

**Corporate Human Rights Benchmark  
2023 Company Scorecard**

**Company name** Grupo Mexico  
**Sector** Extractives  
**Overall score** 36.1 out of 100

Theme score	Out of	For theme
2.2	10	A. Governance and Policy Commitments
7.3	25	B. Embedding Respect and Human Rights Due Diligence
8.5	20	C. Remedies and Grievance Mechanisms
12.5	25	D. Performance: Company Human Rights Practices
5.6	20	E. Performance: Responses to Serious Allegations

Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2022 Methodology document for the sector concerned. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

**Detailed assessment**

**A. Governance and Policy Commitments (10% of Total)**

**A.1 Policy Commitments (5% of Total)**

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: General HRs commitment: The Human Rights Policy indicates: 'we respect and promote the human rights of all our collaborators and the communities where we operate, in adherence of the United Nations Universal Declaration on Human Rights and local laws'. [Human Rights Policy, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not Met: Commitment to UNGPs: The 2021 Sustainability Development Report indicates: 'We are committed to the enforcement of the United Nations Guiding Principles on Business and Human Rights'. However, 'Sustainability Development Report' is not considered a suitable source for policy statements under CHRB's revised approach. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>Not Met: Commitment to OECD MNE Guidelines</li> </ul>
A.1.2.a	Commitment to respect the human rights of workers: ILO Declaration on Fundamental Principles and Rights at Work	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Commitment to ILO core principles: The Human Rights Policy indicates its commitments: 'Respect the fundamental principles and rights at work, in adherence of International Labor Organization's Declaration'. [Human Rights Policy, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>Met: Explicitly lists all four ILO core principles: The Human Rights Policy specifies its commitment: 'Promote freedom of association and the right to organize, and the effective recognition of the right to collective bargaining [...]; Elimination of forced labor [...]; Ensure effective abolition of child labor [...]; Reject all forms of</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>discrimination in respect of employment, and promote equal remuneration'. [Human Rights Policy, N/A: <a href="http://gmexico.com">gmexico.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Expects BPs/JVs to commit to ILO core principles: The Human rights policy extends 'to our suppliers of good and services, giving preferences to companies that shares our values'. As indicated above, the Human rights policy includes adherence to ILO conventions. [Human Rights Policy, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Met: Explicitly lists all four ILO core principles for BPs/JVs: As indicated above, the policy extends 'to our suppliers of good and services, giving preferences to companies that shares our values'. Moreover, the ILO requirement covers: 'Promote freedom of association and the right to organize, and the effective recognition of the right to collective bargaining [...]; Elimination of forced labor [...]; Ensure effective abolition of child labor [...]; Reject all forms of discrimination in respect of employment, and promote equal remuneration'. [Human Rights Policy, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>
A.1.2.b	Commitment to respect the human rights of workers: Health and safety and working hours	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commitment to respect H&amp;S of workers: The Human Rights Policy indicates its commitments: 'Protect the right to health of our collaborators, providing safe and healthy work environments, and implementing processes and controls for the prevention of occupational risks'. [Human Rights Policy, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Commitment to ILO working hours standards or 48 hour regular work week</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Expects BPs/JVs to commit to H&amp;S of workers: The Human Rights Policy indicates its commitments: 'Protect the right to health of our collaborators, providing safe and healthy work environments, and implementing processes and controls for the prevention of occupational risks'. The Human rights policy extends 'to our suppliers of good and services, giving preferences to companies that shares our values'.</li> <li>• Not Met: Expects BPs/JVs to commit to ILO working hours standards or 48 hour regular work week: The Code of Conduct for Suppliers, Contractors, and Relevant Business Partners indicates: 'Our Suppliers, Contractors, Business Partners, and Relevant Business Partners must respect employees' normal working hours and overtime, ensuring that overtime is voluntary and in accordance with local legislation, and provide annual leave in accordance with applicable laws. We will include this obligation in contractual clauses in commercial contracts, either directly or by reference to this Code'. However, no formal commitment about respecting the ILO conventions on working hours was found. Alternatively, the Company would achieve this by committing to a 48 hours regular working week, and consensual overtime paid at a premium rate. [Code of Conduct for Suppliers, Contractors, and Relevant Business Partners, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>
A.1.3.a.EX	Commitment to respect human rights particularly relevant to the sector – land, natural resources and indigenous peoples' rights (EX)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Commitment to respect land ownership/natural resources as in VGGT</li> <li>• Not Met: Commitment to respect land ownership/natural resources as in IFC Performance Standards</li> <li>• Met: Commitment to respect indigenous rights or ILO No.169 or UN Declaration: The Human Rights Policy indicates its commitments: 'respect the rights of indigenous peoples, in adherence of the United Nations Declaration on the Rights of Indigenous Peoples and ILO Convention 169'. [Human Rights Policy, N/A: <a href="http://gmexico.com">gmexico.com</a>] &amp; [Code of Conduct for Suppliers, Contractors, and Relevant Business Partners, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Expects EX BPs to make these commitments: As indicated above, the Company commits to respect the rights of indigenous peoples. The Human rights policy extends 'to our suppliers of good and services, giving preferences to companies that shares our values'. The Code of Conduct for Suppliers, Contractors, and Relevant Business Partners supports this expectation: 'In areas where indigenous peoples or communities are found, our Suppliers, Contractors, Business Partners, and Relevant Business Partners must treat them with respect and recognize their rights to preserve the elements that constitute their culture and identity, and their special connection to the environment. Also, they must respect the exercise of the right to self-determination of indigenous peoples and communities and actively collaborate with governments in matters of free, prior, and informed consultation, in accordance with the regulatory framework in force in each country'. However, this subindicator also requires the Company to provide evidence that it expects extractive business partners to commit to respect ownership/use of land and natural resources and respect legitimate tenure rights</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>related to the ownership and use of land and natural resources as set out in the relevant part(s) of the Voluntary Guidelines on the Responsible Governance of Tenure of Land (VGGT) or the IFC Performance Standards. No further evidence found. [Human Rights Policy, N/A: <a href="http://gmexico.com">gmexico.com</a>] &amp; [Code of Conduct for Suppliers, Contractors, and Relevant Business Partners, N/A: <a href="http://gmexico.com">gmexico.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Commitment to obtain FPIC or zero tolerance to land grabbing: The Policy of Respect for the Rights of Indigenous Peoples and Communities indicates it is committed to: 'Actively collaborate with governments when applicable, and in accordance with the regulatory framework of each country, in terms of prior, free and informed consent'. However, although it indicates it is committed to collaborate with governments in terms of FPIC, no publicly available policy statement committing it to obtain free prior and informed consent (FPIC) from indigenous peoples and local communities for transaction(s) involving land and natural resources found. Alternatively, the Company could commit to a zero tolerance for land grabbing. The 2022 Sustainable Development Report explains: 'The Grupo México Action Protocol with Indigenous Communities was designed in 2020 to raise awareness and provide training and orientation to company employees, contractors and suppliers, providing them with tools for engaging with indigenous communities near our operations, respecting the worldview, culture and identity of these communities. The Protocol was built on a roadmap that outlines the steps to ensure respectful relationships with indigenous communities from the onset, the mechanisms for engagement, agreements and follow-up, and also a series of basic tools for consultation, forms and recommendations to act in a way that is culturally appropriate'. However, this subindicator looks for formal commitment to obtain FPIC or have a zero tolerance policy for land grabbing. Commitments are expected to be placed in formal policy documents. [Policy of Respect for the Rights of Indigenous Peoples and Communities, 05/2021: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Commitment to respect the right to water: The Code of Ethics indicates: 'we're committed to protecting and preserving the environment through actions such as: [...] Employing processes that aid in the conservation and efficient use of energy and water at all our operations and facilities. [...] Conserving water through more efficient production processes and contributing to the availability of this resource in the regions where we operate'. However, no commitment to respecting the right to water found.</li> <li>• Not Met: Expects EX BPs to make these commitments: The Code of Conduct for Suppliers, Contractors, and Relevant Business Partners indicates: 'In terms of water care, we encourage them to implement measures to continuously increase their percentage of recycling and reuse water, as well as to continuously improve the efficiency of water consumption and management, always respecting the water rights of other users from the watersheds where their facilities are located'. However, although the Company expects extractive business partners to respect the right to water, it is not clear it expects supplier policy statement committing it to respecting ownership/use of land and natural resources also to include a commitment to obtain the free prior and informed consent (FPIC) from indigenous peoples and local communities for transaction(s) involving land and natural resources or to a zero tolerance for land grabbing. [Code of Conduct for Suppliers, Contractors, and Relevant Business Partners, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>
A.1.3.b.EX	Commitment to respect human rights particularly relevant to the sector – security (EX)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Commitment to Voluntary Principles on Security and HRs</li> <li>• Not Met: Uses only ICoCA members as security providers</li> <li>• Not Met: Commits to International Humanitarian Law</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Expects EX BPs to commit to these rights</li> </ul>
A.1.4	Commitment to remedy	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commitment to remedy adverse HRs impacts: The Human Rights Policy indicates: 'We are committed to implementing processes of due diligence to identify, prevent, mitigate and, where necessary, remedy potentially adverse Human Rights impacts Annual Report all our business units'. [Human Rights Policy, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Met: Expects EX BPs to make this commitments: See above. The Human rights policy extends 'to our suppliers of good and services, giving preferences to companies that shares our values'. [Human Rights Policy, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> <li>• Not Met: Commitment to collaborate with judicial or non-judicial mechanisms</li> <li>• Not Met: Commitment to work with EX BPs on remedy</li> </ul>
A.1.5	Commitment to respect the rights of human rights defenders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not Met: Zero tolerance of threats/attacks on HRDs</li> <li>• Not Met: Expects BPs to make this commitment</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not Met: Commitment to working with HRDs to create safe and enabling environment</li> </ul>

