



THE PATH TOWARDS THE COUNTRY'S TRANSFORMATION

FORMALIZATION  
AND SECURITY **2024**  
SUSTAINABILITY  
REPORT



THOSE OF US,  
TRUE MINERS,  
KNOW THAT THERE IS  
ALWAYS LIGHT  
AT THE END OF  
THE TUNNEL



**Jesús Arias Dávila (1924-2011)**  
Founder of Compañía Minera  
Poderosa S.A.





## WE PROMOTE FORMALITY TO GUARANTEE OUR COUNTRY'S SECURITY AND DEVELOPMENT

We firmly believe that by promoting a culture of compliance with regulations and safety in our operations, we will boost the country's economic development, and at the same time, we guarantee the well-being of our operations and neighboring communities. Our agenda is clear, safety comes first. By working hand in hand with multiple stakeholders and adopting sustainable practices we contribute to build a fairer, more transparent and thriving mining sector for all Peruvian citizens.

At Poderosa, formality is our commitment to the country's sustainable development.



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We therefore contribute to protect and maintain forest biodiversity, productivity, and forest ecologic processes, besides showing our respect for the communities.

The information contained  
in this annual report cannot  
be used alone for invest-  
ment decisions.

DISCLAIMER [GRI 2-2] [GRI 2-3]

The 2024 Annual Report has been prepared under the principles of good faith and transparency, in accordance with the legal provisions in force and pursuant to the Manual for the Presentation of Annual Reports of the Peruvian Securities Market Superintendence (SMV); therefore, any deficiency or omission is not voluntary.

According to CONASEV’s General Management Order N° 211-98-EF/94.11 and its modi-  
fications, we hereby represent that this document contains true and sufficient information  
regarding the business of Compañía Minera Poderosa S.A. during 2024. Notwithstanding  
the liability of the people who have prepared it, the undersigned are liable for its contents  
pursuant to the legal provisions in force.

Evangelina Arias Vargas de  
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Daniel Ricardo Torres Espinoza  
Operations Manager

José Antonio Elejalde Noya  
Administration, Finance  
and Trade Manager

Iben Reyes Bendeزú  
Accountant General (i)



# LETTER FROM THE CHAIR OF THE BOARD OF DIRECTORS

[GRI 2-22]

The 2024 fiscal year has been particularly challenging due to the significant difficulties the company has faced. Informal and illegal mining, in collaboration with organized crime, continues to represent a major operational hurdle for our operations, and has already become the main threat to our sector and one of the most serious problems the country faces today. For this reason, I deem it essential to address this issue once more in this report.

## CONTEXT

To understand the impact of this crisis, it is important to analyze the context in which it is unfolding. In November 2024, the mining formalization process was extended for the third time, even though it was originally conceived as an exceptional and temporary measure. However, it has remained in force under different regulations for 22 years. This situation has created a system that, far from encouraging the transition into the formal sector, fosters impunity for informal and illegal mining.

The current regulatory framework allows the 83,931 companies registered with the REINFO (Comprehensive Mining Formalization Registry) to operate free of legal consequences owing to environmental harm and the unrestricted purchase of inputs or the sale of their production. Furthermore, it has allowed companies to register in areas where mining is not viable, including protected natural areas, third-party concessions, and areas outside Peruvian territory. The lack of oversight and the decision to delegate the process to regional governments that lack technical and financial capacity have worsened the crisis even further.

Most companies registered at REINFO that have settled within our concession, are in areas where Poderosa holds exploration or operating permits, in other words, these companies operate in restricted areas where no mining activities are allowed under the Comprehensive Mining Formalization Process framework. Third-party mining activities are being carried out illegally in restricted areas under the REINFO program and, as they are conducted within our areas of operation, they put our people, our operations, and our investments at risk. It is therefore essential that companies registered at REINFO, and operating in Restricted Areas, be removed from the REINFO registry as soon as possible.

## FALSE NARRATIVES

In recent years, misleading arguments have sought to turn the formalization process into a political rather than a technical issue.

One of the main myths is that there is a conflict between large mining companies and small miners. However, a review of companies registered with the REINFO reveals that 72.5% of those companies affect concessions held by small-scale and artisanal miners, while only 27.5% affect medium and large-scale mining operations.

Another false argument is the claim that concessions are in the hands of a few companies. The truth is that there are over 18,100 mining concession holders, and the four largest owners own less than 5% of the total concession area. Most mining production comes from companies that control less than 50% of concession areas, which debunks the myth of an alleged monopoly by a small number of companies.



AS A COMPANY, WE REAFFIRM  
OUR COMMITMENT TO  
RESPONSIBLE MINING AND TO  
THE DEFENSE OF THE PRINCIPLES  
THAT GUARANTEE SUSTAINABLE  
DEVELOPMENT FOR THE  
COUNTRY

Finally, it has been claimed that those registered with REINFO are willing to legalize their operations but are prevented from doing so due to bureaucratic requirements. However, the process only requires five basic conditions to be met and yet, less than 25% of those registered are active, which clearly shows a lack of genuine commitment to legal formalization.

INDUSTRY AND COUNTRY RISK

The formalization process has led to numerous risks that affect formal mining and the country's stability. Congress is debating initiatives that could undermine mining property rights, including the possibility of expropriating concession areas and handing them over to encroachers. In addition, there are plans to reduce the time required to start operations, with complete disregard for the huge bureaucratic burden and operational challenges formal mining companies must face.

Commercial risk is also growing due to mineral laundering by unregulated intermediaries. This not only facilitates the entry of illegal gold into formal markets, but it also contributes to financing illicit activities such as drug trafficking and extortion. Should this trend continue, the country could face international sanctions and restrictions in global markets.

THE REAL IMPACT OF ILLEGAL MINING

The negative effects of illegal mining go beyond economic and environmental issues. Recently, we have observed close ties with organized crime, including human trafficking, contract killings, and extortion. For example, in Pataz, several attacks on mining infrastructure have been reported, including 14 power transmission towers that were blown up between 2022 and 2024, and another two towers that were destroyed with explosives in January 2025. Violence among illegal gangs has spiraled to the point that in October, a mass grave with 16 bodies was found in an area under dispute by criminal groups.

Poderosa's concessions have been invaded by illegal miners, who have taken control of 25 areas of the mine, directly impacting our reserves and investments. Inaction by the authorities has enabled hundreds of illegal miners to operate in areas where they cannot obtain formal permits, causing the company and the government to lose millions.

As regards the environment, illegal mining has caused irreparable environmental damage. While formal mining operations adhere to strict environmental protection standards, illegal operators pollute rivers and soil without facing any repercussions. The existence of 44 illegal plants operating in Pataz, and over 2,000 third-party mining environmental liabilities

within our concessions reflect the magnitude of the problem, which we have reported to our authorities.

It is with deep sadness that we report the irreparable loss of 18 employees killed in attacks by illegal miners between 2022 and 2024, including one last September. We also mourn the death of two artisanal miners murdered by illegal miners in the first quarter of 2025.

FINAL THOUGHTS

Peru's mining success story has been built on a system of concessions that provides legal certainty and predictability for investors. These are essential conditions in a sector that demands long lead times to enable investments to mature at all stages. The journey from the discovery of a deposit to the start of mining operations typically takes several decades. Then, along the mine's life cycle, many more decades are needed to develop, maintain, and grow the operation; and finally, the necessary time for the adequate closure of the mining operation. However, this is being undermined by the growing influence of illegal mining, which poses a serious threat to the long-term stability of the mining sector and the country as a whole.

The Government must implement real incentives to foster the formalization process without sacrificing environmental or safety standards; but it must not continue with uncontrolled alternative schemes such as REINFO. At the same time, it is vital that robust control measures be set up to deter the violation of laws, including rigorous enforcement, harsh penalties, as well as regaining jurisdictional control.

Illegal mining has outpaced drug trafficking and is now Peru's main illegal economy. The surge in illegal mining threatens national security, Government institutions, and social co-existence. Regrettably, the lack of control has enabled this illegal activity to penetrate the formalization process to gain a legal semblance. Thus, it is paramount for the government, the private sector, and civil society to adopt coordinated actions to eradicate this scourge and restore the rule of law in the impacted areas

As a company, we reaffirm our commitment to responsible mining and to the defense of the principles that guarantee sustainable development for the country. We will continue to work to protect our rights, preserve our operations and contribute to the fight against illegality in the mining sector.

Sincerely,  
Evangelina Arias Vargas de Sologuren

THE GOVERNMENT MUST  
IMPLEMENT REAL INCENTIVES  
TO FOSTER THE FORMALIZATION  
PROCESS WITHOUT  
SACRIFICING ENVIRONMENTAL  
OR SAFETY STANDARDS



# INDEX

12

ABOUT THIS REPORT

14

MAIN FIGURES

16

CHAPTER 1

WE ARE MINERA PODEROSA

76

CHAPTER 2

CORPORATE GOVERNANCE,  
ETHICS, COMPLIANCE AND  
ECONOMIC DEVELOPMENT

98

CHAPTER 3

OPERATIONAL EXCELLENCE

128

CHAPTER 4

ENVIRONMENTAL RESPONSIBILITY

176

CHAPTER 5

PODEROSA FAMILY

218

CHAPTER 6

VALUE CHAIN

236

CHAPTER 7

IMPACT ON THE TERRITORY

272

CHAPTER 8

FINANCIAL MANAGEMENT

278

CHAPTER 9

ANNEXES

294

GRI CONTEXT INDEX

300

INDEPENDENT LIMITED  
ASSURANCE REPORT

306

EITI COMMITMENTS

310

TABLES AND GRAPHS INDEX



# ABOUT THIS REPORT

[GRI 2-1] [GRI 2-2] [GRI 2-3] [GRI 2-4]

Our sustainability report is addressed to all our stakeholders to communicate the results of our economic, social, and environmental performance management. We consider this report as a key tool that helps us to understand the impact of our business and to promote transparency towards our stakeholders.

For the past fifteen years, we have produced our annual reports following the Global Reporting Initiative (GRI) methodology. The most recent report, corresponding to the period 2023, was published in 2024. The information contained in this report corresponds to the period between January 1st to December 31st, 2024, and has been designed following the GRI standards and in line with the EITI Standard Principles and Requirements. The period covered in the financial report corresponds to the period of this report.

The material topics disclosed in this document reflect the most relevant economic, environmental and social impacts of our activities, as well as those that can substantially influence our stakeholders' perception and decisions. The periodic evaluation of our materiality meets two functions: it helps us set and review our strategic sustainability, prioritizing our actions to achieve them; and it allows us to identify emerging topics and manage with due diligence those which are most relevant to our stakeholders from a sustainability perspective.

In this report there are no changes or restatements related to mergers or purchases, changes in the years or base periods, business nature or measurement methods. There have been no updates to the information presented in prior periods that should be evaluated.

This report includes a brief description and a link to our corporate organization, Asociacion Pataz. Poderosa's financial statement does not include that of Asociacion Pataz, for both institutions are managed independently, and they submit separate financial statements.

The Board of Directors is responsible for reviewing and approving the Annual Sustainability Report, to ensure the validation of the Material Topics and the operation's results. Information is collected from the different management areas of the company which is organized coherently and submitted to the Board for approval.

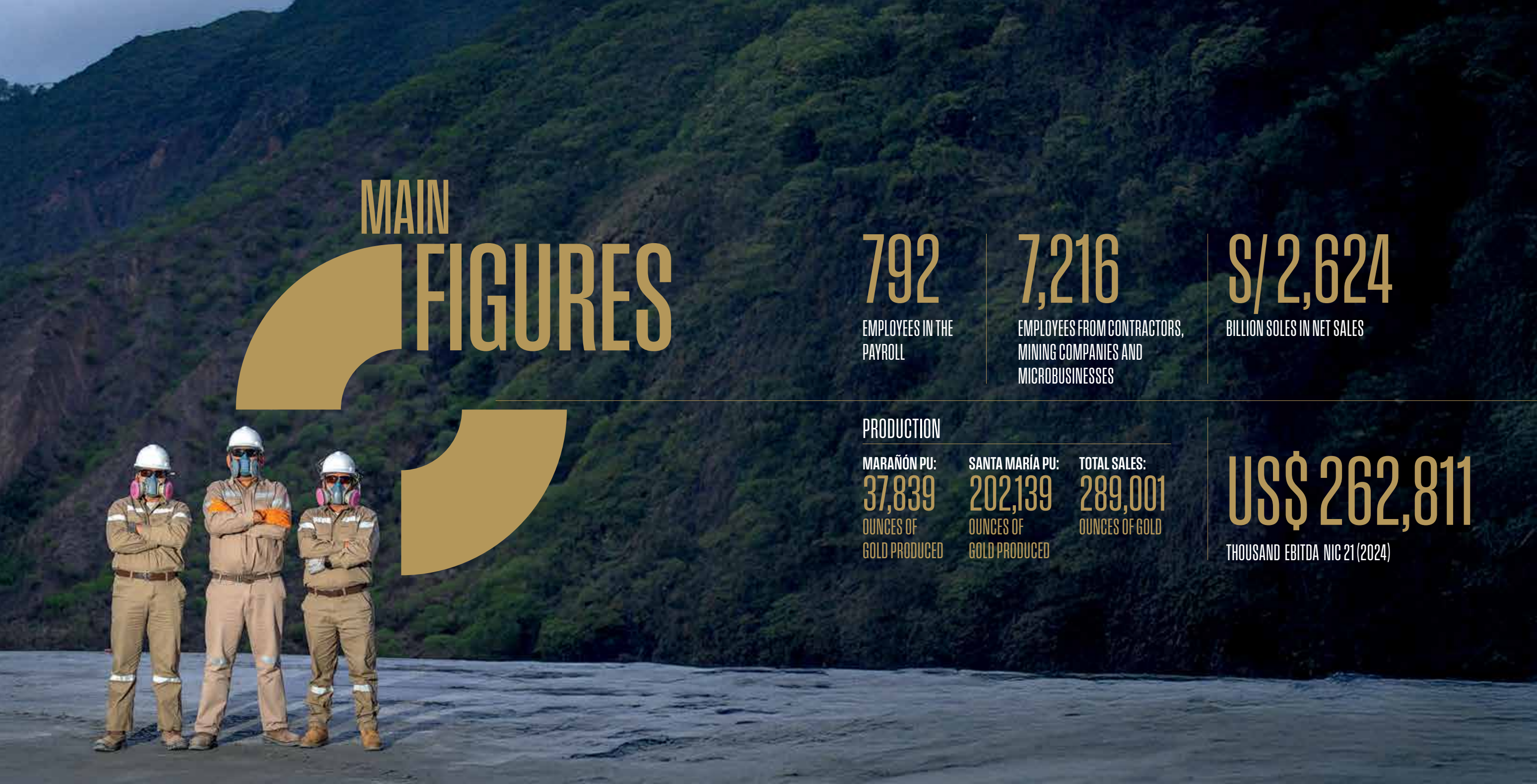
The electronic version of the 2024 Sustainability Report can be found in [www.poderosa.com.pe](http://www.poderosa.com.pe)

For further information about this report, please contact Compañía Minera Poderosa S.A. Social Responsibility and Communications Deputy-Management.

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Telephone: (511) 617-2727, annex 4107.  
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# CHAPTER

# 1

WE ARE MINERA  
PODEROSA





# ABOUT US

[GRI 2-6]

OUR WORKFORCE IS  
MADE UP OF OVER

8,000

PEOPLE, AMONG  
CONTRACTORS AND  
EMPLOYEES IN  
OUR PAYROLL

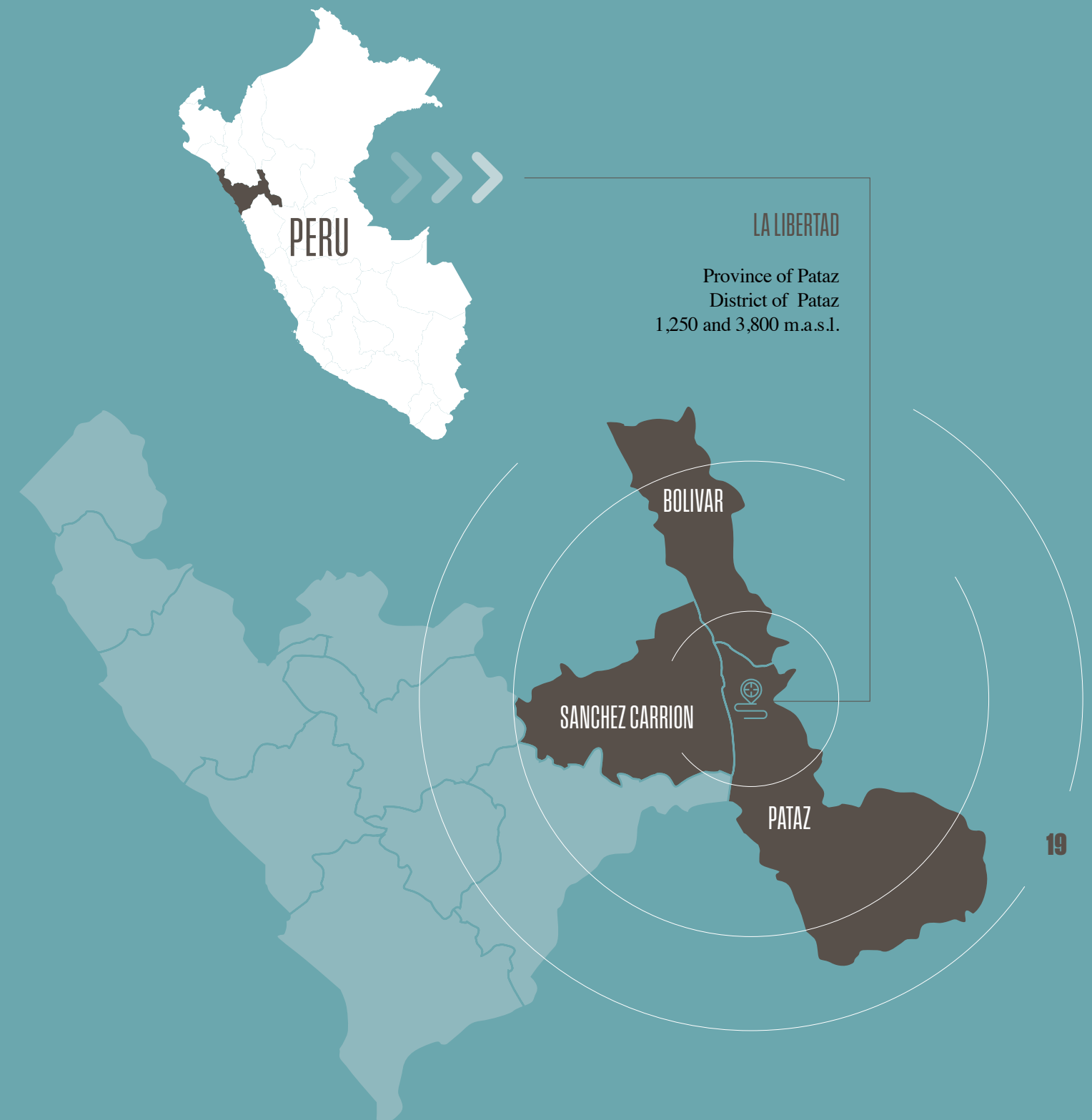
We are a private mining company, established under the name of Compañía Minera Poderosa S.A., a Peruvian corporation which since 1980 is engaged in mineral exploitation, extraction, processing, and trading.

Our focus is underground gold mining, and we are considered a middle-size mining company. We are located in the Pataz District and Province, approximately 320 km east of the city of Trujillo in La Libertad Region, Peru. Our position as an important company engaged in the extraction and processing of minerals in the area reflects our commitment with careful and responsible management in a challenging geographic environment, at altitudes between 1,250 and 3,800 m.a.s.l.

We have three production units: Marañón, Santa María, and Palca. All the same, we have administrative offices in Lima and Trujillo, strengthening our regional and domestic presence and consolidating our position as a key stakeholder in Peruvian mining. We do not have assets or affiliates abroad. Our headquarters are located in Avenida La Floresta N° 497, office 501, Urb. Chacarilla del Estanque, San Borja, Lima, Peru.

In Poderosa, our workforce is made up of over 8,000 people, among contractors and employees in our payroll, who perform essential roles throughout the mining value chain. Our commitment to responsible mining is translated into ongoing efforts to minimize environmental and social impacts related to our operations. This purpose is aligned to our mission to contribute to the sustainable development of the region and the country.

It should be noted that there are no significant changes in our value chain, sector, or other commercial relationships with respect to the previous reporting period.



# OUR DNA

Our culture is not just a set of standards or values; it is the vital force that drives each employee to innovate and meet common goals. By establishing our culture, we seek to guide the organization towards successful times and to become stronger to tackle any challenges.

To complement our effort with the organization’s culture, in 2024 we decided to define a leadership model based on con-

ducts for team management, all the same, we enablers were implemented to push and support our culture, the essence that defines who we are and the way we act.

Our raison d’être is to ensure the generation of value, development and sustainability for all the stakeholders involved in the business, taking care of the impact on the communities.

## OUR VALUES



### SAFETY FIRST

We prioritize life at all times and in all places. We are committed to the integral wellbeing of all the people with whom we interact.



### RESPECT

We value the people and our surroundings, we take into consideration every idea, opinion and the work of others, with empathy, building trust at every level.



### RESPONSIBILITY

We assume every action and decision with responsibility. We take special care for the safety and sustainability of our operations.



### COLLABORATION

We work towards a common goal, adding value to our processes, showing willingness to work as a team and recognizing other people’s success.



### INTEGRITY

We always act correctly, with ethics and honesty.



## VISION

TO BE THE COMPANY YOU CAN  
FEEL PROUD OF WORKING  
WITH



TO RESPONSIBLY TRANSFORM  
OUR MINERAL WEALTH INTO  
DEVELOPMENT OPPORTUNITIES  
AND WELLBEING

## PURPOSE





# OUR ORGANIZATIONAL STRUCTURE

[GRI 2-9]

We have a hierarchy and role distribution that starts with the General Shareholders Meeting, followed by the Board of Directors and the Executive Committee. The positions are structured into different levels and categories, such as officers and management team, which reflects a clearly defined corporate organization. All the same, we include different specialization areas such as legal, security, public projects, geology, operations, among others.

In 2024 the Innovation and Strategic Projects Deputy Management was created, under the leadership of Engineer Diego Sologuren Arias. All the same, this year Engineer Fausto Cueva Castillo retired, and left the Geology and Explorations Management position. Our organization is very grateful to him for the years of work and dedication to our company.

Our organizational structure is made up as follows:

- **General Shareholders Meeting: Highest ruling body of the company that groups the shareholders.**
- **Board of Directors: Chaired by** Evangelina Arias Vargas de Sologuren, **Chairperson of the Board of Directors with executive functions.**
- **Executive Committee: Including Russell Marcelo Santillana as General Manager.**
- **Officers and administrative team: It is made up of managers and heads of specific areas.**
  - Evangelina Arias Vargas de Sologuren - CEO
  - Russell Marcelo Santillana Salas - General Manager
  - Daniel Ricardo Torres Espinoza - Operations Manager
  - Carlos Oré Sánchez - Geology and Explorations Manager (e)
  - José Antonio Elejalde Noya - Administration, Finance and Trade Manager

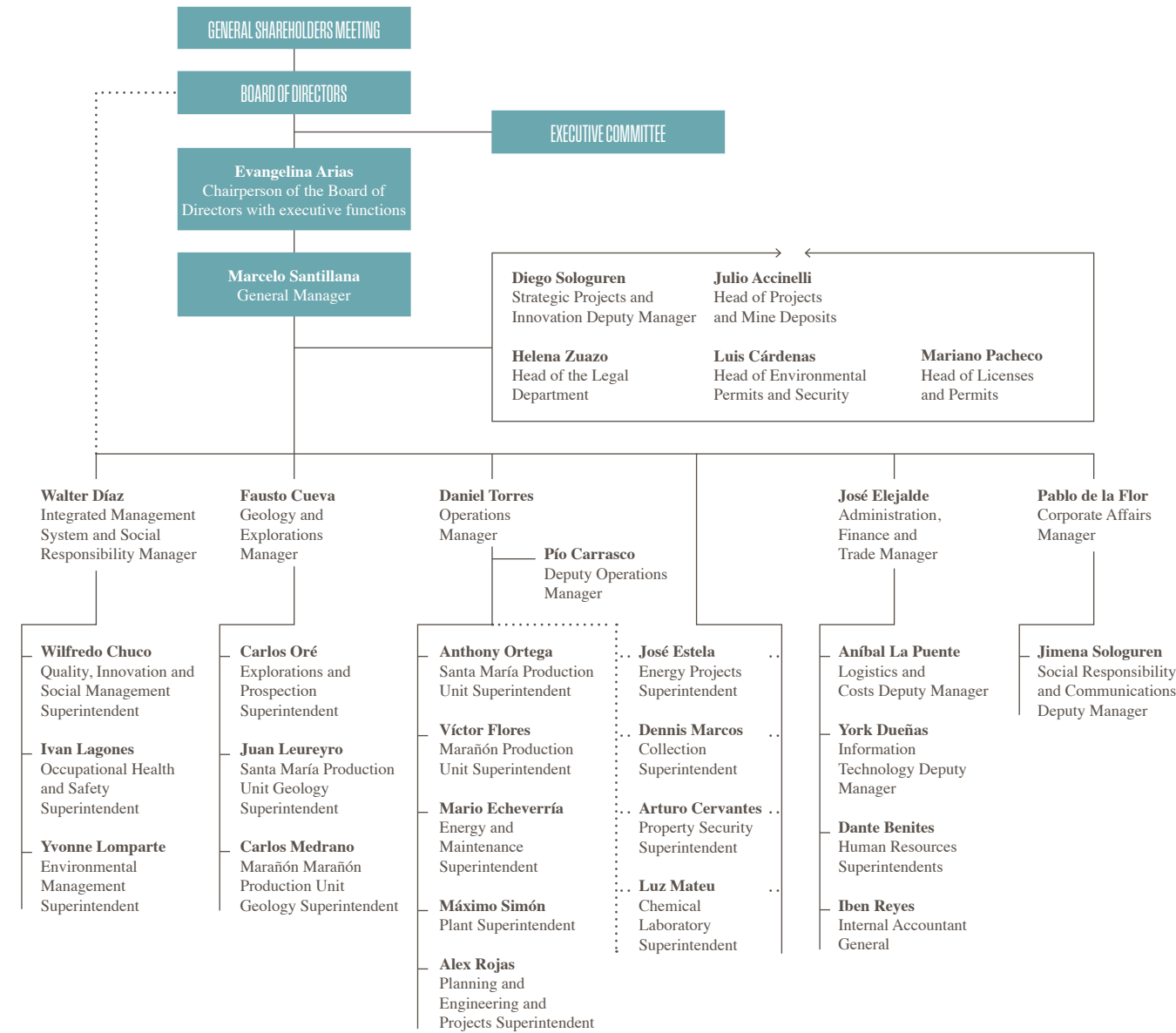
- Walter Teodoro Martín Díaz Meyzan - Integrated Management System
- Pablo Alfredo de la Flor Belaunde - Corporate Affairs Manager
- Jimena Patricia Sologuren Arias - Social Responsibility and Communications Deputy Manager
- Diego Sologuren Arias -Innovation and Strategic Projects Deputy Manager
- York Steve Dueñas Boada - Information Technology Deputy Manager
- Anfbal Ricardo La Puente Valdivia - Logistics and Costs Deputy Management
- Helena Zuazo Arnao - Head of the Corporate Legal Department
- Iben Reyes Bendeزú - Accountant General (i)

Below we present the breakdown of our officers according to their age and gender, a reflection of our commitment to diversity and inclusion at all levels of the organization. This data enables us to strengthen our equity policies and generate a more representative and fairer working environment.

TABLE 1. OFFICERS PER GENDER AND AGE

	FEMALE	MALE	TOTAL
Over 50 years	2	16	18
Between 30 and 50 years	3	8	11
TOTAL	5	24	29

GRAPH 1. ORGANIZATIONAL FLOWCHART



# OUR STAKEHOLDERS

[GRI 2-29]

THE IDENTIFICATION OF OUR  
STAKEHOLDERS ALLOWS US TO  
INCLUDE THEIR EXPECTATIONS  
AND NEEDS INTO OUR  
CORPORATE STRATEGY

We are proud to present a summary of our progress and perspectives regarding our stakeholders. In each one of our interactions with shareholders, employees, suppliers and the community, we try to balance the achievement of our corporate goals with social wellbeing and economic development promotion.

The identification of our stakeholders allows us to include their expectations and needs into our corporate strategy. We are committed to holding ethical and transparent relations through channels and methodologies that foster open and constructive dialog, such as periodic meetings and updated reports. This approach includes a comprehensive analysis of the internal and external environment of our organization, supported by mappings and perception studies.

All the same, we have mechanisms designed to provide effective solutions to the requests of our stakeholders. Our complaints and grievances mechanism includes actions plans focused on remediating the negative impacts caused by or related to our activities. Furthermore, we have implemented social conflict monitoring based on ongoing dialog and follow-up and prevention reports.

## STAKEHOLDERS



- 01 SHAREHOLDERS
- 02 EMPLOYEES, WORKMEN AND OFFICERS
- 03 SUPPLIERS
- 04 COMMUNITY
- 05 GOVERNMENT
- 06 ARTISANAL MINERS
- 07 CUSTOMERS



TABLE 2. STAKEHOLDERS

SHAREHOLDERS

They own the company’s assets.		
COMMUNICATION MEANS	FREQUENCY	MAIN TOPICS AND CONCERNS
General shareholders’ meeting, website, annual report, e-mail, telephone.	Annual	<ul style="list-style-type: none"><li>Occupational health and safety approach, asset security and community relations.</li><li>Exploration, reserves forecast and operations development.</li><li>Anti-corruption practices.</li></ul>

EMPLOYEES, WORKMEN AND OFFICERS

Those who carry out daily tasks, from strategic management down to operations		
COMMUNICATION MEANS	FREQUENCY	MAIN TOPICS AND CONCERNS
Daily Intranet, Batolito Comunitario and special newsletter, e-mail, periodic meetings, bulletin boards (updated weekly), suggestion box, internal social network	Permanent	<ul style="list-style-type: none"><li>Improved quality of life within the company</li><li>Adequate working conditions and good organizational climate</li><li>Economic performance and sustainability.</li><li>Compliance with occupational health and safety standards.</li><li>Equal opportunities and transparent promotion processes.</li><li>Ethical and transparent practices in the company.</li></ul>

SUPPLIERS

The companies or organizations providing products or services to the company.		
COMMUNICATION MEANS	FREQUENCY	MAIN TOPICS AND CONCERNS
E-mail, periodic schedules meetings, visits, telephone.	Permanent	<ul style="list-style-type: none"><li>Timely payments</li><li>Good occupational health and safety practices</li><li>Growth possibilities and continuous development opportunities</li><li>Company innovation practices that can improve supply</li><li>Goods and services quality</li><li>Transparent and fair selection, assessment, and reassessment processes</li></ul>

COMMUNITY

The communities and authorities directly or indirectly related to the company’s operations. Civil society organizations and local and regional governments are also included.		
COMMUNICATION MEANS	FREQUENCY	MAIN TOPICS AND CONCERNS
Periodic meetings, perception studies, Batolito Comunitario and special newsletter, radio.	Permanent Quarterly: Batolito Annual: Special newsletter	<ul style="list-style-type: none"><li>Community and population development and wellbeing.</li><li>Road Improvement, entrepreneurial and employment opportunities.</li><li>Increase in products yield and sales,</li><li>Water quality and quantity. The work with the JASS is appreciated.</li></ul>

GOVERNMENT

Group of national, regional, and local organizations directly or indirectly related with our activity.		
COMMUNICATION MEANS	FREQUENCY	MAIN TOPICS AND CONCERNS
Through the conducts established in the regulations that govern our economic activities.	As necesssary	<ul style="list-style-type: none"><li>Compliance with regulations in economic, environmental, and social aspects.</li><li>Compliance with occupational health and safety standards.</li><li>Multistakeholder dialog and cooperation,</li><li>Institutional synergy generation to drive the community’s sustainable development</li><li>Fight against corruption.</li><li>Innovation: transfer of technology and know-how.</li></ul>

ARTISANAL MINERS

Formal artisanal miners working within our direct area of influence and who deliver the mineral they extract to be processed by Poderosa.		
COMMUNICATION MEANS	FREQUENCY	MAIN TOPICS AND CONCERNS
E-mail, periodic meetings, technical visits, telephone.	Permanent	<ul style="list-style-type: none"><li>Support regarding security aspects</li><li>Transparent and timely liquidation process.</li><li>Possibility to constantly grow and develop.</li><li>Regional development</li><li>Responsible use of water in the company’s operations, prioritizing water availability for the community.</li></ul>

CUSTOMERS

The buyers of our final product. There is no customer classification or category.		
COMMUNICATION MEANS	FREQUENCY	MAIN TOPICS AND CONCERNS
E-mail, periodic meetings, annual survey, telephone.	Permanent Bianual: Survey	<ul style="list-style-type: none"><li>Interest in security matters in Pataz due to the attacks of criminals in the area.</li><li>Constant communication through news releases and meetings on security measures adopted by the company.</li></ul>



# DOUBLE MATERIALITY

[GRI 3-1] [GRI 3-2]

THE DOUBLE MATERIALITY PROCESS INCLUDES TWO PERSPECTIVES: THE WAY IN WHICH OUR OPERATIONS AFFECT THE SURROUNDINGS (IMPACT MATERIALITY) AND THE WAY IN WHICH THE EXTERNAL FACTORS IMPACT ON PODEROSA'S VALUE (FINANCIAL MATERIALITY)

In 2023 we carried out the first double materiality process, which was in force during 2024. This approach is instrumental to identify priority topics in our environmental, social and governance management, allowing us to comprehensively assess real and potential impacts of our activities.

The double materiality process includes two perspectives: the way in which our operations affect the surroundings (impact materiality) and the way in which the external factors impact on Poderosa's value (financial materiality). This methodology reinforces our commitment to transparency and accountability in all our activities.

We are committed to transparently communicating the progress and challenges of our management to our stakeholders, thus contributing to a more responsible business environment aligned with the best international practices. As active members of the Extractive Industries Transparency Initiative (EITI), we understand the importance of disclosing accurate and complete information about our operations, reaffirming our commitment to accountability and sustainability.

The 14 material topics identified guide our strategic and operational decisions, for they are completely integrate into our business strategy. This allows us to clearly and transparently inform our stakeholders about our management's progress and challenges, building trust among our stakeholders.



## DOUBLE MATERIALITY PROCESS METHODOLOGY

### 01 CONTEXT ANALYSIS

- We carried out benchmarking with other relevant industry companies both domestic and international.
- We reviewed standards for the mining industry such as sustainability reference standards.
- We reviewed studies on the mining industry trends.
- We reviewed key documents related to our sustainability strategy, commitments, policies, codes of conduct, among others.

### 02 IMPACT IDENTIFICATION

- To identify actual and potential impacts derived from our management that affect the environment as well as those coming from the environment that affect our value as a company, we carried out the following:
- We reviewed the list of material topics defined in 2020.
  - We analyzed the company's risk matrix.
  - We held a panel with leaders to identify impacts and assess them according to probability and severity criteria.
  - We interviewed the General Manager to understand the priority topics in the company's long-term management.

### 03 INTERNAL RELEVANCE ASSESSMENT

We interviewed our stakeholder groups (community, employees, suppliers, artisanal miners, Government, Asociación Pataz and shareholders) to identify impacts and assess them according to their severity.

### 04 DEFINITION OF MATERIAL TOPICS

- We validated the impacts with key areas of the company.
- We prioritized the most relevant impacts.
- We defined 14 material topics.

TABLE 3. LIST OF MATERIAL TOPICS

SIGNIFICANT IMPACT	REAL OR POTENTIAL	NEGATIVE OR POSITIVE	IMPACT ON STAKEHOLDER GROUP OR COMPANY
SOCIAL DIMENSION			
Asset security			
Strikes, roadblocks, attacks, or defamation by criminal groups with ties to illegal mining cause reputational, economic, and personal safety and security damage to Poderosa’s personnel.	R	−	Company
Protecting the company’s property and assets by implementing security procedures in case of social conflict.	P	+	Company
Employees feel uneasy and insecure due to the impacts caused by illegal miners, despite the company putting controls in place	R	−	Employees
Ensuring the safety of employees in the event of conflict.	R	+	Employees
Mining Formalization			
Operations are impacted due to the Government’s failure to mitigate crimes caused by illegal miners, thus jeopardizing the company’s continuity.	R	−	Company
Improve relations with the Government by helping to formalize the mining sector.	P	+	Company
Loss of human lives due to illegal mining despite the company’s efforts to stop crimes.	R	−	Employees
Stop criminal activities, increase order and control through the formalization process of mining activities.	R	+	Employees
Community relations			
Generation of conflicts (kidnappings, roadblocks, takeover of facilities, attacks to personnel, etc.) due to non-compliance of agreements with the community.	R	−	Company
Continuity of operations due to improved relations with the community.	P	+	Company
Impact on community traditions and dynamics (cultural identity, use of land and natural resources, traditions, etc.) because of the Company’s presence.	P	−	Community

SIGNIFICANT IMPACT	REAL OR POTENTIAL	NEGATIVE OR POSITIVE	IMPACT ON STAKEHOLDER GROUP OR COMPANY
Development of social projects in the community to help enhance quality of life for the community.	R	+	Community
Human Rights			
Members of the PNP (Peruvian National Police) commit human rights violations or make inadequate use of the force against community members or local leaders, resulting in serious injuries and allegations of complicity against the Company.	P	−	Company
The opportunity to belong to organizations renowned for respecting and promoting human rights.	P	+	Company
Discrimination that affects the dignity of employees or suppliers.	P	−	Employees, suppliers
Helping to eradicate child labor by providing training to related companies.	R	+	Suppliers, Community
Occupational health and safety			
Increased costs due to work-related accidents.	P	−	Company
Accident and occupational illness preparedness can reduce costs for medical care, workers’ compensation and production downtime.	R	+	Company
Minor, disabling or fatal accidents due to noncompliance with provisions and control measures regarding occupational health and safety (PETS, IPERC, 9 Golden Rules, among others).	R	−	Employees
Health and safety protection for employees.	R	+	Employees
Human capital management			
High turnover of contractor staff in the mining process.	R	−	Company
Increased employee retention due to a well-managed working environment.	R	+	Company
Impact on the work-life balance because of the work scheme and working hours.	R	−	Employees
Skills development and capacity building by providing training to our employees.	R	+	Employees



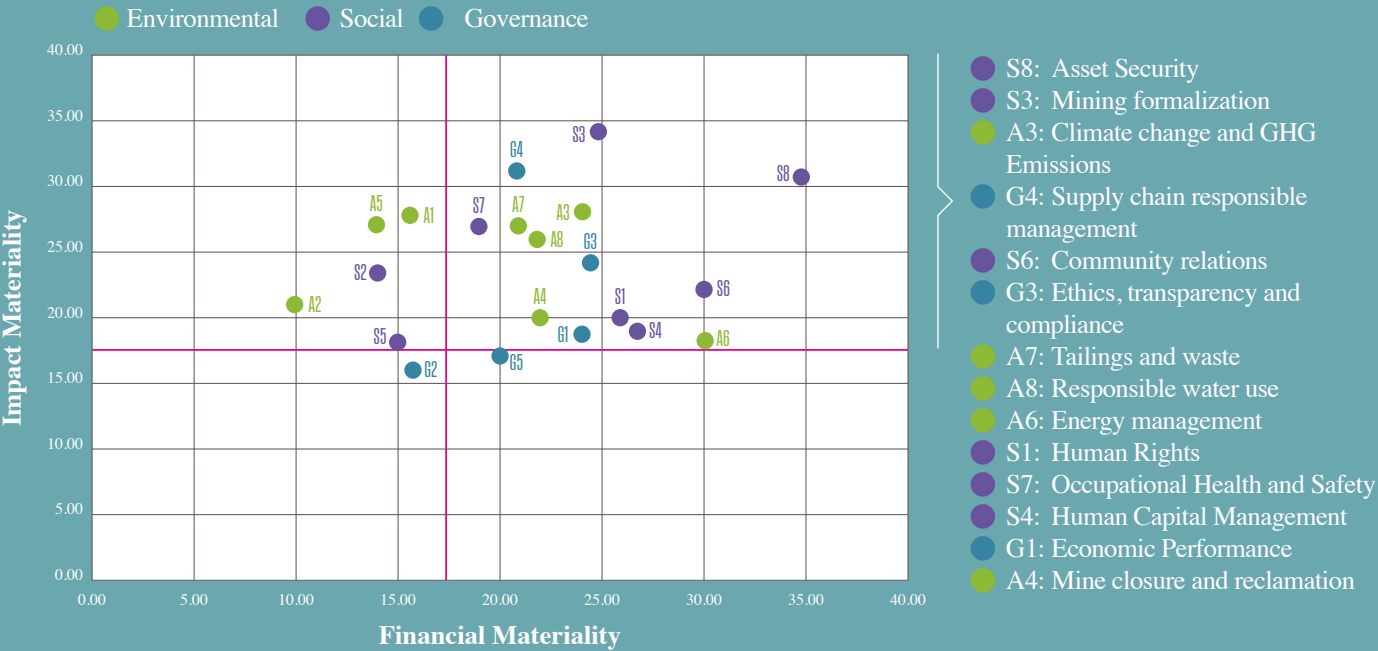
SIGNIFICANT IMPACT	REAL OR POTENTIAL	NEGATIVE OR POSITIVE	IMPACT ON STAKEHOLDER GROUP OR COMPANY
ENVIRONMENTAL DIMENSION			
Climate change and Greenhouse Gas (GHG) Emissions			
Physical damage to the operation’s infrastructure due to adverse weather events (landslides, slope failures, etc.)	R	—	Company
Acknowledgements for carbon footprint reduction efforts.	P	+	Company
Production of Scope 1, 2 and 3 GHG emissions, which have an impact on the environment.	R	—	Environment
Training on environmental issues for workers aimed at reducing the impacts arising from their activities.	R	+	Environment
Tailings and waste			
Reputational damage and possible conflicts with the community due to mine tailing spills.	P	—	Company
Efficient and responsible waste management, with a positive impact in the Company’s reputation.	R	+	Company
Generation of infectious sources for human health due to inadequate management of waste and tailings.	P	—	Community
Implementation of efficient management of all waste types.	R	+	Environment
Responsible water use			
Scarcity of water resources for the population and the Company, due to pollution of water sources by illegal miners.	R	—	Company
Cost savings from reduced water consumption in operations due to the introduction of new technologies.	P	+	Company
Contribution to water scarcity and depletion.	P	—	Community
Improvements in the drinking water system through the JAAS (Sanitation Management Boards), guarantee access to all the villages thus enhancing the local population’s quality of life.	R	+	Community

SIGNIFICANT IMPACT	REAL OR POTENTIAL	NEGATIVE OR POSITIVE	IMPACT ON STAKEHOLDER GROUP OR COMPANY
Energy management			
Costs increase due to prioritization of fossil fuels	P	—	Company
Reduced energy costs in our operations.	R	+	Company
Exclusive reliance on non-renewable energy sources causes high environmental impact.	P	—	Environment
Reduced emissions thanks to power generation and purchase of renewable energy.	R	+	Environment
Mine closure and reclamation			
Legal sanctions and reputational damage due to non-compliance with environmental standards during the mine closure and reclamation process.	P	—	Company
Permits to start new operations resulting from adequate mine closure and reclamation process.	R	+	Company
Irreversible degradation of the areas used due to inefficient management of mining activities.	P	—	Environment
Rehabilitation of the areas used to preserv and enhance ecosystems.	R	+	Environment



SIGNIFICANT IMPACT	REAL OR POTENTIAL	NEGATIVE OR POSITIVE	IMPACT ON STAKEHOLDER GROUP OR COMPANY
GOVERNANCE DIMENSION			
Responsible Management of the supply chain			
Theft, misappropriation or replacement of goods when transported by third-party operators.	P	−	Company
Application of good supply chain practices ensure the Company's sustainability.	R	+	Company
Non-compliance with employment conditions (remuneration, social benefits, insurance, working hours, etc.) by suppliers and contractors.	P	−	Suppliers
Supplier capacity building and transfer of ethical standards to them.	R	+	Suppliers
Ethics, transparency and compliance			
Failing to comply with social commitments undertaken, affects the Company's trust and credibility.	P	−	Company
Compliance system strengthening through generation and monitoring of compliance indicators.	R	+	Company
Unethical behavior of company employees results in community uneasiness.	P	−	Community
Increased stakeholder confidence by guaranteeing ethical and honest practices, an integrated management system, regulatory compliance, transparency and reporting.	R	+	Government, community, suppliers, artisanal Miners, employees, customers
Economic performance			
Loss of investors due to the company's poor financial performance, which hinders the Company's continuity.	P	−	Company
Increased investments due to good economic performance.	R	+	Company
Impact on stakeholders due to the company's poor economic profitability (less hiring capacity, lower salaries for employees, negative impact on the economy of suppliers and contractors).	P	−	Government, suppliers, Employees
Increase in value share distribution to society due to the company's positive economic performance.	R	+	Government, Community

GRAPH 2. DOUBLE MATERIALITY MATRIX



IMPACTS, RISKS AND OPPORTUNITIES MANAGEMENT RELATED TO THE MATERIAL TOPICS AREA DETAILED THROUGHOUT THIS REPORT. ALL THE SAME, WE MAKE SURE OUR STAKEHOLDERS PARTICIPATE THROUGHOUT THIS PROCESS.





# NATIONAL AND INTERNATIONAL BACKGROUND

## INTERNATIONAL OUTLOOK

The global economy, which showed signs of an economic upturn in 2024, has grown stronger in most countries, albeit with varied dynamics. Despite supply shocks caused by regional conflict and market turmoil, the global economy has flourished. Inflation, one of the main problems after the pandemic, is now under control, without affecting economic growth, thanks to the monetary policy driven by central banks. Among developed economies, the United States, consolidated economic growth reducing inflation-driven pressures, while at the same time it maintained a robust labor market. Overall, advanced economies grew at 1.8%, while developing economies rose 4.2%.

Globally, central banks managed reference base rates to keep inflation within their target ranges without impacting economic growth. However, uncertainty continued to loom in the markets owing to a potential escalation of hostilities in the Middle East together with the ongoing energy crisis in Europe because of the war between Ukraine and Russia. Nevertheless, global inflation has been driven by the services sector. According to the International Monetary Fund (IMF), the projected global inflation rate for 2024 was 5.8%.

As for base metals, their performance was mixed, unlike precious metals, which benefitted from their condition as safe-haven assets, amid growing uncertainty. Copper prices rose during the year, despite a few setbacks driven by the slowdown in China's manufacturing sector. According to Bloomberg figures, the price of three-month copper

contracts on the London Metal Exchange rose 2.62% compared to the previous year. Zinc contracts rose 13.64%, among fears of a tight supply; while gold prices saw a 27% increase, driven by demand from central banks, expected key cuts in the US Federal Reserve benchmark rates, and growing uncertainty sparked by conflicts in the Middle East and Ukraine.

Most global stock markets posted positive results in 2024. In the United States, economic growth and Donald Trump's victory provided an additional boost to stock markets, considered as "pro-market." According to the Lima Stock Exchange (BVL) Market Report, the S&P 500 index gained 25.55% over the year, while the Nasdaq index rose 26.99%. The best-performing sectors were technology, renewable energies, and consumer goods. In Europe, markets also posted gains, albeit to a lesser extent. The Stoxx 600 index, which includes the main stocks in the eurozone, rose 2.63%, while the Ibex 35 Index on the Madrid Stock Exchange, led the growth with a 12.54% increase. In Asia, the main index of the Chinese stock market spiked 16.85%, while Japan's Nikkei 225 index grew 8.24%.

The US dollar had a volatile year, as markets kept a close track on US economic figures to anticipate potential cuts in the US Federal Reserve's benchmark interest rates. Despite all the volatility, the dollar index, which measures the US dollar's performance against a basket of currencies, ended the year higher. Donald Trump's victory at the US elections further strengthened the currency and raised Treasury bond yields, due to expected economic policies that could generate inflationary pressures and limit benchmark

rate cuts in the US. In contrast, the euro dropped against the US dollar, especially in the last quarter of the year.

The main challenges of 2024 continue this year. The ongoing conflicts in the Middle East and Ukraine still pose a latent risk with worldwide implications. Moreover, the announced US-China trade war could spark greater volatility, given that a rise in tariffs would not only affect China, but also economies interconnected by global trade. Emerging economies, which rely heavily on exports, could be significantly hit, as could developed economies. Economic growth in Europe has lagged behind the United States, with no clear significant factors that could turn the situation around soon. China, one of the world's leading economies, has also experienced a slowdown, which could impact global growth in 2025. The International Monetary Fund estimates that next year, global growth will remain stable at 3.2%.

## NATIONAL OVERVIEW

2024 was a year of economic stability for Peru. Unlike the past two years, the country did not face the effects of adverse weather events or intense political instability. The Peruvian economy showed greater resilience both in terms of output and keeping inflation under control as well as maintaining the currency stable. Given this context, all sectors reported positive results throughout the year. According to the Central Reserve Bank of Peru (BCRP), the forecast for Gross Domestic Product growth, for 2024, will be 3.2%.

Fishing, agriculture, and manufacturing contributed the most to the country's economic recovery. Metal mining also performed well, driven not only by increased copper, silver, and lead production, among other minerals, but also by rising prices for precious metal. On the other hand, both the construction and services sectors thrived from the economic upturn in private spending and public investment.

As for the foreign exchange market, the Peruvian sol was the best performing Latin American currency in terms of volatility and lower depreciation (1.5%), as per the BCRP. This result was driven by the country's macro-economic soundness throughout 2024. It is worth highlighting that the Peruvian sol is the currency which has lost the least value against the US dollar since 2000. In contrast, the strength of the dollar and Donald Trump's election victory in the US impacted negatively on emerging market currencies. Those hit hardest were the Brazilian real, which suffered a 27.47% drop, and the Mexican peso, which fell 21.83% against the dollar.

The trade balance accumulated a greater surplus than the previous year, favored by enhanced terms of trade. This result was not only due to higher prices for exported goods, primarily precious metals, and some agricultural products, but also to an increase in export volumes. Likewise, the drop in import prices, particularly oil, contributed favorably to the trade balance.

During 2024, just as in the rest of the world, inflation in Peru was kept under control. Thus, inflation remained within BCRP's target bracket for most of the year. The seg-

THE INTERNATIONAL MONETARY FUND ESTIMATES THAT NEXT YEAR, GLOBAL GROWTH WILL REMAIN STABLE AT

3.2%

LA ECONOMÍA PERUANA MOSTRÓ MAYOR RESILIENCIA, TANTO EN TÉRMINOS DE ACTIVIDAD COMO EN EL CONTROL DE LA INFLACIÓN Y LA ESTABILIDAD DE LA MONEDA

ments that had the greatest impact on inflation were services, especially education, eating out, and transportation. The National Statistics and Informatics Agency (INEI) has forecasted national inflation for 2024, to be at 1.90%.

Global economic recovery, reduced inflationary pressures, and favorable corporate results drove stock markets worldwide. Most of the region's stock markets posted gains during 2024, except for Brazil and Mexico. In Peru, the Lima Stock Exchange (BVL) accumulated gains in most of its stock indices, especially in the financial, industrial, and construction sectors. The BVL General Index closed on December 30, 2024, with an 11.92% gain, while the Selective Index rose 15.79% during the same period.

As the global economy recovered, Peru continued the same growth track in 2024, consolidating stable foundations to help face the challenges of 2025. However, on a

global scale, geopolitical risks associated with conflicts in the Middle East and Ukraine continue. Moreover, Donald Trump's victory in the US poses new challenges due to his strategy of increasing tariffs, which could negatively affect the Peruvian economy. Locally, the growing fiscal deficit represents a significant risk to the country's economic stability. Furthermore, 2026 will be an election year, which historically causes market volatility and puts the local currency under pressure.

AVERAGE GOLD PRICES

The price of gold jumped 27% during 2024, hitting its highest value since 2010.

According to the London Bullion Market Association (LBMA), the price of gold reached 40 new highs throu-

ghout the year, setting a record of \$2,777.80 on October 30. This upward trend was driven mainly by growing demand from central banks, particularly the People's Bank of China, as well as growing uncertainty due to geopolitical conflict in the Middle East and Eastern Europe.

Another decisive factor that caused a spike in gold prices was expected interest rate cuts by the US Federal Reserve (Fed), as inflation almost reached the Fed's target level.

The average price of gold on the spot market during 2024 was \$2,386.20 per ounce, according to figures by Bloomberg Finance LP.

THE PRICE OF GOLD JUMPED 27% DURING 2024

TABLE 4. AVERAGE GOLD PRICE 2019-2024 IN USD/OZ

SECURITY PRICING SOURCE	XAUUSD BGN CURRENCY BGN
DATE	AVERAGE GOLD PRICE
2024	2,388.76
2023	1,943.56
2022	1,802.46
2021	1,798.84
2020	1,771.22
2019	1,393.82



US\$ 2,388.76

AVERAGE PRICE OF GOLD DURING 2024



# RISKS AND IMPACTS THAT AFFECTED US

## GLOBAL INSTABILITY

The international outlook for 2025 is especially uncertain. Newly elected US president Donald Trump has announced an aggressive tariffs scheme that could slow down global trade and negatively affect economic growth. Furthermore, the possibility of a trade war with China is a significant risk to emerging economies, particularly for countries like Peru that rely on the Asian giant as their main export market.

Tensions between the United States and its European allies are escalating due to the possible enforcement of tariffs and the US stance on negotiating a ceasefire and peace agreement to end Russia's invasion of Ukraine. This uncertainty adds yet another layer to global instability. Furthermore, recent statements and actions by the new administration seem to suggest a deep reappraisal of the world order established following World War II, with no clear indication of what system will replace it.

Another cause of instability in the region, is the US government's stance concerning control over the Panama Canal. Moreover, the mass repatriation of undocumented immigrants could pose serious logistical and humanitarian challenges for their countries of origin, including Peru, owing to the loss of remittances and the impact on the labor market.

On the other hand, while news of a possible ceasefire between Israel and Hamas in the Gaza Strip is encouraging, it is still unclear whether a lasting and stable peace agreement will be reached.

## DOMESTIC INSTABILITY AND POLARIZATION

El escenario político nacional muestra un preocupante declive. The national political scene is in a state of worrying decline. There is growing concern over the president's actions and that of some key cabinet members, as well as clashes between the Executive Branch and the Public Prosecutor's Office over various formal investigations into government officials. At the same time, Congress has enacted laws that,

far from benefiting citizens, seem to protect the interests of some legislators and their political parties. Hence, it is hardly surprising, that the popularity of the president, her cabinet, and Congress itself has reached historic lows, with public disapproval at an all-time high.

In view of the 2026 general elections, some political parties that have backed the government will try to distance themselves to avoid the political cost of widespread public rejection. As a result, they are likely to adopt a more critical stance of the government's performance, sparking a climate of tension and confrontation. Furthermore, since the Executive Branch will no longer have the power to dissolve Congress once elections are called, some political parties may submit a motion aimed to oust the president from office.

As regards the economy, the newly appointed Minister of Economy together with the announcement of a program to unlock investments may help boost the country's economic growth. However, failure to comply with monetary rules and high fiscal deficits pose a threat to the country's macroeconomic stability unless corrective measures are introduced.

## RISE IN CRIME RATES

One of the population's main concerns is the decline in public safety. Extortions have skyrocketed lately, affecting small business owners and citizens, particularly in main urban cities. We have also seen an alarming increase in homicide rates, which hit record levels in 2024.

The government appears overwhelmed by the number of criminal groups, while citizens call for a firm and effective response. However, to date, the government has failed to outline a comprehensive strategy to tackle the security crisis, which is on the verge of escalating even further.





# 10 ILLEGAL AND INFORMAL MINING

The main risk that Poderosa faces is the uncontrolled rise of informal and illegal mining and its associated criminal activity. We must not forget that over the past four years, 18 company employees have been killed in attacks carried out by illegal miners aided by criminal groups, while another 50 employees have been injured. In September 2024, a group of criminals used firearms and explosives to attack a private security company patrol group, killing one security guard, while another was left injured due to inhalation of toxic gases. Moreover, Poderosa has suffered attacks on its infrastructure, including 15 high- and medium-voltage pylons that were knocked down, (four of them in 2024).

Despite having declared a state of emergency in the area and the presence of a significant police and military detachment, illegal miners continue operating in 25 of our mine sites, acting with complete impunity amid inaction by law enforcement agencies, which have refused to enter the area despite repeated requests to intervene.

Approximately 455 informal/illegal mine entrances plus 52 mills and artisanal processing plants, operating in the area, have been fully identified and geo-referenced. However, efforts by authorities to shut down these illegal operations have been extremely limited and, in the few cases where they have, these efforts have been mainly unsuccessful.

