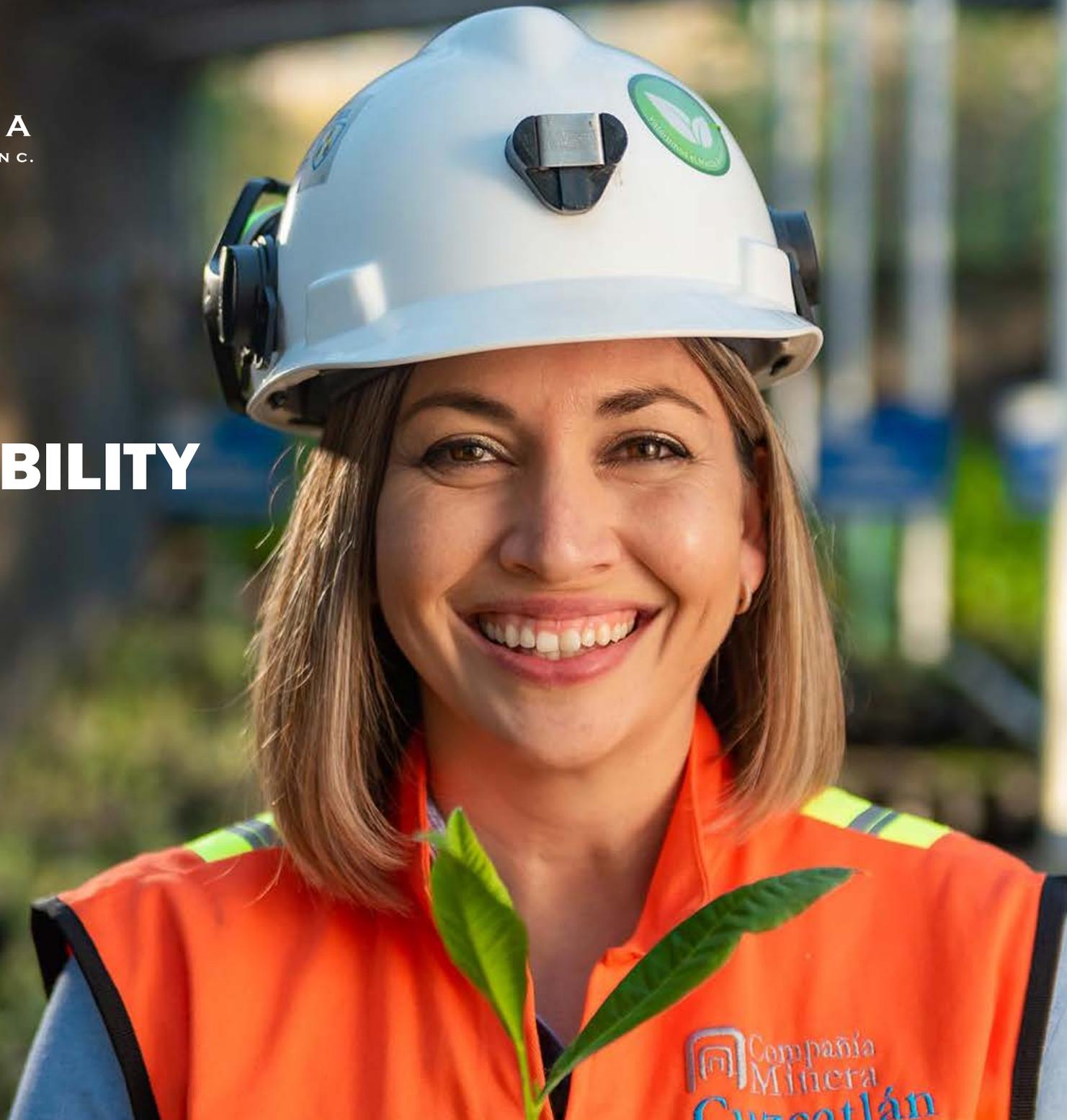




**FORTUNA**  
SILVER MINES INC.

# 2021 SUSTAINABILITY REPORT



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**FORTUNA**  
SILVER MINES INC.

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## ABOUT THIS REPORT

[GRI 102-49]

The scope of this Report is as follows:

- Quantitative data is provided for the period from January 1 to December 31, 2021.
- Fortuna Silver Mines acquired Roxgold Inc. on July 2, 2021. Roxgold's Yaramoko mine has been incorporated into our consolidated sustainability reporting for the full year of 2021 as far as possible. Where this was not possible, such situations have been clearly identified in the Report.

Accordingly, consolidated quantitative sustainability data for 2021 covers Fortuna corporate and management head offices in Canada, Australia, Côte d'Ivoire and Peru, and the mines that were in production throughout the reporting period: Caylloma mine (operated by Bateas), San Jose mine (operated by Cuzcatlan), Lindero mine (operated by Mansfield), and Yaramoko mine (operated by Roxgold Sanu). [GRI 102-45]

- Where available, five consecutive years of quantitative data (2017 to 2021) are provided to allow for an analysis of trends. Such consolidated data includes data for Roxgold unless expressly stated otherwise.
- Data pertaining to human resources and exploration employees have been excluded from data for Yaramoko for 2017 to 2020. In 2021, exploration employees were included in data collection for Yaramoko.
- Sustainability data for the Séguéla project in Cote d'Ivoire is not included in the consolidated sustainability data. It has been reported separately (see **Appendix A**).

- All financial information in this report is reported in a consolidated basis, unless otherwise described, and includes the financial results of Roxgold from July 2, 2021 onwards.

Some information from the 2020 Report has been restated in this Report. The restatements can be found in **Appendix E**. [GRI 102-48]

This Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. [GRI 102-54]. The GRI is the most widely adopted framework for sustainability reporting. The GRI Content Index can be found in **Appendix E**. [GRI 102-55]

The Report is also prepared using the Sustainability Accounting Standards Board (SASB) Metals and Mining Standard. The SASB Content Index can be found in **Appendix C**.

In the Climate Change section of this Report, we have continued to align disclosure with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD Recommendations). The section also includes our [Climate Change Position Statement](#), which outlines our approach to climate change. Fortuna also responded to the CDP Climate Change Questionnaire for the first time in 2021, which is aligned to the TCFD Recommendations.

Additional details relating to the preparation of this Report are provided in **Table 1**.

**Table 1: Report information**

Report period [GRI 102-50]	January 1 – December 31, 2021
Date of publication	2 May, 2022
Frequency [GRI 102-52]	Annual
Last report [GRI 102-51]	2020 Sustainability Report, published April 12, 2021
Contact [GRI 102-53]	Operations Department – Fortuna Sustainability Department <a href="mailto:sustainability@fortunasilver.com">sustainability@fortunasilver.com</a>
Website	<a href="https://www.fortunasilver.com/sustainability/overview">https://www.fortunasilver.com/sustainability/overview</a>
External assurance [GRI-102-56]	Not externally assured

Additional ESG-related information can be found in regulatory filings disclosed on our website:

- [Audited Consolidated Financial Statements](#)
- [Management's Discussion and Analysis](#)
- [Annual Information Form \(AIF\)](#)
- [Form 40-F – Annual Report](#)
- [Management Information Circular](#)
- [Extractive Sector Transparency Measures Act \(ESTMA\) Report](#)



# Message from our President and CEO

Jorge A. Ganoza



"We are firmly committed to integrating sustainability into our business strategy, organizational culture and day-to-day operations."

**It is my pleasure to present our 2021 Sustainability Report. We witnessed another unique year that continued to present risks and challenges for society as the COVID-19 pandemic continued to influence the way the world does business.**

We remain focused on the production of silver and gold while generating shared value over the long term for our shareholders and stakeholders through efficient production, mitigation of impacts to the environment and social responsibility. Sustainable development, good governance, risk management and strong relationships with key stakeholders remain incredibly important to Fortuna. We are firmly committed to integrating sustainability into our business strategy, organizational culture and day-to-day operations.

## Acquisition of Roxgold

In July 2021, we completed the acquisition of Roxgold Inc. (Roxgold) to create a global premier growth-oriented intermediate gold and silver producer. We have expanded our reach and increased our ability to generate shared value through this acquisition and now own and operate the high-grade Yaramoko Gold Mine located on the Houndé greenstone belt in Burkina Faso and are advancing the development and exploration of the Séguéla Gold Project located in Côte d'Ivoire.

There are many benefits to this transaction and as a company we are now better positioned to pursue growth opportunities supported by a diversified portfolio of quality operating assets, a strong development project and a robust pipeline of high-upside exploration assets. The transaction brings together two highly experienced management teams with track records of value creation in the Americas and in West Africa. The Fortuna team is looking forward to continuing to deliver value to shareholders through the advancement of our assets and discovery and by maintaining our excellent track record as an operator and mine builder where sustainability has always been, and continues to be, integral to our operations.

## Commitment to Sustainability

We understand sustainability as a journey of continuous improvement. Given this reality, we must keep up with the evolving and heightened expectations of our stakeholders. Fortuna is committed to addressing these expectations. Our sustainability framework was developed to manage our approach to sustainability, aligned with the UN Sustainable Development Goals. We continue to refine our sustainability strategy and the associated five-year sustainability plan, which includes key performance indicators (KPIs), targets, and commitments. In 2021, we focused on further refining our approach to sustainability to ensure alignment with best practices and to ensure that it reflects the changes to our business as a result of the Roxgold acquisition. We also appointed a Senior Vice President Sustainability, to drive our ambitious ESG strategy and coordinate its implementation across the two continents and five countries where we currently operate.



## Highlights of our performance in 2021 include:

**Zero** work-related fatalities among employees and contractors

**Zero** significant spills, and zero significant environmental fines

**43%** of employees are from local communities

**6%** of suppliers are from local communities

**Zero** confirmed cases of corruption, discrimination, or human rights violations

**100%** of internal and external security personnel received human rights awareness

## Our Approach to Climate Change

At Fortuna, we recognize that climate change is a major global challenge that could have significant impacts on operations, host communities, resources used in production and the economy and society in general. We identified climate change as a material ESG factor and committed to developing a comprehensive climate change strategy in 2021. Our key climate change priorities are to reduce greenhouse gas (GHG) emissions, build resilience to the physical risks of climate change, and continuously improve climate change performance based on evolving best practice. The development of a comprehensive climate change strategy is an ongoing journey, and we are pleased to showcase our progress on this journey in this Report. In 2021, we achieved many key milestones including:

- Completed a climate change materiality assessment to prioritize the climate-related risks and opportunities with the greatest potential to impact the value of our company.
- Developed an approach to climate change supported by key climate-related commitments, communicated in our newly released [Climate Change Position Statement](#).

- Conducted a gap analysis against best practice with respect to climate change governance structures and updated the Sustainability Committee Charter to include explicit mention of oversight of climate change factors.
- Reviewed best practices with respect to the integration of climate-related risks in enterprise risk management processes.
- Identified a set of climate-related KPIs to enable us to measure our progress and performance on climate change.
- Developed a multi-year implementation roadmap which focuses on addressing any gaps between existing practices and climate change best practices aiming to achieve progressive decarbonization of our mining operations.

The [Climate Change and Greenhouse Gas Emissions](#) section of this Report includes our climate-related disclosure aligned with the TCFD Recommendations and provides additional detail on our climate change strategy. In 2022, we will focus on conducting additional climate-related studies with a view of setting climate-related targets, including a GHG emissions reduction target.

## Looking Ahead

Looking ahead to 2022 and beyond, we remain focused on taking care of our people, our environment and listening to our stakeholders. We aim to continue to advance the development of our climate change strategy.

As always, we believe that appropriate disclosure is essential to the management of our sustainability strategy and targets. We are confident that this Report is accurate, balanced, and informative and provides the level of accountability and transparency that we continually strive towards. On behalf of our Executive Leadership team and the employees of Fortuna, we thank you for your continued support.

### Jorge A. Ganoza

President, CEO and Director



# Message from the Chair of the Board and Chair of the Sustainability Committee

David Laing



"We are committed to ensuring that ESG factors, including climate change, are integrated into Fortuna's governance, strategy and enterprise risk management processes. "

**2021 was an important year in Fortuna's history. The acquisition of Roxgold was a significant milestone for the company and positions us well for continued responsible growth. Throughout our company's history, sustainability has been, and will continue to be, a top priority for the Fortuna Board of Directors.**

The Sustainability Committee, and the entire Board, continue to focus on providing effective oversight of the company's material risks. We are committed to ensuring that ESG factors, including climate change, are integrated into Fortuna's governance, strategy and enterprise risk management processes.

In 2021, the Board was pleased to welcome Kate Harcourt as a new Board director. Director Harcourt is a sustainability professional with over 30 years of experience, principally in the mining industry. She brings deep expertise in sustainability to Fortuna's Board and sits as a member of the Sustainability Committee. Additionally, in pursuit of our objective to continue to develop the entire Board's capacity to provide effective oversight of ESG factors, in 2021, the entire Board attended ESG education sessions on the importance of ESG for the mining industry, duties of Board members and considering ESG factors in decision making, and trends in ESG disclosure for the mining industry.

For more detail on how the Board and the Sustainability Committee provide oversight of ESG and sustainability and how management responsibility for these factors is assigned throughout the company, see the [Oversight of ESG and Sustainability](#) section of this Report.

The Board is also committed to continuing to support the development of the company's climate change strategy. We will continue to formalize the incorporation of climate change into existing governance structures to ensure alignment with best practices, for example updating the Sustainability Committee Charter to include explicit mention of oversight of climate change. We will set the tone at the top on climate change to ensure that our key climate change priorities to reduce GHG emissions, build resilience to the physical risks of climate change and continuously improve climate change performance are well understood and executed throughout the company. We will monitor company performance on climate change on a regular basis, supported by a set of climate-related KPIs. Climate change is a critically important topic that requires a full company approach, supported by the Board.

On behalf of the Sustainability Committee, and the entire Board, we thank you for your support and invite you to learn more about Fortuna's strategic sustainability approach through the 2021 Sustainability Report.

## David Laing

Chair, Sustainability Committee of the Board  
Chair, Board of Directors



# 2021 in Figures



US\$ **1,533M**  
Total capitalization<sup>1</sup>



US\$ **599M**  
Revenue from sales and others<sup>2</sup>



US\$ **91M**  
Payments to governments<sup>3</sup>



US\$ **5.01M**  
Community investments



**2,129**  
Employees



**2,337**  
Contractors



**15%**  
Women employees



**16%**  
Women in management



**0**  
Fatalities



**0.58**  
Lost time injury frequency  
rate (LTIFR)<sup>4</sup>



**3.38**  
Total recordable incident  
frequency rate (TRIFR)



**0.24**  
Freshwater withdrawal intensity -  
cubic meters (m<sup>3</sup>)  
per tonne of processed ore



**0**  
Incidents of non-compliance  
associated with water quality  
permits, standards and regulations



**17.81**  
Carbon intensity - tonnes of carbon dioxide  
equivalent (tCO<sub>2</sub>eq) emitted  
per thousand tonnes of processed ore



**0.21**  
Energy intensity - gigajoules (GJ)  
consumed per tonne of processed ore

Financial data in the above list is provided on a consolidated basis. The rest of the consolidated data for 2021 covers our operating subsidiaries, Bateas, Cuzcatlan, Mansfield, and Roxgold and Fortuna offices in Australia, Canada and Peru. As mentioned above in the [About This Report](#) section, data for the Séguéla Project is provided in [Appendix A](#). [GRI 102-7]

<sup>1,2,3</sup> This figure considers only Yaramoko data from H2 2021 in accordance with our Financial Statements

<sup>4</sup> Safety indicators in this report are calculated and disclosed as of OSHA's definition.



# ABOUT FORTUNA SILVER MINES

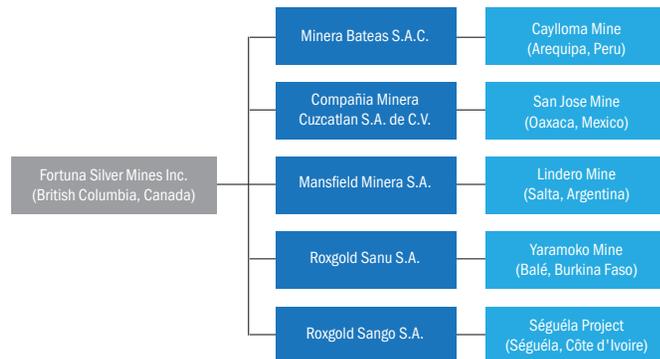
## OUR COMPANY

Fortuna Silver Mines Inc. (Fortuna) is a Canadian mining company established in 2005 dedicated to the production of precious metals in Latin America and West Africa. Fortuna is a public company, with its shares listed on the New York Stock Exchange (NYSE:FSM) and Toronto Stock Exchange (TSE:FVI) [GRI 102-1] [GRI 102-5]. Our corporate office is in Vancouver, Canada, and our management head office is in Lima, Peru.

