an all-time high of almost 11% female representation across our total workforce. We also conducted a diversity census across the three countries of operation to collect data on gender, race, sexual orientation, and age. In 2026 we plan to develop an action plan to take this further and address the key improvement areas we have identified. Our strong performance as an employer was also, once again, recognised this year by Merco Talento, ranking us 4th out of 18 mining companies in Peru.

As part of our approach to responsible business practices, we have formalised our

commitments around some of our key topics. This includes publishing our first Modern Slavery Statement and developing our first policies on Biodiversity and Civil Security. We have also made updates to a number of policies relating to information security, anti-fraud, anti-bribery and corruption, as well as our Code of Conduct. Furthering our responsible business practices, we became a signatory of the UN Global Compact and published our third standalone sustainability report.

We look forward, in 2026, to continuing the strengthening of our ESG practices, with a key focus on the topics of nature, climate change, and human rights. We will continue to promote socio-economic development in our communities and diversity in our workforce and find innovative ways to both maintain robust safety measures and reduce our environmental footprint.

If you have any comments and feedback on our sustainability activities, please contact us at sustainability@hocplc.com

TRACEY KERR
CHAIR, SUSTAINABILITY COMMITTEE



Our corporate purpose embeds responsibility into the heart of our business.



EDUARDO LANDIN
CHIEF EXECUTIVE OFFICER

2025 HIGHLIGHTS

29.9%
LOCAL PROCUREMENT
2024: 26.1%

65.9%
LOCAL WORKFORCE
2024: 59.3%

5.61/6
ECO SCORE (VS TARGET OF 5.5/6)
2024: 5.58/6

125
LITRES/PERSON/DAY OF POTABLE WATER CONSUMPTION
2024: 138 LITRES/PERSON/ DAY

81.4%
RECYCLED WASTE
2024: 57.3%

10.6%
WOMEN IN WORKFORCE
2024: 10.0%

17.6%
WOMEN IN LEADERSHIP ROLES
2024: 17.2%

88%
OF ENERGY THAT IS RENEWABLE AT 31 DECEMBER 2025
2024: 59%

OUR APPROACH TO SUSTAINABILITY

We have five strategic focus areas that guide our sustainability efforts. As presented in the following pages, our performance in 2025 is reported within these focus areas and tied to our list of material topics. The topics are determined through our biennial materiality assessment, most recently refreshed in 2025 and next scheduled for 2027.

This report complements the information available on our website and focuses on key sustainability highlights and performance outcomes for 2025. Further details on Hochschild's sustainability strategy and its alignment with the Sustainable Development Goals (SDGs) are available on our website at www.hochschildmining.com/sustainability.

OUR AREAS OF FOCUS

- Serving our Communities →
- Protecting the Environment →
- Ensuring Health and Safety →
- Empowering our People →
- Being a Responsible Business →



SUSTAINABILITY REPORT CONTINUED

Sustainability governance

Our Board of Directors holds ultimate responsibility for establishing and managing policies and initiatives related to sustainability. The Sustainability Committee, an official sub-committee of the Board, oversees and makes all necessary recommendations to the Board in connection with all ESG issues as they affect the Company's operations.

The Committee is chaired by Tracey Kerr, who has Board-level responsibility for sustainability matters. She is also the designated Non-Executive Director for Workforce Engagement. The Committee consists of the CEO and two Independent Directors, with the COO, Vice Presidents of People Management and Corporate Affairs, and Legal and Public Relations as regular attendees.

During 2025, the Sustainability Committee's activities were:

- receiving quarterly updates on ESG performance against our 2030 ambitions comprising:
 - reviewing health and safety performance, including investigations into lost time accidents and high-potential events;
 - receiving updates from management on key environmental matters such as tailings storage facilities, progress on mine closure activities, climate change, and biodiversity;
 - reviewing progress on implementation of the Company's community relations strategy;
 - reports on people management matters including the status of union negotiations and feedback on engagement activities; and
 - progress against permitting timelines.

- reviewing and, where appropriate, approving, new sustainability-related policies including in relation to biodiversity and civil security;
- reviewing and approving public disclosures on sustainability-related matters; and
- reviewing key mitigation measures sustainability-related topics in the Company's Risk Register.

Attendance at Committee meetings is detailed on page 93.

Sustainability accountability

ESG-related matters account for 25% of the business' corporate bonus scorecard. It is broken down as follows:

- 15% weighting related to safety;
- 5% weighting for environmental results measured through our ECO Score; and
- 5% weighting with respect to improvement in Hochschild's external ESG ratings.

In addition, performance against 14 sustainability-related KPIs¹ is embedded as a performance condition in the Company's Long-Term Incentive Plan (LTIP), a key incentive offered to Executive Directors and selected members of senior management.

In 2025, we achieved all of the ESG-related goals under both the annual bonus scheme and the 2023 LTIP awards which reflects the Company's ESG performance between 2023 and 2025.

Ratings

We are particularly pleased to see improvements in both our MSCI and Sustainalytics scores which have enabled us to meet our broader Company goal. Our MSCI rating improved from BB to BBB and

our Sustainalytics score improved from 28.4 to 26.8 (lower scores indicate stronger performance). We expect to receive our 2025 scores for CDP and FTSE4Good in March and June 2026 respectively. We are also pleased to be a constituent of the FTSE4Good Index.

	2025	2024
CDP Climate	B	B
CDP Water	B-	B-
FTSE4Good (/5)	3.8	3.8
Sustainalytics	Medium risk (26.8)	Medium risk (28.4)
MSCI	BBB	BB

Sustainability reporting

We are committed to continuously improving our sustainability performance and we will continue to provide a transparent account of the material topics to our key stakeholders.

For climate-specific disclosures alignment with the Climate-related Financial Disclosures (CFD), see pages 67-75. This includes more detailed information on our climate governance, risk management, and strategy.

Every two years, we also publish a standalone Sustainability Report that provides a comprehensive overview of Hochschild's sustainability activities and performance. Our most recent standalone report, reflecting 2024 performance, was published in 2025 and is available via our website: <https://www.hochschildmining.com/sustainability/sustainability-reports-and-policies/>.

ESG-RELATED WEIGHTINGS IN THE CORPORATE BONUS SCORECARD

15%

WEIGHTING RELATED TO SAFETY

5%

WEIGHTING FOR ENVIRONMENTAL RESULTS MEASURED THROUGH OUR ECO SCORE






5%

WEIGHTING WITH RESPECT TO IMPROVEMENT IN HOCHSCHILD'S EXTERNAL ESG RATINGS

¹ The Company's LTIP comprises 14 KPIs. Thirteen align with the ESG KPIs outlined below, with one additional KPI – the Lost Time Injury Severity Rate (LTISR) – also included. The three ESG KPIs relating to the Board are excluded from the LTIP.



SUSTAINABILITY REPORT CONTINUED

		2030 Ambition	2025 result	2024 result
 Serving our Communities <small>READ MORE ON PAGE 49</small>	Local workforce vs total workforce (%)	60%	65.9%	59.3%
	Local procurement vs total procurement (%)	20%	29.9%	26.1%
	Social investment vs net revenue (%)	0.90%	1.09%	1.22%
 Protecting the Environment <small>READ MORE ON PAGE 52</small>	Greenhouse gas (GHG) Scope 1+2 emissions reduction (%) ¹	-30%	+71.9% ²	+48.6%
	Fresh water utilised per ore processed (m ³ / tonne)	0.22	0.26	0.31
	Recycled waste (%)	80%	81.4%	57.3%
	Domestic waste landfilled (kg/person/day) ³	0.90	0.78	0.93
 Ensuring Health and Safety <small>READ MORE ON PAGE 57</small>	Potable water consumption (l/person/day) ³	174	125	138
	Fatal accidents	0	0	0
 Empowering our People <small>READ MORE ON PAGE 60</small>	LTIFR ⁴	1.20	0.97	1.25
	Women in the workforce (%)	11%	10.6%	10.0%
	Women in leadership roles (%)	20%	17.6%	17.2%
 Being a Responsible Business <small>READ MORE ON PAGE 64</small>	Voluntary turnover (%)	<5%	4.01%	4.96%
	Director Independence (%)	>50%	62.5%	62.5%
	Average tenure of Non-executive Directors (excl. Chair)	6 years	6 years	6 years, 5 months
	Women on Board seats (%)	40%	37.5%	37.5%

¹ Measured as a reduction against the 2021 baseline.

² The increase in GHG emissions in 2025 can be mainly attributed to the Mara Rosa mine, an open-pit operation, being incorporated into the calculation. We recognise that we may need to re-base our 2030 ambition in 2027 to account for the impact of Mara Rosa.

³ Domestic waste landfilled (kg/person/day) and potable water consumption (l/person/day) are calculated as the simple average across all mine sites.

⁴ Calculated as total number of accidents per million labour hours.

Our 2030 ambition

Performance against our ESG KPIs, shown below, is monitored and published on a quarterly basis. In 2025, performance highlights included historically low levels of domestic waste generation, potable water consumption, and Lost Time Injury Frequency Rate (LTIFR), alongside record-high growth in local workforce, local procurement, recycled waste, and female representation in the workforce. Further details on 2025 performance for each KPI are provided in the table below and in the corresponding sections of this report.

Comprehensive sustainability-related disclosures, including policies and reports, are available on our website at: www.hochschildmining.com/sustainability/sustainability-reports-and-policies/

Quarterly performance updates are published through our Sustainability Data Hub, while annual performance continues to be disclosed in our Sustainability and/or Annual Reports. The Sustainability Data Hub can be accessed at: www.hochschildmining.com/sustainability/sustainability-data-hub/

We regularly monitor the continued relevance of our selected KPIs and will refine or supplement them as appropriate to ensure they remain aligned with our strategic priorities and stakeholder expectations.



Seeing year-on-year progress in sustainability is integral to how we view and define success at Hochschild. We are focused on delivering against all of our 2030 ambitions and are pleased to report on the progress being made so far.



DAVID VEXLER
CORPORATE SUSTAINABILITY DIRECTOR



SUSTAINABILITY REPORT CONTINUED



Serving our Communities

The socio-economic development of our local communities is our most material focus area.

OUR APPROACH TO SERVING OUR COMMUNITIES

We strive to create a positive and lasting impact on our local communities and they remain one of our most important stakeholders.

The topic of 'Local communities and socio-economic development' has been identified as our singular most material topic. Our approach towards this topic continues to be guided by our Sustainability, Human Rights, and Community Relations Policies, ensuring that our engagement remains transparent, inclusive, and impactful.

We serve our communities through the following focus areas: Engaging with our communities, Community investments and supporting local governments, Local employment, and Procurement of local goods and services.

FOCUS AREAS Engaging with our communities

We engage regularly with community members through a range of formal and informal mechanisms. These typically include focus groups, meetings with authorities, structured roundtables with community representatives and national authorities, and ongoing communication both in person and online.

We operate six information offices across the communities which serve our mine sites. The offices provide accessible points of contact for community members to seek information, raise questions, or

express concerns related to our mining operations. They are located in the following locations: Pauza and San Francisco de Rivacayco (serving the Inmaculada operation), Tucsá and Iscahuaca (linked to the former mine site of Pallancata), Perito Moreno (supporting the San Jose operation), and Mara Rosa (serving the Mara Rosa mine).

We ensure concerns are addressed in a structured and timely manner through our formal grievance procedure. This year, we received 69 grievances across our Peruvian, Argentinian, and Brazilian mine sites. All grievances were responded to, with an average response time of eight days.

Community investments and supporting local governments

Our social engagement strategy continues to deliver positive impacts through several key initiatives in the three countries in which we operate.

Peru

In 2025, our social investment efforts in Peru focused primarily on community infrastructure development and the strengthening of local livelihoods. We co-financed the construction of 1 kilometre of an irrigation canal in Cochapampa, improving water access for more than 15 hectares of agricultural land and benefiting over 50 local producers. Additional infrastructure initiatives included the construction and implementation of a mechanic workshop in the community of Casma Palla

HIGHLIGHTS¹

65.9%

LOCAL WORKFORCE VS TOTAL WORKFORCE²
2024: 59.3%

29.9%

LOCAL PROCUREMENT VS TOTAL PROCUREMENT
2024: 26.1%

1.09%

SOCIAL INVESTMENT VS NET REVENUE
2024: 1.22%

ALIGNMENT TO UN SDGS



¹ Our Brazilian operations are reflected for the first time in respect of 2025 for all data.

² Local workforce vs total workforce KPI includes direct employees and contractors in all mine sites.



SUSTAINABILITY REPORT CONTINUED



Palla, benefiting more than 30 community members; the construction of a church in Cochapampa and a multi-purpose facility in Belen; and road maintenance works in the community of Huancute.

To strengthen skills and help generate local income, we delivered training programmes in fish farming for 18 members of the community of Vizcacuto, baking for 24 women in Iscahuaca, and entrepreneurship and leadership through four workshop sessions for 30 women in Cochapampa. We also supported the construction of an organic community orchard, enabling the production of healthy food for self-consumption and benefiting 40 community members. Looking ahead to 2026, we plan to further advance initiatives focused on strengthening local

productive systems and rural livelihoods, enhancing agricultural productivity, and supporting senior citizens and women.

In line with our commitment to community health and well-being, we have carried out comprehensive medical campaigns in the communities of Tolconi, Vizcacuto, and Marcani, providing general, preventive, and specialised medical consultations, medicine distribution, and follow-up support for various health conditions. In addition, we implemented a bovine animal health campaign in San Antonio de Ojos, delivering preventive treatments for 600 cattle and benefiting 60 farmers through practical training, contributing to improved animal health and productivity.

During the past year, 90 scholarships were awarded to university and technical institute students through the HOC Scholarship Community Programme, reaching 150 scholarships in total since the programme's implementation in 2024. The programme was recognised by the Technological University of Peru (UTP) at its 'Regional Boost' meeting for its contribution to strengthening

to education for young people in Ayacucho and Apurimac.

We have also worked with nine strategic local municipalities to support sustainable development through a coordinated, multi-stakeholder approach. These partnerships include, for example, financing technical assessments to improve and expand essential services (such as water and irrigation systems), supporting capacity-building and community activities, donating machinery to support municipal operations (particularly during weather-related emergencies), and strengthening municipal management to improve budget execution capacity.

Brazil

In Brazil, we hosted the third edition of the Mara Rosa and Amaralina Literature, Culture, and Art Festival (FLICMA). The festival welcomed 3,402 participants, including Hochschild employees and their families, and involved ten local schools and three educational centres. The programme featured literary and artistic performances, educational panels, storytelling sessions, book raffles, theatre competitions, and a talent show. Through these activities, FLICMA play a fundamental role in promoting literature, culture, and art in the communities of Mara Rosa and Amaralina.

We also launched the Support and Incentive Programme for Social Responsibility Projects (PROPOR, in Portuguese), aimed at supporting initiatives that deliver measurable positive impacts on community well-being and contribute to sustainable local development. Launched in April 2025 with 36 community residents and leaders

participating, the programme selected two projects: the Safe Harvest project, which received supplies to improve saffron harvesting practices, and a sensory room project developed by a municipal school, which received materials to establish an inclusive space for neuroatypical children. Initial deliveries were made in 2025 with further implementation planned for 2026.

Additionally, we continued to deliver annual health promotion campaigns, including Blue October and Pink November. These provide free testing for community members of the Mara Rosa community, alongside workshops focused on cancer prevention for Hochschild employees and contractors.

Argentina

In collaboration with local institutions, we provided 35 scholarships for higher-education students from Perito Moreno and Los Antiguos, expanding access to quality education. We also donated supplies and materials in response to community needs, including support for the regional hospital, nursing home, schools, and the broader municipality. In addition, we have continued the strawberry cultivation project with local families in Perito Moreno throughout the year, focusing primarily on the provision of technical supplies and equipment.

We also delivered technical training sessions in communities surrounding the San Jose mine site, providing first aid and CPR workshops to local groups. These sessions contribute to building local capacity to respond to medical emergencies and reinforce our commitment to supporting community health and safety.



SUSTAINABILITY REPORT CONTINUED

In total, we invested \$13.1 million in 2025 in our aforementioned social programmes across Peru, Argentina and Brazil. This represents 1.09% of our 2025 net revenue, meeting our 2030 ambition to invest 0.90% of net revenue in social initiatives.

Education	\$870,000
Health and nutrition	\$579,000
Socio-economic development	\$2,243,000
Philanthropic campaigns	\$6,000
Culture and communication	\$225,000
Infrastructure	\$1,880,000
Local government support	\$7,375,000

Our local government support included \$5.2 million granted to the province of Santa Cruz. This was provided through the publicly-managed 'Proyecto UniRSE' trust fund which finances diverse social and development initiatives. In Brazil, we also paid \$1.9 million in the Financial Compensation for the Exploitation of Mineral Resources ('CFEM', in Portuguese), the federal mining royalty allocated to municipalities and states for investment in socio-economic development.

Local employment

Local employment is a key driver that underpins long-term socio-economic development. As such, we are proud to report that the proportion of local workers continues to grow year-on-year. In 2025, 65.9% of our workforce comprised of local workers, representing an all-time high and a significant increase from 59.3% in 2024 and exceeding our 2030 ambition of 60%. At a country level, local representation reached 60.1% in Peru, 64.2% in Argentina, and 79.4% in Brazil. These figures include both direct employees and contracted workers.

We have continued to implement targeted initiatives to strengthen local employability across our operations. In Argentina, the Mining Partner Programme engaged 40 participants from the local communities of Perito Moreno and Las Heras and included site visits to the San Jose mine. We also organised guided visits to San Jose for students from Technical School No. 11 and students and teachers from the Mining Technology degree programme in the National University of Comahue. The aim has been to increase exposure to mining operations among young people and future professionals. In addition, we delivered technical training sessions focused on basic electrical skills for community members in northern Santa Cruz. In September 2025, the Province of Santa Cruz amended Law No. 3141 ('Ley de Promoción de Mano de Obra y Proveedores Locales' in Spanish) to establish a 90% local workforce requirement for companies operating in the mining, energy, and related sectors. In alignment with this new requirement, we will continue to advance initiatives aimed at increasing local participation.

In Brazil, we launched an industrial maintenance and welding training programme exclusively for women, with 35 participants currently undergoing training. Building on these initiatives, we plan to launch a welding and drilling training programme in Peru in 2026 for female community members in the areas surrounding the Inmaculada operation.

Procuring local goods and services

Alongside creating local employment opportunities, we also strive to support local businesses. This is a core value at Hochschild and one that enables business to generate long-term, tangible socio-economic value for communities.



Hochschild is committed to strengthening the socio-economic development of our communities.'



EDUARDO NORIEGA
CHIEF FINANCIAL OFFICER

This year, local procurement accounted for 29.9% of our total procurement expenditure, representing a historical record and exceeding our 2030 ambition of 20% and improving from 26.1% in 2024. In terms of regional performance, local suppliers contributed 19.5% of procurement spend in Peru, 58.3% in Argentina and 29.9% in Brazil.

In Peru, we strengthened local procurement by introducing a platform to help identify and manage potential local suppliers for bidding processes. We also assessed which services could be provided locally, focusing on areas such as laundry, transport and equipment maintenance. As a result, these services were successfully awarded to local suppliers.

In Argentina, our efforts centred on building stronger relationships with local suppliers. This included site visits to suppliers in Santa Cruz, workshops at the mine site held in partnership with local chambers of commerce, and engagement with nationally based companies to establish partnerships with local suppliers.

In Brazil, efforts in 2025 continued to focus on deepening engagement with local suppliers to support their development, enhance quality and safety standards, and contribute to cost optimisation. We are committed to increasing levels of local supplier participation in both competitive bidding processes and business engagement meetings. As part of this, we have designed a comprehensive local supplier development programme – the Municipal Support and Strengthening Programme (PROAPOIO, in Portuguese). The programme, which will be implemented in 2026 and delivered in partnership with the company IEG Goiás, focuses on capacity building, compliance, and performance improvement. It integrates supplier development, local workforce training, and broader economic development, and includes assessments of supplier profiles and business maturity. As a result of this work, we will be able to identify regional priority needs and provide focused guidance on Hochschild's procurement criteria, processes, and best practices.



SUSTAINABILITY REPORT CONTINUED



Protecting the Environment

Hochschild is committed to operating with the lowest possible environmental footprint.



HIGHLIGHTS¹

0.26

FRESH WATER USED PER TONNE OF ORE PROCESSED
2024: 0.31 M³/TONNE

81.4%

RECYCLED WASTE (%)
2024: 57.3%

5.61

2025 ECO SCORE (VS TARGET OF 5.5/6)
2024: 5.58

88%

RENEWABLE ENERGY MIX BY DECEMBER 2025
2024: 59%

ALIGNMENT TO UN SDGS



OUR APPROACH TO PROTECTING THE ENVIRONMENT

Our Environmental Policy provides the framework for managing our most material environmental impacts, including reducing water consumption, improving energy efficiency, and managing waste responsibly.

Environmental performance is monitored and managed across our four material topics: 'Climate change', 'Water management', 'Management of waste and tailings', and 'Biodiversity and ecosystem services'.

We protect the environment through the following focus areas: Environmental Management System (EMS), our internal ECO Score, Environmental ambassadors, Climate change, Water management, Management of waste and tailings, Biodiversity and ecosystem services, and Mine closure.

FOCUS AREAS EMS

Our EMS underpins the implementation of good environmental practices across all operations and ensures compliance with applicable legal and regulatory requirements.

In 2025, EMS-related activities focused on three key areas:

- Completing the commitment register for all our mine sites in Peru.
- Delivering environmental supervision training sessions across all Peruvian mine sites to ensure compliance with regulatory requirements and external oversight.
- Conducting an environmental culture assessment across all three countries (supported by an external consultant) to better understand employee perceptions and inform targeted improvement actions. The assessment comprised a 30-question survey distributed to all employees and contractors. We achieved a high reliability rate of 98% based on responses from 1,242 employees and 1,321 contractors. This was complemented by additional qualitative insights gathered through focus groups, interviews with key leaders and functional teams, and a detailed review of internal policies and procedures. The results highlighted strong environmental commitment at leadership level and well-defined procedures. Alongside this, we identified opportunities to strengthen the consistent translation of these commitments into day-to-day practices and to reinforce engagement across the broader workforce.

¹ Our Brazilian operations are reflected for the first time in respect of 2025 across all environmental data, excluding energy and climate change data, which have been included since May 2024 (resulting in a partial year of data for 2024).



SUSTAINABILITY REPORT CONTINUED

ECO Score

The ECO score is Hochschild's internal environmental performance indicator. Designed to consolidate key environmental metrics into a single, easily understood number, it covers a number of metrics: compliance with discharge limits, a zero-tolerance approach to environmental incidents, the number of regulatory findings, and the effectiveness of environmental management related to water consumption, waste generation and recycling, and environmental culture compliance.

In 2025, we achieved an ECO Score of 5.61 out of 6, exceeding the Company's 'excellence' target of 5.5 and improving on our 2024 result of 5.58. Since the

introduction of the ECO score in 2015, overall performance has improved by 69%, reflecting sustained progress in the business' environmental management.

Environmental Ambassadors

To fully embed environmental awareness and accountability into our everyday operations, we invite Hochschild employees and contractors across all levels to join our Environmental Ambassador programme. The programme aims to train employees who can drive change, strengthen our culture, and expand environmental awareness within the Company.

In 2025, programme activities focused on training ambassadors on ESG KPIs and targets, environmental monitoring, and the appropriate management of

environmental incidents. Additional emphasis was placed on reinforcing key concepts such as circular economy principles, correct waste segregation, and good housekeeping practices.

At year end, we had a total of 104 Environmental Ambassadors, comprising 37 at San Jose, 24 at Mara Rosa, 20 at Inmaculada, 10 at Pallancata and Selene, 8 at Ares, and 5 at Sipan.

Climate Change

Our aim is to achieve Net Zero GHG emissions by 2050, with a near-term target to reduce Scope 1 and 2 market-based emissions by 30% by 2030, relative to a 2021 baseline.

In 2025, our Scope 1 and 2 emissions increased by 15.7% compared to 2024. It is important to note that 2025 marks the first full year of emissions data from Brazil, following the start-up of the Mara Rosa operation in May 2024. As a result, we recognise that a re-baselining of our 2030 target ambition may be required to appropriately reflect the impact of the Mara Rosa site, as well as to anticipate the development of new projects (Royropata and Monte do Carmo). Excluding Mara Rosa, we have estimated that our Scope 1 and 2 (market-based) emissions would have decreased by approximately 2.8% compared with the 2021 GHG emissions (versus a 10.6% decrease in 2024 compared to 2021 baseline). This increase in emissions was driven primarily by construction activities in Inmaculada.

Despite this, our overall GHG emissions intensity remains well below industry average², at 0.392 tCO₂e/oz Au produced.

	2025	2024 ¹
Scope 1 & 2 emissions (tCO ₂ e) ²	101,683	87,910
Scope 3 emissions (tCO ₂ e)	35,938	29,461
Emissions intensity (tCO ₂ e/ounces of gold equivalent) ^{2,3,4}	0.274	0.215
Emissions intensity (tCO ₂ e/ounces of gold produced) ^{2,3,4}	0.392	0.313

¹ The 2024 emissions and intensity data include emissions from the Mara Rosa mine site from May 2024 (following the start of operations).

² Independent limited assurance over Scopes 1, 2, and 3 emissions from the operating sites is conducted on a yearly basis in line with the ISO 14064-1:2019 Standard. The external verification of the 2025 carbon footprint was obtained in March 2026.

³ Emissions (and intensity) reflect combustion of fuel of facilities (Scope 1) and purchased electricity (Scope 2) - market-based emissions. Market-based emissions exclude electricity purchased from renewable sources: hydropower in Peru, wind power in Argentina, and photovoltaic power in Brazil.

⁴ Total production includes 100% of all production, including that attributable to the joint venture partner at San Jose.

We are pleased to report on the strong progress we are making in decarbonising our energy mix. To reduce Scope 2 emissions we are continuing to transition our operations towards 100% renewable electricity. In 2025, 80% of energy consumed in Peru was generated from renewable sources, alongside 82% in Argentina and 43% in Brazil. In Brazil, the solar plant designed to meet 100% of the Mara Rosa mine's energy demand throughout its useful life became fully operational in July 2025. In Argentina, all remaining fossil fuel-based electricity contracts were replaced with wind energy in November 2025, and a similar transition is underway in Peru, with the bidding process currently in progress. As a result of

ECO Score year-on-year progress

2025 ¹	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
5.61	5.58	5.76	5.27	5.29	5.74	4.82	5.37	5.46	4.59	3.32



Reducing our footprint through emissions reduction and waste innovation remains of utmost importance to the Company.



NESTOR RIGAMONTI
COUNTRY MANAGER, ARGENTINA

¹ Our Brazilian operations are reflected for the first time in the ECO Score in respect of 2025 for all data. Arcata is excluded from the 2025 results, as it was sold in February 2025.

² Industry average for gold emission intensity according to S&P 'Global Commodity Insights' (published in December 2024) is 0.792 tCO₂e/oz Au.



SUSTAINABILITY REPORT CONTINUED

**Potable water consumption (litres/person/day)**

2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
125	138	163	171	193	231	206	225	214	294	408

Potable water consumption (l/person/day) is calculated as the simple average across all mine sites.

Fresh water use in processing plants per ore processed (m³/tonne)

2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
0.26	0.31	0.27	0.27	0.24	0.24	0.25	0.31	0.37	0.34

these initiatives, all electricity consumption and Scope 2 market-based emissions is expected to be zero from early 2026 onwards. This includes our three operating mine sites, as well as the Ares, Pallancata, and Selene sites.

Water management

Our water stewardship efforts continue to deliver strong and measurable outcomes across our operations. In 2025, potable water consumption decreased to 125 litres/person/day, the lowest level recorded

since measurement began in 2015. This performance exceeded our 2030 target of 174 litres/person/day and represented an improvement from 138 litres/person/day in 2024.

Fresh water consumption decreased to 0.26 m³ per tonne of ore processed this year (improving from 0.31 m³/tonne in 2024) and keeping us aligned with our ambition of 0.22 m³/tonne by 2030. At Inmaculada, commissioning of a reverse osmosis plant is nearing completion and, once operational, will enable water recirculation within the processing plant, further reducing reliance on fresh water sources.

In addition, we achieved a positive water balance at the San Jose mine following the design and implementation of a new water circuit. This was complemented by innovative measures such as the installation of shade balls in the water reservoir between June and August 2025 to reduce water losses through evaporation.

Water consumption at Mara Rosa remains very low, supported by the capture and use of rainwater in operations. In 2025, only 0.17 m³ of fresh water was consumed per tonne of ore processed at the site.

Management of waste and tailings

In 2025, domestic waste generation decreased to a record low since the ECO Score was implemented in 2015, with 0.78 kg/person/day generated, surpassing our 2030 ambition of 0.90 kg/person/day and representing an improvement of 16% in comparison to 2024.

Additionally, 81.4% of waste generated across all mine sites was recycled, reused, donated, or composted. This represented an all-time high result, a 42% improvement compared with 2024 and surpassed our 2030 ambition of repurposing 80% of waste generated.

Domestic waste landfilled (kg/person/day)

2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
0.78	0.93	0.93	1.05	1.00	1.18	1.04	1.13	1.13	1.33	1.94

Domestic waste landfilled (kg/person/day) is calculated as the simple average across all mine sites.

Recycled waste (%)

2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
81.4%	57.3%	63.3%	68.8%	72.5%	56.4%	86.6%	53.6%	57.7%	29.5%	45.3%

Tailings and waste rock generated and reused in 2025 (million metric tonnes)

	Inmaculada	San Jose	Mara Rosa	Total
Waste rock generated	0.825	0.981	20.056	21.862
Waste rock reused	0.449	0.156	0.366	0.971
Tailings generated	1.373	0.594	1.424	3.391
Tailings reused	0.342	0.113	–	0.455



SUSTAINABILITY REPORT CONTINUED

Notable site-level improvements were achieved at Pallancata and Selene, where domestic waste generation decreased from 1.15 kg/person/day in 2024 to 0.80 kg/person/day in 2025. At the San Jose mine site, domestic waste generation declined from 1.65 kg/person/day to 1.22 kg/person/day, while the proportion of recycled waste increased from 45.7% to 74.5%. These results were driven by improved waste segregation at the source through training and communication, as well as proactive efforts to minimise waste generation. For example, a waste dehydrator was installed at Pallancata, increasing the efficiency of compost production by enabling a greater volume of organic waste to be processed.

In 2025, we operated nine Tailings Storage Facilities (TSFs) across our operations. Our TSFs located in Peru were audited this year, with no material findings. Audits in Argentina and, for the first time Brazil, are scheduled for 2026.

We continue to prioritise the reuse of tailings and waste rock where feasible. In 2025, 23% of total tailings and 33% of total waste rock were used as backfill at the Inmaculada and San Jose mine sites. In addition, 366,278 metric tonnes of waste rock from the Mara Rosa mine were sold to a rail company, representing 1.8% of waste rock generated, supporting circular economy practices.

We fully support the need for greater transparency in the mining sector and we

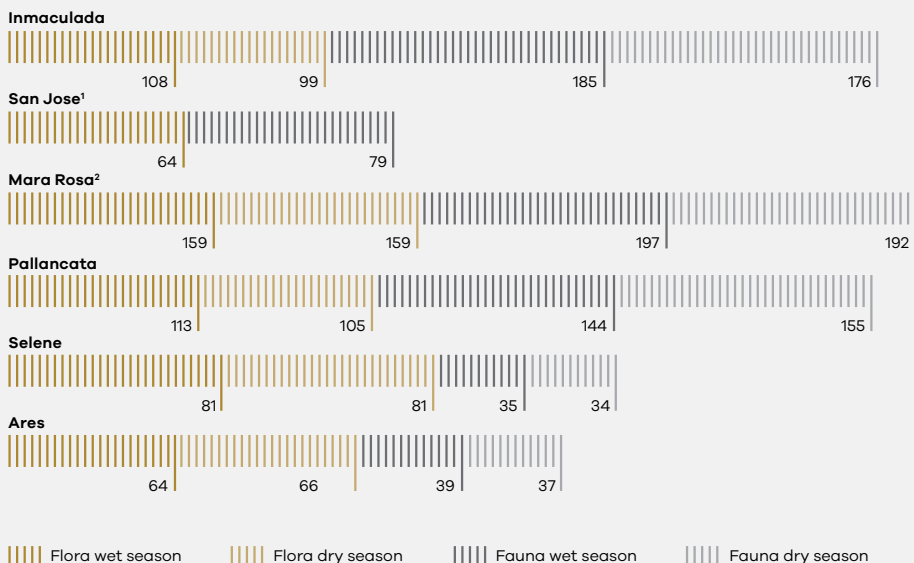
disclose comprehensive details on each of our TSFs and their management. The information sheet on our TSFs, which was originally published in 2019 in response to the joint request from the Church of England Pensions Board and Swedish National Pension Funds, will be updated in early 2026 and will be found on our website: <https://www.hochschildmining.com/sustainability/sustainabilityreports-and-policies/>

Biodiversity and ecosystem services

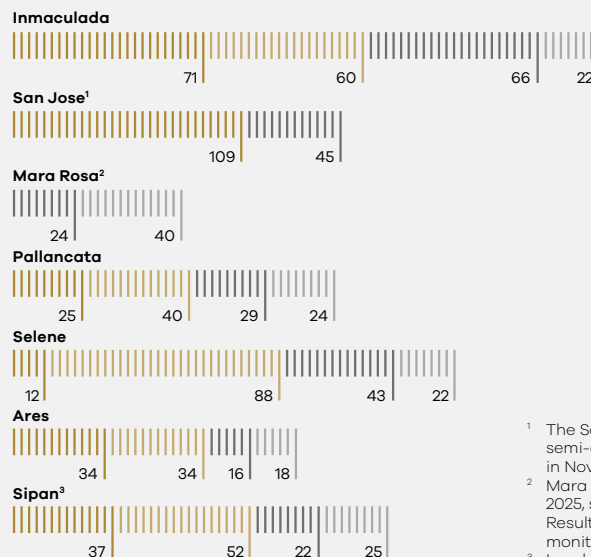
In November 2025, we published our new Biodiversity Policy following approval by the Sustainability Committee. The policy is publicly available on our website in Spanish, English, and Portuguese through the



Variety of land species of flora and fauna in our site



Variety of aquatic species of flora and fauna in our sites



¹ The San Jose mine site did not monitor biodiversity on a semi-annual basis in 2025. One campaign was conducted in November 2025.
² Mara Rosa had four quarterly monitoring campaigns in 2025, specifically in February, May, August, and November. Results shown reflect the values of the May and November monitoring campaigns.
³ Land biodiversity is not monitored in the Sipan mine site.



SUSTAINABILITY REPORT CONTINUED

following link: <https://www.hochschildmining.com/sustainability/sustainability-reports-and-policies/>

This year, we also conducted a gap assessment on the Taskforce on Nature-related Financial Disclosures (TNFD) and peer benchmarking to strengthen our preparedness for a more comprehensive nature assessment in 2026 and 2027. This work provided a clear view of our current disclosure readiness, identifying key strengths in the governance and risk management of nature-related issues, alongside opportunities to further develop the measurement of nature-related risks and opportunities. The findings directly inform our planned TNFD LEAP assessment which will commence in 2026.

We continued to promote biodiversity awareness and conservation through the Knowledge Trail ('Trilha do Conhecimento') in Mara Rosa which, this year, welcomed over 3,500 visitors. In addition, more than 9,000 seedlings from its nursery were donated to local institutions, supporting environmental awareness initiatives and the recovery of disturbed areas.

In Brazil, we launched the Environmental Education Programme at the Jose Feliciano Ferreira education centre, aimed at engaging students in ecological and sustainable practices. This programme combined workshops on waste management, energy efficiency, water conservation, and urban agriculture with hands-on activities, including the installation of a rainwater harvesting system and the establishment of a school garden.

We regularly monitor flora and fauna in affected areas. At each mining site, we have

consultants conducting specialist, bi-annual research. The research takes place during rainy and dry seasons to monitor and maintain the biodiversity of our surroundings.

Alongside these initiatives, we advanced our biodiversity compensation plans at Mara Rosa and Inmaculada. At Mara Rosa, we completed payment for the acquisition of land within the Terra Ronca State Park. At Inmaculada, authorities approved the implementation of two compensation plans following the approval of the Second Modification of the Environmental Impact Study in 2023.

The first compensation plan focuses on the compensation of Andean wetlands. It involves the relocation of thirteen wetlands, covering a total area of 1,174 hectares, to avoid impacts from the expansion of the tailings dam. Between late 2023 and 2025, five wetlands totalling 0.462 hectares were successfully relocated, representing 39% of the total area of high-Andean wetland area included in the plan. Relocation activities are being carried out progressively in line with the dam expansion works and include site preparation, installation of drainage and natural irrigation systems, careful removal and transplanting of vegetation using strict protocols, and ongoing irrigation. The relocated wetlands are subject to continuous monitoring to assess effectiveness and support their long-term development, with a specialist company engaged to undertake transplanting work.

The second compensation plan addresses high-Andean grassland and aims to increase the ecological value of approximately 30 hectares to offset soil disturbance within the buffer zone of the Cotahuasi Sub-basin Landscape Reserve. In 2024, coordination

meetings were held with the relevant authorities, and, in January 2025, we signed an agreement with the Smithsonian Institute to implement the plan through its Centre for Conservation and Sustainability. During 2025, our key activities included collecting data on fauna, habitats and sensitive areas, selecting the compensation area, assessment of the ecological value of the impacted area, and developing protocols for monitoring, rescuing, and relocating flora and fauna. We also prepared protocols for identifying safe wildlife crossings, and supervised clearing works as part of prevention and mitigation measures. Further actions, including restoration activities, ecological value monitoring, capacity building for the landscape reserve staff, diagnostic studies on the sustainable use of local natural

resources, and rehabilitation of altered areas, will be implemented in subsequent phases of the plan.

Mine Closure and Rehabilitation

We are committed to restoring areas affected by our activities to a safe and stable physical condition in accordance with the surrounding landscape. All mine sites have closure and rehabilitation plans in place, encompassing progressive closure during operations, final closure for sites that have reached end-of-life, and post-closure activities to ensure ongoing maintenance and monitoring.

In 2025, we continued the closure of the Ares TSF and initiated the closure of the Selene No.1 TSF, while also advancing progressive closure activities across all operations.





SUSTAINABILITY REPORT CONTINUED



Ensuring Health and Safety

Prioritising the health and safety of our people is critical to the successful running of our day-to-day operations, particularly given the high-risk nature of the mining process.



HIGHLIGHTS

0

WORK-RELATED FATALITIES
2024: 0

0.97

LTIFR
2024: 1.25

ALIGNMENT TO UN SDGS



OUR APPROACH TO ENSURING HEALTH AND SAFETY

We are committed to safeguarding the health, safety, and well-being of all employees and contractors, as set out in our Health and Safety Policy. We implement practical measures to prevent workplace incidents, eliminate occupational hazards, and promote overall well-being. Our material topic relating to this pillar is 'Occupational health and safety' (OHS).

We do this through the following focus areas: OHS Management System, Maintaining a strong health and safety culture, Investigating and Learning from Incidents, and Employee welfare.

FOCUS AREAS OHS Management System

Hochschild operates a comprehensive OHS Management System based on a systematic risk management approach to ensure safe working conditions across all mine sites. The system is aligned with international best practice and national regulatory requirements, applies to both employees and contractors, and is externally certified at operating units. The risk management framework is reviewed annually and remained unchanged in 2025.

In 2025, we maintained International Sustainability Rating System (ISRS) 7th DNV Level 8 certification at the San Jose and Inmaculada mines. In Brazil, we conducted training and translated the health and safety documentation platform and the SafetyHOC app into Portuguese. The app supports the recording of safety observations and findings, task observations, and management inspections.

Maintaining a strong health and safety culture

In 2025, we achieved an all-time low LTIFR of 0.97 and maintained strong performance in both High Potential Events (HPEs) and LTISR, as detailed in the tables below. At the San Jose mine, we also reached a significant milestone of 2 million work hours without accidents.

These results contributed to a 7.4% improvement in our annual corporate SeguScore which increased to 9.62 out of 10, compared to 8.96 in 2024. The SeguScore is an internal safety performance indicator that integrates proactive and reactive measures, combining leading indicators – such as leadership presence and behavioural observations – with lagging indicators including the LTIFR, LTISR, and HPEs.



SUSTAINABILITY REPORT CONTINUED

SeguScore

2025	2024	2023	2022
9.62	8.96	9.40	9.70

To further reinforce a proactive, safety-first culture across our operations, we increased training for contractors in Peru and Brazil during the year. This additional training went beyond routine requirements, with a particular focus on management of change and accident investigation.

In 2025, no new cases of work-related disease, ill-health, or fatalities were recorded among employees or contractors.

Fatal accidents¹

2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Nil	Nil	Nil	Nil	2	1	Nil	3	4	Nil	Nil

LTIFR^{1,2}

2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
0.97	1.25	0.99	1.37	1.26	1.38	1.05	1.74	2.69	2.20	1.85

LTISR^{1,3}

2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
207	365	37	93	672	472	54	930	1264	138	112

¹ All health and safety indicators reported by Hochschild cover employees and contractors.

² Calculated as total number of accidents per million labour hours.

³ Calculated as total number of lost days due to accidents per million labour hours.

Investigating and Learning from incidents

In 2025, as shown in the results table, the Company recorded 21 lost time injuries across the three countries in which we operate. Unfortunately, two of these incidents resulted in partial permanent impairment, and the related lost days were recorded in accordance with applicable standards.

The incident in Mara Rosa led to the amputation of a worker's foot, while the accident in San Jose resulted in injury to the phalanx of a worker's finger. These cases, along with all other lost time injuries reported during the year, were subject to comprehensive investigations to identify root causes and implement corrective and preventive actions.



We are proud to have maintained excellent standards in health and safety this year, reflected by our DNV level 8 rating in Peru and Argentina and year-on-year metric improvements.



CASSIO DIEDRICH
CHIEF OPERATING OFFICER

Reducing and ultimately eliminating the causes of such incidents remains a core priority for the Company, through strengthened prevention programmes, enhanced operational controls, and the ongoing reinforcement of a robust safety culture across all operations.

Employee welfare

We have dedicated psychology teams in our Peruvian and Argentinian operations, providing ongoing support and contributing to the promotion of mental health and well-being in the workplace. In Brazil, psychological support functions are integrated within the Human Resources team. Additionally, at the corporate level, psychology-related matters are overseen by the Health and Hygiene function.

During the year, we continued to implement a range of health and well-being initiatives across our operations. In May, we held the 2025 edition of Conversations as a Family ('Conversemos en familia' in Spanish) in Arequipa. Organised in collaboration with Sodexo (our catering contractor), the event

focused on promoting healthy eating habits and supporting families in preparing nutritious lunches for the children of our employees. Designed specifically for employee spouses, the initiative brought together approximately 100 participants and forms part of a long-standing programme that has been running since 2016 to strengthen family well-being and nutrition awareness.

At the Inmaculada mine, we marked World Mental Health Day with an informative and interactive fair for employees and contractors focused on raising awareness, normalising emotional vulnerability, and encouraging self-care through participatory and educational activities. Led by company and contractor psychologists and reaching approximately 800 participants, the initiative reinforced a culture of empathy, prevention, and shared responsibility for mental well-being.

In Argentina, we have continued to implement the Safe Mind programme ('SeguraMente' in Spanish) at the San Jose mine site. This focuses primarily on promoting mental health care in the workplace to enhance emotional



SUSTAINABILITY REPORT CONTINUED

well-being and safety of employees. In 2025, the programme included a dedicated training session for 20 leaders on psychosocial risk assessment and technical feedback skills training for over 80 employees to enhance role clarity and communication. It also included capacity-building training for over 100 leaders on the early identification of mental health concerns and appropriate response pathways. Broader awareness activities were delivered during Mental Health Month in October under the theme 'Your well-being is also your PPE'; this reached a wide employee audience through training sessions and targeted communications on self-care, sleep habits, and social connection. The programme, which featured participatory initiatives such as the Wellness Friday campaign ('Viernesstar' in Spanish), engaged over 500 employees through interactive activities. These were designed to challenge myths, promote well-being, and reinforce organisational culture and behaviours aligned with the Company's values and purpose.

Moreover, in Brazil, we implemented the White January campaign in 2025, which promoted mental health awareness through targeted training sessions. The campaign addressed topics such as self-care, conflict management, and the importance of psychological support, while encouraging the use of the employee health plan, which includes online therapy. Practical guidance was also shared to extend mental health awareness into the family environment. In parallel, the site's medical clinic monitored mental health-related medical certificates and ensured appropriate follow-up and referral through the occupational health team.

Together, these initiatives reflect our ongoing commitment to supporting employee well-being across our operations.



For the success of our operations, mental health is just as important as physical health. By strengthening awareness, providing early support and offering open dialogue, we build healthier, more resilient teams who can perform at their best.



CROMWELL YARROW
COUNTRY MANAGER, PERU





SUSTAINABILITY REPORT CONTINUED



Empowering our People

Our people are key to our business success and the positive impact we make on the planet and society.



HIGHLIGHTS

10.6%

WOMEN IN THE WORKFORCE
2024: 10.0%

17.6%

WOMEN IN LEADERSHIP ROLES¹
2024: 17.2%

4.01%

VOLUNTARY TURNOVER
2024: 4.96%

ALIGNMENT TO UN SDGS



OUR APPROACH TO EMPOWERING OUR PEOPLE

Our Diversity and Inclusion Policy reflects our unwavering commitment to human rights and to building a workplace in which everyone feels valued and respected. We are focused on creating an environment that is safe, healthy, and inclusive, enabling our people to thrive and maintain a balanced work-life experience.

Our approach to labour relations is rooted in our principles and practices relating to fair compensation, job security, and professional development opportunities.

Our focus areas are Diversity, equity, and inclusion; Labour relations; Recruitment, retention, and engagement; and Innovation through technological solutions.

FOCUS AREAS Diversity, equity, and inclusion

In 2025, we made significant progress in advancing workforce diversity, reaching an all-time high of 10.6% female representation across our total workforce. In the context of a traditionally male-dominated industry, this achievement reflects our immense efforts to advance gender balance to our 2030 ambition of 11%. Representation of women

in leadership roles also increased to 17.6%, up from 17.2% in 2024, maintaining a positive trajectory towards our 2030 target of 20%.

Our results are supported by a range of initiatives aimed at strengthening diversity, equity, and inclusion across our operations, with a particular focus on increasing visibility and empowerment of women in the workforce. Key actions during the year included the delivery of women-only training programmes, updates to maternity and paternity policies, and the implementation of a diversity census to identify priority gaps for improvement across our three operating countries.

During the year, we updated the Maternity and Paternity Policy in Peru to extend time off and enhanced benefits for women in Brazil, such as childcare subsidies.

In Peru, we continued the anti-sexual harassment campaign alongside 'Harassment-Free Workplaces' ('Espacios Laborales sin Acoso', ELSA, in Spanish) for the fourth consecutive year, aligning the 2025 edition with the International Day for the Elimination of Violence Against Women. The campaign delivered measurable improvements, with the overall score

¹ Leadership roles include senior, middle, and junior management.

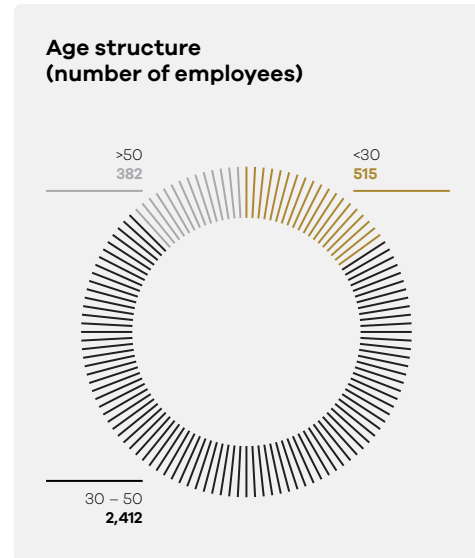


SUSTAINABILITY REPORT CONTINUED

increasing from 64.1 in 2023 to 73.4 in 2025. As a result, we have seen a reduction in sexual harassment cases, improved awareness of company policies and reporting channels, and a more positive perception of company tolerance and case management. We plan to launch the campaign in Brazil and Argentina in 2026.

For the first time, we conducted a diversity census across all three of our operating regions to improve visibility on representation and existing inequalities. Data covering gender, race, sexual orientation, and age were analysed externally by a specialised consultant. The findings provided insights into representation, organisational culture and leadership, and will inform the development and implementation of a targeted action plan in 2026.

Additional initiatives have included networking and professional skills workshops in Argentina and, in Brazil, technical skills training sessions and workshops designed specifically for women in traditionally male-dominated areas, such as welding.

**Labour Relations**

We respect our employees' right to freedom of association and collective bargaining and engage regularly with labour unions to negotiate collective agreements and address matters of mutual interest. In 2025, approximately 75% of our total workforce was covered by collective bargaining agreements or similar arrangements (2024: 74%). In Peru, four unions represent 990 employees; in Argentina, a single union represents 1,076 employees and, in Brazil, one union represents 382 employees. No days of operational disruption related to labour matters were recorded during the year.

Our Code of Conduct sets out our commitment to fair treatment for all employees and contractors and to maintaining a workplace free from harassment and intimidation. It equally outlines the behaviour we expect from our workers to contribute to, and uphold, our safe and collaborative working culture. To ensure its relevance and effectiveness, the Code of Conduct is periodically reviewed and updated as necessary, with the most recent revision completed in June 2025. In November, we held an Integrity Week at our Mara Rosa site to provide training on our Code of Conduct, alongside training on ethics and harassment prevention.

Gender diversity

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Number of employees										
Men	2,928	2,978	2,921	3,282	3,347	3,155	3,024	3,894	3,849	3,859
Women	347	331	311	316	316	275	218	245	235	222
Number of senior managers										
Men	38	35	38	44	43	41	37	37	36	35
Women	6	6	5	6	2	1	1	1	1	1
Number of Board members										
Men	5	5	5	6	6	7	7	7	7	8
Women	3	3	3	3	3	2	1	1	1	1





SUSTAINABILITY REPORT CONTINUED

Further initiatives to strengthen labour relations in 2025 include the implementation of a new Balanced Scorecard (BSC)-based performance management system which strengthens goal clarity, recognition and development. In addition, we convened a strategic session with leaders across the organisation to enhance alignment and cross-functional collaboration.

Recruitment, retention, and engagement

Attracting, engaging, and retaining talent remained a key focus for us in 2025 and contributed to maintaining a low turnover rate of 4.01% (improving from 4.96% in 2024). In Peru, we received the Bumeran Awards 'Talent Magnet Company' recognition, reflecting our continued efforts to attract and retain high-quality talent. We are also proud to report that we have retained a strong position in the Merco Talento ranking, placing us 4th among 18 mining companies in Peru and 43rd among the top 100 companies overall. This recognition reflects our ongoing commitment to strengthening human capital management, expanding employee development opportunities, and fostering a positive work environment, with a strong focus on work-life balance.

We continue to invest in employee engagement and open dialogue. This included the ongoing Employee Forum chaired by Tracey Kerr, our Non-Executive Director designated for Workforce Engagement (see page 104 for further details), as well as the implementation of several improvements to processes and camp and site conditions informed by climate and perception surveys.

To further embed our four cultural attributes of Innovation, Talent, Responsibility, and Efficiency into daily work, we launched a Cultural Transformation Committee across all mine sites. This initiative reinforces our Company values and leadership behaviours while integrating previous transformation efforts in health and safety and environmental management. The programme is structured around seven core axes: leadership and people, governance and ethical conduct, community development, health and safety, environment, productivity, efficiency and innovation, and the integration of our corporate purpose into organisational culture.

The Lima offices were refurbished, incorporating employee suggestions to improve the workplace climate and enhance talent attraction by promoting more open and collaborative spaces. In addition, to reinforce a culture of appreciation and recognition, we held a Recognition Week across all operations. The initiative generated more than 400 peer-to-peer recognitions through Slack, strengthening a culture of positive feedback across the organisation.

Employee status in 2025

	Permanent contracts	Fixed-term contracts
Men	2,864	64
Women	335	12



We strive to create an engaging workplace and provide strong opportunities for professional growth. We are also committed to improving gender diversity at Hochschild and within the mining industry more broadly.



EDUARDO VILLAR
VICE PRESIDENT OF PEOPLE AND CORPORATE AFFAIRS

Training and development

We continue to advance our capability-building initiatives through a broad range of development programmes. In 2025, key initiatives included technical training programmes for women in Brazil, the Mining Collaborator pre-employment programme at San Jose and, for the first time, a professional development programme for contractor general managers.

During the year, our employees received nearly 60,000 hours of training across our operations in all three countries, distributed as follows: 21,000 hours at Inmaculada; 24,000 hours at San Jose; 9,000 hours at Mara Rosa; 4,000 hours across our Pallancata, Selene, Ares, and Sipan mine sites; and 2,000 hours across our offices in Lima, Belo Horizonte, and Buenos Aires.

Leadership

This year, we launched our first leadership pulse survey, achieving a 76% favourability rating. The results provide valuable insights to guide future actions on our organisational communication, transparency and alignment. The survey itself also strengthens our culture of feedback and recognition that, in turn, supports motivation and engagement.

Alongside this, we conducted our annual Talent Inventory Review and continued to strengthen our multi-year leadership programme, HOC Leaders ('Líderes HOC' in Spanish). The talent review supports the identification and development of future leaders, while HOC Leaders reinforces leadership behaviours that are aligned with our safety and environmental values.



SUSTAINABILITY REPORT CONTINUED

Innovation through technological solutions

We continued to advance innovation through targeted technological initiatives across our operations. In partnership with Boston Consulting Group, we progressed the 'SWAT' project, which was expanded from the Inmaculada mine site in 2024 to the San Jose mine site in 2025. The project focused on increasing productivity and reducing operating costs through the optimisation of dilution in underground mining, the implementation of efficiency initiatives in the processing plant, improvements in mining equipment maintenance, and the introduction of a third mining shift. These measures delivered an average 27% increase in mine extraction capacity, generating an estimated benefit of approximately \$20 million, net of price effects. In parallel, we advanced additional initiatives, including

changes to mining methods – such as the implementation of sub-level stopping in the Frea section of the mine, and further efficiencies through materials optimisation.

We are also investing in future-facing solutions through the "Waterless Mining" initiative, a joint research programme with Imperial College London and two Peruvian engineering-focused universities – UTEC and TECSUP. Scheduled to begin in 2026 and run through 2027, the initiative aims to minimise fresh water consumption by improving leaching processes and wastewater treatment. The programme will test high-energy pulses to enhance mineral liberation, allowing higher solids concentration while maintaining gold recovery. In parallel, the use of nanocatalysts and gangue minerals will be assessed to complement existing

cyanide treatment technologies, reducing concentrations to levels that enable water reuse. Together, these efforts integrate academic research, applied engineering, and site-based testing to deliver scalable, low-water processing solutions.

Separately, we launched the Centre for Social, Legal, and Environmental Intelligence (CISLA in Spanish), a digital platform designed to manage and track social and environmental commitments in Peru. The platform supports the timely and efficient delivery of commitments, strengthening transparency and trust with surrounding communities.

In addition, we advanced the development of a new bidding portal in Peru. The portal is designed to improve efficiency, reduce operating costs, and automate

tracking, traceability, and digital document management. It also facilitates the identification and inclusion of local suppliers in procurement processes, supporting our local procurement objectives.

Lastly, we continued the development of a cloud-based interactive platform to automate data collection and calculation of the monthly ECO Score, with a focus on fine tuning and adjusting technical details during the year. We also began the development of a similar platform for the collection and calculation of all ESG KPIs, with the objective of enhancing the accuracy and efficiency of ESG performance across all mine sites.



We need to continuously innovate to sustain our performance and prepare for the future. By embracing new technologies, we are strengthening our ability to operate more safely, efficiently and responsibly.



CASSIO DIEDRICH
COO



SUSTAINABILITY REPORT CONTINUED



Being a Responsible Business

We are wholly committed to ethical business operations and are dedicated to maintaining the highest standards of responsibility in our activities, partnerships, and business dealings.



HIGHLIGHTS

Achieved sustainability targets established in our green loan with Scotiabank and BBVA

Publication of our first Civil Security Policy and Modern Slavery Statement

Improved MSCI and Sustainalytics ESG scores related to responsible business conduct and ethics

ALIGNMENT TO UN SDGS



OUR APPROACH TO RESPONSIBLE BUSINESS

Our practice for acting responsibly is led by our rigorous corporate governance framework of established systems, policies, and procedures. This framework drives business accountability across positive economic, social, and environmental outcomes. It involves advancing a corporate culture that is aligned with our shared values: innovation, recognising talent, seeking efficiencies, and demonstrating responsibility.

Our focus areas are: Governance, Respecting human rights, Responsible business conduct and ethics, Responsible supply chain management, and Public policy.

FOCUS AREAS

Governance

The Board of Directors holds ultimate accountability for establishing sustainability policies, ensuring compliance with both international and national regulations, and positioning sustainability as a source of lasting competitive advantage.

Moreover, as of this year, the Terms of Reference of the Sustainability Committee were updated to explicitly include oversight

of permitting and land access and human rights, as well as long-term mine closure liabilities, climate change and biodiversity.

Our ESG KPIs related to Board composition remained stable in 2025 and are moving in the right direction toward our 2030 ambitions, though we have not yet reached all target levels. Director independence and female representation on the Board remained at 62.5% and 37.5%, respectively, year-on-year. The average tenure of Non-Executive Directors improved to six years, compared with 6.5 years in 2024.

Further information is available in the 'Responsibility' sub-section within the Sustainability pages of our website.

Respecting human rights

In 2025, we published, on a voluntary basis, our first Modern Slavery Statement which is publicly available on our website. The statement outlines our approach to human rights, including the standards of behaviour set out in our Code of Conduct, due diligence processes for business partners across the value chain, grievance mechanisms, and our procedures for risk assessment and management.



SUSTAINABILITY REPORT CONTINUED

Alongside this, we published our first Civil Security Policy which sets out our commitments to protecting our people, operations, and assets in full respect of human rights and in alignment with the Voluntary Principles on Security and Human Rights. The policy establishes a risk-based approach to security, requirements for the training and conduct of civil security personnel, clear standards on the use of force, and clear mechanisms for community engagement, incident reporting and investigation, and continuous improvement.

To ensure that our human rights efforts are targeted and effective, we conducted a human rights gap assessment and leadership training with the support of independent third-party specialists. Based on the findings of the assessment, we developed a multi-year action plan to strengthen our human rights performance. In 2026, we will progress the development and implementation of a comprehensive human rights due diligence framework.

In addition, in 2025 we became a member of the United Nations Global Compact. We also remained members of the 'Sociedad Nacional de Minería, Petróleo y Energía' (SNMPE) in Peru, the 'Camara Argentina de Empresarios Mineros' (CAEM) in Argentina, and the 'Instituto Brasileiro de Mineracao' (IBRAM) in Brazil.

Responsible business conduct and ethics

This year, we strengthened our governance framework through a review and update of key policies, including Anti-bribery and Anti-corruption, Anti-fraud, and Information Security. We also retained our anti-bribery certification from Entrepreneurs for Integrity in Peru, and the Pact for Integrity and Anti-corruption of the Ethos Institute in Brazil.

Our Whistleblowing Policy, reviewed by the Audit Committee on an annual basis, provides a means of dealing with issues of misconduct, negligence, or wrongdoing that contravene Hochschild's business interests or the law. This includes any criminal offence, failure to comply with legal or regulatory obligations, deliberate and serious misrepresentation of information, danger to the health and safety of employees or the public, and any action intended to conceal any of the above. This policy is implemented through an online portal that enables concerns to be raised with the option of anonymity. We take all legitimate reports seriously and enforce a zero-tolerance policy against retaliation, maintaining strict confidentiality concerning complaints received and the identity of whistleblowers. In 2025, no fines, penalties, or settlements related to corruption were incurred or paid by the Company.

Our Whistleblowing portal is available through the following link: <https://whistleblowing.hocplc.com>

Responsible supply chain management

We seek relationships of mutual benefit with our suppliers (including lenders), while requiring high standards of conduct, safety, quality, and ESG performance across our value chain. We maintain and renew our engagement with local suppliers, ensuring consistent and strategically aligned communication throughout bidding, contracting, and performance review processes. In 2025 we took a number of actions to strengthen our relationships with suppliers and improve supplier management and efficiency.

At Group level, we provided suppliers with access to cost-efficient financing through a factoring programme, leveraging the business' risk profile and improving liquidity across



Hochschild maintains a mature governance structure for managing ESG issues and engaging with stakeholders on key issues. Detailed oversight by the Sustainability Committee, together with routine reporting to the Board, reflects the critical role ESG plays in the Company's strategic direction.



RAJ BHASIN
COMPANY SECRETARY

the supply chain. We maintained inventories of critical consumables and spare parts to mitigate supply chain risks and support operational continuity, while engaging in ongoing discussions with suppliers in response to inflationary pressures. These discussions resulted in renegotiated commercial terms and the adoption of long-term agreements with fixed or tiered pricing structures.

In parallel, we engaged with lenders to the Company's medium-term facilities on our sustainability performance, leading to the refinancing of a \$300 million facility with an interest rate linked to improvements in our ESG performance. The margin is subject to a 0.05% adjustment based on performance against three ESG KPIs: fresh water used per tonne of ore processed (m³/tonne), recycled waste (%), and LTIFR. Each KPI can reduce the margin by 0.0166% if annual targets are achieved, for a total potential reduction of 0.05%, lowering the margin from 1.95% to 1.90%.

This represents our second green loan. Our first, which was fully repaid in

October 2025, comprised a \$200 million facility with a similar margin adjustment linked to performance against potable water consumption (l/person/day), domestic waste landfilled (kg/person/day), and LTIFR.

In Peru, we held regular meetings with suppliers to address pricing pressures, successfully reducing or closing gaps in requested price increases while securing more favourable commercial conditions and ensuring continuous and timely supply for our operations. We participated in PERUMIN 2025 to explore alternative suppliers and engage with current suppliers, benchmarking market conditions to confirm that our procurement decisions remained aligned with competitive options. We also expanded and established new consignment contracts to strengthen commercial relationships and secure a more stable supply; this has been supported by the introduction of KPIs to optimise stock levels and replenishment times. Throughout the year, we continued to integrate ESG criteria both in supplier selection and new contracts. We promoted the use of the Supplier Portal



SUSTAINABILITY REPORT CONTINUED



By maintaining open dialogue with authorities and industry bodies, we help shape policies that support both sustainable development and long-term industry stability.



JOSE FRIAS
VICE PRESIDENT OF LEGAL AND PUBLIC AFFAIRS

to ensure transparency and access to procurement information, and we advanced the implementation of the new Bidding Portal which facilitates transparent comparison of offers, standardised interactions with suppliers, and promotes efficiency in bidding processes.

In Brazil, we strengthened engagement with local suppliers to support their development, improve their quality and safety standards, and enhance cost efficiency. This included greater participation of local suppliers in bidding processes, targeted actions to improve performance where suppliers were not meeting expected standards and, where necessary, the replacement of underperforming suppliers to ensure operational continuity and compliance. In addition, we designed a supplier development plan for 2026. Details of these initiatives can be found on page 51.

Engaging with our customers

Given the nature of our products, Hochschild has a relatively small customer base, making strong and transparent customer relationships critical to the business. Our Sales and Logistics teams maintain close, cooperative

relationships with customers through ongoing dialogue and active engagement. During the year, we continued to establish new commercial relationships to reduce customer concentration risk and strengthen resilience to potential geopolitical developments.

In terms of engaging with our customers on environmental, social, and governance matters, this typically includes annual (at least) information requests from key clients as well as site visits. These interactions support customer assurance processes, including compliance with LBMA standards and the regulatory requirements of the jurisdictions in which refineries operate. In 2025, we hosted two customer visits at the San Jose and Inmaculada mines.

In addition to routine relationship management, Hochschild participated in LME Week in London and CESCO Week in Chile as part of our customer engagement activities. In the context of improving treatment and refining charges in the global minerals market, we also engaged with customers to explore opportunities to increase concentrate volumes from the San Jose mine in Argentina, while implementing measures to mitigate export logistics risks.

During the year, we updated our Counterparty Risk Report to further strengthen the monitoring of customer financial health, with increased focus on early warning indicators. We also refined commercial contracts to incorporate more favourable title-transfer clauses, enhancing contractual protection and overall risk management.

Public policy

Hochschild engages constructively with public authorities and policymakers to support transparent dialogue, regulatory compliance, and responsible sector development.

In Peru, engagement with authorities and regulators is overseen by the Vice President of Legal and Public Affairs, both at corporate level and through industry associations such as the SNMPE, the Peruvian Foreign Trade Society ('COMEX Peru'), and other relevant business organisations and forums. Various internal teams also interact with public officials and regulators as part of their responsibilities, with the Vice President of Legal and Public Affairs promoting the implementation of relevant policies and associated training to ensure alignment with Company standards. The CEO, together with the Vice President of Legal and Public Affairs and in coordination with the Country Manager and other senior leaders, represents the Company before national authorities.

In Argentina, public engagement within our joint venture is led by the President, General Manager, and General Counsel. In Brazil, engagement with governmental authorities is led by the Country Manager and Legal Director, supported by active participation in institutional forums and industry associations. Engagement with UK authorities related to the Company's London

listing is led by the Company Secretary and UK Counsel.

During 2025, a range of public policy topics were discussed with authorities. Key issues raised included the following:

- Illegal mining;
- Permitting processes;
- Health, safety, and environmental performance and compliance;
- Climate change reporting;
- Contributions to regional development through local employment and investment in social programmes and infrastructure;
- The monitoring of legislative and regulatory developments, including participation in public consultations; and
- Collective actions to protect industry interests and regulatory clarity.

In response, Hochschild has taken a number of actions aimed at supporting constructive engagement and informed decision-making. These include:

- Providing clear and transparent updates to authorities on operational plans, permitting processes, and material developments;
- Contributing technical input and comments on proposed regulations through industry associations;
- Participating in sector-wide discussions to address illegal mining and strengthen the formal mining framework; and
- Engaging in institutional outreach through business associations to foster open dialogue with policymakers and other stakeholders.



Climate-related Financial Disclosures

HOCHSCHILD'S FUTURE IN A CHANGING CLIMATE

Strengthening our business for future climate challenges

Hochschild recognises that climate change is one of the most urgent issues that we face globally. It is likely to significantly impact the context in which we operate. For example, it could meaningfully affect the physical environment in and around our mines, increase climate-related regulatory expectations, and lead to economic shifts in the markets in which we operate.

We are dedicated to responsibly managing our climate-related impacts, including our carbon footprint, alongside the potential effects climate change could have on our business.

The purpose of this report

Hochschild is within scope of the UK Companies Act climate-related financial disclosure requirements and the FCA/UK Listing Rules climate-related disclosure requirements. As such, we are required to disclose against the recommendations of the UK Climate-related Financial Disclosure (CFD) as well as on a 'comply or explain' basis against the Task Force on Climate-related Financial Disclosures (TCFD).

This report meets these requirements by providing transparent reporting on how we govern, identify, assess, manage, and respond to climate-related issues that affect our business. It also provides the key metrics and targets that we use to track our performance,

including our greenhouse gas emissions and Net Zero ambition. It is aligned with the four disclosure areas recommended by the TCFD of Governance, Risk Management, Strategy, and Metrics and Targets.

