Torex Gold
RESOURCES INC.

POSITIVELY IMPACTING
the lives we touch

2022   RESPONSIBLE GOLD MINING REPORT

While our existence as a Company depends on our ability to deliver superior value to shareholders, we are committed to doing so in a way that makes a positive difference in society. Mining with purpose beyond profit has always been at the heart of who we are at Torex, supported by a steadfast commitment to our core values, which are ingrained in our DNA.

Our values have been, and will remain, the foundation of our business success as we continue to generate positive returns to our investors while enhancing the lives of the people we touch. We strongly believe that mining responsibly and deriving value in our business go hand in hand — that we can reduce our impact on the environment and improve the quality of lives of our employees and those around us while improving safety, achieving operational efficiencies, realizing cost reductions and generating positive return on investment.

We have built a mining facility in Mexico where we create prosperity and lasting economic impact, treat people with dignity and respect, and demonstrate genuine care for the natural environment around us. As we build a long future in Mexico through our Media Luna Project and look to grow our business in other jurisdictions, we will replicate our approach — always guided by our Purpose — and continue to demonstrate what responsible mining looks like.

OUR PURPOSE

To transform finite mineral resources into lasting prosperity by positively impacting all the lives we touch.

BUILDING A
LASTING FUTURE
IN MEXICO

THE MEDIA LUNA
PROJECT

We are laying the foundation for future decades of mining in Mexico through our Media Luna Project ("Media Luna"), which was approved by the Torex Board of Directors in March 2022. Media Luna is an underground deposit containing gold, copper and silver mineralization, located on the south side of the Balsas River, seven kilometres from our existing El Limón Guajes Mine Complex ("ELG").

Media Luna represents a total capital expenditure of approximately $1 billion, the largest single mining investment ever made in Guerrero State. When the mine is built, it will be one of Mexico's largest underground mines. Importantly, Media Luna will diversify Torex as a significant copper producer, with more than 20% of the life of mine revenue residing in copper – a metal that is increasingly in demand to enable technologies the world needs to support a low carbon economy.

Construction is now well underway, with first mine production anticipated in 2024 and commercial production in 2025. With this investment, we will extend our current mine life through at least 2033 and lay a firm foundation for the future growth plans of Torex. With continued investment in drilling and exploration within our broader Morelos Property, we are striving to build a multi-decade mining operation that will continue to generate lasting prosperity in Mexico.

With the increase in construction activity associated with the Media Luna project, and record production of more than 474,000 ounces of gold at ELG in 2022, we increased our permanent workforce by almost 10% relative to 2021 and our contractor workforce by almost 40%. Our procurement spend also increased by almost 15% in 2022, from $494 million to $560 million. This trend will continue, with peak activity associated with the project expected through late 2023 and early 2024.

Despite the increased activity, many of our ESG metrics associated with environmental impact have remained relatively flat. The data and information contained in this Report demonstrate our efforts to maximize value creation while containing our impact on the environment as we increase activity at our Morelos Property over the coming years.

ABOUT **TOREX GOLD**

Torex Gold Resources Inc. ("Torex Gold" or the "Company") (TSX:TXG) is an intermediate gold producer engaged in the exploration, development and operation of our wholly-owned Morelos Property, an area of 29,000-hectares in the highly prospective Guerrero Gold Belt located 180 kilometres southwest of Mexico City. The Company is based in Canada, with our Corporate Office located in Toronto, Ontario. Torex is currently the second-largest gold producer in Mexico.

In 2022, our workforce consisted of 1,108 direct employees and 2,303 contractors. We are proud that 99% of our workforce is from Mexico, with almost 60% from Guerrero State.

The Company's mining asset is the Morelos Complex, which includes the El Limón Guajes ("ELG") Mine Complex, Media Luna Project, processing plant and related infrastructure. Commercial production from the Morelos Complex commenced on April 1, 2016 and an updated Technical Report for the Morelos Property was released in March 2022. Torex's key strategic objectives are to extend and optimize production from ELG, de-risk and advance the Media Luna Project to commercial production, build on ESG excellence, and to grow organically through ongoing exploration across the entire Morelos Property. In addition to realizing the full potential of the Morelos Property, the Company is seeking opportunities to acquire assets that enable diversification and deliver value to shareholders.

References to Torex Gold throughout this Report include "the Company", "Torex", "we", "us", and "our".

REPORT OVERVIEW

REPORT OVERVIEW

The 2022 Responsible Gold Mining Report (the "Report") is the Company's annual disclosure of our Environmental, Social, and Governance (ESG) performance. The Report has been prepared with reference to the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB) Metals and Mining Sustainability Accounting Standard. Indexes for these reporting frameworks are provided on pages 108-114 of this Report.

Energy and climate-related disclosures are aligned with the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD), as per the Phase 1 recommendations of the Expert Panel on Sustainable Finance's Recommendation on Phased-in Approach to the Adoption of the TCFD Framework in Canada. We have also aligned aspects of our supply chain disclosures with the Local Procurement Reporting Mechanism (LPRM) of the Mining Shared Value Initiative of Engineers Without Borders Canada.

This is our eighth annual sustainability report. Report archives can be found on our website at www.torexgold.com.

BOUNDARIES AND SCOPE

The Report covers our corporate and operational ESG performance for 2022, including ELG and Media Luna. All performance data is current as of December 31, 2022 (unless otherwise indicated). Ongoing ESG initiatives that have progressed in early 2023 are discussed where relevant. Three-year ESG Performance Data Tables, outlining performance from 2020-2022, are also provided in this Report to enhance the scope and depth of ESG performance data disclosures. The ESG Performance Data Tables can be found starting on page 94.

RESTATEMENTS

Restatements of performance data and information are provided as applicable throughout the Report, including the associated ESG Performance Data Tables.

CURRENCY

All financial figures are stated in United States dollars unless otherwise noted. Some figures and percentages may not add to the total figure or 100 percent due to rounding.

CAUTIONARY NOTES

Please refer to page 116 for full cautionary notes related to this Report, including notes on "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian securities laws.

CONTENTS

2022
HIGHLIGHTS

ENVIRONMENTAL

Zero reportable environmental incidents or spills

100% compliance with environmental regulations

Received **key culminating permit ("Mia Integral")** for integrated operations at both ELG and Media Luna

Released Inaugural **Climate Change Report,** aligned with the TCFD, including 2030 GHG reduction targets and pathway

Received permit to begin construction of **new 8.7 MW solar plant**

Almost **50,000 native trees** planted and **81 hectares reforested** from two on-site greenhouses

44% reduction in cyanide consumption from 2021

54% water usage recycled

SOCIAL

Achieved industry-leading safety performance: 0.28 lost time injury frequency per million hours worked[1]

10 million hours worked without a lost-time injury, second time since 2020

Received 2022 **Indigenous and Community Relations Award** from *Mining Magazine*

99% operational employees from Mexico; ~60% from Guerrero

Total procurement spend of $560M; 92% of spend in Mexico and $107M from Guerrero businesses

Awarded **ESR 2023 Distinction in Mexico for excellence** in Corporate Social Responsibility for the 5th year in a row

$4.6M in direct community investment: 11 unique Community Development Agreements (CODECOPs)

$184M in government payments including taxes and royalties

Negotiated **2023 Collective Bargaining Agreement (CBA)** with 97% of employees voting in favour

Human Rights Impact Assessment completed; security personnel trained on the Voluntary Principles

GOVERNANCE

Completed process initiated in 2020 to refresh, **strengthen and diversify** the competencies and skills of the Torex Board

Maintained **highest Governance Quality Score ranking**[1] from ISS for positive corporate governance practices

Earned honouree status in The Globe and Mail's 2023 Report on Business **"WOMEN LEAD HERE"** list for the fourth consecutive year

43% female representation on Executive Team[2]

44% female representation on Board of Directors

Continued improvement in scoring from key ESG Ratings Agencies

ESG performance linked to 25% of annual Company-wide incentive plan

---

1   As at December 31, 2022 for both employees and contractors over a 12-month rolling period

2   Diversity figures current as of March 31, 2022. Note that prior to the departure of the VP, Human Resources and Organizational Effectiveness in March 2022, there was 50% female representation on the Executive Team

A MESSAGE FROM OUR **PRESIDENT AND CHIEF EXECUTIVE OFFICER**

> Last year, for the second time since 2020, we achieved more than 10 million hours worked without a lost time injury. This relentless focus on safety remains foundational to our culture, our sustained operational excellence, and our ESG leadership position more broadly – it's at the core of who we are.
>
> **Jody Kuzenko**
> *President and CEO*

On behalf of the entire team at Torex, I am pleased to welcome you to our 2022 Responsible Gold Mining Report. The purpose of this Report is to outline performance associated with the key environmental, social and governance (ESG) topics that are most important to our business while shining a spotlight on the heart and soul of who we are as a Company.

2022 was truly a pivotal year for Torex. In March 2022, our Board of Directors approved the construction of the Media Luna Project, which will become one of Mexico's largest underground mines and lay the foundation for our future. Media Luna will more than triple our existing mine life, and diversify Torex as a significant copper producer, with more than 20% of the life of mine revenue residing in copper. With continued investment in drilling and exploration within our broader Morelos Property, we are well on our way to delivering on our goal to build a multi-decade mining operation that will continue to generate prosperity in the State of Guerrero. This mine life runway positions Torex to create generational change, and we intend to do just that.

As I look back on our 2022 results, while I am proud of 'what' we achieved — not the least of which was achieving record annual gold production of more than 474,000 ounces, I am most proud of 'how' we achieved it. We finished the year with an exemplary safety performance, with a lost time injury frequency of 0.28 per million hours worked — a benchmark not only in Mexico but within the global mining industry. Last year, for the second time since 2020, we also achieved more than 10 million hours worked without a lost time injury. This relentless focus on safety remains foundational to our culture, our sustained operational excellence, and our ESG leadership position more broadly – it's at the core of who we are.

A particular highlight in 2022 was the release of our inaugural Climate Change Report, aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). Following a detailed energy audit at our operations to identify key opportunities for carbon reduction, our climate change plan includes a clear and credible pathway to achieve 2030 greenhouse gas ("GHG") emissions reduction targets in support of our overall commitment to achieve net zero GHG emissions by 2050. Our 2030 targets have been articulated as a 10% reduction in absolute Scope 1 and Scope 2 emissions compared to the actual 2021 baseline, otherwise stated as a 25% reduction in Scope 1 and Scope 2 GHG emissions forecasted if no action is taken on intervention measures to reduce carbon emissions at Media Luna. Our plan includes commissioning of a new 8.7 megawatt solar plant, introduction of battery electric vehicles at Media Luna, ventilation on demand technology at ELG and Media Luna, and the introduction of a comprehensive energy and carbon management plan.

In 2022, we also made substantial progress on our journey to adopt globally recognized ESG performance standards with a view to continuing to reinforce our position as an industry leader in responsible mining. For example, we continued to advance compliance with the World Gold Council Responsible Gold Mining Principles (RGMPs), and in December 2022 issued our Year Two RGMP Progress Report, which was independently assured. As part of our commitment to adopt the RGMPs, we are working toward full compliance with the International Cyanide Management Code (ICMC) and completed a comprehensive pre-audit in 2022 in preparation for a full compliance audit in early 2024. Importantly, in February 2022, our Board of Directors supported management's recommendation to formally adopt the Global Industry Standard on Tailings Management (GISTM), with full compliance expected in 2025 for both our existing filtered tailings storage facility at our ELG Mine Complex, and the planned in-pit tailings storage facility that will be built as part of the Media Luna Project.

There were many other ESG achievements that have made me very proud over the past year, including:

- Zero reportable environmental incidents;

- Continued implementation of our Community Development Agreements (CODECOPs) in partnership with 11 host communities, with $4.6M directly invested in community development and infrastructure projects;

- Recognition by major Canadian and international media for our ESG performance, including receipt of the 2022 Mining Magazine Award for excellence in Community Relations; and selection as a Globe and Mail / Report on Business "Women Lead Here" honouree for the fourth year in a row in recognition of the high proportion of women on our Executive Team;

- Continued improvement on scoring from key ESG ratings agencies from 2021 to 2022 due to ongoing improvements on disclosure, including significant improvements in scoring from Sustainalytics and the S&P Global Corporate Sustainability Assessment (CSA).

In 2021, our Executive Team articulated Torex's organizational purpose statement as follows: *'To transform finite mineral resources into lasting prosperity by positively impacting all the lives we touch'*. As you read this Report, and the many stories contained within these pages, I trust you will see our purpose statement truly come to life as we continue to minimize our environmental footprint, further build on our relationships of trust and partnership with local communities, create prosperity for our people and business partners through well-paying jobs and local procurement, and foster lasting economic impact through sustainable community development. That is the Torex way.

Jody Kuzenko
President and Chief Executive Officer

A MESSAGE FROM THE CHAIR, SAFETY AND CSR COMMITTEE

As we continue to enhance our performance and disclosure on ESG, the Safety and CSR Committee along with the entire Torex Board, played a key role in the guidance and development of Torex's inaugural Climate Change Report, which includes a commitment to achieve a 10% absolute reduction in Scope 1 and Scope 2 greenhouse gas emissions by 2030.

Jennifer Hooper
Independent Director, Chair of the Safety and CSR Committee

At Torex, operating responsibly has always been at the core of who we are as a Company. At the Board level, we continue to incorporate evolving best practices to sustain and build on our reputation as an industry leader when it comes to management of environmental, social and governance issues (ESG), and to provide confidence to our shareholders in our ability to deliver on financial and operational commitments with the highest level of ethics, rigour and social harmony.

On behalf of the Board of Directors, our Safety and Corporate Social Responsibility (CSR) Committee actively engages with management to provide oversight, counsel and recommendations on matters associated with ESG. Certain ESG issues are also addressed by the Compensation Committee, the Corporate Governance & Nominating Committee, the Audit Committee and by the full Board of Directors, which underlines our commitment to good governance, transparency and accountability with respect to our ongoing ESG performance and disclosure.

With a focus on oversight of managing key risks in the business, governance over health and safety is a major focus for our Board. Safety performance is reported quarterly, and all investigations associated with lost-time injuries and high potential events are discussed in detail with the Safety & CSR Committee with a view to preventing future unwanted incidents from occurring. At all levels of the organization, from our front-line employees to the Board of Directors, we understand that if we get safety right, excellence in performance and value generation in other aspects of our business will follow.

I am very proud of our team's safety performance in 2022, which continues to serve as a benchmark in the global mining industry. With the approval of the Media Luna project, and literally hundreds of new contract employees attending our site throughout 2023, our committee welcomed the implementation of our new Contractor Management System in 2022, which is intended to align contractor work and performance to Torex's operational policies, principles and systems associated with health and safety. As we continue to grow, it is critical that we choose business partners that operate to corporate responsibility standards that are comparable to our own; therefore, adherence to the Contract Management System is now a requirement as part of all contractual arrangements between Torex, contractors and sub-contractors.

As we continue to enhance our performance and disclosure on ESG, the Safety and CSR Committee along with the entire Torex Board, played a key role in the guidance and development of Torex's inaugural Climate Change Report, which includes a commitment to achieve a 10% absolute reduction in Scope 1 and Scope 2 greenhouse gas emissions by 2030. This

target is supported by a clear, credible and fully funded pathway, with all carbon reduction measures approved by the Board of Directors – a pathway that will allow us to produce real emissions reductions in the economy while bringing the Media Luna Project into commercial production.

Following educational sessions that were provided to the Board by third party experts in ESG and climate change more specifically, the Board was focused on ensuring that our Climate Change plan is proportionate to our age and stage as a company, and that we chose measures to reduce our footprint on the environment that make good business sense through safety improvements, cost savings, return on investment and other operational efficiencies. We congratulate management on their work in this regard and look forward to keeping up the momentum in advancing our climate change commitments.

As we seek continuous improvement, a key component of our ESG strategy is to adopt and conform to global sustainability performance and disclosure standards, to provide confidence to our Board, our shareholders and all those who share stakes in Torex that we are adhering to the highest level of standards on our approach to ESG. As we continue to advance full compliance with the World Gold Council Responsible Gold Mining Principles (RGMPs) and the International Cyanide Management Code (ICMC), in 2022 our Board of Directors also approved full adoption of the Global Industry Standard on Tailings Management (GISTM), which, we believe, will serve to strengthen the Company's governance and transparency over tailings management, a key risk that we believe requires visibility at the Board level for all mining companies.

As we continue to enhance the environmental and social aspects of ESG, we are also focused on positioning ourselves as a leader in governance. For almost two years we have maintained a Governance QualityScore of "1" from Institutional Shareholder Services (ISS), a leading global proxy advisory firm, which is the highest possible governance score that ISS provides. We understand that strong governance requires a focus on diversity and inclusion, and we are proud of the fact that we have 44% female representation on our Board of Directors. As we look to continue to diversify beyond
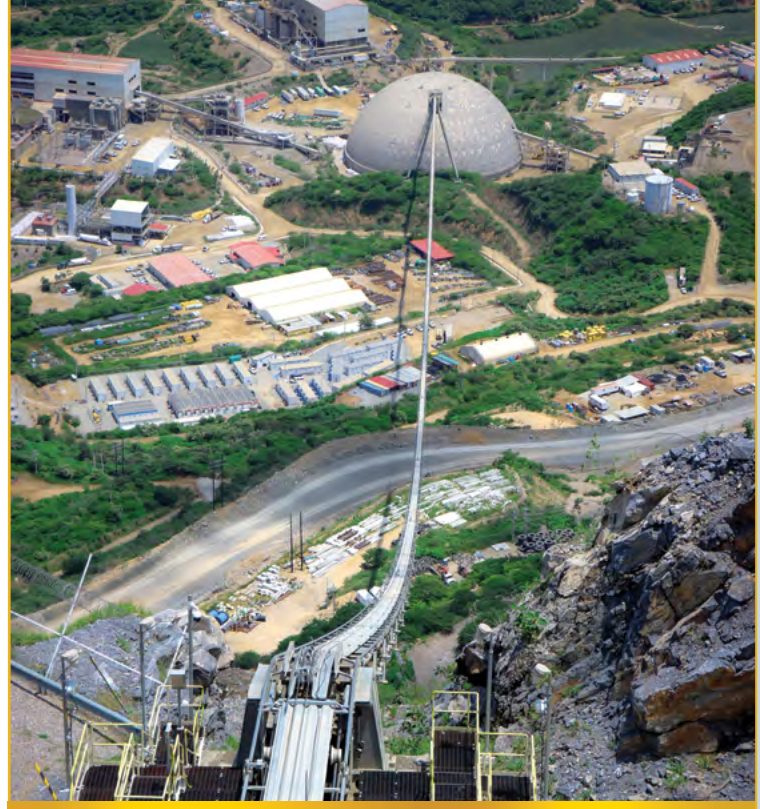
gender at the Board level, we were pleased to recently welcome Rodrigo Sandoval as our newest Director in 2022, a Mexican national who brings significant social, commercial and political knowledge and experience from within Mexico's mining industry. With Rodrigo's appointment, we have completed an ongoing process which began in early 2020 to refresh, strengthen and diversify the competencies and skills of our Board, knowing that strong governance requires diversity of thought and opinion as we continue to guide the Company to build a positive future in Mexico and beyond.

As we build our future with the Media Luna Project and look to grow and diversify through potential M&A opportunities, we will look to replicate the success we have had on building strong relationships based on transparency and trust with our employees and local communities, being responsible stewards of the land and natural resources and remaining steadfast to our core values, which are ingrained in the DNA of the Company at all levels of the business. On behalf of the Board of Directors, I want to recognize all employees for their efforts and accomplishments over the past year as we position ourselves for growth, and our exceptional management team that I am confident will continue to deliver the operational excellence that has come to be expected of Torex.
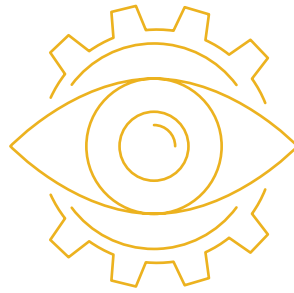
Jennifer Hooper
Independent Director, Chair of the Safety and CSR Committee

OUR
APPROACH

For Torex, responsible mining encompasses excellence in performance and disclosure on health and safety, environmental management, community engagement, good governance and human rights.

We recognize that we operate in a geopolitical area that is challenging in many ways. That is why we have worked hard from our very beginnings to build a culture and systems that prioritize health and safety and enable productive working relationships based on transparency, trust and respect; relationships that enhance the lives of our team members and neighbouring communities.

The Company places a priority on local employment and local procurement and, as a result, our operations are a key economic driver for the State of Guerrero. We also partner with our host communities through unique and innovative Community Development Agreements called CODECOPs (Convenio de Desarrollo Comunitario Participativo), through which community projects are defined according to local needs with an emphasis on local decision making. We have a very close presence in our local communities through dedicated community relations offices and personnel, to ensure our team is accessible and well-known by community members.

WORLD GOLD COUNCIL — RESPONSIBLE GOLD MINING PRINCIPLES

Since December 2020, we have been a proud member of the World Gold Council (WGC) and a signatory to the Responsible Gold Mining Principles (RGMPs), a set of 10 Principles and 51 sub-principles which address key ESG issues material to the gold mining sector. In consultation with the world's leading gold mining companies and key industry stakeholders, the RGMPs were designed to provide confidence to governments, investors, employees, communities, supply chain partners and civil society that gold is produced responsibly.

In 2022, Torex completed Year 2 implementation of the requirements of the RGMPs, including the publication of an RGMP Progress Report that was independently assured and made publicly available on our website. In 2023, we will continue the journey toward full internal compliance with the RGMPs by the end of the year, ahead of a full independent verification audit to be completed by August 2024.

INTERNATIONAL CYANIDE MANAGEMENT CODE

The International Cyanide Management Code (ICMC) is a voluntary program developed under the guidance of the UN Environmental program in partnership with members of the former International Council on Metals and the Environment. It is a global best practice standard and certification program for the safe transportation, management, and disposal of cyanide.

In 2021, the Company became a signatory to the ICMC to demonstrate our excellence and best practice in addressing risks associated with cyanide management. In 2022, a comprehensive pre-audit was completed, and an action plan is currently underway to close any remaining gaps ahead of a full certification audit by May 2024.

INDUSTRIA LIMPIA (CLEAN INDUSTRY) STANDARD

The Company continues to advance progress to gain certification under the Mexican Industria Limpia (Clean Industry) program — a national, voluntary environmental audit program established by the environmental enforcement agency PROFEPA. The program consists of two components, namely an audit of environmental compliance and a review of good environmental practices. Certificates are granted by PROFEPA for a period of two years. An external audit by the PROFEPA registered auditors took place in 2022, and an action plan toward full certification will be completed in 2023.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
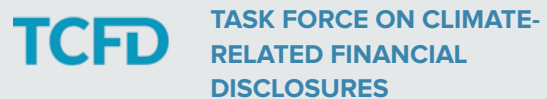
We recognize the importance of providing clear, comprehensive, and credible information on the impacts of climate change on our business and our own impact on the climate. In 2022, Torex released its inaugural Climate Change Report aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which is publicly available on our website. We continue to refine our understanding of climate-related financial risks and opportunities, and will work toward providing additional disclosures as outlined by the TCFD as we move forward.

We work hard to ensure our operations co-exist peacefully with the environment and have always looked to adopt technologies that limit our footprint on the environment while at the same time making good business sense through safety improvements, cost savings and other operational efficiencies. We are committed to meeting or surpassing regulatory requirements in all of our mining activities while doing zero permanent harm to the environment and leaving a net positive legacy in the areas in which we operate.

We have established a Company-wide ESG Working Group, comprised of senior corporate and operations leadership representatives across various ESG topic areas. The ESG Working Group is instrumental in providing subject matter expertise for various areas of the business and in advancing ESG initiatives across the Company.

Torex is committed to implementing the highest level of global corporate responsibility standards on performance and disclosure, developed through international initiatives and programs, including the following.