### A.2 Board Level Accountability (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Board level responsibility for HRs: The 2021 Annual Report states discloses the main functions of the Audit and Corporate Practices Committee [Board committee], including: 'Monitor the internal audit control system, through timely reviews, as well as due diligence in the implementation and compliance with the guidelines specified in Grupo México's Code of Ethics'. The Code of Ethics contains the Company's Human Rights commitments. [2021 Annual Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Describes HRs expertise of Board member</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not Met: Board member/CEO signal importance of HRs in their communications: The letter from the Management Team, in the Code of Ethics indicates: 'As part of this commitment, Grupo México has set up its Code of Ethics, whereby we reaffirm our values and pose our Mission and Vision. The main principles and conducts are herein reflected to work in harmony with our collaborators, shareholders, internal and external suppliers, clients, authorities and our communities, with full respect to human rights, pursuant to the terms set forth in our Human Rights Policy'. Moreover, the letter forms the Chainman of the Board notes: 'We embody and promote respect for human rights at Grupo México. We have strengthened our programs to positively impact the quality of life of our neighbor communities in aspects like education, health and employment. An example of this is our Mobile Documentary Filmmaking Workshop, which has provided capacity building programs to more than 600 students in six different communities. Some of the work produced from this workshop have already received important recognitions'. However, this subindicator looks for a communication where Board members or the CEO clearly signal the Company's commitment to human rights, including a discussion on why human rights matter to the business or any challenges to respecting human rights encountered by the business. No further evidence found. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>] &amp; [Code of Ethics and Company Behaviour, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>
A.2.2	Board responsibility	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not Met: Process to review HRs strategy at board level</li> <li>• Not Met: Example of HRs issues/trends discussed in last reporting period</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not Met: Meets both requirements under score 1</li> <li>• Not Met: Describes how affected stakeholders / HRs experts inform board discussions</li> </ul>
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not Met: At least one board member incentive linked to HRs commitments</li> <li>• Not Met: Incentive scheme linked to key HRs risks beyond employee H&amp;S</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not Met: Performance criteria linked to HRs made public</li> <li>• Not Met: Review of other board incentives for coherence with HRs policies</li> </ul>
A.2.4	Business model strategy and risks	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not Met: Board process to review business model and strategy for HRs risks: The Company explains its Sustainable Development Management. It discloses a diagram that shows the managing structure. However, this subindicator looks for a description of the process it has in place to discuss and review its business model and strategy for inherent risks to human rights at Board level or a Board</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Committee. No further evidence found. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</p> <ul style="list-style-type: none"> <li>• Not Met: Describes frequency and triggers for reviewing business model: The 2022 Sustainable Development Report indicates: ‘we formalized a Sustainable Development Committee under the Southern Copper Corporation (the principal subsidiary of the Mining Division) Board of Directors in 2022’. It met twice in 2022. However, this subindicator looks for a description of the frequency of and triggers for a company-wide reviewing its business model or strategy and potential impacts on human rights. No further evidence found. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets both requirements under score 1</li> <li>• Not Met: Example of actions resulting from reviews: The Company has provided comments to CHRB regarding this indicator where is notes the topics reviewed by the SCC Sustainable Development Committee in 2022. However, this subindicator looks for an example of actions taken as a result of a discussion and review of its business model and strategy for inherent risks to human rights at Board level or a Board committee. No further evidence found. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>

