



2022

**Sustainability
Report**





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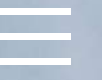
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OVERVIEW





1.1

2022 PERFORMANCE HIGHLIGHTS



ENVIRONMENT

Zero high-risk reportable environmental incidents.

77% water recycled compared to 46% in 2021.

59% of waste recycled in 2022, vs. 37% in 2021.

156,600 trees produced in 2022, and over a million trees produced since 2010 in Nicaragua to contribute to reforestation campaigns nationwide.

Zero market-based Scope 2 emissions in Nicaragua, through the purchase of I-REC certificates for 100% of electricity consumed from the grid.



SOCIAL

Zero significant fines violations, or incidents related to employment practices, health and safety, workplace disruptions or non-technical delays during the reporting period.

96% national employees, of whom 78% are from communities adjacent to or near our operations.

2022 LTIFR of 0.29, a reduction of 43% compared to 2021 (LTIFR 0.51).

US\$ 387M in economic value distributed, a 35% increase from 2021 (US\$ 286M).

Community-led development plan designed for Riscos de Oro.



GOVERNANCE

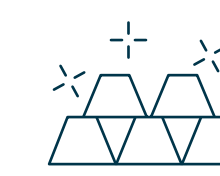
Zero substantiated cases of human rights violations and zero significant instances of non-compliance with laws and regulations.

Zero substantiated incidents of supplier corruption.

Human rights impact assessment conducted for all our Nicaraguan assets, with no significant findings.

88% (245/277) of all Calibre security personnel received formal training on the Voluntary Principles on Security and Human Rights (VPSHR).

Year-two Progress Report on the Responsible Gold Mining Principles (RGMP) Implementation published and externally assured.



PRODUCTION & EXPLORATION

221,999 ounces of gold record breaking production.

Gold sales of 222,991 ounces grossing US\$ 403.1M in revenue.

33% increase of consolidated 2022 mineral reserves, to 1.35M oz over 2021, net of production depletion.

US\$ 1,259 per ounce all-in sustaining costs (AISC), and US\$ 1,129 per ounce total cash costs (TCC).

US\$ 96.7M in cash flow from operations.



1.2

ABOUT THIS REPORT

We are proud to present Calibre's third annual Sustainability Report, covering the period from January 1 to December 31, 2022. Report content has been reviewed and approved by our Board of Directors. We welcome feedback on this report or any other aspect of our sustainability performance. Please send comments to calibre@calibremining.com.

1.2.1 BOUNDARIES AND SCOPE

This report covers the significant impacts of our activities on the economy, environment, and people. The corporate chart of Calibre's material subsidiaries, together with the jurisdiction of incorporation of each company and the percentage of voting securities beneficially owned, controlled or directed, are listed in Calibre's Annual Information Form for the year ended December 31, 2022. [↗](#)

The purchase of Fiore Gold expands our operating portfolio, as well as our sustainability contributions, impacts and responsibilities. To maintain a high standard of reporting and ensure that Calibre's full scope is covered, we have expanded the boundaries of our reporting to include legacy Fiore Gold production, operations and projects.

TABLE 1. ENTITIES INCLUDED IN THE ORGANIZATION'S SUSTAINABILITY REPORTING

BOUNDARY	EL LIMON COMPLEX	LA LIBERTAD COMPLEX	(LEGACY FIORE GOLD) PAN MINE
ASSOCIATED OPERATIONS	Limon Mill Limon Central OP Mine Santa Pancha UG Mine Panteon UG Mine Veta Nueva UG Mine	Libertad Mill Jabali UG Pavon Norte OP Mine Eastern Borosi Development Project (EBP)	Pan HL Mine Gold Rock Development Project
EXCEPTIONS	Data from administrative (country and corporate offices), exploration and closed sites is limited to health and safety, workforce and socioeconomic reporting unless specified otherwise. Due to constraints with data availability, quality or comparability, historic data for legacy Fiore Gold is not included in metrics.		

1.2.2 RESTATEMENTS OF INFORMATION

Restatements of performance data and information are provided as applicable throughout the Report, including the associated ESG Performance Data Tables. [↗](#)

1.2.3 BASIS OF PREPARATION

Calibre Mining has reported in accordance with the Global Reporting Initiative (GRI) Standards and the related GRI G4 Mining and Metals Supplement; the Value Reporting Foundation's Sustainability Accounting Standards Board (SASB) 2021 Metals and Mining Industry Standards; and the Mining Local Procurement Reporting Mechanism (LPRM), for the period January 1 to December 31, 2022. This report has not been externally assured.

1.2.4 FORWARD-LOOKING STATEMENTS

This document includes forward-looking statements. For information regarding forward-looking statements, please refer to the inside back cover of this document. [↗](#)

1.2.5 UNITS USED IN THIS REPORT

TABLE 2. UNITS USED

METRIC UNITS		METRIC UNITS	
COR/C\$	Nicaraguan Cordobas	Kt	Thousand Tonnes
Dollars/\$/US\$	US Dollars	M	Million
Gal	Gallons	ML	Megaliters
g/t	Grams per Tonne	Mt	Million Tonnes
GJ	Gigajoules	oz	Ounces
ha	Hectares	tCO2e	Tonnes CO2 equivalent
km ²	Square Kilometres	Tonnes/t	Metric Tonnes
koz	Thousand Ounces	tpd	Tonnes Per Day



1.2.6 DEFINITION OF LOCAL

Throughout this report, we use the term “local” to refer to communities, suppliers and employees. We have defined our geographic scope using an inside-out approach that relates to the administrative boundaries surrounding our operations. For our sites, we use the terms “local-community” to define people, suppliers and employees from communities immediately adjacent to our operations, “local-country” to define those from the country where the mine is located but not necessarily from communities immediately adjacent to our operations, and “national” to define the sum of both.

1.2.7 OUR REPORTING SUITE

This publication is part of our sustainability-reporting suite. For more information and data, please see:

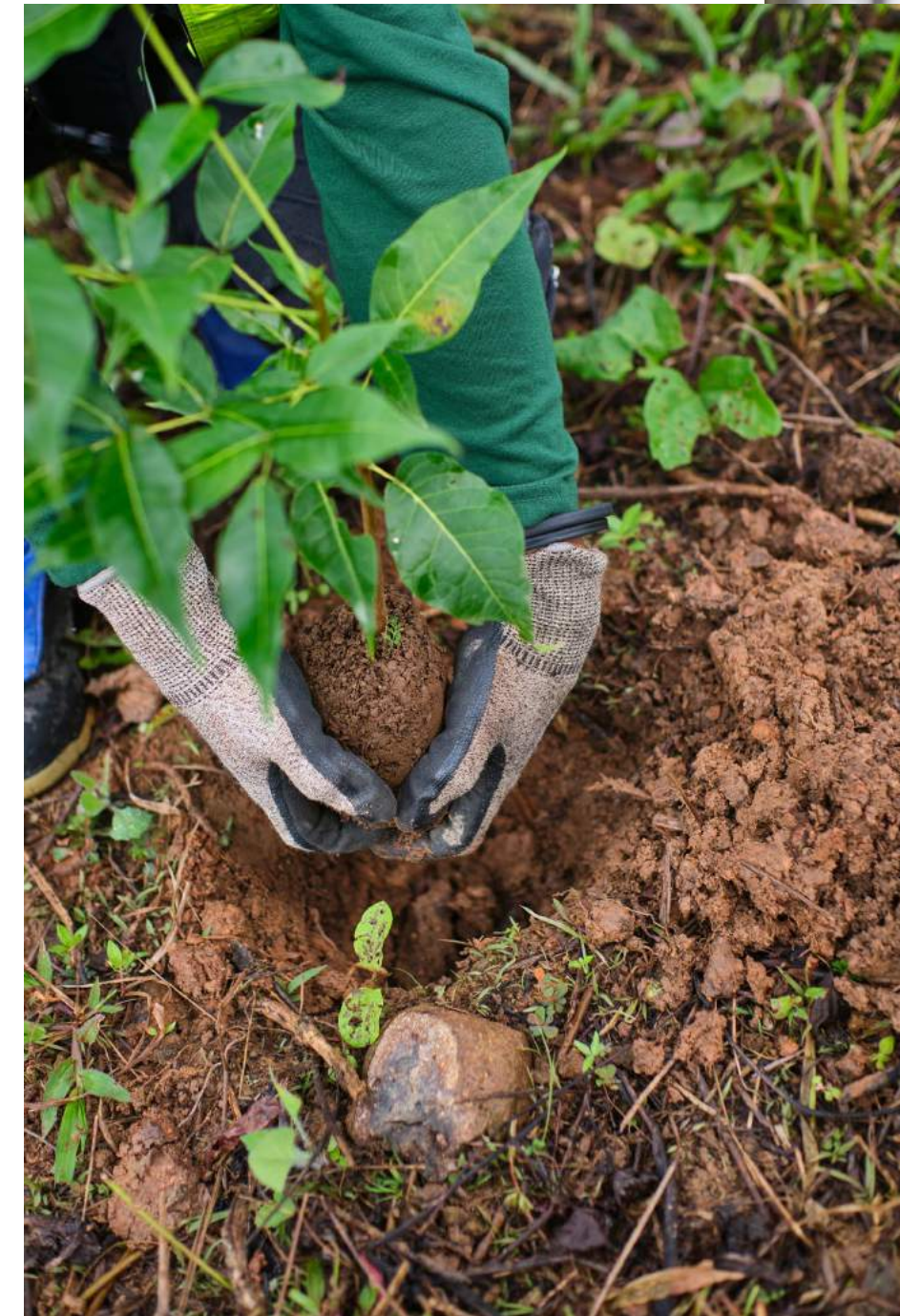
- ESG Performance Data Tables [↗](#)
- GRI/SASB/LPRM Index [↗](#)
- Previous Annual Sustainability Reports and WGC Responsible Gold Mining Principles Implementation Progress Reports [↗](#)
- For a complete picture of our business activities, this report should be read in combination with our Annual Information Form (AIF), Management’s Discussion and Analysis (MD&A) [↗](#), Extractive Sector Transparency Measures Act (ESTMA) reports [↗](#), other relevant Financial Statements [↗](#), and our SEDAR profile [↗](#).

1.2.8 SOCIAL CHANNELS

- calibremining.com
- @calibreminingCo
- Calibre Mining Corp (CXB)
- Calibre Mining CORP



↑ Pan Mine, Nevada
↗ Pavon Mine, Nicaragua



1.3

FROM OUR LEADERSHIP

An interview with Darren Hall, President and CEO.

How does Calibre approach ESG and sustainability?

Our approach to ESG is a values-driven proposition. We acknowledge that incorporating sustainability into one's business strategy is not an option; rather, it is vital to any organization's long-term success. This is why sustainability is engrained in Calibre's vision and core values and has become an essential part of how and why we operate.

We have established a robust governance framework and integrated sustainability throughout our business, promoting full site-level ownership over the implementation of ESG initiatives, creating a Vice Presidency of Sustainability to lead strategic planning, and placing final accountability at the Board level. This has forged a solid foundation, built on a common understanding of the importance of sustainability within the company and among our key stakeholders.

How do you incorporate ESG considerations into your investment process?

From a business perspective, we believe our focus on ESG delivers long-term value for all stakeholders by reducing risks and capitalizing on opportunities associated with socio-environmental issues. In this sense, we carefully assess any potential investment through a sustainability lens. We believe sustainable investments can transform the world, helping drive positive change by addressing global challenges, such as inequality and climate change.

For this reason, we are advancing initiatives to strengthen the resilience of our communities, while protecting our environment. In 2022, we distributed US\$ 387 million in economic value, with roughly sixty cents of every dollar produced invested in-country.

Through the increasing integration of sustainability practices, robust ESG performance, and teamwork, in 2022 we achieved record production for the third year in a row. We are committed to ensuring that our contribution to sustainability remains meaningful in a continuous effort to make industrial gold mining a sustainable practice.


Has your approach to sustainability changed with increased interest in ESG from investors and other stakeholders?

We listen to the high priority issues of our stakeholders so that we can ensure these issues are considered in our corporate strategy. It is clear that the environment, sustainability and governance have become important topics of investment community conversation, as ESG can be a crucial driver for the creation of long-term value.

It is our responsibility to answer more questions from investors regarding sustainability, to disclose more information about our environmental and social impacts, and to articulate a coherent narrative around our ESG track record.

To demonstrate alignment with our shareholders' changing expectations, in 2022 we continued our efforts to increase



Watch the video message from the CEO [here](#) 



and improve sustainability disclosure and performance reporting, while ensuring external assurance of our progress toward priority ESG metrics (for example, our conformance against the World Gold Council’s Responsible Gold Mining Principles).

What are the key risk factors and most critical challenges faced by the industry as it transitions towards a more ESG/sustainability-focused business?

According to the World Economic Forum’s 2022 Global Risks Report, the top three most severe global risks are all environmental. As a natural resource-based company, we are aware of our responsibility toward the environment. Because of that, we remain committed to protecting biodiversity and freshwater sources, restoring more than 200 hectares of forests in Nicaragua, and in Nevada contributing to sagebrush steppe ecosystem conservation by safeguarding the greater sage-grouse population around our operations.

We also acknowledge the risks of operating in complex jurisdictions, but we are not ones to shy away from challenges. On the contrary, we believe that by being able to maneuver through such complexities while remaining true to our values, ethics and standards, we can promote resiliency and unlock the sustainable potential of minerals over the long term to meet the world’s needs, leading with positive change.

ESG considerations can be a crucial part of risk management, as they can help identify and mitigate risks that might impact our financial performance. This means we must continue to set the bar high in terms of environmental and social standards, securing our long-term vi-

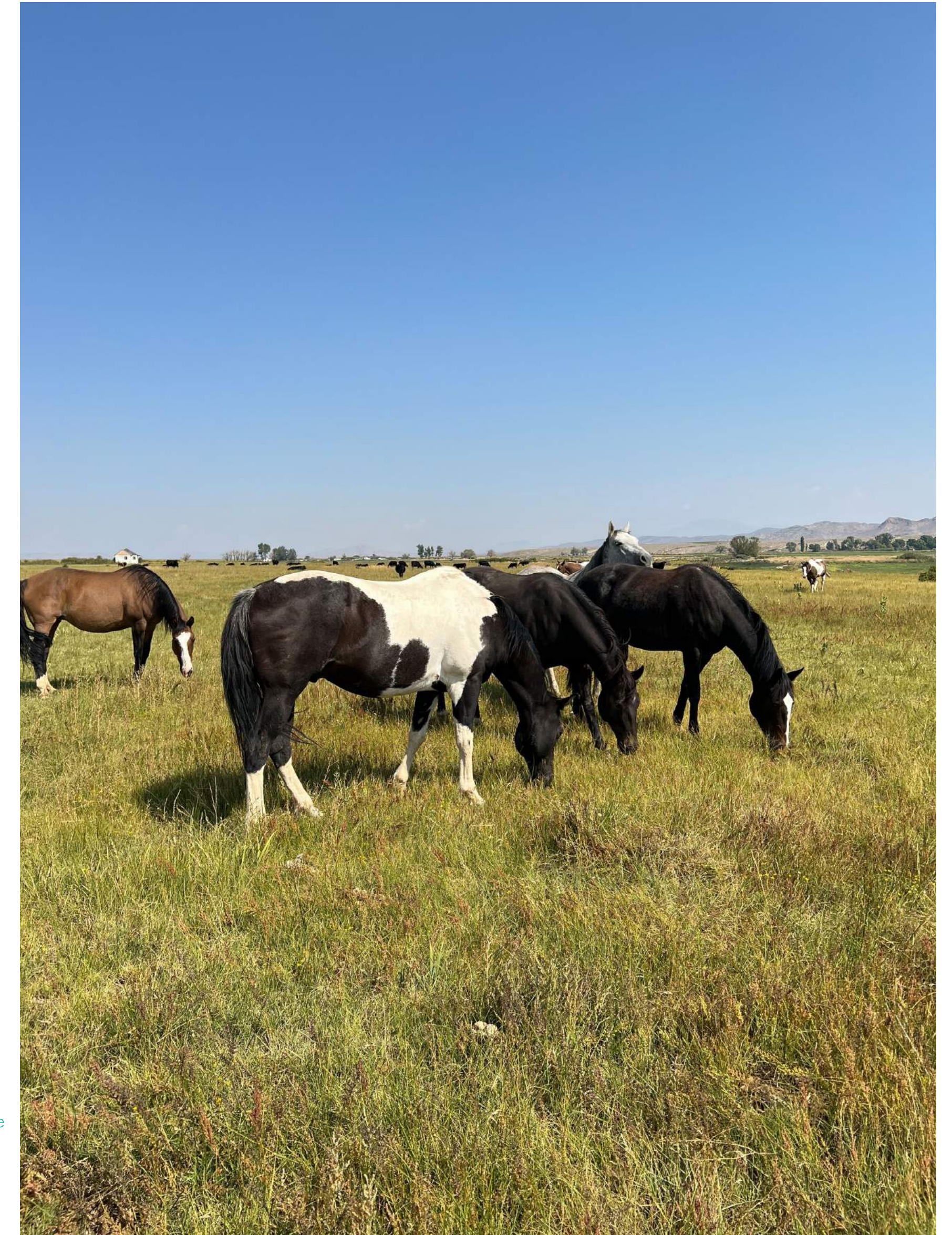
ability while delivering value to all our stakeholders and to the broader society. Our focus, therefore, is to ensure that sustainability is integrated into the development and implementation of our corporate strategy, across all functions of the company, at all times.

How do you see your priorities changing as you look to the future from a business strategy and sustainability perspective?

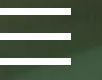
In times of disruption, shifting market conditions and increasing regulatory requirements, we must be flexible and responsive enough to remain effective. As we look to the future, there is no doubt that sustainability will continue to be a priority for Calibre. Our values and our commitment to responsible mining will not change. However, over time, as the global environment continues to evolve, so will our approach.

We are increasingly incorporating ESG-related considerations into the earliest days of project planning. Our Eastern Borosi Project, for example, gave us a real opportunity to design new mines with sustainability factors in mind. To that end, last year we empowered communities within the Eastern Borosi area of influence to envision their future and develop their first multi-annual community development plan. This initiative has become a reference for inclusive, participatory grassroots planning in the region.

It is evident: we cannot be a successful business without thinking about and acting on sustainability. It is an ethical imperative for Calibre, and we are focused on consistently setting an example across the various dimensions of sustainability, to ensure we deliver positive and sustainable benefits to all stakeholders.



→ Duckwater Shoshone Tribe Stock Images



“We are committed to ensuring that our contribution to sustainability remains meaningful in a continuous effort to make industrial gold mining a sustainable practice.”

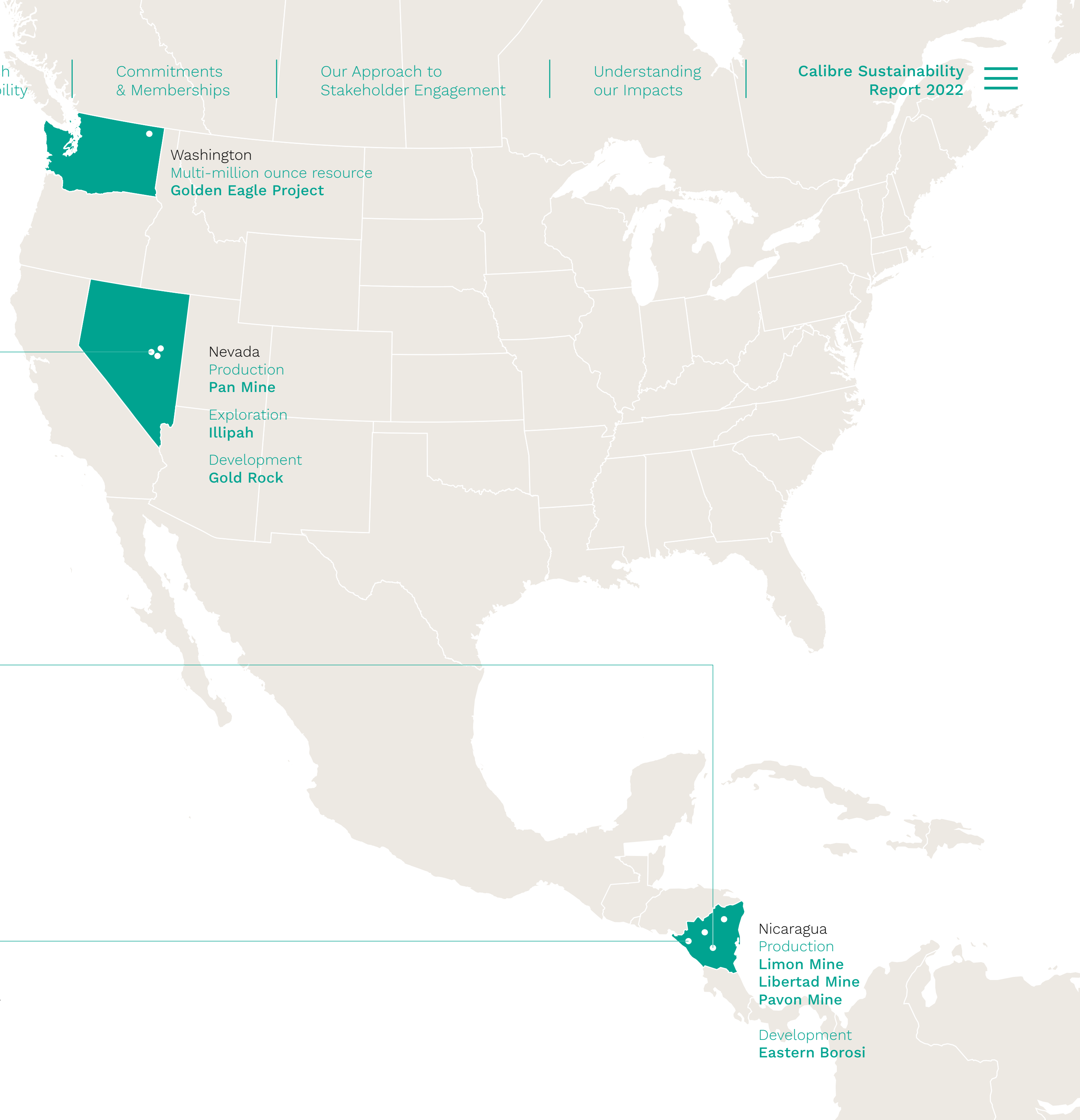
Darren Hall, President & CEO



1.4

COMPANY PROFILE

Calibre Mining Corp. (Calibre) is a Canadian-listed, Americas-focused, growing mid-tier gold producer with a strong pipeline of development and exploration opportunities across Nicaragua and, beginning in 2022, Nevada and Washington in the United States. Calibre is focused on delivering sustainable value for shareholders, local communities, and all stakeholders through responsible operations and a disciplined approach to growth. The company's common shares are listed on the Toronto Stock Exchange (TSX) in Canada under the ticker symbol CXB, and in the United States on the OTCQX Best Market under the ticker symbol CXBMF.



Washington
Multi-million ounce resource
Golden Eagle Project

Nevada
Production
Pan Mine

Exploration
Illipah

Development
Gold Rock

Nicaragua
Production
Limon Mine
Libertad Mine
Pavon Mine

Development
Eastern Borosi

Site / Pan Mine

OWNERSHIP / 100%

TYPE OF ASSET / Producing

MINING OPERATION / Pan HL Mine

LOCATION / Nevada, United States

2022 PRODUCTION (OZ GOLD) / 41,509 oz

TYPE OF ASSET / Development

MINING OPERATION / Gold Rock Project

LOCATION / Nevada, United States

2022 PRODUCTION (OZ GOLD) / N/A

Site / La Libertad Complex

OWNERSHIP / 100%

TYPE OF ASSET / Producing

MINING OPERATION / Libertad Mill -
Jabali UG - Pavon Norte OP Mine

LOCATION / La Libertad, Chontales -
Santo Domingo, Chontales - Rancho
Grande, Matagalpa, Nicaragua

2022 PRODUCTION (OZ GOLD) / 104,319 oz

TYPE OF ASSET / Development

MINING OPERATION / Eastern
Borosi Project (EBP)

LOCATION / Rosita, RACCN, Nicaragua

2022 PRODUCTION (OZ GOLD) / N/A

Site / El Limon Complex

OWNERSHIP / 100%

TYPE OF ASSET / Producing

MINING OPERATION / Limon Mill - Limon
Central OP Mine - Santa Pancha UG Mine -
Panteon UG Mine - Veta Nueva, UG Mine

LOCATION / Mina El Limon, Larreynaga,
Leon, Nicaragua

2022 PRODUCTION (OZ GOLD) / 76,171 oz



BENEFIT FOOTPRINT

Economic Value Distributed

US\$ 386.7M

Employees

1,241
employees

US\$ 59.2M

paid in wages and benefits

Host Communities

US\$ 2.7M

invested in socioeconomic initiatives

Governments

US\$ 34.5M

paid in taxes and royalties

Host-Country Suppliers

US\$ 210M

in procurement paid to national suppliers

For information on significant changes during the reporting period, see the “Recent Corporate Developments” section on p. 4 of our Year-End 2022 MD&A, available on our website [🔗](#), and through our SEDAR profile.

→ Gold Rock, Nevada





Our vision

By thinking and acting like owners, we will responsibly deliver value for all stakeholders.





CALIBRE VALUE CHAIN





1.5 OUR APPROACH TO SUSTAINABILITY

1.5.1 THE ONE CALIBRE CULTURE: HOW WE CREATE VALUE

INPUTS / Calibre Capital

HUMAN CAPITAL

- ~ 1,241 employees, 16% women
- ~ 2,482 contractor workforce

FINANCIAL CAPITAL

- ~ US\$ 664.2M in assets
- ~ US\$ 108M working capital
- ~ US\$ 98.8M capital investment in mine development and PPE
- ~ US\$ 252.5M purchase of goods and services

INTELLECTUAL CAPITAL

- ~ US\$ 46.4M capital investment in exploration
- ~ Policies, controls and guidelines

SOCIAL AND RELATIONSHIP CAPITAL

- ~ US\$ 2.7M in community investment

NATURAL CAPITAL

- ~ 3,107 ML water withdrawn
- ~ 1,961,051 GJ energy used
- ~ 8 km² land disturbed

OUR VISION

By thinking and acting like owners, we will responsibly deliver value for our stakeholders.

OUR BUSINESS MODEL

Creating a growth-oriented, Americas-focused, mid-tier gold producer with a compelling value proposition.

OUR CORE VALUES

Safety, Social and Environmental Responsibility, Integrity, Teamwork, Accountability.

OUR SUSTAINABILITY PURPOSE

Integrating robust Sustainability Performance as Calibre's business edge.

Contributing to the Sustainable Development Goals



OUTPUTS / Value Created

HUMAN CAPITAL

- ~ 114 new hires
- ~ 10 hours average training delivered to workers
- ~ US\$ 59.2M in salaries and benefits
- ~ 43% reduction in LTIFR per 200,000hrs worked
- ~ 12% employee turnover

FINANCIAL CAPITAL

- ~ US\$ 403M in revenue
- ~ US\$ 43.3M net income
- ~ US\$ 96.7M net cash provided by operating activities
- ~ US\$ 34.5M in taxes and royalties

INTELLECTUAL CAPITAL

- ~ 179,000 meters of multi-rig exploration drill programs across our sites

SOCIAL AND RELATIONSHIP CAPITAL

- ~ ~93,000 community members benefited from value distributed
- ~ 1,018 national suppliers benefited (89% of total supplier portfolio)

NATURAL CAPITAL

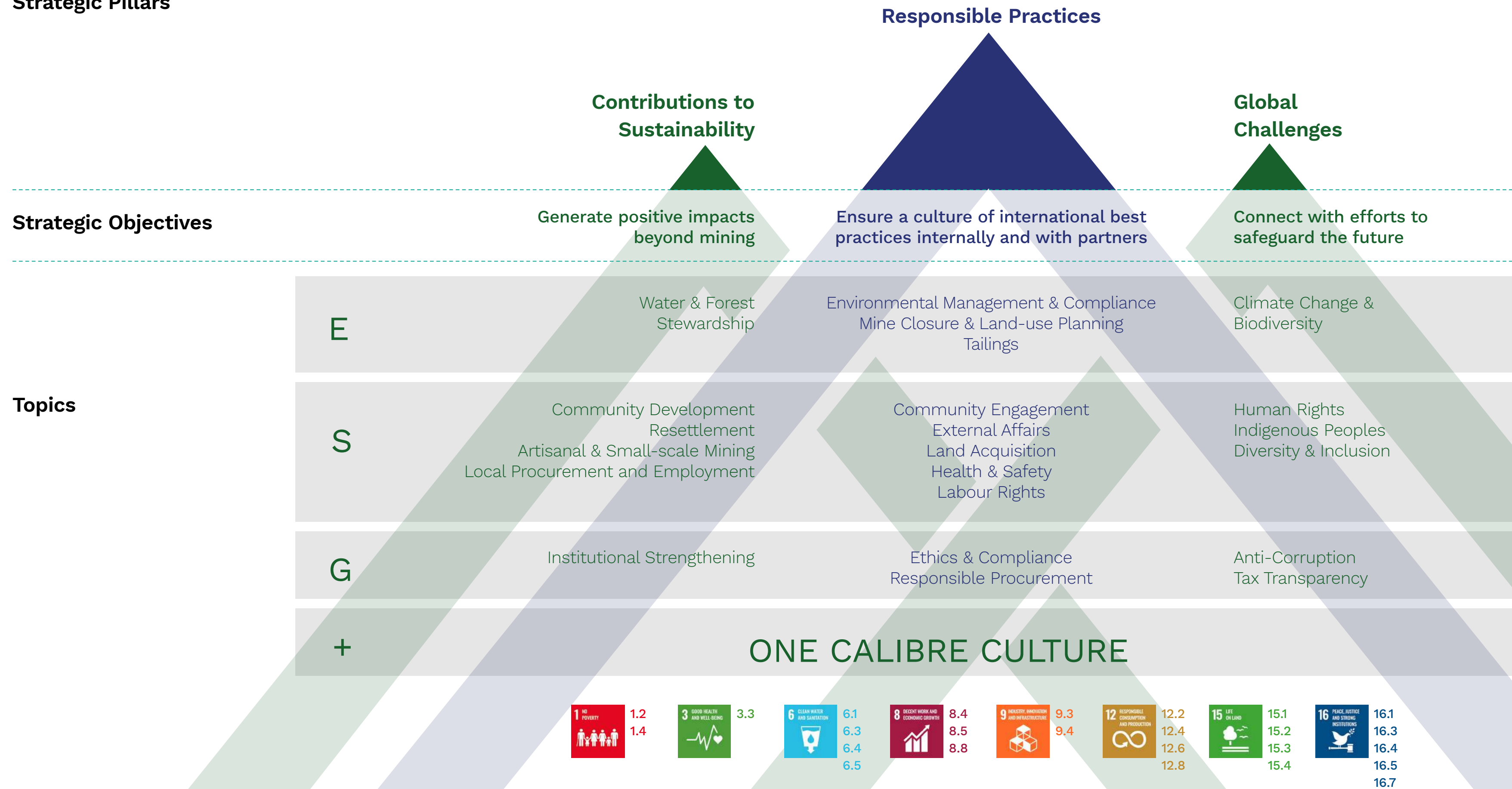
- ~ 1,154 metric tons of waste diverted from disposal
- ~ 250,050 GJ renewable energy from electricity generated from grid
- ~ 77% water recycled at our operations
- ~ 1 km² of wildlife refuge maintained
- ~ 367 ha reforested since 2010

1.5.2 OUR SUSTAINABILITY STRATEGIC FRAMEWORK

Corporate Vision By thinking and acting like owners, we will deliver value responsibly for all stakeholders

Sustainability Purpose Integrating robust sustainability performance as Calibre’s business edge

Strategic Pillars





1.5.3 OUR SUSTAINABILITY STRATEGY – Q&A WITH OUR VP SUSTAINABILITY

In 2021, Calibre launched its Sustainability Statement and First Five-Year Sustainability Strategy [\[link\]](#), reflecting our commitment to integrate sustainability into all aspects and phases of our operations, and converting robust sustainability performance into Calibre’s business edge. Petri Salopera, Vice President of Sustainability, discusses Calibre’s approach to sustainability.

What are Calibre’s key sustainability priorities?

At Calibre, sustainability is at the center of our way of doing business and fundamental to our long-term success. The Five-Year Sustainability Strategy is built on three key strategic pillars, which set the foundation for our goals and expectations.

Responsible Practices. The way we work and the values behind our actions and decisions are fundamental in integrating sustainability into our business. We aim to stand out for our operational excellence at all levels and sites. Our strategy starts by ensuring a culture of best practices, internally and with partners.

Contributions to Sustainability. We acknowledge that mining can have major impacts on territories and populations. We strive to potentiate this opportunity, seeking long-term benefits for our communities and ecosystems by driving significant positive transformation processes that endure beyond mine-life.

Global Challenges. The world faces crucial challenges, and attention is increasingly focused on the need to unite around global issues. Our objective is to connect with efforts to safeguard the future, aligning with national and international ESG initiatives as a critical aspect of our business and our common future, with the long-term aim of becoming a leader in matters of sustainability.

What were your priorities in the sustainability strategy’s first year of implementation? Where do you intend to focus your efforts going forward?

Responsible practices start by ensuring a safe and sound environment for our people and the communities around us. Our first steps, therefore, focused on strengthening our health and safety performance, ensuring environmental stewardship, and guaranteeing responsible, substantial engagement with our stakeholders. As a result, in 2022 we had no significant incidents related to the environment, employment practices, health and safety, workplace disruptions or non-technical delays.



Watch the video message from our VP Sustainability [here](#)



Contributions to sustainability centered around primary needs, including water and forest conservation and safe, adequate housing for our workers and neighbors. In 2022, we grew 156,600 trees to contribute to Nicaragua’s national reforestation campaign, and we continued improving and expanding the public water systems around our operations. Moreover, we completed resettlement and housing projects in El Limon and La Libertad in Nicaragua, and in Ely, Nevada, achieving tangible improvements in the well-being and living conditions of 67 families.

Global challenges have become more pressing at all levels, but our roadmap must initiate in-house. Salient issues addressed in 2022 involved reinforcing our commitment to the respect and promotion of human rights and identifying measures to tackle climate change. As a result, we commissioned a third party to conduct a human rights impact assessment on all our Nicaraguan assets, including our most relevant contractors, to identify areas of opportunity for site management improvements. Moreover, our decision to purchase 100% clean energy from the grid in Nicaragua sought to contribute to global efforts to reduce overall emissions.

How will Calibre’s growth strategy impact sustainability?


Calibre’s long-term success is only attainable by running a sustainable business. Our year-to-year delivery on commitments to grow the company is a direct result of our embracing sustainability and putting ESG at the forefront of our corporate strategy.

As we continue to discover novel opportunities, access targets, develop new mines and grow resources, reserves, and production, we will continue to align our business strategy with our core values, and those of our stakeholders. We will continue to integrate sustainability and ESG considerations into all aspects of the business. This will ensure that we create value and renew our competitive advantage, all while delivering positive outcomes to our communities and the environment.

What is your vision for the future of Calibre’s sustainability strategy?

In an ever-changing context, industries from all sectors must approach ESG in a way that is transparent, consistent, dynamic, innovative, and future-focused, all while continuing to support human progress without negatively affecting the environment.

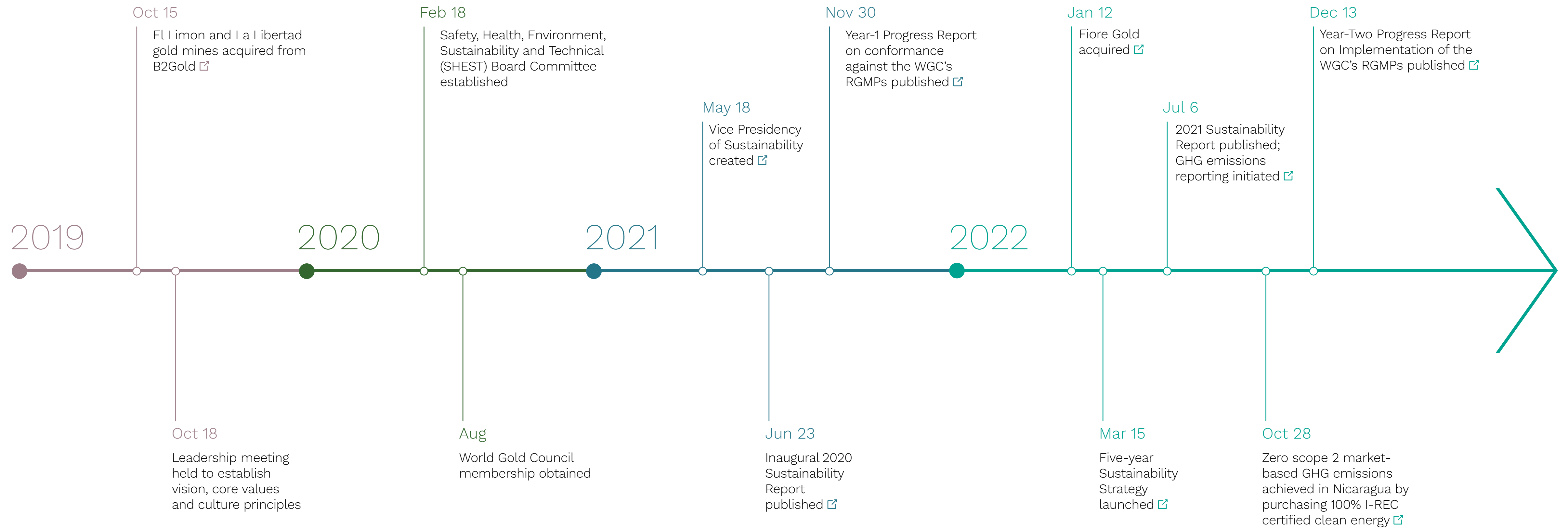
As an industry that relies on non-renewable resources, I find mining to be critical in this shift to a sustainable global economy. My aspiration for the future is that, more and more, we see a mining industry that positively transforms lives and ecosystems and plays an active role in triggering change. And I see Calibre as a leader amongst its peers on this front. I believe our sustainability strategy will be essential to ensure that we uphold this commitment and our operations leave a lasting, positive and sustainable legacy, well beyond mine-life.

A large-scale photograph of an open-pit mine. The mine is characterized by multiple terraced levels of reddish-brown earth and rock, with patches of snow or ice scattered across the surfaces. In the lower-left foreground, a yellow CAT excavator is visible, working on the ground. The sky is a clear, bright blue.

*“At Calibre,
sustainability is at the
center of our way of
doing business and
fundamental to our
long-term success.”*

Petri Salopera, VP Sustainability

1.5.4 TIMELINE OF KEY SUSTAINABILITY EVENTS





1.6

COMMITMENTS AND MEMBERSHIPS

1.6.1 MEMBERSHIPS AND ASSOCIA-



World Gold Council (WGC)



Nicaraguan Chamber of Mines (CAMINIC)



Nevada Mining Association (NVMA)

1.6.2 VOLUNTARY COMMITMENTS

Calibre is committed to high standards of governance, social, and environmental performance. We are guided by the following authoritative intergovernmental instruments.



United Nations Guiding Principles on Business and Human Rights



Voluntary Principles on Security and Human Rights



International Council on Mining and Metals (ICMM) Mining Principles



International Finance Corporation Performance Standards



International Cyanide Management Code



International Financial Reporting Foundation



United Nations Sustainable Development Goals



1.7

OUR APPROACH TO STAKEHOLDER ENGAGEMENT

Stakeholders are identified through annual internal stakeholder mapping and analysis processes both at corporate and site levels. We determine which stakeholders to engage as per their relevance to and interest in our business, including, among other factors: their relevant rights and claims, attitudes toward the business (support), their ability to influence (power), how much they can be affected by the business (impact), their relationships with other stakeholders (network) and the potential drivers and triggers of tension or conflict. This analysis is an input into our materiality and risk assessment.

Having characterized our stakeholders, we determine which groups and individuals are most important to engage with and the nature of those relationships, which often take place at more than one level. Methods of engagement are selected according to the purpose of engagement, taking into account the needs, capacities and expectations of stakeholders.

TABLE 3. APPROACH TO STAKEHOLDER ENGAGEMENT

STAKEHOLDER GROUP	PURPOSE OF ENGAGEMENT	METHODS OF ENGAGEMENT
Artisanal Miners	<ul style="list-style-type: none"> • Right to prior, informed consultation for new projects. • Inform, identify, assess, and manage actual and potential risks, opportunities and impacts, such as: mining law, environmental stewardship, occupational H&S, land access and relocation, security threats, child labour, ore purchase, etc. 	Permanent engagement at site level, such as: <ul style="list-style-type: none"> • Public consultations, ESIA's • Community grievance mechanism • ASM territorial commissions • Face-to-face meetings • Training programs • Newspapers, radio, TV, newsletters
NGOs and the Academia	<ul style="list-style-type: none"> • Conduct research, establish partnerships, request advice, share relevant information. 	Monthly direct engagement at corporate and site levels
Employees and Unions	<ul style="list-style-type: none"> • Right to form or join unions and bargain collectively. • Identify, assess and manage actual and potential impacts on issues such as H&S, collective agreements, remuneration and incentives, operational performance and responsible business practices. 	Permanent engagement at site level, such as: <ul style="list-style-type: none"> • Mixed Commission • Daily pre-start and periodic town hall meetings • Training programs • Management walkabouts • Bulletins, public boards, newsletters
Government and Regulatory Bodies	<ul style="list-style-type: none"> • Report, consult or collaborate on issues such as regulatory and legal compliance, government regulation and permitting, taxes and royalties, employment, infrastructure and contribution to socioeconomic development priorities, environmental stewardship, and enforcement of the rule of law. 	Permanent direct engagement at corporate and site level, such as: <ul style="list-style-type: none"> • Regulatory filings • Responses to requests for information • Site visits and inspections • Meetings and personal communications
Host Communities	<ul style="list-style-type: none"> • Right to prior, informed consultation for new projects. • Inform, identify, assess and manage actual and potential risks, opportunities and impacts, such as: employment and local business opportunities, community investment, environmental stewardship, noise/dust/vibration generation, land access/resettlement, fair and transparent distribution of economic contributions, etc. 	Permanent engagement at site level, such as: <ul style="list-style-type: none"> • Public consultations, ESIA's • Community grievance mechanism • ASM territorial commissions • Face-to-face meetings • Regular meetings with leaders • Local cultural and sporting events • Socioeconomic programs • Newspapers, radio, TV, newsletters



Watch here to learn more about our engagement processes at Pavon [here](#)




TABLE 3. APPROACH TO STAKEHOLDER ENGAGEMENT

STAKEHOLDER GROUP	PURPOSE OF ENGAGEMENT	METHODS OF ENGAGEMENT
Indigenous Peoples	<ul style="list-style-type: none"> Right to free, prior, informed consultation for new concessions. 	Permanent engagement at site level, using local language: <ul style="list-style-type: none"> Public consultations, ESIA's Experience exchange workshops with leaders Face-to-face meetings Site visits
Media	<ul style="list-style-type: none"> Provide information of interest, such as financial, operating and ESG performance, government regulations and permitting, and mergers, acquisitions and divestments. 	Permanent engagement at corporate level, such as: <ul style="list-style-type: none"> Press releases Interviews, presentations and publications Regulatory filings Website and social media, email/telephone
Peers and industry associations	<ul style="list-style-type: none"> Inform/discuss/collaborate issues of common interest such as policy positions, industry targets, reporting on site performance, responsible business practice and ESG performance. 	Quarterly direct engagement at corporate level, such as: <ul style="list-style-type: none"> Active participation as members and on boards Industry-wide initiatives Meetings and personal communications
Shareholders, investors & analysts	<ul style="list-style-type: none"> Inform/consult on issues such as share price performance, financial and operating performance, balance sheet strength, reserves and resources, ESG performance, company growth, government regulations and permitting, and mergers, acquisitions and divestments 	Quarterly direct and indirect engagement at corporate level, such as: <ul style="list-style-type: none"> Annual General Meeting and conference calls Annual and quarterly reports Regulatory filings Press releases and TSX regulatory documents Website and social media, email/telephone inquiries
Suppliers and contractors	<ul style="list-style-type: none"> Inform, monitor and review issues such as contract terms and conditions, workers' rights and working conditions, business opportunities and local content. 	Permanent engagement, such as: <ul style="list-style-type: none"> Contract negotiations General terms and conditions for suppliers Policies and standards Participation in training programs Meetings and personal communications

← Pavon Mine, Nicaragua



Watch here to learn more on our strategic partnership for sustainability with the Centre for Nature's Understanding (CEN) [here](#) 

1.8 UNDERSTANDING OUR IMPACTS

1.8.1 RISK ASSESSMENT AND MANAGEMENT

We recognize that mining activities pose certain risks and can have negative impacts on society and the environment. Nonetheless, under the right conditions and with responsible, sustainable management, mining can be a positive force for local and national development. Embracing our responsibility to minimize the negative effects and optimize the positive outcomes of our operations on communities and the environment requires us to identify, understand and address our significant impacts, which we call “material topics.”