GISTM — GLOBAL INDUSTRY STANDARD ON TAILINGS MANAGEMENT

Torex strongly supports international calls for greater transparency and governance around tailings management. That is why in 2022, the Torex Board of Directors approved Management's recommendation to work toward adoption of the Global Industry Standard on Tailings Management (GISTM), a global best-practice standard that was published in August 2020 by the International Council on Mining and Metals (ICMM), the United Nations Environment Program (UNEP) and Principles for Responsible Investment (PRI).

GISTM is comprised of 15 principles and 77 auditable requirements, which apply to tailings facilities throughout the entire mine lifecycle, including closure and post-closure. As such, Torex is working toward achieving compliance with GISTM by August 2025 for both its existing Filtered Tailings Storage Facility (FTSF) as well as its planned new in-pit tailings facility, which is part of the Media Luna Project.

VOLUNTARY PRINCIPLES ON SECURITY AND HUMAN RIGHTS

The Voluntary Principles on Security and Human Rights (Voluntary Principles), which were established in 2000, are aimed at guiding companies on ensuring the safety and security of their operations within an operating framework that demonstrates respect for fundamental freedoms and human rights. In 2022, a third-party assessment was completed to identify potential human rights risks linked to security and found the Company demonstrates a high level of conformance with the Voluntary Principles. In 2022, security contracts were amended to include clauses on mandatory requirements associated with human rights, and training on the Voluntary Principles was conducted with all security personnel, which we plan to conduct annually going forward.

INTERNATIONAL FINANCE CORPORATION

We have implemented an Environmental and Social Management System (ESMS), which is based on the International Finance Corporation's (IFC) Environment, Health and Safety Guidelines. Our ESMS is made up of 15 management plans comprising a total of 54 mitigation measures to protect the soil, water, air, flora and fauna on our site. It is implemented by environmental specialists at our operations in Mexico, with oversight from our Executive Team. In 2019, an independent consultant conducted an audit on the compliance of all the IFC's Environmental and Social Performance Standards, and we reached 100% compliance.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Torex is working to support progress on the United Nations Sustainable Development Goals (SDGs). We recognize that we have an opportunity to positively contribute to all 17 of the SDGs as we work hand in hand with local communities and government officials to promote a positive and lasting socioeconomic impact.

Our values were defined in the very early days, before our operations even began, and they have always remained consistent. The "Values Continua" defines the character of our Company and guides our behaviour and actions at all levels of the organization. We consistently aim to be on the left side of the continua as we build and maintain productive relationships based on mutual benefit and trust.

THE VALUES CONTINUA

+   **−**

TRUSTWORTHY	⟷	UNTRUSTWORTHY
LOVING	⟷	UNLOVING
COURAGEOUS	⟷	COWARDLY
DIGNIFYING	⟷	DISRESPECTFUL
HONEST	⟷	DISHONEST
FAIR	⟷	UNFAIR
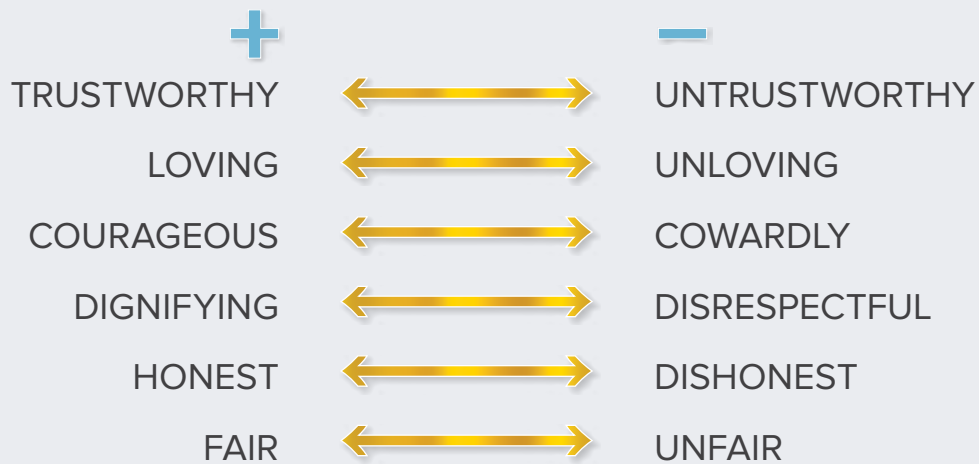
Human Relationships
are Based on CORE VALUES

ESCALA CONTINUA DE VALORES

+   −

CONFIABLE   NO CONFIABLE
PATERNALISTA   INDIFERENTE
VALIENTE   COBARDE
RESPETUOSO   IRRESPETUOSO
HONESTO   DESHONESTO
JUSTO   INJUSTO

SUMMARY OF **MATERIAL TOPICS**

In 2020, Torex conducted a comprehensive materiality assessment with the help of a third-party expert on ESG, in order to identify and prioritize ESG topics that are most relevant to our business and all of those who share stakes in Torex. Material topics have since been internally reviewed annually, and there have been no significant changes.

An overview of our material ESG topics, with a description of how each topic area impacts our business and the people we touch, is provided in the table below, alongside reference to the associated disclosures contained within this Report.

AREA	DESCRIPTION OF IMPACTS	PAGE
AIR QUALITY	Mining operations generate airborne particulates, including dust. Our operations are in a semi-dry environment, requiring effective management controls to reduce dust generation and to protect the health of our employees, contractors, and local communities.	91
BIODIVERSITY	Our operations are located near a priority region for biodiversity conservation, the Cañón del Zopilote. As a result, we maintain extensive biodiversity programs, often in partnership with local communities and stakeholders, to promote ecosystem stewardship and conservation.	87
BUSINESS ETHICS AND TRANSPARENCY	We pride ourselves as a values and purpose-driven organization and maintain high standards of business ethics to guide our individual and collective behaviours. Transparency is also a core, fundamental value, reflected in our commitment to comprehensive ESG disclosures with a focus on the issues most important to our stakeholders.	28
COMMUNITY RELATIONS	Maintaining constructive, positive relationships with our host communities is at the heart of how we operate. We have established agreements with local Ejidos, the primary landholders that touch our operations, as well as Community Development Agreements (CODECOPs) with eleven local communities. We work with these communities and make significant investments to improve the lives of community members and to create lasting socioeconomic benefits.	54
CORPORATE GOVERNANCE	Robust corporate governance mechanisms are critical for the effective oversight of the Company's affairs. These mechanisms also provide confidence to our investors and stakeholders in our ability to manage risk and deliver on our financial and operational performance.	24
ENERGY AND CLIMATE CHANGE	Mining is an energy-intensive industry. As such, there are significant opportunities to adopt new technologies to drive reductions in energy usage and carbon emissions. Climate change risks may also potentially impact our operational infrastructure. We support the Paris Agreement goals and recognize the important role that companies such as Torex can play in contributing to the solution on climate change.	73

In early 2023, we initiated the process to undertake a comprehensive review of our materiality assessment with the help of our external ESG experts. When assessing materiality, we consider a broad range of factors including the context we operate within and ongoing engagement with employees and community members; ESG-related regulations and guidance documents; ESG reporting frameworks and practices; and investor priorities. The process will involve consultation with our site team and local community members and officials to confirm and validate the assessment.

AREA	DESCRIPTION OF IMPACTS	PAGE
HUMAN RIGHTS	We recognize that Torex, like all mining companies, has the potential to have adverse human rights impacts on stakeholders without proper controls in place to mitigate potential impacts and risks. We are committed to understanding these potential impacts to mitigate any potential adverse effects.	64
LABOUR RELATIONS	Our business relies on the attraction and retention of a highly skilled workforce. We therefore aim to create a workplace culture that serves as a strategic differentiator, including a strong focus on training and development. Maintaining constructive and positive relationships with the local union is also critical to business continuity and success.	39
HEALTH AND SAFETY	We have built robust health and safety management systems to prudently manage the inherent safety risks associated with mining. Ensuring no lives are lost or negatively changed as a result of a workplace injury is a primary indicator of our success as a Company.	44
WATER MANAGEMENT	Water is essential in our mining and processing activities and we operate in close proximity to a major waterway. We recognize that water is a key shared resource requiring effective stewardship and collaboration with a broad range of stakeholders. As such, clean water availability and water management are a key focus of our community investment and programming with local communities.	85
WASTE AND HAZARDOUS MATERIALS MANAGEMENT	Mining and processing activities generate multiple waste streams and involve the use of chemical reagents. As such, effective management is required to protect the safety of our employees and the surrounding environment.	92

As part of our approach to performance and disclosure on ESG, we identify and prioritize ESG topics that are most important to our business and all those who share stakes in Torex.

2022 PERFORMANCE ON ESG GOALS AND TARGETS

Maintaining ESG excellence is a core strategic pillar for our Company, and, as such we set high standards and clear metrics to drive our ESG management and performance. Our ESG goals and targets are closely linked to our executive compensation and Company-wide performance incentive plan, which represented 25% of our short-term incentive plan (STIP) in 2022. By linking ESG performance into our broader financial performance, we ensure that ESG is a core part of our business strategy, development, and growth.

AREA	2022 GOAL	PROGRESS
SAFETY AND HEALTH	**Zero fatalities***	✅ **ACHIEVED**
	No lost-time injuries*	The Company ended 2022 with three lost time injuries and a lost-time injury frequency of 0.28 per million hours worked.
	Continue to implement SafeStart® and SmartCap© to maintain and build upon safety excellence*	✅ **ACHIEVED** SafeStart® Phase 1 Implementation was completed in 2022 with a total of 8,846 training hours delivered. By Q1 2023, more than 200 operators were fitted with SmartCap© technology.
	Finalize and implement our Contractor Safety Management Program	✅ **ACHIEVED** Program implemented in 2022; adherence to Contractor Management System now a requirement as part of all contractual agreements with the Company.
ENVIRONMENT	**Zero reportable spills of 1,000 litres or more that report to a natural water body***	✅ **ACHIEVED** There were no spills or environmental incidents reportable to authorities.
	Continue the development of our overall climate change and energy management strategy and publicly release greenhouse gas (GHG) emissions targets by 2050 with the ultimate goal of net zero emissions*	✅ **ACHIEVED** Inaugural Climate Change Report aligned with the recommendations of the TCFD, including 2030 GHG emissions targets, publicly released in November 2022.
	Report against the 2022 CDP Climate Change Questionnaire	✅ **ACHIEVED** Maintained score of "C". Our response can be found on the CDP public website.
COMMUNITY	**100% compliance with commitments set out in Community Development Agreements (CODECOPs) signed with 11 local communities**	✅ **ACHIEVED** All commitments associated with agreements honoured.
	Conduct a socioeconomic impact study with external experts to measure direct, indirect, and induced benefits for local communities and regional and national stakeholders	⏳ **IN PROGRESS** Report in progress by third-party consultants and expected to be completed in 2023.

The table below summarizes performance against our 2022 goals. Goals marked with an asterisk (*) are directly linked to executive compensation and Company-wide incentive plans, of which ESG comprised 25% in 2022[3].

> Maintaining ESG excellence is a core strategic pillar for our Company and, as such, we set high standards and clear metrics to drive our ESG management and performance.

AREA	2022 GOAL	PROGRESS
HUMAN RIGHTS	Develop an action plan to address the recommendations made by external experts in our human rights impact assessment and assessment against the Voluntary Principles on Security and Human Rights	**ACHIEVED** Human Rights Impact Assessment was conducted by a global expert in Human Rights, including a site visit conducted in February 2022 involving on-the-ground engagement with employees, contractors, service providers, and local communities. A full report was received, including an action plan that has been incorporated into the Company's overall 3-year work plan.
	Update our Company-wide Social Harmony and Human Rights Policy to formalize our human rights commitments under one umbrella	**IN PROGRESS** for finalization in 2023.
TRANSPARENCY	Maintain or improve scoring from key ESG ratings agencies.	**ACHIEVED** Maintained 2021 scores from ISS, MSCI, CDP and Refinitiv and achieved improvements from Sustainalytics and the S&P Global Corporate Sustainability Assessment.
GENERAL	Continue implementing the requirements of the Responsible Gold Mining Principles to achieve internal compliance by the end of 2023, ahead of a full compliance audit by August 2024*	**ACHIEVED** Year 2 Implementation Progress Report published December 2022.
	Update key ESG policies, including our Diversity Policy, Social Harmony and Human Rights Policy, and Environmental Protection Policy	**IN PROGRESS** for finalization in 2023.
	Develop an integrated three-year action plan to achieve conformance with key ESG standards, including the International Cyanide Management Code, the Global Industry Standard on Tailings Management, and Responsible Gold Mining Principles*	**ACHIEVED** Consolidated work plan to fill existing gaps on the ICMC, RGMPs and GISTM developed with timelines and key accountabilities assigned.

3 For additional details on goals and targets that are directly linked to executive compensation and Company-wide incentive plans, see page 8 of our Q4 2022 MD&A, which is available on our website.

Our ESG goals and targets are closely linked to our executive compensation and Company-wide performance incentive plan, which represented 25% of our short-term incentive plan (STIP) in 2022.

By linking ESG performance into our compensation structures, we ensure that ESG is a core part of our business strategy, development, and growth.

Goals marked with an asterisk (*) are directly linked to executive compensation and Company-wide incentive plans for 2023[4].

AREA	2023 GOAL
SAFETY AND HEALTH	Zero fatalities*
	No lost time injuries*
	Implement personal safety plan for site Operating Managers and Superintendents, at >80% compliance
	Continue to implement SafeStart® and SmartCap© to support continuous improvement on safety
ENVIRONMENT	Zero reportable spills of 1,000 litres or more that report to a natural water body*
	Report against the 2023 CDP Climate Change Questionnaire
	Complete Year 1 Climate Change work plan, including commissioning of new 8.7 megawatt solar plant, to support target of delivering 10% absolute reduction of GHG emissions by 2030*
	Develop 5-year water conservation strategy and associated targets for the Morelos Property*
COMMUNITY	100% compliance with commitments from Community Development Agreements (CODECOPs) signed with 11 local communities
	Conduct an economic impact study with external experts to measure indirect and induced benefits in Guerrero State and Mexico
HUMAN RIGHTS	Conduct annual training on the Voluntary Principles on Security and Human Rights with all site security personnel
	Update our Company-wide Social Harmony and Human Rights policy to formalize our human rights commitments under one umbrella
TRANSPARENCY	Maintain or improve scoring from key ESG ratings agencies
	Conduct an assessment of conformance with the World Gold Council Conflict-Free Gold Standard, including third-party assurance
GENERAL	Substantially complete outstanding requirements for compliance with global sustainability performance standards including:* ◠ Year 3 compliance with World Gold Council's Responsible Gold Mining Principles in preparation for verification audit in 2024 ◠ Year 3 compliance with International Cyanide Management Code in preparation for verification audit in 2024 ◠ Year 2 work plan for compliance with the Global Industry Standard on Tailings Management
	Update key ESG policies, including our Diversity Policy and Environmental Protection Policy

4 For additional details on goals and targets that are directly linked to executive compensation and Company-wide incentive plans, see page 8 of our Q4 2022 MD&A, which is available on our website.

GOVERNANCE

Good corporate governance is critical to the long-term success of Torex and is the collective responsibility of the Board and all levels of management. As the Company pursues growth plans in Mexico and abroad, while working to deliver superior returns to our shareholders, we are focused on maintaining and enhancing leading governance practices, adopting evolving governance standards and applying these in a manner consistent with our organizational purpose and values.

⚊ BOARD OF DIRECTORS

Our Board of Directors is the highest governance body within our organization. The Board is responsible for governing the management of the business and affairs of the Corporation. The Board fulfills its oversight responsibilities both directly and indirectly through various committees, including the following:

- ◠ Audit Committee
- ◠ Compensation Committee
- ◠ Corporate Governance and Nominating Committee
- ◠ Safety and Corporate Social Responsibility (CSR) Committee
- ◠ Technical Committee

In early 2020, the Company embarked on a Board-initiated rejuvenation process, to refresh, strengthen and diversify the competencies and skills of our Board to meet near-term and future needs of the Company. A skills matrix was developed and an external search firm was engaged to support the process.

Since then, the structure of our Board has been enhanced in several respects. In 2022, the independence of the Board stood at 89% in terms of composition and a full 100% of our Board Committees are comprised of Independent Directors. Our current average Board tenure as at the end of 2022 was 2.2 years, down from 6.4 years in 2020.

In 2022, we were pleased to welcome our newest Board member, Rodrigo Sandoval, a Mexican national who brings significant social, commercial and political knowledge and experience from within Mexico's mining industry. With Rodrigo's appointment, we have completed the Board rejuvenation process to ensure diversity of thought and opinion as we continue to guide the Company to build a positive future in Mexico and beyond.

Our focus on maintaining best practices associated with corporate governance initiatives, resulted in the Company maintaining a Governance QualityScore of "1" from Institutional Shareholder Services (ISS), a leading global proxy advisory firm, which is the highest possible governance score that ISS provides.

Details of our Board and Committee mandates, articles and by-laws, and position descriptions can be found on our public website. Full disclosure of our corporate governance practices is contained in our latest Annual Information Form (AIF) and Management Information Circular (MIC), both of which are publicly available on our website.

IN FOCUS

BOARD SHAREHOLDER ENGAGEMENT PROGRAM

In order to further strengthen our relationships with key shareholders at the Board level, in 2022 the Company initiated our first formal Board shareholder engagement program. Our Chair of the Board, Rick Howes, together with our Governance & Nominating Committee Chair, Jay Kellerman, met with several of our largest shareholders, all of whom showed a strong interest in discussing Company strategy, growth opportunities, governance and other ESG matters.

In early 2023, we continued this engagement, and members of the Board met with four of our largest shareholders, representing a combined 21.8% of shares outstanding. The Company plans to continue this engagement and welcomes any interest from our shareholders.

Director Education

Torex's Board of Directors puts an emphasis on ongoing education on topics relevant to the business. In 2022 and early 2023, director education included:

- Information and updates on developments in changes to accounting and auditing standards provided by management and the auditors of the Company;

- An update on current market trends in executive and director compensation and review of current and growing best practices in compensation committee governance provided by the Board's independent compensation consultant;

- In connection with the Company setting GHG reduction targets, information on GHG emissions, target considerations and positioning among gold mining peers provided by experts in energy management; and

- A presentation on the Mexican political landscape and risk environment.

The Company will also pay for any Director who wishes to become accredited by the Institute of Corporate Directors (ICD) as a certified director. Ms. Kuzenko and Ms. Wademan have each completed the course and hold the ICD.D designation.

Director Diversity

METRIC	2022	2021	2020
% of Directors male	56	56	70
% of Directors female	44	44	30
Average Director age	58	59	58

DIVERSITY & GOVERNANCE

At Torex, we believe that decision-making is enhanced through diversity in the broadest sense and our Diversity Policy reflects this principle. In the context of an effective Board, in addition to gender diversity, we believe that diversity includes expression of thought, business experience, skill sets and capabilities. We believe that diverse skills and backgrounds help create a business environment that encourages a range of perspectives and fosters excellence in corporate governance and the creation of shareholder value.

Meritocracy is a key principle of our Diversity Policy and this is reflected in Board appointments and employee advancement. In identifying suitable candidates for appointment to the Board or in selecting and assessing candidates for executive positions, candidates are considered on merit against objective criteria regarding required skills and experience, education, expertise and knowledge, with due regard for the benefit of diversity.

As at the end of 2022, the Board was comprised of 44% women, which is approximately 18% above the average for companies listed on the Toronto Stock Exchange (the "TSX"), and 22% above the mining companies listed on the TSX, that provided public disclosure by mid-2022[5].

GUIDING POLICIES

Our approach to doing business is guided by a set of policies that are applicable across our entire organization. They are designed to ensure that personnel at all levels of the organization are aware of their responsibilities and expectations regarding their conduct and behaviour.

The policies are developed by executive management and approved by our CEO and Board of Directors. Our main policies related to ESG are as follows:

- Social Harmony and Human Rights Policy
- Environmental Protection Policy
- Safety and Health Policy
- Diversity Policy
- Code of Business Conduct and Ethics
- Anti-Bribery and Anti-Corruption Policy
- Whistleblower Policy

At the operational level, to ensure that our partners live up to the ESG standards that we expect from our business partners, we also maintain a Social Responsibility Policy for Contractors, which requires compliance with all relevant Mexican labour laws, regulations, and taxation requirements. The Policy also sets standards of conduct and includes provisions for health and safety, labour requirements, and local hiring and procurement.

BUSINESS ETHICS AND TRANSPARENCY

Torex is committed to conducting our business with the highest standards of ethics and integrity in line with our core values, which include being trustworthy, honest and fair. Our Code of Business Conduct and Ethics (the "Code") outlines the guiding principles and standards of conduct expected of people at every level of our organization, including our Board of Directors.

Our Company is subject to various anti-corruption and anti-bribery laws, including the Canadian Corruption of Foreign Public Officials Act (CFPOA) as well as Mexican laws and regulations. According to Transparency International's 2022 Corruption Perceptions Index, Mexico scored 31/100, which indicates a high risk for potential corruption in the jurisdiction in which we operate. We implement a

SAFETY AND HEALTH POLICY

CODE OF BUSINESS CONDUCT AND ETHICS

ENVIRONMENTAL PROTECTION POLICY

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

SOCIAL HARMONY & HUMAN RIGHTS POLICY

OUR ESG RELATED POLICIES

WHISTLEBLOWER POLICY

5   Osler, 2022 Diversity Disclosure Practices – Diversity and leadership at Canadian public companies.

variety of measures to control this risk and promote transparency in our business activities.

Our Anti-Corruption and Anti-Bribery Policy, available on our public website, serves as the foundation of our approach to managing corruption and bribery risks. The purpose of the policy is to guide the Company and its representatives to conduct themselves in an honest and ethical manner as well as to comply with all applicable anti-bribery and anti-corruption laws. The policy contains compliance procedures and mechanisms for reporting potential violations, including a whistleblower mechanism. The policy is communicated to all staff employees through employee onboarding and an annual attestation process. Attestation is required from all staff employees annually. In 2022, the Company received one whistleblower complaint, which was reported to the Audit Committee and fully investigated.

As per the Company's Anti-Bribery and Anti-Corruption Policy, the Company prohibits donations or contributions to any candidate for public office or political party in the name of the Company. As a result, we did not make any political contributions to candidates for public office in 2022. We also report our payments to governments annually as per the Canadian Extractives Sector Transparency Measures Act (ESTMA). Our annual ESTMA reports are available on our public website.

Bribery and corruption risks are regularly incorporated into our ongoing enterprise risk management (ERM)

process. Bribery and corruption risk assessments were also integrated into a third-party human rights impact assessment that the Company completed in early 2022.

We maintain a Whistleblower Policy to promote further openness and transparency. This Policy contains a provision for a whistleblower hotline through which anyone, including all employees, contractors, vendors and members of the public, can submit a complaint regarding potential wrongful behaviour. Complaints can be submitted anonymously, and all complaints are treated confidentially. Retaliation against an individual submitting a complaint in good faith is strictly prohibited.

In 2022, there were no legal actions taken against the Company or its subsidiaries in relation to corruption, anti-competitive, or anti-trust behaviour. There were no incidents in which employees were dismissed or terminated for anti-corruption related issues and there were no contracts with business partners that were terminated for anti-corruption related issues.

🔾 Anti-Corruption and Whistleblower Metrics

METRIC	2022	2021	2020
Corruption incidents	0	0	0
Whistleblower complaints	1	3	0
Attestation to anti-corruption policies (%)	100	100	100

RISK MANAGEMENT

Torex maintains a robust enterprise risk management (ERM) framework to identify, analyze, assess, monitor and communicate risks across the business. While the Board of Directors is responsible for the oversight of the ERM Program, management is responsible for risk management and expected to use its judgement, skills and experience to make risk-related decisions.

An ERM Policy was developed and approved by the Board to articulate Torex's risk management philosophy, and the processes and practices that are in place to identify, communicate, and manage material risks across the Company. The Policy also ensures that responsibilities have been appropriately delegated for risk management.