## B. Embedding Respect and Human Rights Due Diligence (25% of Total)

### B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Score of 1 on A.1.2.a: See A.1.2.</li> <li>• Met: Senior responsibility for HRs implementation and decision making: The Governance Manual indicates: ‘concerning Sustainable Development, the Senior Management is responsible for designing business strategies that promote sustainable environments towards communities, the environment and ensure business continuity [...]. Through the Sustainable Development Committee, the Senior Management oversees and audits the performance of safety, health, environmental, and community policies and systems, including implementing our safety and health management standards’. [Governance Manual, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Describes day-to-day responsibility for implementing HRs commitments: The 2021 Sustainability Development Report indicates: ‘The main groups responsible for the implementation of these policies [including the Human Rights Policy] and procedures are the Human Resources and Occupational Health and Safety departments, as well as the Ethics and Discipline Committee [...]. The following departments: Community Development (in the Mining and Infrastructure Division), Railway Protection and Communication (in the Transportation Division and Planning and Government Relations), join the group’. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Day-to-day resources and expertise allocation in own operations:</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>The 2022 Sustainable Development Report indicates: ‘Minera México provided in-person sensitivity training in 2022 for all union and non-union employees, covering topics that included our Code of Ethics (and using the Reporting Line), our commitments outlined in the Grupo México Human Rights Policy, and also diversity and inclusivity, prevention of workplace or sexual harassment and how such cases are handled’. Also: ‘We use workplace climate surveys to determine the level of satisfaction and to hear the opinions of our employees on various aspects, including topics directly related to human rights. We have updated the Survey for the Mining Division to add perspectives on diversity, equity and inclusivity. This tool measures the commitment and satisfaction of our employees to inform our efforts to improve our inclusivity. Additionally, the Mining Division used the “Psychosocial risk factors at work - Identification, analysis and prevention” survey to identify these risks and to promote a favorable organizational environment in the workplace. Both the workplace climate and the psychosocial risk factors surveys are conducted biannually (the next round will be in 2023). [...] The Reporting Line is an essential component of our human rights due diligence process in our three divisions, providing a mechanism for employees and suppliers to immediately communicate to the company any violation of their human rights and to receive a report on how their grievance was addressed. For more information, consult the section on Comprehensive Reporting System here’. However, this subindicator looks for evidence of human resources and knowledge allocated to day-to-day implementation of human rights commitments. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</p> <ul style="list-style-type: none"> <li>• Not Met: Resources and expertise allocation with EX BPs: The Company has provided comments to CHRB regarding this subindicator. However, this subindicator looks for information on how it allocates resources and expertise for the day-to-day management of relevant human rights issues within its business partners. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>
B.1.2	Incentives and performance management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Senior manager incentives linked to HRs commitments</li> <li>• Not Met: Incentive scheme linked to key HRs risks beyond employee H&amp;S</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Performance criteria linked to HRs made public</li> <li>• Not Met: Review of other senior management incentives for coherence with HRs policies</li> </ul>
B.1.3	Integration with enterprise risk management	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: HRs risks integrated as part of enterprise risk system: The 2021 Sustainable Development Report indicates: ‘Effective environmental, social and governance (ESG) risk management is a fundamental part of Grupo México’s business strategy. [...] At the Mining Division, we manage and communicate our enterprise risk management (ERM, Enterprise Risk Management), under an internal control environment COSO (Committee of Sponsoring Organizations of the Treadway). [...] We also identify, prioritize and classify risks based on the degree of significance of economic, environmental and social impacts, taking into account the influence of stakeholder assessments and decisions in each of our divisions. They are grouped into four segments: (i) business ethics and integrity; (ii) climate change; (iii) communities; and (iv) our people. The identification of deficiencies and opportunities allows us to maintain a process of continuous improvement and consequent learning to shape a culture focused on strategic risk management from Senior Management to the rest of the organization’. The segments described include human rights. The 2022 Sustainable Development Report adds that the ESG management ‘helps us to identify human rights-related risks and to implement preventive measures to ensure our operations produce no negative impacts on the human rights of our communities, employees or contractors, or in the event of any such impact, to take actions to mitigate or remediate. [...] our risk management includes relating the different types of risk to the different types of human rights, as categorized by international benchmarks’. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Provides an example: As indicated above, the 2022 Sustainable Development Report indicates: ‘The effective management of our environmental, social and governance risks [...] helps us to identify human rights-related risks and to implement preventive measures to ensure our operations produce no negative impacts on the human rights of our communities, employees or contractors, or in the event of any such impact, to take actions to mitigate or remediate. [...], our risk management includes relating the different types of risk to the different types of</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>human rights, as categorized by international benchmarks'. The Company discloses a table which 'notes the company department responsible for managing the potential human rights-related risks, based on the policies and procedures in place for each department'. However, although the Company indicates how Human Rights related aspects are part of its broader risk management, no examples found of how it manages them within this system [beyond to which company department will address it or how the risk is related to the Global Compact]; or, in case of their occurrence, examples of the negative impacts it may have to the Company. [2022 Sustainable Development Report, 2023: <a href="https://gmexico.com">gmexico.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Risk assesment by Audit Committee or independent third party: The 2022 Sustainable Development Report indicates: 'Each of our divisions has a Risk Committee, reporting directly to the Internal Audit Committee, which is completely independent from the business and is made up of three independent board [...]. These committees analyze and assess our risk management, evaluate and prioritize risks and support our Executive leadership to define and update the policies and procedures that govern our Comprehensive Risk Management System. These committees report directly to the Board of Directors, which monitors and manages the company's risks, including those associated with [...] supply chain, compliance, [...] and ESG'. However, no further information found on how it assesses the adequacy of the enterprise risk management system in managing human rights, specifically, during the company's last reporting year. [2022 Sustainable Development Report, 2023: <a href="https://gmexico.com">gmexico.com</a>]</li> </ul>
B.1.4.a	Communication /dissemination of policy commitment(s) to workers and external stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Score of 1 on A.1.2.a: See A.1.2.</li> <li>• Met: Communicates HRs policies to all workers in own operations: The 2021 Sustainability Development Report indicates: 'We also offer training in managerial and institutional skills, and all employees are given continuous training in human rights and our Code of Ethics'. Local languages are assumed in training. [2021 Sustainable Development Report, 2022: <a href="https://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Communicates HRs policies to stakeholders: The Code of Ethics indicates: 'We share this Code with all members of our value chain and our stakeholders in general, to inform our community of our principles and also the manner in which we conduct our relationships'. However, no description found of how it actually communicates its policy commitments to affected stakeholders, including local communities and other groups. [Code of Ethics and Company Behaviour, N/A: <a href="https://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Example of how HRs policies are accessible for intended audience</li> </ul>
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Meets ILO requirement for suppliers on A.1.2.a: See A.1.2.a.</li> <li>• Met: Describes steps to communicate HRs policies to EX BPs: The Code of Conduct for Suppliers, Contractors, and Relevant Business Partners indicates: 'We are committed to only maintain a business relationship with Suppliers, Contractors, Business Partners, and/or Relevant Business Partners that manage their business with integrity, values, and philosophy similar to those of our company. Therefore, adherence to and compliance with this Code is mandatory, regardless of their own Codes of Ethics. [...] Our Suppliers, Contractors, Business Partners, and Relevant Business Partners shall communicate the obligations arising from this Code within their value chain'. In the end of the Code, there is a 'Initial and Annual Compliance Confirmation', which indicates 'obligations arising from this Code' are agreed and accepted. The Company has three Divisions, this is the Code for the Americas Mining Corporation which is its Mining Division. [Code of Conduct for Suppliers, Contractors, and Relevant Business Partners, N/A: <a href="https://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Describes how HRs policies are contractual/binding for suppliers: The 2021 Sustainability Development Report indicates: 'Before signing the contract, the Human Rights Policy and the Code of Ethics are shared with the supplier, who must sign as a demonstration of understanding and compliance. The Code of Conduct for Suppliers, Contractors and Relevant Business Partners of the Mining Division is in the process of implementation'. The Code for the Mining Division contains various Human Rights provisions, in some of which the Company explicitly mentions: 'This obligation will be included in contractual clauses in business contracts, either directly or by reference to this Code'. It includes: child labour, forced labor, working hours, serious abuses related to the extraction, transport, or trade of minerals, money laundering and direct or indirect support to non-state armed groups. See</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>above information on the Code. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>] &amp; [Code of Conduct for Suppliers, Contractors, and Relevant Business Partners, N/A: <a href="http://gmexico.com">gmexico.com</a>]</p> <ul style="list-style-type: none"> <li>• Not Met: Requires EX BPs to cascade contractual/binding HRs policies to their BPs: The Code of Conduct for Suppliers, Contractors, and Relevant Business Partners indicates: 'Our Suppliers, Contractors, Business Partners, and Relevant Business Partners shall communicate the obligations arising from this Code within their value chain'. However, it is not clear that extractive business partners are required to cascade the commitments as part of a contractual agreement. [Code of Conduct for Suppliers, Contractors, and Relevant Business Partners, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>
B.1.5	Training on Human Rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Score of at least 1 on A.1.2.a: See A.1.2.a.</li> <li>• Not Met: Describes how workers are trained on HRs policy commitments: The 2022 Sustainable Development Report indicates: 'We updated the diversity and inclusion training curriculum in the Mining Division and held an in-person sensitivity training and awareness campaign at Minera México [a mining segment] for 100% of our union and non-union employees where we explained the Code of Ethics (including the use of the Reporting Line) and our commitments under the Human Rights Policy, and we discussed in detail the topic of diversity and inclusion, prevention and handling incidents of workplace or sexual harassment. [...] Additionally, 100% of the Mining Division management team (40 people) participated in a training on diversity and inclusion, focused on company leadership. We provided training on topics related to diversity and inclusion to 15,085 employees across our three divisions, as part of our Code of Ethics and human rights training[...]. In addition to this training, 952 Minera México employees completed specific 1-hour online courses in 2022 to understand and prevent workplace harassment as laid out in Mexican standard NOM035, to promote safe and respectful workplaces. In Peru, as a complement to the Code of Ethics training, 326 employees received training on diversity, inclusion, non-discrimination and sexual harassment in the workplace, and inclusion of people with disabilities'. However, it is not clear the Company has a company-wide training programme on its human rights policy commitment [beyond diversity, inclusion, harassment and non-discrimination]. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Trains relevant managers including security on HRs: The 2021 Sustainability Development Report indicates: 'The company also confirms that they [private security companies] receive regular human rights training'. However, no further description of the training found. The 2022 Sustainable Development Report indicates: 'Grupo México applies a due diligence process for contracting private security companies, which ensures compliance with our Code of Ethics and Human Rights Policy. We verify that these security officers receive regular human rights training, and the contracts contain clauses that promote respect for human rights and establish frameworks for action at our facilities'. However, this subindicator looks for a description of the Company it trains security personnel. No further evidence found. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Score of 2 on A.1.2.a: See A.1.2.a.</li> <li>• Not Met: Meets both requirements under score 1</li> <li>• Not Met: Trains BPs to meet HRs commitments</li> <li>• Not Met: Discloses % suppliers trained</li> </ul>
B.1.6	Monitoring and corrective actions	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Score of at least 1 on A.1.2.a: See A1.2.a.</li> <li>• Not Met: Monitors implementation of HRs policy commitments across global ops and EX BPs: The 2021 Sustainable Development Report indicates that: 'we conduct participatory social assessments, which are based on Social Impact Assessments (EVIS) methodology promoted by the Ministry of Energy (SENER) for energy sector projects, which include Social Management Plans with measures to prevent, mitigate and remediate any negative effects, as well as to enhance positive impacts. [...] In the Mexico and Peru operations of the Mining Division (SCC) and in the Infrastructure Division, we have participatory social assessments that are updated every two years according to policies and procedures'. As for its suppliers: 'Once the supplier is hired, monthly monitoring is performed to verify that it is respecting the commitments assumed in these documents [Human Rights Policy and the Code of Ethics]'. The 2022 Sustainable Development Report adds: 'As part</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>of this regular monitoring of suppliers, we review documents to confirm there are no cases of child or forced labor. We also conduct routine visits where we interview employees of our contractors to confirm compliance with the Code of Conduct for Suppliers (e.g., the work hours are respected and working conditions are decent)'. The Company has provided additional comments to CHRB regarding this indicator regarding the role of the Community Care Service (CCS) in the due diligence process. However, no further details found on how it monitors compliance with human rights policies within its own operations. [2021 Sustainable Development Report, 2022: <a href="#">gmexico.com</a>] &amp; [2022 Sustainable Development Report, 2023: <a href="#">gmexico.com</a>]</p> <ul style="list-style-type: none"> <li>• Not Met: Discloses % of EX BP's monitored</li> <li>• Not Met: Describes how workers are involved in monitoring</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Score of 2 on A.1.2.a: See A1.2.a.</li> <li>• Not Met: Describes corrective actions process</li> <li>• Not Met: Discloses findings and number of correction action processes</li> </ul>
B.1.7	Engaging and terminating business relationships	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: HRs performance affects selection EX BPs: The Company states in its Human Rights Policy that it extends 'to suppliers of goods and services, giving preference to companies that shares our values'. However, the Company is expected to describe how human rights performance is considered when choosing their suppliers. [Human Rights Policy, N/A: <a href="#">gmexico.com</a>]</li> <li>• Met: HRs performance affects ongoing BPs relationships: The 2021 Sustainability Development Report indicates: 'Once the supplier is hired, monthly monitoring is performed to verify that it is respecting the commitments assumed in these documents [Human Rights Policy and the Code of Ethics]. If any irregularity is identified during these reviews, the supplier is required to immediately correct the matter, otherwise, payments are stopped and the supplier may even be removed from Grupo México's supplier list, which means that it cannot participate in future bids'. [2021 Sustainable Development Report, 2022: <a href="#">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Describes positive HRs incentives for business relationships</li> <li>• Not Met: Works with EX BPs to meet HRs requirements</li> </ul>
B.1.8	Approach to engagement with affected stakeholders	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Describes how workers and communities identified and engaged in the last two years: The 2021 Sustainability Development Report indicates: 'it is necessary to establish transparent and efficient communication with our shareholders, investors, employees, unions, communities, customers, suppliers, business partners, sector and industry chambers, governments and the media. [...] We are also committed to communicate and listen to our stakeholders, through various communication channels such as: Annual Report, Sustainable Development Report, [...] Community Committees, forums, interviews, presence in social networks, community development centers, Community Attention Service (SAC), press releases and newsletters. [...] We are always open to listen and discuss concerns related to the company, so our communication channels are always open. The Community Attention Service (SAC) is the communication channel directed to the communities where we operate, to address their complaints and concerns'. The 2022 Sustainable Development Report explains its Due diligence process with the communities: 'Grupo México applies a human rights due diligence process for the communities where we operate throughout the life of each project [...], and we have the participative social diagnostics, management plans and our Community Care Service in the Mining and Infrastructure divisions to support this process'. As for its Participative social diagnostics, it notes: 'This process involves conducting participative social diagnostics at our Mining Division (SCC) operations in Mexico and Peru, and in our Infrastructure Division to mitigate potential negative impacts and optimize the positives. These diagnostics are updated every two years and are based on the Social Impact Assessment methodology, promoted by the Mexican Ministry of Energy (in Spanish, SENER) for energy sector projects. [...] We conduct participative diagnostics regularly and for the different stages of each business to listen to the community and ensure decisions on operational and social plans are made collaboratively, considering the risks, needs and concerns of the community. The results of the diagnostic are presented and reviewed with representatives from the community to receive their feedback and ensure their representation'. Additionally, it expands on its Due diligence processes with employees: 'Our human rights due diligence process for Grupo México employees has two components: workplace climate surveys and the reporting line'. The Company has provided</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>comments to CHRB regarding this indicator including grievance mechanisms actions taken and a summary of the 'principal human rights-related risks that we identified proactively through the participative diagnostics'. However, this subindicator looks for the specific steps the Company follow to identify affected stakeholders with whom to engage on human rights issues, including workers amongst extractive business partners or local communities, in the last two years. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</p> <ul style="list-style-type: none"> <li>• Not Met: Discloses stakeholders whose HRs may be affected: The Company has provided comments to CHRB regarding this indicator explaining part of its due diligence process for affected communities as well as a summary of the 'principal human rights-related risks that we identified proactively through the participative diagnostics'. However, this subindicator looks for a disclosure of the categories of stakeholders whose human rights have been or may be affected by its activities. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Provides two examples of engagement with stakeholders: The Company has provided comments to CHRB regarding this indicator explaining due diligence process with the communities, which includes a participative social diagnostics, and a Community Care Service in the Mining division. It expands on these two mechanisms. It also provides a summary of the 'principal human rights-related risks that we identified proactively through the participative diagnostics'. It has also disclosed two examples involving responses to grievances reported. However, this subindicator looks for two examples of its engagement with stakeholders whose human rights have been or may be affected by its activities (or their legitimate representatives or multi-stakeholder initiatives) in the last two years. Engagement is understood as an ongoing process of interaction and dialogue between a Company and its stakeholders that enables the Company to hear, understand and respond to their interests and concerns, including through collaborative approaches, rather than the response to a grievance raised. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Analysis of stakeholder views on company's HRs issues: The 2020 Sustainability Report provides a summary of the 'principal human rights-related risks that we identified proactively through the participative diagnostics'. It includes: Access to water (location in the Atacama desert and (location near farmlands) and gender equality. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Met: Describes how stakeholders views influenced company's HRs approach: The Company has provided comments to CHRB regarding this indicator providing a summary of the 'Preventive / mitigation / remediation actions taken' as a result of the participative social. It includes: 'Locumba River water studies and water infrastructure projects (dams, canals, steppe recovery and technical studies to improve the supply of drinking water); [...] Mine designed with desalinated water; comprehensive drinking water project studies for the province of Islay; [...] Culture of peace and healthy coexistence, and linkage with the Human Rights Agency in the state of Guanajuato'. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>