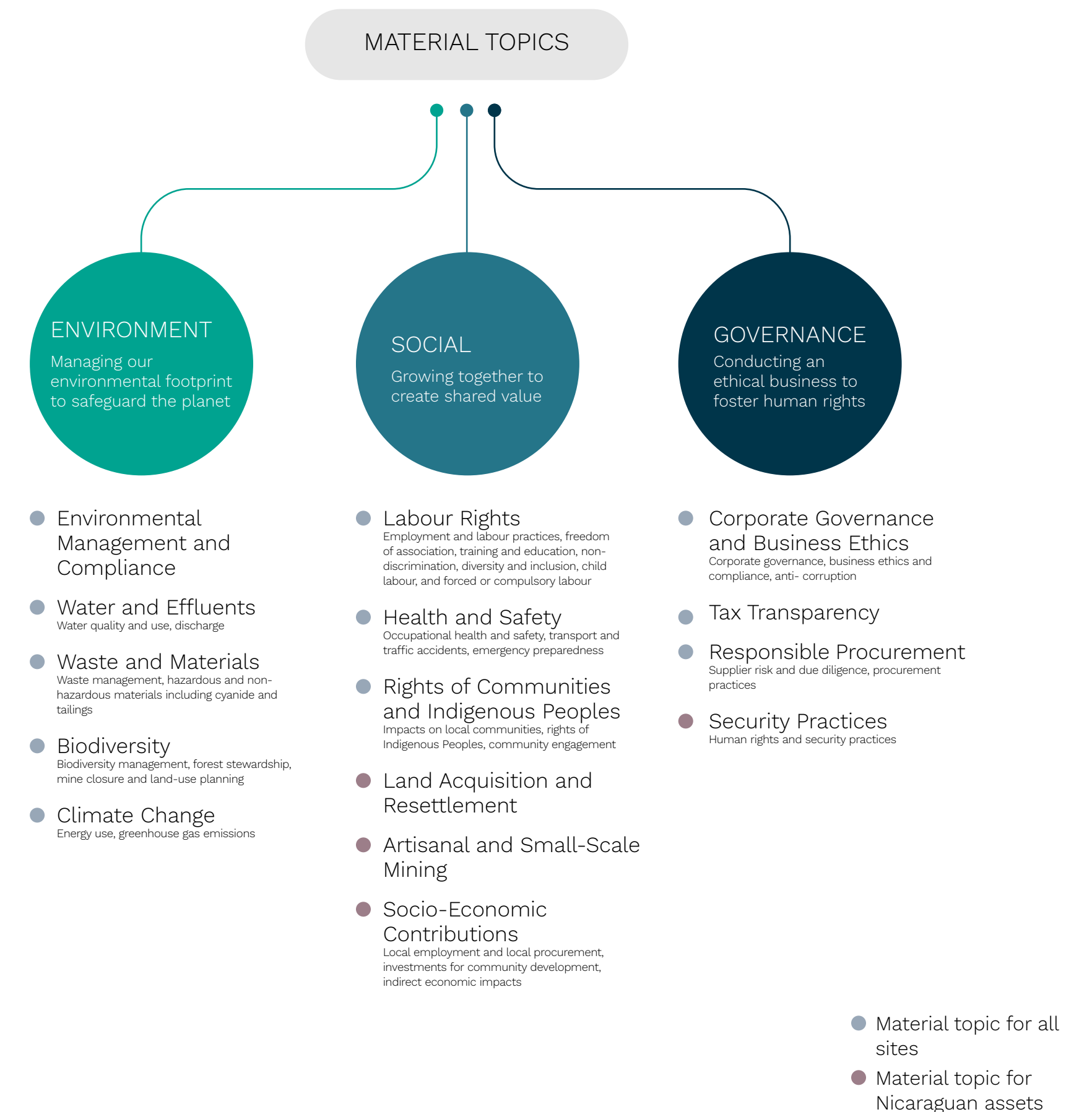
ESG risk management is embedded in our organizational structure and responsibilities and focuses on proactively avoiding, minimizing and managing impacts that result from our activities, from a human rights approach. Controlling and overseeing risks and impacts involves all areas, including Operations, Health and Safety, Sustainability (Legal, Corporate Affairs, Government Relations, Social Compliance, Community Relations, Resettlement, Artisanal and Small-Scale Mining, Environment), Finance, Human Capital, and Supply Chain Management and Commercial (SCM&C). Assessments take place at the corporate level and at each site, and action plans are developed accordingly.

1.8.2 MATERIALITY PROCESS AND RESULTS

For the purposes of this Report, in 2022 we performed an internal review of the comprehensive materiality assessment conducted in 2021, in part through a review of the following documents and information to validate the results:

- Recommendations from the Human Rights Impact Assessment conducted by a third party, which included extensive engagement with our executive leadership team, employees, unions, contractors, artisanal miners’ representatives, Indigenous Peoples’ representatives, local communities and security providers.
- Gaps identified in the Year-Two Progress Report on Implementation of the WGC’s RGMPs [🔗](#)
- Company reports from ESG rating agencies.
- Results from the materiality assessment conducted by the site leadership team for our Pan Mine.
- Grievances, most recent Social and Environmental Impact Assessments conducted for projects, and news related to the company and the industry.

As a result, the only change made to the material topics identified in our 2021 Sustainability Report [🔗](#) was to designate “Tax Transparency” as an independent issue reported under the topic of Governance (rather than as a sub-section under the issue of Corporate Governance and Business Ethics), in order to expand our disclosures in accordance with GRI Standard 207: Tax 2019. A visualization of our 2022 material topics is provided in the following chart.





ENVIRONMENT

Managing our environmental footprint to safeguard the planet.

2022 HIGHLIGHTS

Zero high-risk reportable environmental incidents.

77% water recycled, compared to 46% in 2021.

59% of waste recycled in 2022 vs 37% in 2021.

156,600 trees produced in 2022, and over a million trees produced since 2010 in Nicaragua to contribute to reforestation campaign nationwide.

Zero market-based Scope 2 emissions in Nicaragua, through the purchase of I-REC certificates for 100% of electricity consumed from the grid.



2.1 ENVIRONMENTAL MANAGEMENT

MATERIAL TOPICS COVERED IN THIS SECTION	ENVIRONMENTAL MANAGEMENT • ENVIRONMENTAL MANAGEMENT AND COMPLIANCE
GRI indicator(s)	N/A
SASB indicator(s)	EM-MM-160a.1
SDG target	4.7
Why it matters	As a resource-based operation, we put our efforts into managing potential adverse impacts on shared resources. Environmental responsibility is a core value, and we are committed to responsible environmental stewardship through continual improvements in our performance across all sites.
Potential risks or impacts to human rights	<ul style="list-style-type: none"> • Right to free, prior, informed consultation: lack of transparency of environmental impact studies could affect peoples' right to be properly informed of potential impacts to their surroundings. • Right to health and effective remedy: risk of non-compliance with environmental regulations and precautionary standards, or of environmental incidents/impacts (e.g., water, soil or air pollution; loss of biodiversity or alteration in drainage patterns) resulting from exploration, development and/or extraction activities that could cause harm to people and the ecosystem.

To see detailed information, visit our 2022 Performance Tables for Environmental Management [↗](#)

2.1.1 OUR APPROACH

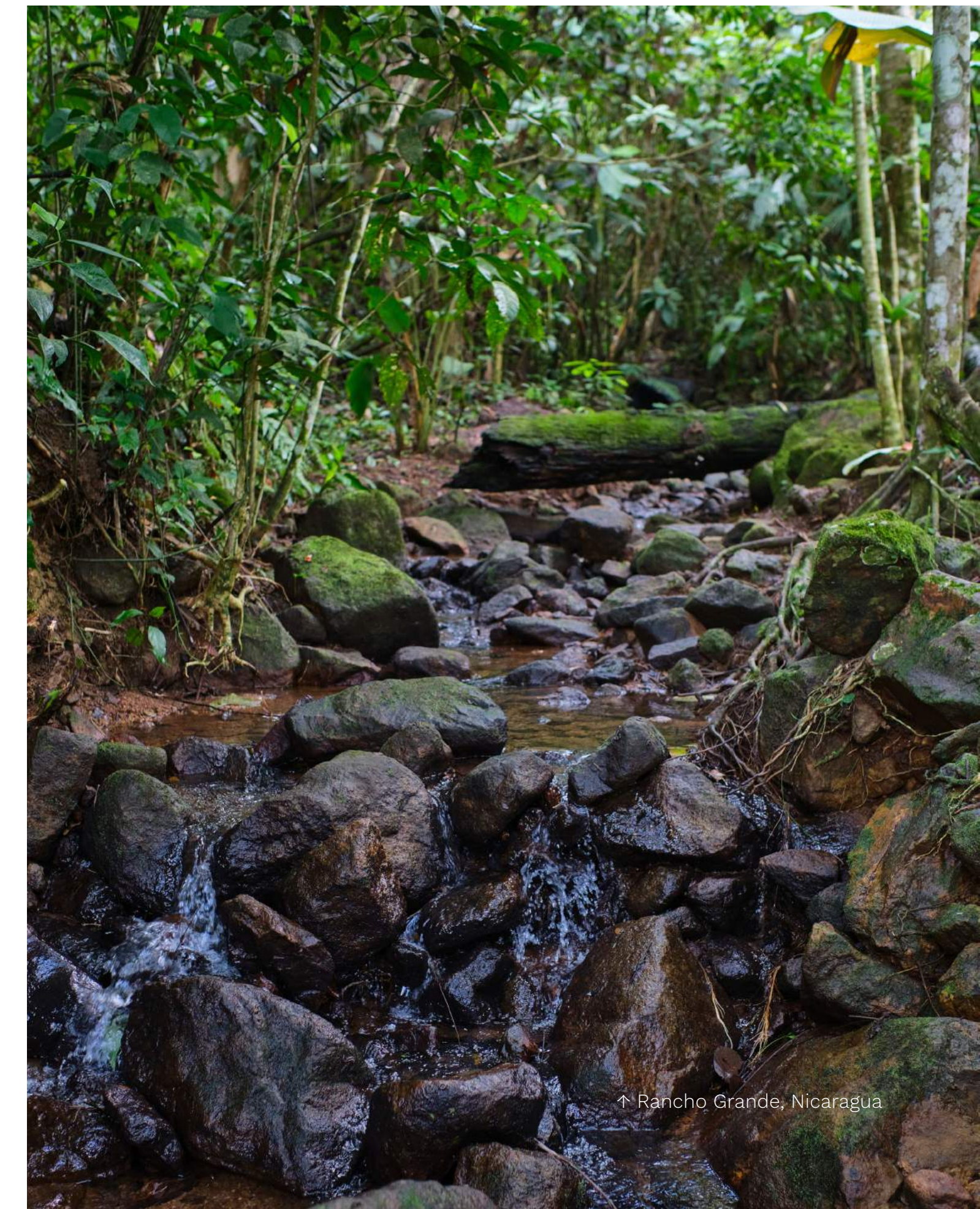
POLICY COMMITMENTS

Our Environmental Policy [↗](#) establishes our commitment to comply with all applicable environmental legal, regulatory and other requirements to which Calibre subscribes or is a signatory and maintain a high standard of environmental performance during all stages of exploration, mine development, mining operations and mine closure.

TOPIC AND RISK MANAGEMENT

- Our standards are based on ISO 14001:2015 and align with the IFC Standards.
- Our environmental management system is intended to identify and eliminate, or minimize, mitigate or compensate for, significant adverse impacts on the environment relating to our activities, through a risk-based approach. It focuses on these key areas: hazardous materials and dangerous goods, cyanide, tailings, waste rock, non-process waste, water, air quality, topsoil, closure and reclamation, noise and vibration, and biodiversity.
- All our operations have control measures in place to minimize the likelihood of environmental incidents and to mitigate potential effects on the environment for incidents that do occur. These measures include facility design considerations, spill containment measures, meters, alarms, standard operating procedures, training, permanent monitoring, regular inspections, and the identification of potential issues through internal risk assessments. Significant environmental incidents¹ are investigated to identify root causes, and remedial measures and corrective actions are implemented to avoid recurrence.
- We have mechanisms in place to avoid or mitigate impacts on local communities and the environment arising from our activities. Sites that are located close to communities are required to develop and implement air quality and noise and vibration management plans.

¹ We define significant risk/incident as that which has been assessed as "extreme" or "high" using a process based on the International Standard for Risk Management (ISO31000:2009), as per our Management System Standards.



↑ Rancho Grande, Nicaragua

ENVIRONMENTAL MANAGEMENT²

1 FEASIBILITY

We consider a project's potential environmental impacts long before mining begins. During feasibility stages, an Environmental and Social Impact Assessment (ESIA) is conducted to identify and understand impacts and risks, and to develop Environmental Management Plans (EMPs) to address the impacts and risks, when needed.



2 CONSTRUCTION

Once a project is approved, construction is carried out in line with the guidelines and control measures established in the EMPs, ensuring adherence to the ESIA and our Environmental Management System.



3 OPERATION

Our Environmental Standards ensure all risks are managed in line with national regulations and international leading practices, while the EMPs outline mitigation measures to be applied at each stage of operational life.



4 CLOSURE

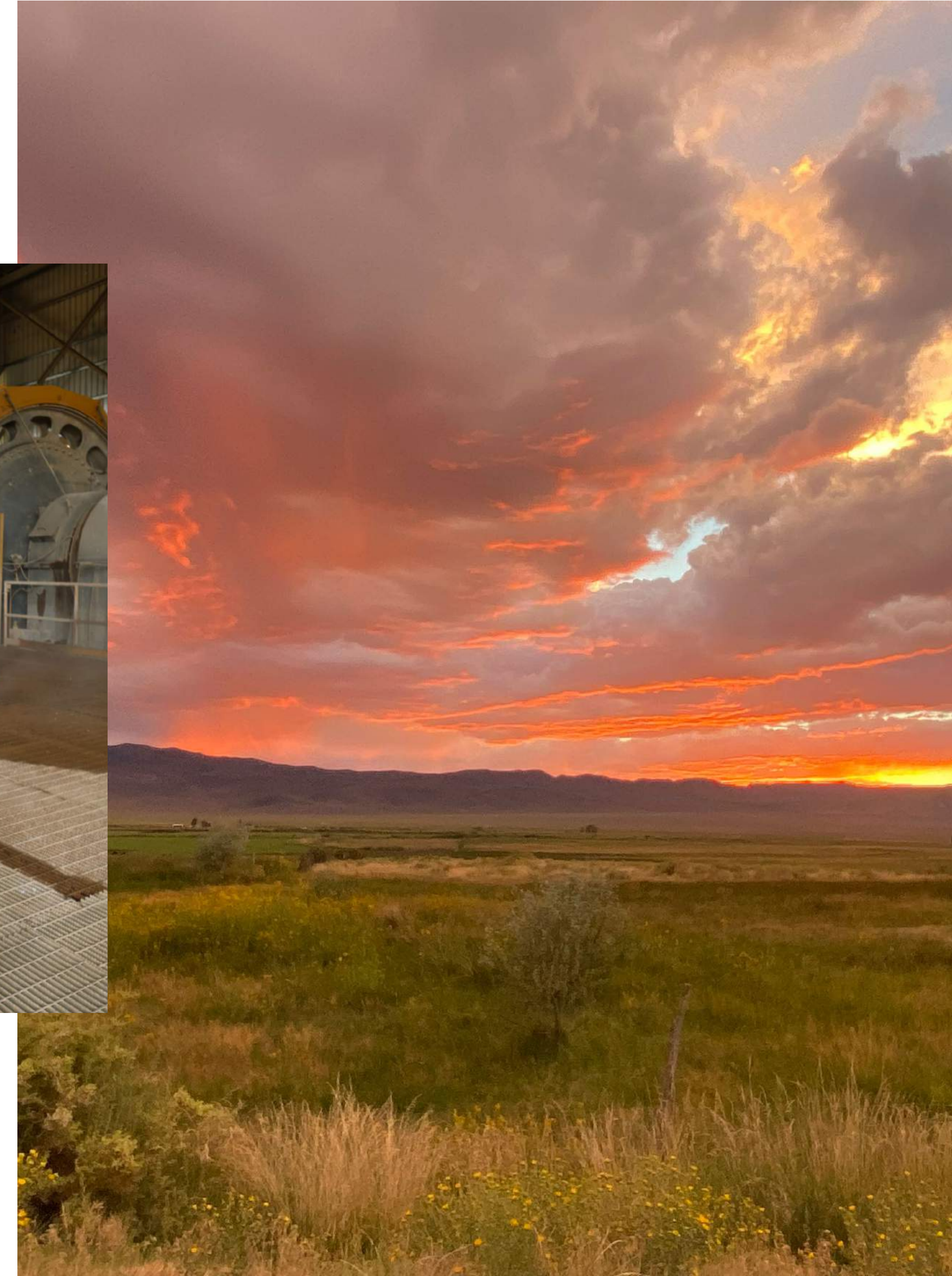
All permits include closure and rehabilitation plans approved by national authorities.

² EIAs in Nevada are prepared in compliance with the National Environmental Policy Act of 1969 (NEPA), the Council on Environmental Quality (CEQ) regulations for implementing NEPA (40 CFR 1500 – 1508), and in accordance with the BLM NEPA Handbook H-1790-1 (BLM, 2008a) and applicable instruction memoranda and other applicable laws and regulations. EIAs in Nicaragua are prepared based on ToRs issued by the Ministry of the Environment and Natural Resources (MARENA), in consensus with Inter-institutional Commissions comprised of MARENA, the Ministry of Energy and Mines (MEM), the Forestry Institute (INAFOR), and the respective Municipal Government(s). They also take into account the applicable legal framework, including the Environmental Law (Law No. 647), Mining Law (Law No. 387), Hydrocarbons Law (Law No. 277), Toxic Substances Law (Law No. 274), National Waters Law (Law No. 620), and all relevant mandatory decrees and technical standards (most importantly: Decree 20-2017 on the Environmental Assessment System of Permits and Authorizations for the Sustainable Use of Natural Resources; and Ministerial Resolution No. 03-2000 on Complementary Administrative Provisions for the Granting of Environmental Permits).



↑ Libertad Mine, Nicaragua

➤ Duckwater Shoshone Tribe Stock Images



ACCOUNTABILITY

- The Vice Presidents for Operations and Sustainability provide oversight to the company’s environmental performance.
- Environmental Managers are responsible for assessing and providing guidance on the country-level implementation of our environmental and biodiversity policies and practices.
- Mine Managers lead environmental programs and initiatives at the site level. Each operation is responsible for environmental management and performance.

ENGAGEMENT

- We train our local teams on guidelines and procedures to continually improve our environmental management performance.
- Public consultations are conducted for every new project requested. Detailed information on our community consultation, engagement and redress processes, including those related to environmental issues, can be found in the section on Rights of Communities and Indigenous Peoples [↗](#).
- Environmental reports are sent periodically to the corresponding authorities, and frequent inspections and site visits provide evidence of compliance.
- At the Pan Mine we annually report all emissions to the Federal Environmental Protection Agency through the Toxic Release Inventory (TRI) report.

2.1.2 2022 PERFORMANCE

METRICS

TABLE 4. DESCRIPTION OF ENVIRONMENTAL MANAGEMENT POLICIES AND PRACTICES FOR ACTIVE SITES

SITE	POLICIES AND PRACTICES IMPLEMENTED?	LIFECYCLE STAGE	TOPICS ADDRESSED
El Limon Complex	Yes	Production	Waste generation, noise impacts, air emissions, discharges to water sources, natural resource consumption, hazardous chemical usage, biodiversity impacts, and environmental monitoring.wz
La Libertad Complex	Yes	Production	Waste generation, noise impacts, air emissions, discharges to water sources, natural resource consumption, hazardous chemical usage, biodiversity impacts, and environmental monitoring.
Pan Mine	Yes	Production	Wildlife, waste management, air emissions, water pollution control, groundwater use, stormwater management, cultural resources, and reclamation.



KEY RESULTS

Performance against 2022 targets for Nicaragua

- Establish position of Environmental Manager to oversee all Nicaragua operations and review and update the environmental management system. ✔ Achieved. Corporate and site level environment teams strengthened; 22 new environmental permits obtained to support new exploration and mining projects.
- Design a five-year environmental strategy. ✔ Achieved. Strategy designed, approved and under implementation.
- Design site-level environmental management plans in Nicaragua. ✔ Achieved. In 2022, environmental quality monitoring was carried out for all sites, including air, water and biodiversity.
- Implement an environmental legal compliance monitoring system. ➔ Underway.

Other performance highlights for 2022

- Zero high-risk reportable environmental incidents occurred. All environmental incidents were fully investigated and registered, and corrective measures were implemented with no anticipated long-term adverse impacts to the environment.
- All of our sites implement environmental management plans.
- 47% of our workforce (1,750 of 3,723 employees and contractors) received training on environmental stewardship, hydrocarbon management, solid waste, and biodiversity.

2.1.3 2023 TARGETS

- ➔ Environmental compliance with all permit requirements, resulting in zero notices of environmental permit violations.
- ➔ Annual environmental budgets and management plans in place to meet all obligations.



↑ Pavon Mine, Nicaragua
↗ Pan Mine, Nevada



«Formal and informal education, including public awareness and training, are critical for promoting sustainable development and improving the capacity of the people and countries to address environmental and development issues and to create green and decent jobs and industries».

UNEP [↗](#)

In 2022, as part of our annual environmental awareness program, we trained 1,750 employees and contractors (47% of our global workforce), as well as 487 students from local communities in Nicaragua, on environmental stewardship and biodiversity.



Watch to learn more [here](#)

2.2

WATER AND EFFLUENTS

MATERIAL TOPICS COVERED IN THIS SECTION	WATER AND EFFLUENTS • WATER QUALITY AND WATER STEWARDSHIP • DISCHARGES
GRI indicator(s)	303-1, 303-2, 303-3, 303-4, 303-5
SASB indicator(s)	EM-MM-140a.1, EM-MM-140a.2
SDG target(s)	6.1, 6.3
Why it matters	Essential in our mining and processing activities, we fully understand access to fresh water is not only a human right, but a most valuable, essential shared resource with high environmental, social, cultural, and economic importance. As such, we are committed to implementing robust water stewardship practices to use and manage water efficiently and responsibly and seek to develop collective solutions that allow for sustainable water management at a catchment level.
Potential risks or impacts to human rights	Right to life, health, and adequate standard of living: potential risk of affecting people's living conditions due to water scarcity resulting from pressure on shared resources, accidental discharges or spills potentially affecting water quality, or alteration in drainage patterns, resulting from activities related to our operations.

To see detailed information, visit our [2022 Performance Tables for Water and Effluents](#)

2.2.1 OUR APPROACH

POLICY COMMITMENTS

- We manage our operations so as to ensure that they do not adversely affect the overall quality of catchment water resources available to other users, but rather, maximize efficiencies.
- Our Water Management Standard establishes our commitment to ensure no loss of beneficial use of water and that human health and the environment are protected.
- Our Environmental Policy [↗](#) sets out our duty to contribute to environmental initiatives that benefit local communities in the areas where we operate, and to implement effective and transparent engagement with our stakeholders.

TOPIC AND RISK MANAGEMENT

- Our Water Management Standard defines the requirements for managing water at sites, including site water balances, process water, stormwater, discharges, and mine dewatering activities. Additional water management requirements related to mining infrastructure are included in our Cyanide Management, Tailings Management and Non-Process Waste Management Standards.
- Baseline studies of surface water, groundwater hydrology (including identification of site water users and uses), and geochemical characterization of waste rock are conducted for any new site by independent third parties. Geochemical characterization continues on a quarterly basis or more frequently if new rock types are encountered. Waste rock disposal areas are constructed to specified standards to promote final reclamation and eliminate potential for acid rock drainage.

- Sites maintain water management plans that define applicable strategies, operational controls, and management practices. This usually consists of annual flow measurements for water bodies, and well-level measurements. When monitoring surface water sources, upstream and downstream points of the project's influence are normally measured to evaluate changes.
- A site-specific water balance is maintained and updated monthly to ensure no excessive water loss or leakage is occurring. Monitoring programs also evaluate local water resources, point-source and non-point-source discharges when applicable, and any receiving waters potentially impacted by off-site discharges. Semi-annual sampling is conducted to confirm there are no impacts to groundwater. Water monitoring is conducted by trained and competent personnel and water quality analyses are performed by accredited third-party external laboratories.
- Water is drawn from surface and groundwater sources as well as direct precipitation and runoff into our facilities.
- Wastewater is treated using sewage treatment plants or septic systems, meeting regulatory quality requirements.

For Nicaragua:

- » Our mines operate as much as possible in closed-circuit configurations. Water for the ore processing plant is the most significant use, and more than 90% of it is recycled from the tailings storage facility. This recirculation avoids putting pressure on freshwater resources.



- » The water reused to clean impermeable floors in the plant and tank screens, and/or the excess rainwater collected in the tailings storage facility (TSF), is treated chemically with 12% sodium hypochlorite to neutralize any cyanide. This is done in a DETOX plant with activated carbon to lower cyanide concentrations to the levels permitted in national environmental legislation.
- » Discharges are made from the tailings storage facility when there is excess rainfall, according to permits issued by the National Water Authority (ANA). Water samples are taken and analyzed before discharge to verify its quality is within permissible limits³. The following section [↗](#) provides further information on our tailings management.
- » We have established procedures for stormwater, erosion and sediment control, including diversion of clean “non-contact” water around our facilities. Permanent stormwater structures are designed to withstand the 100-year, 24-hour storm event⁴.
- » Structures are designed and constructed to limit the amount of erosion prior to major ground disturbance. Progressive reclamation is also implemented to minimize erosion from waste rock storage facilities. If stormwater does come into contact with these facilities, it is diverted to a sediment control structure to limit sediments discharged to natural watercourses.

For Nevada:

- » Our Water Conservation Plan for Pan Mine assists in the more efficient use of Nevada’s available water resources. The plan is reviewed on a routine basis, taking new industry standards into account. At Pan, water is used only where and when necessary, leaks in water

lines are repaired quickly, and the spraying of water on roads for dust mitigation is limited to roads actively in use. A log is kept of the monthly volume of water pumped from each well. A report is then created and distributed to management with a comparison of historic use for each month, highlighting any significant or unexpected change. Flyers are posted around mine site to ensure employee and contractor awareness about Nevada’s limited water supply and the need for water conservation.

- » The heap leach operation and associated ADR plant are a zero-discharge facility. All water is continuously recycled. Evaporation is reduced by covering process ponds and burying drip lines. There is no TSF at Pan Mine.

ACCOUNTABILITY

- See details in the Environmental Management Section [↗](#).

ENGAGEMENT

- Transparent performance reporting is carried out annually through this report and through reports provided to water authorities at each jurisdiction, according to relevant legislation.
- As a water-dependent company, we recognize our role in supporting collective solutions to shared water challenges, including contributing to improved water security for the communities that host us. To know more about our efforts on collective action toward water stewardship, see “Contributing to the Availability and Sustainable Management of Water for All” [↗](#) or visit our 2020 Sustainability Report [↗](#).

³ Nicaraguan legislation on wastewater discharge (Decree 21-2017) [↗](#) establishes the maximum permissible discharge limits as per the economic activity being carried out, aligned with international standards (including the WHO). Article 55 establishes the parameters to be monitored for the mining industry: pH, suspended solids, settleable solids, total chromium, hexavalent chromium, copper, nickel, zinc, total cyanide, free cyanide, cadmium, lead, aluminum, barium, manganese, silver, methyl mercury, total iron, arsenic, and total oils and fats.

⁴ The term “100-year storm” is used to define a rainfall event that statistically has this same 1-percent probability of occurring at that location in that year. Encountering a 100-year storm on one day does not decrease the chance of a second 100-year storm occurring in that same year or any year to follow. In other words, there is a 1 in 100 or 1% chance that a storm will reach this intensity in any given year—also known as a 1% annual exceedance probability (AEP).



2.2.2 2022 PERFORMANCE

METRICS

POTENTIAL RISKS TO WATER SOURCES

Potential risks and adverse impacts to surface water and groundwater are quantified during new project designs or project expansions, including cumulative demands. The context and watershed risks that exist near our operations are summarized below.

Site ●

Water Sources

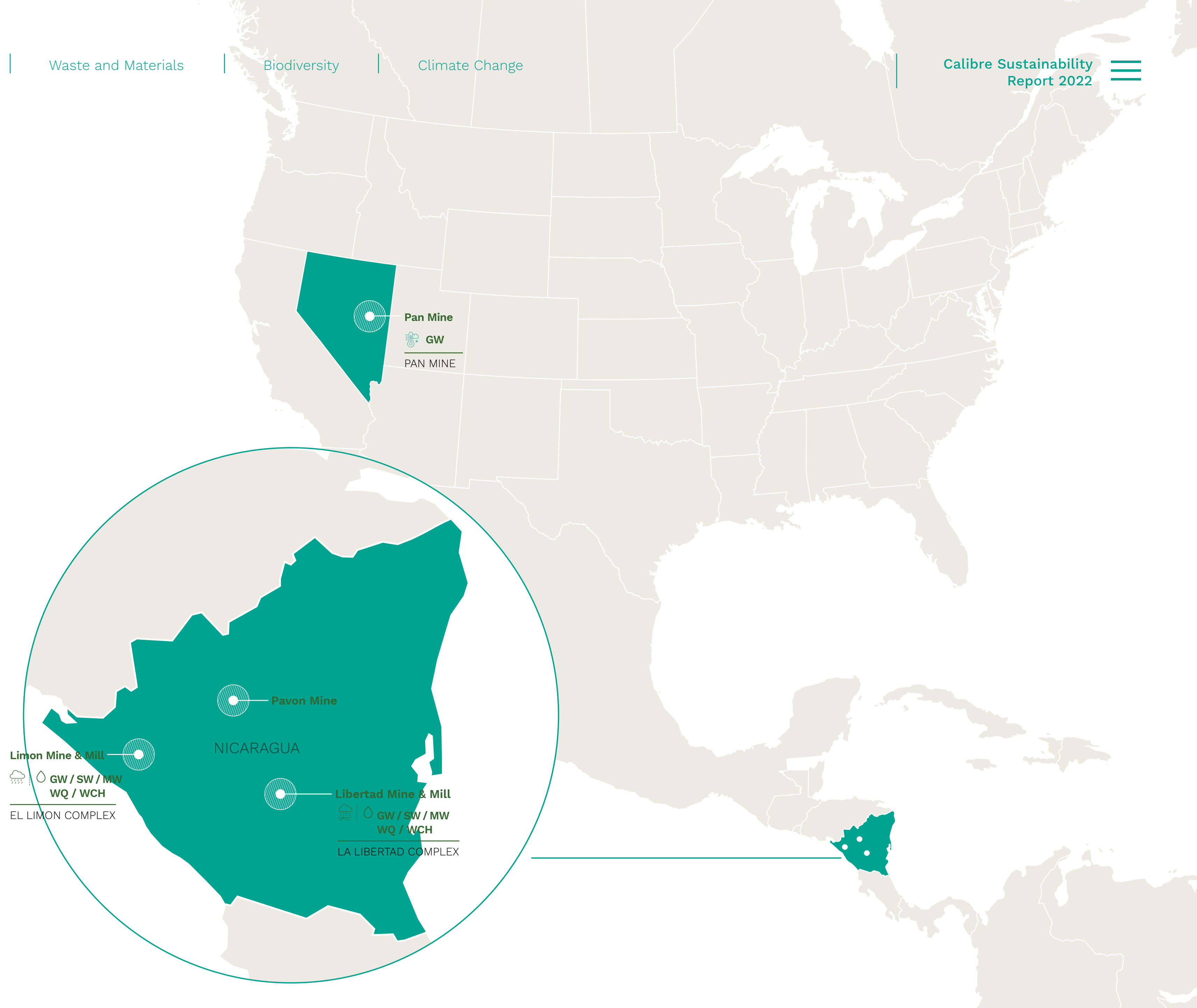
- GW** Groundwater
- SW** Surface Water
- MW** Municipal/Third-party Water

Water Risks

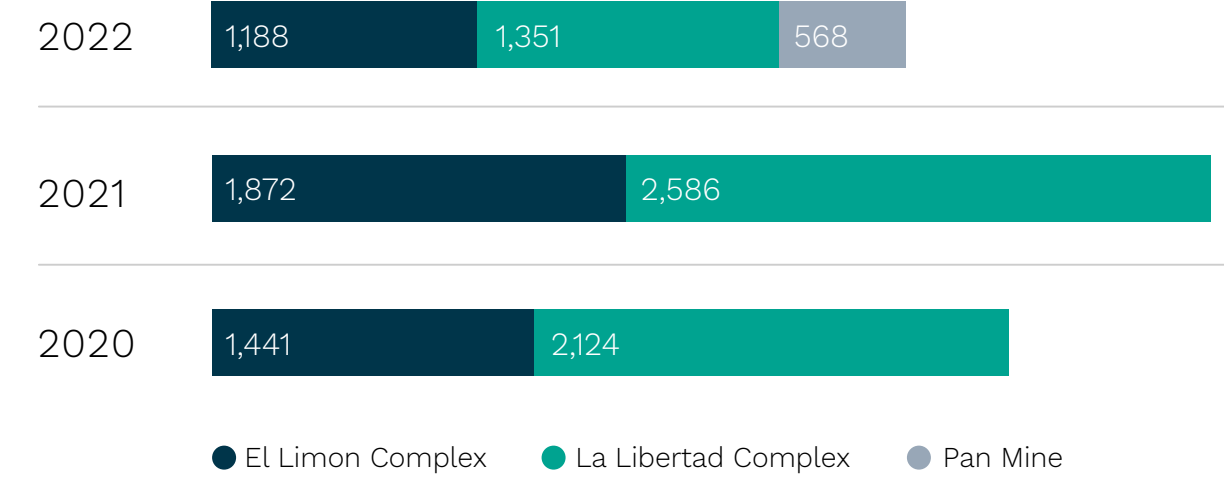
- WS** Water stress
- WQ** Water quality
- WCH** Watershed challenges

Climate Conditions

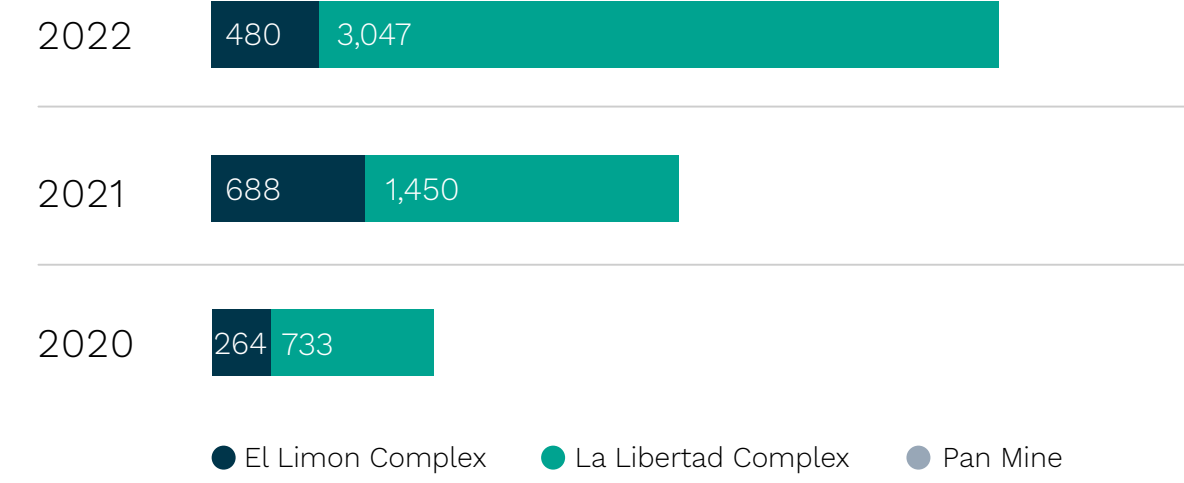
- Moderate precipitation with a distinct dry season
- Moderate precipitation
- Cold semi-arid



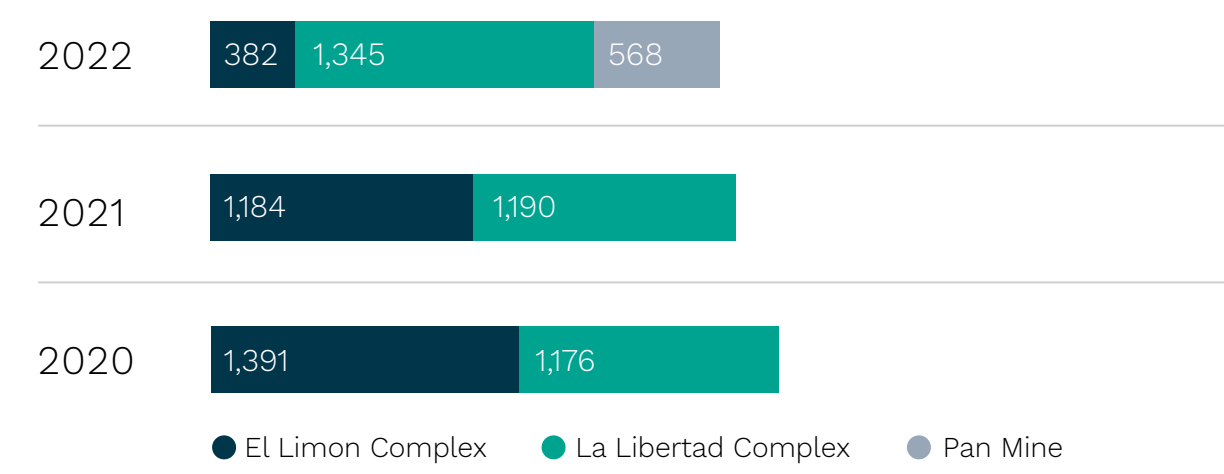
WATER WITHDRAWN BY SITE FY 2020 -2022 (ML)



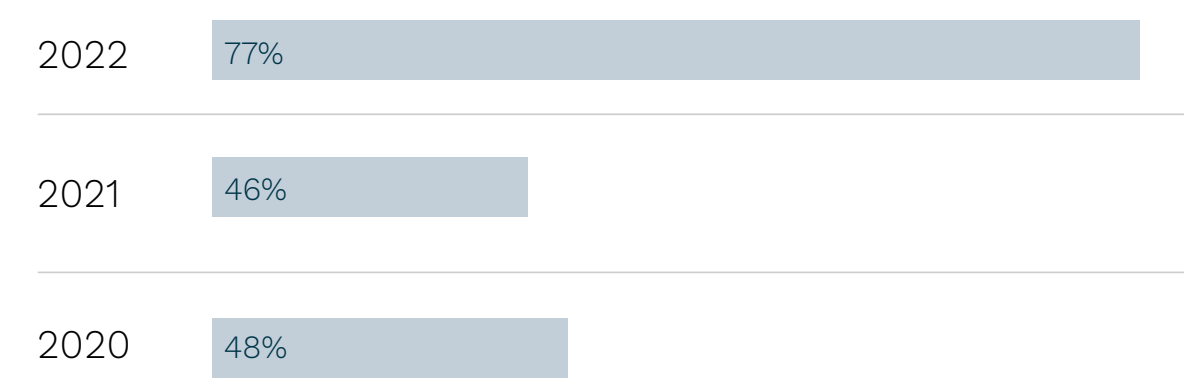
WATER DISCHARGE BY SITE FY 2020 -2022 (ML)



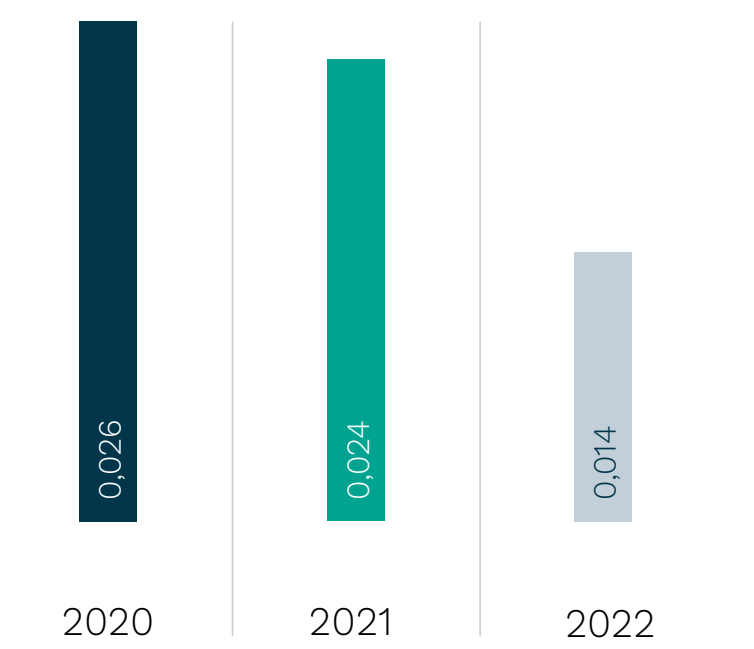
WATER CONSUMED BY SITE FY 2020 -2022 (ML)



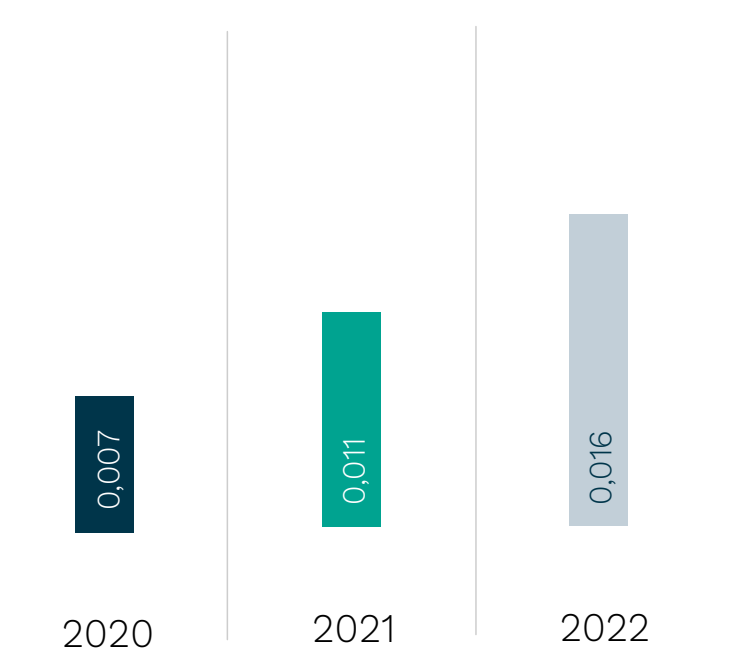
WATER RECYCLED FY 2020 -2022 (%)



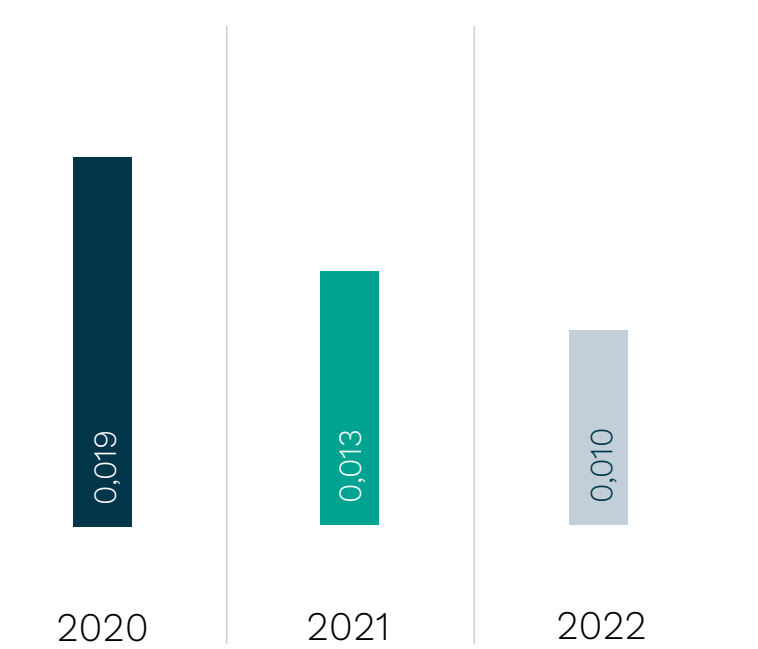
WATER WITHDRAWAL INTENSITY
FY2020-2022 (ML/GOLD OZ PRODUCED)



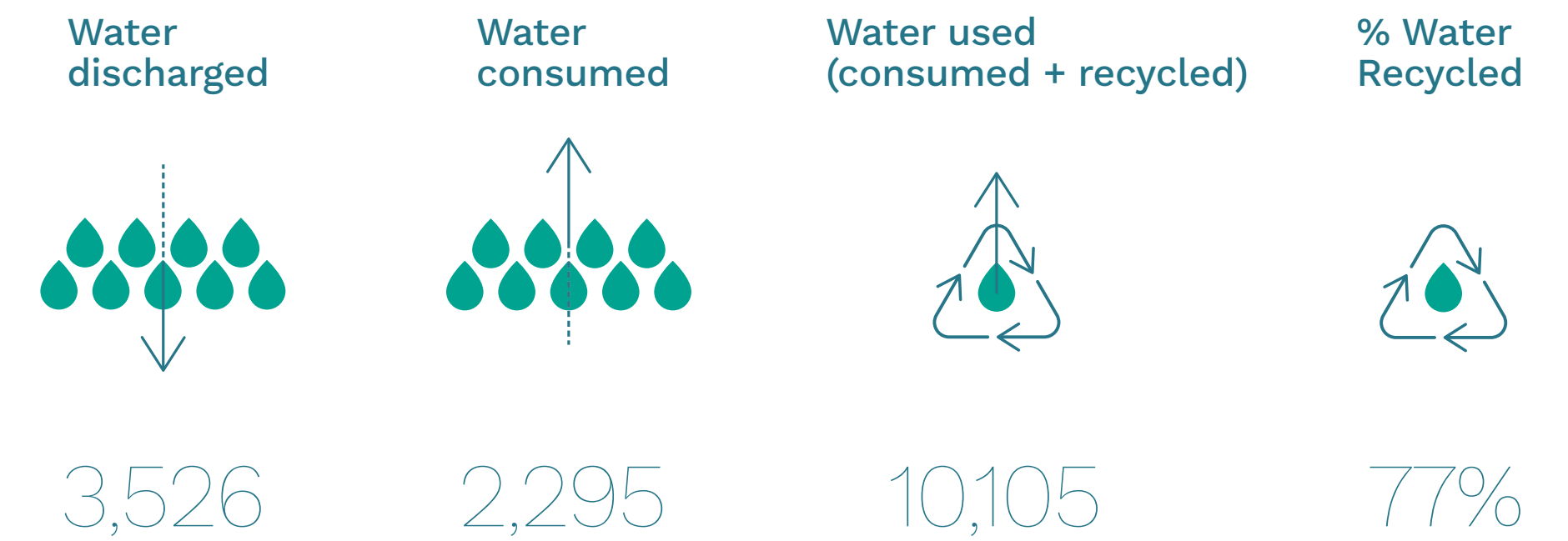
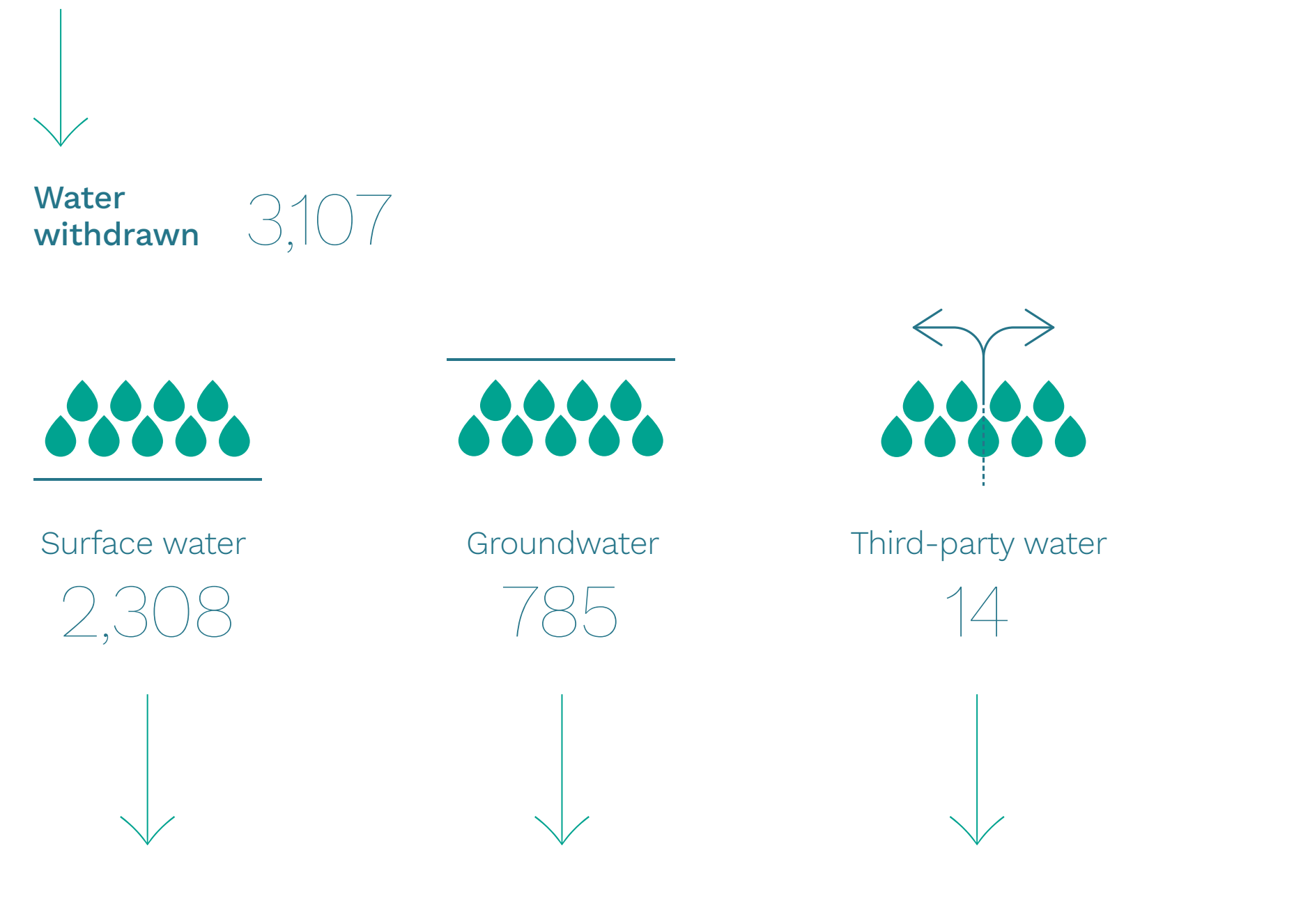
WATER DISCHARGE INTENSITY
FY2020-2022 (ML/GOLD OZ PRODUCED)



WATER CONSUMPTION INTENSITY
FY2020-2022 (ML/GOLD OZ PRODUCED)



WATER BALANCE (ML) FY2022





↑ Libertad Mine, Nicaragua
↵ Pavon Mine, Nicaragua

KEY RESULTS

Performance against 2022 targets for Nicaragua

- Conduct a water footprint calculation and develop a management strategy. ❌ **Not achieved**. Focus directed toward GHG emissions reduction and offset strategy.
- Complete assessments and baseline studies to identify feasible areas for development and potential partners, and design pilot project(s) to address key local watershed and forest issues. ✅ **Achieved**. Assessment conducted at corporate level.