As per the Torex ERM Policy, the Board of Directors is responsible for ensuring that controls are in place to appropriately manage the material risks of the Company. At least annually, the Board reviews and discusses existing and emerging significant risk exposures with the Executive Team, along with the guidelines and policies that management has put in place to govern the process of monitoring and reporting such exposures. Board Committees assist the Board through periodic examination of specific risks, controls, plans, timelines and reporting, as part of their respective mandates. This includes ensuring that the material risks relating to their specific area of oversight are identified and monitored by management, and that adequate mitigation strategies are in place in the context of the existing policies, work plans and objectives.

As defined in the ERM Policy, the Chief Executive Officer (CEO) is the owner of the Company's ERM Program and is ultimately responsible for its effective implementation. The CEO may delegate responsibility for developing policies and procedures and identifying and monitoring risks to the Chief Financial Officer (CFO), members of the Executive Team and/or the Vice President, Risk.

An ERM Framework was developed to operationalize the ERM Policy, defining a set of concepts, processes and tools for designing, implementing, monitoring, reviewing and continually improving risk management.

Existing and emerging risks are documented in a Risk Register at a level of detail required to support subsequent risk evaluation and management. Risk registers are reviewed and updated on a regular basis, with a full review performed annually through risk

workshops. Key risks are incorporated into long-term strategic planning and were considered as part of the bi-annual Internal Audit Plan, developed in late 2022.

For more information related to Torex's material risks please refer to the 2022 Annual Information Form (AIF), which is available under the Company's profile on SEDAR at www.sedar.com and on the Company website.

EXECUTIVE TEAM

Our Executive Team constitutes a group of professionals with diverse knowledge and skills. Individuals at the executive level have been selected using a thorough selection and vetting process, thus ensuring that the very best talent is attracted. This process assesses not only technical experience, but also a shared belief in our core values and other critical selection criteria including competence, capability, character, and curiosity. We believe this approach has been instrumental in the creation of a diverse workforce and inclusive culture.

The Executive Team currently has 43% female representation[6]. This is 10% higher than companies listed on the TSX, and 22% higher than the average female composition of executive management teams among TSX-listed mining companies, that provided public disclosure by mid-2022[7].

Executive Team Diversity

METRIC	2022	2021	2020
% of male	57	50	60
% of female	43	50	40

2022 Executive Team

57% MALE 43% FEMALE

---
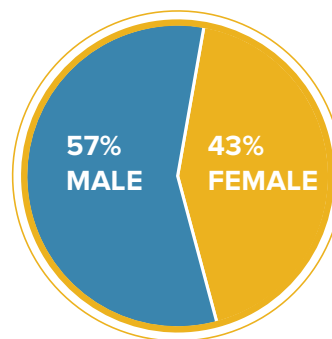
6   Note that at time of publishing of this Report, there are seven members of the Executive Team, three of whom are women.
7   Osler, 2022 Diversity Disclosure Practices – Diversity and leadership at Canadian public companies.

GLOBE AND MAIL "WOMEN LEAD HERE" HONOUREE

For the fourth consecutive year Torex earned honouree status in The Globe and Mail's 2023 Report on Business "Women Lead Here" list, an annual editorial benchmark to identify best-in-class executive gender diversity in corporate Canada.

The Report on Business magazine initiative, established in 2020, acknowledges the Canadian corporations with the highest gender diversity among executive ranks. In total, 90 companies earned the 2023 "Women Lead Here" seal, and we were proud to be among them – one of only five mining companies to be named to the list.

— 2023 —
REPORT ON BUSINESS
WOMEN LEAD HERE

GREAT ~~FEMALE~~ LEADERS ARE BUILT HERE

Torex Gold
RESOURCES INC.

We are proud to recruit the best and brightest who have the drive and capability to create positive change. Team members across the Company are becoming the next generation of leaders. Not because they are female, but simply because they are great.

Torex Gold is a Canadian gold producer, responsibly mining in Mexico.

ESG GOVERNANCE

The Torex Executive Team maintains senior management oversight of ESG topics and issues. ESG topics are discussed at weekly meetings forming part of cross-boundary updates. Primary executive accountability for ESG matters rests with our Senior Vice President, Human Resources, ESG & Communications, who reports directly to the CEO. Maintaining excellence in ESG has been identified as one of the Company's key strategic pillars, and in 2022, ESG-related goals represented 25% of the Company's variable short-term incentive compensation plan.

> Maintaining excellence in ESG has been identified as one of the Company's key strategic pillars, and in 2022, ESG-related goals represented 25% of the Company's variable short-term incentive compensation plan.

The Safety & CSR Committee is appointed by the Board to assist the Company and the Board in the furtherance of the Company's commitments to maintaining a healthy

IN F⊙CUS

ESG RATINGS IMPROVEMENTS

Management has continued to engage with ESG ratings agencies and investors to provide transparent and comprehensive ESG disclosures and reporting, and since 2020 has seen a material improvement in scoring. In 2022, the Company achieved its objective of maintaining or improving ESG scores among key ratings agencies, as follows:

S&P GLOBAL CORPORATE SUSTAINABILITY ASSESSMENT The Company participated in the S&P Global 2022 Corporate Sustainability Assessment (CSA). The Company's overall score improved to 47 (out of 100) from 37 in 2021. This places the Company in the 81st percentile of precious metals companies globally, up from the 61st percentile in 2021.

CDP The Company participated in the 2022 CDP Climate Change Questionnaire and received a 'C' score (Awareness level) which is consistent with the Company's score in 2021. It is expected that scoring will further improve in 2023 due to the release of our inaugural Climate Change Report in late 2022.

ISS, MSCI AND REFINITIV The Company maintained its ISS Environmental, Social, and Governance scores of 5, 2, and 1, respectively (scores are ranked 10 to 1 with lower being better) from 2021 to 2022. The Company's MSCI rating of 'A' was also maintained in 2022 as was Refinitiv's rating of 'B-'.

SUSTAINALYTICS Torex's Sustainalytics ESG Risk Ranking improved to 31.5 in 2022 from 35.3 in the previous year (with lower being better). With this improvement, Torex is now ranked in the top third (29/90) of the gold sub-industry.

and safe workplace as well as environmentally sound and responsible resource development, good community relations, and the protection of human rights. The mandate of the Safety and CSR Committee includes responsibilities to assist with the development and review of annual strategic ESG plans, including the development of short, medium, and long-term ESG targets; reviewing the ESG performance of the Company, including public commitments, goals, and targets; and considering and recommending improvements to ESG-related policies and practices of the Company.

The Safety & CSR Committee is comprised of Jennifer Hooper (Chair), Rosie Moore and Roy Slack, each of whom is an independent Director. The Safety & CSR Committee held four meetings in 2022, and there was full attendance at each meeting.

Robust ESG performance also requires integration throughout the operations. Recognizing this helps embed ESG in core business functions. One of the ways we achieve this is through our Company-wide ESG Working Group. This group is comprised of senior corporate and operations leadership representatives across various ESG topic areas. The ESG Working Group is instrumental in providing subject matter expertise for various areas of the business and in advancing ESG

initiatives across the Company. The mandate of the ESG Working Group in 2022 included the following activities:

- Provide subject-matter expertise
- Govern the implementation of global ESG standards, including the RGMPs, ICMC and GISTM
- Review and approve various ESG disclosures, including the annual Responsible Gold Mining Report
- Consider and recommend improvements to ESG-related policies and practices of the Company

The ongoing work of this group will continue to be instrumental in advancing key ESG initiatives across the Company.

CYBERSECURITY

Given the emerging risks associated with cybersecurity, Torex has focused on implementing a variety of specific control measures to manage information technology (IT) risks to protect personal and corporate security. Doing so is critical for reliable and resilient business operations.

We maintain an IT Policy that outlines our approach to managing IT risks. The objective of this policy is to protect IT assets and to mitigate the risk of accidental or intentional disclosure, modification, loss, damage, and/or misuse of information.

> In November 2022, members of our Executive Team and other key management representatives received an education session from third-party experts in cybersecurity in advance of a tabletop crisis management exercise on a simulated ransomware attack, to further ensure readiness in the event that the Company is targeted.

As part of its mandate, the Audit Committee of the Board of Directors maintains risk oversight of IT services and systems. The Audit Committee is chaired by Mr. Tony Giardini, who has expertise in IT and cybersecurity.

Our CFO is the senior-most executive responsible for the management of IT matters. Senior management reports quarterly to the Audit Committee on the Company's cybersecurity risk and IT controls program.

Although, to date, the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there is no assurance that such losses will not occur in the future. As such, the Company has established a Cyber Incident Response Plan (CIRP) based on a leading industry framework (NIST SP 800-61) and provides guidance to our

corporate employees on cybersecurity through annual training along with frequent phishing simulation tests. In 2022, we achieved a 100% training completion rate in Canada and 97% in Mexico.

In November 2022, members of our Executive Team and other key management representatives received an education session from third-party experts in cybersecurity in advance of a tabletop crisis management exercise on a simulated ransomware attack, to further ensure readiness in the case that the Company is targeted.

More information related to IT risks and our management controls can be found in our 2022 AIF available on our public website.

PUBLIC POLICY ADVOCACY

The Company is a member of multiple industry associations advocating for relevant aspects of public policy and responsible mining in Mexico. This includes Cámara Minera de México (CAMIMEX), the Mexican Mining Chamber, whose purpose is to foster positive development of the mining and metals industry in Mexico. With its affiliate companies, CAMIMEX promotes the implementation of best ESG practices to strengthen the performance of member companies.

We are also a member of the Guerrero Mining Cluster, which is comprised of mining companies operating in Guerrero State as well as local suppliers. The primary objective of the cluster is to foster collaboration between mining companies, local suppliers, and governments as well as to promote responsible mining practices in the State.

The Company is also part of the Canadian Chamber of Commerce in Mexico (CANCHAM), which represents Canadian business interests in Mexico and promotes trade and investment between Mexico and Canada.

While we advocate independently and through these industry associations, we do not make any political contributions to influence public policy.

IN F🔍CUS

PARTICIPATION IN THE 2023 NORTH AMERICAN LEADERS SUMMIT

In January 2023, Torex was invited to participate in the North American Leaders Summit in Mexico, a tri-lateral gathering of key government and business leaders in Canada, Mexico and the United States. Torex participated in a number of tri-lateral meetings, which were focused on a range of public policy issues, including the importance of critical minerals such as copper in the transition to a greener economy.

As part of the Summit, we were pleased to be invited to a private meeting with Prime Minister Justin Trudeau and the Honourable Mary Ng, Minister of International Trade, Export Promotion, Small Business and Economic Development, to discuss our Company's approach to responsible mining in Mexico. During the meeting, the Prime Minister commended Torex for its leadership in diversity, equity, and inclusion in the mining sector, as well as its responsible business conduct abroad.

OUR
PEOPLE

Torex relies on the talent, dedication, and hard work of our employees to achieve our business success. Recruiting, retaining, and developing the right people in the right roles is a major focus for our business.

Torex relies on the talent, dedication, and hard work of our employees to achieve our business success. Recruiting, retaining, and developing the right people in the right roles is a major focus for our business.

OUR APPROACH

Our workplace culture is representative of the character and personality of our organization and is a key competitive differentiator for Torex. It is critical in driving excellence in safety, productivity, innovation, and social responsibility.

From our beginnings, our approach has been grounded in Systems Leadership, which is aimed at creating a business culture that enables positive business outcomes. Systems Leadership provides for an integrated set of concepts, models and tools that, when used correctly, motivate our people to willingly and consistently give their very best.

While Systems Leadership has been foundational in terms of building our desired culture, the work has not been in isolation. In parallel paths, we have focused on:

- Getting the right leaders in the right roles. We do this through a thorough vetting process that not only includes assessing technical and cognitive capability, but also ensures "fit" in terms of the values we live by.

- Having a clear set of rules and procedures that make good sense, are enforceable, and are understood by our people in terms of "what" the rules are and "why" they exist.

- Connecting the head with the heart. People need a reason to work safely and effectively, apart from compliance with rules and system requirements. We have worked hard to build a culture based on genuine care, and we place special emphasis on personal relationships with each other, people's families, and local communities.

> In late 2022, Torex successfully negotiated a new one-year Collective Bargaining Agreement (CBA), which took effect January 1, 2023. In December, a legal vote took place to ratify the agreement according to new Mexican labour law, and with a high voter turnout of 95%, a full 97% of unionized employees voted in favour of the new agreement.

The Torex approach to work is also based on four key guiding organizational principles: Simplicity, Clarity, Mutuality and Meritocracy.

CLARITY	SIMPLICITY
MUTUALITY	MERITOCRACY
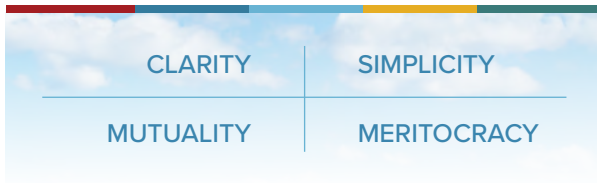
Through a set of 16 "People Systems" Torex implements a process to clarify work, pay fairly, fill roles, manage performance, build capability, and resolve complaints. These People Systems are interconnected with a variety of other operational systems and are based on our four key guiding principles.

LABOUR RELATIONS

All of our operational labour policies and procedures are designed to achieve compliance with all Mexican labour laws and regulations. Our compensation relative to other Mexican businesses and the mining industry in Mexico is highly competitive. We strongly believe that when the Company does well, our employees should do well, and this is reflected in our compensation structure, including base salaries, variable compensation and our approach to profit-sharing.

Employment is one of the primary interests for local community members and we aim to fill vacancies locally as a priority. To do so, we implement a local hiring procedure, which includes an established Labour Committee, to manage the decision-making process. Approximately 43% of our workforce comes from local communities, and we will continually seek ways to increase local employment.

Our Code of Business Conduct and Ethics (the "Code") outlines key standards of conduct for establishing a workplace based on respect and dignity. The Code is applicable across the entire Company. As per the Code, we will not tolerate:

- Discrimination against any individual or group based on race, gender, religion, national origin, marital or family status, sexual orientation, age, physical limitation, political affiliation or any other personal characteristics protected by law.

- Intimidation, harassment or bullying of any kind, with harassment being any type of repeated unwelcome behaviour, including sexual, racial, religious, psychological, physical, verbal or other abuse.

- Workplace violence of any kind, with workplace violence being any act in which a person is abused, threatened, intimidated or assaulted in their employment.

We employ a Fair Treatment System, the purpose of which is to resolve employee complaints about perceived unfair treatment in the workplace. This system is comprised of policies and procedures through which employees can issue complaints and ensure their fair resolution. Any employee or contractor may also report concerns to our whistleblower hotline, and they can do so anonymously. A review of our Fair Treatment Policy was conducted as part of the human rights impact assessment that was completed by independent human rights experts in 2022. The assessors found that this procedure is well communicated in the Company, trusted by employees, and transparent.

Torex maintains a Reglamento Interior de Trabajo (the "Reglamento"), which are internal working regulations that define how the Company will align with, or exceed, requirements set out in Mexican labour laws. The Reglamento includes, among others, the following provisions:

- Company commitments to respect the rights of workers as defined in Mexican legislation, including the international human rights conventions Mexico is party to;

- Minimum age requirements, which in Mexico is 18, thereby prohibiting child labour in our workforce;

- Working hours policy, including provisions for overtime pay;

- Provisions for the fair payment of wages and salaries as well as vacation entitlements;

- Health and safety provisions, including the right to refuse unsafe work;

- Equal protections provisions for men and women, including for pregnant and breastfeeding women;

- A grievance mechanism to resolve complaints fairly and effectively.

We support the rights of our employees to unionize in alignment with Mexican laws and regulations as well as the core conventions of the International Labour Organization (ILO). As at the end of 2022, 65% of our workforce was unionized and we work diligently to maintain effective relationships with our union.

In late 2022, Torex successfully negotiated a new one-year Collective Bargaining Agreement (CBA), which took effect January 1, 2023. In December, a legal vote took place to ratify the agreement according to new Mexican labour law, and with a high voter turnout of 95%, a full 97% of unionized employees voted in favour of the new CBA.

We maintain five working committees comprised of management and employees, both unionized and non-unionized, which enable constructive relationships based on ongoing dialogue. These include the following committees:

- Productivity and Training Committee

- Safety and Health Committee

- Profit Sharing Committee

- Seniority Committee

- Internal Regulations Committee

These committees, combined with our grievance mechanisms and frequent employee communication routines, help establish a culture of open and transparent feedback.

We maintain a profit-sharing system for our employees, in line with Mexican statutory requirements. All our employees – without exception – receive the same health benefits and life insurance, which is an industry-leading practice in Mexico. We also offer employees in Mexico and their families a number of additional benefits as shown on the next page.

ADDITIONAL EMPLOYEE BENEFITS (IN MEXICAN PESOS – $MXN)

SCHOOL SCHOLARSHIPS

School scholarships for employees' children with a value of $10,000 MXN for students with a minimum average grade of 9.0.

NEWBORNS PRODUCTS BASKET

A basket of products for the birth of each newborn baby with a total value equivalent to $5,000 MXN.

GIFTS FOR MOTHER'S AND FATHER'S DAYS

Gifts to employees who are mothers and fathers, including a special meal.

SCHOOL SUPPLIES BACKPACKS

Backpacks with school supplies to workers' children in elementary and high school.

CHRISTMAS GIFTS

Christmas gifts for children of employees up to 11 years old.

ATTENDANCE AWARD

$335 MXN and 4% of the monthly base salary paid the first week of the following month for perfect attendance.

FUNERAL EXPENSES SUPPORT

Support with funeral expenses for direct family members of $13,000 MXN plus 5 days of paid leave.

TRAINING

Training is a central component of our overall approach to organizational effectiveness so that we develop and grow employee capabilities to enhance their satisfaction and effectively perform their work. In addition to role-specific technical training, we provide a program of social process training geared at building relationships that are positive and based on trust. This includes our flagship Working Together program, which is a combination of Systems Leadership theory and hands-on learning aimed at strengthening team leader and team member skills at all levels of the business.

One of our key leadership training programs is our Supervisor Excellence Program (SEP). Trainees undertake carefully coordinated classroom training, peer learning and individual coaching sessions. SEP aims to develop the capability of our supervisors in Mexico to deliver the business excellence expected on safety, production, and costs. Some 138 full-time employee supervisors participated in the program in 2022, representing 3,312 total hours of training for a total of 24 hours of training per person.

In 2022, we continued with our Leadership Enhancement Program (LEP), designed for Superintendents, Managers and Directors both in Mexico and our Corporate Office. The LEP provides team leaders with tools and models to build a positive and productive workplace experience for their teams, and to clarify the work that leaders across

the business are expected to do so that productive teamwork is routinely achieved within and across teams. In 2022, a combined 58 leaders participated in the LEP program from within our site and corporate teams, representing 696 total hours of training.

DIVERSITY AND INCLUSION

We firmly believe the percentage of women that participate in the global mining industry is much too low and requires significant improvement, and it is through that lens that we seek opportunities to increase the number of women in our operations. While we are recognized as an industry leader for the high proportion of women on our Board of Directors and our Executive Team, we strive to continuously improve when it comes to diversity and inclusion within our operations.

Over the years, we have implemented a variety of programs, both at operational and community levels, to promote the advancement of women. For example, starting in 2018, we put in place a female haul truck driver program, recognizing that existing female truck drivers were among the safest and most productive. As a result of this program, to date we have trained approximately 27 women with 16 women currently employed as drivers within our operations.

As of December 2022, 17% of our total employees, including our corporate office and site, were female. Within our operations, 16% of our employees were female, which is consistent with 2021. We are proud

that at our site, females represent almost 28% of our local management team in manager or higher positions. Within our Corporate Office in Toronto, 38% are female.

For more information on our approach to diversity at the Board and Executive Team levels, see page 26 of this Report.

☰ 2022 PERFORMANCE

The table below presents key metrics related to our workforce and organizational excellence initiatives. More comprehensive data can be found in the "Our People" section of the ESG Performance Data Tables on page 94 of this Report.

☀ People Metrics

METRIC	2022	2021	2020
Total number of employees	1,151	1,061	964
Number of operations employees	1,108	1,020	924
Number of operations contractors	2,303	1,689	1,675
Percentage of operations employees from local communities	43%	44%	44%
Percentage of operations employees from Guerrero	59%	61%	60%
Percentage of operations employees from Mexico	99%	99%	99%
Total female employment (corporate & operations)	192	180	142
Total female employment (as % of total employment)	17%	17%	15%
Females in management or higher positions (%)	28%	29%	18%
% of staff covered by collective bargaining agreements	65%	64%	66%

HEALTH
& SAFETY

In November 2022, the Mexican government, through the Labour Secretariat, completed a formal inspection at the ELG Mine Complex focused on regulatory compliance of Health and Safety Conditions for Underground and Open Pit Mines. The inspection found 100% compliance, with no additional requirements or recommendations.

Performance excellence in health and safety is at the core of our overall success as a company. We know that when health and safety performance is excellent, excellence in production and other operational aspects follow suit. This has been clearly demonstrated through the strong safety performance that we have achieved over the past three years and the associated high performance calibre on production and cost management. We are extremely proud that in June 2022, for the second time since 2020, we achieved 10 million hours worked without a lost time injury.

We also know that excellence in safety performance doesn't "just happen" – it's achieved through a culture of felt leadership, interconnected systems, disciplined adherence to clear rules, and lived values that, in turn, inspire everyone to willingly give their best every day. Over the years, we have built a robust safety culture across our business with the goal of "no lives lost and no lives harmed" ensuring everyone returns home to their loved ones in the same condition they came to work.

In November 2022, the Mexican government, through the Labour Secretariat, completed a formal inspection at the ELG Mine Complex focused on regulatory compliance of Health and Safety Conditions for Underground and Open Pit Mines. The inspection included a review of systems, procedures, training compliance, field visits and conversations with employees and contractors. The inspection found 100% compliance, with no additional requirements or recommendations.

MANAGEMENT APPROACH

Our Safety and Health Policy serves as the foundation of our approach to manage safety and health risks and promote a culture that recognizes safety and health as both individual and collective responsibilities. The policy applies to all employees, contractors, and visitors to our operations, and is publicly available on our website.

We maintain a comprehensive operational Health and Safety Management System that is based on the "plan-do-check-act" model. We implement the system in alignment with Mexican federal labour laws, including regulations of the Mexican Secretariat of Labor and Social Security. The system is also aligned with the IFC Environmental, Health and Safety Guidelines and IFC Performance Standard 2 on Labour and Working Conditions. A full 100% of our employees and contractors are covered by the system.

The system is led by a team of health and safety specialists at both the corporate and operational levels. Our SVP Mexico, who reports directly to the CEO, maintains primary system accountability for our ELG operations. Similarly, our EVP of Capital Projects is accountable for the implementation of the safety systems at the Media Luna Project. Our Safety and CSR Committee of the Board of Directors provides Board-level oversight of the system. The system is assessed internally on a regular basis and undergoes periodic regulatory audits.

Risk management is a core system element, including clear processes for identifying, analyzing, and evaluating health and safety risks. This includes detailed risk assessment tools, such as bowtie analysis, hazard and operability studies, and failure mode and effects analysis. Health and safety risks are integrated into our operational risk register, which is monitored weekly by specialist staff. We also use an incident management system for reporting and investigating incidents, near misses, and unsafe conditions.

We provide on-site occupational health services for our employees and contractors, including through our on-site clinic. To promote worker health, we provide all our employees with comprehensive private medical coverage.

We also implement a Contractor Management System to ensure robust safety and health management within our contractor workforce. Additional details on our Contractor Management System can be found in the Spotlight on page 51 of this Report.

EMERGENCY PREPAREDNESS

We implement multiple emergency preparedness and response programs to prevent and respond to accidents and emergencies. Our Emergency Management Plan outlines key criteria for a variety of potential risks that have been identified in relation to people, the environment, the Company's assets, and local communities. The program contains an incident management procedure to define clear processes for a safe and effective response for any potential incident.