## B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying human rights risks and impacts	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Describes process of identifying risks in own operations: The Company indicates: 'We have implemented assessment processes to identify, prevent, mitigate or remediate adverse impacts on the human rights of employees and communities. We have established the basis for the timely identification of risks of breaching these rights, under a preventive approach that considers five risk or occurrence levels'. Regarding Process of due diligence with the communities, it notes: 'In the Mining and Infrastructure divisions, the company applies the human rights due diligence process for communities throughout the life of a project (exploration, construction, operation and closure). Its implementation, has three components: participatory social diagnosis and management plans, and the Community Care Service (SAC). [...] The participative social diagnostics help the company to identify the risks present at each business unit [...]. These diagnostics are prepared at the start of each project and are then updated every two years at all our business units in Mexico and Peru. [...] we conduct participatory social assessments, which are based on Social Impact Assessments (EVIS) methodology promoted by the Ministry of Energy (SENER) for energy sector projects'. Moreover, 'In Grupo México, the human rights due diligence process for our employees has two components: labor climate surveys and the whistleblower procedure'. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Describes process for identifying risks in EX BPs: Regarding its supply chain, the 2021 Sustainability Development Report indicates: 'Once the supplier is hired, monthly monitoring is performed to verify that it is respecting the commitments assumed in these documents. If any irregularity is identified during these reviews, the supplier is required to immediately correct the matter, otherwise, payments are stopped and the supplier may even be removed from Grupo México's supplier list, which means that it cannot participate in future bids'. However, it is not clear they are part of a proactive identification of human rights risks and impacts process as current evidence seems to focus on compliance. The description should include the process it uses to identify which are the potential human rights risks and impacts that the Company faces through its business partners. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Describes global risk identification system incl. stakeholder consultation: The 2021 Sustainability Development Report indicates: 'We have implemented assessment processes to identify, prevent, mitigate or remediate adverse impacts on the human rights of employees and communities'. Regarding Process of due diligence with the communities, it notes: 'In the Mining and Infrastructure divisions, the company applies the human rights due diligence process for communities throughout the life of a project (exploration, construction, operation and closure). Its implementation, has three components: participatory social diagnosis and management plans, and the Community Care Service (SAC). [...] The participative social diagnostics help the company to identify the risks present at each business unit [...]. These diagnostics are prepared at the start of each project and are then updated every two years at all our business units in Mexico and Peru. [...] we conduct participatory social assessments, which are based on Social Impact Assessments (EVIS) methodology promoted by the Ministry of Energy (SENER) for energy sector projects. [...] In addition, internal and external auditors, such as PwC, Deloitte and SRK, among others, evaluate the performance of the Community Development model. Some mechanisms receive specialized advice, such as the Community Care Service (SAC), which receives attention from the Office of the United Nations High Commissioner for Human Rights in Mexico'. Moreover, 'In Grupo México, the human rights due diligence process for our employees has two components: labor climate surveys and the whistleblower procedure'. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Describes how risk identification system is triggered by new circumstances</li> <li>• Not Met: Describes risks identified in relation to new circumstances</li> </ul>
B.2.2	Assessing human rights risks and impacts	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Describes assessment process and discloses salient HRs risks: The 2021 Sustainability Development Report indicates: 'We have implemented assessment processes to identify, prevent, mitigate or remediate adverse impacts on the human rights of employees and communities. We have established the basis for the timely identification of risks of breaching these rights, under a preventive</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>approach that considers five risk or occurrence levels'. Regarding Process of due diligence with the communities, it notes: 'we conduct participatory social assessments, which are based on Social Impact Assessments (EVIS) methodology promoted by the Ministry of Energy (SENER) for energy sector projects. [...] The participative social diagnostics help the company to identify the risks present at each business unit [...]. These diagnostics are prepared at the start of each project and are then updated every two years at all our business units in Mexico and Peru'. [2021 Sustainable Development Report, 2022: <a href="https://gmexico.com">gmexico.com</a>]</p> <ul style="list-style-type: none"> <li>• Not Met: Describes how process applies to EX BPs</li> <li>• Not Met: Public disclosure of results of HRs risk assessment: The 2022 Sustainable Development Report discloses the 'Principal human rights-related risks perceived by the communities through the participative diagnostics', found in its participative diagnostics in Mexico and Peru. It includes access to water and gender equality. It is not clear, however, whether these are all salient issues, since it seems to reflect only communities perception (i.e not clear how human rights impacts in other stakeholders such as Company employees or business partners are included). [2022 Sustainable Development Report, 2023: <a href="https://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets all requirements under score 1</li> <li>• Not Met: Describes how assessment involved affected stakeholders</li> </ul>
B.2.3	Integrating and acting on human rights risks and impact assessments	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Describes system to prevent, mitigate and remediate HRs issues: The 2021 Sustainability Development Report indicates: 'We have implemented assessment processes to identify, prevent, mitigate or remediate adverse impacts on the human rights of employees and communities'. Regarding Process of due diligence with the communities, it notes: 'The participative social diagnostics help the company to identify the risks present at each business unit, to then design actions to mitigate potential negative impacts and optimize the positives. [...] we conduct participatory social assessments, which are based on Social Impact Assessments (EVIS) methodology promoted by the Ministry of Energy (SENER) for energy sector projects, which include Social Management Plans with measures to prevent, mitigate and remediate any negative effects, as well as to enhance positive impacts'. However, no description was found of a system to prevent, mitigate and remediate its salient human rights issues. The 2022 Sustainable Development Report further explains its human rights risk management system. It also discloses the 'Principal human rights-related risks perceived by the communities through the participative diagnostics', found in its participative diagnostics in Mexico and Peru. It includes access to water and gender equality and the Preventive / mitigation / remediation actions taken for these issues. It included: 'Locumba River water studies and water infrastructure projects (dams, canals, steppe recovery and technical studies to improve the supply of drinking water); [...] Mine designed with desalinated water; comprehensive drinking water project studies for the province of Islay; [...] Technical consulting program and investment in water management projects [...] Comprehensive Plan for Cananea, with the federal, state and municipal governments, to ensure water availability for the community; [...] Culture of peace and healthy coexistence, and linkage with the Human Rights Agency in the state of Guanajuato'. However, the preventive actions disclosed refer to specific locations and topics. This subindicator looks to systematic action plan for the specific issues found. [2021 Sustainable Development Report, 2022: <a href="https://gmexico.com">gmexico.com</a>] &amp; [2022 Sustainable Development Report, 2023: <a href="https://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Describes how global system applies to EX BPs</li> <li>• Met: Example of actions decided on at least 1 salient HRs issue: The 2022 Sustainable Development Report discloses the 'Principal human rights-related risks perceived by the communities through the participative diagnostics', found in its participative diagnostics in Mexico and Peru. It includes access to water and gender equality and the Preventive / mitigation / remediation actions taken for these issues. It included: 'Locumba River water studies and water infrastructure projects (dams, canals, steppe recovery and technical studies to improve the supply of drinking water); [...] Mine designed with desalinated water; comprehensive drinking water project studies for the province of Islay; [...] Technical consulting program and investment in water management projects [...] Comprehensive Plan for Cananea, with the federal, state and municipal governments, to ensure water availability for the community; [...] Culture of peace and healthy coexistence, and linkage with the Human Rights Agency in the state of Guanajuato'.</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets all requirements under score 1</li> <li>• Not Met: Describes how stakeholders involved in decisions about actions taken</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.4	Tracking the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Describes system for evaluation effectiveness of actions: The Company has provided comments to CHRB regarding this indicator referring to its participative social diagnostics and management plans. It also adds: 'The due diligence process involves inter-property audits, conducted by the Impact Measuring office of the Community Development Department, to review and validate the necessary elements for full compliance with the social management plans in our communities. Additionally, both inhouse and independent auditors review the performance of our Community Development Model. We have sought specialized consulting for various mechanisms, like the consultation with the Office of the United Nations High Commissioner on Human Rights in Mexico regarding the Community Care Service (CCS)'. However, current evidence seems to refer to the Company's Community Development Model being reviewed rather than a description of how it tracks effectiveness of specific action plans implemented to face the different salient human rights issues. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Example of lessons learned from evaluation effectiveness of actions</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets all requirements under score 1</li> <li>• Not Met: Involves stakeholders in evaluation effectiveness of actions</li> </ul>
B.2.5	Communicating on human rights impacts	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Provides two examples of comms with stakeholders: The 2022 Sustainable Development Report indicates that its Community Care Service is part of its due diligence process. It also discloses two instances of how it responded to grievances raised through the CCS. The first case was in Cananea, Mexico: 'In May 2022, we identified two grievances associated with the Buenavista del Cobre mine via a radio program, involving odors and blasting in neighborhoods near our operations. We reached out to the radio station to confirm the grievances and that they were reported to the CCS. We also contacted the person in question and Operations personnel visited their home. We visited their home over five days during the hours the person had reported the odors being the most intense. The resident did not perceive the odors again. In parallel, we boosted our internal monitoring, and the Operations Department found no anomalies'. Also, as for a grievance raised in Cuajone, Peru, it explains: 'In November 2022, we received a grievance from a resident of Torata via our toll-free line, who complained that a Southern Peru contractor had not paid them for a machine rental, which had caused the resident economic hardship. The case was reported to the Contracting department, who conducted an inhouse investigation and notified the contractor that we were aware of the debt, requesting the contractor make payment to their providers. The contractor contacted the provider and made arrangements for the payment. We were communicating with the Torata resident throughout the process, and they were appreciative of our intervention'. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Describes challenges to effective comms and how it is working to address them</li> </ul>

