Welcome to your CDP Climate Change Questionnaire 2022

C0. Introduction

C0.1

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

Hochschild is a leading underground precious metals producer focusing on high grade silver and gold deposits, with over 50 years' operating experience in the Americas. We currently operate three underground mines, two located in southern Peru and one in southern Argentina. A fourth mine- Arcata did not operate in 2021 and is under temporary suspension until resources are confirmed. All of our underground operations are epithermal vein mines and the principal mining method used is cut and fill. The ore at our operations is processed into silver-gold concentrate or dore.

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

In 2021, Hochschild produced 12.2 million attributable ounces of silver and 221 hundred thousand attributable ounces of gold. This compared with 9.8 million attributable ounces of silver and 175 hundred thousand attributable ounces of gold in 2020. The emissions intensity, per thousand ounces of total silver equivalent produced, was 2.8 (location-based) and 1.59 (market-based) in 2021, compared with 2.76 (location-based) and 1.59 (market-based) in 2020.

Hochschild have been measuring their carbon footprint since 2012. GHG accounting includes Scope 1 (combustion of fuel and operation of facilities) and Scope 2 (purchased electricity). Scope 1 and 2 emissions (market based) in 2021 were 59,270 tCO2e , compared with 47,237 tCO2e in 2020. In 2020, the carbon footprint (scopes 1 and 2) for the operational mines was verified externally for the first time. In 2021 this was expanded to include scope 3 of the operational mines.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1, 2021	December 31, 2021	Yes	1 year

C0.3

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

Argentina
Peru
United Kingdom of Great Britain and Northern Ireland

C0.4

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

USD

C0.5

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

Operational control

C-MM0.7

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

Row 1

Mining

Gold
Silver

Processing metals

Gold
Silver

C0.8

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

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

C1. Governance

C1.1

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

Yes

C1.1a

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

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	Participates on the Sustainability Committee which has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal & Corporate Affairs, and of Human Resources. The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes climate change and GHG emissions, as they affect the Company's operations. For example, yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration. After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required. In 2021, among decisions taken in climate-related issues, was to increase purchase of renewable energy, which resulted in a new contract for 2022 that includes Ares and Arcata, which was previously only for Inmaculada, Selene and Pallancata.

Other, please specify Chair of the Sustainability Committee	Participates on the Sustainability Committee which has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal & Corporate Affairs, and of Human Resources. The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes climate change and GHG emissions, as they affect the Company's operations. For example, yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration. After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required. In 2021, among decisions taken in climate-related issues, was to increase purchase of renewable energy, which resulted in a new contract for 2022 that includes Ares and Arcata, which was previously only for Inmaculada, Selene and Pallancata.

C1.1b

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans	The Sustainability Committee has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal & Corporate Affairs, and of Human Resources. The Sustainability Committee was convened four times in 2021 and considered the following matters: – Monitored the execution of the annual plan for our five focus areas, including, Protecting the environment, - Oversaw the ongoing rollout of the Environmental Cultural Transformation Plan to assure a robust environmental culture across the organisation; – Reviewed the ICMM's Global Standard on Tailings

	Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures	Management and adopted a Tailings Storage Facility Policy; – Reviewed the key sustainability-related risks to which the Company is exposed as well as assessing the adequacy of the mitigation measures that have been adopted.

C1.1d

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

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	Previous experience and executive responsibility for aspects of climate change and water management.

C1.2

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

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO) [1]	Managing climate-related risks and opportunities	Quarterly
Environment/ Sustainability manager [2]	Both assessing and managing climate-related risks and opportunities	Quarterly
Sustainability committee	Other, please specify Oversee and to make all necessary recommendations to the Board in connection with ESG issues	Quarterly

[1] Sustainability Committee

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

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Board approves Company's strategy and monitors implementation, providing leadership and support to the senior management team in achieving sustainable added value for shareholders.

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

The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes climate change and GHG emissions, as they affect the Company's operations. For example, yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration. After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required.

The Sustainability Committee was convened four times in 2021 and considered the following matters:
– Monitored the execution of the annual plan for our five focus areas, including, Protecting the environment,
- Oversaw the ongoing rollout of the Environmental Cultural Transformation Plan to assure a robust environmental culture across the organisation;
– Reviewed the ICMM's Global Standard on Tailings Management and adopted a Tailings Storage Facility Policy;
– Reviewed the key sustainability-related risks to which the Company is exposed as well as assessing the adequacy of the mitigation measures that have been adopted.

C1.3

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

	Provide incentives for the management	Comment

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

C1.3a

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

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Other, please specify Assistants to CEO included.	Monetary reward	Behavior change related indicator Other (please specify) Compliance with Regulations	We established the ECO Score program in 2017, which brings together the management / mitigation of environment and climate change risks. The ECO Score incorporates quantitative and qualitative indicators directly related to environmental management and climate-related issues- including water consumption and waste generation - and forms a link between our employees and our environmental performance since they are directly related to our daily activities. Performance against the annual ECO Score objective determines the extent of annual bonus payouts to eligible employees, thereby employees co-operate in reducing the company's environmental footprint. The results are shared across the company on a monthly basis.

C2. Risks and opportunities

C2.1

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

Yes

C2.1a

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

	From (years)	To (years)	Comment
Short-term	0	1	2022 - 2023
Medium-term	1	5	2024 - 2028
Long-term	5	15	2028 +

C2.1b

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

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

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

Financially Hochschild defines substantive change as a loss in revenue or increase in costs of more than $3.2 million

C2.2

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

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

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

Hochschild draws on input from subject matter experts to identify, quantify, forecast and manage exposure to risks associated with these regulations and is in the process . Risks and opportunities are prioritized based on their likelihood of impacting our business and the potential severity of impact. Impacts to business considered include financial risks, operational risks, macro-economic including political and legal risks, and sustainability risks including environmental risks.

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

C2.2a

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

	Relevance & inclusion	Please explain

Current regulation	Relevant, always included	Many of our customers are taking regulatory and/or voluntary positions to reduce energy and GHG emissions in their operations. Those more mature organizations are now requiring and pushing for GHG emission reductions in the value chain. While we are not yet being exposed to these requirements, we do anticipate that they are coming and as such, we have committed investment and demonstrated leadership in technology for future growth in alignment with intersecting global industry megatrends – including electrification, software and more. The risk if not tracking these direct and indirectly related climate-based regulations results in lost market share.
Emerging regulation	Relevant, always included	Mining continues to be a highly regulated industry where multiple permits are required leading to increased delays and costs. Changes in the legal, tax and regulatory landscape could result in significant additional expense, restrictions on or suspensions of operations and may lead to delays in the development of current operations and projects. Climate related and clean energy regulations are impacting our business. In the UK, where the group is listed, the government has committed to reducing net greenhouse gas emissions to net zero by 2050. In December 2020, Peru committed to reducing carbon emissions by 30% by 2030, and Argentina has adopted climate change as a state policy. Argentina also set an absolute, economy-wide and unconditional goal of limiting greenhouse gas emissions to 313 MtCO2e (excl. LULUCF) by 2030. These carbon regulations are likely to directly increase our future capital costs as we integrate and adopt more energy efficient and lower emissions technologies in our mining operations(e.g., over the past 4 years, our joint venture operation in Argentina invested about US$ 2.3M in the purchase of 10 electric scoops for its underground operations). Emerging carbon regulations will also impact our operational costs as renewable portfolio standards, renewable fuel requirements and carbon taxes will directly and indirectly increase the cost of our fuels and energy sources.
Technology	Relevant, always included	Technological advancements have the ability to impact both operational competitiveness as well as product demand. For example, the increased adoption of renewable energy technologies and electric vehicles will likely play a role on our path to achieving carbon neutrality, and increase the demand for our metal products. However, operationally, off-road vehicle and engine manufacturers can be slow to adopt to low / no-carbon products and as such, there is only a handful of market players offering these products. Much like the electric light duty vehicle market, this is a short-term transition that will be mitigated as more companies enter into the market and the market matures. Adopting these technologies has the potential to hinder our

		competitiveness in the short-term (i.e. increase costs and reduce EBITDA), but would increase our social license to operate and move us towards our climate goals. Renewable energy technologies and electric vehicles will also likely require increased battery demand for energy storage which is also a risk in the short term as battery storage is relatively new; over time, this risk will dissipate.
Legal	Relevant, always included	In the short-term, if no action is taken on climate change and GHG emissions, we could be at risk to climate related legal action, reputational issues (social license to operate) and investor risk which could materialize as increased costs, longer permitting delays, higher interest loans, or reduced access to capital. Given what is occurring in jurisdictions, like Canada and the US, where lawsuits have been filed against oil and gas companies for climate-related impacts, we do see that over the medium to long term, should no action be taken to reduce / eliminate our carbon footprint, there could be a carbon legal related risk to our company. The Company has not experienced legal issues regarding climate change related issues.
Market	Relevant, always included	We are currently monitoring the risk of changing demand for our metal products under a low carbon economy. Under a 2 degree scenario, we are likely to see an increase in the uptake of battery powered vehicles and 5G networks which require a lot of silver. For example, most internal combustion cars use between 15g and 28g of silver, whereas hybrid cars require between 18g to 34g, and electric vehicles typically need upwards of 50g. Bloomberg estimates that by 2040, 55% of vehicles on the road will be electric which means more demand for silver. Gold will also play out well under a 2 degree scenario as the metal can be used in nanomaterial technologies (e.g., enhance hydrogen fuel cell performance and solar PV) that can help facilitate the transition to a low carbon economy. In light of these opportunities, we also see a downside of not managing our own carbon, environmental and social footprint as under a 2 degree scenario, our customers and investors will expect us to perform to higher standards as part of their procurement and investment criteria. We have begun to mitigate these risks by developing a carbon neutral strategy, completing a climate risk assessment, and are continually pushing internally to improve our ESG performance and scorecard.
Reputation	Relevant, always included	Poor performance with respect to managing the risks and opportunities of climate change could result in reputational impairment. This could lead to public and regulatory opposition to Hochschild projects and/or operations, or lead to a potential increase in cost-of-capital and perceived risk amongst the investor community. For example, we may suffer from reputational risk and may be liable for losses arising from environmental hazards associated with our mining activities and production methods.