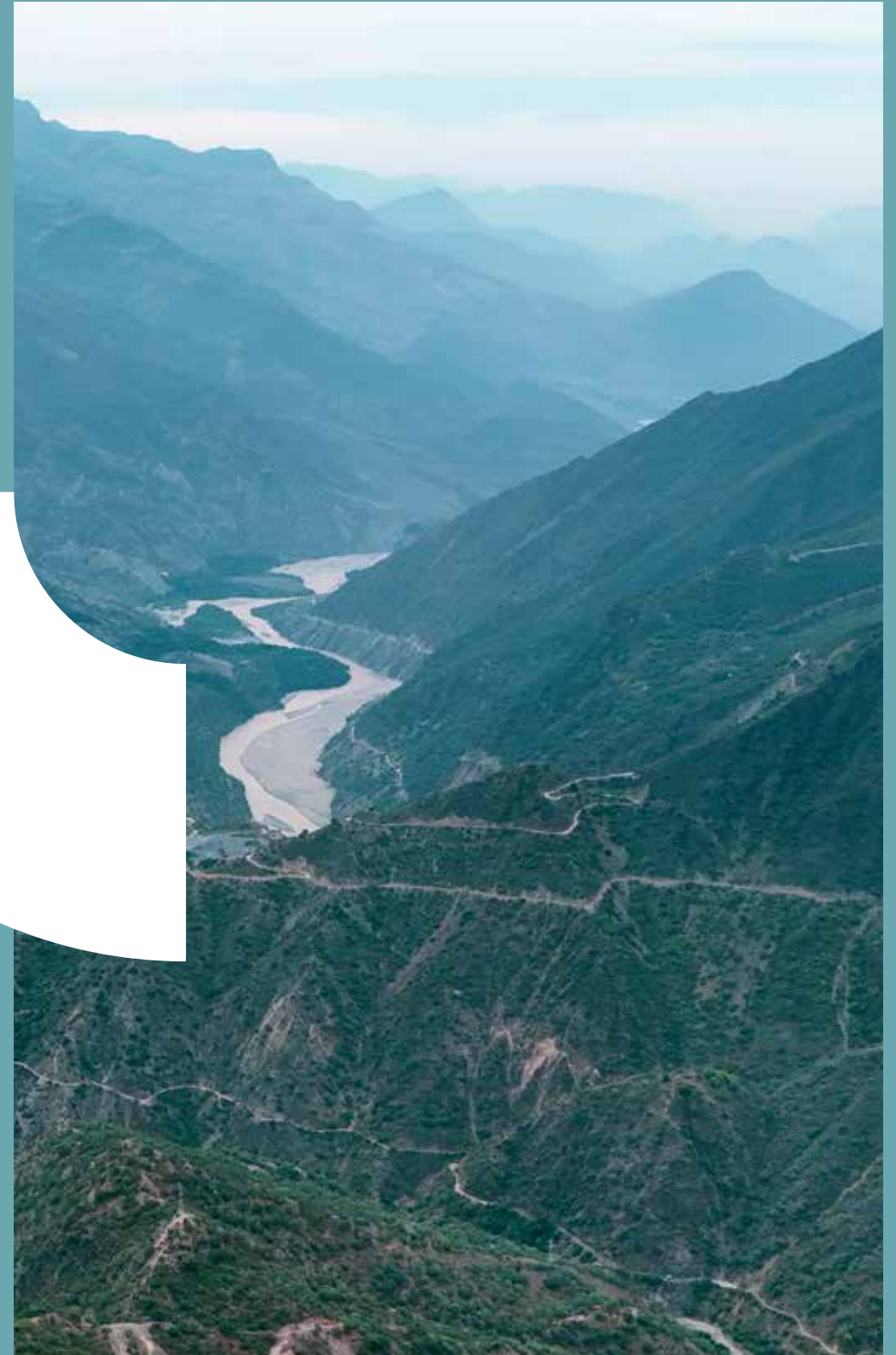
The ore extracted illegally from our concessions is transported to formal processing plants on the coast and subsequently

exported to markets with weaker due diligence standards. In 2024, approximately 11,000 dump trucks loaded with ore left Pataz, protected by REINFO companies, evading police controls.

It is important to note that the REINFO has now turned into a safeguard/protection shield for illegal miners, as it exempts them from legal obligations, allowing them to invade third-party concessions without adhering to environmental or safety regulations. In December, yielding to pressure from informal and illegal miners, many of whom belong to some of the main congressional political blocs, Congress decided to extend the deadline for completing the formalization process for another six months. The Executive Branch will have to decide whether to push it back yet another six months when the third deadline expires in June of this year.

Equally worrying are ongoing discussions in Congress on the new draft law on artisanal and small-scale mining (MAPE). Various initiatives presented before the Energy and Mines Committee propose the release of areas and the mandatory granting of easements to informal miners upon their request, as well as proposals to reduce concession terms. These measures constitute a clear violation of the fundamental rights enshrined in the Constitution and directly place the whole mining industry at risk.

THE MAIN RISK THAT PODEROSA  
FACES IS THE UNCONTROLLED  
RISE OF INFORMAL AND ILLEGAL  
MINING AND ITS ASSOCIATED  
CRIMINAL ACTIVITY





# PROPERTY SAFETY

[GRI 3-3]

WE REAFFIRM OUR  
COMMITMENT TO PROTECT  
AND SAFEGUARD THE PHYSICAL  
INTEGRITY AND SAFETY OF  
EVERYONE, INCLUDING THE  
ORGANIZATION'S ASSETS, AND  
THE ENVIRONMENT

At Poderosa, property security is a significant challenge due to the increase in illegal mining and the presence of organized criminal gangs, whose activities have been steadily escalating. These activities pose a serious threat to human rights and are linked to other crimes such as human exploitation, extortion, contract killings, child labor, environmental harm, and encroachment of concessions.

Although illegal mining has spread nationwide, and is present in 16 of the country's regions, the most violent and extreme outbreaks are in Pataz. This situation is causing growing concern among the population and the media. Many surveys reveal that illegal mining is perceived as one of the country's key problems, both because of the significant financial resources it controls and because of the influence it exerts on several institutions.

High gold prices, weak government presence, and a regulatory environment that grants impunity to offenders are the breeding ground that fuels the surge of this illegal activity. Moreover, this situation not only affects formal companies such as Poderosa, but it also hits small-scale and artisanal miners even harder, since they must face the onslaught of illegal miners, leaving them totally unprotected.

Added to this, is the violent struggle between illegal miners who are fighting to gain territorial control, as authorities retreat from the area. Clear evidence of this was the discovery of a mass grave, last October, in Las Tolvas area, containing the bodies of sixteen people who, according to police investigations, died in clashes between separate groups of illegal miners.

The growing presence of illegal miners in our operations and all the steps taken to stop and reverse their progress have not only led to a significant increase in production costs (hiring additional security personnel, installing blocks and other deterring barriers, replacing high-voltage pylons, among other measures), but it has also resulted in significant losses of ore illegally extracted from our concessions by illegal miners. Had it not been for this situation, this same ore could have been mined by Poderosa.

Given this complex scenario, we reaffirm our commitment to protect and safeguard the physical integrity and safety of everyone, including the organization's assets, and the environment. At the same time, we seek to mitigate the risks associated with illegal mining, as we uphold respect for human rights. However, besides all these efforts, it is crucial that the Government does not fail in its main responsibility, which is to guarantee the safety of its people and ensure respect for fundamental individual rights which currently are being seriously violated by the actions carried out by illegal mining groups.



THE ASSET  
SECURITY DEPARTMENT  
FOCUSES ON:

- Protecting the safety of our employees against illegal mining and criminal organizations.
- Recovering areas taken over illegally by unauthorized mining activities.
- Safeguarding our operations and securing continuity under safe working conditions.



The Asset Security department focuses on:

- Protecting the safety of our employees against illegal mining and criminal organizations.
- Recovering areas taken over illegally by unauthorized mining activities.
- Safeguarding our operations and securing continuity under safe working conditions.

The Asset Security Department is responsible for managing the company's assets. This department is led by engineer Marcelo Santillana, who reports all actions carried out at regular Board of Directors' meetings.

We base our work on policies such as the Annual Security Plan and the Comprehensive Management System Policy, approved in 2024 and 2021, respectively, which provide clear guidelines for the design of security strategies, such as:

- Intelligence and counterintelligence actions to prevent threats.
- Deploying physical and electronic security in our facilities.
- Coordination with the National Police and the Armed Forces to strengthen security in our concession areas.

It is important to note that, although a state of emergency has been declared in the province of Pataz, both the National Police and the Army have displayed limited active engagement and presence in the area.

In 2024, considerable progress was made in recovering areas taken over by illegal mining groups, along with

protecting our operations. The following are some of our main achievements:

- Recovery of strategic areas such as levels 2910, 3050, 3200, 8000, 2360, and 2410.
- Participation in National Police and Army strategies to coordinate the recovery and protection of areas.
- Security and human rights training for personnel, together with psychological support for personnel facing high-risk situations.

All the same, we established constructive conversations with government agencies (such as the Council of Ministers Presidency, the Ministry of Energy and Mines, and the Armed Forces) focused on managing the state of emergency in the province of Pataz, which has been key to tackling these threats.

We conduct frequent operational performance assessments and acknowledge our employees internally when their actions result in an outstanding contribution to the continuous stability of our operations.

Our focus on asset security reflects our commitment to sustainability, human rights, and transparency in our operations. Through these actions, we seek to ensure a safe and secure environment for all our stakeholders, while seeking to promote responsible community development in our area of influence.





# 10 WORKING TOGETHER TOWARDS DEVELOPMENT

[GRI 2-28]

Building a prosperous country that provides opportunities and decent living conditions for all its citizens requires the public and private sectors to joint efforts to foster sustainable growth. While the Government is bound to guarantee institutional stability, security, and certainty, private investment is key to generating value and economic well-being. Therefore, it is essential to join efforts and work in a concerted manner in pursuit of everyone's progress.

Locally, we collaborate with the regional government via agreements with various agencies (health, education, among others). We collaborate closely with the provincial government, with which we have a framework agreement, while we partner with local governments through specific agreements to implement development projects, either through Asociacion Pataz or our community relations office.

In coordination with the three subnational entities, we promote projects under the Public Works for Taxes (OxI) initiative, aimed at providing residents with access to quality public infrastructure and basic services. More detailed information, with a focus on strategic partnerships with local governments, is provided below. These initiatives primarily seek to improve the quality of life of community members, securing access to essential services such as water, sanitation, and education.

Also, we have agreements with several public universities, which we support by providing student scholarships, funds for enhanced infrastructure, as well as helping drive research studies, thereby contributing to the academic and social progress of the regions where we operate.

Our Sustainability Statement, policies, principles, and management systems are all aligned with current global initiatives and standards, strengthening our commitment to sustainable deve-

lopment. Along the same line, Asociacion Pataz complements our efforts by adhering to the United Nations (UN) Sustainable Development Goals (SDGs), promoting comprehensive solutions to create a positive and lasting impact on the most vulnerable communities.

## EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (EITI)

We firmly believe that accountability and transparency are essential corporate governance pillars, as they foster development, trust, and social cohesion. For this reason, since 2011 we have voluntarily and actively participated in implementing this initiative, with Peru being a pioneer in the region. The EITI brings together representatives of States, companies engaged in the extractive industries, and various civil society groups to promote transparency and accountability focusing on revenue generated by the mining, oil, and gas industries, as well as revenue distribution by member states. This effort helps to significantly strengthen governance in these key economic activities. In 2024, a meeting convened state representatives, civil society, and mining companies. Our company participated in this meeting and collaborated in preparing the First Transparency Study of the extractive industry in La Libertad Region. This document analyzes extraction levies and royalty transfers over the last eight years, as well as the use of these resources. This information will be publicly available in 2025.

## SDG CORPORATE TRACKER

Our organization has taken part in the SDG questionnaire for the past three years. The survey aims to assess how Peruvian private companies are aligned with the Sustainable Development Goals (SDGs). This assessment primarily focuses on the key indicators and those SDGs with which

there is a more direct relationship. The information gathered enables us to produce a detailed report highlighting how Peruvian companies are integrating sustainability into their operations and their strategic decisions. We then use the results from our participation to assess our performance in line with the SDGs.

## SOCIEDAD NACIONAL DE MINERÍA, PETRÓLEO Y ENERGÍA NACIONAL MINING, PETROLEUM, AND ENERGY ASSOCIATION (SNMPE)

We are active members of the SNMPE, a non-profit trade association that brings together the industry's leading companies. Its mission is to drive investment, ensure competitiveness, and encourage the sustainable use of natural resources, always in compliance with the current regulatory framework. As members of this association, we have adopted its code of conduct and participate actively in the

SNMPE's committees. We currently chair the association's informal and illegal mining working group.

## COMEXPERU - SOCIEDAD DE COMERCIO EXTERIOR DEL PERÚ - PERUVIAN FOREIGN TRADE SOCIETY

Poderosa is a member of the Peruvian Foreign Trade Society (ComexPeru). This is a private organization that seeks to implement enhanced public policies based on defending principles rather than personal interests, to improve the quality of life of the population. ComexPeru's actions are framed in the following principles: to promote foreign trade, to defend free markets and to drive private investment. Guided by a commitment to always defend these principles, member companies such as Poderosa, mindful that foreign trade in a competitive environment is key for the country's progress and the well-being of its citizens, abide by the fo-



IT IS ESSENTIAL TO JOIN  
EFFORTS AND WORK IN A  
CONCERTED MANNER IN  
PURSUIT OF EVERYONE'S  
PROGRESS



llowing policies and norms of conduct: Code of Conduct, Occupational Health and Safety Policy, Compliance Policy, and Anti-Corruption Policy. Moreover, Ms. Jimena Sologuren, Deputy Social Responsibility and Communications Manager at Poderosa, is a member of the Board of Directors.

**REGIONAL COMMITTEE FOR BUSINESS, THE STATE, ACADEMIA, AND SOCIETY (CREEAS-LA LIBERTAD)**

This is a public-private platform driven by regional leaders to foster the closure of a threefold impact gap, science, technology, and innovation, to drive sustainable and competitive growth in La Libertad. This platform, founded on principles of respect, trust, ethics, collaboration, integrity, and shared vision, has become a key player since its inception, in 2010, in the Regional Competitiveness Council. Right from the beginning, Minera Poderosa has played a leading role together with the Asociacion Pataz. The CREEAS was formally set up in 2017, and Minera Poderosa participated in the Advisory Committee. Since then, we have led key initiatives such as the La Libertad Innova project (2018-2023), and we have also participated in La Libertad’s Science, Technology, and Innovation Observatory Advisory Committee. Currently, the CREEAS is supported by the leadership and empowerment of its private sector members, especially Minera Poderosa, which has received widespread recognition from this innovative community, fully convinced that social transformation will be possible thanks to organizations that believe in the power of collaboration.

**OTHER AFFILIATIONS**

Throughout our history, we have established strategic alliances with several institutions that share our values and goals. These are some of the organizations with which we actively collaborate to promote economic development, social responsibility and innovation:

- Canada – Peru Chamber of Commerce
- Instituto de Seguridad Minera (ISEM)
- Australia Peru Chamber of Commerce Inc (APCCI)
- Lima Chamber of Commerce
- La Libertad Chamber of Commerce and Production
- Peruvian Mining Engineers Institute
- Universidad Nacional de Ingenieria (ProUNI) Trust
- Peru 2021 Una Nueva Visión
- Woman’s Auxiliary to the American Institute of Mining, Metallurgical and Petroleum Engineers Inc. (WAAIME) Peru Section
- Asociación Secretarios Corporativos de América Latina (ASCLA)
- Asociación para el Progreso de la Dirección (APD) (until June 2024, due to closure)
- Asociación de Buenos Empleadores (ABE)
- Soluciones Empresariales contra la Pobreza (SEP)
- Alianza para Obras por Impuestos (AOxI)
- Mining Innovation Hub
- Instituto Peruano de Asociación Empresarial (IPAE)
- Perú Te Quiero
- Peruvian Geological Association
- Sociedad Nacional de Minería Petróleo y Energía (National Mining, Oil and Energy Association - SNMPE)
- United Nations Educational, Scientific and Cultural Organization - UNESCO

OUR PARTICIPATION IN THESE GROUPS REFLECTS OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT, THE CREATION OF QUALITY EMPLOYMENT AND THE GENERATION OF VALUE FOR SOCIETY



OUR ORGANIZATION HOLDS THE “MARCA PERÚ” LICENSE, AND OFFICAL SIGN GRANTED BY THE PERUVIAN GOVERNMENT TO PROMOTE THE COUNTRY





WE SUPPORT IMPACT INITIATIVES

As part of our efforts to foster sustainable growth and drive meaningful change in society, we actively support several programs and projects focused on innovation, education, and responsible entrepreneurship.

We are proud to support organizations and initiatives that have a significant impact on the Peruvian people. We work tirelessly to foster sustainable growth and to improve the quality of life of the Peruvian population, driving social and educational projects, donating funds, supporting volunteer programs, as well as promoting healthcare, among others.

Universidad Peruana de Ciencias Aplicadas (Peruvian University of Applied Sciences -UPC) – International Teachers Congress

The International Teachers Congress (CIE) was held in February 2024 under the theme “Educational Innovation for Human Development” with both in person and online participants. The aim of the 2024 CIE was to bring to Peru the latest trends and developments in evidence-based educational sciences to foster discussions, understanding, and that subsequently could be applied in design proposals to foster innovation in schools. This event gathered over 1,000 teachers

and 60 prominent speakers from universities in Finland, the United States, Spain, the United Kingdom, and Singapore. In collaboration with Asociacion Pataz, we participated as sponsors, and enabled 50 teachers from the province of Pataz, in La Libertad Region, to take part as online attendees.

Peruvian University of Applied Sciences (UPC) – Leaders of Change 2024

UPC’s social responsibility program seeks to inspire leaders engaged in sustainability and promotes initiatives that generate a positive and lasting impact on their communities. Every year, young directors, founders, co-founders, or leaders of ventures with high social or environmental impact, and who have proven sustainability for over six months, are invited to participate in this program. Poderosa, via Asociacion Pataz, collaborates in this program, which has benefited 140 young people. More than 60% of participants come from several provinces, covering over 20 of the country’s regions.

Hub Norte (Northern Hub)

The Hub Norte network of social entrepreneurs is a platform that seeks to drive the social and environmental entrepreneurship ecosystem in northern Peru. This platform is led by Poderosa, Asociacion Pataz via its Social Innovation Center - Rurana, Kunan, and the CREEAS La Libertad. The network brings together 53 business ventures, 23% of which are led by women, and spans the regions of La Libertad, Piura, Lambayeque, among others.

The Hub Norte Award is the highest recognition for social and environmental initiatives in Peru’s northeastern region. Between 2020 and 2024, S/105,000 were handed out in seed capital. To date, a total of 289 applications have been received, 90 hours of legal counsel have been provided, while 11 outstanding ventures have received awards.

Global Reporting Competitive Business Program

We actively participate in this program, which seeks to strengthen companies’ capabilities to manage and communicate the impact on sustainable development. In partnership with our contractors, AZL Ingenieria & Gestion S.A.C., SyR Ingenieria Total S.A.C., and Servicios Metal Mecanicos Peruanos S.A., we continue to foster sustainability in all our operations.

Jesús Arias Dávila Scholarships – Universidad Nacional de Ingeniería (National Engineering University)

In honor of our founder, we award full scholarships, half scholarships, and language training to outstanding students from the National Engineering University (UNI) School of Geology, Mining, and Metallurgy. From 2013 to December 2024, a total of 120 students has been awarded scholarships and have also concluded their pre-professional internships at our company.

Amautas Mineros (Mining Teachers)

We support this not-for-profit association that promotes responsible mining awareness among high-school students. Every year, we team up with their events to encourage interest in careers in the mining sector.

World Education Support Organization (OMA)

A non-profit association dedicated to help train honest and dedicated professionals in Peru. In 2022, 2023, and 2024, we helped organize two events named “Rock Man” and “Rock Woman” covering transportation, accommodation, and travel expenses for young people attending these events.

WAAIME Peru

An association made up by women and related to the American Institute of Mining, Metallurgical, and Petroleum Engineers. Since 2022, we have sponsored 20 scholarships for low-income students who excel in careers related to the mi-

ning and energy sector, thus helping these students with their higher education studies and professional development.

Women in Mining Peru (WIM Peru)

A non-profit association which main objective is to highlight women’s participation in the Peruvian mining sector, helping to foster their personal and professional growth and enabling greater participation in a range of mining areas across all levels. In 2024, we sponsored the International Congress named, “Mining in 2050: Advancing a Sustainable Future Through Growth, Equity, and Competitiveness,” a congress that sought to promote women’s inclusion and participation at all levels of the mining sector.

Perú Te Quiero (Peru, I Love You)

A not-for-profit civil association that connects efforts in a coordinated, supportive, and agile manner, bringing together people and organizations across all the country’s regions. Since 2020, we have backed this initiative focused on coordinating solidarity and social efforts throughout Peru and have contributed to activities that have had a positive impact in several regions of the country.

Association to Aid Burned Children (ANIQUEM)

ANIQUEM is a non-profit organization that provides rehabilitation sessions to children and adolescents who have suffered burns. Through our waste recycling program, we help to fund these sessions by participating in the association’s Recycle to Help program.

League Against Cancer

This is a private, non-profit charitable organization dedicated to cancer prevention, awareness, and early screening. We have been actively participating for over 10 years in the annual public fundraiser, motivating our employees in the cities of Lima, Trujillo, and the Mining Unit, to collaborate on this fundraising event.

WE ARE PROUD TO SUPPORT ORGANIZATIONS AND INITIATIVES THAT HAVE A SIGNIFICANT IMPACT ON THE PERUVIAN PEOPLE



# OPERATIONS RESULTS AND MARKETS SERVED

100%  
OF PRODUCTION WAS  
EXPORTED TO OUR  
CUSTOMERS ASAHI IN  
CANADA AND ARGOR-  
HERAEUS IN SWITZERLAND

As of the end of 2024, net sales for the year added up to S/2.624 billion, representing a 31.7% increase compared to S/1.992 billion in 2023. The cost of sales was S/1.708 billion, a 29% increase compared to the cost in 2023. We sold almost 20,000 more ounces than in 2023.

In Canada we refine our production in Asahi Refining, and in Switzerland in Argor Heraeus. Both refineries are LBMA certified, and produce bars with the London Good Delivery seal, the most appreciated quality standard in the precious metals market. The gold purity of the refined bars reaches 99.99%.

The average price of our exports was USD 2,395 per ounce of gold and USD 29.86 per ounce of silver. The gold price was 22.6 % higher than in 2023. 100% of production was exported to our customers Asahi in Canada and Argor-Heraeus in Switzerland.

We are not only committed to delivering products of the highest quality, but also to fostering lasting relationships with our customers. We have maintained an ongoing dialog with them, providing proactive service and listening to their comments and suggestions. We are pleased to highlight that in the last few years we have not received any complaints from our customers regarding data breaches, products shipped, or the services provided.



S/2.624

BILLION NET SALES FOR THE YEAR

AVERAGE PRICE OF OUR EXPORTS

US\$ 2,395

PER OUNCE OF GOLD

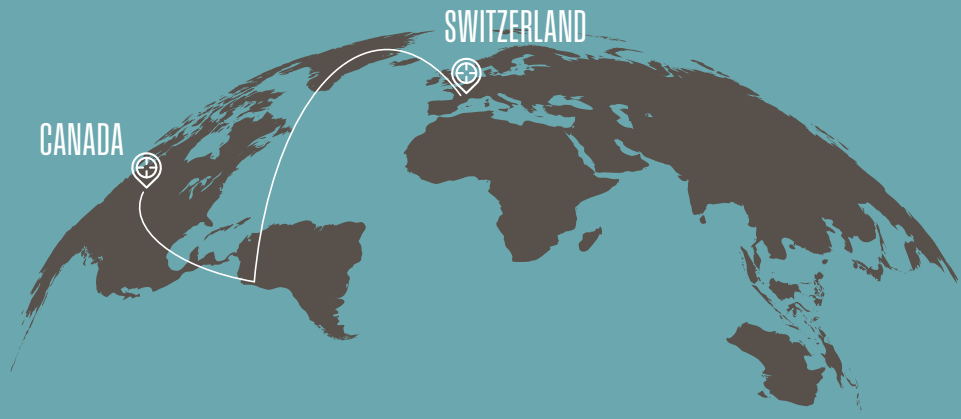


31.7%

INCREASE COMPARED TO 2023

US\$ 29.86

PER OUNCE OF SILVER





# 12

## CONTINUOUS IMPROVEMENT AND INNOVATION DRIVE OUR DEVELOPMENT

366

PROJECTS IMPLEMENTED WITH  
ACCRUED SAVINGS FOR  
US\$ 42,348,034

Since 1997, Poderosa has been strengthening the Continuous Improvement and Innovation Circles (CIC and Innovation) with significant results throughout time, with accrued savings for US\$ 42,348,034 and more than 366 projects implemented, that positively impact the development of our operations. We are convinced that teamwork, applied in a methodical manner and with quality culture, is essential for the company's growth and the construction of a participatory and empowered organization. Continuous Improvement Circles (CIC) and Working Teams (WT) are teams made up voluntarily by employees from one area or similar areas, to improve their processes by using quality tools, statistical techniques, problem-solving methodologies, and creativity to find practical solutions. This initiative fosters quality and productivity culture, promoting work in collaboration, knowledge exchange, and continuous learning.

For 25 years we have been organizing the most important internal event for our organization, the "Quality Week", a space in which the most outstanding projects developed by employees during the year are selected. These projects go through a strict evaluation with defined criteria, applying for two categories: strategic services and support and operational services, the winners receive the prize called "Gold Miner" and "Silver Miner", correspondingly.

QUALITY  
WEEK





IN THE  
25TH EDITION  
OF THE QUALITY WEEK,  
WE REWARDED THE MOST  
OUTSTANDING PROJECTS

CATEGORY:  
OPERATION PROCESSES



**Gold Miner**

Rich Solution Continuous Improvement Circle (Processing area)  
Project: Optimization of the sedimentation and agitation process through the implementation of mass flow measurement and control systems. - Santa María Plant.



**Silver Miner**

Golden Analytic Continuous Improvement Circle (Instruments and Process Control Area)  
Project: Process optimization and decision making through operational indicators based on information of the SCADA systems at the Marañon Production Unit.

CATEGORY:  
STRATEGIC AND SUPPORT PROCESSES



**Gold Miner**

Technology and Innovation Continuous Improvement Circle (Mine Maintenance Area)  
Project: Reduction of accidents through the implementation of remote control in locomotives in the Santa Maria Production Unit mining process.



**Silver Miner**

Geoinsight Continuous Improvement Circle (Mineral Resources Procurement area)  
Project: Reduction of exploration costs through technical planning and prediction technology at Marañon Production Unit.



All the same, the improvement projects that win in this internal event in the following year apply for the Recognition of Improvement Projects awarded by the Quality Management Committee of the National Society of Industries called "Recognition of Practices of Excellence". In the 2024 edition, the four CIC applicants obtained this recognitions, which fills us with pride, and commits us to continue working in continuous improvement and innovation.



QUALITY  
WEEK



This recognition reflects our commitment to the implementation of innovative solutions that generate value, not only in terms of productivity and profitability, but also in terms of social and environmental responsibility. Through constant innovation and teamwork, we continue to move towards a more sustainable future, consolidating our position as a responsible mining company and leader in excellence practices.

CLEAN ENERGIES CIC

(Energy Projects Area): Its project has boosted energy efficiency by implementing a battery energy storage system (BESS), to reduce electricity costs and improve electric supply reliability.

SERMEP-PDP2 CIC

(mine maintenance contractor company): This team has proposed a circular production model to reduce the cost of manufacturing indoor drive houses in Santa Maria Production Unit, in line with our sustainability policies and circular economy.

QORY MASKAQ CIC

(Geology area): Through the application of advanced technologies and 3D digital models, this team optimizes the Obtention of Mineral Resources (ORM), improving geologic interpretation, control and safety in mining operations, which reinforces our capacity to operate more efficiently and safely.

METALLURGIC RESEARCH AND INNOVATION CIC

(Plant area): This project is focused in the optimization of reagent consumption in mineral processing, which does not only improve operational efficiency, but it also reduces the environmental impact of our operations.



5S

The abbreviation of our 5S methodology refers to our philosophy: sort, set in order, shine, sustain and self-discipline is focused in optimizing our processes, flows and workspaces to improve operational efficiency in all our activities are committed to fostering a culture of continuous improvement that drives innovation and continuous learning within our organization.

To strengthen implementation of 5S, we have developed training courses which are accessible through our on-line platforms. These tools allow empowering of our employees and ensure that each one of them participates actively in improving our processes.

Through the 5S program, we work together to innovate and perfect our operations, guaranteeing that every action reflects our commitment to excellence and sustainability. This methodology does not only improve our productivity, but it also reinforces our vision to be a responsible, coherent mining company, committed to the development of our communities.

5S is closely linked to quality, safety, environment and productivity. Its application has gone beyond Poderosa’s contractors and the communities, promoting its implementation in schools in our area of influence, through courses and workshops.

For 11 years now we participate in the 5S Kaizen National Award annual contest organized by AOTS Peru – Japan, which acknowledges those organizations that have successfully implemented the 5S Kaizen philosophy. Our company has been a winner in every edition, with the participation of the production units and administrative offices (Lima and Trujillo). In 2024, we obtained recognition in the mining units and administrative offices, the latter was the winner for the second consecutive year, with the highest score at the national level.

INNOVATION

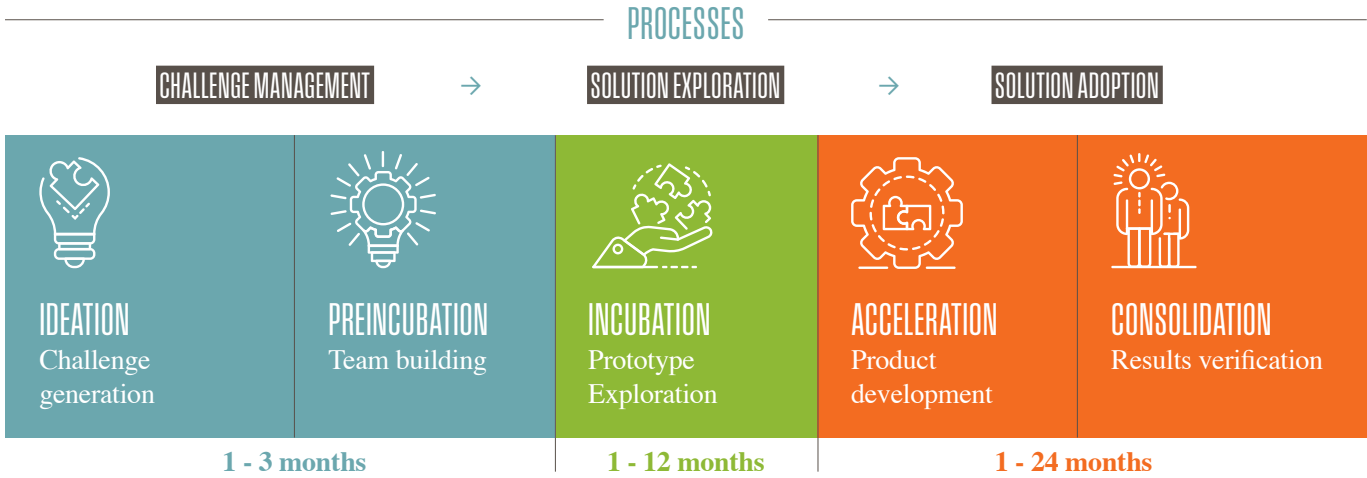
At Poderosa, we face constant challenges such as resource depletion, the growing demand for environmental and social sustainability, and the need to optimize our operational efficiency. In this dynamic and challenging context, we have designed an innovation management strategy that is a key tool to guarantee our sustainability, profitability in the long run and leadership as a responsible mining company.

Innovation is the engine that drives our transformation. We are committed to joining efforts and resources towards initiatives that not only drive economic growth, but also that foster human and social development. This creates a virtuous cycle that reinforces our position as an innovative and socially responsible company. Our innovation process comprises three main stages:

We foster an organizational culture based on experimentation, continuous learning and collaboration at all levels and areas. We prioritize the creation of spaces that promote new ideas, control risk-taking and adaptation to change. This holistic vision allows us to integrate innovation as a transversal axis in our operations and strengthen our capacity to respond to the challenges of the industry.

With this approach, we reaffirm our commitment to a sustainable future, driving innovation as a strategic pillar that generates value for our employees, communities and the environment in which we operate.

GRAPH 3. INNOVATION PROJECTS LIFECYCLE



01

CHALLENGE MANAGEMENT

We systematically identify opportunities to transform processes and generate value in line with the organization’s goal, contributing to the company’s sustainable growth.

02

SOLUTION EXPLORATION

We research, develop, and validate agile and effective alternatives to overcome operational challenges, maximizing the creation of value and promoting sustainable development.

03

SOLUTION ADOPTION

We implement, scale-up, and maintain validated solutions, ensuring their positive impact in growth and sustainability of our operations. We constantly assess the results obtained to guarantee their contribution to sustainable development.

STRATEGIC APPROACH

Our management is guided by the following strategic objectives to strengthen the processes of our entire value chain:

01

Ensure that the staff have the necessary competencies to lead innovative initiatives to implement technologies and methodologies that generate value in the organization.

02

Establish collaborations with external entities that provide added value, specialized knowledge or complementary technologies to accelerate and enrich innovation projects.

03

Measure staff perception regarding innovative policies, processes and activities, fostering a positive and productive work environment.

04

Foster a culture of innovation, where all employees feel motivated to contribute ideas, thus increasing the backlog of potential projects and promoting participation in innovation.

05

Identify best practices and industry standards to assess organizational performance in key areas, ensuring innovation strategies are aligned with market leaders.

06

Promote the formation of teams with a diversity of skills and perspectives to address innovative projects, fostering creativity and the generation of integrated solutions.

07

Increase the proportion of innovative projects that achieve their established goals, demonstrating effectiveness in project selection, development and management.

08

Continuously improve operational efficiency and effectiveness by reviewing and optimizing internal processes, reducing costs and cycle times.

09

Obtain external recognition and validation of the organization's innovations, through awards, certifications or publications, raising its innovation and credibility profile.

OUR PROGRESS AND RESULTS

- In 2024, we consolidated our innovative management, with outstanding results:
- Deployment of our Collaborative Intelligence program, promoting internal collaboration for innovative solutions.
  - Implementation of the digital platform Ideas de Oro (Gold Ideas), that includes the LAB challenge, and the Buzón de Ideas (Ideas Inbox), fostering employee participation.
  - Development of the Explorando Ideas (Exploring Ideas) program, focusing on the validation of innovative proposals.
  - Start of the project Value Generation from Tailings, with the construction of a Pilot plant in Vijus.

- In addition, we have strengthened our organizational capabilities:
- Consolidation of the Innovation Ambassadors, a team made up of employees from all our sites that aims to transform our processes, strengthen the innovation ecosystem and actively contribute to sustainable development.
  - Increase in the generation of ideas, exceeding 200 proposals.

- Consolidation of strategic alliances, which have accelerated the development of key projects.
- External recognition for our innovations, positioning us as an industry benchmark.
- We promote innovation and continuous improvement through Continuous Improvement Circles (CIC) and Work Teams (WT).

ORGANIZATIONAL CHANGE CULTURE

We have designed a strategy to strengthen innovation and continuous improvement culture in the organization, which will be implemented over the next four years, and is divided into three phases with concrete steps oriented towards the establishment and consolidation of structural and cultural change within the organization. To measure the success of this transformation, we have Key Performance Indicators (KPI) to carry out detailed follow-up from 2023 until 2026. The first phase focuses on creating urgency and defining the vision of change. The second stage seeks to engage the organization and foster active participation. The third phase will focus on supporting the transformation and guaranteeing its continuity in time.

TABLE 5. ORGANIZATIONAL CHANGE STRATEGY

PHASES	STEPS	2023		2024		2025		2026	
		P	R	P	R	P	R	P	R
PHASE I Create change climate	Create the sense of urgency a (great opportunity)								
	Create and articulate a guidance coalition (agents of change)	70%	72%	90%	94%	100%	0%	100%	0%
	Develop a clear vision								
PHASE II Engage and enable the entire organization	Communicate the vision								
	Eliminate obstacles (facilitate action by eliminating barriers)	70%	64%	80%	83%	90%	0%	100%	0%
	Generate (and celebrate) short-term success								
PHASE III Implement and maintain the transformation	Build on the same road (“Once is not enough”)								
	Embed the culture change in the organization (institutionalize change)	50%	48%	60%	78%	80%	0%	100%	0%
KPI	Compliance Percentage	63%	61%	77%	85%	90%	0%	100%	0%



# RESPONSIBLE COMMITMENTS AND POLICIES

[GRI 2-23] [GRI 2-24]

AT PODEROSA OUR STRATEGIES ARE ORIENTED TOWARDS SUSTAINABILITY, FOLLOWING POLICIES THAT PROMOTE RESPONSIBLE BUSINESS CONDUCT TO PRIORITIZE GROWTH AND PROFITABILITY THROUGH SAFE, ETHICAL, ENVIRONMENTALLY AND SOCIALLY RESPONSIBLE PRACTICES

At Poderosa our strategies are oriented towards sustainability, following policies that promote responsible business conduct to prioritize growth and profitability through safe, ethical, environmentally and socially responsible practices. This commitment is written in our Sustainability Statement, that seeks to generate sustainable economic impacts for our stakeholders.

Our operation is based on two main drivers: operational excellence and safety, both are developed on a sound ethical foundation meeting the legal framework and respecting our social and environmental responsibilities. All the same, we include innovation as a key element to dynamize our commercial activities.

We have management systems in place such as the Money Laundry and Terrorism Financing Prevention System (AML/CTF), the Anti Bribery Management System, certified under ISO 37301, and the Compliance Management System certified under ISO 37301. These are backed by our Compliance Policy and specific procedures that guarantee detection and prevention of suspicious transactions.

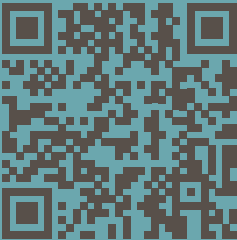
We are fully committed to respecting dignity and human rights in line with the Universal Declaration of Human Rights, Voluntary Principles on Security and Human Rights, the United Nations Guiding Principles on Business and Human Rights, and domestic laws.

All the members of our organization, including employees, contractors and representatives, are subject to our Code of Ethic and Conduct, as well as to policies in key areas such as compliance, occupational health and safety, environment and quality. These policies, approved by our maximum governing body are informed at the beginning of each work relation and reinforced annually through training.

Currently, we are working on the implementation of this procedure in all the areas of the organization, under the direct supervision of the Chairperson of the Board of Directors and the General Manager, who lead and guarantee compliance with our policies.

TABLE 6. POLICIES AND GUIDELINES

NAME	LAST UPDATE	APPROVED BY:
Sustainability Statement	July 2021	Chairperson of the Board of Directors General Manager
Management Policy		
Quality Policy		
Environmental Policy		
Occupational Health and Safety	January 2023	Chairperson of the Board of Directors
Compliance Policy		General Manager
Code of Ethics and Conduct	October 2024	Board of Directors
		General Manager
Anti Money Laundering and Counter Terrorism Financing Manual	October 2024	Directorio
9 Golden rules	October 2022	Joint Committee
Harassment Policy	June 2023	Administration, Finances, and Trade Manager



The digital and updated versions of the documents, except for the 9 Golden Rules, can be accessed through the following QR code.

## SUSTAINABILITY STATEMENT



**Poderosa is mainly a gold producing mining company,** committed to the development of its stakeholders. To this purpose, we believe that it is our obligation to be a sustainable company, by achieving positive social impacts and adequate economic results. We are committed to working ethically and under the good corporate governance principles, to be a good employer, a good neighbor and to respect the environment.

**We believe that is urgent that our stakeholders trust us,** therefore it is necessary that we work under the legal framework and with moral solvency. To achieve this, we commit to work transparently, to abide by clear policies, to condemn any kind of corruption, to act against asset laundry, **to respect human rights**, and to reject forced and child labor.



**We believe in being a good employer.** To achieve this goal, we provide a safe working environment, decent camp sites, adequate infrastructure, competitive salaries, and a healthy working environment. We promote respect, teamwork, productivity, continuous improvement, knowledge exchange and innovation.

**We believe in being a good neighbor.** For such purpose, we treat the communities with respect, and we contribute to local development by promoting, within our possibilities, the advancement of the economy, education, health, and governance in our area of influence.




**We believe in sustainable and responsible use of natural resources.** Although every human activity has an impact on the environment, we are committed to prevent, reduce, and mitigate any negative impacts that we generate.

**We believe in incremental and disruptive innovation.** To this end, we constantly promote improvement projects to test and incorporate new technologies into the processes, allowing to give sustainability to the company and to develop a portfolio of projects.



Rev. 01  
July 2021

  
Mrs. Eva Arias de Sologuren  
Chairperson of the Board of Directors

  
Engineer Russell Marcelo Santillana Salas  
General Manager

### Management Policy

We are mainly a gold producing mining company, committed to responsibly transform our mineral wealth into development opportunities. We seek the sustainability of our operations, **promoting a culture of innovation in our processes.** In this regard, we are committed to:

- Focus our efforts to fulfill our vision, mission, sustainability statement, established principles and values and to achieve our strategic objectives.
- Show visible leadership of the line of command with responsibility in safety, health, occupational health, environmental management, and process quality.
- Acknowledge our stakeholders, their needs, expectations, and requirements, seeking their satisfaction and helping them to manage their own development.
- Develop teamwork through continuous improvement circles and the practice of the 5S methodology for its application in the daily work.
- Continuously improve the Comprehensive Management Systems' performance.
- Comply with the applicable legal framework and other voluntarily established requirements, in every activity carried out by our organization.
- Communicate and explain our policies to every person working with Poderosa or on its behalf and inform them to our stakeholders.

### Quality Policy

- Develop efficient processes, products and services that are part of a responsible production chain, together with our workforce, to meet the expectations of our stakeholders, **adapting ourselves to the changes in strategy and management of innovative processes.**
- Foster innovation in our activities.

### Environmental Policy

- Protect the environment, preventing, reducing, and mitigating the negative impacts we cause.
- Promote responsible and sustainable use of natural resources, from our products' life cycle perspective.

### Occupational Health and Security Policy

- Prevent all type of work-related injuries, illnesses, and accidents, by identifying and **eliminating hazards, as far as possible**, assessing and controlling risks in our processes.
- Promote workers' participation and consultation to keep **safe and healthy working conditions and facilities.**

Rev. 07  
July, 2021

  
Mrs. Eva Arias de Sologuren  
Chairperson of the Board of Directors

  
Engineer Russell Marcelo Santillana Salas  
General Manager



COMPLIANCE POLICY

We are mainly a gold producing mining company which purpose is to seek the sustainability of our operations. We are oriented towards understanding our stakeholders, preventing and providing timely and efficient response in the event of any inadequate behavior, as reflected in our mission, vision, values, objectives and organizational strategies.

In this regard we reject and prohibit any act of corruption, including any kind of crime established in the applicable legal framework such as bribery, collusion, and the trading in influences, as well as any act that qualifies as money laundering or terrorism financing in any form, whether direct or indirect, through an agent or business partner, whether in relation to a public official or an individual.

Therefore, to meet our objectives, through the integration of governance strategies and an ethical conduct, we commit to:

- Meet the requirements of the Anti-Money Laundering / Terrorism Financing, Anti bribery and Compliance Management System aiming at its continuous improvement.
- Comply with the applicable legal framework identifying, controlling and verifying our compliance obligations.
- Establish control plans to address compliance risks with the aim of reducing and/or mitigating them.
- Prevent actions or behaviors that violate current legislation or regulations or that may be perceived as ethically unacceptable by our stakeholders.
- Promote ethical behaviors among our stakeholders according to the Code of Ethics and Conduct and prevent actions that violate it, as well as current legislation or regulations.
- Encourage the raising of concerns and complaints in good faith, based on a reasonable belief of trust and without fear of reprisal, ensuring confidentiality.

Furthermore, to ensure the correct establishment, maintenance and enhancement of the Compliance Management System, the Social Responsibility and Comprehensive Management System Manager has been appointed as Compliance Risk Prevention Officer, with the authority and maximum guarantee of Independence to exercise his functions and reporting directly to the Ethics Committee and Board of Directors' Good Corporate Governance.

Failure to comply with this policy will result in the application of sanctions included in the disciplinary regime of the Internal Labor Regulations for employees and penalties or commercial termination with contractors and suppliers as appropriate.

January 2023  
Rev. 02

Mrs. Eva Arias de Sologuren  
Chairperson of the Board of Directors

Engineer Marcello Santillana Salas  
General Manager





# 14

## PERMITS AND AUTHORIZATIONS

[ETI Expectation 8]

Annex 3 lists the permits, approvals and authorizations we have obtained that allow us to operate in harmony with our surroundings, the Government, society, the environment and other stakeholders.



# 15

## CERTIFICATIONS THAT GUARANTEE OUR PROCESSES

THE IMPLEMENTATION OF THESE STANDARDS ALLOWS FOR BETTER PROCESS CONTROL

To ensure an operation that is responsible for its surroundings and for the people’s safety and health, we implement high international standards in our processes. Our Quality Management System has been certified under the ISO 9001:2015 standard; the Environmental Management System is certified under ISO 14001:2015 standard, the Occupational Health and Safety Management System under ISO 45001:2018; and our Anti-Bribery Management System is certified under ISO 37001:2016 and by Empresarios por la Integridad.

All the same, in May our Compliance Management System received ISO 37391:2021 certification. The implementation of these standards allows for better process control and helps us make decisions and execute actions for continuous improvement.



QUALITY MANAGEMENT SYSTEM



ENVIRONMENTAL MANAGEMENT SYSTEM



OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM



ANTI-BRIBERY MANAGEMENT SYSTEM



COMPLIANCE MANAGEMENT SYSTEM



# 10 AWARDS AND RECOGNITIONS



MARCH

## PERUVIAN CANCER FOUNDATION

Recognition: Major Benefactor for Neil's Dream

The Peruvian Cancer Foundation awards Compañía Minera Poderosa the distinction of Grand Benefactor for Neil's Dream, for its invaluable contribution to make the construction of the Ponle Corazón Home a reality. Thanks to their generosity, the foundation will bring hope to thousands of cancer patients throughout Peru. Together we are more powerful! Donation of 1,369.80 m<sup>2</sup> of land in Av. Buena Vista, San Borja district.

## INTERNATIONAL RENEWABLE ENERGY CERTIFICATE (I-REC)

I-REC Certification

Poderosa's operations are supplied with renewable energy. Poderosa received the I-REC certificate, which guarantees the origin of the total renewable energy source purchased from Kallpa during 2024. "We are pleased to receive this green certificate, which is aligned with our goal of being zero carbon by 2030 in electricity generation and purchase, developing a sustainable mining industry with low CO<sup>2</sup> emissions", mentioned Eva Arias de Sologuren, Chairperson of Poderosa.

APRIL

## CLARO

Recognition: Yo Reciclo Yo Soy Claro

Poderosa received the Recicla 2024 award for joining efforts through the Program Yo Reciclo, Yo Soy Claro, waste electrical and electronic equipment (WEEE) management and handling by Claro Perú.

JUNE

## CONAMIN

Recognition for the best work in Research, Innovation and Technology 2024.

Poderosa received the first place award for technical papers in the Innovation and Technology category of the National Mining Congress 2024, where over 70 papers were presented, nationwide. The title of the winner paper was: Reducing electricity costs and increasing Poderosa's reliability on electricity supply through a BESS.

JULY

## PERÚ SOSTENIBLE

Recognition: Company with Sustainable Management Distinction (EGS) 2023.

This recognition is a comprehensive sustainability management tool of Peru Sostenible, which evaluates environmental, social and governance (ESG) aspects of participating companies through specific and international indicators, aligned with the Global Reporting Initiative (GRI) and the SDGs of the United Nations. Poderosa has received this recognition during 12 consecutive years, by meeting the required standards and promoting responsible business management, that generates value for its employees.

OCTOBER

## SOCIEDAD NACIONAL DE INDUSTRIAS (SNI) (NATIONAL INDUSTRIES ASSOCIATION - SNI)

Recognition: Best Practices of Excellence in the Production Category

SNI recognizes the Clean Energy CIC of the Energy Projects area. This project seeks to reduce electricity costs and increase Poderosa's reliability on electricity supply through a BESS.

IN 2024, THANKS TO OUR OUTSTANDING MANAGEMENT IN SUSTAINABILITY, QUALITY, SOCIAL INNOVATION, CORPORATE SOCIAL RESPONSIBILITY, AND CORPORATE GOVERNANCE, AS WELL AS OUR EFFORTS AT THE MINING INDUSTRY LEVEL, WE HAVE RECEIVED SEVERAL AWARDS AND RECOGNITIONS



OCTOBER

SOCIEDAD NACIONAL DE INDUSTRIAS (SNI) (NATIONAL INDUSTRIES ASSOCIATION - SNI)

**Recognition:** Best Practices of Excellence in the Production Category.

SNI recognizes the SERMEP-PDP2 CIC, mine maintenance contractor company which seeks to reduce the costs for the manufacture of electric drive housings inside the Santa Maria Production Unit, using a circular production model.

SOCIEDAD NACIONAL DE INDUSTRIAS (SNI)(NATIONAL INDUSTRIES ASSOCIATION - SNI)

**Recognition:** Best Practices of Excellence in the Production Category

SNI recognizes Qory Maskaq CIC, Geology area. The goal of this project is to apply new technologies to optimize the process to obtain mineral ore (ORM) integrating 3D digital models, to allow better interpretation, control, and safety.

SOCIEDAD NACIONAL DE INDUSTRIAS (SNI)(NATIONAL INDUSTRIES ASSOCIATION - SNI)

**Recognition:** Best Practices of Excellence in the Production Category  
SNI recognizes the Matallurgic Research and Innovation CIC of the plant area, whose project seeks to optimize the consumption of reagents in Poderosa's mineral processing.

LA LIBERTAD REGIONAL GOVERNMENT AND LA LIBERTAD REGIONAL EXPORT EXECUTIVE COMMITTEE

Diploma awarded to Compañía Minera Poderosa for its outstanding performance as a large exporting company in the mining sector in the category of Largest Exporting Volume.

Awarded on National Exporter's Day.

NOVEMBER

DECEMBER

IBEROAMERICAN FOUNDATION FOR QUALITY MANAGEMENT (FUNDIBEQ)

**Recognition:** Iberoamerican Quality Award 2024 - Silver Medal

Project attached to the Ibero-American Summit of Heads of State and Government. The Ibero-American model recognizes excellence in management, creativity, innovation, transformation, change management in organizations and the contribution to the achievement of the United Nations SDGs.

UNIVERSIDAD NACIONAL DE TRUJILLO

**Honorary Distinction to** Jimena Sologuren Arias, Social Responsibility and Communications Deputy Manager

In recognition for the support of Poderosa to UNT students to participate in the XXIth edicion of the International RobotChallenge Competition held in 2024 in Beijing, China, and the XVth edition of the International Robotic Competition held in Romania. The university recognizes the sponsorship for transportation, materials and per diem for the students, which enabled them to occupy the first places in the competition.

AOTS (ASSOCIATION FOR OVERSEAS TECHNICAL COOPERATION AND SUSTAINABLE PARTNERSHIPS)

**National 5S Award (2024 edition) Lima and Trujillo: Gold Medal – Highest score nationwide**

Awarded for implementing and maintaining the 5S process.

AOTS (ASSOCIATION FOR OVERSEAS TECHNICAL COOPERATION AND SUSTAINABLE PARTNERSHIPS)

**National 5S Award (2024 edition) Marañón and Santa María Production Units: Gold Medal**

Awarded for implementing and maintaining the 5S process.



CHAPTER



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Corporate Governance Report using  
the QR code below.



CORPORATE GOVERNANCE,  
ETHICS, COMPLIANCE AND  
ECONOMIC DEVELOPMENT



# CORPORATE GOVERNANCE

[GRI 2-10] [GRI 2-11] [GRI 2-12] [GRI 2-13] [GRI 2-13] [GRI 2-14] [GRI 2-16] [GRI 2-17] [GRI 2-18]

## GENERAL SHAREHOLDERS' MEETING

### BOARD OF DIRECTORS

- Executive Committee
- Audit Committee
- Strategy and Sustainability Committee
- Ethics and Good Governance Committee
- Hedging Committee

### GENERAL MANAGEMENT EMPLOYEES

## LEADERSHIP THAT GUIDES AND MOTIVATES US

At Poderosa, we understand that Good Corporate Governance is the foundation that ensures long term success and sustainability. With a clear and responsible vision, we work nonstop to strengthen our governance practices, prioritizing efficiency, transparency and responsibility in all our operations.

The General Shareholders' Meeting leads our governance structure; it plays a fundamental role in strategic decision-making. This body is responsible for the company's social management and for reviewing the annual results; it also elects and promotes the Board of Directors, appoints external auditors, modifies the by-laws, and restructures the company as occasion may require.

Diversity and independence are key aspects when selecting the members of the Board of Directors. The General Shareholders' Meeting makes sure that the Directors have the necessary skills to meet the highest integrity standards and carries out periodic performance assessments to guarantee efficient management, aligned with the Company's goals.

Our Board of Directors is made up of 11 official members and 10 alternate members, appointed by the General Shareholders Meeting for a three-year period. Currently, the Board of Directors is made up by 8 male and 3 female official directors. The General Management, on the other hand, is responsible for the strategic steering of the company and it executes the policies and decisions of the Board of Directors and General Shareholders Meetings.

The different management areas such as Administrative, Finance and Trade Management; Operations Management, the Comprehensive Integrated Management System, Geology and Explorations Management, and Corporate Affairs Management each accountable for their own affairs, according to our annual plan, contributing to meeting our goals and

to strengthen our commitment with sustainability and good corporate Governance.

The qualification of independent Directors is performed pursuant to the criteria established by the Securities Market Superintendency. Their contribution is crucial in providing an unbiased view of our organization's activities. They are called upon for their professional background, honorability, sufficiency, and financial independence. We also make sure that they have proven experience in the industry.

Likewise, we make sure that the members of the Board of Directors are not subject to external influence or conflicts of interest when making their decisions as established in our Code of Ethics. The Board of Directors and all employees are committed to placing the company's interests above their personal or private interests, to avoid their personal interests influencing decision making, and guaranteeing sensible and impartial work.

SHAREHOLDERS CHOOSE DIRECTORS BASED ON THEIR SKILLS AND EXPERIENCE, PRIORITIZING THOSE SKILLS THAT WILL CONTRIBUTE TO THE MANAGEMENT OF THE COMPANY



TABLE 7. : BOARD OF DIRECTORS		
TYPE	2023	2024
Total number of Directors	18	21
Independent Directors	2	4
Executive Directors	1	1
Other non-executive Directors	10	10



TABLE 8. INDEPENDENT DIRECTORS WITH EXPERIENCE IN THE INDUSTRY			
	2022	2023	2024
Number of independent Directors with experience in the industry during the last three years	3	2	4

TABLE 9. MEMBERS OF THE BOARD OF DIRECTORS			
MEMBER	POSITION	INDEPENDENCE	SINCE
Evangelina Arias Vargas de Sologuren	Chairperson	No	1980
José Enrique Juan Picasso Salinas	Vice-president	No	2006
Victoria Isabel Arias Vargas	Official	No	1991
Ana Carolina Arias Vargas		No	1997
Jorge Alfredo Guillermo Picasso Salinas		No	2009
José Nicolás de Bernardis Cuglievan		No	1998
Russell Marcelo Santillana Salas		No	2024
Walter Eduardo Sologuren Jordan		No	1987
Víctor Augusto Cayetano Ostolaza Fernández Prada		No	1999
Adolfo Darío Arias Díaz		No	2009
José Néstor Marún Sales		Yes	2017
Juan Antonio Assereto Duharte	Alternate	No	2001
Juan Antonio Proaño Arias		No	2009
Fernando A P Cantuarias Alfaro		No	1980
Eduardo José Ferrero Costa		No	2007
Ricardo Eleazar Revoredo Luna		No	2007
Rafael Bernardo Luis Picasso Salinas		No	2009
Carolina María Castro Quirós		Yes	2012
Carlos Fernando Aranda Arce		Yes	2017
Luis Carlos Marchese Montenegro		Yes	2024
Christian Ditler Eidson Aubry		Yes	2024

Significant positions and additional information: Annex 1

The Chairperson of our Board of Directors, Mrs. Evangelina Arias Vargas de Sologuren is the executive chair, and her main functions include leading the Board of Directors and the Senior Management regarding the definition of organizational strategies, goals, and objectives. Her role is to guarantee the Company’s sustainability, maximizing financial and production results, promoting stakeholder development, and generating positive social impacts.

At present, we do not have a formal procedure to assess the performance of the Board of Directors in overseeing the management of the organization’s impacts on the environment, the economy, and people, or in general terms. Shareholders choose directors based on their skills and experience, prioritizing those skills that will contribute to the management of the company.

Given that no formal assessments have been carried out, no specific measures have been established in this regard. Regarding conflict-of-interest prevention and management in the Board of Directors, although we do not have policies implemented, the governance body establishes the mechanisms to prevent and mitigate them if they were to occur.

FUNCTIONS OF THE BOARD OF DIRECTORS COMMITTEES

To guarantee efficient management, in line with our transparency and sustainability values, the BOD of Minera Poderosa has set up specialized committees to perform key functions:



FUNCTIONS OF THE BOARD OF DIRECTORS COMMITTEES

01

01

EXECUTIVE COMMITTEE

Acts as an agile decision-making engine, supervising the company’s overall performance and solving situations that require additional actions than exceed the General Management’s functions.

Meeting frequency: weekly.

02

AUDIT COMMITTEE

Is the custodian of the corporate integrity, it ensures the transparency of our information, managing identification and assessment of risks that may affect our operations.

Meeting frequency: three times a year.

03

ETHICS AND GOOD CORPORATE GOVERNANCE COMMITTEE

Focused on the principles that guided our actions, this committee oversees the compliance of the Good Corporate Governance guidelines and procedures, consolidating our ethics culture.

Meeting frequency: three times a year.

04

STRATEGY AND SUSTAINABILITY COMMITTEE

It is the core of our future vision. This committee designs and reviews strategies that drive the company’s economic, environmental and social development, ensuring a positive and sustainable impact.

Meeting frequency: three times a year.

05

HEDGING COMMITTEE

It specializes in the strategic analysis of the prices of the metals we produce. This committee Works on a permanent basis and meets as required by market needs.

Meeting frequency: as necessary.