Our Caylloma Mine in Arequipa, Peru, has produced silver, gold, lead and zinc since 2006. Our San Jose Mine in Oaxaca, Mexico, has produced silver and gold since 2011. Our Lindero Mine in Salta, Argentina, poured its first gold in October 2020 and our Yaramoko Mine in Burkina Faso has been producing gold since 2016. In September 2021, the Company made a construction decision to proceed to build its fifth mine, an open pit gold mine at the Séguéla Project in Côte d'Ivoire that will produce gold in 2023.

**Figure 1** shows the relationship between Fortuna and its material subsidiaries. **Figure 2** shows the location of our mines in production and exploration projects [GRI 102-3, GRI 102-4].

**Figure 1: Fortuna and material subsidiaries**



**Figure 2: Mines in production and exploration projects**





## HISTORIC MILESTONES



2005

Fortuna Silver Mines Inc. founded  
Fortuna shares listed on the Toronto Stock Exchange (TSX: FVI)  
Caylloma Mine acquired in Arequipa, Peru



2009

San Jose project acquired in Oaxaca, Mexico



2011

Commercial operation begins at San Jose Mine  
Fortuna shares listed on New York Stock Exchange (NYSE: FSM)



2017

Construction initiated at the Lindero Project in Salta, Argentina



2021

July 2, 2021 Acquisition of Roxgold, Inc.  
September 29, 2021 Construction decision, Séguéla Gold Project, Côte d'Ivoire



2006

Operations at Caylloma Mine restarted

2010

Construction initiated at San Jose project

2016

Mineral processing at San Jose Mine expanded to 3,000 tonnes per day (tpd) and 1,430 tpd at the Caylloma Mine

2020

Lindero Mine first gold pour achieved on October 20, 2020



[GRI 102-10]



## OUR OPERATIONS

### Caylloma Mine



**OPERATOR** Minera Bateas S.A.C.  
**LOCATION** Caylloma, Arequipa, Peru  
**PRODUCT** Silver, gold, zinc, lead  
**AREA** 36,322 hectares  
**CAPACITY** 1,430 tpd  
**TYPE OF MINE** Underground cut and fill mining  
**EXTRACTION METHOD** Flotation  
**RESERVE LIFE** 6 years  
**WORKFORCE** 333 employees and 822 contractors  
**CLOSEST COMMUNITY** Caylloma, Arequipa



### San Jose Mine



**OPERATOR** Compañía Minera Cuzcatlan S.A. de C.V.  
**LOCATION** Mining District of Taviche, Oaxaca, Mexico  
**PRODUCT** Silver, gold  
**AREA** 47,844 hectares  
**CAPACITY** 3,000 tpd  
**TYPE OF MINE** Underground cut and fill mining and long hole stoping  
**EXTRACTION METHOD** Flotation  
**RESERVE LIFE** 3 years  
**WORKFORCE** 716 employees and 444 contractors  
**CLOSEST COMMUNITY** San Jose del Progreso, Oaxaca



### Lindero Mine



**OPERATOR** Mansfield Minera S.A.  
**LOCATION** Salta, Argentina  
**PRODUCT** Gold  
**AREA** 3,500 hectares  
**CAPACITY** 18,750 tpd  
**TYPE OF MINE** Open pit  
**EXTRACTION METHOD** Heap leaching  
**RESERVE LIFE** 12 years  
**WORKFORCE** 584 employees and 552 contractors  
**CLOSEST COMMUNITY** Tolar Grande, Salta



[GRI 102-2, GRI 102-7]



### Yaramoko Mine



<b>OPERATOR</b>	Roxgold Sanu S.A.
<b>LOCATION</b>	Municipality of Bagassi, Province of Balé, Region of Boucle du Mouhoun, Burkina Faso
<b>PRODUCT</b>	Gold
<b>AREA</b>	23,000 hectares
<b>CAPACITY</b>	1,400 tpd
<b>TYPE OF MINE</b>	Underground long hole stoping with open pit planned once underground shuts
<b>EXTRACTION METHOD</b>	<a href="#">Carbon-in-leach</a>
<b>RESERVE LIFE</b>	5 years
<b>WORKFORCE</b>	432 employees and 459 contractors
<b>CLOSEST COMMUNITY</b>	Bagassi, Balé



### Seguela Project (in Construction)



<b>OPERATOR</b>	Roxgold Sanu S.A.
<b>LOCATION</b>	Worodougou, Côte D'Ivoire
<b>PRODUCT</b>	Gold
<b>AREA</b>	62,000 hectares
<b>CAPACITY</b>	3,750 tpd
<b>TYPE OF MINE</b>	Open pit
<b>EXTRACTION METHOD</b>	Carbon-in-leach and gravity
<b>RESERVE LIFE</b>	8.6 years
<b>WORKFORCE</b>	70 employees and 650 contractors
<b>CLOSEST COMMUNITY</b>	Bangana, Tiéma and Kouégo





## OUR EXPLORATION

### Brownfield Projects

We are exploring for mineral deposits near our current operations so that we can use our installed production capacity efficiently. We had several active exploration projects in 2021:

- **Caylloma:** Surface and underground drilling will focus on the extensions of two ore shoots along the Animas vein, the possible extension of mineral resources along the gold-rich San Cristobal silver vein located to the north of the mine and one new grassroots target located to the south of the mine.
- **San Jose:** Underground exploration drilling will focus on the Trinidad Footwall North, and the Bonanza vein Hanging Wall, while surface drilling will test two new targets to the south and north of the mine.
- **Lindero:** Mapping, surface sampling, and drill testing of the gold-copper porphyry and breccia-hosted mineralization at the Arizaro Project.
- **Yaramoko:** The majority of known anomalies and deposits are located along the Boni Shear regional break and the second order Yaramoko Shear. The majority of the Yaramoko concession is largely unexplored. Regional drilling programs are currently in place with a focus on drilling along the Boni Shear, Haho, Kaho, and Houko.
- **Séguéla:** Consists of the resource-defined, near-surface Antenna, Koula, Agouti, Boulder, and Ancien orogenic lode-style deposits. Drilling focused in 2021 on the Sunbird deposit and extending the known mineralization at the Koula and Ancien deposits.

### Greenfield Projects

In 2021, we explored for new areas of mineralization in Mexico, Argentina, Burkina Faso and Côte d'Ivoire:

- **Baborigame, Sante Fe, Higo Blanco,** Mexico
- **Cerro Lindo, Solitario,** Argentina
- **Boussoura,** Burkina Faso
- **Dianra, Kadyoha, Bouake, Dimbokro, Boundiali,** Côte d'Ivoire



▲ Core shack at Séguéla



## CASE STUDY 1

# EMBEDDING SUSTAINABILITY INTO THE SÉGUÉLA GOLD PROJECT

The construction decision for the Séguéla gold project was announced on September 2021 with first gold planned for mid-2023, sustainability being an intrinsic part of the design, construction and future operation of the project located 20 kilometers from Séguéla town, in the Department of Séguéla in the Worodougou region in Côte d'Ivoire. The villages of Bangana, Tiéma and Kouégo located several kilometers from the mine site are the closest settlements. Trust and strong relationships established with the local communities are pivotal to the success of the project development and its upcoming operation. We have been building this trust and cultivating these relationships for over five years.

Our proven approach to community engagement, consultation, and corporate social responsibility at Yaramoko in Burkina Faso is being replicated at Séguéla, while taking into consideration the unique local community context. We have established a high-level discussion framework to enable engagement with the social groups whose land and activities are affected by the project, as well as the regional authorities who oversee the enforcement of mining legislation. This process allows us to ensure the implementation of the adequate mitigation measures, avoid potential conflicts and achieve mutually beneficial outcomes for local stakeholders.

We conducted detailed inventories of the physical and economic assets of project-affected people (PAPs) and provided compensation for land and crops, as well as physical resettlement where necessary, in accordance with local regulation and international best practices, including IFC's Performance Standard 5.

To keep key stakeholders informed of project activities, ensure that their concerns are addressed, and provide a representative and consensus-based forum for community engagement, the project has established a Mining Project Monitoring Committee (MPMC). The purpose of the MPMC

is to ensure that the construction of the mine is done in a participatory and transparent manner. The Committee is chaired by the Prefect of Worodougou Region and includes participation from our Manager of Sustainability and local communities, including women and youth leaders from the villages, representatives of the village chiefs and representatives of the farmers of Bangana, Tiéma and Kouégo impacted by the project. In 2021, we held 222 meetings with the community and 120 meetings with the local administration.

We have also provided financial support to the community, including USD 54,000 to social development projects including:



Construction of six classrooms in the villages of Bangana and Kouégo



Support of the rural subdivision and road opening project for the Bangana, Tiéma and Kouégo villages



Literacy training for local community members

To ensure that we are able to address expectations related to local procurement and local employment for the project, we conducted a study on the availability of suppliers and a profiling of young adults in the villages nearby the mine site. Through this study, we identified 44 potential suppliers and have established a training program to give young adults the opportunity to develop the skills required for available jobs with the construction team and the subcontractors. Through the training program, 42 young adults were identified and received training related to truck driving, security and construction trades.

Additionally, we have, with the support of the Séguéla Regional Water and Forestry Department, identified and inventoried the woody plant species found within the project footprint, and conducted an assessment of the carbon stock sequestered by these species, in order to develop and implement an effective biodiversity program.

Séguéla project is a key priority for Fortuna and its development will provide significant value to all our stakeholders. In addition to the positive impact that Séguéla project will have on the surrounding communities and the country, it will become Fortuna's fifth and lowest cost mine.

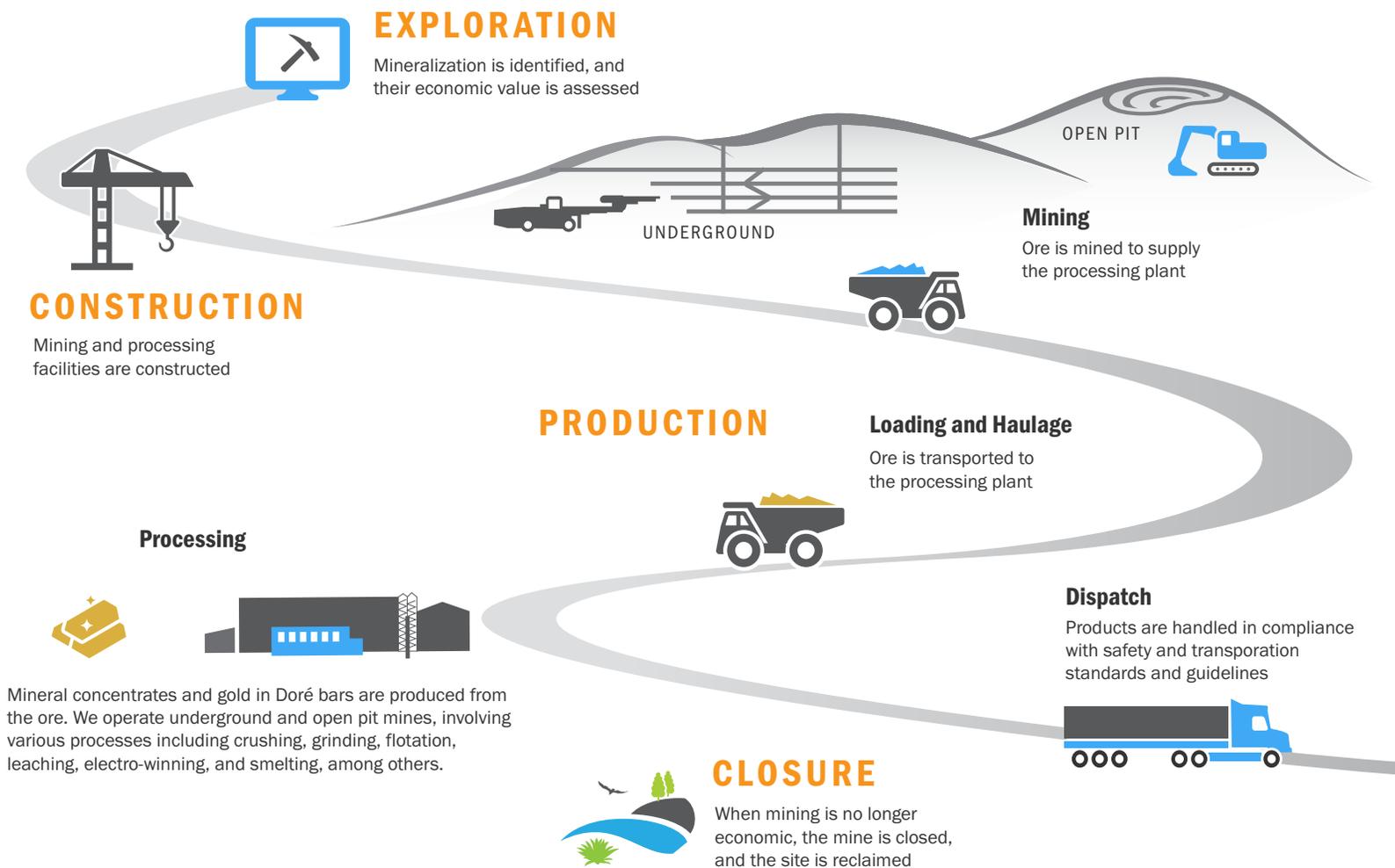


In 2021 we held 222 meetings with the community and 120 meetings with the local administration



## OUR PRODUCTION

### PRODUCTION PROCESS





## Products

Our mines produce silver, gold, lead and zinc, all metals used in daily life and in many industries that contribute to sustainable development. Demand for these metals is growing with an increasing global population and higher living standards. We seek to satisfy this need through responsible mineral production that generates positive impact for our stakeholders [GRI 102-2].

The precious and base metals we produce in mineral concentrates and Doré bars (**Table 2**) are sold to refiners and international traders at auctions or tenders and are shipped directly to smelting and refining plants around the world [GRI 102-6].

**Table 2: Fortuna production in 2021** [GRI 102-2, GRI 102-7, SASB EM-MM-000.A]

Product	Unit	Consolidated	Caylloma (Bateas)	San Jose (Cuzcatlan)	Lindero (Mansfield)	Yaramoko (Roxgold)
Silver	Moz	7.50	1.07	6.43	-	-
Gold	koz	207.19	6.09	39.41	104.16	57.54
Lead	Mlb	32.99	32.99	-	-	-
Zinc	Mlb	47.55	47.55	-	-	-

Our subsidiaries manage the distribution and marketing of our products through their commercial departments. Transportation logistics are carried out under strict safety and security protocols. Concentrates produced at our underground mines are trucked to warehouses located at the shipping ports. The zinc concentrate produced at Caylloma is exported to international markets through the port of Matarani, Arequipa, while silver-lead concentrates are exported through the port of Callao, Lima. The concentrates produced at San Jose are exported through the ports of Veracruz, Manzanillo and Colima.

The doré bars produced at Lindero are exported by air to the United States for refining. The doré bars produced at Yaramoko are exported by air to Switzerland for refining [GRI 102-6].

We only process ore extracted from our own mining concessions. We do not purchase ore or mineral concentrates from third parties for processing, refining, or trading.

## TECHNICAL REPORTS AND REGULATORY FILINGS

A summary of material scientific and technical information concerning mineral exploration, development, and production activities, in addition to the social and environmental setting of our operations, can be found in Technical Reports prepared for each of our properties pursuant to National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

Each subsidiary’s production plan and targets are submitted to the Board for review and approval annually. This information, as well as any material changes or risks (including sustainability-related risks), is publicly disclosed through regulatory filings and news releases, copies of which are filed on our [Investors](#) website.



Gold pour at Lindero ▶



## CASE STUDY 2 SPOTLIGHT ON THE ROXGOLD COMBINATION

In April 2021, we entered into an agreement to acquire Roxgold Inc., a Canadian-based gold mining company that owned and operated the Yaramoko Gold Mine in Burkina Faso and was developing the Séguéla Gold Project in Côte d'Ivoire. The acquisition was completed in July 2021 and resulted in the creation of a premier growth-oriented global intermediate gold and silver producer, well positioned to pursue compelling organic and inorganic growth opportunities.

The integration process, although complex, was well planned and ultimately successful owing to the collaboration of multiple teams and experts. During the integration process, we sought alignment on five main fronts:

- 1 Harmonisation of Policies, Framework and Standards
- 2 Management systems
- 3 Financial reporting
- 4 Prioritization of corporate Key Performance Indicators (KPIs)
- 5 Information Technology (IT) systems

We are happy to report that Fortuna's business operating model was strengthened on all fronts to ensure an efficient company with clear and agile processes in decision-making, accountability and use of internal talent.

The integration process will also bolster Fortuna's continued commitment to sustainability. With the acquisition:

- Fortuna's overall ESG approach has strengthened as it draws upon both companies' best practices. There are many programs and initiatives that are still being evaluated for company-wide implementation and this will be an ongoing process.
- ESG policies were revised and updated and accordingly, Fortuna adopted two new company-wide policies: the Employee Relations Policy and the Community Relations Policy.

Given that the acquisition occurred mid-year in 2021, Fortuna has been working diligently to collect company-wide sustainability data for 2021. This has been a successful endeavour thanks to the efforts of our

employees. In this Sustainability Report, we have sought to include as much data from our West African operations as possible and specifically note in the Report where the data was not available for the Yaramoko mine. In 2022, we plan to fully include the West African operations in our company-wide data.