Where to find out more

This report includes all disclosures required under the applicable reporting standards referenced above. Supplementary information can be found on our website and in the Sustainability section of this report on pages 49-66. For a breakdown of our response to the disclosure requirements and where they can be located, refer to the 'Directory of disclosures' sub-section under 'CFD Alignment' on page 75.

Key updates in 2025

We are proud that this year's disclosure is our most comprehensive to date, offering more detailed insights into how climate-related risks and opportunities may affect our business. The updated structure of the report ensures that stakeholders can easily understand our approach, our progress, and the actions we are taking to strengthen our long-term resilience. Here are some of our key updates from 2025:

- Between 2024 and 2025, we enhanced our assessment of how the low-carbon transition may operationally impact our business.
- We reviewed one of the transition-related issues that we expect could impact our business most significantly:

carbon pricing exposure. The importance of this risk is directly linked to upcoming legislation in some of our operating regions, in particular Brazil. This was further analysed through a financial quantification exercise, which provided clearer insight into the scale and timing of the potential financial impacts of this risk.

- We also completed an assessment of one of our most material transition opportunities which relates to land transport emissions.
- Our Brazil and Argentina operations now run entirely on renewable power. Our Peru operation is also tendering its last fossil-fuel contract, with the goal of switching to renewable energy in 2026. Once this is finalised, all of our operating mines will be powered exclusively by renewably sourced electricity, bringing their market-based Scope 2 emissions to zero.

Governance

Board oversight

Our Board holds overall accountability for overseeing Hochschild's approach to sustainability and climate-related issues, ensuring that climate considerations are fully integrated into our governance structures, strategy, and long-term planning. The Board reviews how climate-related risks and opportunities may influence our financial statements, including impacts on production costs, capital investment decisions, and mine closure obligations.

Our Board receives quarterly updates from both the Sustainability Committee¹ and Audit Committee on key sustainability topics. The Sustainability Committee comprises Hochschild's CEO and an independent Director, and is chaired by a second independent Director, which ensures sustained oversight from the highest level of the organisation. These committees report to the Board on climate-related issues, including our management of risks, water management issues, and other material environmental risks, as well as progress against our ESG ambitions.

Management's role

At the management level, we oversee climate-related risks and opportunities through our Risk Committee; this includes our CEO, Vice Presidents, country General Managers, and the Head of Internal Audit. The Committee manages the risk process, reviews the effectiveness of controls, and approves updates to any sustainability-related matter flagged by the Sustainability Director, before it is shared with the Audit Committee, Sustainability Committee, and the Board.

In addition to our established governance structure, we also operate working groups in response to specific climate-related events. This includes the El Niño Taskforce in Peru, which is activated when required, and the Water Management Taskforce in Argentina, ensuring that emerging operational risks,

¹ As of this year, the Terms of Reference of the Sustainability Committee were updated to explicitly include oversight of climate change-related matters.



CLIMATE-RELATED FINANCIAL DISCLOSURES CONTINUED

such as from water supply scarcity, are managed quickly and effectively.

Day-to-day environmental performance is monitored by our Sustainability Team. The Team, led by the Sustainability Director and by Environmental Leads in each country, reports to the Vice President of People Management and Corporate Affairs.

Progress in all of these areas is supported by our Remuneration Policy. Performance against ESG metrics determines the extent of the annual bonus payouts to eligible employees which incentivises reductions in our environmental footprint. Details of the specific metrics can be found in the 'Metrics and Targets' section on page 73.

RISK MANAGEMENT**Climate risk and opportunity identification and assessment**

Climate-related risks and opportunities are identified and assessed in line with our Enterprise Risk Management policies, using our established scenario analysis methodology with three defined scenarios and time horizons. We assess the materiality of these risks and opportunities by evaluating whether they could meaningfully influence our strategic, operational or financial performance over these time horizons.

When Climate-related Risks and Opportunities (CROs) are identified as potentially material, we conduct assessments on priority issues to better understand the potential financial risks associated. This work spans across our five mining facilities – Inmaculada, Selene, and Pallancata in Peru; Mara Rosa in Brazil; and San Jose in Argentina.

The 'Strategy' section of this report provides further detail on our overall approach to managing climate-related risk and opportunities, including both site-level responses and the integration of broader

climate measures into our day-to-day business practices.

Scenarios and time horizons used in our climate assessments

As part of our CRO assessment, both the 2024 physical CRO assessment and the transition elements of the focused analysis have considered the resilience of our assets, operations, and overall business strategy by using multiple climate change scenarios and time horizons. This includes lower emissions scenarios, such as a 2°C or lower scenario, as well as high emissions scenarios.

The scenarios that we have used in the physical and transition assessments are:

- Physical risks: The Intergovernmental Panel on Climate Change (IPCC) Shared Socioeconomic Pathway (SSP) 1-2.6 (low GHG emissions) and SSP5-8.5 (high GHG emissions).
- Transition risks and opportunities: The Network for Greening the Financial System (NGFS) Net Zero by 2050 and Current Policies scenarios and, where data was not available, the International Energy Agency (IEA) Stated Policies (STEPS) and Net Zero by 2050 (NZE).

The time horizons that we have used in the physical and transition assessments are:

- Physical risks: baseline, representing the current climatic conditions and present materiality of each risk; 2030, representing the materiality of each risk in the short to medium-term future; and 2050, representing the materiality of each risk in the long-term.
- Transition risks and opportunities: 2030, representing the materiality in the short-term future; 2040, representing the materiality in the medium-term future; and 2050, representing the materiality in the long-term.

We will continue to monitor and assess the impact of climate-related risks to ensure continued resilience of these to our strategy.

2025 review and transition assessment

In 2024, we reviewed scenario analysis results across physical risks and transition risks and opportunities. Building on this work, in 2025, we conducted two transition assessments and a financial quantification of the risk of carbon pricing. This process involved collecting additional climate data, reviewing relevant internal business processes, undertaking external market research, and engaging key internal stakeholders to define an appropriate methodology based on process insights and current data maturity. The outputs are now directly informing management decision-making and strategic planning across the business.

Risk assessment methodology and scoring

Each identified risk or opportunity is assigned consequence and probability ratings and mapped using a 3x5 risk matrix across baseline and future projected horizons (2030 and 2050). This is followed by qualitative impact assessments and recommendations for next steps. The resulting risk rating is classified as Low, Medium, or High. Once these risk ratings are assigned, the potential impact of each risk is qualitatively assessed, and management actions proposed. This process enables us to identify what we consider to be the most material risks to our business.

Integration into our broader risk management processes

Risks that are identified to be material through the process detailed above are then reviewed quarterly by the Risk Committee, reported to the Audit Committee and discussed at the Board level. This ensures consistent oversight and that appropriate risk responses are taken.

Risk evaluation

Consequence of impact rating (S)	Very high	5	5	10	15
	High	4	4	8	12
	Moderate	3	3	6	9
	Low	2	2	4	6
	Insignificant	1	1	2	3
			1	2	3
			Low	Medium	High
			Probability/likelihood rating (P)		

Risk category	Risk score	Hochschild Mining PLC recommended actions
High	9-15	Requires management/top management attention
Moderate	5-8	Requires management to assign responsibilities
Low	1-4	Routine procedures are required to address risks



CLIMATE-RELATED FINANCIAL DISCLOSURES CONTINUED

STRATEGY

We recognise the importance of understanding the potential impacts that climate-related risks and opportunities can have on our business. We have assessed these issues for several years, and this section summarises the most relevant physical and transition risks and opportunities over the short, medium, and long term, along with the potential impacts on our business and how we are responding to them.




Climate-related risks and opportunities

Our physical climate risk profile

Our physical climate risk assessment, conducted in 2024, evaluated the exposure of our assets and our surrounding supply chain to nine climate hazards. The assessment also included the transport of supplies by road to each mining site and the transport of products to logistics hubs across Peru, Brazil, and Argentina. As a result of the assessment, five physical risks were identified as 'high' risk and 15 risks were identified as 'medium' risks. In accordance with our Enterprise Risk Management framework, 'high' risks are those that require management/top management attention, whereas 'medium' risks require our management to assign responsibilities to monitoring and managing them. While the results of our physical risk assessment remained unchanged in 2025, we introduced new actions to strengthen our response to these risks.



It should be noted that, while our current operating assets (Inmaculada, Mara Rosa, and San Jose) have a relatively short Life of Mine (LOM) out to 2044, we intend to continue operating beyond 2050, should ongoing exploration and the discovery of new reserves and resources allow. Therefore, the longer-term physical risks associated with climate change (e.g. those that may emerge post-LOM, or post 2050) are still identified as being relevant to our business.

See the table on the right-hand side for a breakdown of how we are responding to each of our physical risks.

Hazard	Risk rating by 2050 (SSP5-8.5)	Relevant locations	Description of risk	Risk Response
 EXTREME HEAT	High risk	Argentina (San Jose); Brazil (Mara Rosa)	<p>Impact of extreme heat on production efficiency, reducing revenue and increasing OpEx:</p> <p>Site operations may be disrupted due to increasing temperatures negatively impacting heat-sensitive manufacturing equipment (e.g. extraction machinery). This could lead to more inefficient or delayed production, potentially reducing revenue. Increased operational expenditure may be required for repairs to damaged equipment.</p>	<p>Under present-day conditions, this risk is not identified as a material issue for any of our sites. However, we closely monitor the potential emergence of this risk and will prepare appropriate responses and action plans as needed.</p> <p>There have been no material updates to this risk response since 2024.</p>
 WILDFIRES	High risk	Argentina (San Jose); Brazil (Mara Rosa)	<p>Impact of wildfires on infrastructure, increasing CapEx:</p> <p>Direct heat and flames associated with wildfires can cause direct physical damage to the structural integrity of on-site infrastructure (e.g. water storage facilities, mineral processing facilities, smelters, etc.). If flammable chemicals are stored incorrectly, this could exacerbate the impacts associated with wildfires. Repair or replacement of key site infrastructure can also lead to significant increases in CapEx.</p>	<p>For Mara Rosa specifically:</p> <ul style="list-style-type: none"> – We have created firebreaks around the perimeter of the site. – We have undertaken periodic inspections of our firebreaks. – We continuously monitor for the presence of smoke during the dry season and take immediate action to prepare for wildfires (where necessary). – Our on-site fire brigade helps to manage and counteract fire risks. – We communicate with neighbouring properties to ensure an appropriate collective response to wildfires is carried out. <p>Under present-day conditions, this risk is not identified as a material issue for San Jose. However, we will continue to closely monitor the potential emergence of this risk in the future and will prepare appropriate responses and action plans, as needed.</p> <p>There have been no material updates to this risk response since 2024.</p>
 EXTREME RAINFALL AND FLOODING	High risk	All countries and sites	<p>Impact of extreme rainfall flooding on mining facilities, reducing revenue:</p> <p>Extreme rainfall flooding could lead to increased water levels in tailings facilities which could reduce operating capacity. In a worst-case scenario, this could lead to overtopping, due to insufficient capacity or failure of the embankments. A reduction in the TSFs operating capacity and/or disruption to nearby site personnel camps could reduce revenues.</p> <p>Furthermore, higher water levels could postpone scheduled closure activities, impede access to mining areas, and require further treatment of contact water associated with mining components.</p>	<ul style="list-style-type: none"> – We monitor precipitation levels continuously via the freeboard in the Group's TSFs. No El Niño weather event is forecasted for early 2026; however, weather and climate patterns are closely monitored. Mine planning of the Group's assets reflects this by: <ul style="list-style-type: none"> • Identifying potential weather-related risks, including rainfall seasonality; and • Ensuring all water-related infrastructure is maintained in good condition and clear of any obstructions. – We conduct internal and external audits on a regular basis to ensure the stability of our operational tailings facilities. For example, in 2025, an external audit was conducted on our Peruvian TSFs and, during 2026, audits will be carried out in Argentina and, for the first time, in Brazil. – We monitor roads to and from our sites to identify areas of high erosion/washouts. The roads are continuously maintained to reduce the risk of erosion associated with extreme rainfall. – We manage the build-up and use of ore stockpiles and stock up on critical materials at our sites when needed, such as for El Niño events.



CLIMATE-RELATED FINANCIAL DISCLOSURES CONTINUED

Hazard	Risk rating by 2050 (SSP5-8.5)	Relevant locations	Description of risk	Risk Response
 <p>WATER STRESS AND DROUGHT</p>	High risk	Argentina (San Jose); Brazil (Mara Rosa)	<p>Impact of water stress and drought on mining operations, reducing revenue: Reductions in water availability could disrupt operations across each of Hochschild's mining facilities (including the tailings dams present at each site). If sufficient water is not made available at each site, water-intensive operations could be disrupted. For TSFs specifically, a reduction in water supply could reduce the quantity of water that can be stored and reused for operations. This could subsequently disrupt upstream operations within each mining site. As a result, both impacts could result in a delay in production and cause a reduction in revenue.</p>	<ul style="list-style-type: none"> - We reuse 100% of treated domestic wastewater within the processing plants in our Peru and Argentina operations. - We implemented innovative measures such as the use of 'shade balls' in the new water storage pond in our Argentina operation. As a result of these efforts, our operation has a positive water balance. - We are completing the implementation of a reverse osmosis plant in Inmaculada that will increase water recirculation by using treated water from its TSF. We expect the implementation of the reverse osmosis plant to result in a reduction of the fresh water consumption KPI in Inmaculada. - At Mara Rosa, we prioritise the use of captured and stored rainwater. - We encourage our sites to reduce their potable water usage, which is also measured through our ECO score. - Green Loans are linked to two KPIs associated with water consumption. For 2025, we achieved the threshold required for an interest rate reduction. - We have detailed water balances for all operating mine sites, which allow us to make accurate decisions. - In 2025 we awarded the Waterless Mining project, a joint research initiative with UTEC, TECSUP, and Imperial College London designed to significantly reduce fresh water consumption. The chosen proposal, '<i>Mineral Behaviour as the key to minimizing water usage at leaching and water treatment stages</i>', focuses on optimising leaching through electric pulses and using nanocatalysts and gangue minerals to reduce water use and improve metal extraction. The project will commence in 2026 and continue through 2027.
 <p>EXTREME WINDS AND STORMS</p>	High risk	All countries and sites	<p>Impact of extreme winds and storms on above-ground structures and electrical equipment, increasing CapEx: Strong winds associated with storms could result in direct physical damage to mining infrastructure such as tailings facilities, processing facilities, and machinery (e.g. drilling equipment, transformers, water pumps). As key assets required for the operation of Hochschild's mines, if repair or replacement is required, an increase in capital expenditure can be anticipated, as well as operational disruptions when equipment is unable to operate.</p>	<ul style="list-style-type: none"> - We continuously track the weather across our operating regions. - We plan to undertake future CRO assessments using multiple scenarios to further improve project design. <p>There have been no material updates to the risk response since 2024.</p>









CLIMATE-RELATED FINANCIAL DISCLOSURES CONTINUED

OUR TRANSITION RISK AND OPPORTUNITY PROFILE


We have assessed a total of eight transition risks and opportunities across our operations in Peru, Argentina and Brazil, all of which align with the categories defined by the TCFD framework. The five transition risks and opportunities that were ranked as 'high' or 'medium' are disclosed in the table on the right-hand side.

Our transition risk and opportunity profile has been updated to reflect the results of our enhanced analysis in 2025. See the table to the right for a breakdown of how we are responding to each of our transition risks and opportunities.

TCFD category	Risk/opportunity rating by 2050 (under Net Zero 2050 scenario)	Description of risk/opportunity	Risk/opportunity response
 POLICY	High risk	Risk – The impact of carbon pricing on Operational Expenditure: Carbon pricing mechanisms in Brazil and Peru, upon their entry into force, can impact operational costs and competitiveness. In Brazil, this risk will not be material to Hochschild until 2030 when Brazil's Emissions Trading System is expected to become operational. A carbon tax already exists in Argentina within fuel costs and is not material to Hochschild.	<ul style="list-style-type: none"> – We conducted a financial quantification of the carbon pricing risk. Please refer to the 'Risk: Carbon pricing' sub-section below for more information. – We are decarbonising our operations to reduce our emissions profile and reduce future operational expenditure. This includes continuing to transition to renewable energy and assessing the electrification of our fleet and mining equipment over the next four years.
 POLICY	Medium risk	Risk – Investor concern regarding climate action: Activist investors have started to put pressure on mining companies to decarbonise their business, which may require Hochschild to bring capital expenditure forward.	<ul style="list-style-type: none"> – We have a target to reduce 30% of Scope 1 and 2 market-based emissions by 2030 against a 2021 baseline. – Our annual GHG emissions action plan outlines the specific measures that we intend to take to meet the interim goal set for the year as well as our 2030 GHG emissions reduction ambition. See 'Our Net Zero Ambitions' for further information. <p>There have been no material updates to this risk response since 2024.</p>
 RESOURCE EFFICIENCY	High opportunity	Opportunity – Reduced land transport emissions: To reach our 2030 and 2050 ambitions, we are seeking opportunities to reduce emissions from our portfolio of fleet at our mines. We are expecting to transition towards more energy-efficient vehicles with lower GHG emissions as these become readily available and commercially viable within the next four years. In 2025, an updated assessment of this opportunity was conducted. Please refer to the 'Opportunity: Land transport emissions' sub-section below for more information.	<ul style="list-style-type: none"> – In August 2025, we tested an electric front-loader vehicle. Over the next four years, we will continue to evaluate viable options as emerging low-carbon technologies mature. – As part of a phased emissions reduction strategy, we are exploring more efficient diesel equipment. We are also continuing to work with fleet suppliers to secure low-carbon vehicle delivery while preparing for changes to leasing models and asset replacement costs to support our Net Zero trajectory.
 TECHNOLOGY	High opportunity	Opportunity – Investment in low-carbon technologies: Investing in low-carbon technologies will enable us to create operational efficiencies within the mining processes, resulting in lower emissions. We will continue to deploy capital expenditure to fund new technologies that reduce energy usage in the extraction stage.	<ul style="list-style-type: none"> – Through the SWAT project, implemented in partnership with Boston Consulting Group, we implemented operational efficiency initiatives in San Jose in 2025 – including dilution optimisation, processing plant efficiency improvements, and enhanced equipment maintenance – which increased extraction capacity and reduced energy intensity per tonne mined, contributing to lower operating costs and emissions intensity. Further details are provided on page 63. – In 2025, we awarded the Waterless Mining Project, aimed at improving extraction efficiency and reducing fresh water consumption. The selected proposal focuses on optimising the leaching process through electric pulses and the use of nanocatalysts to reduce water use and improve metal recovery. Further details can be found on page 63.



CLIMATE-RELATED FINANCIAL DISCLOSURES CONTINUED

TCFD category	Risk/opportunity rating by 2050 (under Net Zero 2050 scenario)	Description of risk/opportunity	Risk/opportunity response
 RESOURCE EFFICIENCY	High opportunity	<p>Opportunity – Developing circular processes: Under a Net Zero scenario, developing circular processes at mine sites will reduce emissions.</p> <p>We are working to minimise waste generation as much as possible and ensure that any remaining materials are reused or recycled after the mining process.</p>	<ul style="list-style-type: none"> – We reused tailings and waste rock as backfill for the underground mines in Inmaculada and San Jose: <ul style="list-style-type: none"> • Reuse of tailings: 23% (2024: 16%) • Reuse of waste rock: 33% (2024: 24%) – In 2025, we sold 366,378 tonnes of waste rock from Mara Rosa to a rail company (representing 18% of waste rock generated). – We encourage our sites to maximise recycling of all waste – which is also measured through an ESG KPI. In 2025, the waste recycling rate was 81.4%, surpassing our 2030 target of 80%. Please refer to the 'Waste' section of this report for more information. We reuse 100% of treated domestic wastewater in the Inmaculada and San Jose processing plants. <p>There have been no material updates to this risk response since 2024.</p>

FURTHER ANALYSIS INTO THE CLIMATE-RELATED ISSUES ON THE BUSINESS

In our 2025 assessment, we conducted further analysis into the impacts of our most material climate transition-related issues, prioritising the risk of carbon pricing and the opportunity to decarbonise land transport emissions across transport modes.

Risk: Carbon pricing

Overview

Developments in carbon pricing legislation in Brazil, Peru, and/or Argentina can affect Hochschild's cost base and, as a result, our overall financial performance. This risk focuses on the effect of incoming carbon pricing legislation on Hochschild's cost base and business resilience. Specifically, it relates to the effect of the legislation on the operational costs and competitiveness of our assets in Brazil, Peru and Argentina.

The analysis, which assessed the potential financial impact associated with this risk, considered the potential cost burden to Hochschild from carbon pricing from 2025 to 2050, across three transition pathways. To this

end, three IEA emissions scenarios were used: STEPS, Announced Pledges (APS), and NZE.

Findings

The long-term financial impacts around carbon pricing risk remain uncertain, owing to the potential for legislation to change in the countries in which we operate. However, our findings suggest that financial impact may materialise from 2030 onwards, once the Brazilian Emissions Trading System (ETS) comes into effect. The magnitude of this impact is considered immaterial to the 2025 financial statements and remains uncertain in the long term due to the details of the regulatory requirements as well as our own operational emissions profile.

Our detailed findings of the impact of carbon pricing in Brazil, Peru and Argentina are as follows:

Brazil: Financial implications for Hochschild may emerge following the implementation of the Brazilian GHG ETS; this is assumed to begin around 2030 and is expected to require compliance for operations emitting over 25,000 tCO₂e per year across Scope 1 and

Scope 2 emissions. Currently, our operations in Brazil are above this threshold. In 2025, Scope 1 emissions for the Mara Rosa site were 31,459 tCO₂e and Scope 2 emissions were 12,737 tCO₂e. Scope 2 emissions are expected to be close to zero from 2026 onwards, as the operation contracts 100% of its energy demand from a renewable source since July 2025. As a result, if Scope 1 emissions remain similar in 2030, we would be subject to carbon pricing. Monte do Carmo was also considered in the assessment, with projected emissions assumed to be aligned with those of Mara Rosa; therefore, a similar regulatory impact would be expected.

Peru: Currently, there are no defined timelines for an ETS scheme that have been announced in Peru. For the purpose of the quantification exercise, we assumed a Peruvian ETS to launch in 2031. Given that the IEA's STEPS scenario only reflects countries' stated policies, there are estimated to be zero cost impacts to our mines in Peru at all time horizons.

Argentina: Similar to Peru, no ETS schemes have been announced in Argentina. As the LOM of the San Jose mine ends in 2029, the carbon costs are estimated to remain at zero across all

scenarios, even in the longer term, on the basis that an ETS scheme will not be in place before we are in a closure stage for this asset.

Next steps

We will continue to monitor developments surrounding carbon pricing legislation across Brazil, Peru and Argentina, recognising that timelines and compliance thresholds may shift as legislation matures. As part of this, we will look to continue refining our financial quantification exercise as more detail becomes available on the respective ETS schemes in these countries. We recognise that we may need to take further measures to manage emissions in response to any developments, as and where they occur.

Opportunity: Land transport emissions

Overview

Our land transport emissions originate from various stages of our production processes, with owned assets and third-party emissions contributing to our overall footprint. We understand that land transport emissions are one of the key areas where actions can be taken to decarbonise. As such, we conducted further assessment to gain a deeper understanding of the actions that we can take to reduce emissions from our fleet.

Findings

To help us reduce our land transport emissions, the three potential areas that we identified for possible emissions reductions are as follows:

Fuel switching: Fuel switching presents a near-term opportunity to transition from diesel to lower-carbon alternatives such as biodiesel, electricity, or hydrogen. We recognise also that adoption depends on technology readiness and upfront investment needs.

Efficiency measures across operations: Our analysis highlighted the role of efficiency measures across operations, machinery, and processes to reduce energy and fuel



CLIMATE-RELATED FINANCIAL DISCLOSURES CONTINUED

consumption for non-road mobile machinery. For example, this could include simple operational interventions such as improving operator training, reducing idle time, and optimising equipment scheduling based on real-time utilisation data. On the machinery side, efficiency can be improved through better-performing diesel models, retrofitting idle-control, or hydraulic systems.

Process changes: Through process changes, the need for certain machinery can be eliminated entirely, which can substantially reduce energy use and emissions. While uptake across the mining industry is still emerging, there is growing interest in these approaches and they show strong potential. As this continues to develop, further assessment will help identify where process redesign could be applied effectively across our operations.

Next steps

We will evaluate viable options as emerging low-carbon technologies mature, recognising that fleet transformation depends on future technological development. As part of a phased emissions reduction strategy, we will explore more efficient diesel equipment and continue engaging with fleet suppliers to secure low-carbon vehicle delivery. Alongside this, we will assess the timing and cost implications from changes to leasing models and asset replacement, to ensure future investments align with the Net Zero trajectory.

BUSINESS RESILIENCE TO CLIMATE-RELATED IMPACTS

We assess the resilience of our business model and strategy against a range of climate-related scenarios, consistent with CFD requirements. Our scenario range and approach remain consistent with 2024, with further detail provided in the 'Risk Management' section above.

Overall resilience of our business

We consider our business to be resilient to the climate-related risks identified. This resilience is associated with three factors:

1. Our expected Life of Mine (LOM);
2. The timing of when climate-related risks are projected to materialise; and
3. Measures already in place to mitigate the impact of high-risk hazards.

Short-to-medium time horizon (2030 and 2040)

Climate-related risks are largely not projected to materially affect operations within the LOM period of our current mining assets (18 years). This is the case even for risks that we consider to be most likely to become material, such as carbon pricing. However, the precise magnitude of carbon pricing in 2030 onwards remains uncertain.

Long-term time horizon (2050 and beyond)

The majority of the identified risks, particularly physical hazards, are anticipated to materialise over the long-term time horizon (2050) and will be more important to our operating environment. However, in the LOM period, we do not foresee any of these risks becoming material until the new mines come into operation. Although our current LOM does not extend to 2050, we anticipate being able to operate beyond that timeframe, and thus some of these long-term risks could still be relevant to our business. We will continue to monitor these long-term risks closely and reassess their relevance as circumstances evolve.

Site-level risk management measures

Our resilience is further supported by the risk management measures and responses we have implemented across each of our sites to reduce the potential impact of high-risk climate hazards on our assets and operations (refer to the tables in the 'Climate-related risks and opportunities' section for more detail).

Strengthening our resilience

We are actively strengthening our resilience to future policy, market, and technology trends that will drive the mining sector toward Net Zero. See 'Our Net Zero Ambitions' for further information.

METRICS AND TARGETS**Metrics used for climate risk and opportunity identification and assessment**

Metrics and targets provide a clear, measurable foundation for converting identified climate risks and opportunities into actionable performance outcomes, ensuring they directly inform strategic planning and strengthen risk management across the business. ESG metrics represent 25% of our overall performance metrics. Of this, 5% is focused on improvement in ESG indices that include climate-related metrics required for CDP Climate reporting, and a further 5% is tied to environmental performance as measured through our ECO Score tool. Performance against these and other metrics (relating to profitable production and financial results) determine the extent of the annual bonus payouts to eligible employees, incentivising a reduction in our environmental footprint.

We also have a Long-Term Incentive Programme (LTIP) which includes monitoring performance targets against 14 sustainability-related KPIs, including our 2030 GHG reduction and fresh water reduction ambitions. A full list of ESG metrics can be found in the Sustainability Report on page 48.

The results of the physical and transition climate assessments have informed the selection of metrics needed to monitor and manage our risks and opportunities effectively. The insights have highlighted the importance of robust data on waste and water due to Hochschild's exposure to the physical climate risks of water stress and drought, and the opportunity to develop more circular processes. Therefore, the subsequent sub-sections will focus primarily on waste and water-related

metrics associated with the most relevant climate risks and opportunities for our business.

Water

Our physical risk assessment highlighted the water-intensive nature of our operations and the potential risk to our sites of water stress and drought. As a result, we use multiple metrics to monitor our consumption of water resources. We have also set targets to reduce our on-site potable water consumption and fresh water consumption within our operations. We monitor the following water-related targets:

2030 Target	2025 Progress
Reduce potable water consumption to 174 litres per person per day by 2030	In 2025, we were able to reduce water consumption to 125 litres per person per day, an all-time low and a significant improvement from 138 litres in 2024. (2030 target surpassed)
Lower fresh water use to 0.22 m ³ per tonne of ore processed by 2030	In 2025, we achieved a reduction to 0.26 m ³ per tonne, an improvement from 0.31 m ³ in 2024.

Waste

Minimising waste generation is central to developing circular processes that directly reduce emissions. We therefore focus on reducing waste sent to landfill and increasing our recycling rate. We monitor the following waste-related targets:

2030 Target	2025 Progress
Achieve 80% recycled waste by 2030	In 2025, we achieved a performance of 81.4%, a substantial increase from 57.4% in 2024. (2030 target surpassed)
Reduce domestic waste sent to landfill to 0.90 kg per person per day by 2030	In 2025, we achieved a decrease to 0.78 kg per person per day, an improvement from 0.93 kg in 2024. (2030 target surpassed)



CLIMATE-RELATED FINANCIAL DISCLOSURES CONTINUED

OUR SCOPE 1, 2 AND 3 GHG EMISSIONS

At Hochschild, we report our Scope 1, 2 and 3 emissions on an annual basis. For a full breakdown of our Scope 1, 2 and 3 emissions for 2025, please refer to the Environmental section of the Annual Report on page 53 or to the Sustainability Data Hub available on the 'Sustainability' section of our website.

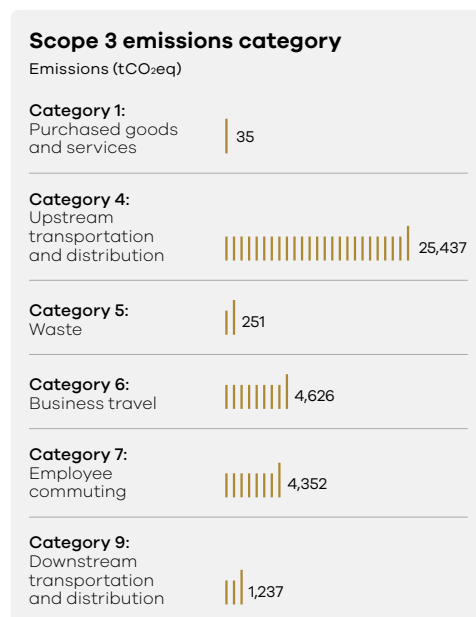
Emissions are calculated on an annual basis in alignment with the ISO 14064-1 Standard and the GHG Protocol Corporate Accounting and Reporting Standard. Our Scope 1, 2 and 3 GHG emissions are a key metric used to monitor our climate impact over time.

In 2025, our total emissions (market-based) amounted to 137,621 tCO₂e, an increase of 17.3% compared with the previous year emissions. The open-pit operation at Mara Rosa has been incorporated into our GHG footprint since May 2024, resulting in a partial year of data for 2024 and the first full year of reporting in 2025. However, 2025 emissions are still not fully representative due to a prolonged plant stoppage and the transition to solar energy during the year. Given these structural changes, we may re-baseline our emissions and update our 2030 target in 2027 to fully reflect the impact of Mara Rosa.

Excluding Mara Rosa, our Scope 1 and 2 (market-based) emissions in 2025 decreased by approximately 2.8% compared with the 2021 GHG emissions.

Our 2025 Scope 3 emissions constitute 26% of our total emissions, with the highest contribution originating from Category 4 (18%). The selected categories disclosed in the table below represent emissions over which Hochschild has a reasonable degree of influence. Other categories either lack sufficient data for accurate assessment or fall outside of our direct or indirect sphere of control, limiting the ability to effectively measure or mitigate them.

Our Scope 3 emissions, per category, are as follows:



In 2026, we intend to advance our understanding of our Scope 3 emissions profile by conducting a programme of screening all categories to identify which ones are material for the business.

Our Net Zero ambitions

Our aim is to become Net Zero by 2050 across both our operations (Scope 1 and 2) and value chain (Scope 3). In 2023, we set a near-term target to reduce our Scope 1 and 2 (market-based) emissions by 30% by 2030, compared to our 2021 baseline. Achieving this target will involve a full transition to renewable electricity and the adoption of more energy-efficient, lower-emission vehicles.

To achieve our ambition of Net Zero by 2050 across the value chain, we need to improve our understanding of our Scope 3

footprint and work closely with our suppliers to implement a Scope 3 emission reduction strategy thereafter.

Our Carbon Roadmap helps our business to understand some of the activities and investments that may be required to reach this target including, but not limited to:

- Implementing behaviour change programmes across the business;
- Using higher efficiency electric vehicles, with lower GHG emissions; and
- Completing the full transition to renewable electricity.

As we implement these measures, we recognise the importance of monitoring and assessing progress against our GHG emission reduction targets. Last year, we developed our first annual GHG emissions action plan; this outlines the specific measures that we intended to take to meet the interim goal set for the year. By switching our energy contracts in Brazil and Argentina to lower carbon sources, it brings us in alignment with our 2030 GHG emissions reduction ambition. This action plan will be reviewed each year, and the Sustainability Committee will provide the Board with regular updates on the implementation of the action plan.

Our annual GHG footprint is also presented to the Sustainability Committee so that they can oversee progress against these targets and support continued progress towards our Scope 1 and 2 reduction ambition by 2030.

CFD ALIGNMENT Commitments for 2026

We will further our analysis of the most significant climate-related physical risks to our business in 2026 and, where needed, quantify the potential financial impact of the most material risks that we identify. This

will play a key role in supporting our ongoing management of these issues across our sites.

We are anticipating that 2026 will provide us with a representative full year of Scope 1 and 2 emissions for Mara Rosa, giving us much greater clarity on the mine's emissions. As this is a significant change to our overall emissions profile, in 2027, we may need to re-baseline our emissions inventory at that stage as well as update our 2030 target.

We will also advance our understanding of our Scope 3 emissions profile by conducting a programme of screening all categories to identify which ones are material for the business and then reporting against these.

We are continuing to track developments in the UK regulatory landscape to ensure our disclosures remain aligned with all climate-related reporting requirements, including the emerging Sustainability Reporting Standards (UK SRS) based on the IFRS Sustainability Disclosure Standards.

Directory of disclosures

The following table summarises our status with respect to Climate-related Financial Disclosures, noting where disclosures are 'Consistent' or 'Partially Consistent' with the TCFD recommendations.

Where disclosures are consistent, we believe all necessary information recommended has been disclosed. Where disclosures are partially consistent with the recommendations, we have provided our commitment to improving the status of the disclosure in 2026.

The table also states where additional information on each disclosure category may be found. This is because climate change intersects with other sustainability topics, but the information is not specifically required for disclosure under CFD regulations.



CLIMATE-RELATED FINANCIAL DISCLOSURES CONTINUED

TCFD Disclosure Area	TCFD Area/Recommendation	Status	Disclosure Location	Next Steps and Further Information
GOVERNANCE	1. Describe the Board's oversight of climate-related risks and opportunities.	Consistent	See pages 67-68	Our Board has oversight of climate-related risks and opportunities, as stated in the Sustainability Committee Terms of Reference, and exercises this responsibility through consistent processes that integrate climate considerations into enterprise-level governance.
	2. Describe management's role in assessing and managing climate-related risks and opportunities.	Consistent	See pages 67-68	Our management is responsible for assessing and managing climate-related risks and opportunities.
RISK MANAGEMENT	3. Describe the organisation's processes for identifying and assessing climate-related risks.	Consistent	See page 68	We use scenario analysis to assess our physical and transition climate risks across short, medium, and long-term horizons.
	4. Describe the organisation's processes for managing climate-related risks.	Consistent	See page 68	We have adopted processes to manage and mitigate the physical and transition risks identified from the scenario analysis. In 2026, we will undertake a focused analysis of physical climate risks, including financial quantification, to inform our processes for managing the most material risks to our business.
	5. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Consistent	See page 68	We incorporate climate considerations within all key stages of identifying, assessing, and managing risks. This integration ensures that climate-related risks are evaluated through the same governance, controls, and decision-making frameworks that underpin our wider Enterprise Risk Management approach. Further, we have integrated and mapped the significant and emerging climate-related risks onto our mining units' existing risk matrices (which are updated quarterly). These matrices are consistently reviewed during quarterly Risk Committee and Board meetings.
STRATEGY	6. Describe the climate-related risks and opportunities the organisation has identified over the short, medium- and long term.	Consistent	See pages 69-73	We disclose the physical and transition climate-related risks and opportunities identified over the short, medium, and long-term in this report. We will also be conducting a more detailed physical climate risk assessment in 2026.
	7. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	Consistent	See pages 69-73	Based upon the results of our previously completed physical and transition CRO assessments, we have identified the impact of climate-related risks and opportunities on our business strategy and assessed the financial impact the risk of carbon pricing in 2025 to inform financial planning. We will be conducting further focused analysis of physical risks in 2026, including financial quantification for the most material risks.
	8. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Consistent	See pages 69-73	We have described the resilience of our strategy based on the results of our physical and transition climate risk and opportunity scenario analysis. We use different climate-related scenarios in our assessment, including a high emissions scenario and a 2°C or lower scenario.
METRICS AND TARGETS	9. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Consistent	See pages 73-74	We report the metrics used to assess Hochschild's climate-related risks and opportunities in alignment with our strategy and risk management processes. In 2025, we have conducted further analysis into our key transition risk and opportunity. These assessments of the risk of carbon pricing and opportunity of land transport emissions have enabled us to obtain more information on the additional metrics that can be used to monitor and manage risks and opportunities. We are now actively working on these. We will also continue to explore the use of additional metrics that could be employed to support our management of climate-related risks and opportunities.
	10. Disclose Scope 1, Scope 2, and if appropriate, Scope 3 GHG emissions, and the related risks.	Partially consistent	See pages 73-74	Our Scope 1 and 2 emissions, as well as some of our relevant 3 emissions are disclosed in this report. However, we recognise that we have further work to be done to provide a complete set of Scope 3 data. In 2026, we will undertake a more detailed assessment of our relevant Scope 3 GHG emissions, in alignment with the GHG Protocol. Following this, we will update our inventory, as required. This will be included in future reporting cycles.
	11. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Consistent	See pages 73-74	We report the targets used to manage climate-related risks and opportunities and performance against targets.



Risk management

Our risk appetite approach is to minimise our exposure to reputational, compliance and excessive financial risk, whilst accepting a certain level of risk to achieve our strategic goals.

OUR APPROACH

Management of the Group's operations and execution of its growth strategies are subject to a number of risks, the occurrence of which could adversely affect performance. The Group's risk management framework is premised on the continued monitoring of the prevailing environment, the risks posed by it, and the evaluation of potential actions to mitigate those risks.

The Board has overall responsibility for risk management and determines the nature and extent of the principal and emerging risks that the Group will accept in executing its strategy.

The Audit Committee supports the Board in this aspect of its responsibilities by overseeing the effectiveness of the system of internal controls and the risk management process.

The management 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. At the beginning of every year, the Risk Committee meets to discuss the principal risks to be closely monitored during the year. As part of its regular monitoring function, it meets quarterly 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 matrix is updated at each Risk Committee meeting, and the most significant current and emerging risks, as well as actions to mitigate them, are reported to the Directors and, in the case of sustainability risks, are considered in detail by the Sustainability Committee.

RISK APPETITE

Defining risk appetite is crucial in ensuring that a risk management system is embedded into Hochschild's organisational culture. Our risk appetite approach is to minimise our exposure to reputational, compliance and excessive financial risk, whilst accepting a certain level of risk to achieve our strategic goals. As part of setting risk appetite, the Board considers and monitors, on an annual basis, the level of acceptable risk it is willing to take in each of the principal risk areas.

Appetite for risk will vary according to the activity undertaken, and is predicated on the fact that a risk will only be tolerated after a full understanding of the potential benefits and its implications before proceeding with a course of action, and that sensible mitigation measures are identified and implemented. The Board's tolerance for each risk has been described using a four-point scale of Zero / Low / Medium / High. The introduction of 'Zero appetite' in this year's report highlights the Board's commitment to mitigating, to the extent possible, risks relating to health and safety, and environmental management.

A review of the Company's risk management framework is currently in progress as part of the preparatory work being undertaken with respect to Provision 29 of the UK Corporate Governance Code (2024 edition) which will require, among other things, a Directors' declaration on the effectiveness of material controls in the 2026 Annual Report (see page 111 for further details).

RISK GOVERNANCE

BOARD

Determines risk appetite

Reviews Register of significant strategic risks and mitigating actions

Monitors effectiveness of risk management process

AUDIT COMMITTEE

Responsible for risk management and internal control processes

Oversees internal audit function, including annual work plan

MANAGEMENT RISK COMMITTEE

Quarterly review of risk universe and significant strategic risks

Cascades risk tolerance and appropriate risk management culture

Determines mitigating actions and monitors effectiveness of controls



RISK MANAGEMENT CONTINUED

2025 RISKS

Details of the principal and emerging risks faced by the Group at the end of 2025 and the associated mitigating actions are provided on the following pages. While there has been no change in the risks presented to those reported in the 2024 Annual Report:

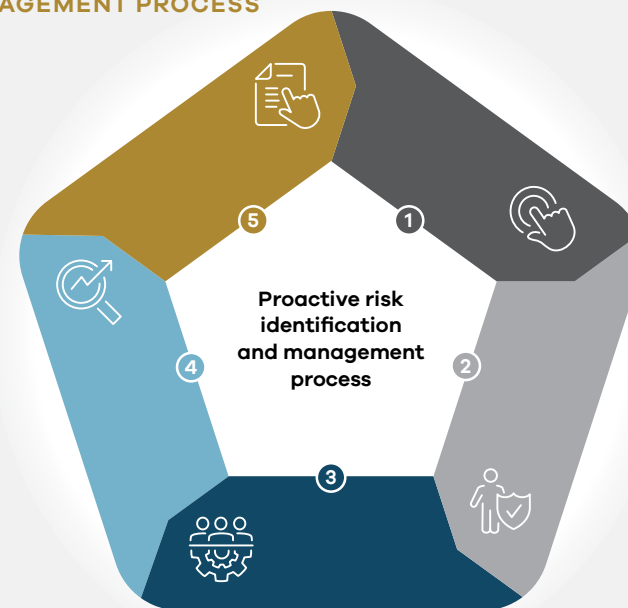
- i for the purposes of presentation, commentary on Business Interruption risks is no longer presented together with Supply Chain risk but has been included within the commentary on Operational Performance risks;
- ii in relation to Exploration & reserve and resource replacement risks:
 - a. the sub-risk relating to the estimate of mineral reserves has been removed as a Principal Risk; and
 - b. the tolerance for the risk has been increased from low to medium to more accurately reflect the level of risk that the Directors are willing to take to achieve Hochschild's strategic growth objectives;
- iii in relation to Cybersecurity risks:
 - a. the tolerance for the risk has been adjusted from medium to low following the most recent assessment by the Directors; and
 - b. the risk profile is considered to have increased due to the positive financial impact of higher precious metal prices on producers and hence, their perceived attractiveness to cyber attackers.

Supporting commentary provides detail on the evolution of each of the principal risks during 2025 including, where appropriate, the reason for any change to the risk profile relative to the prior year.

OUTLOOK

At the time of approval of the Annual Report, the overall risk climate in which the Group operates is dominated by the Presidential and Congressional elections in Peru in April 2026 and the anticipated second round in July. Further details are provided in the commentary on Political, Legal and Regulatory risks. In addition, the trend of higher, and at times, significantly volatile, precious metal prices is likely to result in higher financial expectations from key local stakeholder groups, as well as increased levels of illegal mining and related illegal activities.

RISK MANAGEMENT PROCESS



1 IDENTIFY

Business processes are reviewed to identify risks to Hochschild's strategic objectives with a risk matrix prepared for each process.

2 MEASURE

Each risk identified is analysed for probability of occurrence and scale of impact to determine the level of threat to strategic objectives.

3 MANAGE

Taking into consideration the relevant risk appetite and the scale of risk, mitigating actions and controls are designed and implemented.

4 MONITOR

Mitigation and controls monitored to ensure effectiveness and to take all actions necessary to achieve a level of risk management within the defined appetite for risk.

5 REPORT

- Established reporting within the business on risk management by Internal Audit function.
- Principal and emerging risks reported on quarterly basis to the Audit Committee and the Board.



RISK MANAGEMENT CONTINUED

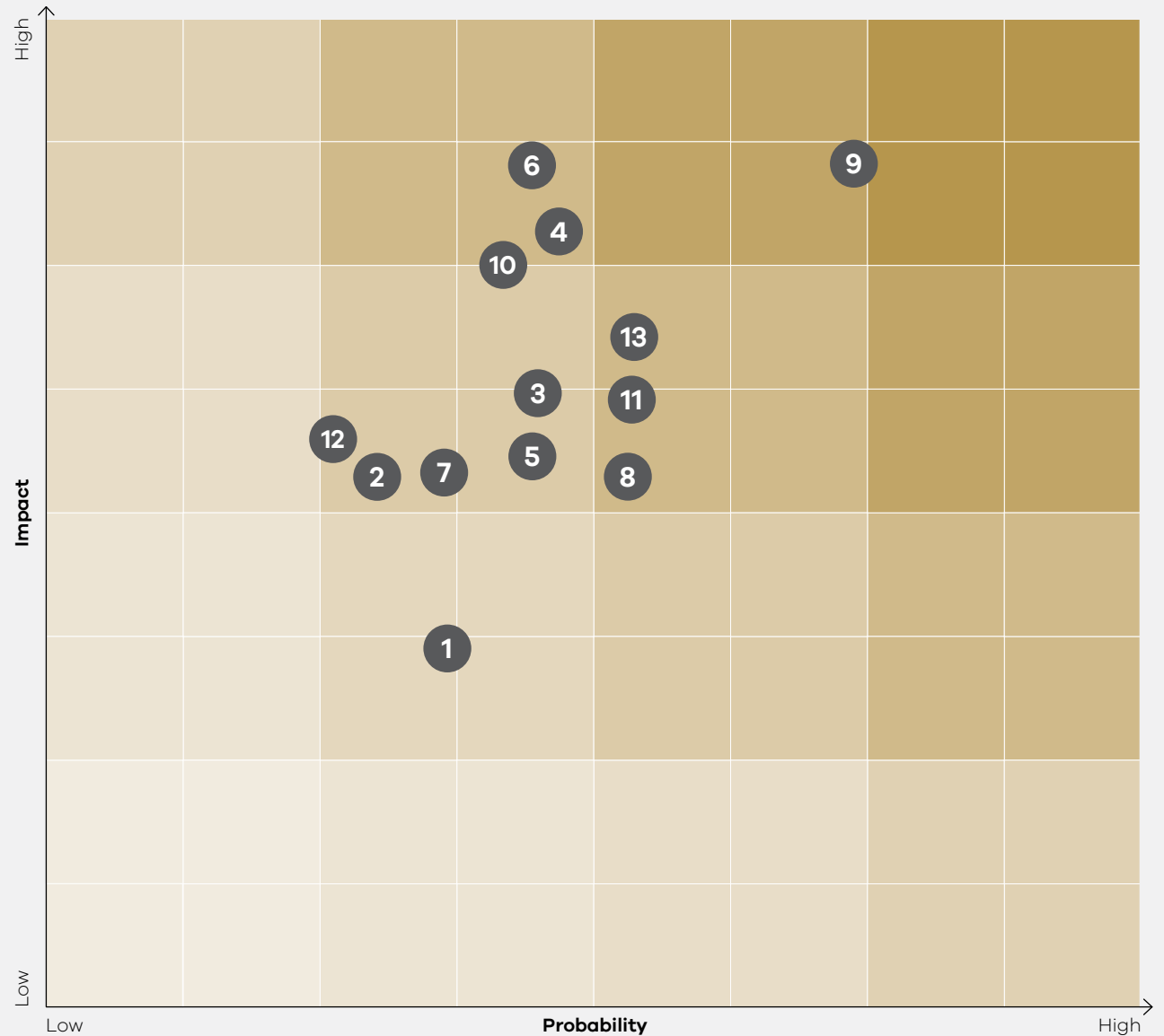
RISK HEAT MAP

To assist the reader in assessing the relative significance of each risk discussed in this section, the heat map indicates the Board’s assessment of the likelihood of the unmitigated risk occurring as well as the extent of the impact on the Group.

The key to the map indicates how the profile of a risk has changed (whether in terms of impact or probability) relative to the prior year.

Risk heat map key

- 1 ↓ Commodity price
- 2 — Commercial counterparty
- 3 ↑ Operational performance
- 4 — Supply chain
- 5 ↑ Information security and cybersecurity
- 6 — Exploration and reserve and resource replacement
- 7 — Personnel: recruitment and retention
- 8 — Personnel: labour relations
- 9 — Political, legal and regulatory
- 10 — Health and safety
- 11 — Environmental
- 12 — Climate change
- 13 — Community relations





RISK MANAGEMENT CONTINUED

FINANCIAL RISKS

Risk change, tolerance and impact	Mitigation	Commentary
<p>1. Commodity price</p> <p>Adverse movements in precious metal prices could materially impact the Group in various ways beyond a reduction in the financial results of operations. These include impacts on the feasibility of projects, the economics of mineral resources, heightened personnel retention and sustainability-related risks.</p> <p>Strategic pillar impacted:</p> <p>1 2 3 4</p> <p>Risk profile change vs 2024:</p> <p>▼</p> <p>Risk tolerance:</p> <p>Medium</p> <p>See the Market Review on pages 9 to 11 for further details on how commodity prices performed in 2025.</p>	<p>Constant focus on maintaining a low all-in sustaining cost of production and an efficient level of administrative expense.</p> <p>Policy to maintain reasonable levels of financial leverage to ensure flexibility through price cycles.</p> <p>Flexible hedging policy that allows the Company to contract hedges to mitigate the effect of price movements taking into account the Group's asset mix, forecast production and debt profile.</p>	<p>In 2025, the average realised gold and silver price was 37% and 54% higher respectively than the prior year.</p> <p>The Group's principal strategy to mitigate against commodity price volatility is focused on conserving capital and optimising cash flow through:</p> <ul style="list-style-type: none"> – Controlling operating and administrative costs; – Optimising sustaining capital expenditure; and – Managing working capital. <p>Further detail on cost and working capital management in 2025 can be found in the Financial Review from page 34.</p> <p>As previously reported, the Company executed hedges in 2023 and 2024 to ensure an ongoing level of cash flow stability.</p> <p>During 2025, the Group undertook the following sales subject to these arrangements:</p> <ul style="list-style-type: none"> – 60,000 ounces of gold with an average floor of \$2,000 per ounce and an average ceiling of \$2,485 per ounce; and – 29,200 ounces of gold at a fixed price of \$2,100 per ounce. <p>The remaining commitments from the 2023 hedges are as follows:</p> <ul style="list-style-type: none"> – 2026: 50,000 ounces of gold at a fixed price of \$2,167 per ounce; – 2027: 50,000 ounces of gold at a fixed price of \$2,206 per ounce; and – 2028 (H1): 20,813 ounces of gold at a fixed price of \$2,150 per ounce. This was the result of a renegotiation of terms in August 2025 (see page 187 for further details).

STRATEGIC PILLARS:

- 1 Brownfield 2 Operational efficiency 3 ESG 4 Disciplined capital allocation

Risk change, tolerance and impact	Mitigation	Commentary
<p>2. Commercial counterparty</p> <p>Insolvency of a customer or other business counterparty (bank, insurance company) could result in the Group's inability to collect accounts receivable or to access funds or to receive services which could adversely impact the Group's profitability.</p> <p>Strategic pillar impacted:</p> <p>2</p> <p>Risk profile change vs 2024:</p> <p>–</p> <p>Risk tolerance:</p> <p>Medium</p>	<p>Active assessment of customers and business counterparties.</p> <p>Risk mitigation practices seeking to diversify the Group's customer base, to limit the size of shipments and to maximise upfront payments.</p> <p>Ongoing assessment of methods to mitigate collection risk.</p>	<p>During the year, the following actions were taken:</p> <p>Commercial counterparty monitoring: The Company undertook an annual review of existing customers which encompasses analysis of corporate governance, balance sheet strength and other aspects impacting credit quality. Customers with a higher-risk profile are required to subject to commercial terms that protect the Group's position, such as delaying transfer of title to goods sold on full payment and, where appropriate, the provision of a parent company guarantee. Financial counterparties, including insurance underwriters, are also the subject of ongoing monitoring. In addition, members of the Company's sales function attended commercial events with current and potential customers with a view to diversifying and mitigating counterparty risk.</p> <p>Review of financial counterparties: The Company continued to implement (a) policies to identify new financial counterparties and (b) strategies to support the Group's treasury and insurance needs. On an ongoing basis, the Group has adopted a number of practices such as the placing of limits on cash balances invested with financial institutions and monitoring credit ratings.</p>



RISK MANAGEMENT CONTINUED

OPERATIONAL RISKS

Risk change, tolerance and impact	Mitigation	Commentary
<p>3. Operational performance</p> <p>Failure to manage operations effectively could jeopardise the achievement of production targets which, together with the failure to manage the cost base, could adversely impact the Group's profitability.</p> <p>Strategic pillar impacted:</p> <p>2 4</p> <p>Risk profile change vs 2024:</p> <p>^</p> <p>Risk tolerance:</p> <p>Low</p>	<p>Close monitoring of operational performance, costs and capital expenditure at all stages of the mining value chain and during the entire mine life cycle.</p> <p>Monitoring, and ensuring the adequacy of, key mining components such as tailings and water storage facilities, waste rock deposits.</p> <p>Insurance coverage is in place to protect key equipment against major risks.</p>	<p>Overall</p> <p>In 2025 the Group's attributable production was 311,509 gold equivalent ounces and attributable all-in sustaining cost from operations was slightly ahead of guidance for the year, at \$2,138 per gold equivalent ounce.</p> <p>Developments during 2025</p> <p>Mara Rosa</p> <p>In response to the operational challenges faced at Mara Rosa, management initiated an action plan comprising:</p> <ul style="list-style-type: none"> – focused interventions to restore operating stability including planned downtime to execute maintenance and upgrades across critical circuits; – productivity and mining efficiency actions, including scaling up waste removal capacity and strengthening drilling and blasting processes; and – organisational reinforcement in Brazil to support tighter operating discipline and governance, including changes to the operating leadership structure. <p>Cost Management</p> <p>During 2025, a disciplined cost management programme was implemented Group-wide focused on preserving margins and maintaining operational flexibility given cost pressures associated with higher precious metal prices. Key initiatives included the optimisation of mine plans to prioritise production areas, the renegotiation of contracts with key suppliers and contractors, and the implementation of productivity improvement programmes across mining and processing activities.</p> <p>Looking ahead to 2026, a series of cost and efficiency measures designed to further strengthen operating margins and cash flow generation will be executed. These initiatives include an increase in treatment throughput at Inmaculada, energy consumption optimisation programmes and improvements in mine sustaining costs. These actions are embedded in the approved Budget and in the performance objectives of senior management.</p>

Risk change, tolerance and impact	Mitigation	Commentary
<p>3. Operational performance continued</p>		<p>Mining Components</p> <p>Projects and critical-path workstreams included the TSF/dry-stack tailings storage at Mara Rosa (including tie-ins and operational discipline to maintain disposal to plan), and continued advancement of Inmaculada tailings and water risk reduction programmes, including commissioning of the reverse osmosis system and tailings dam licensing milestones progressing into 2026.</p> <p>Contingency Planning</p> <p>In addition to maintaining insurance policies covering machinery breakdown, mitigating actions taken during the year included:</p> <ul style="list-style-type: none"> – the identification of follow-up actions to support reliability across key processing circuits during ramp-up and the rainy season. – ongoing refresh and strengthening of the Crisis Response Plan, building on the work referenced in the prior year's Annual Report. Updates included reinforcing governance/escalation protocols, interfaces between corporate and site emergency response plans, and preparedness routines.



RISK MANAGEMENT CONTINUED

OPERATIONAL RISKS

Risk change, tolerance and impact	Mitigation	Commentary
<p>4. Supply chain</p> <p>Disruption to the supplies of key inputs could negatively impact production.</p> <p>Strategic pillar impacted:</p> <p>2</p> <p>Risk profile change vs 2024:</p> <p>–</p> <p>Risk tolerance:</p> <p>Low</p>	<p>Management reporting systems to support appropriate levels of inventory.</p> <p>Negotiation of long-term power supply contracts and the procurement of contingent generators and transformers.</p> <p>Use of high-quality equipment from recognised manufacturers.</p> <p>Implementation of preventive and predictive maintenance programmes.</p>	<p>During the year, the Company:</p> <ul style="list-style-type: none"> – identified and implemented the use of alternative suppliers for numerous critical consumables; – continued efforts, with the support of SAP HANA, to restore stocks of critical consumables and strategic spare parts to pre-pandemic levels; – required of certain suppliers, the maintenance of minimum stock levels; – continued to monitor the financial position of key suppliers; and – strengthened critical spares planning at Mara Rosa. Follow-up actions are in progress to support reliability across key processing circuits. <p>With regards to energy supplies, studies to improve the efficiency of power consumption at Inmaculada and San Jose are in progress.</p>
<p>5. Information security and cybersecurity</p> <p>Failure of any of the Group's business critical information systems as a result of unauthorised access by third parties may affect the Group's ability to operate.</p> <p>Strategic pillar impacted:</p> <p>2</p> <p>Risk profile change vs 2024:</p> <p>▲</p> <p>Risk tolerance:</p> <p>Low</p>	<p>Compliance with ISO 27001, an internationally recognised certification to evaluate information security management systems.</p> <p>Dedicated team within the Technology department focused on preventing evolving threats.</p> <p>Audits performed by the internal audit department and third parties to test systems and issue recommendations.</p> <p>Primary information processing supported by RISE with SAP.</p>	<p>Security of the Group's information and networks are assured through the following means:</p> <ul style="list-style-type: none"> – world-class cybersecurity tools supported by artificial intelligence that secure and protect our network, assets and information. Additionally, we have a centralised Cyber Security Operation Centre (CyberSOC) that monitors and detects possible attacks; – ethical hacking evaluation was performed during the year to identify potential vulnerabilities in infrastructure and operational applications; – a review of security infrastructure in Peru and Argentina was launched in conjunction with third-party specialists; – cybersecurity training continued throughout the year to ensure that all employees are aware of the risks and to report suspicious activity; and – in December 2025, the Cybersecurity Crisis Plan was reviewed in advance of its approval and adoption.

Risk change, tolerance and impact	Mitigation	Commentary
<p>6. Exploration & reserve and resource replacement</p> <p>The Group's future operating margins and profitability depend upon its ability to find mineral resources and to replenish reserves.</p> <p>Strategic pillar impacted:</p> <p>1 2 4</p> <p>Risk profile change vs 2024:</p> <p>–</p> <p>Risk tolerance:</p> <p>Medium</p>	<p>Implementing and maintaining an annual exploration drilling plan.</p> <p>Ongoing evaluation of acquisition and joint venture opportunities to acquire additional ounces.</p> <p>Implementation of a comprehensive permitting strategy led by a Permitting Committee.</p> <p>Comprehensive engagement activities with communities and governmental authorities (see later sections on Macroeconomic and Sustainability risks).</p>	<p>General</p> <p>The Group has an internal Permitting Committee to co-ordinate efforts with a view to streamlining the permitting process for exploration and operational requirements. Senior executives actively participate in industry initiatives to simplify the permitting process.</p> <p>Limited greenfield exploration is undertaken, with the aim of providing the Group with a focused portfolio of advanced and early-stage opportunities in stable jurisdictions in the Americas.</p> <p>Developments during the year</p> <p>The Company had a successful year in terms of the Brownfield exploration programme, with 1.7m gold equivalent ounces of total resource additions being reported.</p> <p>The year-on-year changes in the Company's attributable Reserves and Resources are 3.2% and 5.7% respectively.</p> <p>Further details on brownfield exploration are provided on pages 31 to 33.</p>
<p>7. Personnel: recruitment and retention</p> <p>Inability to attract or retain sufficiently skilled personnel.</p> <p>For further details see the Directors' Remuneration Report from page 118.</p> <p>The Group's future operating margins and profitability depend upon its ability to find mineral resources and to replenish reserves.</p> <p>Strategic pillar impacted:</p> <p>2</p> <p>Risk profile change vs 2024:</p> <p>–</p> <p>Risk tolerance:</p> <p>Medium</p>	<p>The Group's approach to recruitment and retention provides for the payment of competitive compensation packages, well-defined career plans, training and development opportunities and the overall employee value proposition.</p>	<p>Among the initiatives held by the Company during the year include the:</p> <ul style="list-style-type: none"> – implementation of a new Balanced Scorecard-based performance management system for all employees, strengthening goal clarity, recognition and development; – holding of a Recognition Week, with events over five days, prompting the acknowledgment of over 500 achievements through the Company's workplace platform, thereby reinforcing a culture of appreciation; – execution of improvement actions identified from working climate and perception surveys, including process enhancements and upgrades to camp and site conditions; and – continuation of capability-building initiatives, including technical training programmes for women in Brazil, the Mining Collaborator pre-employment programme in San Jose, and a Professional Development Programme for contractor General Managers. <p>Further details can be found in the Empowering our People section of the Sustainability Report from page 60.</p>



RISK MANAGEMENT CONTINUED

OPERATIONAL RISKS

Risk change, tolerance and impact	Mitigation	Commentary	Risk change, tolerance and impact	Mitigation	Commentary
<p>8. Personnel: labour relations</p> <p>Failure to maintain good labour relations with workers and/or unions may result in work slowdown, stoppage or strike.</p> <p>Strategic pillar impacted:</p> <p>②</p> <p>Risk profile change vs 2024:</p> <p>—</p> <p>Risk tolerance:</p> <p>Medium</p>	<p>Development of a tailored labour relations strategy focusing on profit sharing, working conditions, management style, development opportunities, motivation and communication.</p> <p>Periodic meetings with mineworkers and unions to ensure a complete understanding of expectations and to keep all parties updated on the Group's financial performance.</p>	<p>Peru</p> <p>The Group's Peruvian operation generated sufficient taxable income to give rise to an entitlement to statutory profit sharing for Peruvian mineworkers.</p> <p>The Company maintains fluid relations with the labour union of Inmaculada including monthly meetings apart from the formal annual negotiations to monitor internal and external labour and social risks.</p> <p>Argentina</p> <p>Against a backdrop of widespread opposition, at a national level, to significant labour reform proposals by the Government, the Company maintained operational continuity, supported by a framework of ongoing dialogue with AOMA (national union of mining workers), ASIJEMIN (national union of supervisory mining staff), and UOCRA (national union of construction workers). In addition, a labour dispute with UPSAP (union of private security workers) was managed and resolved without significant impact on operations.</p> <p>Brazil</p> <p>Mara Rosa: In advance of the start of operations at Mara Rosa, Hochschild established a Union Negotiation Committee, meetings of which continued to be held during the year to discuss relevant issues and update the annual labour agreement.</p> <p>Monte do Carmo: The Company initiated engagement with the relevant trade union, resulting in the first collective labour agreement, which was approved by employees and will be negotiated on an annual basis.</p>	<p>9. Political, legal and regulatory</p> <p>Changes in the government, political, 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.</p> <p>Delays in granting/securing the necessary environmental and operational permits for exploration or operations could affect future production and financial results of the Group.</p> <p>Strategic pillar impacted:</p> <p>① ② ③</p> <p>Risk profile change vs 2024:</p> <p>—</p> <p>Risk tolerance:</p> <p>Legal/regulatory compliance:</p> <p>Low</p> <p>Operating in such jurisdictions:</p> <p>Medium</p>	<p>Local specialist personnel continually monitor and react, as necessary, to policy changes. In addition, political, social and communications advisers have been engaged to support the Group in responding to developments.</p> <p>Participation in local industry organisations.</p>	<p>Peru</p> <p>Political Overview</p> <p>Following several months of heightened political tension, President Boluarte was removed from office by Congress in October 2025, and replaced by the then President of Congress, José Jeri. After a few months of relative political stability, allegations relating to governance and transparency issues prompted Congress to remove President Jeri from office in February 2026 and to appoint President José María Balcázar.</p> <p>These developments have unfolded against the backdrop of the forthcoming general elections in April 2026 where over 30 presidential candidates have been registered and hundreds of lists registered nationwide of those seeking election to Congress. As a result, Congress is expected to be highly fragmented limiting the scope for structural reforms.</p> <p>Legal/Regulatory Developments</p> <p>The draft Mape Law designed to regulate and formalise artisanal and small-scale mining ('ASM') was rejected in July 2025 by the Congressional Energy and Mines Commission. Progress on the new framework has since stalled and is expected to resume under the new Administration. As an alternative measure, the validity of the registry which formalises the activities of ASM operators (REINFO) was extended, until 31 December 2026, while maintaining the exclusion of a significant number of previously registered operators.</p> <p>As ASM-related issues, such as their social and environmental aspects, and the fact that individuals linked to ASM-related activities feature on congressional lists, mean that this will be a key campaigning matter in certain parts of the country.</p>



RISK MANAGEMENT CONTINUED

OPERATIONAL RISKS

Risk change, tolerance and impact	Mitigation	Commentary
<p>9. Political, legal and regulatory continued</p>		<p>Argentina</p> <p>Political Overview During 2025, President Milei continued to advance his programme of economic stabilisation and deregulation. Inflation declined markedly compared to 2024, while a contained exchange rate devaluation supported short-term stability, amid ongoing debates over competitiveness. President Milei's popularity remained relatively stable, bolstered by the mid-term elections, in a highly polarised political and social context.</p> <p>Legal/Regulatory Developments The Government progressed with the implementation of the Large Investment Incentive Regime (RIGI) to attract long-term investment in strategic sectors.</p> <p>As part of the wide-ranging reforms:</p> <ul style="list-style-type: none"> capital controls were partially removed during the year, enabling foreign companies, such as Hochschild, to access the Official Foreign Exchange Market to have dividends paid from their Argentinian businesses on earnings from 2025 onwards; and a number of deregulatory measures are being taken with respect to labour law to increase flexibility for businesses and reduce costs. <p>Brazil</p> <p>Political Overview The federal government continued to advance social policies and economic reforms, including the approved tax reform, which is entering its transition phase.</p> <p>2026 is an election year, with presidential, congressional and state elections, including in Goiás, where Mara Rosa is located, and Tocantins, where Monte do Carmo is located, a context that may influence the political and regulatory environment.</p> <p>Legal/Regulatory Developments Following discussions during the 2025, in February 2026 the Governor of Goiás, where Mara Rosa is located, announced his intention to revoke the 1.65% levy known as FUNDEINFRA subject to approval of the State Legislative Assembly.</p>

SUSTAINABILITY RISKS

Risk change, tolerance and impact	Mitigation	Commentary
<p>10. Health and safety</p> <p>Group employees working in the mines may be exposed to severe health and safety risks.</p> <p>Failure to manage these risks may result in occupational illness, accidents, a work slowdown, stoppage or strike and/or may damage the reputation of the Group and hence its ability to operate.</p> <p>Strategic pillar impacted:</p> <p>2 3</p> <p>Risk profile change vs 2024:</p> <p>—</p> <p>Risk tolerance:</p> <p>Zero</p>	<p>Health and safety operational policies and procedures reflect the Group's zero tolerance approach to accidents.</p> <p>Use of world-class DNV (Det Norske Veritas) safety management systems.</p> <p>Dedicated personnel to ensure the safety of employees at the operations via stringent controls, training and prevention programmes.</p> <p>Systematic programme of training, communication campaigns and other initiatives promoting safe working practices.</p> <p>Use of reporting and management information systems to monitor the incidence of accidents and enable preventative measures to be implemented.</p>	<p>Hochschild performed strongly in terms of safety in 2025 with the accident frequency at 0.97 (2024: 1.25) and accident severity at 207 (2024: 365) and the attainment of our ongoing objective of zero fatalities (2024: zero fatalities).</p> <p>Highlights of the Company's progress on safety include:</p> <ul style="list-style-type: none"> The achievement of Level 8 of the DNV certification of Inmaculada's and San Jose's health and safety risk management system. Mara Rosa achieved its first rating, Level 4, which establishes a clear baseline and a roadmap to progressing further in future cycles by, among other things, strengthening the effectiveness of controls, and contractor integration; The continued roll-out of the 'Safety 2.0 Programme' included: <ul style="list-style-type: none"> continuous training programmes tailored at each level; cross-audits at Inmaculada, San Jose, and Mara Rosa of the Risk Management System resulting in action plans for implementation prior to the DNV audit at the end of the year; the engagement of DNV to carry out a baseline audit of our safety risk management information system at our Brazilian operation, resulting in an action plan for implementation and subsequent achievement of Level 4 certification; and the continued use of the Seguscore, which is a holistic measure of the Group's safety performance combining traditional indicators (including those referred to above) with leading indicators reflecting the outcome of internal and external safety audits. <p>For further details on our safety initiatives, please see the safety section of the Sustainability Report on pages 57 to 59.</p>



RISK MANAGEMENT CONTINUED

SUSTAINABILITY RISKS

Risk change, tolerance and impact	Mitigation	Commentary
<p>11. Environmental</p> <p>The Group's activities and production methods could impact the environment, thereby affecting its relationship with local stakeholders and reputation. Such an impact may necessitate the implementation of remedial work and/or the payment of penalties which could affect the financial results of the Group.</p> <p>Strategic pillar impacted:</p> <p>1 2 3 4</p> <p>Risk profile change vs 2024:</p> <p>—</p> <p>Risk tolerance:</p> <p>Zero</p>	<p>The Group has a dedicated team responsible for sustainability-related matters and for environmental management.</p> <p>The Group has adopted a number of policies and procedures to manage its footprint including the setting of targets for 2030.</p> <p>The Group continues to use the ECO Score, which allows it to measure and manage environmental performance. The Group also continues to adopt measures to minimise natural resource use, with particular emphasis on water consumption in its operations.</p> <p>A specific tailings management framework in place for TSFs, including independent third-party review.</p>	<p>In 2025, the Group performed strongly in its ECO Score (with a score of 5.61 out of 6 (2024: 5.58)), reflecting the following notable achievements:</p> <ul style="list-style-type: none"> – three sites achieving a perfect score of 6 out of 6 (Inmaculada, Selene/Pallancata and Ares); – the lowest water consumption since 2015 (125l/person/day); – continued with the lowest domestic waste generated since 2015 (0.78 kg/person/day); and – the Group maintains a very high level of environmental culture compliance (using an internal scoring system). <p>In keeping with the strong ESG performance overall in 2025, the Group saw year-on-year improvements or 2030 targets being achieved in four out of five of the environment-related areas of performance that are being monitored on an ongoing basis.</p> <p>Specifically, regarding the use of water:</p> <ul style="list-style-type: none"> – fresh water consumption was 0.26m³/tonne of ore processed (2024: 0.31 m³/tonne) on track to meet our 2030 target of 0.22 m³/tonne. Once the reverse osmosis plant at Inmaculada is operational, it will enable water recirculation in the processing plant, reducing reliance on fresh water; – the Group achieved a positive water balance in San Jose because of the design and implementation of the new water circuit and the use of innovative measures such as shade balls in the water reservoir to avoid evaporation loss; and – only 0.17 m³ of fresh water was used per tonne of ore processed in Mara Rosa in 2025 reflecting the ability to capture rainwater and incorporating its use in the operation.