TABLE 10. EXECUTIVE COMMITTEE		
OFFICIAL	ALTERNATE	GUEST
<ul style="list-style-type: none"><li>• Evangelina Arias*</li><li>• José Picasso</li><li>• Víctor Ostolaza</li><li>• José de Bernardis</li></ul>	<ul style="list-style-type: none"><li>• Juan Assereto</li><li>• Jorge Picasso</li><li>• Walter Sologuren</li></ul>	<ul style="list-style-type: none"><li>• Marcelo Santillana (S)</li><li>• José Elejalde</li><li>• Diego Sologuren</li><li>• Jimena Sologuren</li><li>• Helena Zuazo</li><li>• Pablo de la Flor</li></ul>

TABLE 11. AUDIT COMMITTEE		
OFFICIAL	ALTERNATE	GUEST
<ul style="list-style-type: none"><li>• Evangelina Arias*</li><li>• Víctor Ostolaza</li><li>• José Picasso</li><li>• José de Bernardis</li></ul>	<ul style="list-style-type: none"><li>• Juan Assereto</li><li>• Jorge Picasso</li></ul>	<ul style="list-style-type: none"><li>• Marcelo Santillana</li><li>• José Elejalde (S)</li><li>• Diego Sologuren</li><li>• Jimena Sologuren</li><li>• Pablo de la Flor</li></ul>

TABLE 12. ETHICS AND GOOD CORPORATE GOVERNANCE COMMITTEE		
OFFICIAL	ALTERNATE	GUEST
<ul style="list-style-type: none"><li>• Evangelina Arias</li><li>• Víctor Ostolaza</li><li>• Isabel Arias</li><li>• Eduardo Ferrero</li><li>• Jorge Picasso</li></ul>	<ul style="list-style-type: none"><li>• Carolina Castro</li><li>• Juan Assereto</li><li>• Ricardo Revoredo</li></ul>	<ul style="list-style-type: none"><li>• Marcelo Santillana</li><li>• José Elejalde</li><li>• Diego Sologuren</li><li>• Jimena Sologuren</li><li>• Walter Díaz (S)</li><li>• Helena Zuazo</li><li>• Pablo de la Flor</li></ul>

TABLE 13. STRATEGY AND SUSTAINABILITY COMMITTEE		
OFFICIAL	ALTERNATE	GUEST
<ul style="list-style-type: none"><li>• Evangelina Arias*</li><li>• Walter Sologuren</li><li>• José Marún**</li><li>• José Picasso</li><li>• José de Bernardis</li></ul>	<ul style="list-style-type: none"><li>• Víctor Ostolaza</li><li>• Juan Proaño</li><li>• Jorge Picasso</li></ul>	<ul style="list-style-type: none"><li>• Marcelo Santillana</li><li>• José Elejalde</li><li>• Diego Sologuren (S)</li><li>• Jimena Sologuren</li><li>• Daniel Torres</li><li>• Pablo de la Flor</li></ul>

\*Chair of the Board of Directors with executive functions  
\*\*Independent Director  
(S)Secretary

## FUNCTIONS OF THE BOARD OF DIRECTORS REGARDING ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) IMPACT MANAGEMENT

The Board reviews the company’s performance monthly or at every meeting, regarding those areas that comprise management of the impacts on the economy, the environment and people, as well as operational and financial matters. It also supervises the work entrusted to the Committees. During these sessions, the attending officers act as intermediaries, transmitting the decisions to the employees and expressing their concerns to the Board of Directors members. All the same, the Executive Committee reviews the company’s business performance on a weekly basis.

Within its functions, the Board of Directors, together with management, develops, approves, and updates the principles, values, strategies, policies, and objectives related to sustainable development and to the management of economic, environmental, and social issues.

Board members participate actively in various working areas, such as the Strategy and Sustainability Committee, among others. The Board’s vision of the process to identify and address our ESG impacts is favorable, especially in ad-

vancing energy transformation, circular economy, and territorial development.

Every year, the Board of Directors reviews and assesses the sustainability reports, ensuring they are aligned with the Company’s policies, principles, values, objectives and goals. Once the reports are approved, they are submitted to the General Shareholders’ Meeting for approval.

**Training of the Board of Directors on sustainable development**  
When joining our team, all Directors receive comprehensive information on the main aspects of our business, as well as the purpose, values and code of conduct, their roles, and responsibilities. They receive training on legal, compliance, and sustainability issues of our operation and they visit the mine once a year.

All the same, to improve the knowledge, skills, and expertise of the senior ruling body on sustainable development,

the Directors participate in different events where they receive information regarding the environmental, social, and economic aspects of the business; for example, the Strategy and Sustainability Committee of the Company, where sustainability topics are discussed and information is exchanged; meetings with our NGO Asociacion Pataz, among other.

**Remuneration Policy**  
The Board of Directors members receive a percentage of the yearly profits, according to the company by-laws. The senior management adopts remuneration policies of senior executives according to their performance assessment.

**Tenure of the Board of Directors**  
In 2024, the average tenure of our Board members was 19 years, the same as in 2023, and 18 years in 2022. This figure reflects our dedication to stability and retention of expertise in the company’s governing body, which is critical to maintaining management continuity and depth of knowledge in our operations and corporate strategies.



BOARD MEMBERS PARTICIPATE ACTIVELY IN VARIOUS WORKING AREAS, SUCH AS THE STRATEGY AND SUSTAINABILITY COMMITTEE, AMONG OTHERS



# CORPORATE ASPECTS

Our purpose is to develop mining activities, in general, with an indefinite duration. This economic activity, according to the International Standard Industrial Classification (ISIC), established by the United Nations, corresponds to the extraction of other non-ferrous metallic minerals (section B, division 07, group 072, class 0729).

Our history began with the establishment of the company before Dr. Gaston E. Barboza Bezada, Notary Public in and for Lima, through a notarial recorded instrument dated May 5, 1980, registered on page 395, volume 24 of the Registry of Mining Corporations of the Public Registry of Mines. Currently, the Company is registered under Electronic File N°01204769 of the National Superintendence of Public Registries (SUNARP) Lima Registry Office, Legal Entity Registry.

## CAPITAL AND SHAREHOLDER STRUCTURE

The company’s capital stock is registered before the Securities Market Public Record and the Lima Stock Exchange since January 27, 2005.

As of the end of 2024, the company had a capital stock of S/ 800,000,000.00, fully subscribed, and paid. The capital stock is represented by 800,000,000 common shares at a nominal value of S/ 1.00 each, with voting rights. 51.2240% of this stock corresponds to domestic shareholders (accounting for 307,344,000 shares) and 48.7760% are held by non-domiciled shareholders (representing 292,656,000shares).

All the same, we must mention that Poderosa is not a part of any economic group, reinforcing our operational and strategic independence. Among our main Shareholders, there are legal entities and individuals, domiciled and non-domiciled. The main shareholder is a non-domiciled legal entity, share-

TABLE 14. MAIN SHAREHOLDERS	
NAME	NATIONALITY
Talingo Corporation	British Virgin Islands
Victoria Isabel Arias Vargas	Peruvian
Luz Evangelina Arias Vargas de Sologuren	Peruvian
Ccori Apu S.A.C.	Peruvian
South America Mining Investment Corp	British Virgin Islands
Xelor Shipping Limited	British Virgin Islands
Zulema Invest Limited	British Virgin Islands

TABLE 15. SHAREHOLDER PARTICIPATION		
NAME	NUMBER OF SHARES	%
Talingo Corporation	147'969,087	18.50
Victoria Isabel Arias Vargas	128'369,104	16.05
Luz Evangelina Arias Vargas de Sologuren	121'776,899	15.22
Ccori Apu S.A.C.	111'675,880	13.96
South America Mining Investment Corp	83'708,033	10.46
Xelor Shipping Limited	77'036,896	9.63
Zulema Invest Limited	77'036,892	9.63

holders 2 and 3 are Peruvian domiciled individuals, shareholder 4 is a Peruvian domiciled legal entity and shareholders 5, 6 and 7 are non-domiciled legal entities. Our shareholder structure reflects a diversified and balanced structure, consolidating our position as a independent company, with transparent management and aligned with our Good Corporate Governance Principles.

### Dividends Policy

On September 30, 2009, the company’s General Shareholders’ Meeting approved the following dividend policy: “The company shall distribute between 40% and 60% of the annual distributable profits, in cash”.

### Stock Exchange quotation

During 2024, the shares were quoted as follows, in average.

TABLE 16. HOLDING, SHAREHOLDERS AND PARTICIPATION		
HOLDING	N° OF SHAREHOLDERS	%
Less than 1%	615	2.3
Between 1% and 5%	1	4.25
Between 5% and 10%	2	19.26
More than 10%	5	74.19
TOTAL	623	100

TABLE 17. STOCK QUOTATION

CODE ISIN: PEP635001006   NEMONIC: PODERC1					
MONTH	OPENING	CLOSING	MAXIMUM	MINIMUM	AVERAGE PRICE
January	7.47	8.00	8.00	7.47	7.54
February	8.00	8.01	8.01	7.80	7.97
March	8.15	9.35	9.35	8.15	8.94
April	9.05	9.50	9.50	9.00	9.03
May	9.00	8.26	10.10	7.80	9.32
June	8.50	8.00	8.50	7.90	8.08
July	8.00	7.98	8.10	7.90	8.00
August	8.39	7.80	8.39	7.80	8.02
September	7.80	8.25	8.25	7.79	8.08
October	8.00	9.00	9.25	8.00	8.35
November	8.01	8.00	8.70	8.00	8.09
December	8.00	8.00	8.30	8.00	8.20

# ETHICS AND TRANSPARENCY

[GRI 3-3] [GRI 205-1] [GRI 205-2] [GRI 205-3] [GRI 2-16] [GRI 2-26] [GRI 2-27] [EITI Expectation 6] [EITI Expectation 7]

Building trust among our stakeholders is fundamental for the development of our operations. Therefore, we must work with safety, sustainability, and business ethics. For over 43 years we have built a sound reputation in Pataz, based on honesty and responsibility. Our commitment is to always keep and reaffirm the values and principles that have allowed us to hold friendly relations with our neighbors. Our corporate culture, lawfulness and ethics guide the actions of our employees, directors, and any other person acting in our name.

The transparency of our activities is essential, therefore, we maintain clear communication with our stakeholders, showing our firm commitment with ethics and integrity. We

have a, Integrated Management System which establishes guidelines and procedures to prevent, detect and correct inappropriate behavior.

Also, we reject and prohibit any form of corruption, including crime types such as bribery, collusion, and trading in influence, as well as any activity that qualifies as money laundering or terrorism financing, whether directly or indirectly, through an agent or business partner, whether in relation to a public official or an individual.

## STRATEGIC APPROACH

Meeting the following goals will build trust and value in the long term, strengthen an ethics and compliance culture, improve risk management and significantly reduce the probability of becoming liable for fines and sanctions:



- Effectively protect our reputation and strengthen governance.
- Execute the annual Compliance Management System and AML/TF program.
- Manage the company’s different compliance obligations processes, through a periodic update of the risks and obligations matrices.
- Ensure suitable implementation of controls associated with the company’s critical risks, following the guidelines of ISO 31000:2018.

We work to continuously strengthen the company’s compliance culture. In 2024, we received ISO 37301:2021 – Compliance Management System certification, and we reinforced our comprehensive risk management based on ISO 31000:2018.

Permanent communication is fundamental for our management, therefore we keep an open channel through the following e-mail address: cumplimiento@poderosa.com.pe and the telephone extension of the Risk and Compliance Area. This channel allows seeking advice and raising concerns about the application of policies and procedures.

In addition, we have an Ethics Channel that offers several contact means, allowing our employees and stakeholders to report their complaints about any deviation related to ethical behavior and violation of Human Rights.

## ANTI-CORRUPTION

We are aware that corruption is an obstacle for the development of our country. Therefore, we are firmly committed to fighting against this problem, and act with respect for human rights, compliance with the legal regulations and with our voluntarily assumed commitments. In 2024 we did not have any confirmed events of corruption in our operations.

To guarantee this commitment, we have established clear principles described in our Compliance Policy, that define the position of Poderosa to reject and prohibit any act of corruption, including bribery, collusion, and trading in influence, as well as any act that qualifies as money laundering or terrorism financing in any form, whether directly or indirectly, through an agent or business partner, whether in relation to a public official or an individual. All the same, our Code of Ethics and Conduct established guidelines that our employees and stakeholders must meet to ensure lawfulness and ethical behavior throughout the organization.

As a responsible company, we must fight against corruption, and generate positive impacts on our stakeholders, through the implementation of anti-corruption practices and compliance with responsible business conduct commitments and policies. Therefore, we have established processes that allow



## STATEMENT SUPPORTING THE EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE

Compañía Minera Poderosa hereby represents that since 2011 it has been voluntarily and actively participating in the process to implement the EITI in Peru. This is because it is convinced that transparency and accountability, fixed components of the EITI standard, are fundamental and necessary for its activity to be beneficial for the country.

All the same, Compañía Minera Poderosa represents that it supports and promotes any public policies and processes implemented by the Government to make licenses and contracts granting transparent, to fight against corruption.



identifying and assessing risks at organizational level, implementing controls to mitigate any possible negative impacts and taking the corresponding corrective actions according to the type of risk and its severity.

We work firmly to implement the guidelines and controls to ensure honest and ethical performance in every activity of our processes. We manage this approach through three fundamental pillars: prevention, detection, and reporting.

ISO 37301:2021 Compliance Management System

In 2024, we carried out external audits to our management systems based on ISO 37001:2016 for the Anti-bribery Management System, to ensure compliance. We also implemented and certified ISO 37301:2021 – Compliance Management System, reinforcing our commitment to transparency, respect for the applicable law and regulations and the voluntarily assumed commitments.

ISO 37001-2016 Anti-bribery Management System and Anti-bribery Certification

In 2019 we were the first Peruvian mining company to obtain the ISO 37001:2016- Anti-Bribery Management System international certificate granted by BASC Peru, under the Peru Certification brand. In the same year, we received the Zero Anti-Bribery Certification, renamed Antibribery Certification, since 2022, which is assessed every two years and is in full force, thus reflecting our ongoing effort to fight against corruption.

Our Anti-bribery Management System promotes a culture of integrity, transparency, and compliance, applying an integrated methodology to identify and assess risks. This approach allows establishing effective controls to prevent and mitigate risks, detect warning signs in situations and conducts that deviate from our ethical framework and to take the necessary measures to guarantee management in line with our compliance policy and our Code of Ethics and Conduct.

ETHICS COMMITTEE

Our Ethics and Good Corporate Governance Committee assumes an important leadership role to maintain our organi-

zation’s reputation. This Committee periodically reviews the progress and results of the Anti-Money Laundering and Terrorist Financing (AML/TF) Prevention System, the Compliance Management System and the different ethical issues within the organization.

The evaluations include the analysis of established objectives and indicators, training carried out, the due diligence processes and the statistics of the Ethics Channel in relation to customers, suppliers and employees. The results of the Ethics Committee report are submitted to the Board of Directors for information and follow-up.

ETHICS CHANNEL

Our Ethics Channel, managed externally, ensures the transparency and confidentiality of the data managed. This service, which is available 24 hours a day, throughout the year, allows employees and stakeholders to submit grievances and complaints from any device with an internet connection. All complaints are treated confidentially and anonymously, if requested. We firmly maintain our position of zero tolerance for retaliation. Any questions or opportunities for improvement regarding the Ethics Channel can be sent to the following e-mail address: [cumplimiento@poderosa.com.pe](mailto:cumplimiento@poderosa.com.pe).

We follow up daily on incoming complaints and proceed with the corresponding investigations. Applicable sanctions are determined in accordance with the Internal Work Regulations. In addition, every four months, we report on the status of the Ethics Channel to the Ethics and Good Corporate Governance Committee and the Board of Directors, ensuring transparent management in line with the company’s ethical values. This is reported according to the categories defined by the company.

In the reporting year, there were no judiciary procedures derived from complaints received through the Ethics Channel.

TRAINING IN ETHICS AND ANTI-CORRUPTION

We provide our employees with ongoing training and information on our ethics and Anti-corruption policies, our Code of Ethics and Conduct, and on the use of the Ethics Channel. We

TABLE 18. COMPLAINTS THROUGH THE ETHICS CHANNEL IN 2024

TYPE OF COMPLAINT	TOTAL NUMBER OF COMPLAINTS	CLOSED	APPLICABLE	NOT APPLICABLE	UNDER INVESTIGATION
Gifts received or undue benefits	-	-	-	-	-
Other illegal activities/irregular conduct	7	7	3	4	0
Non-compliance with regulations and procedures	6	6	3	3	0
Use or abuse of company resources	-	-	-	-	-
Appropriation of money	1	1	0	1	0
Alteration or manipulation of information	3	3	0	3	0
Workplace harassment	18	16	6	10	2
Sexual harassment or abuse	1	1	1	0	0
Conflict of interest	4	4	2	2	0
Money laundering and/or terrorism financing	-	-	-	-	-
Affecting human rights*	-	-	-	-	-
Collusion	2	2	1	1	0
Disclosure of confidential information	1	1	0	1	0
Bribery	5	5	1	4	0
TOTAL	48	46	17	29	2

CHANNELS



[WWW.CANALDEETICAPODEROSA.COM](http://WWW.CANALDEETICAPODEROSA.COM)  
0-800-71791  
[DENUNCIAS@CANALDEETICAPODEROSA.COM](mailto:DENUNCIAS@CANALDEETICAPODEROSA.COM)

ORDINARY MAIL  
Av. Víctor Andrés Belaúnde 171.  
San Isidro - Lima



also provide them with counseling on ethical and legal conduct to strengthen the culture of integrity in the organization.

During our due diligence process, we provide our Code of Ethics and Conduct and our Compliance Policy to every critical contractor both at the beginning of our business relation and every time we update these documents. In addition, in 2024 we delivered a public video to the contractors about Poderosa’s Crime Prevention Model, reinforcing our commitment with ethics and compliance.

TABLE 19. TRAININGS IN CODE OF ETHICS AND ANTI-CORRUPTION PROCEDURES

INDICATOR	2024
Number of employees that received training on anti-corruption and Code of Ethics	780
Percentage of employees that received training on anti-corruption and Code of Ethics	96.50

TABLE 21. COMMUNICATION ABOUT THE CODE OF ETHICS AND ANTI-CORRUPTION POLICIES AND PROCEDURES

Total number of governance body members who have been informed about the organization’s Code of Ethics and anti-corruption procedures	21
Percentage of governance body members who have been informed about the organization’s Code of Ethics and anti-corruption procedures	100
Total number of employees who have been informed about the organization’s Code of Ethics and anti-corruption procedures	792
Percentage of employees who have been informed about the organization’s Code of Ethics and anti-corruption procedures	100
Total number of business partners who have been informed about the organization’s Code of Ethics and anti-corruption procedures	1,301
Percentage of business partners who have been informed about the organization’s Code of Ethics and anti-corruption procedures	100

**Contribution to political parties**  
Our Code of Ethics and Conduct establishes the commitment to refrain from making any type of contribution to political campaigns, except for exceptional circumstances, which must be approved by the General Management and the Executive Committee. All the same, any authorized contribution must be informed to the Compliance Risk Prevention Officer and be recorded as provided for by the law. In 2024 no such contribution was made.

TABLE 20. TRAININGS IN THE CODE OF ETHICS AND ANTI-CORRUPTION PROCEDURES FOR GOVERNANCE BODIES

INDICATOR	2024
Number of governance body members that received training on anti-corruption and Code of Ethics	19
Percentage of governance body members that received training on anti-corruption and Code of Ethics	90.50

# COMPREHENSIVE RISK MANAGEMENT

In Poderosa, we have sound guidelines for comprehensive risk management, following the ISO 31000:2018 standard. This includes all our processes, including compliance, operational, human rights, and corruption risks, among others.

In 2024, assessments were performed to those controls with high and critical intrinsic risk levels. These assessments, which allowed adjusting the existing controls and establishing specific action plans, ensure effective mitigation of the risks that the company faces.



## OUR MAIN GOALS ARE:

- 01 Identify, assess and establish controls for the different risks to which the company is exposed.
- 02 Implement action plans for those controls related to risks which level is above low.



# LEGAL COMPLIANCE

[GRI 2-27]

WE COMPLY WITH ALL THE LEGAL OBLIGATIONS ESTABLISHED IN THE REGULATIONS, AUTHORIZATIONS AND PERMITS IN ENVIRONMENTAL, WATER RESOURCES, MINING MATTERS, AND OTHER TYPE OF PERMITS

We comply with all the legal obligations established in the regulations, authorizations and permits in environmental, water resources, mining matters, and other type of permits. These responsible actions have allowed us to keep a low number of administrative sanctioning proceedings.

## FINES

In 2024, the OEFA Environmental Audit Court charged the company with violations as a result of the Regular 2020 Supervision, imposing a fine of 27.498 Taxation Units, which has already been paid. All the same, the court charged the company with violations to the 2020 Mine Closure Plan Supervision, imposing a fine of 59.078 UIT, which has been challenged before the judiciary.

## TAX CONTINGENCY

As of December 31st, 2024, there is one tax proceeding against the Tax Authority pending solution, and which has been appealed before the Tax Court. The procedure refers to the following period:

- 2015 Income Tax: Objections were determined for S/6,755. As of December 31st, 2024, the amount of the tax debt (capital plus interests) adds up to S/ 3,530 and the amount of the fine is S/1,765. The appeal is pending before the Tax Court.

## LEGAL CONTINGENCIES

As of December 2024, several complaints were pending against the company, including payment of the following: (a) Invalidity of an administrative action for S/ (00) 627,254 (b) obligation to pay S/ (000) 6,217, and (c) social benefits and damages resulting from breach of labor regulations in favor of former company and contractor workers for approximately S/ (000) 5,173.

The management and its legal advisors estimate that given the sound legal arguments to obtain a favorable ruling, the result of these proceedings for the company will not have a significant impact in the Company’s separate financial Statement.

# ECONOMIC PERFORMANCE

[GRI 3-3] [GRI 201-1] [GRI 201-2]

We aim to attain social, environmental, and economic balance to maximize investment, generate greater income and pay more taxes to the Government, so they can be used in public investment for the benefit of the communities. The impact of our economic performance translates into value generation for our stakeholders.

This sustained growth is only possible when we align our financial management with our values, Integrated Management System Policies, Occupational Health, Environmental Protection, Quality, and Ethics together with our business philosophy. All the same, we have a dividend policy in place that allows a balance between growth and profitability for our shareholders



THE IMPACT OF OUR ECONOMIC PERFORMANCE TRANSLATES INTO VALUE GENERATION FOR OUR STAKEHOLDERS

31.7%  
INCREASE IN NET SALES  
COMPARED TO 2023

OUR ACTIVITIES AND RESULTS

As of the end of 2024, net sales for the year added up to S/ 2.624 billion, a 31.7% increase compared to S/ 1.992 billion recorded in 2023. The cost of sales was S/ 1,708 billion, a 29% increase compared to the cost in 2023. Nearly 20,000 ounces more were sold than in the previous year.

The average price for our exports was USD 2,395 per ounce of gold and USD 29.86 per ounce of silver. The price of gold was 22.6% higher than in 2023. This helped to compensate for the lower number of ounces produced this year. 100% of the production was exported to our customers Asahi in Canada and Argor-Heraeus in Switzerland.

The net profit for the year was S/415 million, representing 40.34 % growth compared to 2023, when net profit was S/295.7 million.

We are committed to operating with transparency and sustainability. To guarantee this, we focus on measuring and reporting on our performance. In 2024, our internal processes and our financial statements were audited by KPMG, with favorable opinions. During the reporting year, we have not identified any significant negative impacts on the people, the economy, or the environment.

TABLE 22. MAIN FINANCIAL INDICATORS				
INDICATOR	2021	2022	2023	2024
EBITDA (S/ million)	974.99	999.61	712.89	991
Net sales (S/ billion)	2,102.70	2,090.70	1,992.60	2,624
Gross margin (%)	48	42	34	35
Operational Margin (%)	36	33	23	25
Profits before taxes (S/ million)	799.68	628.58	459.4	635
Net profit (S/ million)	552.79	407.34	295.7	415

COST EVOLUTION

In 2024, production fell by 9.1 % compared to 2023. The cash cost per ounce produced increased by 20.9 % compared to 2023, from 1,117 USD/ounce to 1,350 USD/ounce. The total cost per ounce increased in 19.4 % compared to 2023, rising from 1,459 USD/ounce to 1,743 USD/ounce.

We are very diligent in the payment of taxes and other contributions related to our industry. In 2024, we have contributed to the country’s development by investing in human resources, suppliers, timely payments to the government, and investments in the community.

TABLE 23. DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (S/)

TYPE	DESCRIPTION	2021	2022	2023	2024
Direct Economic Value Generated - Income	Net sales plus income from financial investments, indemnification, insurance, and asset sales	2,106'537,085	2,112'356,128	2,006'212,965	2,631'701,987
Distributed economic value					
Supplier payments	Payment to suppliers, royalties, and payments for facilitation or gifts	925'414,310	1,095'091,314	1,205'406,950	1,651'538,764
Employee salaries and benefits	Total payments to employees and social contributions. Does not include future payment commitments.	129'621,451	155'583,599	147'957,520	153'982,248
Government payments	Gross taxes and rates	279'099,735	246'162,419	182'228,934	199'002,268
Investment in Communities	Voluntary contribution to and investment in the communities, including donations	17'126,529	17'991,568	27'483,229	22'082,601
Withheld economic value		755'275,059	597'527,227	443'136,331	605'096,106

**Indebtedness**

In 2024, short and medium-term bank financing operations were maintained to cover the company’s investment needs. As of December 31st, 2024, the balance of the financial debt was USD 32.4 million (USD 41.4 million in 2023) with an average annual cost of EAR 6.25 % (6.28 % in 2023).

Hedging and leverage ratios were maintained as follows:

- Leverage ratio = 0.13 (total financial debt/EBITDA)
- Long term debt hedging ratio = 18.3 (EBITDA/[Financial Expenditure + Long-term debt payments] )

TABLE 24. INDEBTEDNESS

BANK	BALANCE AS OF DEC, 31ST 2024 (MILLION USD)	TYPE OF INDEBTEDNESS
Scotiabank	18	Working Capital
	0.4	Financial leasing
Santander	0	Financial leasing
BBVA	14	Mid-term loan 2020



Average gold price

The price of gold rose by 27% during 2024, its largest increase since 2010. According to the London Bullion Market Association (LBMA), the LBMA gold price reached 40 new highs during 2024, reaching a record price of USD 2,777.80 on October 30.

Among the main factors that drove the gold rally are the demand by central Banks, especially The People’s Bank of China. All the same, the great geopolitical uncertainty resulting from the conflicts in the Middle East and the war between Russia and Ukraine, contributed to market volatility.

Finally, another major driver of gold during 2024 was the FED’s rate expectations, as inflation was very close to the level expected by the US Federal Reserve.

The average gold price in the spot market for 2024 was USD 2,386.20 per ounce, according to the information published by Bloomberg Finance LP.

TABLE 25. AVERAGE GOLD PRICE 2021-2024

SECURITY PRICING SOURCE	XAUUSD BGN CURNCY BGN
DATE	AVERAGE GOLD PRICE
2024	2,388.76
2023	1,943.56
2022	1,802.46
2021	1,798.84

Audit Report

The Audit Report can be found in Chapter 8 of this report. The financial statement of Compañía Minera Poderosa S.A. does not include information on other institutions.

THE PRICE OF GOLD ROSE BY  
27%  
DURING 2024



# CHAPTER

# 3

# OPERATIONAL EXCELLENCE



# OUR VALUE CHAIN

GRAPH 4: PROCESS MAP

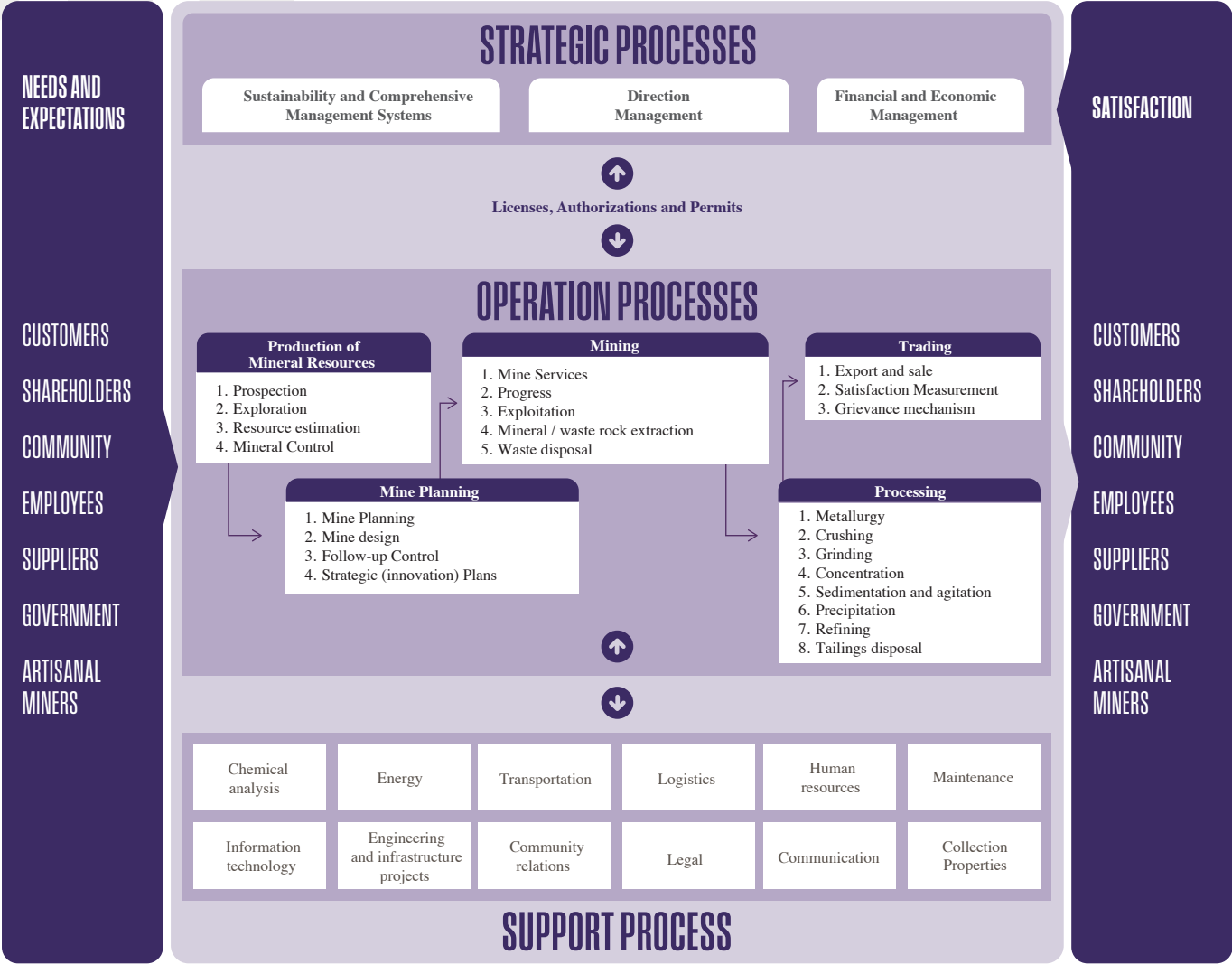


TABLE 26. MANAGEMENT INDEXES

INDEXES				EXECU- TED 2023 ACCRUED	EXECU- TED 2024 ACCRUED	
Security			Frequency	1.37	1.11	
			Severity	584.75	1,596.74	
			Accidents	0.8	1.77	
			Near misses	1,149	991	
Geology	Progress	Progress DDH (m)	52,841	60,389		
	Resources	Resource tons	1'680,856	1'854,985		
		Resource Ounces (Oz)	802,027	826,510		
		Resource Grade (g/t)	14.84	13.86		
	Reserves	Reserve tons	1'533,746	1'709,127		
		Reserve Ounces (Oz)	758,345	786,029		
		Reserves Grade (g/t)	15.38	14.3		
Mine			Mineral sent to plant (Mine+LA) (t) TM	557,803	621,306	
			H + V Operation progress	46,277	59,646	
			Positioning work (m)	10,782	13,298	
			Development work (m)	11,245	13,271	
			Mine work (m)	24,250	33,078	
			Raise boring Progress (m)	-	464	
			Raise climber Progress (m)	1,613	2,173	
			Tmb/Tar_Total	3.24	3.12	
			TMT/Tar_Total	1.20	1.04	
			Prepared Mineral - (accessibility 0 - 3 months)	4.89	4.53	
Plant	Marañón	Resource Production	Mine	Treated (t)	116,055	126,832
				Estimated mill head grade (gr/TM)	12.08	12.36
				Recovery (%)	98.19	98.47
				Production (oz)	44,263	49,366
		designa- ted task	Treated (t)	80,936	98,589	
			Estimated mill head grade (gr/TM)	26.87	27.26	
			Recovery (%)	90.11	89.41	
			Production (oz)	64,021	76,808	
	Potential Production	Free Ex- ploration	Treated (t)	91,616	88,441	
			Estimated mill head grade (gr/TM)	18.81	21.21	
			Recovery (%)	88.33	88.53	
			Production (oz)	48,851	53,895	

INDEXES				EXECU- TED 2023 ACCRUED	EXECU- TED 2024 ACCRUED		
Plant	Marañón	Consolidated Marañón		Treated (t)	288,607	313,862	
				Estimated mill head grade (gr/TM)	18.36	19.53	
				Recovery (%)	91.67	91.45	
				Production (oz)	157,135	180,086	
	Santa María	Resource Production	Mine	Treated (t)	348,689	383,839	
				Estimated mill head grade (gr/TM)	11.06	10.38	
				Recovery (%)	90.30	88.94	
				Production (oz)	111,881	113,805	
			Assigned Task	Treated (t)	435	-	
				Estimated mill head grade (gr/TM)	28.53	-	
				Recovery (%)	90.70	-	
				Production (oz)	363	-	
		Potential Production	Free Ex- ploration	Treated (t)	-	-	
				Estimated mill head grade (gr/TM)	-	-	
				Recovery (%)	-	-	
				Production (oz)	-	-	
		Consolidated Santa María	Treated (t)	349,124	383,839		
			Estimated mill head grade (gr/TM)	11.08	10.38		
			Recovery (%)	90.30	88.94		
			Production (oz)	112,244	113,805		
		Collection (CI)			Treated (t)	91,616	88,441
					Estimated mill head grade (gr/TM)	18.81	21.21
					Recovery (%)	88.33	88.53
					Production (oz)	48,851	53,895
	Consolidated			Treated (t)	637,731	697,701	
				Estimated mill head grade (gr/TM)	14.38	14.5	
				Recovery (%)	91.09	90.46	
				Production (oz)	269,379	293,873	
	Maintenance				Total energy (MW-h)	109,130	129,455
				Hydraulic Energy Cost (\$/kW-h)	0.059	0.0731	
				Thermal Energy Cost (\$/kW-h)	0.393	0.3386	
				SIN Cost (\$/kW-h)	0.071	0.0679	
				Palca Energy (kW-h)	-	-	
				Trackless Mechanic Availability	80.86	83.36	

INDEXES		EXECU- TED 2023 ACCRUED	EXECU- TED 2024 ACCRUED
Maintenance	Conventional Mechanic Availability	90.38	88.23
	kW-h / Gross Metric Ton	71.74	66.89
	kW-h / TMT	171.12	185.55
Human resources	Total Staff	6,931	7,930
	Employees Lima and Trujillo	88	100
	Operating Staff	689	693
	Mining Contractors	2,013	2,455
	Related companies	1,091	1,070
	Asset security	1,172	1,283
	O OCC	230	530
	SME/Micro and SME	1,648	1,799
Sales and costs	Sales Au and Ag (USD)	530'458,905	698'699,892
	Sales Au (oz.)	269,437	289,001
	Average Au sale price (USD/oz.)	1,952.70	2,394.70
	Production Cost (USD/Mt)	371.2	443.8
	Production Cost (USD/oz.)	919.3	1,126.80
	Effective Cost (USD/oz.)	1,116.90	1,349.90
	Total Cost (USD/oz.)	1,459.40	1,743.00
	Cubing Cost USD/cubed oz	225.7	239.9
	US\$/ kW-h Consolidated	0.1391	0.1582
Investment	Investment (US\$/Oz)	701.6	802.97
	Normal investment (US\$)	126'076,677	166'577,882
	Growth investment (US\$)	27'038,111	24'224,541
Finances	EBITDA (USD) NIC 21 (last 12 months)	191'998,616	262'811,258
	EBITDA (USD) NIC 21 (2021)	191'998,616	262'811,258
	Coverage Index (EBITDA/interests)	-	-
	Debt service Hedging Ratio	14.83	18.3
	Leverage Index (total financial debt / EBITDA (last 12 months)	0.22	0.13
	Additional banking financing USD		
	Guarantee hedge_ guarantees/main balance	-	-
Coberturas Garantías = Garantías/Saldo Principal		-	-



# 32 DECADES PRODUCING DEVELOPMENT

During more than four decades of nonstop activity, we have managed to evolve towards a better way of mining, with responsibility towards our surroundings and contributing to the development of our country. As of the closing of operations in 2024, 11,429,679 t of ore have been extracted, to produce 5,080,096 ounces of gold fines with an average grade was 15.15 g of Au per ton.

## 2024 PRODUCTION

In the Marañón and Santa María I plants, 697,701 tons of ore were processed, obtaining 293,873 ounces of gold. From the total amount processed, 313,862 tons corresponded to Marañón plant and 383,839 tons to Santa María I plant. Accrued gold recovery at the beneficiation plants was 90.46%. According to the production schedule, the compliance of the processed ore was 106.19% and gold production, 106.28%.

AS OF THE CLOSING OF  
OPERATIONS IN 2024, 11,429,679  
T OF ORE HAVE BEEN EXTRACTED,  
TO PRODUCE 5,080,096 OUNCES  
OF GOLD FINES

## 2024 PRODUCTION

697,701 t  
OF ORE PROCESSED

313,862 t  
MARANON PLANT

383,839 t  
SANTA MARÍA I PLANT

293,873 oz  
OF GOLD PRODUCED

# GROWTH STRATEGY

WE MAINTAIN A CULTURE OF SUSTAINABLE DEVELOPMENT, PRIORITIZING SAFETY, CARE FOR THE ENVIRONMENT AND A GOOD RELATIONSHIP WITH THE SURROUNDING COMMUNITIES

Our objective is to increase mineral resources and reserves in a sustainable manner to guarantee the useful life of the mine and the continuity of its operations in the short, medium and long term. In this process, we maintain a culture of sustainable development, prioritizing safety, care for the environment and a good relationship with the surrounding communities.

In 2024, our goal for the exploration program for Marañón, Santa María and Palca Production Units was to obtain 816,239 ounces of gold in mineral resources and earn 262,800 ounces of gold. In the long run, our goal is to continue with the explorations expanding the known areas and identify new mineralized sectors that enable us to sustain our operation in the future.

## PROCEDURE TO OBTAIN MINERAL RESOURCES (ORM\_TOD\_P\_001)

The purpose of this procedure is to develop sub processes and activities within the Process to Obtain Mineral Resources (ORM for its acronym in Spanish), to identify zones that host mineral resources, model their geometry, and estimate their gold fines content. All the same, it assesses the economic viability of the resources under certain criterial to determine if extraction if viable.

This procedure is applied by the Geology and Explorations manager, the Geology Superintendent, the Explorations Superintendent and the officers responsible for the ORM processes, with the support of the General Manager, Operations Manager, Quality, Occupational Health and Safety, Mining and P&I. The area responsible for the standardization of this process is the Compañía Minera Poderosa's Integrated Management System, and this procedure will be in force until Abril 10, 2026.

## PROSPECTING

During 2024, we made important progress regarding the identification of new areas with economic mineral resources. We identified promising areas such as Palca and Montañitas Production Units, which present high potential for resource development. Also, in Rafaela PU, we found traces of economic mineralization, which opens new opportunities for future explorations. In Marañon PU we proved the continuity of the Hilary vein, which reinforces the perspectives for expansion and exploitation of this zone. These findings reflect our proactive approach to explore and assess new mineral resources with high strategic value.

## EXPLORATION AND DEVELOPMENT

### EXPLORATIONS IN THE MARAÑÓN PU

Explorations took place mostly in Veins Lola 1, Luz, Jimena, Valdivia, Choloque, Hilary, Pencas, Karola Techo and Consuelo.

- 29,792 m of diamond drilling were executed.
- 5,922 m of mining works: 2,603 m corresponded to positioning works and 3,319 m to development works.



### EXPLORATIONS IN THE SANTA MARÍA PU

Explorations took place in the Samy, Julie, San Lorenzo, San Pedro, San Vicente and Maren vein systems:

- 21,755 m of diamond drilling.
- 13,680 m of mining exploration works.

In the San Lorenzo and San Pedro veins system, 2,349 m of exploration works were executed. During the first stage, the goal is to connect levels 3310, 3150 and 2670 to facilitate explorations in those veins.

Exploration in the Samy vein was executed between levels 2860, 2910 and 3200. In the Julie vein, the works were carried out between levels 2050 and 2220.

#### Explorations in the Palca Production unit

Explorations in Palca Production Unit will start once we get the authorization to start exploration activities.

#### Explorations in the Montañitas Production Unit

In Montañitas Production Unit we continue with the superficial survey, especially in the mining concession in La Victoria Farming Community, and to a lesser degree in Alto La Sabana and Huaynawinchos.

## MINERAL RESOURCES

At the end of 2024, we obtained 826,510 ounces of gold contained in 1,854,985 metric tons of mineral ore. The total amount of gold ounces in the field was 5,357,528 gold ounces.

## WE MANAGE A RESPONSIBLE OPERATION

At Poderosa we carry out progressive implementation of technologies and automated processes for immediate benefits, together with an ongoing focus on asset management and continuous improvement through projects that guarantee sustainable operational efficiency over time. Our balanced approach will ensure maximization of value for stakeholders, compliance with legal regulations and preservation of the environment.

WE IDENTIFIED PROMISING AREAS SUCH AS PALCA AND MONTAÑITAS PRODUCTION UNITS, WHICH PRESENT HIGH POTENTIAL FOR RESOURCE DEVELOPMENT



PROCESS OPTIMIZATION IS  
A COMPREHENSIVE PART OF  
OUR MISSION TO TRANSFORM  
OUR MINERAL WEALTH INTO  
DEVELOPMENT OPPORTUNITIES  
IN A RESPONSIBLE MANNER

We manage our operations with responsibility, gradually implementing technologies and automated processes to optimize efficiency. At the same time, we maintain an ongoing focus on asset management and continuous improvement through projects that ensure sustainable operational efficiency over time. This balance will ensure maximization of value for our stakeholders, compliance with legal regulations and preservation of the environment.

Our search for responsible operational efficiency is fundamental for our resilience and sustainability. Process optimization is a comprehensive part of our mission to transform our mineral wealth into development opportunities in a responsible manner. This mission becomes more relevant when aligned to our vision, principles, policies, plans, and strategies.

At the core of our operations management we find our responsible policies, such as sustainability management, integrated management system, leadership management, quality policy, management policy, environmental policy, occupational health and safety policy and economic and financial management.

To ensure legal and ethical operations, we carefully manage permits, licenses, and authorizations required by the regulating entities. We strictly comply with them during all the operations stages, including progressive and final closure processes.

One of our main goals in operations management consists of keeping or increasing mining production levels, because this has a direct impact on our extraction techniques and related costs. However, it is important to bear in mind that we do not have control over the price of metals or the available ore. Therefore, we try to maintain at least three years of reserves, otherwise if we extend this period, it will not be efficient due to the nature of our field. The exploration of new reserves is the key to decision making about future production expansions.

### PROGRESS AND RESULTS

We have promoted several key initiatives aimed at continuous improvement and the adoption of advanced technologies. First, we implemented new technologies to optimize the ORM process, especially the integration of 3D digital models, which have allowed for more accurate interpretation, better control and higher safety standards in operations.

As regards geophysics, we started using drones to perform magnetometry work, which has improved efficiency and reduced risks in the field. In addition, we made progress in collaboration with external entities by signing agreements for regional exploration work, especially under the AMIRA framework, with the aim of promoting research and exploring new opportunities in areas of great potential. These initiatives reflect the area's focus on innovation and process optimization through the integration of Government-of-the-art technologies.



### ACKNOWLEDGMENTS IN 2024

Our work in the Geology area stood out for its leadership in operational excellence, obtaining important acknowledgments that underline our commitment to innovation and sustainability. Internally, we received the prize for Best Environmental Performance, as a result of our efforts to implement practices to preserve the environment in our processes. All the same, we were recognized as Winners of the Silver Miner during 2024 Quality Week for an improvement project that promotes operations efficiency.

Externally, we were recognized by the National Association of Industries with the Recognition to Good Excellence Practices 2024, due to the application of new technologies such as the integration of 3D digital models in the ORM process, which has optimized the interpretation, control and security of the operations. These achievements reflect our commitment to continuous improvement and the adoption of cutting-edge technological solutions.



# MINE

ACHIEVEMENT OF  
2024 GOALS

26,821 t  
(53.47%) MARAÑÓN MINE

483,197 t  
(109.42%) SANTA MARÍA MINE

## MARAÑÓN PRODUCTION UNIT

In 2024, Marañón mine reached a total production of 26,821 tons, with 53.47% compliance, with respect to the goals. Operational efficiency was reflected in a recovery rate of 98.76 %, underscoring the success of the processes implemented. Production is divided into 14,336 tons, from pit exploitation, and 12,484 tons from progress works, fundamental to ensure the continuity of the operation. There was also a significant advance in exploration, development, and preparation, reaching 11,927 meters of vertical and horizontal progress.



### Improvements in the Marañón Production Unit:

- Realization of Lucy RA that will connect Estrella and Karola zones, to carry out preparation works for the exploitation of the Luz vein.
- Progress Works in levels 1,800 and 1,915 to intercept Hilary vein.

## SANTA MARÍA PRODUCTION UNIT

In 2024, Santa María mine reached a satisfactory production of 483,197 tons, with a total compliance of 109.42 % of the goals. Recovery was 91.00 %, which underscores the efficiency of the extraction processes. Out of the total production, 245,455 tons come from pit exploitation, while 237,742 tons correspond to progress works, which ensure the continuity of the operations. Also, there was a total progress of 40,752 meters in exploration, development and preparation works, consolidating commitment with operational optimization and sustainability of the mine in the long term.



### Improvements in the Santa Maria Production Unit:

- Positioning of the RC 5000 at level 1,915, below level 2,120, to connect this unit effectively with SM unit, optimizing connectivity and operational flows.
- Integration of levels 1,915 and 1,800 with RA Lucy, improving coordination between the different areas of the mine.

## OUR PROGRESS AND RESULTS

- Implementation of main extraction with lithium battery-powered caboose locomotives, improving energy efficiency and reducing environmental impact.
- Update of PETS and mining standards, guaranteeing compliance with best practices.
- Theoretical and practical training of all PETS to the mine staff, ensuring compliance with operational standards.
- Participation of the multidisciplinary committee in key decision-making for the operation.
- Implementation of the remote operation of main fans and compressors, optimizing operation control and safety.
- Progress of CR SE at level 1,680 to intercept Las Jugadoras vein.
- Installation of 500 meters of 10-inch diameter airline to improve the flow of compressed air, contributing to better operation of the facilities.

This progress reflects ongoing commitment to innovation, operational efficiency and training of staff.

TABLE 27. FORECASTS FOR THE FOLLOWING YEARS (t)		
YEAR	MARAÑÓN MINE	SANTA MARÍA MINE
2024	26,821	483,197
2025	70,573	461,881
2026	71,767	469,695
2027	71,725	469,420

## POLICIES AND COMMITMENTS GOVERN MANAGEMENT OF THE AREA

The purpose of our Quality Assurance Table (TAC for its acronym in Spanish) is to ensure compliance of the indicators with the quality of the mining process. The scope of this policy includes all the operation staff of Marañón Mine and is known by the General Management and the Superintendencies. The Marañón Mine area, together with the IMS is responsible for the approval of this policy, in an annual basis, ensuring it is updated and complied with.



THIS PROGRESS REFLECTS ONGOING COMMITMENT TO INNOVATION, OPERATIONAL EFFICIENCY AND TRAINING OF STAFF



# PLANT

We seek to obtain maximum gold recovery from the ore, using resources efficiently in the processing plants. In 2024, we processed a total 697,701 tons of ore at the Marañon and Santa Maria I plants, with a total production of 293,873 ounces of gold, ensuring efficient use of resources and achieving 90.46% gold recovery. This performance reflects our commitment to the optimization of our processes and efficient management of available resources.

In the short term, we forecast a significant increase in the Marañon plant capacity. The goal is to process 336,000 tons of ore. This capacity increase will allow both plants, Marañon and Santa Maria I, to treat a total of 701,400 tons of mineral, annually.



## Smelter:

- Pollutants in the dore bars: 0.32 % Pb and 0.27 % As
- Pollutants in the precipitate: 2.87 % Pb and 1.13 % As
- Pollutant treatment: Lead recovery during smelting of the precipitate was 93.43 % and 85.73 % of arsenic recovery from the slag
- Recovery at the smelter: 99.74 %



## OUR MAIN INDICATOR

### TREATED TONNAGE

697,701 t

This represented 106.19% compliance with the 657,000 tons programmed.

SPECIFIC CONSUMPTION OF MAIN INPUTS (KG/T):  
SODIUM CYANIDE: 1.01  
LIME: 1.2  
STEEL BALLS: 1.62

### GOLD RECOVERY

90.46%

We met the mill head grade which was 14.33g/t and the amount realized was 14.50 g/t.

ACCUMULATED PLANT DOWNTIME HOURS:

MARAÑÓN PLANT  
270.77 H  
SANTA MARÍA PLANT  
410.8 H

### GOLD PRODUCTION

293,873 oz

Compliance was 106.28% from a total programmed of 276,502 ounces.



TABLE 28. OUR MAIN RESULTS			
PLANT	GOLD PRODUC-TION (OZ)	COMPLIANCE WITH THE SCHEDU-LED PRODUCTION (%)	PROGRAMMED (OZ)
Marañón Plant	180,068	126.08	142,823
Santa María I Plant	113,805	85.13	133,679
Consolidated	293,873	106.28	276,502

697,701 tons of ore were processed in the Marañón and Santa María I plants, obtaining 293,873 ounces of gold. Out of the total processed, 313,862 tons corresponded to the Marañón plant and 383,839 tons to the Santa María I plant. Accrued gold recovery at the beneficiation plants was 90.46%. According to the production program, compliance with ore processing was 106.19 % and gold production reached 106.28%.

106.19%

COMPLIANCE WITH ORE PROCESSING

106.28%

COMPLIANCE WITH GOLD PRODUCTION

MARAÑÓN PLANT

Compliance with the treatment program was 107.49%. 270.77 accumulated downtime hours were recorded at the plant, out of which 165.08 hours were for scheduled mechanical maintenance, 17.25 hours scheduled electrical maintenance, 41.09 hours due to power outages, 38.51 hours due to non-scheduled maintenance, and 8.84 hours due to operational failures.

In the crushing circuit, the yield increased by 7.98% compared to 2023, maintaining the quality of the crushed product on average, above 97% under 3/8”.

In the primary grinding circuit, the granulometry was 53.4% -200 m in average, in secondary grinding, 78.2% -200 m, and in the general tailings granulometry average was 81.0% -200 m.

Gold recovery from precipitation was 99.10%

SANTA MARÍA PLANT

Compliance with the treatment program was 105.16%. The number of plant downtime hours was 410.8, out of which 276.92 hours corresponded to scheduled maintenance, 90.44 hours to non-scheduled maintenance, 74.01 h to power outages, 4.6 h to electric repairs, and 4.8 h, to operational failures.

In the crushing circuit, we managed to increase the 2023 yield by 6.2%, from 55.9 t/h to 59.4 t/h and the quality of the crushed product was maintained in 97.4% in average, under 3/8”.

In the primary grinding circuit, the granulometry was 51.01% -200 m in average, in secondary grinding, 66.11% -200 m, and in the general tailings granulometry average was 67.61% -200 m.

Gold recovery from precipitation was 98.19%





# MAINTENANCE, ENERGY AND TRANSPORTATION

In optimizing our processes, we recognize that innovation plays a transcendental role. In this regard, we guarantee adequate supply of energy to the mine, plant, and camps ensuring quantity and optimal cost, always in line with the safety and environmental protection guidelines.

Our maintenance, energy and transportation areas apply specific and innovative solutions to day-to-day problems. In the three processes we are committed to meeting environmental guidelines and to care for the health and safety of our employees, for which we apply continuous improvement and act ethically throughout our activities. Below are the main goals reached in each one of these areas:

## MAINTENANCE

We reached the maximum availability of the company’s assets ensuring mine equipment are available ≥ 90%, power generation equipment ≥ 90%, compressors ≥ 96%, and plant equipment ≥ 96%, seeking a balance in the maintenance process costs according to production targets (≤23.50 USD/TMT).



## ENERGY

We ensure optimal power supply to our company’s facilities, according to the growth in production and in terms of quantity, quality, and cost (USD/ kWh ≤ 0.145.0 and kWh/TMT ≤ 182.50).



## TRANSPORTATION

We maintain our company’s roads in good condition and provide personnel and cargo transportation at a cost of ≤ 9.30 USD/TMT.

TABLE 29. 2024 MANAGEMENT INDICATORS

INDICATOR	PROCESS	EXECUTED	GOAL ≤	DIFFERENCE
US\$ TMT	Maintenance	22.62	23.5	-0.88
US\$/MWh	Energy	158.24	145	13.24
kWh/TMT	Energy	187.50	182.5	5.00
US\$/TMT	Transportation	8.23	9.3	-1.07

TABLE 30. KEY PERFORMANCE INDICATORS

INDICATOR	MEASUREMENT	GOAL
Consolidated energy cost	Total Energy Cost USD (hydraulic + thermal + SEIN) / total energy consumed (MWh)	≤ 145.0
Consumption of electric power per treated metric ton	Total energy consumed (kWh) / treated tons (TMT)	≤ 182.5
Mechanical availability of conventional equipment (shovels and locomotives)	[(Scheduled hours - downtime hours) / scheduled hours] * 100	≥ 90.0
Mechanical availability of diamond drilling equipment	[(Scheduled hours - downtime hours) / scheduled hours] * 100	≥ 90.0
Mechanical availability of processing plant equipment	[(Scheduled hours - downtime hours) / scheduled hours] * 100	≥ 96.0
Mechanical availability of power generation equipment	[(Scheduled hours - downtime hours) / scheduled hours] * 100	≥ 90.0
Mechanical availability of compressors	[(Scheduled hours - downtime hours) / scheduled hours] * 100	≥ 96.0
General maintenance cost per treated metric ton	General maintenance cost (USD) / treated tons (TMT)	≤ 23.5
Transportation cost per treated ton	Transportation cost (USD) / treated tons (TMT)	≤ 9.30

OUR PROGRESS AND RESULTS

- Continuous improvement and innovation promotion by strengthening the Continuous Improvement Circles.
  - Continuous assessment of the outsourced contractors’ performance to improve service quality, strengthen their commitment to health and safety and foster a better working environment.
  - Control of direct charge orders in the energy, maintenance and transportation processes, ensuring that the stock in the warehouse does not exceed 500,000 USD.
  - Strengthening predictive maintenance to keep high equipment availability and reliability.
  - Automation of the operation of mine and plant equipment, optimizing energy consumption and labor.
- Ensure greater energy availability and quality through the implementation of the 10 kV line in the Marañón and Santa María production units.
  - Implementation of the PI System in several areas of the company, including compressors and Marañón plant, to analyze data in real time, improve decision making and optimize processes.
  - Introduction of advanced instruments such as Split On-line, based on artificial vision, in the Marañón plant, to measure granulometry at the entrance of the 9.5 x 12 mill and optimize the grinding process.
  - Implementation of the 10 kV line and substations at levels 3150, 3200, 3260, 2080 and 2120 in Santa María, to improve the quality of energy in the electric network and reduce voltage drops.
  - Introduction of lithium battery locomotives, with 10-year lifespan, compared to the acid – lead batteries which only last 2 years.

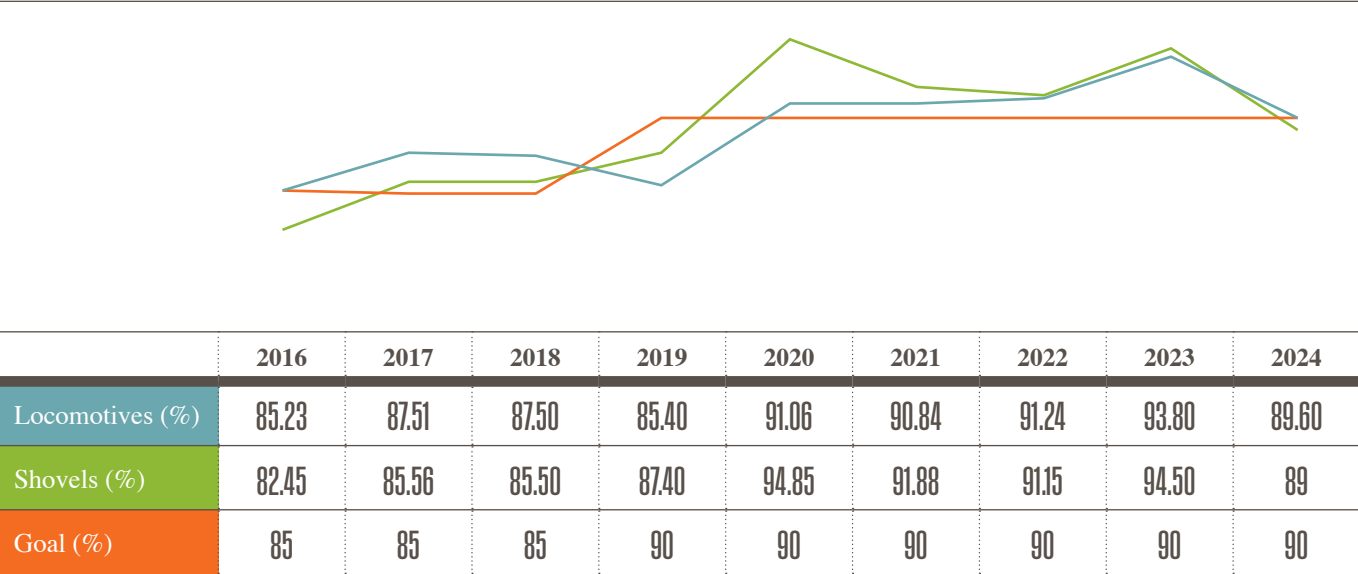
TABLE 31. PROGRAMMED COST VS EXECUTED COSTS PER PROCESS

PROCESS	PROGRAMMED USD	EXECUTED USD	DIFFERENCE USD	% EXECUTED
Maintenance	12'322,286	13'167,041	844,755	+6.9
Energy	9'596,602	11'516,039	1'919,437	+20.0
Transportation	3'344,489	3'937,920	593,431	+17.7
Total	25'263,377	28'621,000	3'357,623	+13.3

TABLE 32. 2024 PROGRAMMED COST VS EXECUTED COSTS

MONTH	PROG.	EXEC.	MONTH	PROG.	EXEC.
Jan	3'443,623	2'983,615	Jul	3'364,309	3'490,052
Feb	3'380,652	3'120,864	Aug	3'380,539	3'521,799
Mar	3'416,971	3'225,482	Sep	3'338,267	3'472,437
Apr	3'264,123	3'023,917	Oct	3'422,235	3'490,586
May	3'345,694	3'491,388	Nov	3'378,440	3'623,283
Jun	3'288,186	3'494,242	Dec	3'452,994	3'671,528

TABLE 33 Y GRAPH 5. MECHANIC AVAILABILITY OF CONVENTIONAL EQUIPMENT





# SUSTAINABLE ENERGY TRANSITION

[GRI 3-3] [GRI 302-1] [GRI 302-2]

Given the growth in energy demand in Poderosa we are moving ahead to comprehensively manage energy transition, oriented to guarantee safe, efficient and sustainable electric energy supply for our current and future operations. This approach includes generating renewable energy, and a firm conviction about the use of clean technologies, such as self-generation through hydroelectric, solar photovoltaic energy and electric storage systems.