Overall, the integration process made it possible to identify potential synergies and additional sources of value to be included in the company's plans in the coming years and preserved the best elements of people, operations, processes, and experiences of both businesses. It was a process that flowed harmoniously, with no interruptions, and was completed on time, while the overall ESG performance expectations were met. This is a demonstration of the company's good practices, culture and capabilities in delivering complex projects within the organization's plan and expectations. [GRI 102-10]

Yaramoko Mine processing plant ▶





# ESG FOR INVESTORS

## INTRODUCTION

**Our business strategy focuses on disciplined allocation of human and financial resources towards the exploration, development and acquisition of assets that enhance the quality of our portfolio and can perform with healthy financial margins through the ups and downs of precious metals price cycles. We are committed to integrating into our business strategy those environmental, social and governance (ESG) factors with the greatest potential to impact company value. We are also committed to providing investors with consistent, decision-useful information and data relating to those ESG factors.**

This section is designed to assist investors and other capital markets participants seeking information on financially material ESG factors within this Report.

▲ Photo above: Women's community organization at Yaramoko



## MATERIAL ESG FACTORS

Through an ESG Materiality Assessment, the following ESG factors were assessed as having the greatest potential to impact company value and therefore to be of the most interest to our investors and the capital markets. The sections of the Report where information and data on these factors can be found are referenced below:



### Environmental

- [Waste and Hazardous Materials Management](#)
- [Water Management](#)
- [Climate Change and GHG Emissions](#)
- [Energy Management](#)



### Social

- [Community Relations](#)
- [Workforce Health and Safety](#)
- [Security and Human Rights](#)
- [Business Ethics and Transparency](#)



### Governance

- [Corporate Governance](#)

## ESG STRATEGY

Material ESG factors are addressed within our Sustainability Framework, which is integrated into our overall corporate strategy (see [Sustainability Framework](#) section).

In addition, during 2021 we made significant progress towards our objective to develop a comprehensive climate strategy addressing the four pillars of the TCFD Recommendations: Governance, Risk Management, Strategy, and Metrics & Targets. Our [Climate Change Position Statement](#) articulates our approach to climate change and the key pillars and commitments underpinning our strategy.

## ESG RISK MANAGEMENT

Our Board is responsible for the Company's overall risk oversight, and the Sustainability Committee of the Board has oversight of applicable ESG risks. The company has in place a Risk Management System and a central risk registry. Our Country Heads lead a bottom-up risk identification and assessment process for each subsidiary on a quarterly basis. We conduct four risk workshops a year that includes Country Heads, Department Heads and the Corporate Finance team to align on key elements of the risk management processes and ensure consistency in approach to identification and assessment of risks. ESG-related risks are included in the risk categories that are assessed: operational, financial, occupational health and safety, environment, community, reputational and organizational, and projects.

The results of the risk workshop are consolidated at a regional level and distributed to each department to ensure there is a consistent view of risk across the company. Results are reported to Senior Management and then to the Board of Directors, on a quarterly basis.

## ESG METRICS AND TARGETS

We have developed a five-year Sustainability Plan including ESG metrics and short-, medium- and long-term targets, which are approved by the Board, and monitored monthly (see [Sustainability Plan](#) section). In 2021, after the acquisition of Roxgold, the company revised all of its 2022, 2023 and 2025 ESG targets to better reflect the changes to its business. ESG metrics are integrated into compensation (see [Corporate Governance](#) section).

A summary of the ESG metrics included in this Report can be found in [Appendix B](#).

## ESG GOVERNANCE

Details of Board oversight and management responsibilities for ESG factors can be found in the [Corporate Governance – ESG Oversight](#) section and under “Our Approach” within the sections covering each of the material ESG factors.



### ESG FOCUS

In each section of the Report addressing a material ESG factor, an *ESG Focus* callout box is included, providing:

- Links to key documents and supporting information
- An overview of the SASB and/or TCFD indicators addressed in the section
- Navigation back to the *ESG for Investors* section

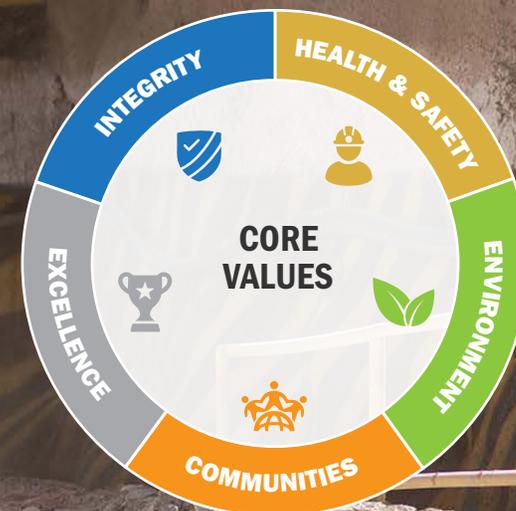
## ESG DISCLOSURE FRAMEWORKS

This Report has been prepared using the SASB Metals and Mining Standard. The SASB Content Index can be found at [Appendix C](#).

In the [Climate Change](#) section of this Report, we have aligned our reporting with the TCFD Recommendations. We intend to continue to enhance TCFD alignment in future reporting, as we continue to evolve our climate change strategy. Fortuna also responded to the CDP Climate Change Questionnaire for the first time in 2021, which is aligned to the TCFD Recommendations.



# SUSTAINABILITY FRAMEWORK



**At Fortuna, we see sustainability as the creation of long-term economic, social, and environmental value for our stakeholders. This understanding has led us to make a fundamental commitment to integrate sustainability into our business strategy, organizational culture and day-to-day operational activities.**

Sustainability includes factors which affect all aspects of our business. Rather than isolating sustainability in a single, stand-alone policy, we have created a Sustainability Framework that is integrated into our overall corporate strategy and supported through a range of corporate policies and standards (see [Corporate Governance](#) section). The Sustainability Framework is a way to transform our aspirations into actions and achieve our vision.

## VISION, MISSION AND VALUES

### Vision:

To be valued by our stakeholders as a sustainable company and a leader in the precious metals industry.

### Mission:

Create sustainable value through growth of our mineral reserves, metals production and the efficient operation of our assets, while remaining firmly committed to safety, and to social and environmental responsibility.

### Values:

- We value the health & safety of our employees. We do not tolerate unsafe actions or conditions.
- We value the environment. We adhere to strict environmental standards and mitigate our impact.
- We value our communities. We show respect for cultural diversity and work as a strategic partner to enable the sustainable development of our neighboring communities.
- We value a commitment to excellence. We achieve high standards and the best practices.
- We value integrity. We act in accordance with our philosophy.

[GRI 102-16]



# STRATEGIC SUSTAINABILITY OBJECTIVES

Consistent with our Vision, Mission and Values, we have identified three Strategic Sustainability Objectives supported by six Sustainability Pillars (Figure 3). Reporting on the Financial Performance Pillar is addressed through the [ESG for Investors](#) section, and our regulatory filings. We provide disclosure on the remaining five Sustainability Pillars in the Report.

**Figure 3: Strategic Sustainability Objectives and Sustainability Pillars**

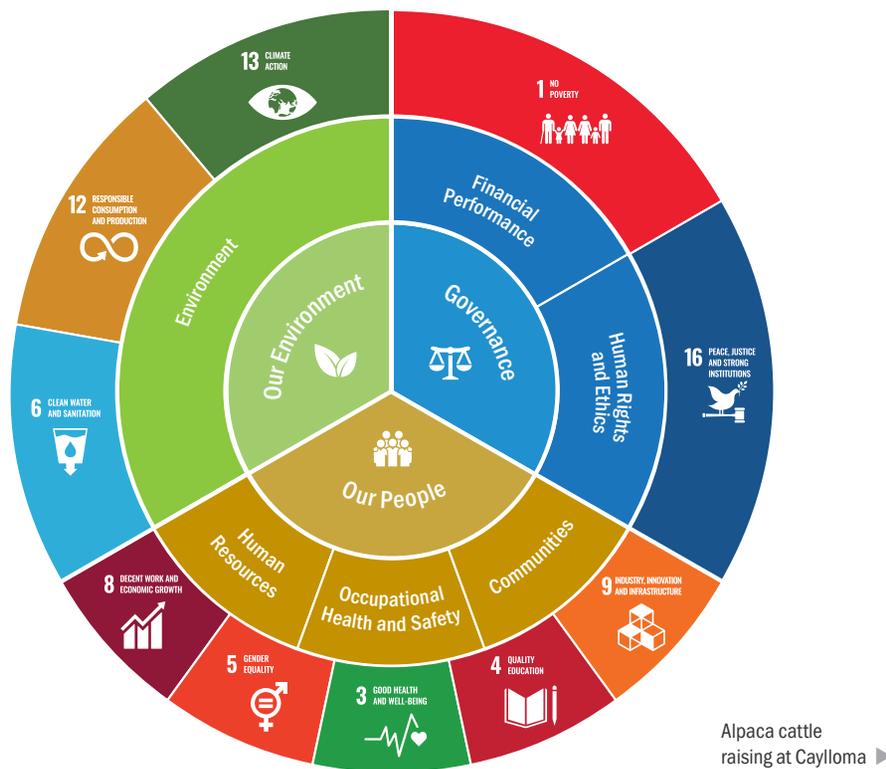




## PARTNERS IN SUSTAINABLE DEVELOPMENT

We recognize that our exploration, mining, processing, and transportation activities have impacts on the communities and environments where we work. We also recognize the role we can play in enabling sustainable development by providing substantive support and developing local capabilities. Recognizing that we share the responsibility for building sustainable societies and creating green growth outcomes with governments and other companies in the private sector is critical. Our impact is amplified when we are transparent and report on our performance compared to international goals. Therefore, our Sustainability Framework is aligned with the Sustainable Development Goals (SDGs) (Figure 4). The SDGs are a global blueprint to end poverty, reduce inequality and spur economic growth while protecting the environment, adopted by all United Nations Member States in 2015.

Figure 4: Alignment with the Sustainable Development Goals





## SUSTAINABILITY PLAN

We aspire to continuously improve our sustainability performance. In 2019, we developed a five-year Sustainability Plan, including KPIs and targets. Progress towards the achievement of these targets is monitored monthly by our Corporate Sustainability team in a review of each operating subsidiary's performance and plans.

We believe that we can make the most progress by focusing our efforts on the sustainability issues with the greatest potential to impact company value and our stakeholders. In 2020, we conducted an executive-level workshop to refine and prioritize our Sustainability Plan,

KPIs and targets. As a result, we integrated a prioritized set of KPIs to our business strategy and committed to short-, medium- and long-term targets for 2021-2025. This process was led by our senior management, and the targets were approved by the Board.

We did not set climate change-related targets in 2020 as we were developing our climate change strategy in 2021 and we wanted to ensure our climate-related KPIs and targets are linked to the climate change factors with the greatest potential to impact company value and our stakeholders.

### Performance in 2020

Our 2021 performance compared to the Sustainability Plan is detailed in **Table 3** below.

**Table 3: 2020 Performance compared to Sustainability Plan**

ESG Factor	KPI	2021 Target	2021 Performance	Comments
Workforce Health and Safety	Number of employee and contractor fatalities as a result of work-related injuries	0	0	🎯 On target
	Employees – Lost Time Injury Frequency Rate (LTIFR)	1.37	0.23	🎯 Above target
	Employees – Total Recordable Injury Frequency Rate (TRIFR)	3.77	2.07	🎯 Above target
	Employees – Severity Rate (SR)	31.89	49.39	🎯 Did not meet target
	Contractors – Lost Time Injury Frequency Rate (LTIFR)	1.60	0.83	🎯 Above target
	Contractors – Total Recordable Injury Frequency Rate (TRIFR)	5.60	4.34	🎯 Above target
	Contractors – Severity Rate (SR)	106.93	169.82	🎯 Did not meet target
Biodiversity Impacts	Number of significant spills <sup>5</sup>	0	0	🎯 On target
Community Relations	Number of significant disputes with local communities <sup>6</sup>	0	0	🎯 On target
	% of employees from local communities (Direct Area of Influence – DAI)	26%	43.34%	🎯 Above target
	% of local suppliers (Direct Area of Influence – DAI)	4.43%	5.95%	🎯 Above target
Human Capital Management	% of women employees	19%	15%	🎯 Did not meet target
	% of women in management positions	16%	16%	🎯 On target

<sup>5</sup> We define a significant spill as any type of spill that meets one or more of the following parameters:

- Permanent impact on multiple people: injury, damage, disability, or irreversible effect on health.
- Limited reversible impact on ecosystems, restoration is possible and takes more than 3 months.
- Loss of trust and breakdown of communication with the community that generates actions against the company or generalized closure for 3 days or more.
- Negative media coverage at the local level resulting in a partial loss of confidence.

<sup>6</sup> We define a significant dispute with local communities as a loss of trust and communication breakdown with communities that generates actions against the Company and generalized closure for a minimum of 3 days.



Further detail on the targets that were not achieved:

- Severity rate: Both for employees and contractors, we had greater severity in safety incidents than expected; these cases were investigated to understand their root cause and corrective measures were implemented to prevent future incidents. In addition, as a result of the integration with Roxgold, we are taking the opportunity to expand safety best practices across all operations.
- Women employees: Our target for the percentage of women employees was an ambitious goal compared to the average female participation in Latin America, which is typically around 10% in the regions where we operate. Subsequent to the acquisition of Roxgold, and leveraging our experience from 2021, we are taking the opportunity to re-assess this important issue and commit to a new corporate target, as explained in the next section.

### Looking Ahead: Commitments, Targets and Key Performance Indicators

As a result of the acquisition of Roxgold and the changes to our business model, in 2021 we revised our short-, medium- and long-term targets for 2022-2025 (Table 4).

**Table 4: Sustainability KPIs and Targets 2022-2025<sup>7</sup>**

KPI	2022	2023	2025
Number of employee and contractor fatalities as a result of work-related injuries	0	0	0
Lost Time Injury Frequency Rate (LTIFR)	0.88	0.77	0.33
Total Recordable Injury Frequency Rate (TRIFR)	4.06	3.51	2.52
Number of significant spills <sup>8</sup>	0	0	0
GHG emissions intensity per thousand tonnes of processed ore (tCO <sub>2</sub> eq/kt)	17.80	TBD	TBD
Energy use intensity per tonne of processed ore (GJ/t)	0.21	TBD	TBD
Water use volume intensity per tonne of processed ore (m <sup>3</sup> /t)	0.27	TBD	TBD
Number of significant disputes with local communities <sup>9</sup>	0	0	0
% of employees from local communities (Direct Area of Influence - DAI)	43.91	45.29	43.99
% of local suppliers (Direct Area of Influence - DAI)	5.46	5.76	6.05
% of women employees	16.51	17.32	17.78
% of women in management positions	16.90	17.61	18.31

<sup>7</sup> These targets are consolidated for our currently operating sites: Bateas, Cuzcatlan, Lindero, Yaramoko and our offices, where applicable.

<sup>8</sup> We define a significant spill as any type of spill that meets one or more of the following parameters:

- Permanent impact on multiple people: injury, damage, disability, or irreversible effect on health.
- Limited reversible impact on ecosystems, restoration is possible and takes more than 3 months.
- Loss of trust and breakdown of communication with the community that generates actions against the company or generalized closure for 3 days or more.
- Negative media coverage at the local level resulting in a partial loss of confidence.

<sup>9</sup> We define a significant dispute with local communities as a loss of trust and communication breakdown with communities that generates actions against the Company and generalized closure for a minimum of 3 days.



As noted previously, in 2021 we were focused on developing our climate change strategy. An important part of the ongoing development of our climate change strategy will be to set climate-related targets on priority climate-related KPIs. In 2022, we will be conducting technical studies with the objective of setting climate-related targets that are ambitious and achievable, including a GHG emission reduction target. The results of this work will be incorporated into our 2023 budgeting activities with a view to fund the GHG emission reduction action plans that will be developed in 2022.

An additional note, previously we had identified the KPI “Tailings disposal intensity per tonne of processed ore (t/t)” as a priority KPI and accordingly set a target on this KPI. Given the significant changes in our operations (notably Lindero entering into operation and the acquisition of Roxgold), senior management and the Sustainability Committee of the Board determined that this KPI was less relevant to our operations. It is no longer a priority KPI for target setting.



## CASE STUDY 3 ENHANCING DATA COLLECTION EFFORTS AND DATA QUALITY

**This year, we undertook significant efforts to review our ESG data collection processes to ensure we are collecting and reporting data that is reliable, consistent, and high quality.**

We have been focused on enhancing our ESG data collection to strengthen alignment with key ESG reporting frameworks including the GRI Standards, the SASB Standards and the TCFD Recommendations. As part of these efforts to collect reliable, consistent and high-quality data across our operations (which includes all of our subsidiaries and our corporate offices), we developed the Sustainability Handbook which is a manual that includes definitions, calculation methods, list of acceptable supporting evidence, and additional relevant details for each ESG data point that Fortuna reports.