Other performance highlights for 2022

- Zero incidents of non-compliance associated with water quality permits or regulations that resulted in formal enforcement action during the reporting period.
- No operations in water stress areas.
- Our operations saw a 30% reduction in our total water withdrawal (3,107ML in 2022 vs. 4,458ML in 2021).
- Water discharge increased 68% (3,526ML in 2022 vs. 2,093ML in 2021) to improve water balance in our tailings storage facilities. 100% of our industrial wastewater flows released to the surrounding environment were safely treated; ensuring the discharge of water with good ambient quality.
- We experienced an inter-annual reduction (-3%) in our water consumption for the third year in a row, from 2,374ML in 2021 to 2,295ML in 2022, including data from our Pan Mine.
- We improved our water recycling metrics, from 46% in 2021 to 77% in 2022, in good part because of recycling improvements at our El Limon Complex (from 34% in 2021 to 61% in 2022) and Pan Mine's 91% recycling.
- We have reclaimed our Jabali Central flooded pit, which serves as the main water reservoir for ~7,000 inhabitants of Santo Domingo.

2.2.3 2023 TARGETS

For our Nicaragua operations

- Maintain water recirculation from our TSFs to process plants.
- Implement erosion and sedimentation control measures in all intervened areas.



CONTRIBUTING TO THE AVAILABILITY AND SUSTAINABLE MANAGEMENT OF WATER FOR ALL

Water is a fundamental human right. According to the United Nations, however, meeting its water and sanitation targets by 2030 will require a fourfold increase in the pace of progress. At current rates, 1.6 billion people will lack safely managed drinking water in 2030, and 2.8 billion people will lack safely managed sanitation. Nicaragua faces these same challenges. [↗](#)

For these reasons, water has been a core focus of our environmental management and community development programming. In 2022, in collaboration with the Nicaraguan Authority for Water Management (EN-ACAL) and our host municipalities, Calibre promoted joint projects for the improvement and expansion of potable water systems in our areas of influence. As a result, ~21,000 individuals (100% of the urban populations) in Mina El Limon, La Libertad and Santo Domingo have access to safe and affordable drinking water and safely managed sanitation services.

In a complementary manner, through our partnership with the Center for an Understanding with Nature (CEN) and community-based water committees (CAPS), Calibre developed a potable water capture and storage system and provided two 10,000-litre water tanks to improve potable water storage, benefitting 130 families in Las Brisas, Rancho Grande.

"Water (distribution) was very irregular. In the winter it arrived quickly, every eight days, but in summer it sometimes took almost up to 20 days."

Maria Pereira
Resident of Mina El Limon



To learn more about this initiative, watch the following video [↗](#)



San Gil Urbanización,
Mina El Limón, Nicaragua

2.3

WASTE AND MATERIALS

MATERIAL TOPICS COVERED IN THIS SECTION	WASTE AND MATERIALS <ul style="list-style-type: none"> WASTE MANAGEMENT HAZARDOUS AND NON-HAZARDOUS MATERIALS (INCLUDING CYANIDE AND TAILINGS)
GRI indicator(s)	306-1, 306-2, 306-3, 306-4, 306-5, MM3
SASB indicator(s)	EM-MM-150a.4, EM-MM-150a.5, EM-MM-150a.6, EM-MM-150a.7, EM-MM-150a.8, EM-MM-150a.9, EM-MM-150a.10, EM-MM-160a.2, EM-MM-540a.1, EM-MM-540a.2, EM-MM-540a.3
SDG target(s)	12.4.2(b), 12.5.1
Why it matters	Extracting and processing gold requires chemical agents and generates waste streams. Properly managing waste is essential to prevent or minimize adverse impacts to people and the environment.
Potential risks or impacts to human rights	Right to health and adequate standard of living: risk of soil and water pollution from gas emissions, spills during transport, waste, or failure/leakages or uncontrolled overflows of hazardous materials, dangerous goods or tailings facilities that affect shared resources with neighbouring communities, if not properly treated prior to disposal.

To see detailed information, visit our [2022 Performance Tables for Waste and Materials](#)

2.3.1 OUR APPROACH

POLICY COMMITMENTS

- Our Hazardous Materials and Dangerous Goods Management Standard commits us to ensuring that risks associated with hazardous materials and dangerous goods are managed and reduced to the lowest possible level, and that any adverse environmental impact is avoided or minimized.
- Our Cyanide Management Standard establishes our commitment to protect human health and the environment and is aligned with the International Cyanide Management Code (Cyanide Code).
- Our Tailings Management Standard defines the requirements for the characterization of tailings, protection of groundwater and surface water, prevention of uncontrolled releases to the environment, and management of process water.
- Our Waste Rock Management Standard sets the requirements for the management of waste rock to prevent any adverse environmental impacts, and for the re-handling of mineral wastes to promote beneficial post-mining land uses and reduce post-mining reclamation and closure liabilities.
- Our Non-Process Waste Management Standard defines the requirements for the management of hazardous and non-hazardous wastes and wastewater generated at sites, to ensure that human health and the environment are protected.



↳ Libertad Mine, Nicaragua



TOPIC AND RISK MANAGEMENT

Hazardous Materials

- Our Hazardous Materials and Dangerous Goods Management Standard establishes our requirements for the purchase, selection, introduction, transportation, transfer, distribution, storage, use, collection, disposal, and training associated with such materials.
- Each site maintains a register of hazardous materials and dangerous goods, including the types, quantities, location of products, and Material Safety Data Sheets (MSDSs). The classification of hazardous materials and dangerous goods is based on these MSDSs and informs site storage, usage, disposal practices, determination of suitable personal protective equipment (PPE), etc.
- Prior to the purchase of new bulk hazardous materials or dangerous goods, a technical review and risk assessment is completed.
- Procedures and controls for the transportation, unloading, transfer, storage, handling, use, containment and disposal of hazardous materials and dangerous goods are implemented, and relevant workers are trained accordingly.
- Sites have established emergency response protocols in the event of hazardous substance spills.
- When relevant, contractual clauses set out contractor requirements for compliance with responsible waste management obligations, including emergency response and spill clean-up.

Mercury Management

Very low levels of mercury occur naturally in the Pan Mine ore. Processing the ore in the heap and plant increases the concentration of mercury over time. Several steps are implemented to ensure that health, safety and environmental impacts from mercury are minimized:

- A chemical mercury suppressant is added to the heap leach system to tie up mercury in the leach pad and minimize the amount that enters the plant, reducing levels in applicable carbon and the elemental mercury generation.
- Operators use a Jerome meter to routinely test the ambient air to ensure mercury levels are protective of worker health.
- Plant workers have monthly urine tests to ensure that mercury levels are maintained below recommended standards.
- Off-gas from the plant thermal units (i.e., kiln, electrowinning cells, furnace and retort) are routed through scrubbers that remove mercury vapors. Scrubbers are continuously monitored, rigorously maintained to ensure a high level of operational efficiency, and tested annually to ensure they meet strict regulatory emission levels.
- Liquid mercury generated during the scrubbing process is collected in specially designed vessels for long-term storage.

Cyanide Management

- Our Cyanide Management Standard establishes our requirements for on-site storage, handling, and use of cyanide.
- We use cyanide destruction processes at our operations prior to disposal of tailings slurries at our tailings storage facilities (TSFs). Slurries are treated chemically with sodium hypochlorite to neutralize cyanide. This is done in a plant using activated carbon to lower cyanide concentrations to the levels permitted in national environmental legislation.
- To learn more about our cyanide protocols and practices, please visit our 2020 Sustainability Report, p. 156 [↗](#).





Tailings Management

- Our two active TSFs have been designed and constructed according to international best practices:
 - » With solution recovery systems to prevent adverse impacts to water resources.
 - » To be geotechnically stable according to safety engineering construction standards.
 - » To protect wildlife.
 - » To minimize the loss of fugitive dust from dried tailings.
 - » To withstand surface runoff and prevent uncontrolled release resulting from a 100-year 24-hour storm event.
- Each TSF has a Tailings Operating Manual that is periodically reviewed/updated to ensure that management practices are conducted in accordance with national regulations and standard requirements, and to minimize short- and long-term risks.
- To control TSF stability, instrumentation (piezometers, inclinometers, and cairns) is frequently monitored. Sub-basin water quality is monitored. Bathymetry is carried out annually, and water mirror level is surveyed weekly. Results inform our water discharge plans to keep the area stable. Monitoring data is sent monthly to a qualified Engineer of Record, who performs annual inspections (site hazard assessment and TSF breach analyses) to verify the proper functioning, predict the consequence of failure and inform emergency management plans. When required, corrective actions are completed by site operations teams.

- TSFs have emergency response plans (ERPs), which establish a monitoring system to detect unusual conditions or emergencies in dams. ERPs identify the relevant officers, officials and organizations (internal and external), and their responsibilities for the implementation of a response procedure, as well as the areas, residences, facilities, and roads/highways that could be affected by a TSF failure.
- The costs of TSF closure are estimated annually through the ARO.

Waste Rock Management

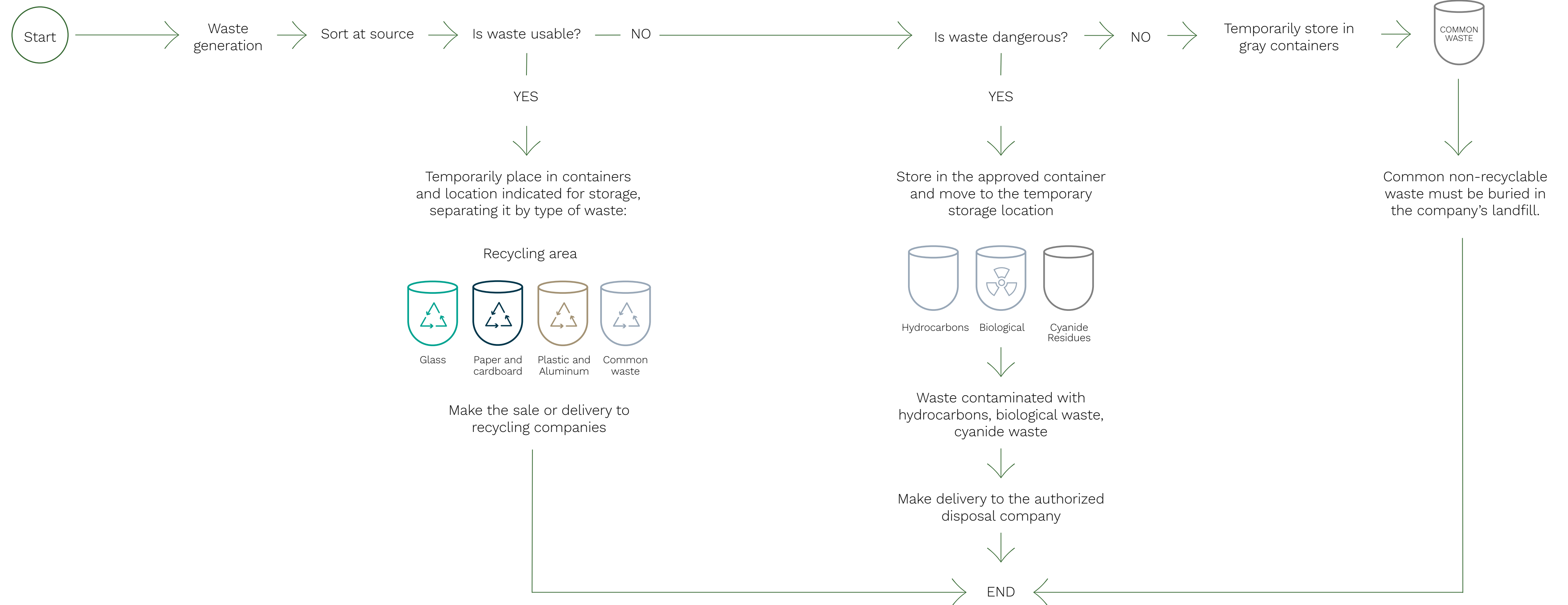
- Our Waste Rock Management Standard covers waste rock disposal facilities and other infrastructures utilizing waste rock for construction, as well as ore stockpiles (relating to their potential to generate acid), site quarries, and borrow material from excavations. It addresses the characterization of waste rock, design and construction of disposal facilities, management of potential acid generation, stormwater controls, reclamation, and closure.
- Sites with net acid-generating ore and waste rock are required to develop management plans.
- At Nevada, waste rock is placed on permitted waste rock dumps. If any potentially acid generating material were to be placed on the dump, it would be encapsulated by non-acid generating material. These mining mineral wastes are exempt from RCRA regulation via the Bevell exemption.

Non-Process Waste Management

- Our Non-Process Waste Management Standard covers the generation, segregation, collection, storage, transportation, disposal, and/or recycling of hazardous and non-hazardous waste.
- Sites maintain a waste management plan that defines on-site and relevant off-site strategies, operational controls, and management practices, based on identified risks.
- At Nicaragua, only waste generated directly by sites is recorded. Hazardous waste management for pollution prevention includes transfer of used oils to a certified company that will guarantee its reuse in energy generation, and cyanide solution reuse through the closed circuit between the TSF and process plant.
- At Nevada, non-mineral wastes are tracked through a continuously updated log, with hazardous material leaving site every 90-days. The movement of hazardous waste offsite to a TSDF is managed through paper manifests and the EPA's e-Manifest online system. Retention of manifests ensures full "cradle-to-grave" responsible practices. New waste streams are sampled for potential hazardous characteristics. Recycled material includes spent carbon fines, parameter permitting, and scrap metal. Process solution is contained within a closed circuit and reused continuously through processing. These practices all comply with federal and state regulations, and we are subject to periodic inspections of practices, handling, and storage of all wastes.

ACCOUNTABILITY AND ENGAGEMENT

- See details in the Environmental Management Section [↗](#).



2.3.2 2022 PERFORMANCE

METRICS

TAILINGS STORAGE FACILITY INVENTORY



SAN JOSE TSF

- Location
Mina El Limon, Larreynaga, Nicaragua
- Ownership Status
Operator
- Operational Status
Active
- Construction Method
Downstream
- Max. Permitted Storage Capacity (t)
4,500,000

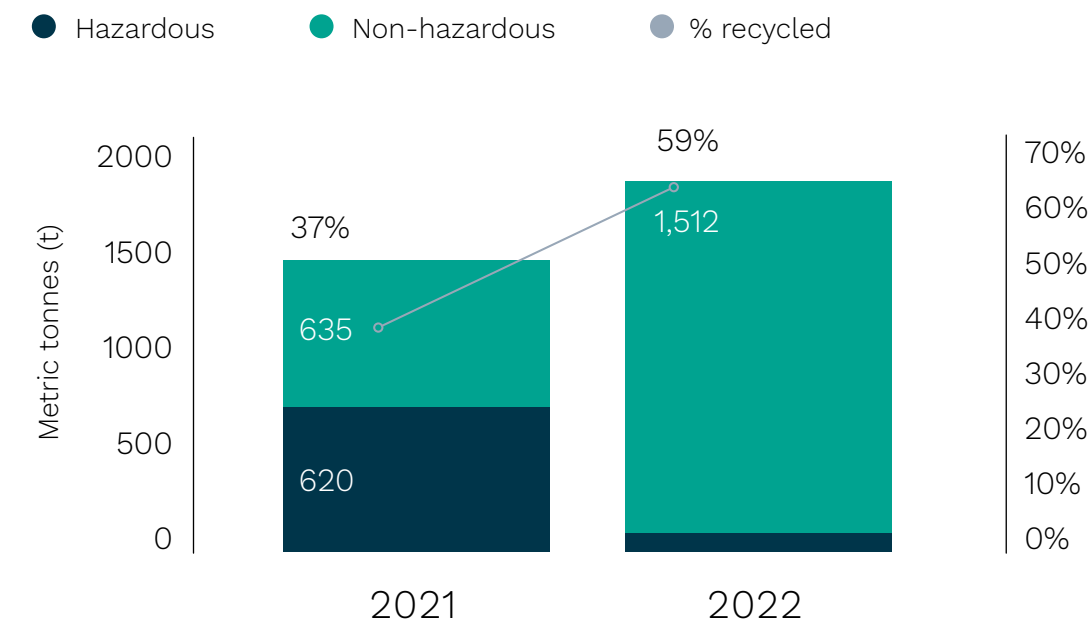
- Tailings Stored (t): **3,767,000**
- Consequence Classification: **Low**
- Most Recent Independent Technical Review: **Dec-22**
- Material Findings: **No**
- Site-specific EPRP: **Yes**

LA ESPERANZA TSF

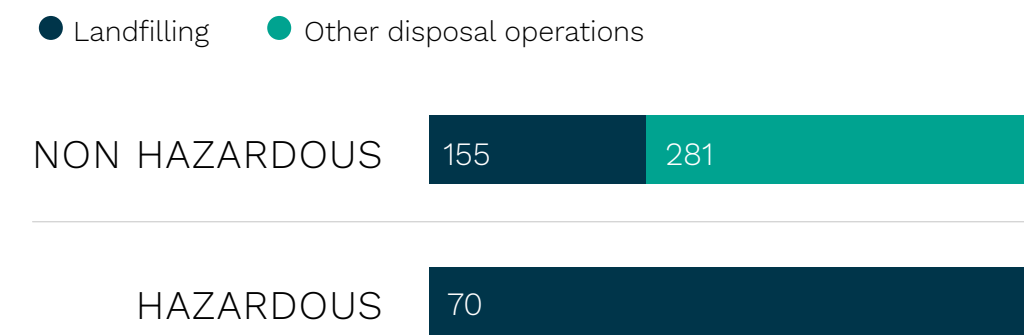
- Location
La Libertad, Chontales, Nicaragua
- Ownership Status
Operator
- Operational Status
Active
- Construction Method
Downstream
- Max. Permitted Storage Capacity (t)
3,231,000

- Tailings Stored (t): **1,288,000**
- Consequence Classification: **Low**
- Most Recent Independent Technical Review: **Nov-22**
- Material Findings: **No**
- Site-specific EPRP: **Yes**

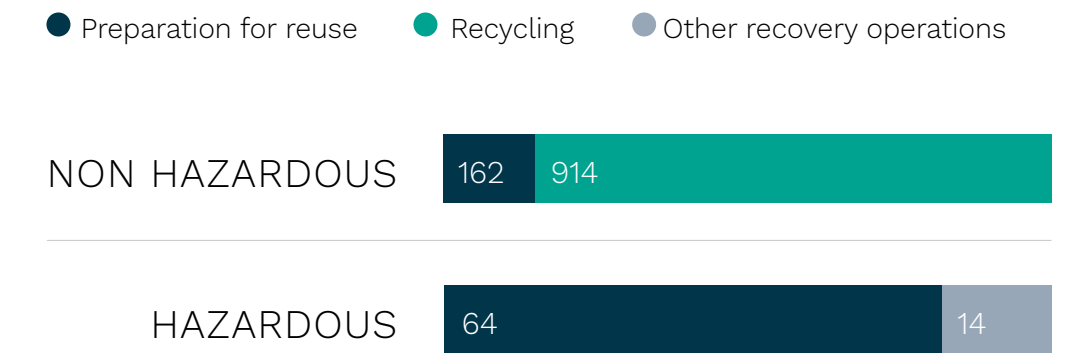
NON-MINERAL WASTE GENERATED FY2021-2022 (T)



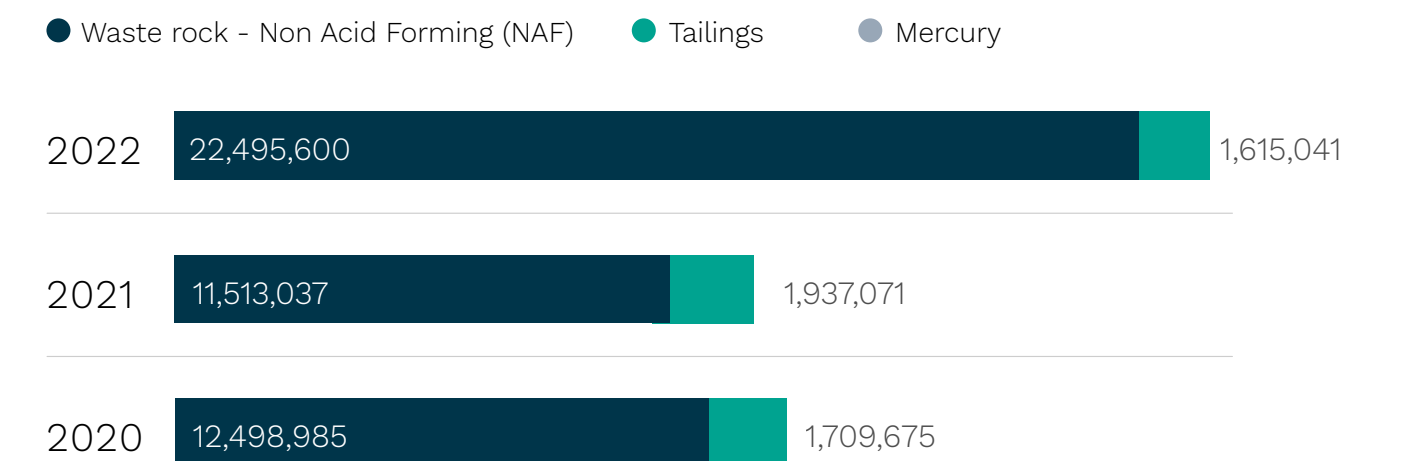
WASTE DIRECTED TO DISPOSAL FY2022 (T)



WASTE DIVERTED FROM DISPOSAL FY2022 (T)



MINERAL WASTE FY2020-2022 (T)





KEY RESULTS

Performance against 2022 targets for Nicaragua

- Implement an action plan for improvements recommended in our Cyanide Code gap assessment, including a progress report and compliance assurance → **Underway.**
- Assess our Tailings Management Standard against the Global Industry Standard on Tailings Management. **Action postponed to 2023.**
- In Nicaragua, the Limon Mine landfill began operating, the Libertad Mine landfill continued to operate properly, and new waste collection and separation points were installed at all sites.
- At Pan Mine, the entire stock of spent carbon fines was removed, and a new recycling management strategy was implemented, aligned with relevant regulations. The initiative proved successful, with shipments of carbon fines sent to secondary processing facility.

Other performance highlights for 2022

- Zero reportable incidents associated with hazardous materials and waste management.
- None of our sites have potential for acid rock drainage.
- 32% increase in total waste generated (1,255t in 2021 to 1,660t in 2022), resulting from the inclusion of data from Pan Mine.
- 59% increase in recycling rate (from 37% in 2021 to 59% in 2022) due to the start of recycling processes at La Libertad and an increase in recycling amounts at El Limon.
- 100% of hazardous waste generated (148.14t) was properly treated: 53% (78.14t) diverted from disposal, of which 82% was recycled; and 47% (70t) directed to disposal, of which 100% was directed to landfills.
- A campaign was launched to reduce Hg emissions in Nevada through improvements in process and refinery circuits, resulting in extremely favorable stack test results.
- 1,615,014t total weight of tailings in 2022, a 17% decrease from 2021 (1,937,071t) due to an increase in water discharge in Nicaragua to improve TSF water balance.
- 22,495,600t total weight of waste rock in 2022, a 95% increase from 2021 (11,513,037t) due to inclusion of Pan Mine data.
- TSF audits conducted by Engineer of Record for all active facilities in 2022. Monthly monitoring reports were also reviewed, with no significant issues identified. All TSFs are classified by MSHA as having low hazard potential. No TSFs present at our Pan Mine.

2.4.3 2023 TARGETS

For our Nicaragua operations

- Maintain or improve the non-mineral waste recycling percentage.
- Operate sanitary landfills to properly dispose of common, non-recyclable waste.
- Ensure safe handling and disposal of hazardous waste.

For our US operations

- Implement a new process database system to improve reporting and shorten reaction times to non-compliant process conditions.
- Continue carbon fines waste management.
- Hold Hazardous Waste Operator (HAZWOPER) training with required personnel.

2.4

BIODIVERSITY

MATERIAL TOPICS COVERED IN THIS SECTION	BIODIVERSITY • BIODIVERSITY MANAGEMENT • FOREST STEWARDSHIP • MINE CLOSURE AND LAND-USE PLANNING
GRI indicator(s)	304-1, 304-2, 304-3, 304-4, MM1, MM2, MM10
SASB indicator(s)	EM-MM-160a.3
SDG target	15.1.2
Why it matters	Mining, if not conducted responsibly, can have a detrimental impact on biodiversity and the ecosystem. Addressing the risks and impacts of our operations and partnering with communities and stakeholders to promote ecosystem stewardship and contribute to global efforts is therefore key to halt biodiversity loss.
Potential risks or impacts to human rights	Right to life, health and adequate living conditions: transformation of natural areas into areas of extractive exploitation without prior consent from communities sharing ecosystem services; potential damage to an ecosystem health and loss of biodiversity or wildlife due to activities related to our operations.

To see detailed information, visit our 2022 Performance Tables for Biodiversity [↗](#)

2.4.1 OUR APPROACH

POLICY COMMITMENTS

- We are dedicated to managing biodiversity in a manner that is respectful of the habitats in which we operate. We strive not only to meet regulatory compliance but to exceed these parameters for the sake of communities and their biodiversity.
- Our Environmental Policy [↗](#) establishes our commitment to biodiversity conservation. This commitment includes respecting legally protected species and areas, understanding the interconnection between mining and biodiversity, identifying those aspects of our operations that could have a negative impact on biodiversity, and implementing mitigation measures and rehabilitating affected areas.
- Our Biodiversity Management Standard defines our requirements to protect and manage biodiversity so as to minimize any adverse acute or cumulative impacts on flora and fauna.
- Our Topsoil and Reclamation Management Standard defines our commitment to minimize the disturbance footprint across sites.
- Our Closure and Reclamation Planning Standard establishes our commitment to responsible mine closure, requiring consultation of relevant stakeholders on planned closure and post-closure commitments, including rehabilitation and future land use.

For our Pan Mine

- » Regulations of Nevada’s NDEP - Bureau of Mining Regulation and Reclamation, and the federal BLM require a bonded monetary amount to cover reclamation costs at mine closure.
- » A multi department agreement between government agencies and Pan exists to offset disturbed greater sage-grouse habitat, with either monetary or land compensation.



↖ Eastern Botosi, Nicaragua

TOPIC AND RISK MANAGEMENT

- Where biodiversity has been identified as an environmental risk, sites develop and implement management plans establishing key strategies and controls to protect flora and fauna, including protection of listed rare, endangered and priority conservation species.

At Nicaragua

- » Biodiversity monitoring programs are implemented and periodically reviewed, to identify any adverse biodiversity impacts and evaluate the effectiveness of control measures.
- » We aim to minimize deforestation arising from our activities. We prevent unnecessary ground disturbance and protect areas of known high biodiversity using control measures that minimize access. Vegetation clearance is conducted only in strictly necessary areas. Prior to intervention, we collect seeds and pods to ensure areas are rehabilitated with native species. For remediation, we plant ten trees for every one cleared, guaranteeing a minimum survival rate of 70%, and we promote conservation of adjacent areas.
- » Sites maintain vegetation clearing permits and retain records of completion. We work diligently to meet all environmental requirements under such permits.

At Nevada

- » Pan maintains several permits from both state and federal government agencies, covering protections to land use, ground and surface water, air, and other ecosystem elements. We ensure all requirements under such permits are met.
- » Surveys are conducted regularly to identify habitat, nests, or other evidence of critical species on site.
- We incorporate mine closure into technical and financial evaluations of new sites. A mine closure plan must be developed during the design phase and defines relevant regulatory/license requirements, relevant closure and post-closure monitoring programs, and bond release/lease relinquishment requirements. Site reclamation plans include the definition of suitable post-mining land uses, incorporating relevant values associated with conservation, forestry, water catchment, and any other requirements formally agreed upon with local communities.
- Before closure, stabilization or progressive reclamation activities are scheduled and completed as soon as practical after designated areas of the waste disposal facility become available.
- We update closure plans and the estimate of the environmental closure liability at each of our sites on an annual basis to reflect current operations and market cost of closure.

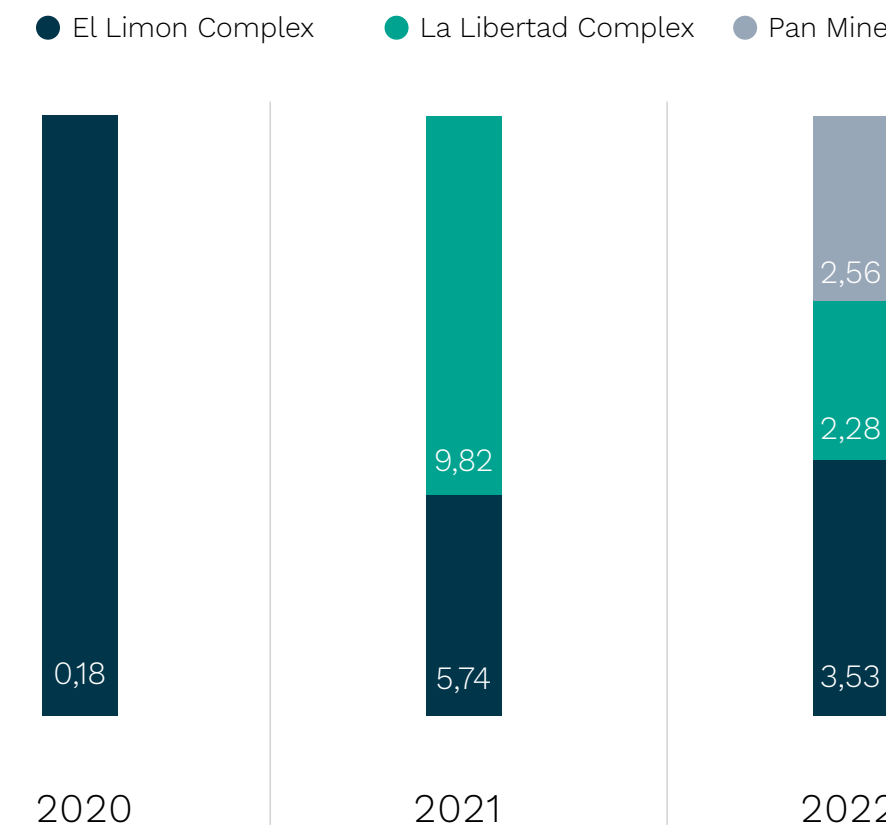
ACCOUNTABILITY AND ENGAGEMENT

- See details in the Environmental Management Section [↗](#).

2.4.2 2022 PERFORMANCE

METRICS

LAND NEWLY DISTURBED FY2020-2022 (KM²)



LAND DISTURBED AND NOT YET REHABILITATED AT YEAR-END FY2020-2022 (KM²)

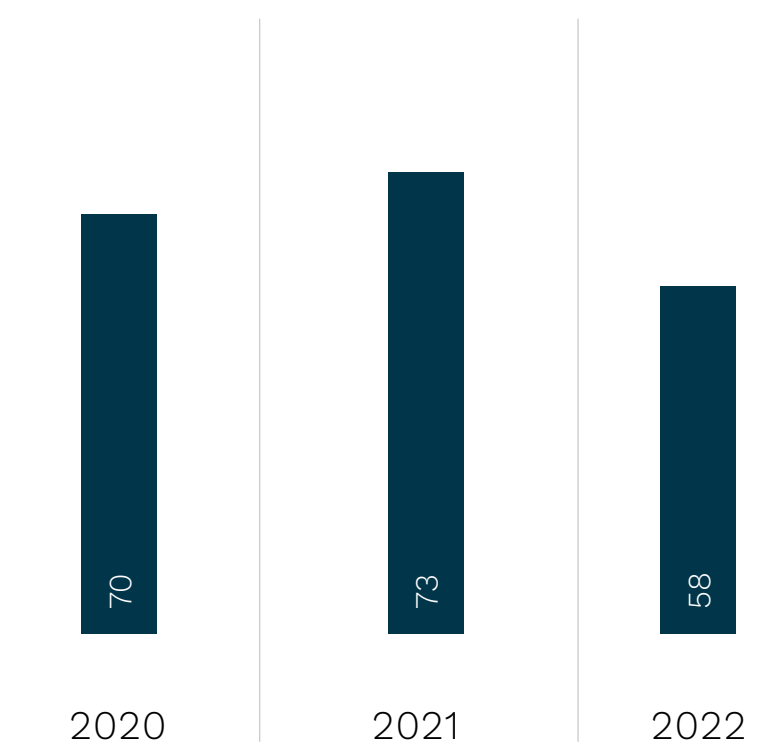


TABLE 5. SIGNIFICANT IMPACTS OF ACTIVITIES, PRODUCTS AND SERVICES ON BIODIVERSITY

SITE	NATURE OF IMPACT	TYPE OF IMPACT	SPECIES AFFECTED	SIZE OF AREA (KM2)(1)	DURATION	REVERSIBLE
El Limon Complex	Habitat conversion	Direct	Reptiles and birds	3,59	Medium term	Yes
La Libertad Complex	Mine construction Habitat conversion	Direct	Mammals, reptiles and birds	2,87	Medium term	Yes
Pan Mine	N/A	N/A	N/A	N/A	N/A	N/A

Note: (1) Refers to area of land disturbed by our operations



KEY RESULTS

Performance against 2022 targets for Nicaragua

- Develop management plans for wildlife refuges in Nicaragua. **Not achieved.** Efforts focused on strengthening the environmental team at corporate and site levels, enhancing environmental compliance, and training leadership staff on national environmental legislation.

Other performance highlights for 2022

- All sites identified as requiring biodiversity management plans (Limon, Libertad and Pan) have plans in place.
- In Nicaragua, no activities are in or near sites with protected conservation status or endangered species habitats. In Nevada, there is presence of three IUCN Red List species (1 near threatened, 2 least concern); consequently, a comprehensive on-site mitigation plan is implemented and administrated by both the BLM and the Nevada Department of Wildlife.
- No operational sites in Nicaragua are owned, leased or managed in or adjacent to protected areas and/or areas of high biodiversity value outside protected areas.
- In Nevada, 2,393 acres of disturbed area were identified in the bonded reclamation permit from the BLM. This encompasses the total of Pan's operations; where multiple areas of habitat for Greater Sage Grouse - an important indicator of a healthy sage brush ecosystem, and therefore considered a IUCN Category IV habitat status - exists.
- 8.37 km² of land impacted with new activities or developments.
- 156,600 trees produced in Nicaragua to contribute to the national reforestation campaign.
- 1 km² of protected or restored areas maintained as wildlife refuges in Santo Domingo and Rancho Grande.
- 100% of our operations have closure plans, with corresponding provisions for closure referenced in our Annual Information Forms. [↗](#)
- Standardized Reclamation Cost Estimate (SRCE) updated to reflect current mine plans at all sites. For Pan Mine, SRCE was accepted by the NDEP and the BLM.

2.3.3 2023 TARGETS

For our Nicaragua operations

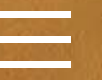
- Produce 70,000 trees to continue contributing to national reforestation plans.
- Deliver initial closure plans to regulatory authorities for all active permits.

For our US operations

- Review SRCE for updates related to increased mining activity.



Watch here to learn about the closure process of our Jabali Central OP at the Libertad Complex [here](#)



CONTRIBUTING TO GREATER SAGE-GROUSE CONSERVATION IN NEVADA

Population decline of the greater sage-grouse (*Centrocercus urophasianus*) has been identified as a concern by federal and state agencies in the United States. As an indicator species, the bird's presence demonstrates vitality and resilience in a sagebrush steppe ecosystem. The greater sage-grouse uses a variety of habitats in and around Pan Mine, with two identified leks (nesting and breeding sites) within two miles of our Plan of Operation (PoO) boundary. As the entirety of Pan Mine's PoO is located on public lands administered by the Bureau of Land Management (BLM), we finalized a Greater Sage-Grouse Mitigation Agreement to ensure the protection and conservation of the species.

During the spring breeding season, we reduce our noise levels in areas with close proximity to the leks by limiting certain activities, such as large equipment ignitions and the operation of tracked equipment. In conjunction with the BLM and Nevada Department of Wildlife (NDOW), we work on noise monitoring projects to help quantify the mine's impact, as well as other non-mine anthropogenic impacts, such as highway traffic. We submit annual Lekking Season Noise Monitoring Plans to BLM and NDOW to help ensure that effective measures are being taken to reduce negative impacts entirely or to a minimum. With these efforts, we contribute to ensuring the greater sage-grouse remains precluded from listing on the Endangered Species Act. Pan Mine prides itself on its contribution to the conservation of this important species.



2.5

CLIMATE CHANGE

MATERIAL TOPICS COVERED IN THIS SECTION	CLIMATE CHANGE • ENERGY USE • GREENHOUSE GAS EMISSIONS
GRI indicator(s)	302-1, 302-3, 305-1, 305-2, 305-4
SASB indicator(s)	EM-MM-110a.1, EM-MM-130a.1
Why it matters	Climate change is an undeniable threat, with environmental and human consequences across the globe. As part of our commitment to responsible mining, we must work on more decisive actions to reduce emissions, optimize our use of resources, and achieve greater transparency of our performance.
Potential risks or impacts to human rights	Right to health and adequate standard of living: risks associated with air emissions related to physical or chemical processing, transportation, generation of electricity, and fugitive emissions (intentional or unintentional releases, such as leaks, emissions from mines and venting).

To see detailed information, visit our [2022 Performance Tables for Climate Change](#)

2.5.1 OUR APPROACH

POLICY COMMITMENTS

- Our commitment to ensure the sustainable management and efficient use of all natural resources and adopt clean processes to combat climate change is acknowledged in our Sustainability Statement [↗](#)
- Aligned with the World Gold Council’s Responsible Gold Mining Principles (RGMPs):
 - » We support the objectives of global climate accords through avoidance, reduction, or mitigation of carbon emissions. We will consider opportunities to reduce GHG emissions at our mine sites to contribute to our overall commitment under the RGMPs.
 - » We measure and report our CO2-E emissions in line with accepted reporting standards.
 - » Where relevant, we work to enhance the ability of our operations and nearby communities to be resilient to the effects of climate change.
- » Compliance with all state and federal permits is the baseline by which we judge the efficacy of our approach to our strategic objectives.
- » Consultation with local communities ensures that objectives are being achieved.
- » Continued monitoring of emissions leads to discovery of potential areas of improvement beyond baseline compliance.
- In 2022, we began identifying opportunities and measures to improve efficiency and sustainability of resource use, focusing on implementing changes that will support the generation of energy produced by renewable sources.
- Going forward, we will continue assessing carbon reduction and energy efficiency opportunities, and we will integrate them into our climate change strategy.

TOPIC AND RISK MANAGEMENT

- We have processes in place at our operating sites to track and report our GHG emissions.
- At Pan, we strive not only to meet regulatory compliance, but to exceed set parameters:

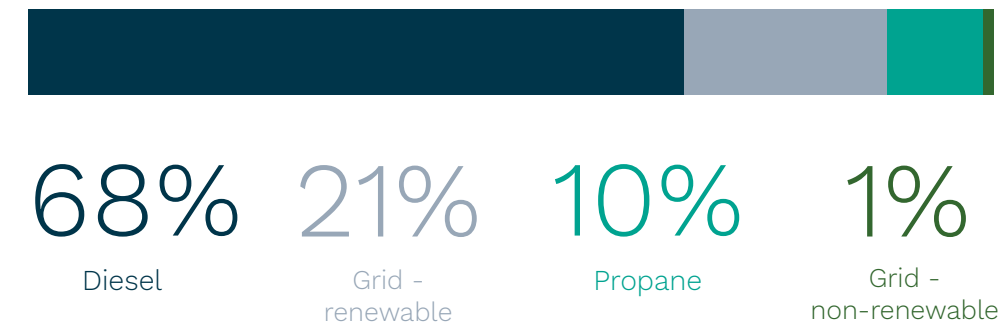
ACCOUNTABILITY AND ENGAGEMENT

See details in the Environmental Management Section [↗](#).