We have also started to develop key initiatives such migration of internal transportation to electric vehicles and soon we will implement green hydrogen, in line with our commitment to meet the Zero Carbon by 2030 goal (Scopes 1 and 2) and carbon neutrality by 2050.

This way we reaffirm our commitment towards sustainable energy transition, not only contributing to the growth of our operations, but also to preserve the environment and mitigate climate change.

## STRATEGIC APPROACH

Our main goal is to reduce Greenhouse Gas (GHG) emissions through clean energy projects and the incorporation of technological innovations. In 2024, we achieved the following strategic objectives:

- Expansion of Poderosa's internal electric energy frontier, commissioning of the first 60 kV – LPC – Chacparrosas transmission line, 13 km long.

- Start of the electric mobility plan, with the operation of the electric bus pilot for 33 passengers at the site.
- Award of the EPC for the 7 MW solar photovoltaic project at the unit.
- Start of the feasibility study for the hydraulic storage system to produce electricity at the site.
- We received the first green certificates for the purchase of electricity to SEIN (National Interconnected Electric System) which was 100% renewable.

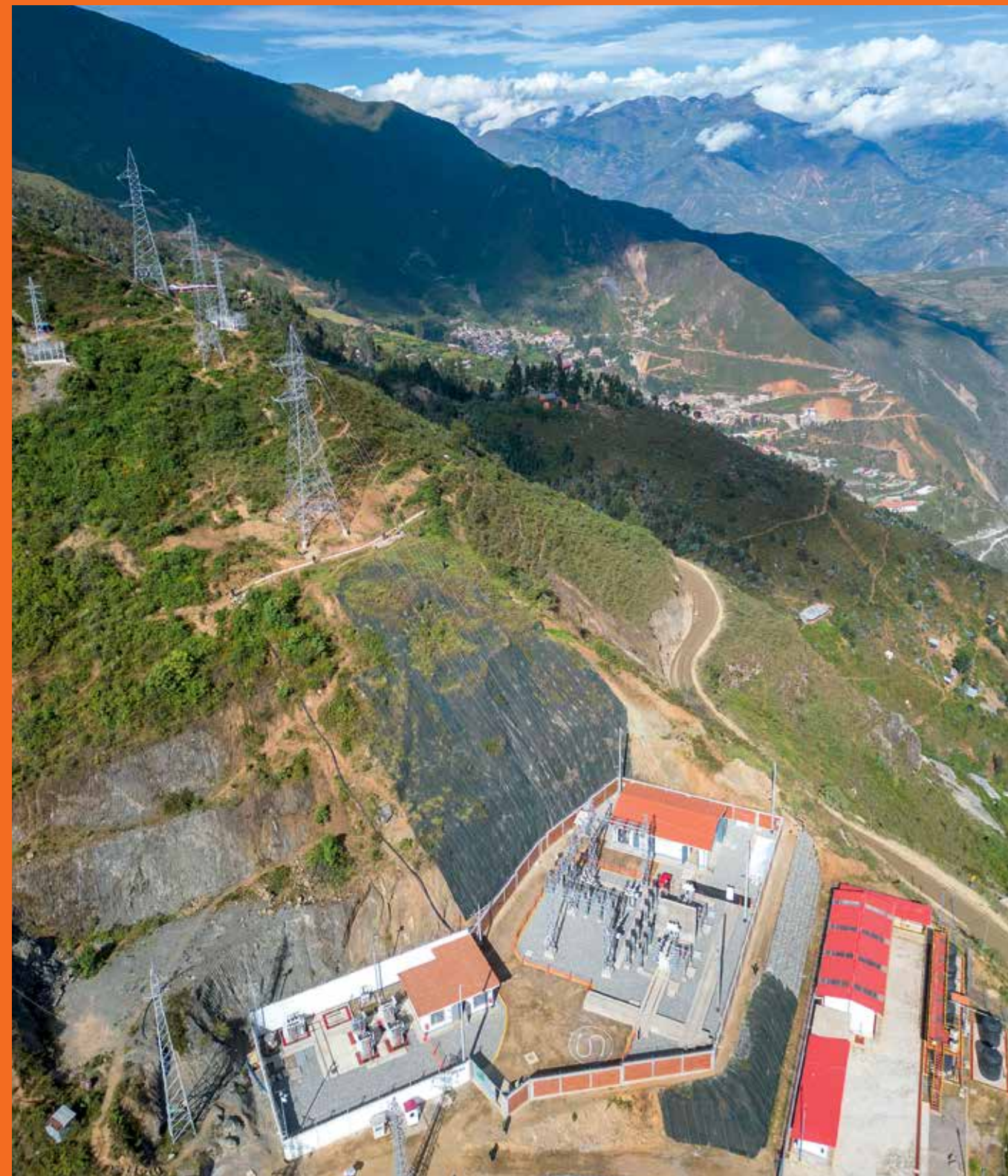
These efforts are aligned with our Responsibility Statement and backed by our Sustainability Statement, the Environmental Policy and the Energy Supply and Efficiency Committee Policy, that guide our actions towards a more sustainable, efficient and responsible operation. In 2024, we continued to implement the guidelines established in the 2022-2026 Environmental Energy Plan, specifically in Initiative N° 8, Transition towards Clean Energy, as a strategic pillar for efficient use of energy and promotion of renewable sources in our operations.

## PROGRESS AND RESULTS

We lead energy transition through development projects that strengthen our energy matrix and contribute to the sustainability of our operations.

### Conventional renewable energy

- **Hydroelectric Power Station N° 1:** We completed the feasibility study for a derivation type hydroelectric





power station, with a projected energy of 12,8 MW. We also obtained water accreditation and the Certificate of Inexistence of Archaeologic Remains (CIRA), and we have also started the procedures for environmental certification.

Non-conventional renewable energy

- **7 MWp Photovoltaic Solar Project:** We met a key milestone by obtaining the Environmental Certification and the award of the EPC contract for this project.
- **Photovoltaic Solar Project - Antena Aragostay:** We completed the expansion of the photovoltaic system with batteries, to guarantee electric supply to the Aragostay repeater antenna.
- **Expansion of the Chagual Airdrome - Photovoltaic Solar Project:** We expanded the self- generation capacity at Chagual Airdrome, which now has 48 kW of installed power and 120 kWh-day storage capacity with lithium iron phosphate batteries.
- **Photovoltaic Solar Project Distributed Generation:** We started the implementation of the first stage of this project, with 500 kW capacity in Santa Maria Unit.
- **Battery Energy Storage System (BESS):** Since October 2023, the 4 MW/8 MWh BESS is running under the Peak Shaving modality, optimizing costs and reducing thermal electric generation. This has represented savings of 1.4 million USD in 2024.

Electric energy transmission projects

- **60 kV LPC substation – Chacparrosas substation:** In March 2024, we commissioned the new 13 kilometer long 60 kV transmission line, together with an 18 MVA substation. This project represents significant progress in Poderosa’s power infrastructure, ensuring a sound and efficient electric supply for the southern area of our operations.

Electromobility Plan

- **Pilot electric bus:** In April 2024, we implemented the first 100 % electric bus for transportation of passengers in our mining operations. This bus is 9 meters long and has a capacity for 33 passengers, it has 253

kW engine and 205 kWh lithium iron phosphate batteries, which supply 200 km autonomy with full charge. To optimize its operation, we installed a 150-kW electric charging station that enables a fast charge in only two hours. The total investment in this project, above USD 200,000, has an estimated recovery time of six years, due to the reduction of fossil fuel consumption, and lower operation costs. This project, which operates in challenging environments, between 1,200 and 3,000 m.a.s.l, reinforces our carbon neutral commitment by 2050.

SEIN electric supply management

- **100 % renewable supply:** We received the Green Certificate (I-REC) that confirms that 100 % of the electricity purchased from SEIN comes from renewable sources.
- **Power increase in Cajamarca Norte substation:** We successfully completed this project, to improve electric supply quality and stability in our operations.

Thanks to these initiatives, we are making significant progress towards our sustainability goals, reducing our carbon footprint and optimizing energy efficiency, and we continue our efforts to position ourselves as a leader in the energy transition in the mining sector.

MANAGEMENT INDICATORS

In 2024, we reaffirmed our commitment to sustainability, by continuing to reduce total non-renewable energy consumption while we significantly increased the use of renewable energy, which went from 55 % in 2022 to 76 % in 2024.

On the other hand, in 2024 we increased electricity purchased from SEIN in 5.5% from 88,546 MWh electric power purchased in 2023, to 93,407 MWh in 2024 as a result of the projects developed in the Hidrandina network.

About the data collection method, it is worth noting that:

- Electric power consumption data collection is done through standardized electronic gauges, as per the COES, Ministry of Energy and Mines, and OSINERGMIN requirements. All the same, data is integrated into Poderosa’s control system, both for the power generated in its hydroelectric power station and thermal stations, and the power purchased from SEIN, allowing comprehensive and reliable measurement of electric power consumption.
- Diesel consumption is recorded through internal controls implemented at authorized service stations, which have dispatch systems that allow to accurately quantify the amount of gallons supplied to each vehicle and /or equipment.

IN 2024, WE REAFFIRMED OUR COMMITMENT TO SUSTAINABILITY, BY CONTINUING TO REDUCE TOTAL NON-RENEWABLE ENERGY CONSUMPTION

TABLE 34. POWER CONSUMPTION IN THE ORGANIZATION

EXPRESSED IN MWh	2022	2023	2024	GOAL 2024
a. Total non-renewable power consumption	127,534.23	108,088.07	151,095.84	128,840.03
Non-renewable fuel purchased and consumed	90,658.25	108,088.07	151,095.84	
Diesel for thermal electric	7,545.47	15,166.02	30,749.92	
Diesel for vehicles	83,112.78	92,922.05	120,345.92	
Non-renewable electricity purchased	36,875.98	0	0	
Vapor, heating, cooling and other types of energy (non-renewable) purchased	0	0	0	
b. Renewable power consumption	54,292.88	93,964.04	98,705.57	95,680.00
Renewable fuels	0	0	0	
Renewable hydroelectric power	54,292.88	93,964.04	98,705.57	
Source of Power: Water	54,292.88	93,964.04	98,705.57	
c. Total power sold	0	0	0	
d. Total electric power consumed by the company	181,827.11	202,052.11	249,801.41	
e. Total electric power consumption costs (in soles)	84'608,691.27	95'862,814.45	129'593,796.30	

Note: Although the main unit of measurement reported is MWh, the equivalence of 1 MWh = 3.6 GJ and 0.04026 MWh = 1 gallon of diesel has been considered.



TABLE 35. ELECTRIC POWER CONSUMPTION OUTSIDE THE COMPANY			
INDICATORS (EXPRESSED IN MWh)	2022	2023	2024
Power consumption outside the company	0	0	0

In April 2024, we received our first Green Certificate issued by Kallpa Generación corresponding to 2023, consolidating our commitment with sustainability, for it guarantees that 100 % of the power purchased to SEIN comes from renewable sources. Currently we are about to obtain the certificate corresponding to 2024.



### AWARDS AND RECOGNITIONS

Our management regarding the transition to cleaner and more sustainable energies has been recognized through various awards that endorse the positive impact of our projects. The following are the main ones:

- **Best Research Paper in Innovation and Technology Award:** Granted by the National Mining Congress, in recognition to the Battery Energy Storage System (BESS) project, which promotes energy efficiency and contributes to electric costs and emissions reduction.
- **Recognition of Practices of Excellence:** Granted by the National Industry Association (SIN) to the Battery Energy Storage System (BESS) system, reaffirming its positive impact on industrial sustainability.



OUR MANAGEMENT REGARDING THE TRANSITION TO CLEANER AND MORE SUSTAINABLE ENERGIES HAS BEEN RECOGNIZED THROUGH VARIOUS AWARDS





# INFORMATION TECHNOLOGIES

## OUR MAIN INITIATIVES

### IT SOLUTIONS

We specialize in the development and implementation of information systems that generate quality data, facilitate decision making and offer exceptional user experience.

**Main initiatives in 2024:**

- Optimization of recruitment processes, management of personnel movements, attendance control and applications in the HR system.
- Improvements in the processes of operational discipline, risk management, training and license management in the Occupational Health and Safety system. (OHS).
- Increased efficiency in the valuation of production and transportation processes.
- Automation of vulnerability analysis in the source code of in-house developed systems.

### IT INFRASTRUCTURE

We are responsible for the provision, operation and support of the software, hardware and communications infrastructure, ensuring the continuous availability of IT services and driving efficiency and excellence in decision-making.

**Main initiatives in 2024:**

- Installation of a Datacenter Container, which from 2025 will house the main systems and communications services at the IT and OT level, guaranteeing its climate control, energy and monitoring.
- Comprehensive renewal of communication switches and restructuring of IT network routing for improved management and control.
- Implementation of redundant optical fiber between Vijus – LPC, connecting it with the new optical fiber to the Santa Maria and Chacparrosas production unit. This will make up a secondary network that will integrate Vijus, Paraíso, Cedro, Santa María and Chacparrosas, ensuring communication continuity.
- Installation of a photovoltaic energy system at Aragostay site, made up of a redundant electronic system, solar panels and an electric power station, remotely monitored to guarantee the availability of this strategic communications node.

We align our efforts with Poderosa’s strategic objectives, promoting reliable technology services and efficient solutions, focusing on continuous improvement and risks management, and, at the same time, guaranteeing exceptional user experience. Our philosophy is oriented to collaborate in digital transformation, strategically integrating state-of-the-art technology.

Poderosa’s objectives regarding technology are focused on aligning the technological efforts with the company’s strategic objectives that respond to its operational and strategic needs. The goal is to guarantee a reliable and safe technological platform that allows sustainable growth, protecting information assets to ensure business continuity, and to foster the adoption of advanced technologies to optimize processes and support digital transformation.

PODEROSA’S OBJECTIVES REGARDING TECHNOLOGY ARE FOCUSED ON ALIGNING THE TECHNOLOGICAL EFFORTS WITH THE COMPANY’S STRATEGIC OBJECTIVES

### IT SECURITY AND CONTINUITY

We focus on guaranteeing the confidentiality, integrity and availability of the company’s information, processes and critical infrastructure.

**Main initiatives and milestones in 2024:**

- Comprehensive renewal of perimetric safety equipment (firewalls) in the main sites of the company, integrating them into the project to implement a unified monitoring platform scheduled for 2025.
- Improvement of the CyberSOC service, which now includes in person staff at the mining unit to reinforce 24/7 monitoring, and early response to cybersecurity incidents, ensuring the correct implementation and future management of monitoring tools under development.
- Implementation of a comprehensive business continuity solution for all the company’s IT servers, ensuring uninterrupted operation in the face of failures and cyber-attacks.

### IT PROJECTS

We are responsible for identifying, planning and executing the technology and communications projects essential to achieving the company’s strategic objectives.

**Main initiatives and milestones in 2024:**

- Improved public 4G cellular coverage in the company’s campsites, achieving higher than planned speeds and latency within the expected parameters.
- Implementation of Wi-Fi connectivity in check points outside public 4G cellular coverage, using satellite internet and internal radio links.
- Successful execution of the Wi-Fi 6 connectivity pilot inside the mine and planning for its full deployment by 2025.
- Definition of the first phase of the Lámpara Segura (Safe Lamp) and Vehicle Tracking project and launching of the bidding process and selection of the bidder for execution in 2025.
- Confirmation of the pre-feasibility of the private LTE network in surface and under-ground, development of terms of reference and launching of the 4G/5G Mission Critical Private Network tender, with project start-up scheduled for the first months of 2025.



CHAPTER



ENVIRONMENTAL  
RESPONSIBILITY



# ENVIRONMENTAL MANAGEMENT

OUR OBJECTIVE IS TO MAINTAIN  
ZERO ENVIRONMENTAL  
COMPLAINTS, A GOAL WE HAVE  
MANAGED TO MEET IN 2022,  
2023 AND 2024

We are aware that all industrial activities can have an impact on the environment. Therefore, we adopt comprehensive management in our mining activities to avoid negative impacts and to strengthen the positive impacts. We implement controls in every stage of our operations, and we develop monitoring, inspection, and mitigation programs to protect the environmental components and species in our areas of influence.

Through preventive actions, the incorporation of innovative technologies and strengthening of the sustainability culture, we work non-stop to transform mining into a more responsible activity, respectful of the environment.

## COMMITMENT TO THE FUTURE

At Poderosa, we are committed to work responsibly, integrating advanced technology, automated processes and innovation for environmental control and ensuring a sustainable energy transition. Our environmental management is instrumental to build the sustainability we

seek, and which is soundly integrated with our environmental policies and corporate values.

We focus on the efficient use of natural resources, promoting sustainable development of our operations and their surroundings. Our commitment includes guaranteeing a healthy environment, applying good environmental practices in all our processes.

We adopt environmental trends and indicators as part of our actions against climate change and in favor of environmental sustainability. This includes the implementation of clean technologies, circular economy promotion, development of innovative processes for environmental enhancement, and the reduction of our water and carbon footprints.

Our objective is to maintain zero environmental complaints, a goal we have managed to meet in 2022, 2023 and 2024. This achievement reflects the ongoing effort, and the implementation of proactive policies designed to minimize our environmental impact. These results not only highlight our

commitment to sustainability but also the effectiveness of our preventive practices, strict compliance with the regulations in force, and the responsible management that prioritizes risk identification and mitigation.

## ENVIRONMENTAL QUALITY MONITORING

We frequently assess the environmental behavior of every mine process through the environmental performance global indicator. This is made up by indicators related to compliance with significant environmental programs, legal commitments and requirements based on the EIA, and the environmental management plans. The evidence of this compliance is obtained through field inspections, audits and document reviews. Every June 5, on the World Environment Day, the processes that achieved the best environmental performance in the previous year are rewarded.

## OUR MANAGEMENT IS BASED ON THE FOLLOWING PILLARS:



- ISO 14001:2015 standard
- Sustainability Statement
- Environmental Policy
- Energy Supply and Efficiency Committee Policy
- Integral Plan for Solid Waste Management
- Environmental Impact Assessments (EIA) Environmental Management Plan
- Environmental Management Strategy
- Internal Environmental Regulation (RIMA for its acronym in Spanish)
- Closure plans for those components that have reached the end of their useful life.





# ACTIONS TO ADDRESS CLIMATE CHANGE

[GRI 3-3]

## OUR MOTIVATION

We assume a proactive role in addressing climate change, in line with the Paris Agreement. We actively work to mitigate our GHG emissions, decarbonize our value chain and strengthen our resilience to the impacts of climate change, always seeking to generate a positive impact on the planet and on the communities that depend on our industry.

In our Code of Ethics and Conduct we reaffirm our commitment to this global and multi-sector challenge, by supporting the implementation of domestic policies and promoting adaptation and mitigation measures in processes. Through continuous improvement and innovation culture, we execute projects that optimize our operations and benefit the neighboring communities.

We are aware that the mining industry uses large amounts of energy in its extraction, transportation, processing and smelting processes, and generates greenhouse gas emissions that contribute to global warming. As a response, maintain an efficient operation and develop energy projects based on renewable energy, reducing costs and GHG emissions to generate environmental benefits, both inside and outside our operations.

In addition, we prioritize the circular economy initiatives and forestation and reforestation projects as key strategies to mitigate our emissions and adapt to climate risks. We recognize that the path to sustainability implies significant transformations in our practices, and we therefore assume

the responsibility of leading this change for the benefit of our socio-environmental surroundings and of future generations.



## STRATEGIC APPROACH

In Poderosa we establish the climate change management guidelines through the following policies:

- Sustainability Statement
- Environmental Policy
- Code of Ethics and Conduct
- Supply and Energy Committee Policy

We focus on quantifying and reducing GHG emissions by promoting and raising awareness among our employees about energy savings, use of environmentally friendly materials, and the project of energy transition towards renewable energies. These actions are already resulting in a significant reduction of our emissions.

The actions and strategies to meet these goals are led by the Environmental Management and Energy Project areas and





are aligned with our commitment to decarbonize our value chain. In the mid and long term, the Board of Directors has established goals such as zero carbon under scopes 1 and 2 of our carbon footprint by 2030, and becoming carbon neutral by 2050, including scope 3. These goals reflect our transformation vision towards sustainable solutions and efficient processes, guided by an innovative and continuous improvement approach.

PROGRESS AND RESULTS

Working Group on Actions against Climate Change

In 2023, with the purpose of implementing tangible measures to address climate change, we established the Working Group on Actions against Climate Change, made up of key representatives of the company. In 2024 this Working Group made significant progress, designing a conceptual roadmap for strategies and actions to address climate change, summarized in the Climate Action Approach. It has also published our Zero Emissions Commitment on our website.

This Working Group strengthens the purpose of acting as a managing body, responsible for promoting and supervising

the development of actions and projects oriented to mitigate, adapt to, and strengthen the company’s resilience to climate change.

Climate Action Approach

We recognize the urgency of climate change and are committed to being part of the solution. Therefore, in 2024, we worked in collaboration through the Working Group on Actions against Climate Change to develop a comprehensive approach that would guide our actions for the following years. The purpose of this approach is to align our operations with the Paris Agreement goals, focusing on mitigating emissions and adapting to climate impacts.

Our goal is to achieve carbon neutrality throughout our value chain by 2050, and to achieve net zero emissions in Scopes 1 and 2 by 2030. These ambitious goals reflect our desire to lead the mining industry toward a more sustainable future. The Climate Action Approach was validated by our General Manager and introduced to our employees during Quality Week, thus consolidating a collective and crosscutting effort within the company.

Our approach is based on two fundamental pillars: mitigation and adaptation. In the area of mitigation, we work on

THE BOARD OF DIRECTORS HAS ESTABLISHED GOALS SUCH AS ZERO CARBON UNDER SCOPES 1 AND 2 OF OUR CARBON FOOTPRINT BY 2030, AND BECOMING CARBON NEUTRAL BY 2050, INCLUDING SCOPE 3



GRAPH 6. CLIMATE ACTION APPROACH

AT PODEROSA, WE ASSUME A PROACTIVE ROLE TO ADDRESS CLIMATE CHANGE, IN LINE WITH THE PARIS AGREEMENT. WE FOCUS ON TWO FRONTS: MITIGATION AND ADAPTATION

We seek to reduce our emissions to decarbonize our value chain and strengthen our capacities to face and adapt to the impacts of climate change. We reaffirm our commitment with a sustainable and resilient future, supporting the communities and economies that depend on our industry.





the transition to renewable energies, the decarbonization of transportation, and circular economy projects. In addition, we have promoted forestation projects since 1986 that not only offset our emissions but also protect and preserve local biodiversity. Information on progress and results in these areas is detailed in the following sections of our environmental and energy chapter.

From an adaptation approach, we seek to strengthen our capacities to prevent and respond to climate risks, integrating resilient infrastructure into our operations and promoting sustainable agricultural practices in the surrounding communities. In this way, we create a safer environment that is prepared for extreme weather events.

**Risks and opportunities in the face of climate change**  
We have a structured and proactive approach to managing the risks and opportunities arising from climate change, in line with TCFD (Task Force on Climate-related Financial Disclosures) recommendations. Through a workshop held in 2024 with the Working Group on Climate Change we identified 39 risks and 21 opportunities that may impact on

our operations and value chain. This process included the assessment and prioritization of risks according to their probability and severity, as well as the systematization of opportunities to improve our resilience and competitiveness.

The analysis focused on the two categories of risks: physical and transitional. Physical risks include acute hazards, such as landslides and floods, and chronic hazards, such as water scarcity and temperature increase. Transition risks include political, regulatory, clean technology adoption and market pressure for renewable energy. All of them can affect the continuity of the operations, costs and reputation if managed incorrectly.

To address these challenges, we have identified several opportunities, such as the optimization of material and natural resources, the shift towards renewable energies, and innovation in sustainable products and services, all of which are integrated into our Climate Action Approach. Opening to new markets and attracting investors interested in sustainable operations place our company as leaders in the mining industry.

TABLE 36. CLIMATE RISKS IDENTIFIED

TYPE OF RISK	MAIN RISKS	IMPACT ON THE BUSINESS
Physical (Acute)	Landslides, mudslides, flooding of the Marañón River	Stoppage of operations, infrastructure affected
Physical (Acute)	Migration due to climate events	Loss of local talent
Physical (Chronical)	Water scarcity, temperature increase, soil deterioration, etc.	Increased cost in obtaining resources, impact on health
Transition (Regulatory)	New environmental regulations and water permits	Increased operating costs, decreased production
Transition (Tecnological)	High costs of clean technologies and delays in their implementation	Increase in energy and transportation costs
Transition (Market)	Demand for 100% renewable sources, pressure from customers and investors	Loss of key contracts and customers

TABLE 37. CLIMATE OPPORTUNITIES IDENTIFIED

TYPE OF OPPORTUNITY	DEFINITION	MAIN OPPORTUNITIES
Resource efficiency	Process optimization and material, water and energy management	Savings from replacing dump trucks with electric locomotives
Energy sources	Shift to renewable energies	Reduced costs and emissions
Products and services	Innovation in sustainable and competitive products	Opening to new markets and investors





CARBON FOOTPRINT AND EMISSIONS MEASUREMENT

From our mitigation approach, we work actively to measure our GHG emissions to identify those activities that release the most emissions and to develop effective reduction strategies.

In this report, we present the GHG emissions measurement results, corresponding to 2021, 2022 and 2023. The information analyzed includes the period between January 1 and December 31 of each year, following the calculation methodology established by ISO 14064-1:2018 standard, recognized internationally. Organizational limits for the calculations include all the mining units, the Trujillo office and Poderosa’s operations, in general.

In 2023, the results obtained show that the total carbon footprint based on the location approach reached 101,558 tons of CO<sub>2</sub>eq, while under the market-based approach it was 78,377 tons of CO<sub>2</sub>eq. The base year for measurement was 2022.

As of the publication of this Report, our carbon footprint for 2022 and 2023 is undergoing an audit process.

IN 2023, THE RESULTS OBTAINED  
SHOW THAT THE TOTAL CARBON  
FOOTPRINT BASED ON THE  
LOCATION APPROACH REACHED

101,558 t

TABLE 38. TOTAL GHG EMISSIONS (tCO<sub>2</sub>e) 2021, 2022 AND 2023

CATEGORY	2021	2022	2023
Category 1: Direct GHG emissions	16,611.22	10,820.50	18,501.44
Category 2: Indirect GHG energy emissions	14,110.52	15,634.61	15.92 (*)
Other categories – Other indirect emissions	10,957.84 (**)	64,252.32	59,859.31

(\*) The significant reduction in indirect emissions is due to the purchase of energy from renewable sources, certified by the I-REC certificate.

(\*\*) It is important to bear in mind that the low quality of emissions under Scope 3 in 2021 was due to an atypical operation as a result of the COVID-19 pandemic.





TABLE 39. EMISSIONS INVENTORY IN 2023

SOURCES OF GHG EMISSIONS		TOTAL	CARBON DIOXIDE (CO <sub>2</sub> )	METHANE (CH <sub>4</sub> )	NITROUS OXIDE (N <sub>2</sub> O)	HYDROFLUORO-CARBONS (HFC)	PERCENTAGE CONTRIBUTION TO TOTAL	
		(Tons of CO <sub>2</sub> e/year)					APPROACH BASED ON	
Carbon footprint – based on location		101,558						
Carbon footprint – based on market		78,377					LOCA-TION	MAR-KET
1	CATEGORY 1: DIRECT GHG EMISSIONS AND REMOVALS	39,836.90	34,397.63	125.43	336.30	5.67		
1.1 Fuel consumption in own or controlled stationary equipment								
	Fossil fuel sources	13,067.73	13,025.87	15.25	26.61	-	12.87	16.67
	Biogenic sources	1.33	-	0.46	0.87	-	0	0
1.2 Fuel consumption in own or controlled vehicles								
	Fossil fuel sources	21,254.91	20,929.94	33.05	291.92		20.93	27.12
	Biogenic sources	2.17		0.75	1.42		0	0
1.3	Use of coolants	5.67				5.67	0.01	0.01
1.4	Welding	1.61	1.61				0	0
1.5	Use of fire extinguishers	0.57	0.57				0	0
1.6	Use of explosives	340.21	340.21				0.33	0.43
1.7	Compost	9.76		6.22	3.53		0.01	0.01
1.8	Domestic Residual Water Treatment (PTAR)	69.71		69.71			0.07	0.09
1.9	Use of oils and grease	99.21	99.21				0.1	0.13
1.10	Fertilizers	12.17	0.22		11.95		0.01	0.02
1.11	SF6	10.86	10.86					
1.12	Sanitary landfill	4,961.01		4,961.01				
	INFORMATION EMISSIONS							
	Direct CO <sub>2</sub> emissions from biomass	1,019.15	1,019.15	0	0		1.00	1.30
INDIRECT GHG EMISSIONS - EMISSIONS RELATED TO ELECTRICITY UNDER THE LOCATION APPROACH								
2a	CATEGORY 2: INDIRECT GHG EMISSIONS CAUSED BY IMPORTED ENERGY - UNDER THE LOCATION APPROACH	17,677.66						
	Imported electric power consumption	17,677.66	17,623.39	25.81	28.47		17.41	
3	CATEGORY 3: INDIRECT GHG EMISSIONS FROM TRANSPORTATION	11,420.82						
3.1	Emissions from fuel generation	5,392.03					5.31	6.88
3.2	Emissions from transportation/distribution of fuels	1,642.39					1.62	2.10

FUENTES DE EMISIONES DE GEI		TOTAL	CARBON DIOXIDE (CO <sub>2</sub> )	METHANE (CH <sub>4</sub> )	NITROUS OXIDE (N <sub>2</sub> O)	HYDROFLUORO-CARBONS (HFC)	PERCENTAGE CONTRIBUTION TO TOTAL	
		(Tons of CO <sub>2</sub> e/year)					APPROACH BASED ON	
							LOCA-TION	MAR-KET
3.3	Transportation of materials from tier 1 supplier to the organization	3,104.72					3.06	3.96
3.4	Transport of products to the commercial customer	141.26					0.14	0.18
3.5	Air transportation of personnel	1,066.70					1.05	1.36
3.6	Transportation home - work	73.71	73.10	0.19		0.42	0.07	0.09
4	CATEGORY 4: INDIRECT GHG EMISSIONS FROM PRODUCTS USED BY THE ORGANIZATION.	32,622.79						
4.1	Emissions associated with consumed products	24,374.95					24.00	31.1
4.2	Emissions associated with purchased services							
	Fossil sources	0.00	0.00	0.00	0.00		0.00	0.00
	Biogenic sources	0.00	0.00	0.00	0.00		0.00	0.00
4.3	Emissions allocated to transmission and distribution losses of imported electricity.	2,242.23	2,235.35	3.27	3.61		2.21	2.86
4.4a	Emissions associated with the production of energy sources	6,005.60					5.91	
	INFORMATION EMISSIONS							
	Direct CO <sub>2</sub> emissions from biomass	0.00	0.00				0.00	0.00
CONTRACTUAL INSTRUMENTS FOR GHG ATTRIBUTES								
Total electric power consumption imported from SEIN (kWh)				93'219,531				
Purchase of Renewable Energy Certificates (kWh)				100'765,670				
Direct emissions from certified renewable energy sources (t CO <sub>2</sub> e)		0.00						
EMISSIONS RELATED TO ELECTRICITY UNDER THE MARKET APPROACH								
2b	Category 2: Indirect GHG emissions caused by imported energy – market-based approach	15.92	15.87	0.02	0.03			0.02
4.4b	Emissions associated with the production of energy sources	486.06						0.62
ADDITIONAL INFORMATION								
In-house generation of electricity from renewable energies				5'418,381				

# EMISSIONS AND AIR QUALITY MONITORING

[GRI-305-1] [GRI-305-2] [GRI-305-3] [GRI-305-6]

## OUR MOTIVATION

At Poderosa we manage the emissions that may impact on air quality, prioritizing human health and environmental preservation. Our purpose is to guarantee that our operations meet the Permissible Exposure Limits (PEL) established by the regulations in force.

Our approach is based on monitoring, controlling and reducing emissions, ensuring they are kept below the regulatory standards. Also, we promote complementary actions such as forestation and road watering to minimize the impact of our operations on air quality.

## STRATEGIC APPROACH



- In 2024, we set the following objectives:
- Perform preventive maintenance on the filter systems of the smelting and refining chimneys, ensuring that emissions remain within the PEL.
  - Perform preventive maintenance on the thermal power plant generators to ensure compliance with the PEL for gas emissions.
  - Perform periodic monitoring of emissions to verify their quality and ensure compliance with PELs.
  - Implement forestation projects as part of actions to improve air quality and contribute to environmental sustainability.

Our Integrated Management System Policy (SIG), establishes clear guidelines to protect the environment and to mitigate negative impacts on air quality. Through our environmental management system, certified by ISO 1400:2015, we implement preventive and corrective actions to maintain the operations equipment in optimal conditions.

We monitor emissions such as NOx, SO<sub>2</sub>, CO, particulate material, lead and arsenic in the smelter chimneys and in the electric power stations. These measurements are carried out by laboratories certified by INACAL, ensuring compliance with Permissible Exposure Limits (PELs). All the same, we have a Gas Emissions Management Plan which includes continuous monitoring, preventive maintenance of filters and generators, and comparison of results with the Environmental Quality Standards (EQS).

## PROGRESS AND RESULTS

In 2024, we achieved significant progress in air quality management, including:

- Preventive maintenance: We performed preventive maintenance on the filter systems of the smelting and refining chimneys, as well as on the thermal power station generators, ensuring that emissions remain within the PEL.
- Monitoring and control: We carried out regular monitoring of gaseous emissions and air quality points throughout our area of influence, confirming that all indicators are within the PELs.
- Forestation and reclamation: We began planting pine trees in Suyubamba as part of a reforestation project in Palca. We have planted 100 hectares in Poderosa land. This work, led by a consultant company with the support of the local community, contributes to improving air quality and carbon capture.
- Dust control: We maintain our road watering program and continue to test products available on the market to improve the reduction of dust generated by vehicle traffic.

### Participatory Monitoring

Participatory monitoring, a practice we have voluntarily promoted since 2018, involves local authorities in our environmental surveillance controls, ensuring that the environmental aspects derived from our operations, do not harm the envi-

ronment. This initiative fosters transparency by presenting the results of water and air quality monitoring to the local authorities and population that take part in this practice, showing tangible results and building trust. The Environmental Management and Community Relations areas work closely with the communities in our area of influence to carry out this program.

The program includes air quality monitoring in in points previously approved by an Environmental Management Instrument (EMI). These monitoring activities are carried out twice a year, during the dry and the rainy season, to obtain a complete vision of the environmental conditions at the control point.

This participatory process starts with training for the participants, where we explain the purpose and the methodology used and the quality parameters as established in the environmental quality standards (EQS) regulations. The results of previous monitoring are also presented and any queries that may arise are answered, thus ensuring that participants have a clear understanding of the purpose and importance of monitoring in the verification of air quality.

In 2024, we carried out participatory monitoring activities in Marañon and Santa Maria Production Units, as well as in Palca and Montañitas exploration projects. All the same, we participated in the monitoring activities organized by the Local Water Authority of Huamachuco, together with local authorities, focused on receiving bodies within our operations.





Smelter results

According to our Environmental Impact Assessments (EIA), we carry out an annual monitoring of emissions, as provided for in the applicable regulations. The main GHG monitored include nitrogen oxides (NOx), sulfur dioxide (SO<sub>2</sub>) and carbon monoxide (CO), as well as other physical and chemical parameters sch as particulate material, lead and arsenic. This monitoring includes smelter chimneys as well as the emissions of the power generators.

Measurements are taken by an external laboratory certified by the National Quality Institute (Instituto Nacional de Calidad INACAL), using the internationally recognized methodology EPA CTM 030, October 13, Rev 7, 1997, thus ensuring the reliability and accuracy of the results.

Electric power generators results

In 2024, the results of the electric power generator emissions monitoring were below the PEL\*. It is important to mention that these generators only operate to cover the excess demand of energy or when there are power outages in the National Interconnected Grid (SEIN). Currently, our operation is mostly supplied by the SEIN and it is complemented with the energy produced in our Jose Alberto Samaniego hydroelectric power station. This way, we reduce significantly greenhouse gas emissions from electric power generators.

TABLE 40. RESULTS OF SMELTER EMISSIONS IN THE MARAÑÓN PRODUCTION UNIT

		2022							2023						2024					
		OTHER GASES					GEI		OTHER GASES					GEI	OTHER GASES					GEI
MONTH	CHIMNEY	PARTICULATE MATERIAL	LEAD	ARSENIC	SULPHUR DIOXIDE	CARBON MONOXIDE	NITROGEN OXIDES		PARTICULATE MATERIAL	LEAD	ARSENIC	SULPHUR DIOXIDE	CARBON MONOXIDE	NITROGEN OXIDES	PARTICULATE MATERIAL	LEAD	ARSENIC	SULPHUR DIOXIDE	CARBON MONOXIDE	NITROGEN OXIDES
			(MG/M³)	(MG/M³)	(T/D)	(MG/M³)	(MG/M³)		(MG/M³)	(MG/M³)	(MG/M³)	(T/D)	(MG/M³)	(MG/M³)	(MG/M³)	(MG/M³)	(MG/M³)	(T/D)	(MG/M³)	(MG/M³)
1t	Smelter	13.69	0.12423	0.59723	<80.0	61.86	261.52								197.23	0.1514	0.1348	< 3.5	381.11	< 2.67
	Resmelter	9.35	0.01914	0.01455	<80.0	167.63	108.25		MAINTENANCE						157.29	1,075	0.7452	< 3.5	< 1.25	< 2.67
2t	Smelter	8.71	0.25919	0.21746	0.0003	1.15									183	0.1155	0.05745	< 3.5	2861.67	2753.34
	Resmelter	10.57	0.23906	0.07995	0	1.15			19.56	0.0024	0.00086	< 3.5	< 1.25	< 2.67	147	0.1248	0.06128	< 3.5	< 1.25	2126.25
3t	Smelter	0.4	0.0795	0.038	527.9	13	167.45								60.29	0.0238	0.01456	< 3.5	2381	2620
	Resmelter	1.4	0.0285	0.0425	0	126	11.15		66.21	0.1130	0.08304	< 3.5	< 1.25	< 2.67	60.94	0.0209	0.01344	< 3.5	3182	2270
4t	Smelter	1.7	0.00661	0.17736	60.205	11.3	165.85		47.4	0.0054	0.02455	< 3.5	< 1.25	4.2	104.8	0.0759	0.03244	< 3.5	124.41	221.18
	Resmelter	1.73	0.00159	0.01621	3	36.5	80.063		65.3	0.0256	0.3627	< 3.5	< 1.25	< 2.67	80.25	0.1032	0.03531	< 3.5	< 1.25	< 2.67
PEL at any time (mg/m³)		100	25	25	20	NE	NE		100	25	25	20	NE	NE	100	25	25	20	NE	NE

TABLE 41. EMISSIONS OF ELECTRIC POWER GENERATORS IN THE MARAÑÓN PRODUCTION UNIT 2024

		2021			2022			2023			2024		
MONTH	CHIMNEY	OTHER GASES		GEI	OTHER GASES		GEI	OTHER GASES		GEI	OTHER GASES		GEI
		CARBON MONOXIDE (MG/M³)	SULPHUR DIOXIDE (MG/M³)	NITROGEN OXIDES (MG/M³)	CARBON MONOXIDE (MG/M³)	SULPHUR DIOXIDE (MG/M³)	NITROGEN OXIDES (MG/M³)	CARBON MONOXIDE (MG/M³)	SULPHUR DIOXIDE (MG/M³)	NITROGEN OXIDES (MG/M³)	CARBON MONOXIDE (MG/M³)	SULPHUR DIOXIDE (MG/M³)	NITROGEN OXIDES (MG/M³)
1T	CAT 3412 N° 3 Electric Power Generator	407.8	110.04	1,532.44	285.61	66.73	1,402.49	194.71	<0.25	460.04	MAINTENANCE		
	CAT 3516 Electric Power Generator	143.19	326.62	2,315.74	178.7	<2.86	1,939.2	97.28	<0.25	748.81	75.9	45.87	1,863.78
	EMD 1 Electric Power Generator	MAINTENANCE			264.61	24.31	1326.1	181.43	<0.25	797.68	74.3	< 0.25	895.88
	EMD 2 Electric Power Generator	319.21	47.16	954.39	MAINTENANCE		MAINTENANCE		23.65	< 0.25	764.05		
	Electric Power Generator White Superior	206.19	143.23	1,409.45	MAINTENANCE		292.48	<0.25	493.25	123.67	< 0.25	910.73	
	C-27Electric Power Generator	176.4	156.33	1,709.54	104.62	17.16	1,551.5	76.34	<0.25	346.13	MAINTENANCE		
	C-27 N° 2 Electric Power Generator				241.32	38.13	1,734.44	MAINTENANCE		96.24	< 0.25	363.14	
2T	CAT 3412 N° 3 Electric Power Generator	944.48	944.48	31.99	294.77	<2.62	2,065.51	218.62	< 0.25	377.8	MAINTENANCE		
	CAT 3516 Electric Power Generator	1,553.82	32.75	2,523.97	MAINTENANCE		117.43	18.56	937.45	39.95	< 0.25	626.06	
	EMD 1 Electric Power Generator	191.68	12.23	264.41	256.21	<2.62	1,708.72	117.35	< 0.25	636.22	113.03	< 0.25	570.56
	EMD 2 Electric Power Generator	97.75	8.73	293.95	660.95	<2.62	1,750.62	47.54	< 0.25	573.02	33.9	9.9	1,500.37
	White Superior Electric Power Generator	1,984.12	35.81	220.81	743.43	<2.62	2,447.88	225.01	< 0.25	400.65	MAINTENANCE		
	C-27 Electric Power Generator	1,166.62	10.48	2,523.97	272.25	<2.62	2,468.45	91.45	< 0.25	342.05	MAINTENANCE		
	C-27 N° 2 Electric Power Generator				294.77	<2.62	2,065.51	MAINTENANCE		131.48	< 0.25	648.2	

		2021			2022			2023			2024		
MONTH	CHIMNEY	OTHER GASES			OTHER GASES			OTHER GASES			OTHER GASES		
		CARBON MONOXIDE (MG/M³)	SULPHUR DIOXIDE (MG/M³)	NITROGEN OXIDES (MG/M³)	CARBON MONOXIDE (MG/M³)	SULPHUR DIOXIDE (MG/M³)	NITROGEN OXIDES (MG/M³)	CARBON MONOXIDE (MG/M³)	SULPHUR DIOXIDE (MG/M³)	NITROGEN OXIDES (MG/M³)	CARBON MONOXIDE (MG/M³)	SULPHUR DIOXIDE (MG/M³)	NITROGEN OXIDES (MG/M³)
3T	CAT 3412 N° 3 Electric Power Generator	386.8	109.17	1,947.23	324.5	0	1,634.6	MAINTENANCE			70.00	13.13	611.7
	CAT 3516 Electric Power Generator	178.7	54.15	2,783.15	218.4	0	3,134.6	95.11	93.49	1,672.98	64.9	61.1	1,123.52
	EMD 1 Electric Power Generator	146.62	35.81	1,405.94	192.8	0	1,518.9	96.59	16.23	579.9	106.59	33.61	955.38
	EMD 2 Electric Power Generator	266.14	5.24	1,431.71	MAINTENANCE		33.5	7.5	442.58	29.35	25.46	1,133.71	
	White Superior Electric Power Generator	615.51	26.2	1,997.46	383.3	0	1,721.60	271.9	43.54	1115.3	156.58	7.06	645.61
	C-27 Electric Power Generator	157.31	20.96	2,022.74	168.7	2.6	2,047.50	60.53	0.89	440.47	MAINTENANCE		
	C-27 N° 2 Electric Power Generator				530.2	0	1,776.50	101.72	8.18	279.84	103.41	8.33	499.61
4T	CAT 3412 N° 3 Electric Power Generator	349	<2.62	16.42	337.1	0	1,602.94	MAINTENANCE			27.06	< 0.25	538.12
	CAT 3516 Electric Power Generator	103.48	<2.62	938.21	171.4	0	3,525.73	51.82	< 0.25	481.03	31.37	< 0.25	531.4
	EMD 1 Electric Power Generator	271.1	<2.62	1,486.09	181.3	0	1,715.20	123.26	10.49	491.01	72.1	< 0.25	511.01
	EMD 2 Electric Power Generator	394.05	<2.62	1,344.66	MAINTENANCE		13.55	12.02	423.93	MAINTENANCE			
	White Superior Electric Power Generator	9.73	36.68	1,804.55	363.8	0	1,720.85	153.83	< 0.25	412.65	64.08	< 0.25	517.41
	C-27 Electric Power Generator	184.04	<2.62	1,587.68	183.2	0	2,395.64	MAINTENANCE			37.62	< 0.25	520.2
	C-27 N° 2 Electric Power Generator				315.7	0	1,690.74	91.31	< 0.25	249.89	98.4	< 0.25	662.21
PEL at any time (mg/m³)		4,300	700	3,000	4,300	700	3,000	4,300	700	3,000	4,300	700	3,000



TABLE 42. EMISSIONS OF ELECTRIC POWER GENERATORS IN SANTA MARÍA PRODUCTION UNIT 2024

		2021			2022			2023			2024		
		OTHER GASES		GEI	OTHER GASES		GEI	OTHER GASES		GEI	OTHER GASES		GEI
MONTH	CHIMNEY	CARBON MONOXIDE (MG/M³)	SULPHUR DIOXIDE (MG/M³)	NITROGEN OXIDES (MG/M³)	CARBON MONOXIDE (MG/M³)	SULPHUR DIOXIDE (MG/M³)	NITROGEN OXIDES (MG/M³)	CARBON MONOXIDE (MG/M³)	SULPHUR DIOXIDE (MG/M³)	NITROGEN OXIDES (MG/M³)	CARBON MONOXIDE (MG/M³)	SULPHUR DIOXIDE (MG/M³)	NITROGEN OXIDES (MG/M³)
2T	GE-C27-02	412.63	29.55	966.62	271	14	2,429	63.03	23.41	453.49	56.76	< 3.5	1,189.86
	GE-C27-03	OUT OF ORDER			338	<2.86	2,187	5.93	5	358.49	54.77	< 3.5	1,009.73
4T	GE-C27-02	RELOCATED TO MAÑARON			92	33.1	1,920.5	18.25	29.79	736.16	38.47	< 0.25	848.31
	GE-C27-03	<1.15	19.21	44.9	185.1	0	1,704.9	28.58	38.27	841.17	50.38	< 0.25	998.38
PEL at any time (mg/m³)		4,300	700	3,000	4,300	700	3,000	4,300	700	3,000	4,300	700	3,000

\*Supreme Decree Project PEL Gas emissions, electricity industry (February 13, 2004) \* Measurement and analysis methodology: EPA.CTM 030 (test), October 13, Rev 7, 1997.

Particulate Matter

USEPA Method 5: Determination of Particulate Matter Emissions from Stationary Source (40 CFR Part 60 USEPA). Based on the principle of isokinetic sampling, which consists of capturing the aspiration gases at the same speed as the ones inside the chimney. The particulate matter is determined gravimetrically after the unmixed water has been extracted.

- Estimation of emissions load**  
AP-42 Methodology: Stationary Point and Area Sources Factor Emissions Compilation - USEPA (1985). This method allows estimating the pollutant emission loads (expressed in kg/h), according to the type and volume of fuel used, as well as the operating period of the source.
- Sulphur Dioxide (SO<sub>2</sub>)**  
US EPA Method 6: Determination of sulfur dioxide emissions from stationary sources. Described in the 40 Code of Federal Regulations, Part 60. This measurement is performed together with the isokinetic measurement. Sulfuric acid vapor is separated (including sulfur trioxide) from sulfur dioxide. Both fractions are measured separately by the barium-thorin titration method designed specifically for high concentrations of SO<sub>2</sub>.
- Metallic Elements (Lead and Arsenic)**  
Lead and arsenic analysis are made in particle sampling filters, according to method CFR Title 40, Appendix A-8 to Part 60, Method 29 (2014). This method allows metal emissions from stationary sources.

- Gases and complementary parameters**  
Gas measurements are performed based on the principle of electrochemical cells according to CTM-030 (USEPA) guideline. This is done using TESTO equipment, internationally recognized for its accuracy.
- Gas exit velocity:**
  - US EPA Method 1: Localization of sampling points and velocity speed from stationary sources.
  - US EPA Method 2: Determines the velocity and volumetric flow of gases in these sources.

Cyanide Code

The “International Cyanide Management Code for Gold and Silver Mining” (Cyanide Code) is a voluntary, program of best practices for cyanide handling. It is one of the earliest certification programs in the mining industry and it has been implemented successfully in operations around the world, both in developed and in developing countries. The objective is to improve cyanide handling in gold and silver mining, to protect human health and reduce environmental impacts.

We are working to become a signatory to this Code. During 2024 we have been closing gaps identified in an audit to comply with their requirements and obtain certification, although at the end of the year we were still in the process of closing those gaps.





# 4 EFFICIENT WATER USE

[GRI 3-3] [GRI 303-1] [GRI 303-2] [GRI 303-3] [GRI 303-4] [GRI 303-5]

## OUR MOTIVATION

The global water crisis is a very relevant concern for our stakeholders and a challenge that demands the collaboration of all sectors. In Poderosa, we recognize that water is fundamental for mineral ore processing, and we are committed to minimizing our impact on natural flows, preserving the life and health of the local ecosystem.

To mitigate impacts, we implement rigorous controls to monitor and manage the quantity and quality of effluents and receiving bodies. Prior to discharge or reuse, we carry out physicochemical treatment in compliance with PELs and EQS, respectively.

We have included modern technologies to optimize water treatment and treated water reuse processes. We also measure our water footprint under the ISO 14046 standard, and we take part in the National Water Authority (ANA) water footprint program, continuously working in strategies to reduce and optimize consumption in all our activities.

## STRATEGIC APPROACH

We maintain our corporate commitment to responsible water use and our work is ruled by the Sustainability Statement and the Integrated Management System (SIG).

Our main goal is to adequately handle the impact of our activities on this resource. In this regard, this is a priority in our environmental management. We are committed to reducing water consumption in our operations through continuous assessment and the inclusion of new technologies. This technological effort will bring about positive consequences for the communities, our employees and the government.

Reducing water consumption in all our activities is a key objective, so we have implemented advanced technologies that automate water treatment processes, improving control of treated water quality. All the same, we carry out ongoing monitoring of water quality, in the receiving bodies and industrial effluents.



We implemented online flow monitors that allow confirming water intake, and we have a SCADA monitoring system to supervise the operation of the water treatment plants. Furthermore, we use software that standardizes the water quality and effluent data, optimizing the management process.

We focus on the following:

### MINIMIZING

Preventing the loss of water sources in underground works, therefore we close drills, we report water leaks in the camps, workshops, offices, and other facilities.



### REUSING

Efficient water use. We prioritize recirculation in our processes and avoid spillages. The new projects have a reuse approach, and we are working on reusing the current discharges.

## HIGH STANDARDS APPROACH

We are very careful in complying with the high standards of water quality and quantity, and the regulations in force. We are constantly working to optimize the use of water throughout our operations, improving recirculation of the effluents coming from the Marañón and Santa María mineral processing plants, and reusing the effluents resulting from the treatment of domestic wastewater plants. We also use underground water outcrops for the cyanidation plant and for human consumption, after treating it in ultrafiltration plants.

We have water use licenses issued by the corresponding authority. We continue to implement water flow meters at the camps, canteens, and production areas to continue with the water measurement, control and optimization plan. The criteria for the quality of effluent discharge take into consideration the legal framework in force and are established in our EMI and protocols. Internally, we use monitoring procedures and quality assurance tables to measure water quality; all the same, externally, we comply with the legal requirements applicable, such as the EQS category 3 for water (004-2017), and MINAM (010-2010) permissible exposure limits (PELs).

## OUR WATER FOOTPRINT

To contribute to the evaluation and sustainability of our activities, we have measured our water footprint complying with the ISO 14046 standards. This measurement is registered with the National Water Authority (ANA) in the water footprint program. All the same, for the analysis and quantification of the environmental aspects, we apply the life cycle assessment (LCA) which is defined in ISO 14040:2014 and ISO 14044:2014 of a product or process throughout its life cycle. Based on these results, we manage strategies to reduce and optimize water consumption in all our processes.



TABLE 43. PODEROSA WATER FOOTPRINT MEASUREMENT IN 2021, 2022 AND 2023 (MEGALITERS/YEAR)			
DESCRIPTION	2021 WATER FOOTPRINT	2022 WATER FOOTPRINT	2023 WATER FOOTPRINT
Total water footprint: direct and indirect	6,372.0	6,534.0	7,251.9
Blue footprint	723.1	592.6	729.5
Green footprint	4,379.8	4,122.4	5,334.6
Grey footprint	1,269.0	1,819.0	1,187.9

TABLE 44. TOTAL WATER FOOTPRINT VARIATION 2020,2021,2022 AND 2023 (MEGALITERS / YEAR)			
DESCRIPTION	2021	2022	2023
Grey water footprint	1,187.9	1,819.0	1,269.0
Evaporation from road watering	66.8	84.5	27.0
Evaporation from water surface	559.0	415.5	609.9
Green water footprint	4,379.8	4,122.4	5,334.6
Evaporation from garden transpiration	97.3	92.6	92.6

Note: At the time of publication of this report, our water footprint was under review; therefore, if there is a restatement, it will be reported in the next report.



TO CONTRIBUTE TO THE EVALUATION AND SUSTAINABILITY OF OUR ACTIVITIES, WE HAVE MEASURED OUR WATER FOOTPRINT COMPLYING WITH THE ISO 14046 STANDARDS

QUALITY AND QUANTITY CONTROL

Water measurement and follow-up are performed considering water quantity and quality. Quantity management corresponds to the continuous measurement of the water flow and volumes consumed, the frequency is daily, and reporting to ANA is monthly. Measurements in the main water sources within the basin are also taken monthly and are reported quarterly to the competent authority. On the other hand, quality management corresponds to the sampling and analysis of the physical - chemical and biological parameters. The frequency is monthly, and the report is delivered on a quarterly basis to the corresponding authority.

All the same, monitoring allows identifying and reporting deviations in the control systems. This way, we can execute action plans to control or mitigate them in a timely manner.

The water management goals and targets are established in the annual plan and are based on the monitoring, follow-up and measurements taken at the water sources. In this regard, we carry out hydrologic and hydrogeologic studies in the operation units to update the water source inventories, measurement and reload of water sources.

With respect to water storage, although we have ponds and water tanks, their storage capacity is not significant compared to the total water volume consumed.

It is important to mention that the basin where our operations are located is suffering from water stress.

TABLE 46. WATER CONSUMPTION IN WATER-STRESSED AREAS			
	2022	2023	2024
Percentage of water consumed from high-water-stressed areas during the last three years	0	0	0

WATER USE

Poderosa uses superficial and underground water sources, guaranteeing responsible management in compliance with the amount authorized by the National Water Authority (ANA). In 2024, our water consumption was below the total volume authorized by the ANA. This reflects our commitment to using water efficiently.

TABLE 45. TOTAL WATER CONSUMPTION		
EXPRESSED IN MILLION CUBIC METERS	2023	2024
a. Total municipal water supply (or from other water utilities)	0	0
b. Consumption of fresh surface water	751.64	768.54
c. Consumption of fresh underground water	0	0
d. Water returned to the source of extraction in a quality similar or superior to that of the raw water extracted.	0	0
Total net freshwater consumption (a+b+c-d)	751.64	768.54
Total freshwater consumption target	<5	<5

Note: Conversion of 1 cubic meter (m³) = 0.001 megaliters (ML) or 1,000 m³ = 1 ML

WE HAVE LICENSES THAT ENSURE THE RESPONSIBLE USE OF WATER IN OUR ACTIVITIES

Water used in our hydroelectric operations, such as the Alberto Samaniego hydroelectric power station, is discharged to the original river course El Tingo, after passing through the turbines. We retain 25 l/s, authorized by ANA, which are used in our operations at Vijus mining camp.

We have licenses that ensure the responsible use of water in our activities. For our camp at Paraiso, and its green areas, we have a license for water use up to 315,360 m3/year. Our operations in Cedro have a mining use license for water of up to 37,843 m3/year, this water is extracted from inside the mine.

As a result of the implementation of advanced technology for tailings management and the optimization of our water treatment plants, we have managed to reduce freshwater consumption, prioritizing water recovery and reuse in our operations. This approach confirms our commitment to sustainability and protection of natural resources.

WATER DISCHARGE

We are only authorized to discharge water to superficial water sources. Discharges from mine effluents are previously treated with chemical reagents and go through a sedimentation system. They are monitored daily. The two substances with higher presence in our discharges are arsenic and suspension solids, therefore, we carry out a very strict water treatment before releasing the water to its final destination. The treatment method used on the effluent is coagulation and flocculation inside the mine.