We maintain a site-level Emergency Management Team and a hybrid operations and corporate Crisis Management Team. These teams conduct regular scenario training to prepare for potential incidents. Managerial responsibility for the Emergency Management Team rests with the SVP Mexico, with responsibility for the Crisis Management Team resting with the VP, Health and Safety. The emergency response programs include multiple mine rescue scenario drills annually.

Stakeholder identification and communication procedures are also in place to enable effective communication with a variety of key stakeholders and regulatory officials at the local, regional, national, and international levels. Specific protocols are in place to ensure transparent communication for these stakeholder groups.

We implement additional protocols and procedures related to accident prevention and emergency preparedness as part of our Environmental Quality and Monitoring Program. This includes procedures for incidents related to hazardous materials. Of note, in November 2022, the operations received formal recognition from the Mexican government through PROFEPA for the Company's participation in the National Chemical Emergency Preparedness and Response Day (DINAPREQ), for a drill that was held on site in July 2022.

Throughout 2022, we continued updating our emergency response protocols with local communities, which included training elements for local community members as part of the implementation of the ICMC. We also maintain close relationships with local authorities and nearby mining operations in the event of a major emergency.

TRAINING

Training is a central component of our health and safety management systems. Throughout 2022, we delivered a variety of traditional and behaviour-based training as well as leadership development programs to embed best safety practices and behaviours at all levels of the organization.

In 2022, we continued the implementation of SafeStart® at our operations and within our Corporate Office. Key elements of the program include providing practical skills and safety awareness training to reduce critical errors that can lead to safety incidents and injuries at work and at home.

In 2022, we also continued piloting SmartCap©, an innovative fatigue management technology. SmartCap© utilizes electroencephalography (EEG) technology to enable enhanced predictive capacities to detect drowsiness and fatigue, which is a key safety risk especially for our mobile equipment operators.

> In 2022, in recognition of our outstanding safety performance, we were awarded a Safe Workplace Distinction by the *Instituto Mexicano del Seguro Social* (IMSS) as part of their Entornos Laborales Seguros y Saludables (ELSS) or Safe and Healthy Work Environments programme.

Training is also a key component of our Contractor Management System. Contractors and any subcontractors must adhere to a defined set of training modules as a condition of doing business with the Company. Monitoring of the training is completed by the Company to ensure compliance.

Full safety and health training metrics can be found in the ESG Performance Data Tables on page 94 of this Report.

2022 PERFORMANCE

In 2022, we achieved another strong year of excellence in our safety and health performance. In June, we reached the milestone of ten million hours worked without a lost time injury and we ended the year with a lost time injury frequency (LTIF) of 0.28 for employees plus contractors on a rolling 12-month basis. Our combined Total Recordable Injury Frequency (TRIF) was 1.58 as at the end of 2022, an improvement from 2.32 in 2021 and 2.52 in 2020. We saw a slight increase in our LTIF in 2022 over the past two years; with the increased number of contractors on site in 2022 and further increase in 2023, safety is an area that requires our constant attention as we strive for a LTIF of 0.

We are proud of our safety performance in all injury categories, with rates of injury 13 times lower than the national average in Mexico and 5 times lower than rates among our industry peers globally when compared to safety performance data compiled by the Mining Chamber of Mexico (CAMIMEX).

Additionally, the number of recorded near misses increased from 92 in 2021 to 317 in 2022. This increase was part of a deliberate effort to put a more significant emphasis on near miss reporting among our employees and contractors so that we can identify and rectify hazards that could result in serious injury. Near miss reporting includes reporting of equipment damage, small spills, and low severity first aid injuries, with a view to building a strong data set that allows for analysis of trends and intervention where required. Both employees and contractors now have access to kiosks within the workplace and an Incident Notification App allowing for immediate notification of near misses. As a result, we now have three times as many near misses being reported in 2022 compared to 2019.

In 2022, in recognition of our outstanding safety performance, we were awarded a Safe Workplace Distinction by the Instituto Mexicano del Seguro Social (IMSS) as part of their Entornos Laborales Seguros y Saludables (ELSS) or Safe and Healthy Work Environments programme. ELSS is a voluntary program for companies to implement strategies and actions to improve the health, safety and well-being of workers, as well as productivity and quality in the workplace. Distinctions are awarded annually. While the Company continued to follow strict COVID protocols in 2022, as of the beginning of January 2023, mandatory COVID-related restrictions in the operations were eased given 100% vaccination rates and a significant reduction in COVID-19 cases. In partnership with Mexican regulatory authorities, boosters are being offered to personnel at the site, and the Company will continue to follow any mandatory requirements enforced by state or federal governments moving forward.

Key year-over-year safety metrics are presented in the table below. Comprehensive safety metrics and indicators can be found in the health and safety section of the ESG Performance Data Tables on page 94 of this Report.

Health and Safety Metrics (Morelos Complex, including employees and contractors)

METRIC	2022	2021	2020
Fatalities	0	0	0
LTIF	0.28	0.14	0.15
TRIF	1.58	2.19	2.52

ENHANCING PERSONAL SAFETY AWARENESS THROUGH SAFESTART®

In 2022, we continued implementing a flagship safety training program called SafeStart®, a safety training program designed to address unintentional human error by providing tools and techniques to help employees become more self-aware and to manage the risk of injury beyond just systems and physical controls.

We recognize that much of our positive safety performance has been achieved by investing in systems that manage risks, control hazards, and apply fair discipline when required. However, people are social beings, and a very large part of a person's day will be guided by their subconscious mind, leaving a gap between what our safety systems can deliver and what our leaders can promote through their presence in the field. The SafeStart® Program is designed to help close the gap between where our systems end and where someone's real-time judgement, guided by their subconscious, begins, in order to support our goal of no lives lost and no lives harmed within our workplace.

A key element of the program focuses on the four "key states" that are most likely to lead to injury, including: rushing, frustration, fatigue and complacency. Importantly, the program recognizes that off-the-job injuries are significantly higher than within operational settings; therefore, SafeStart® leverages employees' natural motivation and provides techniques to reduce injuries at work, at home and on the road.

More than 200 SafeStart® sessions were held in 2022 with both employees and contractors, who are required to participate in the program as part of our Contractor Management System. In total, in 2022, almost 9,000 hours of training on SafeStart® was provided.

IN FOCUS

IMPLEMENTING SMARTCAP© TECHNOLOGY TO SUPPORT FATIGUE MANAGEMENT

Fatigue management, especially among mobile equipment operators, is a common safety concern in the mining industry. As a result, Torex has partnered with researchers at Laurentian University in Sudbury, Ontario to design and undertake a 6-month field evaluation of the acceptance and usability of a novel, wearable, fatigue detection device called LifeBand by SmartCap©. This technology combines a headband worn inside the Torex employees' hardhats and uses electroencephalogram (EEG) sensors and Bluetooth technology to wirelessly transmit the fatigue status of users to support intervention before fatigue-related incidents occur.

With support from the CTM union, the study engaged willing Torex employees that operate haul trucks within the open pits. With this trial, Torex is the first industrial organization to experimentally evaluate the technology in a field setting, as only two prior validation studies have been conducted in clinical settings.

After a successful pilot study of a small group of operators, the Company began a multi-year phased approach to integrate SmartCap© technology across the fleet. By the first quarter of 2023, more than 200 operators were fitted with the technology. Ultimately, the application of this technology will also include workers in the underground environment once operations at Media Luna begin.

Since introducing this safety technology, while there were hundreds of fatigue-related alarms, the system worked as designed and zero fatigue-related accidents or near misses have occurred among operators while wearing these devices. With the growing demand and uptake of targeted wearable technologies by workplace health and safety specialists, Torex is leading the way in field-evaluating their use in a dynamic workplace setting, while prioritizing the safety and protection of their workforce.

ENSURING A SAFE AND RESPONSIBLE SUPPLY CHAIN

We maintain a Social Responsibility Policy for Contractors to ensure our partners live up to the ESG standards that we expect from those that work with us. The Policy includes provisions stating that all contractors and sub-contractors must comply with Mexican labour laws and other regulations, and sets standards of conduct including provisions for health and safety, labour requirements, and local hiring and procurement.

We also maintain a system to verify that all contractors have paid Mexican taxes as well as the required social security payments for each employee. Contractors are contractually obliged to send monthly reports of their payroll and certification of the tax payments to our Human Resources department in Mexico.

Establishing safe working conditions is also a key component of a new Contractor Management System that the Company established in early 2022, which is intended to align contractor work and performance to Torex operational policies, procedures and systems. Every contractor and their sub-contractor(s) must verify that they have a Health, Safety & Environmental (HSE) Policy and Program, or the core elements of one. The process includes:

- Pre-qualification screening requirements on safety and risk management
- A requirement to submit a Health, Safety, Environment and Quality (HSE&Q) policy or program prior to a job being awarded, which is then scored on a matrix. If a scoring result is below a particular threshold, it will trigger a request for the program to be upgraded, failing which the contractor will be disqualified from the process
- A subsequent site-specific plan before work is started
- Periodic monitoring and auditing of work once started that is appropriate to the scope and nature of the work being performed
- Completion of a post-work performance audit

The Contractor Management System covers all contractors and sub-contractors. In 2022, 1,870 contractors were trained on the Contractor Management System.

IN FOCUS

PROMOTING PREVENTION AND AWARENESS OF BREAST CANCER

Breast cancer is the most common form of cancer death among Hispanic women and the leading cause of cancer-related death among young women in Mexico. As a result, the Company promotes early detection and breast cancer awareness among its employees and local communities.

October is global breast cancer awareness month. In 2022, Torex undertook a number of events within its operations and local communities to spread the message on awareness and prevention.

In the communities, talks were organized with medical staff to provide education on how to self-examine for breast cancer and the warning signs for prevention. Within the operations, a conference was organized to reinforce the importance of timely detection of breast cancer among all female staff and contractors. An aerial photo was also captured that expresses the message of Día de la Lucha, the battle against breast cancer in women.

COMMUNITY
RELATIONS

> **A key component of our community relations strategy is to negotiate and maintain unique community-led development agreements, called CODECOPs with the 11 local communities nearest to our operations.**

Building and maintaining positive, constructive community relationships based on our core values of trust, respect, honesty, fairness and transparency is critical to earning and maintaining our social license to operate. We attribute our approach to community relations as a key component of our overall business success.

MANAGEMENT APPROACH

Our Policy on Social Harmony and Human Rights outlines our Company-wide commitment to integrate positive community relations into our overall management systems. Stakeholder engagement is one of seven key components of our Environmental and Social Management System (ESMS) and a social management plan is a key component of our Environmental Quality and Monitoring Program.

We conduct socioeconomic baseline assessments for our major projects. We completed an assessment in 2015 for the ELG Mine Complex as well as an updated assessment in 2021 focused on the communities near the Media Luna Project. We regularly conduct and update stakeholder identification matrixes to identify key stakeholders impacted by our operations. The assessments consistently demonstrate that local communities and state, federal, and local regulatory authorities, including local municipalities as well as Ejido authorities (Comisariado Ejidal or Comisariado de Bienes Comunales), are some of the stakeholders with the highest potential impact and influence on our business.

The vast majority of the land in and around our operations is ejidal land, which is a communal form of land ownership. Ejidal land is collectively administered and held by its members (Ejidos) as either common land, which is jointly owned by the members, or as parcels that are held by individual members. We have signed long-term lease agreements with the Río Balsas, Real del Limón, Atzcala, and Puente Sur Balsas Ejidos, and with individuals (ejiditarios/as) who "own" land parcels. In 2022, we paid $13.1M for these agreements.

A key component of our community relations strategy is to negotiate and maintain unique community-led development agreements, called CODECOPs with the 11 local communities nearest to our operations. More information on these unique agreements can be found on page 58 of this Report.

To ensure frequent, open and transparent communications, our Community Relations and Public Affairs teams hold monthly meetings with local communities to keep the community informed about developments in our operations and consult on issues and topics as appropriate. We also maintain community relations offices in several local communities to enable community members to access and communicate with community relations personnel.

In addition to the Company's Whistleblower Hotline, we maintain a grievance mechanism to understand and respond to community concerns. The grievance mechanism is intended to address concerns promptly and effectively, using an understandable and transparent process that is culturally appropriate and readily accessible to all parties. The grievance mechanism was developed in 2013 and is aligned with IFC guidance on addressing grievances from project-affected communities. The grievance procedure is regularly reviewed in the spirit of continuous improvement.

Grievances can be submitted through a variety of means, including monthly community meetings, informal meetings with mine site staff, and the Company's formal grievance procedure. Grievances are classified according to their severity of impact and are subject to corresponding management controls to streamline Company responses and enable effective resolution. The grievance mechanism contains a commitments tracker system to digitally document and register all complaints. The grievance mechanism may also be used by stakeholders to address grievances against contractors and subcontractors.

The table below presents key community relations metrics for 2022.

⌒ Community Development

METRIC	2022	2021	2020
Community Development Agreements (CODECOPs)	11	11	11
Direct investment in community projects (millions US$)	$4.6	$4.1	$4.0
Fondo Minero Payments (millions US$)	$34.6	$34.5	$16.9
Delays caused by community-related issues	0	0	0
Number of grievances	16	8	10
Grievances resolved[8]	12	8	7
Delays caused by community-related issues	0	0	0

8   As at the end of the calendar year.

COMMUNITY DEVELOPMENT

Community Development is key to our approach to building strong community relationships and fulfilling our organizational purpose. We are committed to creating lasting economic prosperity for our host communities so that they will continue to thrive long after our mining operations are complete.

We implement unique, participatory CODECOPs (Convenios de Desarrollo Comunitario Participativo) in partnership with 11 host communities nearest to our operations. The CODECOPs outline the development commitments made by the Company and the roles and responsibilities of the communities and the Company in designing and delivering local development projects.

Local committees have been established for each CODECOP, which include requirements for female and youth representation. Funding priorities are defined by elected CODECOP committee representatives in consultation with community authorities and community members. Doing so helps build capacity in local communities and fosters a sense of ownership in the decision-making process, and the projects themselves.

Typical projects include infrastructure development and improvements, health initiatives, water and sanitation projects, agriculture and fishing initiatives, education initiatives, and cultural initiatives. The Company invested $0.7M as part of the CODECOPs in 2022 and in 2023 signed new annual agreements with the 11 host communities. The Company also spent an additional $3.9M in direct community investment.

In 2022, we also contributed approximately $34.6 million to the Fondo Minero (Mexican Mining Fund) now called Fondo para el Desarrollo de Zonas de Producción Minera, which is a tax payable by mining companies under Mexican law. The purpose of the fund has traditionally been to invest in development projects in mining regions throughout Mexico; however, it is now primarily allocated to a federal budget for educational projects and initiatives.

We also recognize the important role we play as a catalyst for economic development in our host communities, including through economic diversification and capacity building initiatives that leverage the skills of people that live around our operations. As such, the Company maintains a Local Procurement Procedure, which gives preference to local suppliers and prioritizes bids with significant local contributions in line with the Torex commitment to leave a net positive legacy in the communities in which we operate. In 2022, $13.7 million was spent on procurement within host communities, an increase of approximately 50% from 2021.

One of the fundamental pillars of our relationship with the local communities is sustainable development, aiming to provide local economic opportunities that are not dependent on the mining industry. For the past seven years we have supported the development of fishing cooperatives in local communities via a fishing and aquaculture program. Fishing is the second most important economic activity in the region and the objective of the cooperatives is to develop sustainable fisheries. Agriculture is also an important industry within the communities. In 2022, in the town of Atzcala, we developed a demonstration plot where producers were invited to witness crop rotation methodologies. The aim of the initiative is to increase agricultural productivity within the community and to introduce non-traditional crops to aid profitability.

In 2023, we plan to complete a socioeconomic benefits study to assess our economic impact on the local, state and national economy. The study will include an assessment of our direct economic impacts, as well as indirect and induced economic impacts.

We implement unique, participatory CODECOPs (Convenios de Desarrollo Comunitario Participativo) in partnership with eleven host communities nearest to our operations.

VALERIO TRUJANO
ELG

SAN MIGUEL
ML

NUEVO BALSAS
ELG

ACALMANTLILA
ELG

TLANIPATLÁN
ELG

REAL DEL LIMÓN
ELG

ATLIXTAC
ELG

ATZCALA
ELG

LA FUNDICIÓN
ELG

PUENTE SUR BALSAS
ML

SAN NICOLÁS
ELG
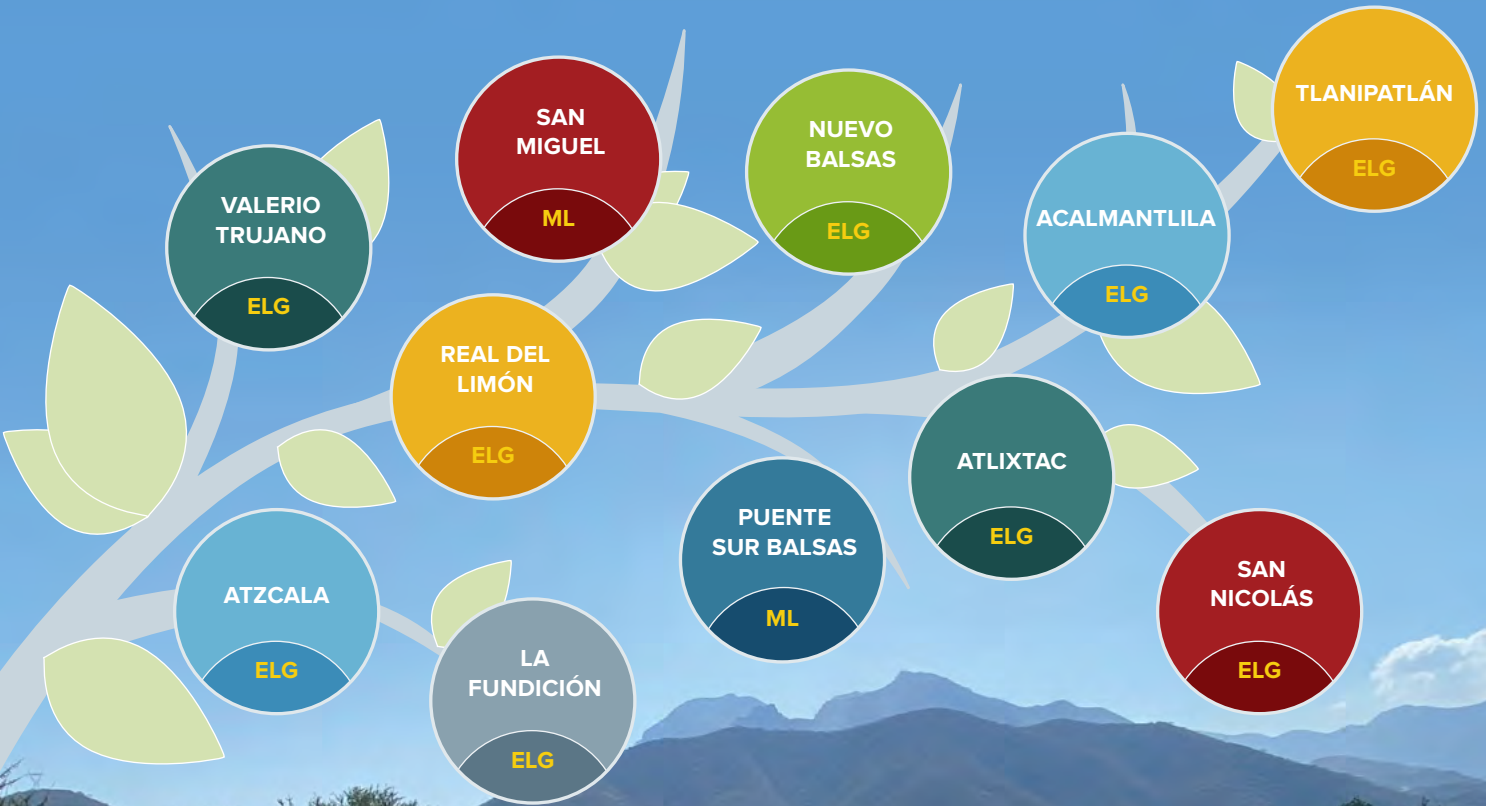
IN F💡CUS

INVESTING IN THE HEALTH AND
WELL-BEING OF LOCAL COMMUNITIES

Healthcare is another key cornerstone of our community investment initiatives to support the well-being of residents in nearby communities.

Through municipal agreements, the Company funds a portion of the salaries of doctors and other health care workers in the communities of Valerio Trujano, Atzcala, La Fundición and Nuevo Balsas. On a quarterly basis, we also provide medicines and medical supplies to local communities in consultation with medical personnel and community health committees.

Additionally, Torex provides support through meaningful improvements to local health centre facilities, through upgrades to infrastructure and the donation of equipment. In 2022, Torex assisted with upgrades to the Valerio Trujano Health Center and provided funds for the construction of a new health centre in La Fundición.

EMPOWERING YOUTH THROUGH EDUCATION

Education is one of our central pillars for community development and is a key part of the social programs undertaken by Torex. We recognize that investing in education and skills development is one of the most significant ways we can have a truly lasting impact on the lives of local youth and fulfill our purpose of positively impacting the lives we touch.

This year, we continued the "Advancing Together" scholarship program for local secondary and university students. This scholarship aims to motivate students to continue their studies to a higher level and reduce drop-out rates. In 2022, the Company invested more than $1 million pesos in scholarship funding, benefiting more than 140 students from surrounding communities.

Torex also made a significant donation, with a value of over $2 million pesos, to local schools in coordination with the Council of Cocula. The donation comprised of laptops, printers, classroom furniture and wall paintings, which benefited a total of 3,700 students from 70 nearby educational institutions including preschool, primary, secondary, upper secondary, special education and disability education. Additionally, public space improvements initiatives in the communities of Nuevo Balsas, Atzcala, Real del Limón and La Fundición focused on upgrading educational infrastructure through upgrades including air conditioning and recreational facilities.

IN FOCUS

RELOCATION OF THE COMMUNITY OF SAN MIGUEL

The community of San Miguel Vista Hermosa is located in very close proximity to the Media Luna project, where there will continue to be a high level of traffic and activity during the construction phase and when the mine is in production. In June 2022, the San Miguel Community unanimously approved the voluntary resettlement of the community to a nearby location. The resettlement will involve approximately 50 homes.

The resettlement project includes acquisition of three parcels of land from the Ejido Puente Sur Balsas. In late 2022, the general plan and architecture of the community was presented and approved by residents of San Miguel, and housing design options were presented to community members. It is anticipated the resettlement process will be completed in early 2024.

There is a genuine interest in improving the quality of life of residents of this community, who currently do not enjoy access to basic community infrastructure services such as water and healthcare, street lighting and drainage. We will continue to work closely with the citizens of San Miguel through the resettlement process with a view to leaving a lasting and positive impact on the lives of residents and their families.

PROMOTING BUSINESS DEVELOPMENT OPPORTUNITIES THROUGH LOCAL TRAINING

Torex has initiated job training programs within local communities as part of our sustainable community development efforts. Two initial courses were held in 2022, with a haircutting course delivered in San Miguel Vista Hermosa and a bakery course delivered in Puente Sur Balsas.

The courses were carried out in collaboration with the National College of Technical Professional Education (CONALEP) from the city of Iguala. Community participants who successfully completed the courses were awarded certificates of recognition for completion of the training.

Within the community of San Miguel Vista Hermosa, an award was given to the participant with the best performance in the course and assistance was provided with hair cutting equipment. The awardee now operates a functioning business with patronage from the community and Torex employees. In Puente Sur Balsas, a training room was set up in order to host continuous and ongoing training.

Both courses have served to provide economic opportunities to those within the surrounding communities. There are plans to further extend the programs in 2023.

In early 2023, Torex was proud to receive Mining Magazine's 'Indigenous and Community Relations' award for excellence in community relations and local community development. This award complements the recognition received by Mining Magazine in 2022 for excellence in safety management.

HUMAN RIGHTS

Our Social Harmony and Human Rights Policy outlines our Company-wide commitments to respect the human rights of our stakeholders. The Policy is guided by the "Protect, Respect, Remedy" framework of the UN Guiding Principles on Business and Human Rights, the main global framework for business and human rights. The Policy is also applicable to our suppliers, vendors, and other business partners.