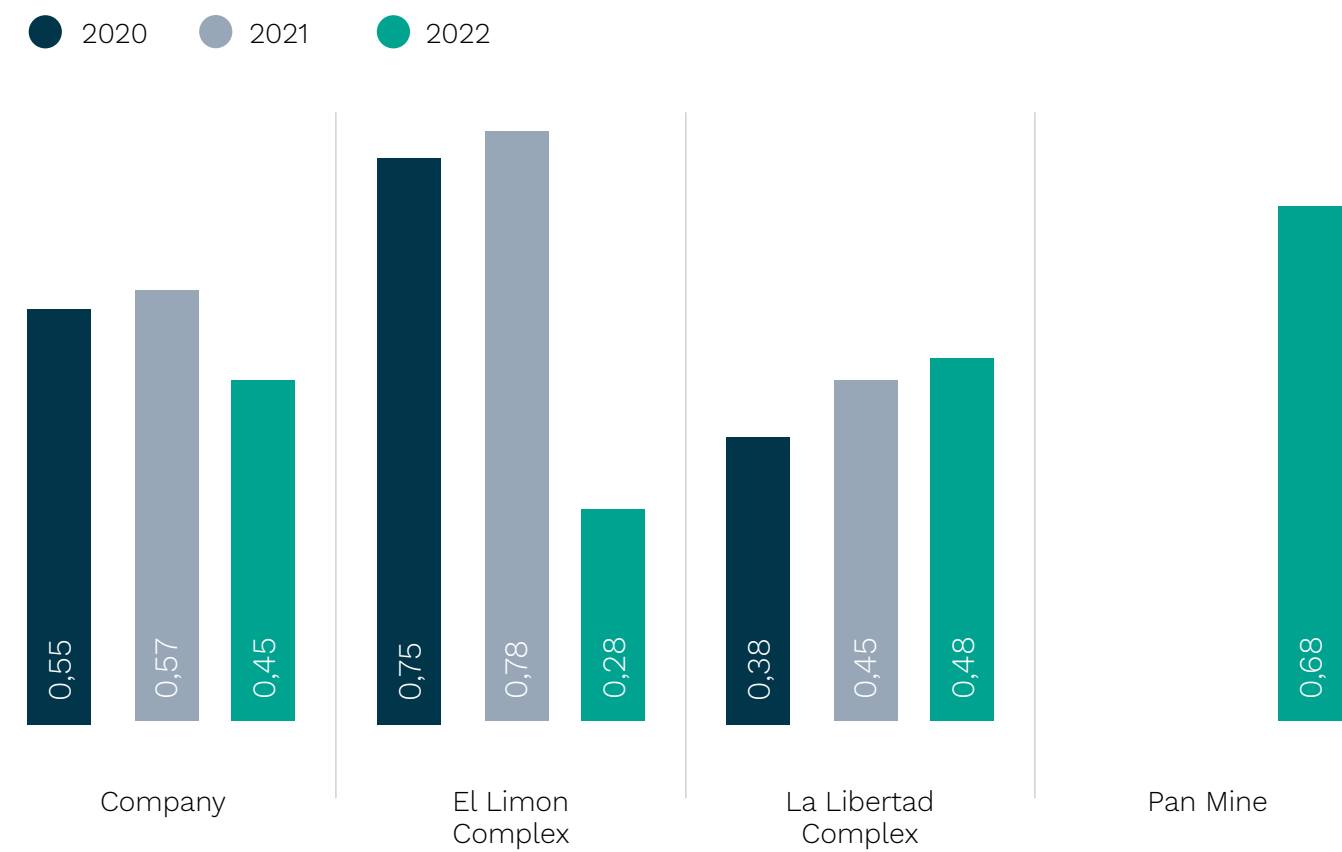
2.5.2 2022 PERFORMANCE

METRICS

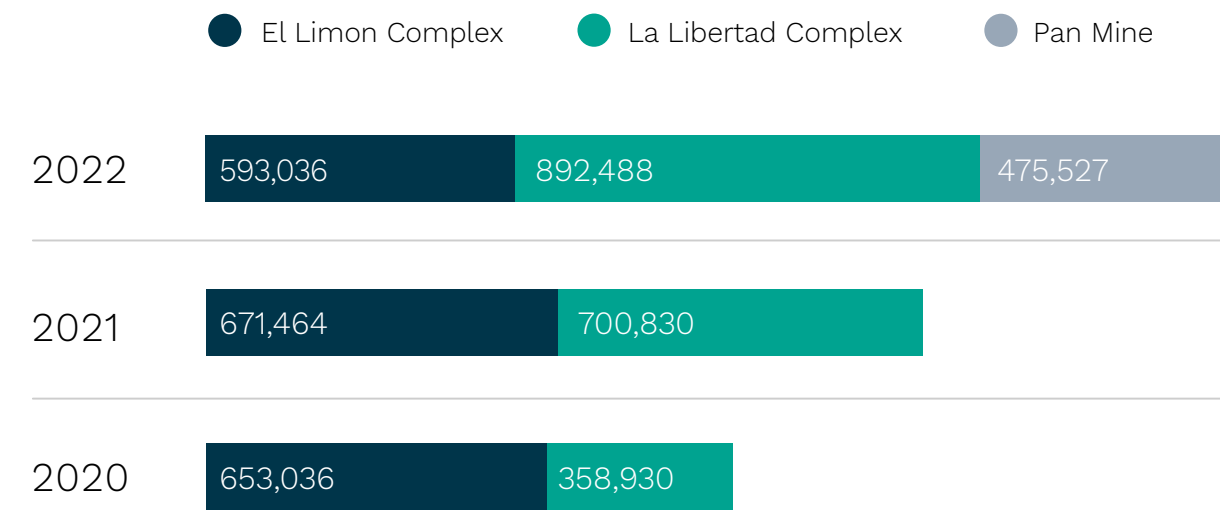
ENERGY CONSUMPTION BY SOURCE FY2022 (GJ)



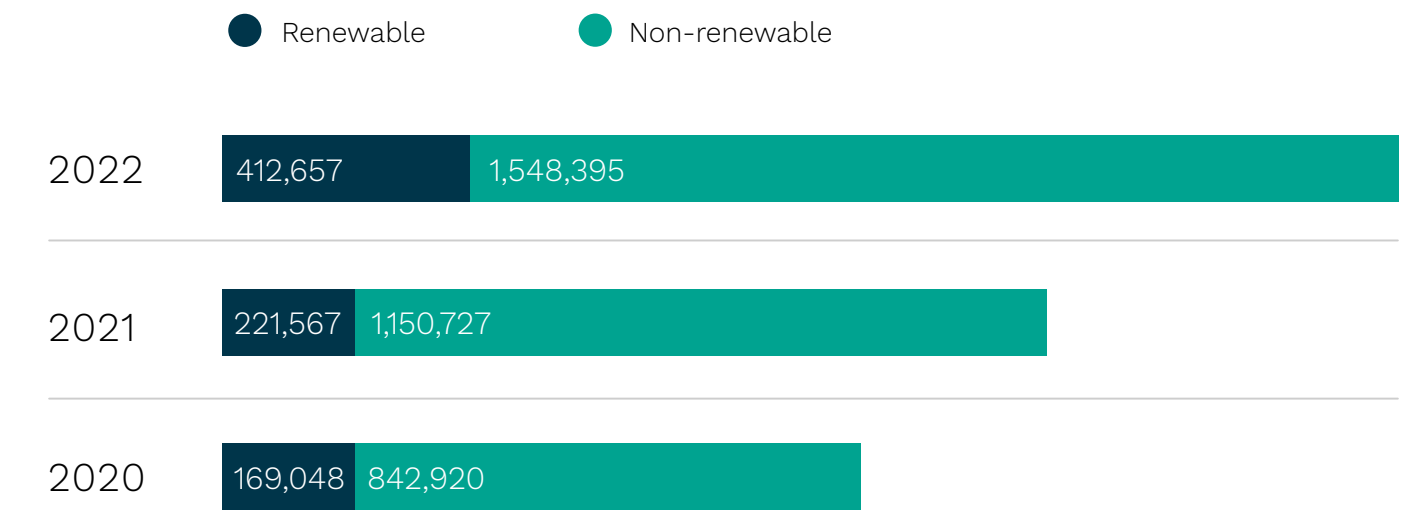
GHG EMISSIONS INTENSITY FY2021-2022 (TCO2E/OZ GOLD PRODUCED)



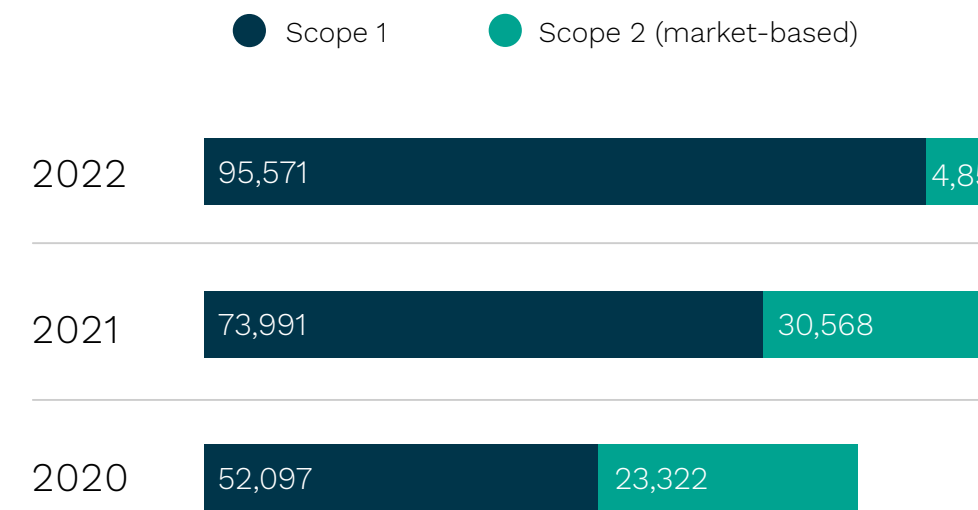
ENERGY CONSUMPTION BY SITE FY2020-2022 (GJ)



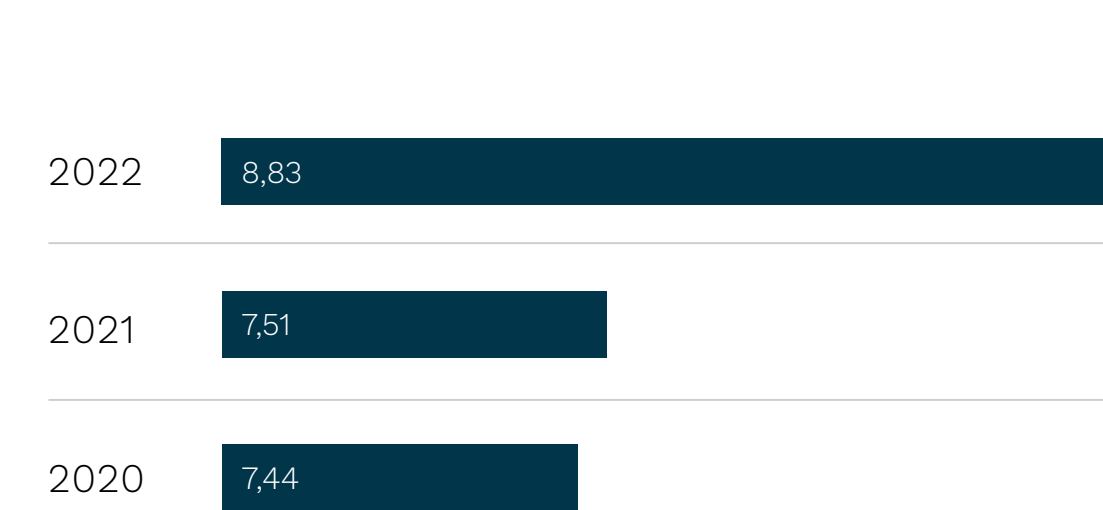
ENERGY CONSUMPTION BY TYPE OF ENERGY CONSUMED FY2020-2022 (GJ)



SCOPE 1 & 2 EMISSIONS FY2020-2022 (TCO2E)



ENERGY INTENSITY TRAIL FY2020-2022 (GJ/OZ GOLD PRODUCED)





KEY RESULTS

Performance against 2022 targets for Nicaragua

- Design a climate change strategy to reduce greenhouse gas emissions. **Achieved**. Scope 1 emissions reduced due to the implementation of fuel consumption control measures.
- Design an energy strategy to improve efficiency and sustainability of resource use. **Achieved**. Market-based scope 2 emissions neutralized in our Nicaraguan operations due to purchase of I-REC certificates for 100% of electricity consumed.

Other performance highlights for 2022

- 1,961,051 GJ of energy consumed, 21% renewable (412,657 GJ); with an intensity of 8.83 (GJ/oz gold produced).
- 95,571 tCO₂e scope 1 emissions, with a 2% decrease in emissions from our Nicaragua assets resulting from reduction initiatives implemented at El Limon. Overall increase of 29% in scope 1 emissions due to inclusion of Pan Mine.
- 4,859 tCO₂e market-based scope 2 emissions, an 84% reduction from 2021 (30,568 tCO₂e) due to purchase of I-REC certificates for 100% of the electricity consumed in Nicaragua.
- 0.45 GHG emissions intensity ratio for the organization, a 21% decrease in relation to 2021 (0.57) due to the reduction of market-based scope 2 emissions in Nicaragua.
- Workshops were conducted at each operation in Nicaragua to identify opportunities for reducing emissions. As a result:
 - » We acquired I-REC certificates for 100% of the electricity consumed from the grid by our Nicaragua operations, representing 26,454 tCO₂e market-based scope 2 emissions.
 - » We implemented controls for fuel consumption at Limon, signifying a reduction of 100,305 tCO₂e scope 1 emissions.
 - » We replaced lighting fixtures with low-energy LED lights at Pan.

2.5.3 2023 TARGETS

For our Nicaragua operations

- Review the TCFD framework's four recommended areas for reporting, and conduct an assessment to identify and understand climate-related risks and opportunities.

For our US operations

- Calculate GHG CO₂ and CO₂e for baseline identifiers.
-



CALIBRE OFFSETS 100% OF ITS SCOPE 2 CO₂E EMISSIONS IN NICARAGUA

Worldwide, energy-related CO₂ emissions increased 6% in 2021, reaching highest level ever. [↗](#)

To contribute to actions to combat climate change and its impacts, in 2022 Calibre signed a two-year contract with CE-PAM (Comercializadora de Energía para América), ensuring that 100% of the power purchased for our Nicaragua operations is I-REC [↗](#) certified clean energy. The agreement eliminates all of Calibre's market-based scope 2 (purchased electricity) carbon emissions in Nicaragua, representing approximately 30% of our total emissions (CO₂e) within the country.

“By purchasing clean energy rather than non-renewable power, as of 2022 Calibre will have zero market-based scope 2 CO₂e emissions in Nicaragua. This is a material achievement of our sustainability strategy, through which we seek to join efforts in response to global challenges such as climate change.”

Darren Hall, President and CEO





SOCIAL

Growing together to create shared value.

2022 HIGHLIGHTS

2022 LTIFR of 0.29, a reduction of 43% compared to 2021 (0.51).

96% national employees, of whom 78% are from communities adjacent to or near our operations.

Community-led Development Plan designed for Riscos de Oro.

Zero significant fines, violations or incidents related to employment practices, health and safety, workplace disruptions or non-technical delays during the reporting period.

US\$ 387M in economic value distributed, a 35% increase from 2021 (US\$ 286M).



3.1

LABOUR RIGHTS

MATERIAL TOPICS COVERED IN THIS SECTION	<p>LABOUR RIGHTS</p> <ul style="list-style-type: none"> • EMPLOYMENT AND LABOUR PRACTICES • FREEDOM OF ASSOCIATION • TRAINING AND EDUCATION • NON-DISCRIMINATION, DIVERSITY AND INCLUSION • CHILD LABOUR AND FORCED OR COMPULSORY LABOUR
GRI indicator(s)	2-7, 2-30, 401-1, 401-2, 402-1, 404-1, 405-1, 405-2, 406-1, 407-1, 408-1, 409-1, MM4
SASB indicator(s)	EM-MM-000.B, EM-MM-310a.1, EM-MM-310a.2
Why it matters	We are guided by the principles of decent work and rule of law. We believe that success is a direct product of our people and consider sound employment practices as paramount to building a workforce that enables the company to fulfill our corporate and strategic goals in a safe and responsible manner.
Potential risks or impacts to human rights	<ul style="list-style-type: none"> • Right to safe, just and favorable conditions of work, health, rest, leisure, family life, freedom of association, and collective bargaining: failure to comply with legal frameworks, provide adequate housing and wellbeing of workers could lead to labour complaints, workplace disruption, and increased turnover, affecting employees' income and communities' economic dynamics. • Right to non-discrimination, equal recognition and protection under the law, and access to effective remedy: non-inclusive, unfair, unsafe working culture or conditions can result in exclusionary experiences and cases of discrimination, harassment or harm to people. • Rights of protection for the child, and right not to be subjected to slavery, servitude, or forced labour: failure to ensure no use of forced, compulsory or child labour can cause harm to people.

To see detailed information, visit our 2022 Performance Tables for Labour Rights [↗](#)

3.1.1 OUR APPROACH

POLICY COMMITMENTS

- Our Corporate Governance Policies and Procedures Manual [↗](#) is the basis for our people management. It establishes the company's ethical principles and commitment to respect human rights and the regulatory frameworks of our host countries.
- Our Code of Business Conduct and Ethics [↗](#), p. 29–30, commits us to promoting a workplace that supports the dignity, well-being and rights of workers, and reflects diversity and behavior that is respectful, open, inclusive and free of harassment or discrimination.
- We are committed to ensuring that employees have proper access to company information, have a voice in decisions that affect them, and are recognized for their performance. We strive to partner with all stakeholders with regard to employment matters.
- Our People Policy [↗](#) sets our cultural opportunities on which the behavior of all workers is expected to be based on, and establishes our commitment to:
 - » Foster communication as the basis for building relationships with our workforce, generating trust, and promoting cooperation;
 - » Commit to the success of our employees, contractors, and business partners;
 - » Promote equality, fairness, and inclusion in all employment decisions;
 - » Hire employees based on bona fide work-related skills;
 - » Promote our culture of well-being and a healthy and safe workplace for all employees;



→ Eastern Borosi, Nicaragua



- » Offer training and development programs to promote the professional growth of workers;
- » Create safe and respectful work environments to prevent harmful behaviors;
- » Offer dignified work, with respect for human rights and in accordance with the law and our corporate governance policies;
- » Effectively manage the resolution of internal conflicts and complaints; and
- » Comply with all applicable labor laws and regulations in the countries where we operate, respecting freedom of association and the fundamental principles and rights of workers as outlined in the International Labor Organization (ILO) Declaration.
- Our purpose is to generate an appropriate organizational climate based on our values and Code of Business Conduct and Ethics, and to promote a culture of diversity, inclusion and equity. We encourage labour peace through proper management and communication with employees, unions and groups of interest.

TOPIC AND RISK MANAGEMENT

- We are an equal opportunity employer committed to an environment free from discrimination. We achieve this by placing the most qualified person in each job, without regard to race, color, gender, pregnancy (including childbirth, lactation or related medical conditions), sexual orientation or expression, religion, gender identity, marital status, national origin, age, disability, genetic information, veteran or military status, citizenship status, natural hairstyle, or any other protected group status as defined by applicable country, federal, state or local laws.

- To ensure awareness of our commitment to business ethics and human rights, all staff employees are required annually to review and sign our Corporate Governance Policies. A review of the policies' key components is conducted with hourly and unionized employees.
- Child, forced and compulsory labour are strictly regulated by national legislation and not seen as a risk within the industrial mining sectors in Nicaragua or the United States. Nevertheless, we maintain strict proof-of-age policies and hiring procedures preventing anyone under the legal working age of 18 from obtaining employment. This requirement extends to our contractors.
- We remunerate our employees with competitive wages that exceed legal requirements, and we assign regular and overtime working hours within legally required limits. Benchmarking is conducted regularly, ensuring fair remuneration for all. Payrolls are audited internally by the Finance Department and externally by our financial auditors on an annual basis.

At Nicaragua

- » Internal labour regulations and collective bargaining agreements at Limon and Libertad guide legal compliance to hiring, employment rights, labour-management and workplace conditions.
- » Collective agreements are reviewed and negotiated with site unions every two years, and employee benefits are established according to in-country legal procedures. Collective labour prerogatives are periodically managed so as not to incur in non-compliances that cause labour or union nonconformities.
- » Standard benefits for full-time employees include life insurance, on-site health care, bonus provisions, food support, collective transportation and social security, extra paid holiday entitlements,

and parental and other special leaves as per national legislation stipulations. Additional benefits provided to employees covered by collective agreements include annual salary adjustments, retirement indemnity and compensation for disability or injury.

- » We hire temporary, full-time employees, mostly for exploration projects with specific timeframes for execution. By year-end, we had 46 temporary employees. Benefits are the same as for permanent full-time employees, except for bonus provisions.
- » Compliance with labour laws is verified by the national Ministry of Labour through periodic inspections of our assets. Based on findings, remediation plans are created and implemented.

At Nevada

- » Benefits are standard for any employee budgeted/scheduled 30 hours or more weekly: life insurance is provided to all employees who are benefits eligible, healthcare is offered to any employee who is benefits eligible, long-term disability and short-term disability is paid, parental leave is not offered but we comply with the US Department of Labour's Family and Medical Leave (FMLA); 401(k) retirement plan is offered; and long term incentives may be granted by the Board.
- » Outreach and recruitment campaigns are conducted through Applicant Tracking System Arcoro, allowing us to post positions on various websites to reach a diverse candidate pool.
- » We annually consult the compensation survey data from the Nevada Mining Association to ensure all employees are compensated fairly and competitively. For positions not listed, we reference the Economic Research Institute (ERI).



ACCOUNTABILITY

- The Vice President of Human Capital is responsible for human resources management.
- The Senior Manager of Labour Relations is responsible for overseeing and managing union affairs in Nicaragua, and country-level Human Resources Managers oversee the implementation of our people policies and practices.
- Based on the organizational structure, each operation is accountable and responsible for the implementation of procedures, internal labour regulations, compliance with collective agreements, daily communication and handling of issues, and establishment of programs that comply with our commitments and corporate initiatives.

ENGAGEMENT

- We encourage our employees to speak up if a conduct makes them uncomfortable, and to report harassment or discrimination if it occurs, through our various communication channels (e.g., by reporting to management, through our Whistleblower Hotline, through their union representatives, through our worker grievance mechanism, or through our harassment policy mechanism). This offers reliable and accessible mechanisms to solve problems, manage complaints, guarantee non-application of reprisals, in an environment of confidentiality, integrity and transparency.
- We maintain ongoing communication with union organizations, labour authorities, and national union representation, allowing a healthy dialogue on issues that arise from the management-labour relationship, always under the protection and supervision of the country's labour authorities and in accordance with applicable labour legislation.
- Policies and procedures are communicated through internal memoranda and accessible via our internal website. In Nicaragua, printed copies of updated collective agreements are provided to employees, and monthly union membership reports and a Collective Bargaining Agreement Revision Report are produced.



↑ Pavon Mine, Nicaragua

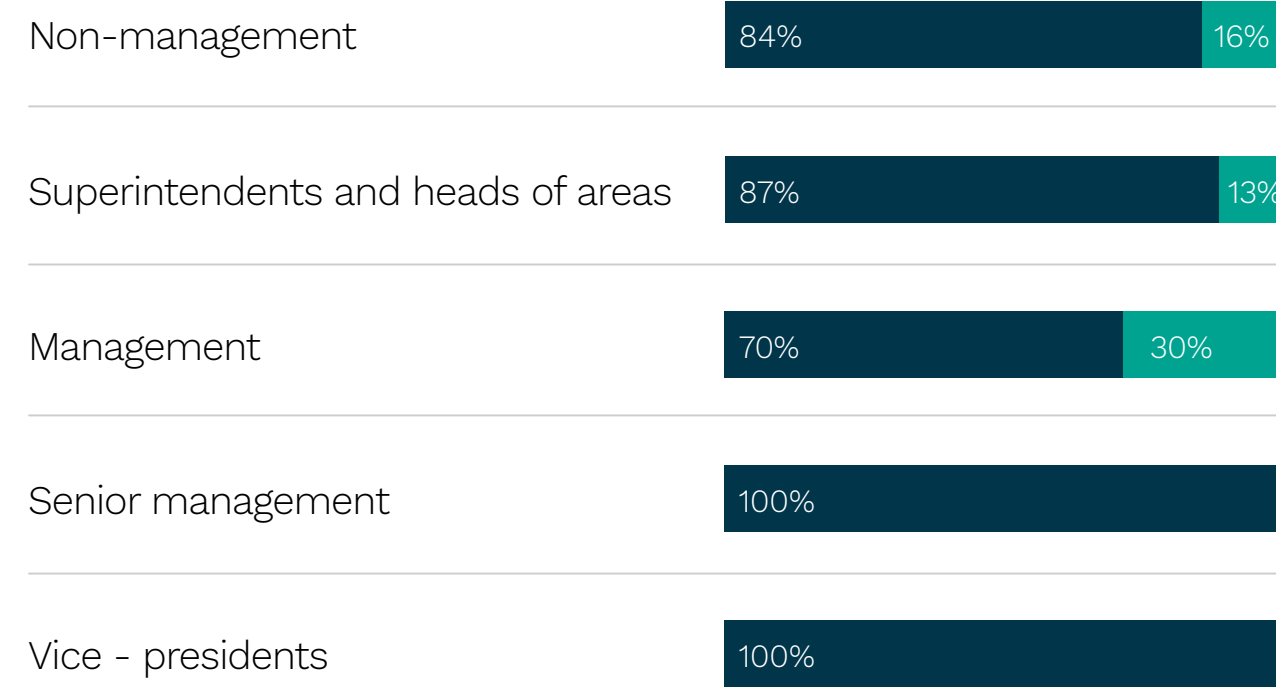
↗ Libertad Mine, Nicaragua



3.1.2 2022 PERFORMANCE

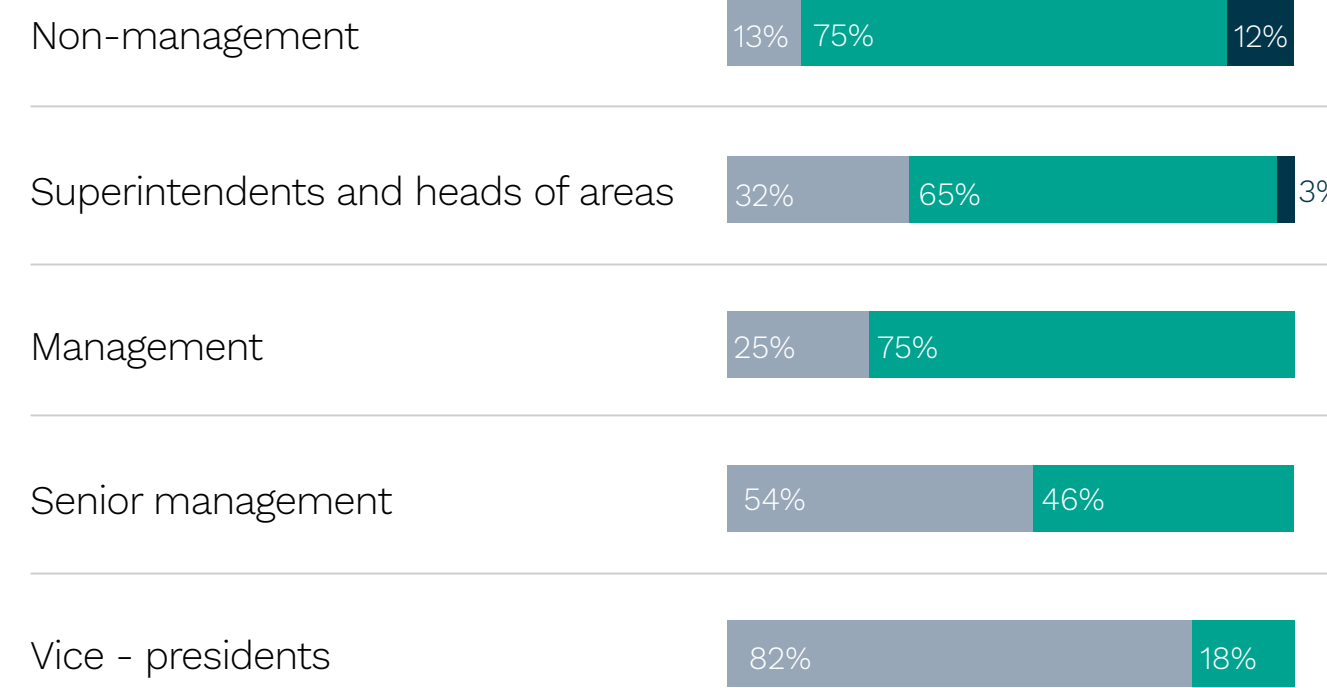
METRICS

PROPORTION OF EMPLOYEES BY GENDER & CATEGORY FY2022 (%)



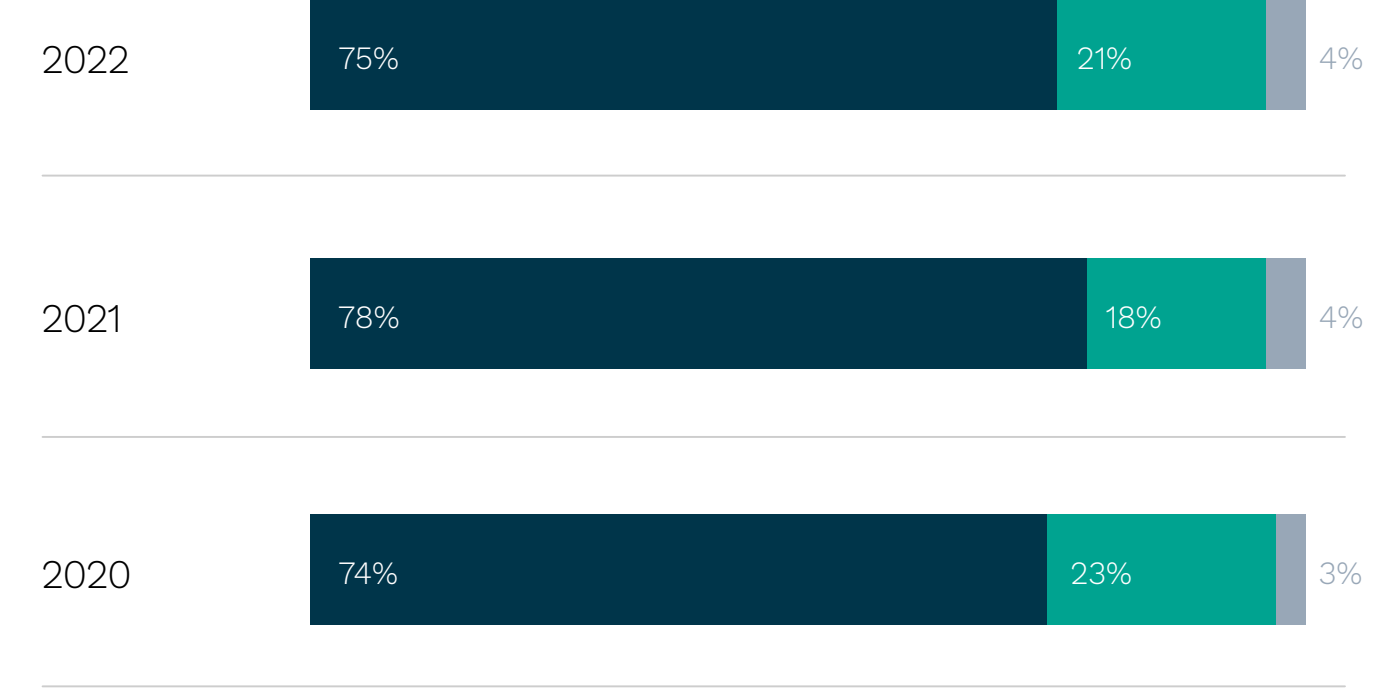
● Men (%) ● Women (%)

PROPORTION OF EMPLOYEES BY AGE GROUP & CATEGORY FY2022 (%)



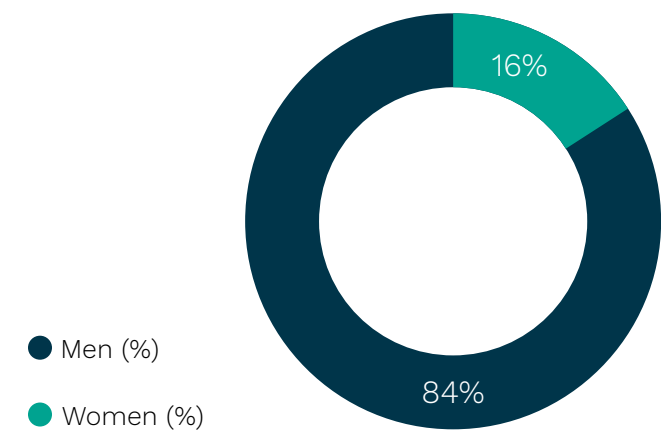
● 51+ (%) ● 30 to 50 (%) ● <30 (%)

PROPORTION OF EMPLOYEES BY ORIGIN FY2020 - 2022 (%)

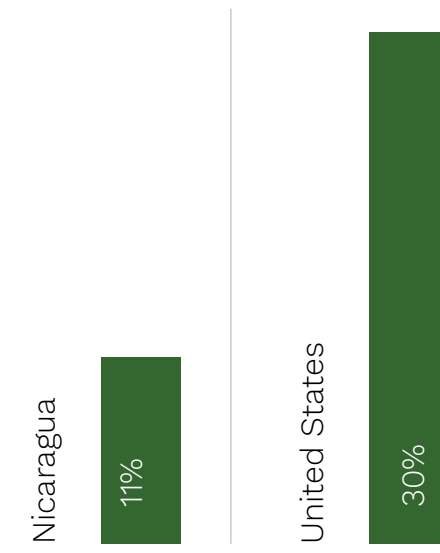


● Local community ● Local country ● Foreign

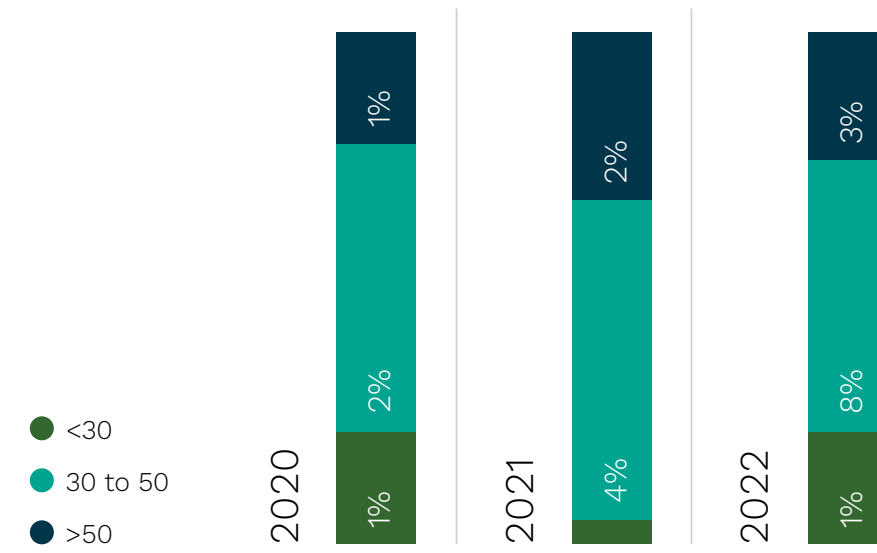
PROPORTION OF EMPLOYEES BY GENDER FY2022 (%)



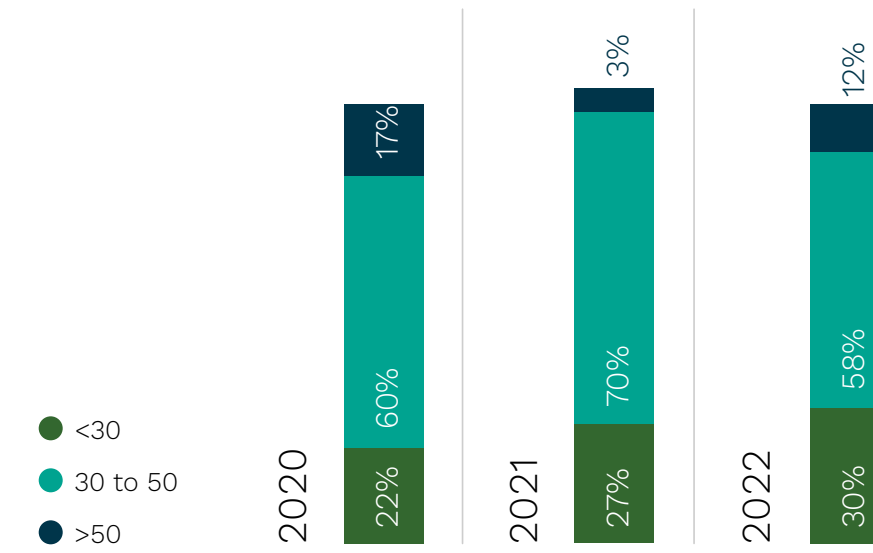
TURNOVER RATE BY COUNTRY FY2022



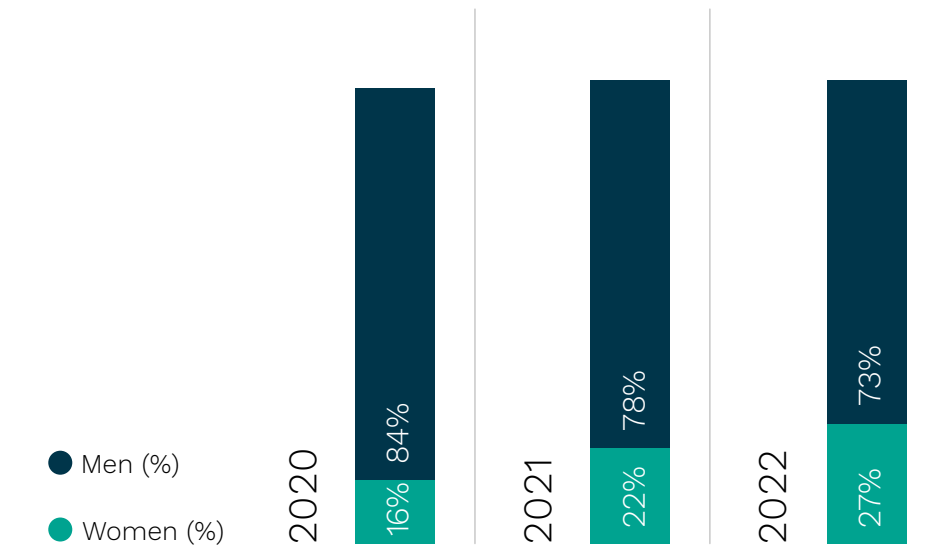
TURNOVER RATE BY AGE GROUP FY2020-2022



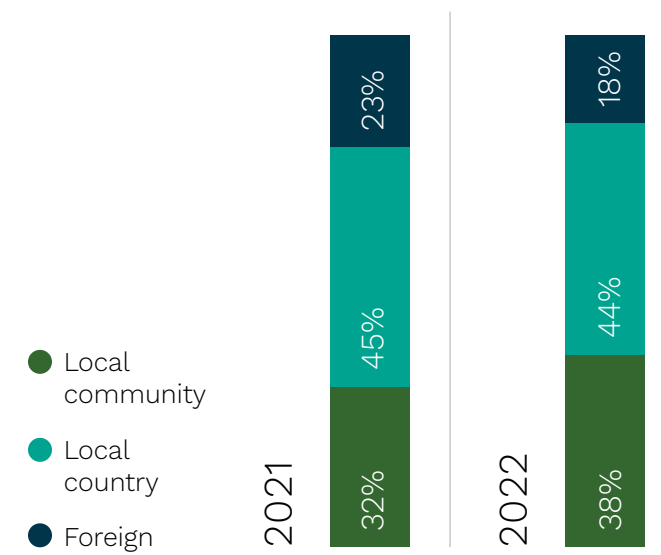
PROPORTION OF NEW HIRES BY AGE GROUP FY2020-2022



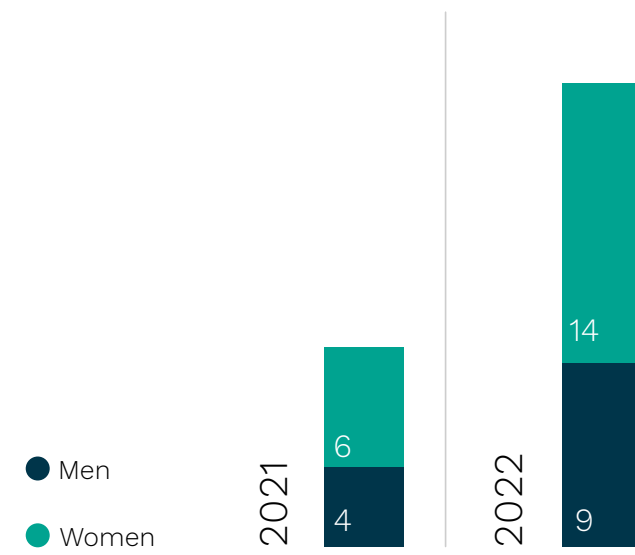
PROPORTION OF NEW HIRES BY GENDER FY2020-2022



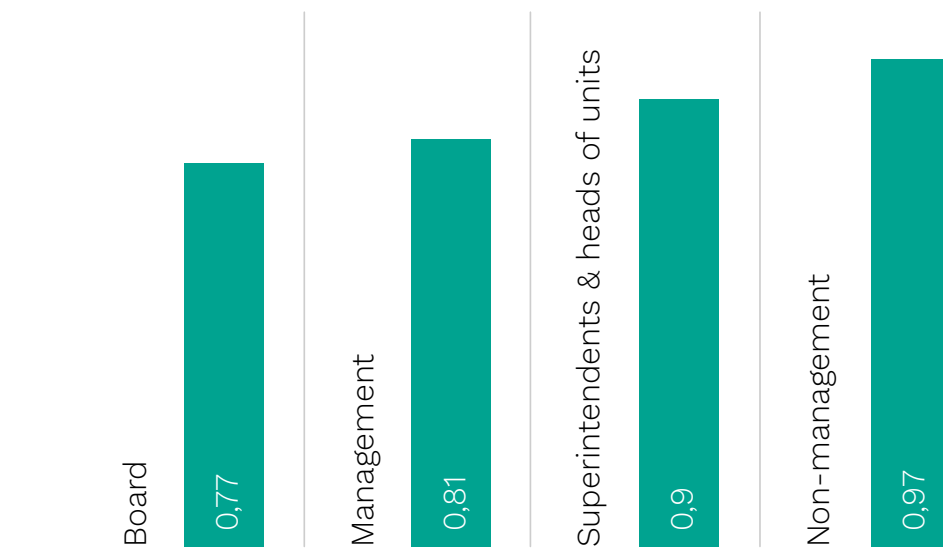
PROPORTION OF NEW HIRES BY ORIGIN FY2020-2022



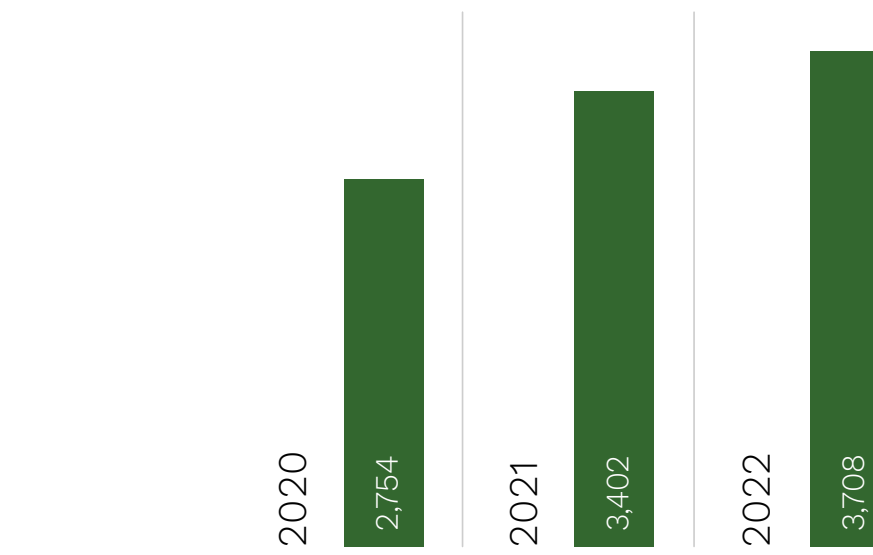
AVERAGE HOURS OF TRAININGS BY GENDER FY2021-2022



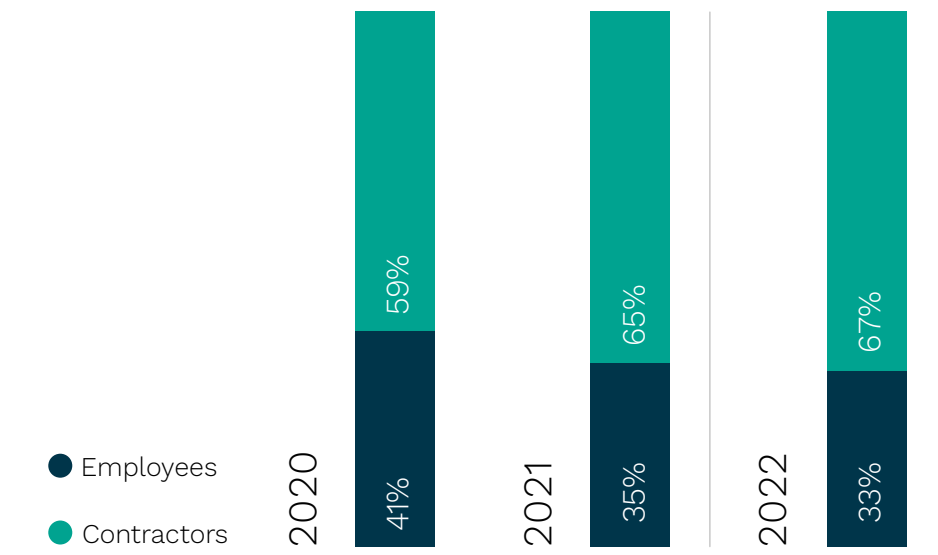
AVERAGE RATIO OF BASE SALARY OF WOMEN TO MEN BY CATEGORY FY2022



TOTAL WORKFORCE (EMPLOYEES AND CONTRACTORS) FY2020-2022



PROPORTION OF WORKFORCE BY TYPE OF WORKER FY2020-2022 (%)





KEY RESULTS

Performance against 2022 targets for Nicaragua

- Communicate and train employees on Nicaragua's employee grievance policy and mechanism. → **Underway**. 158 people trained (14% of employees).
- Design and launch training on Nicaragua's harassment policy. → **Underway**. 213 people trained (18% of employees). At Pan Mine, all employees completed anti-harassment refresher training.
- Improve representation of women within our workforce. → **Underway**. We included women (when possible, according to the profile) in recruitment lists for selection. As a result, we saw an increase in the percentage of women hired for the third year in a row (from 16% in 2020, to 22% in 2021, to 27% in 2022).
- Minimize the possibility of strike or work stoppage. ✔ **Achieved**. Zero strikes or work stoppages exceeding one week's duration during reporting period.
- Correct application and compliance with labour regulations and collective bargaining agreements. ✔ **Achieved**. Full compliance with collective bargaining agreements.
- Respect workers' freedom of association. ✔ **Achieved**. 100% of requests for union membership processed.
- Respect workers' right to collective bargaining. ✔ **Achieved**. Collective bargaining negotiations completed in due time and in accordance with Nicaraguan law.
- Ensure that all our operations and workers in Nicaragua have internal labour regulations in accordance with the law. ✔ **Achieved**.