We focus on meeting the Permissible Exposure Limits according to the legal provisions in force (DS N° 010-2010 MINAM). Monitoring and measurements are performed daily and monthly, and we request the services of an external laboratory. As of the closing date of this report, we have not had any violations reported regarding external or internal monitoring.

We also have online water flow gauge systems (automatic), which allow us to perform daily analysis and to have a permanent control record in real time.

TABLE 48. TOTAL WATER DISCHARGE IN MILLION CUBIC METERS

	2022	2023	2024
Surface water	6.62	5.39	5.24
Underground water	0	0	0
Sea water	0	0	0
Water produced	0	0	0
Water from third parties	0	0	0

TABLE 47. WATER CONSUMPTION AUTHORIZED BY THE NATIONAL WATER AUTHORITY VERSUS ACTUAL CONSUMPTION (M³/YEAR)

		2021			2022			2023			2024				
ZONE	ANA AUTHORIZED CONSUMPTION	REAL CONSUMPTION	DIFFERENCE AUTHORIZED VS ACTUAL CONSUMPTION	% CONSUMED AS PER AUTHORIZED	REAL CONSUMPTION	DIFFERENCE AUTHORIZED VS ACTUAL CONSUMPTION	% CONSUMED AS PER AUTHORIZED	REAL CONSUMPTION	DIFFERENCE AUTHORIZED VS ACTUAL CONSUMPTION	% CONSUMED AS PER AUTHORIZED	REAL CONSUMPTION	DIFFERENCE AUTHORIZED VS ACTUAL CONSUMPTION	% CONSUMED AS PER AUTHORIZED	WATER SOURCE	
Vijus	788,400	589,236.8	199,163	74.74	445,226	343,174	56.5	405,829.40	382,570.60	51.48	432,996.75	355,403.20	54.92	Superficial water	
Paraíso	315,360	161,551.2	153,809	51.23	168,232	147,128	53.3	157,605.46	157,754.54	49.98	145,650.68	169,709.30	46.18	Superficial water	
Cedro	37,843	16,426	21,417	43.41	29,900	7,943	79.1	26,296	11,547	69.49	22	16	57.37	Superficial water	
Santa María	161,149	27,650.9	133,498	17.16	26,259	134,890	16.3	23,072.26	138,076.74	14.32	22,733.01	138,461.00	14.1	Superficial water	
	68,433	48,349.4	20,084	70.65	51,835	16,598	75.8	59,122.66	9,310.34	86.39	62,329.06	6,103.94	91.08	Superficial water	
	100,915	63,628.1	37,287	63.05	76,375	24,540	75.7	64,831.96	36,083.04	64.25	62,042.84	38,872.16	61.48	Superficial water	
	946,080	26,021.3	920,059	2.75	20,114	925,966	2.2	20,312.64	925,767.36	2.15	20,916.86	925,163.10	2.21	Superficial water	
TOTAL		932,864			817,941			757,070			768,381				



# WASTE MANAGEMENT AND CIRCULAR ECONOMY

[GRI 3-3] [GRI 306-1] [GRI 306-2] [GRI 306-3] [GRI 306-4] [GRI 306-5]

## OUR MOTIVATION

Proper waste management is essential to maintain sanitary control of our facilities, and the physical and chemical stability of hazardous and non-hazardous waste. In Poderosa we are in the process of implementing circular economy in our business culture to optimize the use of natural resources, materials and inputs, promoting reduction, reuse and recycling in all our processes.

We produce hazardous and non-hazardous waste; therefore, we must ensure the development and implementation of adequate plans and strategies to guarantee their efficient long-term management, minimizing the environmental effects of our operations.

## STRATEGIC APPROACH

Our goal is for Poderosa to comprehensively manage its waste, by implementing plans and controls that guarantee the safety of our facilities, the community and the environment. To achieve this, we seek to bring in the circular economy methodology as part of our master strategy: Business continuity and Environmental Sustainability Plan.

In addition, we actively promote a culture of waste minimization among our employees, contractors, suppliers, and

communities, through the promotion of awareness raising, recycling, and reuse campaigns.

Waste management is defined in our Solid Waste Management Plan, which is updated every year and is approved by the Board of Directors. In 2023, this plan included the 10R as part of our circular economy strategy, reinforcing our commitment to sustainability and resource use efficiency.

## PROGRESS AND RESULTS

We have set up a work group called “Circular Leaders” made by representatives from different areas. This group leads and promotes the transition towards the circular economy in our company, promoting its adoption among our employees, contractors, suppliers, and communities.

In addition, we are carrying out research focused on the reuse of tailings, to optimize the sustainability of our operations. These improvements are led by Poderosa’s innovation area, together with the Mineral Processing area, who work together to find innovative and sustainable solutions in tailings management.

Through these actions, we reinforce our vision to integrate circular economy as a fundamental pillar in waste management.

## WASTE GENERATION

In 2023, we produced 5,741.92 MT of waste, of which 644.43 TM corresponded to hazardous materials. These figures show our critical awareness of the need to handle this type of waste adequately, especially waste that represents greater hazard to the environment.

This situation dries our commitment to reduce waste, continuously improving our recycling and reuse practices, helping to mitigate negative impacts on the environment and moving towards more sustainable resource management.

Our waste management process includes accurate weighing and recording of the amounts generated, expressed in tons. To guarantee efficient and traceable management, we use SIPE software that allows recording and monitoring all our waste-related operations. Also, we ensure adequate waste disposal through authorized Solid Waste Operating Companies, to comply with the current legal regulations.

TABLE 49. WASTE GENERATED

	2022	2023	2024
Total waste generated	7,582.77	8,686.22	5,741.92
i. Total hazardous waste	279.4	461.9	644.43
a. Percentage of hazardous waste produced	4	5	10
ii. Total non-hazardous waste	7,303.37	8,224.32	5,097.49
a. Biomass	1,717.27	2,247.41	1,485.62
b. Metals	1,213.53	1,006.34	665.22
c. Plastic	13,125.00	13,215.00	8,735.61



OUR WASTE MANAGEMENT PROCESS INCLUDES ACCURATE WEIGHING AND RECORDING OF THE AMOUNTS GENERATED

## WASTE DISPOSAL

Solid waste is disposed of by the generators on authorized platforms inside our facilities, which are then stored temporarily (hazardous waste and waste that can be sold) or are disposed of inside our authorized landfills (general and domestic waste). We recover waste that can be sold to Solid Waste Collection Companies to be reused.

We hire certified companies, such as Solid Waste Operating Companies, that are responsible for transferring hazardous residues and their final disposal in safety landfills or they

take them for recycling, as in the case of residual oil. The company responsible for this management is Gestion de Servicios Ambientales S.A.C.

Depending on its characteristics, we manage waste as hazardous or non-hazardous. Waste generators dispose of waste in the corresponding-colored bins according to its type. We manage non-hazardous waste in our site, in an industrial landfill or a sanitary landfill, depending on its characteristics. In addition, hazardous solid waste is removed by authorized companies for their adequate disposal.

TABLE 50. COMPANIES RESPONSIBLE FOR WASTE DISPOSAL

	GENERAL/ DOMESTIC (T/YEAR)	INDUSTRIAL HAZARDOUS (T/YEAR)	HOSPITAL WASTE (T/ YEAR)	RESIDUAL OIL (GL/YEAR)	METALLIC WASTE (T/ YEAR)
COMPANIES RESPONSIBLE FOR FINAL DISPOSAL	Poderosa	Gestión de Servicios Ambientales SAC, Ambiental S.A., Kanay SAC	Gestión de Servicios Ambientales SAC, Innova Ambiental S.A.	Gestión de Servicios Ambientales SAC, Corporacion Medioambiental AMPCO	Multiservicios Famise
CLASSIFICA- TION	Non-hazardous	Hazardous	Hazardous	Hazardous	Hazardous
TREATMENT METHOD	Final disposal in a sanitary landfill	Final disposal in security landfills	Security landfill	Recycled and sold	Recycled, recovered, and sold
Total 2024	3,978.60	306.66	1.9	22,248	60315
Total 2023	3,708.70	219.7	21	33,319	438.41
Total 2022	3,199.36	343.5	3.7	26,214	683.89
Total 2021	1,389.51	294.5	4.1	20,076	536.53
Total 2020	1,077.38	47.3	0.8	17,505	439.36

TABLE 51. WASTE DIRECTED TO DISPOSAL IN METRIC TONS

INDICATOR	2021	2022	2023	2024
Total waste directed to disposal	2,339.59	4,518.43	3,944.65	2,733.00
i. Total hazardous waste directed to disposal	950.06	1,314.88	235.9	344.95
i.a Incineration with energy recovery	0	0	0	0
i.b Incineration without energy recovery	0	0	0	0
i.c Transfer to landfill	0	0	0	0
i.d Other disposal operations	950.06	1,314.88	235.9	344.95
ii. Total non-hazardous waste directed to disposal	1,389.53	3,203.55	3,708.75	2,388
i.a Incineration with energy recovery	0	0	0	0
i.b Incineration without energy recovery	0	0	0	0
i.c Transfer to landfill	0	0	0	0
i.d Other disposal operations (general waste deposited in landfills)	1,389.53	3,203.55	3,708.75	2,388

Note: Poderosa is a non-municipal generator. All waste that can be sold is generated within our facilities.



TABLE 52. WASTE DIVERTED FROM DISPOSAL

EXPRESSED IN METRIC TONS	2021	2022	2023	2024
i. Total hazardous waste diverted from disposal	990.65	1,440.48	1,239.91	1,586.69
i.a Waste prepared for reuse (wood)	129.26	130.96	127.73	153.31
i.b Recycling	0	0	0	0
i.c Other recovery operations (*)	0	0	0	0
ii. Total non-hazardous waste diverted from disposal	129.26	130.96	127.73	153.31
i.a Waste prepared for reuse (composting)	861.39	1,309.52	1,112.18	1,433.38
i.b Recycling	57.00	76.00	86.50	86.90
i.c Other recovery operations	804.39	1,233.52	1,025.68	1,346.48
ii.c Otras operaciones de valorización	0	0	0	0

Note: Poderosa is a non-municipal generator. All waste that can be sold is generated within our facilities. The conversion faction in gallons of oil is 3.36 KG/GLN

TABLE 53. COMPOST PRODUCTION

WASTE	2021	2022	2023	2024
Compostable waste	57,303	76,233	86,503	105,256
Compost obtained	2,689	6,020	7,585	10,120





WASTE RELATED SIGNIFICANT IMPACTS

Significant waste-related impacts derive from the transport of materials such as solid waste, chemicals, gases and other hazardous waste. This can result in the generation of leached tailings, solutions and gas emissions from chemical products. These events can be direct or indirect and are considered potential.

To mitigate these impacts, potential events are described and controlled through operational actions in place. When these are major events, the controls are defined in the Emergency Response Plan, which is approved with the Environmental Management Instruments (EMIs).

All the same, the proper selection and management of the materials used in all areas of our operations is fundamental

to minimizing our environmental impact. We adopt measures to reduce the amount of waste produced and promote the 3R approach: reduce, reuse and recycle. As part of this strategy, we carry out daily waste collection and keep detailed records of the amount collected by type of waste.

TAILINGS AND WASTE ROCK DUMP SITES MANAGEMENT FACILITIES

Our strict controls in place make our tailings and waste rock facilities safe for our processes, for the environment and the surrounding community. Our tailings (waste from ore processing) and waste rock (waste from the mining process) have detailed engineering files that establish the dimensions, general design, auxiliary control components (such as coro-

nation channels), geotechnical measuring instruments, operations manual, among other controls that allow reviewing the physical and chemical condition of the waste facility.

It is important to mention that the tailings and waste rock dumpsters require approval from the authority (MINEM General Mining Bureau - DGM) before they start operating, all the same, Osinergmin constantly verifies the compliance with the controls established in the files and the approval resolutions.

**Tailings management**

Tailings management and measurements are carried out with accurate and conventional methods to ensure compliance with the thresholds established in our operations. Tailings are measured through monthly topographic controls using density to obtain the volume disposed of at the tailings.

Manual and electronic scales are used to weigh truckloads of waste, deducting the tare weight.

In 2024, tailings generation was kept within the established limits due to the processing capacity of the plants and the corresponding permits. However, there was an increase in domestic waste, due to staff increase in our operations.

With respect to progress, tailings management uses the filtered tailings method, ensuring compacted and safe final disposal at the tailing ponds. Regarding waste, tests were made with portable equipment to transform organic waste into compost. These tests are oriented to identify the most adequate equipment to speed up compost production and use it as fertilizer in green areas, contributing to waste management sustainable approach.

TABLE 54. TAILINGS AND WASTE GENERATION		
EXPRESSED IN METRIC TONS	2023	2024
Total barren mud generated (tailings)	650,052	697,701
Total barren rock generated (waste rock)	310,870	916,243
Total non-mineral waste generated	0	0
Total non-mineral waste generated	0	0

TAILINGS MANAGEMENT AND MEASUREMENTS ARE CARRIED OUT WITH ACCURATE AND CONVENTIONAL METHODS TO ENSURE COMPLIANCE WITH THE THRESHOLDS ESTABLISHED IN OUR OPERATIONS





# RESPECT FOR BIODIVERSITY

WE PERFORM OUR ACTIVITIES UNDER STRICT ENVIRONMENTAL CONTROLS THAT ALLOW MITIGATING RISKS AND PRESERVING ECOLOGICAL BALANCE.

## OUR MOTIVATION

Protecting our surroundings and guaranteeing a healthy environment are fundamental pillars for the sustainability of our operations. Therefore, we perform our activities under strict environmental controls that allow mitigating risks and preserving ecological balance.

We are aware that human activities, especially those that occupy large areas and develop infrastructure, such as ours, can impact on the ecosystems and alter the habitat of different species. Therefore, we adopt a responsible approach to minimize these effects and promote biodiversity conservation.

We acknowledge the importance of biodiversity and its relationship with local communities, as well as the value of certain natural resources and species in the ecosystem. We operate in the Abiseo River National Park buffer area; therefore, we have established cooperation agreements with the National Service for Natural Protected Areas (SERNANP) to reinforce our commitment with environmental conservation.

Our approach consists of minimizing environmental impacts and avoiding long-term net habitat loss. As part of this effort, we carry out periodic biological monitoring of flora, fauna (masto zoological, ornithological, herpetological, entomological) and hydrobiology studies at strategic points defined in our EMI. This monitoring allows to continuously assess the effect of our operations on biodiversity and establish additional control measures when necessary, reaffirming our environmental responsibility.

## STRATEGIC APPROACH

We have an Environmental Policy that reflects our commitment to biodiversity management, and we work continuously on its conservation through our Environmental Management System, based ISO 14001:2015. This system is key to identify, prevent and control environmental impacts derived from our operations ensuring that our actions are aligned with the best environmental practices.

Through our Sustainability Statement, we are committed to responsibly and sustainably using natural resources, a commitment shared by all Poderosa employees. We make sure that each one follows the established guidelines, aligning our actions with the long-term vision to protect and preserve the environment, to guarantee that our operations respect biodiversity.

In this context, we implemented actions withing the Environmental Management Plan and the Revegetation and Environmental Compensation Plans to preserve flora and fauna. These actions are fundamental to mitigating environmental impacts of our operations, such as noise and land use. According with the Abiseo River National Park Master Plan, we are also focused on the protection of endemic and endangered species such as birds, native plants and forest trees.

The Abiseo River National Park is an area of great value due to its unique biodiversity and its cultural heritage, due to ar-

chaeological sites found in its territory such as Gran Pajatén and Los Pinchudos. This park protects mist forests, the high jungle, and endangered animal species, ensuring the conservation of these natural resources for future generations.

The Marañón and Santa María production units are located within the Abiseo River National Park buffer zone, between 1,200 and 2,900 m.a.s.l. They cover an approximate area of 4,746 hectares. However, our direct operations are carried out in 2,500 hectares. Due to this location, there are no environmental, cultural, or social impacts on the National Park natural protected area. Protection of our biodiversity is guaranteed and backed by our Environmental Management Instruments that meet the current regulations to preserve the surroundings and the biodiversity in the area.



Asteraceae flower, capitulum of Bidens sp.

THROUGH OUR SUSTAINABILITY STATEMENT, WE ARE COMMITTED TO RESPONSIBLY AND SUSTAINABLY USING NATURAL RESOURCES



WE PROTECT OUR VALUABLE NATURAL RESOURCES

In line with our environmental commitment, before the start of any operation, we perform thorough biological monitoring to understand the characteristics of the biodiversity and the ecosystems of the areas in which we operate. During our operations, we continue to perform monitoring every six months, in the points established under our Environmental Management Instruments (EMI).

These monitoring activities include field work, sampling, and photography, to verify and quantify the existing biodiversity and compare it with previous measurements. Constant evaluation is key to identify any possible impact and guarantee that our operations are sustainable. In 2024 we can confirm that no species have been affected by Poderosa’s operations.

All the same, as part of our commitment to conservation, we have established internal regulations that forbid hunting or harming animals in the areas close to our operations. All the same, we have placed information signs in public areas to guarantee compliance with these rules.

Since 1980 we have been carrying out forestation activities, to help preserve the environment. These efforts improve air and soil quality; they create natural habits for flora and fauna and promote job creation in neighboring communities. All these actions contribute to reducing our carbon footprint, reinforcing our commitment to fight against climate change.

PROGRESS AND RESULTS

In 2024, as part of our environmental commitment, we continued with our forestation project, which consists of planting 100 hectares of pines and queñuales in in our property, in the Suyubamba Community. This project has a duration of approximately 3 years and is being carried out with 100% local labor and services.

All the same, we continue to maintain timber and fruit trees in Hualanga and Vijus, contributing to ecological reclamation and to the wellbeing of the community.

Forestation allows us to compensate for the use of timber in our mining operations. This project, which we carry out voluntarily, seeks to mitigate the environmental impact of our operations and to provide clean air for the surrounding area.

Some of the forestation initiatives are developed with the collaboration of the neighboring communities. Their contribution is very important for the success of these projects. Every year we allocate a specific budget to carry out forestation activities and to foster agro-industrial activities which are carried out through Poderosa and our NGO, Asociacion Pataz. (For further information refer to Asociacion Pataz’s Annual Report: [www.asociacionpataz.org.pe](http://www.asociacionpataz.org.pe) )





Una iniciativa de PODEROSA

IMPACTS ON CARBON FOOTPRINT REDUCTION

The impact of forestation is measured by the amount of oxygen that each tree returns to the environment and its capacity to absorb CO2. In 2024 we measured our carbon footprint for 2022 and 2023. These results will also allow us to relate forestation initiatives as compensatory measures to reduce the footprint.

As part of this effort, we have planned to update the forestry inventory, strengthening our commitment to sustainability.

All the same, forestation has increased the profitability of tree production in the Huaylillas, Buldibuyo, Ongon and Tayabamba districts, in the Pataz province.

In 2024, we managed to plant 356,975 trees in community and Poderosa land, reinforcing our contribution to the region’s environmental and economic development.





TABLE 55. FORESTATION ACTIVITIES IN 2024									
2021		2022		2023		2024			
N° trees planted	N° ha reforested or forested	N° trees planted	N° ha reforested or forested	N° trees planted	N° ha reforested or forested	N° trees planted	N° ha reforested or forested	Type of tree	Beneficiary
CHUGAY → Implemented by Asociación Pataz									
165,000	150	165,000	150					Pine	Coopandina
6,400	8	6,400	8	5,000	6	5,820	7.27	Quinual	Coopandina
				171,679	143.25	157,784	143.43	<i>Pinus radiata</i>	Coopandina
TAYABAMBA → Implemented by Asociación Pataz									
127,600	116	240,000	218			173,120	173.73	Pine	La Victoria Farming Community
30,000	38	16,825	21					Quinual	La Victoria Farming Community
				135,500	131.14			<i>Pinus radiata</i>	La Victoria Farming Community
MACANIA → Implemented by Asociación Pataz									
								Eucalyptus	Asociación Macania
PATAZ → EImplemented by Asociación Pataz									
		830	1					Quina	Los Alisos Community
		833	1	100	0.16			Quina	Vista Florida Community San Fernando
						1,650	1.5	Aliso	Leoncio Prado Vista Florida Community
						850	0.8	Aliso	Pias
						3,303	3	Quina	Leoncio Prado Vista Flo-rida Community
						9,623	8.7	<i>Pinus patula</i>	Leoncio Prado Vista Flo-rida Community
						4,150	4	<i>Pinus patula</i>	Suyubamba

	2021		2022		2023		2024			
	N° trees planted	N° ha reforested or forested	N° trees planted	N° ha reforested or forested	N° trees planted	N° ha reforested or forested	N° trees planted	N° ha reforested or forested	Type of tree	Beneficiary
SUYUBAMBA-ANTAPITA → Implemented by Poderosa										
	14,100	9							Eucalipto urograndis	Poderosa
	6,350	4							Highland Cider	Poderosa
	1,400	1							<i>Pinus radiata</i>	Poderosa
	100	0							<i>Carica papaya</i>	Poderosa
PIÁS → Implemented by Asociación Pataz										
			555	1	200	0.32			Quina	Alacoto, Piás, Pamparacra population
SANTA CLARA / CONDORMARCA → Implemented by Asociación Pataz										
			24,000	18					Eucalyptus	Asociación Macania
HUALANGA → Implemented by Poderosa										
					557	0.5			Ficus	Poderosa
					100	0.16			Plum	Poderosa
							50	0.045	Papaya	Poderosa
PIÑUTO → Implemented by Asociación Pataz										
					12,000	8.80			Eucalyptus	Asociación Macania
SANTA CATALINA → Implemented by Asociación Pataz										
					10,000	7.40			Eucalyptus	Asociación Macania
VIJUS → Implemented by Poderosa										
							625	0.3355	Fruit trees	Poderosa
TOTAL	350,950	325	454,443	417	335,136	298	356,975	342.8		

Note: All activities have been funded by Poderosa.



SPECIES UNDER CONSERVATION AND VULNERABILITY

STATUS IN THE PATAZ DISTRICT

As part of Poderosa’s commitment to the zone’s biodiversity, and as established in the Environmental Management Plan included in the Environmental Impact Assessments (EIA), we conduct periodic field studies in the Abiseo River National Park Buffer Area, where we carry out our operations. These studies include flora, fauna and hydrobiology, to have standardized and biological information that allows adequate assessment and management of the local ecosystems.

For the analysis of biological diversity, key aspects such as richness, composition and abundance of the species present in the area were considered. In addition, a detailed characterization of the terrestrial and aquatic ecosystems of the study area was carried out, identifying those species with special conservation status or endemism, reinforcing our commitment to biodiversity protection.

Given the location of our mining operations, there are no possible environmental, cultural or social impacts on the national park buffer areas. Our activities are supported by a biodiversity management plan, established in our Environmental Management Instruments (EMIs), that guarantees a sustainable and respectful approach to the environment.

The yellow-tailed woolly monkey (*Lagothrix flavicauda*) is an endemic species of the montane forests of Amazonas, San Martín, La Libertad, and Huánuco.



SAN MARTÍN  
Abiseo River  
National Park



WE CONDUCT PERIODIC FIELD STUDIES IN THE ABISEO RIVER NATIONAL PARK BUFFER AREA, WHERE WE CARRY OUT OUR OPERATIONS

TABLE 56. TYPES OF EXTINCTION RISKS FOR FLORA AND FAUNA

CRITERIA	SPECIES	TOTAL
Flora		
In critical danger	-	-
Endangered	-	-
Vulnerable	<ul style="list-style-type: none"><li>• <i>Jacaranda acutifolia</i></li><li>• <i>Caesalpinia spinosa</i></li><li>• <i>Jatropha macrantha</i></li></ul>	3
Almost threatened	<ul style="list-style-type: none"><li>• <i>Tecoma sambucifolia</i></li><li>• <i>Salvia oppositifolia</i></li><li>• <i>Acacia macracantha</i></li><li>• <i>Iresine weber</i></li></ul>	4
Minor concern	-	-
Fauna		
In critical danger	-	-
Endangered	<i>Tremarctos ornatus</i>	1
Vulnerable	-	-
Almost threatened	Animals: <ul style="list-style-type: none"><li>• <i>Phyllotis andium</i></li><li>• <i>Eremoryzomys polius</i></li><li>• <i>Artibeus fraterculus</i></li><li>• <i>Artibeus planirostris</i></li><li>• <i>Glossophaga soricina</i></li><li>• <i>Micronycteris megalotis</i></li><li>• <i>Sturnira oporaphilum</i></li><li>• <i>Carollia perspicillata</i></li><li>• <i>Lycalopex culpaeus</i></li><li>• <i>Puma concolor</i></li></ul> Reptiles: <ul style="list-style-type: none"><li>• <i>Flavipunctatus</i></li><li>• <i>Sibynomorphus sp.</i></li><li>• <i>Micrurus cf. mertensi</i></li><li>• <i>Epictia sp.</i></li><li>• <i>Stenocercus omari</i></li></ul> Amphibian: <ul style="list-style-type: none"><li>• <i>Rhinella gr. spinulosa</i></li></ul> Birds: <ul style="list-style-type: none"><li>• <i>Forpus xanthops</i></li><li>• <i>Columba oenops</i></li></ul>	18
Minor concern	-	-



# MINE CLOSURE PLAN

[GRI 3-3]

OUR CLOSURE PLAN INCLUDES TECHNICAL AND LEGAL ACTIONS ORIENTED TO REMEDIATE THE AREAS IMPACTED AND ENSURE A HEALTHY ECOSYSTEM, COMPATIBLE WITH THE DEVELOPMENT OF LIFE AND LANDSCAPE PRESERVATION

## OUR MOTIVATION

Our mine closure management is based on comprehensive planning that comprises progressive closure of those components at the end of their useful life according to the current regulations and the annual guarantee demanded by the Peruvian government. This guarantee ensures that the mine closure is carried out adequately at the end of the mine’s operations.

When a component reaches the end of its useful life, we implement remediation, restoration, dismantling and revegetation activities, among others to restore the environment to its original condition or, in some cases, to give it a new sustainable use. These actions are carried out in accordance with mine closure plans approved by the Ministry of Energy and Mines General Bureau of Mining Environmental Affairs (DGAAM)

We recognize that mining has a limited life cycle and therefore we address closure from the early stages of our operations. This allows us to minimize risks and generate a positive impact for the communities and the surrounding environment.

Our closure plan includes technical and legal actions oriented to remediate the areas impacted and ensure a healthy ecosystem, compatible with the development of life and landscape preservation. These measures seek to eliminate environmental risks and protect health, guaranteeing that the closure process is carried out in a safe and sustainable manner.

## LOOKING AHEAD INTO THE FUTURE

We develop mine closure plans at feasibility level, following the industry regulations; and ensuring progressive and responsible closure of those components that have completed their operation lifespan. We also guarantee the process sustainability by establishing financial guarantees for the final closure stage and mine post closure maintenance.

In 2024, we achieved significant progress with the approval of the fifth modification to the Mining Closure Plan, reaffirming our commitment to responsible environmental and social

management. This file details the strategies for the closure of components and the commitments assumed to mitigate environmental and social impacts related to mine closure. At present, the activities are being executed according to the plan’s guidelines.

Since the approval of the second update of the Poderosa Mining Unit Closure Plan by Director’s Office Resolution N° 222-2022/MINEMDGAAM, we have carried out the actions provided for the environmental remediation and reclamation of the components closed. In 2023 we started working to submit the fifth modification to the plan, which was successfully completed in 2024.

All the same, we are constantly focused on post-closure maintenance, an essential activity that allows us to preserve closed components in optimal environmental and safety conditions. We submit reports to the competent authorities on a regular basis, to guarantee transparency and compliance with long-term sustainability objectives.

These are the resolutions passed throughout the operation of the mining activities.

TABLE 57. RESOLUTIONS PASSED

APPROVAL YEAR	MINE CLOSURE PLAN DESCRIPTION	APPROVAL RESOLUTION
2010	Mine Closure Plan	RD N.º 119-2010-MEM-AAM
2011	1 <sup>st</sup> Modification to Mine Closure Plan	RD N.º 121-2011-MEM-AAM
2013	Mine Closure Plan update	RD N.º 298-2013-MEM-AAM
2016	2 <sup>nd</sup> Modification to Mine Closure Plan	RD N.º 065-2016-MEM-DGAAM
2017	3 <sup>rd</sup> Modification to Mine Closure Plan	RD N.º 093-2017-MEM-DGAAM
2018	4 <sup>th</sup> Modification to Mine Closure Plan	RD N.º 102-2018-MEM-DGAAM
2022	2 <sup>nd</sup> update to the Mine Closure Plan.	RD N.º 222-2022-MINEM-DGAAM
2024	5 <sup>th</sup> Modification to Mine Closure Plan	RD N.º 269-2024-MINEM-DGAAM

TABLE 58. INVESTMENT BREAKDOWN IN ENVIRONMENTAL MANAGEMENT

INVESTMENT ITEMS	2024	WHY DID THE FIGURE INCREASE OR DECREASE IN 2024?
	INVESTMENT (US\$)	
Environmental Training	24,746.00	Awareness and internalization of proper environmental practices and management.
Environmental Supervision and Counseling	473,439.00	Cost according to schedule
Waste and Effluent Management	748,456.00	Resource optimization
Environmental Management Plans	2'612,292.00	Operating program compliance
Environmental Contingencies	31,325.45	Program compliance
TOTAL	3'890,258.45	



DUE TO THIS LOCATION, THERE  
ARE NO ENVIRONMENTAL,  
CULTURAL, OR SOCIAL IMPACTS  
ON THE NATIONAL PARK  
NATURAL PROTECTED AREA





CHAPTER

15



# PODEROSA TEAM

[GRI 3-3] [GRI 2-7] [GRI 2-8] [GRI 2-19] [GRI 2-20] [GRI 2-21] [GRI 2-30] [GRI 401-1]  
[GRI 401-2] [GRI 401-3] [GRI 404-1] [GRI 404-2] [GRI 404-3] [EITI Expectation 9]

At Poderosa, we reiterate our vision to be the company where all our employees are proud to work. United by a common goal, our team shares a clear purpose: to responsibly transform our mineral wealth into opportunities for development and well-being. This goal is reaffirmed in every interaction with contractors, communities and suppliers, and turns into a constant source of inspiration and motivation in our joint work. We know that one of our greatest assets is a committed and motivated team, that reflects the sense of belonging daily. During the past year, we have implemented several initiatives that seek to strengthen this bond, ensuring that our employees not only share our values and purpose, but also that they feel part of our family. The pillars that define our

workforce and culture are respect, integrity, safety, responsibility and collaboration.

Our strategic focus is based on the following commitments: Statement of Responsibility and our Management, Safety and Occupational Health and Safety Policies. The governing bodies that supervise this material topic are the management and the multidisciplinary committees. The procedures, policies and standards that guide our actions seek to promote the inclusion of gender diversity, ethnic origin, and the inclusion of people with disabilities and/or different abilities

These are the main procedures and policies that guarantee our management:

- 01

RECRUITMENT AND SELECTION PROCEDURE

We guarantee the incorporation of suitable candidates for all job positions.
- 02

TRAINING PROCEDURE

We strengthen the competencies of our employees through training guidelines.
- 03

PERFORMANCE EVALUATION PROCEDURE

We measure competencies and compliance with objectives, identifying strengths and areas for improvement.
- 04

INTERNAL PROMOTIONS PROCEDURE

We encourage professional development through clear guidelines to assess potential and reduce gaps.
- 05

SALARY POLICY

We guarantee equity in the setting and readjustment of salary schemes, complying with current regulations.
- 06

SEXUAL HARASSMENT POLICY

We promote the prevention and punishment of harassment and foster a safe and healthy environment.

TO ACHIEVE THIS GOAL, WE COMMIT TO PROVIDING THE FOLLOWING FOR OUR EMPLOYEES":



- Safe and healthy working environment,
- Adequate infrastructure
- Competitive salaries
- Equitable opportunities
- Personal and professional development
- Promote respect, inclusion and diversity



We also collect the opinion of our stakeholders and employees through different satisfaction surveys, and through an open-door policy, which alerts us to restate strategies and take necessary corrective measures in our management, ensuring compliance with our organization’s goals.

GOALS IN 2024

- Contribute to success and sustainability through efficient management of human capital and strategic human resources processes.
- Ensure timely staffing at all levels.
- Reduce staff turnover.
- Disseminate and strengthen our organizational culture.
- Strengthen and increase the favorable perception of the work environment.
- Efficiently manage human talent throughout the organization, ensuring that vacancies identified as “eligible for promotion” are filled with our own personnel.
- Improve and standardize living conditions and quality of life (food and habitability).

MAIN MANAGEMENT INDICATORS

We assess our human resources management through key indicators that reflect our commitment to development, wellbeing, efficiency, professional growth, talent retention and work environment.

MAIN ACHIEVEMENTS

- In 2024 we made significant progress in improving employee work conditions and wellbeing, which is reflected in the annual turnover index, with a reduction of 5.19% in contractor staff, and 0.03% in Poderosa payroll staff, compared to the previous year. The most significant achievements were:
- Implementation of the access control platform and affiliation management, achieving an agile and accessible process.
  - Diagnosis and establishment of Poderosa’s Meta Culture, aligned with our strategic objectives and sustainable scope in time.
  - Increased satisfaction in the positive perception of the

TABLE 59. MAIN HUMAN MANAGEMENT INDICATORS

INDICATOR	GOAL 2024	RESULT
Total closed processes / Total open processes	100%	95%
Average response days for closed processes	< 40 days	18 days
Total promotions / Total vacancies generated with option for promotion	>= 50%	61%
Total staff resignations / Total number of Poderosa employees	<= 6%	2.7%
Total terminations due to resignation of key staff / Total number of key staff	<= 3%	2.2%
Improving and standardizing living conditions	>= 72%	81.4%
Improving and standardizing feeding conditions	>= 72%	79%
Staff with performance assessment	100%	100%
Compliance with the employee due diligence process	100%	100%
Increasing the positive perception of the work environment	>= 70%	80%

- work environment by 2 points.
- Establishment of the Inclusion, Equity and Diversity Committee to ensure a labor environment where all the workers feel respected, secure and appreciated.
  - Implementation of a sustainable Performance Assessment system, in a digital platform with a 270° methodology, reaching 100% of the employees. This was the first year where feedback was a mandatory part of the process.
  - Implementation of a platform that centralizes the benefits granted by the company, in addition to promoting and strengthening recognition for outstanding employee actions.
  - Transportation service optimization, by hiring a new company with high land transportation quality and safety standards for our employees.

TEAM COMPOSITION

The information shown corresponds to the data obtained by the Human Resources area, as recorded in the employee payroll, considering the number of employees at the end of the reporting year as a reference.

Employees work for the company through their appointment to the Mining Unit, the Trujillo or Lima offices; all the same, they hold a labor relation under the framework of Legislative Decree 728.

It is important to note that all our employees undergo a formal evaluation process during their selection, hiring and renewal. These evaluations are an integral part of our commitment to efficiency and quality in job performance.



ALL OUR EMPLOYEES UNDERGO A FORMAL EVALUATION PROCESS DURING THEIR SELECTION, HIRING AND RENEWAL

TABLE 60. TOTAL EMPLOYEES BY TYPE OF CONTRACT, GENDER AND LOCATION

TYPE OF CONTRACT	GENDER				LOCATION					
	Female	%	Male	%	La Libertad	%	Lima	%	Others	%
Permanent employees	80	10.10	622	78.54	370	46.72	185	23.36	147	18.56
Temporary employees	24	3.03	66	8.33	26	3.28	41	5.18	23	2.90
Employees with non-guaranteed hours	0	0	0	0	0	0	0	0	0	0
Full time employees	0	0	0	0	0	0	0	0	0	0
Part time employees	0	0	0	0	0	0	0	0	0	0
TOTAL	104	13.13	688	86.87	396	50	226	28.53	170	21.47

TABLE 61. TOTAL NUMBER OF EMPLOYEES PER AGE, GENDER AND LOCATION

AGE GROUP	GENDER				LOCATION					
	Female	%	Male	%	La Libertad	%	Lima	%	Others	%
Under 30 years	18	2.27	281	35.48	183	23.11	72	9.09	44	5.56
Between 30 and 50 years	69	8.71	375	47.35	194	24.49	139	17.55	111	14.02
Over 50 years	17	2.15	32	4.04	19	2.40	15	1.89	15	1.89
TOTAL	104	13.13	688	86.87	396	50.00	226	28.53	170	21.47

TABLE 62. TOTAL EMPLOYEES PER JOB CATEGORY, GENDER AND LOCATION

JOB CATEGORY	GENDER				LOCATION					
	Female	%	Male	%	La Libertad	%	Lima	%	Others	%
Workers	2	0.25	301	38.01	219	27.65	21	2.65	63	7.95
Employees	97	12.25	363	45.83	173	21.84	182	22.98	105	13.26
Officers	5	0.63	24	3.03	4	0.51	23	2.90	2	0.25
TOTAL	104	13.13	688	86.87	396	50.00	226	28.53	170	21.47

Workers who are not direct employees

Currently there are more than 7,216 workers who are not direct employees of the organization, but who are identified as workers of contractor companies, including companies specialized in mining, related activities, and microbusinesses.

TABLE 63. WORKERS WHO ARE NOT EMPLOYEES

Number of workers who are not employees and whose work is controlled by the company in 2024	7,216
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TABLE 64. CATEGORIES OF WORKERS WHO ARE NOT THE MOST USUAL EMPLOYEES 2024

CATEGORY	GENDER	TOTAL 2024	WOR- KERS	EMPLOYEES	DESCRIBE THEIR CONTRACT RELATION WITH THE ORGANIZATION	DESCRIBE THE TYPE OF WORK PERFORMED
Specialized mining companies	Female	51	2	49	Personnel assigned to a mining unit, under outsourcing modality	Mining contractors carry out mining exploitation activities
	Male	2,352	2,012	340		
	TOTAL	2,403	2,014	389		
Specialized related companies	Female	150	72	78	Personnel assigned to a mining unit, under labor intermediation modality	Related contractors provide complementary services to the organization.
	Male	2,446	2,096	350		
	TOTAL	2,596	2,168	428		
Microbusinesses and other	Female	170	32	138	SMEs that work in the mining unit under labor intermediation modality.	Micro business contractors provide complementary services to the organization.
	Male	2,047	1,531	516		
	TOTAL	2,217	1,563	654		
TOTAL		7,216	5,745	1,471		

AT PODEROSA WE REITERATE OUR VISION TO THE BE COMPANY THAT ALL OUR EMPLOYEES CAN FEEL PROUD OF WORKING WITH



New hires and turnover rates

Our team is our most valuable asset. Understanding hiring and turnover trends, as well as the reasons behind departures, allows us to take steps to improve talent retention and design policies that drive the growth and stability of our team.

We monitor voluntary and non-voluntary turnover to strengthen talent retention. A weekly committee analyzes its causes and proposes improvements and complements it with exit surveys for which results are included in our management reports. These analyses are submitted in the Policy Management Committee sessions to back strategic strategies on staff management.

TABLE 65. TOTAL NUMBER OF EMPLOYEES THAT JOINED PODEROSA IN 2024 PER AGE, GENDER, AND LOCATION. NEW HIRE RATES										
AGE GROUP	GENDER				LOCATION					
	Female	%	Male	%	La libertad	%	Lima	%	Others	%
Under 30 years	8	14.55	7	12.73	6	10.91	6	10.91	3	5.45
Between 30 and 50 years	9	16.36	30	54.55	8	14.55	19	34.55	12	21.82
Over 50 years	0	0	1	1.82	0	0.00	1	1.82	0	0
TOTAL	17	30.91	38	69.10	14	25.46	26	47.28	15	27.27

Note: Contract rate is the total new hires divided by the total number of hires considering the age groups according to gender and location.



TABLE 66. TOTAL NUMBER AND STAFF TURNOVER RATE DURING 2024, PER AGE GROUP, GENDER AND LOCATION

LOCATION	GENDER	AGE	TOTAL DISMISSALS	TOTAL STAFF	TURNOVER RATE ( %)
La Libertad	Female	Under 30 years	2	7	29
		Between 30 and 50 years	1	28	4
		Over 50 years	0	7	0
	Male	Under 30 years	3	12	25
		Between 30 and 50 years	5	166	3
		Over 50 years	3	176	2
Lima	Female	Under 30 years	1	5	20
		Between 30 and 50 years	3	34	9
		Over 50 years	0	11	0
	Male	Under 30 years	0	10	0
		Between 30 and 50 years	7	105	7
		Over 50 years	5	61	8
Other	Female	Under 30 years	1	5	20
		Between 30 and 50 years	0	7	0
		Over 50 years	0	0	0
	Male	Under 30 years	0	10	0
		Between 30 and 50 years	13	104	13
		Over 50 years	3	44	7
TOTAL TURNOVER			47	792	6

Note: Rotation turnover is the total number of staff terminated divided by the number of active personnel according to their location, gender and age (turnover percentage).

TABLE 67. VOLUNTARY AND NON-VOLUNTARY TURNOVER RATE OF PERSONNEL

YEAR	VOLUNTARY RATE	NON-VOLUNTARY RATE
2022	2.01	6.93
2023	2.70	7.82
2024	2.67	6.10

We consider parental leave as an essential right. In this year, 37 employees (34 men and 3 women) used it, with a return of 100%.

TABLE 68. PARENTAL LEAVE

INDICATOR	TOTAL	MALE	FEMALE
Total number of employees who were eligible for parental leave, by gender.	37	34	3
Total number of employees who have taken parental leave, by gender.	37	34	3
Total number of employees who have returned to work in the reporting period after completing parental leave, by gender.	37	34	3
Total number of employees who have returned to work after completing parental leave and who were still employed 12 months after returning to work, by gender.	36	33	3
Return to work and retention rate of employees who took parental leave, by gender.	100	100	100

Ensuring a good work environment

As part of our ongoing commitment to strengthening our organizational climate and culture, we assess our work environment on an annual basis. In this assessment, we explore in detail seven essential factors: culture and values, communication, leadership, talent development, resources and support, compensation and benefits, and working conditions. To develop this study in a thorough manner, the process was carried out with an external consultant firm.

WE REACHED AN 80% COMMITMENT LEVEL AMONG OUR EMPLOYEES, WHICH REPRESENTS AN INCREASE COMPARED TO 75,5 % IN THE PREVIOUS YEARS

TABLE 69. EMPLOYEE COMMITMENT LEVEL

	2022	2023	2024	GOAL 2025
Employee commitment level (%)	77	75.5	80	80

We reached an 80% commitment level among our employees, which represents an increase compared to 75,5 % in the previous years. This increase is due to the implementation of several actions oriented to improve infrastructure and the wellbeing of our employees.

Among the main initiatives undertaken, we can highlight the optimization of land transportation. New bus companies have

been hired, inspections were performed to improve service quality of food and facilities at the canteens, accommodation has been improved through the construction of modules, dressing rooms and the installation of solar water heaters.

Different actions oriented to development and diffusion of salary policies were carried out, to promote feedback, career development training programs accessible to all employees,

including English, Excel and Power BI programs. The Club Poderosa platform was implemented to strengthen our different recognition and benefit programs.

In addition, we shared the results of our surveys through internal newsletters, and we used them to develop strategic action plans led by the Work Environment Committee.

TABLE 70. RESULTS TO ASSESS WORKPLACE CLIMATE

DIMENSION*	INDICATOR	RESULT (%)
Culture and values	General	85
	Cultural guidelines	81
	Psychological safety	77
	Compliance	91
	Sense of belonging	92
Communication	General	82
	Clarity of roles and functions	94
	Communication and relationship	70
Leadership	General	76
	Strategic direction	75
	Direct manager	77
Talent development	General	74
	Learning	77
	Professional Development	66
Resources and support	General	81
	Camaraderie and teamwork	80
	Resources	82
Compensation and benefits	General	62
Work conditions	General	75
	Safety at work	90
	Well-being and health	69
	Asset security	90
Gestalt	General	93

\*The dimensions of the evaluation were updated this year.



Training programs

We have developed a comprehensive training program that addresses all the training needs in the different stages, considering the specific objectives of each one of them. These programs include:

- 01

INDUCTION PROGRAM FOR NEW STAFF

Provides information and general guidance regarding the company and the work area for all incoming personnel, primarily focused on safety and occupational health topics (Supreme Decree 024-2016-EM and amendments, Supreme Decree 023-2017-EM).
- 02

OHS REGULATORY TRAINING PROGRAM

Reinforces knowledge and raises awareness on safety – related issues, as established in annex 06, Art. 75 of Supreme Decree N° 024-2016-EM and amendments, Supreme Decree N° 023-2017-EM and Supreme Decree N° 034-2023-EM.
- 03

TRANSVERSAL REGULATORY TRAINING PROGRAM

Aimed at reinforcing knowledge and raising awareness on issues related to IMS (Integrated Management System), including 5S, ISOs, Compliance, among others.
- 04

CAREER DEVELOPMENT TRAINING PROGRAM

Designed for employees to strengthen or acquire knowledge about new tools that allow them to develop professionally within the organization (Excel, SAP, etc.).
- 05

SOFT SKILLS TRAINING PROGRAM

Aimed at strengthening and updating managerial skills, based on specific position requirements and on strategic goals.
- 06

SPECIFIC TECHNICAL TRAINING PROGRAM

Update of technical skills directly related to the activities and tasks of each worker at his/her workstation.

THIS COMPREHENSIVE  
APPROACH REFLECTS OUR  
ONGOING COMMITMENT  
TO THE PROFESSIONAL  
DEVELOPMENT AND GROWTH  
OF OUR TEAM





TABLE 71. TRAINING INDICATORS			
INDICATORS	2022	2023	2024
Total number of employees who received training	869	959	792
Percentage of employees who received training	97	97	99
Percentage of managers who received training	3	3	98
Total hours of training provided	48,291	28,337	35,632
Average hours of training and development per full-time employee (man hours)	59	34	45
Total hours of occupational health and safety, health and environmental training	38,615	17,634	10,513
Number of online courses available	8	9	8
Number of internal trainings	93	115	80
Number of external trainings	128	117	205
NUMBER OF EMPLOYEES WHO RECEIVED TRAINING	869	959	792

WE MONITOR VOLUNTARY  
AND NON-VOLUNTARY  
TURNOVER TO STRENG  
THEN TALENT RETENTION



TABLE 72. TOTAL TRAINING HOURS PER GENDER						
GENDER	2022		2023		2024	
	TOTAL HOURS	%	TOTAL HOURS	%	TOTAL HOURS	%
Men	43,620	90	23,739	91	28,724	81
Women	4,671	10	4,598	9	6,908	19
TOTAL	48,291	100	28,337	100	35,632	100

TABLE 73. TOTAL TRAINING HOURS PER AGE GROUP						
AGE GROUP	2022		2023		2024	
	TOTAL HOURS	%	TOTAL HOURS	%	TOTAL HOURS	%
Under 30 years	1,983	26	3,650	21	3,690	57
Between 30 and 50 years	26,908	54	16,243	33	24,330	51
Over 50 years	19,401	67	8,444	30	7,612	30

TABLE 74. TOTAL TRAINING HOURS PER POSITION						
POSITION	2022		2023		2024	
	TOTAL HOURS	%	TOTAL HOURS	%	TOTAL HOURS	%
Employee	9,453	58	2,974	18	5,601	35
Officer	3,030	104	2,553	88	920	33
Worker	16,842	51	6,598	21	5,068	17
Trainee	436	10	2,559	19	22	6
Professional	18,532	61	13,653	43	24,021	79
TOTAL	48,291	56	28,337	30	35,632	45



TABLE 75. TRAINING HOURS PER LOCATION						
	2022		2023		2024	
	TOTAL HOURS	%	TOTAL HOURS	%	TOTAL HOURS	%
Lima	4,064	56	4,013	50	7,640	99
La Libertad	44,227	58	24,324	28	27,992	39



TABLE 76. TRAINING HOURS PER PROGRAM AND GENDER							
PROGRAM AND GENDER		2022		2023		2024	
		TOTAL HOURS	%	TOTAL HOURS	%	TOTAL HOURS	%
Functional Training Program	Female	729	20	1,660	40.4	3,761	36
	Male	7,318	43	7,400	44	14,828	21
In-House Training Program	Female	211	3	877	7.9	865	8
	Male	3,572	6	7,786	11.9	3,369	5
Conferences and meetings program	Female	29	2	18	1.3	0	0
	Male	386	2	1,194	5	9	0
Ongoing training program	Female	265	33	604	54.9	1,547	15
	Male	1,364	51	1,039	31.5	2,984	4
General Induction Program	Female	280	9	448	8.4	176	2
	Male	5,656	46	1,224	10.6	784	1
Standard Training Program	Female	3,157	18	991	8.8	1,927	19
	Male	25,324	35	5,096	7.2	8,751	13
Total	Female	4,671	42	4,598	30.1	8,276	80
	Male	43,620	58	23,739	29.9	27,356	39
TOTAL		48,291	56	28,337	29.9	35,632	45

TABLE 77. TRAINING HOURS PER ONGOING AND FUNCTIONAL TRAINING PROGRAM						
PROGRAM	2022		2023		2024	
	TOTAL HOURS	%	TOTAL HOURS	%	TOTAL HOURS	%
Diploma	171	29	395	26	450	1
Specialization	526	38	1,016	48	975	1
Refresher course	8,389	40	8,931	43	9,200	12
Master’s degree	590	54	361	60	2,500	3
TOTAL	9,676	161	10,703	177	13,125	16

TABLE 78. TRAINING EXPENDITURE (US\$)			
	2022	2023	2024
Total investment in training and development for the reporting period	1’318,832	1’383,344	857,753
Average amount spent on training and development per employee	1,517.64	1,442.49	1,083.02

TABLE 79. TRAINING FOR CONTRACTORS									
TYPE OF COMPANY	2022			2023			2024		
	HOURS	N.º	TMH	HOURS	N.º	TMH	HOURS	N.º	HHC
Related Contractors	77,905	2,975	26	58,082	3,289	18	66,994	3,315	20
Mining Contractors	147,479	3,292	45	39,374	2,790	14	38,995	2,789	14
Micro businesses	51,085	2,508	20	42,383	2,534	17	47,152	2,434	19

TALENT AND SUCCESSION

Considering the importance of having a succession plan to ensure the continuity of the business, it is necessary to have successors who can be a replacement in case of retirement, transfers, promotions, layoffs, among other circumstances, for which a strategy must be deployed to develop workers with high potential. In 2024, within the continuous improvement framework, we implemented a platform to enable the standardization of our talent and succession process.



**Definition of critical positions**  
Critical positions as those that can affect operational continuity and therefore productivity, and are not easy to find replacements for, i.e., that generate criticality or are prone to cause a critical situation if they become vacant. The factors considered are focused on the contribution to strategic processes, contribution to the economic result, autonomy, consequence of error, intrinsic complexity and external replacement restrictions.

PERFORMANCE ASSESSMENT

Poderosa has a comprehensive, fair and transparent performance assessment system, oriented to measure the goals established according to the corresponding job position, identifying new improvement opportunities to enable proximity and interaction between the direct boss and the subordinate through feedback.

Systematized performance management allows the company to align the different training and qualification plans, update the different succession plans for the organization’s critical positions, detect the best talent and carry out the different Individual development plans according to the corresponding results.

The methodology of our Performance Assessment is progressively structured towards the 360° methodology, until 2023 it was carried out in 90° and in 2024, in 270°. Its structure is distributed in three big pillars. The first one is oriented to measure employee adaptation compliance to the Organizational Culture, centered in corporate values; the second one is focused on complying with organizational goals, and the third one on compliance with individual goals established on the previous year.

In 2024, 100% of the performance assessments have been carried out under this system, guaranteeing equitable and objective management.





OUR RECOGNITION PROGRAMS

We strive to recognize the talent, commitment and dedication of our people, key elements that underpin the pillars of our corporate culture.

Recognition program for completing Years of Service in Poderosa

Recognizing the efforts and commitment of employees who have contributed to the organization’s achievements over the years is of great value to Poderosa. This program rewards employees who complete 5, 10, 15, 20, 25, 30, 35 and 40 years of service. This ceremony is attended by the area leaders who convey their gratitude for the hard work carried out by the members of their corresponding teams.

Performance Recognition Program - Jesus Arias Award

In Poderosa we value and celebrate our exceptional achievements through our Recognition program, the “Jesus Arias Award”. This program not only highlights our individual success, but also strengthens our connection with the vision, mission and fundamental principles of the company.

Our leaders and the Human Development team carry out detailed assessments to recognize outstanding employees, for which they use criteria such as operational discipline, 5S philosophy, attendance to scheduled trainings, and the 2024 performance review average. We also assess adhesion to our corporate values.



WE STRIVE TO RECOGNIZE THE TALENT, COMMITMENT AND DEDICATION OF OUR PEOPLE

There is also a peer nomination category. 18 employees nominated by the area leader received awards, and 3 employees that were nominated by peers received awards.

Recognition and benefits platform: Poderosa Club

We have implemented an innovative virtual platform where we use “crucibles” as a currency of recognition. Employees can earn crucibles by taking part in initiatives that reinforce our culture, such as training, 5S programs, innovation, safe behavior, environmental initiatives and continuous improvement circles. All the same, the platform includes interactive games to earn more crucibles.

In this first stage, crucibles can be redeemed for training and discount coupons. In the future, these options will include other benefits, reinforcing our commitment to motivate and reward our employees.

COMMITTED TO THE COMPREHENSIVE WELL-BEING OF OUR TEAM

Poderosa prioritizes our employees’ well-being and quality of life. We develop programs and activities in line with our policies.

We promote our employees’ comprehensive wellbeing, implementing several programs and activities that promote integration, strengthening the bonds of fellowship and identity with the company.

The following are some of the integration activities carried out:

- Mother’s Day
- Women’s Day
- Father’s Day
- Labor Day
- National Holidays.
- Miner’s day.
- Monthly birthday celebrations.
- Summer camp program.
- Recognition for years of service.

Likewise, we continue working to provide different recreational and healthy leisure facilities. For this reason, we have been working on the maintenance and implementation of the following:

- Renovation and implementation of the sports courts at the different sites.
- Renovation and implementation of equipment for the gyms at the four sites, which are managed by specialized instructors.
- Maintenance of video game rooms and equipped recreation centers at all our sites.

All the same, to ensure a healthy food service, in compliance with the standard procedures and protocols required, we have hired a specialized service to monitor and follow up our suppliers at Santa Maria and Hualanca sites.

In 2024, as part of our work plan, we committed to the well-being of our employees’ families; therefore, we have developed initiatives and family activities such as:

- Summer camps
- Children’s day
- Family day
- Christmas Show for the family
- Counseling programs and comprehensive follow-up for employees and families.



WE CONTINUE WORKING TO PROVIDE DIFFERENT RECREATIONAL AND HEALTHY LEISURE FACILITIES

Maternity

At Poderosa, we contribute to the well-being and safety of expectant mothers who play the role of caring for a newborn baby, offering them possibilities for relocation, flexible work systems and schedules.

Newborn program

We celebrate the birth of a newborn member of our employees by giving them a corporate welcome gift to the new member of the Poderosa family.

Employee follow-up

Employees received advice and follow-up on the following topics:

- **EsSalud registrations:** 62 registrations before EsSalud for rightful beneficiaries, among wives and children; and 7 nursing benefits, which are oriented to care for the newborns.
- **Registration with Health Care Providers (EPS):** 49 official registrations and 5 exclusions.
- 289 medical leaves were processed.
- S/ 370,801.00 were recovered for sickness allowances, labor accidents, sequels to labor accidents and maternity leave. Most of the subsidies were due to common sickness.



SOCIAL  
BENEFITS



LIFE INSURANCE

Vida Ley Life Insurance from the first day of work for all employees.

HEALTH INSURANCE

The company works with EPS Pacifico. Employees can opt for this benefit, which is paid in part by the company. This benefit includes an oncology insurance policy.

COMPLEMENTARY LABOR AND RISK INSURANCE

Covers cases of death, disability, or incapacity due to work-related accidents. Pacifico Insurance company coverage.

ECONOMIC BENEFITS FOR TEMPORARY OR PERMANENT DISABILITY

These subsidies are assumed by Essalud. In case of permanent disability, the coverage is paid by the National Pension Fund or the Private Pension Fund.

MATERNITY LEAVE

98 calendar days.

PATERNITY LEAVE

10 calendar days.

SEVERE HEALTH CONDITION FAMILY LEAVE

7 calendar days to take care of a relative with severe health condition.

PAID LEAVE FOR ONCOLOGICAL EXAMINATIONS

Two working days, consecutive or not, to pass their annual oncology preventive exams.

MÁS VIDA INSURANCE POLICY

Optional insurance that covers common or work-related accidents. The monthly fee is S/5.00

DEATH BENEFIT

Final assistance of S/ 5,700 in the event of death of a worker, death of spouse or children up to 23 years of age.

BEREAVEMENT LEAVE

For death of the employee's relatives up to the second degree of consanguinity or first degree of consanguinity.  
5 calendar days  
When the death occurs in a different geographical location from where the employee's workplace is located, the leave of absence will be extended for the term of the distance.

EXTRAORDINARY FINANCIAL ASSISTANCE TO BENEFICIARIES IN THE EVENT OF THE DEATH OF AN EMPLOYEE

S/ 1,850 per month for 3 months or until the intestate succession is presented.

EDUCATION ALLOWANCE

S/ 1,890 soles Applies to workers who have children in school, and who are between 3 and 22 years and 12 months old.



ACCOMODATION MANAGEMENT

Vijus

- Purchase and installation of 2 modules, increasing the capacity by 64 beds.
- Preventive and corrective maintenance of 38 washing and drying machines.
- Implementation of 4 solar water heaters to replace electric showers.
- Construction of 5 handrails and implementation of 180 m of gutter gratings.
- Repair and cleaning of the rooftops of 15 camps.