		In Peru, protests relating to mining projects have increased social demands and expectations, and have led to wider social unrest. Communities living in the areas surrounding 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. A number of actions were taken during the year to maximise the Group's ability to work with partner communities which included: – Increased efforts to collect and process information and intelligence regarding potential social conflicts; – increased interaction with local governments and other key stakeholders; – continuing with social programmes with surrounding communities; As part of improving our social license to operate with stakeholders and investors, we are reporting to the CDP and disclosing our climate related performance in alignment with TCFD recommendations for the 2021 reporting year.
Acute physical	Relevant, always included	Climate change may, among other things, cause or result in sea level increases, changes in precipitation, changes in freshwater levels, increases in extreme weather events and resource shortages. We have completed a climate risk assessment and noted the following climate related physical risks: atypical precipitation patterns which could result in overtopping; prolonged drought resulting in water shortages for operations, and extreme weather events (winds) and sea-level rise resulting in impacts to ocean transportation and shipping facilities and disruptions to upstream and downstream operations. We are adapting to the physical impacts of climate change and increasing the resilience of our operations by incorporating climate scenarios into project design and mine closure planning. We also have an active programme to reduce water consumption that will allow us to continue operating in a more water scarce environment.
Chronic physical	Relevant, always included	We are in the process of implementing an adaptation plan to identify and mitigate chronic physical risks. The most common chronic physical risks we have historically experienced are drought which reduce water available for processing and may affect power supply in regions that rely on hydro-electric power plants. This will continue to be monitored for severity. Based on the climate risk assessment that was conducted in 2021, climate change will likely result in the following risks: • Intense rainfall/long duration rainfall may result in increased risk of erosion, road washouts, overtopping of existing tailings dams and

		flooding in the mines. • Chronic drought at some locations may result in water shortages for operation and the drinking water supply. Hochschild has taken water conservation measures to address these long-term conditions and related impacts, such as dry stacked tailings and water recovery at San José . • Extreme precipitation events (heavy snowfall, intense rains) can impact roads and transportation to/from the mines. • High winds, snow and ice, and electrical storms can damage the power transmission system. Voltage spikes in the power system may cause damage to electrical equipment, substations, pumps, compressors and other equipment. • Free-thaw cycles and increasing extreme cold temperatures can cause water pipes to freeze and ice to form on bearing surfaces like roads and ramps Many of the climate risks identified are being addressed through policy changes and new monitoring programs at mine sites to track the impacts of climate on our operations and develop proactive policies and operating procedures to minimize the impacts to our operations. The completion of the climate risk and vulnerability assessment has been used to inform the risks to our operations, enable us to better assess the possible financial impacts, and develop appropriate mitigation measures to mitigate those risks.

C2.3

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

Yes

C2.3a

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

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation

Carbon pricing mechanisms

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

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

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

77,000,000

Potential financial impact figure – maximum (currency)

268,000,000

Explanation of financial impact figure

The range of costs is based on our 2021 GHG emissions and using a low and high social cost of carbon value (global shadow price). The range of costs would be annual and we estimate to range between 40 $/tonne and 140 $/tonne.

Cost of response to risk

0

Description of response and explanation of cost calculation

The range of costs is based on our 2021 GHG emissions and using a low and high cost of carbon value. Now that we have completed a carbon strategy, we are in the process of evaluating the cost of implementing this strategy.

Comment

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

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Technology

Transitioning to lower emissions technology

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

While we are forecasting increased consumption of gold and silver consumption, there is a risk that if we do not reduce our operational GHG emissions intensity compared to industry peers, we could be a risk of declining revenues due to the emissions intensity of our products. For example, the European Parliament almost passed legislation that would have labelled Alberta bitumen as dirty oil which would have made Canadian oil sands imports problematic for Europe's refineries. With climate change mitigation a renewed global focus, and a focus on greening the supply chain (e.g., automotive companies are already engaging with Tier 1 suppliers on GHG emission reduction programs), this is realistic risk in the medium term under a RCP 2.6 scenario and a longer term risk under a 4.6 degree scenario.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

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

Cost of response to risk

0

Description of response and explanation of cost calculation

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

Comment

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

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Heavy precipitation (rain, hail, snow/ice)

Primary potential financial impact

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

Company-specific description

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

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

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

Cost of response to risk

0

Description of response and explanation of cost calculation

Now that we have completed a climate risk assessment, we are in the process of evaluating the cost of implementing actions to reduce the biggest risks. For context, in terms of investments already made $8.4M was invested in Capex between 2017 and 2019 at the San Jose operation in Argentina to implement a water recovery plant as a measure to protect against water scarcity in the area.

Comment

Cost evaluation underway

C2.4

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

Yes

C2.4a

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

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

The demand for our products may increase as a consequence of regulatory or market curtailments. For example, under a 2 degree scenario, we are likely to see an increase in the uptake of battery powered vehicles and 5G networks which require a lot of silver. For example, most internal combustion cars use between 15g and 28g of silver, whereas hybrid cars require between 18g to 34g, and electric vehicles typically need upwards of 50g. Bloomberg estimates that by 2040, 55% of vehicles on the road will be electric which means more demand for silver. Gold will also play out well under a 2 degree scenario as the metal can be used in nanomaterial technologies (e.g., enhance hydrogen fuel cell performance and solar PV) that can help facilitate the transition to a low carbon economy.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

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

Cost to realize opportunity

150

Strategy to realize opportunity and explanation of cost calculation

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

Comment

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resilience

Primary climate-related opportunity driver
Other, please specify
Improved market capitalization

Primary potential financial impact
Reduced indirect (operating) costs

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

We are heavily focused on improving our ESG performance. This is evidenced by our 2021 Sustainability Report, ECO Score programme, and our commitment to rolling out internal training on our recently published Human Rights Policy; continuing to scale our initiatives to improve gender diversity across the business; strengthening our environmental culture; and carefully managing our climate-related risks and their impacts by our completion of a climate change risk assessment (2021) and the implementation of our carbon strategy (recently completed in 2022) to continually reduce our GHG emissions.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Assuming that our share price could increase by a conservative figure of 0,25%, due to positive investor sentiment on our ESG performance, this could translate into an US$ 2.69M market capitalization alone.

Cost to realize opportunity

300

Strategy to realize opportunity and explanation of cost calculation

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

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of new technologies

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Our carbon emissions primarily result from electricity use in our mining and processing operations. Our operations have a favourable GHG emissions intensity (0.1366 tCO2e/ oz Au eq - market based / 0.24 tCO2e/ oz Au eq - location based) compared to other gold and silver mines globally. This is due to the underground nature of our mining

operations (which generally have lower GHG emissions than larger open pit mines) and our low-carbon, grid-based electricity supply which is around 80% sourced from hydro or wind power. However, acknowledging the global significance of climate change, we are committed to taking the necessary measures to continually reduce our GHG footprint by evaluating additional low-carbon energy options and improving our operational energy efficiency, which also helps to deliver valuable cost savings to the business. For example, in previous years, we invested about USD 2.3 million in the purchase of 10 electric scoops for one of our underground mines. We are currently implementing our carbon strategy (recently completed in 2022) to continually reduce our GHG emissions, we have set a net zero target for 2050 and by end of 2022 we will establish an interim target to 2030.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

2.3

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

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

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

At the moment there is no cost calculation. We are in the process of costing out the implementation of our carbon strategy.

Comment

C3. Business Strategy

C3.1

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

Row 1

Transition plan

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

Publicly available transition plan

No

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

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

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

Carbon roadmap draft presentation, information to be published in following months. Slide 15 includes transition plan.

hochschild_carbon roadmap_draft.pdf

C3.2

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

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, quantitative

C3.2a

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

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios RCP 8.5	Other, please specify Because of the geographic dispersion of the Hochschild mines, two climate profiles were prepared. One profile covers the general area for the mines in Peru		The climate periods selected for the assessment are current climate (1991-2010) and the 2050s (2040-2059) for future climate, to cover the operational life of the infrastructure at the mine sites. The risk assessment process is intended to inform

	(Arcata, Inmaculada, Pallancata and Selene) and one for the San Jose mine in Argentina		Hochschild management of the projected changes in climate and the associated risks to their ongoing operations. The assessment was based on climate parameters estimated under the RCP 8.5 scenario. The recent IPCC Special Report on Global Warming of 1.5ºC (October 8, 2018) supports the selection of the RCP 8.5 for the assessment. The following climate parameters were selected for the assessment based on reported impacts at some of the properties being assessed: • High temperature: >25°C and relative humidity >70% • Freezing Days: Icing Days (Tmax < 0°C) • Rainfall (High Intensity): >50 mm in 24 hours • Drought: SPEI (Standardized Precipitation-Evapotranspiration Index) • High winds: >50 kph • Snowfall: >15 cm in 24 hours • Lightning/Atmospheric Discharges
Transition scenarios IEA 2DS	Business activity		Climate modelling uses various greenhouse gas (GHG) emissions scenarios, known as Representative Concentration Pathways (RCPs), to project future climate variables under different concentrations and rates of release of GHGs to the atmosphere, as well as different global energy balances. RCP 8.5 is being used to assess the impacts that climate change would have on Hochschild's operations and infrastructure. The time horizon has been set between the 2020's and the 2050's as this aligns with Hochschild's mines current operational lives and decommissioning phases. RCP 2.6 is being used as the <2°C Scenario to align with the mid-century goals of the Paris Agreement and is being used to assess Hochschild's market (electric vehicles), regulatory (e.g., carbon pricing), technology and renewable energy risks / opportunities (e.g.,

			increased adoption of renewables resulting in improved ROI) as part of the carbon strategy to put the organization on a path towards net zero operations.