Other performance highlights for 2022

- Zero incidents of significant workplace disruption, strike, lockout or discrimination.
- Total number of employees (including corporate offices): 1,241; 100% are full-time, of whom 96% are permanent. In terms of origin, 96% are national, of whom 78% are from communities adjacent to or near our operations. Regarding sex, 16% are women; 30% of management positions are held by women. In terms of age per category of employee, 18% of Vice-Presidents, 46% of senior management and 75% of management are in the 30-50 age group.
- Our total turnover rate at operations was 12% in 2022, versus 6.5% in 2021. The main reasons for increased turnover were changes in administration due to the purchase of Fiore and revision of Nicaragua's organizational structure.
- 9% of our employees were new hires, 83% of those to work in our Nicaragua operations, 58% belonging to the 30-50 age group, and 82% being national.
- 69% of our employees in Nicaragua belong to a union. There are no unions in place at our Nevada operations. Collective agreements are in place at Limon and Libertad.
- To identify improvements of our diversity profile in Nicaragua, we created a Diversity and Inclusion Committee and Taskforce, and site-level assessments were completed.
- At Pan Mine, to remove barriers for potential candidates who may be faced with unique challenges (e.g., educational/unfamiliar with technology barrier, or financial barrier/not able to afford internet), we established a Calibre office in Ely Nevada, so a company representative would be available to walk them through the process, and we are in the process of setting up a kiosk at the office for candidates to apply online.
- Average hours of training in 2022 amounted to 10 hours per employee, with women receiving 14 hours average (126% increase from 2021, when women received 6 hours average), and men receiving 9 hours average (130% increase compared to the 4 hours average in 2021).
- Total number of workers who are not employees was 2,482, most commonly working in exploration activities, ore extraction, ore haulage, and people and asset security.
- Total company workforce (employees and contractors) was 3,708, a 9% increase from 2021.

3.1.3 2023 TARGETS

For our Nicaragua operations

- Zero strikes or work stoppages in the year.
- Full compliance with collective bargaining agreements.
- Conduct 100% of scheduled collective bargaining negotiations in a timely manner.
- Process 100% of requests for union membership or disaffiliation.
- Develop leadership skills of our top management.
- Training on values, behaviors and diversity, equity and inclusion.

For our US operations

- Ensure all employees are educated on and sign the Corporate Governance Policies.
 - Continue annual training on harassment.
 - Educate employees on reporting concerns and grievances.
 - Identify any other relevant training needs.
-

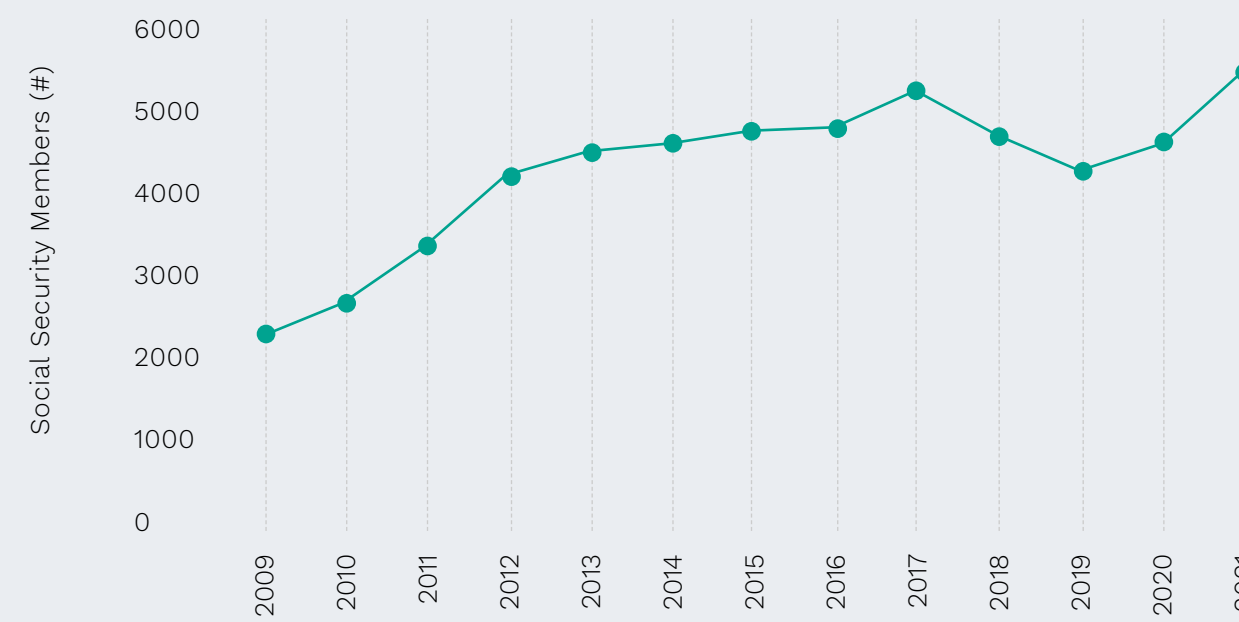


GOOD JOBS DELIVER POSITIVE SOCIAL AND ECONOMIC IMPACT IN NICARAGUA

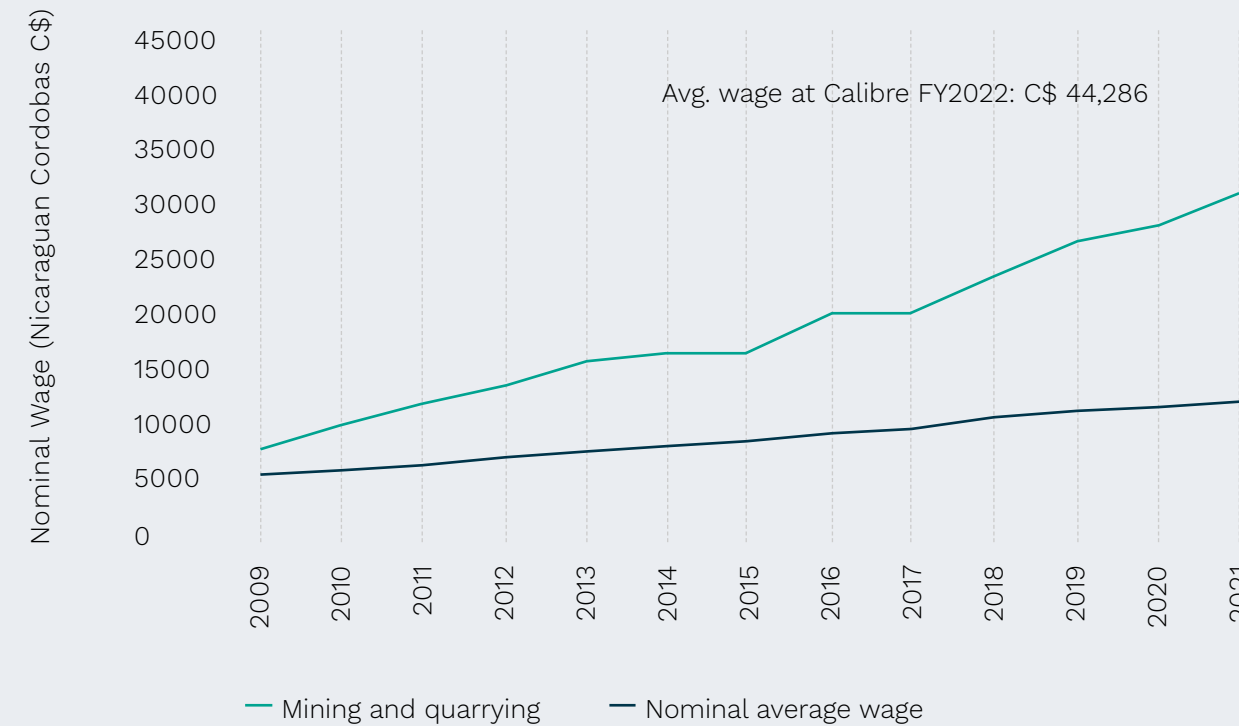
According to the United Nations, the global working poverty rate rose for the first time in two decades, from 6.7% in 2019, to 7.2% in 2020, pushing an additional 8 million workers into poverty [📄](#).

At Calibre, we are committed to sustainable, safe and innovative ways to do business, delivering results by building a positive and exciting working environment. With our presence in Nicaragua, we have not only contributed to an annual increase in the number of social security beneficiaries, through our direct and indirect employment opportunities, but also to a significant increase in wages. In 2022, our average wage was 2.5 times the average wage in the mining sector, and four times the national average wage, directly contributing to a reduction of multi-dimensional poverty in the communities where we operate.

SOCIAL SECURITY MEMBERS IN MINING IN NICARAGUA



NOMINAL WAGE OF SOCIAL SECURITY MEMBER



Source: Nicaragua Central Bank



Eastern Borosi, Nicaragua

3.2 HEALTH AND SAFETY

MATERIAL TOPICS COVERED IN THIS SECTION	HEALTH AND SAFETY <ul style="list-style-type: none"> OCCUPATIONAL HEALTH AND SAFETY TRANSPORT AND TRAFFIC ACCIDENTS EMERGENCY PREPAREDNESS
GRI indicator(s)	403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-8, 403-9, 403-10
SASB indicator(s)	EM-MM-320A.1
Prioritized SDG targets	3.8.1, 8.8.1
Why it matters	We recognize that mining presents various potential high-consequence hazards, but we are convinced that effective risk management strategies can prevent safety incidents and the onset of occupational diseases. To that end, health and safety is at the heart of our operations and processes.
Potential risks or impacts to human rights	<ul style="list-style-type: none"> Right to a safe work environment: mining activities hazards such as ground instability and rockfall, mobile equipment, unsafe facilities and infrastructure, worker fatigue, exposure to toxic substances and heat stress, and the handling of hazardous chemicals such as cyanide can cause injuries, accidents and long-term ill-health, reducing life expectancy or quality of life. Right to life, health and effective remedy: effects on humans and damage to property due to road accidents related to mineral haulage routes or accidental explosions during the transfer of explosive materials along public roads.

To see detailed information, visit our 2022 Performance Tables for Health and Safety [↗](#)

3.2.1 OUR APPROACH

POLICY COMMITMENTS

- Safety is one of our core values. As per our Health and Safety Policy [↗](#), we are committed to the health and safety of our workforce, and we strive to maintain a safe working environment by complying with all applicable laws, rules and regulations. Our objective is zero harm.
- Our health and safety management system goes beyond national regulatory requirements. We apply standards based on ISO 45001 for occupational health and safety and ISO 31000:2009 for risk management. Our health and safety management system applies to all employees and contractors.
- Our Safe Transport of Ore Policy guides the use of equipment to transport ore between sites. It aims to establish minimum standards for ore transportation at sites and en route, and to lead an operating culture based on safety for the benefit of our workforce and the communities involved.
- As per national law, our operations in Nicaragua have H&S Organizational Technical Regulations, agreed upon with unions, approved by the Ministry of Labour and valid for 2 years. These regulations establish requirements on occupational hazards, obligations of employers and workers, prohibitions, cleanliness and signage, fire prevention and protection, first aid, statistics of industrial accidents and occupational diseases, operation of Joint Committees on H&S, health workers, and sanctions.
- Operations in Nevada are governed by the Mine Act, MSHA 30 Code of Federal Regulations (CFR) and state mandated regulations. The regulations consist of 199 parts that govern company health and safety (H&S). The Mine Act and CFR govern obligations of the employer, rights of miners, training and retraining of miners and independent contractors, hazard communication, accident and injury reporting/records, safety and health standards of surface mines and hearing conservation.





TOPIC AND RISK MANAGEMENT

- Our H&S Performance Standards define the requirements for formally identifying, monitoring and controlling exposures to H&S hazards and ensuring that working environments are maintained, as low as reasonably practicable (ALARP), at an acceptable level of H&S risk.
- A H&S Management Plan is maintained at sites and includes H&S baseline survey and risk assessment, occupational exposure limits, occupational exposure groups, H&S monitoring program, employee health/medical surveillance, instrumentation and calibration, training, supplemental programs (such as occupational respiratory medical surveillance program, hearing conservation program, respiratory protection program, PPE, fatigue management program, ergonomics and manual handling program, etc.), records management, and audit and review.
- In Nicaragua, we have built a Health and Safety Journey Framework using current health and safety standards, practices, tools, and skills development. It focuses on:
 - » Engaging leaders in safety journey facilitation and infield interactions that empower employees.
 - » Creating comfort in understanding standards and applying risk-based practices.
 - » Creating an organizational environment where individuals, teams and sites self-assess progress along their safety journey.
 - » Cultivating a work culture with a clearly shared purpose, trust and willingness to speak up, inspirational leadership, and the ability to deliver on commitments.
- Health and safety metrics are included in the company's corporate scorecard and integrated into the performance management program.
- To ensure that contractors are meeting their H&S obligations, audits and verification processes are conducted to assess all major and/or high-risk contract work and activities.
- In Nicaragua we employ a two-pronged approach to emergency management to minimize the impact on employees, contractors, surrounding communities, the environment and operations. Site emergency response teams respond to site or local emergency situations. Rapid response teams respond to potential emerging events that may escalate into something with the potential to impact the corporation. In both cases, the Incident Command Systems model is activated.

Hazard Identification, Risk Assessment, and Incident Investigation:

- Our Standard for Hazard Identification and Assessment of H&S Risks and its guidelines define the minimum requirements to ensure that formal processes are established and maintained for the systematic identification, assessment and management of risks, including activities undertaken by contractors. Processes used to identify work-related hazards include analysis of occupational risks, preliminary hazard assessments, team-based risk assessments, workplace inspections, health hazard assessments, internal/external audits, pre-shift meetings, behavioural observations, health and safety meetings and committees, accident and incident investigations, and hazard reports.
- Processes to effectively identify, record, and manage hazards and risks are set at site level (e.g., Take 5, SLAM, JSA, preliminary hazard assessments and team-based risk assessments).
- Risk management tools in place include a 5-point safety system procedure, HSMA hazard identification and risk assessment procedures, safe work analysis procedures, and hazard and risk management procedures. These are routinely performed by the workforce, and permanent training is provided based on the risks associated with activities.
- H&S Risk Registers are the basis for each site's H&S Management System, assisting and enabling sites to set annual H&S objectives, targets and KPIs; prioritize training plans and monitoring and audit programs; and identify and prioritize potential emergencies for the development, review and updating of work procedures and verification of operational controls.
- Our Standard for Incident Reporting and Investigation requires sites to diligently report and investigate H&S incidents to ensure that contributing factors and root causes are identified and suitable controls are implemented to eliminate the potential of recurrence.
- At Pan Mine, we have implemented a Risk Management System that allows tracking of audits, observations, incidents, job descriptions and site-wide compliance for employees and contractors. US operations also have an Emergency Action Plan that all employees and contractors are required to follow and is verified by periodic audits.

Occupational Health Services:

- All our workforce is provided with mandatory and specific PPE, according to their functions.
- Operations perform pre-employment, regular and post-employment medical check-ups under medical examination protocols, allowing for the early identification of diseases of occupational origin.



- Operations have medical care procedures for occupational and non-occupational diseases, establishing management steps and follow-up of all patients.
- All sites have clinics, which allow for the care of personnel in the event of injury; and are equipped with basic emergency care for stabilization and transfer, if necessary. Services are available 24/7 to any worker or visitor. Sites have ambulances (three in La Libertad, three in El Limon), and trained personnel for transportation to primary hospitals.
- Nicaragua operations have a medical coordinator who supervises and monitors doctors' performance. A general practitioner is present at each site and acts in accordance with health regulations. All health care providers are competent and have recognized qualifications and accreditations according to legal requirements and company standards. Staff handling clinical case records sign a "confidentiality" clause in their employment contracts. Physicians at site provide training to all workers on manual heavy lifting, basic first aid (theoretical and practical), and chronic diseases and their treatment.

Promotion of Worker Health:

- All our workforce is provided with social security as per national legislation, ensuring coverage of essential health services (such as reproductive, maternal, newborn and child health; infectious diseases; non-communicable diseases; and service capacity and access).
- In Nicaragua, we provide health coverage to the nuclear family (spouse and dependent children), life insurance beyond that established in national law, and an additional insurance for medical expenses, gynecological, dental and ophthalmological care, including lenses.
- In the United States, all full-time, permanent employees scheduled thirty hours or more are offered medical, dental and vision insurance. These benefits are extended to eligible dependents of said employees. The employee is responsible for paying the premium, and the company also pays a portion. Life and AD&D insurance are provided, with US\$ 50k in coverage. Eligible employees are offered disability protection through short- and long-term disability, in addition to all state and federal protections. All employees are protected by the Federal Health Information Protection Act.

ACCOUNTABILITY

- The Vice Presidents of Operations oversee health and safety management.
- The Health and Safety Managers in country lead and monitor compliance of our Health and Safety Management System.
- Each operation is responsible for the development and implementation of corporate policies, systems and initiatives.

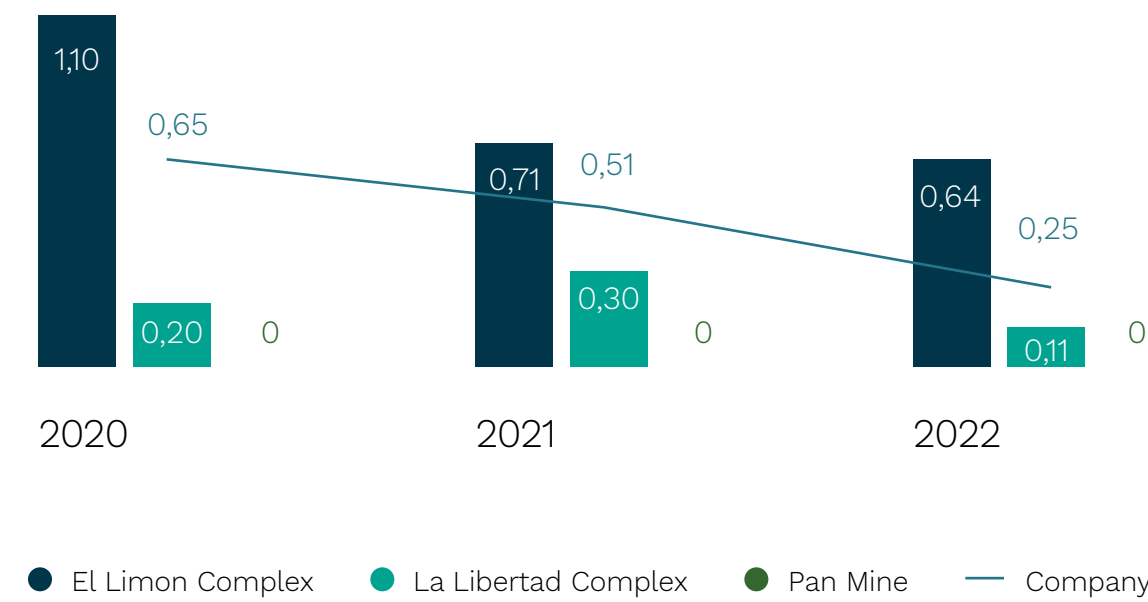
ENGAGEMENT

- Our Standard for Consultation and Participation requires sites to ensure that opportunities exist for effective two-way internal and external H&S communication to enable the active participation of all workers in the improvement of H&S performance.
- We promote collaboration between senior management and employees for safety leadership through regular engagement. Sites hold pre-shift and pre-job-set-up health and safety meetings, as well as monthly meetings where information is shared about work-related incidents, known hazards, and performance measures taken to correct and prevent recurrences.
- We conduct regular safety training for all workers to improve our performance. Safety talks are also provided to all site visitors.
- In accordance with Nicaraguan law, our operations have Mixed Commissions on Occupational Health and Safety. These are joint bodies made up of representatives appointed by the company and unions to collaborate on H&S matters.
- To ensure our workforce health, we identify, monitor and communicate on occupational exposures across sites, including noise exposure testing and monitoring, silica sampling and testing, and mercury and/or lead exposure testing for plant and lab employees.

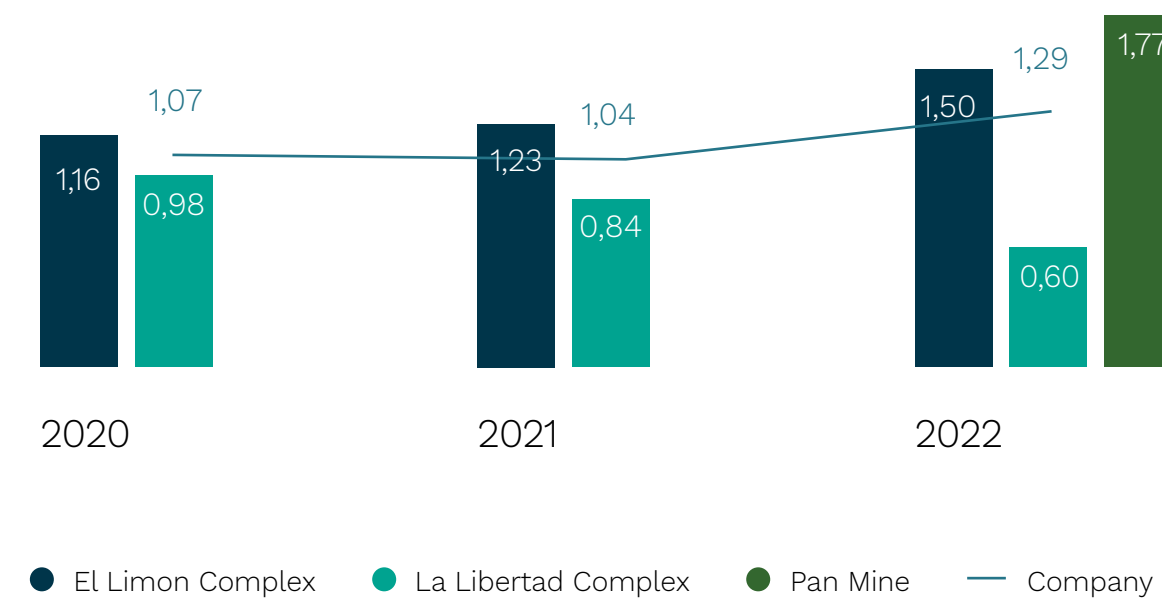
3.2.2 2022 PERFORMANCE

METRICS

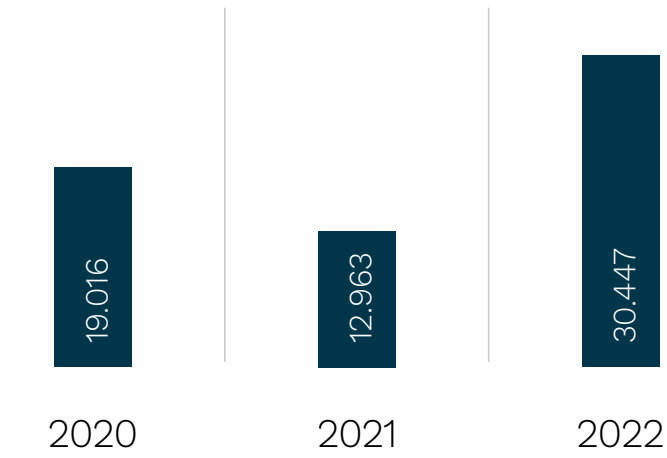
LTIFR TRAIL FY 2020-2022 (EMPLOYEES & CONTRACTORS)



TRIFR TRAIL FY 2020-2022 (EMPLOYEES & CONTRACTORS)

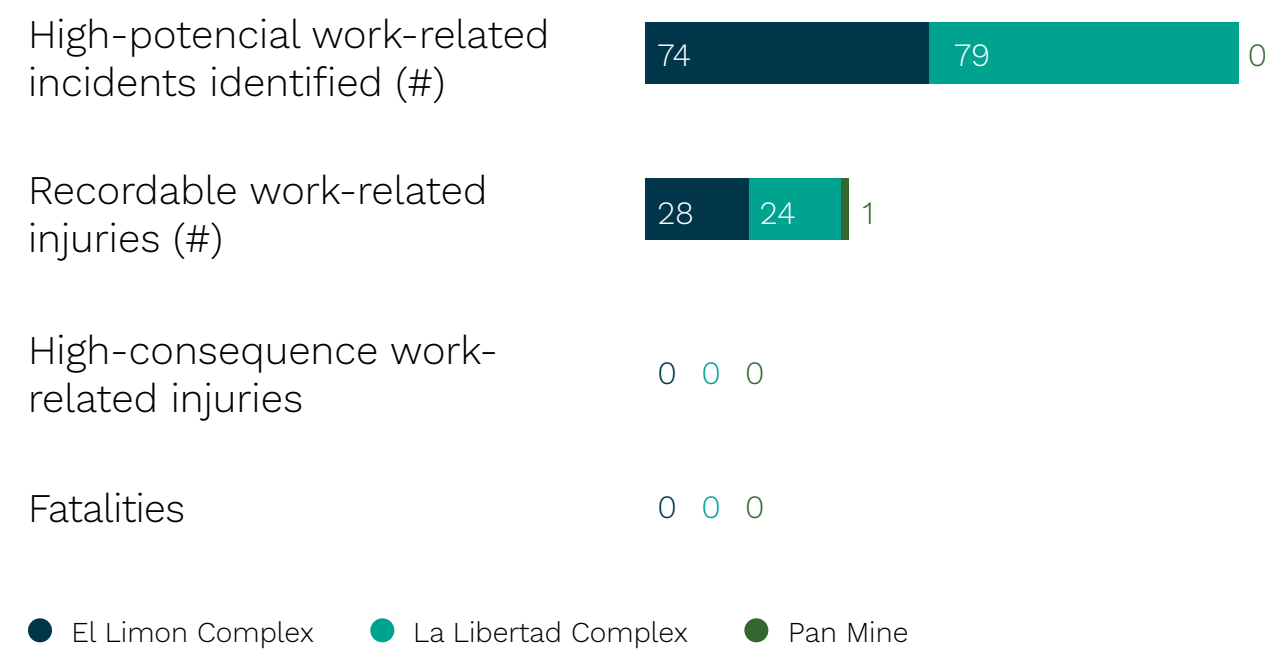


PEOPLE TRAINED IN H&S FY2020-2022



Refers to number of participations; a person may have received more than one of the trainings offered in the annual training plan

EMPLOYEE DATA ON WORK RELATED INJURIES FY2022



H&S DATA TRAILING FY2021-2022 (EMPLOYEES & CONTRACTORS) FY2021-2022

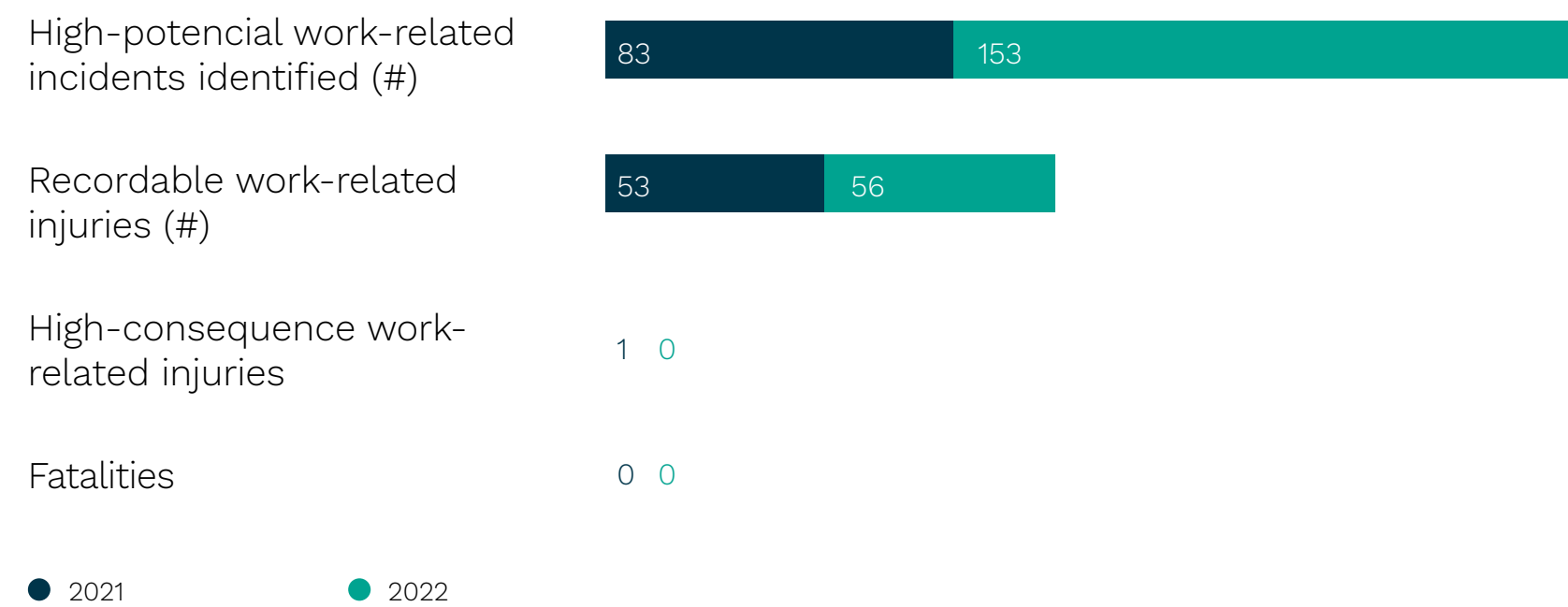




TABLE 6. EMPLOYEE DATA ON WORK-RELATED INJURIES FY2022

SITE	El Limon Complex	La Libertad Complex	Pan Mine	Company
FATALITIES (#)	0	0	0	0
FATALITIES (RATE)	0	0	0	0
HIGH-CONSEQUENCE WORK-RELATED INJURIES (#)	0	0	0	0
HIGH-CONSEQUENCE WORK-RELATED INJURIES (RATE)(1)	0	0	0	0
RECORDABLE WORK-RELATED INJURIES (#)	28	24	1	53
RECORDABLE WORK-RELATED INJURIES (RATE)(1)	1.5	1.08	1.76	4.34
MAIN TYPES OF WORK-RELATED INJURY	Medical Treatment Injury (MTI)	Medical Treatment Injury (MTI)	Laceration	-
HIGH-POTENTIAL WORK-RELATED INCIDENTS IDENTIFIED (#)	74	79	0	153
HOURS WORKED (#)	3,724,851	6,427,641	115,174	10,267,666

Note: (1) Per 200,000 hours / total hours worked

TABLE 7. WORK-RELATED HAZARDS THAT POSED A RISK OF HIGH-CONSEQUENCE INJURIES FY2022 (EMPLOYEES + CONTRACTORS)

SITE	El Limon Complex	La Libertad Complex	Pan Mine
MAIN WORK-RELATED HAZARDS THAT POSE A RISK OF HIGH-CONSEQUENCE INJURY	Ore transport	Ore transport	Equipment/light vehicle operation, low frequency tasks
DESCRIPTION OF HOW HAZARDS HAVE BEEN DETERMINED	Near miss investigation, safety interactions, risk identification workshops, hazard hunters program, Time Out for Safety, audits and inspections.	Near miss investigation, safety interactions, risk identification workshops, hazard hunters program, Time Out for Safety, audits and inspections.	Risk Analysis, JHA
HAZARDS THAT HAVE CAUSED OR CONTRIBUTED TO HIGH-CONSEQUENCE INJURIES FY2022	Non - Compliance	Non - Compliance	None
ACTIONS TAKEN OR UNDERWAY TO ELIMINATE THESE OR OTHER WORK-RELATED HAZARDS AND MINIMIZE RISKS USING THE HIERARCHY OF CONTROLS	Actions taken to avoid the repetition of events are based on investigations of events (potential) and their root causes.	Actions taken to avoid the repetition of events are based on investigations of events (potential) and their root causes.	Risk analysis, continuous improvement



KEY RESULTS

Performance against 2022 targets

- Zero fatalities. **✔ Achieved.**
- 10% reduction in Lost Time Incident Frequency Rate from 2021. **✔ Achieved.** 26% reduction in 2022 (LTIFR 0.30) vs. 2021 (LTIFR 0.51) for Nicaragua; 43% reduction for the company as a whole.
- 25% reduction in Total Recordable Incident Frequency Rate from 2021. **✘ Not achieved.** 2% reduction in 2022 (TRIFR 1.02) vs. 2021 (TRIFR 1.05) for Nicaragua; 0.5% reduction for the company as a whole.
- 10% reduction in Injury Severity Rate from 2021. **✔ Achieved.** 35.40% reduction in 2022 (ISR 10.80) vs. 2021 (ISR 16.72).

Other performance highlights for 2022

- 100% of our workforce is covered by our H&S Management System.
- We completed implementation of a new H&S Risk Management System at our Pan Mine, tracking all audits and corrective actions conducted.
- 81,919 training hours provided to workforce in 2022, a 135% increase in the statistics for worker training on occupational H&S with respect to 2021, due to implementation of the H&S Journey in Nicaragua.
- Emergency response plans were updated for our Nicaragua operations, with evidence of proper consultation with local authorities.
- Health campaigns were conducted on COVID vaccination, nutrition, drugs and alcohol.
- Alcohol tests are now required for entry to sites in Nicaragua.
- Drug tests are conducted pre-employment and randomly once employed for high-risk first-tier contractors (e.g. explosives and haulage).
- Three emergency drills were conducted by our Rapid Response Team (RRT) and Emergency Response Team (ERT).
- Collaboration agreement signed with La Isla Network [🔗](#) to review and optimize existing El Limon Mine H&S and heat stress protocols and worker health data.
- No fatalities nor high-consequence work-related injuries registered for contractors in any operation during the reporting period.

3.2.3 2023 TARGETS

For our Nicaragua operations

- Leading indicators: Health and Safety Education
 - Change Management: 90% of workforce actively participate.
 - Emergency Response: 90% of workforce actively participate.
 - Risk Management and Controls: 90% of workforce actively participate.
 - Internal inspections and audits, verification: 90% of workforce actively participate.
 - Time Out for Safety Sessions: 90% of Calibre workforce actively participate.

- Lagging indicators: Health and Safety Performance
 - 10% reduction from 2022 in TRIFR (1.02).

For our US operations

- Zero Lost Time Injuries.
- 15% reduction in TRIFR.



SAFE ORE HAULAGE CAMPAIGN: A PEOPLE-CENTERED APPROACH

Jose David Morales is one of our mineral transportation drivers. In 2022, he received recognition for his good safety practices during the first “Safe Driver” contest held by Calibre in Nicaragua, part of the H&S management strategy for our Logistics and Land Transportation department. A driver performance analysis was carried out, using data obtained from the GPS equipment installed in each haul truck. Jose David and the other winners were selected from a pool of more than 200 drivers who transport ore daily from our Pavon and Limon mines to La Libertad.

The purpose of the competition was to foster a safety culture of continuous improvement among drivers, through an understanding of the individual’s responsibility to comply with Calibre’s rules and regulations. To further document driver performance and reduce the risks of accidents on the road, cameras and sensors will also be installed in the cabins of vehicles, and a monitoring center will be established to supervise and improve good safety practices among Calibre’s fleet of trucks and light vehicles.

Jose David managed to drive close to 10,000 kilometres without registering any kind of safety event.



To learn more about this initiative, watch the following video [here](#)



↑ Limon Mine, Nicaragua
↗ Matagalpa, Nicaragua





3.3

RIGHTS OF COMMUNITIES AND INDIGENOUS PEOPLES

MATERIAL TOPICS COVERED IN THIS SECTION	IMPACTS ON LOCAL COMMUNITIES <ul style="list-style-type: none"> • RIGHTS OF INDIGENOUS PEOPLES • COMMUNITY ENGAGEMENT
GRI indicator(s)	411-1, 413-1, 413-2, MM5, MM6, MM7
SASB indicator(s)	EM-MM-210a.2, EM-MM-210a.3, EM-MM-210b.1, EM-MM-210b.2
Why it matters	Mining activities, if conducted in isolation and without consideration of local vulnerabilities and priorities, can have negative impacts on communities near mine sites or trigger social conflicts, including with Indigenous Peoples and their cultural heritage. We are committed to engaging and consulting regularly, respectfully, and in good faith with the communities associated with our operations and to considering their perspectives when identifying and managing risks resulting from our activities.
Potential risks or impacts to human rights	<ul style="list-style-type: none"> • Right to self determination, freedom of information, and expression: risk of transforming natural areas without broad support, adequate consultation, consent or negotiation with affected communities. • Right to health, life, and security of person: risk of harm to health and safety of communities due to industrial mining-related activities. • Right to equal recognition and protection under the law, effective remedy: risk of project-affected stakeholders of inadequate protection or compensation for negative impacts of the project.

To see detailed information, visit our 2022 Performance Tables for Rights of Communities and Indigenous Peoples [↗](#)

3.3.1 OUR APPROACH

POLICY COMMITMENTS

- Our Social Responsibility Policy [↗](#) establishes our commitment to engage openly and respectfully and work with communities to build sustainable, mutually advantageous alliances that create shared value.
- As per our Community Engagement Standard, we inform and consult regularly with communities associated with our operations on matters of concern and seek to obtain broad-based support.
- As per our Social Risk Management Standard, we conduct periodic assessments on potential risks and impacts to communities and work toward integrating that knowledge into our decisions.
- As per our Indigenous Peoples Standard, we are committed to respecting their collective and customary rights, culture, and connection to the land, and we work to obtain their free, prior and informed consent for every project requested in their territories.

TOPIC AND RISK MANAGEMENT

- Our Social Performance Standards are aligned with internationally recognized frameworks, including IFC standards, which cover human rights, social risk assessment, stakeholder engagement, community grievance management, Indigenous Peoples and social closure. They are applicable to all phases of our activities, and all workers and business partners.
- To ensure human rights due diligence, we comply with our Code of Ethics and Human Rights Standard, requiring sites to operate in a manner consistent with the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights.
- To ensure due diligence where projects may affect Indigenous Peoples, we base our actions on our Indigenous Peoples Standard, requiring sites to operate in a manner consistent with the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), the IFC Performance Standard 7, and the ICMM's Position Statement on Indigenous Peoples and Mining.





In Nevada

- » Consultation with communities is conducted for new projects, and results are included in the EIS document.
- » Consultation with Native American tribes is part of the NEPA scoping process and a requirement of the Federal Land Policy and Management Act (FLPMA). The Duckwater Shoshone Tribe and Te-Moak Tribe of Western Shoshone have been identified as tribes that may attach religious and cultural significance to historic properties within both the Pan Mine and Gold Rock Projects area of potential effect (APE), and therefore have been contacted and offered an opportunity to participate as concurring parties to the drafting of the Programmatic Agreement with the Nevada State Historic Preservation Officer and the BLM.
- » Prior to seeking an EIS or other NEPA permitting action, consultation with any affected Indigenous Peoples is held in an effort to reach free, prior and informed consent. Any issues arising on behalf of the Indigenous Peoples is properly addressed until consent is attained. During the NEPA permitting process, public comment will again allow for input from Indigenous Peoples (among others in the community).
- » After permitting is granted and operation begins, continued communication is maintained to keep channels available to Indigenous Peoples to address any new concerns.

In Nicaragua

- » Before initiating projects, ESIA's are conducted by external experts, including the identification, mapping and analysis of affected populations; collection of baseline data and situation analyses; and assessment of human rights impacts with which we may be involved.
- » Findings are integrated into project feasibility and changes are made accordingly.
- » Initial dialogue with legitimate representatives and local stakeholders is conducted, to inform on the potential project scope and address early concerns or misinformation.
- » A formal consultation process is conducted to obtain prior approval, with both ESIA's and their mitigation plans accessible to communities for 5 days prior to a public hearing. As a signatory of ILO Convention No. 169, specific processes are applied to meet the principle of free, prior and informed consent (FPIC) on any project that may affect Indigenous Peoples or their lands, territories and resources, and the entire consultation process is adequately documented.
- » Once projects are accepted and operating, continuous dialogue is maintained through site-based community relations teams, and a Community Grievance Management Mechanism⁶ is set in place to effectively address emerging concerns.

⁶ Our Grievance Mechanism is aligned with the UN Guiding Principles on Business and Human Rights' effectiveness criteria for non-judicial grievance mechanisms. For further details on our community grievance mechanism, see Chapter 4.1 Corporate Governance and Business Ethics [↗](#).



Watch here to learn more about our engagement with Indigenous Peoples in Nicaragua [here](#) [↗](#)



↑ Rosita, Nicaragua
↗ Fruta de Pan (Indigenous Territory), Rosita, Nicaragua

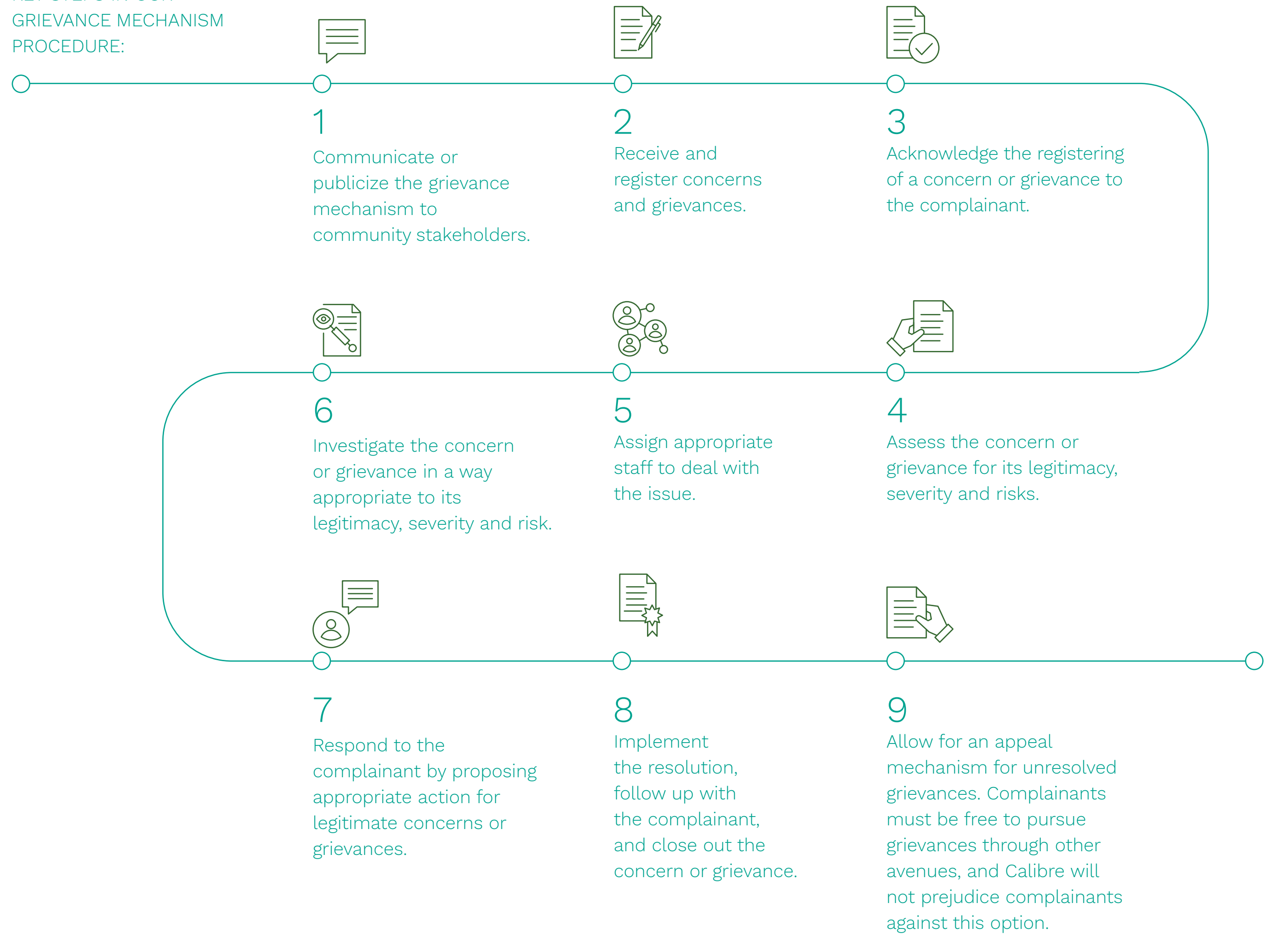
ACCOUNTABILITY

- The Vice President of Sustainability is accountable for all social engagement with communities.
- In Nicaragua, due to proximity of operations to neighbouring communities, the Senior Manager for Corporate Affairs oversees programs and implementation, and a Community Relations Manager, in close coordination with the Social Compliance Manager, ensures compliance with standards, monitors performance, and provides guidance to sites.
- Each operation is responsible for the development and implementation of corporate policies, systems and initiatives.

ENGAGEMENT

- We abide by national, federal and state laws in our consultation processes for any new project, ensuring adequate disclosure of information, and providing communities with opportunities to express their views and concerns on our activities.
- We maintain community engagement plans, based on stakeholders analyses and risk assessments.
- We train our community relations teams on guidelines and procedures to continually improve our social management performance.