Paraíso

- Purchase and installation of 1 module, increasing the capacity by 32 beds.
- 3 equipped dressing rooms were installed as per the standards, benefiting 120 workers.
- Installation of 8 solar water heaters to replace electric showers.
- Construction of 9 preventive retaining walls for rainfall.
- Construction of 420 meters of walls at the camps next to the road.
- Repair and conditioning of 5 bungalows for the senior management staff and visitors.
- Repair and cleaning of the rooftops of 24 camps.
- Preventive and corrective maintenance of 32 washing and drying machines.
- Installation of 52 solar posts in the camp.
- Implementation of 52 m of gutter gratings at the camps.
- Installation of led lights in 20 camps, to optimize energy use.
- Implementation of 150 m de hanging dryers for the mining contractor companies.
- Change of faucets in 23 camps, avoiding the waste of water resources.
- The installation of 6 metal staircases was completed, eliminating the use of wooden stairs.

Cedro

- Installation of 50 meters of clothesline dryers for mining contractor personnel.
- Preventive and corrective maintenance of 5 washing and drying machines.
- Repair and cleaning of the rooftops of 8 camps.
- Conditioning of a dressing room for miners.
- Construction of a transit warehouse for the Asset Security staff.
- Change of led lights in 5 camps.
- Elimination of electric showers. Currently, all the showers are connected to the water heaters.

Santa María

- Construction of modular camps at Santa Maria, Hualanga and level 3100, to build 202 bedrooms with capacity for 368 beds.
- Installation of 10 solar heaters, to benefit 105 people at different levels.
- Construction of 4 dressing rooms, equipped according to the standards, to benefit 360 people from the mining area.
- Preventive and corrective maintenance of 74 solar water heaters.
- Implementation of 124 m of gutter gratings at the camps.
- Construction of one preventive retaining wall to avoid rainfall from reaching the camps.
- Purchase of 240 bunk beds and 480 mattresses for the improvement of lodging conditions.
- Purchase 720 bed sheet sets to replace the old ones.
- Purchase of 530 curtains to progressively change them in all the camps.
- Improvement of the conditions of 5 igloos at Hualanga.
- Repair and cleaning of the rooftops of 36 camps, on all levels.
- Maintenance of the 56 air-conditioning units in Hualanga.
- Installation of 65 meters of handrails around the camps.
- Maintenance of 58 washing – drying machines.



## EMPLOYEE RETIREMENT PROCESS

We have an incentive-based labor transition program. This program seeks to provide comprehensive support to employees and their families during this process.

In retirement processes, and always by mutual agreement, the company offers some employees the possibility of continuing to work, allowing them to remain part of the Poderosa family. This way, they continue to contribute with their valuable experience and knowledge. All the same, we provide continuous support to facilitate the necessary paperwork with the Pension Funds Management companies, National Pension Fund System (ONP) or other public or private institutions.

Since 2024, the Human Resources department has organized the corporate commemoration ceremony “Leaving Footprints”, in honor of the retirement of our employees. During this event, the leaders of the different areas express their recognition and say a few words to the retired employees, highlighting their years of dedication and devotion to the company. This event reflects the deep affection and respect of all those present for their work. In addition, retired workers receive a commemorative allegory as a symbol of their valuable legacy in the organization.

## AREA PRIZES AND RECOGNITIONS

We maintained the ABE certification by Amcham Peru, which evidences the good practices we exercise with our employees.

## COLLECTIVE BARGAINING AGREEMENTS

The Sole Labor Union (SLU) was established on September 29, 2004. Union negotiations are held every year to obtain benefits for employees. The agreements have an impact on salaries, recreational activities, employee assistance, among other issues. Working conditions and terms of employment are partially influenced by collective bargaining agreements. However, the company ensures that these conditions are managed under principles of fairness and transparency, in strict compliance with local labor regulations. In 2024 workers under the Labor Union represented 30.93% of the total payroll.

## SALARY INDICATORS

An equitable salary policy is important for the company because it fosters motivation, commitment and employee retention by guaranteeing fair compensation. It also helps us to prevent discrimination, it attracts talent, improves the company’s competitiveness and ensures compliance with labor laws. It also contributes to a positive organizational culture, increasing work trust and satisfaction. Salary Policy Management is key for the well-being of our employees and the success of the organization.

In 2024, we implemented a new salary structure based on the HAY methodology, with the support of a specialized consulting firm, thus guaranteeing internal equity and competitiveness according to external market information, which allows us to work with accurate and adaptable data.

TABLE 80. TOTAL NUMBER OF EMPLOYEES UNDER COLLECTIVE AGREEMENT

YEAR	TOTAL NUMBER OF WORKMEN	STAFF THAT ARE PART OF THE UNION	PERCENTAGE OF STAFF UNDER COLLECTIVE BARGAINING AGREEMENT	PERCENTAGE OF STAFF THAT IS NOT UNDER COLLECTIVE BARGAINING AGREEMENT
2022	315	253	80	20
2023	306	245	80	20
2024	303	245	80	20

TABLE 81. SALARY CATEGORIES

CATEGORY	2024 INTERNAL EQUITY COMPLIANCE (%)
Senior management	100
Management	80
Superintendent/ Deputy Manager/Corporate Chief	87
Chiefs / Specialists	91
Coordinator/ Supervisor / Analyst	85
Administrative employee/Technician	82
Worker / operator	73

TABLE 82. SALARY DIFFERENCE BETWEEN MEN AND WOMEN

CATEGORY	SALARY DIFFERENCE BETWEEN MEN AND WOMEN (%)
Senior management	0
Management	0
Superintendent/ Deputy Manager/Corporate Chief	5
Chiefs / Specialists	1
Coordinator/ Supervisor / Analyst	1
Administrative employee/Technician	11
Worker / operator	1

TABLE 83. TOTAL ANNUAL COMPENSATION RATIO

Total annual compensation of the highest paid individual	Average total annual compensation of all employees, excluding the highest paid individual	Ratio
1'601,632.52	140,185.77	11.43

TABLE 84. RATIO INCREASE IN COMPENSATION OF THE HIGHEST PAID INDIVIDUAL

% increase in compensation of the highest paid individual	Total % increase in annual compensation of all employees excluding the highest paid individual	Ratio
6.05	5.84	1.04



# OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

[GRI 3-3] [GRI 403-1] [GRI 403-2] [GRI 403-3] [GRI 403-4] [GRI 403-5] [GRI 403-6] [GRI 403-7] [GRI 403-8] [GRI 403-9] [GRI 403-10]

Mining activities entail inherent hazards that require strict control under a zero tolerance and permissiveness policy to prevent undesired events. Follow-up and verification of critical risk controls in each process are essential to guarantee the safety of our workers, and avoid occupational diseases, injuries or serious accidents, both at the mine as on the surface, where tasks are complex and potentially dangerous.

At Poderosa, we reaffirm our commitment to ensuring a safe and healthy environment, prioritizing the well-being of our employees and the communities in which we operate. Therefore, we have an Occupational Safety and Health Management System, structured in twenty key elements, included in our Annual Program. This system, aligned with the ISO 9001, 14001, and 45001 standards, includes the identification and management of critical risks through specific controls that significantly reduce the possibility of high potential incidents.

Our strategy combines innovation, technical rigor and compliance with standards, positioning our operations as a benchmark in responsible management of risks in the mining sector.

Our efforts are oriented to consolidate a safety culture based on the collaboration between work teams, proactive accident prevention, effective risk management and the assumption of responsibilities at every level of the organization. In this context, the integration of advanced technology, process automation and critical procedures and control strengthening are fundamental pillars to minimize the incidence of occupational diseases and work injuries.

## STRATEGIC APPROACH

Our management abides by an Occupational Health and Safety Policy that establishes the commitment to prevent work-related injuries, illnesses and incidents. This policy includes the identification and elimination of hazards, as well as risk evaluation and control in every process. Its scope includes employees, contractors, and visitors, guaranteeing compliance through training, induction programs, meetings and the use of audiovisual and information media.

The Occupational Health and Safety Policy is approved by the highest governance body of the company and is periodically reviewed to ensure its currency, alignment with international standards and adaptation to operational needs.

Stakeholders have a crucial role in occupational health and safety, for their participation allows to identify risks, opportunities and areas of improvement, with direct influence on the measures adopted by the organization through peer committee meetings, surveys (Bradley Curve), policy development and approval, hazard identification and risk control, act and condition reports, audits, annual plan and frequent reviews. These interactions ensure that the measures adopted are relevant, that they prioritize the risks identified and that they have the support of the people involved, fostering commitment and compliance. This way, occupational health and safety management becomes stronger through an inclusive and transparent approach.

# 9 GOLDEN RULES FOR LIFE

### ALWAYS

- 1. Say NO to unsafe work.
- 2. We do not work under the influence of alcohol, coca leaf or other drugs.
- 3. We are not permissive. We take immediate action in the event of risks.
- 4. We always comply with the regulations, PETS, and standards

### IN TEAMS

- 5. We never operate engine-run equipment and winches without authorization.
- 6. We do not enter in contact with equipment, systems or places that are blocked and/or labelled as dangerous.
- 7. We respect speed limits, resting periods, traffic schedules, and restrictions during the rainy season.

### IN LABOR

- 8. We always ventilate, water, untie, and place the necessary support in the works.
- 9. We fasten the spillways and lift chimneys with grids.



## HEALTH AND SAFETY GOVERNANCE BODIES

Occupational health and safety management is supervised by governance bodies such as the Board of Directors and the Senior Management, responsible for the definition of strategies and policies in line with the domestic legal frameworks, including the Occupational Safety and Health Law and the Mining Occupational Safety and Health Regulations.

This strategic level is complemented with the work carried out by specialized committees such as the Occupational Health and Safety Committee, responsible for reviewing performance indicators, analyzing critical risks and supervising the implementation of corrective measures.

Regarding operational execution, the Occupational Health and Safety area is responsible for the implementation of prevention programs, staff training and standard compliance, such as ISO 45001 standard. We also work together with the Health and Safety Peer Committees, made up of representatives of the company and employees, who carry out inspections, identify risks and promote a safety culture.

This structure guarantees occupational health and safety comprehensive management, from the strategic level down to the operational level, minimizing risks and protecting both the employees and the neighboring communities.

Our Occupational Health and Safety Management System, based on ISO 9001, 14001 and 45001 standards, guarantees efficient and sustainable management through twenty key elements developed in the Annual Program. We promote the active participation of all our employees who are consulted and encouraged to report unsafe conditions, besides exerting their right to reject those tasks that may put their safety at stake. Their involvement is essential to the success of our operations, reinforcing a culture of occupational hazard prevention and control.

This system applies to all employees, without distinction of the area, location or level, and is complemented by the work of the Occupational Health and Safety Committee, responsible for reviewing performance indicators, analyzing critical risks and supervising the implementation of corrective measures. This way, we ensure comprehensive protection through plans and programs that strengthen safety in the work environment.

### OCCUPATIONAL HEALTH AND SAFETY COMMITTEE (CSST)

Our committee is made up of representatives of the company, workers and safety specialists. It is responsible for identifying risks, developing policies, investigating incidents, promoting training and evaluating the effectiveness of implemented

measures. It meets monthly to review safety indicators and follow up on incidents. Workers are actively involved, proposing improvements, participating in policy development and safety audits.

## MAIN PROGRAMS AND INITIATIVES IN 2024

- **Independent external verification:** The company has third-party audits that validate compliance with its health, safety and welfare standards, including certification under international standards such as ISO 45001.
- **Verification of critical controls:** Periodic inspections are scheduled and carried out to evaluate the implementation of critical controls in the processes and the effectiveness of prevention plans, identifying opportunities for improvement.
- **Occupational incidents and illnesses management:** Detailed procedures are in place for the investigation and analysis of injuries, occupational illnesses and incidents, in order to identify root causes and establish corrective and preventive actions.
- **Emergency preparedness and response:** The company integrates specific actions to ensure preparedness and effective response to emergency situations, reducing operational impacts and associated risks.
- **Safety-oriented leadership:** Strengthen the leadership of Poderosa's chain of command through the development of workshops.

## OUR ACHIEVEMENTS IN 2024

Despite four unfortunate events during the year, the company managed to consolidate a zero-tolerance policy for critical deviations. This included rigorous management inspections and a direct accountability approach led by management, line management and process owners. As a result, we exceeded

3,000,000 working hours with no accidents, marking an important milestone in occupational health and safety management.

## ASSESSMENT AND PERFORMANCE

We continually strive to prevent incidents and ensure the safety of all workers in our operations. However, the most frequent work-related injuries reported to our employees have been falls from people and blows or collisions with objects while handling materials. According to the current legal provisions for the mining industry, we estimate work accidents for every 1,000,000 hours worked.

In the case of contractor employees, the most frequent injuries include rockfall, blows or collisions against objects while handling material, people falling, workers being hit or trapped during drilling operations. As in the case of our employees, the occupational accident rate for contractors is calculated for every 1,000,000 hours worked, as per the current regulations.

We reaffirm our commitment to the implementation of effective measures to strengthen safety in all our work areas. Our main objective is to protect the integrity and well-being of our workers, promoting a culture of prevention that will allow us to move towards an increasingly safer work environment.

WE CONTINUALLY STRIVE TO PREVENT INCIDENTS AND ENSURE THE SAFETY OF ALL WORKERS IN OUR OPERATIONS



TABLE 86. EMPLOYEE FATAL ACCIDENTS AND INJURIES			
EMPLOYEE INDICATORS	2022	2023	2024
Number of deaths resulting from an occupational accident injury	1	1	0
Number of occupational injuries with major consequences (excluding fatalities)	1	1	3
Number of recordable injuries per occupational accident	3	4	5
Number of employee hours worked	1'373,789.10	1'408,701.40	1'367,687.70
Poderosa Indicators			
Accident rate	6.39	3.02	0.2
Number of recordable injuries per occupational accident (fatal, disabling and minor)	3	4	5

Note: With respect to indicators a) Rate of fatalities due to occupational injuries, b) Rate of occupational injuries with major consequences (excluding fatalities) and c) rate of recordable occupational injuries, Poderosa does not report these indicators for its approach is to report only the information delivered to the competent authority, according to the regulations applicable to the mining industry.

TABLE 87. NON-EMPLOYEE FATAL ACCIDENTS AND INJURIES			
NON-EMPLOYEE INDICATORS	2022	2023	2024
Number of deaths resulting from an occupational accident injury	2	0	4
Number of occupational injuries with major consequences (excluding fatalities)	16	13	10
Number of recordable injuries per occupational accident (fatal, disabling and minor)	45	26	37
Number of non-employee hours worked	7'884,832	9'525,850	13'966,688
Poderosa Indicators			
Accident rate	4.49	0.06	1.75
Number of recordable injuries per occupational accident (fatal, disabling and minor)	45	26	37

Note: With respect to indicators a) Rate of fatalities due to occupational injuries, b) Rate of occupational injuries with major consequences (excluding fatalities) and c) rate of recordable occupational injuries, Poderosa does not report these indicators for its approach is to report only the information delivered to the competent authority, according to the regulations applicable to the mining industry.

TABLE 88. FATAL ACCIDENTS			
ACCIDENTS	2022	2023	2024
Fatal Accidents	3	1	4

TABLE 89. LOST TIME INJURIES			
EMPLOYEE AND CONTRACTOR INDICATORS	2022	2023	2024
Lost Time Injury Frequency Rate (LTIFR) – Employees	1.5	0.7	2.2
Lost Time Injury Frequency Rate (LTIFR) - Contractors	2.3	1.5	1.0

PREVENTION CULTURE

Guaranteeing a safe and hazard-free working environment is fundamental for the sustainability of our operations and the well-being of our employees. To strengthen occupational health and safety management, we use the Baseline IPERC, a key tool to identify high potential risks and hazards, to establish critical controls that minimize their impact.

We also promote field follow-up to the line management of the different processes, ensuring that the employees correctly apply the Continuous IPERC methodology during the execution of their activities and tasks. This practice reinforces comprehensive safety management and allows continuous improvement in accident prevention.

As to assess and improve safety performance, we carry out internal and external audits which results are informed and applied in a structured manner in every area and every con-

tracting company. This approach guarantees effective preventive management in line with international standards.

Accountability in terms of occupational health and safety is supported by a team of specialized professionals who guarantee the correct implementation of risk prevention techniques, including 5S and Base IPERC, Continuous IPERC, ATS, PE-TAR, STOP, Critical Control and Inspections Management, as a comprehensive part of the critical risk management.

RESPONSE TO HAZARDS OR EMERGENCY SITUATIONS

1. **Hazard notifications:** To ensure a rapid response to occupational hazards, workers have mechanisms in place to report hazards or unsafe situations. Through the reports of unsafe acts and conditions, they can describe in detail the risks identified, communicating them immediately to the corresponding supervisor.

GUARANTEEING A SAFE AND HAZARD-FREE WORKING ENVIRONMENT IS FUNDAMENTAL FOR THE SUSTAINABILITY OF OUR OPERATIONS AND THE WELL-BEING OF OUR EMPLOYEES

According to the legal provisions in force, the supervisor has the obligation to evaluate the reported conditions and manage the corrective actions within a reasonable period of time. This process reinforces safety in the work environment and enables proactive risk management.

Our hazards situation reporting system is aligned with Poderosa’s policies and meets the applicable legal provisions. All the same, it guarantees the right of the employees to refuse to perform tasks in unsafe conditions without fear of retaliation, a fundamental principle of our 9 Golden Rules for Life. This approach reinforces the company’s commitment to safety and work risks prevention, ensuring that all the activities are carried out under optimal conditions for the well-being of our employees.

01 The employee must evaluate and determine whether the work situation involves an imminent danger to his or her health or safety

02 The employee must directly inform his supervisor or the person responsible for safety in the area about the situation identified, describing the associated risks

03 The event is documented through the established reporting system, including a description of the risk, its location and possible consequences

04 The supervisor, in coordination with the Safety area, must evaluate the report, verify the conditions reported and take the necessary measures to eliminate or mitigate the risk before resuming the activities



2. **Hazard identification and reporting flow:** Poderosa guarantees all employees the right to withdraw from any work situation that they consider may cause an injury, illness or disease, guaranteeing furthermore that this right can be exercised without fear of retaliation. This right is supported by our internal policies and the legal provisions in force, ensuring a safe and healthy work environment.
3. **Incident Investigation:** For incident analysis, we use structured methodologies such as Root Cause Analysis (RCA) and Incident Cause Analysis Methodology (ICAM). These tools allow us to identify the underlying factors and precursors that contribute to events, facilitating the implementation of corrective and preventive actions to avoid recurrence.

The investigation process is carried out by a multidisciplinary team that contributes with a comprehensive perspective about the causes of the incident. This team evaluates key aspects such as operation conditions, human factors and related management systems, ensuring compliance with the best safety practices.

All the same, the line management is responsible for the implementation of the corrective actions established, it must verify compliance in the work areas and encourage prevention initiatives to avoid incident repetition. This approach reinforces the company’s commitment to safety and continuous improvement of operational processes.

TRAINING COURSES FOR EMPLOYEES

- In 2024, we implemented a series of training courses designed to guarantee a safe and healthy work environment. These programs include general and specific training focused on occupational risks and dangerous activities related to each position.
- Occupational health and safety training
  - Emergency response
  - Occupational hygiene
  - Occupational medical surveillance
  - Risk management

AWARENESS RAISING CAMPAIGNS

- **Hand care:** Educational sessions were held on the importance of hand care, common causes of accidents and the adoption of good practices for the protection of upper extremities. Poderosa and contractor employees from Santa Maria and Marañon production units participated in this campaign.
- **Awareness of electrical hazards:** Under the motto “Always alerts, always safe – I take care of my life and my health!”, we addressed key issues such as the control of critical risks, the main causes of electrical accidents and compliance with safety standards. The active participation of employees and contractors reflected their commitment to safety and the importance of carrying out periodic campaigns to strengthen a culture of prevention.
- **Awareness of rockfall:** This initiative focused on explaining the main causes of rock falls, the importance of inspecting working conditions before entering the areas and the need to strictly comply with safety standards and procedures. The campaign reinforced the importance of prevention and the commitment of employees and contractors in daily day and night shifts, to avoid imminent risks in mining labor.

In addition to these initiatives, regular occupational health and safety training was carried out, adding a total of 109,788 training hours.

TABLE 90. TRAINING HOURS IN OCCUPATIONAL HEALTH AND SAFETY

TYPE OF TRAINING	2022	2023	2024
Occupational Risks	96,939	82,446	85,227
OSH management tools	24,538	54,081	18,407
First aid	629	763	6,154
TOTAL	122,106	137,290	109,788



## MEASURES IMPLEMENTED TO ELIMINATE AND MINIMIZE OTHER OCCUPATIONAL RISKS

To reduce and eliminate occupational risks, we apply measures following the risk control hierarchy, prioritizing the mechanization, planning and monitoring of our operations. The following are the main actions implemented:

- Mechanization of the mining process
- Labor exploitation planning
- Improvements in support
- Equipment and machinery modification
- Microseismic monitoring system

## OCCUPATIONAL HAZARDS WITH RISK OF SERIOUS INJURY DURING 2024

According to October 2024 statistics, the most critical events related to accidents with serious consequences were:

- Entrapment by moving machinery
- Material handling
- Ore or rock landslide or fall
- Rock fall
- Exposure to electrical energy

## OCCUPATIONAL HEALTH SERVICES

Occupational health and hygiene services play a fundamental role in the identification, evaluation and control of risks that may affect the health and safety of employees. These services are available on every site of the mining operation, as well as in the Trujillo and Lima offices, to guarantee comprehensive coverage for all the staff, from when they start working in the company until their retirement.

### Occupational health

The main functions include conducting preventive medical evaluations, periodically monitoring the health of employees exposed to specific risks and promoting wellness programs focused on preventing occupational diseases and improving the quality of life at work. All the same, work risks, first aid and healthy lifestyles awareness campaigns are carried out, contributing to strengthening the culture of prevention within the company.

### Occupational hygiene

We focus on the identification, evaluation and control of physical, chemical, biological and ergonomic agents present in the work environment. Our objectives include monitoring environmental conditions such as noise, air quality, lighting, vibrations and exposure levels to hazardous substances, ensuring compliance with the permissible limits established by law. These evaluations allow designing and implementing effective controls to eliminate or minimize these risks, guaranteeing a safe and healthy work environment.

The quality of these services is assured through the participation of certified occupational health and industrial hygiene specialists, the use of state-of-the-art equipment for measurements and evaluations, and the execution of periodic audits that guarantee compliance with national and international standards.

Access to services is facilitated through an inclusive strategy that includes medical offices, environmental monitoring stations at workplaces and the implementation of field brigades. In addition, it starts with the enrollment of new personnel, ensuring that each employee is fully assessed upon entry, up to the monitoring of their health status throughout their working life and the necessary guidance during their retirement. This guarantees comprehensive care and helps prevent diseases, reduce accidents and strengthen occupational health and safety in a continuous manner.

### Health promotion

1. **Mental health prevention training:** Training programs on the prevention of mental health disorders are implemented for employees and third parties, covering topics such as depression, anxiety, work stress (burnout) and other psychosocial factors. The purpose of these programs is to raise awareness, identify early signs and promote strategies to handle and prevent these disorders.
2. **Programs to promote healthy eating:** The company offers education programs and services that encourage balanced nutrition among employees and third parties, promoting healthy habits through workshops, nutritional information and adequate food options to improve general well-being.
3. **Medical services and occupational health:** Comprehensive medical services are provided on site, including

primary care, periodic controls, prevention and follow-up programs, providing an adequate response to the health needs of the employees and third parties in a safe and healthy environment.

## COMMUNICATION PROCESSES

We guarantee effective communication and active participation of our employees in occupational health and safety issues. This is key to strengthening our preventive management and to fostering a collaborative environment.

### Communication mechanisms

- **Periodic information meetings:** Led by the line management and safety team, these meetings share safety indicators, incident analysis and regulatory updates.
- **Newsletters and notices:** Distributed in physical and digital form, they contain key information on health, safety and best practices.
- **5-minute safety talks:** Carried out at the beginning of every shift, they address specific safety topics related to the daily tasks.
- **Digital platforms:** Our internal system informs about procedures, safety alerts and unsafe condition follow-up reports.

- **Signage in work areas:** Posters and visual signs reinforce critical protocols and safety messages.

### Participation and consultation processes

- **Occupational Health and Safety Committees (CSST):** Spaces where worker and company representatives collaborate to identify risks and propose improvements.
- **Surveys and suggestion boxes:** Anonymous channels that allow employees to express concerns and suggestions.
- **Participatory audits:** Employees evaluate procedures and controls together with the security team.
- **Consultation on new procedures:** Employees' opinions are considered before implementing changes, integrating their experience and perspective.

### Benefits of the participatory approach

This model allows:

- Build an environment of trust and collaboration.
- Increase commitment to security policies.
- Identify risks from multiple perspectives, achieving comprehensive and effective management.

Thanks to these strategies, we ensure that all workers are informed, involved and take part in the continuous improvement of occupational health and safety conditions.





# DIVERSITY AND INCLUSION

[EITI Expectation 9]

WE STRIVE TO PROVIDE  
EQUAL OPPORTUNITIES  
FOR WORK, GROWTH, AND  
PROFESSIONAL DEVELOPMENT,  
GUARANTEEING A SAFE  
WORKING ENVIRONMENT  
BASED ON RESPECT

At Poderosa, we maintain a strong commitment to diversity and inclusion. We strive to provide equal opportunities for work, growth, and professional development, guaranteeing a safe working environment based on respect. Our management policies and codes include everyone, regardless of political orientation, religious beliefs, race, gender, nationality or other differences.

We have an Equity, Diversity and Inclusion Policy that guides our management towards promoting equal opportunities, growth and professional development in all working areas. Its purpose is to promote a respectful working environment, free of discrimination. This policy, which is applied to all the staff, regardless of their site or type of contract was approved by the Management, Finances and Trade Management in July 2024.

Other complementary policies that reinforce our inclusive approach and guarantee equity are the Recruitment and Selection Policy, the Internal Promotion Policy, the Performance Evaluation Policy and the Compensation Policy.

TABLE 91. DIVERSITY AND INCLUSION METRICS

EXPRESSED AS A PERCENTAGE	2024
% of female employees	13.13
% of women at management level	17.24
% of women at professional level	21.09
% of women at operational level	0.66

## OUR MAIN GOALS IN 2024



- Guarantee equal opportunities in the recruitment and selection processes, attracting diverse talent free of discrimination.
- Promote awareness of equality among all employees through communication and training activities.
- Ensure objective evaluations without gender bias.
- Ensure a respectful work environment, free of violence, harassment or offensive behavior.
- Promote gender equality in growth and leadership opportunities.
- Guarantee the inclusion of people with disabilities, ensuring their participation in all aspects of work and providing options for alternative tasks when necessary.
- Implement adequate infrastructure and equipment for female staff.



MAIN INITIATIVES IN 2024

- This year we promoted several key initiatives to foster equity, inclusion and equal opportunities within the organization.
- Design of a thorough diagnosis on equity in the work environment, to identify areas for improvement and foster an inclusive environment at all structure levels.
  - Creation of the Inclusion and Diversity Committee, which carries out periodic follow-up on the actions implemented and ensures the effective application of our policies in this area.
  - Regarding recruitment and selection, we work to eliminate gender bias in the callings and evaluations, ensuring that all candidates are assessed in an equitable manner. To achieve this, we send the resumes to the managers without distinction of gender, and we establish alliances with organizations that promote equity, especially those that promote female empowerment.
  - Implementation of programs to prevent sexual harassment, addressed both to the staff in general as to the Harassment Prevention Committee. We also hold awareness conferences on the role of women at work, to question and avoid inequality situation.
  - As part of our commitment to include people with disabili-

- ties, we have set up a multidisciplinary team responsible for promoting their integration, ensuring compliance with the regulatory quota.
- In addition, we developed training spaces for relocated personnel and managed the requirements for the certification of personnel with disabilities, with 40 people currently under evaluation.
  - In terms of infrastructure and conditions for female staff, we made progress in the development of maternity and breastfeeding policies. We also incorporated mirrors and dressing rooms in the women facilities, especially for personnel entering the mine. We also approved the construction of female-only a hotel and the installation of a nursing area in Santa Maria mining unit.
  - Regarding salary, we promote salary equity through the implementation and diffusion of a fair and transparent salary policy. We also optimized information access and document management for the operations staff through the platform TU RECIBO, ensuring that all employees can access and easily understand their labor benefits.

Finally, in the Payroll and Compensation area, we guarantee that all our employees receive a fair and equitable remunera-



AT PODEROSA, WE MAINTAIN A STRONG COMMITMENT TO DIVERSITY AND INCLUSION

tion, without distinction of gender or origin, in line with our commitment to equity.

EMPLOYEES WITH DISABILITIES

Having personnel with disabilities enriches our organizational culture, fosters innovation and strengthens an inclusive and diverse work environment. We are currently working to further diversify our team and expect to increase again the presence of people with disabilities in our workplaces.

SALARY EQUITY

This year we carried out salary restructuring according to the HAY methodology, which classifies each position into salary grades, ensuring equal opportunities and promoting diversity and inclusion at all levels of the company.

We emphasize the effort to maintain an equitable and fair compensation system that favors the promotion of all employees, with special emphasis on female staff. In addition, as previously mentioned, although we have promoted numerous promotions in different areas for women, we have identified that male staff, in general, have more seniority in our organization.

MILESTONES IN 2024

In 2024 no cases of discrimination due to race, color, sex, religion or political opinion were registered.

- 01 DEVELOPMENT OF INCLUSION AND DIVERSITY COMMITTEE
- 02 ADJUSTMENT OF HUMAN DEVELOPMENT PROCEDURES BASED ON INCLUSION AND DIVERSITY
- 03 EQUITY DIAGNOSIS
- 04 PARTNERSHIP WITH INSTITUTIONS THAT PROMOTE EQUITY
- 05 ALIGNMENT WITH STRATEGIC AREAS
- 06 MANAGEMENT OF THE SALARY STRUCTURE, ENSURING EQUITY BETWEEN MEN AND WOMEN

TABLE 92. STAFF WITH DISABILITIES IN PODEROSA

YEAR	TOTAL STAFF	STAFF WITH DISABILITIES	PERCENTAGE OF STAFF WITH DISABILITIES
2022	780	20	3
2023	777	4	0.5
2024	792	1	0.1

# CHAPTER



VALUE  
CHAIN

[GRI 3-3]



# 31

## SUPPLIER MANAGEMENT

[GRI 204-1]

At Poderosa we work to guarantee a supply chain aligned with the highest quality, safety and sustainability standards. We consider that our suppliers are strategic partners, therefore we develop their capacities and performance through a strict selection and assessment process.

Our commitment with suppliers goes beyond a commercial relationship. Through various initiatives, we promote their capacity to develop innovative products, provide specialized services and improve productivity, making them more competitive.

We also prioritize local job creation, fostering the participation of local contractors and companies, contributing to the economic development of the communities where we operate.

We manage our supply chain through two specialized areas. Both areas are focused and aligned in guaranteeing the timely supply of goods and services, as well as assessing suppliers, complying with the assessment and reassessment procedure established by each area according to the complexity of their activities.

### CONTRACT ADMINISTRATION

Responsible for managing and controlling contracts for services and works with contractors. In this section we will refer to this group of companies as "suppliers of works and services".



### LOGISTICS

Responsible for managing suppliers, considering the companies that supply goods and services. In this section we will refer to this group of companies as "suppliers of goods and services".

WE WORK TO GUARANTEE  
A SUPPLY CHAIN ALIGNED  
WITH THE HIGHEST QUALITY,  
SAFETY AND SUSTAINABILITY  
STANDARDS



STRATEGIC APPROACH

Our management is based on the Quality Policy, that reflects our commitment to a responsible and sustainable supply chain. This policy, which is available on our website, is complemented by our Code of Ethics and Conduct, which established the guidelines for the expected behavior of suppliers and related third parties, promoting integrity, and transparent and loyal relationships.

We work under international standards such as ISO 9001, ISO 14001, ISO 45001, ISO 37001 and ISO 37301, ensuring quality, safety, efficacy and innovation in our operations. These standards are the foundations for the implementation of key procedures that guarantee transparency, traceability and compliance in our relationships with suppliers and contractors. Our main procedures include the following:

Our goal is to minimize risks and build long-term strategic alliances. We therefore have a comprehensive process that includes standardization, due diligence and awarding of suppliers, as well as a review prior to the drafting of a contract. This approach is applied both to suppliers of goods and services and to contractor companies (mining and related companies).

The standardization process evaluates financial, accounting, legal, governance, environmental and social criteria, including compliance, quality, safety and occupational health. This evaluation is carried out by specialized areas such as Legal, Human Resources and Social Responsibility, to guarantee a multidisciplinary analysis. Regarding Social Responsibility and communications, remote interviews are held to allow detailed and efficient review. All the information is registered in a standardization questionnaire that reflects the inclusion of these key aspects.

01

CONTRACT DEVELOPMENT PROCEDURE

Defines guidelines and policies for the creation of contracts.

02

SUPPLIER STANDARDIZATION PROCEDURE

Ensures that suppliers comply with the minimum standards established to participate in awarding processes.

03

UNIT PRICE LISTS UPDATE PROCEDURE

Ensures the registration and control of unit prices with traceability.

04

PENALTY CALCULATION AND APPLICATION PROCEDURE

Establishes guidelines to apply penalties in the event of contract breach.

05

SUPPLIER EVALUATION, SELECTION AND AWARD PROCEDURE

Promotes clear, honest and transparent contracting processes.

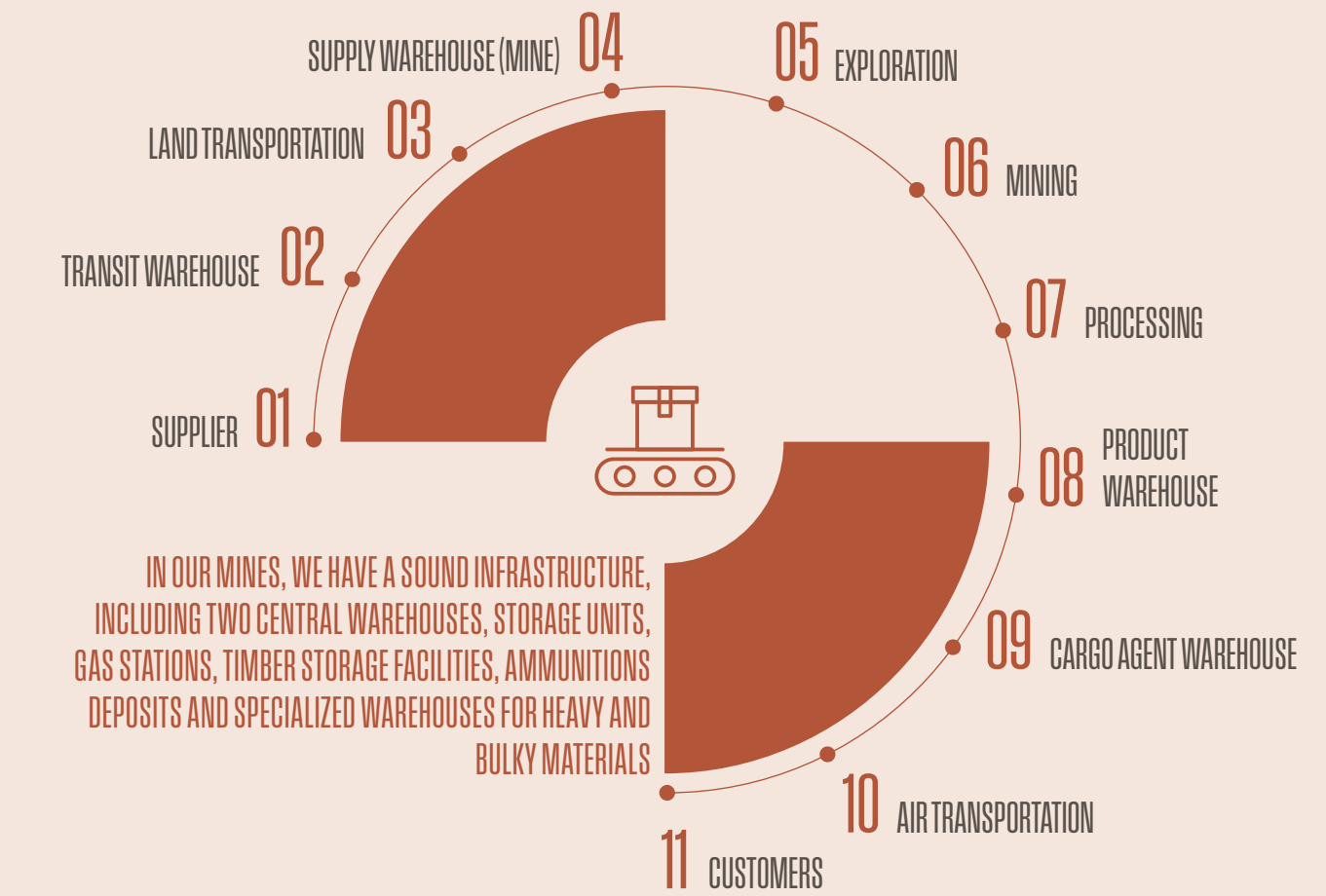
LOGISTIC MANAGEMENT

Procurement and management of automatic replenishment materials such as fuels, chemical products and explosives is vital for the mining operation. Many of these products are hazardous, therefore, their purchase is subject to legal standards and regulations. Transportation, storage and handling of these products is very risky because of their physical and chemical properties with potential adverse effects on people’s health as well as on the company’s facilities, processes, and the environment.

To guarantee timely and safe procurement, we have a team of specialized buyers and warehouse keepers, responsible for domestic and international purchases. We also have a transit area or in-transit warehouse that facilitates reception and dispatch of materials to our mining units, delivered in Lima and in Trujillo.

The transportation process is carried out by outsourced companies that comply with the legal regulations in force on the route Lima-Trujillo-Mine.

GRAPH 7. SUPPLY CHAIN STRUCTURE



LOGISTICS

Standardize more than 80 % of critical suppliers, those whose goods or services directly impact the operation.

CONTRACT ADMINISTRATION

Ensure that all contractors go through the approval and due diligence processes, obtaining a rating of “Regular”, “Good” or “Outstanding”.



OUR SUPPLIERS

We maintain constant interaction with our suppliers, who play a key role in the success of our value chain. Given the complexity of the products and services we require, the main channels of communication are digital media and e-mail. The purpose of this bond is to build sound strategic relationships, promoting and strengthening timely and efficient procurement management.

Below is the total number of suppliers of goods and services by year, highlighting their contribution to the strengthening of our value chain.

TABLE 93. TOTAL SUPPLIERS OF GOODS AND SERVICES

INDICATOR	2022	2023	2024
Total suppliers of goods and services	817	760	739

In addition, in 2024 we had 813 active contracts with works and services suppliers (mining and related companies) clas-sified as follows:

TABLE 94. BREAKDOWN OF SUPPLIERS OF WORKS AND SERVICES

TYPE OF SERVICE	N.º
Environmental management	38
Cleaning, canteens	25
Maintenance	60
Mining	201
Metal mechanics	14
Civil works	102
Security and surveillance	22
IT	63
Transportation	162
Other	126
Suppliers of works and services	813

Geographic distribution of our suppliers reflects our com-mitment to local and regional development, fostering sus-tainable economies. Its importance consists of guaranteeing an efficient and diverse supply chain, aligned with our ope-rations.

TABLE 95. SUPPLIER BREAKDOWN ACCORDING TO THEIR GEOGRAPHIC LOCATION

	2022	2023	2024
Local	71	54	11
Regional	9	16	64
Lima	708	661	638
International	29	29	26
Total number of suppliers	817	760	739

Local suppliers are individuals or legal entities established in the district of Pataz and in other areas of La Libertad region, where we carry out our operations, and with whom we have contract relations for the supply of goods and services.

TABLE 97. PERCENTAGE OF MONETARY VALUE OF PAYMENTS TO SUPPLIERS (%)

	2022	2023	2024
Percentage of procurement Budget of significant operations spent with local suppliers	4.0	4.5	4.5

TABLE 96. PERCENTAGE OF SUPPLIERS ACCORDING TO THEIR GEOGRAPHIC LOCATION (%)

2023			2024		
INTERNATIONAL	NATIONAL	LOCAL	INTERNATIONAL	NATIONAL	LOCAL
4	87	9	4	95	1



## MAIN PROGRESS AND RESULTS

In 2024, the Contract Administration area achieved significant results in operations risk and impact management. One of the main milestones was the development of a digital platform for labor reviews, which has optimized this process, together with the start of the implementation of a performance assessment platform, designed to reinforce supervision and guarantee compliance with critical standards.

We also executed an annual plan of visits to the mining unit to conduct unannounced audits, focused on verifying compliance with essential aspects such as habitability, quality, safety and environmental care.

There was also a significant increase in the number of companies assessed regarding labor compliance, for a total of 101 companies assessed. This progress represents an important step towards the consolidation of responsible and transparent relations with our contractors.

In the Logistics area, we reinforced our commitment to quality and efficiency, guaranteeing that our critical suppliers meet the established standards, therefore strengthening the sustainability of our value chain.

## SUPPLIER ASSESSMENT AND STANDARDIZATION

We encourage the optimization of our suppliers’ standards as regards sustainability, quality, safety, and environment throughout the value chain to minimize risks and develop long-term alliances. This is achieved through the supplier standardization process,

Through the Logistics area, suppliers undergo a due diligence process (Adhesion letter). We also standardize our critical suppliers together with Corporación Hodelpe SAC, through assessments on their environmental, social, and governance scopes, complemented by virtual audits.

This process verifies environmental practices through environmental policies, or, in the absence of such policy, we request a letter of intent for its implementation. All the same, in the standardization social responsibility criteria are included, requesting policies in this area or commitments to develop them, guaranteeing continuous improvement of our supply chain.

In addition, we have promoted the purchase of sustainable products such as solar water heaters and lithium-ion batteries. Although we face some challenges such as the cost of ecofriendly packaging and reverse logistics, we continue to develop solutions that balance sustainability and operational efficiency.

TABLE 98. DUE DILIGENCE AND STANDARDIZATION OF SUPPLIERS OF GOODS AND SERVICES

EXPRESSED AS A PERCENTAGE	2024	GOAL FOR 2024
% suppliers of goods and services assessed in the due diligence process (Adhesion Letter)	99	>80
% critical suppliers of goods and services standardized	44	>80

TABLE 99. STANDARDIZATION OF WORKS AND SERVICES SUPPLIERS

EXPRESSED AS A PERCENTAGE	2022	2023	2024	GOAL FOR 2024
% critical works and services suppliers standardized	98	87.23	100	100

Through the Contract Administration area, the companies that supply works and services actively participate in the management process through the Investing platform, used for standardization and labor reviews. Labor compliances are registered and supported in this platform, complemented by communications through e-mail and letters, to guarantee transparency and efficiency. It must be noted that the percentage of standardized suppliers must always be 100%, for standardization is mandatory for the execution of a contract.

In the standardization process we apply environmental filters that include the review of the Environmental Policy and the identification of significant environmental impacts.

## SUPPLIER AUDITS

Currently, the Logistics area does not carry out in-person audits to suppliers. All the assessments are carried out through remote interviews and are only applicable to critical suppliers as part of the standardization process managed by Hodelpe, an external company.

TABLE 100. AUDITS TO SUPPLIERS OF GOODS AND SERVICES

EXPRESSED AS A PERCENTAGE	2023	2024
% of critical suppliers that have been audited	87.23	44

Contract Administration carries out audits to contractor companies based on an annual calculation which estimates the number of companies schedules. 100% of the companies scheduled for unannounced audits have been audited, ensuring complete control.

There are two main types of audits: Unannounced Audits and Labor Audits.

- Unannounced Audits: Their purpose is to measure the level of compliance and effectiveness of contractual commitments in terms of safety, quality, environment and habitability conditions. These audits are carried out in accordance

with current labor regulations and Poderosa’s internal regulations.

- Labor Audits: Guarantee legal compliance with the labor obligations of contractors, with special emphasis on the timely payment of their workers.

These good practices not only make it possible to verify proper working conditions, but also to ensure that labor rights are respected.

TABLE 101. AUDITS TO SUPPLIERS OF WORKS AND SERVICES

EXPRESSED AS A PERCENTAGE	2022	2023	2024
% of critical suppliers of works and services	100	50	93
% of critical suppliers of works and services that underwent labor audits	100	100	100

## SUPPLIER DEVELOPMENT

We acknowledge the importance of our suppliers as part of a sustainable and resilient supply chain. Therefore, in 2018 we launched the Supplier Development Program (SDP) to enhance our supplier entrepreneurial management skills and help to strengthen the business networks within Pataz district dynamic innovation and entrepreneurship ecosystem.

We have identified the need to build the entrepreneurial skills of the related contractor companies, in the dynamic innovation ecosystem of Pataz district and province, in La Libertad region. To date, we have held two PDP editions:

- 2018 – 2020 First Supplier Development Program – PDP I
- 2021 – 2023 Second Supplier Development Program – PDP II

This program has strengthened the vertical articulation between companies by improving the capabilities of suppliers



and their relationship with the client, enabling participants to acquire an integral vision of their own processes.

The PDP strategy is focused on training suppliers to develop the following plans:

- 2021 -2024 Strategic Plan
- Annual Operating Plan
- Marketing and Sales Plan
- Human Resources Management Plan
- Social Responsibility Plan

The main PDP results reflect the commitment of the company and its suppliers to continuous improvement processes.

We are deeply proud of our positive impact through local job creation. By collaborating with contractors and companies in the area, we contribute to the economic development of nearby communities, strengthening our ties with them and promoting a sustainable business model that prioritizes social well-being.

Through the PDP, we do not only establish stronger alliances, but we also generate lasting impact on the region. We reaffirm our commitment to Pataz’s comprehensive development and we consolidate our relations with our suppliers as key partners in progress.

GRAPH 8: PDP PROGRAM RESULTS

<div>NINEBOX BEHAVIOR</div> <div>Initial: 4 out of 7 in level 9 Current: 6 out of 7 in level 9</div>	<div>AVERAGE TURNOVER INDEX</div> <div>Initial: 4.28% Current: 1.25%</div>	<div>AVERAGE CUSTOMER SATISFACTION</div> <div>Initial: 41.6% Current: 72.8%</div>	<div>SCR ACTIONS</div> <div>Initial: 1 out of 7 (informal) Current: 7 out of 7 with SCR actions</div>
<div>STANDARDIATION REPORT</div> <div>Initial: Regular Current: Good</div>	<div>ISO CERTIFICATIONS</div> <div>Initial: 1 out of 7 with ISO certification Current: 6 out of 7 with ISO certification</div>	<div>CONTINUOUS IMPROVEMENT PROJECTS</div> <div>Initial: Without current participation Current: 7 out of 7 participate with their CIC</div>	<div>COMMERCIAL DEPENDENCE INDEX</div> <div>Initial: 5 out of 7 depend on Poderosa Current: 2 out of 7 depend on Poderosa</div>





# HUMAN RIGHTS

[GRI 3-3] [GRI 2-25]

WE PROMOTE DECENT WORKING CONDITIONS, FOSTER EQUALITY AND SUPPORT COMMUNITY DEVELOPMENT PROJECTS

At Poderosa we are committed to respecting, promoting and ensuring compliance with human rights in our operations and throughout our value chain. We are aligned with the Universal Declaration of Human Rights, the Guiding Principles on Business, and Human Rights of the United Nations, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and its Fundamental Conventions, the Voluntary Principles on Security and Human Rights, and the National Action Plan on Business and Human Rights (2021-2025). We comply with domestic laws, and we apply ethical principles in the development of our business strategies.

We promote decent working conditions, foster equality and support community development projects. The integration of human rights does not only have a positive impact on the company's sustainability and profitability, but it also strengthens our reputation as a sound organization, committed to the fulfillment of its obligations.

## STRATEGIC APPROACH

Our main objective is to guarantee an agile response to any human rights deviation, with special emphasis on remediation processes, depending on the magnitude of the incident. Based on the abovementioned reference frameworks and on our values, we have structured our strategic approach around five key pillars of due diligence: commitment, risk management, training and diffusion, complaint mechanisms, and supervision and reporting.



Despite the challenges presented by the current context in the area, including the attacks suffered by the company and the establishment of the state of emergency, we have received no reports of human rights violations in the actions of our private security. In addition, we actively work on social responsibility projects, such as access to water through works-for-tax initiatives, contributing to the well-being of nearby communities.

## COMMITMENT AND GOVERNANCE

We have corporate policies in place that guide our actions and define the expected behavior regarding human rights. Our Code of Ethics is our main guiding document on this regard, and reaffirms our commitment to non-discrimination, rejection of child and forced labor, and compliance with environmental regulations. This code applies to all our main stakeholders, including employees, officers, customers, suppliers, contractors and Board members, regardless of their hierarchic level or labor regime

The Code of Ethics and Conduct is distributed digitally through the SmartBoleta platform, where receipt and reading of the document is confirmed by signing a sworn Statement.

In addition, we have an Ethics Committee, which oversees compliance with the principles related to human rights and ensures the effective implementation of our commitment in this area.

## RISK MANAGEMENT

In 2024, the risk matrix for the company's various processes was updated, including those related to human rights. The Ethics Committee held three sessions to present risk management and follow-up on the Ethics Channel.

We assess 100% of our operations in terms of human rights risks, paying special attention to critical areas such as Human Resources, Contract Administration, Community Relations and Property and Asset Security. This process includes iden-





tification and assessment of potential risks such as violation of labor rights, discrimination and infringement of freedom of association.

We adopt a comprehensive approach to risk management, including suppliers, commercial partners, and other key stakeholders. The risks identified were prioritized and action plans and specific controls were designed to mitigate the probability of occurrence. The methodology used complies with corporate standards, ensuring assessment consistency and thoroughness. The risk matrix is periodically reviewed and updated, strengthening the prevention and mitigation of human rights related impacts.

In 2024, we have not identified significant risks related to child labor, hazardous work or forced work in our operations or in our supply chain. All the same, we have not detected any cases in which freedom of association or collective bargaining were at risk.

We must mention that as part of our human rights due diligence process, all our suppliers sign a letter of adhesion to the Code

of Ethics, which includes commitments to freedom of association and collective bargaining, reinforcing their commitment with fair labor practices.

TRAINING AND CULTURE

We complement the above-mentioned actions with periodic training for our employees, suppliers and contractors, strengthening their capacities to act in line with our standards. In 2024, we provided general training in human rights as part of our Compliance Management System with 96 % employee participation. A total of 793 employees completed a general one-hour course. Also, ten members of the Property and Asset Security team attended a three-hour specialized workshop and were responsible for training the rest of their team, to reach 100 % security staff.

In this regard, the Property and Asset Security team is responsible for training on security and human rights, as well as for providing psychological attention to those working in the front line to protect the mining areas against illegal mining.

TABLE 102. TRAINING IN HUMAN RIGHTS

INDICATOR	2022	2023	2024
Ratio of training hours (hours/employees)	2.65	1.015	1.014

TABLE 103. SECURITY PRACTICES

INDICATOR	PERCENTAGE
Percentage of security staff that have received training in specific human rights policies or procedures and its application in security	100

GRIEVANCE AND COMPLAINT SYSTEM

Through our Ethics Channel it is possible to report human rights violations. This channel is dedicated to receiving human rights-related complaints. We have rigorous complaint handling procedures in place which establish the timelines

for processing complaints and transparently communicating the results of investigations. Our complaint handling protocol was reviewed and updated in 2023 to ensure its effectiveness and alignment with most recent standards.

Besides the Ethics Channel, we have a community contact office managed by the Community Relations area, which also receives consultations and complaints related to human rights and other relevant matters. In addition, we distribute the Code of Ethics and Conduct to our employees and partners, which is also available on our website for our stakeholders.

These mechanisms not only allow for the reception of complaints, but also include clear processes for review, operation and continuous improvement, integrating user feedback to ensure their effectiveness. In addition, we continuously monitor their performance and implement corrective measures as necessary.

In 2024, we received zero human rights-related complaints. It is worth mentioning that in Poderosa we have a comprehensive mitigation and remediation plan, which allows us to respond in a timely manner in the event of any violation of human rights. This approach includes the identification and remediation of negative impacts caused by our operations or those to which we have contributed, reaffirming our commitment to the protection of human rights.

MONITORING AND REPORTING

In this 2024 report we are pleased to present our ongoing progress in human rights management, after sharing our achievements in the 2023 report for the first time. We continue to share the progress made with our stakeholders and reaffirm our commitment with the advancement and respect for human rights.

All the same, the company produces review reports issued by the Policy Management Area, which assess the results and performance of the policies and management system, which are reported quarterly to the Ethics Committee.

THE PROPERTY AND  
ASSET SECURITY TEAM IS  
RESPONSIBLE FOR TRAINING ON  
SECURITY  
AND HUMAN RIGHTS



# OUR CUSTOMERS

At Poderosa we work to build sound and trusting relations with our customers, ensuring meeting their needs and appreciating their comments. We are proud to mention that we have not received any complaints regarding data breach, products shipped or service quality in the last few years. Our line of business, according to the International Standard Industrial Classification (ISIC), corresponds to the extraction of metalliferous minerals (section B, division 07, group 072, class 0729).

Our actions are governed by the following key policies and procedures:

- **Quality Policy:** Consolidate a responsible production chain, based on good administrative and operational practices, strengthening long-term commercial relationships.
- **Compliance Management System:** Implementation of ISO 37301:2021, ensuring regulatory compliance throughout the organization.
- **Customer Satisfaction Measurement Procedure:** To guarantee the quality of refined gold and silver bars, through contractual compliance and efficient attention to queries and complaints.

We are focused on customer-oriented efficient commercial management. We seek to achieve 100% customer satisfaction, and reduce complaints to 0 %, consolidating trustful relations and service excellence. In the long run, we expect to maintain these standards as part of our commitment to continuous improvement and sustainability.

## OUR COMMERCIAL PARTNERS

We hold relations based on trust and commitment with our strategic partners such as Asahi Refining (Canada) and Argos Heraeus (Switzerland). We adapt our communication to the needs of each customer through different channels such as e-mail, Bloomberg chat and telephone calls.

## GRIEVANCES AND COMPLAINT MANAGEMENT

Our grievances and complaint mechanism follows the PHVE methodology (Plan, Hear, Verify and Executing), ensuring timely response, accurate technical evaluations and clear agreements in case of liability. This approach guarantees satisfaction and effective resolution of our customers' concerns.

## PROGRESS AND RESULTS

We have managed to keep customer satisfaction level at 100 %, according to our surveys, and reach zero complaints during 2024, a milestone that fills us with pride. This reflects our commitment to excellence in customer service, even in a year marked by significant challenges related to security in Pataz.

TABLE 104. CUSTOMER SATISFACTION LEVEL

2022	2023	2024
100%	100%	100%

# PRIZES AND RECOGNITIONS



La Libertad Regional Government awarded us a Prize in recognition of our outstanding performance as a large export company in the mining sector, in the Highest Export Volume category. This achievement reaffirms our commitment to excellence and contribution to the economic development of the region.



CHAPTER

17

IMPACT ON THE  
TERRITORY

18

# OUR CONTRIBUTION TO DEVELOPMENT

[GRI 3-3] [GRI 413-1]

We are fully committed to strengthening community relations in our area of influence, so we work to build solid connections, positive and open to dialog. Close and continuous interaction with our stakeholders is key to deeply understanding their needs, so we can focus our efforts on initiatives that promote the communities’ sustainable development. This includes capacity building and empowerment, allowing them to manage their own development.

In our Sustainability Statement, we reaffirm our commitment as a gold producing company, to the development of our stakeholders and the integration of sustainability, as the central pillar of our management. We promote positive social impacts and responsible economic results, and we prioritize respect for the environment in the communities under the direct influence of our mining operations. We try to be a responsible neighbor, by contributing to local development through the promotion of economic progress, education, health and governance, in collaboration with the Government, the community and our private company.

Poderosa’s Community Relations Area has a Community Relations Policy, that allows us to maintain and promote adequate relations in a sensitive social environment. Through this policy, we seek to prevent social conflicts that may affect our operations, strengthening community and environ-

mental project management projects that contribute to the sustainable development of our area of influence, including periodic consultations to the communities in our area of influence.

All the same, we implemented the Good Neighbor Policy, through which we strengthen good relations and trust with the communities, social organizations and local governments.

Our Community Relations Plan orients our relations, promotes dialog and steers the communication that we develop together with our contractors, ensuring responsible interaction in the direct and indirect areas of influence.

Through the Community Relations Protocol, we work to improve relations with the communities and stakeholders, contributing to minimizing social risks and creating a favorable environment for our operations.

Finally, through our Community Relations Strategy, we strengthen accountability between the private company, the local government, and several government sectors. We also promote the participation of the organized population through the Community Development Committees (CODECOS), consolidating joint work for sustainable development.

## PROGRESS AND RESULTS

Our main goal is to improve the quality of life of families in the areas of influence and ensure the sustainability of the mining operations. We distinguish ourselves by fostering good neighbor relations and cooperation for the development of the communities, and we manage social conflicts efficiently and systematically. This objective is evident through the implementation of the Pataz District Sustainable Human Development Program, which fosters social, economic, and governance development. In 2024, there have been no downtime hours in our operations due to social conflicts in our areas of influence.

Our activities are in line with Strategy 07 of Poderosa’s Strategic Plan: Contribute to the development of the communities, and initiative 15, which seeks to transfer innovation and promote joint improvements. An example that we can

highlight is the implementation, since 2023, of the Suyubamba Farming Community telemedicine project, which has improved access to health services in the area, and which is still working.

Another key program is Sustainable Development, which goal is to foster community empowerment and capacity building through the Local Development Committees (CODECOS) and the Sanitation Services Management Boards (JASS).

Regarding education the UAYKI hybrid innovation project stands out. This project was implemented in the Santo Tomas de Aquino School, in Vijus community. This project facilitates access to a virtual library with education materials in line with the national curricula, connecting students with the digital ecosystem and a global encyclopedia, enhancing their learning and education skills.

## OUR MOST IMPORTANT ACHIEVEMENTS IN 2024

**Implementation of real time water flow and residual chlorine monitoring in Zarumilla reservoir, Pataz district. This initiative aims to improve water quality and flow monitoring processes in drinking water systems in Zarumilla community, applying increased innovation.**



**Implementation of the telemedicine innovation project in Suyubamba Farming Community. The strategic objective of this project is to promote the quality of public health, reduce digital gaps and encourage the use of technology for the efficiency and sustainability of the health system.**



# DIRECT AND INDIRECT AREA OF INFLUENCE

Our area of influence is defined based on the potential effects of the project. The main measures of the Environmental Management Plan are designed to minimize, correct, mitigate, or compensate the impacts generated based on these potential effects.