Risk change, tolerance and impact	Mitigation	Commentary
<p>11. Environmental continued</p>		<p>A challenge faced in 2025 related to contact water at one of the Group's former mines, Sipan in Peru. This has been the focus of targeted remedial actions which have been implemented and continue to be monitored.</p> <p>Regarding waste, the Group significantly increased recycled waste at a level of 81.4% (2024: 57.3%). The Group also operated nine TSFs across its operations, carrying out independent third-party audits in Peru during the year. During 2026, audits will be carried out in Argentina and Brazil. The Group also seeks to reuse tailings and waste rock where possible.</p> <p>Regarding biodiversity, in 2025 the Group published a standalone Biodiversity Policy and conducted a gap assessment and peer benchmark with regards to the Taskforce on Nature-related Financial Disclosures which will lead into a deeper assessment on nature-related matters in 2026 and 2027.</p> <p>In 2025, the Group continued the closure of the Ares TSF and initiated the closure of the Selene #1 TSF, while also advancing progressive closure activities across all mine sites.</p> <p>The Sustainability team continued with its efforts on reporting widely on the Group's sustainability performance by participating in numerous reporting initiatives resulting in improvements in the 2025 ratings from MSCI and Sustainalytics.</p> <p>For further details, please refer to the environmental section of the Sustainability Report on pages 52 to 56.</p> <p>https://www.hochschildmining.com/sustainability/sustainability-approach/environmental-management/</p>



RISK MANAGEMENT CONTINUED

SUSTAINABILITY RISKS

Risk change, tolerance and impact	Mitigation	Commentary	Risk change, tolerance and impact	Mitigation	Commentary
<p>12. Climate change</p> <p>Changes in climate and weather patterns, including the occurrence of extreme weather events such as extreme heat, extreme rainfall flooding, water stress and drought, and storm conditions, may cause operational disruption and, at worse, could result in a suspension of operations.</p> <p>Failure to comply with climate-related laws and regulations could result in reputational risks for the Group, increased costs and longer permitting delays.</p> <p>Lack of climate change actions could result in restricted access to capital.</p> <p>Strategic pillar impacted:</p> <p>2 3 4</p> <p>Risk profile change vs 2024:</p> <p>—</p> <p>Risk tolerance:</p> <p>Medium</p> <p>Read our 2025 CFD Report from page 67.</p>	<p>The Company's 2030 target is to reduce its GHG Scope 1 and 2 emissions by 30% against a 2021 baseline, with an aim to reach Net Zero GHG emissions by 2050.</p> <p>Enhanced management oversight and operating protocols to:</p> <ul style="list-style-type: none"> quantify and verify carbon footprint, including Scope 3 emissions; maximise the efficient use of natural resources and minimise energy consumption; maximise the use of renewable energy; and promote transparency with regards to the Group's performance through participation in investor-led reporting initiatives. 	<p>During the year:</p> <ul style="list-style-type: none"> the Group built on the work done to date in assessing the financial impact of climate change on the business (climate scenario analysis, a detailed transition risk assessment and an update of the physical climate risk assessment on its operations, including Mara Rosa) by also quantifying the potential impact of carbon pricing, which is the Group's most material transition risk. These studies identified current and future climate-related risks to the Group's infrastructure. See page 67 for further details. Aligned with the Group's 2030 target, the solar plant in Brazil is now operational and covers 100% of Mara Rosa's contracted energy needs over the life of the mine. The Group completed the transition to renewable energy at San Jose by replacing the last two fossil-fuel contracts with wind power. Since 1 November 2025, the mine has 100% of its energy contracted to renewable sources. In Peru, the transition towards 100% contracted renewable energy is in the bidding process. In 2025, 80% of electricity consumption came from hydroelectric sources. <p>Please refer to note 2(b) to the Consolidated Financial Statements with regards to the current assessment of the financial impact of climate change-related risks.</p>	<p>13. Community relations</p> <p>Communities living in the areas surrounding the Group'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.</p> <p>These actions may result in loss of production, increased costs and decreased revenues, longer lead times, additional costs for exploration and have an adverse impact on the Group's ability to obtain the relevant permits.</p> <p>Strategic pillar impacted:</p> <p>1 2 3 4</p> <p>Risk profile change vs 2024:</p> <p>—</p> <p>Risk tolerance:</p> <p>Low</p>	<p>The Group has a dedicated team responsible for Community Relations to lead constructive engagement.</p> <p>The Community Relations strategy:</p> <ul style="list-style-type: none"> has a territorial and water focus, prioritising the areas of education, health, local infrastructure (water, sanitation, connectivity) and sustainable development; and seeks to adopt a multi-party approach to projects involving public and private organisations and local communities. <p>Policy to actively recruit workers from local communities.</p> <p>Policy of hiring service providers from local communities.</p> <p>The Group engages with local governments to support public investment initiatives through technical assistance and direct investment.</p>	<p>Overall</p> <p>The current politically fragmented and volatile environment, combined with the increasing prevalence of illegal mining activities and pre-election campaigning, has coincided with an increase in social tensions involving local communities in several mining regions of Peru.</p> <p>In this context, temporary disruptions to access routes and other forms of social pressure have become more frequent, affecting mining operations and logistics.</p> <p>At the same time, existing community agreements have increasingly become subject to review or challenge in an attempt to renegotiate terms. This has resulted in extended discussions and recurring dialogue cycles, adding complexity to community relations.</p> <p>Government authorities continue to approach these situations with a strong emphasis on dialogue and mediation, reflecting heightened sensitivity to social conflicts in the mining sector. While this approach has facilitated continued engagement between parties, it has also tended to extend resolution timelines, contributing to a more uncertain operating environment at a local level.</p>



RISK MANAGEMENT CONTINUED

SUSTAINABILITY RISKS

Risk change, tolerance and impact	Mitigation	Commentary
13. Community relations continued		<p>During the year:</p> <ul style="list-style-type: none"> - The Group's active engagement resulted in zero days of operational disruption due to community protest; - The Group spent or donated \$13.1 million (2024: \$12.3 million) to benefit local communities; - The Group implemented a range of initiatives across its countries of operation, such as: <ul style="list-style-type: none"> • In Peru, the improvement of tracking commitments with communities and successfully closing negotiations with key communities close to Royropata; • In Argentina, the ongoing provision of scholarships to local students and contributions to the provincial fund for social and development initiatives; and • In Brazil, a programme that covered, among other things, socio-environmental education and promoting economic development. - At Monte do Carmo, the Company intensified its engagement with public authorities, including the State Environmental Secretariat (Naturatins) and the Municipality of Monte do Carmo. <p>A structured communication plan is currently underway, comprising (i) quarterly meetings with the Municipality; and (ii) the periodic distribution of informational bulletins, providing transparent updates on the Company, its activities and project developments to local stakeholders.</p> <p>In addition, the Environmental Education Programme and the Local Workforce Training and Qualification Programme focused on promoting socio-environmental awareness, upskilling both local and project workforce.</p> <p>Further details on the Group's social initiatives can be found in the Sustainability Report from page 49.</p>

EMERGING RISKS

The Board has also considered and identified the following as emerging risks. Given the uncertainty and novel nature of these risks, these are subject to ongoing monitoring:

Security – the proliferation of the activities of cartels and organised crime networks across the region and into the Company's countries of operation. This could result in higher exposure to corruption, kidnappings, and violence against operations and employees, and disruption to supply chains.

Geopolitical Instability – the unilateral actions of a country in pursuit of its own strategic priorities could have an impact on the global risk environment with far reaching implications for the global community and targeted regions, heightening political, economic and social risks.

Technology Adoption – failure by the Company to adopt the appropriate level of new technologies or to promote and incorporate innovation in its operations could result in missed opportunities, thereby hampering the Company's ability to deliver on its strategic and operational objectives.



Viability statement

In accordance with provision 31 of the UK Corporate Governance Code, the Directors have assessed the viability of the Company taking into account the Company's current position and principal risks.

PERIOD OF VIABILITY STATEMENT

The Directors have reviewed the length of time to be covered by the Viability statement, particularly given its primary purpose of providing investors with a view of financial viability that goes beyond the period of the Going Concern statement.

It has been concluded that the period from the date of this statement and ending on 31 December 2028 (the 'Viability Period') is the appropriate time horizon in light of:

- The inherent uncertainty of longer-term forecasting in a cyclical industry which, in the case of precious metals, is largely driven by global macroeconomic factors; and
- The large number of external variables that need to be taken into account in establishing any meaningful forecast of the Company's business.

APPROACH TO ASSESSING VIABILITY

In assessing the Company's viability, the Directors have considered five scenarios affecting either Inmaculada alone or Inmaculada and Mara Rosa and a sixth scenario, being a lower precious metal price environment than that forecast by analysts which would impact all operations. All scenarios are within reasonable contemplation taking into account the principal risks to which the Company is exposed. Read more in our Risk Management Report from page 76.

Inmaculada and Mara Rosa are collectively expected to generate c.77% of attributable net revenue in the Viability Period.

In their assessment of the financial impact of each of the above scenarios, the Directors made the same assumptions as those used for the Base Case Scenario in the Going Concern analysis (refer to note 2(d) to the Consolidated Financial Statements), namely:

- Average analyst consensus prices for silver and gold during the Viability Period of \$3,769/oz for gold, and \$45.5 /oz for silver (the 'Assumed Prices');

- Operational forecasts are in line with the approved budget for 2026 and the latest LOM plans for 2027 onwards;
- Net debt payments of \$275m during the Viability Period, with repayments under the \$300m Medium Term Facility made in accordance with the contractual schedule, including instalments due in 2028; and
- Exploration expenses and capital expenditure at Monte do Carmo and Royropata, and care and maintenance costs at Royropata and Ares, will be incurred as anticipated during the Viability Period.

The financial impacts of the outstanding hedges as at the date of this report (as detailed in the commentary accompanying Commodity Price risk on page 79) and of the outstanding payment agreed at the time of the acquisition of the Monte do Carmo project have been reflected in the forecasts used to analyse the selected scenarios.

The following scenarios were analysed:

SCENARIO 1:

A community-led protest results in a blockade of a principal road to/from the mine and damage to a critical plant component

A protest by a local community obstructs the access road to Inmaculada for two months. Furthermore, it is assumed that a component of the plant is damaged and repair works will take six months to complete. The impact analysis takes into account the cost of negotiating a settlement and other associated expenses.

SCENARIO 2:

A strike by mineworkers

A widespread mineworkers' strike results in a suspension of operations at Inmaculada and Mara Rosa for three weeks in different months. The impact analysis takes into account the cost of negotiating a settlement and other associated expenses.



VIABILITY STATEMENT CONTINUED

SCENARIO 3:**The occurrence of a material safety accident**

A severe fatal accident occurs at each of Inmaculada and Mara Rosa which results in a one-month stoppage of each operation in different months. The impact analysis takes into account other financial liabilities that may result including the cost of remedial work and regulatory fines.

SCENARIO 4:**The occurrence of a material environmental incident**

A key part of Inmaculada and Mara Rosa's plant infrastructure is compromised which results in a major spillage of contaminants. The impact analysis assumes a suspension of operations for one month in different months and takes into account the cost of repairs, remediation and regulatory fines and other associated expenses.

SCENARIO 5:**The failure of the mill or other critical plant component**

A major failure of one of the mills at Inmaculada's plant followed by a major failure of one of the mills at Mara Rosa's plant causes a stoppage of six months at each mining unit which requires civil works, repairs and the acquisition of replacement equipment. The impact analysis (i) assumes that the stoppage at Mara Rosa commences one month after the stoppage at Inmaculada ends and (ii) takes into account the cost of the works and replacement costs as well as contributions from relevant insurance policies.

SCENARIO 6:**Precious metal prices fall to a level that is 10% below the annual average consensus prices for gold and 15% for silver**

Following such a fall in prices, the Company would seek to reduce variable costs and capital expenditure by 5%, which are at the Company's discretion.

In their assessment of the financial impact of each of the scenarios, the Directors concluded that upon the occurrence of any one of the scenarios, the Company would be viable. Taking into account the causes of operational stoppages in the past and the extent of the disruption caused, the Directors are of the opinion that combinations of weak precious metal prices and the occurrence of more than one of the above referenced scenarios taking place concurrently is remote.

Should prices fall further than described in Scenario 6, or the scenarios in reality are more severe than those modelled or a combination of scenarios occurs, the Board would oversee the use of additional sources of liquidity and the implementation of mitigating actions which may include:

- Use of the remaining \$180 million from the \$300m Medium Term Facility, available until October 2026;
- The use of lines of credit with relationship banks, noting that over \$206 million of pre-approved, but uncommitted, working capital credit lines are available as at the date of this statement (subject to compliance with covenant ratios under the medium-term credit facility);
- Delaying discretionary capital expenditure at the Monte do Carmo and Royropata projects;
- Suspending dividend payments; and/or
- Raising capital at either the corporate or asset level.

Other actions which would serve to mitigate such scenarios include cash pay-outs against insured risks, working capital management, asset/royalty sales and commodity price hedging.

For examples of the actions taken by the Board during the year under review to mitigate the impact of the Company's principal risks, please refer to the commentary in the Risk Management section of this report.

CONCLUSION

While it is always possible that combinations of weak precious metal prices and the occurrence of more than one of the above referenced scenarios could threaten the solvency and liquidity of the Company over the Viability Period, such combinations are considered to be remote. The Directors have therefore assessed the impact of each scenario, using the Assumed Prices and other factors considered to be reasonable, and, accordingly, can confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet obligations over the Viability Period.



Group non-financial and sustainability information statement

The information below is produced to comply with sections 414CA and 414CB of the Companies Act 2006. The information is incorporated by cross-reference.

Reporting requirement	Relevant policies	Further information	KPIs
Business model		Business model (page 17)	
Principal risks		Risk Management (page 76) Audit Committee report (page 109)	
Environmental matters (including climate-related financial disclosures)	Code of Conduct* Corporate Sustainability Policy* Environmental Policy* Tailings Storage Facilities Policy* Biodiversity Policy*	Climate-related Financial Disclosures Report (page 67) Protecting the Environment section of the Sustainability Report (page 52)	GHG emissions GHG intensity ECO Score Electricity consumption Water consumption % of water recycled Domestic waste generation % Recycled waste
Employees	Code of Conduct* Corporate Sustainability Policy* Protocol for the Prevention of Covid-19 Health & Safety Policy*	The following sections of the Sustainability Report: Empowering our People (page 60) Ensuring Health & Safety (page 57)	% local workforce % voluntary turnover High Potential Events rate Work-related fatalities Injury Frequency rate

Reporting requirement	Relevant policies	Further information	KPIs
Social matters	Corporate Sustainability Policy* Community Relations Policy*	Serving our Communities section of the Sustainability Report (page 49)	% local workforce Social investment (as % of revenue) % local procurement
Human rights	Corporate Sustainability Policy* Human Rights Policy* Diversity & Inclusion Policy* Sexual Harassment Prevention Policy Civil Security Policy*	Empowering our People section of the Sustainability Report (page 60)	% of women (a) in the workplace, (b) in leadership roles and (c) on the Board
Anti-corruption and anti-bribery matters	Code of Conduct* Anti Bribery and Corruption Policy* Whistleblowing Policy* Anti Fraud Policy*	Audit Committee report (page 109)	

* Copies available from www.hocplc.com

The Strategic Report has been approved by the Board of Directors on 10 March 2026 and signed on its behalf by:

EDUARDO LANDIN
CHIEF EXECUTIVE OFFICER

10 March 2026



- Board of Directors
- Directors' report
- Corporate governance report
- Audit Committee report
- Nomination Committee report
- Directors' Remuneration report
- Supplementary information
- Statement of Directors' responsibilities

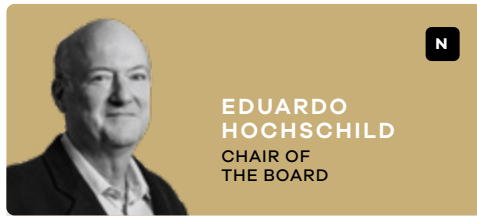
Governance





BOARD OF DIRECTORS

A highly skilled and experienced Board



EDUARDO HOCHSCHILD
CHAIR OF THE BOARD

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Joined the Group in 1987 and appointed Board Chair in 2006.

Key skills and competencies

- Over 35 years' involvement with the Group
- Extensive board experience of companies in Latin America
- Proven ability to implement long-term strategies in both the non-profit and corporate sectors

Current external appointments

Commercial: Cementos Pacasmayo S.A.A. (Chair), Aclara Resources Inc. (Chair)

Non-profit: UTEC (Chair), TECSUP

Previous experience

Eduardo joined the Hochschild Group in 1987 as Safety Assistant at the Arcata unit, becoming Head of the Hochschild Mining Group in 1998.

Eduardo is the Company's largest shareholder with a holding of c.38%.



EDUARDO LANDIN
CHIEF EXECUTIVE OFFICER

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Appointed to the Board in August 2023.

Key skills and competencies

- Long-standing operational experience
- Broad knowledge of strategic planning and operational control
- Qualified Mechanical Engineer

Current external appointments

Commercial: Non-Executive Director of Aclara Resources Inc.

Non-profit: Patronato Universidad del Pacifico

Previous experience

Prior to his appointment as CEO in August 2023, Eduardo served as COO of the Company since March 2013. He joined the Company in January 2008 as General Manager of Argentinian operations and, in 2011, became General Manager of Projects with direct responsibility for the development of Inmaculada. Eduardo previously worked at Cementos Pacasmayo, in the Government of Peru's Ministry of Energy and Mines and at Repsol S.A. in England, Spain and Peru.



JORGE BORN JR.
NON-EXECUTIVE DIRECTOR

N

Appointed to the Board in 2006.

Key skills and competencies

- Extensive experience of managing international businesses
- Deep understanding of socio-political issues in Latin America
- Corporate finance

Current external appointments

Commercial: President of Consult & Co. and Non-Executive Director of Aclara Resources Inc.

Non-profit: Bunge and Born Charitable Foundation (President)

Previous experience

Jorge served as a Director and Deputy Chairman of international agribusiness Bunge between 2001 and 2010. He previously served as Head of European operations and Head of the UK operations. Jorge previously served as a Non-Executive Director of Dufry AG (now Avolta AG).

Jorge has been nominated to the Board by the Company's largest shareholder, controlled by Eduardo Hochschild.



JILL GARDINER
INDEPENDENT NON-EXECUTIVE DIRECTOR

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Appointed to the Board in August 2020.

Key skills and competencies

- Long-standing career in investment banking in Canada focusing on strategy and M&A
- Significant experience on listed company boards
- In-depth knowledge of corporate governance/finance/executive compensation

Current external appointments

Commercial: Non-Executive Chair of Capital Power Corporation and Tiernan Gold Corp.

Previous experience

Jill spent over 20 years in the investment banking industry having served in a number of senior leadership roles at RBC Capital Markets. She provided strategic advice to and helped raise capital for companies with a focus on the power, pipeline, infrastructure and certain commodity related industries.

Jill has previously served on the boards of several TSX-listed companies including Turquoise Hill Resources, Capstone Copper and Trevali Mining Corporation.

BOARD OF DIRECTORS CONTINUED

- A Audit Committee
- S Sustainability Committee
- N Nomination Committee
- Chair
- R Remuneration Committee



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TRACEY KERR
SENIOR INDEPENDENT DIRECTOR

Appointed to the Board in December 2021. Designated Non-Executive Director for workforce engagement.

Key skills and competencies

- Extensive experience of managing sustainability in mining
- Geology, having overseen global exploration activities
- UK-listed company governance

Current external appointments

Commercial: Non-Executive Director of Weir Group PLC and Antofagasta plc.

Previous experience

Tracey spent almost 10 years working for Anglo American plc, most recently as the Group Head of Sustainable Development having previously also been accountable for safety, operational risk management and sustainable development. Prior to working in sustainability, Tracey worked as a geologist where she oversaw Vale's exploration activities in the Americas and subsequently joined Anglo American as Group Head of Exploration.

Tracey previously served as a Non-Executive Director of Polymetal International PLC.



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JOANNA PEARSON
INDEPENDENT NON-EXECUTIVE DIRECTOR

Appointed to the Board in October 2023.

Key skills and competencies

- Extensive experience of public company financial reporting and risk management
- Mining sector experience
- UK-listed company governance

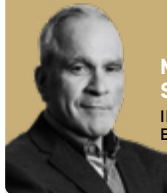
Current external appointments

Commercial: Non-Executive Director of Gold X2 Mining Inc. (formerly Goldshore Resources Inc), Rupert Resources Ltd and Orla Mining Ltd.

Previous experience

Joanna was formerly Executive Vice President and Chief Financial Officer of the FTSE 100 company, Endeavour Mining plc, and, prior to that, was an audit partner at Deloitte LLP, Vancouver for 12 years where she conducted multinational audit engagements for US and Canadian listed companies primarily in mining and emerging markets.

Joanna is a Chartered Professional Accountant of British Columbia and has a certification from the Canadian Institute of Corporate Directors.



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MIKE SYLVESTRE
INDEPENDENT NON-EXECUTIVE DIRECTOR

Appointed to the Board in May 2022.

Key skills and competencies

- Extensive experience of managing mining operations
- In-depth knowledge of the Canadian market, a key mining hub
- Mining Engineering (B.Sc/M.Sc.)

Current external appointments

Commercial: Non-Executive Director of TSX-listed Vista Gold Corp.

Previous experience

Mike spent eight years at Kinross Gold Corp, latterly as Senior Vice President, Operations until his retirement in December 2022. He previously served as a Non-Executive Director of Nickel Creek Platinum Corp. and as a Director and Interim CEO of TSX-listed Claude Resources Inc. having spent a significant portion of his career with Vale Canada (formerly Inco Ltd). During his time there he held the positions of CEO New Caledonia and President, Manitoba Operations. Mike is a member of the Professional Engineers of Ontario and a graduate of the Institute of Corporate Directors (ICD) in partnership with the Rotman School of Management.



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ANDREW WRAY
INDEPENDENT NON-EXECUTIVE DIRECTOR

Appointed to the Board in June 2025.

Key skills and competencies

- Significant knowledge of the mining sector
- Extensive experience of corporate finance, strategy and M&A
- UK-listed company governance

Current external appointments

Commercial: Non-Executive Chair of Resolute Mining Limited.

Previous experience

Andrew was formerly the President and CEO of NYSE and TSX-listed Golden Star Resources (2019 – 2022) and prior to that, was CEO of mining investor La Mancha. Between 2010 and 2017 Andrew held various roles at Acacia Mining PLC, including as Chief Financial Officer from 2013 to 2017.

Before joining Acacia, Andrew worked with JP Morgan Cazenove for 10 years advising a range of clients on equity capital transactions.



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RAJ BHASIN
COMPANY SECRETARY

Joined the Group and appointed Company Secretary in 2007.

Key skills and competencies

Raj is a solicitor and Chartered Secretary with over 25 years' experience in FTSE-listed companies. He has significant experience in advising on corporate governance and corporate and commercial law.

Previous experience

Raj previously served as Deputy Company Secretary and Commercial Counsel at Burberry Group plc.



BOARD OF DIRECTORS CONTINUED

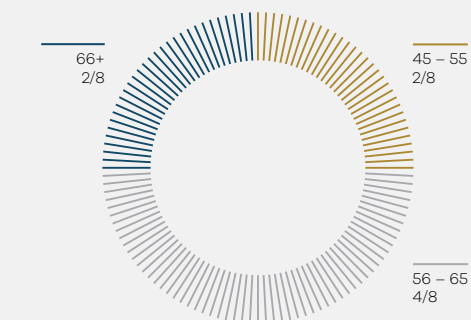
GENDER OF INDEPENDENT DIRECTORS



TENURE OF INDEPENDENT DIRECTORS AS AT 31 DECEMBER 2025



AGE OF DIRECTORS AS AT 31 DECEMBER 2025



BOARD AND COMMITTEE MEETING ATTENDANCE

Directors	Independent	Board	Audit	Nomination	Remuneration	Sustainability
Eduardo Hochschild, Board Chair	No	4/4	-	3/3	-	-
Eduardo Landin, Chief Executive Officer	No	4/4	-	-	-	4/4
Jorge Born, Non-Executive Director	No ¹	3/4 ²	-	3/3	-	-
Jill Gardiner, Non-Executive Director	Yes	4/4	4/4	3/3	4/4	-
Tracey Kerr, Non-Executive Director	Yes	4/4	-	3/3	4/4	4/4
Joanna Pearson, Non-Executive Director	Yes	4/4	4/4	3/3	4/4	-
Mike Sylvestre, Non-Executive Director	Yes	4/4	4/4	3/3	-	4/4
Andrew Wray, Non-Executive Director ³	Yes	2/2	2/2	1/1	3/3	-
Former Director Michael Rawlinson, Non-Executive Director ³	Yes	2/2	2/2	2/2	1/1	-

¹ As a Non-Executive Director nominated by Pelham Investment Corporation, the Company's largest shareholder, Jorge Born is not considered to be independent.

² Jorge Born was unable to attend the August Board Meeting due to a conflicting engagement.

³ Andrew Wray was appointed a Director and a member of the Committees referred to above, and Michael Rawlinson ceased to be Director and a member of the Committees referred to above, at the conclusion of the AGM held on 12 June 2025.



Directors' report

The Directors present their report for the year ended 31 December 2025.

INFORMATION IN DIRECTORS' REPORT

The Directors' Report comprises the Corporate Governance Report from pages 96 to 117, this Report on pages 94 to 95, and the Supplementary Information on pages 130 to 132. Other information that is relevant to the Directors' Report, and which is incorporated by reference, comprises:

- An indication of likely future developments included in the Strategic Report;
- Greenhouse gas emissions data and the steps taken by the Company to increase its energy efficiency, included in the Sustainability Report from page 53; and
- Policy on financial risk management in note 38 to the consolidated financial statements.

For the purposes of compliance with Disclosure Guidance and Transparency Rules 4.1.5R(2) and 4.1.8R, the Strategic Report and this Directors' Report (including the other sections of the Annual Report incorporated by reference) comprise the Management Report.

DIVIDEND

The Directors declared an interim dividend in respect of the year ended 31 December 2025 of 1 US cent per share (totalling \$5.1 million) and are recommending the payment of a final dividend of 5 US cents per share.

DIVIDEND WAIVER

The trustee of the Hochschild Mining Employee Share Trust ('the Employee Trust') has waived, on an ongoing basis, the right to dividend payments on shares held by the Employee Trust. As at the date of this report, the Employee Trust does not hold any shares.

DIRECTORS

The names, functions and biographical details of the Directors serving at the date of this report are given on pages 91 and 92. With the exception of Andrew Wray, who was appointed to the Board on 12 June 2025, all of the Directors were in office for the duration of the year under review.

Each of the Directors will be retiring and seeking re-election (or, in the case of Andrew Wray, election) by shareholders at the 2026 Annual General Meeting in line with the UK Corporate Governance Code.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Company's Articles of Association (the 'Articles') contain a provision whereby each of the Directors may be indemnified by the Company in respect of liability in relation to: (i) any negligence, default, breach of duty or breach of trust relating to the Company or any associated company; (ii) execution of his/ her duties as Director of the Company; and (iii) the activities of the Company or any associated company as trustee of an occupational pension scheme. For these purposes, associated company has the meaning given to it by section 256 of the Companies Act 2006.

However, a Director will not be indemnified for any liability incurred by him/her to the Company or Group companies; any criminal or regulatory fines; the costs of defending any criminal proceedings in which he/she is convicted; or the costs of defending any civil proceedings brought by the Company in which judgment is given against him/her.

The Company has purchased and maintains liability insurance for its Directors and officers as permitted by law and Deeds of Indemnity on terms consistent with the Articles have been executed by the Company in favour of the Directors.

POLITICAL AND CHARITABLE DONATIONS

The Company does not make political donations. During the year, the Group spent or donated a total of \$13.1 million to benefit local communities (2024: \$12.3 million).

RELATIONSHIP AGREEMENT

Pelham Investment Corporation (the 'Significant Shareholder'), Eduardo Hochschild (who together with the Significant Shareholder are collectively referred to as the 'Controlling Shareholders') and the Company entered into a relationship agreement (the 'Relationship Agreement') in preparation for the Company's IPO in 2006 and which was amended and restated during 2014.

The principal purpose of the Relationship Agreement is to ensure that the Group is capable of carrying on its business for the benefit of the shareholders of the Company as a whole, and that transactions and relationships with the Controlling

Shareholders and any of their respective associates are at arm's length and on normal commercial terms.

Further details of the Relationship Agreement with regard to the conduct of the Significant Shareholder are set out in the Corporate Governance Report on page 105 and, with regard to the right to appoint Directors to the Board, are set out on page 106.

As required by the Listing Rules, the Directors confirm that the Company continues to be able to carry on the business it carries on as its main activity independently from the Significant Shareholder at all times.

GOVERNANCE PROCESSES Conflicts of Interest

The Companies Act 2006 allows directors of public companies to authorise conflicts and potential conflicts of interest of directors where the Company's Articles of Association contain a provision to that effect. Amendments to the Company's Articles of Association were approved by shareholders in 2008, which included provisions giving the Directors authority to authorise matters which may result in the Directors breaching their duty to avoid a conflict of interest.

The Board has established effective procedures to enable the Directors to notify the Company of any actual or potential conflict situations and for those situations to be reviewed and, if appropriate, to be authorised by the Board, subject to any conditions that may be considered necessary. In keeping with the approach agreed by the Board, Directors' conflicts were reviewed during the year under review.

**DIRECTORS' REPORT** CONTINUED

Directors of the Company who have an interest in matters under discussion at Board meetings are required to declare this interest and to abstain from voting on the relevant matters.

Related Party Transactions

All related party transactions are put to the Independent Directors for consideration and if thought fit, approval.

GOING CONCERN

After their thorough review of Group liquidity and covenant forecasts the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the period to 31 March 2027 which is at least 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. Please refer to note 2(d) to the consolidated financial statements for full details of the Directors' assessment of going concern.

AGM

The 20th AGM of the Company will be held at 3pm on 9 June 2026. The shareholder circular incorporating the Notice of AGM will be sent separately to shareholders or, for those who have elected to receive electronic communications, will be available for viewing at www.hochschildmining.com

The shareholder circular contains details of the business to be considered at the meeting.

AUDITOR

As detailed in last year's Annual Report, Deloitte LLP was selected as the Company's Auditor following the tender process held in 2024. Accordingly, Ernst & Young LLP will be rotating off as Auditor in 2026 on completion

of matters relating to the audit of the 2025 financial statements, and a resolution to appoint Deloitte LLP as Auditor will be put to shareholders at the forthcoming AGM.

STATEMENT ON DISCLOSURE OF INFORMATION TO AUDITOR

Having made enquiries of fellow Directors and of the Company's Auditor, each Director confirms that, to the best of his/her knowledge and belief, there is no relevant audit information of which the Company's Auditor is unaware.

Furthermore, each Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

This confirmation is given, and should be interpreted, in accordance with the provisions of section 418(2) of the Companies Act 2006.

DIRECTORS' RESPONSIBILITIES

The Directors confirm that to the best of their knowledge:

- the consolidated financial statements, prepared in accordance with UK-adopted international accounting standards give a true and fair view of the assets, liabilities, financial position and profit of the parent company and undertakings included in the consolidation taken as a whole;
- the Annual Report, including the Strategic Report, includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and

- they consider the Annual Report, taken as a whole, to be fair, balanced and understandable and that it provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

See page 133 for a detailed description of the Directors' responsibilities in the preparation of the Annual Report and the Group and Parent Company financial statements.

DISCLAIMER

Neither the Company nor the Directors accept any liability to any person in relation to this Annual Report except to the extent that such liability could arise under English law. Accordingly, any liability to a person who has demonstrated reliance on any untrue or misleading statement or omission shall be determined in accordance with section 90A of the Financial Services and Markets Act 2000.

On behalf of the Board

RAJ BHASIN
COMPANY SECRETARY

10 March 2026

Hochschild Mining PLC
Company Number: 05777693



Corporate governance report



EDUARDO HOCHSCHILD
COMPANY CHAIR

A year of robust performance and active governance.

Dear Shareholder

I am pleased to present the Corporate Governance Report for 2025.

In addition to overseeing management's response to the operational challenges faced at Mara Rosa, the Directors took a number of actions over the course of the year to enhance the way we can effectively discharge our governance responsibilities.

BOARD EFFECTIVENESS

We were delighted to announce, early in the year, the appointment of Andrew Wray as an independent Non-Executive Director. This was in keeping with our Board succession plan which foresaw Michael Rawlinson's retirement having served over nine years on the Board and therefore indicated a need to ensure the continued presence of the experience and skills that would otherwise have been lost. Andrew brings with him longstanding experience of operating at a senior level within FTSE-listed mining companies as well a deep knowledge of capital markets.

Board succession also presented an opportunity to appoint our first female Senior Independent Director and Chair of the Remuneration Committee, and so I am delighted that Tracey Kerr and Jill Gardiner agreed to assume these respective roles following last year's AGM. There is a long way to go for the mining industry to address the gender imbalance in its workforce, but I am proud that we, as a Board, and indeed the Company as a whole, as reported in the Sustainability Report, have been able to make their contributions.

Following the external Board performance review undertaken in late 2024, I am pleased

that a number of strengths in the way the Board operates were acknowledged. We have worked diligently during the year to implement the areas of development that were identified and are pleased to report on the progress made later in this report.

ENGAGING WITH STAKEHOLDERS

A key input to the Board's deliberations on strategy is the views of stakeholder, both internal and external. As a result, the changes in Board responsibilities prompted an invitation to our largest independent shareholders to deepen their understanding of governance practices at Hochschild, and to share their views and expectations. This was a valuable exercise and we have provided further detail later in this report on the wide-ranging nature of the discussions held.

The second group of stakeholders the Board heard from was a selection of our Lima-based employees in a session of the Employee Forum which was chaired by Tracey Kerr as the Non-Executive Director designated for workforce engagement. The group was selected so that the Board could better understand the perceptions and needs of those who are in the early stages of their career. This not only helps the Board to gauge organisational culture, but it was also invaluable in ensuring that the Board can steer the Company to future strategic success by securing the talent that we need.

Please do not hesitate to contact me at Chairman@hocplc.com if you should have any comments or observations you wish to share.

EDUARDO HOCHSCHILD
COMPANY CHAIR



CORPORATE GOVERNANCE REPORT CONTINUED

Introduction

This report, together with the sections of the Annual Report referred to in the table to the right, describe how the Company has applied the Principles of the UK Corporate Governance Code ('the Code') (2024 edition) in respect of the year ended 31 December 2025. A copy of the Code is available on the website of the Financial Reporting Council (FRC) at www.frc.org.uk.

STATEMENT OF COMPLIANCE

The Board confirms that, in respect of the year under review, the Group has complied with the provisions contained in the Code with the exceptions noted below:

PROVISION 19

The Chair should not remain in post beyond nine years from the date of their first appointment to the Board.

Explanation:

As a major shareholder of the Company and given his significant experience of mining in Peru, the Directors consider Mr Hochschild's continued role as Board Chair to be in the best interests of the Company. As described later in this report, the Company's governance structure incorporates a number of checks and balances to ensure ongoing objectivity and that undue influence is not exercised.

PROVISION 37

Directors' contracts and/or other agreements or documents which cover director remuneration should include malus and clawback provisions that would enable the Company to recover and/or withhold sums or share awards.

Explanation:

In order to overcome the legal difficulties in enforcing clawback in Peru, the Group's malus policy describes the events which may lead to its implementation including misconduct, reputational damage, error in calculation and any material breach of an individual's employment contract.

Sections of UK Corporate Governance Code	Page References
1. Board Leadership and Company Purpose	
A. Effective board	91-92, 98
B. Purpose, values and culture	17, 42-44, 101-102
C. Governance framework	47, 98, 109, 115
D. Stakeholder engagement	42-66, 103-104
E. Workforce policies and practices	60-66, 104
2. Division of Responsibilities	
F. Role of chair	105
G. Board Balance & Independence	105
H. Non-Executive Directors' external commitments & challenge	91-92, 105
I. Board resources	98, 106
3. Composition, Succession and Evaluation	
J. Appointment to the board	106, 116-117
K. Board skills, experience and knowledge	91, 92, 105, 116
L. Annual board evaluation	106-108
4. Audit, Risk and Internal Control	
M. Independence of audit functions & integrity of reporting	109-114
N. Fair, balanced and understandable assessment	95
O. Effective risk management & internal control framework	76-88, 110-111
5. Remuneration	
P. Linking remuneration to purpose and strategy	20-21
Q. Remuneration policy review	119
R. Determining 2025 remuneration outcomes	122-124
Other Disclosures	
Share structure, shareholder agreements & constitutional provisions	130-132



CORPORATE GOVERNANCE REPORT CONTINUED


Board leadership and Company purpose

BOARD



EDUARDO HOCHSCHILD
COMPANY CHAIR

2 Non-Independent Directors



EDUARDO LANDIN
CHIEF EXECUTIVE OFFICER



JORGE BORN JR.
NON-EXECUTIVE DIRECTOR

5 Independent Directors




AUDIT COMMITTEE¹



JOANNA PEARSON
CHAIR

READ MORE ON PAGE 109

NOMINATION COMMITTEE¹




EDUARDO HOCHSCHILD
CHAIR

READ MORE ON PAGE 115

EXPLORATION WORKING GROUP

A working group consisting of management and Non-Executive Directors which reviews detailed reports on, and progress against, brownfield and greenfield exploration programmes.


REMUNERATION COMMITTEE¹



JILL GARDINER
CHAIR

READ MORE ON PAGE 118

SUSTAINABILITY COMMITTEE¹



TRACEY KERR
CHAIR

READ MORE ON PAGE 45

¹ See www.hochschildmining.com/about-us/governance/ for copies of the committees' terms of reference.



CORPORATE GOVERNANCE REPORT CONTINUED

THE BOARD

The Board is responsible for approving the Company's strategy and monitoring its implementation, for overseeing the management of operations and for providing leadership and support to the senior management team in achieving sustainable added value for shareholders. It is also responsible for enabling the efficient operation of the Group by providing adequate financial and human resources and an appropriate system of financial control to ensure these resources are fully monitored and utilised.

There is an agreed schedule of matters reserved for the Board which includes the approval of annual and half-yearly results, the Group's strategy, the annual budget and major items of capital expenditure.

2025 BOARD MEETINGS

Business

Nine Board meetings were held during the year, of which four were scheduled meetings. The ad hoc meetings were convened to consider:

- Updates on the Mara Rosa mine;
- The recommendation of the Nomination Committee with regards to the appointment of Andrew Wray as a Non-Executive Director;
- The partial divestment of the Volcan gold project through a listing of Tiernan Gold Corp on the TSX-Venture exchange.

In addition to the regular updates from across the business, the principal matters considered by the Board during 2025 are detailed on this and the following pages. In keeping with Board practice, meetings incorporate reports from each of the Committee Chairs on the business considered at their respective meetings.

Any significant matters arising from those meetings are discussed by the full Board and feature among the matters described.

Senior executives of the organisation are invited to attend Board meetings and to make presentations on their areas of responsibility. In the event a Director is unable to attend a Board or Committee meeting, comments are encouraged to be fed back to the Chairman of the relevant meeting who ensures that the absent Director's views are conveyed.

In between scheduled Board meetings, Directors are kept informed through:

- monthly management reports on the Company's operations, safety performance, exploration activity and financial position; and
- monthly Board update calls.

The Directors receive briefings from the Company Secretary and legal advisers on their duties under English law to promote the success of the Company. As in other large companies, these duties are, in part, discharged through a framework of delegated authorities.

MATTERS CONSIDERED BY THE BOARD IN 2025

HEALTH AND SAFETY

- Updates on the ongoing implementation of the Company's framework of safety initiatives (see page 57 for further details)
- Quarterly reviews of the health dashboard detailing performance of key health-related indicators at each of the operations
- Updates on the findings of the Company's investigations into health and safety matters including reports on severe operational accidents and near-misses. Please see Sustainability report for further information

FINANCIAL

- The stress-tested scenarios and the underlying assumptions used in (a) the going concern statements in support of the 2024 annual financial statements and 2025 half-yearly financial statements and (b) the viability statement included in the 2024 Annual Report and Accounts
- Approval of the 2024 Annual Report and Accounts and the 2025 Half-Yearly Report
- The Group's ongoing financial position and projected cash flows
- Approval of a Dividend Policy
- The recommended 2024 final dividend and approval of the 2025 interim dividend
- Updates on unbudgeted expenditure
- Approval of the proposal to roll-forward the hedged sale obligations for delivery in H2 2025 to H1 2028
- The review and approval of the 2026 budget

STRATEGY AND GROWTH

- The review and approval of the Group's annual strategic plan¹
- Progress of the Brownfield Exploration Programme
- Updates on the preparatory workstreams for, and the subsequent approval of, the financing and partial divestment of the Volcan gold project through the listing of Tiernan Gold Corp on the TSX Venture Exchange¹
- Updates on potential early-stage projects in targeted jurisdictions of interest



CORPORATE GOVERNANCE REPORT CONTINUED

BUSINESS PERFORMANCE

- Updates on the Mara Rosa operation, including the findings from both internal and externally-commissioned reviews, and the implementation of (i) changes to operational governance, and (ii) remedial actions at the operations
- Detailed updates on operational performance including progress on permitting in relation to Royropata
- Updates on the recruitment of the Chief Operating Officer

RISK & INTERNAL CONTROL

- Presentation on the Group's level of preparedness with regards to cyber-attacks
- Political developments in the Company's countries of operation
- Quarterly reviews of the Group's Risk Register detailing the significant and emerging risks faced by the Group and their corresponding mitigation plans
- Annual review of risk appetite
- Updates on progress on the Company's compliance with Provision 29 of the UK Corporate Governance Code

GOVERNANCE

- Updates and presentations from the Company Secretary on relevant legal and governance-related developments including lessons drawn from decisions of the Financial Conduct Authority with regards to Listing Rules/regulatory compliance
- An update on the implementation of the 2024 Board evaluation recommendations
- The process for the internally-led Board effectiveness review
- Non-Executive Directors' fees
- The annual reviews of the Directors' conflicts of interest and the independence of Non-Executive Directors

SUSTAINABILITY

- Reviews of the social climate in Peru, Argentina and Brazil and their potential impact on the Group's activities
- Performance of the Group against the internally-designed environmental corporate scorecard (the ECO Score) and updates on the Company's implementation of the Environmental Cultural Transformation Plan
- Review of the 2024 Sustainability and Climate-related Financial Disclosures' Reports
- Feedback on employees' views following meetings chaired by Tracey Kerr (see page 104 for further details)
- Approval of the Company's first Modern Slavery Statement <https://www.hochschildmining.com/media/t5mjh3st/modern-slavery-statement-hochschild-mining.pdf>
- Approval of the new Anti-Fraud Policy and revised versions of the Anti-Bribery and Corruption and Whistleblowing Policies, and Code of Conduct

INVESTORS' VIEWS

- Regular reports from the Head of Investor Relations on investor sentiment as part of the Group's comprehensive investor engagement schedule (see later section headed Shareholder engagement activities in 2025 on page 103)
- Feedback from investors (i) and proxy voting agencies on 2025 AGM business and (ii) in response to an invitation to meet with Tracey Kerr and Jill Gardiner in their respective roles as Senior Independent Director and Chair of the Remuneration Committee (see page 103 for further details)

EXTERNAL ENVIRONMENT

- Presentation from corporate broker, JP Morgan Cazenove, on the industry, the outlook for precious metals and regulatory matters

¹ See page 104 on how wider stakeholders' interests were considered in relation to these key Board decisions.



CORPORATE GOVERNANCE REPORT CONTINUED

Purpose and culture

The Group was established over a hundred years ago and over time it has characterised itself not only through sound operations but also in striving to achieve the highest standards of safety and with regards to its social impact. This approach is reflected and described in further detail in the Code of Conduct, which was originally adopted in 2010 and was revised in August 2025, and sets out the standards and behaviours expected from all levels within the Company as well as our partners, namely: professionalism, honesty, integrity, respect for our stakeholders and a commitment to safety, our communities and the environment. These are further reiterated in the Group's suite of policies relating to fraud and bribery.

As a Company with a mission of undertaking 'Responsible and Innovative Mining Committed to a Better World' – Hochschild Mining has adopted the values (below) to foster a culture that is aligned with its purpose.

OUR CORPORATE VALUES

The Company frequently runs events to reinforce the Company's culture and values involving colleagues across all of operations. In 2025 these included a series of events across our operations (see opposite and overleaf for further details).

ACTING RESPONSIBLY



BEING INNOVATIVE



RECOGNISING TALENT



BEING EFFICIENT



SETTING THE TONE

The Board sets the tone from the top, reflecting Hochschild's values in its deliberations and decision-making. The CEO and the executive management team is the crucial conduit through which the tone is cascaded throughout the organisation. In particular, during the year:

- the CEO kept the organisation updated on key aspects of the management re-organisation at Mara Rosa and hosted a virtual Q&A session on the review of the operation with all employees;
- the achievement of key strategic events were highlighted, such as the sale of Arcata;
- the CEO gave presentations on the 2024 full-year results and 2025 interim results as well as the underlying strategic priorities;
- the CEO reiterated the Company's commitments to sustainable mining in recognition of World Environment Day; and
- the CEO and COO reiterated the importance of workplace safety (see panel to the right for further information).

HOCHSCHILD

Em agosto, o foco esteve no atributo **Somos Responsáveis Sempre!**

Os indicados se destacaram por atitudes como:

- Tomar decisões conscientes para alcançar os melhores resultados.
- Colocar a segurança em primeiro lugar.
- Assumir responsabilidades pelas próprias ações.
- Respeitar e cuidar das comunidades vizinhas.
- Proteger o meio ambiente onde atuamos.

TIME DE OURO

Conheça o Time de Ouro do mês

@hochschildbrasil

BRAZIL: REINFORCING CULTURAL ATTRIBUTES

In Brazil, a dedicated programme was implemented to reinforce the Company's cultural attributes, delivered through four themed weeks, each focused on a specific cultural attribute. Each week concluded with the recognition of one staff employee, one technical (operational-level) employee, and one contractor employee who exemplified the cultural attribute being highlighted.

This initiative helped embed cultural attributes into daily operations and promoted role models across different worker groups.

UNCOMPROMISING ON SAFETY

As a reflection of the importance placed on safety, senior management shared messages at relevant points during the year on the collective commitment to safe working practices. Such messages were circulated in response to the occurrence of fatal accidents at other mining companies' operations in Peru, in support of the ILO's World Day for Safety and Health at Work, and at the end of the year to reiterate the uncompromising nature of the commitment to safety. Briefings are also held, in keeping with the Company's usual practice, on learnings arising from serious accidents or near-misses.



CORPORATE GOVERNANCE REPORT CONTINUED

ASSESSING AND MONITORING CULTURE

The Board assesses and monitors the Company's culture using a dashboard of measures (some of which are reported on a monthly basis) and the use of other mechanisms such as surveys and feedback from employees, both direct and indirect.

MONITORING CULTURE DASHBOARD

Responsibility

Safety

Accident Frequency Index (LTIFR), Accident Severity Index, High Potential Event rate, Leading indicators, Seguscore (see page 58 for further details)

Environmental

ECO Score

Community Relations

Production stoppages due to social issues

ESG

External ESG ratings

Ethical practices/Integrity

Whistleblowing reports, compliance training roll-out, internal audit reports

Innovation

Updates on operational efficiency projects

Recognising Talent

Team and individual development plans, staff turnover/retention rates, results of diversity and inclusion programmes, results of working climate survey

Efficiency

Operational KPIs including AISC, Production and Brownfield Exploration results and expenditure vs budget; Financial KPIs including Adjusted EBITDA, Working Capital, Cash Balance, Debt Covenant ratios

Surveys

The Board also receives updates from management on specific engagement initiatives which provide valuable insight at an operational level which, during 2025, included:

- an environmental culture survey, which was conducted for the second time to evaluate the maturity of environmental awareness; and
- the use of a digital tool designed by third-party specialists to assess employee awareness of the measures implemented to combat sexual harassment



HOC RECOGNITION WEEK

In 2025, we launched our inaugural Recognition Week, implemented across all operations, aimed at strengthening the practice of recognition at all levels of the organisation.

The initiative encouraged employees to identify and value behaviours that represent the Company's cultural attributes, reinforcing the importance of recognising positive contributions in daily work. This initiative was promoted by the CEO, and included:

- Virtual workshops focused on the importance of recognition and practical ways of acknowledging others' achievements.
- Leadership workshops delivered in each country.
- On-site activities at the administrative offices and mining units, where recognition cards were used to encourage peer-to-peer recognition.

In addition, a dedicated channel on the corporate collaboration platform was created to promote continuous recognition across the organisation.



CORPORATE GOVERNANCE REPORT CONTINUED

Engagement

The Board ensures there is regular and sustained engagement with its shareholders and other stakeholders which is fed back to the Board and taken into consideration in discussions and decision-making. This section of the report includes the s172(1) statement and, by cross-referencing other parts of this report, summarises how engagement was undertaken and how stakeholders' interests were considered in the key decisions taken during the year.

ENGAGEMENT WITH SHAREHOLDERS

Our approach

The Board Chair, with the support of the Senior Independent Director and the Company Secretary, is available to engage with major shareholders on matters of governance and performance against strategy.

The Chief Executive Officer is responsible for discussing strategy and business performance

with the Company's shareholders and conveying their views to the other members of the Board. He is supported in this regard by the Chief Financial Officer and the Head of Investor Relations who is based in the London corporate office.

In addition to the direct means of contact as detailed in the table below, Directors are kept informed of major shareholders' views through copies of (i) relevant analysts' and brokers' briefings, (ii) voting recommendation reports issued by institutional investor agencies, and (iii) significant correspondence from shareholders with respect to the business to be put to shareholder vote at General Meetings.

An extensive investor relations schedule resulted in management holding approximately 100 investor meetings during the year. The Company continued its use of platforms to facilitate the virtual attendance

of private investors in live presentations from the CEO on the full-year and half-year financial results and to submit questions.

2025 Shareholder Engagement Process

In early September 2025, the Company invited 13 of its largest independent shareholders to meet virtually with Tracey Kerr and Jill Gardiner to discuss governance matters following their respective appointments, earlier in the year, to the roles of Senior Independent Director and Remuneration Committee Chair. Six shareholders requested meetings which were also attended by the Company Secretary.

The discussions were wide-ranging and covered numerous aspects of corporate governance, executive remuneration and sustainability. In particular, the subject matters discussed included:

- Chair succession;
- Board composition and the process for Board-level recruitment;
- Directors' time commitments;
- The Board's approach to employee engagement and conducting visits to the operations;
- The Remuneration Committee's approach to 2025 remuneration in light of the operational challenges at Mara Rosa and the alignment between Hochschild's remuneration practices with its ESG objectives;
- The Board's role with respect to Human Rights issues including modern slavery and the whistleblowing process; and
- The Board's approach to performance reviews and the actions arising from recent assessments.

Outcome

The feedback received at the meetings was conveyed to the full Board which further informed their approach on the various issues discussed. In addition, these meetings (i) provided a key insight into the investors' governance areas of focus, and (ii) prompted further consideration of broader investor-related matters, for example, the potential for additional investor marketing within Latin America.

ENGAGEMENT WITH OTHER STAKEHOLDERS

On pages 42 to 44 of the Strategic Report, the Company has identified its key stakeholder groups and described how the Company engages with them. Further details on our interactions with these groups can be found in the Sustainability Report.

The Directors are aware of their duty under English company law (the 'section 172 duties') to act in the way that is considered, in good faith, as most likely to promote the success of the Company for the benefit of its shareholders and other factors. These include the likely consequences of any decisions in the long term, the interests of the Company's employees, the need to foster the Company's business relationships with all stakeholders, the impact of the Company's operations on the community and environment, and the desire to maintain a reputation for high standards of business conduct.

By understanding stakeholders' views and expectations, the Board is able to successfully steer the Company towards achieving its strategic goals in a sustainable manner and in acknowledgement of its licence to operate.

Shareholder engagement activities in 2025

Month	Event
January (and May, July, October)	Conference calls following each Quarterly Production Report
February	BMO Global Metals & Mining Conference
March	2024 annual results presentation and UK roadshow
May	BoA Merrill Lynch Global Metals, Mining and Steel Conference
June	AGM, where resolutions were passed with the support of an average of 97.5% of the votes cast.
August	H1 2025 results presentation
September	H1 2025 results UK roadshow, including presentation to retail investors via the Investor Meet Company platform Denver Gold Forum Invitation to significant shareholders to meet with Tracey Kerr and Jill Gardiner following their appointments to the respective roles of Senior Independent Director and Remuneration Committee chair (see right for more details).
October	Canaccord Silver Conference



CORPORATE GOVERNANCE REPORT CONTINUED

Below, we have summarised how the Board receives feedback from its key stakeholder groups:

Employees	As Chair of the Sustainability Committee, Tracey Kerr is our designated Director to oversee workforce engagement. In addition to receiving quarterly updates from the Vice President of Human Resources on discussions with trade unions and other employee group meetings, Tracey also met with employees at the San Jose mine during a site visit in August 2025. She also chaired an Employee Forum meeting at the Lima Head Office (see panel on the right-hand side for further details).
Social	Relevant matters are reported to the Sustainability Committee on a quarterly basis which is fed back to the Board.
Government/Regulators	Relevant matters are reported to the Board (a) on a routine basis in relation to significant matters, such as permitting, environmental and other regulatory matters and (b) as part of its consideration of the quarterly Risk Management updates on the political/regulatory climate.
Suppliers/Lenders	Relevant matters are reported to the Board as part of its consideration of the quarterly Risk Management updates (particularly with regards to Counterparty and Supply Chain risks).
Customers	Significant matters are reported to the Board by the Chief Financial Officer who is responsible for managing the Sales and Logistics department. There were no material matters raised during the year.

IMPACT ON WIDER STAKEHOLDER GROUP OF KEY DECISIONS IN 2025

In discharging their section 172 duties the Directors have regard to the factors set out above as well as other factors which are considered relevant to the decision being made. It is acknowledged that every decision we make will not necessarily result in a positive outcome for all our stakeholders. By considering the Company's purpose together with its strategic priorities, and having a process in place for decision-making, the aim is to make sure that decisions reflect the Group's corporate values.

For details on how our Board operates and the matters we discussed and debated during the year, please see pages 99 and 100. We set out below examples of how the Directors had regard to the matters set out in section 172(1) (a)-(f) when discharging their section 172 duties on certain decisions taken during the year.

(a) Annual Strategic Review

In keeping with its usual approach, the Board carried out a review of the Group's strategy. The discussion in 2025 identified ten strategic objectives as key drivers for growth in respect of which, four-year targets are set. Each objective reflects the pillars of Hochschild's

WORKFORCE ENGAGEMENT: EMPLOYEE FORUM

The forum, which was launched in 2022, is valued by Directors as they learn, first-hand, the views of colleagues across the business on a variety of subjects. The intention of the forum held in 2025 was to specifically hear the views of colleagues in the early stages of their professional careers as they represented the age demographic that is considered critical in driving the Company's future success. The meeting identified a number of perceived strengths and areas of development that would increase the appeal of Hochschild Mining as an employer and was followed by an open question and answer session which included insight into the Board's areas of focus in the medium to long term.

Key Feedback Received

Strengths

HOC benefits from a flat organisation structure making senior management accessible

Working environment and exposure to multi-disciplinary teams that support professional development

Policies that acknowledge a healthy work/life balance

Proud to be associated with a Company that acts on social and environmental commitments

Areas of Development

The provision of additional specialist training opportunities

The promotion of opportunities to work at other operations

Consideration of incorporating additional areas of innovation

Highlighting publicly the extent of social engagement undertaken by HOC

corporate purpose and promotes good ESG practices to ensure the achievements of the Group's 2030 ambitions as well as seeking to become an employer of choice by creating a positive working environment. By taking this approach, the Board has mandated that every strategic business decision should promote sustainability for a wide range of stakeholders.

(b) Partial Divestment of the Volcan Gold Project

In its decision to separately list, and raise finance for, the Volcan gold project and to partially divest the Group's ownership of the asset, the Board:

- Considered the expectations of shareholders generally for the Company to realise value from non-core assets; and
- Acknowledged that the listing and associated financing would result in the project progressing towards development which would create sustainable value for employees and local stakeholders (including communities, suppliers and government).



CORPORATE GOVERNANCE REPORT CONTINUED

Division of responsibilities

BOARD COMPOSITION

The Board comprised, at all times, a majority of Non-Executive Directors considered to be of independent judgement and character. In addition to Eduardo Hochschild, the other non-independent Non-Executive Directors are Eduardo Landin (CEO), and Jorge Born who has been nominated to the Board by Pelham under its rights pursuant to the Relationship Agreement (further details of which can be found on page 94 of the Directors' Report).

CHAIR

The Board is led by the Chair, Eduardo Hochschild who, through Pelham, is the Company's largest shareholder with an interest of c.38%.

As Chair of the Board, Eduardo Hochschild is responsible for leading the Board of Directors and ensuring that the Board is enabled to play a full and constructive part in the development and determination of the Group's strategy and overall commercial objectives.

CHIEF EXECUTIVE

In addition to leading the executive team in the day-to-day management of the Group's business, Eduardo Landin, as Chief Executive Officer, is responsible for the formulation of the vision and long-term corporate strategy of the Group, the approval of which is a matter for the full Board.

The Board has approved a document which sets out the division of responsibilities between the Chair and Chief Executive Officer.

STATUS OF THE CHAIR

In light of his significant shareholding, Eduardo Hochschild is not considered to be independent. However, the other

Directors of the Board continue to assert that he chairs the Board in an objective manner and encourages open and full debate. The Directors are satisfied that the composition of the Board and the implementation of certain contractual arrangements act as additional measures which prevent the exercise of undue influence by Eduardo Hochschild.

Firstly, the significant presence of Independent Directors and the active role of the Senior Independent Director ensure that the views of minority shareholders are well represented.

Secondly, the undertakings provided in the Relationship Agreement (as described below) ensure that the Company and its subsidiaries are capable of carrying on their business independently of Eduardo Hochschild and his associates.

The Relationship Agreement contains undertakings from each of Eduardo Hochschild and Pelham that:

- All transactions with the Company (and its subsidiaries) will be conducted at arm's length and on normal commercial terms;
- Neither of them (nor their associates) (the 'Relevant Parties') will take any action that would have the effect of preventing the Company from complying with its obligations under the UK Listing Rules;
- The Relevant Parties will not propose, and neither will they procure the proposal of, a shareholder resolution intended or which appears to be intended to circumvent the proper application of the UK Listing Rules; and

- The Relevant Parties will not take any action that would preclude or inhibit any member of the Group from carrying on its business independently of any of them.

SENIOR INDEPENDENT DIRECTOR

Tracey Kerr succeeded Michael Rawlinson as the Senior Independent Director ('SID') following Michael's retirement from the Board in June 2025. The role of the SID is not only to act as a central point of contact for the Non-Executive Directors as a group but to also act as a conduit between the Non-Executive Directors and the executive management team. To facilitate this, meetings of (a) the Non-Executive Directors and of (b) the Independent Non-Executive Directors are chaired by the SID after each Board meeting. This provides the opportunity to gather feedback and thoughts on Board discussions which are subsequently relayed to the Board Chair and/or the executive team as appropriate. A crucial part of the role of the SID is to meet with major shareholders if concerns have not been addressed by the executive team. No such meetings were requested during the year.

NON-EXECUTIVE DIRECTORS

The Company's Non-Executive Directors have held senior positions in the corporate sector. Each such Director brings their experience and independent perspective to enhance the Board's capacity to help develop proposals on strategy and to oversee and grow the operations within a sound framework of corporate governance.

Details of the tenure of appointment of Non-Executive Directors are provided in the Directors' Remuneration Report.

I am pleased to have taken on the role of Senior Independent Director in June 2025. It has long been acknowledged as a key position in Board-level governance, but it has particular importance at Hochschild where the Board Chair is also a significant shareholder.

TRACEY KERR
SENIOR INDEPENDENT
NON-EXECUTIVE DIRECTOR

INDEPENDENCE OF NON-EXECUTIVE DIRECTORS

In keeping with its usual practice, the Board considered, during the year, the independence of Non-Executive Directors taking into account the circumstances set out in Provision 10 of the Code. The Board has concluded that, with the exception of Eduardo Hochschild in light of his significant shareholding, and Jorge Born, who is a nominee director of Pelham, all other Non-Executive Directors are considered to be independent.

COMPANY SECRETARY

The Company Secretary is appointed and removed by the Board and is responsible for advising the Board on governance matters and the provision of administrative and other services to the Board. All the Directors have access to the Company Secretary.



CORPORATE GOVERNANCE REPORT CONTINUED

Composition, succession and evaluation

APPOINTMENTS AND RE-ELECTION OF DIRECTORS

The Board has established a Nomination Committee which recommends nominations to the Board. The report of the Nomination Committee appears on pages 115 to 117.

The Company has adopted the practice of requiring Directors to seek annual re-election by shareholders in keeping with the UK Corporate Governance Code. The biographies of the Directors can be found on pages 91 and 92 which, in addition to specifying other positions, also highlight the key skills and experience of each Board member.

Under the terms of the Relationship Agreement, Pelham has (i) the right to appoint up to two Non-Executive Directors to the Board for so long as it holds an interest of 30% or more in the Company and (ii) the right to appoint one Non-Executive Director for so long as it has an interest of 15% or more in the Company, and in each case to remove any such Director(s) previously appointed.

The Relationship Agreement continues for so long as the Company's shares are traded on the London Stock Exchange or until such time as the Controlling Shareholders (including Eduardo Hochschild) cease to own or control in aggregate a minimum of 15% of the issued share capital or voting rights of the Company.

In the exercise of its nominating rights, Pelham has currently only appointed Jorge Born.

BOARD DEVELOPMENT

It is the responsibility of the Board Chair to ensure that the Directors are able to build on their knowledge and are provided with the necessary resources to do so.

Briefings

The Directors receive regular briefings from the Company Secretary on developments in the areas of corporate law and corporate governance that affect their roles as Directors of a UK-listed company. During 2025, this included reviewing relevant published decisions of the Financial Conduct Authority for findings of breaches of rules and regulations that apply to listed companies and their officers.

In addition, the Directors have ongoing access to the Company's officers and advisers with presentations arranged periodically on topics such as Directors' duties and regulatory obligations.

BENEFITING FROM EXTERNAL EXPERTISE

In line with a recommendation arising from the 2024 Board review, representatives from JP Morgan Cazenove, one of the Company's corporate brokers presented to the Board in June 2025 on the precious metal mining sector and the outlook for silver and gold. In addition, the Directors were advised on the regulatory aspects of responding to investor activism.

ADVICE

The Company has procedures by which members of the Board may take independent professional advice at the Company's expense in the furtherance of their duties.

BOARD EFFECTIVENESS

The Board is committed to the process of continuous improvement and so, during the year (a) took a number of actions to implement the findings of the external evaluation undertaken in 2024, and (b) undertook an internally-facilitated evaluation towards the end of 2025.

2025 BOARD EFFECTIVENESS REVIEW Process

The Board carried out an internally-led Board Effectiveness review in the latter part of 2025 which involved one-to-one discussions between each Board member and the Senior Independent Director and Company Secretary. The discussions were wide-ranging and were structured to cover the following areas as well as focusing on other emerging matters.

The Board

Board composition and effectiveness, Format of meetings and materials, Specific aspects of the Board's responsibilities in general and learnings arising from the year's key developments.

The Committees

Reviews of composition, key aspects of their specific roles and upcoming areas of focus.

Peer Reviews

In relation to the Chair

Effectiveness of relationships, management of board meetings.

In relation to the Directors

Self-review and 360 Review of other Board members' strengths and development areas.



CORPORATE GOVERNANCE REPORT CONTINUED

Implementation of 2024 Board Effectiveness Review

The table below sets out the key actions taken in 2025 in respect of the principal recommendations arising from the prior year's review carried out by Lintstock.