KEY STEPS IN OUR GRIEVANCE MECHANISM PROCEDURE:





3.3.2 2022 PERFORMANCE

METRICS

TABLE 8. OPERATIONS WITH SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE IMPACTS ON LOCAL COMMUNITIES

ITEMS	El Limon Complex	La Libertad Complex	Pan Mine
LOCATION	Larreynaga, El Sauce, Villanueva; Nicaragua	La Libertad, Santo Domingo, Rancho Grande, Rosita; Nicaragua	Nevada, Washington; United States
TOP SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE IMPACTS ON LOCAL COMMUNITIES	<ul style="list-style-type: none"> Air pollution Community fatalities and serious injuries Community health problems Contractor behaviour and performance Damage to local livelihoods Forced displacement Loss of access to water Loss of wildlife Operational impacts including dust, noise, blasting and vibration Road and traffic impacts due to operations Water pollution 	<ul style="list-style-type: none"> Abuses by security forces Air pollution Community fatalities and serious injuries Community health problems Contractor behaviour and performance Damage to local livelihoods Forced displacement Loss of wildlife Road and traffic impacts due to enhanced operations Violations of Indigenous Peoples' rights Water pollution 	<ul style="list-style-type: none"> Air pollution Loss of wildlife Violations of Indigenous Peoples' rights Water pollution

KEY RESULTS

Performance against 2022 targets for Nicaragua

- Update engagement, disclosure, and grievance mechanisms, including implementation in exploration sites. **Achieved**. Mechanisms updated and 100% of the community relations teams trained on correct implementation.
- Systematize and disseminate records of consultation activities with Indigenous Peoples to demonstrate due process. **Achieved**. All consultation activities recorded; videos produced and disseminated to workers and other key stakeholders on critical engagement activities conducted in 2022 with Indigenous Peoples and their representatives.

Other performance highlights for 2022

- Zero non-technical delays and zero incidents of violations involving the rights of Indigenous Peoples registered during the reporting period.
- No Indigenous territories within 5 kilometers of our operations. Closest Indigenous territories are the Mayangna Sauni Arungka, 10.5km from our EBP Development Project, and the Duckwater Shoshone Tribe, over 30km from our Pan Mine.
- All Nicaragua operations have community grievance mechanisms in place. 108 grievances were registered in 2022, doubling the number received in 2021 due to the relaunch of the mechanism throughout operations. 76% of grievances received (82/108) were closed. Most frequent complaints related to contractor behaviour, maintenance of community infrastructure, breach of agreements, and dust. 25% were categorized high risk.
- One significant dispute relating to land use was identified in Nicaragua. It was registered through the community grievance mechanism, and its resolution is ongoing.
- All operations in Nicaragua have community engagement plans in place. In 2022, we conducted 8 public consultations, 100% resulting in favorable opinions and permit approvals, with an average of 225 local participants per public audience.
- Permission obtained from 99% of property owners approached (1250/1255 permissions requested) to conduct exploration activities on their land.
- 68% of employees in Nicaragua (786/1157) received training on the Social Management System, with focus on the Human Rights and Grievance Management Standards.



Watch to learn more about the consultation process for our EBP Project [here](#)

3.3.3 2023 TARGETS

For our Nicaragua operations

- Zero non-technical delays related to community disputes.
- Resolution of >80% of community grievances registered.
- 100% of public consultations held result in permit approvals and show evidence of substantial community engagement and, when dealing with Indigenous Peoples, of conformance with the FPIC principle.

For our US operations

- Continue strengthening relationships with neighboring Indigenous Peoples via quarterly meetings.
- Join White Pine County Chamber of Commerce.



→ Duckwater Shoshone Tribe Stock Images





NEVADA: BRIDGING GAPS WITH THE DUCKWATER SHOSHONE TRIBE

Duckwater Reservation sits approximately 32km from Pan Mine and is host to the Duckwater Shoshone Tribe. Pan operates on the Tribe's ancestral lands, and therefore must perform third-party archaeological clearances prior to any disturbance to prevent the destruction of any artifacts of their belonging.

As part of our engagement process, in late 2022 Calibre gave a presentation to the Duckwater Shoshone Tribe regarding operations at Pan Mine and progress on the Gold Rock Project. The motivation leading to the presentation was an informal complaint about nuisance dust visible at the mine from the highway, approximately 10km from site. We described the cause of the dust, an engineered blast in the pit, and informed about what to expect of these blasts, and how the mine is regulated regarding them (e.g., National Ambient Air Quality (NAAQS) standards). We also provided Tribe members with site contact information to report any other concerns directly, as well as regulator information to escalate any issues they feel are not being handled adequately. Tribal members were thankful for and receptive to the information, and plans were made to host Tribal members at site for a tour during the following summer.



↑ Joe Mike, Government Affairs and Public Relations
Manager, Duckwater Shoshone Tribe, Nevada

↗ Duckwater Shoshone Tribe Stock Images



3.4

LAND ACQUISITION AND RESETTLEMENT

MATERIAL TOPICS COVERED IN THIS SECTION	LAND ACQUISITION AND RESETTLEMENT • LAND ACQUISITION • RESETTLEMENT
GRI indicator(s)	MM9
SASB indicator(s)	N/A
Prioritized SDG targets	1.4.1, 1.4.2, 6.1.1, 6.2.1, 11.1.1
Why it matters	When mining resources are located under communities, it may be necessary to physically relocate people, impacting on the availability and accessibility of land and resource rights of local communities and other users. However, if managed responsibly, we believe resettlements are an opportunity to improve families' standards of living and contribute to the fight against poverty.
Potential risks or impacts to human rights	<ul style="list-style-type: none"> • Right to own property and adequate housing, to an adequate standard of living, health and well-being: deprivation of access to basic rights and/or livelihoods due to eviction, poor management of land acquisition activities and/or involuntary resettlement. • Freedom from forced resettlement and right to effective remedy: risks associated with inappropriate consultation or compensation for resettled people, as well as with long-term impacts of resettlement.

To see detailed information, visit our 2022 Performance Tables for Land Acquisition and Resettlement [↗](#)

3.4.1 OUR APPROACH

POLICY COMMITMENTS

- As per our Social Responsibility Policy and Resettlement and Land Acquisition Standard [↗](#), we seek to avoid involuntary resettlement. Where unavoidable, we proceed through meaningful consultation with affected communities, seeking to mitigate adverse impacts on displaced people by restoring or improving sustainable livelihoods and living standards.
- Our Resettlement and Land Acquisition Standard and processes align with the World Bank's Environmental and Social Framework's Performance Standard 5 on Land Acquisition, Restrictions on Land Use and Involuntary Resettlement.

TOPIC AND RISK MANAGEMENT

- All resettlement follows an "Assess, Plan, Implement, Monitor and Evaluate" method, supported by stakeholder engagement throughout the process.
- All resettlement projects require an initial impact assessment prior to negotiated settlements, covering legal context, land tenure and rights, and an assets and livelihoods survey, among other elements.
- All sites are required to produce a resettlement action plan when physical relocation is required, including a compensation framework based on impacts and entitlements, to ensure that displaced people are compensated fairly and expediently.



↗ Nuevo Jabali Urbanization, Santo Domingo, Nicaragua



ACCOUNTABILITY

- The Vice President of Sustainability is accountable for all land acquisition and resettlement activities.
- In Nicaragua, the General Counsel is responsible for all land acquisition processes, and the Senior Manager of Corporate Affairs oversees resettlement management.
- Each operation is responsible for the development and implementation of corporate policies, systems and initiatives.

ENGAGEMENT

- All resettlement processes and packages must demonstrate broad consultation and informed acceptance by those affected.

3.4.2 2022 PERFORMANCE⁷

METRICS

TABLE 9. RESETTLEMENT SITES, NUMBER OF HOUSEHOLDS RESETTLED, AND IMPACTS ON LIVELIHOODS

	El Limon Complex (1)	La Libertad Complex	Pan Mine
COMMUNITIES RESETTLED	Cebadilla and Pozo 7	Barrio Jabali	N/A
FAMILIES INVOLVED (#)	38	19	N/A
INDIVIDUALS INVOLVED (#)	127	84	N/A
CONSULTATION PROCESS CONDUCTED	All families were involved in all stages of resettlement, from early stages of the project		N/A
MEASURES IN PLACE TO RE-ESTABLISH AFFECTED COMMUNITY AND MITIGATE IMPACTS OF RELOCATION	<ul style="list-style-type: none"> • Compensation framework was developed for land areas, housing areas, external structures for non-housing use, trees and crops, and transfer of salvage or replacement material. • A program was created to benefit vulnerable people. • Seed capital was provided to vulnerable people to start small businesses that would allow them to adapt to urbanization. • Community development plan executed. 		N/A
OUTCOMES IN TERMS OF LIVELIHOODS, INCLUDING LAND USE			N/A
• Proportion of population living in households with access to basic services	<ul style="list-style-type: none"> • Baseline: 0% • After resettlement: 100% 	<ul style="list-style-type: none"> • Baseline: 6% • After resettlement: 100% 	
• Proportion of total adult population with secure tenure rights to land, with legally recognized documentation	<ul style="list-style-type: none"> • Baseline: 0% • After resettlement: 100% 	<ul style="list-style-type: none"> • Baseline: 0% • After resettlement: 100% 	
• Proportion of urban population living in slums, informal settlements or inadequate housing	<ul style="list-style-type: none"> • Baseline: 100% • After resettlement: 0% 	<ul style="list-style-type: none"> • Baseline: 100% • After resettlement: 0% 	
• Proportion of urban population using safely managed drinking water services	<ul style="list-style-type: none"> • Baseline: 0% • After resettlement: 100% 	<ul style="list-style-type: none"> • Baseline: 50% • After resettlement: 100% 	
• Proportion of population using safely managed sanitation services	<ul style="list-style-type: none"> • Baseline: 54% • After resettlement: 100% 	<ul style="list-style-type: none"> • Baseline: 10% • After resettlement: 100% 	
SIGNIFICANT DISPUTES RELATED TO RESETTLEMENT	No disputes arose during the process.		N/A
PROCESS EMPLOYED TO RESOLVE OUTSTANDING ISSUES	No additional processes were required, as no outstanding issues arose during the process		N/A

Note: (1) Restatement of information. Number of households and individuals for the Cebadilla Resettlement corrected.

⁷ Information on changes identified in this sub-section has been gathered through surveys conducted by Calibre's community relations and resettlement teams as part our due diligence process and assessed against socio-economic baseline.



KEY RESULTS

Performance against 2022 targets for Nicaragua

- Update Resettlement and Land Acquisition Standard, guidelines and procedures. ✔️ **Achieved**. Standard updated, guidelines completed and approved.
- Develop resettlement, land acquisition, and/or artisanal and small-scale mining relocation plans for Limon, Libertad and EBP operations. ✔️ **Achieved**: (1) Cebadilla Project: 100% of complementary works at San Gil I urbanization completed (paving of streets, sidewalks, gutters and front walls of houses), providing better conditions for 35 households in the urbanization and a better quality of life for resettled families. (2) Jabali Project: Miguel Angel Cienfuegos School infrastructure improved; access road adjacent to resettlement urbanization repaired, and traffic control booth rehabilitated; and Nuevo Jabali park civil works completed, including installation of nine playground structures and painting of kiosk roof.
- Develop and start a resettlement action plan for the Pozo Bono community at our Limon operation. ➡️ **Underway**. 32/135 Pozo Bono resettlement agreements signed.

3.4.3 2023 TARGETS

For our Nicaragua operations

- ➔ Ensure administrative transfer of San Gil I urbanization (Limon) and Nuevo Jabali urbanization (Santo Domingo) to respective municipal authorities.
- ➔ Analyze feasibility of resettlement or land acquisition process for our Veta Panteon project at El Limon Complex.
- ➔ Design a land acquisition manual to ensure purchase under pre-established criteria/thresholds (i.e., negotiation process, due diligence mechanisms, vulnerability assessment of property owners).





Making cities and human settlements inclusive, safe, resilient and sustainable will require an intensified focus on the world's one billion slum dwellers. [↗](#)

Since acquiring its Limon and Libertad assets, Calibre has successfully relocated 211 individuals from informal settlements with poor living conditions to adequate, decent housing in sustainable urbanizations, with access to basic services, green and public spaces, and legally-registered land ownership.



LAND TENURE AND WOMEN'S EMPOWERMENT

Promoting equal rights for women and ensuring their legal ownership and control over land, housing and other properties are critical steps toward greater women's empowerment and gender equality. Prior to the Cebadilla resettlement initiative at El Limon Mine, none of the beneficiaries held legal title to their properties. Upon completion of the project in 2022, all beneficiaries received legal title to their new homes in the San Gil urbanization, duly inscribed in Nicaragua's Public Registry. Over two thirds (67%) of the new legal homeowners were women.

→ Delivery of property titles to the Cebadilla resettlement project beneficiaries, Mina El Limon, Nicaragua



3.5

ARTISANAL AND SMALL-SCALE MINING

MATERIAL TOPICS COVERED IN THIS SECTION	ARTISANAL AND SMALL-SCALE MINING
GRI indicator(s)	MM8
SASB indicator(s)	N/A
Prioritized SDG targets	6.3.2
Why it matters	In Nicaragua, artisanal and small-scale mining (ASM) generates employment and income for over 40,000 miners and feeds approximately 180,000 people, representing an important economic driver in many mineral-endowed communities. At Calibre, we recognize artisanal mining as a reality that must be managed from a responsible and sustainable perspective, as it poses considerable risks to human rights, the environment and the security of our people and assets.
Potential risks or impacts to human rights	<ul style="list-style-type: none"> • Right to life, health, and safe and healthy working conditions (for ASM): health and safety conditions of artisanal miners, human right abuses against artisanal miners by security forces or through forced eviction. • Right to an adequate standard of living (for ASM): adverse impacts of economic displacement from loss of access to incomes generated by artisanal mining. • Right to freedom from child labour (for ASM): worst forms child labour in ASM. • Right to water, health, and a clean environment (for communities): pressure on the use of shared resources, environmental impacts of ASM within Calibre concessions, negatively affecting water quality and thus contributing to lack of access to water and associated adverse health impacts in local communities.

To see detailed information, visit our 2022 Performance Tables for ASM [↗](#)

3.5.1 OUR APPROACH

POLICY COMMITMENTS

- Our Artisanal and Small-Scale Mining Standard sets our requirements for managing relations or interactions with ASM activities such that we can protect our people and property, maintain our license to operate and support wider community benefits, including ASM access to legitimate markets for miners that respect applicable legal and regulatory frameworks⁸.
- In accordance with our commitment to the RGMPs, we do not use mercury to extract gold in our processing facilities, nor do we accept gold produced by third parties using mercury. Whenever possible, we support collective action toward the objectives of the Minamata Convention on Mercury, seeking to reduce mercury pollution for the protection of human health and the environment.

TOPIC AND RISK MANAGEMENT

- Key components of our ASM management approach include:
 - » Security: Ensuring safe and secure access to our concessions or land, avoiding conflicts and using ongoing engagement and good-faith negotiations to resolve issues.
 - » Monitoring and assessment: Regular monitoring of ASM activities and their environmental impacts within our concessions, in close coordination and permanent dialogue with regulators, key stakeholders and, when required, Municipal ASM Commissions.

⁸ In 2022 the National Assembly of Nicaragua approved reforms to the Mining Law that aim to regulate artisanal and small-scale mining. The reform created a Mining Development and Promotion Fund to finance and carry out management activities for artisanal and small-scale mining, and to promote the use of good environmental practices.



→ Artisanal mills,
Santo Domingo, Nicaragua



- » Partnership: Establishing bilateral commercial agreements to purchase ore from artisanal miners, where feasible, to diminish mercury use and provide livelihood stability by ensuring certainty on price, market access and security. To guarantee due diligence, agreements are only established with formalized miners. Partners are obligated to present a basic environmental plan/permit, and periodic inspections are conducted to prevent illicit practices. Further details are available in the WGC's 2022 report "Lessons learned on managing the interface between large-scale and artisanal and small-scale gold mining": [🔗](#)
- » Livelihood development: Avoiding or minimizing disruptive impacts from our activities on ASM livelihoods and, where unavoidable, collaborating with relevant stakeholders to support alternative livelihood options for those miners associated with the local economy.

ACCOUNTABILITY

- The Vice President of Sustainability oversees the ASM strategy and related programs.
- The Senior Manager for Artisanal Mining is responsible for strategy design and implementation.
- Site Managers are responsible of site execution, resource allocation and timely feedback to implement the approved ASM strategy.
- Each relevant site has an ASM Coordinator in charge of liaising with key stakeholders and supervising tactical ASM actions.

ENGAGEMENT

- We collaborate with key stakeholders to establish Municipal ASM Commissions consisting of representatives of industrial gold mining companies, artisanal miners, local authorities and regulators, to ensure an effective exchange of information and the collective identification, monitoring and management of all issues related to ASM activities within our concessions.

3.5.2 2022 PERFORMANCE

METRICS

TABLE 10. ASM PRESENCE ON OR ADJACENT TO OPERATING SITES, ASSOCIATED RISKS, AND ACTIONS TAKEN TO MANAGE AND MITIGATE RISKS

SITE	ASM PRESENT	LOCATION	# ASM WORKERS FY2022	ASSOCIATED RISKS	ACTIONS TAKEN
El Limon Complex	Yes	Villanueva Somotillo	378	<ul style="list-style-type: none"> • Mercury pollution • Dumping of tailings into river systems • Sediment control • Occupational health and safety • Underemployment/informal work • Child labour 	<ul style="list-style-type: none"> • Periodic monitoring and reporting to relevant government authorities
La Libertad Complex	Yes	<ul style="list-style-type: none"> • La Libertad • Santo Domingo • Rancho Grande • San Ramon • San Isidro • Bonanza • Rosita • Siuna • Waslala 	4,048	<ul style="list-style-type: none"> • Mercury pollution • Dumping of tailings into river systems • Sediment control • Occupational health and safety • Underemployment/informal work • Child labour • Land access • Conflict with security teams • Felling of trees and damage to local fauna • Damage to road infrastructure 	<ul style="list-style-type: none"> • Identification of exclusive zones for artisanal and small-scale mining practices • Promotion of technical assistance (training on exploration, safety, environmental protection, awareness of the eradication of child labour, etc.) • Promotion of harmonious relations and working relationships between artisanal miners, concessionaires, investors, property owners, etc. • Participation in Municipal Commission on Artisanal Mining (composed of Ministry of Mines, Ministry of Environment, Municipal Mayors, National Police, Nicaraguan Army, Political Secretaries, mining cooperatives and independent mining concessionaires) to discuss and resolve mining-related issues at the territorial level • Periodic monitoring and reporting to relevant government authorities • Permanent engagement with ASM cooperatives • Security protocols for ASM trespassing on Calibre properties • ASM census
Pan Mine	No	N/A	N/A	N/A	N/A



KEY RESULTS

Performance against 2022 targets for Nicaragua

- Develop ASM model guidelines, processes and mechanisms. **✔ Achieved** Currently under review against modifications to Nicaraguan law regarding ASM protection and regulation.
- Define and establish a Limits Protection System aligned to VPSHRs principles. **➔ Underway** Work teams were established at each critical site (La Libertad, Limon, Pavon) to review draft.

Other performance highlights for 2022

- Trust-based relationships established with key ASM stakeholders.
- Municipal ASM Commissions established and operational at all sites with ASM presence.
- 6.35t of mercury avoided and 275,453mt³ of process water safely treated and discharged to the environment since 2020 as a result of the ASM ore purchase program.

3.5.3 2023 TARGETS

For our Nicaragua operations

- ➔ Formalize and audit ASM model guidelines, processes and mechanisms.
- ➔ Increase access to formal markets for ASM mineral extracted following sustainability good practices.



➔ ASM tunnel used for mineral extraction.
La Libertad, Nicaragua



COMMITTED TO SUSTAINABLE MINING FOR ALL

The world's water-related ecosystems are being degraded at an alarming rate. Over the past 300 years, over 85% of the planet's wetlands have been lost. What's more, for at least 3 billion people, the quality of the water they depend on is unknown due to a lack of monitoring. [According to the United States Geological Survey's Water Science School](#) mercury is one of the most serious contaminants threatening water today and a potent neurological poison in fish, wildlife and humans. Of all human activities, artisanal and small-scale mining is largest source of mercury emissions worldwide.

More than 4,000 artisanal miners are currently working in areas granted in concession to Calibre in Nicaragua. Building strong relations with artisanal miners is therefore a fundamental element of the company's sustainable development strategy. A clear reflection of such shared efforts is seen in our COMPROMISO model, which focuses on:

- Formalizing the ASM sector by establishing and strengthening Municipal ASM Commissions, with support from pertinent regulatory authorities, to provide the institutional framework for responsible and orderly artisanal mining;
- Establishing agreements for the implementation of safe artisanal mining from a perspective of human rights, health and safety, and the environment;
- Promoting access to legitimate markets and fair prices for artisanal miners; and
- Strengthening the participation of the different parties involved in the governance and supervision of artisanal mining: the concessionaire, the artisanal miner, and the landowner.

The participation of representatives of artisanal miners, the owners of properties on which mineral extraction is carried out, and local authorities has been crucial for the planning and formalization of mining works within our concessions.

Through our ASM ore purchase program, since 2020 Calibre has contributed to water quality improvements by reducing pollution caused by traditional artisanal ore processing (6.35 tonnes of mercury and 275,453 cubic metres of untreated wastewater) in the Rio Grande de Matagalpa and Prinzapolka river basins. This is in line with our strategic mandate to generate positive impacts beyond mining, and contributes to the achievement of the UN's SDG 6.

"Through our good relations, we've been working in an orderly manner. Some of the key issues are safety, environmental care, and preventing child labour."

Yelvin Amador
President, "COPEMAP" ASM Cooperative



To learn more about this initiative, watch the following video [↗](#)

CO.M.PRO.MISO



PARA UNA MINERÍA SOSTENIBLE

*Concessionary + Artisan Miner + Landowner committed to a sustainable mining activity

ASM Municipal Comission
Institutional Framework
Responsible for legality and legitimacy

Artisan Miner
Provides Manual Labor
Responsible for applying best practices

Landowner
Responsible for land access and Property control

Concessionary
Posses right to Ore
Responsible for social / environmental impacts



3.6

SOCIO-ECONOMIC CONTRIBUTIONS

MATERIAL TOPICS COVERED IN THIS SECTION	SOCIO-ECONOMIC CONTRIBUTIONS <ul style="list-style-type: none"> • LOCAL CONTENT (E.G., LOCAL EMPLOYMENT AND LOCAL PROCUREMENT) • INVESTMENTS FOR COMMUNITY DEVELOPMENT • INDIRECT ECONOMIC IMPACTS
GRI indicator(s)	201-1, 202-1, 203-1, 203-2, 204-1
SASB indicator(s)	N/A
LPRM indicator(s)	201, 202, 203, 302, 501, 502, 503, 504, 505, 506, 507
Why it matters	We are aware of the significance of our operations to local and national economies and our impacts on overall social well-being. We strive to contribute to the socio-economic advancement of countries and communities associated with our operations, offering meaningful opportunities to benefit from our presence through access to jobs, procurement opportunities, and social investment.
Potential risks or impacts to human rights	<ul style="list-style-type: none"> • Right to adequate standard of living: economic dependence or wealth disparity within local communities, changes to their social dynamics, market disruption, pressures on infrastructure, housing and services, harm to vulnerable groups. • Right to economic prosperity and right to livelihoods: lack of stakeholder engagement in community development planning could impact stakeholders' economic choices and livelihoods. • Right to gender equality and equitable distribution of project benefits: lack of consultation with and representation of women, as well as discrimination in access to project opportunities, could undermine women's rights and participation in key stakeholder engagement processes.

To see detailed information, visit our 2022 Performance Tables for Socio-economic Contributions [↗](#)

3.6.1 OUR APPROACH

POLICY COMMITMENTS

- Our Local Content Standard defines our commitments to ensure that communities associated with our operations are offered meaningful opportunities to benefit from our presence, including through the implementation of strategies to promote access to procurement and contracting opportunities, both directly and through our first-tier contractors and suppliers.
- Our Community Investment Standard defines our commitment to make meaningful, positive and sustainable contributions to the socio-economic advancement of communities where we operate, prioritizing opportunities for improving broader long-term development of community health, education, livelihoods and social infrastructure.

TOPIC AND RISK MANAGEMENT

- To be inclusive of local suppliers, our corporate Supply Chain Management and Commercial (SCM&C) team engages Community Relations personnel in procurement processes to ensure sites have knowledge of available local businesses; provides support to assist sites in surveying local suppliers; and conducts direct, single-sourced negotiations with local suppliers for annual or biannual purchases.
- For our Nicaraguan assets, we maintain a database of the local workforce, businesses and suppliers, to facilitate company and contractor access to available local resources.

→ San Gil Urbanization,
Mina El Limon, Nicaragua





- We require major contractors at mine sites to prioritize local suppliers. All our contracts include obligatory clauses requiring 100% hiring of local workforce for unskilled positions. Our request for quotation process also establishes special considerations for local suppliers, when possible.
- Special payment procedures are available at mine sites to assist local suppliers, including upfront payment, partial payment in advance, and/or provision of short-term credits.
- We develop annual community investment plans at all our Nicaragua operations, including activities, projects, budgets, responsibilities and expected outcomes, drawing from the sites' impact assessments and community profiles. For further details, see the infographic on Salient Community Investment Projects below.

ACCOUNTABILITY

- The Vice Presidents of Human Capital and Supply Chain Management and Commercial (SCM&C) are responsible for overseeing local employment and local procurement initiatives.
- The Vice President of Sustainability provides oversight to community investments.
- The Managers for Human Resources, SCM&C, Corporate Affairs, Social Compliance and Community Relations participate in the application of our local procurement, local employment and community investment practices and provide guidance at site level.
- Each operation is responsible for implementing programs and initiatives aligned with standards.

ENGAGEMENT

- At both corporate and site levels, our SCM&C Department has established information channels to help local suppliers understand the tender process and to communicate opportunities.
- Through both corporate and site-level Community Relation teams, periodic engagement is ensured with key national and local stakeholders to report on our performance related to community investment and services supported.



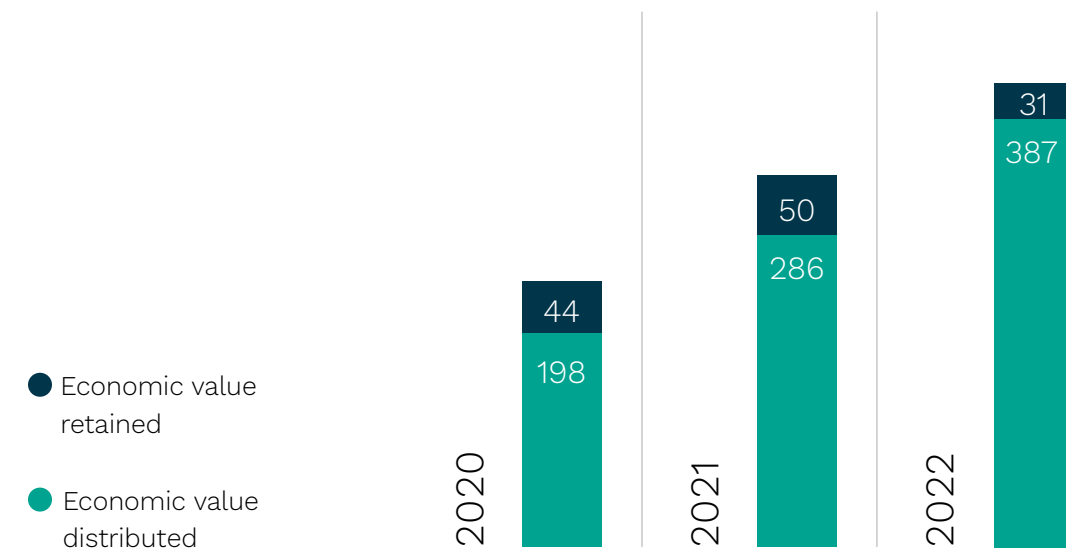
↑ Cedar Creek Housing Complex, Ely, Nevada

↗ Businesswoman benefitted with micro-loan. Rancho Grande, Nicaragua

3.6.2 2022 PERFORMANCE

METRICS

DIRECT ECONOMIC VALUE FY2020-2022 (USD MILLION)



ECONOMIC VALUE DISTRIBUTED FY2020-2022 (USD MILLION)

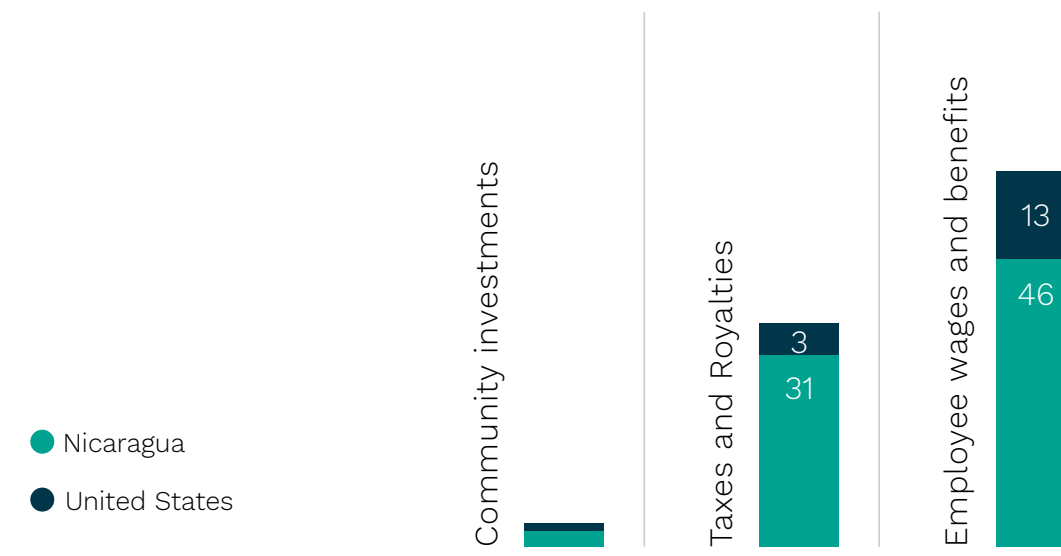
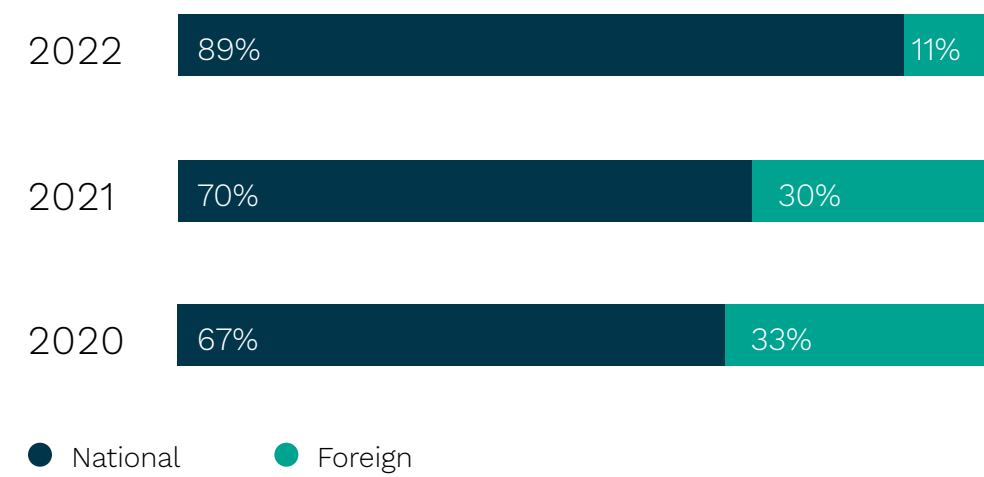


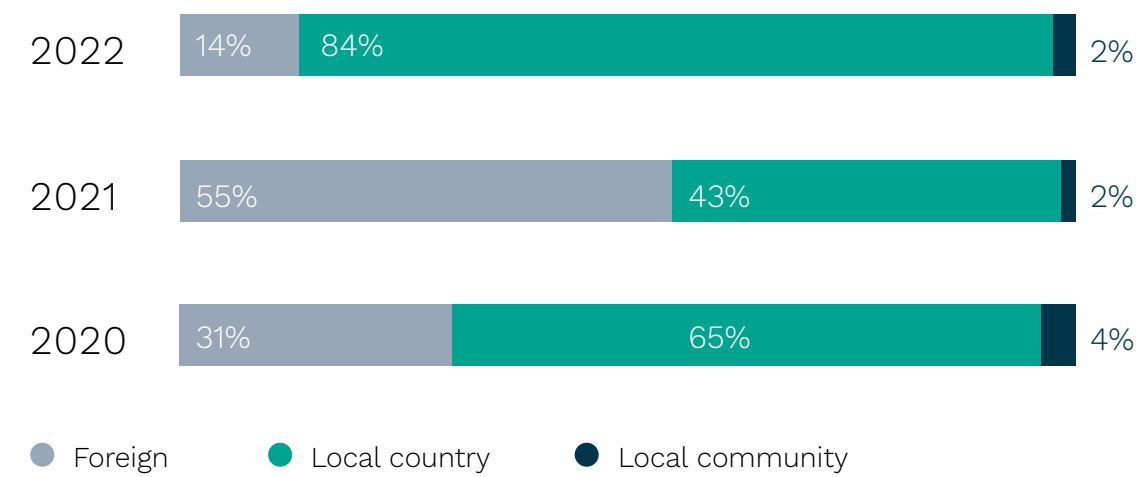
TABLE 11. RATIO OF STANDARD ENTRY-LEVEL WAGE BY GENDER, COMPARED TO LOCAL MINIMUM WAGE

COUNTRY OF OPERATION	EMPLOYEES COMPENSATED BASED ON MINIMUM WAGE RULES (%)	MONTHLY ENTRY-LEVEL WAGE FY2022 (US\$)	MONTHLY MINIMUM WAGE FY2022 (US\$)	RATIO OF STANDARD ENTRY-LEVEL WAGE TO LOCAL MINIMUM WAGE FY2022
Nicaragua				
Men	0.30%	234	234	1.00
Women	6.94%	234	234	1.00
United States				
Men	51.00%	4,525	1,520	2.98
Women	19.00%	4,525	1,520	2.98

PROPORTION OF SUPPLIERS BY ORIGIN FY2020-2022 (%)

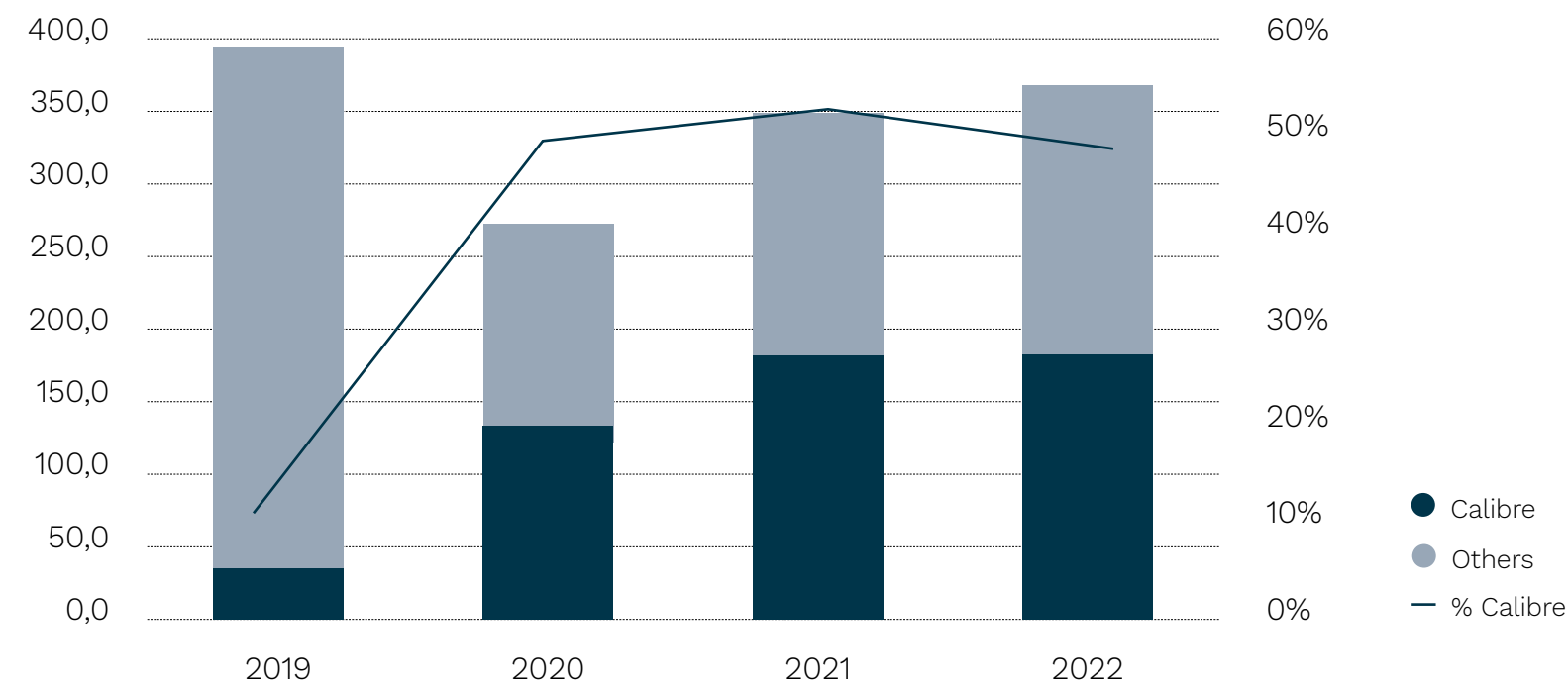


PROPORTION OF SPENDING ON SUPPLIERS BY ORIGIN FY2020-2022 (%)

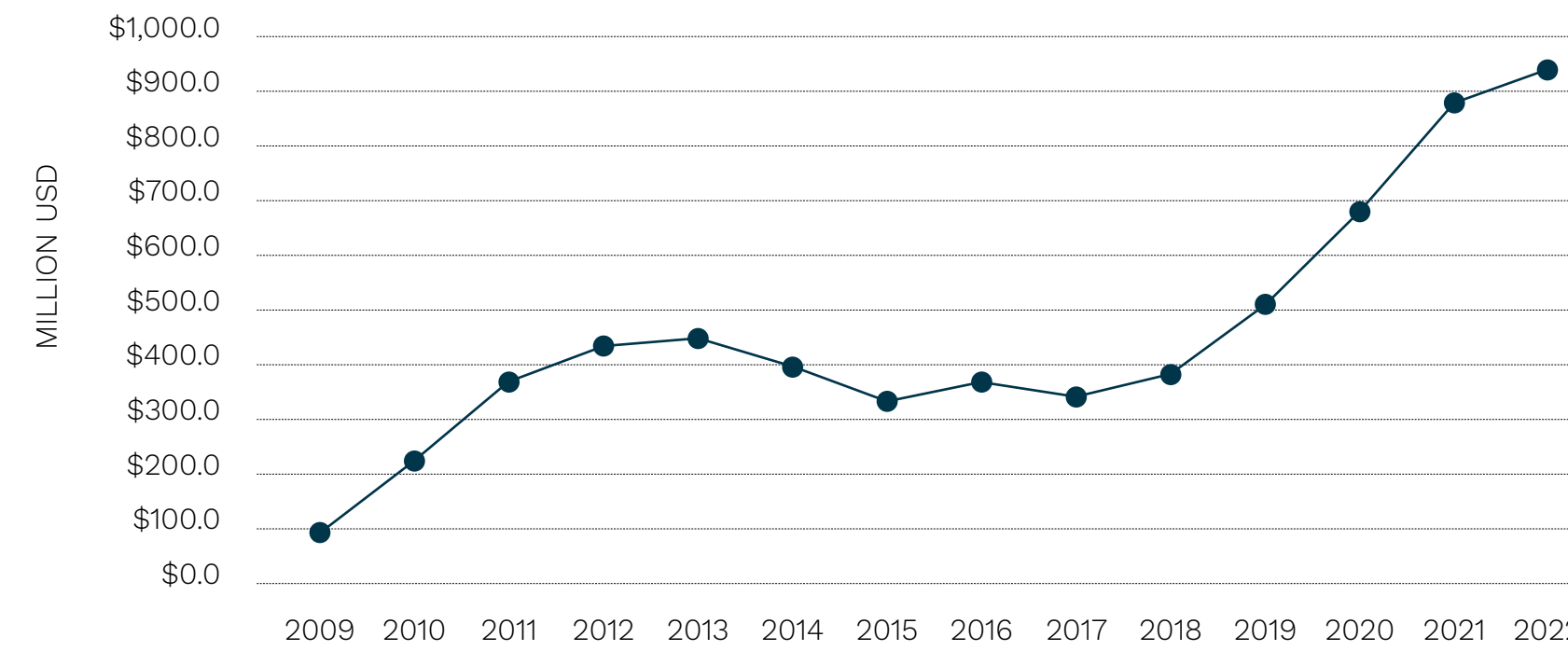


SIGNIFICANT INDIRECT ECONOMIC IMPACTS⁹

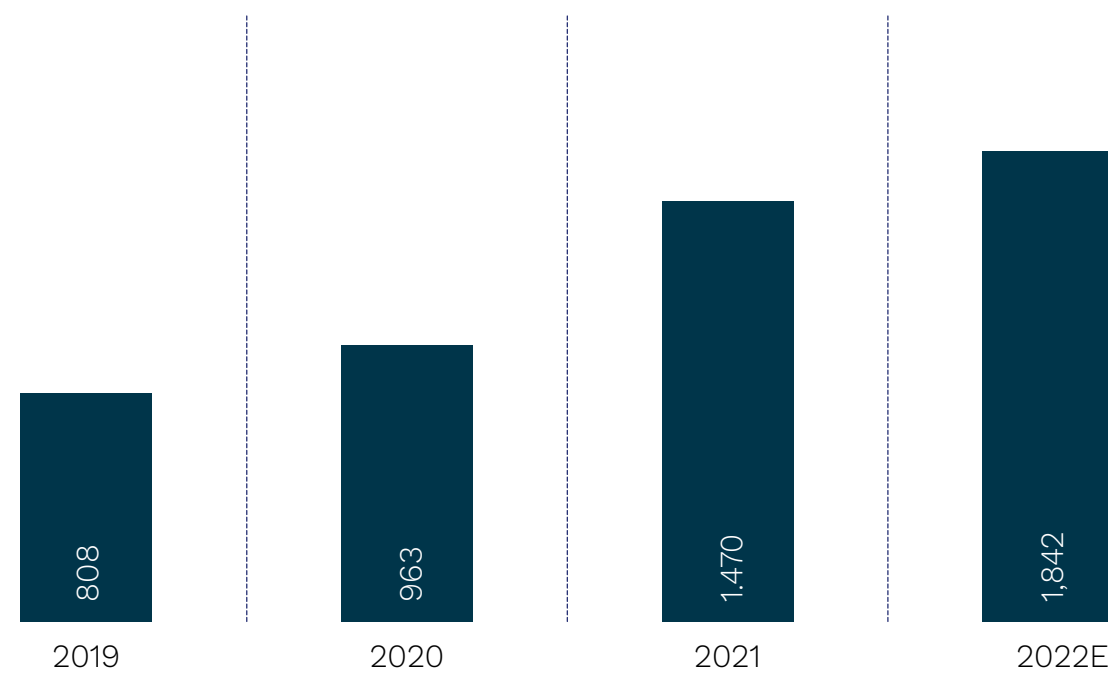
GOLD PRODUCTION IN NICARAGUA FY2019-2022 (TROY OZ)



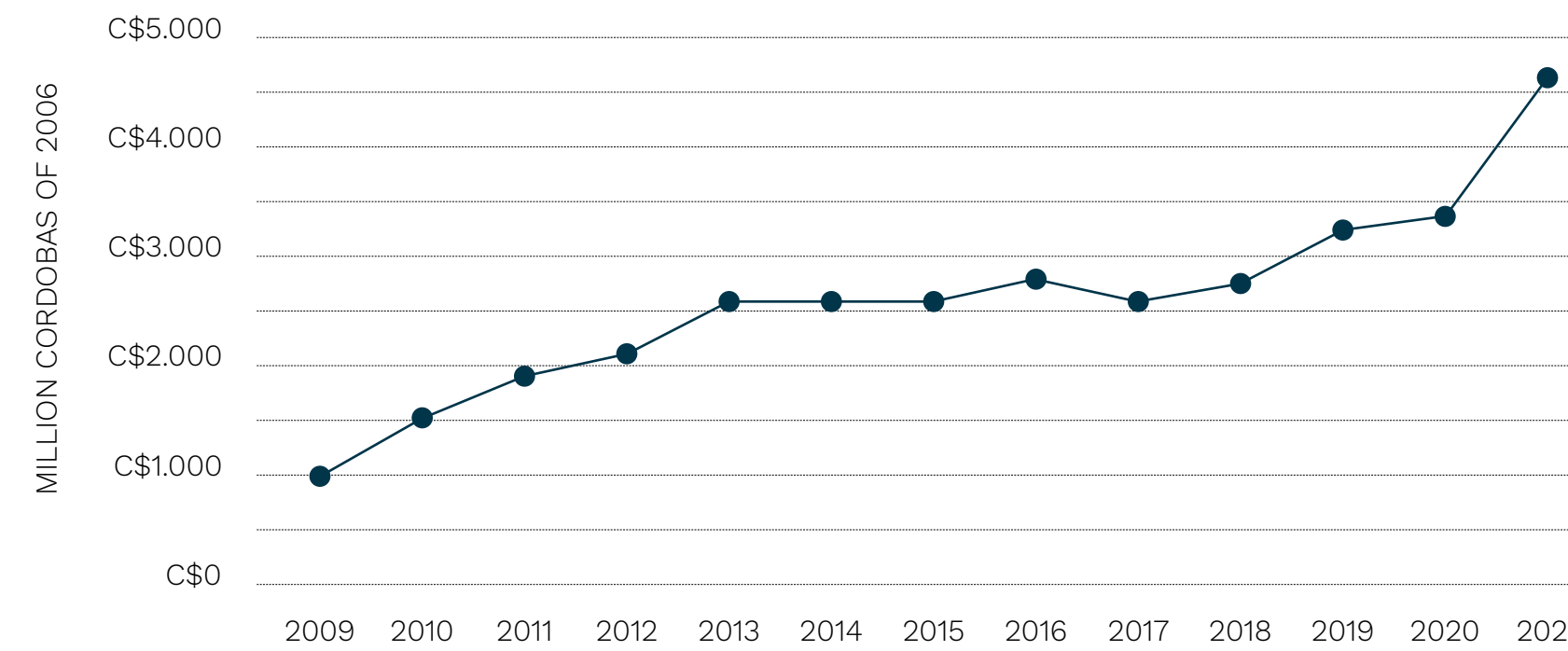
GOLD EXPORTS FOR NICARAGUA FY2009-2022



FOREIGN DIRECT INVESTMENT INFLOWS FY2019-2022 (MILLION USD)



VALUE ADDED OF MINING IN NICARAGUA FY2009-2021



⁹ Data referenced from Nicaragua's Central Bank [link](#). Calibre's production data for 2019 includes the results from the Nicaraguan Assets acquired from B2Gold since their acquisition, from the period of October 15, 2019 to December 31, 2019 only.