### C. Remedies and Grievance Mechanisms (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance mechanism(s) for workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Grievance mechanism accessible to all workers: The Code of Ethics indicates: 'Grupo México has a system in place to receive and investigate reports of irregularities and incidents received via the Reporting Line in each Division. [...] If you witness or have been a victim of any irregularity, report the incident via the Reporting Line and contact your immediate supervisor or the heads of the Human Resources, Audit or Legal departments and/or the Compliance Officer'. [Code of Ethics and Company Behaviour, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Grievance mechanism available in appropriate languages and workers made aware: The 2021 Sustainability Development Report indicates: ‘We also offer training in managerial and institutional skills, and all employees are given continuous training in human rights and our Code of Ethics’. The Code contains information on the grievance mechanism. Although the content of Human Rights policy training is not disclosed, workers may be aware of the channels through these trainings. The Code states: ‘Grupo México has a system in place to receive and investigate reports of irregularities and incidents received via the Reporting Line in each Division. [...] There are 4 channels through which a report can be made and the specific details for each are on the intranet of each Division: Reporting Line for Grupo México [...]; Reporting Line for the Mining Division [...]’. The Reporting Line for Grupo México is in Spanish. The Mining Division has four different reporting lines. The Governance Manual notes: ‘The hotline is available in the local language in Mexico, Peru, and the United States’. [Code of Ethics and Company Behaviour, N/A: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Met: Describes how workers in EX BPs access grievance mechanism: The 2021 Sustainability Development Report indicates: ‘The construction of communication channels with our employees, suppliers, contractors, communities and any internal or external stakeholder is fundamental for the transparency of our operations. For this reason, we have a whistleblower hotline that operates 24 hours a day, 365 days a year, in the countries where we have operations’. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Met: Expects EX BPs to convey expectation to their BPs: The Code of Conduct for Suppliers, Contractors, and Relevant Business Partners, for the Mining Division, indicates: ‘When a Supplier, Contractor, Business Partner, or Relevant Business Partner has sufficient evidence to consider that an obligation established in this Code has not been complied with, they may use the Integral Whistleblower System (SID, for its acronym in Spanish) to report it, which is the confidential and secure means to report and raise concerns or complaints about conduct that goes against the provisions of our internal regulations, as well as our values and standards’. According to the description found in the 2021 Sustainability Development Report [see above] it is assumed that extractive business partners' employees can file complaints in relation to suppliers' behaviour. Moreover, the Code indicates that ‘Our Suppliers, Contractors, Business Partners, and Relevant Business Partners shall communicate the obligations arising from this Code within their value chain’. [Code of Conduct for Suppliers, Contractors, and Relevant Business Partners, N/A: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>
C.2	Grievance mechanism(s) for external individuals and communities	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Grievance mechanism accessible to all external individuals and communities: The 2021 Sustainability Development Report indicates: ‘The construction of communication channels with our employees, suppliers, contractors, communities and any internal or external stakeholder is fundamental for the transparency of our operations. For this reason, we have a whistleblower hotline that operates 24 hours a day, 365 days a year, in the countries where we have operations’. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Grievance mechanism available in appropriate languages and affected stakeholders made aware: The Code of Ethics states: ‘Grupo México has a system in place to receive and investigate reports of irregularities and incidents received via the Reporting Line in each Division. [...] There are 4 channels through which a report can be made and the specific details for each are on the intranet of each Division: Reporting Line for Grupo México [...]; Reporting Line for the Mining Division [...]’. The Reporting Line for Grupo México is in Spanish. The Mining Division has four different reporting lines. The Governance Manual indicates: ‘The hotline is available in the local language in Mexico, Peru, and the United States’. The 2022 Sustainability Report notes that the Community Care Service (CCS) ‘is an open and permanent mechanism for the community to quickly communicate their concerns and grievances to the company, particularly in regard to their human rights’ and it is disseminated by: ‘Print media; Digital media; Megaphones; Company activities’. [Code of Ethics and Company Behaviour, N/A: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Met: Describes how external individuals/communities access grievance mechanism: The Code of Conduct for Suppliers, Contractors, and Relevant Business Partners, for the Mining Division, indicates: ‘When a Supplier, Contractor, Business Partner, or Relevant Business Partner has sufficient evidence to consider that an</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>obligation established in this Code has not been complied with, they may use the Integral Whistleblower System [...] to report it, which is the confidential and secure means to report and raise concerns or complaints about conduct that goes against the provisions of our internal regulations, as well as our values and standards'. The 2022 Sustainable Development Report discloses an example of a grievance raised by a resident regarding a contractor misbehaviour: 'In November 2022, we received a grievance from a resident of Torata via our toll-free line, who complained that a Southern Peru contractor had not paid them for a machine rental, which had caused the resident economic hardship'. The Company has provided additional comments to CHRB regarding this indicator regarding its project with SAC MIPyMES, which extends their Community Care Service to offer specialized attention for micro, small and medium companies [Code of Conduct for Suppliers, Contractors, and Relevant Business Partners, N/A: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</p> <ul style="list-style-type: none"> <li>• Not Met: Expects EX BPs to convey expectation to their BPs: See above. The Code indicates that 'Our Suppliers, Contractors, Business Partners, and Relevant Business Partners shall communicate the obligations arising from this Code within their value chain'. However, as indicated above, the mechanism seems open to business partners and their partners, it is not clear that business partners' external stakeholders can file complaints in relation to business partners' behaviour. [Code of Conduct for Suppliers, Contractors, and Relevant Business Partners, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>
C.3	Users are involved in the design and performance of the mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Describes how users engaged on design and performance</li> <li>• Not Met: Provides user engagement examples (at least two) on design and performance</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Describes how users engaged on improvement of mechanism</li> <li>• Not Met: Provides user engagement examples (at least two) on improvement</li> </ul>
C.4	Procedures related to the mechanism(s) are equitable, publicly available and explained	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Describes procedure and timescales for managing complaints or concerns: The Governance Manual indicates: 'Reports made through the Integral Reports System are received by an independent third-party specialist to ensure the objectivity of the process. [...] The third party sends an e-mail to the Ethics and Discipline Committee with the reports and evidence (where available) 24 hours after receipt. [...] The respective Ethics and Discipline Committee analyzes the cases to define an action plan. [...] The committee contacts the complainant (when the report was not anonymous) 24 to 72 hours after it has decided to investigate to communicate that the report is being addressed. At the end of the investigation, the case's resolution may vary, whether the report is dismissed, a resolution of a problem between two parties is sought, an administrative sanction is applied, the employment relationship is terminated, or other legal sanctions are applied if applicable warranted. Once the plan is defined, the Ethics Committee monitors the implementation of the solution at each of its monthly meetings. [...] Once the report is attended, the independent third party updates the status of the report in the Integral Report System [...] and, every quarter, it generates a report for the Ethics and Discipline Committee containing statistical information on the reports received. In addition, the Ethics and Conduct Committee notifies the Audit Committee quarterly of its management and the results of the Ethics and Discipline Committee and the hotline to monitor performance and improvements implemented. If the report was not anonymous, the Ethics and Discipline Committee notifies the complainant within 24 to 72 hours after the resolution of the case, on the outcome of the investigation and the measures implemented. However, it is not clear how the complainant is informed in case the report is made anonymously. The Company has provided additional comments regarding this subindicator, however, no further description on how anonymous complainants are informed found, and the expected timeframe for addressing complaints. [Governance Manual, N/A: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Describes technical, financial, advisory support to enable equal access</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Describe types of outcome to complainant through use of mechanism: The Company has provided additional comments to CHRB regarding this indicator, however, the content was not material. This subindicator looks for an explanation of the types of outcomes to the complainant through use of the grievance mechanisms.</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not Met: Describes escalation to senior levels / independent adjudicators: Regarding the process for handling reports , the Governance Manual indicates: 'At the end of the investigation, the case's resolution may vary, whether the report is dismissed, a resolution of a problem between two parties is sought, an administrative sanction is applied, the employment relationship is terminated, or other legal sanctions are applied if applicable warranted. Once the plan is defined, the Ethics Committee monitors the implementation of the solution at each of its monthly meetings'. However, it is not clear how complaints or concerns for workers and all external individuals and communities may be escalated to more senior levels or independent third party adjudicators or mediators to challenge the process or outcome at the complainant's discretion. [Governance Manual, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>
C.5	Prohibition of retaliation for raising complaints or concerns	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public statement prohibiting retaliation against workers/stakeholders: The Governance Manual indicates: 'Reports can be made through a telephone line, voicemail, e-mail, or web page. The Ethic's Code makes it explicit that there will be no retaliation against anyone who chooses to use the hotline'. [Governance Manual, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Met: Describes practical measures to prevent retaliation: The Code of Ethics indicates: 'Reports can be submitted anonymously'. [Code of Ethics and Company Behaviour, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Specifies no legal action, firing or violence: The Code of Ethics and Company Behaviour indicates: 'In adherence of international best practices and to clarify the commitments, objectives and operation of the Incident Reporting Management System, each Division issues its own Incident Reporting Policy that: [...] Prohibits harmful behavior. [...] Establishes the types of protective measures the organization may implement for complainants and whistleblowers. States and guarantees there will be no reprisals for complainants or whistleblowers for filing a report. [...] Complies with the legal framework applicable to the organization in question'. However, this subindicator looks for explicit evidence that the Company will not retaliate against workers and stakeholders through the specific ways included in the requirement. [Code of Ethics and Company Behaviour, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Met: Expects EX BPs to prohibit retaliation against workers/stakeholders: The Human Rights Policy indicates: 'Foster an environment of confidence, without fear of reprisal by the Company against any person who presents a report or complaint in good faith and in an honest manner, involving compliance with this Policy or the Code of Ethics'. The Human rights policy extends 'to our suppliers of good and services, giving preferences to companies that shares our values'. [Human Rights Policy, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>
C.6	Company involvement with state-based judicial and non-judicial grievance mechanisms	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Complainants not asked to waive legal rights</li> <li>• Not Met: Does not require confidentiality provisions</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Cooperates with state based non judicial mechanisms: The Governance Manual indicates: 'For Grupo Mexico, it is essential that any conflicts that may arise are resolved best and as soon as possible. Therefore, the Company has a procedure and mechanisms that allow such disputes, whether internal or external, to be resolved through mediation and other non-judicial techniques'. However, no description of process by which it cooperates with state-based non-judicial grievance mechanism on complaints brought against it found. [Governance Manual, N/A: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Example of issue resolved (if applicable)</li> </ul>
C.7	Remedying adverse impacts	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Describes approach taken to remedy adverse HRs impacts: The Company indicates: 'In September 2021, a neighbour of the Pacocha district contacted the SAC, expressing her concern about the safety risk and the delay in the execution of a work, in the urban area of the access roads to the Ilo Refinery Plant, in charge of a contractor company of the company. The multidisciplinary team of the Projects area made a field visit to the site, and verified that there was a delay in covering the sector where pipes were installed. Our company contacted the contractor, the work was concluded in four days, ending the discomfort and feeling of insecurity of the complainant and the neighbors, who were informed about the actions</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>executed during the whole process'. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Describes changes to systems, processes and practices to prevent future impacts: The 2021 Sustainability Development Report indicates: 'During 2021, the Whistleblower Hotline received and dealt with two cases of discrimination at Minera Mexico. They were presented at a meeting of the Ethics and Discipline Committee, which ensured prompt and efficient attention, as well as a plan that included remediation actions to raise awareness in the corresponding areas. [...] At the same time, communication between managers, supervisors and employees was improved through meetings between employees and Human Resources representatives to open direct communication channels to receive their concerns and improve the work environment'. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Describes approach to monitoring/implementing agreed remedy</li> <li>• Not Met: Describes approach to learning from incidents if no adverse impacts identified</li> </ul>
C.8	Communication on the effectiveness of grievance mechanism(s) and incorporating lessons learned	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Discloses number of grievances filed, addressed or resolved and outcomes achieved: The 2021 Sustainability Development Report indicates: 'During 2021, the company received 294 reports from the three divisions, 40% more than the previous year. The main increase was in the Transportation Division, going from 90 to 167 total complaints. Most of the complaints from this division were related to urban coexistence. The Mining Division received 100 reports in total, that is an 8% increase over the previous year. In 2021, the complaint line for the SPCC [Southern Peru Copper Corporation] subsidiary was made known. As a result, the complaints doubled, from 20 to 40 in total. While in the Minera Mexico subsidiary, there was a yearly decrease of reports from 66 to 60. ASARCO did not receive any complaints'. In the Mining Division there was a of 40 reports related to Matters related to Human Resources, it could include 'Abuse of authority, sexual harassment, inadequate or unsafe working conditions, inappropriate personnel behavior, unjustified dismissal, discrimination, working hours, urban coexistence problems, drug and alcohol consumption, and non-sexual harassment'. Still in the Mining Division, there were 100 complaints attended, 64 complaints closed and 36 complaints under. The 2022 Sustainable Development Report discloses figures on its Community Care Service (CCS): 1,342 incident reports, 100% of them were addressed. It also discloses them by types of incidents, including Health and Safety (4); Land-related (8); Indigenous Communities (0) as well as incidents reports by country. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Example of how lessons from mechanism improved HRs management system</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Describes process to evaluate mechanism and changes made as a result: The 2022 Sustainable Development Report indicates: 'The due diligence process involves inter-property audits, conducted by the Impact Measuring office of the Community Development Department, to review and validate the necessary elements for full compliance with the social management plans in our communities. Additionally, both inhouse and independent auditors review the performance of our Community Development Model. We have sought specialized consulting for various mechanisms, like the consultation with the Office of the United Nations High Commissioner on Human Rights in Mexico regarding the Community Care Service (CCS), as mentioned above'. However, although the Company indicates its due diligence process is audited, and that is has sought specialized consulting for its CCS, no specific description found of how the process to review the effectiveness of the grievance mechanism is carried out. Moreover, the Company is also expected to disclose changes made to improve it based on the review. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Describes procedures to address delays of outcomes agreed with stakeholders</li> </ul>