Area of Focus	Recommendation	Actions taken	
Enhancing Director insight	Site visits	Consideration to be given to 'virtual visits' during Board meetings if physical visits are not feasible (due to remoteness, adverse weather, safety etc)	While this action will be kept under consideration, site visits were undertaken during 2025, with Tracey Kerr and Mike Sylvestre visiting the San Jose mine in August.
	External environment	Opportunities to be taken to enhance the Directors' knowledge of the Company's peers and their relative performance, technological advances in the industry and community-related considerations	Sector experts from JP Morgan Cazenove, one of the Company's corporate brokers, presented to the Board in June 2025 on the industry and the outlook for precious metals. Other Deep Dive sessions on relevant areas will be held during 2026.
	Management succession	Successor development below executive management level	Development plans and associated timelines for selected employees below executive management level were considered as part of the Nomination Committee's annual review in November 2025.
Strategy	Board involvement in strategic planning	Enhance preparation for, and conduct of, the Annual Strategic Review and consideration of longer-term priorities	Given management's focus on Mara Rosa over the period of preparation for the Annual Strategic Review, the recommended suggestions have been carried forward to the current year.
Governance & risk	Transition to new Senior Independent Director (SID)	Supporting Tracey Kerr through the incorporation of suggested practices to ensure smooth flow of information between Chair and the Non-Executive Directors	After each Board meeting, separate meetings take place as a matter of routine between (a) the Non-Executive Directors only, and (b) the Independent Non-Executive Directors only. These are followed by a meeting between the SID and Chair and, if necessary, between the SID and the CEO.
	Risk management	Targeted areas of development to enhance the Board's understanding of the Company's risk environment	Annual review of risk appetite has been formalised and included in Board calendar. Risk management processes are currently under review as part of the Company's preparations to comply with Provision 29 of the UK Corporate Governance Code (see page 111 for further details).
	Internal Board effectiveness reviews	Introducing a more robust individual director performance review	Approach incorporated in the 2025 internally-led review (see section below for further details).



CORPORATE GOVERNANCE REPORT CONTINUED

2025 BOARD EFFECTIVENESS REVIEW**Process**

The Board carried out an internally-led Board Effectiveness review in the latter part of 2025 which involved one-to-one discussions between each Board member and the Senior Independent Director and Company Secretary. The discussions were wide-ranging and were structured to cover the following areas as well as focusing on other emerging matters.

The Board

Board composition and effectiveness, Format of meetings and materials, Specific aspects of the Board's responsibilities in general and learnings arising from the year's key developments.

The Committees

Reviews of composition, key aspects of their specific roles and upcoming areas of focus.

Peer Reviews**In relation to the Chair**

Effectiveness of relationships, management of Board meetings.

In relation to the Directors

Self-review and 360 Review of other Board members' strengths and development areas.

Findings

The areas of strength and development areas identified in the 2025 Board and Committee Review are summarised below:

AREAS OF STRENGTH

- ✓ Open and constructive dynamic at Board meetings
- ✓ Quality of Board materials in general and in response to follow-up requests
- ✓ Support provided on governance and regulatory responsibilities
- ✓ The smooth transition of responsibilities to the new Senior Independent Director and Remuneration Committee Chair
- ✓ The effectiveness of the Audit and Sustainability Committees

Area of Focus		Action
Enhancing Director insight	External environment	Deeper dive discussions on technological advances in the industry and socio-political developments
	Operational insight	Senior country/operational managers to meet with Board members
Strategy	Strategic Updates	Enhancing periodic reporting on progress against strategic objectives
Risk	Contingency Planning	Reviewing the Company's preparedness to respond to unforeseen events



Audit Committee report



JOANNA PEARSON
COMMITTEE CHAIR

DEAR SHAREHOLDER

On behalf of the Board, I am pleased to present the Audit Committee Report for the year ended 31 December 2025.

In this section of the Annual Report, we provide shareholders with an insight into key areas considered by the Committee, together with an explanation of how the Committee discharged its responsibilities and provided assurance on the integrity of the 2025 Annual Report and Accounts.

Another key aspect of the Audit Committee's responsibilities is the monitoring of the effectiveness of the Company's internal controls and risk management processes. This was given increased focus during the year in light of Provision 29 of the UK Corporate Governance Code. In particular, a review of the Group's system of internal controls is well progressed which will enable the Directors to provide the requisite confirmation on the effectiveness of material controls in the 2026 Annual Report. Please refer to page 111 for further details.

Turning to the 2025 financial statements, the Committee reviewed management's material accounting judgements and disclosures where the issues of impairments, the accounting for the separate listing of Tiernan Gold and mine rehabilitation provision were considered in detail. Further information on these key accounting matters are provided on pages 113 and 114.

JOANNA PEARSON
COMMITTEE CHAIR

KEY ROLES AND RESPONSIBILITIES

- To monitor the integrity and material accuracy of the Company's financial statements and related disclosures;
- To monitor the effectiveness of the Company's internal controls and risk management systems and review the preparation of the going concern and viability statements;
- To review, on behalf of the Board, the Company's procedures for detecting fraud, the Company's systems and controls for the prevention of bribery and to review and conclude on non-compliance;
- Oversight of the Internal Audit function, review of its annual work plan and its findings;
- To oversee the relationship with the Company's external Auditor and to review the effectiveness of the external audit process; and
- To report to shareholders annually on the Committee's activities including details of the significant accounting issues encountered during the year and how they have been addressed.

MEMBERSHIP AND MEETINGS

Details of committee membership and attendance during the year are provided on page 93.

Additional details on the relevant experience and expertise of each Committee member are provided on the next page.

**CORPORATE GOVERNANCE REPORT: AUDIT COMMITTEE REPORT** CONTINUED

Joanna Pearson was formerly Executive Vice President and Chief Financial Officer of the FTSE 100 company, Endeavour Mining plc, and, prior to that, was an audit partner at Deloitte LLP, in Vancouver, Canada where she conducted multinational audit engagements for US and Canadian listed companies primarily in mining and emerging markets. Joanna is also a Non-Executive Director of (i) Gold X2 Mining (TSX-V) where she chairs the Audit Committee, (ii) Rupert Resources Limited (TSX) where she also chairs the Audit Committee and (iii) Orla Mining Ltd (TSX and NYSE) where she serves on the Audit Committee. Joanna is a Chartered Professional Accountant of British Columbia and is a graduate of the Institute of Corporate Directors (ICD), Rotman Directors Education Programme.

The other Committee members all have relevant financial experience, particularly given:

- Jill Gardiner's career in investment banking and her ex-officio position on the Audit Committee of TSX-listed Capital Power Corporation;
- Mike Sylvestre's extensive career with Vale Canada (formerly Inco Ltd) and his position on the Board of NYSE and TSX-listed Vista Gold Corp; and
- Andrew Wray's career in investment banking with JP Morgan Cazenove and his subsequent senior management roles with various listed mining companies including as CEO of Golden Star Resources and Chief Financial Officer of Acacia Mining Plc.

The Audit Committee members are considered to be Independent Directors and the Board is satisfied that at least one member has recent and relevant financial experience and that the Audit

Committee, as a whole, has competence relevant to the sector in which the Company operates. For further details on the skills and experience of the Audit Committee members, please refer to the biographical details on pages 91 and 92.

The performance of the Audit Committee was considered as part of the annual Board Effectiveness Review which was considered by the whole Board.

ATTENDEES

The lead partner of the external Auditor, EY, the Chair of the Company, the Chief Executive Officer, the Chief Financial Officer, the Vice President of Legal & Public Affairs and the Head of Internal Audit attend each Audit Committee meeting by invitation. The Company Secretary acts as Secretary to the Committee.

ACTIVITY DURING THE YEAR

The Committee considered the following principal matters during the year:

Financial reporting

- The 2024 Annual Report and Accounts and the 2025 Half-Yearly Report were reviewed by the Audit Committee before recommending their approval by the Board. In its review of these financial reports, the Audit Committee considered that appropriate accounting policies, estimates and judgements were applied in preparing the relevant statements and the transparency and clarity of disclosures contained within them. This included a review of the assumptions made with respect to the use of the going concern basis in preparation of the accounts, and the longer-term viability statement.

Review of review/audit plans

- In line with its usual practice, the Committee considered reports from the external Auditor which included the audit plan for the 2025 full-year audit as well as reports on the scope and structure of the review of the half-yearly results and audit of the annual results and any recommendations on the Company's processes and controls.

During the year, the Committee members held meetings with the external Auditor without executive management to discuss matters relating to the 2024 annual audit and the 2025 interim review.

RISK MANAGEMENT

Consideration and challenge of risk management assessments which incorporate a risk matrix detailing (i) the most significant and emerging risks facing the Group, (ii) an evaluation reflecting the likelihood of the occurrence of the risk and the extent of the potential impact on the Group, and (iii) commentary on the steps taken to manage each specific risk. See pages 76 to 86 for a description of the process by which the Group's principal and emerging risks are identified and monitored, and the actions taken during the year to mitigate them.





CORPORATE GOVERNANCE REPORT: AUDIT COMMITTEE REPORT CONTINUED

INTERNAL AUDIT

The Audit Committee continued to oversee and challenge the Group's adoption of a risk-based approach to internal audit. The Audit Committee receives a quarterly report from the Head of Internal Audit which sets out specific areas covered, findings identified, improvements being recommended and introduced, and proposals for the programme over the following three months. The CEO and Chief Financial Officer also receive copies of these reports to ensure that adequate support is provided for the activities of the Internal Audit function. During the year, the Chair of the Audit Committee had regular calls with the Head of Internal Audit to monitor the department's progress during the year and the Audit Committee met with the Head of Internal of Audit without the presence of executive management to discuss, among other things, the results of the internal audit during the year and the scheduled work plan.

INTERNAL CONTROLS

As delegated by the Board, the Audit Committee is responsible for reviewing the adequacy and effectiveness of internal financial controls, and internal control and risk management systems. These controls are a critical component of our governance and assurance framework.

At its March 2026 meeting, the Audit Committee reviewed the processes implemented by the Company which provide assurance on the adequacy of those controls and systems which includes the following:

- **Reports from the Head of the Internal Audit function** (see earlier for more information).
- **Reviews of accounting and financial reporting processes** together with the internal control environment at Group level. This involves the monitoring

of performance and the taking of relevant action through the monthly review of Key Performance Indicators and, where required, the production of revised forecasts. The Group has adopted a standard accounting manual to be followed by all finance teams, which is continually updated to ensure the consistent recognition and treatment of transactions and production of the consolidated financial statements.

- The adoption of **delegated authorities with respect to capital expenditure and investments**.
- The **monitoring of cash balances** by the Treasury function.
- **The external Auditor's observations** of the Company's internal control environment.
- **Review of budgets** and reporting against budgets.
- **Consideration of progress** against strategic objectives.

Accordingly, the Committee is satisfied that, for the year under review and the period from 1 January 2025 to the date of approval of the Annual Report and Accounts, internal controls are in place at the operational level within the Group.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and it must be recognised that such a system can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group's internal controls over financial reporting include policies and procedures designed to ensure that the financial statements give a true and fair view and are free from material misstatement.

The Audit Committee confirms that the effectiveness of the Company's system of risk management and internal controls has been reviewed with respect to the year under review. These covered material controls, which included controls covering operational, financial and compliance matters. With the operational issues identified at Mara Rosa in the first half of the year, management and the

Internal Audit team evaluated the processes in place and implemented additional controls to strengthen the control environment and increase consistency across the Group.

The Directors confirm that no significant failings or weaknesses were identified as a result of the review of the effectiveness of the Group's system of internal control.

PROVISION 29 READINESS ACTIVITIES

A recurring item for the Committee in the second half of 2025 has been the business' readiness activities relating to changes brought in by the new UK Corporate Governance Code (the Code), specifically the approach and roadmap to achieve compliance with the new Provision 29.

With the support of KPMG, the process undertaken to date has been focused on reviewing the current risk and controls framework and finalising the Group's definition of 'materiality'.

Management provided the Committee with activity updates during the year which can be summarised as follows:

- 1. Selection:** Review of proposals from third-party firms to support the Group, resulting in the appointment of KPMG.
- 2. Assessing Risk & Readiness:** Sharing understanding of current Enterprise Risk Management Framework, identifying gaps and remediation.

3. Risk-Mapping analysis: Review of the business' current risk reporting, including regular reporting to the Directors, as well reviewing operational risk reporting.

4. Defining 'risk materiality': In preparation for identifying 'material controls', the proposed approach for determining materiality was agreed with the Committee.

5. Establishing Working Group: Comprising the Audit Committee Chair, CFO, Company Secretary and Head of Internal Audit, progress the next stages of the project, and report back to the Committee. The following phases include:

- Validating the design of material controls;
- Reviewing the results of the testing of controls framework, with follow up action as appropriate; and
- Developing continuous performance monitoring and reporting.



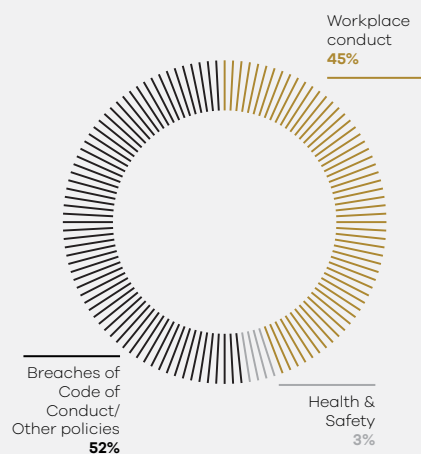
CORPORATE GOVERNANCE REPORT: AUDIT COMMITTEE REPORT CONTINUED

WHISTLEBLOWING

The Audit Committee reviewed, on behalf of the Board, the adequacy of the Group's whistleblowing arrangements.

Whistleblowing reports are circulated to a group comprising the Audit Committee Chair ('AC Chair'), the Head of Internal Audit, the Vice-President of Human Resources and the Company Secretary ('the Reporting Group'); the AC Chair has a preliminary discussion with the Head of Internal Audit on the approach to the investigation; and the findings of the investigation are then reported, in the first instance, to the Reporting Group, and are summarised to the Audit Committee at its next scheduled meeting. The Head of Internal Audit also circulates to the Reporting Group, on a periodic basis, summaries of ongoing investigations into matters raised through the Company's whistleblowing channels, and their relevant status.

2025 Whistleblowing reports



Categories above relate to the nature of the allegation made whether or not they were established by the subsequent investigation.

FRAUD AND BRIBERY

The Audit Committee continued to review and challenge the actions taken by management to promote ethical and transparent working practices.

The Group's Code of Conduct describes the values and standards of behaviour expected of our employees and our business partners. In addition, the Group has adopted a specific Anti-Bribery and Anti-Corruption Policy to reflect the Board's zero tolerance to these types of acts. This policy, as well as the Code of Conduct, were revised and a new Anti-fraud Policy was adopted during the year in advance of the entry into force of the new corporate offence of Failure to Prevent Fraud under the Economic Crime and Corporate Transparency Act 2023.

EXTERNAL AUDIT
Ongoing Relationship Management

The Audit Committee oversees the relationship with the external Auditor. The Audit Committee evaluated the performance of EY in relation to the review of the HY24 financial statements and the audit of the FY24 financial statements and concluded that it was appropriate to recommend the reappointment of EY as external Auditor at the 2025 AGM. The Audit Committee reviewed the findings of the external Auditor, reviewed management letters, and reviewed and approved the audit fees.

In line with its usual practice, the Audit Committee evaluated the effectiveness of EY and the external audit process taking into account the results of Hochschild management's internal survey relating to EY's performance as well as views and recommendations from management and its own experiences with the external Auditor. Key criteria of the evaluation included resources and expertise, quality and timeliness of the audit process, quality of communication and reporting to the Audit Committee. The current audit partner is Jessy Maguhn who has held the role since 1 May 2024.

Auditor objectivity

The Audit Committee has adopted a policy on the use of the external Auditor for the provision of non-audit services (see later section on Auditor independence for more details). In addition, objectivity is also ensured by the regular rotation of the lead audit partner which last took place following the approval of the 2023 financial statements.

GOVERNANCE

The Audit Committee received updates from the Auditor and the Company Secretary on regulatory and other developments impacting the Committee's role such as the status of reforms of UK audit governance.

EVALUATION

The Committee's performance was evaluated as part of the annual Board effectiveness review which, as reported earlier in this Corporate Governance Report, was undertaken internally led by the Senior Independent Director and supported by the Company Secretary. Aspects of the Committee's role were considered and discussed in the one-to-one interviews held with each Board member. The process confirmed that the Audit Committee continued to fulfil its responsibilities effectively.

TRANSITIONING TO DELOITTE AS NEW EXTERNAL AUDITOR

As previously reported, Deloitte was appointed as the successor to EY as external auditor following the audit tender held in 2024.

Management has worked closely with the incoming audit team during the year to understand Hochschild's organisational structure and financial reporting process. This familiarisation phase of the transition has involved:

- The holding of workshops across the business to better understand roles, responsibilities and high-level processes;
- Attendance, by the signing partner and Audit manager, at Audit Committee meetings from August 2025, where all significant accounting matters and judgements were discussed;
- Meetings held between relevant Hochschild functions and specialist Deloitte teams;

- Shadowing activities conducted by EY on relevant meetings;
- Ensuring independence requirements continued to be met; and
- The London-based audit team travelling to Lima at the end of 2025 to meet with senior management to commence planning activities for FY26.

The process envisages the production of a transition report in June 2026 covering insights and benchmarking information as well as the initial plans for the HY26 review and FY26 audit.

A resolution seeking approval for Deloitte's appointment will be put to shareholders at the forthcoming AGM.

CORPORATE GOVERNANCE REPORT: AUDIT COMMITTEE REPORT CONTINUED
TAX COMPLIANCE STRATEGY

During the year the Audit Committee approved, on behalf of the Board, a document on the Group's approach to UK tax matters. The document can be found in the Corporate Policies section of: <https://www.hochschildmining.com/sustainability/sustainability-reports-and-policies/>

SIGNIFICANT ISSUES RELATING TO THE 2025 FINANCIAL STATEMENTS

As recommended by the Code, the following is a summary of the significant issues considered by the Committee in relation to the 2025 financial statements and how these issues have been addressed.

(a) Impairments

The Audit Committee considered management's analysis of potential indicators of impairment and impairment reversals across the Group's operating and development stage assets. In addition, the Committee considered the analysis undertaken with respect to the Group's investment in Aclara.

Having concluded on the presence, or not, of triggering factors, the Audit Committee reviewed and challenged:

- The commodity prices, production forecasts, cost assumptions, inflation, foreign exchange and discount rates used for the reversal of impairment analysis with respect to San Jose;
- With respect to Volcan, the evidence of recent publicly trading share price as a result of the completion of the reverse takeover transaction in December 2025 resulted in an additional reversal of impairment at year end, in addition to the reversal of impairment that was recognised at 30 June 2025, which had been determined using an in-situ valuation; and

- The basis of the calculation of the reversal of the impairment related to the investment in Aclara taking into account the prolonged increase in the Aclara share price above the cost of the investment.

In conclusion, the Audit Committee concurred with management that there were reversal of impairments for San Jose and Volcan in the year ended 31 December 2025 for \$13.6 million and \$43.3 million, respectively. In addition, the Audit Committee concurred with management that there was a reversal of the previous impairments recognised on the Company's investment in Aclara of \$22.2 million.

(b) Accounting for the Tiernan transaction(s)

The Audit Committee considered the judgements and estimates in accounting for the reverse take-over (RTO) of Tiernan Gold Corp. (Tiernan) by Railtown Capital Corp. (Railtown), which resulted in Tiernan becoming a publicly traded company on the TSX Venture Exchange in December 2025.

In its assessment of the analysis undertaken by management, the Audit Committee reviewed and challenged:

- The impact of the RTO on the carrying value of the Tiernan assets in the Group's consolidated financial statements, and the resulting impairment reversal (see (a) above);
- The accounting for the Company's change in ownership interest of Tiernan without loss of control, which was recognised in equity, and the calculation of the non-controlling interest;
- The accounting for the difference in the deemed consideration upon completion of the RTO and the fair value of Railtown's identifiable net assets as a listing expense in the year;



**CORPORATE GOVERNANCE REPORT: AUDIT COMMITTEE REPORT** CONTINUED

- The allocation of the value of each subscription receipt between one common share and one-half of a common share purchase warrant; and
- The accounting for the outstanding warrants issued by Tiernan which are denominated in Canadian dollars, and are a financial liability measured at fair value through profit or loss.

In conclusion, the Audit Committee concurred with management's accounting for and the judgements and estimates used with respect to the Company's interest in Tiernan.

(c) Accounting for hedges

The Audit Committee considered the accounting for and judgements made with respect to the hedges that were outstanding during the year, in particular with respect to the renegotiation of certain gold forward hedges to defer the contracts for 20,813 ounces from the second half of 2025 to the first half of 2028. The market value of the rolled forward contract was a loss of \$26.4 million at the time that they were renegotiated.

In its assessment of the analysis undertaken by management, the Audit Committee reviewed and challenged:

- The Company's objective with respect to its hedging programme and whether the contracts that were rolled forward during the year were consistent with the Company's hedging policy;
- Whether the sales of gold designated in the hedge documentation were ounces that were highly probable to have been sold during the year relative to the total ounces of gold sold by the Company in 2025; and

- The presentation of the non-cash unrealised loss related to the rolled over contracts in the consolidated income statement as an exceptional revenue item in the year.

The Audit Committee concluded that the accounting for the hedges during the year was appropriate. The Company realised losses of \$86.0 million related to hedges that were settled during the year, and an additional \$26.4 million was recognised as an exceptional item in revenue for the hedge contracts that were rolled over from 2025 to 2028. At 31 December 2025, the value of the Group's derivative financial liabilities related to hedges maturing in the between 2026 and 2028 is \$276.6 million.

(d) Mine rehabilitation provision

The Audit Committee considered the judgement exercised by management in assessing the amounts required to be paid by the Company to rehabilitate the Group's assets. In its assessment of the analysis undertaken by management, the Audit Committee took into account:

- The basis of the estimation of future rehabilitation costs;
- The discount rates applied;
- The significant changes in estimates in the current year and the basis for increased costs; and
- The accounting for the changes in the provision in the current year.

The Audit Committee concluded the provision and related disclosures related to the Group's mine rehabilitation activities to be appropriate.

AUDITOR INDEPENDENCE

The Audit Committee continues to oversee the implementation of specific policies designed to safeguard the independence and objectivity of the Auditor, which includes the Group's policy on the provision of non-audit services.

POLICY ON THE USE OF AUDITOR FOR NON-AUDIT SERVICES

The Audit Committee has adopted a policy on the use of the Auditor for non-audit services (the 'NAS Policy').

The NAS Policy reflects the Revised Ethical Standard in permitting the engagement of the Auditor only for additional services that are directly linked to the audit or are required by law and/or regulation. The NAS Policy requires (i) the Audit Committee and Chief Financial Officer to approve all non-audit services undertaken by the external Auditor and (ii) that the cost of non-audit services rendered by the external Auditor, in any financial year, cannot exceed 70% of the average of the audit fees paid to the external Auditor in the last three consecutive financial years.

The Audit Committee continuously monitors the level of fees for non-audit services compared to the audit fees paid to the Auditor in the last three consecutive financial years.

2025 AUDIT AND NON-AUDIT FEES

Please refer to note 33 to the consolidated financial statements for details of the fees paid to the external Auditor.

SAFEGUARDS

Additional safeguards to ensure Auditor objectivity and independence include:

- Six-monthly reports to the Audit Committee from the Auditor analysing the fees for non-audit services rendered;
- An annual assessment, by the Audit Committee, of the Auditor's objectivity and independence in light of all relationships between the Company and the audit firm; and
- The pre-approval of any non-audit services by the CFO and the Audit Committee.

Compliance Statement required under Article 7.1 of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 (the 'Order')

The Company confirms that it has complied with the Order during the year under review.



Nomination Committee report



EDUARDO HOCHSCHILD
COMMITTEE CHAIR

DEAR SHAREHOLDER

I am pleased to present the
Nomination Committee's
2025 report.

As reported earlier in the report, 2025 saw a number of changes to the Board and key Board-level responsibilities.

I am delighted that Andrew Wray joined the Board as an independent Non-Executive Director. He brings the skills and experience, both in terms of the sector, and in relation to equity capital markets, which is of particular relevance given our London listing.

The Committee also considered the findings from the internally-led Board performance review, particularly with regards to ensuring that Directors are kept updated on relevant influences impacting the external environment in which the Company operates.

We also maintained our focus on succession planning, with our annual review of the Board skills matrix, and of the management succession plan. Significant time was spent reviewing progress against individual development plans for the senior executive team, and where relevant, the state of readiness of their internal successors.

EDUARDO HOCHSCHILD
COMMITTEE CHAIR

KEY ROLES AND RESPONSIBILITIES

- Identify and nominate candidates for Board approval;
- Make recommendations to the Board on composition and balance;
- Oversee the succession planning of Board and senior management positions; and
- Review the Directors' external interests with regards to actual, perceived or potential conflicts of interest.

MEMBERSHIP AND MEETINGS

Details of committee membership and attendance during the year are provided on page 93.

The Company Secretary acts as Secretary to the Committee.

ACTIVITY DURING THE YEAR

The Committee met three times during the year and undertook the following:

Reporting and monitoring

- The approval of the report of the Committee's activities for inclusion in the 2024 Annual Report

Board/Committee roles

- As reported last year, the Committee recommended, to the Board, the appointment of Andrew Wray as an independent Non-Executive Director



CORPORATE GOVERNANCE REPORT: NOMINATION COMMITTEE REPORT CONTINUED

Succession planning**Board succession plan**

- The annual review of the Board tenure and skills matrix which maps the presence of key strategic skills and other desirable attributes around the Board table, thereby identifying any current gaps and those that could arise following anticipated changes in the composition of the Board (see Board skills matrix to the right).

Chair succession

As stated in previous Annual Reports, the Board believes that, taking into account Eduardo Hochschild's long-standing involvement with the Company, his significant shareholding, and the governance structure and practices that have been adopted as described earlier in this report, his continued role as Board Chair remains in the best interests of the Company.

A succession plan in relation to the Chair is in place and whilst there are no short or medium-term plans for Eduardo Hochschild to retire, he has informed the Board that, absent any change in circumstances, his intention is to retire by the age of 70 (being within the next eight years).

Executive succession and development plan

- The annual review of the HOC Talent and Succession Review Plan (TSRP) which, in addition to setting out the developmental needs for senior executives, also identifies successors to 'Critical Positions' and their personal development strategies. In reviewing this Plan during the year, the Committee also sought, in line with its commitment, to improve the diversity of the pipeline of talent coming through to executive management level.

Board skills matrix

	1	2	3	4	5	6	7	8	9	10	11	12
Eduardo Hochschild	x	x	x	x		x	x				x	
Eduardo Landin	x		x	x							x	
Jorge Born			x		x	x	x				x	
Jill Gardiner					x	x	x					
Tracey Kerr	x	x						x		x	x	x
Joanna Pearson					x	x	x	x				
Mike Sylvestre	x		x							x	x	
Andrew Wray	x				x	x	x	x	x			

- Mining experience
- Geology
- Managing Latam business
- Government relations
- Recent and relevant financial experience
- Corporate finance

- M&A experience
- UK corporate governance
- Relations with UK financial institutions
- New technologies/innovation
- ESG/Socio-political issues
- Climate Change

Conflicts of interest

- Consideration of actual or potential conflicts of interest arising from proposed directorships prior to their acceptance by a Board member. During the year, such consideration was given to the appointment of Joanna Pearson to the boards of Rupert Resources Limited and Orla Mining Ltd.

Evaluation

- Reviewed the findings of the internally-led Board Performance review, in particular with regards to any development needs that had been identified. Topics of interest have been identified and will be the subject of briefings to be arranged over the course of the year.

Appointments to the Board**The Company's approach**

In seeking candidates for appointment to the Board, regard is given to relevant experience and the skills required to complete the composition of a balanced Board (with reference to the Board skills matrix) and taking into account the challenges and opportunities facing the Company.

Other factors are also considered such as the opportunity to increase diversity and the time commitment for the role. With respect to the latter, the Company does not take a prescribed approach with reference to the number of other Board positions that may be held by an existing or potential Board member but rather an assessment on a case-by-case basis of the capacity to assume the responsibilities required of the role in question.

Induction

New Board appointees are offered the opportunity to meet with key management personnel and the Company's principal advisers as well as undertaking visits to the Group's operations. In addition, where appointees will serve on any of the Board Committees, sessions with the relevant Committee Chairs are organised.

Appointment of Andrew Wray

In line with the succession plan, Andrew Wray was appointed as an Independent Non-Executive Director to succeed Michael Rawlinson following his planned retirement from the Board at the 2025 AGM.

While it is the Company's general approach to engage a search agency for Non-Executive appointments, on this occasion Andrew Wray was already known to the Company and hence was approached directly to meet with Board members before his appointment was recommended to the Board for approval.

In identifying Andrew Wray as a candidate, the Nomination Committee took into consideration the desirable skills that would be lost through Michael Rawlinson's retirement and the recommendation from past Board Performance reviews which recognised the benefits of appointing a Non-Executive Director with past mining operations experience.

Andrew Wray induction process**Provision of key documentation:**

On Governance, Key Corporate Policies, Directors' & Officers' Liability Insurance and other useful information

The Board perspective:

Meets with other Board members

The operational perspective:

Meetings with the CEO, CFO, COO

Briefings:

Internal: Vice Presidents, Head of Internal Audit, Head of Investor Relations, Company Secretary

External: EY (External auditor), FIT (Remuneration Committee adviser)



CORPORATE GOVERNANCE REPORT: NOMINATION COMMITTEE REPORT CONTINUED

DIVERSITY

Policy on Board appointments

The Board is committed to the overriding principle that every member and potential appointee must be able to demonstrate the skills and knowledge to be able to make a valued contribution to the Board. It is also acknowledged that diversity brings new perspectives which can drive superior business performance and promote innovation.

The Directors have therefore adopted a multifaceted approach to Board (and, by extension, Committee) recruitment which:

- Primarily considers a candidate's merits; and
- Seeks opportunities to ensure the ongoing diversity of the Board whether of gender, culture, race, professional background, nationality or otherwise and which reflects the Company's specific circumstances, primarily that it is headquartered in Peru with operating assets located solely in South America.

For further details of the diversity and inclusion initiatives and the progress made by the Company during 2025, please refer to pages 60 and 61.

Compliance with UKLR 6.6.6R(9) (Diversity Disclosures)

The following tables are included in compliance with the FCA Listing Rules requirements on Board/Senior management diversity.

The information used to complete the tables below was requested of each Director by the Company Secretary who provided the categories and sub-categories of ethnicity referred to in the FCA Listing Rules which are based on those used by the UK Office for National Statistics.

Each Director was provided the opportunity to appear in the following tables as 'not specified/preferred not to say'.

Statement of Compliance as at 31 December 2025

Target	Compliance	Explanation (were non-complaint)
At least 40% of the Board are women	No	While the proportion of women on the Board overall is just short of the target, at 38%, it increases (a) to 43% if Jorge Born is excluded from the calculation given that he has been nominated to the Board under the Relationship Agreement with Pelham, and furthermore (b) to 50% if Eduardo Landin, the CEO, is also excluded.
At least one of the senior Board positions (Chair, CEO, Senior Independent Director or CFO) is held by a woman	Yes	Tracey Kerr succeeded Michael Rawlinson as Senior Independent Director on 12 June 2025.
At least one member of the Board is from a minority ethnic background	No	The composition of the Board reflects the Company's geography of operations which are located solely in South America where definitions of ethnicity differ from those used in the UK.

There have been no changes to the above information since 31 December 2025 up until the date of approval of this report.

Gender diversity

Members	Number of Board members	Percentage of the Board ¹	Number of senior positions on the Board (CEO, CFO, SID and Chair) ²	Number in executive management	Percentage of executive management
Men	5	63%	3	7	100%
Women	3	38%	1	–	–
Not specified/prefer not to say	–	–	–	–	–

¹ Subject to rounding.

² The CFO is included in the table above but is not a Board member.

Ethnic background

Members	Number of Board members	Percentage of the Board ¹	Number of senior positions on the Board (CEO, CFO, SID and Chair) ²	Number in executive management	Percentage of executive management ¹
White British or other White (including minority-white groups)	8	100%	3	1	14%
Mixed/Multiple Ethnic Groups	–	–	–	–	–
Asian/Asian British	–	–	–	1	14%
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group, including Arab	–	–	1	5	72%
Not specified/prefer not to say	–	–	–	–	–

¹ Subject to rounding.

² The CFO is included in the table above but is not a Board member.



Directors' Remuneration report



JILL GARDINER
COMMITTEE CHAIR

DEAR SHAREHOLDER

On behalf of the Board, I am pleased to present my first Directors' Remuneration Report as Chair of the Remuneration Committee.

I would like to start by thanking Michael Rawlinson for having chaired the Committee with diligence, efficiency and dedication for more than seven years. The report comprises this Annual Statement and the Annual Report on Remuneration.

PAY AND PERFORMANCE IN 2025 **2025 Performance**

General

We have reported, earlier in the Annual Report, on the Company's robust financial performance which is the result of both favourable precious metal prices and disciplined execution at Inmaculada. In addition, the Company's exploration efforts have seen the incorporation of significant additional mineral resources that are expected to extend the lives of our core mines, and materially at Inmaculada.

From an operational perspective, the year saw challenges at the Mara Rosa mine in respect of which management initiated a detailed turnaround plan.

Operational Targets

As a result of the issues at Mara Rosa, the Company was not able to achieve the production and cost objectives set at the beginning of the year. Also, in keeping with the Remuneration Committee's usual approach of disregarding the impact of external factors such as commodity prices on bonus outcomes, the threshold target for Adjusted EBITDA for the full year was not met.

Strategic execution

The Company made meaningful progress during the year toward achieving our medium to long-term objectives.

At Monte do Carmo, advances were made on all fronts, as described on page 123, with a construction decision planned for mid-2026. Permitting at the Company's key development project in Peru, Royropata, is also proceeding as scheduled with current expectations that production will commence in two to three years.

The brownfield exploration programme yielded 1.7 million gold equivalent ounces of additional inferred resources across our sites.

Finally, in keeping with the Board's commitment to divest and monetise non-core assets, we were pleased to complete the listing of the Volcan gold project through the listing of Tiernan Gold Corporation on the TSX Venture Exchange.

Acknowledging Responsibility

A significant focus of the Company's remuneration policy is on safety and environmental management performance as well as progress on ESG matters generally. Pleasingly, the year-end LTIFR of 0.97 is an all-time low for Hochschild and the full-year ECO Score, which reflects, among other things, potable water consumption and waste recycling, was at 5.61 out of 6. Our progress on ESG matters overall also prompted improvements in two key external ratings, as further detailed on page 123.

We continued to look at wider employee pay matters by reviewing the alignment of elements of pay across the organisation with our strategic objectives.

Assessing performance

As stated in detail later in this report, the Remuneration Committee assessed

**DIRECTORS' REMUNERATION REPORT CONTINUED**

performance reflecting on the above factors. It was concluded that, as the operational objectives set at the beginning of the year in relation to production, Adjusted EBITDA and costs were not met, the overall bonus outcome for 2025 was just under 49% of maximum. Further details of the performance outcomes are set out in the Annual Report on Remuneration.

LTIP vesting

The 2023 LTIP awards, which are subject to a three-year performance period ending on 31 December 2025, are due to vest on 20 April 2026. The 2023 awards were subject to three performance measures based on the Company's relative TSR performance against a tailored peer group (50%), the additions of measured and indicated resources (25%), and a consistency metric measured against average bonus scorecard outcomes (25%). The 2023 LTIP awards vested as to 75% of maximum and further details of the performance outcomes are also set out in the Annual Report on Remuneration.

2026 Remuneration

As part of our 2026 annual salary review, we will increase the CEO's base salary to \$760,000 (2025: \$660,000) effective March 2026. This is considered to be an appropriate market-level salary for the Hochschild CEO following a detailed assessment and benchmarking exercise carried out by the Remuneration Committee.

The Committee's assessment took into account:

- the level of Eduardo Landin's salary on appointment in August 2023 which was deliberately set considerably lower than that of his predecessor to reflect his first CEO role; and
- the progress made by the Group under Eduardo's leadership.

The detailed benchmarking undertaken by the Committee revealed that when compared with peers in the FTSE 250, where the Company ranks amongst the largest companies, the new salary remains amongst the lower CEO salaries.

As an operator in an extractive industry, we realise that our reported results and underlying share price can be influenced strongly by underlying commodity prices. Accordingly, it is important that we only set salaries at levels which we are comfortable paying year-on-year, and we regard this positioning as being attained by this 2026 salary-level. No further above employee salary inflation increases are currently envisaged now that this progression on our CEO's base salary from appointment to a market-level has been completed.

Further details on the assessment carried out by the Committee can be found on page 125.

As confirmed later in this report, there are no material changes in how the bonus and LTIP will operate in 2026.

2026 AGM

At the forthcoming AGM, shareholders will be asked to approve the Directors' Remuneration Report, being the usual annual advisory vote.

I would like to thank our shareholders for their continuing support on remuneration matters as evidenced by the voting on our 2024 Directors' Remuneration Report which was supported by over 98% of the votes cast.

We continue to welcome your views. Should you have any comments or questions on any element of the Directors' Remuneration Report, please do not hesitate to contact me at info@hocplc.com.

JILL GARDINER
CHAIR OF THE REMUNERATION COMMITTEE

This report has been prepared according to the requirements of the Companies Act 2006 ('the Act'), Regulation 11 and Schedule 8 of the Large and Medium-Sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, the Companies (Miscellaneous Reporting) Regulations 2018, the Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019 and other relevant requirements of the FCA Listing Rules. In addition, the Board has applied the principles of good corporate governance set out in the UK Corporate Governance Code, and has considered the guidelines issued by its leading shareholders and bodies such as ISS (Institutional Shareholder Services), the Investment Association, and Glass Lewis.

Directors' Remuneration Policy (unaudited)

The Directors' Remuneration Policy for executive and non-executive directors for the three-year period expiring at the Company's 2027 AGM, and which was approved by shareholders at the AGM held on 13 June 2024, can be found within the Company's Annual Report and Accounts for 2023 (on pages 125 to 133) which is available on the Company's website at www.hochschildmining.com/investors/results-reports-presentations.

ANNUAL REPORT ON REMUNERATION

The following section provides details of how Hochschild's approved 2024 Directors' Remuneration Policy was implemented during the financial year ending 31 December 2025, and how the Remuneration Committee intends to implement the Directors' Remuneration Policy in 2026. Any information contained in this section of the report that is subject to audit has been marked as such.

Remuneration Committee membership

The Remuneration Committee was chaired by Michael Rawlinson until his retirement from the Board on 12 June 2025. On that date, Jill Gardiner was appointed Chair of the Committee and Andrew Wray joined as a Committee member. The Remuneration Committee has comprised, at all times, only Independent Non-Executive Directors. The composition of the Remuneration Committee and its terms of reference comply with the provisions of the UK Corporate Governance Code and the terms of reference are available for inspection on the Company's website at www.hochschildmining.com.

Members of senior management attend meetings at the invitation of the Committee. During the year, attendees included the Chair, the CEO and the Vice President of People and Corporate Affairs. No Director or senior executive is present when his or her own remuneration arrangements are considered by the Committee. The Company Secretary acts as Secretary to the Committee.

The Committee's terms of reference

The duties of the Remuneration Committee are to determine and agree with the Board the broad policy for the remuneration of the Executive Directors, the other members of senior management and the Company Secretary, as well as their specific remuneration packages including pension rights and, where applicable, any compensation payments. In determining such policy, the Remuneration Committee shall take into account all factors which it deems necessary to ensure that members of the senior executive management of the Group are provided with appropriate incentives to encourage strong performance, and are rewarded in a fair and responsible manner for their individual contributions to the success of the Group.



DIRECTORS' REMUNERATION REPORT CONTINUED

The Committee undertook the following items of business in 2025 (unless otherwise stated):

2024 Remuneration and reporting

- Reviewed and approved incentive outcomes for 2024 (2024 annual bonus and vesting of 2022 LTIP awards);
- Considered and approved the 2024 Directors' Remuneration Report;

2025 Remuneration

- Considered and approved the adjustment to the CEO's base salary from 1 March 2025 to reflect performance and tenure in role from appointment as well as market competitiveness;
- Approved the opportunity/award level and performance targets for 2025 annual bonus and LTIP awards;
- Considered a provisional assessment of the CEO's performance against his annual bonus objectives;

Future Remuneration

- Considered, in principle, the nature of the objectives and related weightings of the 2026 annual bonus objectives;
- Considered the continuing appropriateness for 2026 of the Directors' Remuneration Policy which was approved by our shareholders at the 2024 AGM;
- At the March 2026 meeting, considered the outcome of the benchmarking assessment and the revised base salary for the CEO from March 2026;

Keeping informed

- Regularly considered market trends in executive remuneration and key themes for 2025 and 2026; and
- Received updates on workforce remuneration across the Group.

Details on attendance at Committee meetings can be found on page 93.

Advisers

During the year, in order to enable the Committee to reach informed decisions on executive remuneration, advice on market data and trends was obtained from independent consultants FIT Remuneration Consultants LLP (FIT).

FIT reported directly to the Committee Chair in 2025 and is a signatory to and abides by the Code of Conduct for Remuneration Consultants (which can be found at www.remunerationconsultantsgroup.com). Other than advice on remuneration, no other services were provided by FIT to the Company. The Committee is satisfied that the advice provided by FIT in 2025 was independent and objective.

FIT was appointed as the independent adviser to the Remuneration Committee following a competitive tender process in 2021. The fees paid to FIT in respect of work carried out in 2025 totalled £48,450 excluding VAT, and were charged on the basis of FIT's standard terms of business for advice provided.

Summary of shareholder voting

The table below shows the results of the binding vote on the 2024 Remuneration Policy at the 2024 AGM and of the advisory vote on the 2024 Annual Report on Remuneration at our 2025 AGM:

	2024 Remuneration Policy		2024 Annual Report on Remuneration	
	Total number of votes	% of votes cast	Total number of votes	% of votes cast
For (including discretionary)	358,843,749	93.28%	410,778,593	98.03%
Against	25,844,735	6.72%	8,253,969	1.97%
Total votes cast (excluding withheld votes)	384,688,484	–	419,032,562	–
Votes withheld	61,032	–	44,473	–

Votes withheld are not included in the final proxy figures as they are not recognised as votes in law.

The Committee is committed to listening to and engaging with the views of our shareholders and takes an interest in voting outcomes. The Committee will continue to be transparent in our remuneration decision-making and to engage with our shareholders on remuneration matters.

Workforce Pay

During the year, the Committee received and considered a report summarising the base salaries, benefits and incentives received by each category of Group staff and summarising the bonus potential and performance metrics used in each of the annual bonus schemes in operation across the Group. In addition, the Committee ensures that it remains informed regarding legally mandated profit sharing for Peru-based employees.

Employee Engagement

The Company undertakes varied forms of engagement with employees. In 2025, this included Company-wide Q&A sessions with the CEO and the continuation of the roundtable sessions hosted by Tracey Kerr as the Non-Executive Director designated for workforce engagement (and a member of the Remuneration Committee). In addition, there are frequent and periodic meetings held by mine management with mine-site employees as well as regular engagement with workers' appointed representatives regarding many aspects of the business.

These processes provide an opportunity for feedback on Executive Directors' pay to be given and explanations to be shared, although most of the engagement process is focused on wider employee welfare; a report on any material feedback regarding remuneration is received by the Remuneration Committee.



DIRECTORS' REMUNERATION REPORT CONTINUED

Single total figure of remuneration for Executive Directors (audited)

The table below sets out a single figure for the total remuneration received by the CEO, being the only Executive Director, for the year ended 31 December 2025 and the prior year:

	2025 (US\$000)	2024 (US\$000)
Base salary	650	588
Taxable benefits ¹	12	8
Total fixed	662	596
Single-year variable ²	579	754
Multi-year variable ³	446	396
Profit share ⁴	370	94
Total variable	1,395	1,244
Compensation for Time Service (CTS) ⁵	97	97
Tax refunds ⁶	6	6
Total remuneration	2,160	1,943

All figures are rounded to the nearest \$000

¹ Taxable benefits comprises medical insurance.

² Outcomes for performance during the year under the Annual Bonus Plan. See following sections for further details.

³ 2025 Multi-year variable value relates to the partial vesting of the 2023 LTIP awards based on performance to 31 December 2025. See following sections for further details.

⁴ All-employee profit share mandated by Peruvian law. As required by Peruvian law, an amount equal to 8% of the relevant Peruvian company's taxable income for the year is distributable to its employees. The amount receivable by each Executive Director is not within the control of the Group and is determined using a formula, taking into account annual base salary (plus other incentive payouts, if any) and the number of days worked during the calendar year.

⁵ CTS is a legal entitlement for employees in Peru which provides for a fund in the event of termination of employment. CTS in respect of base salary is calculated as one month's wages and is deposited biannually in an employee's interest-accruing bank account and prior to the end of employment. Employees can gain access to the deposited amount to the extent it exceeds four months' wages. CTS in respect of other forms of remuneration such as incentive payouts, that are considered to be 'non-extraordinary', is currently calculated at a rate of 1/24th. For 2025, CTS comprises: CTS on base salary of \$54k (2024: \$49k), CTS on bonus of \$24k (2024: \$31k) and CTS on LTIP of \$19k (2024: \$17k).

⁶ Refunds payable in relation to social security.

Single total figure of remuneration for Non-Executive Directors (audited)

The table below sets out a single figure for the total remuneration for the year ended 31 December 2025 and the prior year received by Non-Executive Directors serving during those periods:

	Base fee (US\$000)		Additional fees (US\$000)		Taxable benefits (US\$000)		Total (US\$000)	
	2025	2024	2025	2024	2025	2024	2025	2024
Eduardo Hochschild ¹	432	417	0	0	971	688	1,403	1,105
Jorge Born Jr	100	93	0	0	0	0	100	93
Jill Gardiner ²	100	93	25	21	0	0	125	115
Tracey Kerr	100	93	45	32	0	0	145	125
Mike Sylvestre	100	93	14	13	0	0	114	107
Joanna Pearson	100	93	34	24	0	0	134	117
Andrew Wray ³	56	n/a	8	n/a	0	n/a	64	n/a
Former Director								
Michael Rawlinson ⁴	44	93	24	51	0	0	68	144

All figures are rounded to the nearest \$000. Non-Executive Directors' fees are denominated in GBP and accordingly differences in USD:GBP exchange rates impact the comparisons between Non-Executive Directors' fees for the year being reported and the comparative prior year.

¹ Eduardo Hochschild was an Executive Director until 31 December 2014 and, as reported in the 2015 Annual Report, Eduardo Hochschild retained eligibility to receive benefits following his transition to the Non-Executive Chairman role comprising personal security, medical insurance and use of a company car and driver.

² In respect of Jill Gardiner's appointment as Non-Executive Chair of Tiernan Gold Corp. ('Tiernan') a former wholly-owned subsidiary which listed on the TSX Venture Exchange in December 2025 and in which Hochschild retains a c.70% shareholding, Jill received an award of 5,594 Deferred Share Units ('DSUs') under the terms of Tiernan's Omnibus Equity Incentive Plan. Each DSU entitles the holder to receive one common share of Tiernan, a cash payment equal to the value of one common share of Tiernan, a combination thereof, or otherwise as determined at the sole discretion of Tiernan, following the holder ceasing to be a director of Tiernan. The DSUs vest one year from the date of grant.

³ Andrew Wray was appointed a Non-Executive Director on 12 June 2025.

⁴ Figures disclosed for Michael Rawlinson relate to the period from 1 January 2025 to 12 June 2025, being the date of his retirement from the Board.



DIRECTORS' REMUNERATION REPORT CONTINUED

SALARY AND FEES FOR THE YEAR ENDED 31 DECEMBER 2025

Executive Director

Executive Director	Base salary from 1 March 2025 (US\$000)	Base salary from 1 March 2024 (US\$000)	% change
Eduardo Landin	660	600	10%

Base salary above excludes CTS. All salaries are denominated in US dollars.

Non-Executive Directors

The Non-Executive Directors' fees have been set at a level to reflect the amount of time and level of involvement required in order to carry out their duties as members of the Board and its Committees. The annual rates of fees payable to the Non-Executive Directors of the Company in 2025 and 2024 are set out in the table below. All Non-Executive Directors receive a base fee, and additional fees are paid for acting as Chair or member of one of the Board Committees (excluding the Nomination Committee) and as Senior Independent Director. As reported in last year's report, with effect from 1 March 2025, a 3.5% increase was made to the levels of the Board Chair's fee, the Non-Executive Directors' base fees and the additional fees paid for acting as a Committee Chair, Committee member and Senior Independent Director.

Executive Director	Fee level from 1 March 2025 (Stated currency p.a.) ¹	Previous fee level (Stated currency p.a.)	% change
Non-Executive Board Chair's fee	US\$434,700	US\$420,000	3.5%
Non-Executive Directors' base fee	£76,073	£73,500	3.5%
Additional fees			
Senior Independent Director	£15,215	£14,700	3.5%
Chair of the Audit, Remuneration and Sustainability Committees	£15,215	£14,700	3.5%
Committee membership fee (Audit; Remuneration; Sustainability)	£5,434	£5,250	3.5%

¹ Subject to rounding.

INCENTIVE OUTCOMES FOR THE YEAR ENDED 31 DECEMBER 2025 (AUDITED)

Annual bonus in respect of 2025 performance

Objectives for the 2025 bonus were set by the Committee at the beginning of the year and assessment of performance during the year was undertaken at the March 2025 Committee meeting.

Details of the bonus paid to Eduardo Landin for 2025, including the specific performance metrics, weightings and performance against each of the metrics, are provided in the table below:

Objective	KPI	Target weighting	Threshold	2025 Targets		2025 Assessment	
				Target	Maximum	2025 result	Final bonus score
Profitable production and financial results	Attributable production (Koz Au Eq)	15%	350	362	378	312k Oz Au Eq	Nil
	Adjusted EBITDA ¹	15%	US\$294m	US\$330m	US\$367m	US\$204m	Nil
	Adjusted AISC from operations with growth (/oz Au Eq) ²	20%	US\$1,687/oz	US\$1,635/oz	US\$1,587/oz	US\$1,989/oz	Nil
Strategy	Strategic advancement	10%	Remco Assessment			Satisfied	10%
Brownfield exploration	Inferred resources added during the year (subject to permits available) (Moz Au Eq)	15%	0.7	0.9	1.2	1.7M Oz Au Eq	15%
Responsibility	Accident frequency rate (LTIFR)	10%	2.2	–	1.4	0.97	10%
	Accident Severity Index (LTISR)	5%	300	–	150	207	3.7%
	ECO Score ³	5%	≥5.00	–	≥5.50	5.61	5%
	ESG Ratings ⁴	5%	5 ratings remain unchanged vs 2024	1 rating improves and others remain unchanged vs 2024	2 ratings improve and others remain unchanged vs 2024	2 ratings improved	5%
Bonus payable (as a percentage of maximum opportunity)							48.7%

¹ Adjusted EBITDA is used for the annual bonus and is determined based on EBITDA which is adjusted primarily to neutralise price effects, unbudgeted expenditure or external factors. Such adjustments in 2025 included primarily (a) the impact of higher-than-budgeted commodity prices (including in relation to hedges) of c.US\$435 million and (b) the impact of such prices on royalties, commercial discounts and selling expenses of c.US\$29 million.

² All-in sustaining cost (AISC) is adjusted to ensure comparability with the assumptions used to set the objective at the beginning of the year and therefore primarily disregards (a) the additional impact of higher-than-budgeted commodity prices on royalties, commercial discounts and selling expenses (c.US\$49/oz) and on legal workers' profit sharing at Inmaculada (c.US\$48/oz) and (b) unbudgeted exploration at Mara Rosa and San Jose (c.US\$19/oz).

³ Refer to www.hochschildmining.com for further details on the methodology of calculating the Group's ECO Score (the internally designed measurement of the Company's environmental performance).

⁴ ESG ratings comprise those given by Sustainalytics, MSCI, FTSE4Good, CDP Climate and CDP Water.

GENERAL APPROACH

The determination of the bonus payout is at the discretion of the Committee, taking into account performance during the year against the above scorecard. Each objective in the scorecard has a 'threshold', 'target' and 'maximum' performance target (and in the absence of a 'target' level objective, a straight-line applies between 'threshold' and 'maximum' levels), achievement of which

translates into a score for each objective. The bonus scores for each objective are summed which translates into a percentage which is applied to the maximum bonus opportunity. The maximum annual bonus opportunity is 180% of salary. For 'threshold' and 'target' levels of performance, the bonus earned is 30% and 50% of maximum, respectively. Performance between 'threshold' and 'target' levels, and between 'target' and 'maximum' levels are scored on a straight-line basis.

**DIRECTORS' REMUNERATION REPORT CONTINUED**

Adjustments were made in line with the Company's usual practice to maintain the quality of earnings by primarily disregarding the impact of factors outside of management's control such as actual prices of silver and gold (as compared to budgeted prices).

ASSESSING PERFORMANCE AGAINST 2025 BONUS OBJECTIVES

In arriving at the above bonus scorecard, the Committee paid particular attention to the following aspects of the Company's performance:

Operational and financial performance

As mentioned in the Annual Statement, operational performance in 2025 was hampered by the challenges faced at Mara Rosa and, therefore, when judged against the objectives set at the beginning of the year (under the same assumptions used at that time) none of the objectives relating to production, Adjusted EBITDA or costs were satisfied.

Safety

The Company's strong safety performance in 2025 which, in addition to seeing the Company achieve its long-term objective of Zero Fatalities, saw the Company maintain its industry-leading position in relation to the lost time accident frequency rate. However, the occurrence of a serious accident during the year at Mara Rosa meant that the objective on accident severity was only partially achieved.

ECO Score & ESG Ratings

The overall ECO Score for the year is 5.61 against a stretch target of 5.50. This internally designed award-winning measure of environmental management reflects the following:

- The lowest level of water consumption (125l/person/day) since such records have been maintained (for at least 11 years);

- Domestic waste generation of 0.78 kg/person/day;
- Recycled waste of 81%; and

Further details on the ECO Score can be found on the Company's website at www.hochschildmining.com

The Committee noted the improvements in the Company's ratings given by MSCI and Sustainalytics.

Strategic advancement

In evaluating performance against this objective, the Committee considered a range of actions taken to position the Company for long-term and sustainable growth to benefit our shareholders, including:

Monte do Carmo Development (Brazil)

- the advancement of the project in line with the 2025 schedule, including notably, the near completion of the detailed engineering studies, meeting with state agencies and the awarding of the installation licence. For further details, please see page 30 of the Operating Review;

Royropata MEIA (Peru)

- continuation of permitting workstreams and holding public workshops to present environmental and social baseline results to local communities; and

Tiernan Gold

- successful completion of the listing of the Group's Volcan gold project on the TSX Venture Exchange. This was an example of the Group's strategy in relation to non-core assets, securing external financing while taking the opportunity to partially realise its investment in the asset.

Brownfield exploration

In light of the significant amount of inferred resources added over the course of the year, which provides assurance of the Group's future

production, this objective was fully satisfied in line with the performance scale shown in the table above. Please see pages 31 to 33 (Brownfield Exploration) for further details.

Experience of key stakeholders

The Committee also took into account the experience of the Group's key stakeholders during the year, noting:

- The share price performance during the year which had more than doubled by the year-end;
- The Company's ongoing programme of initiatives to assist local communities and other local stakeholders; and
- The continued engagement initiatives on ESG matters undertaken in 2025 reinforcing the Group's commitment to transparency and continued improvement.

For further details, see the Sustainability Report from page 45.

In conclusion, the Committee agreed that Eduardo Landin be awarded a bonus of 48.7% of the maximum opportunity.

2023 LTIP vesting

On 20 April 2023, Eduardo Landin was granted an LTIP award with a face value of US\$595,000 in his then non-Board role as Chief Operating Officer.

Vesting of the 2023 LTIP was dependent on (i) three-year relative TSR performance against a tailored peer group (50% of the total award) and (ii) internal KPIs as summarised in the table below (50% of the total award). There was no retesting of performance. Further details of the performance conditions are shown in the table below:

Performance measure	Weighting	Performance targets
TSR		
Relative TSR ¹ performance vs. tailored peer group ²	50%	Upper quintile (80th percentile): full vesting Upper tercile (67th percentile): 75% vesting Median (50th percentile): 25% vesting Below median: nil vesting Straight-line vesting between (a) Median and Upper tercile, and (b) Upper tercile and Upper quintile
Internal KPIs		
Measured & Indicated Resource additions (M&I) per share ³ – absolute growth over three-year performance period 2023–2025	25%	180 Ag Eq Moz growth in M&I – full vesting 160 Ag Eq Moz growth in M&I – 75% vesting 120 Ag Eq Moz growth in M&I – 25% vesting Straight-line vesting between these points M&I growth measured as Total M&I Resource Additions over three years
Consistency Performance Condition	25%	Average bonus scorecard outcome 2023–2025 with threshold vesting of 25% requiring an average achievement of 60% scorecard attainment with straight-line vesting up to full vesting requiring an average of 100% scorecard attainment. There is an overriding underpin whereby if the annual scorecard achievement is less than 60% in any one year, then the vesting of this LTIP component will be nil.

¹ TSR is calculated in common currency.

² The 2023 LTIP peer group, at the time of measurement of the award, comprised: Agnico-Eagle Mines, Alamos Gold, AngloGold Ashanti, Barrick Gold, Cia des Minas Buenaventura, Centamin, Coeur Mining, Eldorado Gold, Endeavour Silver, Equinox Gold, First Majestic Silver, Fortuna Silver Mines, Fresnillo, Gold Fields, Hecla Mining, IAMGOLD, Kinross Gold, Newmont Mining, OceanaGold Corp, Pan American Silver, Polymetal and SSR Mining.

³ M&I additions only in the three-year period across all qualifying assets (currently in Peru, Argentina and Brazil).



DIRECTORS' REMUNERATION REPORT CONTINUED

The Remuneration Committee considered the following outcome of the performance conditions between 1 January 2023 and 31 December 2025:

- the Company's TSR over the performance period ranked above upper quintile relative to that of the tailored peer group, thereby resulting in full vesting as to 50% of the award;
- the Company's M&IR additions totalled 189.1 Ag Eq Moz, resulting in full vesting as to 25% of the award; and
- while the average bonus scorecard was 64.2%, the underpin, which requires a bonus scorecard outcome of at least 60% in each of the three years, was not satisfied in 2025, there is nil vesting as to 25% of the award.

Accordingly, the 2023 LTIP awards will vest as to 75%.

Scheme interests awarded in 2025 (audited)

On 12 March 2025, Eduardo Landin was granted a cash-settled award under the LTIP with a maximum face value of \$1,320,000 (200% of base salary).

Vesting is dependent on performance conditions measured from 1 January 2025 to 31 December 2027, with 50% of the award based on TSR performance against a tailored peer group and 50% based on internal KPIs as summarised in the table below.

Awards normally vest on the third anniversary of the date of grant, subject to continued employment, and are subject to potential malus in line with the Company's Malus policy (see page 97 for further details). Due to legal difficulties arising from its enforcement in Peru, the Remuneration Committee is unable to operate clawback.

After payment of tax, all of the vested cash award will be required to be invested in Hochschild shares which will be held for a further period of two years. Dividends, if any, will accrue to shares during the holding period. Director recipients of LTIP awards granted from 2025 will be subject to a post-termination shareholding requirement for a two-year period set at the lower of (i) their shareholding at the date of termination and (ii) shares equivalent to their in-post shareholding requirement.

Further details, including vesting schedules, are provided in the table below:

Executive Director	Grant date	Performance period	Face value of award at grant	Award value for threshold performance
Eduardo Landin	12.03.25	1 January 2025 to 31 December 2027	\$1,320,000	\$330,000

Performance measure	Weighting	Performance targets
TSR		
Relative TSR ¹ performance vs. tailored peer group ²	50%	Upper quintile (80th percentile): full vesting Upper tercile (67th percentile): 75% vesting Median (50th percentile): 25% vesting Below median: nil vesting Straight-line vesting between (a) Median and Upper tercile, and (b) Upper tercile and Upper quintile
Internal KPIs		
Measured & Indicated Resource additions (M&IR) per share ³ – absolute growth over three-year performance period 2025–2027	25%	180 Ag Eq Moz growth in M&IR – full vesting 160 Ag Eq Moz growth in M&IR – 75% vesting 120 Ag Eq Moz growth in M&IR – 25% vesting Straight-line vesting between these points M&IR growth measured as Total M&I Resource Additions over three years
ESG Performance Condition	25%	If average proportion of ESG KPIs over the three-year performance period which are equal to or better than the 2024 baseline ≥ 50% – full vesting If average proportion of ESG KPIs over the three-year performance period which are equal to or better than the 2024 baseline ≥ 35% – 25% vesting Straight-line vesting between these points ESG KPIs comprise 14 indicators relating to objectives set with regards to communities (including local workforce, local procurement and social investment), environmental management (including GHG and water consumption), people (including gender) and health & safety.

¹ TSR is calculated on the basis of common currency.

² The 2025 LTIP peer group, at the date of grant, comprised: Agnico-Eagle Mines, Alamos Gold, AngloGold Ashanti, Barrick Gold Corp, Cia des Minas Buenaventura, Coeur Mining, Eldorado Gold Corp, Endeavour Silver Corp, Equinox Gold, First Majestic Silver Corp, Fortuna Silver Mines, Fresnillo, Gold Fields, Hecla Mining, IAMGOLD, Kinross Gold, Newmont Mining, OceanaGold Corp, Pan American Silver and SSR Mining.

³ M&IR additions only in the three-year period.



DIRECTORS' REMUNERATION REPORT CONTINUED

Exit payments made in the year (audited)

There were no exit payments made in the year.

Payments to past Directors (audited)

No payments were made to past Directors in the year.

Implementation of Remuneration Policy for 2026

A summary of how the Remuneration Policy will be applied for the year ending 31 December 2026 is provided below.

Salary

The Committee reviewed the CEO's salary and, in light of benchmarking information considered at the March 2026 meeting, it has been agreed to increase his base salary to \$760,000 (2025: \$660,000) effective March 2026.

The review took into account the following factors:

- Firstly, it is now two and a half years since Eduardo Landin assumed the role of CEO.
- On his appointment in August 2023, Eduardo Landin's salary was set at \$550,000, being considerably lower than the salary of his predecessor of \$700,000. Our positioning of Eduardo Landin's salary on appointment reflected this being his first role as CEO of a public company.
- In the past two annual March salary reviews, Eduardo Landin's salary was increased to \$600,000 (2024) and subsequently to \$660,000 (2025), keeping below our former CEO's salary on each occasion to date. For reference, the former CEO's salary was set a decade ago in March 2016.

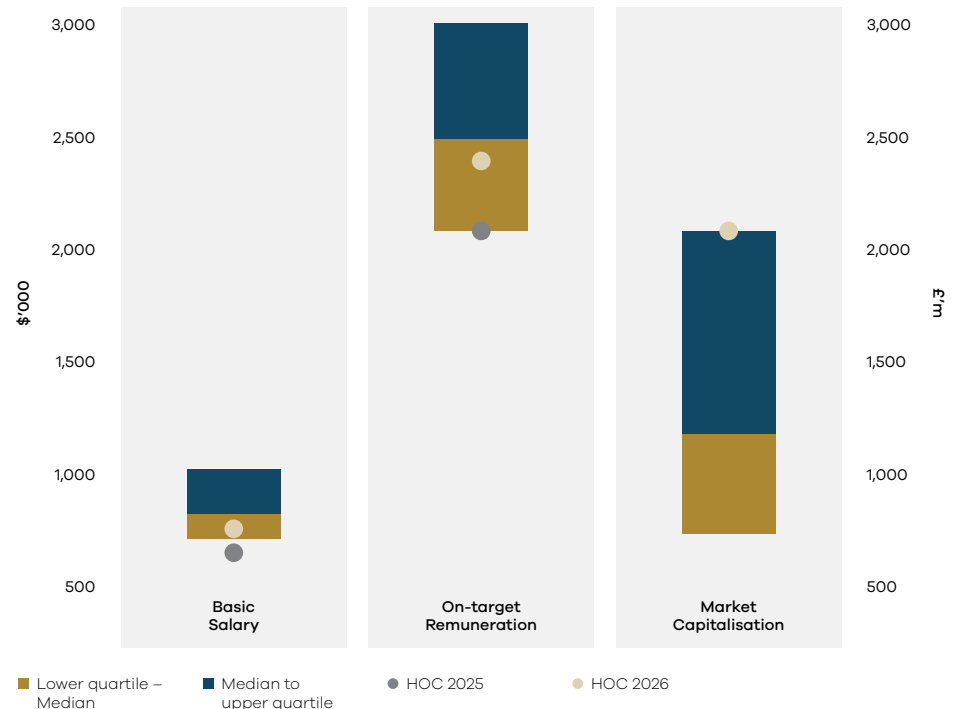
- The Committee considered that the 2026 salary review was an appropriate time to increase Eduardo Landin's salary to a level which is believed to be an appropriate and up-to-date market level for the CEO.
- This provides appropriate recognition of the progress made by the Group under Eduardo's leadership since his appointment, which, taking a multi-year view, is clearly in the long-term best interests of shareholders.

The benchmarking undertaken by the Committee used data from the UK FTSE 250 and, in addition, the Committee had regard to pay data from competitor and comparator companies in similar precious metals extractive industries; however, as these companies are predominantly listed on either the New York or Toronto stock exchanges, they formed a secondary reference point.

The comparison to the main FTSE 250 data set showed that Eduardo Landin's prior salary was at a comparably low level and moving to the new salary level will continue to place his base salary among the lower salary levels for CEOs in FTSE 250 companies. Additionally, on-target total remuneration will remain at a broadly similar level in the FTSE 250 data set even after the change in base salary. This is shown in the charts to the right.

As we also show in the charts, at present Hochschule's market cap (on a six-month average basis) currently positions Hochschule amongst the largest FTSE 250 companies.

After careful consideration of the data as well as the Company's long-term development under Eduardo Landin's leadership, and the interests of stakeholders, the Committee concluded the increase in the CEO's salary to be appropriate.

CEO REMUNERATION AND MARKET CAPITALISATION V FTSE 250**Annual bonus**

The maximum annual bonus opportunity for the CEO for the 2026 financial year will remain at 180% of salary. The bonus payment will be subject to performance against similar measures as those used in 2025. Further disclosure of measures and targets, where not commercially sensitive, will be provided in next year's Annual Report on Remuneration.

As in previous years, the Committee will assess performance against the objectives set and calculate an overall

bonus score which will be applied to the maximum bonus opportunity. The bonus will be subject to malus provisions in line with the Remuneration Policy and, a discretionary override will be applied such that the occurrence of any fatality during the year at the Group's operations will result in the reduction, to nil, of the safety-related objectives.

Any bonus earned above 150% of salary will be paid in shares and deferred for two years.



DIRECTORS' REMUNERATION REPORT CONTINUED

LTIP

The Committee will make awards in 2026 at levels up to 200% of base salary. The awards will be made on the same terms as those applying to the 2025 awards.

Vested LTIP awards will be invested (on a post-tax basis) in the Company's shares which are required to be held for a further two years.

The performance conditions are:

- Relative TSR performance vs tailored peer group (50% weighting: same median to upper quintile range as for 2024 awards);
- Measured & Indicated Resources additions (M&IR) per share (25% weighting: growth over three-year performance period 2026–2028, reflecting the same absolute growth targets as for 2025 awards); and
- ESG Performance Condition (25% weighting: subject to year-on-year maintenance of or improvements in at least 35% of the 14 selected ESG key performance indicators covering communities, environmental management, people and health & safety over the three-year performance period).