In La Libertad region, we have Santa María Production Unit and Palca Production Unit, located in the Pataz District, together with several exploration projects in Montañitas, Tayabamba and Pataz, that have a positive impact on the Pías,

Andrés Rázuri de Suyubamba, and La Victoria farming communities, among others.

Furthermore, we highlight our presence in different parts of Peru with regional exploration projects that directly benefit the surrounding communities. These activities reflect our corporate responsibility and the importance of collaborating with the communities to ensure joint and sustainable progress.

## DIRECT AREA OF INFLUENCE

Includes those areas that receive direct or higher intensity, positive and negative impacts.

AID



IAI

## INDIRECT AREA OF INFLUENCE

Is established according to the indirect environmental and social impacts of the mining components. This is the area where the impacts transcend the physical space of the project and its associated infrastructure.

TABLE 105. DIRECT AREA OF INFLUENCE

N°	PRODUCTION UNIT / PROJECT	PROVINCE	DISTRICT	VILLAGE	COMMUNITY
1	Santa María Production Unit	Pataz	Pataz	Pataz, Campamento, Pueblo Nuevo, Zarumilla, Vista Florida, Socorro.	-
2	Palca Production Unit	Pataz	Pataz/Piás	Piás/Suyubamba	Piás Farming Community Andrés Razuri de Suyubamba Farming Community
3	Montañitas Exploration Project	Huaylillas	Huaylillas	Huaylillas	Estrella de Oro Farming Community
4	Montañitas Exploration Project	Ongón	Uctubamba	Uctubamba	-
5	Montañitas Exploration Project	Pataz	Tayabamba	Tayabamba	La Victoria Farming Community
6	Ariabamba Exploration Project	Pataz	Piás/Melomea	Piás	Piás Farming Community
7	Las Defensas Exploration Project	Pataz	Pataz	Chuquitambo, Nimpána, Shicún	Sol Naciente Farming Community
8	Regional Exploration Project	-	-	-	-



# CODECOS EMPOWERMENT

AS A RESULT OF THE TRAINING  
AND COUNSELLING PROVIDED,  
THE CODECOS HAVE MANAGED  
TO LEAD COMMUNITY  
DEVELOPMENT INITIATIVES,  
REFLECTED IN THE EXECUTION OF  
SEVERAL PROJECTS

The Community Development Committees (CODECOS) are a local management and governance model at local level. These organizations are made up by individuals and legal entities that represent the dwellers of a specific area, village, community, population, or neighborhood. Its purpose is to supervise and control public expenditure execution in their jurisdiction, and to design and manage a community development plan.

We have promoted this model in every community in the Pataz District, and recently, in Pias (Alacoto and Pamparacra). As a result of the training and counselling provided, the CODECOS have managed to lead community development initiatives, reflected in the execution of several projects. These initiatives have a great impact in the reduction of gaps in health, education, economic development, and have helped to meet the basic family needs

such as access to tap water, sanitation, health, education, and to improve family income.

CODECOS participation in the Contests for Funds, starts by prioritizing projects under the Community Development Plan of each community, which are submitted and supported before a jury, and the winners receive co-financing for their project.

In 2024, as a result of this process, seven CODECOS reached empowerment level III, and ten reached level IV.

## FORMALIZATION AND AGREEMENTS

As a result of their formalization the Pataz and Piaz district CODECOS, as legal entities, are in capacity to execute agreements with public or private institutions, therefore, currently, 13 CODECOS in Pataz district have signed an addendum to the term of the comprehensive agreement with the Pataz District Municipality, and Asociación Pataz; to execute the winner projects of the Contest for Funds.

On the other hand, 7 CODECOS have signed agreements with Compañía Minera PODEROSA: Chuquitambo, Nimpana, Chagual, Suyubamba, Vista Florida, Campamento and Pueblo Nuevo.

As of the end of 2024, 5 agreements were signed between Asociación Patraz and CODECOS, for the execution of the Contest for Funds. Three of them were signed in 2024.

The Vijus and Zarumilla CODECOS in the Pataz District, have signed an agreement with the Pataz Health Network Execution Unit 415 to cofinance the staff required by the health clinic, until the Ministry of Health fills the corresponding positions.

TABLE 106. CODECOS EMPOWERMENT LEVEL IN 2024		
	2023	2024
COMMUNI- TY	EMPOWER- MENT LEVEL	EMPOWER- MENT LEVEL
Vijus	46	41
Zarumilla	46	46
Socorro	46	47
Campamento	44	45
Suyubamba	43	42
Chuquitambo	43	43
Nimpana	43	43
Pueblo Nuevo	42	43
San Fernando	42	42
Chagual	41	42
Vista Florida	40	43
Shicún	40	40
Alocoto	37	38
Pamparacra	36	39
Los Alisos	35	36
Cruz Colorada	26	34

TABLE 107. EMPOWERMENT LEVELS	
LEVEL	N.º
Level IV	10
Level III	7
Level II	0





TABLE 108. COOPERATION AGREEMENTS					
N°	CODECOS/ COMMUNI- TY	COOPERATION FRAMEWORK AGREEMENT BETWEEN PATAZ DISTRICT MUNICIPALITY, ASOCIACION PATAZ AND CODECO	SPECIFIC COOPERATION AGREEMENT BETWEEN PODEROSA AND CODECO	AGREEMENT WITH ASOCIACIÓN PATAZ AND CODECO, FOR THE EXECUTION OF THE CONTEST FOR FUNDS PROJECTS	COOPERATION AGREEMENT BETWEEN -CODECO AND EXECUTION UNIT 415 - PATAZ
1	Chuquitambo	28/02/2024	27/03/2023		
2	Nimpana		9/06/2024	6/03/2024	
3	Shicún				
4	Vijus			6/03/2024	20/01/2023
5	Chagual		16/10/2024		
6	Suyubamba		19/09/2023	2/01/2023	
7	Vista Florida		16/10/2023	2/01/2022	
8	San Fernando				
9	Campamento		26/06/2023		
10	Pueblo Nuevo		12/11/2024	6/03/2024	
11	Los Alisos				
12	Zarumilla				20/10/2022
13	Socorro				
TOTAL		13			



CAPACITY BUILDING

In 2024, 112 CODECO leaders, 92 community authorities and leaders, and 158 dwellers actively participated in the capacity building process, focused on community develop-

ment management. This program provided the participants with the key tools and knowledge to improve their skills and abilities to contribute more effectively to their community progress and well-being.

TABLE 109. CODECO AUTHORITIES AND POPULATION TRAINING IN 2024					
N°	COMMUNITY	CODECO LEADERS	AUTHORITIES AND LEADERS	DWELLERS	TOTAL
1	Chuquitambo	9	9	29	47
2	Nimpana	9	9	2	20
3	Shicún	6	7	10	23
4	Vijus	11	10	0	21
5	Chagual	6	5	4	15
6	Suyubamba	8	6	0	14
7	Vista Florida	8	8	4	20
8	San Fernando	6	3	2	11
9	Campamento	9	11	3	23
10	Pueblo Nuevo	7	6	71	84
11	Los Alisos	3	0	3	6
12	Zarumilla	7	2	2	11
13	Socorro	7	5	1	13
14	Alacoto	10	4	0	14
15	Pamparacra	7	6	27	40
16	Cruz Colorada	9	1	0	10
TOTAL PARTICIPANTS		122	92	158	372

2024 PROJECT CONTEST

The project contest is a mechanism to allocate funds to citizens organized under a CODECO. The purpose is to promote the design and implementation of projects to improve their quality of life. For social organizations, access to funding is an important tool for it helps to generate scale economies in the production system, improves articulation to the markets and strengthens competitiveness

All the same, the purpose of this initiative is to strengthen the capacities of the CODECOs in the administration and execution of works related to the development of their community. In 2024 3 projects of the contest for funds won access to \$/ 65,000 co-financing each. All the same, since 2012 different projects on health, drinking water, education infrastructure, sanitation, cafeterias, productive projects, among other, have benefited from this co-financing.

These are mechanisms that allocate funds, to give the citizens the responsibility to define and implement those projects which are necessary to improve their quality of life. For social organizations, access to funding is an important tool for it involves them in the development process of the country.

Contest for funds are concrete initiatives that seek to contribute to a specific field and, in this way, solve a problem that helps to improve the quality of life of Peruvians. These help to generate scale economies in the production system, improve articulation to the markets and strengthen competitiveness.

In 2024, 4 projects were implemented to improve drinking water infrastructure, a school canteen and a community soup kitchen.

\$/195,000  
WERE GRANTED TO FOUR PROJECTS, WINNERS OF  
THE 2024 PROJECT CONTEST



- Improvement of drinking water and sanitation system in Pueblo Nuevo, Pataz district.
- Construction of drinking water collection and conduction line in Socorro, Pataz district.
- Construction of the Pre-School Cafeteria in Shicun, Pataz district.
- Construction of the Community Sour Kitchen, in Alacoto, Pias district.

TABLE 110. 2024 CONTEST WINNER PROJECTS

CODECO	WINNER PROJECTS	ASOCIACION PATAZ (S/)	COUNTERPART
Pueblo Nuevo	Improvement of drinking water and sanitation system in Pueblo Nuevo, Pataz district.	65,000	50,408.18
Socorro	Construction of drinking water collection and conduction line in Socorro	65,000	24,358.54
Shicún	Construction of the pre-school cafeteria in Shicun	65,000	155,107.40

TABLE 111. WINNING PROJECT OF THE 2024 COMPETITIVE FUND OF THE DISTRICT OF PIÁS

CODECO	WINNER PROJECTS	ASOCIACION PATAZ (S/)	COUNTERPART
Alacoto	Construction of the community canteen for soup kitchen, in Alacoto	65,000	80,235.73





# LOCAL DEVELOPMENT PROJECT FUNDING

[GRI 203-1]

Our commitment to the infrastructure development and improvement of Pataz district and surroundings includes the prevention of landslides in slopes, improving school infrastructure, agricultural development and enhancing the quality of basic services such as electricity and drinking water. Our main goals include strengthening the security, and well-being of the local communities, and their progress through these initiatives.

With a total investment of S/ 1,421,024.56, we have a plan that aims not only at improving the existing infrastructure, but also to strengthen the resilience of our communities in the event of natural phenomena, and to improve the quality of life of the inhabitants of the Pataz district and neighboring areas. The different initiatives that we present reflect our commitment to sustainable development and social well-being in one of the most dynamic and challenging regions of our country.

TABLE 112. LOCAL DEVELOPMENT PROJECT FUNDING

PROJECT	DESCRIPTION	TOTAL (S/)
Fish Farming Project	Fish Farm Project in Pachacrahuay District	693,301.70
Rehabilitation Project, Maintenance of Rural Roads	Road Maintenance San Fernando community, Pataz	1,580.00
Rehabilitation Project, Maintenance of Rural Roads	Infrastructure Maintenance, Vijus pre-school, Pataz	29,378.17
Infrastructure Maintenance	Police Station electric maintenance Vijus community, Pataz	1,555.60
Rehabilitation Project, Maintenance of Rural Roads	Fuel for road maintenance in La Esperanza - Chuquitambo, Pataz district	990.24
Rehabilitation Project, Maintenance of Rural Roads	Cuman road maintenance, Vijus community, Pataz	5,750.00
Rehabilitation Project, Maintenance of Rural Roads	Fuel for the Pueblo Libre Farming Community - Huancaspata	6,150.00
Rehabilitation Project, Maintenance of Rural Roads	Socorro – Marleni road maintenance, Socorro community, Pataz district	2,528.00
Rehabilitation Project, Maintenance of Rural Roads	Chagaluito – Canaquiles road maintenance Sanchez Carrion	8,213.06

PROYECT	DESCRIPTION	TOTAL (S/)
Fruit Production Project	Machinery to build a forestry nursery in Chuquitambo community	7,040.00
photovoltaic system Infrastructure Maintenance	Preventive maintenance of the Vijus health clinic photovoltaic system	21,154.69
photovoltaic system Infrastructure Maintenance	Corrective maintenance of the Vijus police station photovoltaic system	40,802.11
Rehabilitation Project, Maintenance of Rural Roads	Cement and fuel for irrigation channel maintenance in Shicun community - Pataz district	1,560.00
Infrastructure Maintenance	Construction of the Huaylillas church roof	54,000.00
Rehabilitation Project, Maintenance of Rural Roads	Machinery and fuel to build a dust road in Pias district	10,544.40
Rehabilitation Project, Maintenance of Rural Roads	Donation of 14,893 gallons of Diesel B5 for Sartibamba district road maintenance	232,330.80
Fruit production project	Construction materials for the fruit tree nursery in community de Chuquitambo, Pataz district	6,648.00
Infrastructure Maintenance	Support to build the Vijust Health clinic	62,985.63
Irrigation channels maintenance	Construction of sewerage to enable Serpiente de Oro irrigation channel, community de Vijus, Pataz	18,724.24
Infrastructure Maintenance	Materials to build the cementery perimeter wall, community Vijus, Pataz	1,360.00
Rehabilitation Project, Maintenance of Rural Roads	Fuel for the construction of the Chugurbamba – Llaupuy dust road, Sartimbamba district	12,400.00
Rehabilitation Project, Maintenance of Rural Roads	3,000 gallons of fuel. Capellanía dust road, Condormarca district	39,541.50
Irrigation channels maintenance	Desiltation of Intakes in El Tingo River 200 Hours of machinery – Vijus community	83,071.42
Irrigation channels maintenance	Desiltation of Intakes in El Tingo River 200 Hours of machinery – Vijus community, Pataz	2,360.00
Infrastructure Maintenance	Paining of the ground floor of the Vijus health clinic, Pataz	1,000.00
Rehabilitation Project, Maintenance of Rural Roads	3,000 gallons of fuel for machinery, Ongon district road mainenance	60,900.00
Rehabilitation Project, Maintenance of Rural Roads	3,000 gallons of fuel for Cocachacra road maintenance	13,180.00
Rehabilitation Project, Maintenance of Rural Roads	Improvement of the Pueblo Nuevo – Alisos road stretch, Pataz	1,975.00

# 75 WATER AND SANITATION COMMUNITY MANAGEMENT

5,000  
BENEFICIARIES

Access to water is essential for human survival and progress and is indispensable for the normal functioning of our activities. Therefore, prioritizing the management of water and sanitation services is crucial.

Through the Works for Taxes modality, we implemented drinking water and sanitation systems in communities in Tayabamba district. This initiative, that represents a S/ 19.6 million investment has benefited 5000 people

## MAIN MILESTONES DURING 2024

1. Regarding the Water and Sanitation component, 107 members of the JASS board members, 55 community leaders and 263 dwellers received training in administration operation and maintenance of drinking water systems.
2. A JASS meeting was held with the participation of 56 JASS board members. All the same, another meeting was held with the participation of 42 JASS board members. The central topic of these meetings was the operation and maintenance of the residual water treatment systems in rural areas.
3. This year, 02 water Flow, water quality and infrastructure participatory monitoring activities were carried out in 22 drinking water systems. As a result of this monitoring, 21 water systems were found in good conditions, and 01 in regular condition, the latter, in Nimpana.
4. Regarding water quality monitoring, 18 out of the 22 systems are in good condition, and 4 in bad condition (Chuquitambo, Suyubamba, Pataz and Pías) due to the presence of arsenic and microbiologic organisms.
5. Chlorination systems have been installed in 22 drinking water systems
6. 20 out of the 22 water systems have house gauges, 17 in Pataz district and 03 in Pias district. The JASS in the district capital has not installed house gauges.
7. 18 of 22 water systems have water fit for human consumption, which represents 82% of the water systems that meet this condition.
8. Regarding Innovation, 1 project related to chlorine and Flow monitor was implemented as a pilot in Zarumilla community.
9. Regarding comprehensive management of the water and sanitation services in Macul community, the JASS has been reorganized, and its drinking water system has been improved.

## DRINKING WATER SYSTEMS CONSTANTLY MONITORED

Drinking water systems monitoring mechanisms allows us to make optimal decisions. In 2024 two monitoring activities were carried out: one in the rainy season, and the other one in the dry season. Participatory monitoring activities carried out measured quality (bacteriologic, physical, and chemical analysis), quantity and infrastructure (intake, conduction line, reservoir, distribution network, house connections).

Community participatory monitoring is carried out in a comprehensive manner with the participation of the CODECOs and JASS members, local authorities, representatives of the Pataz District Municipality, health clinic and Poderosa.

According to the evaluation matrix used to measure the 22 JASS management levels, 4 variables were considered: or-

ganization, management, quality and sustainability, together with 12 evaluation indicators.

## INFRASTRUCTURE EVALUATION

In 2024, two drinking water system monitoring surveys took place. Infrastructure evaluation considers five aspects: intake, conduction line, reservoir, distribution network and house connections.

At the end of the IV quarter, 22 JASS were rated Good: Chuquitambo, Nimpana, Shicun, Vijus, Chagual, Suyubamba, Vista Florida, San Fernando, Campamento, Pataz, Pueblo Nuevo, Los Alisos, Zarumilla, Socorro, Yalen, La Ciénaga, La Colpa, Antapita, Alacoto, Pamparacra, Cenolen and Pias and 1 JASS was rated regular: Nimpana.

TABLE 113. VARIABLES FOR THE DRINKING WATER SYSTEM EVALUATION

EVALUATION VARIABLES	EVALUATION INDICATOR
Organization	JASS organization (Board of directors)
	Municipal recognition (resolution of the mayor's office)
	Water use rights (use license)
Administration	Annual operation plan (POA)
	Accountability
	Residual chlorine level
Quality	Cleaning and disinfection (POA)
	Chlorination system
	Management instruments (administrative records)
Sustainability	Service continuity
	Family quota (AOM)
	Operator (OM)



TABLE 114. EVALUATION OF THE PATAZ DISTRICT COMMUNITIES DRINKING WATER INFRASTRUCTURE IN 2024							
N°	DRINKING WATER SYSTEM / COMMUNITY	RATING				HOUSE CONNEC-TIONS RATING	DRINKING WATER SYSTEMS GENERAL RATING
		INTAKE	CONDUCTION LINE	RESERVOIR	DISTRI-BUTION NETWORK		
1	Chuquitambo						
2	Nimpana						
3	Shicún						
4	Vijus						
5	Chagual						
6	Suyubamba						
7	Antapita						
8	Vista Florida						
9	Colpa						
10	San Fernando						
11	Pataz						
12	Campamento						
13	La Ciénaga						
14	Pueblo Nuevo						
15	Los Alisos						
16	Yalen						
17	Zarumilla						
18	Socorro						
19	Alacoto						
20	Pamparacra						
21	Cenolén						
22	Piás						
	Good	17	20	22	21	22	21
	Regular	3	2	0	1	0	1
	Bad	2	0	0	0	0	0
	TOTAL	22	22	22	22	22	22

TABLE 115. WATER FLOW EVALUATION 2024		
WATER FLOW SITUATION OF THE PATAZ AND PIAS DRINKING WATER SYSTEMS IN THE IV QUARTER OF 2024		
Pataz	Chuquitambo	
	Nimpana	
	Shicún	
	Vijus	
	Chagual	
	Suyubamba	
	Antapita	
	Vista Florida	
	La Colpa	
	San Fernando	
	Pataz	
	Campamento	
	La Ciénaga	
	Pueblo Nuevo	
	Los Alisos	
	Yalen	
	Zarumilla	
	Socorro	
Piás	Alacoto	
	Pamparacra	
	Cenolén	
	Piás	

WATER FLOW EVALUATION

In 2024, two (02) participatory flow monitoring activities were carried out to collect data to analyze the behavior of the flow over time and the water supply available in each water supply source of the drinking water systems to meet the current and projected demand of the population. The first monitoring was conducted in April and the second one, in October.

In the first water flow monitoring, the 22 drinking water systems in Pataz and Piás districts, were rated good, because the water flow measured meets the current demand.

In the second water flow monitoring conducted in 22 drinking water systems in Pataz (18) and Piás (4), 20 water systems were rated Good and 02 water systems were rated Regular.

It is important to note that even though water flow reduced, only two systems were affected significantly (San Fernando and Campamento), therefore the JASS in these communities have rationalized water service to supply the population. However, in December a new measurement was made in these two water sources, and the results showed that these springs have recovered their water flow, and the population has received water without any restrictions.



TABLE 116. WATER FLOW CONDITIONS		
CONDICIÓN DE CAUDALES DE LOS SAP	SAP (NÚMERO Y PORCENTAJE)	
Good	20	91
Regular	2	9
Bad	0	0
TOTAL	22	100

WATER QUALITY EVALUATION

From the results of the second water quality monitoring conducted in 22 drinking water systems in the Pataz and Pías districts, the general evaluation of water parameters indicates that 18 drinking water systems are in good condition, apt for human consumption, and 04 water supply systems are in Bad condition, as shown in the graph.

The 04 systems with bad quality condition are Chuquitambo, Suyubamba, Pataz and Pías, where these results show the presence of arsenic; likewise, in the first three systems mentioned above, they also exceed the maximum permissible limits in microbiological parameters.

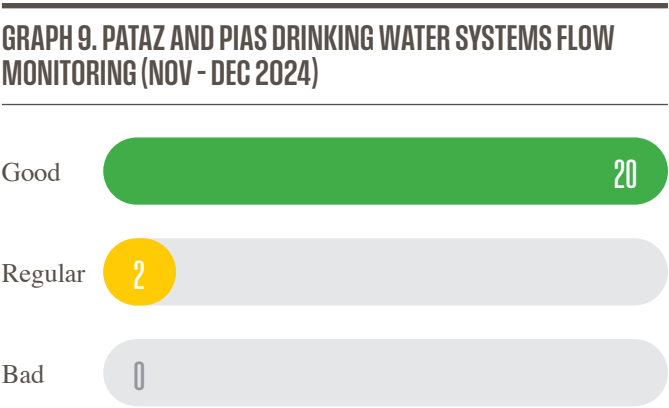
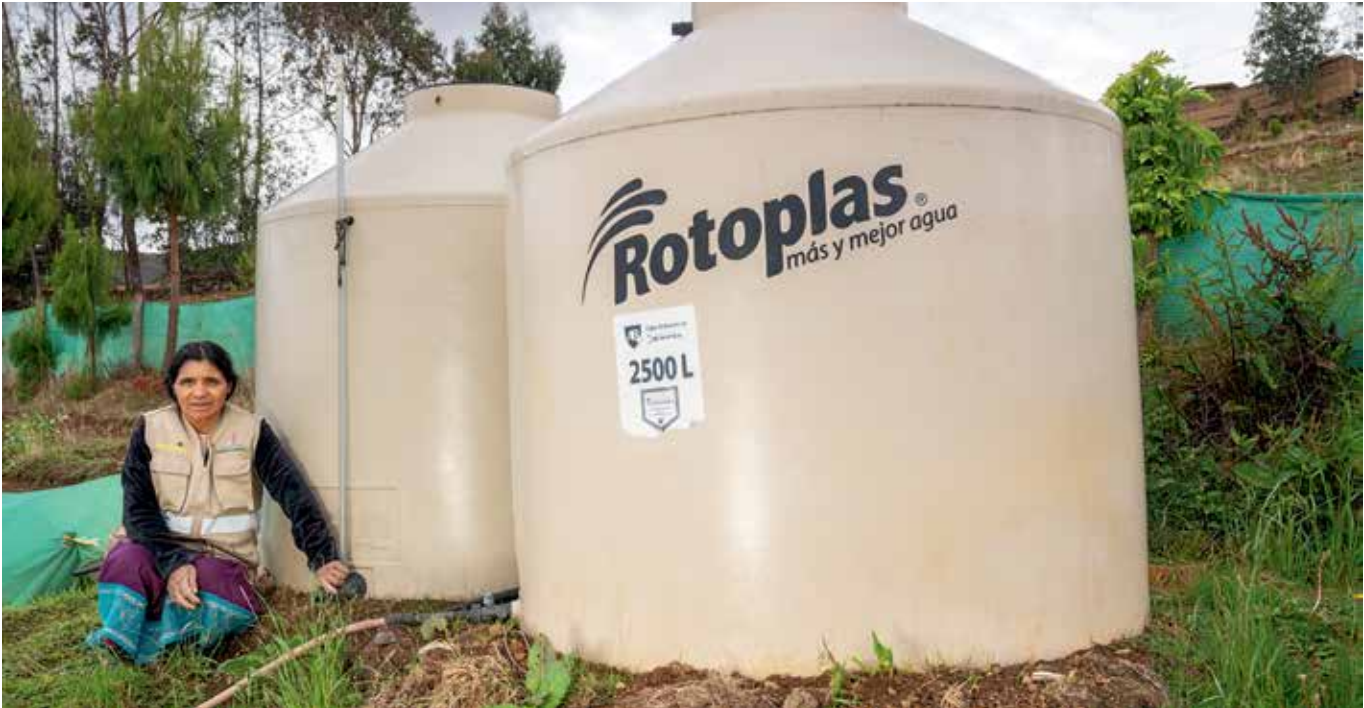


TABLE 117. WATER QUALITY EVALUATION 2024					
N.º	ANNEXES/ WATER SYS- TEMS	BACTERIOLOGIC ANALYSIS RESULT AT HOUSE CON- NECTION	PHYSICAL ANALY- SIS RESULT	CHEMICAL ANALY- SIS RESULT	BACTERIOLOGIC AND PHYSICAL AND CHEMICAL QUALITY
		CONDITION	CONDITION	CONDITION	CONDITION
1	Chuquitambo				
2	Nimpana				
3	Shicún				
4	Vijus				
5	Chagual				
6	Suyubamba Locro Falso				
7	Vista Florida				
8	San Fernando				
9	Campamento				
10	Pataz				
11	Pueblo Nuevo				
12	Los Alisos				
13	Zarumilla				
14	Socorro				
15	Yalen				
16	La Ciénaga				
17	La Colpa				
18	Antapita				
19	Alacoto - Piás				
20	Pamparacra- Piás				
21	Piás				
22	Cenolén-Piás				
	Good	19	22	18	18
	Regular	0	0	0	0
	Bad	3	0	4	4
	TOTAL	22	22	22	22



# SOCIAL AND ENVIRONMENTAL COMMITMENTS

FULFILLING COMMITMENTS STRENGTHENS TRUST AND CONTRIBUTES TO BUILDING HARMONIOUS RELATIONSHIPS. IN 2024 WE MET 100 % OF THE SOCIAL AND ENVIRONMENTAL COMMITMENTS

TABLE 118. WATER QUALITY EVALUATION IN 2024

SOCIAL AND ENVIRONMENTAL COMMITMENTS	NUMBER OF COMMITMENTS	TOTAL COMMITMENTS MET
Mine closure plan updated	8	8
EIA Marañon 800 mtd	30	30
EIA Santa Maria 1000 mtd	16	16
SD EIA Montañitas project	14	14
SD EIA Palca project	26	26
TOTAL	94	94

356,975  
TREES PLANTED IN 2024

7'130,629  
TREES PLANTED IN 5,881 HECTARES FROM MID 80S TO 2024





# HANDLING OF SOCIAL AND ENVIRONMENTAL GRIEVANCES AND COMPLAINTS

We strive to maintain and strengthen our relations with the population; therefore, we have mechanisms in place that allow us to compensate and mitigate social and environmental damage. Procedures have been established for proper and satisfactory resolution of claims and disputes with individuals, organizations, or community authorities in the area of influence.

Timely and immediate resolution of complaints guarantees the sustainability of our operations, prevents express or latent conflicts, and allows for safe operations

Our PHVA methodology is the basis for handling grievances and complaints.

TABLE 119. NUMBER OF COMPLAINTS OR GRIEVANCES FROM LOCAL COMMUNITIES				
COMPLAINTS	2022	2023	2024	
Total number of complaints or grievances	6	2	12	
i. Accepted	4	2	7	
ii. Denied	2	0	5	

TABLE 120. REGISTRY OF GRIEVANCES AND COMPLAINTS

CASES IDENTIFIED	COMMENTS ABOUT THE REASON FOR THE COMPLAINT OR GRIEVANCE	STATUS OF THE COMPLAINT OF GRIEVANCE
Claim for agricultural infrastructure	Replacement of water piping and cable in Mr. Modesto Contreras’s farm.	Claim addressed and closed
Agricultural claim	The necessary corrective actions were implemented to avoid the continuity of non-contact waters in Chuman farm, property of Mrs. Victoria Barrueto. On September 08, 2024, cleaning works were carried out in the crest channel and in the lower part of its discharge. In addition, an auxiliary pipe was installed to facilitate the flow of river water in the crest channel.	
Sanitary infrastructure claim	Support was provided for the repair of the water pipeline, which was damaged by heavy equipment in the urban area of Vijus community.	
Claim for surveillance services	Former contractor, ADELIB proceeded to make the outstanding payments to Mr. Carlos Escobedo Castillo for the guardianship service of Poderosa’s antenna, located in Aragostay community.	
Claim for surveillance services	Former contractor ADELIB proceeded to make the outstanding payments to Mr. Antonio Polo Quepque for the guardianship service of Poderosa’s antenna, located in Aragostay community	
Agricultural claim	Mr. Francisco Tamayo was compensated with S/1,500 for the reconstruction of two irrigation canals on the road and at the head of the orchard. This, to prevent rainwater from draining into the orchard, located in Pampa de Rayos, Chuquitambo community, as a consequence of the Chuquitambo road construction.	

GRAPH 10. PHVA METHODOLOGY



**P - PLAN**  
We identify and channel complaints and grievances.



**H - HEAR**  
We address cases immediately and ensure rapid and effective response.



**V - VERIFY**  
We determine our responsibility through a technical evaluation.



**A - ACT**  
We sign an indemnity agreement in case our liability is determined, guaranteeing transparent and responsible management.

## CHANNELS

Complaints or grievances of the community are received through a letter at the reception desk of the following offices:

- Marañón Production Unit Information Office- Address: Barrio San Antonio S/N Vijus
- Santa María Production Unit Information Office - Address: Santa María S/N Pueblo Nuevo
- Palca Production Unit Information Office – Address: Andres Razuri Farming Community, Suyubamba

According to the history of compensatory damages from 2012 to 2024, 12 cases were reported and addressed in a timely manner, 7 cases were accepted and 5 were denied.

Timely and effective resolution of these complaints not only guarantees the sustainability of our operations, but it also prevents express or latent conflicts and allows for a safe operating environment. All the same, we have implemented a social conflict monitoring and prevention report about our direct areas of influence.



# 70 SOCIAL CONFLICT MONITORING

Permanent dialog with the stakeholders is our most valuable tool to control and monitor social conflicts. We have therefore implemented a monitoring and social conflict prevention report in our direct areas of influence. Prevention is our best ally. This matrix has a warning management process, that allows preventing express conflicts that may affect the operation’s sustainability. Our preventive strategy starts with the reception, information, report analysis, and warning report; it continues with follow-up, conflict resolution and fulfillment of the agreement.

In 2024 we did not have any social conflicts with the communities in Poderosa’s direct area of influence, but we have had 6 attempts to attack power transmission pylons, 5 attacks to high voltage pylones in Chacparrosas, Pueblo Nuevo community, Pataz district, and one attack in San Mateo, Sar-timbamba district.



IN 2024 WE DID NOT HAVE ANY  
SOCIAL CONFLICTS WITH THE  
COMMUNITIES IN PODEROSA'S  
DIRECT AREA OF INFLUENCE

TABLE 121. SOCIAL CONFLICT REPORT 2009 - 2024

TYPE OF CONFLICT	2009	2011	2012	2013	2016	2017	2018	2019	2020	2021	2022	2023	2024	TOTAL
Water and artisanal mining		1												1
Property dispute								1						1
High traffic impact								1						1
Property invasion								2						2
Artisanal mining	1		1	2			1	1						6
Illegal miners / parqueros										4				4
Encroachment					1	1	3	5	1	1	5			17
Heavy vehicle traffic							1							1
Delay in fulfilling an agreement		1												1
Protest against Poderosa for filing a complaint for encroachment by Castillo brothers.										1				1
Intransigence of some residents in the transit with public motorcycles in Poderosa facilities								1						1
Roadblock by criminal gangs												1		1
Attack on Poderosa power pylons by illegal miners in collusion with criminal groups													6	6
TOTAL	1	2	1	2	1	1	5	11	1	6	5	1	6	43

# PURCHASE OF REAL AND SURFACE RIGHTS

The process of acquisition of surface real rights includes the transfer of ownership, transfer of possession, if it is communal land; property easement in case of communal land that cannot be sold as per community agreement.

01

In 2024, we acquired 8 real Surface rights, for a total of 117.28242 hectares.

02

Three properties were purchased: two for Marañon Production Unit and One for Santa Maria Production unit.

03

Poderosa signed 2 easements for the Mining operations: 1 easement agreement for the construction of the canteen in Palca Production Unit, and another one in Marañon Production Unit for the construction of the water reservoir for Calquiche checkpoint.

04

Three rental contracts were signed for the Calquiche checkpoint, water supply for the Calquiche checkpoint and Chagualito checkpoint.



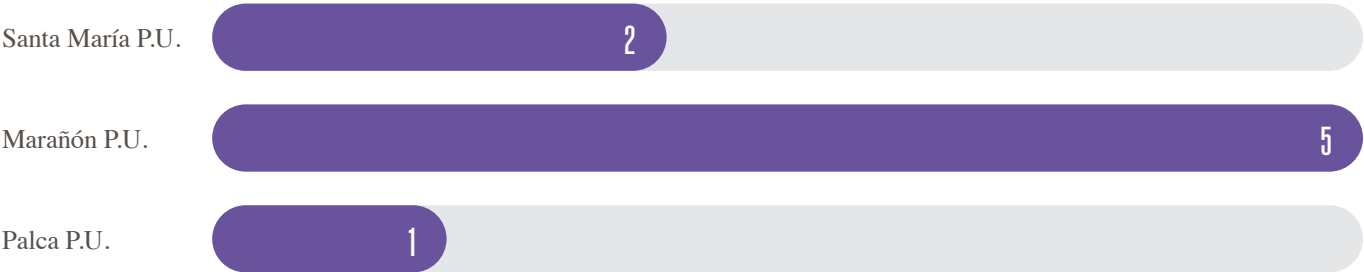
TABLE 122. LAND ACQUISITION

STATUS	2023		2024	
	CLOSED	TOTAL	CLOSED	TOTAL
Purchase	4	4	3	3
Easement	2	2	0	0
Operation easement	14	14	2	2
Rental contract	1	1	3	3
TOTAL	21	21	8	8

CONDITION	2023		2024	
	STATUS	TOTAL	STATUS	TOTAL
Production / exploration unit	Closed		Closed	
Montañitas	1	1	0	0
TOTAL	1	1	0	0

STATUS	2024	
	CLOSED	TOTAL HECTARES
Purchase	3	115.6207
Easement	0	0
Operation easement	2	0.6385
Rental contract	3	1.025
TOTAL		117.2842

GRAPH 11. ACQUISITION PLAN RESULTS IV QUARTER 2024 (CLOSED)





# SOCIAL INVESTMENT IN THE COMMUNITIES

According to the Consolidated Annual Statement (DAC for its acronym in Spanish), submitted to the Ministry of Energy and Mines, in 2024 Poderosa’s social investment in development and capacity building, local economy, education, local employment, environmental management, basic infrastructure, nutrition, promotion of culture and health was S/ 17,325,944.

TABLE 123. SOCIAL CONTRIBUTIONS IN CASH AND IN-KIND		
ITEM (S/)	2023	2024
Total cash contribution:	2'101,262.90	1'348,700
Total in-kind contribution:	2'148,574.10	15'977,244

S/17'325,944  
PODEROSA'S SOCIAL  
INVESTMENT IN DEVELOPMENT  
IN 2024



TABLE 124. INVESTMENT IN SUSTAINABLE DEVELOPMENT (S/)				
INVESTMENT IN SOCIAL DEVELOPMENT	2021	2022	2023	2024
Development and strengthening	2'350,823	1'994,676	3'256,477	3'496,573
Local economy	1'222,619	2'006,681	2'545,733	3'335,154
Education	814,828	2'197,677	2'071,236	2'802,133
Local employment	349,226	325,074	626,147	332,712
Environmental management	852,622	1'113,624	1'413,287	2'883,619
Basic infrastructure	1'146,330	1'965,108	837,962	2'500,888
Nutrition	461,230	462,344	1'221,728	128,876
Promotion of culture	717,952	440,205	394,916	668,018
Health	2'757,011	1'463,563	10'882,351	1'177,973
TOTAL	10'672,641	11'968,952	23'249,837	17'325,944

## CHRISTMAS VOLUNTEER PROGRAM

In 2024 we carried out the Christmas campaign “Poderosa, a Smile for Christmas”. This initiative consisted of donating toys to the CODECOS and local authorities, who were responsible for organizing Christmas shows and distributing presents to children in their corresponding communities.

In this campaign, 10,885 toys were distributed, 5,220 were destined to de Pataz District, while the remaining 5,665 were distributed to Tayabamba, Ongón, Huaylillas, Buldibuyo and Pías Districts.

Also, our employees actively participated in community volunteer activities, distributing the presents and organizing the Christmas shows in the communities related to Poderosa. Around 12 employees took part in this Christmas campaign.

In total we invested S/ 171,056 in our corporate volunteering activity. This investment covered the materials and work hours dedicated by our volunteers. These actions not only benefited the community but also strengthened our company's team spirit and values. The significant financial effort for this campaign highlights our continued commitment to the well-being and happiness of the children during the holiday season in our communities.

# ASOCIACIÓN PATAZ

Within the framework of our social responsibility policy, on December 30, 2004, we founded the Asociación Pataz, a non-profit organization that develops projects and activities in harmony with the natural wealth and the strength and desire to improve of the neighboring populations. It is located in a large and complex territory inhabited by populations with different development levels.

Its intervention strategy allows optimizing the available resources, both own and external. The organization started its activities on August 21, 2006.

One of its fundamental pillars is the cooperation between the public and private sectors through programs, projects, and activities with an innovative component, to promote the development of the low-income population.

Since its creation, Asociación Pataz established five institutional objectives to guide its work as an NGO:

1. We promote Human Development
2. We Promote Economic Development
3. We support the proper use of Natural Resources.
4. We believe in Public-Private Partnerships.
5. We foster Governance.

Although its intervention is mainly focused in the Pataz district, it also extends its activities through specific interventions in some communities in the Pías, Chilia, Huaylillas, Tayabamba and Ongón districts, Pataz province, as well as in some communities in the Cochorco and Chugay districts, in Sánchez Carrión province. Its work is organized through missions, validated by the stakeholders in the territory, to promote closure of social, economic, and environmental gaps.

Innovation is a key element in its evolution and working procedure. Therefore, through its Social Innovation Center, it uses science, technology, innovation and entrepreneurship to improve life quality of the low-income population.



Una iniciativa de **PODEROSA**

For further information about Asociación Pataz, please refer to [www.asociacionpataz.org.pe](http://www.asociacionpataz.org.pe)

## 7 MISSIONS FOR SUSTAINABLE DEVELOPMENT

AS PART OF OUR COMMUNITY  
MANAGEMENT ACTIVITIES,  
WE PROMOTE 7 MISSIONS FOR  
SUSTAINABLE DEVELOPMENT  
TOGETHER WITH THE PATAZ  
DISTRICT:

1. Health, physical and mental well-being.
2. Education Innovation and social mobility.
3. Economic development and wealth generation.
4. Nutrition and food safety.
5. Environmental and ecosystem protection.
6. Communities, culture and sustainability.
7. Institutional





# WORKS FOR TAXES

For Poderosa, the Works for Taxes mechanism (OxI) is a fundamental instrument to foster economic and social development in different regions of the country, for it responds to the quality and opportunity expectations of the authorities and the population. We believe this mechanism represents an important contribution to the well-being of our stakeholders

OxI not only plays an important role in the reduction of the country's infrastructure gap, but also allows for greater coverage of public services, generation of direct and indirect employment and improving our relationship with the community, promoting social responsibility programs to achieve positive and sustainable impact.

These are the main objectives that drive our management:

1. Strengthen Poderosa's image before our neighboring communities through the promotion, management and execution of social projects, both public and private, depending on the needs of the population.
2. Manage public-private investment projects through the Works for Taxes mechanisms, or other types of projects, prioritizing water, electricity, health, security, and education in line with the Sustainable Development Goals (SDG) contributing to closing infrastructure gaps.
3. Generate trust and strategic relations with the officers and local governments, La Libertad regional government, ProInversión, the Ministry of Economy and Finances and other public and private institutions that have direct or indirect participation in the Works for Taxes modality, and its promotion.

4. Share knowledge, lessons learned and experiences in the Works for Taxes modality with different private companies interested in the country's development.

In our management, it is a priority to follow up on our progress actions, for which we have the following metrics and indicators:

- Percentage Return on Investment: 100 %.

## NEW INDICATORS 2025



- Percentage of the community that has a positive perception about Poderosa, regarding social impact project management and execution (the surveys have not been carried out yet).
- Number of workshops, meetings and conferences to share information about Works for Taxes addressed to Poderosa's stakeholders.

- Ongoing promotion and execution of projects in any of their stages (preparation of studies and execution of works): 100 %.

In 2024, we received training and expanded our knowledge regarding public investment, addressed to the direct and indirect relationships areas. We promoted the sustainability of the projects executed and completed under the Works for Taxes mechanism. We also present a successful case: The Tayabamba district Water and Sanitation Project in the city of Trujillo, in an event held in the La Libertad Engineers Association. We also promoted the Works for Taxes mechanism in the different companies of La Libertad, through the Chamber of Commerce and Works for Taxes Alliance, and we shared experiences and lessons learned in the execution of the Works for Taxes with other companies involved in the mechanisms.

## MILESTONES IN OUR 2024 MANAGEMENT:

- Delivery of the Water and Sanitation Project in May in five locations in La Victoria Farming Community, in the Pataz

district, for the benefit of over 700 families. Investment reached approximately S/19,5 million.

- Execution of an Investment Agreement with La Libertad Regional Government for the execution of the project called Construction of the Lavasen Bridge, in Department Road LI-124 in Condormarca and Pataz districts, Libertad Region, with a total investment of S/ 24.5 million. Likewise, with the purpose of promoting and boosting projects with high social impact, the private initiative of the Project for the Creation of the Pataz Police Station was presented. This project will benefit over 20,000 inhabitants.
- During 2024, the pre-investment studies for three (03) public investment projects were completed: 1) the first study corresponds to School 80225 in San Alfonso Village, Sarimbamba district, which was declared viable in May 2024. The total project investment adds up to over S/ 9 million ; 2) in October 2024 the project for the Mushit Village School in Chugay district was declared viable with a total investment of over S/ 6 million; and, finally, in December 2024, the Pre-investment studies for the improvement of water and sewerage services was submitted to the Pataz District Municipality, for its evaluation with a total investment of S/ 12 million.





# 710

## 710 FORMALIZATION OF ARTISANAL MINERS

[GRI 3-3]

Formalized artisanal miners and those in our direct area of influence are a priority for us. They supply us with extracted ore to be processed. Our commitment focuses on preventing and mitigating adverse impacts on people, human rights and the environment that may arise due to increasing informality in the mining industry.

Our goal is to promote safe and responsible mining practices. We are committed to support artisanal miners, and in this way, we help to develop their activities with respect for the environment and for human rights.

Every year we assist artisanal miners with their formalization process with the REINFO registry, and we succeeded in obtaining the resolution enabling them to begin their activities. We then focus on promoting safe and environmentally friendly operations, as well as showing transparency in analyzing, processing and treating the ore delivered, and helping them to become stewards of their progress and that of their community.

At the end of 2024, we signed exploration and exploitation contracts with 282 artisanal miners, of whom 59 are currently formal operators while 223 continue in the formalization process. Of the latter, 107 have prepared their environmental management instruments to be submitted before the relevant

authorities, while the other 58 miners have independently prepared their corresponding environmental instruments. We also have a total of 68 artisanal miners working under the provisions of Supreme Decree N° 001-2020-MINEM, which amended regulations to Article 18 of the Small-Scale and Artisanal Mining Formalization and Promotion Act, approved by Supreme Decree N° 0132002-EM.

It is worth mentioning that all 294 artisanal miners hold due diligence certificates and are certified “eligible”. This certification comes up for renewal every two years with the company HODELPE and, as an additional check, every company name is reviewed annually.

### CAPACITY BUILDING

We have a team of professionals dedicated to working with artisanal miners who have signed exploration and exploitation contracts with Poderosa and who have completed their due diligence processes successfully. This allows us to work with greater seamlessness with them. All the same, we consider that it is fundamental to transfer knowledge on occupational health and safety. The importance of achieving their formalization motivates us to follow them up in every stage of the process.





CHAPTER



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code to view the  
full financial  
management  
report



FINANCIAL  
MANAGEMENT



[EITI Expectation 5]

01

# FINANCIAL STATEMENT

COMPAÑÍA MINERA PODEROSA S.A.

TABLE 125. FINANCIAL STATEMENT AS OF DECEMBER 31ST, 2024 AND 2023

IN THOUSAND SOLES	NOTE	2024	2023
Assets			
Current assets			
Cash and cash equivalent	6	147,809	277,363
Accounts receivable - commercial	7	19,293	14,628
Other accounts receivable	8	104,314	87,810
Stock	9	97,619	68,270
Expenditures paid in advance	10	13,615	16,458
Total current assets		382,650	464,529
Non-current assets			
Other accounts receivable	8	5,755	5,668
Investments in subsidiaries or associates	11	25,460	25,460
Expenditures paid in advance	10	12,011	12,011
Property, plant and equipment	12	1,106,796	1'035,860
Assets per right of use	13	17,749	21,778
Intangible assets	14	992,370	762,189
Total non-current assets		2,160,141	1,862,966
Total equity		2'542,791	2'327,495

IN THOUSAND SOLES	NOTE	2024	2023
Liabilities			
Current liabilities			
Accounts payable - commercial	15	221,961	210,432
Other accounts payable	16	89,451	67,911
Total financial liabilities	17	100,100	98,735
Liabilities due to leasing	13	1,904	4,480
Employee benefits	18	51,276	41,236
Provisions	19	2,470	1,765
Current portion of the provision for environmental remediation	20	3,392	2,923
Total current liabilities		470,554	427,482
Non- current liabilities			
Other accounts payable	16	209	241
Other financial liabilities	17	22,620	51,982
Liabilities due to leasing	13	7,441	8,761
Provision for environmental remediation	20	62,684	128,506
Liabilities for deferred taxes	22	95,761	64,913
Total non-current liabilities		188,715	254,403
Total liabilities		659,269	681,885
Equity			
Capital Issued	23	800,000	600,000
Other capital reserves	24	160,000	120,000
Accrued results	25	923,522	925,610
Total equity		1'883,522	1'645,610
Total liabilities and equity		2'542,791	2'327,495



# INCOME STATEMENT

COMPAÑÍA MINERA PODEROSA S.A.

TABLE 126. SEPARATE PROFIT AND LOSS STATEMENT AND OTHER COMPREHENSIVE PROFIT (LOSS) FOR THE YEARS ENDING ON DECEMBER 31ST, 2024, AND 2023

IN THOUSAND SOLES	NOTE	2024	2023
Income from ordinary activities	28	2'624,541	1'992,610
Cost of sales	29	(1'708,130)	(1'324,474)
Gross profit		916,411	668,136
Operating Income (expenses)			
Selling expenses	30	(76,754)	(53,764)
Administrative expenses	31	(200,960)	(171,810)
Other income (expense)	35	21,860	24,406
Other expenses	35	(8,704)	(10,612)
Income from operating activities		651,853	456,356
Financial (expense) income			
Financial income	33	6,774	10,004
Finance costs	33	(45,309)	(22,136)
Net finance costs		(38,535)	(12,132)
Income before taxes		613,318	444,224
Income tax expense	27	(198,190)	(148,560)
Profit (loss) for the period		415,128	295,664
Other comprehensive profit		-	-
Total comprehensive profit		415,128	295,664
Basic earnings per common share (in soles)	34	0.519	0.493



CHAPTER

19

ANNEXES



# Annex 1

## DIRECTORS' PROFESSIONAL BACKGROUND

### EVANGELINA ARIAS VARGAS DE SOLOGUREN

Compañía Minera Poderosa S.A. Chairperson of the Board of Directors. She graduated as an Architect from Universidad Nacional de Ingeniería (UNI).

Currently she is also Executive Chair of the Board of Directors of Asociación Pataz, Director of Compañía Minera San Ignacio de Morococha (SIMSA), Director and Member of Sociedad Nacional de Minería, Petróleo y Energía (Peruvian National Mining, Oil and Energy Association– SNMPE) consulting committee, deputy vice president and member of the Board of Directors of Patronato de la UNI (ProUNI), member of the Peruvian Canadian Chamber of Commerce (PCCC) Mining Committee, Member of the Steering Council of Asociación para el Progreso de la Dirección (APD), member of Consejo Empresario Asesor de la Fundación Internacional para La Libertad (Advisory Business Council of the International Foundation for La Libertad (FIL), Member of Mining Management Engineering Career Advisory Board at Universidad Peruana de Ciencias Aplicadas (UPC), Member of the PAD – CARD Mining Consulting Committee Universidad de Piura Management School, Member of the Comité Consultivo del Comité Regional de Empresa, Estado, Academia y Sociedad Civil Organizada (CREEAS), founding Member of Empresarios por la Integridad (ExI), honorary member of the Peruvian Engineers Association (SIP), honorary member of Women in Mining (WIM), member of Women Corporate Directors (WCD), member of the advisory committee and honorary member of the Asociación de Mujeres Empresarias del Perú (Peruvian Businesswomen Association - AMEP), among others.

She was a Director of the Peruvian Mining Engineer Institute (IIMP), (2018 - 2020), Chairperson of the Inter American Mining Society (Sociedad Interamericana de Minería

- SIM) (2014-2016), President of the SNMPE (2013-2015), Director of Peruvian National Confederation of Private Business Institutions - CONFIEP (2013-2015, and 2015-2017), member of Consejo Empresarial de América Latina - CEAL (2013-2017), among others.

She was awarded the Doctor Honoris Causa title by UNI (2014), and the School of Architecture of this university granted her the Habich Torch (2013). El Comercio newspaper and EY recognized her as Entrepreneurial Leader for Change in 2016 (LEC); Consejo Empresarial Alianza por Iberoamérica (CEAPI) awarded her the Woman, Company, and Leadership in Ibero America, (2019); Asociación de Mujeres Empresarias del Perú (AMEP) awarded her the Prize “Inspiring Women: Drivers of Change 2019”; Women in Mining UK included her in the WIM100, list of 100 inspiring women in global mining (2020); CONFIEP, acknowledged her in the Large Company Category in the International Woman’s Day (March 2021); among others.

Mrs. Evangelina Arias Vargas de Sologuren is a shareholder with representative stock in the company.

### JOSÉ ENRIQUE JUAN PICASSO SALINAS

Official director since November 2006 and Vice Chairperson of the Board of Directors since April 2009. Businessman with an outstanding track record in various sectors. Currently, he is the Chairman of the Board of Directors of Reactivos Nacionales S.A., Vice-president of the Board of Directors of Compañía Minera Poderosa S.A. and Member of the Executive Committee, Vice-president of the Board of Directors of Cosco Shipping Ports Chancay. He is also a Director of Volcán Compañía Minera S.A.A., Compañía Minera Chungar S.A.C., Bodegas Vista Alegre S.A.,

Cementos Polpaico S.A. - Chile, Inversiones Portuarias Chancay S.A.A. (IPCH) and a Director of the the Peruvian National Mining, Oil and Energy Association - (SNMPE). He is also an Alternate Director at Compañía Minera San Ignacio de Morococha S.A. (SIMSA) and a member of the Chile-Peru Business Council (CEChP). Previously, he held positions such as Vice-President of the Board of Directors of Embotelladora Latinoamericana S.A.A. (Coca-Cola) and was a director for several companies, such as Compañía Minera Atacocha S.A.A., Castrovirreyna Compañía Minera S.A., EXSA S.A., Compañía Molinera del Perú S.A., Compañía de Seguros La Fénix S.A., Lima Stock Exchange, and Acción Comunitaria - ACP. (January 2025).

### VICTORIA ISABEL ARIAS VARGAS

Official director since 2009. She was also an official director between 1991 and 1995, and alternate director between 2004 and 2009. She holds a licentiate degree in Business Administration by Universidad de Lima, and an MBA by the European Institute of Business Administration (Insead), Fontainebleau, France. She has been Commercial Manager and Director of Industrias Alimentarias S.A (Indalsa) and Deputy General Manager of Compañía Minera San Ignacio de Morococha S.A, General Manager of Servicios Pachachaca S.A. and Cleighdan Trading Inc., and Director of Sociedad Minera Gran Bretaña, and Asinde. Member of the Peruvian National Mining, Oil and Energy Association Advisory Board, Expomina 2018. She was director of the Canada Peru Chamber of Commerce Board of Directors. Currently she is an official Director of Compañía Minera Poderosa S.A., Chairperson of the board of directors of Compañía Minera San Ignacio de Morococha S.A.A., official director of Compañía Minera Galaxia Dorada de Pataz SA, Director of Compañía Minera San Valentin S.A., Director of the Club de la Banca y Comercio and Honorary Member of Women CEO Peru. Member of the OMA, Amautas Mineros, Agromin, Expomina Peru, Premios ProActivo, Consulting Council. Vice-President of the Cedro Board of Directors and member of Women Corporate Directors (WCD). Mrs. Victoria Isabel Arias Vargas is a shareholder with representative stock in the company.

### ANA CAROLINA ARIAS VARGAS

Official director since March 2004, she was also an official director from 1997 to April 2001. She graduated as an economist from Universidad de Lima, and holds a Master’s degree on Shipping, Trade and Finance by The City University of

London; she pursued the Directors Program “PAD” at Universidad de Piura. Between 1982 and 1999 she was an advisor to the trade management area of Compañía Minera San Ignacio de Morococha S.A. In 2001 she became director of the Peruvian National Mining, Oil and Energy Association. From 2001 to 2006 she was vice-chair of the Board of Directors of Compañía Minera San Ignacio de Morococha S.A.

### JORGE ALFREDO GUILLERMO PICASSO SALINAS

Official director since 2009. He is a lawyer by the Universidad Católica school of law, and a businessman. He is currently a director of several companies such as Inversiones en Turismo S.A. and Vivir Seguros SA. He has been the President of the Peruvian Bank Association and of the Peruvian National Confederation of Private Business Institutions (CONFIEP).

### JOSÉ NICOLÁS DE BERNARDIS CUGLIEVAN

Official director since March 1998. He was Chief Executive Officer of Poderosa from 2005 to 2007. Industrial Engineer graduated from Universidad Nacional de Ingeniería with a master’s degree by ESAN and MBA by Texas University and completed the Harvard Management Development Program (MDP). He has been a director of several companies, with broad experience in executive and managerial positions in important companies, such as Cervecería Backus & Johnston, Compañía Nacional de Cerveza S.A., Quimpac S.A., Volcán Compañía Minera S.A.A., Compañía Minera Atacocha S.A.A., Compañía Minera San Ignacio de Morococha S.A.A.

### WALTER EDUARDO SOLOGUREN JORDAN

Official director since 2009. He was also an official director between 1987 and 1997 and an alternate director from 2004 to 2008. He studied geology at Universidad Nacional de Ingeniería and holds a master’s degree in business administration by ESAN. He has worked as a geologist consultant, and, as such, in 1977, he visited the province of Pataz to explore prospects for the Arias family, among other activities. In 1978, when he was Exploration Manager of Agessa, he took part in the construction of the Poderosa Project. In 1984, he assumed the position of Operations Manager of Poderosa and in 1987, he became General Manager. During his office, he was responsible for the growth from 120 to 650 tons per day; of the project for the second plant of 200 t/d and decided on the issuance of corporate bonds. He has also been General Manager of other companies of the Arias family as

well as of Barrick Misquichilca S.A., where he oversaw the design and commissioning of the Pierina mine and became Manager of Corporate Affairs. Later, he was appointed Executive Director of Compañía Aurífera Real Aventura S.A.C. His work within this industry includes chairing the Peruvian National Association of Mining, Oil and Energy (SNMPE) and has been President and founder of the Gold Committee and the Environmental Affairs Committee. He has been a professor at Universidad Nacional de Ingeniería and Pontificia Universidad Católica del Perú. In 2000, he was elected Businessman of the Millennium by Universidad Nacional de Ingeniería. Currently, he is a director of Corporación Minera Ccoriorcco SAC. He is also a member of the External Consultative Committee at the School of Engineering, Mining Section at Pontificia Universidad Católica del Perú. He is a member of the Consulting Committee at the SNMPE. Mr. Walter Sologuren is married to Executive Chairperson Evangelina Arias Vargas de Sologuren.

ADOLFO DARÍO ARIAS DÍAZ

Official director since December 2015. He was also an alternate director from 1999 to 2015. He studied at Fairleigh Dickinson University, Teaneck New Jersey, U.S.A. where he received a bachelor’s degree of science in Electrical Engineering and a Master of Administrative Science degree. He currently acts as General Manager of Cultivos Organicos S.A.C.

JOSÉ NÉSTOR MARÚN SALES

Official director since 2017. He is a mining engineer, graduated from Universidad Nacional de San Juan, Argentina, with more than 39 years of experience in copper and gold mining operations. He has pursued specialization courses in international business at the London Business School Global Business Consortium. He worked as Operations Manager at Ernest Henry Mine, in Australia, from 2001 to 2004, he was also operations manager at Minera Alumbrera in Argentina from 2005 to 2006. He was General Manager at Xstrata Tintaya, Executive Vice President of Operations for South America at Xstrata Copper, for Peru, Chile and Argentina, and he was responsible for the operations at Tintaya, Antapaccay, Las Bambas, in Peru; Minera Alumbrera, in Argentina, and Lomas Bayas, in Chile, between 2007 and 2013 and was also a member of the Antamina partners advisory committee. He was Executive General Manager of Operations for Argentina and Chile at Glencore (2013-2015). From 2015 until June 2018, he was General Manager and CEO of Komatsu Mitsui

MaQuininerías de Perú S.A., and later, member of the Board of Directors until the end of 2023. Since 2019 he is an official director of San Ignacio de Morococha S.A., Peru; and member of the board of Directors of Saxum Engineering, Argentina. Since 2023 he is a director at Ascot Gold Ltd, Canadá. Mr. Marun is and independent director.