C3.2b

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

Row 1

Focal questions

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

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

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

shortages for operations, and extreme weather events (winds) and sea-level rise resulting in impacts to ocean transportation and shipping facilities and disruptions to upstream and downstream operations. Hochschild is adapting to these risks by increasing the resilience of operations by incorporating climate scenarios into project design and mine closure planning. Risks or losses from climate change or other natural events are being continuously monitored and reviewed as part of ongoing operations. Where an unacceptable risk has been identified, asset level mitigation plans are developed and are the responsibility of local management.

C3.3

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

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Both physical and transitional risks are impacting and will continue to impact Hochschild's existing and future operations. To remain competitive and improve our ESG performance, we have completed a climate change risk assessment and strategy, and have developed a carbon strategy to put us on a path towards net zero operations. Hochschild is adapting to climate risks by increasing the resilience of operations by incorporating climate scenarios into project design and mine closure planning. Risks or losses from climate change or other natural events are being continuously monitored and reviewed as part of ongoing operations. Where an unacceptable risk has been identified, asset level mitigation plans are developed and are the responsibility of local management. GHG emissions are being proactively reduced through the use of renewable power and incorporating fuel switching activities into existing mine capital upgrades. New mines (excluding those in progress in 2022) will be assessed to be electric where possible.
Supply chain and/or value chain	Evaluation in progress	Our onsite contractor and freight transportation activities account for 33% of total organizational GHG emissions and 54% of Scope 3 GHG emission. Without engaging and collaborating with these entities to reduce GHG emissions, Hochschild will not be able to achieve our renewable and GHG targets. As such, we are developing a plan to engage with our contractors on low/no-carbon technologies (as

		appropriate) and are working with the HOC Transportation Committee to set GHG goals and objectives and every 3 months and to track progress towards these goals.
Investment in R&D	Evaluation in progress	The implementation of our recently developed carbon strategy will require the procurement of green electricity, operational changes in existing mines and operations (process changes, asset upgrades and the use of technological breakthroughs when they are conceived), the electrification of new mines, the use of RECs where the electricity is not from renewable sources, the use of procurement tools and contracting requirements of their suppliers and the use of offsets or neutralization projects to eliminate residual GHG emissions. We are currently evaluating where there are R&D opportunities to implement some of these actions - for instance, fuel additives that improve combustion efficiency and process improvements to reduce energy and GHG emissions (e.g., on-demand ventilation, natural cooling techniques, on-site sorting, process changes, etc.), switching to renewable fuels in vehicles (e.g., hydrogen, electric) and developing onsite renewable energy systems like wind, solar, hydrogen, and hydropower.
Operations	Yes	The implementation of our recently developed carbon strategy will require the procurement of green electricity, operational changes in existing mines and operations (process changes, asset upgrades and the use of technological breakthroughs when they are conceived), the electrification of new mines, the use of RECs where the electricity is not from renewable sources, the use of procurement tools and contracting requirements of their suppliers and the use of offsets or neutralization projects to eliminate residual GHG emissions. We are currently evaluating where there are R&D opportunities to implement some of these actions - for instance, fuel additives that improve combustion efficiency and process improvements to reduce energy and GHG emissions (e.g., on-demand ventilation, natural cooling techniques, on-site sorting, process changes, etc.), switching to renewable fuels in vehicles (e.g., hydrogen, electric) and developing onsite renewable energy systems like wind, solar, hydrogen, and hydropower. Currently 80% of purchased energy for operating mines is from renewable sources. This is being expanded with a new contract in 2022, to include Ares and Arcata.

C3.4

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

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Capital expenditures Assets	Climate-related risks such as prolonged droughts have been identified in our risk management tools and have triggered precise plans and budget allocations to implement the necessary actions to minimize the risk. Dedicated teams have been established, time schedules set, both of which are monitored to assure success.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's transition to a 1.5°C world?

No, but we plan to in the next two years

C4. Targets and performance

C4.1

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

Absolute target

C4.1a

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

Target reference number

Abs 1

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2
Scope 3

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 5: Waste generated in operations
Category 6: Business travel
Category 8: Upstream leased assets

Base year

2021

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

46,450

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

12,820

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

43,182

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

102,452

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

45

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

13

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

42

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

100

Target year

2050

Targeted reduction from base year (%)

100

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

0

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

46,450

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

12,820

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

43,182

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

102,452

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

0

Target status in reporting year

New

Is this a science-based target?

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

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

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

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

We have developed a carbon strategy and are in the process of implementing the strategy. At a high level getting to net zero operations will involve the procurement of green electricity, operational changes in existing mines and operations (process changes, asset upgrades and the use of technological breakthroughs when they are conceived), the electrification of new mines (based on case by case assessments), the use of RECs where the electricity is not from renewable sources, the use of procurement tools and contracting requirements of their suppliers and the use of offsets or neutralization projects to eliminate residual GHG emissions (likely to come from remediated / held lands).An interim target to 2030 will be defined by the end of 2022.

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

C4.2

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

No other climate-related targets

C4.3

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

Yes

C4.3a

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

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	1	1,400
Implemented*	0	0
Not to be implemented	0	0

C4.3b

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

Initiative category & Initiative type

Low-carbon energy consumption
Hydropower (capacity unknown)

Estimated annual CO2e savings (metric tonnes CO2e)

1,400

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

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

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

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

0

Payback period

No payback

Estimated lifetime of the initiative

6-10 years

Comment

In 2021 we signed a new contract with supplier to provide renewable energy (hydro) for the Ares and Arcata mines starting January 1st, 2022. The contract extends to 2032.

C4.3c

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

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

C4.5

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

No

C5. Emissions methodology

C5.1

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

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

C5.1b

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

	Change(s) in methodology, boundary, and/or reporting year definition?
Row 1	No

C5.2

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

Scope 1

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

46,450

Comment

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

Scope 2 (location-based)

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

58,133

Comment

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

Scope 2 (market-based)

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

12,820

Comment

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

Scope 3 category 1: Purchased goods and services

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

23

Comment

Paper and water consumption emissions

Scope 3 category 2: Capital goods

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

0

Comment

Relevant, not calculated.

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

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

0

Comment

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

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

15,947

Comment

freight transportation related GHG emissions

Scope 3 category 5: Waste generated in operations

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

438

Comment

waste generated , transportation and offsite disposal

Scope 3 category 6: Business travel

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

20,181

Comment

air emissions

Scope 3 category 7: Employee commuting

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

5,077

Comment

employee transportation to site and offices

Scope 3 category 8: Upstream leased assets

Base year start
January 1, 2021

Base year end
December 31, 2021

Base year emissions (metric tons CO2e)
0

Comment
Not applicable

Scope 3 category 9: Downstream transportation and distribution

Base year start
January 1, 2021

Base year end
December 31, 2021

Base year emissions (metric tons CO2e)
1,516

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

Scope 3 category 10: Processing of sold products

Base year start
January 1, 2021

Base year end
December 31, 2021

Base year emissions (metric tons CO2e)
0

Comment
Not relevant

Scope 3 category 11: Use of sold products

Base year start
January 1, 2021

Base year end
December 31, 2021

Base year emissions (metric tons CO2e)
0

Comment

Not relevant

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

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

0

Comment

Not relevant

Scope 3 category 13: Downstream leased assets

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

0

Comment

Not relevant. We do not own leased assets

Scope 3 category 14: Franchises

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

0

Comment

Not relevant. We do not have franchises

Scope 3 category 15: Investments

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

0

Comment

Relevant, not assessed

Scope 3: Other (upstream)

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

0

Comment

Not applicable

Scope 3: Other (downstream)

Base year start

January 1, 2021

Base year end

December 31, 2021

Base year emissions (metric tons CO2e)

0

Comment

Not applicable

C5.3

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

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

C6. Emissions data

C6.1

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

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

46,450.11

Start date

January 1, 2021

End date

December 31, 2021

Comment

Includes operating mines and other minor sources.

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

40,647

Start date

January 1, 2020

End date

December 31, 2020

Comment

Includes operating mines and other minor sources. Restated following external verification of the operating mines (Inmaculada, Pallancata, Selene, San José).

C6.2

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

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

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

Reporting year

Scope 2, location-based

58,133.31

Scope 2, market-based (if applicable)

12,820.33

Start date

January 1, 2021

End date

December 31, 2021

Comment

Market-based value considers that 80% of energy in operating mines is supplied from renewable sources.

Past year 1

Scope 2, location-based

41,254

Scope 2, market-based (if applicable)

5,679

Start date

January 1, 2020

End date

December 31, 2020

Comment

Restated following external verification of the operating mines (Inmaculada, Pallancata, Selene, San José).

C6.4

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

No

C6.5

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

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

23

Emissions calculation methodology

Supplier-specific method
Average data method
Spend-based method

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

100

Please explain

These scope 3 GHG emissions were calculated on actively output data and IPCC emission factors. The following Scope 3 sources were considered under purchased goods and services: outsourced canteens, on-hazardous solid waste transportation, hazardous solid waste transportation, drinking water consumption and paper consumption.