Malus provisions will apply to LTIP awards in line with the Remuneration Policy.

Non-Executive fees

Fees for the Chair and Non-Executive Directors (i.e. base, additional and Committee membership fees) will be the subject of a 3.5% increase with effect from 1 March 2026.

Annual percentage change in Directors' remuneration

The tables to the right show, in respect of those Board Directors serving during 2025 and for comparative purposes, Ignacio Bustamante, the former CEO, the percentage change in their remuneration between 2021 and 2025 compared with the percentage change in remuneration for all other employees.

		% Change		
		Base salary/ Non-Executive fees ^{1,a}	Taxable benefits ²	Single-year variable ³
2025				
Executive Directors	Eduardo Landin ⁴	10.5%	50.0%	12%
Non-Executive Directors	Eduardo Hochschild	3.6%	41% ^{3a}	n/a
	Jorge Born Jr	7.5%	n/a	n/a
	Jill Gardiner	8.7%	n/a	n/a
	Tracey Kerr	16.0%	n/a	n/a
	Michael Rawlinson ⁸	-52.8%	n/a	n/a
	Mike Sylvestre	6.5%	n/a	n/a
	Joanna Pearson	14.5%	n/a	n/a
	Andrew Wray	n/a	n/a	n/a
Average all employees⁶		5.1%	n/a	15.1%

		% Change		
		Base salary/ Non-Executive fees ¹	Taxable benefits ²	Single-year variable ³
2024				
Executive Directors	Eduardo Landin ⁴	209.5%	14.3%	198%
Non-Executive Directors	Eduardo Hochschild	4.3%	3.5%	n/a
	Jorge Born Jr	6.9%	n/a	n/a
	Jill Gardiner	5.5%	n/a	n/a
	Tracey Kerr	6.8%	n/a	n/a
	Michael Rawlinson	7.5%	n/a	n/a
	Mike Sylvestre	10.3%	n/a	n/a
	Joanna Pearson ⁵	550%	n/a	n/a
Average all employees⁶		5.2%	n/a	-10.3%

		% Change		
		Base salary/ Non-Executive fees ¹	Taxable benefits ²	Single-year variable ³
2023				
Executive Directors	Eduardo Landin	n/a	n/a	n/a
Non-Executive Directors	Eduardo Hochschild	-1.8%	10.6%	n/a
	Jorge Born Jr	0%	n/a	n/a
	Ignacio Bustamante ⁴	n/a	n/a	n/a
	Jill Gardiner	12.4%	n/a	n/a
	Tracey Kerr	9.3%	n/a	n/a
	Michael Rawlinson	1.5%	n/a	n/a
	Mike Sylvestre	90.2%	n/a	n/a
	Joanna Pearson	n/a	n/a	n/a
Average all employees⁶		6%	n/a	-16%



DIRECTORS' REMUNERATION REPORT CONTINUED

% Change				
		Base salary/ Non-Executive fees ¹	Taxable benefits ²	Single-year variable ³
2022				
Executive Directors	Ignacio Bustamante ⁴	0%	7.4%	-1.5%
Non-Executive Directors	Eduardo Hochschild	0%	-9.6%	n/a
	Jorge Born Jr	-9.3%	n/a	n/a
	Jill Gardiner	1%	n/a	n/a
	Tracey Kerr ⁷	1,867%	n/a	n/a
	Michael Rawlinson	-2.2%	n/a	n/a
	Mike Sylvestre	n/a	n/a	n/a
Average all employees⁶		7.0%	n/a	14%

% Change				
		Base salary/ Non-Executive fees ¹	Taxable benefits ²	Single-year variable ³
2021				
Executive Directors	Ignacio Bustamante ⁴	0%	-10%	5.7%
Non-Executive Directors	Eduardo Hochschild	0%	17%	n/a
	Jorge Born Jr	0%	n/a	n/a
	Jill Gardiner	0%	n/a	n/a
	Tracey Kerr	0%	n/a	n/a
	Michael Rawlinson	0%	n/a	n/a
Average all employees⁶		6.2%	n/a	0.8%

¹ Note that Non-Executive Director fees other than those paid to Eduardo Hochschild are denominated in British Pounds but are reported in US Dollars at the relevant rate for reporting purposes. % changes are therefore the result of a combination of (i) differences in exchange rates used for reporting purposes and (ii) the introduction of Committee membership fees from 1 March 2022. Where '0%' is stated, this means that there was no change in the relevant fee as denominated. In 2025, there were additionally changes in Committee Chair roles and Senior Independent Director roles.

^{1a} Year-on-year % change includes 3.5% increase in Non-Executive fees effective 1 March 2025.

² Taxable benefits comprise (a) for Eduardo Landin, medical insurance and (b) for Eduardo Hochschild, the use of a car and driver, personal security and medical insurance.

³ Single-year variable comprises (a) bonus (calculated with reference to base salary only, i.e. before CTS and tax rebates) and (b) statutory profit-share.

^{3a} 2025 year-on-year increase primarily due to a 37% increase in the cost of security.

⁴ Ignacio Bustamante resigned as CEO (and Executive Director) on 26 August 2023 and served as a Non-Executive Director until 31 December 2023. Eduardo Landin was appointed as CEO (and Executive Director) on 26 August 2023.

⁵ Year-on-year % increase reflects the fact that Joanna Pearson was appointed to the Board on 1 October 2023.

⁶ 'All employees' comprises full-time salaried employees in Peru.

⁷ Year-on-year % increase reflects the fact that Tracey Kerr was appointed to the Board on 10 December 2021.

⁸ Year-on-year % decrease reflects the fact that Michael Rawlinson retired from the Board on 12 June 2025.

Relative importance of spend on pay

The table below shows the percentage change in shareholder distributions (i.e. dividends) and total employee pay expenditure from the financial year ended 31 December 2024 to the financial year ended 31 December 2025.

	2025	2024	% change
Distribution to shareholders (US\$000) ¹	30,868	10,059	207%
Employee remuneration (US\$000)	221,081	181,231	22%

¹ Comprises all cash dividends paid in respect of each year.

The Directors are recommending the payment of a final dividend of US\$25.7m for the year ended 31 December 2025.

Pay for performance

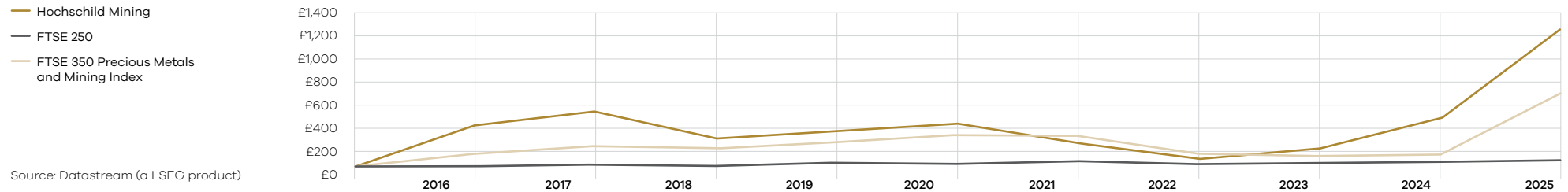
The following graph shows the TSR for the Company compared to the FTSE 350 Precious Metals and Mining Index and FTSE 250 Index, assuming £100 was invested on 31 December 2015. The Board considers that the FTSE 350 Precious Metals and Mining Index is an appropriate published index as it reflects the sector that Hochschild operates in, and the FTSE 250 Index provides a view of performance against a broad equity market index of which Hochschild has been a constituent for the majority of the past 10 years. The table below details the CEO's single figure remuneration and actual variable pay outcomes over the same period.



DIRECTORS' REMUNERATION REPORT CONTINUED

Historical TSR Performance

Growth in the value of a hypothetical £100 holding over the 10 years to 31 December 2025.



Source: Datastream (a LSEG product)

CEO	Ignacio Bustamante							Ignacio Bustamante and Eduardo Landin ¹		Eduardo Landin	
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
CEO single figure of remuneration (\$000)	3,474	4,519	4,174	3,665	1,933	1,996	1,986	IB 519 EL 731	1,943	2,160	
Annual bonus outcome (% of maximum)	83%	83%	90%	95%	90%	78.5%	85.4%	74.1%	69.8%	48.7%	
LTI vesting outcome (% of maximum)	0% (ELTIP) 90% (LTIP)	86% (ELTIP) 100% (LTIP)	43% (ELTIP) 100% (LTIP)	34% (ELTIP) 0% (LTIP)	0% (LTIP)	0% (LTIP)	0% (LTIP)	40.3% (LTIP)	66.6% (LTIP)	75% (LTIP)	

Subject to rounding

¹ The 2023 figures represent the single figure of total remuneration for Ignacio Bustamante in respect of the period 1 January 2023 to 26 August 2023 and for Eduardo Landin from 26 August 2023 to 31 December 2023.

Directors' interests (audited)

The interests of the Directors and their families in the ordinary shares of the Company as at 31 December 2025 are detailed in the table below.

The Company has adopted shareholding guidelines whereby all Executive Directors (currently only the CEO) are required to acquire and retain a beneficial shareholding in the Company equal to at least 250% of base salary. The CEO is required to invest the entire amount of a vested LTIP for two years (on a net basis) regardless of his achievement of the shareholding guideline.

	Shares held					Shareholding requirement (% of salary)	Current shareholding (% of salary)	Requirement met?
	Owned outright or vested at 31 Dec 2024	Owned outright or vested at 31 Dec 2025	Vested but subject to holding period	Unvested and subject to performance conditions	Unvested and subject to deferral only			
Eduardo Landin	430,700	430,700	149,500	0	0	250%	605% ¹	Yes
Eduardo Hochschild	196,900,306	196,900,306						
Jorge Born Jr	0	0						
Jill Gardiner	0	0						
Tracey Kerr	0	0						
Michael Rawlinson	0	0						
Mike Sylvestre	0	1,620						
Joanna Pearson	0	0						

¹ Using the Company's closing share price and GBP/USD exchange rate as at 31 December 2025 (being the last trading day of the year) of £5.13 and £1:\$1.34 respectively.

**DIRECTORS' REMUNERATION REPORT** CONTINUED

There have been no changes to Directors' shareholdings since 31 December 2025.

Directors' interests in share options, shares and cash awards in Hochschild Long-Term Incentive Plans

Details of Directors' interests in shares and cash awards under Hochschild's Long-Term Incentive Plans are set out in the table below.

Eduardo Landin	Date of grant	Share price at grant	Exercise price at grant	Number of shares awarded	Max value	Performance period	Vesting date
2023 LTIP	20.04.23	n/a	n/a	n/a	\$595,000	01.01.23 – 31.12.25	20.04.26
2024 LTIP	13.03.24	n/a	n/a	n/a	\$1,100,000	01.01.24 – 31.12.26	13.03.27
2025 LTIP	12.03.25	n/a	n/a	n/a	\$1,320,000	01.01.25 – 31.12.27	12.03.28

Except as disclosed in the table below, none of the Directors had an interest in the shares of any subsidiary undertaking of the Company or in any significant contracts of the Group.

Director	Nature of Interest
Jill Gardiner	Beneficial interest in 5,000 Common Shares (and 2,500 warrants to acquire additional such shares) of Tiernan Gold Corp. ('Tiernan') ¹ and a holding of 5,594 DSUs under the terms of Tiernan's Omnibus Equity Incentive Plan ²

¹ The Group has an interest of c.70% in Tiernan Gold Corp.

² See page 121 (footnote 2) for further details.

External appointments

The table below details the 2025 fees received by Executive Directors in respect of external directorships:

Name of Executive Director	Name of Company	Fee Received
Eduardo Landin	Aclara Resources Inc	US\$75,000 ¹

Note:

¹ Relates to the six-month period from 1 July 2025 and comprises US\$25k in cash and US\$50k in shares of Aclara Resources Inc.

Signed on behalf of the Board

JILL GARDINER

CHAIR OF THE REMUNERATION COMMITTEE

10 March 2026



Supplementary information

INTRODUCTION

References in this section to 'the Articles' are to the Company's Articles of Association as at the date of this report, copies of which are available from the Registrar of Companies or on request from the Company Secretary.

References in this section to 'the Companies Act' are to the Companies Act 2006.

SHARE CAPITAL

Issued share capital

The Company's issued share capital comprises 514,458,432 ordinary shares of 1 pence each ('shares'). No shares were issued during the year.

The Hochschild Mining Employee Share Trust ('the Trust') is an employee share trust established to hold shares on trust for the benefit of employees within the Group. The Trust did not, at any time during the year, and does not, at the date of this report, hold any such shares.

The Trustee of the Trust has absolute discretion to vote or abstain from voting in relation to the shares held by it from time to time and in doing so may take into account the interests of current and future beneficiaries and other considerations.

Current share repurchase authority

In keeping with the Company's usual practice of maintaining flexibility, shareholder approval was obtained at the AGM held in June 2025 for the repurchase of up to 51,445,843 shares which represents 10% of the Company's issued share capital ('the 2025 Authority'). Whilst no purchases have been made by the Company pursuant

to the 2025 Authority, it is intended that shareholder consent will be sought on similar terms at this year's AGM when the 2025 Authority expires.

Additional share capital information

This section provides additional information as at 31 December 2025.

(a) Structure of share capital

The Company has a single class of share capital which is divided into ordinary shares of 1 pence each, which are in registered form. Further information on the Company's share capital is provided in note 29 to the consolidated financial statements.

(b) Rights and obligations attaching to shares

The rights attaching to the ordinary shares are described in full in the Articles. In summary, on a show of hands and on a poll at a general meeting or class meeting, every member present in person or, subject to the below, by proxy has one vote for every ordinary share held.

(c) Transfer of shares

The Articles contain customary provisions which, in summary, state that the registration of a transfer of shares may be refused in certain circumstances including in the case of uncertificated shares, where the transfer would not be permitted under CREST Regulations and, in the case of a transfer of certificated shares, where such transfer does not comply with certain formalities.

(d) Restrictions on voting

No member shall be entitled to vote at any general meeting or class meeting in respect of any shares held by him or her, if any call or other sum then payable by him or her

in respect of that share remains unpaid. Currently, all issued shares are fully paid.

In addition, no member shall be entitled to vote if he or she failed to provide the Company with information concerning interests in those shares required to be provided under the Companies Act.

(e) Deadlines for voting rights

Votes are exercisable at the general meeting of the Company in respect of which the business being voted upon is being heard.

Votes may be exercised in person, by proxy or, in relation to corporate members, by a corporate representative. Under the Articles, the deadline for delivering proxy forms cannot be earlier than 48 hours (excluding non-working days) before the meeting for which the proxy is being appointed.

Substantial shareholdings

The Company has been notified of the interests detailed in the table below in the Company's shares in accordance with Chapter 5 of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules (DTRs).

As at 31 December 2025	Number of ordinary shares/voting rights	Percentage of issued share capital	Nature of holding
Eduardo Hochschild¹	196,900,306	38.27%	Indirect
BlackRock, Inc.	26,306,010	5.11%	Indirect & Securities Lending
Van Eck Associates Corporation	15,465,722	3.01%	Direct

¹ The shareholding of Eduardo Hochschild is held through Pelham Investment Corporation.

Subsequent to 31 December 2025, the Company has been notified of the following additional changes:

	Number of ordinary shares/voting rights	Percentage of issued share capital	Nature of holding
BlackRock, Inc.	Below 5%	Below 5%	Indirect & Securities Lending & CFD



SUPPLEMENTARY INFORMATION CONTINUED

SHAREHOLDER AGREEMENTS

The Relationship Agreement entered into prior to the IPO between, amongst others, the Major Shareholder (as defined in the Relationship Agreement) and Eduardo Hochschild (collectively 'the Controlling Shareholders') and the Company contains provisions restricting the Controlling Shareholders' rights to exercise their voting rights to procure an amendment to the Articles that would be inconsistent with the Relationship Agreement.

SIGNIFICANT AGREEMENTS

A change of control of the Company following a takeover bid may cause a number of agreements to which the Company, or any of its trading subsidiaries, is party to take effect, alter or terminate. Such agreements include commercial trading contracts, joint venture agreements and financing arrangements.

Further details are given below of those arrangements where the impact may be considered to be significant in the context of the Group.

(a) \$300 million Credit Agreement and \$200 million Credit Agreement (the 'Credit Agreements')

Under the terms and conditions of the Credit Agreements which are between, amongst others, the Group and BBVA Securities Inc, and The Bank of Nova Scotia, a Change of Control obliges the Group to prepay all Advances (as defined in the agreement) unless any Lender notifies the Group that it is declining any such prepayment in which case the Advances owing to such declining Lender shall not be prepaid.

In summary, a Change of Control means an event or series of events by which: (a) the Permitted Holders (being Eduardo Hochschild, his spouse, either of their

descendants or estate or guardian of any of the aforementioned, a trust for the benefit of one or more of the aforementioned or any entity controlled by any one or more of the aforementioned) shall for any reason cease, individually or in the aggregate, to be the beneficial owners (as so defined) of at least 30% of the Company's shares; or (b) the Permitted Holders shall for any reason cease, individually or in the aggregate, to have the power to appoint at least the number of the members of the Board of Directors or other equivalent governing body of the Company that the Permitted Holders are permitted to elect as at the date of the relevant agreement; or (c) the Company shall for any reason cease, directly or through one or more of its Subsidiaries, to be the 'beneficial owner' (as so defined) of more than 50% of the Equity Interests in either Companhia Minera Ares S.A.C. or Amarillo Mineração do Brasil Ltda.

(b) Long-Term Incentive Plans

Awards made under the Group's Long-Term Incentive Plan shall, upon a change of control of the Company, vest early unless a replacement award is made. Vesting will be pro-rated to take account of the proportion of the period from the award date to the normal vesting date falling prior to the change of control and the extent to which performance conditions (and any other conditions) applying to the award have been met.

SUMMARY OF CONSTITUTIONAL AND OTHER PROVISIONS**Appointment of Directors**

Under the terms of the Articles, Directors may be appointed by the Company by ordinary resolution or by the Board. A Director appointed by the Board holds office only until the next following AGM and is then eligible for election by shareholders but is not taken into account in determining the Directors or the number of Directors who are to retire by rotation at that meeting.

Each Director is subject to periodic re-election by shareholders at intervals of no more than every three years. Each Director (other than the Chairman and any Director holding executive office) shall retire at each AGM following the ninth anniversary of the date on which he or she was elected by the Company.

Approach to appointments adopted by the Board

Under law, the Company is entitled to adopt such practices which are no less stringent than those set out in the Articles. Accordingly, notwithstanding the above, the Board has adopted the recommendation of the UK Corporate Governance Code that all Directors should seek annual re-election by shareholders.

Listing Rules

In line with the UK Listing Rules which apply to Hochschild given the presence of a controlling shareholder, the election or re-election of any Independent Director must be approved by: (i) all shareholders of the Company; and (ii) the independent shareholders of the Company (i.e. any person entitled to vote on the election of Directors of the Company who is not a controlling shareholder).

If either shareholder resolution to elect or re-elect the Independent Director is defeated, the Company may propose a further resolution to elect or re-elect the proposed Independent Director provided that the further resolution must not be voted on within 90 days from the date of the original vote but it must then be voted on within a period of 30 days from the end of the 90-day period. It may then be passed by a simple majority of the shareholders of the Company voting as a single class.

Removal of Directors

The Company may, in accordance with and subject to the provisions of the Companies Act by ordinary resolution of which special notice has been given, remove any Director before the expiration of his/her term of office. The Articles state that the office of Director shall be vacated for customary reasons, including if s/he is prohibited by law from acting as a Director, s/he becomes bankrupt or compounds with his/her creditors generally and s/he is absent without permission of the Directors from meetings of the Board for six months and the Directors resolve that his/her office be vacated.

Relationship Agreement

In addition, under the terms of the Relationship Agreement:

- For as long as the Major Shareholder has an interest of 30% or more in the Company, it is entitled to appoint up to two Non-Executive Directors and to remove such Directors so appointed; and
- For as long as the Major Shareholder has an interest of 15% or more of the Company, it is entitled to appoint up to one Non-Executive Director and to remove such Director so appointed.

Amendment of Articles of Association

Any amendments to the Articles may be made in accordance with the provisions of the Companies Act by way of special resolution.

Powers of the Directors

Subject to the Articles, the Companies Act and any directions given by special resolution, the business and affairs of the Company shall be managed by the Directors who may exercise all such powers of the Company.



SUPPLEMENTARY INFORMATION CONTINUED

Subject to applicable statutes and other shareholders' rights, shares may be issued with such rights or restrictions as the Company may by ordinary resolution decide or, in the absence of any such resolution, as the Directors may decide. Subject to applicable statutes and any ordinary resolution of the Company, all unissued shares of the Company are at the disposal of the Directors. At each AGM, the Company puts in place an annual shareholder authority seeking shareholder consent to allot unissued shares, in certain circumstances for cash, in accordance with the guidelines of certain Investor Protection Committees.

Repurchase of shares

Subject to authorisation by shareholder resolution, the Company may purchase its own shares in accordance with the Companies Act. Any shares which have been bought back may be held as Treasury shares or, if not so held, must be cancelled immediately upon completion of the purchase, thereby reducing the amount of the Company's issued share capital. The minimum price which must be paid for such shares is specified in the relevant shareholder resolution.

Dividends and distributions

Subject to the provisions of the Companies Act, the Company may by ordinary resolution from time to time declare dividends not exceeding the amount recommended by the Directors. Likewise, the Directors may, subject to the Companies Act, pay interim dividends whenever the financial position of the Company, in the opinion of the Directors, justifies their payment. If the Directors act in good faith, they are not liable to holders of

shares with preferred or pari passu rights for losses arising from the payment of interim dividends on other shares.

ADDITIONAL DISCLOSURES**Disclosure table pursuant to Listing Rule 6.6.4R**

For the purposes of UKLR 6.6.4R, the information required to be disclosed by UKLR 6.6.1R can be found in the following parts of this Annual Report:

Section	Matter	Location
(1)	Interest capitalised	Note 27(b) to the consolidated financial statements
(2)	Publication of unaudited financial information	Not applicable
(3)	Details of specified long-term incentive scheme	None
(4)	Waiver of emoluments by a Director	None
(5)	Waiver of future emoluments by a Director	None
(6)	Non pre-emptive issues of equity for cash	None
(7)	Item (6) in relation to major subsidiary undertakings	None
(8)	Parent participation in a placing by a listed subsidiary	None
(9)(a)	Contract of significance in which a Director is interested	None
(9)(b)	Contract of significance with controlling shareholder	None
(10)	Provision of services by a controlling shareholder	None
(11)	Shareholder waivers of dividends	Directors' Report
(12)	Shareholder waivers of future dividends	Directors' Report
(13)	Statement of compliance to conduct business independently of controlling shareholder	Directors' Report



Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the Group and Parent Company financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law the Directors have elected to prepare the Group and Parent Company financial statements in accordance with UK-adopted international accounting standards (IFRS). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Parent Company and of their profit or loss for that period.

Under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules, Group financial statements are required to be prepared in accordance with UK-adopted international accounting standards.

In preparing those financial statements, the Directors are required to:

- Select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;

- Make judgements and accounting estimates that are reasonable and prudent;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Parent Company financial position and financial performance;
- In respect of each of the Group financial statements and Parent Company financial statements, state whether UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the relevant financial statements; and
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the Parent Company and/or the Group will not continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and the Group and enable them to ensure that the Parent Company and the Group financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Parent Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



- Independent auditor's report to the members of Hochschild Mining PLC
- Consolidated financial statements
- Consolidated statement of comprehensive income
- Consolidated statement of financial position
- Consolidated statement of cash flows
- Consolidated statement of changes in equity
- Notes to the consolidated financial statements
- Parent company financial statements
- Notes to the parent company financial statements

Financial statements





Independent auditor's report to the members of Hochschild Mining PLC

OPINION

In our opinion:

- Hochschild Mining PLC's Group financial statements and Parent Company financial statements (the 'financial statements') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted International Accounting Standards;
- the Parent Company financial statements have been properly prepared in accordance with UK adopted International Accounting Standards as applied in accordance with section 408 of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Hochschild Mining PLC (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise:

Group

Consolidated statement of financial position as at 31 December 2025

Consolidated income statement for the year then ended

Consolidated statement of comprehensive income for the year then ended

Consolidated statement of changes in equity for the year then ended

Consolidated statement of cash flows for the year then ended

Related notes 1 to 38 to the consolidated financial statements, including material accounting policy information

Parent Company

Statement of financial position as at 31 December 2025

Statement of changes in equity for the year then ended

Statement of cash flows for the year then ended

Related notes 1 to 14 to the financial statements, including material accounting policy information

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Accounting Standards and as regards the Parent Company financial statements, as applied in accordance with section 408 of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We are independent of the Group and Parent in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Group and the Parent Company in conducting the audit.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Confirming our understanding of the Directors' going concern assessment process and the key factors and assumptions that are considered in their assessment;
- Auditing the key factors and assumptions adopted in the assessment of going concern and the cash flow model, including considering whether management has exercised any bias in selecting their assumptions, by comparing against past performance and available market data;
- Checking the reasonableness of all key assumptions in management's forecasts, including the forecast gold and silver price used; the production profiles which form the basis of the cash flow forecast; and the mitigating factors that exist and that can be utilised to ensure the liquidity of the Group;



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOCHSCHILD MINING PLC CONTINUED

- Obtaining the Directors' going concern assessment, including cash flow forecast and covenant calculations for the going concern period which covers 12 months from the audit report date to 31 March 2027. The Directors have modelled a severe scenario in order to incorporate unexpected changes to the forecast liquidity of the Group. This severe scenario modelled a reduction in precious metal prices, stoppages of all operations and unforeseen social related costs. We evaluated the sufficiency of the sensitivities performed, by assessing whether the severe scenario was appropriately severe based on historical track record;
- Obtaining an understanding of the operation of management's model, checking the clerical accuracy of management's modelling, and recalculating management's forecasts of their compliance with borrowing covenants throughout the assessment period under management's scenarios;
- Verifying the terms, maturity, interest rates, and any restrictions or covenants of the borrowings held by the Group at the date of approving the financial statements against the original contracts;
- Checking the consistency of the factors and assumptions adopted in the going concern assessment with other areas of our audit, including the Group's asset impairment tests;
- Challenging the adequacy of the going concern assessment period until 31 March 2027, considering whether any events or conditions foreseeable after the period indicated a longer review period would be appropriate;
- Considering the results of management's reverse stress tests in order to identify what factors would lead to the Group utilising all liquidity during the going concern period. Assessing the likelihood of these factors in the context of the outlook for commodity prices against the recent historical highs, historic market lows, as well as our own industry experience and management's hedging strategy;
- Reconciling the opening cash position in the Group's going concern assessment to the Group cash balance at 31 December 2025. Comparing the cash balance as per the accounting records to those in the going concern model for January and February 2026 and assessing the Group's post-year-end trading performance by comparison to budget;
- With regards to the Parent Company financial statements, reviewing the letter of support received from Compañía Minera Ares ('CMA') and assessed the ability of CMA to provide financial support to the Parent Company during the going concern period, through our test of CMA's future cash flows included within the Group's going concern model;
- Considering whether management's disclosures in the Annual Report and Accounts are appropriate, through consideration of the relevant disclosure standards; and
- Reviewing the support prepared by management and the disclosures relating to the viability assessment and considered whether they accurately represented the process followed by management and whether the Group complied with the UK Corporate Governance Code disclosures requirements.

Our key observations:

- The Directors' assessment forecasts that the Group will maintain sufficient liquidity and will comply with the financial covenants throughout the going concern assessment period in all reasonably plausible scenarios, prior to the consideration of any mitigating actions available at their discretion. Considering the short-term nature of the cash forecasts, we do not consider climate change to impact the estimates reflected in the going concern assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Parent Company's ability to continue as a going concern for a period to 31 March 2027.

In relation to the Group and Parent Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

OVERVIEW OF OUR AUDIT APPROACH

Audit scope	<ul style="list-style-type: none"> – We performed an audit of the complete financial information of three components, and audit procedures on specific balances for a further four components and for the remaining twenty components we performed other audit procedures. – The components where we performed full or specific audit procedures accounted for 99% of Adjusted EBITDA, 100% of Revenue and 99% of Total Assets.
Key audit matters	<ul style="list-style-type: none"> – We identified the 'Recoverability of the carrying value of the Group's mining assets and investment in associate' as a key audit matter that, in our professional judgement, had the greatest effect on our overall audit strategy, the allocation of resources in the audit and in directing the audit team's efforts.
Materiality	<ul style="list-style-type: none"> – Our overall Group materiality of US\$11.7m which represents 2% of the Group's Adjusted EBITDA.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOCHSCHILD MINING PLC CONTINUED

AN OVERVIEW OF THE SCOPE OF THE PARENT COMPANY AND GROUP AUDITS**Tailoring the scope**

We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures. When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, the applicable financial framework, the Group's system of internal control at the entity level, the existence of centralised processes, applications and any relevant internal audit results.

We determined that centralised audit procedures would be performed on the following key audit areas: recoverability of mining assets and investment in associate; mine rehabilitation provision; accounting impact of reserves and resources estimates; accounting for hedges; and accounting for the transactions completed by Tiernan Gold Corp (the Tiernan Transaction).

We then identified three components as individually relevant to the Group due to significant risk or an area of higher assessed risk of material misstatement of the Group financial statements being associated with the components. These three components of the Group are also individually relevant due to materiality or financial size of the component relative to the Group.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed at

these components by applying professional judgement, having considered the Group significant accounts on which centralised procedures will be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the Group significant financial statement account balance.

We then considered whether the remaining Group significant account balances not yet subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the Group financial statements. We selected four components of the Group to include in our audit scope to address these risks.

Having identified the components for which work will be performed, we determined the scope to assign to each component.

Of the seven components selected, we designed and performed audit procedures on the entire financial information of three components ('full scope components'). For four components, we designed and performed audit procedures on specific significant financial statement account balances ('specific scope components').

Our scoping to address the risk of material misstatement for the key audit matter is set out in the Key audit matters section of our report.

INVOLVEMENT WITH COMPONENT TEAMS

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the Group audit engagement team, or by component auditors operating under our instruction.

The Group audit team continued to follow a programme of planned visits that has been designed to ensure that the Senior

Statutory Auditor, or another senior member of the Group audit team, visits each of the primary operating locations where the Group audit scope is focused. During the current year's audit cycle, visits were undertaken by the primary audit team to the component teams in Peru, Argentina and Brazil, with the Senior Statutory Auditor attending the visits for all three locations. These visits involved discussing the audit approach with the component team and any issues arising from their work, meeting with local management and reviewing relevant audit working papers on risk areas. The Group audit team interacted regularly with the component teams where appropriate during various stages of the audit, reviewed relevant working papers and were responsible for the scope and direction of the audit process. Where relevant, the section on key audit matters details the level of involvement we had with component auditors to enable us to determine that sufficient audit evidence had been obtained as a basis for our opinion on the Group as a whole.

This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

CLIMATE CHANGE

Stakeholders are increasingly interested in how climate change will impact Hochschild Mining PLC. The Group has determined that the most significant future impacts from climate change on its operations will be from potential governmental and societal responses to climate change risks, changes in weather patterns and consequential restricted access to capital as a result of failing to respond to these risks. These are explained on pages 71 to 73 in the Task Force On Climate-related Financial Disclosures ('TCFD') report and on page 85 in the principal risks and uncertainties. All of these disclosures form part of the 'Other information' rather than the audited

financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on 'Other information'.

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements. As explained in note 2(b) to the Consolidated Financial Statements and the TCFD report on pages 67 to 75 the governmental and societal responses to climate change risks are still developing, and are interdependent upon each other, and consequently the financial statements cannot capture all possible future outcomes as these are not yet known. The degree of certainty of these changes may also mean that they cannot be taken into account when determining asset and liability valuations and the timing of future cash flows under the requirements of UK adopted International Accounting Standards.

Hochschild have established a 2030 ambition to reduce greenhouse gas emissions (GHG) Scope 1 and 2 by 30%, against the 2021 baseline emissions level, as part of their overarching ambition to achieve Net Zero by 2050. The Group have not yet formalised this 2030 ambition as a climate commitment, due to the fact the full financial impact assessment to determine the financial statement impact of these measures is still underway. We also note that Hochschild may need to re-baseline their ambitions with respect to the 2030 target to fully reflect the introduction of Mara Rosa, which is to be conducted in 2026-2027. Therefore, until this assessment has been completed, management are unable to determine the full future economic impact on its business model and operational plans and



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOCHSCHILD MINING PLC CONTINUED

therefore the potential impacts are not fully incorporated in these financial statements.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management's assessment of the impact of climate risk, physical and transition and whether these have been appropriately reflected in the disclosures in note 2(b) to the Consolidated Financial Statements. We also challenged the Directors' considerations of climate change risks in their assessment of going concern and viability and associated disclosures.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Our response to the risk
<p>Recoverability of the carrying value of the Group's mining assets and investment in associate</p> <p>Refer to the Audit Committee Report; Accounting policies (page 150); and notes 16 to 19 to the Consolidated Financial Statements (pages 171 to 175)</p> <p>At 31 December 2025 the carrying values of the Group's mining assets were:</p> <ul style="list-style-type: none"> – Property, plant and equipment (PP&E): US\$1,238.4m (2024: US\$1,070.8m); – Evaluation and exploration (E&E) assets: US\$93.8m (2024: US\$132.3m); and – Intangible assets: US\$66.1m (2024: US\$49.6m) – Investment in associate: US\$43.4m (2024: US\$15.8m) <p>IFRS requires companies to test cash generating units (CGUs) for impairment whenever an indicator exists. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset might be impaired. For the Group, CGUs represent individual mines and advanced exploration projects.</p>	<p>Our approach focused on the following procedures:</p> <ul style="list-style-type: none"> – We obtained an understanding of management's key controls over impairment of mining assets in supporting the prevention, detection and correction of material errors in the financial statements. – We also obtained an understanding of management's process to obtain and extend the mining operating permits, including those related to mine closure plans, and assessed the reasonableness of any judgements which could impact the determination of the life of mine of the Group's assets. – We obtained management's assessment of whether any indicators of impairment or reversal of impairment were present at 31 December 2025, following the requirements of IFRS. – We challenged the validity and completeness of the indicators identified by management in its assessment with reference to our existing knowledge of the business and evidence obtained elsewhere in our audit, including searching for contra-evidence, with a focus on the following key assumptions: 	<ul style="list-style-type: none"> – Comparing and assessing management's prices to analysts' consensus forecasts for gold and silver as at 31 December 2025 and 31 December 2024. – Obtaining relevant support of management's position on market interest rates and other macroeconomic factors. – Challenging the economic performance of the CGUs during the year, discussed with management and reviewed the approved mine plans and/or budgets, with special focus on the operational performance of Mara Rosa over the second-half of 2025. – For exploration projects, obtaining an understanding of management's plans to recover the carrying value in full from successful development or by sale. We also obtained technical reports from third parties for development projects. – Obtaining relevant support about expected renewal/extension of mining permits. – With respect to the investment in Aclara, assessing the continued trend of the increase in its share price, including any development of its projects and rare earth metal prices. – For those CGUs and investments in associate where an indicator of impairment or reversal of impairment exists, we obtained the recoverable value models and performed the following procedures: <ul style="list-style-type: none"> – Where relevant, challenged the appropriateness of the valuation approach adopted by management. – Assessed the appropriateness of the methodology applied in preparing the model as well as the arithmetical accuracy of management's model. – Undertook an assessment of management's track record of accuracy in forecasting to determine the reliability of current forecasts. Agreed the main inputs to the approved mine plans or budgets, and compared them with historical actual figures, where appropriate. – Involved our valuation specialists to assist us in challenging and assessing the appropriateness of the discount rate used in the calculation as well as other key assumptions and testing methodology.
<p>Additionally, IFRS requires testing of CGUs for impairment reversal at the end of each reporting period where there is any indicator that an impairment loss recognised in prior periods (for an asset other than goodwill) may no longer exist, or may have decreased.</p> <p>For the Group, the relevant CGUs are:</p> <ul style="list-style-type: none"> – Operating mines: Inmaculada, San Jose and Mara Rosa; – Development projects: Volcan, Royropata, and Monte do Carmo; and – Investment in associate: Aclara. <p>The Volcan CGU includes an intangible asset with an indefinite useful life and therefore is tested for impairment at least annually.</p> <p>A number of impairment or impairment reversal indicators were identified across the Group's CGUs, including but not limited to:</p> <ul style="list-style-type: none"> – the increase in gold and silver prices and decrease in discount rate, impacting the San Jose CGU; – the transaction completed by Tiernan (the investment vehicle which holds the Volcan CGU); and – developments in the rare earths market and the progress in Aclara's project development; resulting in a sustained uplift of Aclara's share price. <p>Furthermore, an impairment assessment was performed on the Monte do Carmo project following its reclassification from E&E assets to PPE.</p> <p>In addition, as at 30 June 2025, an impairment indicator was identified at the Mara Rosa CGU resulting from the operational challenges presented during the first half of the year, including a temporary suspension of the processing plant. No impairment was required then. No indicators of impairments were identified as at 31 December 2025.</p> <p>As disclosed in notes 16 to 19 to the consolidated financial statements, total impairment reversals of US\$79.0m were recognised in the year. These reversals are related to San Jose (US\$13.6m), Volcan (US\$43.2m) and Aclara (US\$22.2m).</p>		



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOCHSCHILD MINING PLC CONTINUED

Risk	Our response to the risk
	<ul style="list-style-type: none"> - With respect to the recoverable value model for the Volcan CGU, we assessed management's estimation of the recoverable value by reference to the implied value derived from the consideration received for a non-controlling interest in Tiernan. - With respect to the recoverable value of the investment in Aclara, we considered whether the increase in the share price above the cost of investment was significant and sustained over a prolonged period of time to support the reversal of the impairment. - We evaluated the appropriateness of the impairment reversals by comparing the calculated recoverable values of the San Jose, Volcan and Aclara CGUs to the carrying values that would have been determined, net of depreciation or amortisation, had no prior impairment been recognised. - We reviewed, by reference to the FRC's guidance, the appropriateness, sufficiency, and clarity of the impairment-related disclosures, including around reasonably possible changes in estimates.
Key observations communicated to the Audit Committee	
<p>As a result of the audit procedures performed, we have concluded that management's impairment indicator analysis and impairment assessment for the Group's CGUs has been carried out appropriately and in accordance with the requirements of IFRS.</p>	
<p>We further concluded that the significant assumptions used in the recoverable value models prepared by management were appropriate, and where applicable, fell within the range of acceptable outcomes that we had calculated.</p>	
<p>Based on the procedures performed, we consider the impairment reversals recorded by management at 31 December 2025 totalling \$79.0m to be appropriate. We are satisfied that the carrying values of the Mara Rosa and Monte do Carmo CGUs do not require impairment as at 31 December 2025.</p>	
<p>We concluded that the related disclosures in the Group financial statements are appropriate.</p>	
<p>How we scoped our audit to respond to the risk and involvement with component teams All audit work performed to address this risk was undertaken by the Group audit team.</p>	

Revenue recognition is a significant risk presumed by ISAs (UK). It is not included above, as Hochschild's revenue streams are largely routine in nature and do not involve significant judgement or use of significant estimates. Consequently, the auditing of revenue recognition did not have the greatest effect on our overall audit strategy, the allocation of resources in the audit or in directing the efforts of the engagement team.

As part of our audit, we also address the risk of management override of internal controls, including evaluating whether there is evidence of bias by the Directors that may represent a risk of material misstatement due to fraud. We determined that the risk of management override does not represent a separate key audit matter, on the basis that it is our assessment that this risk principally manifests itself through recoverability of the

carrying value of the Group's mining assets, where there are a number of significant judgements and estimates involved that are susceptible to management bias.

In the prior year, our auditor's report included a key audit matter in relation to the 'Recoverability of the carrying value of the Group's mining assets and investment associate'. This is consistent with the key audit matter included in our auditor's report for the current year.

OUR APPLICATION OF MATERIALITY

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined planning materiality for the Group to be US\$7.2m (2024: US\$8.1m), the level on which we based our testing. Final materiality was calculated as US\$11.7m (2024: US\$8.4m) based on 2% (2024: 2%) of the Group's Adjusted EBITDA. Given our planning materiality was lower than the final materiality we continued to use US\$7.2m as our materiality for our testing. We believe that Adjusted EBITDA provides us with a suitable basis for calculating materiality, as it is an earnings-based measure that is considered to be a critical measure for users of the financial statements, given the focus on this metric by the Group's shareholders, investors and external lenders. In addition, the Adjusted EBITDA measure is used to assess

the Group's compliance with key restrictive covenants on the Group's borrowings.

We determined materiality for the Parent Company to be US\$22.7m (2024: US\$17.2m), which is 1% (2024: 1%) of Equity. The Parent Company materiality is higher than the Group materiality as it is based on Equity, which we consider to be an appropriate basis for materiality for a holding company, as the users of the financial statements focus on a capital-based measure.

Starting basis

Profit from operations before net finance income/(cost), foreign exchange loss and income tax (pre-exceptional)
(US\$365.3m)

Adjustments

- Add: Depreciation and amortisation in cost of sales and in administrative expenses (US\$168.2m)
- Add: Exploration expenses other than personnel and other exploration related fixed expenses (US\$22.1m)
- Add: Write-off of PPE (US\$4.1m)
- Add: Increase in provision for mine closure (\$24.0m)

Materiality

- US\$583.7m Adjusted EBITDA
- Materiality of US\$11.7m (2% of materiality basis).
- During the course of our audit, we reassessed initial materiality and we maintained our planning materiality level for the purpose of completing our audit procedures as the same was below our final materiality.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOCHSCHILD MINING PLC CONTINUED

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2024: 75%) of our planning materiality, namely US\$8.8m (2024: US\$6.1m). We have set performance materiality at this percentage due to our understanding of the Group's control environment, and that there have been no significant events that would alter our expectation that there is a low likelihood of misstatements that would be material individually or in aggregate to the financial statements.

Audit work was undertaken at component locations for the purpose of responding to the assessed risks of material misstatement of the Group financial statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was US\$1.4m to US\$3.9m (2024: US\$1.8m to US\$4.2m).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of US\$585k (2024: US\$420k), which is set at 5% of

planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the Annual Report set out on pages 1 to 89, and pages 90 to 133, including Strategic Report and Governance sections (including the Directors' Report, Corporate Governance Report, Directors' Remuneration Report, Supplementary Information and Statement of Directors' Responsibilities), other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or

- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or

- certain disclosures of Directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

CORPORATE GOVERNANCE STATEMENT

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 95, note 2(d) to the Consolidated Financial Statements and note 2(b) to the Parent Company Financial Statements;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 88;



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOCHSCHILD MINING PLC CONTINUED

- Directors' statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 95 and note 2(d) to the Consolidated Financial Statements;
- Directors' statement on fair, balanced and understandable set out on page 95;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 95;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out on pages 110 and 111; and
- The section describing the work of the Audit Committee on pages 109 to 114.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement set out on page 133, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant and directly relevant to specific assertions in the

financial statements are those related to the reporting frameworks (UK adopted International Accounting Standards, the Companies Act 2006, the UK Corporate Governance Code and the UK Listing Rules issued by the Financial Conduct Authority) and the relevant tax compliance regulations in the jurisdictions in which the Group operates (principally UK, Peru, Argentina and Brazil). In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements, mainly relating to health and safety, employee matters, bribery and corruption practices, environmental and certain aspects of company legislation recognising the regulated nature of the Group's mining activities and its legal form.

- We understood how Hochschild Mining PLC is complying with those frameworks by making enquiries of management, internal audit, those responsible for legal and compliance procedures and the Company Secretary. We corroborated our enquiries through our review of Board minutes, papers provided to the Audit Committee, correspondence provided to and received from regulatory bodies and legal advice provided by external counsel, and noted there was no contradictory evidence.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with management from various parts of the business, including outside the finance function, to understand what areas were susceptible to fraud. We also considered performance targets and their propensity to influence management to manage the Group's earnings.
- We considered the programmes and controls that the Group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where risk was considered as higher, we performed audit procedures to address each identified fraud risk. We engaged our forensics specialists to support our audit procedures over fraud and potential non-compliance with laws and regulations.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved: incorporating data analytics across our audit approach, journal entry testing with a focus on manual consolidation journals and journals meeting our defined risk criteria based on our understanding of the Group's business; enquiries of the Group's legal counsel, Group management, internal audit and all full and specific scope management; review of Board and Audit Committee reporting; evaluating any matters of potential non-compliance with support from our forensics and legal specialists as necessary; and focused testing as referred to in the key audit matters section above.
- We ensured our global team has appropriate industry experience through working for many years on relevant audits, including experience of mining. Our audit planning included considering external market factors, for example geopolitical risk, the potential impact of climate change, commodity price risk and major trends in the industry.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOCHSCHILD MINING PLC** CONTINUED

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

OTHER MATTERS WE ARE REQUIRED TO ADDRESS

- Following the recommendation from the Audit Committee, we were appointed by the Company on 16 October 2006 to audit the financial statements for the year ending 31 December 2006 and subsequent financial periods. Following a competitive tender process, we were reappointed as auditor of the Company for the period ending 31 December 2016 and subsequent financial periods.

The period of total uninterrupted engagement including previous renewals and reappointments is 20 years, covering the years ending 31 December 2006 to 31 December 2025. Following the conclusion of our 2025 audit, we will formally rotate off the engagement following our 20-year tenure, as required under the FRC's Ethical Standard.

- The audit opinion is consistent with the additional report to the Audit Committee.

USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

JESSY MAGUHN (SENIOR STATUTORY AUDITOR)

FOR AND ON BEHALF OF ERNST & YOUNG LLP,
STATUTORY AUDITOR

London
10 March 2026



Consolidated income statement

For the year ended 31 December 2025

	Notes	Year ended 31 December 2025			Year ended 31 December 2024		
		Before exceptional items US\$000	Exceptional items (note 11) US\$000	Total US\$000	Before exceptional items US\$000	Exceptional items (note 11) US\$000	Total US\$000
Revenue	5	1,208,575	(26,427)	1,182,148	947,696	–	947,696
Cost of sales	6	(677,939)	–	(677,939)	(605,263)	–	(605,263)
Gross profit		530,636	(26,427)	504,209	342,433	–	342,433
Administrative expenses	7	(55,604)	–	(55,604)	(50,232)	–	(50,232)
Exploration expenses	8	(28,695)	–	(28,695)	(26,854)	–	(26,854)
Selling expenses	9	(21,922)	–	(21,922)	(17,489)	–	(17,489)
Other income	12	10,163	–	10,163	20,955	–	20,955
Other expenses	12	(65,243)	(10,158)	(75,401)	(43,245)	–	(43,245)
(Impairment reversal)/impairment and write-off of non-current assets, net	16, 17 and 18	(4,074)	56,845	52,771	(846)	(16,769)	(17,615)
Profit/(loss) before share of (loss)/gain of an associate net finance income/(cost), foreign exchange loss and income tax		365,261	20,260	385,521	224,722	(16,769)	207,953
Share of (loss)/gain of an associate	19	(1,643)	22,187	20,544	(1,408)	(5,081)	(6,489)
Finance income	13	11,826	–	11,826	13,097	–	13,097
Finance costs	13	(41,112)	–	(41,112)	(26,928)	–	(26,928)
Foreign exchange loss, net	13	(3,955)	–	(3,955)	(10,416)	–	(10,416)
Profit/(loss) before income tax		330,377	42,447	372,824	199,067	(21,850)	177,217
Income tax (expense)/benefit	14	(129,650)	4,228	(125,422)	(65,556)	2,088	(63,468)
Profit/(loss) for the year		200,727	46,675	247,402	133,511	(19,762)	113,749
Attributable to:							
Equity shareholders of the Parent		159,553	42,347	201,900	116,767	(19,762)	97,005
Non-controlling interests		41,174	4,328	45,502	16,744	–	16,744
		200,727	46,675	247,402	133,511	(19,762)	113,749
Basic earnings/(loss) per ordinary share for the year (expressed in US dollars per share)	15	0.31	0.08	0.39	0.23	(0.04)	0.19
Diluted earnings/(loss) per ordinary share for the year (expressed in US dollars per share)	15	0.31	0.08	0.39	0.23	(0.04)	0.19



Consolidated statement of comprehensive income

For the year ended 31 December 2025

	Notes	Year ended 31 December	
		2025 US\$000	2024 US\$000
Profit for the year		247,402	113,749
Other comprehensive income that might be reclassified to profit or loss in subsequent periods:			
Loss on cash flow hedges	38(a)	(176,860)	(85,560)
Loss on discontinuation of hedge relationship	38(a)	26,427	–
Deferred tax benefit on cash flow hedges	38(e)	51,749	28,473
Exchange differences on translating foreign operations ¹		11,269	(30,252)
Unrealised change in credit risk of financial liability	25	(174)	–
Share of other comprehensive profit/(loss) of an associate	19	2,017	(2,492)
		(85,572)	(89,831)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Gain on equity instruments at fair value through other comprehensive income (OCI)	20	96	15
		96	15
Other comprehensive loss for the year, net of tax		(85,476)	(89,816)
Total comprehensive profit for the year		161,926	23,933
Total comprehensive loss attributable to:			
Equity shareholders of the Parent		116,424	7,189
Non-controlling interests		45,502	16,744
		161,926	23,933

¹ Foreign exchange effect generated in the Group's companies when the functional currency is the local currency, mainly generated by the decrease (2024: increase) of the US\$ exchange rate in Brazil.



Consolidated statement of financial position

As at 31 December 2025

	Notes	As at 31 December 2025 US\$000	As at 31 December 2024 US\$000
ASSETS			
Non-current assets			
Property, plant and equipment	16	1,238,438	1,070,758
Evaluation and exploration assets	17	93,797	132,303
Intangible assets	18	66,134	49,632
Investment in an associate	19	43,372	15,811
Financial assets at fair value through OCI	20	86	475
Other receivables	21	18,660	18,316
Deferred income tax assets	30	105,137	27,677
		1,565,624	1,314,972
Current assets			
Inventories	22	118,211	87,087
Trade and other receivables	21	155,544	135,814
Income tax receivable	14	795	186
Other financial assets		2,640	3,807
Cash and cash equivalents	23	316,954	96,973
Assets held for sale	24	–	12,660
		594,144	336,527
Total assets		2,159,768	1,651,499
EQUITY AND LIABILITIES			
Capital and reserves attributable to shareholders of the Parent			
Equity share capital	29	9,068	9,068
Other reserves		(415,316)	(329,431)
Retained earnings		1,127,834	931,236
		721,586	610,873
Non-controlling interests		155,508	76,478
Total equity		877,094	687,351
Non-current liabilities			
Other payables	25	34,225	46,501
Derivative financial liabilities	38(e)	178,222	61,343
Borrowings	27	225,000	163,333
Provisions	28	161,892	146,781
Deferred income tax liabilities	30	85,428	82,504
		684,767	500,462

	Notes	As at 31 December 2025 US\$000	As at 31 December 2024 US\$000
Current liabilities			
Trade and other payables	25	219,796	208,222
Derivative financial liabilities	38(e)	111,567	40,276
Borrowings	27	114,643	149,249
Provisions	28	55,455	35,082
Income tax payable	14	96,446	21,205
Liabilities directly associated with assets held for sale	24	–	9,652
		597,907	463,686
Total liabilities		1,282,674	964,148
Total equity and liabilities		2,159,768	1,651,499

These financial statements were approved by the Board of Directors on 10 March 2026 and signed on its behalf by:

Eduardo Landin
Chief Executive Officer
10 March 2026



Consolidated statement of cash flows

For the year ended 31 December 2025

	Notes	Year ended 31 December	
		2025 US\$'000	2024 US\$'000
Cash flows from operating activities			
Cash generated from operations	34	473,893	365,040
Interest received		2,906	3,272
Interest paid	27	(17,703)	(27,074)
Payment of mine closure costs	28	(15,829)	(11,833)
Income tax, special mining tax and mining royalty paid ¹		(19,349)	(8,158)
Net cash generated from operating activities		423,918	321,247
Cash flows from investing activities			
Purchase of property, plant and equipment		(209,190)	(213,513)
Purchase of evaluation and exploration assets	17(1)	(6,337)	(55,629)
Purchase of intangibles	18	(2,612)	(19,534)
Early settlement of Monte do Carmo's deferred consideration	4(b)	(8,750)	–
Investment in associate	19	(5,000)	–
Proceeds from sale of property, plant and equipment		558	759
Proceeds from sale of assets held for sale	24	100	13,890
Purchase of Argentinian bonds	13(6)	–	(5,838)
Proceeds from sale of Argentinian bonds	13(6)	–	2,865
Net cash used in investing activities		(231,231)	(277,000)
Cash flows from financing activities			
Proceeds from borrowings	27	410,000	311,607
Repayment of borrowings	27	(386,486)	(340,991)
Payment of lease liabilities	26	(5,499)	(5,046)
Dividends paid to shareholders	31	(15,195)	–
Dividends paid to non-controlling interests	31	(2,246)	(388)
Proceeds from Tiernan Reverse Takeover Transaction (RTO) and offering	4(a)	40,044	–
Buy-down option of Sprott Stream Agreement	25(a)	(13,000)	–
Net cash flows generated from/(used in) financing activities		27,618	(34,818)
Increase in cash and cash equivalents during the year		220,305	9,429
Exchange difference		(324)	(1,582)
Cash and cash equivalents at beginning of year		96,973	89,126
Cash and cash equivalents at end of year	23	316,954	96,973

¹ Taxes paid have been offset with value added tax (VAT) credits received of US\$30,632,000 (2024: US\$6,732,000).



Consolidated statement of changes in equity

For the year ended 31 December 2025

Notes	Equity share capital US\$000	Other reserves								Retained earnings US\$000	Capital and reserves attributable to shareholders of the Parent US\$000	Non-controlling interests US\$000	Total equity US\$000
		Fair value reserve of financial assets at fair value through OCI US\$000	Share of other comprehensive loss of an associate US\$000	Cumulative translation adjustment US\$000	Unrealised gain/(loss) on cash flow hedges US\$000	Merger reserve US\$000	Share-based payment reserve US\$000	Change in fair value of Spratt agreement US\$000	Total other reserves US\$000				
	9,068	(127)	419	(20,180)	(11,546)	(210,046)	6,643	-	(234,837)	834,231	608,462	60,122	668,584
Balance at 1 January 2024													
Other comprehensive income/(expense)	-	15	(2,492)	(30,252)	(57,087)	-	-	-	(89,816)	-	(89,816)	-	(89,816)
Profit for the year	-	-	-	-	-	-	-	-	-	97,005	97,005	16,744	113,749
Total comprehensive income/(expense) for the year	-	15	(2,492)	(30,252)	(57,087)	-	-	-	(89,816)	97,005	7,189	16,744	23,933
Dividends to non-controlling interests	31	-	-	-	-	-	-	-	-	-	-	(388)	(388)
Other changes in associate's equity	19	-	1,865	-	-	-	-	-	1,865	-	1,865	-	1,865
Modification of share-based payment awards	28(2)	-	-	-	-	-	(7,954)	-	(7,954)	-	(7,954)	-	(7,954)
Accrual of share-based payments		-	-	-	-	-	1,311	-	1,311	-	1,311	-	1,311
Balance at 31 December 2024	9,068	(112)	(208)	(50,432)	(68,633)	(210,046)	-	-	(329,431)	931,236	610,873	76,478	687,351
Other comprehensive income/(expense)	-	96	2,017	11,269	(98,684)	-	-	(174)	(85,476)	-	(85,476)	-	(85,476)
Profit for the year	-	-	-	-	-	-	-	-	-	201,900	201,900	45,502	247,402
Total comprehensive income/(expense) for the year	-	96	2,017	11,269	(98,684)	-	-	(174)	(85,476)	201,900	116,424	45,502	161,926
Dividends paid to shareholders	31	-	-	-	-	-	-	-	-	(15,195)	(15,195)	-	(15,195)
Dividends to non-controlling interests	31	-	-	-	-	-	-	-	-	-	-	(2,246)	(2,246)
Sale of financial assets at fair value through OCI		(409)	-	-	-	-	-	-	(409)	775	366	-	366
Change in ownership interest in Tiernan without loss of control	4	-	-	-	-	-	-	-	-	9,118	9,118	35,774	44,892
Balance at 31 December 2025	9,068	(425)	1,809	(39,163)	(167,317)	(210,046)	-	(174)	(415,316)	1,127,834	721,586	155,508	877,094



Notes to the consolidated financial statements

For the year ended 31 December 2025

1 Corporate information

Hochschild Mining PLC (hereinafter 'the Company') is a public limited company incorporated on 11 April 2006 under the Companies Act 2006 as a Limited Company and registered in England and Wales with registered number 05777693. The Company's registered office is located at 17 Cavendish Square, London W1G 0PH, United Kingdom.

The ultimate controlling party of the Company is Mr Eduardo Hochschild whose beneficial interest in the Company and its subsidiaries (together 'the Group' or 'Hochschild Mining Group') is 38.27% and it is held through Pelham Investment Corporation ('Pelham'), a Cayman Islands company.

On 8 November 2006, the Company's shares were admitted to the Official List of the UKLA (United Kingdom Listing Authority) and to trading on the London Stock Exchange.

The Group's principal business is the mining, processing and sale of silver and gold. At 31 December 2025, the Group has one operating mine (Inmaculada) located in southern Peru, one operating mine (San Jose) located in Argentina and one operating mine (Mara Rosa) located in Brazil. The Group also has a portfolio of projects located across Peru, Argentina, Brazil, and Chile, at various stages of development.

These consolidated financial statements were approved for issue by the Board of Directors on 10 March 2026.

The Group's subsidiaries, all held indirectly, except for Hochschild Mining Holdings Limited, are as follows:

Company	Principal activity	Country of incorporation	Equity interest at 31 December	
			2025 %	2024 %
Hochschild Mining (Argentina) Corporation S.A. ¹	Holding company	Argentina	100	100
MH Argentina S.A. ²	Exploration office	Argentina	100	100
Minera Santa Cruz S.A. ^{1 and 14}	Production of gold and silver	Argentina	51	51
Minera Hochschild Chile S.C.M. ³	Exploration	Chile	100	100
Andina Minerals Chile SpA ³	Exploration	Chile	69.8	100
Southwest Minerals (Yunnan) Inc. ⁴	Exploration	China	100	100
Hochschild Mining Holdings Limited ⁶	Holding company	England and Wales	100	100
Hochschild Mining Ares (UK) Limited ⁶	Administrative office	England and Wales	100	100
Hochschild Mining Brazil Holdings Corp. ⁶	Holding company	England and Wales	100	100
Southwest Mining Inc. ⁴	Exploration	Mauritius	100	100
Southwest Minerals Inc. ⁴	Exploration	Mauritius	100	100
Minera Hochschild Mexico, S.A. de C.V. ⁷	Exploration	Mexico	100	100
Hochschild Mining (Peru) S.A. ⁴	Holding company	Peru	100	100
Compañía Minera Ares S.A.C. ⁴	Production of gold and silver	Peru	100	100
Compañía Minera Arcata S.A. ⁴	Production of gold and silver	Peru	99.1	99.1
Empresa de Transmisión Aymaraes S.A.C. ⁴	Power transmission	Peru	100	100
Cúspide Copper S.A.C. ^{4 and 13}	Exploration	Peru	100	100
Compañía Minera Cerro Salto S.A.C. ^{4 and 13}	Exploration	Peru	–	100
Toro Bravo Peru S.A.C. ⁵	Exploration	Peru	100	–
Hochschild Mining (US) Inc. ⁸	Holding company	USA	100	100
Hochschild Mining Canada Corp ⁹	Exploration	Canada	100	100
Tiernan Gold Corp. ^{9 and 11}	Holding company	Canada	69.8	100
Amarillo Mineracao do Brasil Ltda. ¹⁰	Production of gold and silver	Brazil	100	100
Serra Alta Mineracao Ltda. ^{10 and note 4(b)}	Exploration	Brazil	100	100
Serra Alta Participacoes Imobiliarias S.A. ^{10 and note 4(b)}	Exploration	Brazil	100	100

¹ Registered address: Av. Santa Fe 2755, floor 9, Buenos Aires, Argentina.

² Registered address: Sargento Cabral 124, Comodoro Rivadavia, Provincia de Chubut, Argentina.

³ Registered address: Av. Apoquindo 4775 of 1002, Comuna Las Condes, Santiago de Chile, Chile.

⁴ Registered address: La Colonia 180, Santiago de Surco, Lima, Peru.

⁵ Registered address: La Colonia 180, Santiago de Surco, Lima, Peru. The company was incorporated on 2 February 2025.

⁶ Registered address: 17 Cavendish Square, London, W1G0PH, United Kingdom.

⁷ Registered address: Calle Aguila Real No 122, Colonia Carolco, Monterrey, Nuevo Leon, CP 64996, Mexico.

⁸ Registered address: 1025 Ridgeview Dr. 300, Reno, Nevada 89519, USA.

⁹ Registered address: Suite 1700, Park Place, 666 Burrard Street, Vancouver BC, V6C 2X8.

¹⁰ Registered address: Fazenda Invernada s/n, Zona Rural, Mara Rosa – Goias – Brazil, CEP: 76.490-000.

¹¹ The Group has a 69.8% interest in Tiernan Gold Corp, while the remaining 30.2% is held by non-controlling shareholders (see note 4(a)).

¹² The Company was incorporated on 8 July 2024.

¹³ The Company was incorporated on 20 July 2024 and sold on 27 February 2025.

¹⁴ The Group has a 51% interest in Minera Santa Cruz S.A. (Minera Santa Cruz), while the remaining 49% is held by a non-controlling shareholder.



1 Corporate information continued

The significant financial information in respect of subsidiaries that contain material non-controlling interest before intercompany eliminations as at and for the years ended 31 December 2025 and 2024 is as follows:

	Minera Santa Cruz S.A. As at 31 December		Tiernan Gold Corp. As at 31 December	
	2025 US\$000	2024 US\$000	2025 US\$000	2024 US\$000
Non-current assets	140,380	133,371	87,251	–
Current assets	291,237	144,568	39,709	–
Non-current liabilities	(76,857)	(66,806)	(13,065)	–
Current liabilities	(108,487)	(57,922)	(3,200)	–
Equity	(246,273)	(153,211)	(110,695)	–
Cash and cash equivalents	149,114	45,454	39,673	–
Revenue	436,522	293,335	–	–
Depreciation and amortisation	(49,338)	(48,899)	–	–
Impairment reversal of non-current assets	14,179	–	43,255	–
Interest income	1,275	1,071	441	–
Interest expense	(1,482)	(3,043)	(2)	–
Income tax	(47,326)	(632)	(12)	–
Profit for the year	97,646	34,170	24,687	–
Comprehensive income	–	–	4,803	–
Net cash generated from operating activities	153,130	74,625	1,477	–
Net cash used in investing activities	(43,425)	(46,143)	(1,823)	–
Net cash (used in)/generated from financing activities	(6,046)	(5,210)	28,129	–

Profit/(loss) attributable to non-controlling interests in the consolidated income statement, non-controlling interest in the consolidated statement of financial position, and dividends declared to non-controlling interests in the consolidated statement of changes in equity are solely related to Minera Santa Cruz and Tiernan Gold Corp.

2 Material accounting policies

(a) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with UK-adopted International Accounting Standards.

The basis of preparation and accounting policies used in preparing the consolidated financial statements for the years ended 31 December 2025 and 2024 are set out below. The consolidated financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments that are measured at fair value at the end of each reporting period, as explained below. These accounting policies have been consistently applied, except for the effects of the adoption of new and amended accounting standard.

The financial statements are presented in US dollars (US\$) and all monetary amounts are rounded to the nearest thousand (\$000) except when otherwise indicated.

Changes in accounting policy and disclosures

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025.

Amendments apply for the first time in 2025, but do not have an impact on the consolidated financial statements of the Group.

– Lack of exchangeability – Amendments to IAS 21

Standards, interpretations and amendments to existing standards that are not yet effective and have not been previously adopted by the Group

Certain new standards, amendments and interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2026 or later periods but which the Group has not previously adopted. These have not been listed as they are not expected to have a material impact the Group financial statements. The Group has not yet completed its assessment of IFRS 18. The analysis is expected to conclude on second quarter of 2026.

(b) Judgements in applying accounting policies and key sources of estimation uncertainty

Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimates is contained in the accounting policies and/or the notes to the financial statements.

Significant areas of estimation uncertainty and critical judgements made by management in preparing the consolidated financial statements include:

Significant estimates:

– *Useful lives of assets for depreciation and amortisation purposes – note 2(f).*

Estimates are required to be made by management as to the useful lives of assets. For depreciation calculated under the unit-of-production method, estimated recoverable reserves and resources are used in determining the depreciation and/or amortisation of mine-specific assets. This results in a depreciation/amortisation charge proportional to the depletion of the anticipated remaining life-of-mine production. Each item's life, which is assessed annually, has regard to both its physical life limitations and to present assessments of economically recoverable reserves and resources of the mine property at which the asset is located. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves and resources. Changes are accounted for prospectively. Depreciation commences when assets are available for use. Land is not depreciated.



2 Material accounting policies continued

– Ore reserves and resources – note 2(h).

There are numerous uncertainties inherent in estimating ore reserves and resources. Assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and resources and may, ultimately, result in the reserves and resources being updated.

– Recoverable values of mining assets – notes 2(k), 16, 17 and 18.

The values of the Group's mining assets are sensitive to a range of characteristics unique to each mine unit. Key sources of estimation for all assets include uncertainty around ore reserve estimates and cash flow projections. In performing impairment reviews, the Group assesses the recoverable amount of its operating assets principally with reference to fair value less costs of disposal ('FVLCD').

The recoverable values of the CGUs and advanced exploration projects are determined using a FVLCD methodology. FVLCD for CGUs is determined using a combination of Level 2 and Level 3 inputs. The FVLCD of producing mine assets is determined using a discounted cash flow model and for developing stage mine assets or advanced exploration projects is determined using a discounted cash flow model or the value-in-situ methodology. When using a value-in-situ methodology, the in-situ value is based on a comparable company analysis and applies a realisable 'enterprise value' to unprocessed mineral resources per ounce of resources, to estimate the amount that would be paid by a willing third party in an arm's length transaction (refer to notes 16, 17 and 18).

There is judgement involved in determining the assumptions that are considered to be reasonable and consistent with those that would be applied by market participants. Significant estimates used in a discounted cash flow model include future gold and silver prices, future capital requirements, reserves and resources volumes, production costs and the application of discount rates which reflect the macro-economic risk, as applicable. When using a value-in-situ methodology, the in-situ value is based on a comparable company analysis. Changes in these assumptions will affect the recoverable amount of the property, plant and equipment, evaluation and exploration assets, and intangibles.

– Mine closure costs – notes 2(o) and 28(1).

The Group assesses its mine closure cost provision annually. Significant estimates and assumptions are made in determining the provision for mine closure cost as there are numerous factors that will affect the ultimate liability. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases, mine life and changes in discount rates. Those uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision at the balance sheet date represents management's best estimate of the present value of the future closure costs required. In July 2021, the mine closure law for the province of Santa Cruz in Argentina was published, establishing a period of 180 business days to present the Mine Closure Plan. The plan was presented to the provincial authority in December 2022 and observations were received in December 2025. The Group plans to present an updated Mine Closure Plan, prepared with the support of external consultants, by the end of 2026.

– Valuation of financial instruments – note 38.