VÍCTOR AUGUSTO CAYETANO OSTOLAZA FERNÁNDEZ PRADA

Official Director since 2000. He was also Alternate Director between 1999 and 2000. He studied at School of Law and Political Science of Universidad de Lima, where he graduated as a Lawyer. He works in Estudio Rosello Law Firm and is responsible for the corporate and financial legal area of the Law Firm. He has broad experience in tax regulation and corporate structure, including tax, corporate, commercial, civil areas as well as contract drafting. He is specialized in company restructuring. He is a director in several companies such as Compañía Minera San Ignacio de Morococha SAA. He is the legal advisor to the company.

RUSSELL MARCELO SANTILLANA SALAS

Official Director since March 2024. He graduated in 1973 as a mining engineer from Universidad Nacional de Ingeniería. He has worked for 38 years with Poderosa, which he joined as Operations Deputy Manager. In 1986 he was promoted to Operations Manager and in December 2001 he was appointed General Manager. He has pursued post graduate courses at ESAN and Universidad de Lima. He was a part time professor at Universidad Nacional de Ingeniería; and has been a speaker in several specialized mining congresses.

He was a member of the Peruvian Association of Engineers, Mining Chapter Governing Board. He is currently a director of the Instituto de Seguridad Minera (Mining Safety and Security Institute - ISEM). He is also a member of the Peruvian National Mining, Oil and Energy Association Governing Board and member of Mining Sector Committee. In 2018, KPMG and ESAN recognized him as the Most Profitable CEO in 2018 in the Mining Sector. In 2019 he was recognized by Semana Económica as the most profitable CEO in Peru and the most profitable CEO in the mining industry, for second consecutive year. In 2021 he was appointed as member of the Mining Technology and Innovation Congress, promoted by the Society for Innovation in Mining Perú SAC. All the same, in 2021 and 2022, he participated as a mentor

in the XII and XIII Mentoring Program of the Peruvian Mining Engineer Institute -IIMP

In March 2024 he was appointed Director of Compañía Minera Poderosa and, in July 2024, he was appointed Director of Compañía Minera San Ignacio de Morococha S.A.A. (SIMSA).

JUAN ANTONIO PROAÑO ARIAS

Alternate director since 2009. He was an official director between 2001 and 2003, and an alternate director from 2004 to 2007. Mr. Proaño studied Mining Engineering at Universidad Nacional de Ingeniería; Economic Geology at Stanford University, California, USA; and completed the High Management Program at Universidad de Piura. He was Director of Cerro Grande Mining Corporation, a company with mining operations in Chile. He was vice-president of Compañía Minera El Indio and Compañía Minera San José, both in Chile, as well as of Compañía Minera San Ignacio de Morococha S.A.A. He was General Manager of Sociedad Minera El Brocal S.A.A.; International Officer at the Interamerican Development Bank; Chief Engineer of Corporación Interamericana de Inversiones, both based in Washington, D.C. U.S.A.; geologist at Cerro de Pasco Corporation, International Officer for Rio Doce Geologia e Mineração, subsidiary of Companhia Vale do Rio Doce, in Brazil, and St. Joe Minerals Corporation, in New York, USA. He was Chair of the Peruvian Geology Association, director and chair of the Peruvian Mining Producers Committee; Founder Director of the Mining Security Institute; Director of the Peruvian Mining Engineer Institute, among other. Mr. Juan Proaño is an independent alternate director.

JUAN ANTONIO ASSERETO DUHARTE

Official Director from 2001 until March 2024 and Alternate Director since March 2024. Geologist engineer from Universidad Nacional Mayor de San Marcos, pursued studies in the Top Management Program – PAD at Universidad de Piura and the CEOs Program at Kellogg, Northwestern University. He is currently an alternate member of the board of directors of Compañía Minera San Ignacio de Morococha S.A., and Vice President of the board of directors of Asociación Pataz. He is Director-Treasurer of the Silver Board of Peru and chair of the Organizing Committee of the following events: a) National Silver Contest, 27 editions carried out since 1997 (the 2020th edition was held virtually); b) Hispanic Ameri-

can Silver producer meeting, in its eight versions held since 2001. In 2016 he was a member of the board of directors of Petroperú SA. He was formerly Executive Director of Comisión de Promoción de la Inversión Privada (Private Investment Promotion Commission– COPRI), Chairman of the Board of Directors and of the Special Privatization Committee (CEPRI) of Centromin Perú, S.A., General Manager and then Chairperson of the Board of Directors and member of the Special Privatization Committee (CEPRI), of Tintaya SA, Chairperson of the Board of Directors of Perupetro S.A., Director of Refinería La Pampilla, Director of Empresa Eléctrica de Piura S.A. and Compañía Minera Iscaycruz. In 1997 he received the Engineer of the Year award from the Sociedad de Ingenieros del Perú (Peruvian Engineers’ Association).

FERNANDO CANTUARIAS ALFARO

Alternate director since 2009. He was also an official director between 1980 and 1995, and alternate director from 2004 to 2007. He was a founding partner and is senior partner of the Cantuarias, Garrido Lecca y Mulanovich Abogados SCRL law firm, which later merged with the Rossello Abogados Law Firm. He is currently a consulting partner of the law firm. He studied at Pontificia Universidad Católica del Perú and graduated as a lawyer at Universidad Nacional Mayor de San Marcos. He has worked mainly in the private sector as an expert in commercial law, in contract and tax aspects of the mining and industrial sectors, as well as in bids and public tenders. He has an outstanding international activity, working as an advisor to domestic and foreign clients on contractual aspects and is an advisor to government entities on bids and tenders. He is a consultant for different business groups and a member of the board of directors of most of the companies he advises. On several occasions he has been invited to be an arbitrator in some of the most important arbitration courts in Lima. From 2006 to 2007 he was the chief of the advisory board to the Minister of Housing and Construction and in 2008 he worked as the chief of the advisory board to the Ministry of Public Health. Between 2011 and 2014 he worked as deputy chief and chief advisor to the Ministry of Foreign Trade and Tourism. Currently, Mr. Cantuarias works as legal advisor for Estudio Rosello Law Firm.

EDUARDO JOSÉ FERRERO COSTA

Alternate director for Compañía Minera Poderosa since 2007. He is a lawyer and doctor in law by Pontificia Uni-



versidad Catolica del Peru. He is the chair of the Peruvian chapter of the Paris International Chamber of Commerce, and member of the Hague Permanent Arbitration Court. He has been senior partner at Estudio Echecopar, engaged in international affairs, international arbitration, and corporate matters and he is part of the board of directors of several companies and non-government institutions. He has been Minister of Foreign Affairs of Peru and ambassador of Peru to the United Governments of America and the Organization of American Governments (AOS). He was responsible for the negotiations of Peru with Ecuador about territorial delimitation before the International Court of Justice and represented Peru in the proceedings against Chile on the maritime delimitation before the International Court of Justice. He has also been Peru's representative at the United Nations Conference on the Law of the Sea and in the negotiations of the Free Trade Agreement with the United States. He has served three terms as an expert on the United Nations Committee against Racial Discrimination (CERD). He has been General Director of Legal Counsel of the Ministry of Industry, Commerce and Integration, legal consultant and member of the Advisory Committee of the Ministry of Foreign Affairs, member of the Advisory Committee of the Foreign Affairs Committee of the Congress of the Republic and President of the International Court of Arbitration of AMCHAM PERU, among other positions. In the academic field, he has been a senior lecturer at Pontifica Universidad Católica del Perú School of Law, Dean of the School of Law at Universidad del Pacífico and Executive President of the Centro Peruano de Estudios Internacionales (CEPEI). He has published and / or edited 20 books and several academic articles in Peru and abroad on Industrial Law, International Law, Law of the Sea, arbitration and foreign policy

**RICARDO ELEAZAR REVOREDO LUNA**

He is a business consultant and holds a licentiate degree in Business Administration by Universidad Nacional Federico Villarreal in Lima, Peru, with post graduate studies at the Brazilian Institute of Capital Markets (Ibmec), RJ Brazil and specialization studies in finance at ESAN, Lima. He has been Vice Chairman of the board of directors at the Lima Stock Exchange and at Cavalli ICLV. He is currently a director of the Bolsa SAA group and Vice-president of the Lima Stock Exchange, director of Proyectos Médicos S.A., alternate director of Compañía Minera San Ignacio de Morococha S.A.A., he was a director of Volcan Compañía Minera S.A.A. and Compañía Minera Chungar S.A.C. until September 2023 and is a

member of the Universidad San Ignacio de Loyola (USIL) Corporate Management and Finance advisory council.

**RAFAEL BERNARDO LUIS PICASSO SALINAS**

Alternate director since April 2009. He graduated as a Lawyer from Pontificia Universidad Catolica del Peru in 1986 and received his title in 1987. Chair of the board of directors of Inversiones en Turismo S.A., director of Reactivos Nacionales S.A. (RENASA), director of Granja Azul S.A., chair of the board of directors of AFP Habitat, director of Secrex Compañía de Seguros de Credito y Garantía (CESCE).

**CAROLINA MARÍA CASTRO QUIRÓS**

Alternate director since 2012. She studied at Universidad de Lima School of Law and Political Sciences where she graduated as a lawyer. She holds a Master’s degree in Bsui-ness Law by Aden University and a specialization in Legal Tech and Innovation by The George Washington University School of Business. She is a partner at Estudio Rosello Law Firm in the Corporate and Finance Law area. She is an alternate director of Compañía Minera San Ignacio de Morococha SAA. She has broad experience in business and financial structure, including corporate, trade and civil law areas. She is an alternate director at Compañía Minera San Ignacio de Morococha SAA. She has broad experience in corporate and financial structuring, including corporate, commercial and civil areas.

**CARLOS FERNANDO ARANDA ARCE**

Alternate director since 2017. He holds a master’s degree in Biologic Sciences, and graduated from Universidad de Puerto Rico, Recinto de Rio Piedras. He was the Technical Services Manager at Southern Peru Copper Corporation, Peru branch until July 2022. Official Director of Asociacion Pataz since 2022. Official director of Compañía Minera San Ignacio de Morococha S.A.A. (SIMSAA) since 2023. He was a member of the Extractive Industries Transparency Initiative (EITI) International Board of Directors and official mining company representative before the EITI Peru Permanent Multisector National Committee. He was chairman and director of the Instituto de Estudios Energetico Mineros (IDEM). SNMPE advisor of the Peruvian Delegation before the International Maritime Organization (IMO). He is a member of the Consejo de Cooperacion con la Direccion Ejecutiva de Turismo de la Policia Nacional del Peru (Cooperation Council with the National Police Tourism Executive Board). He was director of the SNMPE between 1998

and 2001. Between 1995 and 2016 he chaired the SNMPE Environment Issues Committee. In 2008 he was invited to be part of the working team that drafted the Law to create the Ministry of the Environment and was later member of the Advisory Board of this Ministry until 2012. He was a member of the Board of Directors of Fondo de Promocion de las Areas Naturales Protegidas del Peru (Peruvian Natural Protected Areas Trust -PROFONANPE) between 2009 and 2013 representing CONFIEP. Between 2009 and 2011, he was Chair of the AmCham Sustainable Development Committee. Mr. Aranda is an independent director.

**CHRISTIAN D. EIDSON AUBRY**

Alternate Director. Economist. He olds a bachelor’s degree from Universidad Católica del Perú, with postgraduate studies in economics, MA by Manchester University, England, and Programa de Alta Dirección (PAD) by Universidad de Piura. He is a consultant for management, finance, and investment companies. He is currently Alternate Director of Compañía Minera Poderosa S.A. and Director of Agrícola Cayaltí S.A.A. Previously, he worked at the Central Reserve Bank of Peru, Department of Economic Studies, in monetary policy and international trade. Then at Banco Wiese, as Finance Manager; and at Sogewiese Leasing S.A., founder and member of the Executive Committee. Subsequently at Banco Popular del Perú, as Finance and Investment Manager and at the Lima Stock Exchange, as director and Chairman of the Board of Directors. After that, we worked at Richard O. Custer S.A., as Chief Financial Officer and General Manager. He has been a director of EXSA S.A. and has been an independent profes-

sional in refinancing and financial restructuring of several companies, such as Cia. Minera Atacocha SA, Pesquera Austral, among others. Mr. Eidson is an Independent Director.

**LUIS CARLOS MARCHESE MONTENEGRO**

Alternate Director since April 2024. Mr. Luis Marchese has over 30 years of experience in the mining sector. Having spent most of his career at Anglo American, where he held various positions, including General Manager of the Quellaveco and Michiquillay Projects and Country Manager Peru. Mr. Marchese's operational experience includes service at Anglo American's Mantoverde and Mantos Blancos copper mines in Chile, as well as Hudbay Mining & Smelting in Canada. Most recently, he was CEO and Director of Canadian mining company Sierra Metals. He currently works as an independent practitioner and teaches at PUCP and Universidad del Pacífico. He previously held the positions of Director of Compañía Minera San Ignacio de Morococha S.A. and Alternate Director of Compañía Minera Poderosa S.A. He has served as President of the Mining, Petroleum and Energy Society of Peru (SNMPE) and Director of CONFIEP, among other positions in mining related associations. Mr. Marchese is a mining engineer by Pontificia Universidad Católica in Perú and holds a master’s degree in Mineral Economics by Pennsylvania Government University. He has completed an Advanced Management Program at GIBS - University of Pretoria and an Advanced Social Management Program taught jointly by the University of Cambridge and the University of Queensland. Mr. Marchese is an independent director.





# Annex 2

## OFFICERS PROFESSIONAL BACKGROUND

### RUSSELL MARCELO SANTILLANA SALAS

#### General Manager. Mining Engineer

He graduated in 1973 from Universidad Nacional de Ingeniería (UNI). He has 52 years of experience in several mining companies. He has worked for 38 years with Compañía Minera Poderosa S.A., where he started as Operations Deputy Manager. In 1986 he was promoted to Operations Manager and in December 2001 he was appointed General Manager. He has pursued post graduate courses at ESAN and Universidad de Lima. He was a professor at Universidad Nacional de Ingeniería; and has been a speaker in several specialized mining congresses. He was a member of the Peruvian Association of Engineers, Mining Chapter Governing Board. He is currently a director of the Instituto de Seguridad Minera (Mining Safety and Security Institute - ISEM), member of the Peruvian National Mining, Oil and Energy Association Governing Board and member of Mining Sector Committee. KPMG and ESAN recognized him as the Most Profitable CEO in the Mining Sector in 2018. In 2019 he was recognized by SEMANA ECONOMICA as THE MOST PROFITABLE CEO IN PERU and THE MOST PROFITABLE CEO IN THE MINING INDUSTRY, for second consecutive year. In 2021 he was appointed as member of the Mining Technology and Innovation Congress, promoted by the Society for Innovation in Mining Perú SAC. All the same, in 2021 and 2022, he participated as a mentor in the XII and XIII Mentoring Programs of the Peruvian Mining Engineer Institute -IIMP. He was appointed Official Director of Compañía Minera Poderosa S.A. in March 2024. In July 2024 he was appointed Director of Compañía Minera San Ignacio de Morococha S. A. A. (SIMSA).

### DANIEL TORRES ESPINOZA

#### Operations Manager

He has been holding this position since January 2, 2017.

Mining engineer graduated from Universidad Nacional de Ingeniería, ranking first in his class. He then pursued a Quick MBA at Gerens. He has taken part in several specialization programs at Universidad del Pacifico, Yale University (SEL), Wharton- Pennsylvania University (CBS), Booth School of Business - Chicago University (LASEP), IE University Business School Madrid - Spain (LITE), Kellogg School of Management-Northwestern University (CMP) and AOTS (Japan). He has 33 years of experience in underground, gold, tin, and polymetallic mining. Between 2014 and 2017 he worked as Operations Manager for Minsur S.A. Unidad San Rafael (Breca Grupo Empresarial Mining Division). Between 2011 and 2014 he was Operations Manager at Andaychagua, San Cristobal and Operations Manager for Unidad Yauli (interim) from Volcan Compañía Minera. Before that, from 2004 to 2011, he worked as Mining Superintendent and Planning Superintendent for Compañía Minera Huaron owned by Pan American Silver Peru S.A.C. Before 2000, he was Mine Project and Planning Head at Empresa Minera Yauliyacu (now, Quenuales) property of Glencore, and in Empresa Minera del Centro del Perú S.A.- Centromin Peru as Area Chief, Section Chief, and Guard Chief. It must be mentioned that engineer Torres started his career as Mine Planning Assistant in Compañía Minera Poderosa. He has also been guest speaker at the XX Peruvian Mining Engineers Convention held in Arequipa.

### WALTER DÍAZ MEYZAN

#### Integrated Management and Social Responsibility System Manager

He has held this position since 2018, and is responsible for the Occupational Health and Safety, Environment, Quality, Community Relations and Risks and Compliance areas. He graduated as an industrial engineer in 1993 from Universidad de Lima. He pursued postgraduate studies and holds an





MBA by Universidad del Pacifico and an Executive Master’s degree in Comprehensive Quality Management, Environment and Labor Risk Management by Escuela de Negocios de Madrid (EOI). He is certified as Lean Six Sigma Black Belt. Ex participant of AOTS (Japan), in 2018 and 2019, with specialization in energy savings, 5S and innovation. He has taken part in different specialization programs in Chicago University and Colorado School of Mines. He is an expert in anti-bribery management systems in LMS CERT Latam. From 2005 to 2010 he worked for Glencore – Xstrata as Deputy Operations Manager, in Perubar (2005–2007), and was Quality, Safety and Security and Environmental Comprehensive Management System Corporate Coordinator (2007–2010). Between 2010 and 2017 he was Quality Management Manager (Safety and Security and Environment) at Corporacion Aceros Arequipa. He is currently director of AOTS – Peru for the period 2022-2024.

**JOSÉ ANTONIO ELEJALDE NOYA**  
**Management, Finances and Trade Manager**

Economist graduated from Universidad de Lima. He holds an MBA from Incae Business School and Universidad Adolfo Ibañez. He has participated in several specialization programs at ESAN, Chicago University, INCAE Business School, Harvard Radcliffe Institute, Kellogg School of Management, PAD–Universidad de Piura Management School, London School of Economics, Cambridge Judge Business School and AOTS (Japan). He holds a Comprehensive Ontological Coach certificate, and he is also a member of the John Maxwell Team. Since July 2003, he works as Management, Finance and Trade Manager at Compañía Minera Poderosa and General Manager at Compañía Aurífera Suyubamba S.A., related to Poderosa until August 2011. He worked as Sales and Marketing Manager for Volvo Finance Peru S.A., a company of the Volvo Group which he worked with for 11 years.

**PABLO ALFREDO DE LA FLOR BELAUNDE**  
**Corporate Affairs Manager**

He is currently Corporate Affairs Manager at Compañía Minera Poderosa S.A. He has been an executive director at Peruvian National Association of Mining, Oil and Energy (SNMPE), vice president of Corporate Affairs at Banco de Crédito and vice-president of Corporate and Environmental Affairs at Compañía Minera Antamina. In the public sector, he was worked as executive director of the Autoridad para la Reconstrucción (Authority for Reconstruction), vi-

ce-minister of Foreign Trade, Chief of the Peru – USA FTA Negotiation Team, and vice-minister of Integration and Tourism. He has also worked as a Program Officer for the Ford Foundation and International Economist for the First National Bank of Chicago, having served as a consultant to various multilateral organizations. He has been president of The Annual Conference for Executives (CADE Ejecutivo), CADE for Education and PERUMIN business meeting. He has published 4 books, as well as several academic and journalist articles. He holds master’s degrees in public administration from Harvard University and International Relations from Yale University. He completed doctoral studies at the University of Chicago. He has received several institutional awards and academic scholarships.

**HELENA ZUAZO ARNAO**  
**Legal Area Manager**

MBA by Universidad Adolfo Ibáñez (UAI), Santiago de Chile in 2021. She completed a Master’s degree in Mining Law at Universidad Peruana de Ciencias Aplicadas (UPC) in 2014. She is an attorney by Universidad de Lima since 2005, with more than 18 years of experience as a corporate attorney in the mining industry. She has participated in several specialized mining, environmental and business law programs at ESAN, UPC, and Pontificia Universidad Católica del Perú. Since April 2015 she holds the position of Head of the Legal Department at Poderosa.

**IBEN REYES BENDEZÚ**  
**General Accountant (i)**

Chartered public accountant, graduated from Universidad Nacional San Luis Gonzaga de Ica, with 37 years of experience in the mining sector. He pursued post graduate studies at the Lima Association of Chartered Accountants with specialization Diplomas in Taxation and Specialization in International Financial Reporting Standards (IFRS), all the same, he pursued studies at Universidad Peruana de Ciencias Aplicadas (UPC) obtaining a diploma in Leadership for Accountants. He completed postgraduate studies (MBA) at the Universidad de Tarapacá (Arica, Chile), obtaining a master’s degree in business administration and management, and participated in national congresses in his specialty. His professional career is summarized as accountant and general accountant of companies in the mining sector. From 2002 to 2017 he was a General Accountant, and since 2023 he is General Accountant (i) at Compañía Minera Poderosa S.A.





# Annex 3

# LICENSES

# AND PERMITS

## MARAÑÓN PRODUCTION UNIT

### Beneficiation concession

- Marañón Beneficiation Concession on 6 ha. Marañón Plant.
- Authorization for the expansion of the Marañón Beneficia-tion concession to 269.09 ha and operation of the Livias filtered tailings deposit.

### Marañón beneficiation plant

- Authorization for the operation of the Marañón beneficia-tion plant with a capacity of 700 MTD.
- Authorization for the operation of the expansion of treat-ment capacity from 700 MTD to 800 MTD Marañón plant.
- Authorization for construction of chemical refinery for implementation of technological improvement in the re-cove-ry process.
- Communication about the replacement of sifters in the crushing process. Marañón plant
- Communication about equipment replacement due to te-chnological enhancement of the collection belts and spe-cial ore transfer system in Marañón Plant
- Communication about equipment replacement due to Te-chnological Enhancement of the Smelting Process, inclu-ding replacement of smelting furnaces
- Communication about equipment replacement due to Te-chnological Enhancement of the milling process, inclu-ding replacement of the primary and secondary mills.
- Communication about equipment replacement due to Te-chnological Enhancement of the primary crusher.
- Communication about equipment replacement due to Te-chnological Enhancement of the smelter, replacement of the refusion furnace.

### Tailing Ponds

- Operation authorization for the Marañón plant tailings pond N°6 up to level 1,270 m.a.s.l.
- Construction and Operation authorization for the Asna-pampa tailings pond from level 1200 to 1204 m.a.s.l.
- Operation authorization for the Livias ravine filtered tai-lings pond- Stage IV.
- Physical stabilization and protection from water and wind erosion of the tailing ponds 1 to 6 flood control wall.

### Waste rock deposits

- Construction and operation authorization for Estrella 2 and Estrella 3 waste rock deposits.
- Construction and operation authorization for Revolcadero waste rock deposits.
- Revolcadero waste rock deposit - Certificate of Absence of Archaeologic Remains – (CIRA) and archaeologic mo-nitoring plan, stages I and II.

### Water use

- License for 10 l/s water use from the Chorro Blanco and El Oso gorge for the Marañón Plant, camp sites and Vijus village.
- 400 l/s water use license from the El Tingo gorge, to gene-rate energy for mining and Metallurgic purposes.
- Surface water use license from Lavasen river for mining purposes.

### Residual water reuse and discharge

- Authorization to discharge treated industrial residual wa-ter from Estrella mineshaft, level 1467.
- Authorization to reuse domestic residual water treated at Paraiso camp.

- Authorization to reuse of the Paraiso II domestic residual water treatment plant effluents.
- Authorization to reuse the Vijus domestic residual water treatment plant effluents for irrigation
- Sanitary Authorization for a septic tank and infiltration in the Papagayo field – septic tank

### Power Generation

- Authorization for 6.915 MW electric power generation activities at Antonio Samaniego Alcantara thermal power station.
- Authorization for 4.375 MW electric power generation ac-tivities at Santa María thermal power station
- Authorization for 1.76 MW hydroelectric power generation at El Tingo.

### Power Transmission

- EIA of the 60 kv Santa Monica substation (Cajabamba)-Morena substation (Pataz) power transmission line
- Final concession for the 60 kv Cajabamba - Morena power transmission line

### Direct LPG Consumer and liquid fuel

- Registration of Poderosa Mining Unit as a consumer of li-iquid fuels
- Operation authorization for the bulk LPG facility for direct consumer at:
  - Paraíso I, Paraíso II and Vijus camps.
  - Vijus camp.
  - Paraíso I camp.

### Explosives

- Authorization for purchase and use of explosives and rela-ted materials 2024 UEA La Poderosa-Trujillo
- Operation authorization for underground powder magazine for ANFO and explosives in Piñuto.
- Operation authorization for underground powder magazine for accessories and explosives in Jimena (Papagayo).

### Explorations

- Environmental Impact Statement for Exploration in La Lima
- Authorization for the start of La Lima mining exploration activities
- Las Defensas exploration project Environmental Impact Sta-tement.

### Use of ravine banks

- Authorization to build infrastructure on the following water sources:
  - La Brava ravine. Transportation of waste rock from 2080 waste dumpster to Estrella 2 dumpster.
  - El Tingo ravine. Transportation of waste rock from Karola waste dumpster to Estrella 2 dumpster.

### Environmental Management Instruments

- Environmental Adjustment and Management Program (PAMA) execution for the Marañón Production Unit.
- EIA for Asnapampa tailings deposits project.
- First Supporting Technical Report (ITS) approval for the disposal of filtered tailings at Asnapampa.
- EIA for the Expansion of the Mining Operations and Bene-ficiation Plant to 800 MTD
- Approval of the Expansion of the Asnapampa Tailings Dam to 1204 m.a.s.l.
- Second ITS for installation of drying ponds at tailings pond N 6, Vijus Domestic Residual Water Treatment Plant and other components
- 25 kV Transmission Line from Leonidas Pachecho Cano Substation (Morena) to A. Samaniego A. CT Environmen-tal Impact Statement
- Marañón Production Unit Soil EQS
- Terms of Reference and Preliminary Assessment for the EIA modification for the expansion of the mining opera-tions and concession of Marañón beneficiation to 800 MTD
- Fifth update of the Poderosa Mining Unit Mine Closure Plan
- 3rd ITS Poderosa Mining Unit-change of use of Revolca-dero tailings to deposit waste rock and other materials.
- Citizen Participation Program (PPC) during the design of the EIA modification for the expansion of Marañón mining operations and beneficiation to 1000 MTD.
- Sanitary Authorization for a septic tank and infiltration in the loading chamber field
- Sanitary Authorization for a septic tank and infiltration in the LPC field
- Sanitary Authorization for a septic tank and infiltration in the Trocha field – septic well



## SANTA MARÍA PRODUCTION UNIT

### Santa María I Beneficiation concession

- Benefit concession. Approval of the concession title for the expansion of the Santa María I benefit concession to 21.60 ha.
- Expansion of the Santa María I benefit concession to 399.39 ha and operation authorization for Hualanga – Stage I tailings deposit.

### Santa María I Beneficiation Plant

- Authorization for the construction and authorization of the Santa María I beneficiation plant to 1000 MTD, stages 1 and 2.
- Installation of additional equipment in the crushing, grinding and liquid separation circuits at Santa María Plant.
- Communication of Press Filter installation in the tailings filtering circuit at Santa María Plant.
- Communication of replacement of the secondary crusher due to obsolescence and efficiency.

### Tailings ponds

- Authorization for the operation of the expansion of the Santa María I tailings pond to 2,464.5 m.a.s.l.
- Operation Authorization of the Santa María tailings pond 2, up to level 2,412 m.a.s.l.
- Authorization for the construction, operation and disposal of filtered tailings in Santa María tailings pond N.º 2 up to 2415 m.a.s.sl.
- Approval for the construction and operation of filtered tailings pond in Hualanga to a maximum level of 1490 m.a.s.l.

### Waste rock deposits

- Authorization for construction and operation of Chunturco 1 and 2 waste rock deposits.
- Authorization for construction of Santa María II - El Hueco waste rock deposit, including additional areas

### Water use

- Administrative Authorization for 7 l/sec water use for domestic purposes from Frances gorge
- Superficial water use permit for 1.20 l/s for mining purposes from Marleny
- Water use license from Virginia for mining purposes

- Water use license from Santa María gorge for mining purposes
- Water use license from Puquiopata gorge for mining purposes
- Authorization for the reuse of effluents from Consuelo Mine

### Residual water reuse and discharge

- Authorization for Industrial residual treated water disposal, Consuelo, Atahualpa, and Santa María mines.
- Authorization for Industrial residual treated water disposal at level 2120.
- Authorization for reuse of domestic residual treated water for irrigation from the Santa María Residual Water Treatment Plant.
- Sanitary Authorization for a septic tank and infiltration in the in the fields at camps:
  - Level 2410
  - Level 2520
  - Level 2670
- Authorization to reuse the Hualanga compact Residual Water Treatment Plant effluents.
- Operation authorization for the bulk LPG facility for direct consumer at:
  - Cedro Camp.
  - Santa María Camp.

### Explosives

- Authorization for the purchase and use of explosives and related materials for 2024 at La Libertad Administrative Economic Unit (UEA).
- Authorization for the operation of underground powder magazine level 2450 Consuelo for accessories, ANFO and explosives.
- Authorization for the operation of underground powder magazine level 2360 for accessories, ANFO and explosives.

### Sanitary Landfill

- Technical mining report for the modification of the Santa María I beneficiation concession to 33.03 Ha.
- Construction and operation permit for the domestic and industrial landfill at El Cedro.

### Environmental Instruments

- EIA Modification for mining activities and expansion of the Santa María I beneficiation plant to 1000 MTD.

- Detailed Technical Report of the Santa María 2410, 2520, 2670 Camps.
- First ITS for Santa María mining unit, for new components and disposal of filtered tailings.
- Second ITS for Santa Maria mining unit for the installation of new components in the Santa María beneficiation plant.
- Third ITS for Santa María production unit for the disposal of waste rock in Hualanca tailings deposit.

### Power Generation

- Authorization for 4.375 MW electric power generation at the Santa Maria Thermal power station.

## PALCA PRODUCTION UNIT

- Palca Explorations Project Semi detailed Environmental Impact Assessment.
- License for non-agricultural use of water from Carrizal gorge for non-mining activities in Suyubamba (10 l/s).
- Water use license from Carrizal gorge and Laguna Negra for mining purposes for Palca Project.
- Authorization to start exploration activities.
- Palca explorations project CIRA.

- First modification of the Palca Explorations Project Semi-Detailed Environmental Impact Assessment.
- Palca Explorations Project new exploration zones CIRA

### Montañitas Production Unit

- Modification of the Palca explorations project Semi-Detailed Environmental Impact Assessment.
- Authorization to start Montañitas project exploration activities.
- Automatic approval Certificate – Start of explorations
- Start of exploration operations - stage II (platforms 1-7 and 15-17).
- Modification of the Montañita Mining Exploration Projects (6 platforms and 24-month schedule extension).
- Start of exploration operations stage III I (6 additional platforms and 24-month schedule extension).
- 0.10 L/s water use authorization - Montañitas Project -renewal.
- Authorization for operation of the Tayabamba- Cruz Grande surface powder magazine for explosives and accessories.

### Chagual Private Airdrome

- Chagual private airdrome operation authorization.



# GRI CONTEXT INDEX

Declaration of use	PODEROSA SAC. has disclosed the information stated in this GRI content index for the period from January 1, 2024 to December 31, 2024, using the GRI Standards as a reference.
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GRI 1 used	GRI 1: Fundaments 2021
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GRI STANDARD	CONTENT	PAGE
GRI 2: General Contents 2021	2-1: Organizational details	Page 12
	2-2: Entities included in the organization’s sustainability reporting	Page 12
	2-3: Reporting period, frequency and contact point	Page 12
	2-4: ReStatements of information	Page 12
	2-5: External assurance	Page 300
	2-6: Activities, value chain and other business relationships	Page 18 and 100
	2-7: Employees	Page 178 to 203
	2-8: Workers who are not employees	Page 178 to 203
	2-9: Governance structure and composition	Page 22 to 23
	2-10: Nomination and selection of the highest governance body	Page 78 to 93
	2-11: Chair of the highest governance body	Page 78 to 93
	2-12: Role of the highest governance body in overseeing the management of impacts	Page 78 to 93
	2-13: Delegation of responsibility for managing impacts	Page 78 to 93
	2-14: Role of the highest governance body in sustainability reporting	Page 78 to 93
	2-15: Conflicts of interest	Information not currently available
	2-16: Communication of critical concerns	Page 78 to 93 and 86 to 91
	2-17: Collective knowledge of the highest governance body	Page 78 to 93
	2-18: Evaluation of the performance of the highest governance	Page 78 to 93
	2-19: Remuneration policies	Page 178 to 203
	2-20: Process to determine remuneration	Page 178 to 203
	2-21: Annual total compensation ratio	Page 178 to 203
	2-22: Statement on sustainable development strategy	Page 6 to 9

	2-23: Policy commitments	Page 64 to 69
	2-24: Embedding policy commitments	Page 64 to 69
	2-25: Processes to remediate negative impacts	Page 230-233
	2-26: Mechanisms for seeking advice and raising concerns.	Page 86 to 91
	2-27: Compliance with laws and regulations	Page 86 to 91 and 92
	2-28: Membership associations	Page 48 to 53
	2-29: Approach to stakeholder engagement	Page 24 to 27
	2-30: Collective bargaining agreements	Page 178 to 203
	Material topics	
GRI 3: Material topics 2021	3-1: Process to determine material topics	Page 28 to 35
	3-2: List of material topics	Page 28 to 35
Asset security		
GRI 3: Material topics 2021	3-3: Material topics management	Page 44 to 47
Mining formalization		
GRI 3: Material topics 2021	3-3: Material topics management	Page 270
Climate change and GHG emissions		
GRI 305: Emissions	3-3: Material topics management	Page 132 to 149
	305-1 Direct GHG Emissions (Scope 1)	Page 142 to 149
	305-2 Energy indirect GHG emissions (Scope 2)	Page 142 to 149
	305-3 Other indirect GHG emissions (Scope 3)	Page 142 to 149
	305-6 Emissions of ozone-depleting substances (ODS)	Page 142 to 149
Responsible management of the supply chain		
GRI 3: Material topics 2021	3-3: Material topics management	Page 220 to 228
GRI 204: Procurement practices	204-1 Proportion of spending on local suppliers	Page 220 to 228



Community relations		
GRI 3: Material topics 2021	3-3: Material topics management	Page 238 to 239
GRI 203-1: Indirect Economic Impacts	203-1: Infrastructure investments and services supported	Page 248 to 249
GRI 413-1: Comunidades locales	413-1: Operations with local community engagement, impact assessments, and development programs	Page 238 to 239
Ethics, transparency and compliance		
GRI 3: Material topics 2021	3-3: Material topics management	Page 86 to 91
GRI 205: Anticorruption	205-1 Operations assessed for risks related to corruption	Page 86 to 91
	205-2 Communication and training about anti-corruption	Page 86 to 91
	205-3 Confirmed incidents of corruption and actions taken.	Page 86 to 91
GRI 206: Anti-competitive behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices.	Not applicable
Tailings and waste		
GRI 3: Material topics 2021	3-3: Material topics management	Page 156 to 163
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 156 to 163
	306-2 Management of significant waste-related impacts	Page 156 to 163
	306-3 Waste generated	Page 156 to 163
	306-4 Waste diverted from disposal	Page 156 to 163
	306-5 Waste directed to disposal	Page 156 to 163
Responsible water use		
GRI 3: Material topics 2021	3-3: Material topics management	Page 150 to 155
GRI 303: water and effluents 2018	303-1 Interactions with water as a shared resource	Page 150 to 155
	303-2 Management of water discharge-related impacts	Page 150 to 155
	303-3 Water withdrawal	Page 150 to 155

	303-4 Water discharge	Page 150 to 155
	303-5 Water consumption	Page 150 to 155
Energy management		
GRI 3: Material topics 2021	3-3 Material topics management	Page 120 to 125
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 120 to 125
	302-2 Energy consumption outside the organization	Page 120 to 125
Human rights		
GRI 3: Temas materiales 2021	3-3: Material topics management	Page 230 to 233
Occupational health and safety		
GRI 3: Material topics 2021	3-3: Material topics management	Page 204 to 213
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 204 to 213
	403-2 Hazard identification, risk assessment, and incident investigation	Page 204 to 213
	403-3 Occupational health services	Page 204 to 213
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 204 to 213
	403-5 Worker training on occupational health and safety	Page 204 to 213
	403-6 Promotion of worker health	Page 204 to 213
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 204 to 213
	403-8 Workers covered by an occupational health and safety management system	Page 204 to 213
	403-9 Work-related injury	Page 204 to 213
	403-10 Work-related ill health	Page 204 to 213
Human capital management		
GRI 3: Material topics 2021	3-3: Material topics management	Page 178 to 217

GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 178 to 217
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 178 to 217
	401-3 Parental leave	Page 178 to 217
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	Page 178 to 217
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 178 to 217
	404-3 Percentage of employees receiving regular performance and career development reviews.	Page 178 to 217
Economic performance		
GRI 3: Material topics 2021	3-3: Material topics management	Page 93 to 96
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	Page 93 to 96
	201-2 Financial implications and other risks and opportunities	Page 93 to 96
Economic performance		
GRI 3: Material topics 2021	3-3: Material topics management	Page 172 to 173





# INDEPENDENT LIMITED ASSURANCE REPORT







INDEPENDENT LIMITED ASSURANCE REPORT

The 2024 Sustainability Report of Compañía Minera Poderosa S.A. (here in after “Minera Poderosa”) has been subject to an external limited assurance by Avanza Sostenible S.A.C. (here in after “Avanza Sostenible”). The limited assurance process aims to ensure the accuracy of the information contained in the report. The objective of the verification is to provide stakeholders with a professional and independent opinion regarding the information and data presented in Minera Poderosa’s 2024 Sustainability Report.

1. Objective of the limited assurance

We were engaged by Minera Poderosa to issue a limited assurance process on its Sustainability Report for the period January 1, 2024, to December 31, 2024, covering the following:

- Verification of the level of compliance with the reporting requirements, reporting with reference to the Global Reporting Initiative (GRI) Standards.
- Verification of five disclosures that represent the management of certain material topics by Minera Poderosa in accordance with the GRI Standards.
- Assessment of the Sustainability Report’s compliance with the eight GRI reporting principles.

Our limited assurance engagement was carried out solely in relation to the selected disclosures on material topics from the 2024 Sustainability Report, as detailed below:

Material topic disclosures to assurance
GRI 302-1 Energy consumption within the organization
GRI 303-5 Water consumption
GRI 306-4 Waste diverted from disposal
GRI 401-1 New employee hires and employee turnover
GRI 403-9 Work-related injuries

This assurance report does not extend to information from previous periods nor to any other information related to the 2024 Sustainability Report.

2. Standards applied by Minera Poderosa

The criteria used by Minera Poderosa to prepare the information subject to assurance and included in the 2024 Sustainability Report were the Global Reporting Initiative (GRI) Standards.

3. Responsibility of the management of the company

Minera Poderosa is responsible for the preparation and presentation of the information contained in its 2024 Sustainability Report in accordance with the GRI requirements and principles. This responsibility includes establishing the basis and criteria for preparing the report, as well as defining, adapting, and maintaining management and internal control systems from which the reported information is obtained, ensuring that the 2024 Sustainability Report is free from material misstatement, whether due to fraud or error.

Minera Poderosa informed Avanza Sostenible that, from the closing date of the reporting period to the date of verification, no events occurred that would require corrections to the 2024 Sustainability Report.

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4. Responsibilities of Avanza Sostenible

Our responsibility is to express a limited assurance conclusion on the information subject to assurance, based on the procedures performed and the evidence obtained.

We conducted our limited assurance work in accordance with International Standard on Assurance Engagements (ISAE) 3000, issued by the International Auditing and Assurance Standards Board (IAASB). This standard requires compliance with ethical requirements, as well as planning and performing the engagement to obtain limited assurance as to whether the information detailed within the scope of this report has been prepared, in all material respects, in accordance with the applicable criteria.

In a limited assurance engagement, the practitioner performs procedures that primarily consist of making inquiries of management and other relevant personnel, applying analytical procedures, and evaluating the evidence obtained.

5. Description of procedures performed

The procedures we performed were based on our professional judgment and the effective evaluation of evidence obtained regarding Minera Poderosa’s compliance with the GRI Guidelines in preparing the 2024 Sustainability Report. These included:

1. Verifying the level of compliance of the 2024 Sustainability Report with the GRI reporting requirements.
2. Assessing the application of the eight GRI reporting principles.
3. Generating initial observations on the document with reference to the 2021 GRI Standards.
4. Interviewing those responsible for the five externally verified topic disclosures to validate the reliability of the reported information.
5. Documenting nonconformities identified in the five disclosures and managing their correction.
6. Reviewing quantitative and qualitative evidence provided for resolution, through selective recalculations.
7. Verifying compliance with calculation criteria and their correct application in line with established methodologies.
8. Applying analytical procedures to validate the reasonableness of the reported data.
9. Reviewing the 2024 Sustainability Report after the implementation of corrections to the five disclosures, generating additional observations.
10. Conducting the final review of the June 26, 2025 PDF layout version of the 2024 Sustainability Report.

We consider that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

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6. Conclusion

Based on the work performed, as detailed in this report:

- **Verification of compliance of the reporting requirements, with reference to the Global Reporting Initiative (GRI) Standards:** Nothing has come to our attention that would cause us to believe that Minera Poderosa does not meet the three GRI reporting requirements listed below:
  - Publish a GRI Content Index
  - Provide a statement of use
  - Notify GRI (to be done after the 2024 Sustainability Report is published on the company's website)
- **Verification of five thematic disclosures representing the management of material issues at Minera Poderosa:** Nothing has come to our attention that would cause us to believe that the five selected disclosures in the 2024 Sustainability Report are not prepared, in all material respects, in accordance with the GRI Standards.

• **Reporting Principles for Sustainability Reports:**

Based on the review of the Sustainability Report and the assurance performed on the five thematic disclosures, we can state the following:

- **Accuracy:** The report presents precise and detailed information on the verified disclosures, which can be appropriately interpreted by the company's stakeholders.
- **Balance:** The report highlights positive aspects of Minera Poderosa's sustainability management, such as compliance with its social and environmental responsibility policies and guidelines. However, it would be relevant to include explanations for increases or decreases in current performance indicators compared to previous years.
- **Clarity:** The information presented is understandable. Nevertheless, it is recommended to include specific GRI labels to facilitate navigation and information retrieval by users.
- **Comparability:** The report includes comparable information for the verified disclosures over previous years. It is recommended that this comparability be extended to all disclosures, including emissions.
- **Completeness:** The report includes information on all material topics identified through the double materiality process. Relevant and consistent information on financial management, risk, compliance, ethics, as well as social and environmental aspects is included, enabling an assessment of Minera Poderosa's impacts.
- **Sustainability context:** The report provides information on Minera Poderosa's environmental, social, and governance performance, highlighting its commitment to stakeholder development and the integration of social responsibility into its management. It is recommended to include the double materiality matrix to show the weighting of evaluated topics, considering both stakeholder impact and financial relevance.
- **Timeliness:** The report clearly states that it is published annually.
- **Verifiability:** The five disclosures subject to this assurance report have been externally verified.

7. Independence and ethical and quality management

Avanza Sostenible operates under a certified quality management system in accordance with ISO 9001. It is also a GRI Training Partner and a member of the IFRS Sustainability Alliance. As such, we maintain a system that includes quality procedures and high technical expertise in the management and collection of non-financial information, recognized and certified internationally.

The lead auditor has the following credentials: Global Reporting Initiative (GRI) Certified Trainer, SMETA/SA8000 social responsibility systems auditor, and training in External Assurance for Sustainability Reporting from the Global Reporting Initiative (GRI).

Avanza Sostenible expressly disclaims any responsibility for investment or other decisions made based on this certificate.

Sincerely,



**CECILIA RIZO PATRÓN**  
Executive Director  
**Avanza Sostenible**

Lima, June 27, 2025



# EITI COMMITMENTS

We voluntarily and actively participate in the implementation of the EITI Standard in Peru, convinced that transparency and accountability are fundamental pillars of our management. We believe that these principles strengthen trust between companies, the Government and civil society, promoting development and social cohesion.

As a company listed on the Lima Stock Exchange, we comply with the requirements of the Superintendencia del Mer-

cado de Valores (Securites Market Superintendency – SMV) and other regulatory entities, ensuring the disclosure of our audited financial Statements, corporate governance practices, risk management, anti-corruption controls, and diversity and inclusion issues.

Below, we present our commitments and public disclosure in this Sustainability Report.



EITI EXPECTATION		CRITERIA	COMPLIANCE	
Expectation 1	Publicly declare and publish support for the EITI and the objective of the EITI Association to make the EITI Principles and the EITI Standard the internationally accepted standard for transparency in the oil, gas and mining sectors.	Does the company publish a Statement of support for the EITI and the objective of the EITI Association?	Yes	We have a public Statement of support for the EITI in our 2022, 2023 and 2024 Integrated Sustainability Reports.
	Expectation 2	Make comprehensive disclosures in accordance with the EITI Standard in all EITI implementing countries where the company or its controlled subsidiaries operate. Where not disclosed in other company reporting, publicly disclose a list of controlled subsidiaries operating in the oil, gas or mining sectors in EITI implementing countries	Does the company make disclosures in accordance with the EITI Standard in or in relation to EITI implementing countries where the company or its controlled subsidiaries operate?	Yes
		Does the company publish a list of controlled subsidiaries? The link to the list should be documented.	NA	Not applicable. Compañía Minera Poderosa does not have controlled subsidiaries or assets abroad. Its operations are conducted in Peru. For more information, please refer to the "About Us" section of the Sustainability Report and Financial Statements, which describes the company's organizational structure and operations.
Expectation 3	Publicly disclose taxes and payments to governments at a project-level in line with the EITI Standard in all non-EITI implementing countries where the company operates unless disclosure is not feasible. Where not feasible, the country-specific legal or practical barriers to disclosure should be publicly explained.	Does the company make disclosures in non-EITI implementing countries where the company operates in the oil, gas and mining sectors?	NA	Not applicable. Compañía Minera Poderosa operates exclusively in Peru, an EITI implementing country. Therefore, all its disclosures about Government payments and taxes are made through National Reports on Transparency in the Extractive Industries, managed by the Ministry of Energy and Mines. (MINEM).
		Are the disclosures disaggregated by project?	No	No. Our accounting and financial reporting is performed at the corporate level, in accordance with the applicable legal framework. We guarantee the transparency of our payments through public reporting in our financial Statements.



EITI EXPECTATION		CRITERIA	COMPLIANCE	
Expectation 4	For companies buying oil, gas and/or mineral resources from the Government in EITI implementing countries, disclose volumes received and payments made in line with the EITI Standard and the EITI reporting guidelines for companies buying oil, gas and minerals from governments unless disclosure is not feasible.	Does the company buy oil, gas and/or mineral resources from the Government in EITI implementing countries?	NA	Not applicable. We do not buy from the Government.
		Does the company make disclosures in line with the EITI Standard/reporting guidelines?	NA	
Expectation 5	In line with the EITI Standard, publicly disclose audited financial Statements, or the main items (i.e. balance sheet, profit/loss Statement, cash flows) where financial Statements are not available.	Does the company disclose its audited financial Statements?	Yes	The consolidated financial Statements can be found in Chapter 8 Financial Statements of this Report.
Expectation 6	Publicly declare and publish support for beneficial ownership transparency and publicly disclose beneficial owners in line with the EITI Standard, recognizing that listed companies will disclose the name of the stock exchange(s), include a link(s) to stock exchange filings where they are listed and otherwise do what is required by applicable regulations and listing requirements.	Does the company publish a Statement of support?	Yes	Yes. Compañía Minera Poderosa publicly Governments its commitment to transparency in the identification of real beneficiaries and its alignment with the EITI Standards. Our support Statement can be found in Section 2.3 Ethics and Transparency of this Report.
		Does the company disclose beneficial owners, either directly or according to stock exchange regulations and listing requirements?	Yes	Yes. Poderosa meets the SMV regulations and discloses relevant information about its Shareholders and real beneficiaries through the regulatory mechanisms established in the Peruvian securities market. The company keeps updated information about its property structure, and beneficiaries in its Financial Statement and Corporate Reports, which can be referred to through the Securities Market Superintendency (SMV).

EITI EXPECTATION		CRITERIA	COMPLIANCE	
Expectation 7	Engage in rigorous due diligence processes and publish an anti-corruption policy setting out how the company manages corruption risk, including how the company collects and takes risk-based steps to use beneficial ownership data regarding joint venture partners, contractors and suppliers in its processes.	Does the company publish an anti-corruption policy in line with the expectation?	Yes	See Chapter 2.3 Ethics and Transparency of this Report. We have an Antibribery management system certified under ISO 37001. As part of this system, we have a Compliance Policy that prohibits all acts of corruption, bribery, collusion, influence peddling and money laundering, and a Code of Ethics and Conduct that ensures compliance with the law throughout the organization.
Expectation 8	Publicly declare and publish support for governments’ efforts to publicly disclose contracts and licenses that govern the exploration and exploitation of oil, gas and minerals in line with the EITI Standard, and contribute to public disclosure of contracts and licenses in EITI implementing countries consistent with government procedures.	Does the company publish a Statement of support for governments’ efforts to publicly disclose contracts and licenses that govern the exploration and exploitation of oil, gas and minerals?	NA	Not applicable. According to the General Mining Law in Peru, mining activities are not based in contracts, but in concession rights which are publicly available.
		Does the company contribute to public disclosure of contracts and licenses in EITI implementing countries consistent with government procedures?	Yes	Yes. In compliance with the Peruvian regulations, we publish our licenses and permits in our Integrated sustainability Report, which is submitted to the Securities Market Superintendency (SMV). Also, the information about mining concessions, payments for permits and penalties are found on Ingemmet’s website. Consultation can be made to the Mining Rights and Cadastre System (SIDEMCAT)
Expectation 9	Publish a commitment and/or policy on gender diversity in the oil, gas or mining sectors and support reporting by EITI implementing countries under the EITI Standard by disclosing employment in the sectors disaggregated by gender.	Does the company publish a commitment/policy on gender diversity?	Yes	We express our commitments in this area through our Equity, Diversity and Inclusion Policy, approved in July 2024.; and the guidelines established in our Code of Ethics and Conduct. Further information can be found in Section 5.3 Diversity and Inclusion in this Report.
		Does the company disclose employment data disaggregated by gender?	Yes	We disclose employment data disaggregated by gender, region and age. Details are provided in section 5.1. Poderosa Team.

# TABLE INDEX

## TABLES

Table N° 1: Officers per gender and age	22
Table N° 2: Stakeholders	26
Table N° 3: List of material topics	30
Table N° 4: Average Gold Price 2019-2024 IN USD/OZ	39
Table N° 5: Organizational change strategy	63
Table N° 6: Policies and guidelines	65
Table N° 7: Board of Directors	79
Table N° 8 : Independent Directors with experience in the industry	80
Table N° 9: Members of the Board of Directors	80
Table N° 10: Executive Committee	82
Table N° 11: Audit Committee	82
Table N° 12: Ethics and Good Corporate Governance Committee	82
Table N° 13: Strategy and Sustainability Committee	82
Table N° 14: Main Shareholders	84
Table N° 15: Shareholder Participation	84
Table N° 16: Holding, Shareholders and participation	85
Table N° 17: Stock quotation	85
Table N° 18: Complaints through the ethics channel in 2024	89
Table N° 19: Trainings in Code of Ethics and anti-corruption procedures	90
Table N° 20: Trainings in the Code of Ethics and anti-corruption procedures for governance bodies	90
Table N° 21: Communication about the Code of Ethics and anti-corruption policies and procedures	90
Table N° 22: Main financial indicators	94
Table N° 23: Direct economic value generated and distributed (S/)	95
Table N° 24: Indebtedness	95
Table N° 25: Average gold Price 2021-2024	96
Table N° 26: Management Indexes	101
Table N° 27: Forecasts for the following years	111
Table N° 28: Our main results	114
Table N° 29: 2024 Management Indicators	117
Table N° 30: Key Performance Indicators	117
Table N° 31: Programmed cost vs Executed costs per process	119
Table N° 32: Programmed cost vs Executed costs	119
Table N° 33: Mechanic availability of conventional equipment	119
Table N° 34: Power consumption in the organization	123
Table N° 35 Electric power consumption outside the company	124
Table N° 36: Climate risks identified	137
Table N° 37: Climate opportunities identified	137

Table N° 38: Total GHG emissions 2021, 2022 and 2023	138
Table N° 39: Emissions inventory in 2023	140
Table N° 40: Results of smelter emissions in the Marañón Production Unit	144
Table N° 41: Emissions of electric power generators in the Marañón Production Unit 2024	146
Table N° 42: Emissions of electric power generators in Santa María Production Unit 2024	148
Table N° 43: Poderosa Water footprint measurement in 2021, 2022 and 2023 (megaliters/year)	152
Table N° 44: Total water footprint variation 2020,2021,2022 and 2023 (megaliters / year)	152
Table N° 45: Total water consumption	153
Table N° 46: Water consumption in water-stressed areas	153
Table N° 47: Water consumption authorized by the national Water authority versus actual consumption	154
Table N° 48: Total water discharge	155
Table N° 49: Waste generated	157
Table N° 50: Companies responsible for waste disposal	158
Table N° 51: Waste directed to disposal in metric tons	159
Table N° 52: Waste diverted from disposal	160
Table N° 53: Compost production	160
Table N° 54: Tailings and waste generation	163
Table N° 55: Forestation activities in 2024	168
Table N° 56: Types of extinction risks for flora and fauna	171
Table N° 57: Resolutions passed	173
Table N° 58: Investment breakdown in environmental management	173
Table N° 59: Main human management indicators	180
Table N° 60: Total employees by type of contract, gender and location	182
Table N° 61: Total number of employees per age, gender and location	182
Table N° 62: Total employees per job category, gender and location	182
Table N° 63: Workers who are not employees	183
Table N° 64: Categories of workers who are not the most usual employees 2024	183
Table N° 65: Total number of employees that joined Poderosa in 2024 per age, gender, and location. New hire rates	184
Table N° 66: Total number and staff turnover rate during 2024, per age group, gender and location	185
Table N° 67: Voluntary and non-voluntary turnover rate of personnel	185
Table N° 68: Parental leave	186
Table N° 69: Employee commitment level	186
Table N° 71: Training indicators	187
Table N° 72 Total training hours per gender	190
Table N° 73: Total training hours per age group	191
Table N° 74: Total training hours per position	191
Table N° 75- Training hours per Location	191
Table N° 76: Training hours per program and gender	192
Table N° 77: Training hours per ongoing and functional training program	193
Table N° 78: Training Expenditure	194
Table N° 79: Training for contractors	194
Table N° 80: Total number of employees under collective agreement	194
Table N° 81: Salary Categories	202
Table N° 82: Salary difference between men and women	203
Table N° 83: Total annual compensation ratio	203
Table N° 84: Ratio increase in compensation of the highest paid individual	203
Table N° 85: Coverage of the Occupational Health and Safety Management System	203
Table N° 86: Employee fatal accidents and injuries	206
Table N° 87: Non-employee fatal accidents and injuries	208
Table N° 88: Fatal Accidents	208
Table N° 89: Lost time injuries	209
Table N° 90: Training hours in occupational health and safety	209
Table N° 91: Diversity and inclusion metrics	211
Table N° 92: Staff with disabilities in Poderosa	214
	217



Table N° 93: Total suppliers of goods and services	224
Table N° 94: Breakdown of suppliers of works and services	224
Table N° 95: Supplier breakdown according to their geographic location	225
Table N° 96: Percentage of suppliers according to their geographic location	225
Table N° 97: Percentage of monetary value of payments to suppliers	225
Table N° 98: Due diligence and standardization of suppliers of goods and services	226
Table N° 99: Standardization of works and services suppliers	226
Table N° 100: Audits to suppliers of goods and services	227
Table N° 101: Audits to suppliers of works and services	227
Table N° 102: Training in human rights	233
Table N° 103: Security practices	233
Table N° 104: Customer satisfaction level	234
Table N° 105: Direct Area of Influence	241
Table N° 106: CODECOS empowerment level in 2024	243
Table N° 107: Empowerment levels	243
Table N° 108: Cooperation Agreements	244
Table N° 109: CODECO authorities and population training in 2024	245
Table N° 110: 2024 Contest winner projects	247
Table N° 112: Local development project funding	247
Table N° 113: Variables for the drinking water system evaluation	248
Table N° 114: Evaluation of the Pataz district communities drinking water infrastructure in 2024	251
Table N° 115: Water Flow evaluation 2024	252
Table N° 116: Water flow conditions	253
Table N° 117: Water quality evaluation 2024	254
Table N° 118: Water quality evaluation in 2024	255
Table N° 119: Number of complaints or grievances from local communities	256
Table N° 120: Registry of grievances and complaints	258
Table N° 121: Social conflict report 2009 - 2024	259
Table N° 122: Land acquisition	261
Table N° 123: Social contributions in cash and in-kind	263
Table N° 124: Investment in sustainable development (S/)	264
Table N° 125: Financial Statement as of December 31st, 2024 and 2023	265
Table N° 126: Estado separado de resultados y otros resultados integrales Por los años terminados el 31 de diciembre de 2024 y de 2023	274
	276

GRAPHS

Graph N° 1: Organizational Flowchart	23
Graph 2: Double materiality matrix	35
Graph N° 3: Awards and recognitions	61
Graph N° 4: Process map	100
Graph N° 5: Mechanic Availability of conventional equipment	119
Graph N° 6 Climate Action Approach	135
Graph N° 7: Supply chain structure	223
Graph N° 8: PDP Program Results	228
Graph N° 9: Pataz and Pias drinking water systems flow monitoring (Nov – Dec 2024)	254
Graph N° 10: PHVA Methodology	258
Graph N° 11: Acquisition plan results IV Quarter 2024	263



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