Capital goods

Evaluation status

Relevant, not yet calculated

Please explain

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

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

Evaluation status

Relevant, not yet calculated

Please explain

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

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

15,947

Emissions calculation methodology

Fuel-based method

Distance-based method

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

100

Please explain

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

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

438

Emissions calculation methodology

Distance-based method

Waste-type-specific method

Site-specific method

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

100

Please explain

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

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

20,181

Emissions calculation methodology

Distance-based method

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

100

Please explain

value accounts for all air travel

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

5,077

Emissions calculation methodology

Average data method
Distance-based method

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

100

Please explain

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

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

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

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1,516

Emissions calculation methodology

Fuel-based method
Distance-based method

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

100

Please explain

Includes land transportation from mine sites to the shipping port.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

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

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

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

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

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

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

We do not lease downstream assets.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

We do not have franchises

Investments

Evaluation status

Relevant, not yet calculated

Please explain

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

Other (upstream)

Evaluation status

Not evaluated

Please explain

Not evaluated

Other (downstream)

Evaluation status

Not evaluated

Please explain

Not evaluated

C6.5a

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

Past year 1

Start date

January 1, 2020

End date

December 31, 2020

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

10.45

Scope 3: Capital goods (metric tons CO2e)

0

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

0

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

0

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

1,181.86

Scope 3: Business travel (metric tons CO2e)

2,289.15

Scope 3: Employee commuting (metric tons CO2e)

52.02

Scope 3: Upstream leased assets (metric tons CO2e)

0

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

0

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

0

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

0

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

0

Scope 3: Downstream leased assets (metric tons CO2e)

0

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

0

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

0

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

0

Comment

Scope 3 was partially calculated, and not verified.

C6.7

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

No

C6.10

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

Intensity figure

0.0245

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

59,270.44

Metric denominator

metric ton of ore processed

Metric denominator: Unit total

2,419,802

Scope 2 figure used

Market-based

% change from previous year

1

Direction of change

Decreased

Reason for change

This is due to higher year-on-year periods of operation compared to 2020 which saw significant amount of COVID-19 related disruptions.

C7. Emissions breakdowns

C7.1

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

Yes

C7.1a

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

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	42,441.61	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	92.69	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	2.11	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

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

Country/Region	Scope 1 emissions (metric tons CO2e)
Peru	36,427.63
Argentina	10,022.48
United Kingdom of Great Britain and Northern Ireland [1]	0

[1] The Group's UK operations consist of a single office with an occupancy of three. Its total Scope 1 and Scope 2 emissions and energy consumption represent less than 0.01% of the Group's reported totals.

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division
By facility
By activity

C7.3a

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

Business division	Scope 1 emissions (metric ton CO2e)
Mining and metal processing	46,450

C7.3b

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

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Arcata	1,060.81	-14.97904	-72.314752
Arequipa Office	0	-16.411496	71.544631

Ares	768.46	-72.122564	-72.122564
Azuca	42.57	-14.594869	-72.481572
Crespo	43.03	-14.76514	-72.380429
Inmaculada	23,126.05	-14.94987	-73.240459
Lima Office	3.2	-12.100853	-76.977738
London Office	0	51.516685	-0.145974
Matarani	0	-17.005096	-72.099081
Pallancata	9,858.6	-14.737892	-73.171105
San José	10,022.48	-46.631621	-70.294245
Selene	1,392.34	-14.646336	-73.142944
Sipán	132.57	-6.916869	-78.771722
Buenos Aires office	0	-34.592802	-58.4055

C7.3c

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

Activity	Scope 1 emissions (metric tons CO2e)
Mining and metal processing	46,450

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

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

	Gross Scope 1 emissions, metric tons CO2e	Comment
Metals and mining production activities	46,450	We carry out external verification of the operating mines, which amount to 96% of scope 1 emissions.

C7.5

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

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Argentina	17,167.48	3,351.83
Peru	40,965.83	9,468.5

United Kingdom of Great Britain and Northern Ireland [1]	0	0

[1] Not calculated due to missing information. The office was unoccupied during most of the year.

C7.6

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

By business division
By facility
By activity

C7.6a

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

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Mining and metal processing	58,133.31	12,820.33

C7.6b

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

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Arcata	355.01	355.01
Arequipa Office	2.8	2.8
Ares	1,121.06	1,121.06
Inmaculada	27,779.54	5,502.18
Lima office	41.91	41.91
London office	0	0
Matarani	10.67	10.67
Pallancata	7,287.58	1,443.42
San José	17,151.1	3,335.45
Selene	4,209.58	833.77
Sipán	157.68	157.68
Buenos Aires office	16.38	16.38

C7.6c

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

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Mining and metal processing	58,133.31	12,820.33

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

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

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Metals and mining production activities	58,133.31	12,820.33	We carry out external verification of the operating mines, which amount to 97% of scope 2 emissions (location based).

C7.9

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

Increased

C7.9a

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

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	9,737.72	Increased	127	Considered difference between location based and market based emissions as an indicator of the amount of emissions from purchased energy "saved" each year, since they it corresponds to the renewable energy. In 2020 this was

				35,575.26 tCO2e, and in 2021 it was 45312.98 tCO2e, an increase in renewable energy consumption. This is consistent with the absolute consumption of energy from renewable sources between years.
Other emissions reduction activities	0	No change	0	
Divestment	0	No change	0	
Acquisitions	0	No change	0	
Mergers	0	No change	0	
Change in output	12,944.22	Increased	20	Difference in market based emissions between 2020 and 2021. This is due to higher year-on-year periods of operation compared to 2020 which saw significant amount of COVID-19 related disruptions. When comparing ore production in the same period, there is a 29% increase. The emissions increase in 2021 was mitigated by increased purchase of renewable energy.
Change in methodology	0	No change	0	
Change in boundary	0	No change	0	
Change in physical operating conditions	0	No change	0	
Unidentified	0	No change	0	
Other	0	No change	0	

C7.9b

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

Market-based

C8. Energy

C8.1

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

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

C8.2

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

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

C8.2a

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

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh

Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	165,114.29	165,114.29
Consumption of purchased or acquired electricity		232,901.04	67,011.83	299,912.87
Total energy consumption		232,901.04	232,126.12	465,027.16

C-MM8.2a

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

	Heating value	Total MWh
Consumption of fuel (excluding feedstocks)	HHV (higher heating value)	157,631.54
Consumption of purchased or acquired electricity		290,136.48
Consumption of self-generated non-fuel renewable energy		0
Total energy consumption		447,768.02

C8.2b

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

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

C8.2c

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

Sustainable biomass

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

Not applicable

Other biomass

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

Not applicable

Other renewable fuels (e.g. renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

4,823.71

MWh fuel consumed for self-generation of electricity

69.36

MWh fuel consumed for self-generation of heat

0

Comment

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

Coal

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

Not applicable

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

Not applicable

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

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

Heating value

HHV

Total fuel MWh consumed by the organization

160,290.57

MWh fuel consumed for self-generation of electricity

1,791.38

MWh fuel consumed for self-generation of heat

0

Comment

Diesel, gasoline and LPG

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

165,114.29

MWh fuel consumed for self-generation of electricity

1,860.74

MWh fuel consumed for self-generation of heat

0

Comment

Diesel, gasoline and LPG and their content of biodiesel and ethanol.

C8.2e

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

Sourcing method

Direct procurement from an off-site grid- connected generator e.g. Power purchase agreement (PPA)

Energy carrier

Electricity

Low-carbon technology type

Large hydropower (>25 MW)

Country/area of low-carbon energy consumption

Peru

Tracking instrument used

Other, please specify

Supplier certifies renewable energy provided annually with an external third party

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

181,157.04

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

Peru

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

2,010

Comment

Supplier has emitted a certificate for the renewable energy in 2021.

Sourcing method

Direct procurement from an off-site grid- connected generator e.g. Power purchase agreement (PPA)

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

Argentina

Tracking instrument used

Contract

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

51,744

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

Argentina

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

2,018

Comment

Supplier has emitted a certificate for the renewable energy in 2021.

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

Peru

Consumption of electricity (MWh)

299,912.87

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

299,912.87

C9. Additional metrics

C9.1

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

Description

Energy usage

Metric value

1.23

Metric numerator

232,901.04 MWh

Metric denominator (intensity metric only)

not applicable

% change from previous year

23

Direction of change

Increased

Please explain

Increased use of renewable energy. In 2022 this should increase, since Ares and Arcata will also be sourced from renewable energy.

C-MM9.3a

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

Output product
Gold

Capacity, metric tons
3,230,250

Production, metric tons
2,419,802

Production, copper-equivalent units (metric tons)
50,049.73

Scope 1 emissions
21,773.93

Scope 2 emissions
3,943.02

Scope 2 emissions approach

Market-based

Pricing methodology for copper-equivalent figure
Gold conversion factor for the calculation of the copper-equivalent figure based on prices (gold 1,799 $/oz and copper 0.29 $/oz).

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

Output product
Silver

Capacity, metric tons
3,230,250

Production, metric tons

2,419,802

Production, copper-equivalent units (metric tons)

39,377.38

Scope 1 emissions

17,130.97

Scope 2 emissions

3,102.23

Scope 2 emissions approach

Market-based

Pricing methodology for copper-equivalent figure

Silver conversion factor for the calculation of the copper-equivalent figure based on prices (silver 25 $/oz and copper 0.29 $/oz).

Comment

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

C-MM9.3b

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

Output product

Gold

Capacity (metric tons)

3,230,250

Production (metric tons)

2,419,802

Annual production in copper-equivalent units (thousand tons)

50,049.73

Scope 1 emissions (metric tons CO2e)

3,075.15

Scope 2 emissions (metric tons CO2e)

2,277.62

Scope 2 emissions approach

Market-based

Pricing methodology for-copper equivalent figure

Gold conversion factor for the calculation of the copper-equivalent figure based on prices (gold 1,799 $/oz and copper 0.29 $/oz).

Comment

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

Output product

Silver

Capacity (metric tons)

3,230,250

Production (metric tons)

2,419,802

Annual production in copper-equivalent units (thousand tons)

39,377.38

Scope 1 emissions (metric tons CO2e)

2,419.42

Scope 2 emissions (metric tons CO2e)

1,791.95

Scope 2 emissions approach

Market-based

Pricing methodology for-copper equivalent figure

Silver conversion factor for the calculation of the copper-equivalent figure based on prices (silver 25 $/oz and copper 0.29 $/oz).