TABLE 12. SIGNIFICANT INDIRECT ECONOMIC IMPACTS OF CALIBRE'S ACTIVITIES IN COUNTRY FY2022

INDIRECT ECONOMIC IMPACT IDENTIFIED

NICARAGUA¹⁰

Contribution to sector's productivity and national macroeconomics	<ul style="list-style-type: none"> The value added of mining in Nicaragua has grown 42% since 2019 (C\$ 3,209M in 2019 to C\$ 4,570.5M in 2021) and 367% since 2009 (C\$ 978.7M). Calibre distributed US\$ 324M in direct economic value, ~2% of Nicaragua's GDP (US\$ 15,672M). Calibre was responsible for 49% of gold produced in 2022 (180,490oz out of 368,450oz). Calibre was responsible for 35% of gold exports in 2022 (180,490oz out of 511,182oz). Totaling US\$ 927.4M in 2022, gold remained Nicaragua's #1 export product for the third consecutive year, and Calibre was the biggest exporter from the country, supporting Nicaragua's economic recovery and transformation.
Foreign direct investment (FDI)	<ul style="list-style-type: none"> Calibre contributed US\$ 99.2M to national FDI (5% of Nicaragua's total FDI of US\$ 1,842.3M in 2022, according to Nicaragua's Central Bank). 🔗
Improved multi-dimensional poverty index among mining families	<ul style="list-style-type: none"> Average monthly salary in the mining sector (C\$ 17,796) is second highest in the country, surpassed only by the financial sector (C\$ 18,230). Calibre's average wage in 2022 (C\$ 44,165) is 2.5 times the average wage in the mining sector. A study by FUNIDES in 2016 showed that average household incomes in Nicaragua's mining communities doubled those in similar non-mining communities, contributing to a significant reduction in multi-dimensional poverty.
Jobs supported in the supply or distribution chain	<ul style="list-style-type: none"> Calibre focuses strongly on local hiring, with demonstrable results: 95% of our employees are Nicaraguan nationals, of whom 80% are from local communities adjacent to or near our operations. In 2022, Calibre employed 1,157 people directly and supported an additional 2,372 contractor jobs. This contributed to the 26% increase in mining sector employees (from 4,498 to 5,663 contributors to Nicaragua's social security system) since 2019, when Calibre acquired its operating mines in Nicaragua. According to the WGC 🔗, "every job in the gold mining industry supports six more, or close to ten more if induced jobs are included". Therefore, Calibre's presence generated ~ 5,293.5 induced jobs in the Nicaraguan economy.
Economic impacts from the use of national and local services	<ul style="list-style-type: none"> A large part of the value created by our activities remains in country: for every dollar of gold production, approximately 63 cents remain in the host country through salaries, taxes and payments to local suppliers and service providers. In 2022, over US\$ 125M was spent on national suppliers (76% of total procurement).

UNITED STATES

Economic development in rural areas	<ul style="list-style-type: none"> Calibre employed 69 people directly and 110 full-time contractors, greatly benefiting rural Nevada. We provided US\$ 12.9M in salary and benefits to our employees. In 2022, US\$ 85M was spent on national suppliers (97% of total procurement).
Economic impact to tax revenues	<ul style="list-style-type: none"> We paid US\$ 3.4M in taxes and royalties.

¹⁰ Data referenced from Nicaragua's Central Bank [🔗](#)



TABLE 13. INFRASTRUCTURE INVESTMENTS AND SERVICES SUPPORTED FY2022

TYPE OF INFRASTRUCTURE	SIGNIFICANT INFRASTRUCTURE INVESTMENT OR SERVICE SUPPORTED (1)	LOCATION	BENEFICIARIES (#)	CURRENT OR EXPECTED IMPACTS ON COMMUNITIES AND LOCAL ECONOMIES
EDUCATION	Infrastructure improvements to Miguel Angel Cienfuegos School, including construction of multi-grade classroom and bathrooms	Santo Domingo	122	SDG target 4.a aims to build and upgrade education facilities that provide safe, non-violent, inclusive and effective learning environments for all. Ensuring adequate facilities also encourages school enrolment and retention and ensures equal access to opportunities and services. 🔗
	Construction of a cafeteria and painting of 14 de Septiembre School in Yahosca Arriba 🔗	Rancho Grande	33	
	Divino Niño School Improvement, including construction of bathrooms and 75m of perimeter wall, painting, ceiling and door repair, and installation of piping and a 1,250lt water tank	Riscos de Oro, Rosita	~500	
ELECTRICITY	Electricity subsidy for El Limon Town	Mina El Limon, Larreynaga	~7,500	SDG 7 seeks to ensure access to affordable, reliable, sustainable and modern energy for all by 2030. Contributing to this objective impacts a wide range of development indicators, including health, education, food security, gender equality, livelihoods and poverty reduction, all while improving overall community productivity.
HOUSING	San Gil phase I complementary works, including road paving, sidewalk and gutter construction, retainer walls, fencing and front walls	Mina El Limon, Larreynaga	127	SDG 11 seeks to ensure access for all to adequate, safe and affordable housing and to upgrade slums. Housing is a platform for household resilience and sustainability, positively impacting indicators from the Human Development Index and the Multidimensional Poverty Index such as health, education and standard of living, and even influencing factors that mediate the effects of climate change. 🔗
	Construction of the Cedar Creek Housing Complex to alleviate impacts on housing demand in the local community	Ely, Nevada	30	

TYPE OF INFRASTRUCTURE	SIGNIFICANT INFRASTRUCTURE INVESTMENT OR SERVICE SUPPORTED (1)	LOCATION	BENEFICIARIES (#)	CURRENT OR EXPECTED IMPACTS ON COMMUNITIES AND LOCAL ECONOMIES
ROAD	Improvements to El Chontaleño road, and re-paving of 517mts in the Nueva Santa Pancha urbanization	Mina El Limon, Larreynaga	1,362	SDG target 9.1 aims to develop quality, reliable, sustainable and resilient infrastructure to support economic development and human well-being. Rural roads are proven poverty reducers by: providing access to basic services, reducing vulnerabilities, increasing connectivity and resilience, providing opportunities, enabling flows of agricultural inputs, reducing transportation costs, and expanding earnings opportunities through easier access to markets. 🔗
	Donation of 20,000mt ³ of select material to improve community roads in La Libertad and the Cuapa – Libertad road	La Libertad	25,767	
	Improvement of 1.08km of rural road for the Las Brisas, El Pajaro and Las Vallas communities	Rancho Grande	~450	
	Donation of 800gls of diesel for the repair of the Barrio Pobre – Riscos de Oro road	Rosita	554	
	Repair of Miguel Angel Cienfuegos access road	Santo Domingo	784	
	Repair of 1km of the Wasminona – Riscos de Oro road	Riscos de Oro, Rosita	30,000	
	SPORTS AND RECREATION	Construction of multipurpose sports center	Malpaisillo, Larreynaga	

TYPE OF INFRASTRUCTURE	SIGNIFICANT INFRASTRUCTURE INVESTMENT OR SERVICE SUPPORTED (1)	LOCATION	BENEFICIARIES (#)	CURRENT OR EXPECTED IMPACTS ON COMMUNITIES AND LOCAL ECONOMIES
Sports and Recreation	Nuevo Jabali park civil works, including installation of playground structures	Santo Domingo	784	SDG target 11.7 aims to provide universal access to safe, inclusive green and public spaces. Public space provides leverage to: optimize urban performance; build safer, healthier and more cohesive communities; reduce spatial inequalities; build local economies; and bring nature back to the city. ↗
Water	Expansion and improvement of the drinking water system, including installation of pump and piping, maintenance of three water storage tanks in the communities of Minvah, Vieja Santa Pancha and Mina El Limon, and payment of energy for the local water plant.	Mina El Limon, Larreynaga	8,245	In 2010, the UN General Assembly explicitly recognized the human right to water and sanitation. SDG target 6.1 calls for universal and equitable access to safe and affordable drinking water. Contributing to this target fuels public health, food production and poverty reduction. Better water sources also mean less expenditure on health and less impact on school attendance and productivity, as people are less likely to fall ill and incur medical costs. ↗
	Expansion of the water system, including the installation of pumping equipment	Santo Domingo	7,000	
	Transfer and installation of runoff piping to improve drainage on main road	Riscos de Oro, Rosita	402	
	Donation and installation of septic tanks, kitchen and dormitory items for municipal fire station	Santo Domingo	14,422	

Note: (1) "Significant" defined as producing a positive change on local communities' human rights, however modest the investment amount.



↑ Multipurpose sports centre, Malpaisillo, Nicaragua



↗ Water project, Mina El Limon, Nicaragua

SALIENT COMMUNITY INVESTMENT PROJECTS FY2022

Site / Pan Mine

LOCATION / White Pine and Eureka Counties

SECTOR / Other

PROJECT-ACTION / Support local groups and events

IMPACT /

~11,193 residents benefited from support provided for cultural development and social cohesion.

Site / El Limon Complex

LOCATION /

Mina El Limon, Larreynaga

SECTOR /

Education

PROJECT-ACTION /

Support to local schools, in partnership with the Ministry of Education

IMPACT /

- 100 best students in communities MINVAH, San Juan, Limon, Lourdes, Sta Pancha, La Flor, Las Ramadas awarded with school kits.
- ~500 students of Instituto Ricardo Morales Aviles in Mina El Limon provided with access to internet.

Site / La Libertad Complex

LOCATION / Riscos de Oro, Rosita

SECTOR / Livelihoods

PROJECT-ACTION / Skill development program

IMPACT /

- ~1,075 individuals in communities of Riscos de Oro, California, Wasminona and Barrio Pobre provided with specialized technical assistance to develop their first Multi-annual Community Development Plan.
- Improved skills of 44 individuals (98% women) through baking and pastry course provided in partnership with the National Technological Institute (INATEC), including provision of inputs to grow local businesses.
- Improved knowledge and access to mobility and job markets for 25 women who completed a driver's education course.

Site / La Libertad Complex

LOCATION / La Libertad and Santo Domingo

SECTOR / Health

PROJECT-ACTION / Support to key community health services, in partnership with the Ministry of Health and Los Pipitos Foundation

IMPACT /

- ~14,500 individuals from urban centers benefited from a 40% decrease in the number of confirmed cases of dengue and a 60% decrease in leptospirosis since 2019, in part due to annual fumigation campaigns to reduce vector-related diseases.
- 42 children with disabilities provided with access to specialized attention and therapy.

Site / La Libertad Complex

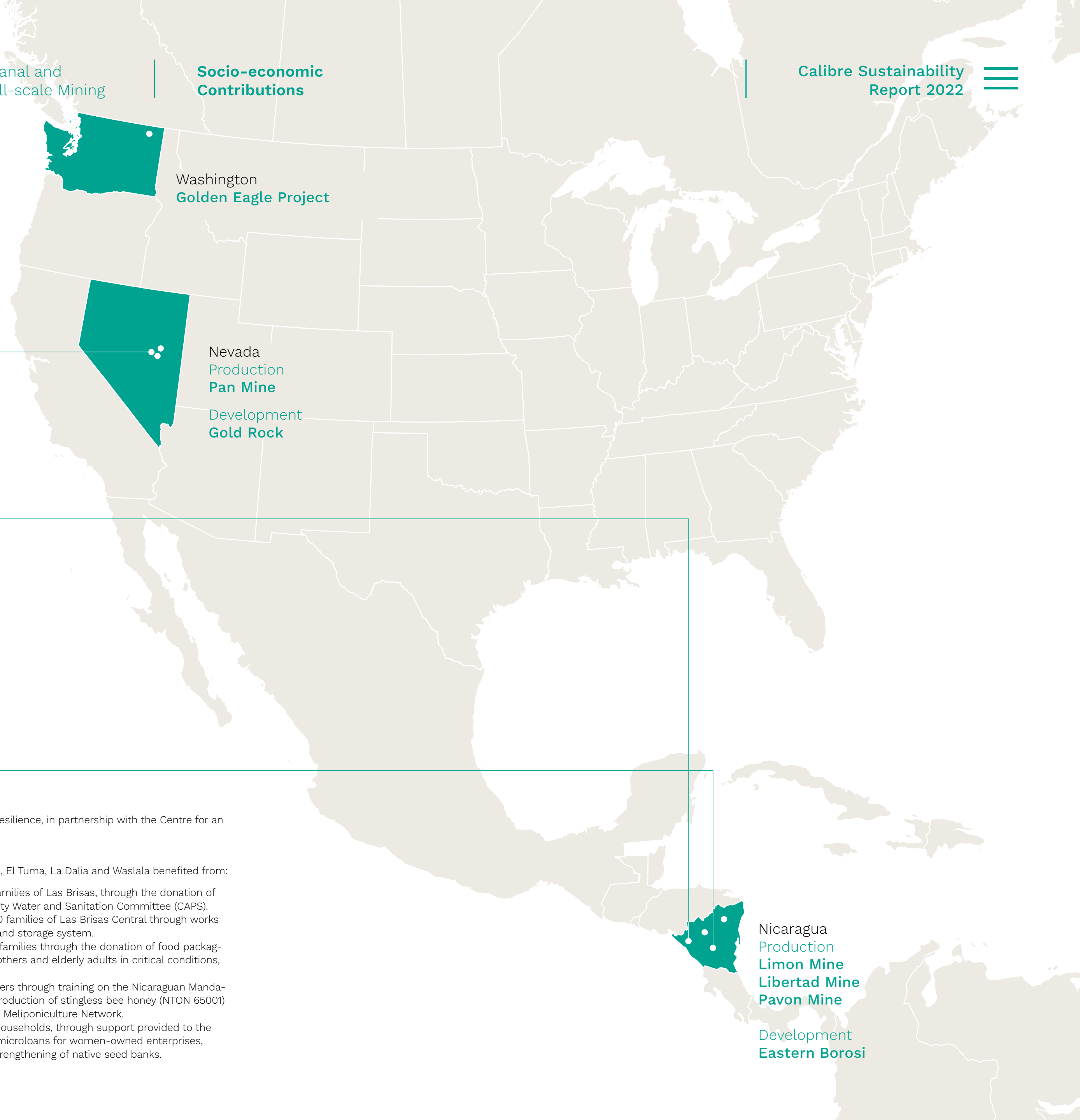
LOCATION / Rancho Grande

SECTOR / Livelihoods

PROJECT-ACTION / Promotion of community resilience, in partnership with the Centre for an Understanding with Nature (CEN)

IMPACT /

- ~51,300 individuals in Rancho Grande, El Cua, El Tuma, La Dalia and Waslala benefited from:
 - » Improved potable water storage for 130 families of Las Brisas, through the donation of two 10,000lt water tanks to the Community Water and Sanitation Committee (CAPS).
 - » Improved access to drinking water for 270 families of Las Brisas Central through works completed in the potable water capture and storage system.
 - » Improved food security for 45 vulnerable families through the donation of food packages to local low-income women, single mothers and elderly adults in critical conditions, with health issues or physical disabilities.
 - » Increased knowledge of 50 local beekeepers through training on the Nicaraguan Mandatory Technical Standard for the primary production of stingless bee honey (NTON 65001) and support for the creation of a National Meliponiculture Network.
 - » Increased resilience of ~120 women-led households, through support provided to the Women's Network for the distribution of microloans for women-owned enterprises, construction of community ovens, and strengthening of native seed banks.



Washington
Golden Eagle Project

Nevada
Production
Pan Mine

Development
Gold Rock

Nicaragua
Production
Limon Mine
Libertad Mine
Pavon Mine

Development
Eastern Borosi



KEY RESULTS

Performance against 2022 targets for Nicaragua

- Design and launch a supplier development procedure to provide additional support to local suppliers. → **Underway**. Direct contact with suppliers and support to EBP operation provided. Internal cross-functional reviews conducted to define best simplified procedure for local suppliers. Periodic coordination meetings held with the largest contractor at EBP to establish criteria and provide follow-up to local employment and local procurement opportunities.
- Proactively encourage inclusion of and support for vulnerable local groups by negotiating with local suppliers for the provision of non-core services, such as uniform and safety vest manufacturing, sale of basic food baskets, personnel transportation services, cleaning and catering services, etc. → **Underway**. Initiatives conducted, pending creation of structured procedure to ensure proper registration. Special focus placed on local businesses owned by women, gradually increasing amounts procured, and providing support with supplies or equipment when necessary to ensure better service.
- Design a local content plan for EBP. ✓ **Achieved**. 25 local suppliers and +200 local workforce hired during initial construction stages of our EBP facilities in 2022.
- Create a participatory community development model and initiate pilot project. ✓ **Achieved**. Local development plan designed with participation of +280 stakeholders, including community members, local authorities and other relevant local stakeholders.

Other performance highlights for 2022

- US\$ 387M in economic value distributed, a 35% increase from 2021 (US\$ 286M).
- 96% of our employees are national, of whom 78% are from communities adjacent or near our operations; US\$ 59M distributed in wages and benefits.
- 83% of our total procurement (US\$ 210M) spent on 1,018 national suppliers, representing 89% of our supplier base.
- ~US\$ 3.86M spent on infrastructure investments and services supported.
- Ratio of standard entry level wage compared to local minimum wage, regardless of gender: 1.00 for Nicaragua, 2.98 for the United States.
- A Contract Generation Manual was developed in Nicaragua to standardize the process, ensure proper consultation of all relevant departments, and encourage prioritization of local suppliers as long as their prices are competitive and they comply with applicable laws and company standards. When two suppliers are considered equal, the local supplier prevails.

3.6.3 2023 TARGETS

For our Nicaragua operations

- Ensure implementation of 100% of our key community investment projects.
- Local content opportunities improved at Riscos de Oro.

For our US operations

- Ensure implementation of our stakeholder engagement plan.



→ Riscos de Oro, Rosita, Nicaragua



VOCATIONAL TRAINING AND FINANCING TO IMPROVE WOMEN'S LIVELIHOODS

Underemployment is a significant issue in Nicaragua, reaching 45% in 2021 (according to the Nicaraguan Central Bank [\[1\]](#), and women are particularly affected, in large part due to limited skills-development and financing opportunities. The International Labour Organization estimated a 34.5% difference between male and female labour force participation rates in Nicaragua in 2021 [\[2\]](#). From an economic perspective, reducing this gender gap could substantially boost GDP.

True to Calibre's commitment to creating livelihood opportunities in our host countries, in alliance with Nicaragua's School of Technical Education and Vocational Training (INATEC), 43 women in Riscos de Oro received bakery and confectionery training. In partnership with the Center for an Understanding with Nature (CEN) and the Pioneer Women of the Mountains Network in Rancho Grande, we continued the entrepreneurship program started in 2020 for women from communities near our Pavon Mine. In 2022, 70 businesswomen received technical assistance in developing business plans and were awarded microloans to initiate or consolidate small ventures.

"It is a network that promotes strengthening and well-being, promoting women's rights in the community. Not only does the woman grow, so does the whole family."

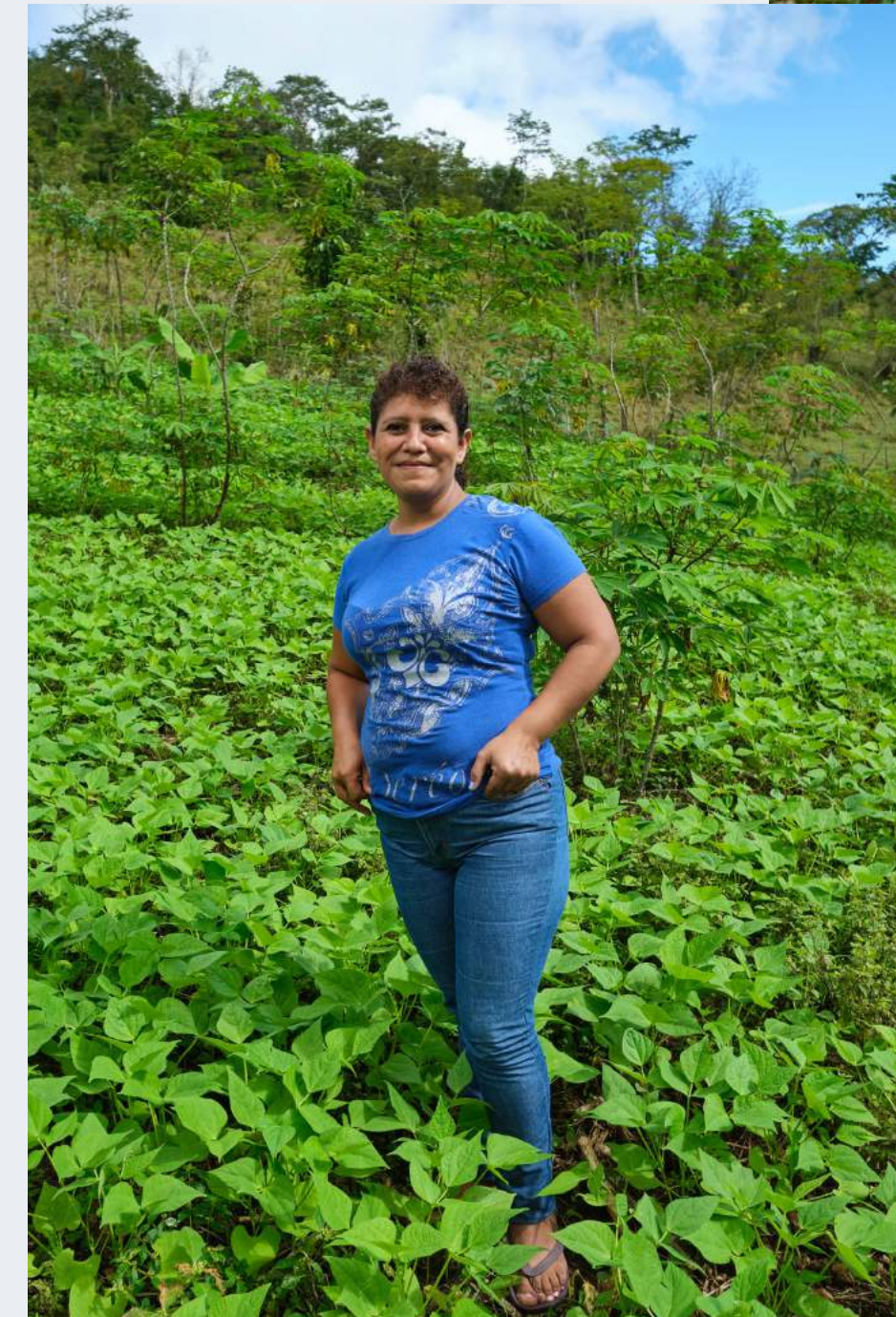
Janiri Orozco
Entrepreneurship Program beneficiary

"Calibre is doing something good with us, because they thought about women first, which is something you rarely hear of. Through this support they are giving us; many women have thrived."

Kareli Perez
Entrepreneurship Program beneficiary



Watch to learn more about this initiative [here](#)



➤ Pioneer Women of the Mountains Network members, Rancho Grande, Nicaragua



GOVERNANCE

Conducting an ethical business to foster human rights.

2022 HIGHLIGHTS

Zero substantiated incidents of supplier corruption.

Human rights impact assessment conducted for all our Nicaraguan assets, with no significant findings.

88% (245/277) of all Calibre security personnel received formal training on the **VPSHRs**.

Zero substantiated cases of human rights violations and zero significant instances of non-compliance with laws and regulations.

Year-Two Progress Report on Implementation of the Responsible Gold Mining Principles (RGMPs) published and externally assured.



4.1 CORPORATE GOVERNANCE AND BUSINESS ETHICS

MATERIAL TOPICS COVERED IN THIS SECTION	CORPORATE GOVERNANCE AND BUSINESS ETHICS <ul style="list-style-type: none"> • CORPORATE GOVERNANCE • BUSINESS ETHICS AND COMPLIANCE • BRIBERY AND CORRUPTION
GRI indicator(s)	2-9, 2-12, 2-13, 2-14, 2-16, 2-23, 2-24, 2-25, 2-26, 2-27, 205-1, 205-2, 205-3, 405-1
Why it matters	Ethics and governance in the extractive industry require clear accountabilities and greater transparency given its transformative qualities in landscape and socioeconomic dynamics. Calibre is committed to maintaining a high standard of corporate governance that fosters integrity, accountability and transparent disclosure and stands firmly against corruption.
Potential risks or impacts to human rights	<ul style="list-style-type: none"> • Right to effective remedy: a lack of protections of human rights of stakeholders impacted by Calibre projects could affect their ability to speak up about abuses and obtain the remedies they deserve. • Rights to equality and non-discrimination: risk of breach of laws, regulations or international sanctions by authoritative supra-national bodies, or corruption practices (extortion, payment of commissions, etc.) derived from political decisions to regulate the activity. • Right to access to information: corporate lobbying practices could affect the design of mining regulations, including those related to the environment, prior consultation, community relations, payment and collection of royalties, tax exemptions, transparency, access to information, etc.

To see detailed information, visit our 2022 Performance Tables for Corporate Governance and Business Ethics [↗](#)

4.1.1 OUR APPROACH

POLICY COMMITMENTS

- An explicit commitment to support and respect all internationally recognized human rights is stipulated in our Code of Business Conduct and Ethics, our Social Policy [↗](#), our Human Rights Standard and our Indigenous Peoples Standard.
- Our Code of Business Conduct and Ethics and other Corporate Policies [↗](#) provide guidance for ethical behaviour. All employees and business partners are expected to respect these guidelines, including compliance with applicable host- and home-country laws and relevant international law.
- We take a zero-tolerance approach to any form of bribery and corruption. As a public company listed on the Toronto Stock Exchange, we are subject to United States, Canadian, and other international anti-corruption laws and regulations, such as the Canadian Foreign Corrupt Practices Act (FCPA) and the Canadian Corruption of Foreign Public Officials Act (CFPOA).
- Our Sustainability Statement [↗](#) is supported by systems, standards, procedures and guidelines that are aligned with global standards and that drive Calibre’s and our partners’ ESG performance and behaviour:
 - » Environmental Policy and Standards [↗](#)
 - » Health and Safety Policy and Performance Standards [↗](#)
 - » Social Policy and Social Performance Standards [↗](#)
 - » People Policy [↗](#)
- In terms of financial transparency and accountability, we are committed to providing timely, consistent and credible dissemination of information, consistent with disclosure requirements under applicable securities laws, as per our Disclosure Policy.



↳ Limon Mine, Nicaragua



TOPIC AND RISK MANAGEMENT

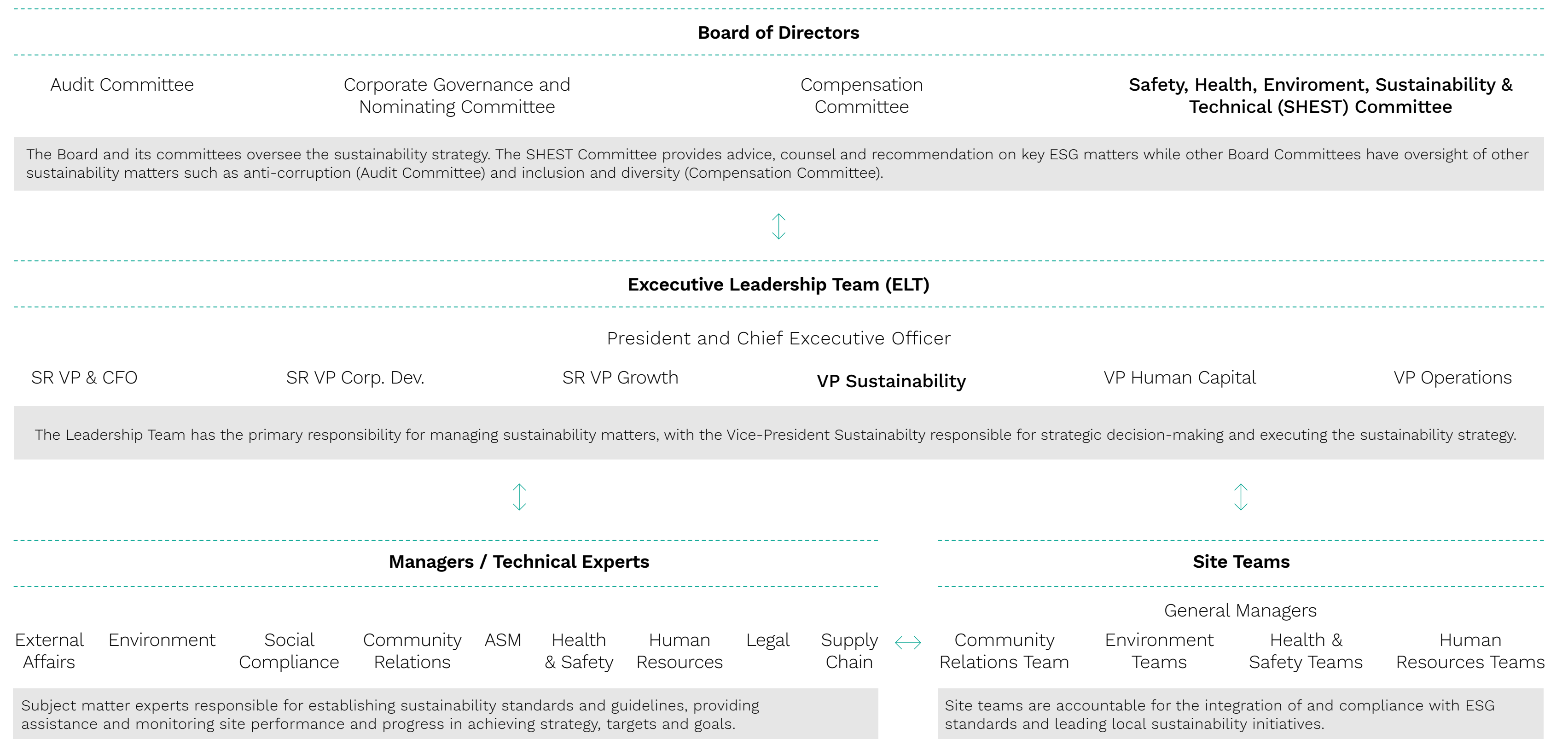
- Our policy commitments stipulate conducting a due diligence process and addressing the application of precautionary principle measures for all ESG material topics relevant to the industry, through a proactive risk-based management approach. Employees and contractors are considered equal under the “One Calibre” approach and must comply with the same requirements. Individuals who fail to comply with the Code of Business Conduct and Ethics and any applicable laws are subject to disciplinary measures, including dismissal from the company or termination of the business relationship.
- As part of our risk assessment process, risks related to corruption, conflicts of interest and anti-competitive behaviour are evaluated by Calibre’s Legal Department at management level, supplemented by internal financial controls. Integration Profile Forms and risk classification matrices are completed for all employees, business partners and suppliers. These are reviewed and evaluated annually at the executive level and, when deemed necessary, by the Board.
- We comply with a number of international regulatory requirements, including the governance guidelines of the Canadian Securities Administrators, and internal control certifications to ensure the transparency and quality of information published for investors and other interested third parties.
- We conduct regular audits to assess and ensure compliance with policies and procedures and have developed rigorous processes to prevent non-conformances and implement corrective actions. The Board’s Audit Committee reviews the interim and annual consolidated

audited financial statements, the auditors’ report therein, and the related management’s discussion and analysis (MD&A) of the company’s financial condition and operating results. We register and publicly report all financial records in compliance with the International Financial Reporting Standards (IFRS), as well as with the WGC principles for reporting to third parties about economic performance. “Resolution UAF-N-018-2019” and “Resolution UAF-N-020-2019” regulate the audits scheduled for our Nicaraguan assets, establishing external audits to be conducted every 2 years and, based on findings, additional audits by the national Financial Analysis Unit (UAF) to be conducted as required.

- We pay taxes and royalties required by host country codes, and these and other payments to governments are routinely reviewed and audited by tax authorities and external parties and are disclosed annually under the Extractive Sector Transparency Measures Act (ESTMA). Although the United States is not an EITI implementing country, it unilaterally discloses revenue payments received for extractive operations on federal land through its open data portal. [🔗](#)
- Transfer pricing is a mandatory requirement established by tax regulations in all countries where Calibre operates. We report the respective transfer pricing studies for all transactions between related companies in accordance with local and international regulations. Transfer pricing studies are conducted for business between Canada and US entities. Through the Nevada Net Proceeds reporting and royalty holder annual reporting, we ensure transparency around revenue flows in mining contracts and benefits of ownership.

ACCOUNTABILITY

- The Board of Directors is our highest governance body responsible for decision making and overseeing the management of our impacts on the economy, environment and people.
- Our Board has established various committees with delegated roles to ensure compliance with the policies and procedures established by Calibre and approved by the Board itself. The Safety, Health, Environment, Sustainability and Technical Committee (“SHEST Committee”) is the advisory committee of the Board responsible for economic, environmental and social topics. This Committee is also responsible for formally reviewing our Sustainability Report to ensure it effectively discloses all material topics.
- Senior executives (SVPs and VPs) have been appointed with responsibility for managing risks and impacts on sustainability issues, including critical concerns¹¹, specifically including a VP Sustainability for environmental and social issues and a VP Human Capital for workforce issues. Responsibility has also been delegated to other employees, including Managers for H&S, Environment, Human Resources, Labour Issues, ASM, Community Relations, External Affairs, Social Compliance and others. They report quarterly to the SHEST Committee and maintain permanent dialogue with the Executive Team and CEO.
- Business units reporting to the VP Operations, with support from specific cross-functional working groups, are responsible for daily implementation of their respective business operations.



¹¹ A "critical concern" is defined in our Whistleblower Policy [here](#) as any illegal, unethical matter, contrary to the policies of the company or in some other manner not right or proper.



ENGAGEMENT

- We embed our policy commitments throughout our activities and business relationships:
 - » Our Corporate Governance Policies, along with our H&S, Environment and Social policies and standards, are shared with potential partners during bidding processes. When partnerships are established, specific clauses and written acknowledgments are required by the signatories of contracts, grants and agreements.
 - » Our Compliance team conducts annual profile screening consistent with the expectations stipulated in the policies' commitments for responsible conduct. Results directly inform the determination of whether to initiate, continue or terminate a business relationship.
 - » All our workforce is subject to periodic training on our H&S, environmental and social standards' requirements and expectations.
- We train relevant staff on the prevention of money laundering, the financing of terrorism, and the financing / proliferation of weapons of mass destruction.
- We provide various confidential and anonymous mechanisms for individuals to seek advice or raise concerns about the organization's business conduct:
 - » **Whistleblower Policy:** Its purpose is to ensure Calibre can receive and address all complaints regarding accounting, internal accounting controls, auditing matters or any actual or potential violation of any aspect of required business conduct, on a confidential, anonymous basis, free from discrimination, retaliation or harassment.
 - » **Nicaragua's Worker Complaints Policy:** Complementary to the Whistleblower Policy, its purpose is to provide a mechanism through which workers can file complaints related to labour laws, company policies and Internal Labour Regulations. It is administered by the Human Capital team and applies to all employees, temporary and permanent, of all Calibre Mining Corp. subsidiaries and sites in Nicaragua.

- » **Nicaragua's Harassment Policy:** Its purpose is to establish the policy to be followed in cases of harassment complaints that may arise in all sites, establishments and companies belonging to Calibre in Nicaragua. It is applicable to all workers, temporary or permanent, as well as to interns, consultants and contractor employees working at Calibre sites in Nicaragua.
 - » **Nicaragua's Community Grievance Mechanism:** Its purpose is to provide a fair, accessible, effective and timely mechanism through which complaints and grievances related to our activities can be raised by communities, and timely, respectful, fair and locally appropriate remedies can be provided, where needed.
 - » At Pan, employees are urged to report inappropriate behavior, or any form of harassment or discrimination, through one of our open communication channels (e.g., by reporting to management, Human Resources, or through our Whistleblower Hotline). All claims of inappropriate conduct are investigated fully.
 - » **MSHA's Miners Grievance Mechanism:** In the United States, the Dept. of Labour's Mine Safety and Health Administration (MSHA) has a robust miners' rights program, allowing any miner to file a grievance with MSHA. This grievance can relate to unsafe work conditions, environmental violations, harassment in the workplace, etc. MSHA is required to respond to all complaints, often times including a field investigation.
- To understand and identify areas of improvement, sites conduct regular follow-up with complainants for stakeholder feedback. To track and report effectiveness, KPIs are measured, including the number of grievances received, percentage of grievances closed, trends on topics and issues, and user satisfaction. Other processes in Nicaragua by which we cooperate in the remediation of negative impacts we may have caused or contributed to include the Municipal ASM Commissions and H&S Mixed Commissions (See 2022 Performance Data Tables > Corporate Governance & Business Ethics > Mechanisms for seeking advice and raising concerns, for a list of mechanisms) [🔗](#).



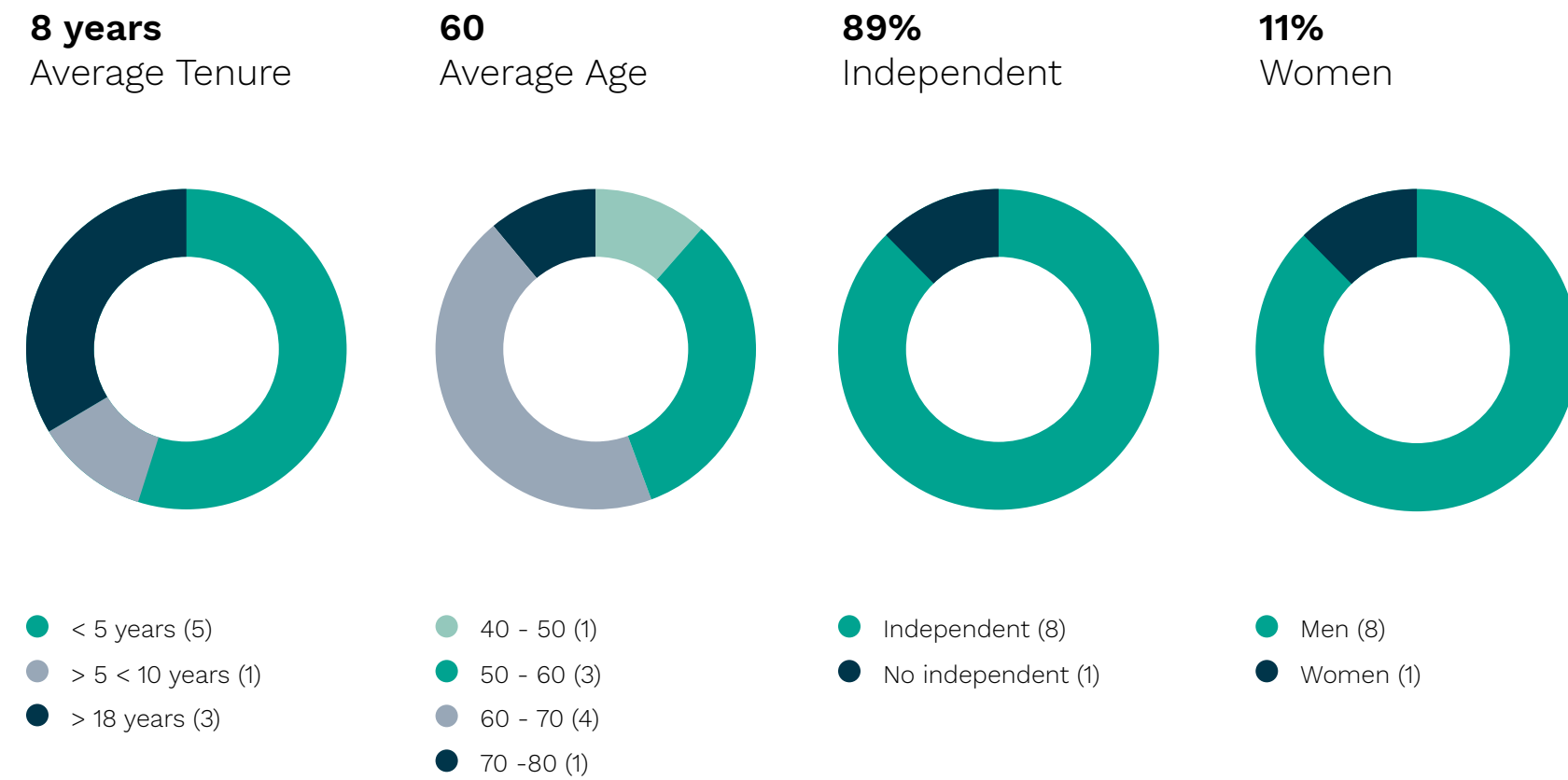
→ Rosita, Nicaragua

4.1.2 2022 PERFORMANCE

METRICS

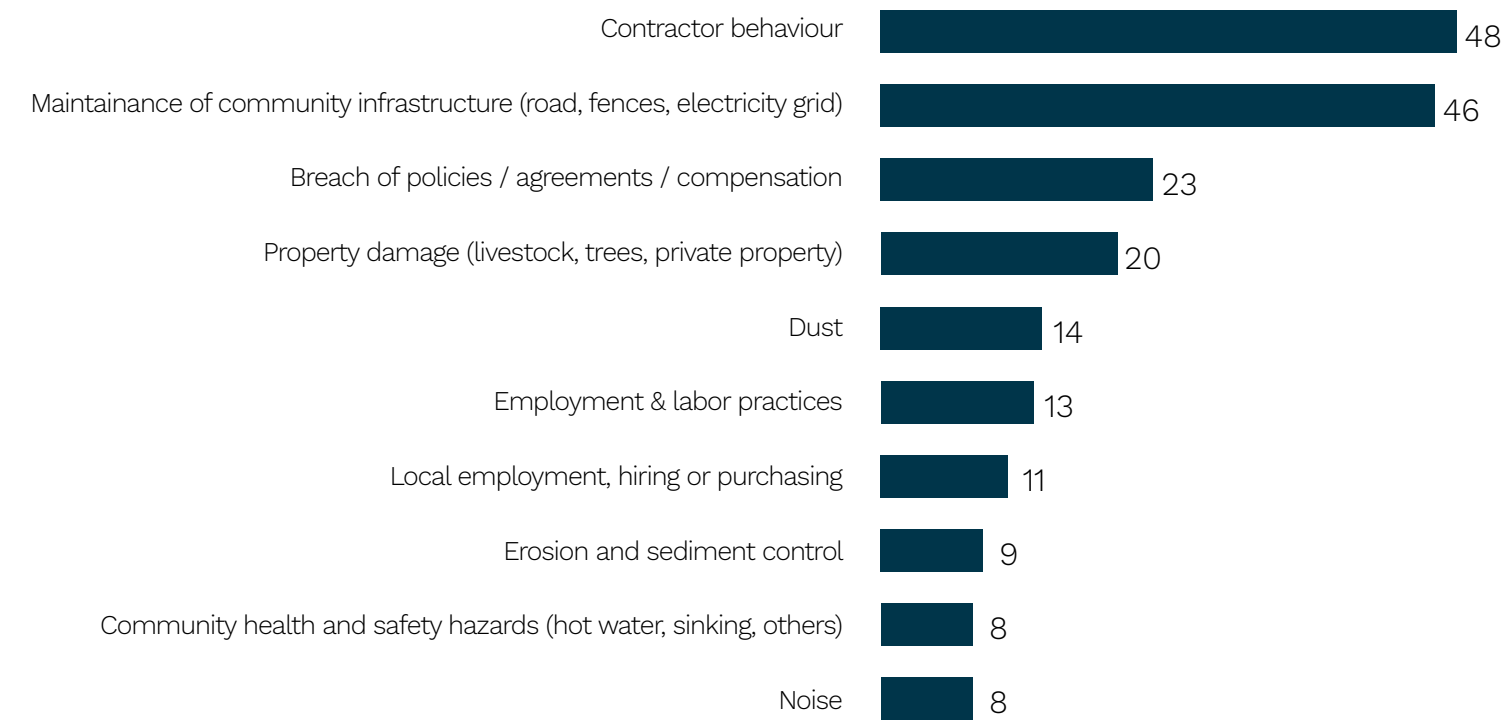
GOVERNANCE STRUCTURE AND COMPOSITION, DIVERSITY OF GOVERNANCE BODIES

Calibre’s Board is composed of nine directors who bring diverse viewpoints and possess a variety of skills, professional experience and backgrounds. Read more about the Board in our Information Circular of May 6, 2022. [🔗](#)