Management Approach

Our approach to human rights is grounded in our core values of dignity and respect for people. We recognize that while governments have the primary responsibility to protect human rights, we have a responsibility to respect and protect human rights both directly through our operations and through our business relationships.

In 2022, we continued working to fulfill the requirements set out in the UN Guiding Principles on Business and Human Rights, as well as the World Gold Council RGMPs. We undertook a comprehensive human rights impact and due diligence assessment, including a site visit by human rights experts at our operations early in the year. The assessment involved extensive on-the-ground engagement with our employees, contractors, service providers, security personnel, and local communities and an extensive review of Company policies, procedures, and operational and corporate practices.

In parallel, the assessors conducted a security and human rights assessment to identify potential human rights risks linked to security and to determine the Company's conformance with the Voluntary Principles on Security and Human Rights (VPSHR).

Following on from the assessments undertaken we have strived to implement the recommendations outlined within. We have undertaken Human Rights training with all Security personnel and this training is now mandatory for all new Security personnel employed. All of our security personnel contracts now include provisions regarding human rights, and contractors are required to comply with a background check process on an annual basis. An update to our Social Harmony and Human Rights Policy will be undertaken in 2023.

2022 PERFORMANCE

In 2022 we achieved our human rights goals by undertaking human rights impact and security assessments and implementing the assessments recommendations. We also achieved our goal of zero authenticated human rights complaints against the Company.

The table below provides key disclosure metrics related to human rights.

Human Rights

METRIC	2022	2021	2020
Percentage of proved and probable reserves in or near Indigenous land	0	0	0
Operations that have been subject to human rights reviews or assessments	100%	100%	100%
Number of authenticated human rights complaints	0	0	0

PROMOTING TRANSPARENT DIALOGUE THROUGH THE 'VOICES OF MINING'

In November 2022, the Company organized an event called 'Social Voices of Mining' in the city of Chilpancingo, to raise awareness about the impact of mining and the Company's activities in Guerrero. The event was also designed as a means for the Company to listen to and understand the concerns of individuals that are touched by our operations.

A number of forums, panels and presentations took place throughout the day, in a manner that fostered two-way dialogue from attendees. In total, approximately 500 people participated in the event, representing sectors such as government, business, academia, the environment as well as members of the local communities.

IN F⊙CUS

GROWING THE POTENTIAL
OF AGRICULTURE IN THE REGION

Agriculture is an economic activity with significant potential in our nearby communities. In 2022, the Company worked with local agricultural producers in the community of Atzcala to encourage the growth of non-traditional crops and to improve production intensity. A demonstration plot was established which successfully harvested tomatoes, chillies, onions and sunflowers. This represents the first step in the establishment of a sustainable agricultural model which will, in turn, strengthen the economy of small producers at the local and regional level. The long-term goal is to recover agriculture as a profitable activity in the region.

SUPPORTING LOCAL ECONOMIC DEVELOPMENT THROUGH FISHING AND AQUACULTURE

For the past seven years, Torex has supported the development of fishing cooperatives in local communities via a fishing and aquaculture program. Delivered in conjunction with a local expert, the main objective of this program is to strengthen the fishing sector, which is the second most important economic activity in the region, and to promote best sustainable practices.

Collaborative agreements have been signed with nine fishing cooperatives located in Nuevo Balsas, Puente Sur Balsas and Atzcala. Collaboration between Torex, the National Fisheries Institute (INAPESCA) and the fishing cooperatives have focused on the repopulation of the El Caracol dam, where stocks of approximately 640,000 hatchlings have been introduced.

Additionally, through the Mexican Federal Government's "Jóvenes Construyendo el Futuro" program, ten young people from local communities were provided funding to receive training with the cooperatives.

The partnership initiated by Torex has resulted in new fishing methods being undertaken, such as the use of floating cages, and thanks to the alliance that has been created, the fishing industry in the area is starting to increasingly thrive.

IN FOCUS

USING ART TO REINFORCE CULTURE AND INCLUSION

In addition to our red, white and green ball and SAG mills reflecting our Company's Mexican and Canadian heritage, a local artist named Gerzain Vargas was commissioned to paint murals on mine portals located on the north and south sides of our operations to reinforce culture and inclusion.

The mural on South Portal Upper is called 'Unity' and reflects the respect and collaboration between Mexico and Canada – countries that have abundant natural resources and value the importance of sustainable and responsible development to ensure balance and protection of the environment above all.

The mural on South Portal Lower is called "The Mining Family in Mexico", and is a tribute to the families of employees, and in particular nurturing mother and fathers, who are critical to provide healthy and productive citizens for future generations.

The mural at Portal 3 at our ELG Mine Complex is called "Fertile Land". The confrontation of the two jaguars is a ritual to ask for rains in Guerrero, and the corn in the field symbolizes harmony among people.

This art within our operations demonstrates that mining truly can be beautiful.

> **We are committed to meeting or surpassing regulatory requirements in all phases of our operations, including exploration, development, mining, and closure activities, while doing zero harm to the environment beyond our operational boundaries.**

Achieving our organizational purpose requires a steadfast commitment to protect the well-being of the natural environment around us.

MANAGEMENT APPROACH

The Company's approach to environmental management is outlined in our Environmental Protection Policy. We are committed to meeting or surpassing regulatory requirements in all phases of our operations, including exploration, development, mining, and closure activities, while doing zero harm to the environment beyond our operational boundaries.

Adherence to our policy is driven via an Environmental and Social Management System (ESMS), which we have developed in alignment with the IFC Environmental, Health, and Safety Guidelines and the IFC Performance Standards. We also maintain an Environmental Quality and Monitoring Program, which is comprised of 16 management plans covering ten material environmental aspects.

The ESMS is implemented by a team of environmental specialists at our operations with overall operational accountability residing with our Senior Vice President, Mexico, who reports directly to our CEO. The Safety and CSR Committee of our Board of Directors maintains Board-level oversight of environmental management and associated performance. Senior management reports to the Committee quarterly on the Company's environmental management and performance.

IN FOCUS

NATIONAL RECOGNITION FOR MINING RESPONSIBLY

ESR EMPRESA SOCIALMENTE RESPONSABLE

Earlier this year, the Company was awarded the ESR® 2023 Distinction from the Mexican Center for Philanthropy (CEMEFI) and the Alliance for Corporate Social Responsibility in Mexico (AliaRSE) for the fifth year in a row as a result of our public and voluntary commitment to implement socially responsible management at our operations in Mexico.

The award is granted based on employees' quality of life, environmental performance and management, community relations, ethics, and management systems that support corporate social responsibility.

We conduct environmental and social impact assessments (ESIAs) for all major projects. We completed an ESIA in 2015 for the ELG Mine Complex and in 2021, we completed an updated ESIA for the Media Luna Project. The ESIAs are the primary way in which we identify and assess potential environmental and social risks and impacts for major projects. In turn, they enable the development of mitigation measures that then form the basis of a variety of management plans. The ESIAs, which are submitted to regulatory authorities, form the basis of environmental approvals, which in Mexico are referred to as a MIA (Manifestación de Impacto Ambiental – Environmental Impact Assessment) authorization.

We submit annual compliance reports to SEMARNAT (Federal Secretariat of Environment and Natural Resources) and PROFEPA (Federal Environmental Protection Agency) – the main environmental regulatory bodies in Mexico. The reports are focused on compliance with our primary environmental authorizations. Our environmental performance is also audited annually by an independent auditor approved by SEMARNAT.

PROFEPA runs a voluntary environmental audit program, called Programa Nacional de Auditoria Ambiental, which grants Industria Limpia (Clean Industry) certification.

Certification under the program consists of two components, including an environmental compliance audit and a review of good environmental practices. The Company continues to progress towards achieving certification under the program. In 2022, an external audit was undertaken and an action plan was developed to guide the Company toward full certification in 2023.

ENERGY AND CLIMATE CHANGE

We acknowledge that climate change is one of the world's most pressing challenges. Climate change is a systemic risk with the potential to impact our business and those we touch, including the communities in which we operate, our employees and our partners. We also understand and support the growing integration of climate-related risks and opportunities into investors' decision-making processes globally.

In November 2022, we released the Company's inaugural Climate Change Report, our stand-alone disclosure of climate-related information in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), which is publicly available on our website. The Report contains credible and achievable GHG reduction targets by 2030, and a clear

> Our approach to addressing climate change incorporates actions that have a positive impact on people and the planet, while making good financial sense for the health and sustainability of our business.

pathway to achieve these targets, which has been fully funded and approved by our Board of Directors. Elements of our Climate Change Report are summarized in this section and the full report can be found on our website.

Our Climate Change Commitment

We support the Paris Agreement goals and the recommendations of the TCFD. We believe that the mining sector has a key role to play in reducing global greenhouse gas (GHG) emissions as well as supporting the transition to a lower carbon economy by supplying critical minerals and metals that advance low emissions technologies and solutions. We recognize that addressing climate change is inextricably linked to our organizational purpose: "To transform finite mineral resources into lasting prosperity by positively impacting all the lives we touch".

Climate Change Approach

We are committed to analyzing the impacts of climate change on our business activities and integrating climate change factors into our long-term strategic planning.

Our approach to addressing climate change incorporates actions that have a positive impact on people and the planet, while making good financial sense for the health and sustainability of our business. Our strategy is guided by four key pillars, which align to the climate change factors that were identified as having the greatest potential to impact our Company's value through a Climate Change Materiality Assessment conducted in 2021:

1. Reduce GHG emissions and climate impacts at our operations and projects

2. Build resilience to the physical impacts of climate change across the Company

3. Increase the use of renewable energy sources

4. Promote efficient use of resources

> **Developing a net-zero carbon commitment and associated plan on carbon reduction, including 2030 carbon reduction targets, was a major component of the Company's 2022 ESG STIP objective.**

To support these pillars, our Board of Directors, Executive Team and all employees are expected to support our commitment to:

- Leverage Torex's culture of innovation to drive value through the continued development of an energy management strategy that promotes the adoption of efficient behaviours and solutions for reduced energy usage within our operating environment

- Regularly identify and assess low-carbon technology options and renewable energy sources to reduce our GHG emissions intensity for current and future operations

- Minimize our climate impacts and build resilience to climate change across our operations and projects

Our Climate Change Strategy is designed to support achievement of our climate-related targets:

- A 10% reduction in absolute Scope 1 and 2 GHG emissions by 2030, compared to a 2021 baseline (10% absolute target)

- A 25% reduction from Scope 1 and 2 GHG emissions in 2030 forecasted if no action is taken on intervention measures to reduce carbon emissions at the Media Luna Project (25% Business as Usual target)

- An overall commitment to achieve net-zero GHG emissions by 2050

Governance

The Safety and CSR Committee of our Board of Directors maintains Board-level oversight of the Company's environmental management, including climate change. The Committee is chaired by an independent director, Jennifer Hooper, who is considered to have expertise in climate-related matters. Executive management reports quarterly to the Safety and CSR Committee of the Board on climate-related matters, which have been integrated into quarterly Board meeting business cycles. Major capital expenditures and strategic initiatives related to energy and climate change are reviewed by the Board of Directors, who also approve ongoing climate-related targets and disclosures.

At the executive level, our President and CEO has the highest level of accountability for climate-related issues. The CEO is the highest-ranking member of the Executive Team and reports directly to the Board of Directors.

The Chief Financial Officer ("CFO") has accountability for enterprise risk management and the risks that are identified, which includes climate-related risks. This position reports to the CEO and is a member of the Executive team.

The Senior Vice President, Human Resources, ESG and Communications has been assigned senior corporate responsibilities for climate-related activities, including leading the development and implementation of Torex's climate change strategy as well as oversight of ongoing climate-related disclosures. This position reports to the CEO and is a member of the Executive team.

Overall operational accountability for managing climate-related risks and opportunities at our site in Mexico rests with the Senior Vice President, Mexico. This position reports to the CEO and is a member of the Executive team.

The Company's Manager of Environment and Energy reports to the Senior Vice President, Mexico and has operational climate-related responsibilities, including managing environment-related site-level risk and impact assessments, ensuring the Company is compliant with Mexican regulations related to climate change, and maintaining energy and GHG emissions inventories developed in conjunction with external energy experts and independently verified.

In 2020, an internal sustainability committee called the "ESG Working Group" was established, which is comprised of leaders from both the Corporate Office and operations. The mandate of the group is to drive ESG excellence across the Company, which includes supporting the development and implementation of climate-related initiatives.

CLIMATE CHANGE GOVERNANCE

```
┌─────────────────────────────────────────────────┐
│              BOARD OF DIRECTORS                   │
├─────────────────────────────────────────────────┤
│  SAFETY AND CORPORATE SOCIAL RESPONSIBILITY       │
│                 COMMITTEE                          │
└─────────────────────────────────────────────────┘

┌─────────────────────────────────────────────────┐
│      PRESIDENT AND CHIEF EXECUTIVE OFFICER        │
│                                                   │
│  ┌──────────────┐ ┌──────────────┐ ┌───────────┐ │
│  │    CHIEF     │ │ SENIOR VICE  │ │  SENIOR   │ │
│  │  FINANCIAL   │ │ PRESIDENT,   │ │   VICE    │ │
│  │   OFFICER    │ │ HUMAN        │ │ PRESIDENT,│ │
│  │              │ │ RESOURCES,   │ │  MEXICO   │ │
│  │              │ │ ESG AND      │ │           │ │
│  │              │ │COMMUNICATIONS│ │           │ │
│  └──────────────┘ └──────────────┘ └───────────┘ │
└─────────────────────────────────────────────────┘

┌─────────────────────────────────────────────────┐
│              ESG WORKING GROUP                    │
└─────────────────────────────────────────────────┘
```

In 2022, a significant percentage of our Company-wide short-term incentive plan ("STIP") applicable to our Executive Team and staff employees was focused on ESG performance. Developing a net-zero carbon commitment and associated plan on carbon reduction, including 2030 carbon reduction targets, was a major component of the Company's 2022 ESG STIP objective. This link helps establish climate performance as a key strategic focus for our Company.

Strategy

While we believe climate change is a major global issue and support the Paris agreement, we also have a real business need and interest in pursuing the climate change strategy that was developed in 2022, as we believe it will mitigate business risk and provide real opportunities to create value through health and safety improvements, cost savings and operational efficiencies that will benefit our operations.

Through the development of our climate change strategy, we sought to advance our understanding of climate-related risks and opportunities as outlined in the TCFD recommendations, and their potential for impact on the value of our Company over the short (0 to 3 years), medium (3 to 10 years) and long term (10+ years).

A detailed breakdown of these risks and opportunities, along with a summary of the strategies we have implemented to mitigate risk and capitalize on opportunities, can be found in our inaugural Climate Change Report found on our website.

In direct response to the risks and opportunities presented by climate change and their potential financial impacts, Torex has allocated capital and resources to a number of initiatives to reduce GHG emissions and climate impacts at our operations and projects, build resilience to the physical impacts of climate change across the Company, increase the use of renewable energy sources, and promote efficient use of resources in a manner that is not only beneficial to the planet but also to the financial health of our business. A clear indication that climate-related risks and opportunities have influenced our operational strategy is that our Media Luna Project has been designed with the future in mind and will incorporate several key initiatives to reduce GHG emissions, including battery electric vehicles, ventilation on demand technology and other opportunities.

While we have not yet conducted climate change scenario analysis, we are committed to continuing to enhance our understanding of climate-related risks and opportunities and the ways in which they could impact our business, strategy and financial planning. At an appropriate time, we will conduct climate change scenario analysis as we continue to enhance the alignment of our climate change disclosure with the TCFD recommendations.

Risk Management

Climate-related risks are integrated into our overall ERM system and assessed according to potential impact and likelihood, which include established financial thresholds. Individual risks are assigned a residual risk rating based on existing management controls. Risk status is monitored regularly to ensure appropriate management.

All corporate and operational risks are recorded in risk registers, and they are regularly reviewed by senior management. We conduct regular risk assessments for major projects, the most recent of which was completed in early 2022 for the Media Luna Project. Environmental and social risk assessments are also key components of ESIAs, the most recent of which was conducted as part of permitting for the Media Luna Project.

A climate-related risk assessment was integrated into our 2015 ESIA for the ELG project. This provided an understanding of climate-related impacts on the project and, in turn, supported the development of associated mitigation plans. As part of permitting activities for the Media Luna Project, modelling was conducted that included analysis of GHG emissions sources during the life of the project, GHG emissions reduction initiatives that the Company is putting in place, and projected energy use and associated GHG emissions. This analysis supported the identification of opportunities to reduce GHG emissions and the development of mitigation plans and will feed into future climate-related risk assessments. More information related to project-level risks for the
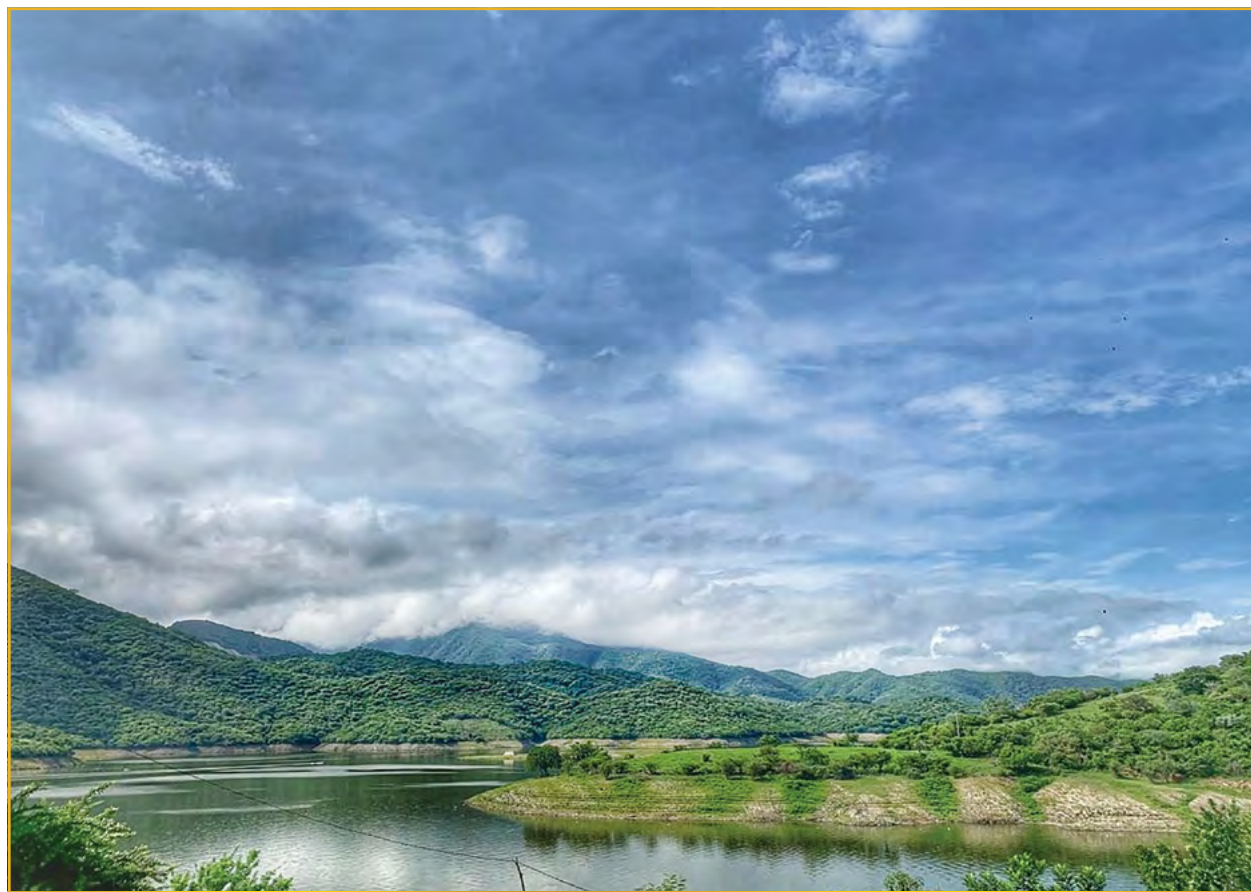
Media Luna Project can be found in Section 25.10 of the Morelos Property NI 43-101 Technical Report dated March 31, 2022, which is available under the Company's profile on SEDAR at www.sedar.com and on our public website.

At the corporate level, in 2021 Torex conducted a Climate Change Materiality Assessment. The purpose of this exercise was to identify and assess the climate change risks and opportunities outlined by the TCFD and ensure that the unique nature and characteristics of climate-related risks were being fully considered across the Company and that material risks were integrated into the risk register.

As part of the Climate Change Materiality Assessment, we considered:

- Existing climate-related regulations (e.g., Canadian Securities Administrators ("CSA") Staff Notices, U.S. Securities and Exchange Commission ("SEC") guidance regarding climate-related disclosure, and climate-related regulation in Mexico)

- Climate-related guidance and industry initiatives (e.g., World Gold Council's Responsible Gold Mining Principles).

- Climate change frameworks and standards (e.g., SASB Standards, SASB Climate Risk Technical Bulletin, TCFD recommendations, Climate Action 100+ Net-Zero Company Benchmark).

- Peers' disclosure on climate change.

- Investors' climate-related priorities.

Metrics and Targets

We maintain comprehensive inventories of our energy consumption and associated greenhouse gas emissions, including our Scope 1 (direct) and Scope 2 (indirect) emissions. The inventories are developed by external energy experts in partnership with our operational team annually, and the results are verified by an independent and accredited third party. Summary results are disclosed publicly on an annual basis. We have publicly reported on our emissions since 2019.

Our primary uses of energy include electricity to power our processing facilities and ventilation for our underground mines, and diesel for mobile equipment, such as our mining fleet.

In 2022, electricity and diesel each accounted for half of our energy consumption, and our associated emissions were split evenly between Scope 1 and Scope 2 emissions. With significantly increased activity at our site in 2022 with the commencement of the Media Luna Project and record annual production, our total Scope 1 and Scope 2 emissions increased by approximately 3.5%, while our emissions intensity was 0.429 tCO_2e per oz gold produced in 2022, which is consistent with our average emissions intensity since 2019. Torex's GHG emissions intensity is lower than the global industry average and one of the lowest in Mexico[9].

The following table presents our key climate metrics. Detailed energy consumption and GHG (Greenhouse Gas) emissions metrics can be found in the ESG Performance Data Tables on page 94 of this Report.

In late 2022, Torex was pleased to disclose our 2030 GHG emissions reduction targets as part of our Inaugural Climate Change Report, which is available on our website. The targets were the result of extensive foundational work conducted over the past few years to review and analyze baseline data, forecast future data, understand the evolving regulatory environment, and engage with site employees to identify economic

---

9   Source: S&P Global Market Intelligence – Greenhouse gas and gold mines – Emissions intensities unaffected by lockdowns (September 2021)

☉ Energy and GHG Emissions Metrics

METRIC	2022	2021	2020
Scope 1 emissions (t of CO_2e)	100,031.55	99,248.89	84,402.38
Scope 2 emissions (t of CO_2e)	103,483.59	97,455.52	106,739.82
Total emissions (Scope 1 + Scope 2 emissions in t of CO_2e)	203,515.14	196,704.41	191,142.20
GHG emissions intensity (t of CO_2e per oz gold produced)	0.429	0.422	0.444
GHG emissions intensity (t of CO_2e per t ore processed)	0.044	0.044	0.046

Alongside a 10% absolute emissions reduction target by 2030, we have developed a Business as Usual target which recognizes that energy consumption at our operations will change over time with continued operation and growth through our Media Luna Project.

If no mitigation measures were to be adopted, overall GHG emissions would be expected to increase by approximately 15% as we bring our Media Luna Project into full production. 2021 serves as a starting point from which discrete, opportunity-based mitigations are measured against a scenario in which we do not make strategic decisions and supporting investments to implement initiatives to reduce GHG emissions.