Comment

Capacity, metric tons and Production, metric tons are in metric tonnes of processed ore.
Production, copper-equivalent corresponds only to the production of silver.
Emissions for the operations (Inmaculada, San José, Pallancata and Selene) were allocated referentially taking Pallancata (mine) and Selene (processing plant) as the

base, since their emissions are calculated separately. Allocation of emissions by metal was calculated based on the production of gold and silver in koz.

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

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

	Investment in low-carbon R&D	Comment
Row 1	No	In 2022 as part of the implementation of the carbon roadmap, carbon reduction mechanisms will be evaluated.

C10. Verification

C10.1

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

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

C10.1a

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

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Underway but not complete for reporting year – previous statement of process attached

Type of verification or assurance

Limited assurance

Attach the statement

Y

2021 Draft Dec ISO 14064 Hoch Inmaculada.pdf

2021 Draft Dec ISO 14064 Hoch Selene.pdf
2021 Draft Dec ISO 14064 Hoch San José.pdf
2021 Draft Dec ISO 14064 Hoch Pallancata.pdf
ISO 14064-1 Dec 2020 PE-VER0364 PALLANCATA_Rev04.pdf
ISO 14064-1 Dec 2020 PE-VER0364 INMACULADA_Rev04.pdf
ISO 14064-1 Dec 2020 PE-VER0364 SELENE_Rev04.pdf
ISO 14064-1 Dec 2020 PE-VER0364 SAN JOSE_Rev03.pdf

Page/ section reference

Attached the certificates of the 2020 verification of scopes 1 and 2 of operating mines. The 2021 verification process is almost complete, draft declarations have been issued, and are attached as well.

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

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

96

C10.1b

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

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Underway but not complete for reporting year – previous statement of process attached

Type of verification or assurance

Limited assurance

Attach the statement

Y

2021 Draft Dec ISO 14064 Hoch Inmaculada.pdf
2021 Draft Dec ISO 14064 Hoch Selene.pdf
2021 Draft Dec ISO 14064 Hoch San José.pdf

2021 Draft Dec ISO 14064 Hoch Pallancata.pdf
ISO 14064-1 Dec 2020 PE-VER0364 PALLANCATA_Rev04.pdf
ISO 14064-1 Dec 2020 PE-VER0364 INMACULADA_Rev04.pdf
ISO 14064-1 Dec 2020 PE-VER0364 SELENE_Rev04.pdf
ISO 14064-1 Dec 2020 PE-VER0364 SAN JOSE_Rev03.pdf

Page/ section reference

Attached the certificates of the 2020 verification of scopes 1 and 2 of operating mines. The 2021 verification process is almost complete, draft declarations have been issued, and are attached as well.

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

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

97

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Underway but not complete for reporting year – previous statement of process attached

Type of verification or assurance

Limited assurance

Attach the statement

Y

2021 Draft Dec ISO 14064 Hoch Inmaculada.pdf
2021 Draft Dec ISO 14064 Hoch Selene.pdf
2021 Draft Dec ISO 14064 Hoch San José.pdf
2021 Draft Dec ISO 14064 Hoch Pallancata.pdf
ISO 14064-1 Dec 2020 PE-VER0364 PALLANCATA_Rev04.pdf
ISO 14064-1 Dec 2020 PE-VER0364 INMACULADA_Rev04.pdf
ISO 14064-1 Dec 2020 PE-VER0364 SELENE_Rev04.pdf
ISO 14064-1 Dec 2020 PE-VER0364 SAN JOSE_Rev03.pdf

Page/ section reference

Attached the certificates of the 2020 verification of scopes 1 and 2 of operating mines. The 2021 verification process is almost complete, draft declarations have been issued, and are attached as well.

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

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

95

C10.1c

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

Scope 3 category

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

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Underway but not complete for reporting year – previous statement of process attached

Type of verification or assurance

Limited assurance

Attach the statement

Y

2021 Draft Dec ISO 14064 Hoch Inmaculada.pdf
2021 Draft Dec ISO 14064 Hoch Selene.pdf
2021 Draft Dec ISO 14064 Hoch San José.pdf
2021 Draft Dec ISO 14064 Hoch Pallancata.pdf

Page/section reference

The 2021 verification process is almost complete, draft declarations have been issued, and are attached.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

95

C10.2

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

In progress

C11. Carbon pricing

C11.1

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

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

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

C12.1a

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

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

% total procurement spend (direct and indirect)

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

52

Rationale for the coverage of your engagement

Our onsite contractor and freight transportation activities account for 33% of total organizational GHG emissions and 57% of Scope 3 GHG emission. Without engaging and collaborating with these entities to reduce GHG emissions, Hochschild will not be able to achieve our renewable and GHG targets. As such, we are working with the HOC Transportation Committee, that includes Peruvian land transportation companies, with meetings every 3 months and to track progress on reporting.

Impact of engagement, including measures of success

Data collected was used for the 2021 Scope 3 emissions calculation by fuel use and distances.

Comment

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

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

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

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

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

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

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

C12.3b

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

Trade association

Other, please specify

Sociedad Nacional de Minería, Petróleo y Energía (Peru)

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

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We publicly promote their current position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

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

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

Describe the aim of your organization's funding

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

No, we have not evaluated

C12.4

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

Publication

In voluntary sustainability report

Status

Underway – previous year attached

Attach the document

Y

FINAL Hochschild-Sustainability-Report (4).pdf

Page/Section reference

FINAL Hochschild-Sustainability-Report (4).pdf -- pages 47, 48, 62

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

2021 Sustainability Report to be published in August 2022.

Publication

In voluntary communications

Status

Underway – previous year attached

Attach the document

Y

Hochschild Task Force For Climate Related Disclosures Form (1) (7).pdf

Page/Section reference

Hochschild Task Force For Climate Related Disclosures Form (1) (7).pdf - this is the TCFD form available on the company website.
All document is relevant.

Content elements

Strategy
Risks & opportunities
Emissions figures

Comment

Will publish updated disclosure in 2022.

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

Y
6701-HOC-AR21-Hoschchild_AR21_WEB-22-04-20.pdf

Page/Section reference

Net zero target: 51, 57
Incorporates TCFD: 64-67

Content elements

Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

Emissions figures for 2021 from before verification, will be restated in the2021 Sustainability Report.

C15. Biodiversity

C15.1

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

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity

Row 1	Yes, both board-level oversight and executive management-level responsibility	Sustainability Committee Participates on the Sustainability Committee which has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal & Corporate Affairs, and of Human Resources. The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes biodiversity, as they affect the Company's operations. For example, yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration. After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required. Chair of the Sustainability Committee and Chief Executive Officer (CEO) participate on the Sustainability Committee

C15.2

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

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments
Row 1	Yes, we have made public commitments only	Other, please specify Protect biodiversity and natural resources in the areas where the Company carries out its activities.

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?
Row 1	No, but we plan to assess biodiversity-related impacts within the next two years

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Other, please specify Continuous monitoring at all mine sites, progressive mine closure and rehabilitation of disturbed areas

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

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

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments	http://www.hochschildmining.com/en/responsibility

C16. Signoff

C-FI

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

The 2021 Sustainability report to be published in August.

C16.1

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

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

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

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

Please confirm below

Welcome to your CDP Water Security Questionnaire 2022

W0. Introduction

W0.1

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

Hochschild is a leading underground precious metals producer focusing on high grade silver and gold deposits, with over 50 years' operating experience in the Americas. We currently operate three underground mines, two located in southern Peru and one in southern Argentina. A fourth mine- Arcata did not operate in 2020 and is under temporary suspension until resources are confirmed. All of our underground operations are epithermal vein mines and the principal mining method used is cut and fill. The ore at our operations is processed into silver-gold concentrate or dore.

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

In 2021, Hochschild produced 12.2 million attributable ounces of silver and 221 hundred thousand attributable ounces of gold. This compared with 9.8 million attributable ounces of silver and 175 hundred thousand attributable ounces of gold in 2020. The emissions intensity, per thousand ounces of total silver equivalent produced, was 2.8 (location-based) and 1.59 (market-based) in 2021, compared with 2.76 (location-based) and 1.59 (market-based) in 2020.

W-MM0.1a

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

Activity	Details of activity
Mining	Gold Silver
Processing	Gold Silver

W0.2

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

	Start date	End date
Reporting year	January 1, 2021	December 31, 2021

W0.3

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

Argentina
Peru

W0.4

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

USD

W0.5

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

Companies, entities or groups over which operational control is exercised

W0.6

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

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Only including water consumption from operating mines.	Only including operating mines, since closed/suspended mines use water mainly for human consumption, and discharges from non domestic use are not related to production

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier

Yes, an ISIN code	GB00B1FW5029

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Neutral	Important	There are only a few production processes in operating mines that require good quality freshwater. Due to the importance of water, we do minimize consumption as much as possible and have set a target of 250 liters per person per day of potable water. We are also working towards increasing the amount of water recirculated in processing plants in order to reduce freshwater intake.
Sufficient amounts of recycled, brackish and/or produced water available for use	Vital	Vital	The bulk of operational water needs at our operations are met by recycled water (on average around 85%) within closed systems. Where insufficient recycled water is available to counter losses, we will utilize fresh or potable water.

W1.2

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

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	Water withdrawals are regulated by the National Water Authority in Peru, which grants permits on previously defined and approved volumes of water in the environmental permits. Water withdrawals are regularly reported to the authority. In Argentina, all wells must have an authorization from the Provincial Water Authority.