In 2021, on a quarterly basis, we conducted an internal audit of our ESG data. The internal audit was led by the Corporate Sustainability team and involved evaluating each subsidiary and our corporate office's reported ESG data against a set of criteria derived from the Sustainability Handbook as follows:

- Data accuracy: reported data matches the data found in the original sources of information
- Data reliability: reported data complies with the requirements in the Sustainability Handbook
- Relevance of evidence: evidence submitted complies with the quality requirements
- Sufficiency of evidence: evidence is submitted in sufficient quantity for audit purposes

Combining results across all measurement criteria and subsidiaries, average compliance obtained is 93%.

The high average scores suggest that the quality of the ESG data reported by each operation is well-aligned with the criteria outlined in the Sustainability Handbook and demonstrates our continued commitment to sustainability across our operations. The internal audit also allows us to identify areas for improvement in the ESG data collection process across our operations.

We also conducted an in-depth review of the corporate carbon footprint tool in 2021. This review was conducted by accredited auditors with expertise in corporate sustainability and aligned with international standards such as the Intergovernmental Panel on Climate Change (IPCC) and the Greenhouse Gas Protocol. During this review, we defined a robust methodology to quantify and report GHG emissions and removals based on the requirements of ISO 14064: 2018 Part 1. This work included the following key steps:

- Organizational limits were established, the control approach was defined and Scope 1 and Scope 2 GHG emissions were evaluated.
- The processes of each subsidiary were reviewed and the sources of emissions were defined and classified as fixed combustion, mobile combustion, process emissions and fugitive emissions.
- The official sources of information were identified and the methodology for the calculation for each emission source was established.
- The local and/or international emissions factors for conversion to tonnes of CO2 equivalent were identified and defined.
- An updated version of the corporate emissions calculator was developed, which includes defined criteria such as emission factors, global warming potentials and methodologies, among others.
- Carbon Footprint Calculation Standard and Carbon Footprint Quality Control Standards were developed as corporate guidelines.

Non-significant emissions were also identified (less than 2% of the total carbon footprint) and 2021 was defined as the base year.



## STAKEHOLDER ENGAGEMENT

Each of our subsidiaries have undertaken stakeholder engagement exercises to identify their stakeholders and their sustainability priorities. The Caylloma and San Jose mines used a methodology to identify and prioritize stakeholders proposed by Mitchell, Agle & Wood that examined three criteria: power, legitimacy, and urgency (see [Sustainability Report 2018](#), p49). The Lindero mine mapped local actors and interest groups to identify stakeholders. This exercise is updated on a quarterly basis. The Yaramoko mine conducted a materiality assessment to identify its stakeholders. [GRI 102-42] Our key stakeholders and the channels we used to engage with them are outlined in **Table 5**.

Our subsidiaries engage with stakeholders frequently. For example, in 2021 the Yaramoko mine conducted 293 stakeholder engagement activities. The Lindero mine reviews stakeholder mapping and priorities on a quarterly basis, produces semi-annual and annual reporting to key stakeholders and conducts a semi-annual information poll. Many of the engagement channels listed above are always open and are used to engage with stakeholders frequently, as needed, and as requested. In advance of the preparation of this Report, we ask the mine sites to confirm if there have been any key changes to stakeholders and stakeholder priorities in order for them to be accounted for. Stakeholder priorities serve as a key input to the ESG Materiality Assessment that forms the basis of this Report's content. [GRI 102-43]

**Table 5: Stakeholder Priorities** [GRI 102-40, GRI 102-43, GRI 102-44]

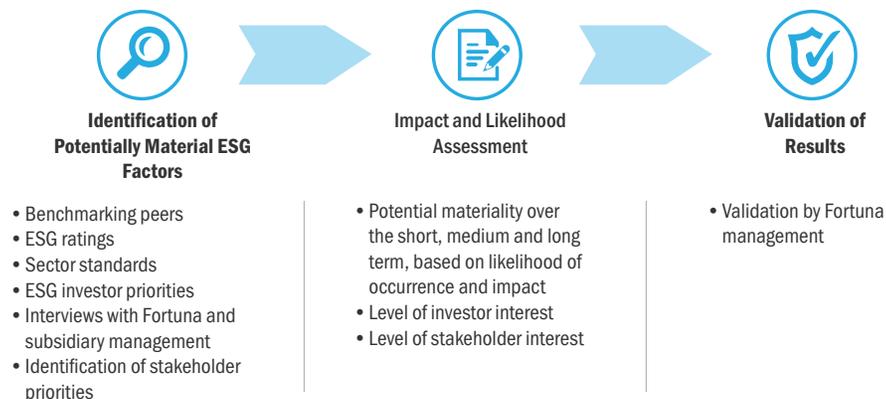
Stakeholder	Engagement Channels	Sustainability Priorities
<b>Employees</b>	<ul style="list-style-type: none"> <li>Individual and group meetings</li> <li>Email</li> <li>Employment contract</li> </ul>	<ul style="list-style-type: none"> <li>Community relations</li> <li>Waste and hazardous materials management</li> <li>Human capital management and labor relations</li> <li>Water management</li> <li>Workforce health and safety</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>Individual and group meetings</li> <li>Grievance mechanisms</li> <li>Community relations offices</li> <li>Email</li> <li>Telephone</li> <li>Opinion polls</li> <li>Guided visits</li> <li>Radio programs broadcast by Fortuna</li> <li>Social media networks</li> </ul>	<ul style="list-style-type: none"> <li>Air quality</li> <li>Community relations</li> <li>Human capital management</li> <li>Waste and hazardous materials management</li> <li>Water management</li> <li>Workforce health and safety</li> </ul>
<b>Investors</b>	<ul style="list-style-type: none"> <li>Reports</li> <li>Surveys</li> <li>Meetings</li> <li>Telephone</li> <li>Videoconference</li> </ul>	<ul style="list-style-type: none"> <li>Business ethics and transparency</li> <li>Community relations</li> <li>Corporate governance</li> <li>Energy management</li> <li>GHG emissions</li> <li>Human capital management</li> <li>Security and human rights</li> <li>Waste and hazardous materials management</li> <li>Water management</li> <li>Workforce health and safety</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Meetings</li> <li>Telephone</li> <li>Email</li> </ul>	<ul style="list-style-type: none"> <li>Air quality</li> <li>Community relations</li> <li>Waste and hazardous materials management</li> <li>Water management</li> <li>Workforce health and safety</li> </ul>
<b>Contractors</b>	<ul style="list-style-type: none"> <li>Individual and group meetings</li> <li>Telephone</li> <li>Email</li> </ul>	<ul style="list-style-type: none"> <li>Community relations</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Individual and group meetings</li> <li>Telephone</li> <li>Email</li> </ul>	<ul style="list-style-type: none"> <li>Air quality</li> <li>Community relations</li> <li>Waste and hazardous materials management</li> <li>Water management</li> <li>Workforce health and safety</li> </ul>
<b>Government</b>	<ul style="list-style-type: none"> <li>Meetings</li> <li>Telephone</li> <li>Email</li> <li>Formal letters</li> <li>Audits</li> <li>Field inspections</li> </ul>	<ul style="list-style-type: none"> <li>Community relations</li> <li>Human capital management and labor relations</li> <li>Human rights and security</li> <li>Waste and hazardous materials management</li> <li>Water management</li> <li>Workforce health and safety</li> <li>Supply chain management</li> </ul>



## ESG MATERIALITY ASSESSMENT

Materiality assessment plays an essential role in our sustainability approach because it enables us to prioritize topics that generate value for the Company and our stakeholders. We updated the comprehensive ESG Materiality Assessment that was undertaken in 2020 to reflect the significant changes to our business in 2021 as a result of the addition of the West African operations. The process we undertook allows us to identify the financially material ESG factors likely to impact company value, and therefore of most interest to our investors and financial stakeholders, as well as identifying the sustainability factors that are of significant interest to our broader stakeholders. The process is summarized in **Figure 5** [GRI 102-46].

**Figure 5: Materiality Assessment Process**



The contents of this Report draw upon the results of the ESG Materiality Assessment results (**Figure 6**).

**Figure 6: Prioritization of sustainability issues for inclusion in the Sustainability Report** [GRI 102-44]



Table 6 lists the topics included in this Report, indicating if they are material ESG factors likely to be of most interest to investors due to their potential impact on company value, and linking them to the pillars of our Sustainability Framework.

**Table 6: Topics addressed in the 2021 Report** [GRI 102-47, GRI 102-49]

Sustainability Topic	Material ESG Factor	SUSTAINABILITY PILLARS				
		Human Rights and Ethics	Human Resources	Communities	Occupational Health and Safety	Environment
<b>CORPORATE GOVERNANCE</b>	✓		✓			
<b>ENVIRONMENTAL</b>						
Mine Closure and Reclamation				✓		✓
Waste and Hazardous Materials Management	✓			✓	✓	✓
Water Management	✓			✓		✓
Climate Change and Greenhouse Gas Emissions	✓					✓
Energy Management	✓					✓
Air Quality				✓		✓
Biodiversity Impacts				✓		✓
<b>SOCIAL</b>						
Business Ethics and Transparency	✓	✓				
Workforce Health and Safety	✓				✓	
Human Capital Management and Labor Relations			✓			
Community Relations	✓		✓	✓		
Security and Human Rights	✓	✓	✓	✓		
Rights of Indigenous Peoples		✓		✓		
Supply Chain Management		✓		✓	✓	✓



# CORPORATE GOVERNANCE



## GOVERNANCE IN BRIEF

Board independence	71.4%	Representation of women on the board	28.6% <sup>10</sup>
Key committee independence	100%	Board diversity policy	✓
Separation of Chair and CEO	✓	Share ownership requirements	✓
Independent Chair of the Board	✓	Clawback policy	✓
Average age of directors	54.71 years	ESG metrics in executive compensation	✓
Average director tenure	7.50 years	Single share class (one share, one vote)	✓

<sup>10</sup> Women comprise 40% of independent directors on the Board.



## OVERSIGHT OF ESG AND SUSTAINABILITY

Our [Board](#) provides ultimate oversight of ESG and sustainability issues [GRI 102-18]. Details of the expertise of our directors can be found in the [Management Information Circular](#). At the date of this Report:

- 4 out of 7 Board directors (57%) have Health and Safety, Environment and Sustainability expertise, defined as a strong understanding of the operational requirements and leading practices of workplace health and safety, including the requirements for a strong safety culture and sustainable development.
- 7 of 7 Board directors (100%) have corporate governance expertise, defined as an understanding of the fiduciary, legal and ethical responsibilities of the Board, particularly issues surrounding conflicts of interest, corporate opportunity, and insider trading.
- 7 of 7 Board directors (100%) have Human Resources experience which is defined as knowledge of sustained succession planning and talent development and retention programs, including executive compensation.

In 2021, ESG topics were integrated to the director education program. The full Board participated in education sessions on:

- The importance of ESG for the mining industry
- Duties of Board members and considering ESG factors in decision making
- Trends in ESG disclosure for the mining industry

The Board also receives quarterly reports on ESG trends from an external consultant to ensure they remain up to date on the evolutions in the ESG space. In 2021, the Board approved all 2022 strategic plans, budgets, and targets, including those related to ESG.

### Board Committees

The Board is assisted by four Board committees (**Table 7**). While the Sustainability Committee oversees most issues covered in this Report, each committee oversees certain ESG or sustainability matters.

**Table 7: Board Committees**

Committee	Role	Independence
<a href="#">Audit Committee</a>	The Audit Committee oversees financial information disclosure, internal controls and management information systems, the internal and external audit process, and compliance with legal and regulatory requirements for financial statements. Its mandate includes review of financial disclosures, review of material financial risks, and responsibility for the Code of Business Conduct and Ethics.	100%
<a href="#">Corporate Governance and Nominating Committee</a>	The Corporate Governance and Nominating Committee develops the approach to governance including monitoring trends and legal requirements, assessing the functioning of the Board and its committees, and ensuring good governance practices. It identifies and recommends director candidates to the Board. Its mandate includes responsibility for the Anti-Corruption Policy.	100%
<a href="#">Compensation Committee</a>	The Compensation Committee makes recommendations on the form and levels of executive compensation, and the targets and objectives on which executive performance will be assessed (including integration of ESG performance factors).	100%
<a href="#">Sustainability Committee</a>	The Sustainability Committee oversees health, safety, security, climate change, environmental, sustainable development, and social responsibility policies and monitors their effectiveness across the Company. It reports to the Board on material ESG risks, including climate change, and provides the Board with reports and recommendations on sustainability matters.	Majority independent (currently: 67%)



### ESG Policies

The Board approves key corporate policies, standards, strategies, and plans relating to ESG and sustainability issues (**Table 8**), which are supported by internal policies and procedures, guidelines, manuals and training for our management and workforce to guide their application.

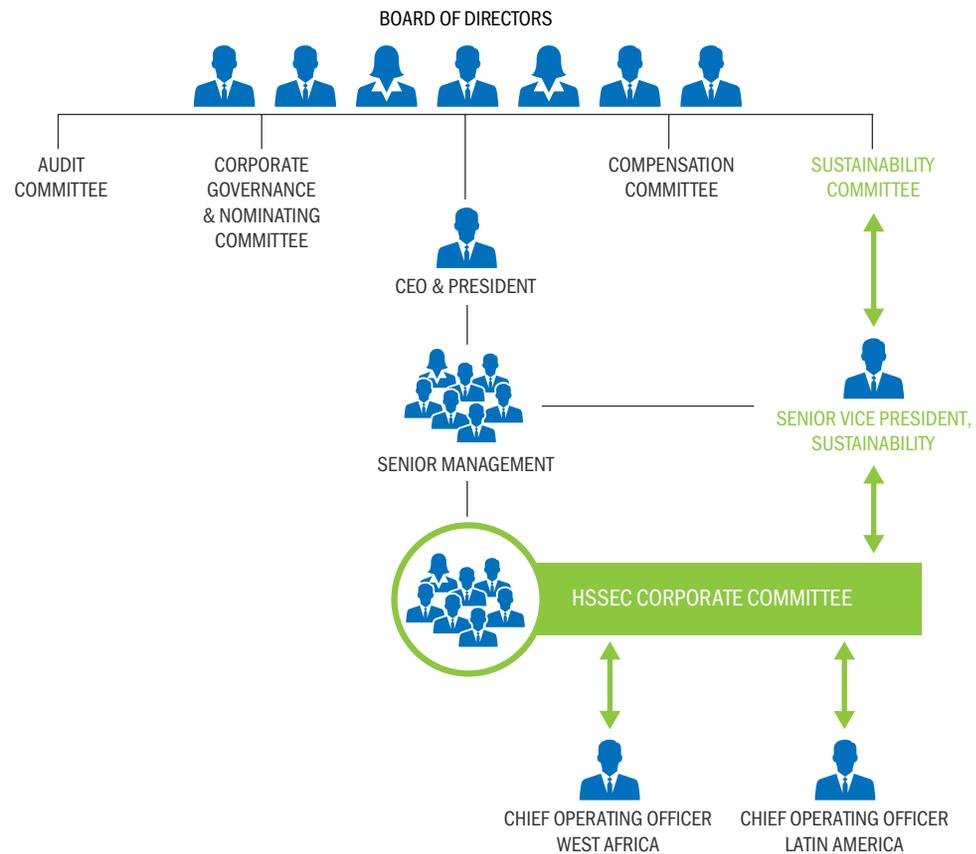
**Table 8: ESG and sustainability-related policies approved by the Board** [GRI 102-16]

Policies	Approval / Last Update
<a href="#">Code of Business Conduct and Ethics and Whistle-Blower Policy</a>	March 9, 2021
<a href="#">Anti-Corruption Policy</a>	March 23, 2022
<a href="#">Human Rights Policy</a>	March 23, 2022
<a href="#">Diversity Policy</a>	March 23, 2022
<a href="#">Health and Safety Policy</a>	March 23, 2022
<a href="#">Environmental Policy</a>	March 23, 2022
<a href="#">Climate Change Position Statement</a>	March 23, 2022
<a href="#">Employee Relations Policy</a>	March 23, 2022
<a href="#">Community Relations Policy</a>	March 23, 2022
<a href="#">Tailings and Heap Leach Management Standard<sup>11</sup></a>	2019
<a href="#">Supplier Code of Business Conduct and Ethics</a>	March 9, 2021
<a href="#">Majority Voting Policy</a>	March 27, 2019
<a href="#">Share Ownership Policy</a>	March 23, 2022
<a href="#">Incentive Compensation Clawback Policy</a>	March 14, 2016
<a href="#">Blackouts and Securities Trading Policy</a>	March 9, 2021
<a href="#">Advance Notice Policy</a>	December 15, 2017
<a href="#">Disclosure Policy</a>	March 23, 2022

### ESG and Sustainability Governance and Management Structure

Our ESG and sustainability governance and management structure are outlined in **Figure 7**.