## D. Performance: Company Human Rights Practices (25% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.1	Living wage (in own extractive operations, which includes JVs)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Pays living wage or sets time-bound target: The Company indicates: 'At Grupo México we are committed to offering all our employees a living wage that allows them to cover their basic needs and those of their families. [...] In the Mining Division, thanks to the use of this methodology [see below], we found a case where the base salary (which is a portion of a worker's total income) of a category of unionized personnel is 1.9% below the living wage in its locality, Chihuahua. However, this base wage is 14% above the national living wage. The company will make an adjustment to this wage level to ensure that it is above the living wage in Chihuahua. This case proves the usefulness of applying this methodology to allow the company to identify cases like this and make the required adjustments. For the rest of the units and companies analyzed, in the three countries and three divisions of Grupo México, this analysis allows us to confirm that in all cases the lowest base salaries received by an employee are above the living wage in that location, as well as above the national living wage'. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Describes how living wage determined: The 2021 Sustainability Development Report indicates: '[see above] That is why we have developed a methodology to compare the salaries of our employees against the living wage in their locality, defined by external sources with international recognition (Wage Indicator Foundation and the Massachusetts Institute of Technology), and if they are below this, make the corresponding adjustments. [...] The methodology we used consists, first, of identifying the lowest base salary in the business units in the three countries where the Mining Division operates and in the companies that make up both the Infrastructure and Transportation Divisions. The base salary of Grupo México's employees represents only a portion of the employee's income. In addition to the base salary, all employees receive monthly benefits above the legal requirements in all three divisions (such as food vouchers, savings fund, etc.). Also, they receive variable compensation through profit sharing, which can represent a high percentage of the employee's annual income. Last year, for example, employees with the lowest salaries in the Mining Division in Mexico received between 5 and 70 times their monthly base salary as profit sharing. It is important to mention that the analysis carried out to determine a living wage does not consider these other benefits, in addition to the base salary. Once we identified these base salaries, we compared them against the living wage (calculated by recognized third parties) at the state level for the Mining, Infrastructure and the U.S. operations of the Transportation Division. For the Transportation Division companies operating in Mexico, given the geographic expansion, we compared the base salaries against the national average living wage'. However, although the Company describes how it determines a living wage for the regions where it operates, it is not clear it includes involvement of relevant trade unions (or equivalent worker bodies where the right to freedom of association and collective bargaining is restricted under law). [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Achieved paying living wage: As indicated above, the 2021 Sustainability Development Report indicates: 'In the Mining Division, thanks to the use of this methodology, we found a case where the base salary (which is a portion of a worker's total income) of a category of unionized personnel is 1.9% below the living wage in its locality, Chihuahua. However, this base wage is 14% above the national living wage. The company will make an adjustment to this wage level to ensure that it is above the living wage in Chihuahua. [...] For the rest of the units and companies analyzed, in the three countries and three divisions of Grupo México, this analysis allows us to confirm that in all cases the lowest base salaries received by an employee are above the living wage in that location, as well as above the national living wage'. As indicated, it pays living wage and is already adjusting wage in the specific locations it recognise it isn't paying it at this time. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Reviews definition living wage with unions</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.2	Transparency and accountability (in own extractive operations, which includes JVs)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Reports of taxes and revenues beyond legal minimums: The 2022 Sustainable Development Report discloses taxes and revenue payments by country for its mining division, including discloses on Mexico, Peru, USA. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Reports taxes and revenue by country: As indicated above, the 2022 Sustainable Development Report discloses taxes and revenue payments by country for its mining division, including discloses on Mexico, Peru, USA. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>
D.3.3	Freedom of association and collective bargaining (in own extractive operations, which includes JVs)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Measures to prohibit violence/retaliation against workers for joining trade union: The Human Rights Policy states it is committed to 'Promote freedom of association and the right to organize, and the effective recognition of the right to collective bargaining'. The 2021 Sustainability Development Report 'we hold training workshops for supervisors on collective bargaining agreements and internal work regulations, so that they are aware of and respect the rights granted by law to unionized workers'. Also, high union recognition, in this case 71,5% [see below], is taken as a proxy for not intimidating or retaliating. [Human Rights Policy, N/A: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Met: Discloses % of total direct operations covered by CB agreements: The 2021 Sustainability Development Report indicates: 'The percentage of employees covered by collective bargaining agreements varies in each division, from 37.5% to 77.18%, and averages 71.5% across the entire company'. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Meets both requirements under score 1: See above.</li> </ul>
D.3.4	Health and safety: Fatalities, lost days, injury, occupational disease rates (in own extractive operations, which includes JVs)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Describes process to identify H&amp;S risks and impacts: The 2021 Sustainability Development Report indicates: 'By conducting audits and health and safety inspections, with a view to improving working conditions and employee performance, and preventing injury and disease in the workplace. [...] We implement complementary risk-control programs designed to improve the way we identify, implement and audit available preventive and response controls, with a view to avoiding undesired events. Performance parameters have been established for each critical control and these are overseen by two employees: one to ensure compliance with procedures and another to audit these and come up with a recovery plan in the event performance falls short. [...] Essential to risk management is the process of Identifying Hazards, Assessing Risks and Establishing Controls (IPERC). We have incorporated this tool into our management systems to prevent undesired events'. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Met: Discloses injury rate or lost days for last reporting period: The 2021 Sustainability Development Report indicates the lost time injury frequency rate for 2021: 1.16. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Met: Discloses fatalities for last reporting period: The 2021 Sustainability Development Report indicates the fatality rate for 2021: 0.06. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Met: Discloses occupational disease rate for last reporting period: The 2022 Sustainable Development Report discloses the Occupational disease rate for its mining division: 0.09. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Set targets for H&amp;S performance: The 2022 Sustainable Development Report discloses its 2018 - 2022 health and safety goals: Zero fatalities. Reduce the lost time injury frequency rate1 by 25% in the Mining Division. [...] Reduce work-related illness by 70% at our AMC operations [Americas Mining Corporation – the Company's mining division]. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: Met targets or explains why not or actions to improve H&amp;S management systems: The 2021 Sustainability Development Report indicates: 'In 2021, we updated our sustainability policies, including our Health and Safety in the Workplace (SST) policy and strengthened our management systems with a view to creating safer, healthier working environments for our employees, contractors and suppliers. We also foster a culture of prevention and the continuous improvement of our occupational health and safety management system, with an emphasis on compliance. The goal of our management approach is to prevent, mitigate and remediate undesired events that affect the wellbeing of our employees, reason why we are in the process of obtaining ISO 450011 certification for the safety systems of our mining units. [...] The Mining Division is in the process of applying the ISO 45001:2018 standard to its operations and, in some cases, is migrating from the OHSAS (Occupational Health and Safety Assessment Series) to 18001 to ISO 45001:2018. We are currently taking measures to ensure all units are ISO-certified. Our employees, contractors, suppliers and visitors, and our production and support processes are covered and provided for by our Workplace Health and Safety Management Systems, respectively'. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>
D.3.5	Indigenous peoples' rights and free prior and informed consent (FPIC) (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Process to identify/recognise indigenous rights holders: In the context of Mexico, the 2021 Sustainability Development Report indicates: 'Local indigenous communities and populations are identified and any potential impacts our operations may have on them assessed, with a view to establishing a dialogue based on respect, transparency and understanding that brings us closer to one another. This allows us to establish a close and empathetic dialogue with these communities. These actions form the basis of the Social Management Plans that take into account statistical, geographical, socioeconomic and qualitative information on the area and its indigenous communities, and their relationship with the business unit in question'. It also indicates that it has projects in Peru and the United States and where it has different projects with local indigenous communities. However, although it indicates that it identifies indigenous communities in Mexico, and that indicates that it is part of the Social Management Plans, no description found of the actual process to identify and recognise affected indigenous peoples. The 2022 Sustainable Development Report indicates: 'Grupo México has developed a due diligence process to identify, prevent, mitigate and remediate potential negative impacts at all our operations. This process involves conducting participative social diagnostics at our Mining Division (SCC) operations in Mexico and Peru, and in our Infrastructure Division to mitigate potential negative impacts and optimize the positives. These diagnostics are updated every two years and are based on the Social Impact Assessment methodology, promoted by the Mexican Ministry of Energy (in Spanish, SENER) for energy sector projects'. However, the system described seems to identify negative impacts. Moreover, 'The Grupo México Action Protocol with Indigenous Communities was designed in 2020 to raise awareness and provide training and orientation to company employees, contractors and suppliers, providing them with tools for engaging with indigenous communities near our operations, respecting the worldview, culture and identity of these communities. The Protocol was built on a roadmap that outlines the steps to ensure respectful relationships with indigenous communities from the onset, the mechanisms for engagement, agreements and follow-up, and also a series of basic tools for consultation, forms and recommendations to act in a way that is culturally appropriate'. However, although it has a Grupo México Action Protocol with Indigenous Communities, no further description found on its process to identify and recognise affected indigenous peoples. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not Met: Describes how indigenous communities are engaged during assessment: In the case of Peru, the 2021 Sustainability Development Report indicates: 'In the case of the Toquepala and Cuajone mining units (in the Tacna and Moquegua regions, respectively), and the Chancas project (Apurímac region), we are in the process of conducting anthropological analyses. An advisory team will assist with these studies in the aforementioned zones of influence and with the implementation of any derived social management strategies'. As it is noted above, for its Mexican operations: 'Local indigenous communities and populations are identified and any potential impacts our operations may have on them assessed, with a view to establishing a dialogue based on respect, transparency and understanding that brings us closer to one another'. However, it is not clear how it engages directly with indigenous communities in carrying out the assessment. The 2022 Sustainable Development Report indicates: 'The Grupo México Action Protocol with Indigenous Communities was designed in 2020 to raise awareness and provide training and orientation to company employees, contractors and suppliers, providing them with tools for engaging with indigenous communities near our operations, respecting the worldview, culture and identity of these communities. The Protocol was built on a roadmap that outlines the steps to ensure respectful relationships with indigenous communities from the onset, the mechanisms for engagement, agreements and follow-up, and also a series of basic tools for consultation, forms and recommendations to act in a way that is culturally appropriate'. However, although it contains the Protocol, no further description found of how it engages directly with indigenous community in carrying out the impact assessment. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Commitment to FPIC: The Policy of Respect for the Rights of Indigenous Peoples and Communities indicates it is committed to: 'Actively collaborate with governments when applicable, and in accordance with the regulatory framework of each country, in terms of prior, free and informed consent'. The Company has provided additional comments to CHRB Regarding this indicator in relation to the context of FPIC in Mexico. Nevertheless, it has extractive operations in other countries. However, although it indicates it is committed to collaborate with governments in terms of FPIC, it is not clear it is committed to obtain free prior and informed consent (FPIC) itself. [Policy of Respect for the Rights of Indigenous Peoples and Communities, 05/2021: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Recent example of obtaining FPIC or not pursuing indigenous people's land/resources: The Company has provided comments to CHRB regarding this indicator. However, evidence was not material.</li> </ul>