Water withdrawals – volumes by source	100%	Water withdrawals are regulated by the National Water Authority in Peru, which grants permits on previously defined and approved volumes of water in the environmental permits. Water withdrawals are regularly reported to the authority. In Argentina, all wells must have an authorization from the Provincial Water Authority.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	1-25	Entrained water associated with the metals & mining sectors are between 0.3 - 24%
Water withdrawals quality	100%	Water withdrawals are monitored according to the source and use
Water discharges – total volumes	100%	We monitor discharge using flowmeters - this data is reported to the Regulator
Water discharges – volumes by destination	100%	We monitor discharge using flowmeters - this data is reported to the Regulator
Water discharges – volumes by treatment method	100%	We monitor discharge using flowmeters - this data is reported to the Regulator
Water discharge quality – by standard effluent parameters	100%	We monitor discharge quality to ensure compliance with maximum permissible limits - this data is reported to the Regulator
Water discharge quality – temperature	100%	We monitor discharge quality to ensure compliance with maximum permissible limits - this data is reported to the Regulator
Water consumption – total volume	100%	We monitor discharge using flowmeters - this data is reported to the Regulator
Water recycled/reused	100%	We monitor discharge using flowmeters - this data is reported to the Regulator
The provision of fully-functioning, safely managed WASH services to all workers	100%	We monitor discharge using flowmeters - this data is reported to the Regulator

W1.2b

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

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	2,307.06	Higher	Total withdrawals increased by 23.5%. This was mainly due to the increase of the operative time. San José and Inmaculada mining units have intensified their operations between 2020 and 2021. It is estimated that operations have increased between 11-26% respectively, which is more than 90 days of the year. It should be noted that the percentage of recycled water was almost the same in both years.
Total discharges	3,913.59	Lower	Total discharges decreased by 4% mainly due to efforts to increase water reuse. For instance, starting in 2021, all treated domestic wastewater in Inmaculada is reused in processing as part of a project presented to the National Water Authority.
Total consumption	-1,606.53	Lower	Calculated as per the technical note, by subtracting the total water discharge from organizational boundary from total water withdrawn into the organizational boundary during the reporting period.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	76-99	About the same	WRI Aqueduct	Our mine in Argentina operates in water stressed areas which is why it is vitally important to minimize water

					consumption and increase water re-use.

W1.2h

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

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	93.74	Higher	Fresh surface water withdrawals increased by 12%, mainly due to the increase of operative time in Inmaculada and San Jose
Brackish surface water/Seawater	Not relevant			0
Groundwater – renewable	Relevant	2,213.33	Higher	2020 groundwater withdrawal restated following a review of underlying data from San Jose. Groundwater withdrawals increased by 24%, mainly due to the increase of operative time in Inmaculada and San Jose.
Groundwater – non-renewable	Not relevant			0
Produced/Entrained water	Not relevant			Volume unknown
Third party sources	Not relevant			0

W1.2i

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

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain

Fresh surface water	Relevant	3,913.59	Lower	Total discharges decreased by 4% mainly due to efforts to increase water reuse. For instance, starting in 2021, all treated domestic wastewater in Inmaculada is reused in for processing as part of a project presented to the National Water Authority.
Brackish surface water/seawater	Not relevant			0
Groundwater	Not relevant			0
Third-party destinations	Not relevant			0

W1.2j

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

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Relevant	3,846.85	Lower	100%	Industrial water discharged to the environment receives treatment according to its specific characteristics, in order to comply with maximum permissible limits. 4% reduction.

Secondary treatment	Relevant	66.74	Lower	100%	All domestic wastewater is treated in order to comply with regulations before discharge. 1% reduction, despite increased onsite personnel.
Primary treatment only	Not relevant				All water is treated before discharge
Discharge to the natural environment without treatment	Not relevant				All water discharged to the environment receives treatment according to the specific characteristics, in order to comply with maximum permissible limits.
Discharge to a third party without treatment	Not relevant				All water is treated before discharge
Other	Not relevant				All water is treated before discharge

W1.3

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

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	811,387,000	2,307.06	351,697.398420501	We aim to reduce water withdrawal in the future. In addition to the domestic water consumption target applied at the mine sites, we are implementing a new KPI to reduce fresh water use in the processing plants and increase water reuse.

W-MM1.3

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

Yes

W-MM1.3a

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

Product	Numerator: Water aspect	Denominator	Comparison with previous reporting year	Please explain
0.95	Freshwater withdrawals	Ton of ore processed	Lower	2,307,064.43 m3 freshwater (surfacewater and groundwater) withdrawal/ 2,419,802 tonnes of ore processed. Better use of water through recirculation efforts (4% reduction).

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

None and we do not plan to request this from suppliers

Rationale for this coverage

Not applicable

Comment

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Incentivizing for improved water management and stewardship

Details of engagement

Demonstrable progress against water-related targets is incentivized in your supplier relationship management

Other, please specify

Requirement to adhere to our onsite water tagets

% of suppliers by number

1-25

% of total procurement spend

1-25

Rationale for the coverage of your engagement

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

Impact of the engagement and measures of success

In 2021 we have saved 1.6 million m3 of drinking water at our mine sites.

Comment

W2. Business impacts

W2.1

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

No

W2.2

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

No

W3. Procedures

W-MM3.2

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

Country/Area & River basin

Peru

Other, please specify

Camana

Number of tailings dams in operation

0

Number of inactive tailings dams

4

Comment

Ares

- Presa de Relaves: undergoing closure - currently dewatering

Arcata

- Presa de Relaves No. 6: Care and Maintenance - Inactive due to temporary suspension of operations
- Presa de Relaves 1 - 4: Undergoing Closure - Inactive
- Presa de Relaves No. 5: Closed

Country/Area & River basin

Peru

Ocona

Number of tailings dams in operation

2

Number of inactive tailings dams

0

Comment

Pallancata
- Presa de Relaves No. 3: active
Inmaculada
- Presa de Relaves: active

Country/Area & River basin

Peru
Other, please specify
Interbasin Alto Apurimac

Number of tailings dams in operation

0

Number of inactive tailings dams

2

Comment

Selene
- Presa de Relaves No. 1: Undergoing Closure - Inactive
- Presa de Relaves No. 2: Undergoing Closure - Inactive

Country/Area & River basin

Argentina
Other, please specify
Río Deseado

Number of tailings dams in operation

2

Number of inactive tailings dams

1

Comment

San José
- Presa de Relaves No. 1: Care and Maintenance - Inactive
- Presa de Relaves No. 2: Active
- Presa de Relaves No. 3: Active

W-MM3.2a

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

Row 1

Evaluation of the consequences of tailings dam failure

Yes, we evaluate the consequences of tailings dam failure

Evaluation/Classification guideline(s)

Other, please specify

ICMM (2020) Global Industry Standard on Tailings Management

Tailings dams have been classified as 'hazardous' or 'highly hazardous'

Yes, tailings dams have been classified as 'hazardous' or 'highly hazardous' (or equivalent)

Please explain

Tailings dams in Peru were classified as high or very high under the ICMM (2020) as updated in the Church of England Pensions Board disclosure available on the company website. This is due mainly to the Andean topography and proximity to population. We continue to implement robust systems to manage TSFs which are assessed regularly. We have a policy for commissioning external inspections of operational facilities every two years. Our last audit took place in Q3 2021.

W-MM3.2b

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

Tailings dam name/identifier

Ares Presa de Relaves

Country/Area & River basin

Peru

Other, please specify

Camana

Latitude

-15.036

Longitude

-72.173

Hazard classification

High

Guideline(s) used

Other, please specify

ICMM (2020) Global Industry Standard on Tailings Management

Tailings dam's activity

Inactive

Current tailings storage impoundment volume (Mm3)

4.1

Planned tailings storage impoundment volume in 5 years (Mm3)

4.1

Please explain

TSF is currently being dewatered for closure, using advanced technology to be able to discharge water to the environment in compliance with the national discharge maximum permissible limits. Volume of tailings will not be increased.
We have comprehensive, Group-wide principles which guide our approach to the management of TSFs, which include:
– Implement an accountable TSF management structure
– Apply appropriate risk management strategies;
– Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;
– Take a safety-first approach in ensuring the responsible management of TSFs;
– Design and implement the necessary measures in the event of an emergency; and
– Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

Tailings dam name/identifier

Arcata Presa de Relaves 1 - 4

Country/Area & River basin

Peru
Other, please specify
Camana

Latitude

-14.988

Longitude

-72.308

Hazard classification

Very high

Guideline(s) used

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

Tailings dam's activity

Inactive

Current tailings storage impoundment volume (Mm3)

0.44

Planned tailings storage impoundment volume in 5 years (Mm3)

0.44

Please explain

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

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

– Implement an accountable TSF management structure

– Apply appropriate risk management strategies;

– Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;

– Take a safety-first approach in ensuring the responsible management of TSFs;

– Design and implement the necessary measures in the event of an emergency; and

– Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

Tailings dam name/identifier

Arcata Presa de Relaves No. 5

Country/Area & River basin

Peru

Other, please specify

Camana

Latitude

-14.99091

Longitude

-72.30946

Hazard classification

Very High

Guideline(s) used

Other, please specify

ICMM (2020) Global Industry Standard on Tailings Management

Tailings dam's activity

Inactive

Current tailings storage impoundment volume (Mm3)

1.01

Planned tailings storage impoundment volume in 5 years (Mm3)

1.01

Please explain

TSF is currently closed as reported in the updated Church of England Pensions Board disclosure available on the company website. Volume will not be increased.
We have comprehensive, Group-wide principles which guide our approach to the management of TSFs, which include:
– Implement an accountable TSF management structure
– Apply appropriate risk management strategies;
– Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;
– Take a safety-first approach in ensuring the responsible management of TSFs;
– Design and implement the necessary measures in the event of an emergency; and
– Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

Tailings dam name/identifier

Arcata Presa de Relaves No. 6

Country/Area & River basin

Peru
Other, please specify
Camana

Latitude

-14.98888

Longitude

-72.323396

Hazard classification

Very High

Guideline(s) used

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

Tailings dam's activity

Inactive

Current tailings storage impoundment volume (Mm3)

2.43

Planned tailings storage impoundment volume in 5 years (Mm3)