**Figure 7: ESG and sustainability oversight and management**



<sup>11</sup> The independent report entitled *Design Standards for Tailings and Filtered Storage Facilities, Heap Leach Facilities and Waste Rock Storage Facilities* prepared by NewFields Mining Design & Technical Services and dated August 26, 2019, was approved and accepted by the Sustainability Committee on October 16, 2019. The Board reviewed the Standard on November 12, 2019.



The Senior Vice President Sustainability has accountability for ESG and sustainability at the Executive Leadership Team level and reports to the CEO.

The Director of Sustainability Latin America and the Director of Sustainability West Africa support the Senior Vice President Sustainability on ESG and sustainability for the Latin American and West African regions, respectively. The Directors of Sustainability participate in the development, implementation, and update of our Sustainability Framework, including policies, procedures, manuals and standards, the management system, and training. Our approach aims to ensure that each subsidiary:

- Meets Corporate standards and performance expectations for each of the Sustainability Pillars (see [Sustainability Framework](#) section), while being encouraged to proactively exceed the standard.
- Establishes long-term operational and sustainability plans.
- Presents operational and sustainability strategies, including action plans, as part of the annual business planning process.
- Uses the Sustainability Framework documents and tools to guide action plans.

We also maintain our Health and Safety, Security, Environment and Communities (HSSEC) Corporate Committee, which meets every two months. The HSSEC Corporate Committee assists the company's senior management in achieving its governance and management objectives in the areas of health, safety, security, environment and the community.

The responsibilities of the HSSEC Corporate Committee are to:

- Ensure alignment of corporate sustainability policies, framework, standards, goals and work plans throughout Fortuna and its subsidiaries.
- Make recommendations to ensure the effective implementation of the corporate sustainability policies, framework, standards, goals and work plans at operational level.
- Review health, safety, security, environment and community management programs and their performance.
- Propose measures to improve the effectiveness of the HSSEC management.
- Ensure best practices and successful initiatives are shared at all sites.

The HSSEC Corporate Committee's membership is multi-disciplinary to ensure that a wide range of perspectives across the organization are represented and that ESG and sustainability issues are prioritized appropriately. The HSSEC Corporate Committee includes representation from the Executive Leadership Team and includes the following members:

- Chief Executive Officer
- Corporate Counsel and Chief Compliance Officer
- Chief Operating Officer - West Africa
- Chief Operating Officer - Latin America
- Senior Vice President, Exploration
- Senior Vice President, Sustainability (Chair of the Committee)
- Vice President, Operations - Latin America
- Vice President, Operations - West Africa
- Director of Investor Relations
- Director of Human Resources
- Director of Sustainability - Latin America
- Director HSSE - Latin America
- Director of Sustainability - West Africa

We also have an HSSEC Latin America Committee for our Latin American operations, which includes participation of the Chief Operating Officer Latin America, the Vice President Mining, the Vice President Operations Latin America, the Latin American Country Heads, the Director of HSSE Latin America and the Director of Sustainability Latin America.

Each subsidiary undertakes a monthly operational and sustainability review, led by Corporate. Our Country Heads participate in reviewing operational progress, sustainability data, and performance compared to operational and Sustainability Plan KPIs and targets (see [Sustainability Framework](#) section). These review sessions are part of our quality assurance process.

The quarterly reports on ESG trends (mentioned above in the [Oversight of ESG and Sustainability](#) section) are also sent to the Executive Leadership and Management Leadership teams to ensure they remain up to date on the evolutions related to ESG.



## DIVERSITY & INCLUSION

We are committed to enhancing diversity in the workplace. We recognize the benefits arising from diversity at the Board, management and employee level, which include broadening our expertise, accessing different outlooks and benefiting from all available talent. We respect and value the perspectives, experience, cultures and essential differences among our Board directors, management, and employees.

Our [Diversity Policy](#), which is approved by the Board, sets out the guidelines by which we strive to increase diversity throughout the Company. It applies to executive and non-executive directors and full-time, part-time, and temporary management, employees, contractors, consultants and advisors of the Company.

Our Board is committed to fostering a diverse workplace and is responsible for proactively monitoring company performance in meeting the standards outlined in the Diversity Policy. Management is responsible for implementing the Diversity Policy, achieving diversity objectives, and reporting to the Board on progress.

Among the various dimensions of diversity, we are focusing on gender. In the locations where we operate, mining has traditionally been seen as a male occupation. We seek to destigmatize the sector and promote the participation of women, to generate shared value for the Company and society. We have included targets for the representation of women in the labor force and management in our KPIs and five-year Sustainability Plan (see [Looking Ahead: Commitments, Targets and Key Performance Indicators](#) section).

### What is Diversity & Inclusion?

Diversity is any dimension that can be used to differentiate groups and people from one another. Inclusion implies respect for and appreciation of differences in gender, age, ethnic origin, religion, education, sexual orientation, political belief, or disability.



## EXECUTIVE COMPENSATION

Our success is built on our people. In addition to investing in high-quality tangible assets, Fortuna also invests in market-leading human and intellectual capital. Our compensation philosophy is designed to attract and retain highly qualified and motivated executives who are dedicated to the long-term success of the Company and to the creation and protection of shareholder value.

Our performance-based compensation structure aligns executive, shareholder and stakeholder interests. Sustainability KPIs (see [Sustainability Framework](#) section) are an important part of how we assess performance and have a direct impact on executive pay. Executive bonuses are based on corporate and personal objectives. 35% of Short term incentives (STIs) for executives are determined by ESG metrics.

In 2016, the Board adopted an [Incentive Compensation Clawback Policy](#) to enhance accountability and ensure that incentive compensation paid to officers, directors and employees is based on accurate financial and operational data.

More information on Fortuna's executive compensation practices and plans can be found in the [Management Information Circular](#).



# ENVIRONMENTAL



We are committed to best practices and high standards of environmental performance in all aspects of our operations, and we strive to avoid, or where this is not possible, minimize the impact of our activities on the environment. We believe it is possible to design, construct, and operate our mines based on the efficient use of energy and resources, protection of the environment and biodiversity, compliance with all applicable laws and international guidelines. When we close our operations, our aim is to return the land disturbed by our activities to as close to its natural state as reasonably possible.

## HIGHLIGHTS

### Zero

Significant environmental fines



Significant reduction in waste intensity

### Zero

Tailings dam incidents

### Zero

Significant spills



Continuing trend in reduction of freshwater withdrawals and consumption intensity



Significant reduction in GHG emissions intensity and energy intensity

▲ Photo above: Fauna at Lindero Mine



## OUR APPROACH [SASB: EM-MM-160A.1]

For all environmental topics outlined in this section of the Report, the Sustainability Committee of the Board provides oversight, and the Senior Vice President Sustainability has management responsibility. The HSSEC Corporate Committee (see [Corporate Governance](#) section) ensures the alignment of subsidiary-level environmental initiatives with the company-wide Sustainability Framework.

Our [Environmental Policy](#), which is approved by the Board, is guided by the ISO 14001:2015 Environmental Management Systems Standard. It outlines our commitment to protecting the natural environment wherever we work.

At each site, there is (or will be) a health, safety, security and environment committee responsible for environmental factors. An overview of the committee for each site is provided in [Table 9](#).

**Table 9: Overview of Site-Level HSSE Committees**

Site	Overview of the Committee
Caylloma (Bateas)	Established a site-level HSSE Committee in 2021. It is comprised of the subsidiary's main decision-makers. It is chaired by the Country Head and includes participation from all operational areas, human resources, supply chain, community relations, and sustainability. The Committee meets monthly and reviews sustainability performance, environmental incidents, safety performance, and the effectiveness of control measures.
San Jose (Cuzcatlan)	The HSSE Committee is comprised of the subsidiary's main decision-makers. It is chaired by the Country Head and includes participation from all operational areas, maintenance, human resources, supply chain, community relations, projects and sustainability. The Committee meets quarterly and reviews sustainability performance, environmental incidents, safety performance, and the effectiveness of control measures.
Lindero (Mansfield)	A site-level HSSE Committee will be established in 2022.
Yaramoko (Roxgold)	The Health, Safety and Environment (HSE) Management Committee is responsible for the site's health, safety and environment management system, assessment of the site's performance, and to make decisions to improve HSE performance. The HSE Management Committee is comprised of the head of departments, senior line managers, and supervisors from the West African operations and its business partners. The Committee meets monthly.

We provide annual training on relevant HSSE topics to supervisors within our subsidiaries and contractors, so that they can in turn train employees. The 2021 training program covered environmental requirements and high risk activities.



Lindero Mine's outdoor meeting areas are built using recycled wooden pallets ▶



## Environmental Management Systems

We aim to achieve certification of the environmental management system (EMS) at each of our operations to ISO 14001.

- **Caylloma (Bateas):** The EMS has been certified to ISO 14001 since 2010. In 2021, we conducted both an internal and an external audit of the EMS and no non-conformities were identified. Caylloma's environmental management plans are approved by the National Environmental Certification Service for Sustainable Investments (SENACE) as well as our environmental impact assessments (EIAs).

- **San Jose (Cuzcatlan):** The EMS is aligned to ISO 14001, but it was not possible to achieve the planned certification in 2021 because COVID-19 prevented site visits. Certification has been rescheduled to 2022. In 2021, we conducted an internal audit of the EMS. San Jose's environmental management plans are approved by the Secretary of Environment and Natural Resources (SEMARNAT) and meet the requirements of environmental impact studies authorized by the National Water Commission (CONAGUA) and SEMARNAT.

- **Lindero (Mansfield):** The EMS is aligned to ISO 14001. An internal audit of the EMS is planned for 2022. Lindero's environmental management plans are approved by the Province of Salta's Ministry of Mining, Secretary of the Environment and Secretariat of Water Resources.
- **Yaramoko (Roxgold):** The EMS is aligned to ISO 14001 in areas including environmental policy, stakeholder engagement, environmental training and awareness and communications planning and procedures.

We conduct internal HSSE audits according to our Operational Control and Audit Procedure, which is mandatory for all subsidiaries.

## Environmental Compliance

We pursue environmental excellence within the framework of the laws and regulations of the countries where we operate.

## OUR PERFORMANCE

In 2021, there were zero significant environmental fines or penalties issued by regulators [GRI 307-1].

▼ Yaramoko Mine conservation area



## ESG FOCUS

- Environmental Governance
- Environmental Policy
- SASB: EM-MM-160a.1 Description of environmental management policies and practices for active sites

◀ [Back to ESG for Investors](#)



# Waste and Hazardous Materials Management

## WHY IS THIS IMPORTANT FOR FORTUNA?

Effective management and reduction of waste can reduce operational and compliance costs, avoid fines and penalties, facilitate permitting, and protect our reputation in the communities where we operate.

Our operations include [tailings storage facilities](#) (TSFs) and heap leach facilities (HLFs). Tailings management is a high priority for investors, regulators, communities, and other stakeholders, because tailings dam failures can lead to loss of life or significant damage to property and ecosystems. Our operations are subject to waste regulations.

## OUR APPROACH

### Tailings Management

[SASB EM-MM-540a.2, SASB EM-MM-540a.3]

Our [Tailings and Heap Leach Management Standard](#), which is based on the guidelines of the Mining Association of Canada and the Canadian Dam Association, requires us to locate, design, build, operate, and close all TSFs and HLFs using a risk-based approach with site-specific data, or as specified by local regulatory requirements (whichever approach is more stringent). Our standard covers facility integrity, governance, monitoring, and emergency preparedness and applies to our Latin American operations. Implementation of the standard at Caylloma, San Jose and Lindero was audited in 2021 and no significant risks were found under the applicable standards.

At Yaramoko, the TSF management approach is based on the Industry Standard ANCOLD Guidelines on Tailings Dams and an operating manual has been established to ensure that TSFs are managed to prevent any hazards that could lead to incidents affecting employees, communities, or environment. The manual covers the operation, monitoring, maintenance, construction, closure, and rehabilitation guidelines of the TSF at the mine site. Specific operating and maintenance procedures for the tailings delivery and distribution system, the TSF, the decant water return system and the underdrainage system are included in this manual. It also covers typical operation and contingency plans for a number of emergency situations. See the [“Spotlight on emergency preparedness and response for Yaramoko’s TSF”](#) section for more detail.

The monitoring program at Yaramoko includes:

- Visual inspection to assess any anomalies or variations.
- Aerial photography focused on the tailings and supernatant pond extents within the TSF.
- Installation of standpipe piezometers in embankments in order to monitor porewater pressures at several locations within the embankments to ensure that stability is not compromised.
- Installation of settlement pins on embankment crests to monitor embankment movements and assess effects of any such movement on the embankment.
- Surface water and groundwater quality sampling both upstream and downstream of the facility to facilitate early detection of changes and remediation of any seepage both during operation and following decommissioning.

The Country Heads and the Vice Presidents Operations, West Africa and Latin America are accountable for tailings management at the site level. These positions report to the regional COOs, who report to the CEO. The Senior Vice President, Sustainability has ultimate Executive-level responsibility for tailings management. Annual risk assessments are conducted at each subsidiary except for Caylloma, which conducts bi-annual risk assessments. Each subsidiary conducts Engineer of Record or senior independent technical reviewer construction and performance reviews on a regular basis: annually at Yaramoko, bi-annually at Caylloma and San Jose, and monthly at Lindero. At our Latin American operations, we conduct annual reviews to confirm that adequate financial capacity is available for closure activities. Subsidiaries conduct emergency response tests and evacuation exercises (for more information see the [Emergency Preparedness and Response](#) section).



All of the Company’s tailings storage facilities were externally audited in 2021 and no significant risks were identified under the applicable standards. In 2021, we began a gap assessment to identify whether any gaps exist between our current tailings facility management practices and the [Global Industry Standard on Tailings Management](#). We recognize the Global Industry Standard on Tailings Management Standard as leading practice and acknowledge that this Standard will help us strengthen our current practices by further integrating social, environmental and technical considerations to our tailings facilities’ entire lifecycle. To be compliant with the Standard, mining operators must use specified measures to prevent the catastrophic failure of tailings facilities and to implement best practices in planning, design, construction, operation, maintenance, monitoring, closure and post closure activities. We are committed adopting the Standard as of 2022 and disclosing our compliance plans.



▲ Caylloma Mine tailings storage facility

We provide transparency on our TSFs in a tailings storage facility table (**Table 10**).

**Table 10: Tailings storage facility table** [SASB EM-MM-540a.1]

Facility Name	Location	Ownership Status	Operational Status	Construction Method	Maximum Permitted Storage Capacity	Current Amount of Tailings Storage	Consequence Classification <sup>12</sup>	Date of Most Recent Independent Technical Review	Material Findings	If Yes to Material Findings, Mitigation Measures	Site-specific Emergency Preparedness and Response Plan (EPRP)
Tailings Deposit No. 3	Caylloma, Arequipa, Peru	Minera Bateas SAC	Active	Downstream	2,259,663 m <sup>3</sup>	213,799 m <sup>3</sup>	Significant <sup>13</sup>	Q3 2021	No	N/A	Yes
Tailings Deposit No. 2	Caylloma, Arequipa, Peru	Minera Bateas SAC	Active, in stand-by <sup>14</sup>	Upstream and central line	2,173,655 m <sup>3</sup>	1,238,830 m <sup>3</sup>	Significant	Q3 2021	No	N/A	Yes
Tailings Deposit No. 1 <sup>15</sup>	Caylloma, Arequipa, Peru	Minera Bateas SAC	Closed	Closed	Closed	Closed	Closed	Q3 2021	No	N/A	Yes
Tailing storage facility	Oaxaca, Mexico	Compañía Minera Cuzcatlán	Active	Downstream	Pending	2,283,171 t	Significant	Q3 2021	No	N/A	Yes
Drystack facility	Oaxaca, Mexico	Compañía Minera Cuzcatlán	Active	Downstream	5,120,660 m <sup>3</sup>	2,261,938 m <sup>3</sup>	Significant	Q3 2021	No	N/A	Yes
Tailing Storage Facility	Bagassi, Province of Balé, Region of Boucle du Mouhoun, Burkina Faso	Roxgold Sanu SA	Active	Downstream	3.75 million t	2.23 million t	High	Q4 2021	No	N/A	Yes

<sup>12</sup> According to the Canadian Dam Association standard definition.

<sup>13</sup> A dam break assessment is underway.

<sup>14</sup> Tailings Deposit No. 2 will transition to closure phase as of year 2022.

<sup>15</sup> This facility was acquired by the Company in 2005 and it was operated by others prior to this time. It was closed at the time of acquisition.



Cuzcatlan Dry Stack is the most recently commissioned TSF at San Jose. Dry stacking of tailings offers a range of risk mitigation advantages including reduced containment failure risk, reduced water consumption, and enabling progressive rehabilitation. A smaller surface area reduces the potential for water contamination and allows for more efficient use of monitoring systems.

At our underground mines we reuse the heavy solid component of tailings as paste fill. This allows us to reduce tailings disposal in our TSFs, which extends their holding capacity over time, reduces tailings dam risks and impacts.