Through our Business as Usual target, we are targeting a cumulative reduction of 55,000 tCO_2e by 2030, which represents a 25% reduction from the Scope 1 and 2 GHG emissions in 2030 forecasted if conventional mining methods were deployed.

and achievable energy efficiency and GHG emissions reduction opportunities. This foundational work allowed us to have the confidence to set the following GHG emissions reduction targets with clear and credible pathways to achievement, in support of our overall commitment to achieve net zero GHG emissions by 2050:

- ☉ A 10% reduction in absolute Scope 1 and 2 GHG emissions by 2030, compared to a 2021 baseline (10% absolute target)

- ☉ A 25% reduction from Scope 1 and 2 GHG emissions in 2030 forecasted if no action is taken on intervention measures to reduce carbon emissions at the Media Luna Project (25% Business as Usual target)

Pathway to 2030

Our ambitious targets will be achieved by following a clear, credible, and funded pathway, which has been approved by the Torex Board of Directors. Planned measures include:

- ☉ The development of our approved and permitted 8.7 megawatt ("MW") solar plant. Expected energy cost savings are approximately $1 million per year over a 20-year lease period, with full payback of the solar plant to be realized within approximately nine years. The solar plant has the potential to reduce Scope 2 GHG emissions by up to 8.6% and overall Scope 1 and Scope 2 emissions by up to 3.9%. Construction of the solar plant is currently underway and is scheduled for completion in August 2023.

- ☉ The introduction of new battery electric vehicles ("BEVs") at our Media Luna Project, It is estimated that, in addition to savings in long-term operating costs, this will provide carbon savings of approximately 12,600 tonnes of CO_2e annually.

- ☉ Ventilation on Demand ("VoD") technology at both ELG and Media Luna. The system is supported by a fiber optic network to enable a wireless communications system within the mine. The VoD

Pathway to 2030

Chart showing Annual GHG Emissions (tCO₂e/yr) from 2021 to 2030.

- 2021: ~190,000
- 2030 Forecast without Planned Measures: **15%** increase (~225,000)
- -2% Planned Measures 2030
- -3.9% Solar Plant
- -4.8% Energy & Carbon Management Program
- -0.5% Biodiesel + Diesel tracking
- 2030 Forecast with Planned Measures (~170,000)
- Reduction in Absolute GHG Emissions **10%**
- Reduction in GHG Emissions from Business as Usual **25%**

---
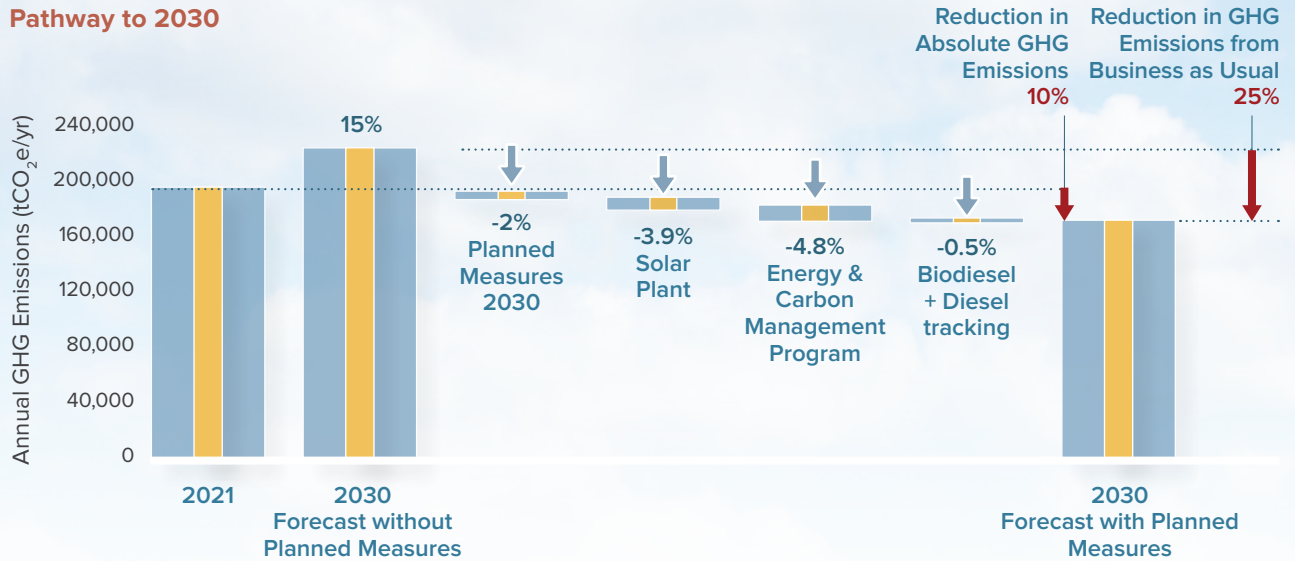
system is expected to reduce costs associated with ventilation and reduce our emissions by approximately 900 tonnes of CO_2e annually.

- An energy and carbon management program will be developed to measure and monitor energy use allowing us to optimize operation for efficiency and energy and carbon mitigation. This program is expected to reduce GHG emissions by approximately 4.8% by 2030.

- Biodiesel and diesel tracking will be undertaken and noted anomalies will be rectified. This initiative is expected to reduce GHG emissions by approximately 0.5%.

We have already implemented a variety of initiatives to reduce our carbon footprint. For example, we currently use an innovative ore conveyance system, RopeCon©, to transport ore from our open pits to our processing facilities. Doing so significantly reduces the need for haul trucks, which are a key source of emissions for mining operations. The RopeCon© produces more than 60% of the energy it consumes and, with this investment, we save approximately 5,520 in tonnes of CO_2e emissions annually.

We are committed to periodically reviewing our GHG emissions targets and pathways and will report on our performance on an annual basis. Our objective is to maintain responsible and achievable GHG emission reduction targets with credible and proven pathways, and prioritize reductions in absolute GHG emissions as supported by climate science. Assessing the significance of our Scope 3 GHG emissions will also be part of our future work on climate change.

PERMITTING AND COMPLIANCE

As per our Environmental Protection Policy, we are committed to meeting or surpassing all legal and regulatory requirements, with a goal of zero harm to the environment. Our operations are subject to a variety of environmental laws and regulations in Mexico, including at the Federal and State levels.

Management Approach

We maintain a comprehensive register of our environmental obligations, including all permits, authorizations, and commitments to ensure we meet or exceed regulatory guidelines as per our Environmental Protection Policy and to drive continuous improvement in our environmental performance.

In 2022, the Company received approval from SEMARNAT on the key, culminating environmental permit for the Media Luna Project. The approval ("MIA Integral") allows for operations to begin at Media Luna and builds on the receipt of the MIA Modification received in 2021. Receipt of the MIA Integral represents an important milestone in the de-risking of the Media Luna Project, and with the MIA Integral in hand, the Company now has all the key environmental approvals required to develop and operate Media Luna.

In 2022, the Company also received approval to increase the power draw at Morelos to 45 MW to accommodate activities at both ELG and Media Luna. A subsequent approval was received to increase the power draw to 65 MW, required to sustainably deliver full production at Media Luna.

IN FOCUS

ASSEMBLING ONE OF THE INDUSTRY'S LARGEST BATTERY ELECTRIC VEHICLE FLEETS AT MEDIA LUNA

Torex's new Media Luna mine is being built with the future in mind and will utilize a hybrid fleet of vehicles and equipment. The mine's primary underground production fleet, underground mining support fleet and personnel transportation fleet will all be battery electric vehicles (BEVs). This will result in one of the largest BEV mining fleets in Latin America — and one of the largest in the mining industry more broadly.

The introduction of the BEVs will support the Company's climate change strategy and 2030 GHG reduction targets, with expected carbon savings of approximately 12,600 tonnes of CO_2e annually. However, the introduction of a hybrid fleet brings many other benefits to our operations. Most importantly, from a health and safety standpoint, the size of the BEV fleet will result in significant air quality improvements underground, making for a cleaner and more comfortable working environment for our people. The BEV fleet also significantly reduces noise exposure from diesel engines and secondary ventilation, which reduces the potential for long-term hearing damage and makes voice communication near equipment less strenuous. We believe this will be key to attracting and retaining the best talent over the coming years — as BEV technologies improve and become more available, employees will expect to work in a healthier environment.

From a cost standpoint, the trade-off studies during the Media Luna Feasibility Study demonstrated a positive economic case, with an approximate 10% positive difference in net present value for a hybrid fleet relative to a purely diesel fleet. While the upfront cost of the hybrid fleet was higher than the diesel fleet, the operating costs and sustaining capital requirements over the life of the fleet were lower due to lower fuel consumption and a significant reduction in ventilation needs.

BUILDING THE FIRST SOLAR PLANT
AT A MINING FACILITY IN MEXICO

Torex is currently building the first solar plant at a mining facility in Mexico. We are fully permitted to construct an 8.7 MW solar plant at ELG to provide renewable energy to our operations, thereby decreasing our reliance on the Mexican power grid, which is a key contributor to our carbon emissions and currently provides 100% of our electricity.

The solar plant is expected to be fully constructed and commissioned by the end of 2023. Once operational, the facility will provide a number of financial and environmental benefits to our operations. Expected energy cost savings are up to $1M per year over a 20-year lease period, with full payback realized within approximately nine years.

The solar plant has the potential to reduce Scope 2 GHG emissions by up to 8.6% and overall Scope 1 and Scope 2 emissions by up to 3.9% from our 2021 baseline year. When Media Luna is constructed and enters commercial production, our energy profile is expected to significantly change. At that point, the majority of our emissions will be coming from Scope 2 emissions; therefore the biggest opportunity for us to continue to reduce emissions will be to increase our renewable energy capacity through projects such as this one. The installation of this facility also opens up the possibility of leaving energy infrastructure behind to local communities as part of our commitment to leave a net positive legacy where we operate.

Permitting approval has also been granted for the construction of the 8.7MW solar plant to provide renewable energy to the ELG processing facilities, and approval was also granted for the construction of a landfill at the Media Luna Project.

Work is now focused on the submission and approval of two modifications to the MIA Integral. The first modification, which was submitted to SEMARNAT in the first quarter of 2023, includes some updates to the footprint arrangement at Media Luna and ELG from the original footprint contemplated in the MIA Integral submission. The second modification, scheduled for submission later this year, will be focused on the new in-pit tailings facility that is planned as part of the Media Luna Project.

Additional details related to permitting of our Morelos Complex can be found in Section 20 of the National Instrument 43-101 Technical Report for the Morelos Property ELG Mine Complex Life of Mine Plan and Media Luna Feasibility Study dated March 31, 2022, which is available under the Company's profile on SEDAR at www.sedar.com and on our public website.

We submit annual compliance reports to SEMARNAT, the primary environmental regulatory body in Mexico. In 2022, it was determined that we were in full compliance with all of our environmental permits and requirements.

2022 Performance

We maintained 100% compliance with our environmental requirements during the year. We also achieved our goal of zero environmental spills of 1,000 litres or more to the receiving environment, a goal that was tied to our executive compensation and Company-wide incentive plans.

— TAILINGS MANAGEMENT

Management Approach

Our approach to tailings management begins with project design. At ELG we designed and constructed a world-class filtered tailings storage facility (FTSF), which is one of the largest globally and one we believe to be best-in-class in the mining industry.

We filter our tailings through a filter press plant within our processing facility, which reduces the moisture content to approximately 17%. The remaining water is collected and sent back to the processing facilities for re-use. In 2022, approximately 1,241 megalitres (ML) of water was recycled through this process.

The tailings are conveyed, placed, and compacted in the storage facility. A buttress of rock on the downstream side adds additional stability and safety. This process significantly conserves water, eliminates the need for tailing embankments, and essentially eliminates the risk of dam failure, which is a critical consideration given that we operate in a relatively high seismic area.

We have internal technical teams dedicated to monitoring the tailings facility. Site personnel responsible for the operation of the facility complete daily inspections and fill out daily inspection reports. Their work is audited by external experts who inspect the site monthly, as well as conduct dedicated inspections in both the wet and dry seasons. The facility is also inspected annually by an independent, third-party consultant.

Going forward, we are enhancing the management of the FTSF by implementing the Global Industry Standard on Tailings Management (GISTM), a global best-practice standard for the effective and safe management of tailings. For more information on the GISTM please refer to the Our Approach (page 12) section of this report.

As part of our Media Luna Project, we intend to begin depositing tailings into one of our open pits that will be mined out by the end of this year. Planning work for the new in-pit tailings facility is complete, and a permit application is planned for submission during the second half of 2023. As part of the new tailings facility and process, we plan to return sulphide rich tailings for backfill in underground mine workings. This approach will significantly reduce the need for further land disturbances and will help minimize our overall environmental footprint. The new tailings facility is also being designed in accordance with the technical requirements of GISTM.

2022 Performance

Our current FTSF operated through all of 2022 with zero discharge to the downstream environment. In addition, lab results obtained throughout the year continue to indicate no acid drainage potential both at the ELG Mine Complex and at the Media Luna Project. Annual audit and inspection reports from our external engineer of record (EoR) continue to demonstrate that our facility is well-managed and is performing in accordance with the intent of the design.

The table below presents key performance metrics related to tailings management.

Tailings

METRIC	2022	2021	2020
Tailings produced (tonnes)	4,599	4,512	4,162
Characterizations with acid drainage potential	0	0	0

WATER MANAGEMENT

Water is a vital shared resource, especially considering global challenges related to water scarcity. Access to safe, clean water is a fundamental human right and is essential for sustainable livelihoods and healthy ecosystems.

Water is a key input into our mining and processing activities. Our primary uses of water are in our processing plant, for dust suppression on haul and access roads, and for camp use.

Our operations are also located adjacent to the Balsas River, which is an important economic and cultural resource in the region. Recognizing that many of our host communities have faced challenges with access to water for domestic use and for drinking water, providing access to clean, safe water to local communities continues to be a core focus of our community development activities, through projects including the construction of water treatment facilities and groundwater drinking supply wells. Water is also used by our host communities for agriculture and livestock.

According to the World Resource Institute's Aqueduct Water Risk Atlas, our operations are located in an area of "medium-high" overall water stress, meaning that the area has a risk score of between 2 & 3, where a score of 0 is low risk and 5 is extremely high risk. There are seasonal periods of very dry weather, which can exacerbate challenges for access to reliable water sources, both for the Company and communities. There are also seasonal periods that bring intense rainfall, which can create challenges for managing water in our process water ponds.

Because water is such an important resource for both the Company and our host communities, sound water management is a key operational priority. We work diligently to embed effective water management across the business and sustainable water initiatives are a key component of our community development programming.

Management Approach

We maintain a comprehensive site-wide water balance model, which was developed in conjunction with recognized external engineering experts. The water balance is a key tool to support effective water management at the operations, and to evaluate the movement of water and estimate water storage and flow rates. The site-wide water balance will be updated in 2023.

In 2022, almost 55% of the water we consumed was recycled through a variety of water recycling initiatives to optimize our water consumption. For example:

- Process water is reused from our filtered tailings press facility and returned to the processing plant for reuse. In 2022, we reused 1,241 ML of water by doing so.

- We recycle water from our process water ponds. In 2022, we recycled approximately 575 ML of water from this source.

- We also reuse water for dust suppression purposes. In 2022, some 290 ML of water was recycled for this purpose.

We maintain a comprehensive surface and groundwater monitoring program to establish baseline conditions, predict and plan for potential impacts, and ensure ongoing compliance with water regulations. Through this program, we have established an operational monitoring network of 77 sampling points from which we conducted 430 samples in 2022. The operations team conducts daily sampling and third-party verification is conducted monthly using a Mexican accredited laboratory.

Since 2017, we have also partnered with the Autonomous University of Guerrero (UAGro) on a unique, participatory water monitoring program in the Rio Balsas and the Rio San Juan. Monitoring is conducted by UAGro for surface water quality and fish health, and results are shared with local fishermen and community members. In February 2023, the seventh annual agreement was signed between the Company and UAGro.

We use a Web-GIS Dashboard for data management, access, and team collaboration. The system uses the EQuIS data platform to consistently manage and query data. The dashboard contains data collected from groundwater monitoring wells, water supply wells, surface water monitoring locations, and water management ponds.

We maintain a variety of water-related permits, which allow us to discharge water up to 50 times a year. However, we maintain a "zero-discharge" water site as we do not discharge water to local watersheds.

2022 Performance

In 2022, there were no water-related non-conformance incidents at our operations and no fines and/or penalties were levied against the Company for water-related incidents. The following table presents key water metrics for 2022. More comprehensive water-related data can be found in the ESG Performance Data Tables on page 94 of this Report. The data was reviewed by an external party to ensure accuracy.

☁ Water

METRIC	2022	2021	2020
Mine Site Consumption (ML)	2,304	2,124	1,700
Water discharged (ML)	0	0	0
Water recycled (ML)	1,241	1,218	1,123
Water recycled (as a percentage of total mine site consumption)	54%	57%	66%
Water use intensity (ML per oz gold produced)	0.00486	0.00454	0.00395

> **We are committed to a target of a 3:1 offset to promote a net increase in habitat conservation.**

BIODIVERSITY AND LAND USE

We recognize the importance of biodiversity in maintaining ecosystem health as well as growing international calls for business action to help tackle global ecological challenges. We understand that the topic of biodiversity has increased in importance for investors due to recognition of companies' exposure to nature-related risks, the interconnections between climate change, biodiversity, and net zero, and the COP15 Summit culminating in the adoption of the Kunming-Montreal Global Biodiversity Framework. As such, more transparency is being sought on nature-related risks and dependencies, with the Task Force on Nature-related Financial Disclosures (TNFD) becoming more prominent.

Mexico is ranked as one of the most biodiverse countries in the world according to Conservation International. We operate in the vicinity of a priority region for biodiversity conservation – known as the Cañón del Zopilote – demonstrating the need for strong management of biodiversity risks and impacts.

Management Approach

Our commitment to managing biodiversity is enshrined in our Environmental Protection Policy through which we commit to doing zero harm to the environment beyond our operational boundaries. Our approach to managing biodiversity risks and impacts is aligned with IFC Performance Standard 6 on Biodiversity Conservation and Sustainable Management of Living Natural Resources. In accordance with these requirements, we are committed to "no net loss" of natural and critical habitat. We are committed to doing so by offsetting our entire mine footprint in natural habitat areas, with a target of a 3:1 offset to promote a net increase in habitat conservation.
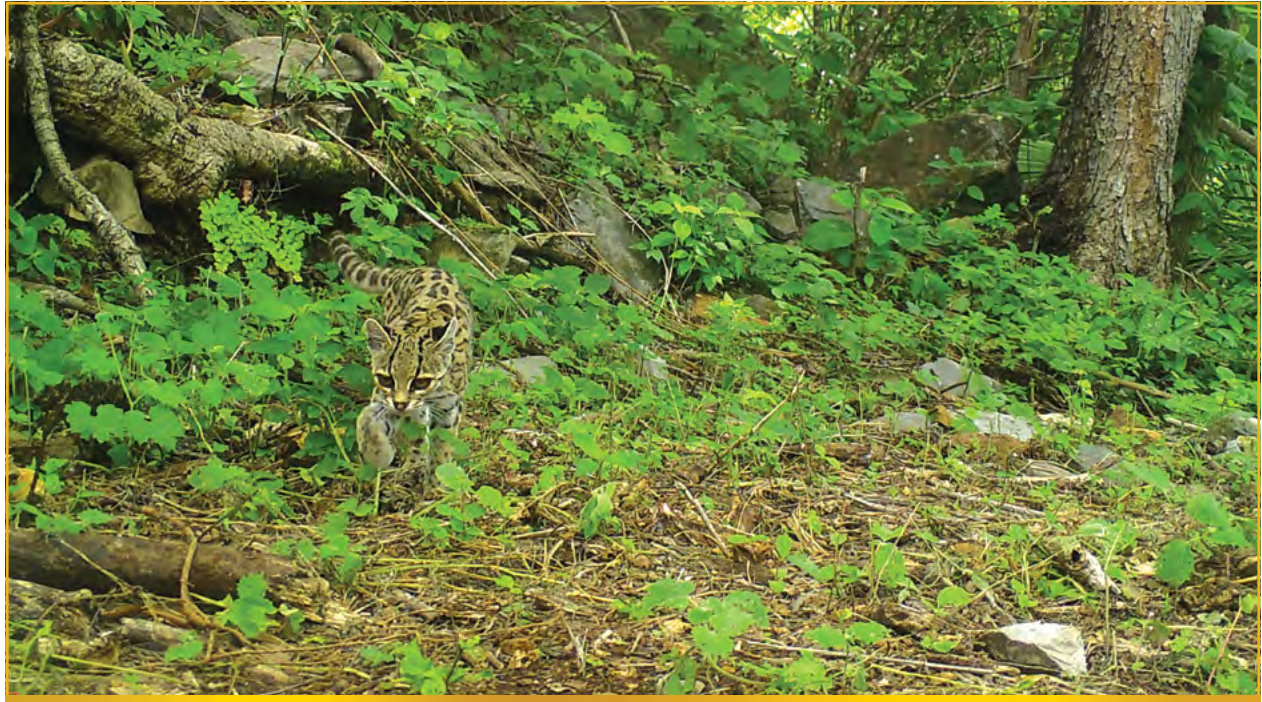
Biodiversity risk and impact assessments are key components of our overall project-level environmental and social impact assessments. The most recent biodiversity baseline studies were completed in 2021 as part of permitting activities for the Media Luna Project. The baseline studies identified two at-risk fauna species, namely the margay, a small wild cat and the military macaw, a medium-sized macaw, both native to the Americas, ranging from Mexico to Argentina. We implement special conservation and monitoring programs for these species, in addition to a designated program for the lesser long-nosed bat. The studies also identified two at-risk flora species.

Baseline studies inform our associated Biodiversity Management Plan developed in conjunction with key stakeholders and regulatory agencies. This plan is incorporated into the overall operational environmental and social management system. This plan also includes an Integrated Flora and Fauna Management Program. As part of this program, we maintain an extensive monitoring program, including special monitoring programs for at-risk and vulnerable species identified in baseline studies.

We maintain an extensive reforestation program as part of our biodiversity offset commitments. In 2022, we planted over 49,784 trees using 22 native species across 81 hectares. Our reforestation programme is serviced by two nurseries, with a production capacity of 100,000 plants at our ELG nursery and 80,000 plants at our newly established nursery at Media Luna, allowing us to service reforestation projects on both sides of the river. To date, we have planted more than 415,000 trees across approximately 590 hectares. Many of the reforestation areas selected are adjacent to local communities.

In 2022, we completed a comprehensive update of our mine closure plan, which covers both our existing operations as well as the Media Luna Project. The primary objectives of the plan are to protect public health and safety while restoring land to a productive, postmining land use while maintaining a healthy ecosystem. Progressive reclamation will occur as our Media Luna Project progresses and will continue until 2054. The table below presents key metrics related to biodiversity and land use. More comprehensive data can be found in the "Biodiversity and Land Use" section of the ESG Performance Data Tables on page 94 of this Report.

◉ Biodiversity and Land Use

METRIC	2022	2021	2020
New land disturbed (ha)	39	33	8
Area reforested (ha)	81	157	105
Native trees planted	49,784	106,467	61,695

IN FOCUS

GROWING NATIVE TREES IN NURSERIES NORTH AND SOUTH OF THE BALSAS RIVER

We currently operate two tree nurseries, one at ELG on the north side of the Balsas River and one on the south side at Media Luna. Each one has metal structures covered with shading nets, which provide adequate conditions for seedling germination. The seed is collected in situ, which guarantees the conservation of the germplasm for the reproduction of native species. The nursery established at ELG has a production capacity of 100,000 plants, while the nursery at Media Luna can produce 80,000 seedlings.

During 2022, 94,100 native plants were produced of the following species: Pata de Cabra (Bauhinia pauletia), Guaje Colorado (Leucaena esculenta), Espino Prieto (Proposis Glandulosa), and Mata Rata (Gliricidia sepium).

IN F⊙CUS

HELPING TO CONSERVE AND PROTECT THE MEXICAN BEADED LIZARD

In 2022, the Company was granted authorization from SEMARNAT to operate an Environmental Management Unit for Wildlife Conservation at its Morelos Property. The unit, called 'UMA Bioluna', will breed and release Mexican Beaded Lizards (Heloderma horridum), which are protected by Mexican law under Category A (Threatened).