The valuation of certain Group assets and liabilities reflects the changes to certain assumptions used in the determination of their value, such as future gold and silver prices, discount rates, and resources and reserves estimates.

– Non-market performance conditions on LTIP 2022, LTIP 2023 and LTIP 2024 – note 28(2).

There are two parts to the performance conditions attached to LTIP awards: 50% is subject to the Company's TSR ranking relative to a tailored peer group of mining companies, 50% is subject to internal KPIs split equally between: (i) three-year growth of the Company's Measured and Indicated Resources (MIR) per share (calculated on an enterprise value basis), and (ii) average outcome of the annual bonus scorecard in respect of 2023, 2024 and 2025, regarding LTIP 2023; 2024, 2025 and 2026, regarding LTIP 2024; and 2025, 2026 and 2027, regarding LTIP 2025, calculated as the simple mean of the three scorecard outcomes. At each reporting date the Group has to estimate the value of the shares and the possible outcome regarding the scorecard and MRI. The balance of the awards is disclosed in note 28(2).

Critical judgements:

– Assessment of impairment indicators for the Group's CGUs – notes 16, 17 and 18.

Assessment of impairment indicators are performed during the year and they were identified in certain of the CGUs – refer to notes 16, 17 and 18 for details.

– Income tax – notes 2(t), 2(u), 14, 30 and 36(a).

Judgement is required in determining whether deferred tax assets are recognised on the statement of financial position. Deferred tax assets, including those arising from un-utilised tax losses require management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the balance sheet date could be impacted. The Group analyses the possibility of generating profit in all the companies and determines the recognition of deferred tax. No deferred tax asset is recognised in the holding and exploration entities as they are not expected to generate any profit to settle the temporary difference (refer to note 30).

Judgement is also required when determining the recognition of tax liabilities as the tax treatment of some transactions cannot be finally determined until a formal resolution has been reached by the tax authorities. Tax liabilities are also recorded for uncertain exposures which can have an impact on both deferred and current tax. Tax benefits are not recognised unless it is probable that the benefit will be obtained and tax liabilities are recognised if it is probable that a liability will arise (refer to note 36(a)). The final resolution of these transactions may give rise to material adjustments to the income statement and/or cash flow in future periods. The Group reviews each significant tax liability or benefit each period to assess the appropriate accounting treatment.

– Life of mine (LOM).

There are several aspects which are determined by the life of mine, such as ore reserves and resources, recoverable values of mining assets, mine rehabilitation provision and depreciation. The life of mine for an operation is specified in the relevant Environmental Impact Assessment (EIA) which is amended from time to time as more resources at the mine are identified. EIAs are permits which are granted in the ordinary course of business to the mining industry. While the processing of such permits may be subject to delays, the Group has never had an EIA denied. A crucial element of Peru's legal framework is the principle of predictability which, in essence, means that if the legal requirements for any given permit have been satisfied, the State cannot unlawfully deny the granting of the permit. Taking this into consideration, as well as the Group's operational experience, the Group believes that permits will be secured such that operations can continue without interruption. In the unlikely scenario that this does not occur, there could be material changes to those items in the financial statements that are determined by the life of mine.



2 Material accounting policies continued

– Determination of functional currencies – note 2(e).

The determination of functional currency requires management judgement, particularly where there may be several currencies in which transactions are undertaken and which impact the economic environment in which the entity operates. In Argentina, the exchange control restrictions limit the companies to hold US dollars but do not restrict carrying out transactions in US dollar.

– Recognition of evaluation and exploration assets and transfer to development costs – notes 2(g), 16 and 17.

Judgement is required in determining when there is sufficient evidence that there is a future economic benefit of an exploration project, at which point the exploration costs are capitalised. This includes an assessment of whether there is a high degree of confidence of the existence of economically recoverable minerals, mine-site exploration is being conducted to convert resources to reserves, or mine-site exploration is being conducted to confirm resources. The stage, timeline and associated risks of the project are also considered. The exploration and evaluation assets are then assessed for impairment when facts and circumstances suggest that the carrying amount is not recoverable. Following advancement of engineering, permitting and project development activities, management concluded that the technical feasibility and commercial viability of the Monte do Carmo project are demonstrable. Accordingly, in line with the Group's accounting policy and the requirements of IAS 16 and IAS 23, the asset has been reclassified from Exploration & Evaluation to Property, Plant and Equipment.

– Climate change

• General

Between 2024 and 2025, the Group undertook a climate-related scenario analysis, a detailed transition risk assessment, an update of the physical climate risk assessment on its operations, and a financial quantification of carbon pricing which is considered to be the Group's most material transition risk. These studies identified current and future climate-related risks to the Group's infrastructure. While current climate change-related factors are reflected in the Group's existing budget, the financial impact of future carbon pricing on the Group is not expected to materialise until 2030. The magnitude of this impact remains uncertain due to the details of the emission trading system schemes as well as our own operational emissions' profile.

Despite the adoption of the Group's climate change strategy, the introduction of unexpected climate-change regulations in the countries where the Group operates may affect the financial quantification estimates and could result in changes to financial results and the carrying values of certain assets and liabilities in forthcoming reporting periods.

• Physical risks

The Group completed a climate-related scenario analysis, identifying five physical risks rated as 'high': water stress and drought, extreme rainfall flooding, wildfires, extreme winds and storms, and extreme heat. The costs associated with managing these risks are incorporated into the Group's operational and capital expenditure. The financial quantification of the future impact of the most significant climate change-related physical risks on the Group will be conducted in 2026. As the Group progresses its adaptation strategy, the identification of additional risks or the development of the Group's response may result in changes to financial results and the carrying values of assets and liabilities in future reporting periods.

– Business combinations and asset acquisitions – note 4.

In identifying a business combination (note 2(c)) or acquisition of assets the Group applies the concentration test in accordance with IFRS 3 to determine whether an acquisition is a business combination or an asset acquisition. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable assets or a group of similar assets. If the concentration test is met, the acquisition is accounted for as an asset acquisition. If the concentration test is not met, the Group considers the underlying inputs, processes and outputs acquired as a part of the transaction. For an acquired set of activities and assets to be considered a business there must be at least some inputs and processes that have the capability to achieve the purposes of the Group. Where significant inputs and processes have not been acquired, a transaction is considered to be the purchase of assets.

For the assets and assumed liabilities acquired the Group allocates the total consideration paid (including directly attributable transaction costs) based on the relative fair values of the underlying items. On 7 November 2024 the Group acquired a 100% interest in the Monte do Carmo gold project in Brazil, through the acquisition of Serra Alta Mineração Ltda. (note 4). The transaction was accounted as a purchase of assets as it met the concentration test, with the main asset acquired being the Monte do Carmo project which is in a development stage.

Where the acquiree does not meet the definition of a business under IFRS 3, the transaction has been accounted for in accordance with IFRS 2 *Share-based Payment* as the acquiree is deemed to have issued equity instruments in exchange for its identifiable net assets. Any excess of the deemed consideration over the fair value of the identifiable net assets acquired is recognised as a listing expense in the income statement. In December 2025, Tiernan Gold Corp, an indirect wholly-owned subsidiary of the Group, completed a reverse takeover of Railtown Capital Corp, a TSXV-listed capital pool company. As Railtown did not meet the definition of a business under IFRS 3, the transaction was accounted for in accordance with IFRS 2 (note 4(a)).

– Stream Agreements – note 25(a).

Judgement was required in determining the accounting treatment for the initial recognition and subsequent measurement of the obligations included in the Secured Note and Stream Agreement with Sprott Private Resource Streaming and Royalty Corp. (Sprott), assigned to the Group upon the acquisition of the Monte do Carmo project. Refer to notes 4 and 25(a) for details on the Monte do Carmo's acquisition and the Stream Agreements, respectively.

Management determined that the Secured Note and Stream Agreement are closely connected, with the option by Sprott to set off the US\$20,000,000 stream payment against the Secured Note upon commencement of production. Therefore, management considered the two contracts as a single unit of account. The Stream Agreement meets the definition of a derivative and is accounted for at fair value through profit and loss (FVTPL). The key assumptions on which management has based its determination of fair value are disclosed in note 25(a).

– Investment in an associate – note 19.

Judgement is required in determining the recoverable amount of the investment in Aclara Resources Inc. (Aclara). Management determined that there were sufficient external and internal indicators to support a full reversal of the accumulated impairment of the investment in Aclara as of 31 December, 2025. As a result, the Group has recognised a reversal of impairment of US\$22,187,000 as at 31 December 2025.



2 Material accounting policies continued

– Loss on discontinuation of hedge relationship – note 38 (a).

Management uses judgement in determining whether an item should be presented as exceptional in the income statement. In accordance with the Group's policy, *"Exceptional items are those significant items which, due to their nature or the expected infrequency of the events giving rise to them, need to be disclosed separately on the face of the income statement to enable a better understanding of the financial performance of the Group and facilitate comparison with prior years"*.

Given the non-recurring and non-cash nature of this hedge accounting reclassification to the income statement, and the fact that the cash settlement will occur in 2028 once the instruments mature, the resulting charge has been presented as an exceptional item within revenue. This presentation facilitates a better understanding by users of the financial statements of the Group's underlying operating performance by separating the effects of this discrete, non-cash hedge accounting reclassification from revenue and profitability trends.

(c) Basis of consolidation

The consolidated financial statements set out the Group's financial position, performance and cash flows as at 31 December 2025 and 31 December 2024 and for the years then ended, respectively.

Subsidiaries are those entities controlled by the Group regardless of the amount of shares owned by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Non-controlling interests' rights to safeguard their interest are fully considered in assessing whether the Group controls a subsidiary. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Basis of consolidation

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction, affecting retained earnings. If the Group loses control over a subsidiary, it (i) derecognises the assets (including goodwill) and liabilities of the subsidiary; (ii) derecognises the carrying amount of any non-

controlling interest (NCI); (iii) derecognises the cumulative translation differences, recorded in equity; (iv) recognises the fair value of the consideration received; (v) recognises the fair value of any investment retained; (vi) recognises any surplus or deficit in profit or loss; and (vii) reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

An NCI represents the equity in a subsidiary not attributable, directly and indirectly, to the parent company and is presented separately within equity in the consolidated statement of financial position, separately from equity attributable to owners of the parent.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any NCI in the acquiree. The choice of measurement of NCI, either at fair value or at the proportionate share of the acquiree's identifiable net assets, is determined on a transaction by transaction basis. Acquisition costs incurred are expensed and included in administrative expenses.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the NCI, and any interest previously held, over the net identifiable assets acquired and the liabilities assumed. Assets acquired and liabilities assumed in transactions separate to the business combinations, such as the settlement of pre-existing relationships or post-acquisition remuneration arrangements, are accounted for separately from the business combination in accordance with their nature and applicable IFRSs. Identifiable intangible assets meeting either the contractual-legal or the separability criteria are recognised separately from goodwill. Contingent liabilities representing a present obligation are recognised if the acquisition date fair value can be measured reliably.

(d) Going concern

Directors' assessment

The Directors have reviewed Group liquidity, including cash resources and borrowings (refer to note 27 for details of the US\$300 million medium-term loan) and related covenant forecasts to assess whether the Group is able to continue in operation for the period to 31 March 2027 (the 'Going Concern Period') which is at least 12 months from the date of these consolidated financial statements. The Directors also considered the impact of a downside scenario on the Group's future cash flows and liquidity position as well as debt covenant compliance.

Scenarios analysed

For the purposes of the going concern assessment, the base case scenario reviewed by the Directors (the 'Base Scenario') reflects, among other things, budgeted production for 2026 and current life-of-mine plans for Inmaculada, San Jose and Mara Rosa. The Base Scenario also assumes average precious metal prices of US\$3,994/oz for gold and US\$48.1/oz for silver (the 'Assumed Prices'), being the average analysts' consensus prices for the Going Concern Period.

The Directors also considered a severe but plausible downside scenario ('the Severe Scenario') which takes into account the combined impact of a three-week stoppage of all operations, unforeseen social-related costs and lower precious metal prices which are lower than the Assumed Prices (a 10% lower gold price and 15% lower silver price) ('the Downside Assumptions').

Even in the Severe Scenario it has been assumed that all employees remain on full pay and that mitigating actions, such as the deferral of discretionary expenditure, which are under the Group's control, while available, would not be necessary.



2 Material accounting policies continued

Under the Base and the Severe scenarios, the Group's liquid resources, which as at the date of this report include an undrawn amount of US\$180 million, remain more than adequate for the Group's forecast expenditure and scheduled repayments of the amounts owed under the Group's borrowings, with sufficient headroom maintained to comply with debt covenants.

Reverse Stress Tests

Management also performed reverse stress tests which were considered in the Directors' assessment. Under these tests, the Directors concluded that:

- prices of US\$1,797/oz for gold and US\$21.7/oz for silver for the duration of the Going Concern Period would result in sufficient headroom to comply with the Group's minimum level of liquidity; and
- 21 weeks of concurrent stoppages at each of Inmaculada, San Jose and Mara Rosa would result in sufficient headroom to comply with the Group's debt covenants of the medium-term loan facility.

In its application of the above reverse stress tests, no mitigation actions were applied. The Directors considered the nature and extent of the conditions required to trigger these outcomes and concluded the likelihood of such scenarios occurring during the Going Concern Period to be remote.

Conclusion

After their review, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence during the Going Concern Period. Accordingly, the Directors are satisfied the going concern basis of accounting is appropriate in preparing the consolidated financial statements.

(e) Currency translation

The functional currency for each entity in the Group is determined by the currency of the primary economic environment in which it operates. For the holding companies and operating entities this currency is US dollars and for the other entities it is the local currency of the country in which it operates. The Group's financial information is presented in US dollars, which is the Company's functional currency. Transactions denominated in currencies other than the functional currency of the entity are initially recorded in the functional currency using the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are remeasured at the exchange rate prevailing at the statement of financial position date. Exchange gains and losses on settlement of foreign currency transactions which are translated at the rate prevailing at the date of the transactions, or on the translation of monetary assets and liabilities which are translated at period-end exchange rates, are taken to the income statement. Non-monetary assets and liabilities denominated in foreign currencies that are stated at historical cost are translated to the functional currency at the foreign exchange rate prevailing at the date of the transaction. Exchange differences arising from monetary items that are part of a net investment in a foreign operation are recognised in equity and transferred to income on disposal of such net investment.

Subsidiary financial statements expressed in their corresponding functional currencies are translated into US dollars by applying the exchange rate at period-end for assets and liabilities and the transaction date exchange rate for income statement items. The resulting difference on consolidation is included as a cumulative translation adjustment in equity. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

(f) Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated depreciation and impairment losses. Cost comprises its purchase price and directly attributable costs of acquisition or construction required to bring the asset to the condition necessary for the asset to be capable of operating in the manner intended by management. Economical and physical conditions of assets have not changed substantially over this period.

The cost less residual value of each item of property, plant and equipment is depreciated over its useful life. Each item's estimated useful life has been assessed with regard to both its own physical life limitations and the present assessment of economically recoverable reserves and resources of the mine property at which

the item is located. Estimates of remaining useful lives are made on a regular basis for all mine buildings, machinery and equipment, with annual reassessments for major items. Depreciation is charged to cost of production on a units of production basis for mine buildings and installations and plant and equipment used in the mining production process, or charged directly to the income statement over the estimated useful life of the individual asset on a straight-line basis when not related to the mining production process. Changes in estimates, which mainly affect units of production calculations, are accounted for prospectively.

An asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the net proceeds with the carrying amount and are recognised within other income/expenses, in the income statement.

The expected useful lives under the straight-line method are as follows:

	Years
Buildings	3 to 33
Plant and equipment	5 to 15
Vehicles	5

During the period, management reassessed the depreciation method applied to certain items of plant and equipment at Inmaculada. Following an extension of the life of mine, management determined that the estimated useful lives of these assets, ranging between 10 and 15 years, were shorter than the revised life of mine. As a result, the depreciation method for these assets was changed from the units-of-production method to depreciation on a straight-line basis over their estimated useful lives. This change has been accounted for as a change in accounting estimate and applied prospectively (refer to note 16(2)).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to be ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed where incurred. For borrowings associated with a specific asset, the actual rate on that borrowing is used. Otherwise, a weighted average cost of borrowing is used. The Group capitalises the borrowing costs related to qualifying assets with a value of US\$1,000,000 or more, considering that the substantial period of time to be ready is six or more months.

Mining properties and development costs

Purchased mining properties are recognised as assets at their cost of acquisition or at fair value if purchased as part of a business combination. Costs associated with developments of mining properties are capitalised.

Mine development costs are, upon commencement of commercial production, depreciated using the units of production method based on the estimated economically recoverable reserves and resources to which they relate.

When a mine construction project moves into the production stage, the capitalisation of certain mine construction costs ceases and costs are either regarded as part of the cost of inventory or expensed, except for costs which qualify for capitalisation relating to mining asset additions or improvements, underground mine development or mineable reserve development.



2 Material accounting policies continued

Construction in progress and capital advances

Assets in the course of construction are capitalised as a separate component of property, plant and equipment. Once the asset moves into the production phase, the cost of construction is transferred to the appropriate category. Construction in progress is not depreciated. Capital advances to suppliers related to the purchase of property, plant and equipment are disclosed in construction in progress.

Subsequent expenditure

Expenditure incurred to replace a component of an item of property, plant and equipment is capitalised separately with the carrying amount of the component being written-off. Other subsequent expenditure is capitalised if future economic benefits will arise from the expenditure. All other expenditure including repairs and maintenance expenditures are recognised in the income statement as incurred.

(g) Evaluation and exploration assets

Exploration and evaluation expenses are capitalised when there is sufficient evidence that there is a future economic benefit to the Group. All other exploration and evaluation expenses are expensed as incurred. Exploration and evaluation expenses are considered to have a future benefit to the Group when there is a high degree of confidence of the existence of economically recoverable minerals, mine-site exploration is being conducted to convert resources to reserves, or mine-site exploration is being conducted to confirm resources. The stage, timeline and associated risks of the project are also considered. For exploration and evaluation conducted near operating mine sites, exploration and evaluation expenses are capitalised upon the confirmation of resources.

Payments or option payments made by the Group to acquire licences for exploration and evaluation assets, or to acquire an underlying mineral project, are capitalised in exploration and evaluation expenses or expensed as incurred, following the same criteria described above.

The Group's exploration and evaluation assets are carried at acquired costs until such time as the technical feasibility and commercial viability of the extraction of resources in an area of interest are demonstrable, usually after a pre-feasibility study has been completed, at which time they are classified as mine development costs and are tested for impairment, and are then reclassified to mining properties and development costs. For exploration and evaluation conducted near operating mine sites, exploration and evaluation expenses are classified as development costs upon the conversion of resources to reserves.

(h) Determination of ore reserves and resources

The Group estimates its ore reserves and mineral resources based on information compiled by internal competent persons. Reports to support these estimates are prepared each year and are stated in conformity with the 2012 Joint Ore Reserves Committee (JORC) code.

It is the Group's policy to have the report audited every two years by a Competent Person. Reserves and resources are used in the units of production calculation for depreciation and amortisation as well as the determination of the timing of mine closure cost and impairment analysis.

(i) Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes,

when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment and its carrying value, and then recognises the loss within 'Share of (loss)/profit of an associate' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(j) Intangible assets

Right to use energy of transmission line

Transmission line costs represent the investment made by the Group to construct the transmission line on behalf of the government to be granted the right to use it. This is an asset with a finite useful life equal to that of the mine to which it relates and that is amortised applying the units of production method for that mine.

Water permits

Water permits are recorded at cost and allow the Group to withdraw a specified amount of water from the ground for reasonable, beneficial uses. This is an asset with an indefinite useful life (note 18(2)).

Legal rights

Legal rights correspond to expenditures required to give the Group the right to use a property for the surface exploration work, development and production. This is an asset with a finite useful life equal to that of the mine to which it relates and that is amortised applying the units of production method for that mine.

Other intangible assets

Other intangible assets are primarily computer software which are capitalised at cost and are amortised on a straight-line basis over their useful life of three years.

Royalty intangible assets

Royalty interests represent contractual rights to receive a percentage of revenue or production from specific mining operations. These assets are recognised at cost or at fair value when acquired. Royalty intangible assets have a finite useful life. Royalty intangible assets have a finite useful life and are amortised using the units-of-production method over the expected life of the related mining operation.



2 Material accounting policies *continued*

(k) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

The carrying amounts of property, plant and equipment and evaluation and exploration assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. If there are indicators of impairment, an exercise is undertaken to determine whether the carrying values are in excess of their recoverable amount. Such review is undertaken on an asset by asset basis, except where such assets do not generate cash flows independent of other assets, and then the review is undertaken at the cash-generating unit (CGU) level.

The assessment requires the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, reserves and resources volumes (reflected in the production volume) and production costs. Changes in these assumptions will affect the recoverable amount of the property, plant and equipment and evaluation and exploration assets.

If the carrying amount of an asset or its cash-generating unit (CGU) exceeds the recoverable amount, an impairment provision is recorded to reflect the asset at the lower amount. Impairment losses are recognised in the income statement.

Calculation of recoverable amount

The recoverable values of the CGUs and advanced exploration projects are determined using a FVLCD methodology. FVLCD for CGUs was determined using a combination of Level 2 and Level 3 inputs. The FVLCD of the producing mine assets is determined using a discounted cash flow model and for the developing stage mine assets or advanced exploration projects is determined using a discounted cash flow model or the value-in-situ methodology, which applies a realisable 'enterprise value' to unprocessed mineral resources per ounce of resources, to estimate the amount that would be paid by a willing third party in an arm's length transaction (notes 16, 17 and 18).

Reversal of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(l) Inventories

Inventories are valued at the lower of cost or net realisable value. Cost is determined using the weighted average method.

The cost of work in progress and finished goods (ore inventories) is based on the cost of production. For this purpose, the costs of production include:

- costs, materials and contractor expenses which are directly attributable to the extraction and processing of ore;
- depreciation of property, plant and equipment used in the extraction and processing of ore; and
- related production overheads (based on normal operating capacity).

Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(m) Trade and other receivables

Current trade receivables are carried at the original invoice amount and then subsequently measured at amortised cost less provision made for impairment of these receivables. Non-current receivables are stated at amortised cost. A provision for impairment of trade receivables is established using the expected credit loss impairment model according IFRS 9. The amount of the provision is the difference between the carrying amount and the recoverable amount and this difference is recognised in the income statement. The revaluation of provisionally priced contracts stated in 2(q) is recorded as trade receivables.

(n) Share capital

Ordinary shares are classified as equity. Any excess above the par value of shares received upon issuance of those shares is classified as share premium. The Group had the merger reserve available for distribution within retained earnings.

(o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation (note 28). If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Mine closure cost

Provisions for mine closure costs are made in respect of the estimated future costs of closure and restoration and for environmental rehabilitation costs (which include the dismantling and demolition of infrastructure, removal of residual materials and remediation of disturbed areas) in the accounting period when the related environmental disturbance occurs. The provision is discounted and the unwinding of the discount is included in finance costs. At the time of establishing the provision, a corresponding asset is capitalised and is depreciated over future production from the mine to which it relates. The provision is reviewed on an annual basis for changes in cost estimates, discount rates and operating lives of the mines.

Changes to estimated future costs are recognised in the statement of financial position by adjusting the mine closure cost liability and the related asset originally recognised. If, for mature mines, the related mine assets net of mine closure cost provisions exceed the recoverable value, that portion of the increase is charged directly to the income statement. Similarly, if reductions to the estimated costs exceed the carrying value of the mine asset, that portion of the decrease is credited directly to the income statement. For closed sites, changes to estimated costs are recognised immediately in the income statement.

Workers' profit sharing and other employee benefits

In accordance with Peruvian legislation, companies in Peru must provide for workers' profit sharing equivalent to 8% of taxable income in each year. This amount is charged to the income statement within personnel expenses (note 10) and is considered deductible for income tax purposes. The Group has no pension or retirement benefit schemes.

Other

Other provisions are accounted for when the Group has a legal or constructive obligation for which it is probable there will be an outflow of resources for which the amount can be reliably estimated.

(p) Share-based payments

Cash-settled transactions

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in personnel expenses. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability.

The fair value of the awards is taken to be the market value of the shares at the date of award adjusted by a factor for anticipated relative Total Shareholder Return (TSR) performance. Fair values are subsequently remeasured at each reporting date to reflect the number of awards expected to vest based on the current and anticipated TSR performance. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.



2 Material accounting policies continued

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognised for awards that do not ultimately vest because the performance and/or service conditions have not been met.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model and is recognised, together with a corresponding increase in other reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that vest. The income statement expense for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in personnel expenses (note 10).

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

On 22 May 2024, beneficiaries of LTIPs were communicated of a change in the payment mechanism resulting in a modification of the LTIP from an equity settled to a cash-settled transaction. This resulted in a recognition of liability based on the fair valuation of the cash-settled LTIPs as at the date of modification and reversal of the share-based payment reserves, the incremental fair value of the cash-settled award over that of the equity-settled award as at the modification date amounting to US\$405,000 is expensed to the profit and loss. The liability is remeasured at each reporting date.

(a) Revenue recognition

The Group is involved in the production and sale of gold and silver from dore and concentrate containing both gold and silver. Dore bars are either sold directly to customers or are sent to a third party for further refining into gold and silver before they are sold. Concentrate is sold directly to customers.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue excludes any applicable sales taxes.

The revenue is subject to adjustment based on inspection of the product by the customer. Revenue is initially recognised on a provisional basis using the Group's best estimate of contained gold and silver. Any subsequent adjustments to the initial estimate of metal content are recorded in revenue once they have been determined.

In addition, certain sales are 'provisionally priced' where the selling price is subject to final adjustment at the end of a period, normally ranging from 15 to 120 days after the start of the delivery process to the customer, based on the market price at the relevant quotation point stipulated in the contract. Revenue is initially recognised when the conditions set out above have been met, using market prices at that date. The price exposure is considered to be an adjustment and hence separated from the sales contract at each reporting date. The provisionally priced metal is revalued based on the forward selling price for the quotational period stipulated in the contract until the quotational period ends. The selling price of gold and silver can be measured reliably as these metals are actively traded on international exchanges. The revaluation of provisionally priced contracts is recorded as revenue.

Commercial discounts related to the refining, recovery and treatment of minerals are presented netted from sales.

A proportion of the Group's sales are sold under CIF Incoterms, whereby the Group is responsible for providing freight/shipping services (as principal) after the date that the Group transfers control of the metal in concentrate to its customers. The Group, therefore, has separate performance obligations for freight/shipping services which are provided solely to facilitate sale of the commodities it produces.

Other Incoterms commonly used by the Group are FOB, where the Group has no responsibility for freight or insurance once control of the products has passed at the loading port, and Delivered at Place (DAP) where control of the goods passes when the product is delivered to the agreed destination. For arrangements which have these Incoterms, the only performance obligations are the provision of the product at the point where control passes.

For CIF arrangements, the transaction price (as determined above) is allocated to the metal in concentrate and freight/shipping services using the relative stand-alone selling price method. Under these arrangements, a portion of consideration may be received from the customer in cash at, or around, the date of shipment under a provisional invoice. Therefore, some of the upfront consideration that relates to the freight/shipping services yet to be provided, is deferred. It is then recognised as revenue over time using an output method (being days of shipping/transportation elapsed) to measure progress towards complete satisfaction of the service as this best represents the Group's performance. This is on the basis that the customer simultaneously receives and consumes the benefits provided by the Group as the services are being provided. The costs associated with these freight/shipping services are also recognised over the same period of time as incurred.

Income from services provided to related parties (note 32(a)) is recognised in revenue when services are provided.

Income from the sale of aggregates in Mara Rosa is recognised in revenue (note 5).

Deferred revenue results when cash is received in advance of revenue being earned. Deferred revenue is recorded as a liability until it is earned. Once earned, the liability is reduced and revenue is recorded. The Group analyses when revenue is earned or deferred.

(r) Contingencies

A contingent liability is a possible obligation depending on whether some uncertain future event occurs, or a present obligation where payment is not probable or the amount cannot be measured reliably. Contingent liabilities are not recognised in the financial statements and are disclosed in notes to the financial statements unless their occurrence is remote (note 36).



2 Material accounting policies continued

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised in the financial statements, but are disclosed in the notes if their recovery is deemed probable (note 36).

(s) Finance income and costs

Finance income and costs comprise interest expense on borrowings, the accumulation of interest on provisions, interest income on funds invested, unwinding of discount, and gains and losses from the change in fair value of derivative instruments.

Interest income is recognised as it accrues, taking into account the effective yield on the asset.

(t) Income tax

Income tax for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items charged or credited directly to equity, in which case it is recognised in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on the tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) Uncertain tax positions

An estimated tax liability is recognised when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The liability is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account risks and uncertainties surrounding the obligation. Separate liabilities for interest and penalties are also recorded if appropriate.

Movements in interest and penalty amounts in respect of tax liability are not included in the tax charge, but are disclosed in the income statement. Tax liabilities are based on management's interpretation of country-specific tax law and the likelihood of settlement. This involves a significant amount of judgement as tax legislation can be complex and open to different interpretation. Management uses in-house tax experts, professional firms and previous experience when assessing tax risks. Where actual tax liabilities differ from the liabilities, adjustments are made which can have a material impact on the Group's profits for the year. Refer to note 36(a) for specific tax contingencies.

(v) Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments are recognised as expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest, and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below US\$5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(w) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.



2 Material accounting policies continued

Subsequent measurement

For purposes of subsequent measurement, the Group's financial assets are classified in the following categories:

- Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade and other receivables.

- Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Financial assets designated at fair value through OCI are carried in the statement of financial position at fair value with net changes in fair value recognised in the OCI. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group has listed and non-listed equity investments under this category.

- Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

The Group has listed equity investments and embedded derivatives under this category. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, and financial liabilities measured at amortised cost, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

- Financial liabilities measured at amortised cost

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.



2 Material accounting policies continued

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative financial instruments and hedge accounting

The silver and gold forward and zero cost collar agreements signed by the Group are being used to hedge the exposure to changes in the cash flows of the silver and gold commodity prices. Consequently, the Group has opted to apply hedge accounting under the requirements of IFRS 9 Financial Instruments.

Initial recognition and subsequent measurement

These derivative financial instruments were initially recognised at fair value on the date on which the derivative contract was entered into and were subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is ‘an economic relationship’ between the hedged item and the hedging instrument;
- The effect of credit risk does not ‘dominate the value changes’ that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Changes in the fair value of derivatives designated as cash flow hedges are recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve until changes in the fair value of the hedged item are recognised in profit or loss. However, the ineffective portion of the changes in the fair value of such derivatives is recognised in profit or loss. The Group uses cash flow hedges for hedging the exposure to variability in silver and gold prices.

The amounts that have been recognised in other components of equity relating to such hedging instruments are reclassified to profit or loss when the hedged transaction affects profit or loss.

(x) Dividend distribution

Dividends on the Company's ordinary shares are recognised when they have been appropriately authorised and are no longer at the Company's discretion. Accordingly, interim dividends are recognised when they are paid and final dividends are recognised when they are declared following approval by shareholders at the Company's Annual General Meeting.

(y) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the statement of financial position, cash and cash equivalents comprise cash on hand and deposits held with banks that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents, as defined above, are shown net of outstanding bank overdrafts.

Liquidity funds are classified as cash equivalents if the amount of cash that will be received is known at the time of the initial investment and the risk of changes in value is considered insignificant.

(z) Exceptional items

Exceptional items are those significant items which, due to their nature or the expected infrequency of the events giving rise to them, need to be disclosed separately on the face of the income statement to enable a better understanding of the financial performance of the Group and facilitate comparison with prior years.

Exceptional items mainly include:

- Impairments and reversal of impairments or write-offs of assets, property, plant and equipment and evaluation and exploration assets;
- incremental cost due to pandemics which are not expected to be recurring;
- gains or losses arising on the disposal of subsidiaries, investments or property, plant and equipment;
- any gain or loss resulting from restructuring within the Group;
- the impact of infrequent labour action related to work stoppages in mine units;
- the penalties generated by the early termination of agreements with providers or lenders of the Group;
- the reversal of an accumulation of prior year's tax expenses that resulted from an agreement with the government;
- expenses related to a corporate transaction, including listing expenses and related transaction costs;
- gains or losses arising from the discontinuation of hedge relationships; and
- the related tax impact of the above items.

(aa) Fair value measurement

The Group measures financial instruments, such as derivatives, at each statement of financial position date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, as described in note 38(e).



2 Material accounting policies *continued*

For assets and liabilities that are recognised in the financial statements on a recurring basis at fair value, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group determines the policies and procedures for both recurring fair value measurement and unquoted financial assets, and for non-recurring measurement.

At each reporting date, the Group analyses the movements in the values of assets and liabilities, which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Group, in conjunction with its external valuers where applicable, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(ab) Export incentive programme

On 3 October 2023, the Argentinian Government approved that exporters of crude oil, gas and derivatives, who meet certain conditions, may receive 25% of the funds received from exports through negotiable securities acquired in foreign currency and settled in local currency.

Since 13 December 2023 changed to 20% and the benefit was in force until April 2025. As at 31 December 2025 the Group recognised a benefit from the programme of US\$2,979,000 (2024: US\$15,996,000), disclosed as other income (refer to note 12(1)).

(ac) Stripping costs

In an open-pit operation, it is necessary to remove overburden or waste material to access the ore bodies (stripping activity). During the mine development and pre-production phases, the stripping related costs are capitalised as part of the cost of development and subsequently recognised as depreciation in the cost of sales, on a units of production basis, once commercial production starts.

The removal of waste material usually continues throughout the life of mine. Upon commencement of commercial production, the activity is referred to as production stripping. Production stripping costs are capitalised only when it is probable that future economic benefits associated with the stripping activity will flow to the Group, and costs can be reliably measured. Otherwise, the production stripping costs are charged to the income statement as operating costs as they are incurred. Stripping activity costs associated with such development activities are capitalised as development costs using an average stripping ratio. The average stripping ratio is calculated by dividing the estimated number of tonnes of waste material to be removed by the estimated ore to be mined over the life of the mine, and is reviewed annually. The amount capitalised is subsequently depreciated using the units of production method.

3 Segment reporting

The Group's activities are principally related to mining operations, which involve the exploration, production and sale of gold and silver. Products are subject to the same risks and returns and are sold through similar distribution channels. The Group undertakes a number of activities solely to support mining operations including power generation and services. Transfer prices between segments are set at an arm's length basis in a manner similar to that used for third parties. Segment revenue, segment expense and segment results include transfers between segments at market prices. Those transfers are eliminated on consolidation.

For internal reporting purposes, management takes decisions and assesses the performance of the Group through consideration of the following reporting segments:

- Operating unit – San Jose, which generates revenue from the sale of gold and silver (dore and concentrate).
- Operating unit – Mara Rosa, which generates revenue from the sale of gold and silver (dore).
- Operating unit – Inmaculada, which generates revenue from the sale of gold and silver (dore).
- Former operating unit – Pallancata, which generated revenue from the sale of gold and silver (concentrate) until 2023, and it is involved in the development of the Royropata area.
- Exploration, which explores and evaluates areas of interest in brownfield and greenfield sites with the aim of extending the life of mine of existing operations and to assess the feasibility of new mines.
- Other – includes the profit or loss generated by Empresa de Transmisión Aymaraes S.A.C.

The Group's administration, financing, other activities (including other income and expense), and income taxes are managed at a corporate level and are not allocated to operating segments.

Segment information is consistent with the accounting policies adopted by the Group. Management evaluates the financial information based on the adopted IFRS accounting policies in the financial statements.

The Group measures the performance of its operating units by the segment profit or loss that comprises gross profit, selling expenses and exploration expenses.

Segment assets include items that could be allocated directly to the segment.

**3 Segment reporting** continued**(a) Reportable segment information**

	Inmaculada US\$000	San Jose US\$000	Mara Rosa US\$000	Pallancata US\$000	Exploration US\$000	Other ¹ US\$000	Adjustment and eliminations US\$000	Total US\$000
YEAR ENDED								
31 DECEMBER 2025								
Revenue from external customers	724,643	381,257	133,044	–	–	151	–	1,239,095
Inter-segment revenue	–	–	–	–	–	4,647	(4,647)	–
Total revenue from customers	724,643	381,257	133,044	–	–	4,798	(4,647)	1,239,095
Provisional pricing adjustment	257	55,265	6	–	–	–	–	55,528
Realised loss on hedges	(56,987)	–	(29,061)	–	–	–	–	(86,048)
Loss on discontinuation of hedge relationship ²	–	–	(26,427)	–	–	–	–	(26,427)
Total revenue	667,913	436,522	77,562	–	–	4,798	(4,647)	1,182,148
Segment profit/(loss)	354,559	164,059	(31,667)	–	(29,020)	3,138	(7,477)	453,592
Others ³								(80,768)
Profit from continuing operations before income tax								372,824
Other segment information								
Depreciation ⁴	(103,029)	(53,007)	(19,454)	(519)	(9)	(2,352)	–	(178,370)
Amortisation	(385)	(489)	(515)	(446)	–	(105)	–	(1,940)
(Impairment) reversal and (write-off) of assets, net	(474)	11,635	(1,415)	(37)	43,229	(167)	–	52,771

	Inmaculada US\$000	San Jose US\$000	Mara Rosa US\$000	Pallancata US\$000	Exploration US\$000	Other ¹ US\$000	Adjustment and eliminations US\$000	Total US\$000
ASSETS								
Capital expenditure	138,556	43,575	39,541	8,253	15,196 ⁶	4,655	–	249,776
Current assets	29,325	113,736	53,051	1,501	–	1,971	–	199,584
Other non-current assets	608,566	139,003	365,669	47,926	197,629 ⁷	39,576	–	1,398,369
Total segment assets	637,891	252,739	418,720	49,427	197,629	41,547	–	1,597,953
Not reportable assets ⁵	–	–	–	–	–	561,815	–	561,815
Total assets	637,891	252,739	418,720	49,427	197,629	603,362	–	2,159,768

¹ 'Other' revenue relates to revenues earned by Empresa de Transmisión Aymaraes S.A.C. for energy transmission services.

² The amount represents the reclassification of US\$26,427,000 from the cash flow hedge reserve within equity to the income statement following the extension of 20,813 ounces of gold forwards from August to December 2025 to the first semester of 2028. In accordance with IFRS 9, the accumulated loss was reclassified to the income statement following the discontinuation of the original hedge relationship and the realisation of the hedged item. The item is presented as an exceptional item (note 11), and had no impact on realised on cash flows (note 38(a)).

³ Comprised of administrative expenses of US\$55,604,000, other income of US\$10,163,000, other expenses of US\$75,401,000, write-off of assets (net) of US\$4,074,000, impairment of non-current assets of US\$56,845,000, share of gain of an associate of US\$20,544,000, finance income of US\$11,826,000, finance costs of US\$41,112,000, and foreign exchange loss of US\$3,955,000.

⁴ Includes depreciation capitalised in the Pallancata unit (US\$444,000), San Jose unit (US\$1,944,000), Inmaculada unit (US\$286,000), Mara Rosa (US\$42,000) and products in process (US\$1,102,000).

⁵ Not reportable assets are comprised of financial assets at fair value through OCI of US\$86,000, other receivables of US\$92,831,000, income tax receivable of US\$795,000, deferred income tax asset of US\$105,137,000, investment in associates US\$43,372,000, other financial assets of US\$2,640,000, and cash and cash equivalents of US\$316,954,000.

⁶ Includes Monte do Carmo capital expenditure of US\$13,373,000.

⁷ Includes Monte do Carmo balance of US\$110,382,000.

**3 Segment reporting continued**

	Inmaculada US\$000	San Jose US\$000	Mara Rosa US\$000	Pallancata US\$000	Exploration US\$000	Other ¹ US\$000	Adjustment and eliminations US\$000	Total US\$000
YEAR ENDED								
31 DECEMBER 2024								
Revenue from external customers	522,406	285,142	159,646	(255)	–	452	–	967,391
Inter-segment revenue	–	–	–	–	–	3,975	(3,975)	–
Total revenue from customers	522,406	285,142	159,646	(255)	–	4,427	(3,975)	967,391
Provisional pricing adjustment	(54)	8,193	70	–	–	–	–	8,209
Realised loss on hedges	(18,010)	–	(9,894)	–	–	–	–	(27,904)
Total revenue	504,342	293,335	149,822	(255)	–	4,427	(3,975)	947,696
Segment profit/(loss)	231,141	54,094	40,830	(269)	(28,379)	2,472	(1,799)	298,090
Others ²								(120,873)
Profit from continuing operations before income tax								177,217
Other segment information								
Depreciation ³	(91,251)	(48,368)	(17,383)	(560)	(8)	(2,584)	–	(160,154)
Amortisation	(80)	(531)	(761)	(102)	–	(105)	–	(1,579)
Impairment and write-off of assets, net	(730)	(15)	–	(53)	(13,732)	(3,085)	–	(17,615)

	Inmaculada US\$000	San Jose US\$000	Mara Rosa US\$000	Pallancata US\$000	Exploration US\$000	Other ¹ US\$000	Adjustment and eliminations US\$000	Total US\$000
ASSETS								
Capital expenditure	138,582	46,143	35,318	32,908	92,041 ⁵	3,090	–	348,082
Current assets	17,028	67,866	35,210	1,758	5,327	6,387	–	133,576
Other non-current assets	572,513	132,716	347,235	41,622	125,325	33,282	–	1,252,693
Total segment assets	589,541	200,582	382,445	43,380	130,652	39,669	–	1,386,269
Not reportable assets ⁴	–	–	–	–	–	265,230	–	265,230
Total assets	589,541	200,582	382,445	43,380	130,652	304,899	–	1,651,499

¹ 'Other' revenue relates to revenues earned by Empresa de Transmisión Aymaraes S.A.C. for energy transmission services.

² Comprised of administrative expenses of US\$50,232,000, other income of US\$20,955,000, other expenses of US\$43,245,000, write-off of assets (net) of US\$3,883,000, impairment of non-current assets of US\$13,732,000, share of losses of an associate of US\$6,489,000, finance income of US\$13,097,000, finance costs of US\$26,928,000, and foreign exchange loss of US\$10,416,000.

³ Includes depreciation capitalised in the Pallancata unit (US\$102,000), San Jose unit (US\$2,367,000), Mara Rosa project (US\$146,000), and products in process (-US\$1,110,000).

⁴ Not reportable assets are comprised of financial assets at fair value through OCI of US\$475,000, other receivables of US\$116,892,000, income tax receivable of US\$186,000, deferred income tax asset of US\$27,677,000, investment in associates US\$15,811,000, other financial assets of US\$3,807,000, assets held for sale of US\$3,409,000, and cash and cash equivalents of US\$96,973,000.

⁵ Includes Monte do Carmo capital expenditure of US\$90,602,000.



3 Segment reporting continued

(b) Geographical information

The revenue for the period based on the country in which the customer is located is as follows:

	Year ended 31 December	
	2025	2024
	US\$000	US\$000
Switzerland	284,052	246,763
Canada	458,012	363,922
South Korea	77,308	53,527
Germany	92,399	20,754
Japan	–	4,364
Chile	4,155	30,696
Finland	36,718	18,527
USA	203,574	172,082
Luxembourg	(409)	2,486
Bulgaria	12,748	8,369
Peru	124,485	54,110
Brazil	1,581	–
Total revenue¹	1,294,623	975,600
Inter-segment		
Peru	4,647	3,975
Total	1,299,270	979,575
Loss on realised hedges		
United Kingdom	(56,987)	(18,010)
Brazil	(29,061)	(9,894)
Loss on discontinuation of hedge relationship²		
Brazil	(26,427)	–
Total	1,186,795	951,671

¹ Includes revenue from customers and provisional pricing adjustments of US\$55,528,000 (2024: US\$8,209,000).

² The amount represents the non-cash recycling of US\$26,427,000 from other comprehensive income to revenue following the extension of 20,813 ounces of gold forwards from August to December 2025 to the first semester of 2028. As the sales of gold designated in the hedge relationship occurred during the second half of 2025, IFRS 9 requires the recycling of the accumulated loss to the income statement. The item is presented as an exceptional item (note 11), and had no impact on cash flows.

In the periods set out below, certain customers accounted for greater than 10% of the Group's total revenues as detailed in the following table:

	Year ended 31 December 2025			Year ended 31 December 2024		
	US\$000	% Revenue	Segment	US\$000	% Revenue	Segment
	Asahi Refining Canada Ltd.	458,012	38%	Inmaculada, Mara Rosa and San Jose	363,922	38%
MKS Switzerland S.A.	168,936	14%	Inmaculada	121,108	13%	Inmaculada
Argor Heraus S.A.	115,213	10%	Inmaculada	125,655	13%	Inmaculada and San Jose
Auramet International Inc.	91,995	8%	Inmaculada and Mara Rosa	132,284	14%	Inmaculada

Non-current assets, excluding financial instruments, investment in associates, other receivables and deferred income tax assets, were allocated to the geographical areas in which the assets are located as follows:

	As at 31 December	
	2025	2024
	US\$000	US\$000
Peru	696,068	647,416
Brazil	476,051	435,195
Argentina	139,003	132,716
Chile	87,247	37,366
Total non-current segment assets	1,398,369	1,252,693
Financial assets at fair value through OCI	86	475
Investment in associates	43,372	15,811
Other receivables	18,660	18,316
Deferred income tax assets	105,137	27,677
Total non-current assets	1,565,624	1,314,972

4 Asset acquisition and partial disposal of subsidiary

(a) Tiernan Gold Corp. Reverse Takeover Transaction and Private Placement

On December 16, 2025, Tiernan Gold Corp. ('Tiernan'), an indirect wholly-owned subsidiary of the Company, completed a reverse take over with Railtown Capital Corp. ('Railtown'), a capital pool company listed on the TSX Venture Exchange (TSXV), by way of a three-cornered amalgamation (the 'Transaction'). As a result of the Transaction, Railtown acquired all of the issued and outstanding securities of Tiernan in exchange for securities of Railtown, and the combined entity continued under the name Tiernan Gold Corp. HM Holdings Ltd., an indirect wholly-owned subsidiary of the Company, retained control of the resulting public entity (the 'Resulting Issuer'). Accordingly, the Transaction constituted a reverse takeover of Railtown by Tiernan for accounting purposes.



4 Asset acquisition and partial disposal of subsidiary continued

In connection with the Transaction, Tiernan consolidated its issued and outstanding common shares on the basis of one post-consolidation common share for approximately every 2.68 pre-consolidation common share, and Railtown consolidated its securities on the basis of one post-consolidation security for approximately every 7.09 pre-consolidation security. Concurrently with the Transaction, Tiernan completed a private placement of subscription receipts for aggregate gross proceeds of C\$58,351,000 (US\$42,445,000), comprising (i) a treasury offering by Tiernan that generated gross proceeds of C\$40,000,000 (US\$29,096,000) and (ii) a secondary offering by Hochschild that generated gross proceeds of C\$18,351,000 (US\$13,349,000). Each subscription receipt was issued at a price of C\$5.00 consisting of approximately C\$4.49 for one common share and C\$0.51 for one-half of a common share purchase warrant. The value of the shares issued by Tiernan as part of the treasury offering was C\$35,880,000 (US\$25,929,000), which was measured with the subscription price per share paid by investors, with the remaining C\$4,120,000 (US\$3,167,000) allocated to the warrants. Of the total gross proceeds from the secondary offering, C\$16,461,000 (US\$11,960,000) were received directly by Hochschild Mining Holdings, and C\$1,890,000 (US\$1,375,000) were allocated to Tiernan in respect of the warrants issued. Upon completion of the Transaction, the subscription receipts automatically converted into one common share of the Resulting Issuer and one-half of one common share purchase warrant, with each whole warrant exercisable to acquire one common share at an exercise price of C\$6.50 for a period of 24 months following the closing of the private placement.

For accounting purposes, Tiernan was identified as the acquirer and Railtown as the acquiree. Railtown did not meet the definition of a business under IFRS 3 *Business Combinations*. As the Resulting Issuer is deemed to have issued equity instruments in exchange for the identifiable net assets of Railtown, the Transaction was accounted for as a reverse takeover and accounted in accordance with IFRS 2 *Share-based Payment*. The excess of the deemed consideration over the fair value of Railtown's identifiable net assets resulted in a listing expense of US\$9,052,000, while transaction costs of US\$1,106,000 were also incurred. Both amounts were recognised in the Group's income statement within other expenses and classified as exceptional items (refer to note 11).

In addition, as part of the private placement completed in connection with the Transaction, Tiernan issued warrants denominated in Canadian dollars. As the functional currency of the Resulting Issuer is the US dollar, these warrants do not meet the 'fixed-for-fixed' criterion under IAS 32 *Financial Instruments: Presentation* and are therefore classified as financial liabilities measured at fair value through profit or loss. At the completion date of the Transaction, the Group recognised a financial liability of US\$4,542,000 in respect of these warrants. Subsequent changes in the fair value of the warrants, resulting in an unrealised loss of US\$7,365,000, are recognised in profit or loss within finance cost (refer to note 13(5)).

Tiernan continues to be consolidated in the Group's consolidated financial statements. There was no change in control at the Group level. A non-controlling interest of US\$32,006,000 was recognised on consolidation of Tiernan.

Effects on equity of changes in ownership in Tiernan

	US\$000
Change in ownership interest in Tiernan without loss of control	9,118
Non-controlling interest	35,774
Total impact on equity	44,892

Effects on cash flows of Private Placement

	US\$000
Treasury offering – shares	25,929
Secondary offering – shares	11,960
Issuance of warrants	4,542
Agent fees and transaction costs	(2,387)
Total impact on cash flows	40,044

(b) Acquisition of Monte do Carmo

In March 2024, the Group, through its wholly-owned subsidiary Amarillo Mineração do Brasil Ltda. ('Amarillo'), entered into an option agreement with Cerrado Gold Inc. ('Cerrado') to acquire a 100% interest in Cerrado's Monte Do Carmo Project (the Project) located in the mining-friendly state of Tocantins, Brazil.

The payment for the option amounted to US\$15,000,000 by way of 10% interest-bearing secured loan. Upon obtaining the Cerrado Shareholder Approval ('Cerrado's Shareholder Approval'), on 27 June 2024, the loan of US\$15,000,000 was deemed to be repaid in full by Cerrado by the concurrent set off of an amount equal to the loan due by Amarillo as part of the purchase price. Through US\$30,000,000 in additional phased payments (the 'Exercise Consideration'), the Company was able to complete the acquisition of 100% of the Project on 7 November, 2024 ('Closing'). The Exercise Consideration is in addition to the US\$15,000,000 which has been deemed paid, and a further US\$15,000,000 payable at certain milestones following Closing, giving a total consideration of US\$60,000,000:

- US\$10,000,000 payable within 14 days of the second anniversary of the date of the Cerrado's Shareholder Approval (27 June 2024); and
- US\$5,000,000 within 14 days of the earlier of (i) the commencement of commercial production from the Project, and (ii) 31 March 2027.

At Closing, Amarillo acquired all of the outstanding equity interests in Serra Alta Mineração Ltda. ('Serra Alta'), Cerrado's subsidiary in Brazil which holds the Monte do Carmo project. In connection with the option agreement, the Group committed to incur a minimum of US\$5,000,000 in exploration expenditures for Monte do Carmo, which was achieved by the acquisition date.

The Group applied the concentration test in accordance with IFRS 3 to determine whether the acquisition is a business combination or an asset acquisition, concluding that substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar assets, being the Monte do Carmo project which is in a development stage. Since the concentration test was met, the transaction was accounted as a purchase of assets.

The total consideration amounted to US\$86,556,000 and is comprised of: (i) cash consideration paid of US\$45,000,000, (ii) deferred consideration of US\$13,365,000, representing the present value of the US\$15,000,000 remaining payables, (iii) liabilities assumed by Amarillo in connection with the Sprott Private Resource Streaming and Royalty Corp. ('Sprott') secured note and stream agreements ('stream Agreements') of US\$26,159,000 (note 25(a)), net of its deferred income tax asset of US\$899,000 (iv) additional exploration expenditure assumed by Amarillo pre-closing of the acquisition of US\$1,180,000, and (v) transaction costs of US\$1,751,000.



4 Asset acquisition and partial disposal of subsidiary continued

In addition, Serra Alta Participações Imobiliárias S.A. (SAPI) – entity owned by Amarillo and Serra Alta, has a contractual obligation to make payment of royalties in favour of the former landowners of the Bortolotti Property corresponding to 50% of the amount due to the Brazilian authorities as statutory tax (Compensação Financeira pela Exploração Mineral ("CFEM")). According to the most recent estimates available to the Company, approximately 25% of the gold reserves of the Project are located within the area comprised by the Bortolotti Property and would accordingly be subject to the payment of such royalties.

Monte do Carmo consolidates its financial information with the Group from 7 November 2024, being the date on which the Group obtained control.

The fair value of assets acquired and liabilities assumed as at 7 November 2024 comprise the following:

	US\$000
Cash and cash equivalents	8
Other receivables	10
Evaluation and exploration assets (note 17)	82,725
Property, plant and equipment (note 16)	3,988
Deferred income tax asset	1,918
Total assets	88,649
Accounts payable and other liabilities	(2,093)
Total liabilities	(2,093)
Net assets acquired	86,556
Consideration for the acquisition of Serra Alta Mineracao Ltda shares	
Cash consideration	45,000
Deferred consideration	13,365
Secured note and stream contracts transferred to Amarillo, net of deferred tax asset	25,260
Expenditure assumed by Amarillo	1,180
Transaction costs	1,751
Total consideration	86,556
Cash paid	47,931
Less cash acquired with the subsidiary	(8)
Net cash flow on acquisition	47,923

The Group recognises individual identifiable assets (and liabilities) by allocating the cost of acquisition on the basis of the relative fair values at the date of purchase:

Step 1: Identify assets and liabilities acquired, adjusting them to the Group's accounting policies and presentation.

Step 2: Determine the purchase consideration.

Step 3: Purchase price allocation: The consideration paid is allocated to the fair value of the identifiable assets and liabilities assumed with the remainder allocated to the mineral property acquired.

The fair value at the time of acquisition is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

In September 2025, the Group settled early the deferred payment of US\$8,750,000 from the original amount of US\$10,000,000 due in June 2026; resulting in a gain of US\$1,250,000, which has been recognised in the income statement, within other income (see note 12). The carrying value of the remaining deferred consideration amounts to US\$4,862,000 as at 31 December 2025 (see note 25).

5 Revenue before exceptional items

	Year ended 31 December 2025			Year ended 31 December 2024		
	Revenue ¹			Revenue ¹		
	Goods sold US\$000	Shipping services US\$000	Total US\$000	Goods sold US\$000	Shipping services US\$000	Total US\$000
Gold (from dore bars)	664,140	421	664,561	556,551	731	557,282
Silver (from dore bars)	245,304	224	245,528	221,776	485	222,261
Gold (from concentrates)	208,551	4,230	212,781	105,192	2,610	107,802
Silver (from concentrates)	112,103	2,658	114,761	71,046	1,749	72,795
Gold (from precipitates)	(283)	–	(283)	6,801	–	6,801
Silver (from precipitates)	15	–	15	2	–	2
Services and aggregates	1,732	–	1,732	448	–	448
Total revenue from costumers	1,231,562	7,533	1,239,095	961,816	5,575	967,391
Provisional pricing adjustments ²	55,528	–	55,528	8,209	–	8,209
Realised loss on hedges	(86,048)	–	(86,048)	(27,904)	–	(27,904)
Total	1,201,042	7,533	1,208,575	942,121	5,575	947,696

¹ Includes commercial discounts (refinery treatment charges, refining fees and payable deductions for processing concentrate), and are deducted from gross revenue on a per tonne basis (treatment charge), per ounce basis (refining fees) or as a percentage of gross revenue (payable deductions). In 2025, the Group recorded commercial discounts of US\$25,247,000 (2024: US\$22,720,000). Gross revenue is presented net of dore commercial discounts of US\$4,104,000 (2024: US\$4,282,000).

² Certain sales are 'provisionally priced' where the selling price is subject to final adjustment at the end of a period, normally ranging from 15 to 120 days after the start of the delivery process to the customer, based on the market price at the relevant quotation point stipulated in the contract. Revenue is initially recognised when the conditions set out above have been met, using market prices at that date. The price exposure is considered to be an adjustment and hence separated from the sales contract at each reporting date. The provisionally priced metal is revalued based on the forward selling price for the quotational period stipulated in the contract until the quotational period ends. The selling price of gold and silver can be measured reliably as these metals are actively traded on international exchanges. The revaluation of provisionally priced contracts is recorded as revenue.



6 Cost of sales

Cost of sales comprises:

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Direct production costs excluding depreciation and amortisation	508,024	454,006
Depreciation and amortisation in production costs	173,577	157,165
Workers profit sharing	15,512	3,145
Cost of sales of aggregates and transmission services	1,218	–
Fixed costs during operational stoppages and reduced capacity ¹	15,094	1,071
Change in inventories	(35,486)	(10,124)
Cost of sales	677,939	605,263

¹ Corresponds to the fixed cost at the operation during reduced capacity and stoppages in Mara Rosa of US\$15,094,000 (2024: corresponds to the fixed cost at the operation during stoppages in San Jose of US\$1,071,000).

The main components included in cost of sales are:

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Depreciation and amortisation in cost of sales ¹	165,348	156,785
Personnel expenses (note 10) ²	167,120	132,412
Mining royalty (note 37)	12,655	9,694
Change in products in process and finished goods	(35,486)	(10,124)
Fixed costs at the operations during stoppages and reduced capacity ³	15,094	1,071

¹ The depreciation and amortisation in production cost is US\$173,577,000 (2024: US\$157,165,000). The difference with the depreciation and amortisation in cost of sales is included in inventory.

² Includes workers profit sharing of US\$15,512,000 (2024: US\$3,145,000) and excludes personnel expenses of US\$2,960,000 (2024: US\$712,000) included within unallocated fixed cost at the operations (see below).

³ Corresponds to the unallocated fixed cost accumulated as a result of idle capacity during reduced capacity and stoppages. These costs mainly include third-party services of US\$9,563,000 (2024: US\$301,000), personnel expenses of US\$2,960,000 (2024: US\$712,000), supplies of US\$1,532,000 (2024: US\$33,000), depreciation and amortisation of US\$40,000 (2024: US\$Nil) and other costs of US\$999,000 (2024: other costs of US\$25,000).

7 Administrative expenses

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Personnel expenses (note 10)	31,042	28,586
Professional fees ¹	8,879	7,088
Donations	773	1,235
Lease rentals	1,675	1,583
Third-party services	417	522
Indirect taxes	2,645	1,986
Depreciation and amortisation	2,283	2,588
Depreciation of right-of-use assets	227	147
Technology and systems	1,878	1,156
Security	1,132	830
Other	4,653	4,511
Total	55,604	50,232

¹ Corresponds to tax and advisory fees of US\$2,959,000 (2024: US\$2,670,000), audit fees of US\$2,178,000 (2024: US\$1,934,000), legal fees of US\$1,285,000 (2024: US\$1,030,000) and other professional fees of US\$2,457,000 (2024: US\$1,454,000).



8 Exploration expenses

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Mine site exploration¹		
Arcata	–	93
Ares	126	300
Inmaculada	2,713	4,423
Pallancata	2,259	2,106
San Jose	11,883	9,821
Mara Rosa	1,065	1,278
	18,046	18,021
Prospects²		
Peru	1,187	193
Chile	(98)	40
Brazil	–	1,581
	1,089	1,814
Generative³		
Peru	2,934	1,317
	2,934	1,317
Personnel (note 10)	6,275	5,550
Others	276	70
Depreciation right-of-use assets	75	82
Total	28,695	26,854

¹ Mine-site exploration is performed with the purpose of identifying potential minerals within an existing mine-site, with the goal of maintaining or extending the mine's life.

² Prospects expenditure relates to detailed geological evaluations in order to determine zones, which have mineralisation potential that is economically viable for exploration. Exploration expenses are generally incurred in the following areas: mapping, sampling, geophysics, identification of local targets and reconnaissance drilling.

³ Generative expenditure is early stage exploration expenditure related to the basic evaluation of the region to identify prospects areas that have the geological conditions necessary to contain mineral deposits. Related activities include regional and field reconnaissance, satellite images, compilation of public information and identification of exploration targets.

9 Selling expenses

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Personnel expenses (note 10)	202	200
Warehouse services	2,101	1,569
Taxes ¹	16,628	13,034
Transportation costs	786	429
Other	2,205	2,257
Total	21,922	17,489

¹ Corresponds to the export duties in Argentina.

10 Personnel expenses

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Salaries and wages	142,451	124,828
Workers' profit sharing (note 28)	23,447	6,590
Other legal contributions	36,179	30,056
Statutory holiday payments	9,461	10,317
Long-Term Incentive Plan (note 28)	4,157	3,562
Termination benefits	4,209	4,861
Other	1,177	1,017
Total	221,081	181,231

Personnel expenses are distributed as follows:

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Cost of sales ¹	170,080	133,124
Administrative expenses	31,042	28,586
Exploration expenses	6,275	5,550
Selling expenses	202	200
Other expenses	9,193	9,492
Capitalised as property, plant and equipment	4,289	4,279
Total	221,081	181,231

¹ Personnel expenses related to unallocated fixed cost accumulated as a result of excess absenteeism and idle capacity included in cost of sales amount to US\$2,960,000 (2024: US\$712,000).

The average number of employees for 2025 and 2024 were as follows:

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Peru	1,445	1,492
Argentina	1,387	1,444
Chile	4	5
Brazil	395	343
United Kingdom	11	11
Total	3,242	3,295



11 Exceptional items

Exceptional items are those significant items which, due to their nature or the expected infrequency of the events giving rise to them, are disclosed separately on the face of the income statement to enable a better understanding of the financial performance of the Group and facilitate comparison with prior years. Unless stated, exceptional items do not correspond to a reporting segment of the Group.

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Revenue		
Loss on discontinuation of hedge relationship (note 38 (a))	(26,427)	–
Sub total	(26,427)	–
Other expenses		
Listing expense and transaction costs (note 4)	(10,158)	–
Sub total	(10,158)	–
Impairment and write-off of non-current assets		
Reversal of impairment/(impairment) of non-current assets ¹	56,845	(13,732)
Write-off of non-current assets ²	–	(3,037)
Sub total	56,845	(16,769)
Share of (loss)/gain of an associate		
Reversal of impairment/(impairment) of investment in associate (note 19)	22,187	(5,081)
Sub total	22,187	(5,081)
Income tax		
Income tax (expense)/benefit related to the above ³	4,228	2,088
Sub total	4,228	2,088
Total	46,675	(19,762)

¹ Corresponds to the reversal of impairment of the Volcan project of US\$43,255,000 and San Jose mine unit of US\$13,590,000 (2024: corresponds to the impairment related to the Azuca project of US\$13,732,000) (refer to notes 16, 17, 18 and 24).

² In 2024, corresponds to the write-off of construction in progress stopped as the assets would be used by Azuca and Arcata units and they were sold (refer to note 16 and 24).

³ Corresponds to the deferred tax expense generated by the reversal of impairment of San Jose mine unit of US\$4,757,000 and deferred tax credit of US\$8,985,000 generated by the loss on discontinuation of hedge relationship (2024: Corresponds to the current tax credit generated by the impairment of Azuca of US\$1,192,000 and the deferred tax credit generated by the write-off of constructions in progress of US\$896,000).

Except for US\$202,000 of transaction costs incurred in connection with the Tiernan Transaction (note 4(a)), included within financing activities in the cash flow statement, none of the above exceptional items impacted the Group's cash flows (2024: none).

12 Other income and other expenses before exceptional items

	Year ended 31 December	
	2025 US\$000	2024 US\$000
OTHER INCOME		
Income from export programme in Argentina ¹	2,979	15,996
Logistic services	1,608	1,704
Gain of early settlement of deferred consideration (note 4(b))	1,250	–
Income from third party use of mine	889	–
Lease rentals	424	165
Gain on sale of Arcata and Azuca	416	–
Gain on sale of property, plant and equipment	377	656
Other	2,220	2,434
Total	10,163	20,955
OTHER EXPENSES		
Increase in provision for mine closure (note 28(1))	(24,023)	(14,717)
Care and maintenance expenses of Pallancata mine unit	(9,431)	(8,320)
Corporate social responsibility contribution in Argentina ²	(5,913)	(4,396)
Increase in provision for legal claims ³	(5,861)	(1,578)
Provision for recovery of tax credits ⁴	(4,644)	–
Care and maintenance expenses of Ares mine unit	(4,564)	(2,365)
Termination benefits in Minera Santa Cruz	(2,187)	(2,704)
Provision of obsolescence of supplies (note 22)	(1,745)	(864)
Cost of recovery of expenses	(1,378)	(1,860)
Depreciation right-of-use assets	(329)	(315)
Other	(5,168)	(6,126)
Total	(65,243)	(43,245)

¹ Benefit arising from being able to access the Argentina government's Export Incentive Programme, allowing certain companies to exchange a certain proportion of US dollar sales at a preferential market exchange rate. The programme remained in force until April 2025.

² Relates to a contribution in Argentina to the Santa Cruz province calculated as a proportion of sales.

³ Mainly related to contingencies related to the ISS (municipal tax on services) in Brazil, labour lawsuits in Argentina and penalties in Peru.

⁴ Provision for recovery of ICMS (state tax on circulation of merchandise and transportation and communication services) credit in Brazil.



13 Finance income, finance costs and foreign exchange loss

	Year ended 31 December	
	2025 US\$000	2024 US\$000
FINANCE INCOME		
Interest income ¹	2,569	2,972
Changes in the fair value of financial instruments through profit or loss ²	2,911	6,887
Gain from sale of financial asset	2,012	327
Debit valuation adjustment (DVA) of hedges	1,817	866
Gain on execution of buy-down option ³	1,250	–
Change in fair value of financial liability through profit or loss (note 25(a))	–	233
Other ⁴	1,267	1,812
Total	11,826	13,097
FINANCE COSTS		
Interest on secured bank loans (note 27(b))	(15,635)	(15,425)
Other interest	(3,179)	(3,123)
Total interest expense	(18,814)	(18,548)
Loss from changes in the fair value of financial instruments ⁵	(8,119)	(2,973)
Change in fair value of financial liability through profit or loss (note 25(a))	(7,482)	–
Unwinding of discount on mine rehabilitation (note 28(1))	(3,070)	(3,110)
Loss on discount of other receivables ⁶	(1,042)	–
Other	(2,585)	(2,297)
Total	(41,112)	(26,928)
FOREIGN EXCHANGE LOSS, NET		
Argentina	(6,486)	(9,133)
Peru	679	187
Brazil ²	2,640	(2,272)
Others	(788)	802
Total	(3,955)	(10,416)

¹ Excludes interest on deposits and liquidity funds of US\$248,000 (2024: US\$296,000) that is directly attributable to the construction of Mara Rosa and Monte do Carmo which have been recognised in property, plant and equipment as a reduction to construction in progress and capital advances and mining properties and development costs, and evaluation and exploration assets.

² Gain on Argentinian mutual funds.

³ Corresponds to the gain on the execution of the buy-down option related to the Stream Agreements with Spratt, refer to note 25(a).

⁴ Mainly includes interest income related to tax claims resolved in favour of Compania Minera Ares of US\$271,000 (2024: US\$1,142,000).

⁵ Includes the loss arising from changes in the fair value of warrants classified as derivative financial liabilities of US\$7,365,000 (note 4), change in fair value of Raitown's legacy options and warrants of US\$466,000 and the foreign exchange effect related to the settlement of Argentinean bonds of US\$288,000 (2024: US\$2,973,000).