### Spotlight on emergency preparedness and response for Yaramoko's TSF [SASB EM-MM-540a.3]

The Yaramoko Gold Mine TSF was commissioned in 2015 and a Stage 4 lift was recently completed. The TSF built using the ANCOLD Standard comprises a valley storage formed by two multi-zoned earthfill embankments, with a total footprint area of approximately 17 ha for the Stage 1 TSF, which increased to 29 ha for the final TSF. The design following incorporates a high-density polyethylene (HDPE) liner and an underdrainage system (which is made up of a network of finger and collector drains). Additionally, a groundwater collection system is installed beneath the liner. The TSF is designed to accommodate 3.0 Mt of tailings.

Since the TSF has been in operation, an emergency preparedness response plan has been in place and is critical to establishing a common understanding of the actions to be taken by interveners in the event of an incident. Prior to developing the emergency preparedness and response plan, a risk analysis was conducted to identify hazards and/or events that could occur during the life of the TSF. Yaramoko commissioned a third-party to conduct a dam break assessment aligned with ANCOLD Guidelines. This assessment is updated at every phase of dam lift. This process provides an up-to-date view of the Population At Risk (PAR) in case of dam failure.

In the event of a tailings dam failure at Yaramoko, there is a clearly defined escalation process and emergency management procedures that are performed immediately, which include liaison with local authorities and clean up if necessary. The clearly defined escalation process includes informing the Senior Vice President, Sustainability who is responsible for keeping Fortuna's Executive Committee and the Sustainability Committee of the Board informed of the situation.

Procedures for tailings management have also been developed for the safe management of all components of the TSF. These procedures outline appropriate responses in case of incidents, non-conformities or emergency situations such as rupture or leakage of the pipelines, blockage of distribution lines or spigot off-takes, and/or tailings overflows.

## HAZARDOUS AND NON-HAZARDOUS WASTE MANAGEMENT

[GRI 306-1, GRI 306-2]

Our mining operations generate a range of hazardous and non-hazardous waste, in addition to tailings:

- **Caylloma (Bateas):** The main sources of hazardous waste are hydrocarbon-contaminated waste, and empty containers and packaging of hazardous materials, such as empty reagent cylinders and cardboard from used explosives. Non-hazardous waste includes organic and general waste.
- **San Jose (Cuzcatlan):** The main sources of hazardous waste are used oil, hydrocarbon-contaminated waste and empty containers and packaging of hazardous materials. Non-hazardous waste includes organic waste and general waste (e.g., plastic, cardboard, wood, and scrap metal).
- **Lindero (Mansfield):** The main sources of hazardous waste are hydrocarbon-contaminated waste, used oil, medical waste and contaminated packaging waste (e.g., empty containers and packaging of hazardous materials, cyanide containers).

- **Yaramoko (Roxgold):** The main sources of hazardous waste are contaminated packaging wastes, explosive bags, used oil, used batteries, hydrocarbon-contaminated waste, and medical waste. Non-hazardous waste includes organic, waste rock and general waste (e.g., plastics, scrap metal, building materials).

More information on hazardous materials management can be found in the Workforce Health and Safety section.

Our operations have specific management plans and guidelines governing collection, separation, storage, reuse, and disposal of waste, reflecting local legislation and the commitments in our environmental impact assessments. Waste generation and disposal, including the activities of waste disposal contractors, are monitored across our operations according to regulatory requirements and our internal procedures [SASB EM-MM-150a.10].

- **Caylloma (Bateas):** We have specific procedures and guidelines that govern collection, separation, storage, reuse, and disposal of waste. There are 200 waste stations at the mine with color-coded bins to facilitate waste separation. Our hazardous waste is classified by type and stored at an on-site temporary storage facility. An authorized third-party contractor collects the waste monthly and provides the mine with a report on final disposal, which is used in regulatory waste auditing. Waste is weighed before delivery to the temporary storage facility and again when it is removed for disposal. Examples of initiatives to prevent and reduce waste include:
  - Reusing metal scrap and piping as splices and couplings
  - Recycling wood for donation to local communities
  - Reusing empty oil drums for waste collection storage



- San Jose (Cuzcatlan):** We have in place management plans for solid waste, hazardous and non-hazardous waste, and mining waste. To meet regulatory waste traceability requirements we maintain waste logs, including the type and quantity of waste, the area of the mine where it was generated, and the type of disposal required. This information is reported annually to the regulator, along with details of our waste disposal contractors, to enable compliance monitoring. Our waste disposal contractors document the final disposal of our waste in a manifest that must be returned to the mine within 60 days of receipt, or the mine will alert the authorities. This allows verification that waste was disposed of correctly. Contracts with waste management contractors reflect our commitment to comply with the regulations. Examples of initiatives to prevent and reduce waste include:
  - Training in the correct identification and classification of waste as hazardous or non-hazardous, to reduce the volume of hazardous waste generated.
  - Reprocessing residues for use in the concentrate production process.
  - Substituting the sacks used to arrange dry tailings for a more resistant material, reducing the volume of plastic waste.
  - Reusing scrap metal from mill maintenance to make planters, which reduces waste and provides shelter for birds.
- Lindero (Mansfield):** We have a landfill for non-recyclable waste that was designed and built according to local legal requirements. The landfill is inspected monthly by the Municipality of Tolar Grande to review environmental conditions and health and safety. Any observations made by the Municipality must be addressed within 5 days of receipt. There is a special process for disposal of hazardous waste as there are no qualified local entities

in Salta that can provide hazardous waste disposal services. Hazardous waste is shipped to the Santa Fe province, treated and validated by the government. The company that provides the treatment and disposal services is ISO 9001, ISO 14001 and OSHAS 18001 certified. A certificate of proper handling is received for each shipment of waste and carriers maintain high operational standards to prevent contamination (e.g., drivers have special licenses for the transportation of dangerous substances). There is full traceability from the mine site to the final destination and treatment. We also have a waste sorting system at the mine site and endeavor to re-use and/or re-purpose as much of our waste as possible. For example, wood waste that is generated is delivered to the community for use in heating and construction, electronic waste is given to the “Equidad” Foundation to be repaired and used in training programs, empty drums are donated to the community to use in welding courses. Examples of initiatives to prevent and reduce waste include treating effluent waste, drying it and using the waste to improve the quality of the soil where the mine has a small elm tree plantation.

- Yaramoko (Roxgold):** We have a waste management plan that is designed to monitor the amount and type of waste generated. Non-hazardous waste makes up more than 90% of the waste collected at the site. Examples of initiatives to prevent and reduce waste include:
  - Building an irrigation system that reuses treated domestic sewage water for growing banana, orange and papaya trees.
  - Establishing an awareness-raising program for employees and contractors to improve waste collection and sorting efficiency.
  - Ongoing collaboration with local recyclers.

## SAFE TRANSPORTATION, STORAGE AND HANDLING OF CYANIDE

Cyanide is used in the processing of ore at Lindero and Yaramoko for the extraction of gold. The Sodium Cyanide Briquettes are delivered by road in secure containers from our contractor’s warehouse to the mine site. They are then stored in a secure location on a covered concrete pad with roof to minimize the potential for soil contamination, to ensure good ventilation and to prevent damage from ground moisture.

As any leaks or spills of cyanide at any stage of cyanide process could potentially lead to the pollution of the environment, including surface or ground water, soil, and air, and have potentially adverse effects on the environment and biodiversity, our employees, and the communities living nearby, we put in place the necessary controls to ensure a reliable management of this risk. The responsible sourcing, secure transport, adapted storage, safe handling, and proper usage of cyanide at the mine site is a key area of focus to ensure the protection of our employees, the environment and the nearby communities. Standard Operating Procedures have been implemented at the mine site outlining the responsibilities and methods to be followed to ensure that a safe practice is maintained by all employees at all times.



## OUR PERFORMANCE

In 2021, there were zero significant spills of concentrate, fuel, hazardous waste, hazardous chemicals, or other substances [SASB EM-MM-150a.9].

Our tailings waste increased in 2021 due to the addition of the Yaramoko operation in July 2021 (**Table 11**).

**Table 11: Total tailings waste generated (t) and percentage recycled** [SASB EM-MM-150a.5]

	Total Tailings Waste Generated (tonnes)	Percentage Recycled as Paste Fill
2017	1,511,195	28
2018	1,485,985	31
2019	1,509,124	38
2020	1,357,774	35
2021	1,998,180	26

Our waste rock generated increased in 2021 primarily due to the addition of the Lindero Mine<sup>16</sup> (**Figure 8**).

In 2021, waste intensity per tonne of processed ore, our main waste management indicator, decreased significantly, mainly due to increased production from the Lindero and Yaramoko mine sites (**Figure 9**).

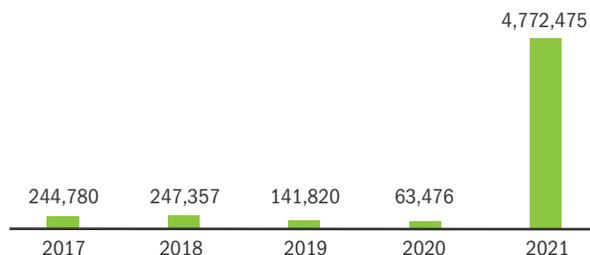
More detailed information on our waste generation, diversion and disposal can be found in **Table 12**. Some increase in waste generation can be attributed to the safety measures implemented due to the COVID-19 pandemic (e.g., tests, masks, gloves, protective plastic, use of paper towels).

<sup>16</sup> Data from the Lindero mine was not included in consolidated ESG data in the 2020 Sustainability Report because the mine site was completing construction and entering into production. Lindero entered into commercial production in 2021 and is now included in consolidated ESG data. Accordingly, many of our absolute metrics increased significantly, while intensity metrics generally decreased. Lindero represents about 80% of our current weight of ore processed.

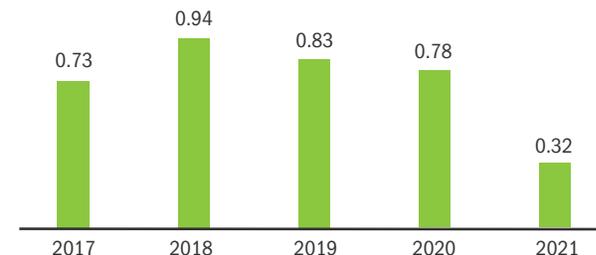
<sup>17</sup> In 2020 we recalculated this indicator based on the updated GRI 306: Waste (2020) Standard.

**Figure 8: Total weight of waste rock generated (t)**

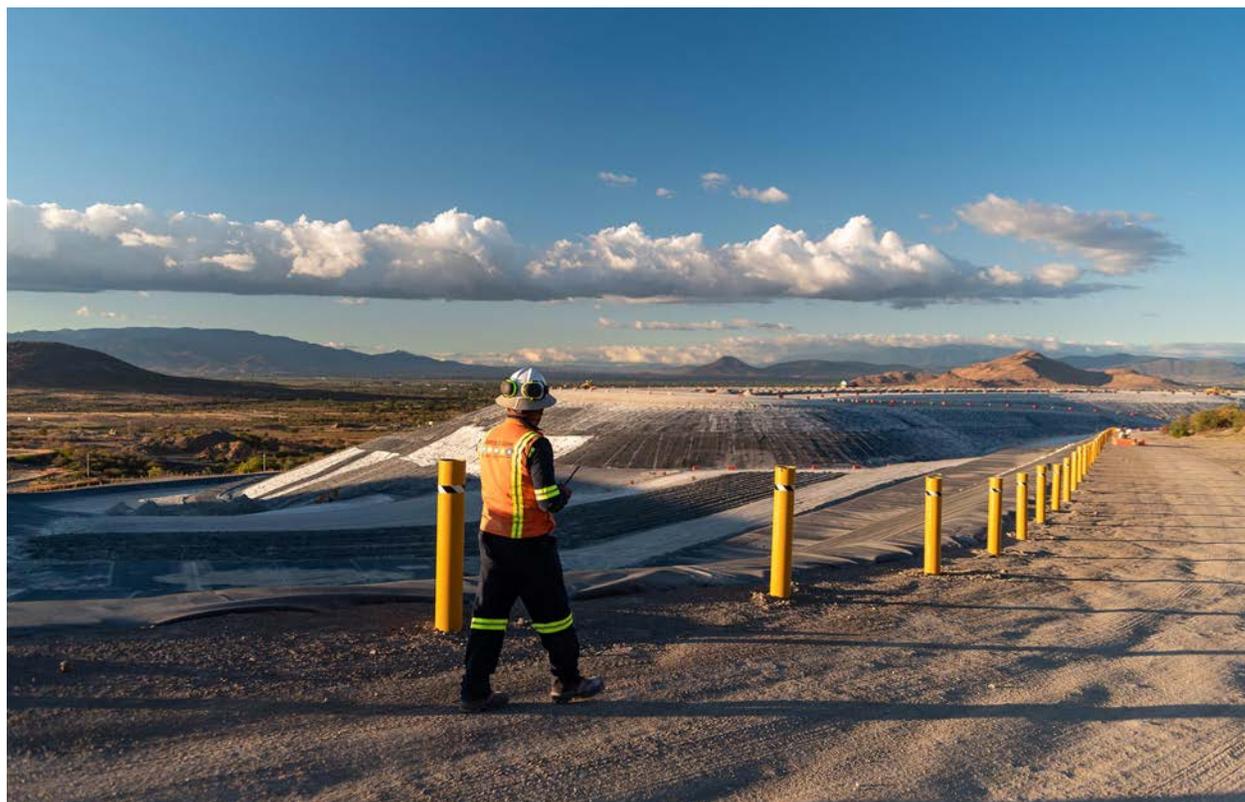
[SASB EM-MM-150a.6]



**Figure 9: Waste intensity per tonne of processed ore (kg/t)<sup>17</sup>**



▼ San Jose Mine tailings storage facility





**Table 12: Hazardous and non-hazardous waste generated, diverted from disposal, and directed to disposal (tonnes)** [GRI 306-3, GRI 306-4, GRI 306-5, SASB EM-MM-150a.7, SASB EM-MM-150a.8]

Type	Method and Location	2017	2018	2019	2020	2021
<b>Total Waste Generated</b>		<b>1,175</b>	<b>1,483</b>	<b>1,329</b>	<b>1,123</b>	<b>2,702</b>
<b>Hazardous Waste Generated</b>		<b>329.71</b>	<b>345.16</b>	<b>307.71</b>	<b>261.06</b>	<b>806.38</b>
<b>Diverted from Disposal</b>		<b>151.12</b>	<b>171.88</b>	<b>126.57</b>	<b>115.76</b>	<b>290.41</b>
Onsite		0	0	0	0	0
Offsite		151.12	171.88	126.57	115.76	290.41
	Reuse	0	0	0	0	0
	Recycling	151.12	171.88	126.57	115.76	290.41
	Composting	0	0	0	0	0
	Recovery	0	0	0	0	0
	Other	0	0	0	0	0
<b>Directed to Disposal</b>		<b>178.59</b>	<b>173.28</b>	<b>181.14</b>	<b>145.30</b>	<b>515.97</b>
Onsite		0	0	0	0	0
Offsite		178.59	173.28	181.14	145.30	515.97
	Incinerated with energy recovery	0	0	0	0	0
	Incinerated without energy recovery	0	0	0	0	226.80
	Transfer to secure landfill	178.59	173.28	181.14	145.30	268.08
	Other	0	0	0	0	21.08
<b>Non-Hazardous Waste Generated</b>		<b>845.70</b>	<b>1,138</b>	<b>1,021</b>	<b>862.06</b>	<b>1,896</b>
<b>Diverted from Disposal</b>		<b>475.42</b>	<b>720.48</b>	<b>602.09</b>	<b>519.36</b>	<b>1,032</b>
Onsite		0	6.21	8.65	5.91	82.52
	Reuse	0	0	0	0	0
	Recycling	0	0	0	0	48.88
	Composting	0	6.21	8.65	5.91	33.64
	Recovery	0	0	0	0	0
	Other	0	0	0	0	0
Offsite		475.42	714.28	593.44	513.44	949.10
	Reuse	0	0	0	0	0
	Recycling	475.42	708.18	585.72	507.49	939.40
	Composting	0	0	0	0	0
	Recovery	0	0	0	0	0
	Other	0	6.09	7.72	5.96	9.70

Type	Method and Location	2017	2018	2019	2020	2021
<b>Directed to Disposal</b>		<b>370.28</b>	<b>417.32</b>	<b>419.27</b>	<b>342.70</b>	<b>864.49</b>
Onsite		0	0	0	0	414.30
	Incinerated with energy recovery	0	0	0	0	0
	Incinerated without energy recovery	0	0	0	0	414.30
	Transfer to open landfill	0	0	0	0	0
	Transfer to sanitary landfill	0	0	0	0	0
	Other	0	0	0	0	0
Offsite		370.28	417.32	419.27	342.70	450.19
	Incinerated with energy recovery	0	0	0	0	0
	Incinerated without energy recovery	0	0	0	0	0
	Transfer to open landfill	7.70	46.84	33.11	36.37	38.19
	Transfer to sanitary landfill	362.58	370.48	386.16	306.33	407.27
	Other	0	0	0	0	4.73



## ESG FOCUS

- Environmental Governance
- Tailings and Heap Leach Management Standard
- SASB EM-MM-150a.4 Total weight of non-mineral waste generated
- SASB EM-MM-150a.5 Total weight of tailings produced
- SASB EM-MM-150a.6 Total weight of waste rock generated
- SASB EM-MM-150a.7 Total weight of hazardous waste generated
- SASB EM-MM-150a.8 Total weight of hazardous waste recycled
- SASB EM-MM-150a.9 Number of significant incidents associated with hazardous materials and waste management
- SASB EM-MM-150a.10 Description of waste and hazardous materials management policies and procedures
- SASB EM-MM-540a.1 TSF inventory table
- SASB EM-MM-540a.2 Summary of tailings management systems and governance structure
- SASB EM-MM-540a.3 Approach to development of EPRPs for TSFs

◀ [Back to ESG for Investors](#)



# Water Management

## WHY IS THIS IMPORTANT FOR FORTUNA?

Effective water management can help to ensure continuing access to water, reduce operational and regulatory compliance costs, avoid fines and penalties, and protect our reputation in the communities where we operate.