2.43

Please explain

Activities at Arcata are currently suspended, and the TSF is not operating. For the Church of England disclosure, we have considered that volume will not be increased. We have comprehensive, Group-wide principles which guide our approach to the management of TSFs, which include:
– Implement an accountable TSF management structure
– Apply appropriate risk management strategies;
– Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;
– Take a safety-first approach in ensuring the responsible management of TSFs;
– Design and implement the necessary measures in the event of an emergency; and
– Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

Tailings dam name/identifier

Selene Presa de Relaves No. 1

Country/Area & River basin

Peru

Other, please specify

Interbasin Alto Apurimac

Latitude

-14.658814

Longitude

-73.142156

Hazard classification

High

Guideline(s) used

Other, please specify

ICMM (2020) Global Industry Standard on Tailings Management

Tailings dam's activity

Inactive

Current tailings storage impoundment volume (Mm3)

1.85

Planned tailings storage impoundment volume in 5 years (Mm3)

2.12

Please explain

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

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

Tailings dam name/identifier

Selene Presa de Relaves No. 2

Country/Area & River basin

Peru

Other, please specify

Interbasin Alto Apurimac

Latitude

-14.660656

Longitude

-73.139718

Hazard classification

High

Guideline(s) used

Other, please specify

Interbasin Alto Apurimac

Tailings dam's activity

Inactive

Current tailings storage impoundment volume (Mm3)

1.4

Planned tailings storage impoundment volume in 5 years (Mm3)

1.58

Please explain

Tailings pond is currently undergoing closure, as reported in the updated Church of England Pensions Board disclosure available on the company website. Volume of tailings is considered to increase as part of the closure process.
We have comprehensive, Group-wide principles which guide our approach to the management of TSFs, which include:

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

Tailings dam name/identifier

Pallancata Presa de Relaves No. 3

Country/Area & River basin

Peru
Ocona

Latitude

-14.68444

Longitude

-73.145143

Hazard classification

Very High

Guideline(s) used

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

Tailings dam's activity

Active

Current tailings storage impoundment volume (Mm3)

4.27

Planned tailings storage impoundment volume in 5 years (Mm3)

4.56

Please explain

TSF currently operating.
We have comprehensive, Group-wide principles which guide our approach to the management of TSFs, which include:
– Implement an accountable TSF management structure which promotes learning and communication, and which maintains an interdisciplinary knowledge base to support safe tailings management through the TSF lifecycle;
– Apply appropriate risk management strategies;
– Take into account all relevant conditions, including those relating to topography,

climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;
– Take a safety-first approach in ensuring the responsible management of TSFs;
– Design and implement the necessary measures in the event of an emergency; and
– Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

Tailings dam name/identifier

Inmaculada Presa de Relaves

Country/Area & River basin

Peru
Ocona

Latitude

-14.934981

Longitude

-73.240113

Hazard classification

Very High

Guideline(s) used

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

Tailings dam's activity

Active

Current tailings storage impoundment volume (Mm3)

6.15

Planned tailings storage impoundment volume in 5 years (Mm3)

8.14

Please explain

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

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

W-MM3.2c

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

Procedure	Detail of the procedure	Please explain
Operating plan	An operating plan that is aligned with your established acceptable risk levels and critical controls framework	We set out below the comprehensive, Group-wide principles which guide our approach to the management of TSFs and which are consistent with Hochschild's corporate purpose: – Comply with all applicable regulatory requirements of all jurisdictions in which the Group Companies operate and Hochschild's corporate standards; – Implement an accountable TSF management structure which promotes learning and communication, and which maintains an interdisciplinary knowledge base to support safe tailings management through the TSF lifecycle; – Apply appropriate risk management strategies; – Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs; – Comply with regulatory requirements regarding public consultations with local communities on the design of new TSFs and their operation with a view to minimising their environmental and social impact; – Take a safety-first approach in ensuring the responsible management of TSFs; – Design and implement the necessary measures in the event of an emergency; and – Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.
Assurance program	An assurance program that includes an external audit covering the life of facility or the operating plans	We have a policy for commissioning external inspections of operational facilities every two years. Our last audit took place in Q3 2021.

W3.3

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

Yes, water-related risks are assessed

W3.3a

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

Value chain stage

Direct operations

Coverage

Full

Risk assessment procedure

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

Frequency of assessment

More than once a year

How far into the future are risks considered?

1 to 3 years

Type of tools and methods used

Enterprise risk management

Tools and methods used

COSO Enterprise Risk Management Framework

Contextual issues considered

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

Stakeholders considered

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

Comment

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

W3.3b

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

In the first place we identify the risk, then the probability of occurrence and the impact it can have on the company and its objectives. We verify the implemented controls in order to minimize the risk. In case there are not enough controls, we implement new controls and carry out continuous monitoring.

W4. Risks and opportunities

W4.1

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

Yes, only within our direct operations

W4.1a

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

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

W4.1b

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

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	2	1-25	Our San Jose mine has been assessed for water risk exposure and represents 1 of 6 facilities.

W4.1c

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

Country/Area & River basin

Argentina

Other, please specify

Rio Deseado

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

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

218,955,000

% company's total global revenue that could be affected

Unknown

Comment

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

W4.2

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

Country/Area & River basin

Peru

Other, please specify

Camana

Type of risk & Primary risk driver

Regulatory

Regulation of discharge quality/volumes

Primary potential impact

Fines, penalties or enforcement orders

Company-specific description

Severe precipitation events could result in the overtopping of the TSF; however, it is currently being dewatered with the state-of-the-art detoxification treatment plant implemented in 2021. In approximately 2-3 years once the dewatering has been completed, the risk will be reduced to medium-low.

Timeframe

1-3 years

Magnitude of potential impact

High

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

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

Primary response to risk

Increase capital expenditure

Description of response

Severe precipitation events could result in the overtopping of the TSF; however, it is currently being dewatered with the state-of-the-art detoxification treatment plant

implemented in 2021. In approximately 2-3 years once the dewatering has been completed, the risk will be reduced to medium-low.

Cost of response

5,600,000

Explanation of cost of response

US$5.6 M was the CAPEX cost of the infrastructure changes required to implement the detoxification treatment plant in order to comply with national regulations to dewater the TSF.

W4.2c

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

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

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

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

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

Our Inmaculada mine site was accepted into the Peruvian Water Authority Blue Certificate programme in 2019 and throughout 2020 we worked on the implementation of a water reduction programme with the objective of recirculating water from the domestic and grey water treatment plants to the processing plant through the installation of pumps and piping, always assuring an adequate quality of the treated water. In 2021, Hochschild successfully completed the goal set for reducing its water footprint in line

with the Blue Certificate water programme in the Inmaculada mining site. During the first year of implementation, savings achieved were over 47,000m3 – equivalent to a reduction of 12% of the annual industrial water consumed at the processing plant at Inmaculada and surpassing the initial goal of 20,000m3 per year.

Estimated timeframe for realization

1 to 3 years

Magnitude of potential financial impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

The opportunity here is to reduce water withdrawal for industrial purposes / production. In 2021, we saved over 47,000 m3 (freshwater) by reusing our treated domestic wastewater in the process. The financial impact is expected to be low.

W5. Facility-level water accounting

W5.1

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

Facility reference number

Facility 1

Facility name (optional)

Inmaculada

Country/Area & River basin

Peru

Ocona

Latitude

-14.94987

Longitude

-73.240459

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

1,569.91

Comparison of total withdrawals with previous reporting year

Higher

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

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

1,569.91

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

1,626.97

Comparison of total discharges with previous reporting year

Higher

Discharges to fresh surface water

1,626.97

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

-57.06

Comparison of total consumption with previous reporting year

Higher

Please explain

The discharge and water withdrawal increase is directly associated to the mine operative time increase.

Facility reference number

Facility 2

Facility name (optional)

Pallancata

Country/Area & River basin

Peru

Ocona

Latitude

-14.737892

Longitude

-73.171105

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

47.84

Comparison of total withdrawals with previous reporting year

Higher

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

47.84

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

2,260.46

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

2,260.46

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

-2,212.62

Comparison of total consumption with previous reporting year

Higher

Please explain

Decreased discharge is mainly related to extended periods (October to December) with no discharge of treated water from the TSF.

Facility reference number

Facility 3

Facility name (optional)

Selene

Country/Area & River basin

Peru

Other, please specify

Interbasin Alto Apurimac

Latitude

14.646336

Longitude

-73.142944

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

45.89

Comparison of total withdrawals with previous reporting year

Higher

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

45.89

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

26.16

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

26.16

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

19.73

Comparison of total consumption with previous reporting year

Higher

Please explain

In 2021 there were only discharges from treated domestic wastewater. Industrial water was all recirculated.

Facility reference number

Facility 4

Facility name (optional)

San Jose

Country/Area & River basin

Argentina

Other, please specify

Río Deseado

Latitude

-46.631621

Longitude

-70.294245

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

643.42

Comparison of total withdrawals with previous reporting year

Higher

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

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

643.42

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

0

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

643.42

Comparison of total consumption with previous reporting year

Higher

Please explain

2020 withdrawal data restated following a review of underlying data from San José., correct value is 543.83 megaliters/year.
The increase of final consumption is due to the mine operative time, compared with 2020, due to Covid related stoppages.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified

76-100

Verification standard used

NIEA 3000, as part of the verification of the Sustainability Report - GRI

Water withdrawals – volume by source

% verified

76-100

Verification standard used

NIEA 3000, as part of the verification of the Sustainability Report - GRI

Water withdrawals – quality by standard water quality parameters

% verified

Not verified

Please explain

Water discharges – total volumes

% verified

Not verified

Please explain

These volumes are reported to national authorities.

Water discharges – volume by destination

% verified

Not verified

Please explain

These volumes are reported to national authorities.

Water discharges – volume by final treatment level

% verified

Not verified

Please explain

These volumes are reported to national authorities.