⁶ Mainly related to the effect of the discount of tax credits in Brazil.

14 Income tax expense

	Year ended 31 December 2025			Year ended 31 December 2024		
	Before exceptional items US\$000	Exceptional items US\$000	Total US\$000	Before exceptional items US\$000	Exceptional items US\$000	Total US\$000
Current corporate income tax						
Corporate income tax expense	113,085	–	113,085	35,735	–	35,735
Withholding tax	7,662	–	7,662	(835)	–	(835)
	120,747	–	120,747	34,900	–	34,900
Deferred taxation						
Origination and reversal of temporary differences (note 30)	(19,727)	(4,228)	(23,955)	16,497	(2,088)	14,409
Corporate income tax	101,020	(4,228)	96,792	51,397	(2,088)	49,309
Current mining royalties						
Mining royalty charge (note 37)	14,974	–	14,974	7,108	–	7,108
Special mining tax charge (note 37)	13,656	–	13,656	7,051	–	7,051
Total current mining royalties	28,630	–	28,630	14,159	–	14,159
Total taxation expense/(benefit) in the income statement	129,650	(4,228)	125,422	65,556	(2,088)	63,468

The weighted average statutory income tax rate was 30.5% for 2025 and 33.1% for 2024. This is calculated as the average of the statutory tax rates applicable in the countries in which the Group operates, weighted by the profit/(loss) before tax of the Group companies in their respective countries as included in the consolidated financial statements. The statutory tax rate in Argentina is 35%, in Peru 29.5%, in Brazil 34% and in the UK 25%.

The change in the weighted average statutory income tax rate is due to a change in the weighting of profit/(loss) before tax in the various jurisdictions in which the Group operates.

There were tax credits in relation to the cash flow hedge losses recognised in equity during the Year ended 31 December 2025 of US\$51,749,000 (2024: US\$28,473,000).

There was a withholding tax of US\$7,662,000 with respect to dividends received in the UK from a Peruvian subsidiary.

The Group has assessed the OECD Pillar Two ('Global Minimum Tax') rules. The Group is not expected to be within the scope of the Pillar Two rules. As a result, no current or deferred tax impact has been recognised in respect of Pillar Two for the period.



14 Income tax expense continued

The total taxation charge on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to the consolidated profits of the Group companies as follows:

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Profit from operations before income tax	372,824	177,217
At average statutory income tax rate of 30.5% (2024: 33.1%)	113,831	58,618
Expenses not deductible for tax purposes ¹	7,846	1,888
Non-recognised tax losses	3,851	3,937
Non-taxable (gain from reversal)/loss from impairments ²	(17,226)	1,270
Special mining tax and mining royalty deductible for corporate income tax	(8,446)	(4,177)
Permanent differences arising on special investment regime ³	(4,259)	(4,939)
(Recognition of previously unrecognised deferred tax)/unrecognised deferred tax ⁴	(741)	6,729
Other	(2,587)	(2,353)
Corporate income tax at average effective income tax rate of 24.7% (2024: 34.4%) before foreign exchange effect, special mining tax and mining royalty and withholding tax	92,269	60,973
Foreign exchange rate effect ⁵	(3,139)	(10,829)
Corporate income tax at average effective income tax rate of 23.9% (2024: 28.3%) before special mining tax and mining royalty and withholding tax	89,130	50,144
Special mining tax and mining royalty ⁶	28,630	14,159
Corporate income tax and mining royalties at average effective income tax rate of 31.6% (2024: 36.3%) before withholding tax	117,760	64,303
Withholding tax	7,662	(835)
Total taxation charge in the income statement at average effective tax rate 33.6% (2024: 35.8%) from operations	125,422	63,468

¹ In 2025, US\$5,151,000 mainly relates to non-deductible expenses related to Tiernan's Reverse Takeover and Private Placement, including: listing expenses, the unrealised loss on the warrants issued in connection with the Private Placement, and transaction costs (refer to notes 4 and 11).

² Non-taxable reversal of impairment of the Volcan project and the investment in Aclara (refer to note 11).

³ Argentina benefits from a special investment regime that allows for a super (double) deduction in calculating its taxable profits for all costs relating to prospecting, exploration and metallurgical analysis, pilot plants and other expenses incurred in the preparation of feasibility studies for mining projects.

⁴ Mainly corresponds to the impact on deferred taxes of the changes in estimate of the mine closure provision.

⁵ The foreign exchange effect is composed of a profit of US\$4,271,000 (2024: US\$676,000 loss) from Peru, a loss of US\$2,070,000 (2024: US\$7,359,000 profit) from Argentina and a profit of US\$938,000 (2024: US\$4,151,000 profit) from Brazil. This mainly corresponds to the foreign exchange effect of converting tax bases and monetary items from local currency to the corresponding functional currency. The main contributor of the foreign exchange effect on the tax credit in 2025 is the devaluation of the Peruvian soles (2024: devaluation of the Argentinian pesos).

⁶ Corresponds to the mining royalty and special mining tax in Peru (note 37).

The amounts after offset, as presented on the face of the statement of financial position, are as follows:

	As at 31 December	
	2025 US\$000	2024 US\$000
Income tax receivable ¹	795	186
Income tax payable ²	(96,446)	(21,205)
Total	(96,651)	(21,019)

¹ Corresponds to the tax credit of Empresa de Transmision Aymaraes of US\$649,000 (2024: US\$103,000).

² Mainly corresponds to the corporate income tax payables of Compañia Minera Ares of US\$44,701,000 (2024: US\$10,664,000), Minera Santa Cruz of US\$40,170,000 (2024: US\$5,353,000), Amarillo Mineracao do Brasil of US\$Nil (2024: US\$1,688,000) and mining royalties payables of Compañia Minera Ares of US\$11,451,000 (US\$3,459,000).

15 Basic and diluted earnings per share

Earnings per share (EPS) is calculated by dividing profit for the year attributable to equity shareholders of the Parent by the weighted average number of ordinary shares issued during the year.

The Company does not have dilutive potential ordinary shares as at 31 December 2025.

The Group presents profit before exceptional items attributable to equity holders of the Parent and Basic and Diluted Earnings per share as alternative performance measures (APMs). These measures are not defined under IFRS and may not be comparable with similarly titled measures used by other companies. It is presented to provide additional information on the underlying performance of the Group by excluding items that management considers exceptional. The measure is calculated as profit attributable to equity holders of the Parent, adjusted to exclude exceptional items.

As at 31 December 2025 and 2024, EPS has been calculated as follows:

	Year ended 31 December	
	2025	2024
BASIC EARNINGS PER SHARE		
Before exceptional items (US\$)	0.31	0.23
Exceptional items (US\$)	0.08	(0.04)
Total for the year (US\$)	0.39	0.19
Diluted earnings per share		
Before exceptional items (US\$)	0.31	0.23
Exceptional items (US\$)	0.08	(0.04)
Total for the year (US\$)	0.39	0.19

**15 Basic and diluted earnings per share** continued

Profit attributable to equity holders of the Parent is derived as follows:

	Year ended 31 December	
	2025	2024
Profit attributable to equity holders of the Parent (US\$000)	201,900	97,005
Exceptional items after tax – attributable to equity holders of the Parent (US\$000)	(42,347)	19,762
Profit before exceptional items attributable to equity holders of the Parent (US\$000)	159,553	116,767

The following reflects the share data used in the basic and diluted earnings per share computations:

	Year ended 31 December	
	2025	2024
Basic weighted average number of ordinary shares in issue (thousands)	514,458	514,458
Weighted average number of ordinary shares in issue for the purpose of diluted earnings per share (thousands)	514,458	514,458

16 Property, plant and equipment

	Mining properties and development costs ¹ US\$000	Land and buildings US\$000	Plant and equipment ^{2,3} US\$000	Vehicles ⁴ US\$000	Mine closure asset US\$000	Construction in progress and capital advances ⁵ US\$000	Total US\$000
YEAR ENDED 31 DECEMBER 2025							
Cost							
At 1 January 2025	1,819,515	582,238	761,172	18,789	100,928	13,313	3,295,955
Additions	145,723	1,502	24,677	3,499	–	53,563	228,964
Change in discount rate (note 28(1))	–	–	–	–	2,074	–	2,074
Change in mine closure estimate (note 28(1))	–	–	–	–	5,061	–	5,061
Disposals	–	–	(946)	(2,510)	–	–	(3,456)
Write-offs ⁶	–	(683)	(16,903)	(5,249)	–	(1,294)	(24,129)
Foreign exchange effect	(47)	185	71	2	203	–	414
Transfers and other movements ⁸	101,358	18,898	14,065	649	–	(34,023)	100,947
At 31 December 2025	2,066,549	602,140	782,136	15,180	108,266	31,559	3,605,830
Accumulated depreciation and impairment							
At 1 January 2025	1,298,124	409,293	433,955	12,025	71,800	–	2,225,197
Depreciation for the year	108,556	19,630	44,052	3,209	2,923	–	178,370
Disposals	–	–	(822)	(2,569)	–	–	(3,391)
Write-offs	–	(529)	(14,330)	(5,196)	–	–	(20,055)
Reversal of impairment	(5,247)	(2,556)	(4,913)	(78)	–	–	(12,794)
Foreign exchange effect	–	1	64	–	–	–	65
Transfers and other movements ⁸	–	–	(74)	74	–	–	–
At 31 December 2025	1,401,433	425,839	457,932	7,465	74,723	–	2,367,392
Net book value at 31 December 2025	665,116	176,301	324,204	7,715	33,543	31,559	1,238,438

¹ With the capitalisation rate of 6.97%, there were borrowing costs capitalised in property, plant and equipment amounting to US\$1,391,000.

² Within plant and equipment, costs of US\$479,385,000 are subject to depreciation on a unit of production basis in line with accounting policy on note 2(f) for which the accumulated depreciation is US\$268,134,000 and the depreciation charge for the year is US\$23,034,000.

³ Plant and equipment include US\$3,526,000 of right-of-use assets (note 26).

⁴ Vehicles include US\$5,874,000 of right-of-use assets (note 26).

⁵ Within construction in progress and capital advances there are capital advances amounting to US\$1,674,000, mainly related to Amarillo Mineracao do Brasil of US\$1,665,000 (2024: US\$2,027,000, mainly related to Companhia Mineraria Ares of US\$999,000).

⁶ Mainly corresponds to the write-off of construction in progress and plant and equipment in the San Jose and Mara Rosa units (refer to note 16 and 24).

⁷ During the year, the Group reassessed the depreciation method applied to certain items of equipment at Inmaculada to better reflect the life of the assets, resulting in a change in accounting estimate. This change increased depreciation expense for the year by US\$9,835,000 and has been applied prospectively. The change will affect depreciation expense in future periods.

⁸ Mainly includes the transfer of US\$100,686,000 from evaluation and exploration assets (Monte do Carmo project of US\$98,516,000) (note 17).



16 Property, plant and equipment continued

Lien granted to RG Royalties LLC. over certain Mara Rosa assets such as mineral interests and surface rights, in respect of the 1,75% NSR royalty granted over Mara Rosa's production. The royalty obligation and the associated lien were acquired following the Group's acquisition of Amarillo in April 2022. None of the Group's property, plant and equipment are pledged as security for borrowings.

	Mining properties and development costs ¹ US\$000	Land and buildings US\$000	Plant and equipment ^{2,3} US\$000	Vehicles ⁴ US\$000	Mine closure asset US\$000	Construction in progress and capital advances ¹⁻⁵ US\$000	Total US\$000
YEAR ENDED 31 DECEMBER 2024							
Cost							
At 1 January 2024	1,935,106	560,135	646,582	12,240	116,887	167,295	3,438,245
Additions	132,126	620	24,065	7,068	–	68,931	232,810
Acquisition of assets (note 4)	–	3,927	34	27	–	–	3,988
Change in discount rate (note 28(1))	–	–	–	–	(3,736)	–	(3,736)
Change in mine closure estimate (note 28(1))	–	–	–	–	4,097	–	4,097
Return of disposal	–	–	845	–	–	90	935
Disposals	–	–	(968)	–	–	–	(968)
Write-offs ⁶	–	–	(5,546)	(507)	–	(3,037)	(9,090)
Foreign exchange effect	(9,518)	(628)	(271)	(9)	(528)	(9,101)	(20,055)
Transfer to assets held for sale	(251,992)	(31,556)	(52,702)	(341)	(15,792)	–	(352,383)
Transfers and other movements ⁷	13,793	49,740	149,133	311	–	(210,865)	2,112
At 31 December 2024	1,819,515	582,238	761,172	18,789	100,928	13,313	3,295,955
Accumulated depreciation and impairment							
At 1 January 2024	1,454,537	416,785	455,040	9,307	83,703	20	2,419,392
Depreciation for the year	95,136	23,865	33,825	3,512	3,403	–	159,741
Disposals	–	–	(865)	–	–	–	(865)
Write-offs ⁶	–	–	(4,728)	(479)	–	–	(5,207)
Foreign exchange effect	–	(3)	(101)	(1)	–	–	(105)
Transfer to assets held for sale	(251,992)	(31,375)	(49,212)	(330)	(15,306)	–	(348,215)
Transfers and other movements ⁷	443	21	(4)	16	–	(20)	456
At 31 December 2024	1,298,124	409,293	433,955	12,025	71,800	–	2,225,197
Net book value at 31 December 2024	521,391	172,945	327,217	6,764	29,128	13,313	1,070,758

¹ With the capitalisation rate of 6.33%, there were borrowing costs capitalised in property, plant and equipment amounting to US\$6,678,000.

² Within plant and equipment, costs of US\$557,684,000 are subject to depreciation on a unit of production basis in line with accounting policy on note 2(f) for which the accumulated depreciation is US\$291,305,000 and depreciation charge for the year is US\$19,897,000.

³ Plant and equipment include US\$1,564,000 of right-of-use assets (note 26).

⁴ Vehicles include US\$5,194,000 of right-of-use assets (note 26).

⁵ Within construction in progress and capital advances there are capital advances amounting to US\$2,027,000, mainly related to Compania Minera Ares of US\$999,000.

⁶ Mainly corresponds to the write-off of construction in progress stopped as the assets would be used by Azuca and Arcata units and they were sold (refer to notes 16 and 24).

⁷ Mainly includes the transfer of US\$1,656,000 from evaluation and exploration assets (Inmaculada of US\$519,000, Pallancata US\$30,000, Mara Rosa of US\$867,000 and San Jose of US\$240,000) (note 17) as they are related to conversion of resources in to reserves.

2025

In June 2025, management determined that there was a trigger of impairment in the Mara Rosa mine unit due to the operational challenges presented during the first half of the year, including heavier-than-usual rainfall and contractor performance issues. These conditions limited access to ore, particularly high-grade zones, and further compounded challenges with the filtering process. The Group suspended the processing plant for four weeks, and the measures taken resulted in a reduction to the expected production, ramping up through H1 2026 when the plant is expected to achieve full capacity. The corresponding impact on the operations' costs was considered. The impairment test resulted in no impairment being recognised as the negative impact of the operational challenges described above was offset by strong gold prices. The recoverable value of Mara Rosa was determined using a FVLCD methodology. No indicators of impairment were identified at 31 December 2025.

In December 2025, management again determined that there was a trigger of reversal of impairment in the San Jose mine unit due to the increase in gold and silver prices, and the decrease in the post-tax discount rate from 18.3% to 12.5%. The impairment test resulted in a full reversal of the previously recognised impairment, adjusted for the depreciation that would have been recorded had the asset not been impaired, amounting to US\$13,590,000 in total, allocated as follows: US\$12,794,000 to Property, Plant and Equipment, US\$379,000 to Exploration and Evaluation assets (note 17) and US\$417,000 to Intangible assets (note 18).

The recoverable value of San Jose was determined using a FVLCD methodology. The key assumptions on which management has based its determination of FVLCD and the associated recoverable values calculated for the San Jose CGU are gold and silver prices, future capital requirements, production costs, reserves and resources (reflected in the production volume), and the discount rate.

Real prices US\$ per oz.	2026	2027	2028	2029	Long-term
Gold	4,044	3,845	3,475	3,183	3,000
Silver	48.8	46.1	42.1	37.1	32.0

	San Jose
Discount rate (post-tax)	12.5%
Discount rate (pre-tax)	12.9%

The period of four years was used to prepare the cash flow projections of San Jose mine which is consistent with its estimated life of mine.

No indicators of impairment or reversal of impairment were identified in the other CGUs which includes other exploration projects, with the exception of the Volcan project (refer to note 18).

The estimated recoverable values of the Group's CGUs are equal to, or not materially different than, their carrying values.

**16 Property, plant and equipment** continued**Sensitivity analysis**

Management believes that no reasonably possible change in any of the key assumptions above would cause the carrying value of the San Jose CGUs to exceed its recoverable amount. As the full amount of previous impairments has been reversed as at 31 December 2025, no reasonable change in any of the key assumptions would result in an additional reversal of impairment.

2024

In December 2024, management determined that there was a trigger of reversal of impairment in the San Jose mine unit due to the increase in gold and silver prices and the increased reserves and resources estimate. The impairment test resulted in no impairment, or impairment reversal, being recognised as the positive effect of the increased prices and additional reserves and resources was mainly offset by higher costs due to ongoing inflation in Argentina.

The recoverable value of San Jose was determined using a FVLCD methodology. The key assumptions on which management has based its determination of FVLCD and the associated recoverable values calculated for the San Jose CGU were gold and silver prices, future capital requirements, production costs, reserves and resources (reflected in the production volume), and the discount rate.

Real prices US\$ per oz.	2025	2026	2027	2028	2029	Long term
Gold	2,663	2,466	2,438	2,248	1,894	2,100
Silver	32.3	32.0	32.1	28.2	23.7	25.0
	San Jose					
Discount rate (post-tax)	18.3%					
Discount rate (pre-tax)	18.8%					

The period of seven years was used to prepare the cash flow projections of San Jose mine which was in line with its life of mine.

No indicators of impairment or reversal of impairment were identified in the other CGUs which includes other exploration projects, with the exception of the Volcan project (note 18).

17 Evaluation and exploration assets

	Azuca US\$000	Mara Rosa US\$000	Monte do Carmo US\$000	Volcan US\$000	Other US\$000	Total US\$000
COST						
Balance at 1 January 2024	84,717	1,422	–	65,819	22,907	174,865
Additions ¹	366	1,351	2,891	1,073	3,344	9,025
Acquisition of assets (note 4(b)) ¹	–	–	82,725	–	–	82,725
Foreign exchange effect	–	(83)	(2,362)	(8,054)	–	(10,499)
Transfers to property, plant and equipment (note 16)	–	(1,280)	–	–	(832)	(2,112)
Transfers to asset held for sale (note 24)	(85,083)	–	–	–	(4,011)	(89,094)
Balance at 31 December 2024	–	1,410	83,254	58,838	21,408	164,910
Additions ¹	–	2,828	8,942	1,823	4,607	18,200
Foreign exchange effect	–	–	6,320	6,023	–	12,343
Transfers to property, plant and equipment (note 16)	–	(2,173)	(98,516)	–	3	(100,686)
Balance at 31 December 2025	–	2,065	–	66,684	26,018	94,767
ACCUMULATED IMPAIRMENT						
Balance at 1 January 2024	66,629	–	–	35,511	5,403	107,543
Impairment (note 24)	13,732	–	–	–	–	13,732
Foreign exchange effect	–	–	–	(4,253)	–	(4,253)
Amortisation	–	413	–	–	–	413
Transfers to property, plant and equipment (note 16)	–	(413)	–	–	(43)	(456)
Transfers to assets held for sale	(80,361)	–	–	–	(4,011)	(84,372)
Balance at 31 December 2024	–	–	–	31,258	1,349	32,607
Impairment reversal ²	–	–	–	(33,671)	(379)	(34,050)
Foreign exchange effect	–	–	–	2,413	–	2,413
Balance at 31 December 2025	–	–	–	–	970	970
Net book value as at 31 December 2024	–	1,410	83,254	27,580	20,059	132,303
Net book value as at 31 December 2025	–	2,065	–	66,684	25,048	93,797

¹ From the total additions, the payment in cash amounted to US\$6,337,000 (2024: US\$55,629,000)

² Impairment reversal related to Volcan amounting to US\$43,255,000 in total, allocated as follows: US\$33,671,000 to Exploration and Evaluation assets and US\$9,584,000 to Intangible assets (note 18).



17 Evaluation and exploration assets continued

At 31 December 2024 the Group recorded an impairment with respect to evaluation and exploration assets of the Azuca project of US\$13,732,000 (see note 24).

There were borrowing costs capitalised in evaluation and exploration assets of US\$5,928,000 (2024: US\$39,000).

18 Intangible assets

	Transmission line ¹ US\$000	Water permits ² US\$000	Software licences US\$000	Legal rights ³ US\$000	Royalty intangible assets US\$000	Total US\$000
COST						
Balance at 1 January 2024	34,172	21,267	2,248	5,227	–	62,914
Foreign exchange effect	(798)	(2,547)	–	(144)	–	(3,489)
Additions	–	–	–	19,534	–	19,534
Addition of royalty intangible asset (note 24)	–	–	–	–	3,967	3,967
Balance at 31 December 2024	33,374	18,720	2,248	24,617	3,967	82,926
Foreign exchange effect	–	1,843	–	–	–	1,843
Additions	–	–	165	2,447	–	2,612
Transfers	–	–	–	41	–	41
Disposals	–	–	–	(116)	–	(116)
Addition of royalty intangible asset (note 24)	–	–	–	–	4,715	4,715
Balance at 31 December 2025	33,374	20,563	2,413	26,989	8,682	92,021
Accumulated amortisation and impairment						
Balance at 1 January 2024	19,288	10,150	2,155	1,338	–	32,931
Amortisation for the year ⁴	1,175	–	12	392	–	1,579
Foreign exchange effect	–	(1,216)	–	–	–	(1,216)
Balance at 31 December 2024	20,463	8,934	2,167	1,730	–	33,294
Amortisation for the year ⁴	908	–	31	1,001	–	1,940
Impairment reversal ⁵	(408)	(9,584)	(9)	–	–	(10,001)
Foreign exchange effect	–	650	3	1	–	654
Balance at 31 December 2025	20,963	–	2,192	2,732	–	25,887
Net book value as at 31 December 2024	12,911	9,786	81	22,887	3,967	49,632
Net book value as at 31 December 2025	12,411	20,563	221	24,457	8,482	66,134

¹ The transmission line in San Jose is amortised using the units of production method. At 31 December 2025 the remaining amortisation period is approximately 4 years (2024: 7 years) in line with the life of the mine. The transmission line in Mara Rosa is amortised using the units of production method.

² Corresponds to the acquisition of water permits of Andina Minerals Group ('Andina'). These permits have an indefinite life according to Chilean law.

³ Legal rights correspond to expenditures required to give the Group the right to use a property for the surface exploration work, development and production.

⁴ The amortisation for the period is included in cost of sales and administrative expenses in the income statement.

⁵ Reversal of impairment relating to San Jose of US\$417,000 (note 16) and Volcan of US\$9,584,000.

As at 30 June 2025, management identified indicators for a reversal of impairment for the Volcan project driven by an increase in long-term gold price assumptions, resulting in the recognition of a partial reversal of impairment of US\$30,779,000.

During the second half of 2025, additional positive market evidence became available following the completion of the reverse takeover transaction and concurrent financing on 16 December 2025, which provided an observable valuation benchmark for the Volcan project (note 4). Based on this transaction, management concluded that the recoverable amount of the Volcan CGU exceeded its carrying amount as at 31 December 2025.

Accordingly, the remaining accumulated impairment loss of US\$12,476,000 was fully reversed as at 31 December 2025. Total reversal of impairment for 2025 amounts to US\$43,255,000 in total, allocated as follows: US\$33,671,000 to Exploration and Evaluation assets (note 17) and US\$9,584,000 to Intangible assets.

In December 2024, management determined that there was a trigger of reversal of impairment in Volcan project due to the increase in gold prices. The impairment test resulted in no impairment, or impairment reversal, being recognised.

The recoverable value of the Volcan project as of 31 December 2024 was determined using a FVLCD methodology. The Group used a value in-situ methodology, which applies a realisable 'enterprise value' to unprocessed mineral resources per ounce of resources. The enterprise value used in the calculation performed as at 31 December 2024 was a risk adjusted value per in-situ gold equivalent ounce of US\$3.72.

The carrying amount of the Volcan CGU, which includes the water permits, is reviewed annually to determine whether it is in excess of its recoverable amount. The estimated recoverable amount is not materially different than its carrying value.

US\$000	As at 31 December 2025	As at 31 December 2024
Current carrying value Volcan CGU	87,247	37,366

19 Investment in an associate

The Group retains a 19.45% interest in Aclara Resources Inc. ('Aclara') (2024: 19.50%), a Toronto Stock Exchange listed company, involved in the development of two rare-earth metals projects: the Penco Module in the Bio-Bio Region of Chile and the Carina Project in the State of Goias, Brazil.

Upon Aclara's Initial Public Offering (IPO) on 10 December 2021, Hochschild Mining Holdings Limited ('HM Holdings') retained 20% of Aclara shares. The investment was recorded at initial recognition at fair value, based on the IPO offering price, and is accounted for using the equity method in the consolidated financial statements.

**19 Investment in an associate continued**

The following table summarises the financial information of the Group's investment in Aclara Resources Inc:

	As at 31 December 2025 US\$000	As at 31 December 2024 US\$000
Current assets	24,908	29,821
Non-current assets	160,081	123,980
Current liabilities	(9,571)	(6,231)
Non-current liabilities	(1,371)	(1,415)
Equity	174,047	146,155
Non-controlling interest ¹	19,610	18,603
Equity attributable to shareholders	154,437	127,552
Group's share in equity 19.45% (2024: 19.50%)	30,038	24,873
Fair value adjustment on initial recognition and accumulated adjustments for non-attributable changes to equity ²	13,334	13,125
Accumulated impairment	–	(22,187)
Group's carrying amount of the investment 19.45% (2024: 19.50%)	43,372	15,811
Summarised consolidated statement of profit and loss		
Administrative expenses	(7,642)	(8,239)
Exploration expenses	(1,985)	(459)
Share of loss of joint venture	(432)	(115)
Finance income	1,308	1,657
Finance cost	(303)	(64)
Foreign exchange gain/(loss)	107	(193)
Loss from operations for the year	(8,947)	(7,413)
Loss from continuing operations attributable to shareholders	(8,447)	(7,223)
Group's share of loss for the year	(1,643)	(1,408)
Other comprehensive profit that may be reclassified to profit or loss in subsequent periods, net of tax		
Exchange differences on translating foreign operations	10,373	(12,780)
Total comprehensive profit/(loss) for the year	10,373	(12,780)
Group's share of comprehensive profit/(loss) for the year	2,017	(2,492)

¹ On April 17, 2024 Aclara closed a strategic financing of US\$29,027,000 by the company CAP S.A. in Aclara's Chilean subsidiary which owns the Penco Module and all of Aclara's mining concessions in Chile in exchange for 20% equity participation in REE UNO Spa which had a corresponding impact on the Group's equity.

² Includes the 20% of the fair value adjustment, estimated by the Group, of Aclara's exploration and evaluation asset on initial recognition of US\$12,307,000, and other non-attributable changes to equity of US\$1,027,000 (31 December 2024: US\$12,307,000 and US\$818,000 respectively).

The movement of investment in associate is as follows:

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Beginning balance	15,811	22,927
Impairment reversal/(impairment)	22,187	(5,081)
Share of loss for the period	(1,643)	(1,408)
Share of comprehensive profit/(loss) for the period	2,017	(2,492)
Capital contribution through private placement	5,000	–
Equity gain in Aclara from CAP strategic financing	–	1,865
Ending balance	43,372	15,811

2025

During 2025, both external and internal indicators of a reversal of impairment were identified for the Group's investment in Aclara. External indicators included developments in the rare earths market such as the expansion of Chinese restrictions on rare-earth exports during the year and the resulting increased focus on establishing non-China supply chains. Internal indicators included progress in project development, notably the release of the Carina pre-feasibility study and upgraded Mineral Resource Estimate, continued and positive advancement of the Penco environmental approval process, the commitment of up to US\$5,000,000 in strategic funding from the U.S. International Development Finance Corporation, and the decision by the directors of Aclara to construct a heavy rare earth separation facility in Louisiana, USA. These factors resulted in a sustained uplift in Aclara's recoverable value, as reflected by a prolonged increase in the share price above the cost of the investment.

Therefore, management concluded that the recoverable amount of the investment exceeded its carrying amount, resulting in the full reversal of the previously recognised impairment charges of US\$22,187,000.

2024

On 23 December 2024, Aclara announced a US\$25,000,000 private placement of common shares at C\$0.7 (US\$0.5) per share with new and existing strategic investors: New Hartsdale Capital Inc., CAP S.A. and the Group. The subscription price represents a 41% premium over the closing price of the Common Shares on the Toronto Stock Exchange (TSX) on the last trading day prior to the date of the announcement of the Private Placement. The private placement was completed on 20 February 2025 and the Group paid US\$5,000,000.

The Group reassessed the recoverable value of its investment in Aclara, adjusting the carrying amount of the investment to reflect the value of the shares issued in the private placement. As a result, the Group determined an impairment charge of US\$5,081,000 as at 31 December 2024.

The carrying amount of the investment recognised the changes in the Group's share of net assets of the associate since the acquisition date. The balance as at 31 December 2025, after recognising the changes in the Group's share of net assets of the associate and the impairment charge is US\$43,372,000 (2024: US\$15,811,000).

The fair value of Aclara shares, based on the market price per share, as at 31 December 2025 amounted to US\$67,460,000 (2024: US\$10,173,000).

No dividends were received from the associate during 2025 and 2024.

The associate had no contingent liabilities or capital commitments as at 31 December 2025 and 31 December 2024.



20 Financial assets at fair value through OCI

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Beginning balance	475	460
Fair value change recorded in OCI	96	15
Sales of financial assets	(485)	–
Ending balance	86	475

The Group made the election at initial recognition to measure the below equity investments at fair value through OCI as they are not held for trading.

Fair value of the listed shares is determined by reference to published price quotations in an active market and they are categorised as Level 1. The fair value of non-listed equity investments is determined based on financial information available of the companies and they are categorised as Level 3.

21 Trade and other receivables

	As at 31 December			
	2025		2024	
	Non-current US\$000	Current US\$000	Non-current US\$000	Current US\$000
Trade receivables	–	81,373	–	37,238
Advances to suppliers	–	8,111	–	13,324
Tax claims	11,369	4,757	8,060	7,826
Funds in escrow ¹	–	305	–	14,278
Receivables from related parties (note 32(a))	–	176	–	121
Other ²	1,245	10,588	3,279	11,619
Total assets classified as receivables	12,614	105,310	11,339	84,406
Prepaid expenses	3,270	5,176	2,764	11,083
Value Added Tax (VAT) ³	2,776	45,058	4,213	40,325
Total	18,660	155,544	18,316	135,814

The fair values of trade and other receivables approximate their book value.

¹ Represents funds held in escrow in connection with Royropata easements.

² Includes account receivables from contractors for the sale of supplies of US\$2,190,000 (2024: US\$1,773,000), funds restricted in relation to ongoing employee legal claims in Minera Santa Cruz of USD\$1,250,000 (2024: USD\$549,000), loan to third parties of US\$787,000 (2024: US\$1,381,000), and, net of a provision for impairment of receivables of US\$1,045,000 (2024: US\$1,016,000).

³ Primarily relates to US\$19,830,000 (2024: US\$18,277,000) of VAT receivable related to the San Jose project that will be recovered through future sales of gold and silver and also through the sale of these credits to third parties by Minera Santa Cruz. It also includes the VAT of Compania Minera Ares of US\$6,719,000 (2024: US\$6,978,000), and Amarillo Mineracao do Brasil of US\$19,829,000 (2024: US\$18,514,000). The VAT is valued at its recoverable amount. Recovery is effected either through cash refunds, offset against other tax liabilities or, where permitted, transfer to third parties. In Argentina, VAT balances are generally expected to be recovered within approximately six months. In Brazil, PIS and COFINS credits are offset against income tax and social contributions, while ICMS credits are expected to be realised through authorised transfers. In Peru, VAT is recoverable through cash refunds or offset against other taxes. The recovery occurs on a monthly basis given the entity's ongoing export activities.

As at 31 December 2025 and 2024, none of the financial assets classified as receivables (net of impairment) were past due.

22 Inventories

	As at 31 December	
	2025 US\$000	2024 US\$000
Finished goods valued at cost	7,393	1,874
Products in process valued at cost	53,333	23,623
Products in process accrual valued at cost ¹	8,118	8,152
Supplies and spare parts ²	56,150	58,476
	124,994	92,125
Provision for obsolescence of supplies	(6,783)	(5,038)
Ending balance	118,211	87,087

¹ Corresponds to the estimated production costs from 26 to 31 December 2025 (2024: 26 to 31 December 2024).

² Includes in transit inventory of US\$342,000 (2024: US\$689,000).

Finished goods include concentrate, dore and aggregates. Products in process include stockpile and precipitates.

The Group either sells dore bars as a finished product or if it is commercially advantageous to do so, delivers the bars for refining into gold and silver ounces which are then sold. In the latter scenario, the dore bars are classified as products in process. At 31 December 2025 and 2024, the Group had no dore on hand included in products in process.

Concentrate is sold to smelters, but in addition could be used as a product in process to produce dore.

Products in process accrual valued at cost include stockpile (2024: stockpile).

As part of the Group's short-term financing policies, it acquires pre-shipment loans which are guaranteed by the sales contracts. The Group has contracts as at 31 December 2025 of US\$Nil (2024: US\$Nil) (note 27).

The amount of expense recognised in profit and loss related to the consumption of inventory of supplies, spare parts and raw materials in 2025 is US\$147,890,000 (2024: US\$140,623,000).

Movements in the provision for obsolescence comprise an increase in the provision of US\$1,745,000 (2024: US\$864,000) and the reversal of US\$Nil related to supplies and spare parts, that had been provided for (2024: US\$Nil).



23 Cash and cash equivalents

	As at 31 December	
	2025 US\$000	2024 US\$000
Cash and cash equivalents		
Cash in hand	723	679
Current demand deposit accounts ¹	94,514	94,167
Time deposits ²	221,717	2,122
Mutual funds	–	5
Cash and cash equivalents considered for the statement of cash flows (note 2(y))	316,954	96,973

¹ Relates to bank accounts which are freely available and bear interest. The balance has checks in transit. Includes US\$10,609,000 current demand deposit accounts restricted to be utilised for advancing the Volcan project and its related business expenses (2024: US\$11,837,000).

² These deposits have an average maturity of 6 days (2024: average of 4 days).

Cash and cash equivalents comprise cash on hand and deposits held with banks that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

The fair value of cash and cash equivalents approximates their book value.

24 Assets held for sale

Azuca and Arcata projects

Prior to classifying Arcata and Azuca disposal group as assets and liabilities related to asset held for sale, as at 30 June 2024, the Group recognised an impairment of US\$13,732,000. The recoverable value of the Azuca and Arcata project was determined using a FVLCD methodology, based on the proposed economic terms of sale. In November 2024, the Group entered into an agreement whereby the third party acquired the assets and liabilities of Arcata and Azuca from Compañía Minera Ares for US\$1,000,000 as a non-refundable cash payment at closing, and a 1.0% and 1.5% Royalty Net Smelter Return (NSR) for Arcata and Azuca, respectively. The buyer also took over the environmental liabilities amounting to US\$9,652,000. The Group has provided a guarantee for the mine closure obligations for up to US\$5,778,623 with maturity in January 2026. Upon completion of the transaction on 27 February 2025, the Group derecognised the assets and liabilities directly associated with assets held for sale which amounted to US\$12,660,000 and US\$9,652,000, respectively as at 31 December 2024.

The cash received for the sale of Azuca and Arcata projects was US\$1,000,000 net of transaction costs of US\$900,000. The gain on sale amounted to US\$416,000 and is recognised in other income. The 1.0% and 1.5% Royalty Net Smelter Return (NSR) for Arcata and Azuca, respectively was recognised as a contingent consideration within other rights as an intangible with a fair value of US\$4,715,000 (note 18) at initial recognition and a deferred tax liability of US\$1,390,000 was recognised in connection with the deferred consideration.

Crespo project

In 2023, the Group entered into an agreement with a third party whereby the third party would acquire the assets and liabilities of the Crespo project from Compañía Minera Ares which resulted in the assets and liabilities of project Crespo being classified as held for sale at 31 December 2023. In March 2024, the Group received US\$15,000,000 as a non-refundable cash payment at closing, and a 1.5% Royalty Net Smelter Return (NSR) over the Crespo project, recognised as a contingent consideration within other rights as an intangible with a fair value of US\$3,967,000 (note 18) at initial recognition and a deferred tax liability of US\$1,170,000 was recognised in connection with the deferred consideration. The buyer also took over the environmental liabilities of the project amounting to US\$711,000. Upon completion of sale, the Group derecognised the asset held for sales amounting to US\$17,398,000 and the liabilities directly associated with assets held for sale amounting to US\$711,000. No profit or loss was generated on the sale. The cash received for the sale of Crespo project was US\$15,000,000 net of transaction costs of US\$1,110,000.

25 Trade and other payables

	As at 31 December			
	2025		2024	
	Non-current US\$000	Current US\$000	Non-current US\$000	Current US\$000
Trade payables ¹	–	112,794	–	126,357
Salaries and wages payable ²	–	40,832	–	37,059
Payment in advance received ³	–	21,615	–	5,002
Taxes and contributions	15	11,902	33	10,718
Guarantee deposits ⁴	–	8,068	–	7,896
Accounts payable – hedges	–	9,022	–	6,943
Mining royalties (note 37)	–	1,621	–	1,470
Accounts payable to related parties (note 32(a))	–	313	–	209
Stream Agreements (note (a))	19,332	–	25,926	–
Lease liabilities (note 26)	6,340	2,647	3,477	3,246
Deferred consideration (note 4(b))	4,862	–	13,500	–
Other ⁵	3,676	10,982	3,565	9,322
Total	34,225	219,796	46,501	208,222

¹ Trade payables relate mainly to the acquisition of materials, supplies and contractors' services. These payables do not accrue interest and no guarantees have been granted.

² Salaries and wages payable relates to remuneration payable. At 31 December 2025, there was Board members' remuneration payable of US\$Nil (2024: US\$Nil) and Long-Term Incentive Plan payable of US\$3,845,000 (2024: US\$3,764,000).

³ Payments in advance received, mainly related to shipments not recognised as revenue during the period, amounting to US\$17,613,000 in Minera Santa Cruz.

⁴ Guarantee deposits made by the contractors of the Group to guarantee the fulfilment of their tasks. The guarantee will be returned to the contractor at the end of the service and when it is verified that it has been completed correctly.

⁵ Current balance includes the accrual of the production costs corresponding to six days of production from 26 to 31 December of US\$5,594,000 (2024: US\$7,583,000).

(a) Stream Agreements

On 7 November, 2024, the Company completed the acquisition of 100% of the Monte do Carmo Project (MdC) from Cerrado Gold Inc. ('Cerrado'). At Closing, the Company assumed all liabilities in connection with the Sprott Private Resource Streaming and Royalty Corp. ('Sprott') secured note and streaming contract (collectively 'Stream Agreements') that Cerrado had entered into with Sprott.

The US\$20,000,000 metals purchase and sale agreement ('Streaming Contract') provided for the sale and physical delivery to Sprott of 2.25% of metals produced from MdC, for the duration of the project. The price payable for the metals is calculated by reference to the London Bullion Market Association (LBMA) price for gold or silver as applicable, and amounts to 10% of the reference price. In connection with the Streaming Contract, Cerrado issued a US\$20,000,000 secured Note to Sprott that bears interest at a rate of 10% per annum, calculated and payable quarterly which will mature on the earlier of the achievement of commercial production or 14 March 2031 ('Secured Note').

Under the Stream Agreements, if the Board of Directors approves the construction of a mining operation with a life-of-mine production of less than 1,049,000 ounces of payable gold, the stream percentage on Monte do Carmo would increase linearly from its base value of 2.25% following a formula in the Streaming Contract.

Management determined that the Secured Note and Streaming Contract with Sprott are closely connected, with the option of Sprott to set off the stream payment against the Secured Note, on the commencement of production of Monte do Carmo.



25 Trade and other payables continued

On 30 June 2025, under the terms of the Stream Agreements, the Company executed the buy down for 50% of the Streaming Contract by paying US\$13,000,000 to Sprott. As a result, the Secured Note is reduced to US\$10,000,000 and the stream percentage is reduced by 50%. The definitive stream percentage will be determined upon the Board of Directors' approval of the construction of the mining operation and will be based on the then available payable gold ounces in the construction mine plan.

The Group has elected to account for the obligations arising from these agreements at FVTPL. The Secured Note represents a financial liability for the contractual obligation to repay the remaining principal of US\$10,000,000 and quarterly interest payments in cash. The Stream Agreements meet the definition of a derivative and are accounted at FVTPL.

The fair value of the Stream Agreements was determined using the expected cash flow approach, which uses multiple, probability weighted cash flow projections discounted to present value.

The changes in the liabilities of the Stream Agreements as at 31 December 2025 are shown below:

	US\$000
At 7 November 2024	26,159
Unrealised change in fair value (note 13)	(233)
At 31 December 2024	25,926
Cash payment for the exercise of the buy-down option	(13,000)
Gain on execution of the buy-down option (note 13)	(1,250)
Unrealised change in fair value (note 13)	7,482
Change in credit risk recognised in other comprehensive income	174
At 31 December 2025	19,332

The key assumptions on which management has based its determination of fair value of the Stream Agreements are gold prices, and reserves and resources (reflected in the production volume). The discount rates for the Secured Note of 6.3% and 7.4% and the Stream Agreement of 8.1% and 9.7% as at 31 December 2025 and 31 December 2024, respectively, (calculated under the WACC methodology).

As at 31 December 2025:

Real prices US\$ per oz.	2028	2029	Long term
Gold	3,475	3,183	3,000

As at 31 December 2024:

Real prices US\$ per oz.	2028	2029	Long term
Gold	2,248	1,894	2,100

Reasonable possible changes to any of the key assumptions above as at 31 December 2025 would increase/(decrease) the fair value of the Stream Agreements:

US\$000	US\$000
Gold price (decrease by 10%)	(1,618)
Gold price (increase by 10%)	1,618
Discount rate (increase by 1%)	(871)
Discount rate (decrease by 1%)	855
Reserves and resources volume (decrease by 10%)	(1,618)
Reserves and resources volume (increase by 10%)	1,618

The fair value of trade and other payables approximate their book values.

26 Lease liabilities

The Group has lease contracts for vehicles and equipment used in its operations and administrative offices. Leases of motor vehicles generally have lease terms of three years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain leases of assets with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the short-term lease and lease of low-value assets recognition exemptions for these leases.

The following are the amounts recognised in profit or loss related to the leases according IFRS 16 and the other leases that the Group has not capitalised:

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Depreciation expense for right-of-use assets (included in cost of sales, administrative, exploration and other expenses)	(4,907)	(4,514)
Interest expense on lease liabilities (included in finance expenses)	(581)	(582)
Expense relating to short-term leases (included in cost of sales, administrative, exploration and other expenses)	(1,099)	(959)
Expense relating to leases of low-value assets (included in cost of sales, administrative, exploration and other expenses)	(1,706)	(769)
Variable lease payments (included in cost of sales and exploration expenses)	(22,931)	(18,942)
Total amount recognised in profit or loss	(31,224)	(25,766)

The Group had total cash outflows for leases of US\$31,235,000 in 2025 (2024: US\$25,714,000). There were additions to right-of-use assets and lease liabilities during the year of US\$7,182,000 (2024: US\$7,094,000). The future cash outflows relating to leases that have not yet commenced are US\$10,423,000 (2024: US\$7,716,000). Short-term leases, leases of low-value assets and variable lease payments are included in the operating cash flows.



26 Lease liabilities continued

The movement in IFRS 16 lease liabilities in the years 2025 and 2024 is as follows:

	As at 1 January 2025 US\$000	Additions US\$000	Repayments US\$000	Interest expense US\$000	As at 31 December 2025 US\$000
Lease liabilities	6,723	7,182	(5,499)	581	8,987
Less: current balance	(3,246)				(2,647)
Non-current balance	3,477				6,340

	As at 1 January 2024 US\$000	Additions US\$000	Repayments US\$000	Interest expense US\$000	As at 31 December 2024 US\$000
Lease liabilities	4,093	7,094	(5,046)	582	6,723
Less: current balance	(2,714)				(3,246)
Non-current balance	1,379				3,477

27 Borrowings

	As at 31 December					
	2025			2024		
	Effective interest rate	Non-current US\$000	Current US\$000	Effective interest rate	Non-current US\$000	Current US\$000
Secured bank loans (a)						
Pre-shipment and other loans in Minera Santa Cruz (note 22)	–	–	–	8.45% to 13.00%	–	1,558
Short-term bank loans	4.19% to 5.55%	–	112,953	4.58% and 4.88%	–	80,210
Medium-term bank loans	4.40% to 6.60%	225,000	1,690	6.82% to 10.04%	163,333	67,481
Total		225,000	114,643		163,333	149,249

(a) Secured bank loans:

Pre-shipment and other loans in Minera Santa Cruz:

- As at 31 December 2025, Minera Santa Cruz has loans of US\$Nil (2024: US\$1,486,000) plus interests of US\$Nil (2024: US\$72,000, with a maturity between January and March 2025).

Short-term bank loans:

- As at 31 December 2025, Compañía Minera Ares has one loan with Interbank amounting to US\$30,000,000 plus interests of US\$618,000 (maturity in December 2026) and one loan with Banco de Credito del Peru amounting to US\$60,000,000 plus interests of US\$2,291,000 (maturity in January 2026). Amarillo has one loan with Citibank amounting to US\$20,000,000 plus interests of US\$44,000 (maturity in February 2026).

- As at 31 December 2024, Compañía Minera Ares had two loans with Interbank amounting to US\$45,000,000 plus interests of US\$119,000 (maturity in November 2025) and one loan with BBVA amounting to US\$35,000,000 plus interests of US\$91,000 (maturity in February 2025).

Medium-term bank loans:

- In December 2019, a five-year credit agreement was signed between Minera Ares and Scotiabank Peru S.A.A., The Bank of Nova Scotia and BBVA Securities Inc, with Hochschild Mining PLC as guarantor amounting to US\$200,000,000. In September 2021, the Group negotiated with the same counterpart a US\$200,000,000 loan to replace the original loan, plus an additional US\$100,000,000 optional loan ('Original Credit agreement'). The Group repaid US\$25,000,000 of the loan in December 2023, and repaid the remaining balance of US\$275,000,000 during 2024, and the Credit Agreement was terminated. Financial covenants under the agreement were: (i) Consolidated Leverage Ratio \leq 3 and (ii) Consolidated Interest Coverage Ratio \geq 4.00.
- In December 2022, a credit agreement for up to US\$200,000,000 was signed between Amarillo Mineracao do Brasil Ltda. and Compania Minera Ares SAC, and The Bank of Nova Scotia and BBVA Securities Inc, with Hochschild Mining PLC as guarantor. The medium-term facility was fully withdrawn as of December 2024 (US\$60,000,000 in 2023, and US\$140,000,000 in 2024), and is payable in equal quarterly instalments from February 2025 through November 2027, with an interest rate of three-month SOFR plus a spread of 2.05%. The Group fully repaid the US\$200,000,000 in 2025. Financial covenants under the agreement were: (i) Consolidated Leverage Ratio \leq 3 and (ii) Consolidated Interest Coverage Ratio \geq 4.00.
- In October 2024, an ESG-linked credit agreement for up to US\$300,000,000 was signed between Amarillo Mineracao do Brasil Ltda. and Compania Minera Ares SAC, and The Bank of Nova Scotia and BBVA Securities Inc, with Hochschild Mining PLC as guarantor (the New Credit Agreement). The medium-term facility can be withdrawn until October 2026, and is payable in equal quarterly instalments from January 2028 through October 2029, with an interest rate of three-month SOFR plus a spread of 1.95%, which may be reduced to 1.90% if certain ESG metrics are achieved. A structuring fee of US\$1,950,000 was paid to the lenders and additional US\$225,000 was incurred as transaction costs. In addition, a commitment fee of 0.528% are payable on quarterly instalments for any amounts remaining undrawn on the facility. During the year the Group paid \$1,559,000 of commitments fees. US\$30,000,000 was withdrawn in December 2024 to repay the remaining amount outstanding of the Original Credit Agreement US\$300,000,000 loan, and US\$90,000,000 was withdrawn in 2025. The remaining balance of US\$180,000,000 was undrawn as at 31 December 2025. Financial covenants under the agreement are: (i) Consolidated Leverage Ratio \leq 3 and (ii) Consolidated Interest Coverage Ratio \geq 4.00. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.
- As at 31 December 2025, Compañía Minera Ares has one loan with Interbank amounting to US\$5,000,000 plus interests of US\$104,000 (maturity in January 2027). Amarillo has one loan with JP Morgan amounting to US\$40,000,000 plus interests of US\$104,000 (maturity in June 2027), and one loan with BBVA amounting to US\$60,000,000 plus interests of US\$821,000 (maturity in April 2027).

(b) Capitalised borrowing costs:

In 2025, interest expense of US\$7,567,000 that is directly attributable to the construction of Monte do Carmo (US\$6,278,000), Mara Rosa (US\$376,000) and Compañía Minera Ares S.A.C. (US\$913,000) has been capitalised and is included in property, plant and equipment within construction in progress and capital advances (US\$1,289,000) and mining property and development costs (US\$116,000), and exploration and evaluation assets (US\$6,162,000).

In 2024, interest expense of US\$7,012,000 that is directly attributable to the construction of Mara Rosa (US\$6,257,000) and Compañía Minera Ares S.A.C. (US\$755,000) has been capitalised and is included in property, plant and equipment within construction in progress and capital advances (US\$4,991,000) and mining property and development costs (US\$1,982,000), and exploration and evaluation assets (US\$39,000)).

**27 Borrowings continued**

The carrying value including accrued interest payable of the medium-term bank loans as at 31 December 2025 is US\$226,690,000 (2024: US\$230,814,000). The maturity of non-current borrowings is as follows:

	As at 31 December	
	2025 US\$000	2024 US\$000
Between 1 and 2 years	105,000	66,667
Between 2 and 5 years	120,000	96,666
Over 5 years	–	–
Total	225,000	163,333

The carrying amount of the pre-shipment, short-term and other loans approximates their fair value. The carrying amount and fair value of the medium-term bank loans are as follows:

	Carrying amount as at 31 December		Fair value as at 31 December	
	2025 US\$000	2024 US\$000	2025 US\$000	2024 US\$000
Medium-term bank loans	226,690	230,814	220,076	221,560

The movement in borrowings during the years 2025 and 2024 are as follows:

	As at 1 January 2025 US\$000	Additions US\$000	Repayments US\$000	Reclassifications and others ¹ US\$000	As at 31 December 2025 US\$000
CURRENT					
Pre-shipment and other loans in Minera Santa Cruz	1,486	–	(1,486)	–	–
Short-term bank loans	80,000	215,000	(185,000)	–	110,000
Medium-term bank loans	66,667	–	(66,667)	–	–
Accrued interest	1,096	15,635	(17,703)	5,615	4,643
	149,249	230,635	(270,856)	5,615	114,643
NON-CURRENT					
Medium-term bank loans	163,333	195,000	(133,333)	–	225,000
Total current and non-current borrowings	312,582	425,635	(404,189)	5,615	339,643

¹ Reclassifications and others of accrued interests includes capitalisation of interests of US\$7,567,000 (27(b)), offset by transaction costs of US\$1,742,000, and foreign exchange effect of US\$210,000.

	As at 1 January 2024 US\$000	Additions US\$000	Repayments US\$000	Reclassifications and others ¹ US\$000	As at 31 December 2024 US\$000
CURRENT					
Pre-shipment and other loans in Minera Santa Cruz	3,870	1,607	(3,991)	–	1,486
Short-term bank loans	–	140,000	(60,000)	–	80,000
Medium-term bank loans	100,001	8,333	(275,000)	233,333	66,667
Stock market promissory note	2,000	–	(2,000)	–	–
Accrued interest	6,193	15,425	(27,074)	6,552	1,096
	112,064	165,365	(368,065)	239,885	149,249
NON-CURRENT					
Medium-term bank loans	234,999	161,667	–	(233,333)	163,333
Total current and non-current borrowings	347,063	327,032	(368,065)	6,552	312,582

¹ Reclassification and others from non-current of US\$233,333,000 includes transfer from non-current to current borrowings of US\$233,333,000. Reclassifications and others of accrued interests includes capitalisation of interests of US\$7,012,000 (28(c)), offset by transaction costs of US\$364,000, and foreign exchange effect of US\$96,000.



28 Provisions

	Provision for mine closure ¹ US\$000	Long-Term Incentive Plan US\$000	Workers profit sharing US\$000	Legal claims US\$000	Total US\$000
At 1 January 2024	162,716	–	3,426	7,971	174,113
Additions	–	3,231	6,590	6,153	15,974
Accretion (note 13)	3,110	(87)	–	–	3,023
Change in discount rate	(3,727)	–	–	–	(3,727)
Change in estimates	18,805	–	–	–	18,805
Foreign exchange effect	–	–	–	(608)	(608)
Transfers to assets held for sale (note 24)	(9,652)	–	–	–	(9,652)
Transfer to other payables	–	(7,161)	–	–	(7,161)
Transfer from other reserves	–	7,954	–	–	7,954
Payments	(11,833)	–	(3,210)	(1,815)	(16,858)
At 31 December 2024	159,419	3,937	6,806	11,701	181,863
Less: current portion	(22,799)	–	(6,806)	(5,477)	(35,082)
Non-current portion	136,620	3,937	–	6,224	146,781
At 1 January 2025	159,419	3,937	6,806	11,701	181,863
Additions	–	4,157	23,447	3,476	31,080
Accretion (note 13)	3,070	107	–	–	3,177
Change in discount rate	3,713	–	–	–	3,713
Change in estimates	27,445	–	–	–	27,445
Foreign exchange effect	–	–	–	468	468
Transfer to other payables	–	(3,845)	(239)	–	(,084)
Payments	(15,829)	–	(8,845)	(1,641)	(26,315)
At 31 December 2025	177,818	4,356	21,169	14,004	217,347
Less: current portion	(28,880)	–	(21,169)	(5,406)	(55,455)
Non-current portion	148,938	4,356	–	8,598	161,892

1 Provision for mine closure

The provision represents the discounted values of the estimated cost to decommission and rehabilitate the mines at the expected date of closure of each of the mines. The present value of the provision has been calculated using a real pre-tax annual discount rate, based on a US Treasury bond of an appropriate tenure adjusted for the impact of inflation as at 31 December 2025 and 2024 respectively, and the cash flows have been adjusted to reflect the risk attached to these cash flows. Uncertainties on the timing for use of this provision include changes in the future that could impact the time of closing the mines, as new resources and reserves are discovered, technological changes, regulatory changes, cost increases, changes in discount rates. Those uncertainties may result in future actual expenditure differing from the amounts currently provided. The discount rate used was 1.59% (2024: 2.00%). Expected cash flows will be over a period from one to 25 years (2024: over a period from one to 25 years).

During the year the Company revised certain estimates related to its mine closure provision, mainly associated with the Sipan, Selene and Ares units, which are currently in the closure phase. The change primarily reflects updated cost assumptions and the inclusion of additional capital and operating costs related to water treatment activities.

Based on the internal and external reviews of mine rehabilitation estimates, the provision for mine closure increased by US\$27,445,000 due to the change in estimates and increased by US\$3,713,000 due to the change in the discount rate, as follows:

	Change in estimate		Change in discount rate		Timing of expected outflows Years
	31 December 2025	31 December 2024	31 December 2025	31 December 2024	
Arcata	–	(1)	–	(7)	–
Ares	5,997	10,323	434	99	2026-2036
Sipan	7,405	4,242	465	25	2026-2037
Selene	8,982	144	740	(108)	2026-2033
Recognised in the consolidated income statement	22,384	14,708	1,639	9	
Pallancata	(934)	(789)	(75)	(417)	2026, 2037- 2049
Matarani	–	(30)	6	(10)	2036- 2041
Azuca	–	–	–	(2)	–
Inmaculada	724	3,229	383	(2,126)	2026-2050
San Jose	3,140	419	1,434	(613)	2027-2042
Mara Rosa	2,131	1,268	326	(568)	2037-2045
Recognised in property, plant and equipment	5,061	4,097	2,074	(3,736)	
Total	27,445	18,805	3,713	(3,727)	

A change in any of the following key assumptions used to determine the provision would have the following impact:

As at 31 December 2025	US\$000
Closure costs (increase by 10%) increase of provision	17,782
Discount rate (increase by 0.5%) (decrease of provision)	(6,631)

An element of mine closure planning can be water management, which relates to the treatment of contact water. The cost of this water processing could continue for a number of years after closure activities have been completed and is therefore, potentially, exposed to long-term climate change. Mine planning for Hochschild's operating assets takes into account mine-closure activities. In the case of the now-closed Sipan mine, due to the specific characteristics of the closed mine components, contact water treatment is ongoing. According to our most recent approved Mine Closure Plan (July 2021), Sipan will be the subject of ongoing treatment until 2031 or until baseline water quality conditions have been met. As at the date of approval of these financial statements, the impact of climate change on Sipan's mine closure planning is not expected to be material.



28 Provisions continued

2 Long-term incentive plan

Corresponds to the provision related to awards granted under the Long-Term Incentive Plan (LTIP) to designated personnel of the Group, and includes the 2024 awards, granted in March 2024, payable in March 2027 and the 2025 awards, granted in March 2025, payable in March 2028. The 2023 awards which are payable in 2026 have a value of US\$3,845,000 and are included in trade and other payables. The effect has been recorded as administrative expenses.

The following tables list the inputs to the last Monte Carlo model used for the LTIPs:

	As at 31 December 2025		As at 31 December 2024	
	LTIP 2024 US\$000	LTIP 2025 US\$000	LTIP 2023 US\$000	LTIP 2024 US\$000
Dividend yield (%)	0	0	0	0
Expected annual volatility (%)	44.77	44.77	47.46	47.46
Risk-free interest rate (%)	3.59	3.55	4.77	4.77
Expected life (years)	1	2	1	2
Weighted average share price (pence £)	95.99	216.77	63.9	96.51

On 22 May 2024, beneficiaries of LTIPs were communicated of a change in the payment mechanism resulting in a modification of the LTIP from an equity-settled to a cash-settled transaction. This resulted in a recognition of liability based on the fair valuation of the cash-settled LTIPs as at the date of modification and reversal of the share-based payment reserves. The effect at the date of the modification was an additional expense of US\$419,000.

3 Legal Claims

The non-current balance of US\$8,598,000 (2024: US\$6,224,000) mainly corresponds to labour lawsuits in Minera Santa Cruz of US\$5,405,000 and legal claims in Compañía Minera Ares of US\$2,440,000 (2024: US\$Nil); the Group expect to resolve in a period of more than one year. Current contingencies mainly includes the balance of Compañía Minera Ares of US\$4,611,000 (2024: US\$3,002,000) related to administrative fines.

29 Equity

(a) Share capital and share premium

Issued share capital

The issued share capital of the Company as at 31 December 2025 and 2024 is as follows:

Class of shares	Issued	
	Number	Amount
Ordinary shares (1 pence per share)	514,458,432	£5,144,584

The movement in share capital of the Company from 1 January 2024 to 31 December 2025 is as follows:

	Number of ordinary shares	Share capital US\$000
Shares issued as at 31 December 2024	514,458,432	9,068
Shares issued as at 31 December 2025	514,458,432	9,068

Rights attached to ordinary shares

At general meetings of the Company, on a show of hands and on a poll, every member who is present in person or subject to the below, by proxy, has one vote for every share of which they are the holder/proxy. However, in the case of a vote on a show of hands where a proxy has been appointed by more than one

member, the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution.

(b) Other reserves

Fair value reserve of financial assets at fair value through OCI

In accordance with IFRS 9, the Group made the decision to classify its investments in listed and unlisted companies as financial assets at fair value through OCI. The increase/decrease in the fair value, net of the related deferred tax liability, is taken directly to this account where it will remain until disposal, when the cumulative unrealised gains and losses are recycled through retained earnings.

Cumulative translation adjustment

The cumulative translation adjustment account is used to record exchange differences arising from the translation of the financial statements of subsidiaries with a functional currency different to the reporting currency of the Group.

Merger reserve

The merger reserve represents the difference between the value of the net assets of the Cayman Holding Companies (Ardsley, Garrison, Larchmont and Hochschild Mining (Peru)) acquired under the Share Exchange Agreement and the nominal value of the shares issued in consideration of such acquisition. In addition, a merger reserve was generated by certain share placing transactions made by the Group after the IPO. The merger reserve available for distribution is disclosed within retained earnings.

Cash flow hedges

Changes in the fair value of derivatives designated as cash flow hedges, which are held to hedge the exposure to variability in cash flows of the hedged items, are recognised in other components of equity until changes in the fair value of the hedged item are recognised in profit or loss. The Group uses cash flow hedges for hedging the exposure to variability in gold and silver prices.

Share-based payment reserve

The share-based payment reserve is used to recognise the value of equity-settled share-based payment transactions provided to employees, as a part of their remuneration. In May 2024 the award changed from an equity-settled benefit to a cash-settled benefit, and the balance recorded in other reserves was transferred to provisions (note 28(2)). As at 31 December 2025 the balance is US\$Nil (2024: US\$Nil).

30 Deferred income tax

The net deferred income tax assets/(liabilities) are as follows:

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Beginning of the year	(54,827)	(66,276)
Income statement benefit/(expense) (note 14)	23,955	(14,409)
Deferred tax recognised on items in other comprehensive income ¹	51,971	27,620
Deferred tax recognised related to Monte do Carmo acquisition	–	2,817
Reclassification of deferred tax to assets held for sale	–	(3,409)
Deferred tax recognised on disposal of Azuca and Arcata projects (note 24)	(1,390)	–
Deferred tax recognised on disposition of Crespo project (note 24)	–	(1,170)
End of the year	19,709	(54,827)

¹ The deferred tax recovery for items that will be subsequently reclassified to profit and loss is US\$51,749,000 (2024: US\$28,473,000).



30 Deferred income tax continued

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to the same fiscal authority.

The movement in deferred income tax assets and liabilities before offset during the year is as follows:

	PP&E US\$000	Mine development US\$000	Provisional pricing adjustment US\$000	Others US\$000	Total US\$000
DEFERRED INCOME TAX LIABILITIES					
At 1 January 2024	47,112	86,670	–	8,452	142,234
Income statement expense/(benefit)	7,895	12,852	19	(2,077)	18,419
Reclassification to assets held for sale	–	3,262	–	–	3,262
At 31 December 2024	55,007	102,514	19	6,375	163,915
Income statement expense/(benefit)	(1,150)	8,975	(19)	(869)	6,937
Reclassification to assets held for sale	–	1,390	–	–	1,390
At 31 December 2025	53,857	112,879	–	5,506	172,242

	PP&E US\$000	Provision for mine closure US\$000	Mine development US\$000	Tax losses US\$000	Others ¹ US\$000	Total US\$000
DEFERRED INCOME TAX ASSETS						
At 1 January 2024	17,279	34,774	146	7,402	16,357	75,958
Income statement benefit/(expense)	(4,261)	(8,306)	(242)	(2,933)	18,582	2,840
Reclassification to assets held for sale	(147)	–	–	–	–	(147)
Deferred tax recognised related to the Monte do Carmo acquisition	–	–	1,918	–	899	2,817
Deferred tax recognised on items in other comprehensive income	–	–	–	–	27,620	27,620
At 31 December 2024	12,871	26,468	1,822	4,469	63,458	109,088
Income statement benefit/(expense)	6,000	6,250	(719)	6,823	12,538	30,892
Deferred tax recognised on items in other comprehensive income	–	–	–	–	51,971	51,971
At 31 December 2025	18,871	32,718	1,103	11,292	127,967	191,951

¹ Credit/(charge) in the year mainly related to the balance of hedges of US\$95,185,000 (2024 hedges of US\$34,445,000), exchange difference credit on cash basis of US\$2,752,000 (2024: credit of US\$13,239,000), statutory holiday provision of US\$934,000 (2024: US\$875,000) and Long-Term Incentive Plan of US\$2,372,000 (2024: US\$2,065,000).

The amounts after offset, as presented on the face of the statement of financial position, are as follows:

	As at 31 December	
	2025 US\$000	2024 US\$000
Deferred income tax assets	105,137	27,677
Deferred income tax liabilities	(85,428)	(82,504)
Total	19,709	(54,827)

In accordance with IAS 12, management has assessed the recoverability of the deferred tax asset with reference to projected future taxable profits. Based on this assessment, a deferred tax asset of US\$95,185,000 has been recognised in respect of unrealised hedge losses (2024: US\$30,506,000) and US\$10,384,000 in respect of tax losses (2024: US\$4,469,000) in Brazil (Amarillo Mineração do Brasil). Tax losses in Brazil may be carried forward indefinitely; however, their utilisation in any given period is limited to 30% of the taxable income for that period. Losses in 2025 amounted to \$30,540,000 in Brazil, resulting from operational challenges at Mara Rosa. Remediation initiatives implemented during the year have strengthened operational processes and workforce stability, supporting more consistent operations. Based on future financial and tax projections, management considers it probable that sufficient taxable profits will be available in the relevant periods to utilise these deductible temporary differences and unused tax losses.

Tax losses expire in the following years:

	As at 31 December	
	2025 US\$000	2024 US\$000
RECOGNISED		
Expire in four years	3,077	–
Without expiration	30,540	13,145
	33,617	13,145
UNRECOGNISED		
Expire in one year	766	1,040
Expire in two years	1,196	766
Expire in three years	43	1,196
Expire in four years	–	43
Expire after four years	217,114	200,155
	219,119	203,200
Total	252,736	216,345

Other unrecognised deferred income tax assets comprise (gross amounts):

	As at 31 December	
	2025 US\$000	2024 US\$000
Provision for mine closure ¹	14,399	16,633

¹ This relates to provision for mine closure expenditure which is expected to be incurred in periods in which taxable profits are not expected to be available to offset the expenditure.

Unrecognised deferred tax liability on retained earnings

At 31 December 2025 and 2024, there was no recognised deferred tax liability for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries as the intention is that these amounts are permanently reinvested.



31 Dividends

	Year ended 31 December	
	2025 US\$000	2024 US\$000
DIVIDENDS PAID AND PROPOSED DURING THE YEAR		
Dividends on ordinary shares:		
Final dividend for 2024: 1.94 US\$ cents per share (2023: Nil US\$ cents per share)	10,050	–
Interim dividend for 2025: 1.00 US\$ cents per share (2024: Nil US\$ cents per share)	5,145	–
Total dividends paid in cash	15,195	–
Proposed dividends on ordinary share		
Final dividend for 2025: 5.00 US\$ cents per share (2024: 1.94 US\$ cents per share)	25,723	10,000
Dividends declared to non-controlling interests: 0.013 US\$ per share (2024: 0.002 US\$ per share)	2,246	388
Total dividends declared to non-controlling interests	2,246	388

Dividends paid in 2025 to non-controlling interests amounted to US\$2,246,000 (2024: US\$388,000).

Dividends per share

The proposed final dividend in respect of the year ending 31 December 2025 is 5.00 US\$ cents per share (2024: US\$1.94).

32 Related-party balances and transactions

(a) Related-party accounts receivable and payable

The Group had the following related-party balances and transactions during the years ended 31 December 2025 and 2024. The related parties are companies owned or controlled by the main shareholder of the Parent company or associates.