▲ Water monitoring at Lindero

Our operations are subject to water use approvals and regulations. Our Yaramoko mine is situated in an area of high water stress<sup>18</sup> [SASB: EM-MM-140a.1]. Accordingly, water recycling is part of the mine design. At Caylloma and San Jose, harmful chemicals are not part of the hydro-metallurgical process and the biggest effluent concern is suspended solids. At Lindero and Yaramoko, there is use of chemicals that have the potential to contaminate bodies of water and cause harm if not managed appropriately, including sodium cyanide, hydrochloric acid, sulfamic acid, sodium hydroxide and lead nitrate. Thus, water management is key and a top priority to ensure no significant spills.

## OUR APPROACH [GRI 303-1, GRI 303-2]

We seek to minimize our operational water consumption, make effective use of water in our processes, and ensure that any effluents are treated to meet required water quality standards.

We have developed water management plans to optimize water consumption and are particularly focused on managing water use in regions facing challenges related to water stress. We conduct participatory monitoring with local authorities and communities to identify discharges that could impact water quality.

- Caylloma (Bateas):** Our freshwater source is the Santiago River. By focusing on water reuse, we only require approximately half the currently authorized freshwater withdrawal capacity. A significant proportion of the water used in the processing plant is recirculated from the tailings pond. A large volume of water is also available from the underground mine, which we are already accessing and plan to scale up through a water pumping project in 2022. This has the potential to reduce freshwater extraction by an additional 30%, while reducing extraction costs. We are also exploring the reuse of cooling water from processing plant pumps in a continuous cycle. The limits we have established for wastewater discharge (both in quantity and quality) are well below the maximum permissible regulatory limits. Water in our tailings ponds requires no further treatment before discharge. Underground mine water undergoes treatment through six underground ponds (four of which were added in 2019 to improve treatment) and two surface level ponds. Suspended solids are removed before the water is discharged to the river. There are eight effluent discharge points, and we conduct monthly effluent monitoring programs in accordance with regulations and regularly report our monitoring results

to the National Water Authority (ANA). Participatory monitoring is normally carried out three times each year, but the authorities have suspended these activities since 2020 as a preventive measure due to COVID-19 pandemic.

- San Jose (Cuzcatlan):** Our freshwater comes from rainwater collection in the tailings pond. We also use treated wastewater from the Ocotlan wastewater treatment plant through an agreement with the municipality, which has supplied a significant amount of the mine's water requirements since 2010. The mine has a closed water circuit and does not discharge effluents. Participatory monitoring is undertaken on a quarterly basis. In 2021, we began the installation of a new sprinkler irrigation system (expected to be in operation in early 2022). The system will allow us to reduce water consumption by approximately 30 m<sup>3</sup> per day.
- Lindero (Mansfield):** We record and monitor our water consumption to ensure compliance with our surface and underground water abstraction permits. The water that is withdrawn for use is of very high salinity and hardness and cannot be used for irrigation or consumption. In addition, the mine is located in the Argentinean Puna, a region of low-density population, with no agriculture or ranching of any significance and with no prominent communities nearby. Therefore, competition for water is not a risk for the mine. Any freshwater that is withdrawn is recirculated as the mine has a closed water circuit and does not discharge any effluents.
- Yaramoko (Roxgold):** Water is a highly valuable resource in the region, so water stewardship is especially important. The Yaramoko process plant is designed to ensure zero discharge into the environment and 60% of the water consumption by the process plant is from recycled water from the tailings facility. Surface water is exclusively used for mine operations and dust

<sup>18</sup> As defined by the World Resource Institute's Aqueduct Water Risk Atlas.



suppression. The only community water source that is used is the Sipohin water dam. In 2017, we secured water pumping rights from the Sipohin dam and constructed a pipeline to ensure adequate access to water for our operations. We conducted environmental and social impact assessments as part of the permitting process that confirmed the maximum amount of water that could be pumped with no impact on other users. The permitting process also included discussions with authorities, landowners, and communities. To enhance transparency and community engagement, we have created and operationalized the Sipohin Water Dam Management Committee which includes representatives from all of the communities surrounding the dam and other dam water users. Finally, we have in place a water monitoring network which includes 44 monitoring points, both inside and outside the mining area. To ensure our mining activities are not impacting water levels, flow meters have been installed at the camp's supply boreholes (the only points of drinking water). We provide a report on our water consumption to the Mouhoun Water Agency on a quarterly basis in accordance with Burkina Faso regulation.

## OUR PERFORMANCE

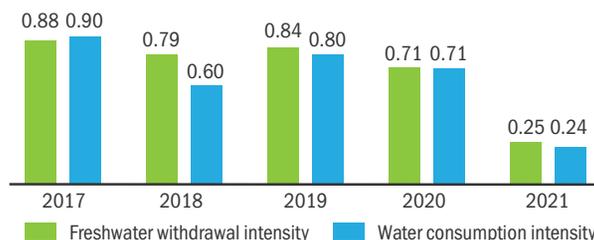
In 2021 there were zero incidents of non-compliance with water quality permits, standards, and regulations (**Table 13**).

**Table 13: Incidents of non-compliance with water quality permits, standards, and regulations** [SASB EM-MM-140a.2]

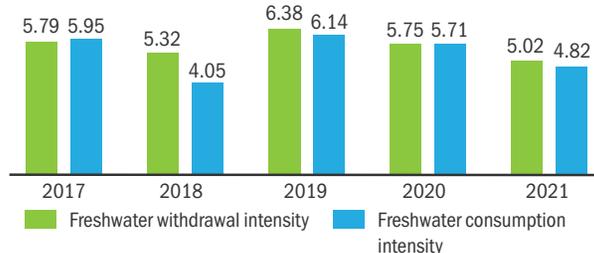
Subsidiary	2017	2018	2019	2020	2021
Consolidated	0	1	0	0	0
Caylloma (Bateas)	0	0	0	0	0
San Jose (Cuzcatlan)	0	1	0	0	0
Lindero (Mansfield)	N/A	N/A	N/A	N/A	0
Yaramoko (Roxgold)	N/A	N/A	N/A	N/A	0

Our freshwater water withdrawal and consumption intensity decreased significantly in 2021, because of the additional production from Lindero and Yaramoko (**Figure 10 and Figure 11**).

**Figure 10: Freshwater withdrawal and freshwater consumption intensity per tonne of processed ore (m<sup>3</sup>/t)**

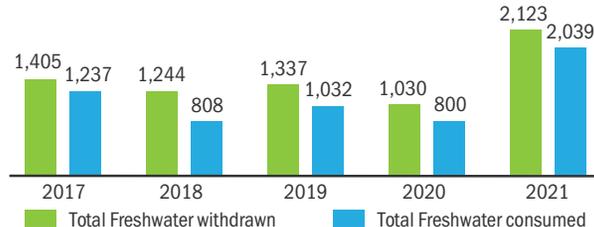


**Figure 11: Freshwater withdrawal and freshwater consumption intensity per ounce of gold equivalent (m<sup>3</sup>/oz)**



Our absolute total freshwater withdrawn and consumed increased in 2021, due to the addition of the West African operations and Lindero (**Figure 12**).

**Figure 12: Total freshwater withdrawn and consumed (thousand m<sup>3</sup>)** [SASB EM-MM-140a.1]



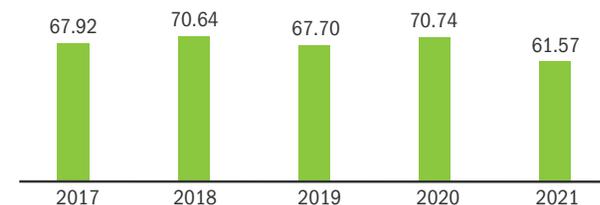
15.8% of our total freshwater withdrawn and 10.5% of our total freshwater consumed comes from areas of high water stress. Yaramoko's freshwater withdrawal and consumption is shown in **Table 14**.

**Table 14: Freshwater withdrawn and consumed in areas of high water stress (thousand m<sup>3</sup>)** [SASB EM-MM-140a.1]

	Fortuna Total	Yaramoko	Percentage
Freshwater withdrawn	2,123	335	15.8
Freshwater consumed	2,038	215	10.5

We continue to maintain a high rate of water recycling, above 60% (**Figure 13**).

**Figure 13: Percentage of water recycled**



Detailed information on our water withdrawal, discharge and consumption by source and region can be found in [Appendix E](#).



## ESG FOCUS

- Environmental Governance
- SASB EM-MM-140a.1 Total freshwater withdrawn and consumed percentage of each in regions with high water stress
- SASB EM-MM-140a.2 Number of incidents of non-compliance

◀ [Back to ESG for Investors](#)



# Climate Change and Greenhouse Gas Emissions

## WHY IS THIS IMPORTANT FOR FORTUNA?

We recognize that climate change is a major global challenge that could have significant impacts on operations, host communities, resources used in production, the economy and society in general.

Climate change is a systemic risk with the potential to affect our mine infrastructure and operations; the regulatory frameworks under which we operate; and the demand for the minerals we produce. It is an increasingly important issue for Fortuna's stakeholders, including investors who are seeking to understand the impact of climate change across their portfolios.

Fortuna recognizes the current climate change science, supports the goals of the [Paris Agreement](#) and the TCFD recommendations. We believe that the mining sector has a key role to play in reducing global GHG emissions, as well as in supporting the transition to a lower carbon economy by supplying critical minerals and metals to advance low emission technologies and solutions.

Fortuna is taking a phased approach to implementing the TCFD recommendations. This Report provides information on the work we have done thus far to integrate climate change into our business. Our disclosures will evolve over time as we continue to take action on climate change and further embed climate change into our business.

## GOVERNANCE

[TCFD Governance (a) and (b)]

The Sustainability Committee of the Board of Directors provides oversight of climate change. The Board of Directors is involved in any major climate-related decisions that involve a capital investment program, which are approved annually by the Board as part of the budget process. In 2021, the Board of Directors was actively engaged in the development of the climate change strategy and in 2022 approved Fortuna's Climate Change Position Statement and climate-related metrics and targets. The [Sustainability Committee Charter](#) was recently updated to explicitly include oversight of climate change factors.

The Senior Vice President, Sustainability has accountability for all environmental issues, including climate change, at the Executive Leadership Team level and reports to the Board of Directors on climate change factors on a quarterly basis. The Director of Sustainability Latin America and the Director of Sustainability West Africa support the Senior Vice President Sustainability on ESG and sustainability, including climate change factors, for the Latin American and West African regions, respectively. The Directors of Sustainability support the development, implementation, and update of our Sustainability Framework, including policies, procedures, manuals and standards, the management system, and training related to climate change. At the local and site level, the Country Heads have responsibility for managing climate change risks.

We also maintain our Health and Safety, Security, Environment and Communities (HSSEC) Corporate Committee, which meets monthly, and is tasked with improving environmental performance across the Company, including matters related to climate change. The Committee includes representation from the Executive Leadership Team. Climate change is a standing agenda item at the HSSEC Corporate Committee meetings. For more detail on the HSSEC Corporate Committee's purpose, responsibilities and composition, see [Oversight of ESG and Sustainability](#).

## STRATEGY [SASB EM-MM-110a.2]

### Climate-related Risks and Opportunities

[TCFD Strategy (a)]

In 2021, Fortuna undertook a Climate Change Materiality Assessment to better understand the financially material climate change factors likely to impact company value. This was an important first step in the development of our Climate Change Strategy to ensure the strategy fosters value creation. We assessed the materiality of the TCFD's climate-related risks and opportunities based on the potential of the climate change factor to impact company value and the likelihood that a climate-related impact would occur over the short (0 to 1 year), medium (1 to 10 years) or long term (10+ years) (**Table 15**). The Climate Change Materiality Assessment also took into consideration how climate change factors are connected to other ESG factors and have the potential to increase exposure to ESG risks (e.g., community relations, water management, waste and hazardous materials management, energy management, biodiversity impacts).



**Table 15: Fortuna's Climate-related Risks and Opportunities**

 Short Term (0 to 1 year)
  Medium Term (1 to 10 years)
  Long Term (10+ years)

Climate Change Factor	Time Horizon	Description of Potential Impact	Initiatives to Mitigate Risk or Capture Opportunity
<b>CLIMATE-RELATED RISKS</b>			
<b>Policy and Legal</b>		Mining operations can be energy-intensive and generate significant direct GHG emissions.	<p>In 2021, Fortuna focused on establishing a robust company-wide GHG emissions inventory, analyzed emissions sources, and identified preliminary emissions reduction opportunities. In early 2022, we will be conducting a company-wide analysis of GHG emissions, to identify opportunities for reduction, targets for reducing GHG emissions, and develop the capacity of our employees to execute on emissions reduction opportunities. This work will also include conducting site-level energy audits.</p> <p>We have implemented a number of initiatives at our mine sites that are focused on improving the resource efficiency of our operations and enhancing our use of low-emission sources of energy to reduce policy and legal risks related to GHG emissions (e.g., carbon pricing and/or emissions limiting regulation). See the discussion under Resource Efficiency and Energy Source below for more detail on these initiatives.</p>
		Potential for increased compliance costs, operational costs, capital expenditures and/or reputation risks due to regulatory efforts to reduce GHG emissions in response to the risks posed by climate change.	
			
<b>Acute Physical</b>		Climate change is expected to continue to cause an increase in the frequency and intensity of extreme weather events.	<p>We have implemented initiatives at our mine sites that are designed to enhance our resiliency to extreme weather events, such as heavy rain fall:</p> <ul style="list-style-type: none"> <li><b>San Jose (Cuzcatlan):</b> The capacity of the mine's dry stack tailings contingency pond has been doubled to increase pumping capacity by five times and an additional, larger pond has been built in preparation for future heavy rain events to prevent future overflows during the rainy season.</li> <li><b>Lindero (Mansfield):</b> A USD 2.5 million investment has been made to reinforce the road to the mine to improve resilience for future heavy rain events.</li> </ul>
		Potential for decreased revenue and increased costs due to operational shutdowns from extreme weather events.	
		Potential for decreased revenue and increased capital expenditures due to damage to facilities, infrastructure and/or critical elements of the supply chain.	
<b>Reputational</b>		Public sentiment related to climate change is evolving and causing perceptions of certain industries to be impacted according to their perceived contribution to climate change/negative environmental impacts.	<p>Details on our approach to engaging with stakeholders and their top sustainability-related concerns can be found in the <a href="#">Stakeholder Engagement</a> section of this Report. Climate change and GHG emissions have emerged as a top priority for investors and the capital markets. In response to this interest, we have started the development of a company-wide climate change strategy, published our Climate Change Position Statement and continue to enhance the alignment of our climate change disclosure with the TCFD Recommendations, which is the investor-preferred framework for reporting on climate change factors.</p> <p>Additionally, details on our approach to identifying and addressing community concerns can be found in the <a href="#">Community Relations</a> section of this Report.</p>
		Potential for additional costs required to increase engagement efforts with stakeholders.	
		Potential for decreased revenue and increased costs associated with delays due to community protests.	
<b>Chronic Physical</b>		Climate change is expected to continue to cause an increase in average global temperatures and cause changes to weather patterns.	<p>We seek to minimize our operational water consumption and make effective use of water in our processes. Water management plans have been developed at site level. More information on our approach to water management can be found in the <a href="#">Water Management</a> section of this Report.</p> <p>Water stewardship is especially important at our Yaramoko mine site given that water is a highly valuable resource in the region. 60% of water consumed by the process plant is recycled water from the tailings facility. Additionally, a pipeline has been built between the Sipohin water dam and the mine to ensure adequate water supply. Pumping rights have been secured from the water dam well in excess of the mine's current needs.</p>
		Potential for decreased revenue and increased costs due to ongoing and/or worsening drought conditions.	
		Potential for increased capital expenditures to build new infrastructure to address resource shortages.	