UMA Bioluna will endeavour to repopulate the Beaded Lizard within its natural geographical range and provide environmental education to local communities about the importance of preserving this threatened reptile. The Beaded Lizard has been the topic of myth and folklore, and because of superstition and misconceptions, the reptiles are often killed by individuals on sight. It is also common for these reptiles to be poached and sold into the illegal exotic animal trade, further increasing the threat of extinction.

UMA Bioluna will be commissioned in mid-2023 during World Environment Day celebrations.

AIR QUALITY

Our operations generate fugitive air emissions, including from haul trucks, vehicle traffic, and waste rock storage facilities. In addition, air quality – particularly dust emissions – is one of the most important environmental impacts identified by several of our host communities.

Management Approach

Our approach to managing air quality impacts is compliant with all applicable Mexican regulations.

We control dust generated from haul truck and vehicle movement through regular watering of haul and access roads. In doing so, we use recycled, treated process water, promoting water conservation and resource efficiency. We also use a specialized dust suppressant in sensitive receptor areas on haul and access roads. Water sprinklers are attached to crusher feed hoppers and the main ore stockpile at the ELG processing facilities is domed. Given that Media Luna will be an underground mining operation, with ore processed at the existing processing facility, we expect dust generation to be reduced when the mine enters production.

The Company operates a network of eleven air quality monitoring stations in the project area to help maintain compliance with Mexican regulations. The stations monitor for Total Suspended Particles (TSP), PM_{10}, and $PM_{2.5}$. Some of the stations also measure for gases, including carbon monoxide, nitrogen oxides, and sulphur oxides.

Four of the monitoring stations are in the local communities that could be most impacted by dust generation, including Nuevo Balsas, San Miguel Vista Hermosa, Puente Sur Balsas, and one between Real del Limón and La Fundición.

Air quality monitoring results are submitted to the environmental authorities annually. The data shows that air quality monitoring results are consistently below maximum permissible levels as defined by Mexican

regulations. However, we will continue to explore opportunities to further reduce dust generation to help mitigate potential impacts.

2022 Performance

In 2022, we met all of our permit requirements related to air quality. The table below presents key air quality data for our operations. A significant reduction in SO_x was achieved through the replacement of two boilers, which resulted in air quality improvements.

More comprehensive data can be found in the "Air Quality" section of the ESG Performance Data Tables on page 94 of this Report.

Air Quality

METRIC	2022	2021	2020
SO_x	27	70	70
PM_{10}	Average of 32.3 µg / m³ Hr	Average of 31.3 µg / m³ Hr	Average of 19.2 µg / m³ Hr

Our approach to waste and hazardous materials management is aligned with IFC Performance Standard 3 on Resource Efficiency. Our Environmental Protection Policy outlines our Company-wide commitments to identify, assess and manage potentially harmful pollutants.

▬ WASTE AND HAZARDOUS MATERIALS MANAGEMENT

Our operations generate a variety of waste that can be both hazardous and non-hazardous. Through the mining process, we generate waste rock, which is non-economically viable material.

We also generate tailings, the leftover material after rock is processed. We recognize that responsibly managing waste is a core element of responsible resource development.

Management Approach

Our approach to waste and hazardous materials management is aligned with IFC Performance Standard 3 on Resource Efficiency. Our Environmental Protection Policy outlines our Company-wide commitments to identify, assess and manage potentially harmful pollutants.

We currently manage three waste rock storage facilities (WRSFs) at ELG. We will also be constructing two WRSFs at Media Luna. All the WRSFs have been designed based on geotechnical stability and geochemical characterization studies. The latter studies have shown that none of the facilities have the potential for acid rock drainage. As our Media Luna Project enters commercial production, we will transition to entirely underground operations, which will significantly reduce waste rock generation and the resulting environmental footprint. The ELG WRSFs will then enter the closure phase.

Our tailings facilities, current and planned, also do not show the potential for acid rock drainage. Our tailings disclosures are presented on page 83 of this Report.

We operate a landfill for non-hazardous waste near the town of Nuevo Balsas. The facility will require additional volume as the Media Luna Project is constructed and enters production. The extended facility will have a double liner with a leak detection / leachate collection layer under the extension. We are also constructing a landfill at the Media Luna Project. The proposed landfill design is a trench cell method with a double liner and leak detection system.

As part of our Environmental Quality and Monitoring Program, we maintain a Solid Waste Management Plan and a Special Waste Management Plan that are aligned with Mexican environmental legislation, namely the General Law for the Prevention and Integral Management of Waste. Solid urban waste – generated primarily in administrative and camp areas – is segregated into various sub-streams.

All organic waste is used in restoration areas, while plastic and aluminum are removed by a government-accredited contractor. A full 100% of special handling waste is recycled.

We support local companies in removing the waste from our operational area for alternative use and donate plastic cartons, cans, aluminum, copper, iron, and plastic to local communities for reuse. All hazardous waste is controlled and stored in metal drums and transferred to a warehouse before being removed by a government-accredited contractor.

We have specific vendor requirements for the final disposal of hazardous waste. Priority is given to companies that use waste management alternatives in the following order: recycling, co-processing, and confinement.

Procedures are in place at our operations to ensure the safe management of cyanide. As a member of the World Gold Council, we are currently in the process of adopting the International Cyanide Management Code for the Manufacture, Transport and Use of Cyanide in the Production of Gold (Cyanide Code), which is a voluntary, performance-driven, certification program of best practices for the management of cyanide in gold mining.

In 2022, a comprehensive pre-audit was completed by a recognized third-party expert, and an action plan is currently underway to close any remaining gaps ahead of a full certification audit by May 2024.

2022 Performance

In 2022 we achieved a 44% reduction in cyanide consumption from 2021 consumption levels. Cyanide consumption in 2021 was higher due to limited oxygen supply during the first quarter of that year, as well as higher copper and iron in sulphides throughout 2021 as mining reached deeper in the open pits. Aside from an improvement in oxygen availability and improved metallurgy in 2022, the reduction in cyanide consumption was achieved through factors including:

- Increased control of the blending of ore fed to the plant resulting in better management of the content of copper and iron within the feed; and

- Undertaking metallurgical monitoring of cyanide concentration used in the leaching process.

The table below presents key disclosures related to chemicals consumption and waste generation.

Waste Management

METRIC	2022	2021	2020
Waste rock generated (kt)	36,785	36,652	38,722
Acid Potential waste rock generated (kt)	0	0	0
Cyanide consumption (tonnes)	11,734	21,049	12,246
Domestic waste generated (tonnes)	89,566	87,216	81,875

ESG PERFORMANCE DATA TABLES

GOVERNANCE

Director Independence and Tenure

METRIC	2022	2021	2020
% of Directors Independent	89	89	80
% Committee Independence	100	100	100
Audit Committee	100	100	100
Compensation Committee	100	100	100
Nominating and Corporate Governance Committee	100	100	100
Safety & CSR Committee	100	100	100
Technical Committee	100	100	75
Average Director tenure (years)[1]	2.2	2.7	6.4

[1] As at the end of the 2022 calendar year.

Director Diversity

METRIC	2022	2021	2020
% of Directors male	56	56	70
% of Directors female	44	44	30
Average Director age[2]	58	59	58

[2] As at the end of the 2022 calendar year.

Executive Team Diversity

METRIC	2022	2021	2020
% male	57	50	60
% female	43	50	40

Anti-Corruption and Whistleblower Metrics

METRIC	2022	2021	2020
Corruption incidents	0	0	0
Whistleblower complaints	1	3	0
Attestation to anti-corruption policies (%)	100	100	100
Total hours of anti-corruption training	No specific training	No specific training	26

VALUE SHARING

Economic Value Generated and Distributed (Millions of USD)

METRIC	2022	2021	2020
Revenue	$868.5	$855.8	$789.2
Production costs	$337.1	$304.9	$277.2
Mine capital expenditures	$277.2	$230.4	$166.0
Salaries paid	$69.3	$67.4	$64.3
Payments to local, state, and federal governments	$184.2	$200.5	$180.6
Direct Community Investments [1]	$4.6	$4.1	$4.0
Fondo Minero Payments [2]	$34.6	$34.5	$16.9
Payments for local land agreements	$13.1	$13.5	$10.2

[1] Includes CODECOP contributions for community development and direct community investment.

[2] Note these funds were paid in the calendar year in respect of the previous year. In Q1 2023, $34.2M was paid to the Fondo Minero in respect of 2022 and will be reported in our 2023 Responsible Gold Mining Report.

Local Procurement Spend (Millions of USD)

METRIC	2022	2021	2020
Host communities (local companies) [3]	$13.7	$9.1	$4.4
Host state (other Guerrero-based companies) [4]	$93.3	$65.6	$38.0
Host country (other Mexico) companies	$408.6	$371.5	$336.6
Total Mexican spend	$515.6	$446.2	$379.0
International companies	$44.1	$48.1	$48.5
TOTAL	$559.7	$494.3	$427.5

[3] Local companies are defined as companies domiciled in mine-impacted communities.

[4] Figures are exclusive of the local companies' spend values.

Local Procurement Spend (as % of Total Spend)

BUSINESS UNIT	2022	2021	2020
Host communities (local companies)	2%	2%	1%
Host state (other Guerrero-based companies) [5]	17%	13%	9%
Host country (other Mexico) companies	73%	75%	77%
Total Mexican spend	92%	90%	89%
International companies	8%	10%	13%

[5] Figures are exclusive of the local companies spend values.

HEALTH AND SAFETY

Injury Statistics

METRIC	2022			2021			2020		
	Employees	Contractors	Total	Employees	Contractors	Total	Employees	Contractors	Total
Fatalities	0	0	0	0	0	0	0	0	0
Lost time injuries	1	2	3	0	1	1	0	1	1
Total recordable injuries	4	13	17	6	11	17	7	10	17
Near misses	89	228	317	49	43	92	31	45	76

Safety Indicators[1]

METRIC	2022			2021			2020		
	Employees	Contractors	Total	Employees	Contractors	Total	Employees	Contractors	Total
Hours worked	3,413,645	7,372,069	10,785,714	2,708,475	5,048,223	7,756,698	3,093,233	3,639,744	6,732,977
Fatality rate	0	0	0	0	0	0	0	0	0
LTIF[2]	0.29	0.27	0.28	0	0.2	0.14	0	0.27	0.15
TRIF[3]	1.17	1.76	1.58	2.22	2.18	2.19	2.26	2.75	2.52
AIF[4]	11.13	10.99	11.03	12.92	11.49	11.99	7.76	8.24	8.02
NMIF[5]	26.07	30.93	29.39	18.09	8.52	11.86	10.02	12.36	11.29

[1] All rates are based on a 12-month rolling average and are calculated per million hours worked.
[2] Lost Time Injury Frequency.
[3] Total Recordable Injury Frequency.
[4] All Injury Frequency.
[5] Near Miss Incident Frequency.

Safety Management

METRIC	2022			2021			2020		
	Employees	Contractors	Total	Employees	Contractors	Total	Employees	Contractors	Total
% employees covered by safety management system	100	100	100	100	100	100	100	100	100
% employees covered by joint worker-management committee	100	100	100	100	N/A	N/A	66	N/A	66
Fines levied for non-conformance	0	0	0	0	0	0	0	0	0

Safety & Technical Training

METRIC	2022			2021			2020		
	Employees	Contractors	Total	Employees	Contractors	Total	Employees	Contractors	Total
Total employees trained	1,797	5,385	7,182	1,035	5,348	6,383	671	4,026	4,697
Total managers trained	14	9	23	9	N/A	9	8	Not Available	8
SafeStart® training hours[6]	4,722	4,124	8,846	7,712	372	8,084	648	N/A	648
Total training hours	27,537	64,215	91,752	24,843	57,756	82,599	10,629	35,296	45,925
Average training hours per person	15	12	13	24	11	35	15	8	12

[6] Total Training hours includes all Technical and Safety Training delivered.

EMPLOYMENT

Employment

METRIC	2022	2021	2020
Corporate			
Total employees	43	41	40
Operations			
Staff employees	428	363	320
Non-staff employees	680	657	604
Total employees	1,108	1,020	924
Contractors	2,303	1,689	1,675
Corporate & Operations Combined			
Total employees	1,151	1,061	964

Employee Origin

METRIC	2022	2021	2020
Corporate			
International employees	1	1	0
Operations			
Local communities	475	454	410
Guerrero State	649	629	153
Mexico	1,098	1,010	914
International	10	10	10

▬ Employee Origin (as % of Total Employment)

METRIC	2022	2021	2020
Corporate			
International employees	2%	2%	0%
Operations			
Local communities [1]	43%	44%	44%
Guerrero State	59%	61%	60%
Outside of Guerrero	41%	39%	39%
Mexico	99%	99%	99%
International	1%	1%	1%

[1] Local communities are defined as communities within direct influence of MML. In Balsas Norte: Nuevo Balsas (including San Nicolas), Real de Limón, La Fundición, Atzcala & Valerio Trujano. In Puente Sur Balsas: Mezcala, Mazapa, Mancilla, San Miguel, Tepehuaje & Puente Sur Balsas.

▬ Contractor Origin

METRIC	2022	2021	2020
Operations			
Local communities	467	336	319
Guerrero State	677	849	725
Mexico	1,148	1,680	1,666
International	11	9	9

▬ Contractor Origin (as % of Total Contractors)

METRIC	2022	2021	2020
Operations			
Local communities	20%	20%	19%
Guerrero State	29%	51%	43%
Mexico	100%	100%	99%
International	<1%	<1%	1%

▬ Employee Turnover

METRIC	2022	2021	2020
Corporate			
Male turnover rate	23%	33%	17%
Female turnover rate	31%	19%	13%
Total turnover rate	26%	27%	16%
Operations			
Male turnover rate	9%	11%	6%
Female turnover rate	13%	12%	7%
Total turnover rate	11%	11%	6%
Corporate & Operations Combined			
Total turnover rate	12%	12%	6%

▬ Diversity

METRIC	2022	2021	2020
Corporate			
Total female employment	16	16	15
Total female employment (as % of total employment)	38%	39%	38%
Females in management or higher positions (%)	16%	17%	23%
Operations			
Total female employment	176	164	127
Total female employment (as % of total employment)	16%	16%	14%
Females in management or higher positions (%)	28%	30%	20%
Corporate & Operations Combined			
Total female employment	192	180	142
Total female employment (as % of total employment)	17%	17%	15%
Females in management or higher positions (%)	28%	29%	18%

▬ Contractor Diversity

METRIC	2022
Total female employment	194
Total female employment (as % of total employment)	8%
Females in management or higher positions (%)	0%

▬ Labour Relations

METRIC	2022	2021	2020
Operations			
% of employees covered by collective bargaining agreements	65%	64%	66%
Strikes or lockouts	0	0	0

▬ Employment by Age

METRIC	2022	2021	2020
Corporate			
<30	3	0	1
30-50	27	27	24
50+	13	14	15
Operations			
<30	266	275	244
30-50	773	681	628
50+	69	64	52

▬ Contractor Employment by Age

METRIC	2022
<30	921
30-50	1251
50+	131

▬ Social Training[1]

METRIC	2022	2021	2020
Corporate			
Total hours of employee training	570	830	848
Average hours of training per employee	13	21	20
Operations			
Total hours of employee training	27,860	11,498	1,353
Average hours of training per employee	52	19	13.9
Total employees trained	540	618	97.0

[1] Social Training accounts for all non-technical or safety training delivered by human resources.

— Training

METRIC	2022	2021	2020
Corporate			
Total hours of social training (corporate)[2]	570	830	848
Total hours of social training (operations)[2]	27,860	11,498	1,353
Total hours of safety & technical training (corporate & operations)[3]	91,752	82,599	45,925
Total hours of training	120,182	94,927	48,126

[2] Accounts for all non-technical or safety training delivered by human resources.
[3] Includes all technical and safety training delivered.

— New Employee Hires

METRIC		2022	2021	2020
Corporate				
New male hires	Below 30 years of age	2	0	0
	30-50 years of age	5	6	4
	50+ years of age	2	3	3
New female hires	Below 30 years of age	2	0	0
	30-50 years of age	1	3	1
	50+ years of age	1	1	0
Percentage of roles filled internally		12%	7%	13%
Operations				
New male hires	Below 30 years of age	61	77	28
	30-50 years of age	92	66	44
	50+ years of age	3	2	1
New female hires	Below 30 years of age	13	23	4
	30-50 years of age	18	21	6
	50+ years of age	0	0	0
Percentage of roles filled internally		34%	45%	12%

COMMUNITY

Community Agreements

METRIC	2022	2021	2020
Number of agreements signed	11	11	11
% compliance with agreements	100	100	100

Community Investment (Millions of USD)

METRIC	2022	2021	2020
Amount invested in CODECOP projects (M$US)	0.7	0.5	0.9
Amount invested in non-CODECOP projects (M$US)	3.9	3.6	3.1
Total community investment (M$US)	4.6	4.1	4.0
Fondo Minero Payments[1] (M$US)	36.9	34.5	16.9

[1] Note these funds were paid in the calendar year in respect of the previous year. In Q1 2022 $34.6M was paid to the Fondo Minero in respect of 2021 and will be reported in our 2022 Responsible Gold Mining Report.

Community Grievances

METRIC	2022	2021	2020
Number of grievances	16	8	10
Grievances resolved	12	8	7
Outstanding grievances	4	0	3

Non-Technical Delays

METRIC	2022	2021	2020
Delays caused by community-related issues	0	0	0

ENVIRONMENTAL COMPLIANCE

Environmental Monitoring[1]

METRIC	2022	2021	2020
Water quality monitoring points	77	77	79
Water quality samples	430	412	309
Air quality monitoring points	12	11	9
Air quality samples	48	44	27

[1] Data updated to include Media Luna Project monitoring.

ESG Performance Data Tables - Continued

Environmental Compliance (% Compliance to Statutory Monitoring Plan and Standards Requirements)

METRIC	2022	2021	2020
Water quality	100	100	100
Air quality	100	100	100

Reportable Environmental Incidents

METRIC	2022	2021	2020
Reportable to SEMARNAT [2]	0	0	0
Significant fines [3]	0	0	0
Significant spills [4]	0	0	0

[2] Mexican Secretariat of Environment and Natural Resources.

[3] Significant fines are defined as fines levied by SEMARNAT and/or reportable in our annual Financial Statements.

[4] Significant spills are defined as spills reportable to SEMARNAT and/or reportable in our annual Financial Statements.

ENERGY AND EMISSIONS

The following data has been prepared with reference to the *Corporate Accounting and Reporting Standard (Revised Edition)* developed by the Greenhouse Gas Protocol of the World Resources Institute (WRI) and the World Business Council on Sustainable Development (WBCSD). Reporting boundaries are based on "financial control". Emissions factors include Global Warming Potentials (GWP) from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report. All stated emissions are covered under an emissions-limiting regulation or program within Mexico.

Energy Consumption

ENERGY SOURCE	2022	2021	2020
Electricity purchased MWh [1]	237,893	230,391	216,073
Diesel from mobile sources (L)	29,254,277	29,808,719	27,344,472
Diesel from stationary sources (L)	1,658,609	1,273,981	962,806
Gasoline (L)	1,345,086	1,823,266	1,224,617
Liquefied Petroleum Gas (L)[2]	67,442	27,028	39,389
Propane (L)[2]	0	0	0

[1] All electricity is purchased from Federal Electricity Commission power plants in Guerrero.

[2] Natural Gas and Propane have been incorrectly reported in previous years. Gas consumption is Liquefied Petroleum Gas only.

Energy Consumption and Intensity[3]

METRIC	2022	2021	2020
Total energy consumption (GJ)	2,057,403	2,009,741	1,897,802
GJ/oz gold produced	4.43	4.31	4.41
GJ/tonne processed	0.45	0.45	0.46

[3] 2021 Energy consumption and intensity updated in line with Comisión Federal de Electricidad (CFE) 2021 Emissions Factor.

Greenhouse Gas Emissions (Tonnes of CO_2e)

METRIC	2022	2021	2020
Scope 1 (direct)[4]	100,032	99,249	84,402
Scope 2 (indirect)[5]	103,484	97,456	106,740
Scope 3[6]	Not measured	Not measured	Not measured
TOTAL[7]	203,515	196,704	191,142

[4] Calculations include CO_2, CH_4, and N_2O. Purchasing records and warehouse data were used to verify data.

[5] Emissions factors provided by the Comisión Federal de Electricidad (CFE) were used to calculate Scope 2 emissions. Calculations include CO_2, CH_4, and N_2O. Purchasing records were used to verify data.

[6] We do not currently calculate Scope 3 emissions although we plan to do so as part of our ongoing energy and climate change strategy.

[7] Scope 1 + Scope 2 emissions.

Greenhouse Gas Emissions Intensity (Tonnes of CO_2e)[8]

METRIC	2022	2021	2020
Per oz gold produced	0.429	0.422	0.444
Per t ore processed	0.044	0.044	0.046

[8] 2021 GHG emissions updated in line with Comisión Federal de Electricidad (CFE) 2021 Emissions Factor.

Renewable and Non-Renewable Energy Consumption (as % of Overall Consumption)

METRIC	2022	2021	2020
Renewable	0	0	0
Non-renewable	100	100	100

Electricity Purchased by Source (%)

METRIC	2022	2021	2020
Grid	100	100	100
Non-grid	0	0	0

AIR QUALITY

Air Quality

METRIC	2022	2021	2020
SO_x (ppm)	27	70	70
NO_x (ppm)[1,2]	255	27	98
PM_{10} (particulate matter)	Average of 32.3 µg / m^3 Hr	Average of 31.3 µg / m^3 Hr	Average of 19.2 µg / m^3 Hr
CO (ppm)	2,567	110	218
VOCs (ppm)	198,64	339	344

[1] Excludes N_2O.

[2] 2021 & 2020 values have been included.

WATER

Water Inflows (ML)[1]

YEAR	FRESH SURFACE WATER		GROUNDWATER			THIRD-PARTY WATER	PRODUCED WATER	TOTAL WITHDRAWAL
	Net Runoff[2]	Other[3]	Mine Dewater	Groundwater[4]	Ore[5]			
2022	2,180	0	0	2,075	134	0	0	4,389
2021	1,914	0	0	1,451	135	0	0	3,500
2020	1,235	0	0	1,276	125	0	0	2,636

[1] Water inflows is the sum of all water drawn into our operations from all sources (including surface water, ground water, rain water, water from another organization/municipal provider).

[2] Includes net runoff collected in tailings storage facilities (runoff minus evaporation).

[3] Includes diversions from rivers, streams, creeks, etc.

[4] Water abstracted from borefields for use at the mine and by the community.

[5] Entrainment in incoming ore.

Water Diverted, Discharged, or Stored From Mine Operations (ML)

YEAR	DIVERTED WATER[6]	DISCHARGED[7]	STORED (+ = INCREASE)[8]
2022	839	0	0
2021	792	0	281
2020	443	0	-64

[6] Diverted water is water that is routed to sediment ponds and returned to the system. Equals the Net Runoff - Pond Usage - Pond Storage.

[7] Discharged water is water that is discharged into local water bodies after use or storage.

[8] Water stored in ponds and mine pits (+) or water removed from storage(-).

Total Water Usage at Site (ML)

YEAR	MINE SITE & MINE CAMP CONSUMPTION[11]							RECYCLED[10]	PERCENTAGE RECYCLED[11]
	Groundwater - Mill	Groundwater - Mill Camp & Admin	Ponds - Mill	Ore - Mill	East Pit - Dust Suppression	Media Luna	Total Used[9]		
2022	823	275	575	134	290	207	2,304	1,241	54%
2021	857	290	662	135	180	0	2,124	1,218	57%
2020	316	403	663	125	193	0	1,700	1,123	66%

[9] Consumption/Total Use = Water used at the Mill or at the Mill Camp. Does not include water used for community provisions.

[10] Recycled water = ore moisture and runoff used from the ponds.