Water discharges – quality by standard water quality parameters

% verified

76-100

Verification standard used

ISRS 4400, as part of the ECO Score assurance.

Water consumption – total volume

% verified

Not relevant

Please explain

-

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Company water targets and goals	We are committed to managing water responsibly, through safeguarding its availability by the efficient use of water resources within our mining operations. Our Environmental Policy covers the following topics related with water: 1. Comply with all legal and environmental regulations of the countries in which the Company operates, as well as the environmental requirements established by the Company. 2. Set an annual environmental performance goal for Company employees. 3. Require an efficient use of resources by implementing best-in-class industrial and mining practices, modern technologies, and robust procedures for environmental management and control. In compliance with this, we have the ECO Score, which incorporates quantitative and qualitative indicators and targets directly related to water management, by measuring water quality in discharges and water consumption. Additionally, in 2022 we will launch our ESG KPIs which will incorporate more water related targets to continue improving our water management. Hochschild-Sustainability-Report (4).pdf - see pages 42-44 [1]

[1] FINAL Hochschild-Sustainability-Report (4).pdf

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Other, please specify Chair of the Sustainability Committee	Participates on the Sustainability Committee which has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal & Corporate Affairs, and of Human Resources. The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes climate change and GHG emissions, as they affect the Company's operations. For example, yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration (for example, our water target of 250L / person / day). After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required.
Chief Executive Officer (CEO)	Participates on the Sustainability Committee which has delegated authority from the board. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal & Corporate Affairs, and of Human Resources. The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes climate change and GHG emissions, as they affect the Company's operations. For example, yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration (for example, our water target of 250L / person / day). After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of

	incidents or accidents that occur in order to assess whether policy improvements are required.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - all meetings	Monitoring implementation and performance Overseeing major capital expenditures Providing employee incentives Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Setting performance objectives	The Board approves Company's strategy and monitors implementation, providing leadership and support to the senior management team in achieving sustainable added value for shareholders. The Sustainability Committee has delegated authority from the board and their role is to ensure the efficient implementation of good governance practices. The Sustainability Committee consists of the CEO and 4 Independent Directors. Regular attendees are the COO and the Vice Presidents of Legal & Corporate Affairs, and of Human Resources. The role of the Sustainability Committee is to oversee and to make all necessary recommendations to the Board in connection with ESG issues, which includes climate change and GHG emissions, as they affect the Company's operations. For example, yearly ECO Score targets are recommended by management and these are presented to the Sustainability Committee for review and consideration. After adequate review and discussion with management, the Sustainability Committee then takes the ECO Score targets to Board for approval. The Sustainability Committee also focuses on compliance with national and international standards to ensure that effective systems of standards, procedures and practices are in place at each of the Company's operations and is responsible for reviewing management's investigation of incidents or accidents that occur in order to assess whether policy improvements are required.

			The Sustainability Committee was convened four times in 2021.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues
Row 1	Yes	Previous experience and executive responsibility for aspects of climate change and water management.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Executive Officer (CEO)

Responsibility

Assessing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

As important matters arise

Please explain

Participates on the Sustainability Committee which has delegated authority from the board.

Name of the position(s) and/or committee(s)

Environment/Sustainability manager

Responsibility

Assessing future trends in water demand
Assessing water-related risks and opportunities
Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

As important matters arise

Please explain

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

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

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

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Please explain
Monetary reward	Corporate executive team Chief Executive Officer (CEO) Chief Financial Officer (CFO) Chief Operating Officer (COO)	Reduction of water withdrawals Reduction in consumption volumes Improvements in efficiency - direct operations Implementation of employee awareness campaign or training program	We established the ECO Score program in 2017, which brings together the management/mitigation of environment and climate change risks. The ECO Score incorporates quantitative and qualitative indicators directly related to environmental management and climate-related issues- including water consumption and waste generation - and forms a link between our employees and our environmental performance since they are directly related to our daily activities. Performance against the annual ECO Score objective determines the extent of annual bonus payouts to eligible employees, thereby employees co-operate in reducing the company's environmental footprint.

	Chief Purchasing Officer (CPO) Chief Risk Officer (CRO) Other, please specify Employees		The results are shared across the company on a monthly basis.
Non-monetary reward	Corporate executive team Chief Executive Officer (CEO) Chief Financial Officer (CFO) Chief Operating Officer (COO) Chief Purchasing Officer (CPO) Chief Risk Officer (CRO) Other, please specify Employees	Reduction of water withdrawals Reduction in consumption volumes Improvements in efficiency - direct operations Implementation of employee awareness campaign or training program	We have a general recognition program open for anyone.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

As a foundation of everything we do, all employees must comply with our Code of Conduct. One of the basic principles of our Code of Conduct is to behave with honesty, integrity and professional ethics, as well as behave with professionalism and responsibility at all times. Breaches are treated very seriously and to facilitate anonymous reporting, the Company has a Whistleblowing Policy.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

No, and we have no plans to do so

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	We consider water related issued in our risk assessments and during environmental impact / permitting processes. Any relevant water related issues are incorporated into short- to -long-term strategic plans.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	We consider water related issued in our risk assessments and during environmental impact / permitting processes. Any relevant water related issues are incorporated into short- to -long-term strategic plans.
Financial planning	Yes, water-related issues are integrated	5-10	We consider water related issued in our risk assessments and during environmental impact / permitting processes. Any relevant water related issues are incorporated into short- to -long-term strategic plans.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

-84

Anticipated forward trend for CAPEX (+/- % change)

84

Water-related OPEX (+/- % change)

8

Anticipated forward trend for OPEX (+/- % change)

10

Please explain

CAPEX varies year to year mainly depending on water related infrastructure. The decrease is related with the large investmen made in 2020 for the detoxification treatment plant in Ares. As no comparable project was implemented in 2021, the CAPEX decreased. However, 2022 has some new water related requirements, which explains the anticipated forward trend.
OPEX may be driven by CAPEX, e.g. new plants require additional OPEX. Anticipated water related OPEX trend is to increase. This is consistent with data, 8% increase in 2021 compared with 2020 and an expected 10% increase in 2022.
These figures include operation of water treatment plants, monitoring, payments associated with permits, maintenance of water management structures, etc. in the mines in Peru.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	We are in the process of implementing an adaptation plan to identify and mitigate chronic physical risks. Based on the climate risk assessment conducted, climate change will likely result in the following risks: • Intense rainfall/long duration rainfall • Chronic drought • Extreme precipitation events (heavy snowfall, intense rains) can impact roads and transportation to/from the mines. • High winds, snow and ice, and electrical storms • Free-thaw cycles and increasing extreme cold temperatures

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy

Row 1	Climate-related	Parameters: - Continue meteorological parameters monitoring - Continue flows monitoring Assumptions: – The recognition of climate-change related risks in Hochschild - Risk Register resulting in the monitoring of mitigating actions by the Risk Committee, Sustainability Committee and, as appropriate, by the Board; – Increasing the percentage of recycled water used in processing plants at Inmaculada and San Jose; – Assessing purchasing increased levels of energy from renewable sources.	RCP 2.6 was used as our <2°C Scenario to force our models and GHG targets to align with the mid-century goals of the Paris Agreement. The RCP 2.6 scenario is based on the assumption that the international community uses the ratchet mechanism in the Paris Agreement effectively to limit the average global temperature to 2ºC, with countries increasing their ambitions for emissions reduction by 2025. It is important to acknowledge that the IEA itself suggests that this scenario is ambitious. Moreover, the path to achieving a 2°C scenario is uncertain with respect to factors that will shape energy demand, energy mix and pricing. This scenario was used to assess our market (electric vehicles), regulatory (e.g., carbon pricing), technology and renewable energy risks / opportunities (e.g., increased adoption of renewables resulting in improved ROI). For each scenario, the time horizon was set between the 2020's and the 2070's as this aligns with our mines current operational lives and decommissioning phases. Our scenario analysis covers all of our operating sites and take into consideration down stream and upstream impacts.	Changes in climate and weather patterns, including the occurrence of extreme weather events such as higher rainfall, droughts, and storm conditions, may cause operational disruption and, at worse, could result in a suspension of operations. Failure to comply with climate-related laws and regulations could result in reputational risks for Hochschild, increased costs and longer permitting delays. Lack of climate change actions could result in restricted access to the capital

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	No, but we plan to address this within the next two years	Important but not an immediate business priority	We are currently working on reducing our water footprint through several mechanisms. Based on this we will carry out an assessment and benchmarking against our peers to determine if our products are classify as low water impact, and if not, take additional measures.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Site/facility specific targets and/or goals	Targets are monitored at the corporate level	Water is a shared, vital and increasingly scarce resource. According to UNFCCC projections, water is one of the resources most affected by climate change. It is a critical resource for the mining industry and used as a basic input for ore processing. If a mine does not manage its water use adequately, it can negatively affect water sources in surrounding areas from both a quality and quantity perspective. Despite the increased water consumption from adopting COVID-19 protocols, we still succeeded in achieving our most stretching internal objective to keep water

			consumption below 250 litres/ person/day. Furthermore, since implementation of the ECO Score, consumption of potable water has been reduced by 43%. In 2021, we have saved 223,959.7 cubic metres of potable water. This is equivalent to 429 million bottles of water. We also monitor the percentage of recirculated water used in processing plants, in order to reduce freshwater consumption. In 2021, 85% of water used in processing plants was recirculated.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Water consumption

Level

Company-wide

Primary motivation

Risk mitigation

Description of target

Keep potable water consumption below 250 litres/ person/day

Quantitative metric

Other, please specify

litres/ person/day

Baseline year

2015

Start year

2015

Target year

2021

% of target achieved

100

Please explain

For 2021, our daily water consumption was 192.57 litres/person.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, we are waiting for more mature verification standards and/or processes

W10. Sign off

W-FI

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

The 2021 Sustainability report to be published in August.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

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

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

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

Please confirm below

I have read and accept the applicable Terms