



REPORT ON THE
INTERNATIONAL COUNCIL
ON MINING AND METALS
(ICMM)'S PERFORMANCE
EXPECTATIONS

SEPTEMBER 2022

**WE ARE MINSUR, A COMPANY THAT SEEKS
TO IMPROVE LIFE BY TRANSFORMING
MINERALS INTO WELLBEING.**

Sustainability is an essential part of our business strategy, and this is reflected in how we do things: ethically, transparently and focused in generating value for our stakeholders.

Since 2018, we are the first and only Peruvian company member to the International Council on Mining and Metals (ICMM), an international organization that gathers 26 mining companies and 35 organizations that foster the best practices for safe, fair and sustainable mining.

As members, we adhere to their 10 Principles for Sustainable Development, 8 Position Statements and 39 Performance Expectations, that guide our actions, involve periodic reviews by independent third parties and help us drive continuous improvement at all levels of the organization.

Within the framework of these standards, in 2021 the ICMM published the “Assurance and Validation procedure”, based on which we, member companies, shall annually verify and disclose our level of compliance with respect to the established performance expectations.

As stated in the abovementioned procedure, in 2022 we conducted two processes:

1

Third-party verification of our 2021 Sustainability report, in accordance with the Global Reporting Initiative (GRI). This verification was conducted by PricewaterhouseCoopers LLP (PwC).

2

The self-assessment of Performance Expectations (PE) in all our operations and independent validation, for prioritized mining units, conducted by PricewaterhouseCoopers LLP (PwC), responsible for assessing the reasonableness and authenticity of the statements made. The results are presented in the report herein.



PRIORITIZATION

The prioritization criteria, approved by the Sustainability Committee for independent validation of ICMM's performance expectation, were: (i) geographical location and (ii) commodity. With that, the **San Rafael Mining Unit** and the **Smelting Plant and Refinery of Pisco** were assessed in 2022, thus covering our tin production in Peru. Furthermore, we established the following cycle of external validations.

COMPANY	ASSET	LOCATION	COUNTRY	EXTERNAL VALIDATION
Minsur	UM San Rafael	Puno	Perú	2022
Minsur	PFR Pisco	Ica	Perú	2022
Marcobre	Mina Justa	Ica	Perú	2023
Minsur	UM Pucamarca	Tacna	Perú	2023
Taboca	Pitinga	Amazonas	Brasil	2024
Taboca	PFR Pirapora	Sao Paulo	Brasil	2024



“La UM San Rafael es la principal mina de estaño de occidente y un gran contribuidor de recursos en la región Puno.”

VALIDATION CRITERIA

When validating performance expectations, the following results may be obtained:

	RESULT	DEFINITION
1	MEETS	Related systems and/or practices have been implemented and there is enough evidence that the performance expectation is being met.
2	PARTIALLY MEETS	Related systems and/or practices have been implemented only partially. There are gaps that may affect the foreseen result or there is not enough evidence.
3	DOES NOT MEET	The systems and/or practices that are necessary to support the main objective or the performance expectation are not in place, are not being applied or cannot be proved.

GENERAL RESULTS OF THE PERFORMANCE EXPECTATION SELF-ASSESSMENT PROCESS







Our operations' self-assessment results are expressed below. We observe a high level of compliance with improvement opportunities that have been included in internal action plans that will allow strengthening our environmental, social and governance management at all levels of the organization.

COMPANY	OPERATION	MEETS	PARTIALLY MEETS	DOESN'T MEET	NOT APPLICABLE
Minsur	Corporation	90%	10%	0%	0
	San Rafael	77%	23%	0%	1
	Pisco	88%	12%	0%	5
	Pucamarca	75%	25%	0%	3
Marcobre	Mina Justa	86%	14%	0%	3
Taboca	Pitinga	66%	34%	0%	2
	Pirapora	73%	27%	0%	5














Note: Performance expectations of San Rafael (Puno) and the SPR of Pisco were validated in 2022 through a third-party verification process.