[11] As percentage of total use.

══ Wellfield Use (ML)

YEAR	PROCESSING[12]	MINE DOMESTIC [13]	COMMUNITY DOMESTIC[14]	COMMUNITY DUST SUPPRESSION[15]
2022	823	224	165	313
2021	857	290	119	208
2020	316	432	192	336

[12] Total wellfield water use that relates to processing plant operations.

[13] Total wellfield water use that relates to mine camp and admin use.

[14] Total wellfield water use that relates to community domestic activities.

[15] Total wellfield water use that relates to dust suppression offsite (i.e. within the community).

══ Water Use Intensity (ML)

BUSINESS UNIT	PER OZ GOLD PRODUCED	PER TONNE ORE PROCESSED
2022	0.004424	0.000456
2021	0.004537	0.000471
2020	0.003949	0.000408

WASTE AND MATERIALS

══ Waste Generation

BUSINESS UNIT	2022	2021	2020
Tailings produced (kt)	4,599	4,512	4,162
Waste rock generated (kt)[1]	36,785	36,652	38,722
Acid-potential waste rock generated (kt)	0	0	0
Domestic waste (L)	89,566	87,216	81,875
Assay waste (tonnes)[2]	445	660	300
Waste incinerated (m^3)[3]	8,911	24,697	23,581
Waste to landfill (m^3)	89,566	87,216	81,875

[1] Data updated to include Media Luna Project.

[2] Assay waste comprises waste generated in the geotechnical exploration and laboratory process, and waste generated in the metallurgic laboratory. Values corrected for previous years.

[3] Mexican legislation requires that waste generated from explosive activities be incinerated at source. Waste source now included, and values for previous years corrected.

══ Waste Recycled

BUSINESS UNIT	2022	2021	2020
Metal (tonnes)	1,970	1,763	1,291
Plastic (tonnes)[4]	19	6	8
Waste oil (L)	263,200	363,800	251,657

[4] Recycled plastic value for 2021 has been corrected.

Chemicals Consumption[5]

BUSINESS UNIT	2022	2021	2020
Cyanide (tonnes)	11,734	21,049	12,246
Lime (tonnes)	13,128	11,532	11,586
Diesel (L)	31,022,893	31,308,189	28,307,278

[5] Cyanide consumption values for 2021 and 2020 have been corrected.

BIODIVERSITY AND LAND USE

Land Disturbance[1]

METRIC	2022	2021	2020
Area of land package (ha)	29,046	29,046	29,046
Disturbance in current year (ha)	39	33	8
Disturbance to date (ha)	674	635	602

[1] Data updated to include Media Luna Project.

Land Rehabilitation

METRIC	2022	2021	2020
Rehabilitated in current year (ha)	0.37	0	0
Fully remediated to date (ha)	21.48	21.21	21.21

Reforestation[2]

METRIC	2022	2021	2020
Hectares reforested	81	157	105
Native trees planted	49,784	106,467	61,695

[2] Data updated to include Media Luna Project.

Protected Species

METRIC	2022	2021	2020
IUCN red-listed species identified	5	5	0

GRI STANDARDS INDEX

Statement of Use: Torex has reported the information cited in this GRI content index for the period from January 1, 2022 to December 31, 2022 with reference to the GRI Standards.

GRI 1 Used: GRI 1: Foundation 2021
For 2022 reporting, our General Disclosures follow with the structure defined by GRI 2: General Disclosures 2021. Recognizing that a new sector standard for Mining has not yet been finalized, for 2022 reporting we have continued to utilize existing relevant material Topic Standards, as well as the G4 Mining and Metals Supplement. This helps us ensure that transparency is not lost during the transition to the new GRI Standards.

Moving forward, we will seek to enhance alignment with GRI, including to report in accordance with the GRI Standards over time.

▬ General Disclosures

GRI 1: FOUNDATION 2021 (REPORTING WITH REFERENCE TO THE GRI STANDARDS)		PAGE/REFERENCE
N/A	Publish a GRI content index	108
N/A	Provide a statement of use	108
N/A	Notify GRI	Complete
GRI 2: GENERAL DISCLOSURES 2021		**PAGE/REFERENCE**
2-1	Organizational details	4
2-2	Entities included in the organization's sustainability reporting	4, 5
2-3	Reporting period, frequency, and contact point	5, 119
2-4	Restatements of information	5
2-5	External assurance	External assurance undertaken for energy consumption disclosures
2-7	Employees	97-101
2-8	Workers who are not employees	97-101
2-9	Governance structure and composition	24-35
2-10	Nomination and selection of the highest governance body	26
2-11	Chair of the highest governance body	26
2-12	Role of the highest governance body in overseeing the management of impacts	26, 30
2-13	Delegation of responsibility for managing impacts	26, 30
2-14	Role of the highest governance body in sustainability reporting	33
2-16	Communication of critical concerns	29, 39-40, 43
2-17	Collective knowledge of the highest governance body	27
2-22	Statement on sustainable development strategy	8-11
2-23	Policy commitments	14-15, 28-29, 39-40
2-24	Embedding policy commitments	28-29

2-25	Processes to remediate negative impacts	40, 56
2-26	Mechanisms for seeking advice and raising concerns	27-28, 40, 56
2-27	Compliance with laws and regulations	57, 64, 102-103
2-28	Membership associations	14-15, 47
2-29	Approach to stakeholder engagement	56-58
2-30	Collective bargaining agreements	7, 18, 40-43

GRI 3: MATERIAL TOPICS		PAGE/REFERENCE
3-1	Process to determine material topics	18-19
3-2	List of material topics	18-19
3-3	Management of material topics	22-23

▬ Economic Performance

GRI 201: ECONOMIC PERFORMANCE		PAGE/REFERENCE
201-1	Direct economic value generated and distributed	95
201-2	Financial implications and other risks and opportunities due to climate change	73-76

GRI 203: INDIRECT ECONOMIC IMPACTS		PAGE/REFERENCE
203-1	Infrastructure investments and services supported	57-58
203-2	Significant indirect economic impacts	57-58

GRI 204: PROCUREMENT PRACTICES		PAGE/REFERENCE
204-1	Proportion of spending on local suppliers	95

GRI 205: ANTI-CORRUPTION		PAGE/REFERENCE
205-1	Operations assessed for risks related to corruption	18, 28
205-2	Communication and training about anti-corruption policies and procedures	18, 28
205-3	Confirmed incidents of corruption and actions taken	Zero

GRI 206: ANTI-COMPETITIVE BEHAVIOUR		PAGE/REFERENCE
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Zero

▬ Environment

GRI 302: ENERGY		PAGE/REFERENCE
302-1	Energy consumption within the organization	103-104
302-2	Energy consumption outside the organization	103-104
302-3	Energy intensity	103-104

GRI 303: WATER AND EFFLUENTS		PAGE/REFERENCE
303-1	Interactions with water as a shared resource	85-86

303-2	Management of water discharge-related impacts	85-86
303-3	Water withdrawal	85-86
303-4	Water discharge	85-86
303-5	Water consumption	85-86
GRI 305: EMISSIONS		**PAGE/REFERENCE**
305-1	Direct (Scope 1) GHG emissions	103-104
305-2	Energy indirect (Scope 2) GHG emissions	103-104
305-4	GHG emissions intensity	103-104
305-7	Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	104
GRI 306: EFFLUENTS AND WASTE		**PAGE/REFERENCE**
306-1	Water discharge by quality and destination	85-86
306-2	Waste by type and disposal method	105
306-3	Significant spills	Zero
GRI 307: ENVIRONMENTAL COMPLIANCE		**PAGE/REFERENCE**
307-1	Non-compliance with environmental laws and regulations	Zero

▬ Social

GRI 403: OCCUPATIONAL HEALTH AND SAFETY		**PAGE/REFERENCE**
403-1	Occupational health and safety management system	44-52
403-2	Hazard identification, risk assessment, and incident investigation	44-52
403-3	Occupational health services	44-52
403-4	Worker participation, consultation, and communication on occupational health and safety	44-52
403-5	Worker training on occupational health and safety	44-52
403-6	Promotion of worker health	44-52
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	44-52
403-8	Workers covered by an occupational health and safety management system	44-52
403-9	Work-related injuries	96-97
403-10	Work-related ill health	96-97
GRI 404: TRAINING AND EDUCATION		**PAGE/REFERENCE**
404-1	Average hours of training per year per employee	97, 100-101
404-2	Programs for upgrading employee skills and transition	41-42
404-3	Percentage of employees receiving regular performance and career development reviews	97, 100-101

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY		PAGE/REFERENCE
405-1	Diversity of governance bodies and employees	27-28, 30, 42-43
GRI 406: NON-DISCRIMINATION		**PAGE/REFERENCE**
406-1	Incidents of discrimination and corrective actions taken	43, 94
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		**PAGE/REFERENCE**
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Zero
GRI 408: CHILD LABOUR		**PAGE/REFERENCE**
408-1	Operations and suppliers at significant risk for incidents of child labour	Zero
GRI 409: FORCED OR COMPULSORY LABOUR		**PAGE/REFERENCE**
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Zero
GRI 412: HUMAN RIGHTS ASSESSMENT		**PAGE/REFERENCE**
412-1	Operations that have been subject to human rights reviews or impact assessments	100%
412-2	Employee training on human rights policies or procedures	64
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	64
GRI 413: LOCAL COMMUNITIES		**PAGE/REFERENCE**
413-1	Operations with local community engagement, impact assessments, and development programs	100%
413-2	Operations with significant actual and potential negative impacts on local communities	Zero
GRI 419: SOCIOECONOMIC COMPLIANCE		**PAGE/REFERENCE**
419-1	Non-compliance with laws and regulations in the social and economic area	Zero

G4 MM Supplement

GRI G4 MM		PAGE/REFERENCE
MM-1	Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated	107
MM-2	The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place	87-88
MM-3	Total amounts of overburden, rock, tailings, and sludges and their associated risks	92-93
MM-4	Number of strikes and lockouts exceeding one week's duration, by country	Zero

MM-5	Total number of operations taking place in or adjacent to Indigenous Peoples' territories, and number and percentage of operations or sites where there are formal agreements with Indigenous Peoples' communities	Zero
MM-6	Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples	N/A
MM-7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples, and the outcomes	39-40, 56-57, 102
MM-8	Number (and percentage) of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site; the associated risks and the actions taken to manage and mitigate these risks	N/A
MM-9	Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process	Zero in 2022
MM-10	Number and percentage of operations with closure plans	88, 100%

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

SASB Index

GREENHOUSE GAS EMISSIONS		PAGE/REFERENCE
EM-MM-110a.1.	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	78-79
EM-MM-110a.2.	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	78-79

AIR QUALITY		PAGE/REFERENCE
EM-MM-120a.1	Air emissions of the following pollutants: (1) CO, (2) NO_x (excluding N_2O), (3) SO_x, (4) particulate matter (PM_{10}), (5) mercury (Hg), (6) lead (Pb), and (7) volatile organic compounds (VOCs)	91, 104

ENERGY MANAGEMENT		PAGE/REFERENCE
EM-MM-130a.1	(1) Total energy consumed	103
	(2) Percentage grid electricity	104
	(3) Percentage renewable	104

WATER MANAGEMENT		PAGE/REFERENCE
EM-MM-140a.1	(1) Total fresh water withdrawn	105
	(2) Total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	85, 105
EM-MM-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Zero

WASTE AND MATERIALS MANAGEMENT		PAGE/REFERENCE
EM-MM-150a.4	Total weight of non-mineral waste generated	106
EM-MM-150a.5	Total weight of tailings produced	106
EM-MM-150a.6	Total weight of waste rock generated	106
EM-MM-150a.7	Total weight of hazardous waste generated	106
EM-MM-150a.8	Total weight of hazardous waste recycled	106
EM-MM-150a.9	Number of significant incidents associated with hazardous materials and waste management	Zero
EM-MM-150a.10	Description of waste and hazardous materials management policies and procedures for active and inactive operations	92-93

BIODIVERSITY		PAGE/REFERENCE
EM-MM-160a.1	Description of environmental management policies and practices for active sites	72-93

EM-MM-160a.2	Percentage of mine sites where acid rock drainage is:	
	(1) Predicted to occur	Zero
	(2) Actively mitigated	Zero
	(3) Under treatment or remediation	Zero
EM-MM-160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	87-88

SECURITY, HUMAN RIGHTS, AND RIGHTS OF INDIGENOUS PEOPLES		PAGE/REFERENCE
EM-MM-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Zero
EM-MM-210a.2	Percentage of (1) proved and (2) probable reserves in or near Indigenous land	Zero
EM-MM-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	64

COMMUNITY RELATIONS		PAGE/REFERENCE
EM-MM-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	54-69
EM-MM-210b.2	Number and duration of non-technical delays	Zero

LABOUR RELATIONS		PAGE/REFERENCE
EM-MM-310a.1	Percentage of active workforce covered under collective bargaining agreements, broken down by U.S. and foreign employees	39-40
EM-MM-310a.2	Number and duration of strikes and lockouts	Zero

WORKFORCE HEALTH AND SAFETY		PAGE/REFERENCE
EM-MM-320a.1	(1) All-incidence rate	96-97
	(2) Fatality rate	96-97
	(3) Near miss frequency rate (NMFR)	96-97
	(4) Average hours of health and safety training	96-97

BUSINESS ETHICS AND TRANSPARENCY		PAGE/REFERENCE
EM-MM-510a.1	Description of the management system for prevention of corruption and bribery throughout the value chain	28-29
EM-MM-510a.2	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Zero

TAILINGS STORAGE FACILITIES MANAGEMENT		PAGE/REFERENCE
EM-MM-540a.1	Tailings storage facility inventory table: (1) facility name, (2) location, (3) ownership status, (4) operational status, (5) construction method, (6) maximum permitted storage capacity, (7) current amount of tailings stored, (8) consequence classification, (9) date of most recent independent technical review, (10) material findings, (11) mitigation measures, (12) site-specific EPRP	83-85
EM-MM-540a.2	Summary of tailings management systems and governance structure used to monitor and maintain stability of tailings storage facilities	83-85
EM-MM-540a.3	Approach to development of Emergency Preparedness and Response Plans (EPRPs) for tailings storage facilities	83-85

LOCAL PROCUREMENT REPORTING MECHANISM INDEX

LPRM Index

LPRM 100: CONTEXT FOR LOCAL PROCUREMENT DISCLOSURES		PAGE/REFERENCE
101	Mining company name	Torex Gold Resources
101	Mine site name	Minera Media Luna S.A. de C.V.
101	Reporting period	January 1 to December 31, 2022
101	Stage of assets	Production & Development
101	Estimated mine life	2033
101	Average number of workers	97

LPRM 200: PROCUREMENT SYSTEMS		PAGE/REFERENCE
201	Policy on local suppliers	28, 51, 58
202	Accountability on local suppliers	28, 51, 58
203	Major contractors and local suppliers	28, 51, 58
204	Procurement process	28, 51, 58

LPRM 300: LOCAL PROCUREMENT SPENDING BY CATEGORY		PAGE/REFERENCE
301	Categorizing suppliers	51
302	Breakdown of procurement spend	95

LPRM 400: LOCAL PROCUREMENT DUE DILIGENCE		PAGE/REFERENCE
401	Due diligence process	51, 64
402	Anti-corruption policy	28
403	Training and guidance for suppliers	49, 51

LPRM 500: METHODS TO INCENTIVISE LOCAL PROCUREMENT		PAGE/REFERENCE
501	Commitments	58
502	Preference in scoring of bids	58
503	Preference in scoring of bids for significant local contributions	58
504	Non-scoring methods to incentivise local purchasing	28
505	Supporting suppliers to understand the tender process	51
506	Special payment procedures for local suppliers	Not Yet Established
507	Encouraging procurement from particular groups	58, 63

LPRM 600: EXTERNAL COMMITMENTS AND OBLIGATIONS		PAGE/REFERENCE
601	Regulations	N/A
602	Other agreements and contracts	58

CAUTIONARY NOTES

This report contains "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information also includes, but is not limited to the following statements and information: while our existence as a Company depends on our ability to deliver superior value to shareholders, we are committed to doing so in a way that makes a positive difference in society; mining with purpose beyond profit has always been at the heart of who we are at Torex, supported by a steadfast commitment to our core values, which are ingrained in our DNA; our values have been, and will remain, the foundation of our business success as we continue to generate positive returns to our investors while enhancing the lives of the people we touch; we strongly believe that mining responsibly and deriving value in our business go hand in hand – that we can reduce our impact on the environment and improve the quality of lives of our employees and those around us while improving safety, achieving operational efficiencies, realizing cost reductions and generating positive return on investment; we have built a mining facility in Mexico where we create prosperity and lasting economic impact, treat people with dignity and respect, and demonstrate genuine care for the natural environment around us; as we build a long future in Mexico through our Media Luna Project and look to grow our business in other jurisdictions, we will replicate our approach – always guided by our Purpose – and continue to demonstrate what responsible mining looks like; Media Luna represents a total capital expenditure of approximately $1B; Media Luna will diversify Torex as a significant copper producer, with more than 20% of the life of mine revenue residing in copper – a metal that is increasingly in demand to enable technologies the world needs to support a low carbon economy; construction is now well underway, with first mine production anticipated in 2024 and commercial production in 2025; with this investment, the Company will extend current mine life through at least 2033 and lay a firm foundation for the future growth plans of Torex; with continued investment in drilling and exploration within the Company's broader Morelos Property, the Company is striving to build a multi-decade mining operation that will continue to generate lasting prosperity in Mexico; this mine life runway positions Torex to create generational change, and the Company intends to do just that; the trend of increase permanent and contractor workforce will continue, with peak activity associated with the Media Luna Project expected through late 2023 and early 2024; Torex's key strategic objectives are to extend and optimize production from ELG, de-risk and advance the Media Luna Project to commercial production, build on ESG excellence, and to grow organically through ongoing exploration across the entire Morelos Property; in addition to realizing the full potential of the Morelos Property, the Company is seeking opportunities to acquire assets that enable diversification and deliver value to shareholders; Media Luna will more than triple our existing mine life, and diversify Torex as a significant copper producer, with more than 20% of the life of mine revenue residing in copper; in 2023, the Company will continue the journey toward full internal compliance with the RGMPs by the end of the year, ahead of a full independent verification audit to be completed by August 2024; the Company is working toward full compliance with the International Cyanide Management Code (ICMC) and the Global Industry Standard on Tailings by dates set out in the report; the Company looking to grow and diversify through potential M&A opportunities, as the Company looks to replicate the success it has had on building strong relationships based on transparency and trust with its employees and local communities, being responsible stewards of the land and natural resources and remaining steadfast to its core values, which are ingrained in the DNA of the Company at all levels of the business; the Company's commitment to meeting or surpassing regulatory requirements in all of our mining activities while doing zero permanent harm to the environment and leaving a net positive legacy in the areas in which the Company operates; the Company's commitment to implementing the highest level of global corporate responsibility standards on performance and disclosure, developed through international initiatives and programs, including the following 2023 ESG goals and targets as described in the report; the Company believes its climate change strategy will mitigate business risk and provide real opportunities to create value through health and safety improvements, cost savings and operational efficiencies that will benefit its operations; the Company's Climate Change Strategy is designed to support achievement of its climate-related targets: a 10% reduction in absolute Scope 1 and 2 GHG emissions by 2030, compared to a 2021 baseline (10% absolute target) and a 25% reduction from Scope 1 and 2 GHG emissions in 2030 forecasted if no action is taken on intervention measures to reduce carbon emissions at the Media Luna Project (25% Business as Usual target); the overall commitment to achieve net-zero GHG emissions by 2050; expected energy cost savings from the solar plant are approximately $1 million per year over a 20-year lease period, with full payback of the solar plant to be realized within approximately nine years; the solar plant has the potential to reduce Scope 2 GHG emissions by up to 8.6% and overall Scope 1 and Scope 2 emissions by up to 3.9%; construction of the solar plant is scheduled for completion in August 2023; it is estimated that new battery electric vehicles ("BEVs") at the Media Luna Project, in addition to savings in long-term operating costs, this will provide carbon savings of approximately 12,600 tonnes of CO_2e annually; the VoD system is expected to reduce costs associated with ventilation and reduce the Company's emissions by approximately 900 tonnes of CO_2e annually; the development of an energy and carbon management program to measure and monitor energy use allowing the Company to optimize operation for efficiency and energy and carbon mitigation; the energy and carbon management program Is expected to reduce GHG emissions by approximately 4.8% by 2030; biodiesel and diesel tracking is expected to reduce GHG emissions by approximately 0.5%; trade-off studies during the Media Luna Feasibility Study demonstrated a positive economic case, with an approximate 10% positive difference in net present value for a hybrid fleet relative to a purely diesel fleet; the Company will continually seek ways to increase local employment; the Company is committed to creating lasting economic prosperity for its host communities so that they will continue to thrive long after the Company's mining operations are complete; in 2023, the Company plans to complete a socioeconomic benefits study to assess the Company's economic impact on the local, state and national economy; the Company will continue to work closely with the citizens of San Miguel through the resettlement process with a view to leaving a lasting and positive impact on the lives of residents and their families; the Company expects waste rock and dust generation to be reduced when the Media Luna mine enters production; and the primary objectives of the mine closure plan are to protect public health and safety while restoring land to a productive, postmining land use while maintaining a healthy ecosystem. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "aim", "plans", "expects", "estimates", "intends", "anticipates", "believes" "goal", "strategy" or "potential" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "commitment to" or "will be taken", "occur", or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including, without limitation, risk associated with the ability to accurately identify and assess issues that are important to stakeholders and the ability to identify, assess, mitigate and monitor risks to the enterprise and those risk factors identified in the Company's technical report titled "Morelos Property - NI 43-101 Technical Report - ELG Mine Complex Life of Mine Plan and Media Luna Feasibility Study" dated effective March 16, 2022 (Technical Report) and the Company's annual information form (AIF) and management's discussion and analysis (MD&A) each available under the Company's profile on SEDAR at www.sedar.com and the Company's website at www.torexgold.com. Forward-looking information is based on the assumptions discussed in the Technical Report, AIF and MD&A and such other reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances at the date such statements are made. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not to be as anticipated. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, whether as a result of new information or future events or otherwise, except as may be required by applicable securities laws.

CORPORATE DIRECTORY

BOARD OF DIRECTORS 2023

Rick Howes
Chair of the Board

Jody Kuzenko
President & CEO

Tony Giardini
Director (Independent), Chair of Audit Committee

Jennifer Hooper
Director (Independent), Chair of Safety and CSR Committee

Jay Kellerman
Director (Independent), Chair of Corporate Governance and Nominating Committee

Rosie Moore
Director (Independent)

Rodrigo Sandoval
Director (Independent)

Roy Slack
Director (Independent), Chair of Technical Committee

Elizabeth Wademan
Director (Independent), Chair of Compensation Committee

PRESIDENT & CEO

Jody Kuzenko
President & CEO

T 647 725-9982
E jody.kuzenko@torexgold.com

CORPORATE AFFAIRS AND SOCIAL RESPONSIBILITY

Angie Robson MBA
Senior Vice President, Human Resources, ESG & Communications

T 705 562-0455
E angie.robson@torexgold.com

INVESTOR RELATIONS

Dan Rollins CFA
Senior Vice President, Corporate Development & Investor Relations

T 647 260-1503
E dan.rollins@torexgold.com

CORPORATE OFFICE

Toronto
Torex Gold Resources Inc.
Exchange Tower
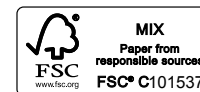130 King St. West
Suite 740
Toronto, ON
Canada M5X 2A2

T 647 260-1500
E info@torexgold.com

WEBSITE

www.torexgold.com

We welcome feedback on this Report or on any other aspect of sustainability at Torex Gold Resources.

FSC MIX
Paper from responsible sources
FSC® C101537

This paper has been certified to meet the environmental and social standards of the Forest Stewardship Council® (FSC®) and comes from responsibly managed forests and/or verified recycled sources.

Torex Gold

RESOURCES INC.

www.torexgold.com