D.3.6	Land rights: Land acquisition (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Describes approach to identifying land tenure rights holders and negotiating compensation</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Describes approach to compensation including valuation</li> <li>• Not Met: Describes steps to meet IFC PS 5 in state deals</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.7	Security (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Describes security implementation (incl. VPs or ICOC) and provides an example: The Company indicates: 'In order to ensure compliance with the Code of Ethics and the Human Rights Policy, Grupo México applies a rigorous due diligence process in its three divisions for hiring private security companies. The company also confirms that they receive regular human rights training and includes contractual clauses to promote respect for human rights. The rationale for private security forces in the Mining and Infrastructure divisions is intramural'. Regarding the Voluntary Principles on Security and Human Rights, the 2022 Sustainable Development Report discloses its tools in place that address the three pillars of the VPSHRs: 'Risk assessment', 'Interactions between the company and public safety' and 'Interactions between the company and private security'. It adds: 'The Mining Division Code of Conduct for Suppliers, Contractors and Relevant Business or Commercial Partners provides for frequent review, by the supplier, of their security procedures and that these are aligned with the Voluntary Principles on Security and Human Rights'. However, no evidence found of an example of how it ensures respect for human rights (including the human rights of people in local communities) in the course of maintaining the security of company-managed operations, including when working with contracted private or public security providers. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Ensures Business Partners/JVs follow security approach</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Security and HRs assessment includes input from local communities: The 2021 Sustainability Development Report indicates: 'Each business unit has an ongoing risk assessment process that includes generating regular reports with information gathered from the security, legal and environment departments to establish preventive measures and actions to address the risks and avoid potential consequences. The Security department immediately identifies if there is any risk or threat that would require attention and produces an action plan, considering the potential damage to both people and facilities'. However, it is not clear its security and human rights assessments include inputs from the local community, including about their security concerns. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Two examples of working with local communities to improve security</li> </ul>
D.3.8	Water and sanitation (in own extractive operations, which includes JVs)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Describes preventative/corrective action plans for water and sanitation risks: The 2022 Sustainable Development Report indicates: 'We have been working on reinforcing water and tailings dams at Buenavista del Cobre in Sonora, Hayden in Arizona, San Martin in Zacatecas, and Charcas in San Luis Potosi to ensure their safety and prevent potential impacts on operations, the environment, and our neighbor communities. To prevent risks from flooding and the resulting impacts, we design and execute protection works in susceptible areas to protect our employees, operations, and infrastructure, specifically at the Santa Barbara operation. Accredited and approved labs regularly test the quality of our discharge wastewater to ensure we are in compliance with the regulatory limits and parameters'. Also: 'Improvement of the infrastructure and equipment for the water supply system in Cananea, Sonora. Deficiencies in the water infrastructure of the community near our Buenavista del Cobre operations cause a loss of up to 49% from leaks, therefore we replaced pumping equipment, sectioned the system and repaired the existing leaks to benefit the 39,408 residents of Cananea'. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Sets targets on water stewardship that consider water use by local communities: The 2022 Sustainable Development Report discloses its mining division water related goals, which include: 'Contribute to recharging water tables at the river basins and watersheds where our operations are located. Active participation in the governance of the river basins and watersheds where we operate. Detailed monitoring of the conditions of priority watersheds where we operate. Reduce freshwater consumption per production unit by 5%, compared with 2022. [...] Increase use of waste, treated or desalinated water at our operations to 10% of our total freshwater consumption'. Regarding its Goal 2030 on water management, it includes: 'Dedicate 30% of the total contributions made to SDG's in investments that increase water availability to communities in quality or quantity'. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: Reports progress in meeting targets and trends demonstrating progress: The Company discloses on the performance of water related goal (2018-2022): 'Update the water baseline analysis for all Mining Division operations. [...] We systematically log the water input and output volumes at all operations; therefore, this goal continues to be met. Systematically monitor operations and impacts on the watersheds and water tables in high water stress zones that supply the operations of the Mining Division. [...] According to the Aqueduct Water Risk Atlas tool, 14 of our Mining Division operations are located in high water stress zones in Mexico, Peru and the United States. We systematically monitor the groundwater levels of the water tables and the quality of our discharges at these and all other operations; therefore, this goal continues to be met. [...] Submit the CDP water report and improve our score. [...] We submitted the CDP Water Security questionnaire for the first time this year and received a "B" rating, the third best score on an 8-level scale'. Finally, the Company devoted USD 0,7 million to 'access to clean water through the participation of the local communities in improving water management and sanitation', USD 8,9 million to 'support for the withdrawal, treatment and distribution of clean water in the local communities'. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>
D.3.9	Women's rights (in own extractive operations, which include JVs)	0.5	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Met: Describes processes to stop harassment and violence against women: The Company indicates that: 'In addition to worker training, our compliance officers promote communication campaigns through posters, communiqués, intranet, screens in offices and canteens. The main themes of the campaigns are: Workplace harassment [...]'. Moreover, 'In 2021 we also began the implementation of the Diversity and Inclusion Strategic Plan, which presents six strategic lines such as: [...] defining specific processes for awareness, prevention and attention to possible cases of sexual and/or labor harassment. 3,280 employees of the Mining Division took the online course on Diversity and Inclusion and Non-Discrimination. In addition, the Human Resources area received training on this topic, applied to the inclusive recruitment process and the equitable development of talent. Adjustments were made to human resources processes to promote gender equality and inclusion. Tools were also designed to prevent and address behaviors such as labor or sexual harassment and discrimination, which will be applicable in the four countries where the Mining Division operates: Mexico, Peru, the United States and Spain. [...] As part of our continuous improvement processes, we are redefining the mechanisms for handling complaints of discrimination and sexual harassment, in accordance with our Diversity and Human Rights Policy'. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>]</li> <li>• Not Met: Working conditions take into account gender issues: The 2022 Sustainable Development Report indicates that the Mining and Infrastructure divisions for Mexico and Peru have been applying the key elements of a Strategic Plan since 2020. The principal strategic lines are: 'Physical modifications at our operations for the inclusion of women'. It then expands on it: 'A first step to attract women is to have a physical infrastructure that meets the needs of women. We continued our projects to improve and install lactation rooms at corporate offices and mapping our sites to identify unmet needs (for example, insufficient number of restroom facilities or changing rooms for women). Our Mining Division operations in Peru completed a project of mapping their facilities to identify the needs of women and these needs are being addressed with changes to our facilities. Adjusting facilities in our three divisions is a gradual and ongoing process that will support us to bring more women into all areas of our operations'. However, the focus of this subindicator is taking consideration gender issues in the design of job posts, particularly including considerations on reproductive health. Current evidence seems to refer to the facilities/premises where the work takes place, and this looks for the features of the job position. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not Met: Measures and steps to address gender pay gap at all levels of employment: The 2021 Sustainable Development Report indicates that it 'promotes equal opportunities for men and women in terms of both salaries and professional opportunities. Our pay grades make no gender distinction, but compensate men and women equally based on their talent. The Diversity and Inclusion Policy indicates. [...] As part of the Forjando Futuro (Forging a Future) program, we contributed to the inclusion of women in the mining industry through the employment training component. We benefited 1,022 people, 215 of whom are women, who had access to educational scholarships and professional internships in our mining and metallurgical operations. In addition, 711 people, 95% of them women, were trained in productive skills to boost the regional vocation of Mexican communities'. However, it is not clear how it measures and takes steps to address any gender pay gap throughout all levels of employment. The 2022 Sustainable Development Report indicates: 'At Grupo México, we promote equal opportunities in salary and professional development for both men and women. An example of this is our salary tables, which make no distinction for gender and remunerate talent under equal conditions'. It notes it commits to 'Ensure equal opportunities, and also a as well as equal treatment, condition and position between men and women'. Moreover, the Mining and Infrastructure divisions for Mexico and Peru have been applying the key elements of a Strategic Plan since 2020. The principal strategic lines include: 'Promote diversity and equal opportunities in our neighbor communities. [...] The community development model of our Mining and Infrastructure divisions is guided by inclusion, where all our programs and projects conduct an exhaustive advance process to listen to the ideas and needs of the different groups that make up a community, considering their diversity in terms of age, gender, language, sexual preference and specific needs. We promote the value of diversity and inclusion through three key areas: Our community programs; Support for disabled and special needs students at our schools; Training for women'. However, this subindicator looks for a description of the steps it takes to address any gender pay gap throughout all levels of employment and how it measures it. [2021 Sustainable Development Report, 2022: <a href="http://gmexico.com">gmexico.com</a>] &amp; [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Meets all requirements under score 1</li> <li>• Not Met: Provides analysis of trends demonstrating closing gender pay gap</li> </ul>