	Accounts receivable as at 31 December		Accounts payable as at 31 December	
	2025 US\$000	2024 US\$000	2025 US\$000	2024 US\$000
CURRENT RELATED PARTY BALANCES				
Cementos Pacasmayo S.A.A. ¹	172	73	105	60
UTECH ²	–	–	202	–
Tecsup ²	–	30	6	149
REE UNO SpA ³	–	18	–	–
Aclara Resources Inc. ³	2	–	–	–
Aclara Resources Peru ³	2	–	–	–
Total	176	121	313	209

¹ The account receivable relates to reimbursement of expenses paid by the Group on behalf of Cementos Pacasmayo S.A.A, an entity controlled by Eduardo Hochschild. The account payable relates to the rentals payments.

² Peruvian not-for-profit educational institutions controlled by Eduardo Hochschild.

³ Associated companies of the Aclara Group (refer to note 19).

As at 31 December 2025 and 2024, all accounts are, or were, non-interest bearing.

No security has been granted or guarantees given by the Group in respect of these related party balances.

Principal transactions between affiliates are as follows:

	Year ended 31 December	
	2025 US\$000	2024 US\$000
EXPENSES		
Expense recognised for the rental and services paid to Cementos Pacasmayo S.A.A.	(503)	(505)
Expense donation Asociacion Amanatari ¹	(160)	(80)
Expense scholarship to UTECH	(94)	(371)
Expense sponsorships to UTECH	(5)	–
Expense donations to UTECH	(202)	–
Expense research project with UTECH	–	(19)
Expense technical services from Tecsup	(30)	(159)
Income from administrative services to REE UNO SpA	22	40
Income from reimbursement of security costs of Cementos Pacasmayo S.A.A.	881	676
Income from administrative services to Aclara Resources Peru	11	11
Revenue from sale of dore to Farragut Holdings Inc. ²	–	72

¹ Peruvian non-for-profit institution controlled by Eduardo Hochschild.

² Cayman Island Company controlled by Eduardo Hochschild.

Transactions between the Group and these companies are at an arm's length basis.

(b) Compensation of key management personnel of the Group

	Year ended 31 December	
	2025 US\$000	2024 US\$000
COMPENSATION OF KEY MANAGEMENT PERSONNEL (INCLUDING DIRECTORS)		
Short-term employee benefits	7,611	6,570
Long-Term Incentive Plans	1,888	1,714
Total compensation paid to key management personnel	9,499	8,284

This amount includes the remuneration paid to the Directors of the Parent Company of the Group of US\$4,601,000 (2024: US\$3,482,000).



33 Auditor's remuneration

The auditor's remuneration for services provided to the Group during the years ended 31 December 2025 and 2024 is as follows:

	Amounts paid to Ernst & Young in the year ended 31 December	
	2025 US\$000	2024 US\$000
Audit fees pursuant to legislation ¹	1,661	1,561
Audit related assurance services	341	150
Other assurance services	15	24
Total	2,017	1,735

¹ The total fee includes audit fees of US\$635,000 in respect of local statutory audits of subsidiaries (2024: US\$560,000).

Audit fees might be different from those previously reported as they might include additional out of scope fees and out of pocket expenses. In 2025 and 2024, all fees are included in administrative expenses.

34 Notes to the statement of cash flows

	Year ended at 31 December	
	2025 US\$000	2024 US\$000
Reconciliation of loss for the year to net cash generated from operating activities		
Profit for the year	247,402	113,749
Adjustments to reconcile Group loss to net cash inflows from operating activities		
Depreciation (note 3(a))	174,552	158,649
Amortisation of intangibles (note 3(a))	1,940	1,579
Write-off of assets (note 16)	4,074	3,883
Provision of doubtful receivable	180	245
(Reversal of impairment)/impairment of assets (note 11)	(56,845)	13,732
Share of post-tax (gain)/losses and impairment of associates (note 19)	(20,544)	6,489
Gain on sale of property, plant and equipment (note 12)	(377)	(656)
Provision for obsolescence of supplies (notes 12 and 22)	1,745	864
Increase of provision for mine closure (note 12)	24,023	14,717
Loss on discontinuation of hedge relationship (note 38(a))	26,427	–
Finance income (note 13)	(11,826)	(13,097)
Finance costs (note 13)	41,112	26,928
Income tax expense (note 14)	125,422	63,468
Other	6,633	3,351
Increase/(decrease) of cash flows from operations due to changes in assets and liabilities		
Trade and other receivables	(56,257)	(79,788)
Income tax receivable	(1,456)	(2,813)
Other financial assets and liabilities	12,477	(2,410)
Inventories	(31,767)	(21,161)
Trade and other payables	(26,090)	70,282
Provisions	13,068	7,029
Cash generated from operations	473,893	365,040



35 Commitments

(a) Mining rights purchase options

During the ordinary course of business, the Group enters into agreements to carry out exploration under concessions held by third parties. Generally, under the terms of these agreements, the Group has the option to acquire the concession or invest in the entity holding the concession. In order to exercise these options the Group must satisfy certain financial and other obligations during the term of the agreement. The options lapse in the event that the Group does not meet its financial obligations. At any point in time, the Group may cancel the agreements without penalty, except where specified below. These agreements are not under non-cancellable/irrevocable clauses. The Group has no commitments as at 31 December 2025 and 31 December 2024.

(b) Capital commitments

	As at 31 December	
	2025 US\$000	2024 US\$000
Peru	7,654	26,527
Argentina	477	1,733
Brazil	9,894	–
	18,025	28,260

36 Contingencies

The Group is subject to various claims which arise in the ordinary course of business. In addition, the Group is subject to various laws and regulations which, if not observed, could give rise to penalties. It is not practical to determine the amount of any potential claims or penalties or the likelihood of any unfavourable outcome arising from any future inspections that might be initiated by the regulators. No provision has been made in the financial statements and none of these claims are currently expected to result in any material loss to the Group.

(a) Taxation

Fiscal periods remain open to review by the tax authorities for four years in Peru, five years in Argentina and Mexico, ten years in Brazil and three years in Chile, preceding the year of review. During this time the authorities have the right to raise additional tax assessments including penalties and interest. Under certain circumstances, reviews may cover longer periods.

Because a number of fiscal periods remain open to review by the tax authorities, coupled with the complexity of the Group and the transactions undertaken by it, there remains a risk that significant additional tax liabilities may arise. As at 31 December 2025, the Group had exposures totalling US\$19,520,000 (2024: US\$17,077,000).

When the Tax authority challenges the deductibility of certain expenses the Group reassesses the case internally and externally, with the support of a third-party professional to determine the probability of success and, depending on the result, makes the decision whether or not to continue with the claim. Notwithstanding this risk, the Directors believe that management's interpretation of the relevant legislation and assessment of taxation is appropriate and that it is probable that the Group's tax and customs positions will be sustained in the event of a challenge by the tax authorities. Consequently, the Directors consider that no tax liability is required to be recognised in respect of these claims or risks.

(b) Guarantees

The Group is required to provide guarantees in Peru in respect of environmental restoration and decommissioning obligations. The Group has provided for the estimated cost of these activities (see note 28(1)).

37 Mining royalties

Peru

In accordance with Peruvian legislation, owners of mining concessions must pay a mining royalty for the exploitation of metallic and non-metallic resources. Mining royalties have been calculated with rates ranging from 1% to 3% of the value of mineral concentrate or equivalent sold, based on quoted market prices.

In October 2011, changes came into effect for mining companies, with the following features:

- Introduction of a Special Mining Tax (SMT), levied on mining companies at the stage of exploiting mineral resources.
- Modification of the mining royalty calculation, which consists of applying a progressive scale of rates ranging from 1% to 12%, of the quarterly operating profit. The former royalty was calculated on the basis of monthly sales value of mineral concentrates. The SMT and modified mining royalty are accounted for as an income tax in accordance with IAS 12 Income Taxes.

As at 31 December 2025, the amount payable as under the new mining royalty and the SMT amounted to US\$6,125,000 (2024: US\$1,717,000) and US\$5,326,000 (2024: US\$1,742,000) respectively. The new mining royalty and SMT are reported as 'Income tax payable' in the Statement of Financial Position. The amount recorded in the income statement was US\$14,974,000 (2024: US\$7,108,000) of new mining royalty and US\$13,656,000 (2024: US\$7,051,000) of SMT, both classified as income tax.

Argentina

In accordance with Argentinian legislation, Provinces (being the legal owners of the mineral resources) are entitled to collect royalties from mine operators. For San Jose, the mining royalty applicable to dore and concentrate is 3% of the pit-head value. As at 31 December 2025, the amount payable as mining royalties amounted to US\$1,432,000 (2024: US\$970,000). The amount recorded in the income statement as cost of sales was US\$10,631,000 (2024: US\$7,331,000).

Brazil

Under Brazilian law, the Government has the right to collect royalties from mine operators. For Mara Rosa, the mining royalty applicable to the dore is 1.5% on the sales made. As at 31 December 2025, the amount payable as mining royalties is US\$189,000 (2024: US\$500,000). The amount recorded in the income statement as cost of sales was US\$2,024,000 (2024: US\$2,363,000).

38 Financial risk management

The Group is exposed to a variety of risks and uncertainties which may have a financial impact on the Group and which also impact the achievement of social, economic and environmental objectives. These risks include strategic, commercial, operational and financial risks and are further categorised into risk areas to facilitate consolidated risk reporting across the Group.

The Group has made significant developments in the management of the Group's risk environment which seeks to identify and, where appropriate, implement the controls to mitigate the impact of the Group's significant risks. This effort is supported by a Risk Committee with the participation of the CEO, the Vice Presidents, and the head of the internal audit function. The Risk Committee is responsible for implementing the Group's policy on risk management and internal control in support of the Company's business objectives, and monitoring the effectiveness of risk management within the organisation.

(a) Commodity price risk

Silver and gold prices have a material impact on the Group's results of operations. Prices are significantly affected by changes in global economic conditions and related industry cycles. Generally, producers of silver and gold are unable to influence prices directly; therefore, the Group's profitability is ensured through the control of its cost base and the efficiency of its operations.

Management continuously monitors silver and gold prices and reserves the right to take the necessary action, such as entering into hedging agreements, where appropriate and within Board approved parameters, to mitigate the impact of this risk.

**38 Financial risk management continued****Derivative financial assets – Gold forwards and zero cost collars**

On 12 April 2023, the Group signed agreements to hedge the sale of 27,600 ounces of gold at US\$2,100 per ounce for 2024.

On 19 June 2023, the Group signed agreements to hedge the sale of 150,000 ounces of gold (50,000 ounces per year) at US\$2,117.05, US\$2,166.65 and US\$2,205.50 per ounce in 2025, 2026 and 2027 respectively.

On 14 December 2023, the Group signed a gold collar agreement of 99,999.96 ounces of gold at strike put of US\$2,000 and strike call of US\$2,252 per ounce for 2024.

On 14 February 2024, the Group signed a gold collar agreement of 60,000 ounces of gold at strike put of US\$2,000 and strike call of US\$2,485 per ounce for 2025.

On 6 August 2025 the Group renegotiated the gold forward hedge agreement to roll forward 20,813 ounces from August to December 2025 to the first semester of 2028, at a gold price of US\$2,150 per ounce (US\$2,117 per ounce in the original agreement). No cash flows resulted from the renegotiation of the agreements.

The forwards and zero cost collars are being used to hedge exposure to changes in cash flows from gold commodity prices. There is an economic relationship between the hedged item and the hedging instruments due to a common underlying. In accordance with IFRS 9, the derivative instruments are categorised as cash flow hedges at the inception of the hedging relationship and, on an ongoing basis, the Group assesses whether a hedging relationship meets the hedge effectiveness requirements. The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the silver and gold forwards and zero cost collars is identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the gold and silver forwards against the changes in fair value of the hedged item attributable to the hedged risk. That said, it is observed that the effectiveness tests comply with the requirements of IFRS 9 and that the hedging strategy is highly effective.

The fair values of the gold and silver forwards and zero cost collars were calculated using a discounted cash flow model applying a combination of level 1 (USD quoted market commodity prices) and Level 2 inputs. The models used to value the commodity forward contracts are standard models that calculate the present value of the fixed-legs (the fixed gold and silver leg) and compare them with the present value of the expected cash flows of the floating legs (the London metal exchange (LME) gold and silver fixing). In the case of the commodity forward contracts, the models use the LME AU and AG forward curve and the SOFR swap curve for discounting.

This approach results in the fair value measurement categorised in its entirety as Level 2 in the fair value hierarchy. The fair values of the gold forwards as at 31 December 2025 and 31 December 2024 are as follows:

	As at 31 December 2025 US\$000	As at 31 December 2024 US\$000
Current liabilities	(111,567)	(40,276)
Non-current liabilities	(165,157)	(61,343)
	(276,724)	(101,619)

The effect recorded is as follows:

	Year ended 31 December 2025 US\$000	Year ended 31 December 2024 US\$000
Income statement – revenue		
- Loss on realised hedges	(86,048)	(27,903)
- Loss on discontinuation of hedge relationship ¹	(26,427)	–
Income statement – finance income	1,817	866
Equity – Cash flow hedges reserve		
- Unrealised loss on hedges	176,860	85,560
- Loss on discontinuation of hedge relationship ¹	(26,427)	–

¹ In August 2025, the Group renegotiated the gold forward hedge agreement resulting in the extension of 20,813 ounces from August to December 2025 to the first semester of 2028. At the date of the roll-forward, the fair value of these instruments amounted to a liability of US\$26,427,000. In accordance with IFRS 9, the accumulated loss recognised in the cash flow hedge reserve within equity, was reclassified to the income statement following the discontinuation of the original hedge relationship and the realisation of the hedged item. Given the non-recurring and non-cash nature of this hedge accounting reclassification to the income statement, and the fact that the cash settlement will occur in 2028 once the instruments mature, the resulting charge has been presented as an exceptional item within revenue.

The sensitivity of the fair value of the current hedges outstanding at 31 December 2025 to a reasonable movement in gold prices, with all other variables held constant, determined as a +/-10% change in gold prices +/- US\$50,627,000 effect on OCI.

The Group has price adjustments arising from the sale of concentrate and dore which were provisionally priced at the time the sale was recorded (refer to note 5).

The sensitivity of the fair value to an immediate 10% favourable or adverse change in the price of gold and silver (assuming all other variables remain constant), is as follows:

	Increase/ decrease in price of ounces of:	Effect on profit before tax US\$000
2025	Gold +/-10%	+/-2,243
	Silver +/-10%	+/-3,310
2024	Gold +/-10%	+/-530
	Silver +/-10%	+/-302

(b) Foreign currency risk

The Group produces silver and gold which are typically priced in US\$ dollars. A proportion of the Group's costs are incurred in Peruvian nuevos soles, Argentinian pesos, Brazilian reais, sterling pounds, Canadian dollars, Chilean pesos, and Mexican pesos. Accordingly, the Group's financial results may be affected by exchange rate fluctuations between the US dollar and the local currency. The long-term relationship between commodity prices and currencies in the countries in which the Group operates provides a certain degree of natural protection. The Group does not use derivative instruments to manage its foreign currency risks.

**38 Financial risk management** continued

The following table demonstrates the sensitivity of financial assets and liabilities, at the reporting date, denominated in their respective currencies, to a reasonably possible change in the US\$ dollar exchange rate, with all other variables held constant, of the Group's profit before tax and the Group's equity.

Year	Increase/ decrease in US\$/other currencies' rate	Effect on profit before tax US\$000	Effect on OCI US\$000
2025			
Argentinian pesos	+/-10%	-/+10,135	-
Mexican pesos	+/-10%	+/-78	-
Peruvian nuevos soles	+/-10%	-/+14,703	-
Reais	+/-10%	-/+1,056	-
Pounds sterling	+/-10%	-/+104	-
Canadian dollars	+/-10%	+/-656	-
Chilean pesos	+/-10%	+/-604	-
2024			
Argentinian pesos	+/-10%	-/+7,140	-
Mexican pesos	+/-10%	+/-47	-
Peruvian nuevos soles	+/-10%	-/+26,497	-
Reais	+/-10%	-/+10,035	-
Pounds sterling	+/-10%	-/+94	-
Canadian dollars	+/-10%	-/+518	+/-26
Chilean pesos	+/-10%	+/-862	-

(c) Credit risk

Credit risk arises from debtors' inability to make payment of their obligations to the Group as they become due (without taking into account the fair value of any guarantee or pledged assets). The Group is primarily exposed to credit risk as a result of commercial activities and non-compliance, by counterparties, in transactions in cash which are primarily limited to cash balances deposited in banks and accounts receivable at the statement of financial position date.

Counterparty credit exposure based on commercial activities, including trade and other receivables, embedded derivatives, hedge instruments and cash balances in banks as at 31 December 2025 and 31 December 2024:

Summary commercial partners	As at 31 December 2025 US\$000	% collected as at 10 March 2026 US\$000	As at 31 December 2024 US\$000	% collected as at 11 March 2025 US\$000
Trade receivables	81,373	61%	37,238	66%

Other receivables include advances to suppliers and receivables from contractors for the sale of supplies. There is limited credit risk on these amounts as the Group can withhold the balances that it owes the suppliers or contractors for their services.

	As at 31 December 2025 US\$000	As at 31 December 2024 US\$000
Cash and cash equivalents – Credit/rating¹		
A+	36,089	-
A	251,723	343
AAA	4,658	-
A-	-	19,177
AA-	17,187	-
BBB+	-	71,810
BBB-	2,490	-
Not available	4,807	5,643
Total	316,954	96,973

¹ Represents the long-term credit rating as at 3 January 2026 (2023: 3 January 2025).

As at 31 December 2025, the credit rating of the counterparties of the gold hedges is A+ (2024: A- and BBB+).

To manage the credit risk associated with commercial activities, the Group took the following steps:

- Active use of prepayment/advance clauses in sales contracts
- Delaying delivery of title and/or requiring advance payments to reduce exposure timeframe (potential delay in sales recognition)
- Maintaining as diversified a portfolio of clients as possible

To manage credit risk associated with cash balances deposited in banks, the Group took the following steps:

- Increasing banking relationships with large, established and well-capitalised institutions in order to secure access to credit and to diversify credit risk
- Limiting exposure to financial counterparties according to Board approved limits
- Investing cash in short-term, highly liquid and low-risk instruments (term deposits mainly)
- Increase the utilisation of UK bank accounts

Receivable balances are monitored on an ongoing basis and the result of the Group's exposure to bad debts is recognised in the consolidated income statement. The maximum exposure is the carrying amount as disclosed in notes 21, 23 and 38(e).

The Group's risk assessment procedures includes customer analysis and reviewing financial counterparties. For further details refer to the Commentary section of the Commercial Counterparty risk in the Risk management and Viability Statement.

(d) Equity risk on financial instruments

The Group acquires financial instruments in connection with strategic alliances with third parties. The Group constantly monitors the fair value of these instruments in order to decide whether or not it is convenient to dispose of these investments. The disposal decision is also based on management's intention to continue with the strategic alliance, the tax implications and changes in the share price of the investee.

The Group is not sensitive to reasonable movements in the share price of financial assets at fair value through OCI.

(e) Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

**38 Financial risk management** continued

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 December 2025 and 2024, the Group held the following financial instruments measured at fair value:

	31 December 2025 US\$000	Level 1 US\$000	Level 2 US\$000	Level 3 US\$000
ASSETS AND LIABILITIES MEASURED AT FAIR VALUE				
Equity shares (note 20)	86	86		
Trade receivables (note 21)	81,373			81,373
Stream Agreements (note 25(a))	(19,332)			(19,332)
Derivative financial liabilities ¹	(289,789)		(289,789)	

¹ Includes US\$276,724,000 related to hedging instruments, and US\$13,065,000 related to the warrants issued in connection with Tiernan's Private Placement and Railtown's legacy options and warrants.

	31 December 2024 US\$000	Level 1 US\$000	Level 2 US\$000	Level 3 US\$000
ASSETS AND LIABILITIES MEASURED AT FAIR VALUE				
Equity shares (note 20)	475	475		
Trade receivables (note 21)	37,238			37,238
Mutual funds	5	5		
Bonds in Minera Santa Cruz S.A.	2,474	2,474		
Stream Agreements (note 25(a))	(25,926)			(25,926)
Derivative financial liabilities	(101,619)		(101,619)	

During the year ended 31 December 2025 and 2024, there were no transfers between these levels.

The reconciliation of the trade receivables categorised as Level 3 is as follows:

	Trade receivables/ price adjustments US\$000
Balance at 1 January 2024	29,421
Net change in trade receivables from goods sold	11,892
Changes in fair value of price adjustments (note 5)	8,209
Realised price adjustments during the year	(12,284)
Balance at 31 December 2024	37,238
Net change in trade receivables from goods sold	22,720
Changes in fair value of price adjustments (note 5)	55,528
Realised price adjustments during the year	(34,113)
Balance at 31 December 2025	81,373

The impact of the hedging instrument and hedge item on the statement of financial position is as follows:

	Ounces	Average price US\$/ounce	Line item in the statement of financial position	Carrying amount of hedging instrument US\$000	Change in fair value of hedging instrument used for measuring ineffectiveness for the period US\$000	Change in fair value of hedged item used for measuring ineffectiveness for the period US\$000
2025						
Gold forward and zero cost collar contracts	120,832	From 2,117 to 2,206	Derivative financial liabilities	(276,724)	(167,317)	(167,317)
2024						
Gold forward and zero cost collar contracts	210,000	From 2,000 to 2,485	Derivative financial liabilities	(101,619)	(68,633)	(68,633)

The hedging gain recognised in OCI before tax on gold forward hedges and gold zero cost collars is equal to the change in fair value of the hedged item attributable to the hedged risk used for measuring effectiveness. There is no ineffectiveness recognised in profit or loss.

Derivative financial liabilities – Warrants and Railtown's legacy options and warrants

	As at 31 December 2025 US\$000	As at 31 December 2024 US\$000
Non-current liabilities – Warrants (note 4(a))	(11,920)	–
Non-current liabilities – Railtown's legacy options and warrants (note 4(a))	(1,145)	–
	(13,065)	–

The effect recorded is as follows:

	Year ended 31 December 2025 US\$000	Year ended 31 December 2024 US\$000
Income statement – finance cost ¹	(7,831)	–

¹ Represents the loss arising from changes in the fair value of warrants classified as derivative financial liabilities of US\$7,365,000 (note 4) and change in fair value of Railtown's legacy options and warrants of US\$466,000.

The fair value of the warrants as at 31 December 2025 was determined using the Black-Scholes option pricing model, based on the following key assumptions: exercise price of C\$6.50, expiry date of 16 December 2027, risk-free interest rate of 2.58%, country risk premium of 0.83%, expected volatility of 61.44%, dividend yield of 0%, and share price of C\$7.15.

**38 Financial risk management** continued

The reconciliation of the warrants issued in Tiernan in connection with the Treasury Offering and the Secondary Offering (note 4(a)) is as follows:

	Derivative financial liabilities US\$000
Balance at 1 January 2025	–
Warrants issued due to the Treasury Offering and Secondary Offering	4,542
Fair value adjustment	7,365
Foreign exchange effect	13
Balance at 31 December 2025	11,920

The sensitivity of the value of the warrants is as follows:

	US\$000
Annual volatility (increase by 5%)	681
Annual volatility (decrease by 5%)	(724)
Share price (increase by 5%)	1,107
Share price (decrease by 5%)	(1,107)

Impact of hedging on equity

Set out below is the reconciliation of each component of equity and the analysis of other comprehensive income:

	Gold hedges US\$000
Balance at 1 January 2024	(11,546)
Reclassification adjustments for items included in the income statement on realisation:	
Transfer to sales (revenue)	27,903
Revaluation arising on the year	(113,463)
Movement in deferred tax	28,473
Balance at 31 December 2024	(68,633)
Reclassification adjustments for items included in the income statement on realisation:	
Transfer to sales (revenue)	86,048
Revaluation arising on the year	(262,908)
Loss on discontinuation of hedge relationship ¹	26,427
Movement in deferred tax	51,749
Balance at 31 December 2025	(167,317)

¹ In August 2025, the Group renegotiated the gold forward hedge agreement resulting in the extension of 20,813 ounces from August to December 2025 to the first semester of 2028. At the date of the roll-forward, the fair value of these instruments amounted to a liability of US\$26,427,000. In accordance with IFRS 9, the accumulated loss recognised in the cash flow hedge reserve within equity, was reclassified to the income statement following the discontinuation of the original hedge relationship and the realisation of the hedged item. Given the non-recurring and non-cash nature of this hedge accounting reclassification to the income statement, and the fact that the cash settlement will occur in 2028 once the instruments mature, the resulting charge has been presented as an exceptional item within revenue.

(f) Liquidity risk

Liquidity risk arises from the Group's inability to obtain the funds it requires to comply with its commitments, including the inability to sell a financial asset quickly enough and at a price close to its fair value. Management constantly monitors the Group's level of short- and medium-term liquidity, and their access to credit lines, in order to ensure appropriate financing is available for its operations.

The table below categorises the undiscounted cash flows of Group's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position to the contractual maturity date. Interest cash flows have been calculated using the spot rate at year end.

	Less than 1 year US\$000	Between 1 and 2 years US\$000	Between 2 and 5 years US\$000	Over 5 years US\$000	Total US\$000
At 31 December 2025					
Trade and other payables	199,826	15,016	20,000	–	234,842
Derivative financial liabilities	112,863	115,638	51,437	–	279,938
Borrowings	127,353	114,767	126,684	–	368,804
Total	440,042	245,421	198,121	–	883,584
At 31 December 2024					
Trade and other payables	189,608	17,043	5,000	–	211,651
Derivative financial liabilities	40,276	29,155	32,188	–	101,619
Borrowings	163,558	75,865	103,307	–	342,730
Total	393,442	122,063	140,495	–	656,000

(g) Interest rate risk

The Group has financial assets and liabilities which are exposed to interest rate risk. Changes in interest rates primarily impact loans and borrowings by changing either their fair value (fixed rate debt) or their future cash flows (variable rate debt). The Group does not have a formal policy of determining how much of its exposure should be at fixed or at variable rates. However, at the time of taking new loans or borrowings, management applies its judgement to decide whether it believes that a fixed or variable rate borrowing would be more favourable to the Group over the expected period until maturity.

	As at 31 December 2025				
	Less than 1 year US\$000	Between 1 and 2 years US\$000	Between 2 and 5 years US\$000	Over 5 years US\$000	Total US\$000
FIXED RATE					
Assets	221,717 ¹	–	–	–	221,717
Liabilities	(90,000)	(5,000)	–	–	(95,000)
FLOATING RATE					
Liabilities	(20,000)	(100,000)	(120,000)	–	(240,000)

¹ The increase is explained due to higher time deposits held in Minera Santa Cruz and Compañía Minera Ares (note 23).

**38 Financial risk management** continued

	As at 31 December 2024				
	Less than 1 year US\$000	Between 1 and 2 years US\$000	Between 2 and 5 years US\$000	Over 5 years US\$000	Total US\$000
FIXED RATE					
Assets	2,122	–	–	–	2,122
Liabilities	(81,486)	–	–	–	(81,486)
FLOATING RATE					
Liabilities	(66,667)	(66,667)	(96,666)	–	(230,000)

Interest on financial instruments classified as floating rate is re-priced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until the maturity of the instrument. The other financial instruments of the Group that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

The sensitivity to a reasonable movement in the interest rate, with all other variables held constant, of the financial instruments with a floating rate, determined as a +/-200bps change in interest rates has a -/+US\$4,700,000 effect on profit before tax (2024: -/+US\$5,660,000). The Group is exposed to fluctuations in market interest rates.

This assumes that the amount remains unchanged from that in place at 31 December 2025 and 2024 and that the change in interest rates is effective from the beginning of the year. In reality, the floating rate will fluctuate over the year and interest rates will change accordingly.

(h) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. Management considers as part of its capital, the financial sources of funding from shareholders and third parties (notes 27 and 29).

In 2025 the Group received proceeds from borrowings of US\$410,000,000 (2024: US\$311,607,000) whilst US\$386,486,000 (2024: US\$340,991,000) was repaid. In 2024 the Group closed a US\$300,000,000 medium-term committed debt facility with Scotiabank and BBVA and used US\$90,000,000 in 2025.

Management also retains the right to fund operations (fully owned and with joint venture partners) with a mix of equity and joint venture partners' debt.



Parent company statement of financial position

As at 31 December 2025

	Notes	As at 31 December	
		2025 US\$000	2024 US\$000
ASSETS			
Non-current assets			
Investments in subsidiaries	5	2,340,713	1,786,774
Other receivables	6	573	573
		2,341,286	1,787,347
Current assets			
Other receivables	6	504	333
Cash and cash equivalents	7	1,041	465
		1,545	798
Total assets		2,342,831	1,788,145
EQUITY AND LIABILITIES			
Equity share capital	8	9,068	9,068
Other reserves			–
Retained earnings		2,259,869	1,711,763
Total equity		2,268,937	1,720,831
Non-current liabilities			
Other payables	9	538	648
Provisions	10	440	414
		978	1,062
Current liabilities			
Trade and other payables	9	72,916	66,252
		72,916	66,252
Total liabilities		73,894	67,314
Total equity and liabilities		2,342,831	1,788,145

As permitted by section 408 of the Companies Act 2006, the Company has not presented its own profit and loss account. The profit of the Company after tax amounted to US\$563,301,000 (2024: US\$852,774,000).

The financial statements were approved by the Board of Directors on 10 March 2026 and signed on behalf of the Company (registered number 05777693) by:

Eduardo Landin
Chief Executive Officer

10 March 2026

Parent company statement of cash flows

For the year ended 31 December 2025

	Notes	Year ended 31 December	
		2025 US\$000	2024 US\$000
Reconciliation of loss for the year to net cash used in operating activities			
Profit for the year		563,301	852,774
Adjustments to reconcile Company profit to net cash outflows from operating activities			
Reversal of impairment on investment in subsidiary	5	(553,316)	(858,796)
Share-based payments		–	454
Finance income	13	(860)	(1,519)
Finance costs		15	14
Dividends received		(18,000)	–
Others		(11)	14
Decrease of cash flows from operations due to changes in assets and liabilities			
Other receivables		(171)	586
Trade and other payables		1,547	93
Provision for Long-Term Incentive Plan	10	26	414
Cash flows used in operating activities		(7,469)	(5,966)
Interest received		19	8
Net cash used in operating activities		(7,450)	(5,958)
Cash flows from investing activities			
Dividends received		18,000	–
Cash flows generated from investing activities		18,000	–
Cash flows from financing activities			
Loans from subsidiaries	11(a)	5,200	6,150
Dividends paid	12	(15,195)	–
Cash flows (used in)/generated from financing activities		(9,995)	6,150
Net increase in cash and cash equivalents during the year			
		555	192
Foreign exchange difference		21	(5)
Cash and cash equivalents at beginning of year		465	278
Cash and cash equivalents at end of year	7	1,041	465



Parent company statement of changes in equity

For the year ended 31 December 2025

Notes	Equity share capital US\$000	Other reserves		Retained earnings US\$000	Total equity US\$000
		Share-based payment reserve US\$000	Total other reserves US\$000		
Balance at 1 January 2024	9,068	6,643	6,643	858,989	874,700
Profit for the year	–	–	–	852,774	852,774
Total comprehensive income for the year	–	–	–	852,774	852,774
Modification of share-based payment awards	–	(7,954)	(7,954)	–	(7,954)
Accrual of share-based payments	–	1,311	1,311	–	1,311
Balance at 31 December 2024	9,068	–	–	1,711,763	1,720,831
Profit for the year	–	–	–	563,301	563,301
Total comprehensive income for the year	–	–	–	563,301	563,301
Dividends	–	–	–	(15,195)	(15,195)
Balance at 31 December 2025	9,068	–	–	2,259,869	2,268,937

During the current and prior years there were no other comprehensive income.



Notes to the parent company financial statements

1 Corporate information

Hochschild Mining PLC (hereinafter 'the Company') is a public limited company incorporated on 11 April 2006 under the Companies Act 2006 as a Limited Company and registered in England and Wales with registered number 05777693.

The Company's registered office is located at 17 Cavendish Square, London W1G 0PH, United Kingdom. The Company was incorporated to serve as a holding company to be listed on the London Stock Exchange. The Company acquired its interest in a group of companies to constitute the Hochschild Mining Group ('the Group') pursuant to a share exchange agreement ('Share Exchange Agreement') dated 2 November 2006.

The ultimate controlling party of the Company is Mr Eduardo Hochschild whose beneficial interest in the Company and its subsidiaries (together 'the Group' or 'Hochschild Mining Group') is 38.27% and it is held through Pelham Investment Corporation, a Cayman Islands company.

On 8 November 2006, the Company's shares were admitted to the Official List of the UKLA (United Kingdom Listing Authority) and to trading on the London Stock Exchange.

2 Significant accounting policies

(a) Basis of preparation

The Company's financial statements have been prepared in accordance with UK-adopted International Accounting Standards. The Company applies the same Group policies, unless there is an exception in its financial statements.

The financial statements of the Company have been prepared on a historical cost basis. The financial statements are presented in US dollars (US\$) and all monetary amounts are rounded to the nearest thousand (\$000) except when otherwise indicated.

(b) Going concern

The financial position of the Company is set out in the Statement of Financial Position. The Company has received a support letter from its wholly owned subsidiary, Hochschild Mining Holdings Ltd ('HM Holdings'), indicating that it will not request a repayment of the interest free loan of US\$62,100,000 for the period to 31 March 2027.

The ability for the Company to continue as a going concern is dependent on Compañía Minera Ares S.A.C. ('Minera Ares'), another wholly owned subsidiary of the Company, providing additional funding to the extent that the operating inflows of the Company are insufficient to meet future cash requirements. The Company has obtained a letter of support from Minera Ares indicating that the financial support will continue until 31 March 2027.

Considering the support available from the subsidiaries described above, the Directors have a reasonable expectation that the Company has adequate resources to meet continue in operation until 31 March 2027, being a period of at least 12 months from the approval date of these financial statements. Accordingly, the financial statements have been prepared on the going concern basis.

(c) Exemptions

The Company's financial statements are included in the Hochschild Mining Group consolidated financial statements for the years ended 31 December 2025 and 31 December 2024. As permitted by section 408 of the Companies Act 2006, the Company has not presented its own profit and loss account.

(d) Changes in accounting policy and disclosures

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The below amendment apply for the first time in 2025, but does not have a significant impact on the financial statements of the Company.

- Lack of exchangeability – Amendments to IAS 21

Standards, interpretations and amendments to existing standards that are not yet effective and have not been previously adopted by the Group.

Certain new standards, amendments and interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2026 or later periods but which the Group has not previously adopted. These have not been listed as they are not expected to have a material impact the Group financial statements. The Group has not yet completed its assessment of IFRS 18. The analysis is expected to conclude on second quarter of 2026.

(e) Significant areas of estimation uncertainty and critical judgements

Certain amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements.

Significant areas of estimation uncertainty and critical judgements made by management in preparing the consolidated financial statements include:

Significant estimates:

- *Impairment in subsidiaries – notes 2(f) and 5*

Estimates are required to be made by management in determining the recoverable value of the investments in subsidiaries. The Company tested its investment in subsidiary determining the recoverable value using a fair value less cost of disposal (FVLCD), that was determined with reference to the market capitalisation of the Company, to which a control premium is applied. Judgement is involved in determining the control premium rate to be paid by market participants in an arm's length transaction.

Critical judgements:

- *Income tax – note 2(n)*

The Company analyses the possibility of generation of profit and determined the recognition of deferred tax. No deferred tax asset is being recognised by the Company as it does not expect to generate any profit to settle the temporary difference.

- *Financial guarantee – note 2(p)*

The Company estimates the fair value of the financial guarantee contract as the difference between the net present value of the contractual cash flows required under a debt instrument, and the net present value of the net contractual cash flows that would have been required without the guarantee. The present value is calculated using a risk-free interest rate.

(f) Investments in subsidiaries

Subsidiaries are entities over which the Company controls operating and financial policies, generally by owning more than 50% of voting rights. Investments in subsidiaries are recognised at acquisition cost less any provision for impairment. The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable. If any such indication of impairment exists, the Company makes an estimate of its recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. If, in subsequent periods, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the profit and loss account, to the extent that the carrying value of the asset does not exceed its cost at the reversal date.



2 Significant accounting policies continued

(g) Dividends receivable

Dividends are recognised when the Company's right to receive payments is established. Dividends received are recorded in the income statement.

Dividends distributions of non-cash assets are recognised at fair value.

(h) Other receivables

Other receivables are initially recognised at fair value less provision made for impairment of these receivables. Non-current receivables are stated at amortised cost. A provision for impairment of trade receivables is established using the expected credit loss impairment model according IFRS 9. The amount of the provision is the difference between the carrying amount and the recoverable amount and this difference is recognised in the income statement.

(i) Currency translation

The functional currency of the Company is the US dollar and is determined by the currency of the primary economic environment in which its subsidiaries operates and therefore drives their ability to pay dividends.

Transactions denominated in currencies other than the functional currency of the Company are initially recorded in the functional currency using the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are remeasured at the rate of exchange ruling at the statement of financial position date. Exchange gains and losses on settlement of foreign currency transactions which are translated at the rate prevailing at the date of the transactions, or on the translation of monetary assets and liabilities which are translated at period-end exchange rates, are taken to the income statement. Non monetary assets and liabilities denominated in foreign currencies that are stated at historical cost are translated to the functional currency at the foreign exchange rate prevailing at the date of the transaction.

(j) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the statement of financial position, cash and cash equivalents comprise cash in hand and deposits held with banks that are readily convertible into known amounts of cash within three months or less and which are subject to insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents as defined above are shown net of outstanding bank overdrafts.

(k) Share capital

Ordinary shares are classified as equity. Any excess above the par value of shares received upon issuance of those shares is classified as share premium. The Company had the merger reserve available for distribution within retained earnings.

(l) Finance income and costs

Finance income and costs mainly comprise interest income on funds invested. Interest income and costs are recognised as they accrue, taking into account the effective yield on the asset.

(m) Income tax

Income tax for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items charged or credited directly to equity, in which case it is recognised in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes with the following exemptions:

- Where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on the tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(n) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

The Company measures financial assets at amortised cost (debt instruments) if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes other receivables.



2 Significant accounting policies continued

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For other receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans including bank overdrafts, and financial guarantee liabilities.

Subsequent measurement

After initial recognition, interest-bearing loans are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(o) Financial guarantees

Financial guarantees are initially recognised in the financial statements at fair value at the time the guarantee is issued. The Company estimates the fair value of the financial guarantee contract as the difference between the net present value of the contractual cash flows required under a debt instrument, and the net present value of the net contractual cash flows that would have been required without the guarantee. The present value is calculated using a risk-free interest rate.

Subsequent to initial recognition, the Company's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in profit and loss, and the amount of ECL. Financial guarantee ECL reflect the cash shortfalls adjusted by the risks that are specific to the cash flows. If the ECL exceeds the initially recognised guarantee amount less cumulative amortisation the difference is taken to profit and loss.

A financial guarantee liability is derecognised when the liability underlying the guarantee is discharged or cancelled or expires, or if the guarantee is withdrawn or cancelled. The carrying amount of the financial guarantee is taken to the statement of profit or loss.

(p) Dividend distribution

Dividends on the Company's ordinary shares are recognised when they have been appropriately authorised and are no longer at the Company's discretion. Accordingly, interim dividends are recognised when they are paid and final dividends are recognised when they are declared following approval by shareholders at the Company's Annual General Meeting.

3 Profit and loss account

The Company made a profit attributable to equity shareholders of US\$563,301,000 (2024: US\$852,774,000).

4 Property, plant and equipment

At 31 December 2025 and 2024 the Company has property, plant and equipment with cost of equipment of US\$265,000 which is fully depreciated.

There were no additions during 2024 and 2025.



5 Investments in subsidiaries

	Total US\$000
Cost	
At 1 January 2024	2,339,308
Additions	782
At 31 December 2024	2,340,090
Accumulated impairment	
At 1 January 2024	1,412,112
Reversal of impairment	(858,796)
At 31 December 2024	553,316
Net book value at 31 December 2024	1,786,774
Cost	
At 1 January 2025	2,340,090
Additions	623
At 31 December 2025	2,340,713
Accumulated impairment	
At 1 January 2025	553,316
Reversal of impairment	(553,316)
At 31 December 2025	–
Net book value at 31 December 2025	2,340,713

In December 2025, management determined that there was an impairment reversal trigger in Company's investment in its HM Holdings Limited (HMH) subsidiary due primarily to the increase in gold and silver prices along with the improved performance and prospects of the Group's operations. These factors have contributed to an increase in the Company's publicly listed share price. As a result of this impairment test, the Company recognised an impairment reversal in the HMH investment of US\$553,316,000 (2024: US\$858,796,000).

The recoverable value of the investment in HM Holdings was determined using a fair value less costs of disposal. The fair value less costs of disposal was determined with reference to the market capitalisation of the Company at 31 December 2025 translated from pounds sterling into US dollars using the year-end exchange rate (both Level 1 inputs), to which a control premium of 25% was added based on recent market transactions (a Level 2 input), and subsequently adjusted for the assets and liabilities held directly by the Company, which result in fair value measurements categorised in its entirety as Level 3 in the fair value hierarchy. A Level 1 input refers to quoted prices in active markets, while a Level 2 input corresponds to other information that can be observed directly or indirectly.

A positive/adverse change of 10% of the market capitalisation would result in an additional increase/decrease to the reversal of the impairment recognised by US\$nil (2024: US\$172,421,000). An increase/(decrease) in the control premium would have no impact on the reversal of impairment recognised in 2025 (2024: would increase/(decrease) the reversal of impairment by US\$68,968,000/US\$68,968,000).

The breakdown of the investments in subsidiaries is as follows:

	As at 31 December 2025			As at 31 December 2024		
	Country of incorporation	Equity interest %	Carrying value US\$000	Country of incorporation	Equity interest %	Carrying value US\$000
Hochschild Mining Holdings Ltd	England and Wales	100%	2,340,713	England and Wales	100%	1,786,774
Total			2,340,713			1,786,774

The list of indirectly held subsidiaries of the Company is presented in note 1 (Corporate information) to the notes to the consolidated financial statements.

During 2025 the Company recorded a capital contribution of US\$623,000 (2024: US\$782,000) related to the financial guarantee granted over some borrowings entered into by Amarillo Mineração do Brasil Ltd. ('Amarillo') and Minera Ares, both of its indirectly held subsidiaries (note 9).

6 Other receivables

	As at 31 December	
	2025 US\$000	2024 US\$000
Current		
Amounts receivable from subsidiaries (note 11(a))	228	211
Prepayments	276	122
Receivable from Kaupthing, Singer and Friedlander ¹	–	–
Total	504	333
Non-current		
Amounts receivable from subsidiaries (note 11(a))	573	573
Total	573	573

¹ Net of the impairment of receivable of US\$200,000 (2024: US\$183,000).

The fair values of other receivables approximate their book values.

Movements in the provision for impairment of receivables:

	Total US\$000
At 1 January 2024	186
Release during the year	(3)
At 31 December 2024	183
Provided during the year	17
At 31 December 2025	200

As at 31 December 2025 and 2024, none of the financial assets classified as receivables (net of impairment) were past due.



7 Cash and cash equivalents

	As at 31 December	
	2025 US\$000	2024 US\$000
Bank current account ¹	246	130
Deposits ²	795	335
Cash and cash equivalents considered for the cash flow statement	1,041	465

¹ Relates to bank accounts which are freely available and bear interest.

² These deposits have an average maturity of Nil days (2024: Nil days).

8 Equity

(a) Share capital and share premium

Issued share capital

The issued share capital of the Company as at 31 December 2025 and 31 December 2024 is as follows:

Class of shares	Issued	
	Number	Amount
Ordinary shares (1 pence per share)	514,458,432	£5,144,584

At 31 December 2025 and 2024, all issued shares with a par value of 1 pence each were fully paid (2025: weighted average of US\$0.018 per share, 2024: weighted average of US\$0.018).

The movement in share capital of the Company from 1 January 2024 to 31 December 2025 is as follows:

	Number of ordinary shares	Share capital US\$000
Shares issued as at 1 January 2024	514,458,432	9,068
Shares issued as at 31 December 2024	514,458,432	9,068
Shares issued as at 31 December 2025	514,458,432	9,068

Rights attached to ordinary shares

At general meetings of the Company, on a show of hands and on a poll, every member who is present in person or subject to the below by proxy, has one vote for every share of which they are the holder/proxy. However, in the case of a vote on a show of hands where a proxy has been appointed by more than one member, the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution.

(b) Other reserves

Share-based payment reserve

Share-based payment reserve is used to recognise the value of equity-settled share-based payment transactions provided to employees, as a part of their remuneration.

In May 2024 the award changed from an equity-settled benefit to a cash-settled benefit, and the balance recorded in other reserves was transferred to provisions (note 10).

9 Trade and other payables

	As at 31 December			
	2025		2024	
	Non-current US\$000	Current US\$000	Non-current US\$000	Current US\$000
Trade payables	–	1,823	–	1,123
Payables to subsidiaries (note 11(a))	–	69,740	–	63,813
Remuneration payable ¹	–	842	–	759
Taxes and contributions	–	316	–	264
Financial guarantees ²	538	195	648	293
Others	–	–	–	–
Total	538	72,916	648	66,252

¹ Mainly relates to LTIP payable.

² The Company provided financial guarantee to the banks loan entered into by its subsidiary Minera Ares and Amarillo. The financial guarantee was recognised at its fair value at initial recognition. This fair value was determined through the use of certain Level 3 estimates, the most significant of which being the estimated rate of interest Minera Ares and Amarillo would have been charged were it not for the guarantee provided by the Company.

Trade payables mainly relate to the purchase of third-party services. These payables do not accrue interest and no guarantees have been granted in relation to these payables. The fair value of trade and other payables approximate their book values.

10 Provisions

	As at 31 December	
	2025 US\$000	2024 US\$000
Beginning balance	414	–
Increase in provision, net	26	414
At 31 December	440	414
Less: current portion	–	–
Non-current portion	440	414

Corresponds to the provision related to awards granted under the Long-Term Incentive Plan (LTIP) to designated personnel of the Company. Includes the 2024 awards, granted in March 2024, payable in March 2027 and the 2025 awards, granted in March 2025, payable in March 2028. The effect has been recorded as administrative expenses.

On 22 May 2024, beneficiaries of LTIPs were communicated of a change in the payment mechanism resulting in a modification of the LTIP from an equity-settled to a cash-settled transaction. This resulted in a recognition of liability based on the fair valuation of the cash-settled LTIPs as at the date of modification and reversal of the share-based payment reserves.



11 Related-party balances and transactions

(a) Related-party accounts receivable and payable

The Company had the following related-party balances and transactions during the years ended 31 December 2025 and 31 December 2024.

	As at 31 December 2025		As at 31 December 2024	
	Accounts receivable US\$000	Accounts payable US\$000	Accounts receivable US\$000	Accounts payable US\$000
Subsidiaries				
Compañía Minera Ares S.A.C. ¹	–	7,618	–	6,890
Hochschild Mining Holdings Ltd ²	–	62,100	–	56,900
Minera Santa Cruz S.A. ³	662	20	662	20
Other subsidiaries	139	2	122	3
Total	801	69,740	784	63,813

¹ The account payable mainly relates to the services performed by Minera Ares to the Company, which during 2025 amounts to US\$728,000 (2024: US\$717,000). The Company provided certain financial guarantees on behalf of Minera Ares and Amarillo (note 9).

² Relates to loans payable to HM Holdings. The loan payable is repayable on demand and is free of interest. During the year the Company received cash proceeds from loans of US\$5,200,000 (2024: US\$6,150,000). In March 2025, the Company received a support letter from HM Holdings indicating that it will not request a repayment of the interest free loan of US\$62,100,000 for the period to 31 March 2027.

³ The account receivable mainly relates to the LTIP 2020. The account payable mainly relates to the services performed in previous years by Minera Santa Cruz to the Company.

The fair values of the receivables and payables approximate their book values. Transactions between the Company and these companies are on an arm's length basis.

(b) Compensation of key management personnel of the Company

Key management personnel include certain Directors who receive remuneration. The amount of this remuneration totals US\$1,183,000 (2024: US\$1,117,000). The remuneration of the other Directors is paid by a subsidiary undertaking of the Company. Total remuneration paid to Directors of the Company is disclosed in the Directors Remuneration Report.

12 Dividends paid and proposed

	Year ended 31 December	
	2025 US\$000	2024 US\$000
DIVIDENDS PAID AND PROPOSED DURING THE YEAR		
Dividends on ordinary shares:		
Final dividend for 2024: 1.94 US\$ cents per share (2023: Nil US\$ cents per share)	10,050	–
Interim dividend for 2025: 1.00 US\$ cents per share (2024: Nil US\$ cents per share)	5,145	–
Total dividends paid in cash	15,195	–
Proposed dividends on ordinary share		
Final dividend for 2025: 5.00 US\$ cents per share (2024: 1.94 US\$ cents per share)	25,723	10,000

Dividends per share

The proposed final dividend in respect of the year ending 31 December 2025 is 5.00 US\$ cents per share (2024: US\$1.94).

13 Finance income

	Year ended 31 December	
	2025 US\$000	2024 US\$000
Dividends from subsidiary undertaking	18,000	–
Interests on deposits	19	8
Income from guarantee	831	1,502
Others	10	9
Total	18,860	1,519

14 Financial risk management

The Company is exposed to a variety of risks and uncertainties which may have an impact on the achievement of financial and economic objectives. These risks include strategic, operational and financial risk and are further categorised into risk areas to facilitate risk assessment. The Company is not exposed to significant sources of commodity price, equity or interest rate risk.

(a) Foreign currency risk

Due to the operations of the Company, it has cash and cash equivalents and trade payables denominated in pounds sterling. Accordingly, the financial results of the Company may be affected by exchange rate fluctuations. The Company does not use derivative instruments to manage its foreign currency risks. The foreign exchange effect is not material.

(b) Credit risk

The Company is primarily exposed to credit risk in transactions in cash which are primarily limited to cash balances deposited in banks and accounts receivable at the statement of financial position date. The Company has evaluated and introduced efforts to try to mitigate credit risk exposure.

To manage credit risk associated with cash balances deposited in banks, the Company took the following steps:

- Increasing banking relationships with large, established and well-capitalised institutions in order to secure access to credit and to diversify credit risk
- Limiting exposure to financial counterparties according to Board approved limits
- Investing cash in short term, highly liquid and low-risk instruments (term deposits mainly)
- Increased the utilisation of UK bank accounts.

Credit risk concentrations exist when changes in economic, industrial or geographic factors take place, affecting in the same manner the Company's counterparties whose added risk exposure is significant to the Company's total credit exposure. Receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant. The maximum exposure is the carrying amounts as disclosed in notes 6 and 7.

**14 Financial risk management** continued**(c) Liquidity risk**

Liquidity risk arises from the Company's inability to obtain the funds it requires to comply with its commitments. Management constantly monitors the Company's level of short- and medium-term liquidity in order to ensure appropriate financing is available for its operations.

The Company is funded by HM Holdings through loans in order to meet its obligations. Liquidity is supported by the balance of cash and cash equivalent held by the Company of US\$1,041,000 (2024: US\$465,000) and the financial support provided by Minera Ares (see note 2(b)). The Company also serves as principal funding conduit for the Group's capital raising activities such as equity issuances.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date:

	Less than 1 year US\$000	Between 1 and 2 years US\$000	Between 2 and 5 years US\$000	Over 5 years US\$000	Total US\$000
At 31 December 2025					
Trade and other payables	72,405	–	–	–	72,405
At 31 December 2024					
Trade and other payables	65,695	–	–	–	65,695

The table below analyses the maximum amounts payable under financial guarantees provided to Minera Ares and Amarillo (note 9), considering that if the guarantees were to be called, the guaranteed amounts would be due immediately:

	Less than 1 year US\$000	Between 1 and 2 years US\$000	Between 2 and 5 years US\$000	Over 5 years US\$000	Total US\$000
At 31 December 2025					
Financial guarantees ¹	120,000,000	–	–	–	120,000,000
At 31 December 2024					
Financial guarantees ¹	230,000,000	–	–	–	230,000,000

¹ Not including any accumulated interest that may be payable at the call date.

(d) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Management considers as part of its capital the financial sources of funding from shareholders and other parties (notes 8 and 9). In order to ensure an appropriate return for shareholders' capital invested in the Company, management monitors capital thoroughly and evaluates all material projects and potential acquisitions before submission to the Board for ultimate approval, where applicable.



- Profit by operation
- Reserves and resources
- Shareholder information
- Forward-looking statements & Non-IFRS measures

Further information





Profit by operation¹

(SEGMENT REPORT RECONCILIATION) AS AT 31 DECEMBER 2025

Group (US\$000)	Inmaculada	San Jose	Mara Rosa	Consolidation adjustment and others	Total/HOC
Revenue	667,913	436,522	77,562	151	1,182,148
Cost of sales (pre-consolidation)	(312,697)	(252,238)	(108,189)	(4,815)	(677,939)
Consolidation adjustment	2,545	(106)	(7,254)	4,815	–
Cost of sales (post-consolidation)	(310,152)	(252,344)	(115,443)	–	(677,939)
Production cost excluding depreciation and amortisation	(199,360)	(206,007)	(102,657)	–	(508,024)
Depreciation in production cost	(103,575)	(50,569)	(19,433)	–	(173,577)
Workers profit sharing	(15,512)	–	–	–	(15,512)
Other items	–	–	(16,312)	–	(16,312)
Change in inventories	8,295	4,232	22,959	–	35,486
Gross profit/(loss)	355,216	184,284	(30,627)	(4,664)	504,209
Administrative expenses	–	–	–	(55,604)	(55,604)
Exploration expenses	–	–	–	(28,695)	(28,695)
Selling expenses	(657)	(20,225)	(1,040)	–	(21,922)
Other expenses, net	–	–	–	(65,238)	(65,238)
Operating profit/(loss) before impairment	354,559	164,059	(31,667)	(154,201)	332,750
Impairment reversal of non-current assets, net	–	–	–	52,771	52,771
Share of post-tax losses from associate	–	–	–	20,544	20,544
Finance income	–	–	–	11,826	11,826
Finance costs	–	–	–	(41,112)	(41,112)
Foreign exchange loss	–	–	–	(3,955)	(3,955)
Profit/(loss) from operations before income tax	354,559	164,059	(31,667)	(114,127)	372,824
Income tax expense	–	–	–	(125,422)	(125,422)
Profit/(loss) for the year from operations	354,559	164,059	(31,667)	(239,549)	247,402

¹ On a post-exceptional basis.



Reserves and resources

ORE RESERVES AND MINERAL RESOURCES ESTIMATES

Hochschild Mining PLC reports its mineral resources and reserves estimates in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 edition ('the JORC Code'). This establishes minimum standards, recommendations and guidelines for the public reporting of exploration results and mineral resources and reserves estimates. In doing so it emphasises the importance of principles of transparency, materiality and confidence. The information on ore reserves and mineral resources on 86 to 88 were prepared by or under the supervision of Competent Persons (as defined in the JORC Code). Competent Persons are required to have sufficient relevant experience and understanding of the style of mineralisation, types of deposits and mining methods in the area of activity for which they are qualified as a Competent Person under the JORC Code. The Competent Person must sign off their respective estimates of the original mineral resource and ore reserve statements for the various operations and consent to the inclusion of that information in this report, as well as the form and context in which it appears.

Hochschild Mining PLC internally employs a Competent Person who has audited reserves and mineral resource estimates as at 31 December 2025 for the operating mines as shown in this report. The 2024 estimates were conducted by Competent Persons provided by independent consultants, P&E Consulting. The frequency and depth of an audit depends on the risks and/or uncertainties associated

with that particular ore reserve and mineral resource, the overall value thereof and the time that has lapsed since the previous independent third-party audit.

The JORC Code requires the use of reasonable economic assumptions. These include long-term commodity price forecasts (which, in the Group's case, are prepared by ex-house specialists largely using estimates of future supply and demand and long-term economic outlooks).

Ore reserve estimates are dynamic and are influenced by changing economic conditions, technical issues, environmental regulations and any other relevant new information and therefore these can vary from year-to-year. Mineral resource estimates can also change and tend to be influenced mostly by new information pertaining to the understanding of the deposit and secondly the conversion to ore reserves.

The estimates of ore reserves and mineral resources are shown as at 31 December 2025. Mineral resources that are reported include those mineral resources that have been modified to produce ore reserves. All tonnage and grade information has been rounded to reflect the relative uncertainty in the estimates; there may therefore be small differences. The prices used for the reserves calculation were: Au Price: US\$2,250 per ounce and Ag Price: US\$27.0 per ounce for Inmaculada and Mara Rosa; Au Price: US\$2,750 per ounce and Ag Price: US\$31.0 per ounce for San Jose. The prices used for resources calculation were: Au: \$2,900/oz and Ag: \$32.0/oz and Ag/Au ratio of 83x.

ATTRIBUTABLE METAL RESERVES AS AT 31 DECEMBER 2025

Resource category	Proved and probable (t)	Ag (g/t)	Au (g/t)	Ag (moz)	Au (koz)	Ag Eq (moz)	Au Eq (koz)
OPERATIONS¹							
Inmaculada							
Proved	2,356,147	90	2.30	6.8	174.5	21.3	256
Probable	3,136,223	92	2.11	9.3	213.1	27.0	325
Total	5,492,370	91	2.19	16.1	387.5	48.3	581
San Jose							
Proved	513,932	199	3.72	3.3	61.5	8.4	101
Probable	372,956	175	3.69	2.1	44.3	5.8	70
Total	886,888	189	3.71	5.4	105.7	14.2	171
Mara Rosa							
Proved	5,009,170	–	1.06	–	170.5	14.1	170
Probable	24,446,843	–	0.95	–	746.9	62.0	747
Total	29,456,013	–	0.97	–	917.4	76.1	917
GROWTH PROJECTS							
Monte do Carmo							
Proved	2,015,000	–	1.68	–	109.0	9.0	109
Probable	14,780,000	–	1.66	–	787.0	65.3	787
Total	16,795,000	–	1.66	–	896.0	74.4	896
GRAND TOTAL							
Proved	9,894,249	32	1.62	10.1	515.4	52.9	637
Probable	42,736,022	8	1.30	11.4	1,791.2	160.1	1,928
Total	52,630,270	13	1.36	21.5	2,306.6	212.9	2,565

Note: Where reserves are attributable to a joint venture partner, reserve figures reflect the Company's ownership only. Includes discounts for ore loss and dilution.

¹ The prices used for Monte do Carmo reserves calculation were from 2024 Reserve statement assumptions: Au: \$1,750/oz



RESERVES AND RESOURCES CONTINUED

ATTRIBUTABLE METAL RESOURCES AS AT 31 DECEMBER 2025¹

Resource category	Tonnes (t)	Ag (g/t)	Au (g/t)	Ag Eq (g/t)	Ag (moz)	Au (koz)	Ag Eq (moz)	Au Eq (koz)
OPERATIONS								
Inmaculada								
Measured	4,984,000	98	2.46	302	15.7	394.3	48.5	584
Indicated	6,151,000	100	2.29	290	19.8	452.4	57.3	691
Total	11,135,000	99	2.37	296	35.5	846.7	105.8	1,275
Inferred	19,868,000	93	2.39	292	59.6	1,525.4	186.2	2,244
Pallancata								
Measured	1,052,000	293	1.26	397	9.9	42.6	13.4	162
Indicated	2,858,000	466	1.53	593	42.8	140.4	54.5	657
Total	3,910,000	420	1.46	540	52.7	183.0	67.9	819
Inferred	11,898,000	409	1.57	539	156.3	601.8	206.2	2,485
San Jose								
Measured	868,530	341	5.73	817	9.5	160.1	22.8	275
Indicated	595,170	242	4.55	619	4.6	87.1	11.8	143
Total	1,463,700	301	5.25	737	14.2	247.2	34.7	418
Inferred	1,359,660	222	3.81	538	9.7	166.7	23.5	283
Mara Rosa								
Measured	5,965,000	–	0.98	81	–	187.9	15.6	188
Indicated	31,993,000	–	0.87	72	–	898.1	74.5	898
Total	37,958,000	–	0.89	74	–	1,086.0	90.1	1,086
Inferred	9,353,000	–	0.72	60	–	217.1	18.0	217
GROWTH PROJECTS								
Monte do Carmo²								
Measured	2,056,000	–	1.73	144	–	115.0	9.5	115
Indicated	16,302,000	–	1.71	142	–	897.0	74.5	897
Total	18,358,000	–	1.72	143	–	1,012.0	84.0	1,012
Inferred	1,053,000	–	1.95	162	–	66.0	5.5	66
Volcan								
Measured	123,979,000	–	0.700	53	–	2,792.0	209.4	2,792
Indicated	339,274,000	–	0.643	48	–	7,013.0	526.0	7,013
Total	463,253,000	–	0.658	49	–	9,804.0	735.3	9,804
Inferred	75,018,000	–	0.516	39	–	1,246.0	93.5	1,246

Resource category	Tonnes (t)	Ag (g/t)	Au (g/t)	Ag Eq (g/t)	Ag (moz)	Au (koz)	Ag Eq (moz)	Au Eq (koz)
GRAND TOTAL								
Measured	138,904,530	8	0.83	76	35.2	3,692.0	341.6	4,116
Indicated	397,173,170	5	0.74	67	67.3	9,487.9	854.8	10,298
Total	536,077,700	6	0.76	69	102.4	13,178.9	1,196.3	14,413
Inferred	118,549,660	59	1.00	142	225.6	3,823.0	542.9	6,541

¹ Tables represents 100% of the Mineral Resources. Resources are inclusive of Reserves.

² The prices used for Monte do Carmo resources calculation were from 2024 Resource statement assumptions: Au: \$2,100/oz.

CHANGE IN ATTRIBUTABLE RESERVES AND RESOURCES

Ag equivalent content (million ounces)	Category	Percentage attributable December 2025	December 2024 Att. ¹	December 2025 Att. ¹	Net difference	% change
Inmaculada	Resource	100%	271.6	292.0	20.4	7.5%
	Reserve		47.1	48.3	1.1	2.4%
Pallancata	Resource	100%	191.8	274.2	82.4	43.0%
	Reserve		–	–	–	–
San Jose	Resource	51%	69.8	58.2	(11.7)	(16.7%)
	Reserve		13.1	14.2	1.0	7.9%
Mara Rosa	Resource	100%	105.9	108.2	2.3	2.2%
	Reserve		71.8	76.1	4.4	6.1%
Monte do Carmo	Resource	100%	89.5	89.5	–	–
	Reserve		74.4	74.4	–	–
Volcan	Resource	69.8%	917.2	917.2	–	–
	Reserve		–	–	–	–
Total	Resource		1,645.7	1,739.2	93.5	5.7%
	Reserve		206.4	212.9	6.6	3.2%

¹ Attributable reserves and resources based on the Group's percentage ownership of its joint venture projects. 2024 silver equivalent figures have been re-presented using a Ag/Au ratio of 83x (previously calculated at Ag/Au ratio of 75x).



Shareholder information

COMPANY WEBSITE

Hochschild Mining PLC Interim and Annual Reports and results announcements are available on our website at www.hochschildmining.com. Shareholders can also access the latest information about the Company and other announcements as they are released, together with details of future events and how to obtain further information.

REGISTRARS

The Registrars, MUFG Corporate Markets, can be contacted as follows for information about the AGM, shareholdings, dividends and to report changes in personal details:

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BY TELEPHONE

+44 (0) 371 664 0300

(Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9am – 5:30pm, Monday to Friday excluding public holidays in England and Wales.)

CURRENCY OPTION AND DIVIDEND MANDATE

Shareholders wishing to receive their dividend in US dollars should contact the Company's registrars to request a currency election form. This form should be completed and returned to the registrars by 26 May 2026 in respect of the 2025 final dividend. The Company's registrars can also arrange for the dividend to be paid directly into a shareholder's UK bank account. This arrangement is only available in respect of dividends paid in UK pounds sterling. To take advantage of this facility in respect of the 2025 final dividend, a dividend mandate form, also available from the Company's registrars, should be completed and returned to the registrars by 26 May 2026. Alternatively, you can register your bank details via Investor Centre, a secure online site where you can manage your shareholding quickly and easily. To register for Investor Centre visit uk.investorcentre.mpms.mufg.com or use the Investor Centre app. You will need your investor code, which can be found on your share certificate or a previous dividend confirmation voucher. Shareholders who have already completed one or both of these forms need take no further action.

Financial calendar

Ex-dividend date	7 May 2026
Record date	8 May 2026
Deadline for return of currency election forms	26 May 2026
Payment date	16 June 2026

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Forward-looking statements & non-IFRS measures

FORWARD-LOOKING STATEMENTS

This Annual Report contains certain forward-looking statements, including such statements within the meaning of Section 27A of the US Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In particular, such forward-looking statements may relate to matters such as the business, strategy, investments, production, major projects and their contribution to expected production and other plans of Hochschild Mining PLC and its current goals, assumptions and expectations relating to its future financial condition, performance and results.

Forward-looking statements include, without limitation, statements typically containing words such as 'intends', 'expects', 'anticipates', 'targets', 'plans', 'estimates' and words of similar import. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will or may occur in the future. Actual results, performance or achievements of Hochschild Mining PLC may be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Factors that could cause or contribute to differences between the actual results, performance or achievements of Hochschild Mining PLC and current expectations include, but are not limited to, legislative, fiscal and regulatory developments, competitive conditions, technological developments, exchange rate fluctuations and general economic conditions. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

The forward-looking statements reflect knowledge and information available at the date of preparation of this Annual Report. Except as required by the Listing Rules and applicable law, Hochschild Mining PLC does not undertake any obligation to update or change any forward-looking statements to reflect events occurring after the date of this Annual Report. Nothing in this Annual Report should be construed as a profit forecast.

NON-IFRS FINANCIAL PERFORMANCE MEASURES

The Company has included certain non-IFRS measures in this report. The Company believes that these measures, in addition to conventional measures prepared in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. The non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardised meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

These are detailed as follows.

Adjusted EBITDA

Adjusted EBITDA is a useful approximation of the operating cash flow generation of the business by eliminating depreciation and amortisation. Adjusted EBITDA is not a direct measure of liquidity which is shown by the cash flow statement.

AISC

The Company believes the AISC measure provides further transparency into costs associated with the production of gold and silver and will assist investors, analysts and other stakeholders of the Company in assessing its operating performance, its ability to generate free cash flow from current operations and its overall value.

Pre-exceptional EPS

Pre-exceptional earnings per share represents the Group's underlying operating performance from core activities, excluding the impact of one-off transactions outside the normal course of business of the Group.

Net debt

Net debt is a measure of the Group's financial position. The Group uses net debt to monitor the sources and uses of financial resources, the availability of capital to invest or return to shareholders, and the resilience of the balance sheet.

Gross Revenue

Gross revenue represents the revenue generated from the Group's core business, excluding the impact of commercial discounts, and non-cash hedged items.

Unit cost per tonne

Unit cost per tonne represents the direct cash cost including direct cash support costs in producing one tonne of saleable product. This is a standard industry measure applied by most major mining companies and therefore, comparable for the users of the Financial Statements.

Cash costs

Cash costs are a measure of the cost of operating production expressed in terms of dollars per ounce of gold and this is a standard industry measure applied by most major mining companies which reflects the direct costs involved in producing each ounce of metal.



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BEYOND MINING

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