INDEPENDENT VERIFICATION RESULTS IN DETAIL

PERFORMANCE EXPECTATIONS	SAN RAFAEL	PISCO	COMMENTS
1.1 Establishing systems to maintain compliance with applicable laws.			No comments
1.2 Implement policies and practices to prevent bribery, corruption and to publicly disclose facilitation payments.			No comments
2.2 Support the adoption of responsible health and safety, environmental, human rights and labor policies and practices by partners, suppliers and contractors, based on risks.			No comments














DETALLE DE LOS RESULTADOS DE LA VERIFICACIÓN INDEPENDIENTE

PERFORMANCE EXPECTATIONS	SAN RAFAEL	PISCO	COMMENTS
3.1 Support the UN Guiding Principles on Business and Human Rights, by developing a policy commitment to respect human rights, undertaking human rights due diligence and enabling processes to remediate adverse impacts that members have caused or contributed to.			No comments
3.2 Avoid involuntary physical or economic displacement of families and communities. Where this is not possible apply the mitigation hierarchy and implement measures that address residual adverse effects to restore or improve livelihoods.		NA	So far, no involuntary displacements have occurred, and we do not expect to have any. We are currently strengthening the land requirement analysis for future projects in order to minimize potential impacts.
3.3 Implement, based on risk, an approach consistent with the Voluntary Principles on Security and Human Rights.			No comments
3.4 Respect the rights of workers: not employing child or forced labor; avoiding human trafficking; not assigning hazardous/dangerous work to those under 18; eliminating all forms of harassment and discrimination; respecting freedom of association and collective bargaining; and providing an appropriate mechanism to address workers grievances.			No comments
3.5 Remunerate employees with wages that equal or exceed legal requirements or represent a competitive wage within that job market and assign regular and overtime working hours with legally required limits.			No comments
3.6 Respect the rights, interests, aspirations, culture and natural resource-based livelihoods of Indigenous Peoples in project design, development and operation; apply the mitigation hierarchy to address adverse impacts; and, deliver sustainable benefits.		NA	We have a Corporate Policy on Indigenous Peoples and we have recently updated our Social Management System, which establishes guidelines thereon. In our projects, we have planned to assess Indigenous Peoples' links and collective rights.
3.7 Work to obtain the free, prior and informed consent of Indigenous Peoples where significant adverse impacts are likely to occur, as a result of relocation, disturbance of lands and territories or of critical cultural heritage, and capture the outcomes of engagement and consent processes in agreements.		NA	We have a Corporate Policy on Indigenous Peoples and we have recently updated our Social Management System, which establishes guidelines thereon. In our projects, we have planned to assess Indigenous Peoples' links and collective rights.
3.8 Implement policies and practices to respect the rights and interests of women and support diversity in the workplace.			No comments













DETALLE DE LOS RESULTADOS DE LA VERIFICACIÓN INDEPENDIENTE

PERFORMANCE EXPECTATIONS		SAN RAFAEL	PISCO	COMMENTS
4.1	Assess environmental and social risks and opportunities of new projects and of significant changes to existing operations, in consultation with interested stakeholders, and publicly disclose assessment results.			No comments
4.2	Undertake risk-based due diligence on conflict and human rights that aligns with the OECD Due Diligence Guidance on Conflict-Affected and High-Risk Areas, when operating in, or sourcing from, a conflict affected or high-risk area.			No comments
4.3	Implement risk-based controls to avoid, prevent, minimize, mitigate and/or remedy health, safety and environmental impacts to workers, local communities, cultural heritage and the natural environment, based upon a recognized international standard or management system.			No comments
4.4	Develop, maintain and test emergency response plans. Where risks to external stakeholders are significant, this should be in collaboration with potentially affected stakeholders and consistent with established industry good practice.			Upon completion of our credible failure mode assessment (2023) and, after identifying potential impacts on the community, we will include emergency response actions in plans jointly developed with the population.
5.1	Implement practices aimed at continually improving occupational health and safety, monitoring performance to for the elimination of occupational fatalities and injuries and preventing occupational diseases based upon a recognized international standard or management system.			No comments
5.2	Provide workers with training in accordance with their responsibilities on health and safety, and implement health surveillance and risk based monitoring programs based on occupational exposures.			No comments