## E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> <li>• Area: Right to safe, clean, healthy and sustainable environment</li> <li>• Headline: Grupo Mexico failed to respect settlement with Mexican government over a sulphuric acid spillage in North-west Mexico</li> <li>• Story: In July 2017, a UN report announced that three years after a mine belonging to Grupo México caused the worst ecological disaster in Mexican history, the Company failed to fulfill its obligations with the victims. The spill amounted to 10 million gallons (40,000 cubic meters) of copper sulphate and heavy metals into the Sonora and Bacanuchi rivers. This environmental disaster affected approximately 24,000 people directly and 250,000 people indirectly in seven municipalities on the banks of the Sonora River, 25 miles south of the Arizona border. Grupo Mexico was fined MXN 23 million (about USD 1.8 million) and agreed to contribute to a trust fund of MXN 2 billion pesos (about USD 154 million) for redress, reparation and compensation for economic and environmental damages and health problems caused in the communities affected by the spill. In addition, Grupo Mexico committed to take a number of measures, including installing 28 water treatment plants with technology to filter out heavy metals and building a clinic to treat those whose health was affected. However, three years after the tragedy, the UN report said only one of the promised 28 water treatment plants had been built and it was not fully functional. During its visit to the site, the UN Working Group also confirmed that the health clinic was never completed although at least 360 people have been identified with health problems caused by the spill. The UN report stated that affected communities raised a number of concerns related to a lack of consultation about the use of the trust fund and lack of transparency about the level of contamination and plans for the recovery of the river.</li> </ul> <p>In December 2019, a federal judge ordered Mexico's General Prosecutor to reopen a criminal investigation against Buenavista del Cobre. The move came after Sonora residents and the union Los Mineros challenged decisions made by the Prosecutors office back in 2017 and in 2018, which called for the investigations to cease and be archived.</p> <p>That same month, Mexico's Federal Attorney for Environmental Protection accused Grupo México of not fulfilling a number of commitments related to clean-up, restoration and reparation after the spill. While Grupo México created a USD 106 million fund to cover the damages, the total estimated cost for the environmental damage amounts to more than USD 133.7 million.</p> <p>On 8 August 2021, the Mexican chapter of the High Commissioner's Office for Human Rights of the United Nations demanded full compensation from Grupo Mexico to the victims of the Buenaventura mine spill, which occurred on August 6, 2014. The Commissioner's Office asked the mining company to strengthen the "integral reparation process" for the victims in Coahuila and demanded concrete actions to clean up and repair the ecosystems in and around the Sonora and Bacanuchi rivers.</p> <p>[Forbes, 27/07/2017, "Billionaire German Larrea's Grupo Mexico Failed Victims In Mining Disaster, UN Says": <a href="https://www.forbes.com">forbes.com</a>] [Business &amp; Human Rights Resource Center, 01/05/2015, "Grupo México lawsuit (re toxic spill in Mexico)": <a href="https://www.business-humanrights.org">business-humanrights.org</a>] [Mining.com, 29/12/2019, "Judge reopens investigation against Grupo Mexico's subsidiary for toxic spill": <a href="https://www.mining.com">mining.com</a>] [Mining.com, 08/08/2021, "UN asks Grupo Mexico to compensate victims of Buenaventura mine spill": <a href="https://www.mining.com">mining.com</a>]</p>
E(1).1	The company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public response: A month after the spill, Grupo Mexico assumed responsibility for the accident, which it attributed to a defective pipe. The company said it "regretted" the tragedy. [Business &amp; Human Rights Resource Center, 01/05/2015: <a href="https://www.business-humanrights.org">business-humanrights.org</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Detailed response: The company responded in very general terms and did not address the allegation in detail. Furthermore, the Company provided feedback for this indicator. However, it was not material for the assessment.</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).2	The company has investigated and taken appropriate action	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Engaged with stakeholders: The Company has participated in the Sonara River Trust Committee. However, the committee did not include representatives from the affected stakeholders. The federal government cannot be considered a legitimate representative for the affected stakeholders in this case. [Sonora River Trust: <a href="#">gob.mx</a>] [Sonora River Trust: <a href="#">gob.mx</a>] [Sonora River Trust objectives: <a href="#">gob.mx</a>]</li> <li>• Met: Identified cause: The company initially blamed the spill on intensive rains, but later on admitted that the incident occurred due to defects in the piping system. [Forbes, 27/07/2017: <a href="#">forbes.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Identified and implemented improvements: There is no evidence that the company made changes to its management systems following the events and their human rights impacts.</li> <li>• Not Met: Stakeholder input to steps taken: See above. Representatives of the affected stakeholders were not part of the Sonora River Trust Committee.</li> </ul>
E(1).3	The company has engaged with affected stakeholders to provide for or cooperate in remedy(ies)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Provided remedy: Grupo Mexico was fined 23 million pesos (about \$1.8 million) and agreed to contribute to a trust fund of 2 billion pesos (about \$154 million) for redress, reparation and compensation for economic and environmental damages and health problems caused in the communities affected by the spill. [Forbes, 27/07/2017: <a href="#">forbes.com</a>]</li> <li>• Not Met: Evidence for lack of impact or link</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Remedy satisfactory to stakeholders: Affected communities argued that Grupo México has not fulfilled its obligations under the trust fund in a lawsuit pending before the Supreme Court of Justice. The trust fund was closed after less than 1% of the total amount had been spent and most promises had not been fulfilled and most of the indemnification funds that were supposed to go to the victims ended up in the hands of politicians, public servers, and other people that don't live in the affected communities. The affected communities raised a number of concerns related to a lack of consultation about the use of the trust fund and lack of transparency about the level of contamination and plans for the recovery of the river. [Business &amp; Human Rights Resource Center, 01/05/2015: <a href="#">business-humanrights.org</a>] [Mining.com, 08/08/2021: <a href="#">mining.com</a>] [Forbes, 27/07/2017: <a href="#">forbes.com</a>]</li> <li>• Not Met: Remedy delivered: The trust fund was closed after less than 1% of the total amount had been spent and most promises had not been fulfilled and most of the identification funds that were supposed to go to the victims ended up in the hands of politicians, public servants, and other people that don't live in the affected communities.</li> </ul> <p>Thus, the remedy was not effectively provided to the affected stakeholders as initially agreed. The Company provided feedback for this indicator. However, it was not material for the assessment. [Mining.com, 08/08/2021: <a href="#">mining.com</a>]</p> <ul style="list-style-type: none"> <li>• Not Met: Independent remedy process used</li> </ul>
E(2).0	Serious allegation No 2		<ul style="list-style-type: none"> <li>• Area: FoA/CB</li> <li>• Headline: Trade union issues complaint against ASARCO for Unfair Labor Practices and permanently replacing striking union members</li> <li>• Story: On October 25, 2019, about 2,000 union employees of copper company Asarco, subsidiary of Grupo Mexico, were on strike since October 13th at four facilities located in Arizona and one located in Texas.</li> </ul> <p>On October 11, 2019, workers voted 77 per cent in favour of strike action at Asarco after rejecting the company's "last, best and final" four-year contract offer. According to IndustriALL, this offer included no wage increase for nearly two-thirds of workers, froze the existing pension plan, and more than doubled the out-of-pocket contribution workers paid for health care. Moreover, the offer allegedly aimed to make it more difficult for workers to qualify for the bonus system.</p> <p>On October 8th, 2019, the U.S. Supreme Court has denied review of rulings requiring Asarco to pay disputed copper-price bonuses to union workers in Arizona and Texas, that could amount to the payment of more than USD 10 million to 750 past and current employees. According to press sources, Asarco has been trying to avoid paying the bonuses since 2014, when an arbitrator decided that newer</p>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>workers ineligible for the company's pension plan should get the bonuses, because that provision was left out of a collective-bargaining agreement signed in 2011 due to a mutual mistake by the company and the unions.</p> <p>On May 12th, 2020, Business &amp; Human Rights Resource Centre reported that strikes were still ongoing at five copper facilities in Arizona and Texas owned by ASARCO, a subsidiary of Grupo México. Allegedly, since October 2019, some 2000 members of the United Steelworkers union have been engaged in ongoing strikes over stagnant wages and alleged unfair labour practices.</p> <p>Workers voted to strike after receiving ASARCO's latest contract offer, which includes no wage increase for nearly two-thirds of workers, no pension increases for workers hired before July 2011 and more than doubles the out-of-pocket contribution individual workers already pay for healthcare. Workers have not had a wage increase for 10 years. According to the union, ASARCO has failed to bargain in good faith and has threatened to hire, and has hired, permanent replacements to replace employees engaged in the strike.</p> <p>On 16 June 2020, the National Labor Relations Board (NLRB) issued a complaint against ASARCO LLC, a subsidiary of Grupo Mexico, sanctioning the company for its numerous unlawful actions at and away from the bargaining table. Almost 2,000 members of eight international unions have been on strike at five copper mining and processing facilities in Arizona and Texas since 13 October 2019. In the complaint, the NLRB outlined ASARCO management's overall failure to bargain in good faith with the unions representing its employees, both before and during the ongoing dispute. Additional specific allegations include bargaining with no intention of reaching an agreement, failing to provide information needed for bargaining, not having decision makers at the table with adequate authority to negotiate, discriminating against union representatives, and illegally declaring an impasse and unilaterally implementing changes to working conditions.</p> <p>On 5 August 2020, the United Steelworkers ordered the 1,800 striking Asarco copper miners to accept any job offered by the company or risk losing their unemployment benefits and any recall rights. The trade union told striking workers to take down the picket lines, even though none of the issues that workers went out on strike for have been resolved.</p> <p>[IndustriALL Global Union, 22/10/2019, "US copper workers strike after decade with no pay rise": <a href="http://industrialunion.org">industrialunion.org</a>] [Business &amp; Human Rights Resource Centre, 12/05/2020, "2,000 workers at ASARCO copper mines strike over stagnant wages &amp; alleged unfair labour practices": <a href="http://business-humanrights.org">business-humanrights.org</a>] [PR Newswire, 16/06/2020, "NLRB Issues Sweeping Complaint against ASARCO for Unfair Labor Practices that Instigated Strike by 2,000 Union Workers": <a href="http://prnewswire.com">prnewswire.com</a>] [The Arizona Daily Star, 30/07/2020, "Tucson-based Asarco rehiring some former strikers; unions file new charges": <a href="http://tucson.com">tucson.com</a>]</p>
E(2).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: Public response: The company stated: 'Does not include the collective bargaining agreements of our ASARCO subsidiary (United States), as the Basic Labor Agreement between the company and its unions expired October 15, 2019. Employees are currently working under the terms and conditions of the last, best and final offer ("LBFO") implemented by the company on December 2, 2019. In 2018-19, ASARCO and the United Steel Workers Union participated in more than 40 in-person bargaining sessions for a successor collective bargaining agreement. Given the impasse, the Union initiated an economic strike on October 2019 which lasted until July 2020. On January, 2020, the Union filed unfair labor practice charges with the National Labor Relations Board (NLRB) and a trial is ongoing. Only once the trial has been completed will a ruling be issued by the administrative law judge determining if there was any merit to the allegations or not. ASARCO vehemently denies the accusations contained in the complaint and believes that it has acted lawfully relating to contract negotiations, the strike, day-to-day operations and personnel decisions'. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not Met: Detailed response: The response does not address the allegation that striking union members have been permanently replaced. [2022 Sustainable Development Report, 2023: <a href="http://gmexico.com">gmexico.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(2).2	The company has investigated and taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Engaged with stakeholders: There is no evidence suggesting that the company engaged with the affected stakeholders. The Company provided feedback for this indicator. However, it was not material for the assessment.</li> <li>• Not Met: Identified cause: The company does not present investigative results on the underlying causes of the events concerned. The Company provided feedback for this indicator. However, it was not material for the assessment.</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Identified and implemented improvements: There is no evidence that the company made changes to its management systems following the events and their human rights impacts. The Company provided feedback for this indicator. However, it was not material for the assessment.</li> <li>• Not Met: Stakeholder input to steps taken</li> </ul>
E(2).3	The company has engaged with affected stakeholders to provide for or cooperate in remedy(ies)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not Met: Provided remedy: There is no evidence suggesting the company provided remedy to the affected stakeholders. The Company provided feedback for this indicator. However, it was not material for the assessment.</li> <li>• Not Met: Evidence for lack of Impact or link: The Company provided feedback for this indicator. However, it was not material for the assessment.</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not Met: Remedy satisfactory to stakeholders: The Company provided feedback for this indicator. However, it was not material for the assessment.</li> <li>• Not Met: Remedy delivered: The Company provided feedback for this indicator. However, it was not material for the assessment.</li> <li>• Not Met: Independent remedy process used: The Company provided feedback for this indicator. However, it was not material for the assessment.</li> </ul>

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