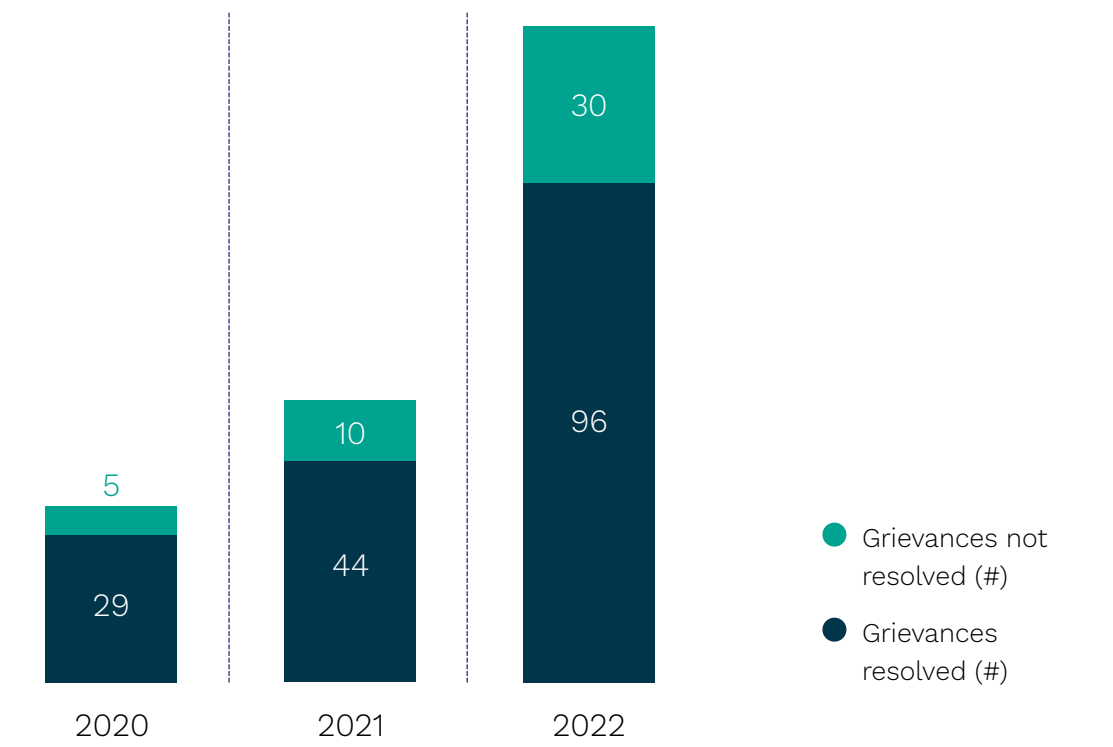


PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND MECHANISMS FOR SEEKING ADVICE AND RAISING CONCERNS

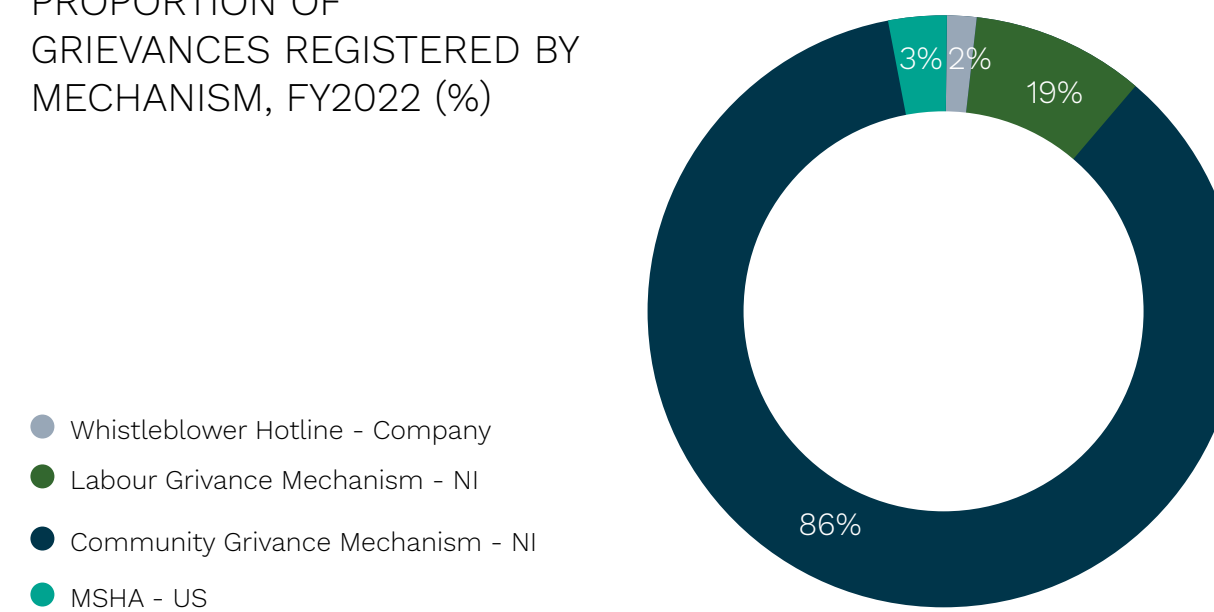
TOP TEN GRIEVANCES FY2022 (#)



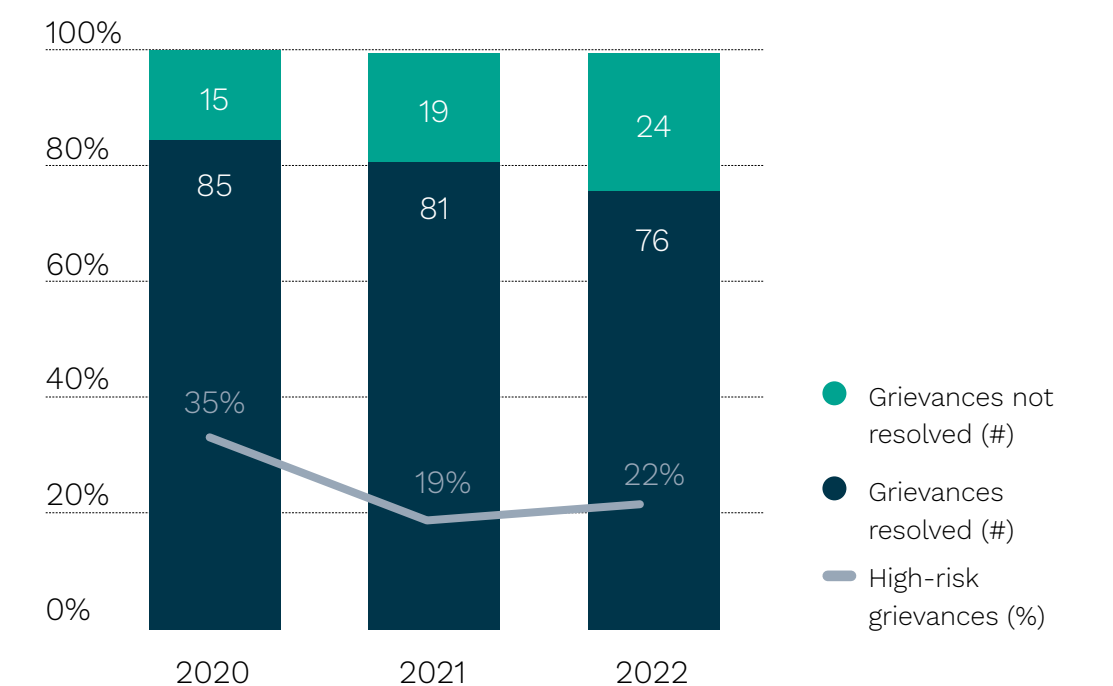
GRIEVANCES FY2020-2022 (#)



PROPORTION OF GRIEVANCES REGISTERED BY MECHANISM, FY2022 (%)



GRIEVANCES STATUS FY2020-2022 (%)





KEY RESULTS

Performance against 2022 targets for Nicaragua

- Conduct a Human Rights Impact Assessment for all Calibre operations in Nicaragua **Achieved**. Assessment conducted with no significant findings, and action plan on areas of improvement designed and underway.
- Design a corruption risk mitigation plan **Achieved**. Guidance handbook designed.
- Develop a risk register and reporting tracker to capture legal risks, track issues, and issue regular progress reports by entity **Achieved**. Register and tracker created and under implementation.
- Improve internal controls and regulatory framework against illicit influence and conflicts of interest **Achieved**. Handbook of processes, guidelines and mechanisms against illicit influence and conflicts of interest developed and approved.
- Require suppliers to provide signed acknowledgement of Calibre's corporate policies **Achieved**. 100% of our employees and suppliers in Nicaragua, the United States and Canada signed acknowledgement of our Corporate Policies.

Other performance highlights for 2022

- Zero significant instances of non-compliance with laws and regulations, and zero judgements against the organization in areas related to health and safety and labour laws.
- We revised our Code of Business Conduct and Ethics, explicitly including material issues such as prohibition of child and forced labour and establishing periodic revisions to the code.

- We initiated a roll out of and alignment with corporate policies for our employees in Nevada.
- 100% (1241/1241) of employees supplied formal acknowledgment of their understanding of and commitment to Calibre's corporate policies and procedures.
- 9% (107/1157) of employees received training on corporate policies during the reporting period, thereby ensuring the training of 99% of our employees between 2020 and 2022.
- We received 126 complaints through our grievance mechanisms in 2022, a 133% increase vs. 2021. Of those, 76% were resolved, and 22% were identified as high-risk. Reasons for the interannual increase include: (i) two concerns received for the first time through the Whistleblower mechanism; (ii) implementation of the new labour grievance mechanism in Nicaragua; (iii) integration of Pan's MSHA registry; and (iv) increased use of Nicaragua's community grievance mechanism due to outreach campaigns conducted among workers and community members, as well as initiation of facilities construction at Riscos de Oro.
- We completed the design and roll out of a local harassment policy for Nicaragua.
- All Nicaraguan subsidiaries were assessed for corruption-related risks. Identified risks are related to potential commercial relations, money laundering, fraud, and visa restrictions by US government departments. We had zero reported incidents of supplier corruption.



→ Pan Mine, Nevada



↑ Pan Mine, Nevada

← Limon Mine, Nicaragua

4.1.3 2023 TARGETS

- Complete and externally assure our Year-Three Progress Report on Implementation of the WGC's RGMPs.
- Implement an ethics and compliance incidence report tracker to identify and eliminate or mitigate potential non-compliances resulting from business partnerships.
- Implement the action plan to address areas of improvement identified in the Human Rights Impact Assessment.
- Establish a feedback and grievance procedure at Pan Mine, and maintain a record of complaints and grievances raised.



HUMAN RIGHTS IMPACT ASSESSMENT FOR CALIBRE'S NICARAGUAN ASSETS

In 2022, Calibre engaged an expert third-party consulting firm to conduct a human rights impact assessment (HRIA) of our operations in Nicaragua. The methodology used was aligned with the UN Guiding Principles on Business and Human Rights and the Danish Institute for Human Rights HRIA Guidance.

Consultants used a combination of desktop research, documentation review, interviews, and site visits to El Limon and La Libertad mines and to other company facilities and communities in Rosita, Siuna and Rancho Grande. More than 100 internal and external stakeholders were interviewed, including employees, contractor workers and the representatives of trade unions, Indigenous Peoples, communities, artisanal miners, ASM cooperatives, contractor companies, the Nicaraguan Chamber of Mines, and local NGOs.

“Overall, Calibre Mining has extensive policies, procedures, and processes to respect human rights, including board-level oversight for human rights and senior level personnel assigned with responsibility for implementing the human rights policies and procedures. However, the political and human rights context that the company operates in is challenging.” Report excerpt.

A management plan was developed to address recommendations on the most salient risks, to ensure that our business activities do not directly cause, and avoid complicity with, any human rights abuses.



↑ Limon Mine, Nicaragua
➤ Rosita, Nicaragua



4.2

TAX TRANSPARENCY

MATERIAL TOPICS COVERED IN THIS SECTION	TAX TRANSPARENCY
GRI indicator(s)	207-1, 207-2, 207-3, 207-4
Why it matters	The mining sector can have significant impacts on national incomes, fiscal revenues and foreign exchange revenues by means of various payments to governments. Lack of transparency over these payments may contribute to inefficient management of public funds, illicit financial flows and corruption.
Potential risks or impacts to human rights	<ul style="list-style-type: none"> • Rights to equality and non-discrimination: risk of breach of laws, and risk of corruption practices. • Right to access to information: corporate lobbying practices could affect the design and development of mining related regulations, such as payment and collection of royalties, tax exemptions, transparency, access to information, etc.

To see detailed information, visit our [2022 Performance Tables for Tax Transparency](#)

4.2.1 OUR APPROACH

POLICY COMMITMENTS

- We seek to comply with all required legal and tax provisions in the jurisdictions in which we operate. Our goals focus on: contributing to the economic development and prosperity of the people in regions where we operate, conducting ourselves with ethics and transparency by complying with all tax payment obligations in a timely manner, and generating wealth for our employees and stakeholders.

TOPIC AND RISK MANAGEMENT

- We pay all taxes and royalties required by host country laws. These and other payments to governments are routinely reviewed and audited by tax authorities and external parties and are disclosed annually under the Extractive Sector Transparency Measures Act (ESTMA).
- All Calibre subsidiaries are committed to complying with all tax obligations, for which we seek efficient, high-quality and reliable expertise. External advisors such as PwC and EY are contracted to review and provide advice on our tax planning, processes, compliance and controls.
- In Nicaragua, we are reinforcing an active risk management system to ensure tax compliance by our internal tax team, which executes most tax-related functions, including liaising with tax authorities.
- Our Tax Department is staffed with experienced personnel who oversee all company tax matters. On an annual basis, we prepare the respective transfer pricing studies for all intercompany transactions performed during the fiscal year. These are prepared together with third-party international consulting firms with strong experience in the field.

- Transfer pricing is a mandatory requirement established by all countries in which Calibre operates. We report the respective transfer pricing studies for all transactions between related companies in accordance with local and international regulations and the guidelines established by the Organization for Economic Cooperation and Development (OECD), including the “Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations.” At the end of each fiscal year, an external tax advisory firm prepares our transfer pricing report.
- In the United States, the process for state and federal taxes has been developed through years of compliance with each respective taxation authority. The Accounting department, with assistance from professional tax experts, ensures that all filings are made accurately and punctually so as to guarantee compliance with all deadlines and tax laws. Within the Accounting department, tax reporting responsibilities are shared and cross-trained to ensure proper coverage and coverage for absences.
- As a company listed on the Toronto Stock Exchange (TSX), we comply with a number of regulatory requirements, including internal control certifications to ensure transparency and quality in information published for investors and other interested third parties.
- The Board’s Audit Committee reviews the interim and annual consolidated audited financial statements and Company controls, the auditors’ report therein, and the related management’s discussion and analysis (MD&A) of the company’s financial condition and operating results.
- We record and publicly report all financial records in compliance with the International Financial Reporting Standards (IFRS), as well as with WGC principles for reporting to third parties about economic performance.



ACCOUNTABILITY

- The Chief Financial Officer and the Audit Committee are responsible for ensuring compliance with all tax laws and regulations.

ENGAGEMENT

- Our subsidiaries maintain a transparent, ethical and open relationship with tax authorities. On a regular basis, we engage with the tax administration to solve or clarify administrative matters, tax-related inquiries, and work collaboratively to resolve potential disputes on tax audits, procedures and assessments.
- In Nevada, we are actively involved in state tax groups, ensuring that the voices of internal and external stakeholders are considered. We engage with state and local tax authorities as necessary to ensure compliance with filings and tax regulations.

4.2.2 2022 PERFORMANCE

METRICS

TABLE 14. COUNTRY-BY-COUNTRY REPORTING (US\$ MILLIONS)

TAX JURISDICTION	NICARAGUA	UNITED STATES
Resident entities ¹	DESMINIC S.A. (including CXB Nicaragua, S.A.); TRITON MINERA S.A.	Fiore Gold Ltd.; Fiore Gold (US) Inc.; GRP Services, LLC.; GRP Pan, LLC.; GRP Gold Rock, LLC.; GRP Golden Eagle, LLC.; GRP Pinyon, LLC.; Calibre Real Estate, LLC.
Primary activity	Gold mining and exploration	Gold mining and exploration
# Employees (FTE)	1,157	69
Revenues from third-party sales	\$330.24	\$79.00
Revenues from intra-group transactions	\$2.42	\$-
Profit/loss before tax	\$61.07	\$6.62
Tangible assets other than cash and cash equivalent	\$231.20	\$21.20
Corporate income tax paid	\$10.66	\$1.48
Corporate income tax accrued on profit/loss ²	\$19.90	\$1.77
Reasons for difference	The income tax paid corresponds to the monthly advance income tax, and the remaining balance relates to the annual corporate income tax due by the end of February.	Temporary / timing differences
Period covered ³	2022	2022

¹ Includes permanent establishments and dormant entities.

² Includes corporate income tax accrued in the period reported and excludes deferred corporate income tax and provisions for uncertain tax positions.

³ Most recent audited consolidated financial statements or financial information filed on public record.

KEY RESULTS

- Our ESTMA reports can be found on our website. [↗](#)
- For the year ended December 31, 2022:
 - » Company subsidiaries in Nicaragua paid: US\$ 20.3M (direct taxes) and US\$ 3.1M (indirect taxes).
 - » Our US operations paid US\$ 1.5M to the Nevada Department of Taxation for state and local taxes.

4.2.3 2023 TARGETS

- Conduct an internal assessment on compliance against EITI standards and disclosures for our Nicaraguan subsidiaries.

4.3

RESPONSIBLE PROCUREMENT

MATERIAL TOPICS COVERED IN THIS SECTION	RESPONSIBLE PROCUREMENT • SUPPLIER RISK AND DUE DILIGENCE • PROCUREMENT PRACTICES
GRI indicator(s)	308-1, 308-2, 407-1, 414-1, 414-2
SASB indicator(s)	EM-MM-510a.1
LPRM indicator(s)	204, 401, 402, 403
Why it matters	We understand the risks the extractive sector faces in its supply chain, due to potential impacts associated with the conditions of mineral extraction and relationships with multiple suppliers. We believe due diligence is a necessary process to ensure we are not complicit in human rights abuses committed by others.
Potential risks or impacts to human rights	Right to safe, just and favourable conditions of work and right to health: partners may fail to respect human rights across several dimensions; for example, failure to protect workers' rights, such as fair wages, rest, contract terms, freedom of association, job security, safety at work, child or forced labour, etc

To see detailed information, visit our 2022 Performance Tables for Responsible Procurement [↗](#)

4.3.1 OUR APPROACH

POLICY COMMITMENTS

- Our Supply Chain Policy requires that our suppliers and contractors conduct their own businesses ethically and responsibly as a condition for doing business with us.

TOPIC AND RISK MANAGEMENT

- Our internal procedures and conditions are developed and implemented in alignment with our corporate governance framework and are included in all contracts signed with third parties.
- Our Compliance team regularly and systematically conducts due diligence to identify human rights, corruption and conflict risks in our potential suppliers, carrying out a thorough screening process before establishing any business partnership.
- Our Supply Chain Policy and other key legal obligations are incorporated into all commercial contracts with suppliers. These obligations include compliance with fundamental and international labour standards; compliance with corporate standards and management systems on health and safety, environment and social responsibility; compliance and respect for environmental legislation; and compliance with legal obligations to prevent crimes of child or forced labour, human rights abuses, corruption, money laundering, and financing of terrorism.
- At site level, management requires all contractors to comply with respective labour laws, for instance, by verifying minimum age requirements, and providing monthly reports and evidence of salary and social security payments for each worker.



↳ Libertad Mine, Nicaragua



- Suppliers and contractors have autonomy in the management of their internal labour relations and associations. We do not regulate, promote or intervene in the internal labour relations of the contractor's personnel. However, we do require and verify that suppliers comply with national laws, company standards, and corporate governance policies in relation to their workers.
- We conduct annual internal and external audits to ensure due diligence compliance in our procurement processes, as well as annual compliance reviews for all our suppliers.

ACCOUNTABILITY

- The Vice President of Sustainability, the CFO and the VP for SCM&C are accountable for compliance processes.
- The General Counsel helps to lead the supply chain due diligence process, in close coordination with the Vice President for Supply Chain Management and Commercial (SCM&C) and, in the case of our Artisanal and Small-scale Mining (ASM) ore purchase program, with the Senior Manager for ASM.
- Each operation is responsible for the implementation of procedures and protocols that comply with Calibre's policies and standards.

ENGAGEMENT

- We provide annual training to relevant corporate and site-level staff on supplier due diligence and compliance with guidelines and procedures.
- Links and portals to relevant company information/policies are provided in all of our contracts.
- Our SCM&C team communicates to suppliers about our expectations on responsible supply chains and requires all new suppliers to provide a signed acknowledgment of our corporate policies.
- Our ASM team communicates to artisanal miners about our expectations on responsible ore sourcing and ensures due process at sites.



↑ Libertad Mine, Nicaragua

↗ Pan Mine, Nevada



4.3.2 2022 PERFORMANCE

METRICS

TABLE 15. TRAINING AND GUIDANCE FOR SUPPLIERS

CONTRACTOR WORKFORCE FY2022 (#) [WORKERS WHO ARE NOT EMPLOYEES]	2,482
CONTRACTOR WORKFORCE TRAINED (#) ¹	21,124
TRAINING HOURS PROVIDED (#)	53,024
AVERAGE TRAINING HOURS PER CONTRACTOR WORKER	21.4
TOPIC(S)	Health and safety standards, procedures and protocols; social performance standards; environmental and biodiversity management.

¹ Refers to number of participations; a person may have received more than one of the trainings offered in the annual training plan

KEY RESULTS

Performance against 2022 targets for Nicaragua

- Conduct a human rights risk assessment that includes identifying areas of improvement in our supply chain due diligence processes **✔ Achieved**. Assessment conducted, with no significant findings. Areas of improvement identified, and action plan designed and underway.
- Strengthen cross-functional participation in defining terms of reference for new contracts, so as to ensure inclusion of requirements related to local content opportunities when appropriate **✔ Achieved**. Local content clause included in procurement processes for all new first-tier suppliers.
- Strengthen ASM purchase procedures to improve due diligence **✔ Achieved**. Written procedures reviewed and approved and currently in use.
- Improve oversight and documentation of our verification of responsible and sustainable artisanal mining at production sites. **➡ Underway**. Weekly supervision of ASM production sites performed as planned, but standardization and written protocol to be completed in 2023.

Other performance highlights for 2022

- 99% of new suppliers (269/272) were screened using environmental and social criteria.
- In Nicaragua, 100% of new and active suppliers (915/915) completed our supplier profile and were screened using environmental, social and governance criteria. If a potential supplier was found to have actual or potential negative impacts on society or the environment, no commercial relation was established.
- 99.5% of contracts signed (466/468) included precautionary clauses on human rights, child and forced labour, anti-corruption, terrorism and money-laundering, safety rules, and environmental protection standards.
- 107 staff members received training on due diligence compliance procedures for suppliers.
- 53,024 hours of training were provided to contractor workforce on topics such as health and safety standards, procedures and protocols; social performance standards; environmental and biodiversity management.

4.3.3 2023 TARGETS

For our Nicaragua operations

- ➔ Optimize our ethics and compliance system to identify and eliminate or mitigate potential non-compliances resulting from business partnerships.

For our US operations

- ➔ Integrate our Code of Ethics into supplier contracts, and obtain evidence of the formal acknowledgment of commitments.
- ➔ Establish a supply chain policy that sets out the company's requirements of suppliers, including ethical, safety, health, human rights, social and environmental standards.

OUR PROCUREMENT DUE DILIGENCE

The due diligence compliance process for our Nicaraguan assets is focused on preventing and combating money laundering, financing of terrorism and financing of the proliferation of weapons of mass destruction (ML/FT/FP), and is based on the following regulatory framework:

- Nicaraguan Law 977, Law Against ML/FT/FP
- Resolution UAF-N-020-2019, Chapter IV, Art. 33
- Resolution UAF-N-022-2019, Sanctions Regulations
- The 40 Recommendations of the Financial Action Task Force (FATF)
- Internal ML/FT/FP Manual (latest update 03/Dec/2021)

To reduce corporate risk, all Nicaraguan subsidiaries perform a due diligence process on all potential partners. Our internal manual includes the policies, programs, controls and procedures for supplier due diligence, including Integral Client Profile (PIC) forms and a classification matrix for risk assessment. Our procedures include:

- Step 1** Identify the counterparty and its economic activity. (a) Gather the necessary evidence to identify the business or commercial activity. (b) Request the completion of the PIC. (c) Check if the documents provided are complete. (d) Verify the congruence of the information and documents provided.
- Step 2** Determine the level of counterparty risk. (a) Complete the risk rating matrix to determine the level of risk. (b) Classify the counterparty according to the result of the risk rating assessment. (c) Collect signatures of the person who completed the PIC and the official who authorizes the business relationship.
- Step 3** Send the documentation to the Compliance Officer. (a) Mail is received from the area/user with clear instructions of their review request. (b) The Compliance area will respond within one business day. (c) Once the information is reviewed, counterparty is filtered in watch lists and the web (including for human rights and environmental abuses or malpractices) and results are sent to the requesting user.
- Step 4** PEP Suppliers. (a) If the counterparty indicates in its disclosure statement that it is a Politically or Publicly Exposed Person (PEP), the Compliance area is notified and will reassess the supplier's risk level. (b) Management authorization will be required for the initiation of a business relationship.
- Step 5** Maintenance of counterparty file records. (a) Documents, gathered evidence, watch list searches and PIC forms are kept in the supplier's file. (b) All counterparties are registered and available for review by the ML/FT/FTP Area, external audits, and regulatory bodies. (c) Files are kept for a period of no less than 5 years from the termination of the business relationship.



4.4 SECURITY PRACTICES

MATERIAL TOPICS COVERED IN THIS SECTION	SECURITY PRACTICES • HUMAN RIGHTS AND SECURITY PRACTICES
GRI indicator(s)	410-1
SASB indicator(s)	EM-MM-210a.2, EM-MM-210a.3
Why it matters	We seek to provide a safe and secure working environment for our employees and contractors, and to protect our assets. This is achieved partly through the use of private security forces where local conditions make this necessary. As respect for human rights is core to our ethics and standards, we work with our security providers to ensure that business security arrangements respect the rule of law and human rights.
Potential risks or impacts to human rights	Right to security of persons: security guards may respond with excessive force to incidents involving workers, suppliers, ASM or communities.
To see detailed information, visit our 2022 Performance Tables for Security Practices ↗	

4.4.1 OUR APPROACH

POLICY COMMITMENTS

- As stated in our Code of Business Conduct and Ethics, p. 29 [↗](#), we seek to ensure that we do not cause, nor are we complicit in, human rights abuses, either directly or through our business relationships.
- As per our Human Rights Standard, we manage contracted security forces with an approach consistent with the Voluntary Principles on Security and Human Rights (VPSHR) and in compliance with all laws in the jurisdiction of operation.

TOPIC AND RISK MANAGEMENT

Following the VPSHR framework:

- To reinforce our commitment to implementation of the Voluntary Principles, and to ensure our practices are consistent with them, we have incorporated a formal statement in our Human Rights Standard.
- Our internal security processes and protocols seek to embed security and human rights into our everyday work, including periodic site-level analyses of security and human rights risks with a focus on prevention. Human rights impact assessments of our operations are conducted and include the identification of security and human rights risks. Results are reviewed by relevant managers and action plans developed accordingly.
- We report, investigate and keep adequate records of all allegations or incidents of human rights abuse, including those related to illegal miner intrusions and use of force during encounters with external hostile elements.



↳ VPSHR annual refresher training, Libertad Mine, Nicaragua

- To ensure that the Voluntary Principles are considered when entering into relationships with private security providers, we periodically conduct thorough due diligence processes on our private security providers, and all our security contracts include a requirement to respect human rights and specifically comply with the VPSHR provisions.
- A security and human rights training package is available and used as part of the annual training program imparted to all our private security guards.
- Regulations in Nicaragua require security guards to have a specific license, background check, training, and qualification for carrying arms. We conduct regular inspections of private security provider training records to ensure compliance with our requirements and national legislation.

ACCOUNTABILITY

- The Vice President of Operations directs and is responsible for strategy, programs and performance related to asset security.
- Mine Managers are in charge of overseeing site-level security practices.
- Each operation is responsible for the development and implementation of procedures and programs that comply with our Human Rights Standard and its requirements on security-related human rights practices.

ENGAGEMENT

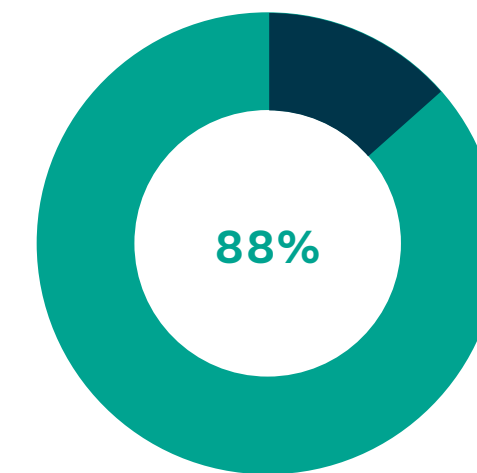
- For our Nicaraguan assets, we work at site with our private security providers to ensure transparent security arrangements and to maintain proper training on security and human rights, use of force, weapons, and firearms controls. No security service is active at our Pan Mine.

4.4.2 2022 PERFORMANCE

METRICS

PRIVATE SECURITY PERSONNEL WHO RECEIVED FORMAL TRAINING ON VPSHR

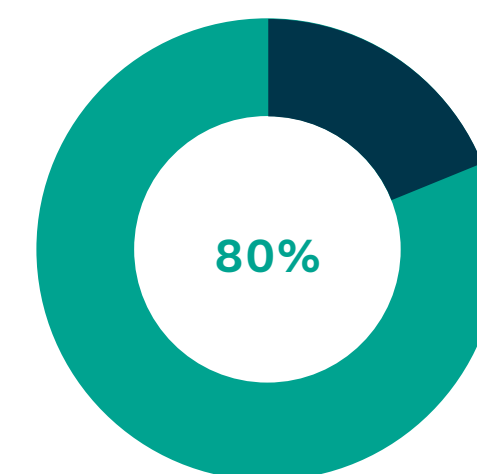
Company
245/277



El Limon Complex
116/116



La Libertad Complex
129/161



KEY RESULTS

Performance against 2022 targets for Nicaragua

- 100% of Calibre security personnel received formal training on VPSHR. ✔ **Partially achieved.** 88% (245/277) of guards received formal training.

Other performance highlights for 2022

- Zero reported incidents of human rights abuse by private security or public law enforcement at our operations.
- We commissioned an expert company to conduct a Human Rights Impact Assessment for all our operations in Nicaragua, including our security provider. The due diligence found no associated human rights allegations.
- We reduced the number of armed guards at all Calibre operations in Nicaragua, limiting the guards' carrying of firearms to those situations required by national law (i.e.: the transfer and protection of securities and the storage of explosives and related materials).

4.4.3 2023 TARGETS

- Provide refresher training on the Voluntary Principles on Security and Human Rights to 100% of Calibre's security workforce.
- Establish a procedure to assess security risks and conduct VPSHR risk assessments at site level.



↑ Limon Mine, Nicaragua

↗ Libertad Mine, Nicaragua



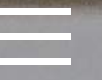
Our purpose

Integrate robust
sustainability performance
as Calibre's business edge.



To learn more about
our Sustainability
Strategy, watch [here](#)





APPENDICES



5.1




PROGRESS TOWARD 2022 TARGETS

	RESPONSIBLE PRACTICES	CONTRIBUTIONS TO SUSTAINABILITY	CONNECT WITH EFFORTS TO SAFEGUARD THE FUTURE
ENVIRONMENT	<p>T: Environmental Management System reviewed and updated P: Achieved, see Section 2.1, p. 25 ↗</p> <p>T: Consistent closure plans reviewed/ developed for all projects P: Not achieved, see Section 2.4, p. 42 ↗</p>	<p>T: Inventory of local water and forest related issues prepared and participatory pilot projects developed P: Underway, see Section 2.2, p. 30 ↗</p>	<p>T: GHG inventories and water footprints identified for all Calibre sites P: Underway, see Section 2.5, p. 46 ↗</p> <p>T: Energy and climate change strategies designed P: Achieved, see Section 2.5, p. 46 ↗</p> <p>T: Management plans developed for Calibre's wildlife refuges P: Not achieved, see Section 2.4, p. 42 ↗</p>
SOCIAL	<p>T: Engagement, disclosure and grievance mechanisms updated P: Achieved, see Section 3.3, p. 66 ↗</p> <p>T: Land acquisition standard developed and under implementation P: Achieved, see Section 3.4, p. 72 ↗</p>	<p>T: Participatory community development model created and pilot projects initiated at EBP P: Achieved, see Section 3.6, p. 81 ↗</p> <p>T: EBP local content plan (employment and procurement) designed P: Achieved, see Section 3.6, p. 81 ↗</p> <p>T: Five-year land access requirements defined based on LOM planning P: Underway, see Section 3.4, p. 72 ↗</p> <p>T: Resettlement, land acquisition and/or ASM relocation plans developed P: Underway, see Section 3.4, p. 72 ↗</p> <p>T: ASM model implemented, conflicts avoided, and productions secured P: Underway, see Section 3.5, p. 77 ↗</p> <p>T: Border protection system established P: Underway, see Section 3.5, p. 77 ↗</p>	<p>T: Corporate human rights impact assessment conducted P: Achieved, see Section 3.3, p. 66 ↗</p> <p>T: Situational assessment conducted on diversity and inclusion P: Achieved, see Section 3.1, p. 51 ↗</p> <p>T: Free, Prior and Informed Consent processes documented for all projects located in indigenous territories P: Achieved, see Section 3.3, p. 66 ↗</p>
GOVERNANCE	<p>T: Ethics and compliance policy and system in place P: Achieved, see Section 4.1, p. 92 ↗</p>	<p>T: Dialogue on institutional strengthening and development planning initiated with local governments and institutions in areas of influence P: Achieved, see Section 3.6, p. 81 ↗</p>	<p>T: Internal controls improved, and regulatory framework established against illicit influence and conflicts of interests P: Achieved, see Section 4.1, p. 92 ↗</p> <p>T: Corruption Risk Mitigation plan designed P: Achieved, see Section 4.1, p. 92 ↗</p>

Legend: T = Target; P = Progress

5.2

2023 SUSTAINABILITY SCOREBOARD

	ENVIROMENT		SOCIAL			GOVERNANCE
 <p>RESPONSIBLE PRACTICES</p>	<p>Environmental Management & Compliance Environmental compliance with all permit requirements</p>	<p>Mine Closure & Land-use Planning Closure plans developed for all projects with environmental permits in Nicaragua</p>	<p>Community Engagement Zero non-technical delays related to community disputes</p>	<p>Land Acquisition Land acquisition planning, processes, due diligence and transparency improved in Nicaragua</p>	<p>Health & Safety</p> <ul style="list-style-type: none"> • Zero fatalities • 10% reduction in TRIFR for Nicaragua • 15% reduction in TRIFR for Nevada 	<p>Ethics & Compliance and Responsible Procurement Ethics, compliance and procurement practices optimized to identify and eliminate or mitigate potential non-compliances resulting from business partnerships in Nicaragua</p>
 <p>CONTRIBUTIONS TO SUSTAINABILITY</p>	<p>Water & Forest Stewardship Implement erosion and sedimentation controls in all intervened areas at our Nicaraguan assets</p>		<p>Community Development and Local Content Ensure implementation of 100% of our key projects included in our community investment for Nicaragua</p>	<p>Resettlement Ensure completion and delivery to municipal authorities of complementary works conducted at San Gil Urbanization, in Nicaragua</p>	<p>Artisanal & Small-scale Mining ASM model under implementation in Nicaragua, ensuring safe and secure access to land while supporting wider community benefits</p>	<p>Institutional Strengthening Dialogue on institutional strengthening and development planning initiated with local governments and institutions in areas of influence in Nicaragua</p>
 <p>GLOBAL CHALLENGES</p>	<p>Climate Change Review the TCFD framework for reporting, and identify climate-related risks and opportunities. Calculate GHG CO2 and CO2e for baseline identifiers at our Pan Mine</p>	<p>Biodiversity 70,000 trees produced to contribute to national reforestation plans Review SRCE for updates related to increased mining activity at Pan Mine</p>	<p>Human Rights and Diversity & Inclusion Risk-based controls in place for all identified Human Rights issues involving Calibre and our business partners Diversity and inclusion roadmap established</p>	<p>Indigenous Peoples Culturally appropriate guidelines and mechanisms in place to manage indigenous-related matters</p>		<p>Anti-Corruption and Tax Transparency Corruption Risk Mitigation plan for Calibre and our business partners under execution in Nicaragua</p>





5.3

ACRONYMS

AGM	Annual General Meeting
AIF	Annual Information Form
AISC	All-In Sustaining Costs
ALARP	As Low As Reasonably Practicable
ANA	Autoridad Nacional del Agua (National Water Authority)
APE	Area of Potential Effect
ARD	Acid Rock Drainage
ARO	Asset Retirement Obligations
ASM	Artisanal and Small-scale Mining
BIPOC	Black, Indigenous, Person of Colour
BLM	Bureau of Land Management
CAMINIC	Camara Minera de Nicaragua (Nicaraguan Chamber of Mines)
CDC	Centre for Disease Control
CDP	Carbon Disclosure Project
CEN	Centro de Entendimiento con la Naturaleza (Center for an Understanding with Nature)
CEO	Chief Executive Officer
CEQ	Council on Environmental Quality
CFPOA	Canadian Corruption of Foreign Public Officials Act
CSAFE	Information Management System
CSO	Civil Society Organizations
CSR	Corporate Social Responsibility
EBP	Eastern Borosi Project
EIA	Environmental Impact Assessment
EITI	Extractive Industries Transparency Initiative
EMP	Environmental Management Plan
EPA	U.S. Environmental Protection Agency
ERI	Economic Research Institute
ERP	Emergency Response Plan
ERT	Emergency Response Team
ESG	Environmental, Social, and Governance
ESIA	Environmental and Social Impact Assessment
ESTMA	Extractive Sector Transparency Measures Act
FCPA	Canadian Foreign Corrupt Practices Act
FDI	Foreign Direct Investment

FLPMA	U.S. Federal Land Policy and Management Act of 1976
FMLA	U.S. Department of Labour's Family and Medical Leave
FPIC	Free, Prior and Informed Consent
FUNIDES	Fundación Nicaraguense para el Desarrollo Económico y Social (Nicaraguan Foundation for Economic and Social Development)
GRI	Global Reporting Initiative
HIRA	Hazard Identification and Risk Assessment
HL	Heap Leach
ICMM	International Council on Mining and Metals
ICUN	International Union for Conservation of Nature
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
ILO	International Labour Organization
IMS	Integrated Management System
INATEC	Instituto Nacional Tecnológico (National Technology Institute of Nicaragua)
IP	Indigenous Peoples
JHA	Job Hazard Analysis
JSA	Job Safety analysis
JV	Joint Venture
LOTO	Lockout / Tag Out
LPRM	Local Procurement Reporting Mechanism
LTI	Lost Time Injury
LTIFR	Lost Time Injury Frequency Rate
MARENA	Ministerio de los Recursos Naturales y el Ambiente (Nicaraguan Ministry of the Environment and National Resources)
MD&A	Management's Discussion and Analysis
MEFCCA	Ministerio de la Economía Familiar, Comunitaria, Cooperativa y Asociativa (Nicaraguan Ministry for Family, Community, Cooperative and Associative Economy)
ML/FT/PF	Money Laundering, Financing of Terrorism, and Proliferation Financing
MSDS	Material Safety Data Sheet
MSHA	Mining Safety and Health Administration (for U.S. mine sites)
MTI	Medical Treatment Injury
NDEP	Nevada Division of Environmental Protection

NEPA	U.S. National Environmental Policy Act
NGO	Non-Governmental Organization
NVMA	Nevada Mining Association
OECD	Organization for Economic Cooperation and Development
OP	Open Pit
PEP	Publicly Exposed Person
PPE	Personal Protective Equipment
RACCN	Region Autonoma de la Costa Caribe Norte (Nicaragua's North Caribbean Coast Autonomous Region)
RAP	Resettlement Action Plan
RCRA	Resource Conservation and Recovery Act
REC	Renewable Energy Certificate
RGMP	Responsible Gold Mining Principles
RIFR	Total Recordable Incident Frequency Rate
RRT	Rapid Response Team
SASB	Sustainability Accounting Standards Board
SCM&C	Supply Chain Management and Commercial
SDG	Sustainable Development Goals
SEDAR	System for Electronic Document Analysis and Retrieval
SHEST	Safety, Health, Environment, Sustainability and Technical Committee
SLAM	Stop, Look, Analyze, and Manage
SRCE	Source Reclamation Cost Estimate
TCC	Total Cash Costs
TCFD	Taskforce for Climate-related Financial Disclosures
TRI	Toxic Release Inventory
TSDF	Treatment, Storage, and Disposal Facilities
TSF	Tailings Storage Facility
TSX	Toronto Stock Exchange
UG	Underground
UN	United Nations
VP	Vice President
VPSHR	Voluntary Principles on Security and Human Rights
WGC	World Gold Council
WHO	World Health Organization



5.4

CAUTIONARY STATEMENT

This report has not been externally assured.

The Calibre Mining Corp. 2022 Sustainability Report has been finalized as of April, 2023 and contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with respect to: the Company’s expected production from, and further potential of, the Company’s properties; the future price of minerals, particularly gold; the estimation of mineral reserves and mineral resources; the realization of mineral reserve estimates; the timing and amount of estimated future production; costs of production; capital expenditures; success of exploration activities; government regulation of mining operations; and environmental risks. Estimates regarding the anticipated timing, amount and cost of exploration and development activities are based on assumptions underlying mineral reserve and mineral resource estimates and the realization of such estimates. Capital and operating cost estimates are based on extensive research of the Company, purchase orders placed by the Company to date, recent estimates of construction and mining costs and other factors. Statements regarding our plans, programs and anticipated future achievements relating to audits, sustainable development (including the United Nations Sustainable Development Goals), climate change, the environment (including potential refinements to the Company’s classification system for environmental incidents), the ecosystem, conservation and biodiversity strategies and measures, reclamation, mine rehabilitation and closure planning, water and water management, waste and tailings management (including the implementation of a third-party review requirement), human rights, gender diversity, human and worker health and safety (including grievance management mechanisms, the development of employee engagement plans and measures to reduce incidents in high-risk areas of injury and illnesses), hiring, training and performance management systems, social and community development, planned policies, planned measures to address security risks at each of the Company’s mines, artisanal and small-scale mining, reporting practices and systems and internal systems and practices.

Forward-looking information is often characterized by words such as “plan”, “expect”, “budget”, “target”, “schedule”, “estimate”, “forecast”, “project”, “intend”, “believe”, “anticipate”, “seek”, and other similar words or statements that certain events or conditions “may”, “could”, “would”, “might”, or “will” occur or be achieved. Forward-looking information is based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include: political, economic and other risks; volatility of global financial conditions including the Russian invasion of Ukraine; fluctuations in foreign currency; operating risks caused by social unrest; risks related to artisanal mining on the Company’s properties; risks related to government regulation, laws, sanctions and measures; fluctuations in gold prices; uncertainty in the estimation of mineral reserves and mineral resources; replacement of depleted mineral reserves; uncertainty relating to mineral resources; risks related to production estimates and cost estimates; obligations as a public company; risks related to acquisitions and integration; the impact of Nicaraguan and United States laws regarding foreign investment; access to additional capital; volatility in the market price of the Company’s securities; liquidity risk; risks related to community relations; risks relating to equity investments; the availability of infrastructure, energy and other commodities; nature and climactic conditions; risks related to information technology and cybersecurity; permitting and licensing; the prevalence of competition within the mining industry; availability of sufficient power and water for operations; risks associated with tax matters and foreign mining tax regimes; risks relating to potential litigation; risks associated with title to the Company’s mining claims and leases; the ability to maintain adequate internal controls over financial reporting as required by law; compliance with anti-corruption laws, and sanctions or other similar measures; risks relating to the dependence of the Company on outside parties and key management personnel; risks associated with dilution; labour and employment matters; as well as those risk factors discussed or referred to herein and

in the Company’s Annual Information Form and Management’s Discussion and Analysis as at and for the years ended December 31, 2022 available under the Company’s SEDAR profile at www.sedar.com.

Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. The Company undertakes no obligation to update forward-looking information if circumstances or management’s estimates, assumptions or opinions should change, except as required by applicable law. The reader is cautioned not to place undue reliance on forward-looking information. The forward-looking information contained herein is presented for the purpose of assisting investors in understanding the Company’s expected financial and operational performance and results as at and for the periods ended on the dates presented in the Company’s plans and objectives and may not be appropriate for other purposes.

Non-IFRS Measures

The Company believes that these measures, in addition to conventional measures prepared in accordance with International Financial Reporting Standards (“IFRS”), provides investors with an improved ability to evaluate the underlying performance of the Company. These non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

Total Cash Costs per Ounce of Gold Sold (“Total Cash Costs”)

Total Cash Costs include mine site operating costs such as mining, processing, and local administrative costs (including stock-based compensation related to mine operations), royalties, production taxes, mine standby costs and current inventory write-downs, if any. Production costs are exclusive of depreciation and depletion, reclamation, capital, and exploration costs. Total Cash Costs are net of by-product silver sales and are divided by gold ounces sold to arrive at a per ounce figure.

All-In Sustaining Costs per Ounce of Gold Sold (“AISC”)

AISC is a performance measure that reflects all of the expenditures that are required to produce an ounce of gold from current operations. While there is no standardized meaning of the measure across the industry, the Company’s definition is derived from the definition, as set out by the World Gold Council in its guidance dated June 27, 2013 and November 16, 2018. The World Gold Council is a non-regulatory, non-profit organization established in 1987 whose members include global senior mining companies. The Company believes that this measure is useful to external users in assessing operating performance and the ability to generate free cash flow from operations.

Calibre defines AISC as the sum of Total Cash Costs, sustaining capital (capital required to maintain current operations at existing production levels), capital lease repayments, corporate general and administrative expenses, exploration expenses designed to increase resource confidence at producing mines, amortization of asset retirement costs and rehabilitation accretion related to current operations. AISC excludes capital expenditures for significant improvements at existing operations deemed to be expansionary in nature, exploration and evaluation related to resource growth, rehabilitation accretion and amortization not related to current operations, financing costs, debt repayments, and taxes. Total AISC is divided by gold ounces sold to arrive at a per ounce figure.



The Right Way,
The Safe Way, Every Day.

Calibre Mining Corp.

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