DETALLE DE LOS RESULTADOS DE LA VERIFICACIÓN INDEPENDIENTE

PERFORMANCE EXPECTATIONS		SAN RAFAEL	PISCO	COMMENTS
6.1	Plan and design for closure in consultation with relevant authorities and stakeholders, implement measures to address closure-related environmental and social aspects, and make financial provisions to enable agreed closure and post-closure commitments to be realized.			No comments
6.2	Implement water stewardship practices that provide for strong and transparent water governance, effective and efficient management and collaboration with stakeholders at the catchment level to achieve responsible and sustainable water use.			No comments
6.3	Design, construct, operate, monitor and remove tailings facilities, in line with internationally recognized good practices to minimize the risk of catastrophic failure.		NA	The plan for adherence to the ICMM global tailings management standard is being implemented according to the approved schedule
6.4	Apply the mitigation hierarchy to prevent pollution, manage releases and waste and address potential impacts on human health and the environment.			We have an Environmental Management System (ISO 14001 certified), which allows us to comply with industry regulations and best practices. As part of our continuous improvement processes, we are strengthening our wastewater treatment systems.
6.5	Implement measures to improve energy efficiency and contribute to a low-carbon future. Report the outcomes based on internationally recognized protocols for measuring CO2 equivalent (GHG) emissions.			We have a Climate Change Policy and the commitment to reduce our net emissions to zero (scope 1 and 2) by 2050. We are currently working on the design of a portfolio of renewable energy projects and programs to achieve this goal.
7.1	Neither explore nor develop new mines in World Heritage sites, respect legally designated protected areas. Design and operate any new operations to be compatible with the value for which such areas were designated.			No comments
7.2	Assess and address risks and impacts to biodiversity and ecosystem services by implementing the mitigation hierarchy, with the ambition of achieving no-net-loss of biodiversity.			No comments

DETALLE DE LOS RESULTADOS DE LA VERIFICACIÓN INDEPENDIENTE

PERFORMANCE EXPECTATIONS		SAN RAFAEL	PISCO	COMMENTS
8.1	In project design, operation and de-commissioning, implement measures for the recovery. Reuse, or recycling of energy, natural resources and materials.			We have been working to incorporate the circular economy approach from project's design through our Minsur Way standard. We are also updating our commodity and waste inventories to assess new opportunities.
8.2	Assess the hazards of the products of mining according to UN Globally Harmonized System of Hazard Classification and Labelling or equivalent systems and communicate as appropriate.			No comments
9.1	Implement inclusive approaches with local communities to identify their development priorities and support activities that contribute to their lasting social and economic wellbeing.			We have a Corporate Social Management policy, procedures, plans and monitoring mechanisms that allow us to incorporate community perceptions together with social, environmental and technical feasibility criteria, when designing our development projects. We are currently strengthening our engagement mechanisms within the framework of our Social Management System implementation.
9.2	Enable access by local enterprises to procurement and contracting opportunities across the project lifecycle, both directly and indirectly.			No comments
9.3	Engage stakeholders based upon an analysis of the local context and provide access to effective mechanisms for seeking resolution of grievances related to the company.			No comments
9.4	Collaborate with government, where appropriate, to support improvements in environmental and social practices of local Artisanal and Small-scale Mining.	NA	NA	No comments
10.2	Publicly support the implementation of the Extractive Industries Transparency Initiative (EITI) and compile information on all material payments to the government.			No comments

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