Climate Change Factor	Time Horizon	Description of Potential Impact	Initiatives to Mitigate Risk or Capture Opportunity
<b>Technology</b>	 	<p>Mining companies are increasingly developing and using emerging technologies (e.g., renewable energy, battery storage, data and analytics, energy-efficient technologies, advanced processes).</p> <p>Potential for increased capital expenditures and costs to pilot, adopt and deploy new technologies.</p> <p>Potential for decreased competitiveness if adoption of technology lags industry peers.</p>	<p>Fortuna is focused on leveraging technology to improve the resource efficiency of its operations and capitalizing on advances in renewable energy technologies. See the discussion under Resource Efficiency and Energy Source below.</p>
<b>Market</b>		<p>Changing consumer preferences and reduced demand for high-emitting products and services.</p> <p>Potential for increased operational costs due to changing input prices of raw materials (e.g., fuel, water).</p>	<p>Fortuna's mines currently produce silver, gold, lead, and zinc. There are not expected to be significant negative impacts in the demand for any of these metals due to climate change as the global population increases and living standards rise.</p> <p>Fortuna is focused on improving the resource efficiency of its operations to reduce risks related to changing input prices of raw materials. See the discussion under Resource Efficiency below.</p>

### CLIMATE-RELATED OPPORTUNITIES

<b>Resource Efficiency</b>	  	<p>Mining operations can capitalize on opportunities to increase resource efficiency through improved transportation, production and distribution processes.</p> <p>Potential for reduced operational costs by improving efficiency in use of key resources (e.g., energy, materials, water, waste management).</p> <p>Potential for reputational benefits by using less resources and minimizing climate impact.</p>	<p>We have implemented a number of initiatives at our mine sites that are focused on improving the resource efficiency of our operations:</p> <ul style="list-style-type: none"> <li>• <b>Caylloma (Bateas):</b> Several projects to improve efficiency have been implemented. For example, the water pumping system is being converted to reduce energy consumption from the grid and diesel consumption. We have made a USD 2 million investment to upgrade the electrical substation which will allow the substation to use energy from the grid more efficiently, reduce electricity disruptions and reduce diesel consumption. We have made a USD 1 million investment to centralize diesel-powered generators and increase automation to minimize energy waste. We are developing plans to move auxiliary services underground to increase productivity and decrease need for transportation of materials above ground.</li> <li>• <b>San Jose (Cuzcatlan):</b> The concentrates produced at San Jose are exported through the ports of Veracruz, Manzanillo, and Colima. In 2021, almost all (92%) exports were made through the port of Veracruz which resulted in significant savings in transportation time to the port and reduced GHG emissions associated with transportation (a reduction of 1,034.77 tCO<sub>2</sub>e and savings of approximately USD 1.5 million).</li> <li>• <b>Yaramoko (Roxgold):</b> The Lean Six Sigma process is being implemented and opportunities have been identified for process improvements and improved energy efficiency to reduce costs.</li> </ul>
<b>Energy Source</b>	  	<p>Global adoption of clean energy technologies is accelerating as costs fall and storage capabilities improve.</p> <p>Potential for reduced operational costs and/or compliance costs by using lower-emissions sources of energy.</p> <p>Reputational benefits from using lower-emissions sources of energy.</p>	<p>We have implemented a number of initiatives at our mine sites that are focused on enhancing our use of low-emissions sources of energy:</p> <ul style="list-style-type: none"> <li>• <b>Caylloma (Bateas):</b> The mine will be changing electricity suppliers and the new supplier will provide electricity from 100% renewable sources.</li> <li>• <b>San Jose (Cuzcatlan):</b> Solar panels are being installed at the mine to power the administrative buildings (see <a href="#">Case Study 3</a>).</li> <li>• <b>Yaramoko (Roxgold):</b> 98% of the electricity consumed at the mine site comes from the grid. The grid in Burkina Faso is powered by 27% renewable energy.</li> </ul>



Climate Change Factor	Time Horizon	Description of Potential Impact	Initiatives to Mitigate Risk or Capture Opportunity
<b>Resilience</b>	 	<p>Development of adaptive capacity to respond to the physical and transition risks of climate change.</p> <p>Minimize the potential for operational disruptions and capital expenditures due to extreme weather events or changing weather patterns.</p>	<p>We have implemented initiatives at our mine sites that are designed to enhance our resiliency to the acute and chronic physical impacts of climate change:</p> <ul style="list-style-type: none"> <li><b>San Jose (Cuzcatlan):</b> The capacity of the mine’s dry stack tailings contingency pond has been doubled to increase pumping capacity by five times and an additional, larger pond has been built in preparation for future heavy rain events to prevent future overflows during the rainy season.</li> <li><b>Lindero (Mansfield):</b> A USD 2.5 million investment has been made to reinforce the road to the mine to improve resiliency for future heavy rain events.</li> <li><b>Yaramoko (Roxgold):</b> A pipeline has been built between a nearby public dam and the mine to ensure adequate water supply. Pumping rights have been secured well in excess of the mine’s current needs.</li> </ul>
<b>Products and Services</b>		<p>Providing low-emissions products and services to meet changing consumer preferences.</p> <p>Potential for increased revenues by capitalizing on growing demand for responsibly produced, low-emissions minerals and metals.</p> <p>Potential for increased revenues by capitalizing on demand for minerals and metals that support the transition to a lower-carbon economy (e.g., copper, nickel, lithium).</p>	<p>Fortuna’s mines currently produce silver, gold, lead, and zinc. There are not expected to be significant impacts to demand for any of these metals as the global population increases and living standards rise. Silver could play an increasingly important role in the transition to a lower-carbon economy as silver paste is a key ingredient of photovoltaic cells used in solar panels and transparent silver-coated windows and polyester sheets can be used in retrofitting.</p>
<b>Markets</b>		<p>Opportunities to access new funding and financing through public-sector incentives (e.g., low carbon investment funds) and innovative financing arrangement (e.g., sustainability-linked loans, green bonds).</p> <p>Potential for increased access to capital or reduced costs.</p>	<p>Currently, there are limited opportunities for Fortuna to access government funding given the location of its operations. Fortuna plans to continue to monitor opportunities to access government funding and new financing arrangements as the market matures.</p>

We have implemented a number of initiatives at our mine sites that are focused on improving the resource efficiency of our operations. ►





## STRATEGY DEVELOPMENT

[TCFD Strategy (b) and (c), SASB EM-MM-110a.2]

In 2021, we made significant progress on the development of our corporate climate change strategy. Notably, we published our Climate Change Position Statement, which articulates our approach to climate change and our key climate-related commitments. The Climate Change Materiality Assessment and the climate-related risks and opportunities identified above as having the potential to impact the value of our company informed the development of our approach and the three key pillars that guide this approach.

▼ Lindero's electrical plant



### FORTUNA'S CLIMATE CHANGE POSITION STATEMENT

Fortuna Silver Mines Inc. and its subsidiaries ("Fortuna") recognize that climate change is a major global challenge that could have significant impacts on operations, host communities, the resources used in production, the economy and society in general.

Climate change is a systemic risk with the potential to affect our mine infrastructure and operations; the regulatory frameworks under which we operate; and the demand for the minerals we produce. It is an increasingly important issue for Fortuna's stakeholders, including investors who are seeking to understand the impact of climate change across their portfolios.

Fortuna recognizes the current climate change science, supports the goals of the Paris Agreement and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We believe that the mining sector has a key role to play in reducing global greenhouse gas (GHG) emissions, as well as in supporting the transition to a lower carbon economy by supplying critical minerals and metals to advance low emission technologies and solutions.

### Climate Change Approach

Fortuna is committed to analyzing the risks and opportunities of climate change on our business activities, to integrating climate change factors into our long-term strategic planning and developing short-term tactical climate change action plans. Our approach to climate change management is guided by three key pillars, which align to the climate change factors that were identified in a Climate Change Materiality Assessment as having the greatest potential to influence our company's value:

- Reduce GHG emissions by promoting resource efficiency and increasing the use of renewable energy sources.
- Build resilience to the physical risks of climate change at our operations and projects.
- Continuously improve the performance of our governance and climate change action plans based on climate change science, regulatory and voluntary frameworks and international standards.

To support these pillars, Fortuna expects all directors, officers and employees to uphold our commitment to:

- Proactively assess options to increase our use of renewable energy sources and low carbon emission technologies to reduce our GHG emissions intensity in current and future operations, while also considering the strategic and controlled use of carbon offsets to complement our climate change action plans.
- Create an operating environment that incentivizes the adoption of efficient and innovative behaviors and solutions for the rational use of energy and resources.
- Build the capacity of employees who have direct responsibility for climate-related actions, including activities that can improve climate change awareness, effective decision making, energy efficiency and ultimately reduction of GHG emissions.
- Participate actively in our climate change governance framework to advance the overall success of our approach.



## Climate Change Governance

Our climate change governance is supported by a robust framework that incorporates climate change factors into our decision-making, including Board oversight and senior management accountability. Therefore we are committed to:

- Ensure that the Sustainability Committee of Fortuna's Board of Directors upholds responsibility for oversight of climate change factors.
- Designate the Senior Vice President of Sustainability as accountable for identifying, assessing, managing and reporting on climate change factors to senior management and the Board of Directors on a regular basis.
- Empower the HSSEC Corporate Committee of Fortuna's Senior Management Members to take responsibility for the management and performance at operational level through the implementation of Fortuna's climate change action plans.

## Climate Change Risks and Opportunities Management

Fortuna is committed to enhancing the integration of climate-related risks into our enterprise risk management processes to ensure that the unique nature of climate-related risks are appropriately considered and prioritized. We will identify and assess climate-related risks and opportunities over the short, medium, and long term. We will develop climate change action plans at the corporate level and at site level, based on risk and opportunity assessments.

## Climate Change Metrics and Targets

Fortuna will monitor the performance of its climate change action plans using appropriate climate-related metrics and targets. We are committed to setting short-term and long-term GHG emissions reduction targets, as well as other climate-related targets as appropriate.

## Climate Change Reporting and Disclosure

We will continue to align ESG and climate-related disclosure with the Sustainability Accounting Standards Board (SASB)'s Metals & Mining Sustainability Accounting Standard and the TCFD recommendations, enhancing alignment over time. We will strive to improve continuously our disclosure of decision-useful climate-related information over time.

In 2021 as part of the development of our company-wide climate change strategy, we also conducted gap assessments to analyze how our current climate change practices compare to climate change best practices and the practices of our peers in the areas of Governance, Strategy, Risk Management, Metrics and Targets, and Reporting and Disclosure.

In recognition that the development of a comprehensive and credible climate change strategy is an ongoing journey, we have developed a multi-year climate change strategy implementation roadmap which focuses on addressing gaps between our existing practices and climate change best practices. Future work to be conducted during 2022 includes:

- Formalizing climate-related governance processes and internal reporting on climate change factors, such as Climate Change oversight by the Sustainability Committee of the Board and inclusion of Climate Change qualitative targets in the executive short term incentives program.
- Conducting the required analysis to enable us to formalize climate-related metrics and set credible GHG emissions reduction targets, including site-level energy audits, identification and prioritization of GHG emission reduction opportunities and associated pathways, and internal capacity building.
- Evaluating opportunities for the strategic and controlled use of carbon offsets to complement our climate change actions plans.

We continue to evaluate our capacity to conduct scenario analysis and are committed to continue to enhance the alignment of our climate change disclosure with the TCFD Recommendations.



## RISK MANAGEMENT

[TCFD Risk Management (a), (b) and (c)].

Climate change risks are considered as part of our risk mapping and categorization process, which evaluates the probability and impact of different types of risk (e.g., operational, financial, occupational health and safety, environment, community, reputational/organizational, project) to determine potential consequences for the Company. Action plans are drawn up to mitigate identified risks, for which Country Heads are accountable. Currently this exercise is carried out at the subsidiary level. For more detail on this process, see the [ESG Risk Management](#) section.

In 2021, we undertook a number of initiatives to enhance our processes for identifying and assessing climate-related risks. The Climate Change Materiality Assessment we conducted was an important step in enhancing our processes. As described above under Strategy, we assessed the materiality of the TCFD's climate-related risks and opportunities based on impact and likelihood. The impact and likelihood criteria used in the Climate Change Materiality Assessment were aligned to our risk matrix definitions to ensure that climate-related risks are assessed consistently and proportionately relative to other risks. The Climate Change Materiality Assessment allowed us to better consider the unique characteristics of climate-related risks, including their longer time horizon and uncertain nature. The climate-related risks identified through this assessment are described in greater detail in **Table 15** above.

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

- Existing climate-related regulations (e.g., Canadian Securities Administrators (CSA) Staff Notices, U.S. Securities and Exchange Commission (SEC) guidance, climate-related regulation in Canada, Mexico, Peru, Argentina and Burkina Faso).

- Climate-related guidance and industry initiatives (e.g., Mining Association of Canada's Towards Sustainable Mining Initiative, International Council on Mining & Metals' Mining Principles, World Gold Council's Responsible Gold Mining Principles).
- Climate change frameworks and standards (e.g., SASB Standards, SASB Climate Risk Technical Bulletin, TCFD recommendations).
- Peers' disclosure on climate change.

We also monitor emerging climate-related regulatory requirements, including the [Proposed National Instrument 51-107 Disclosure of Climate-related Matters](#) published by the CSA and the SEC's [Request for Comment on Climate Disclosure](#).

In light of the changes to our business model due to the acquisition of Roxgold, we are reviewing and updating our enterprise risk management process. As an input to this project, we reviewed the TCFD's best practices with respect to the integration of climate change factors into enterprise risk management processes and we are currently evaluating opportunities to enhance the integration of climate-related risks into our enterprise risk management processes. This work will include:

- Ensuring that risk owners and other team members who have responsibilities related to risk management have the knowledge and capacity to effectively identify, assess, and manage climate-related risks.
- Considering whether we need additional tools to support the identification, assessment, and management of climate-related risks.
- Determining whether any key elements of our enterprise risk management process should be adapted to better consider the unique nature of climate-related risks and other best practices.

## METRICS AND TARGETS

[TCFD Metrics and Targets (a), (b) and (c)]

Establishing climate-related metrics and targets is a critical part of the development of our climate change strategy. We have developed a set of climate-related metrics that are aligned with the TCFD's cross-industry, climate-related metric categories (**Table 16**) and will allow the Company to track progress on climate change and our top climate-related risks and opportunities. We do not currently measure Scope 3 emissions associated with activities in our value chain where we do not own or control the emissions source.

Many of our absolute metrics increased in 2021 (e.g., Scope 1 and 2 GHG emissions, energy, fuel and water consumption, due to the addition of the Lindero and Yaramoko mine sites, while intensity metrics decreased due to the significant increase in production and volume of ore processed by Fortuna.

We are committed to setting short-term and long-term GHG emissions reduction targets, as well as other climate-related targets as appropriate. Our top climate change priority in 2022 is to conduct the detailed studies and work required to support the setting of GHG emissions reduction target(s).

In the interim, we have set the following short-term targets for 2022:

- GHG emissions intensity per thousand tonnes of processed ore: 17.80 tCO<sub>2</sub>eq/kt
- Energy use intensity per tonne of processed ore: 0.21 GJ/t
- Water use volume intensity per tonne of processed ore: 0.27 m<sup>3</sup>/t

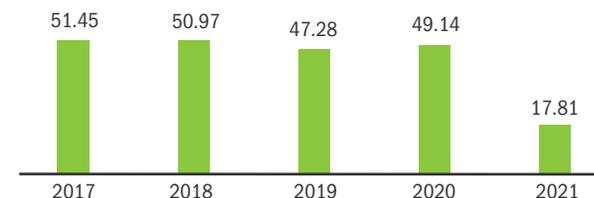


**Table 16: Climate-related Metrics and Targets**

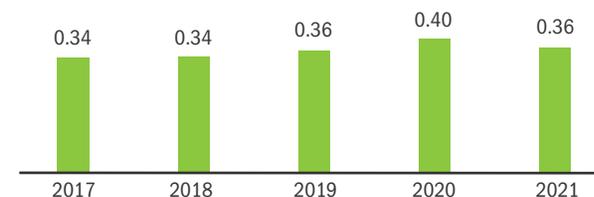
[TCFD Metrics and Targets (a), (b) and (c), SASB EM-MM-110a.1, SASB EM-MM-110a.2, GRI 302-1, GRI 305-1, GRI 305-2, GRI 305-4].

Climate Change Factor	Climate-related Metric	2017	2018	2019	2020	2021	2022 Targets
Policy and Legal Risks	Absolute Scope 1 GHG emissions (tCO <sub>2</sub> e)	21,900	21,287	17,494	19,016	93,958	
	Absolute Scope 2 GHG emissions (tCO <sub>2</sub> e)	60,449	59,001	58,148	51,966	58,274	
	Scope 1 and 2 GHG emissions intensity (tCO <sub>2</sub> e/kt of processed ore)	51.45	50.97	47.28	49.14	17.81	17.80
	Percentage of gross global Scope 1 GHG emissions covered under emission-limiting regulations	0%	0%	0%	0%	0%	
Resource Efficiency Opportunities	Total energy consumed (GJ)	663,566	663,199	612,501	561,890	1,815,846	
	Total fuel consumed (GJ)	274,055	260,155	215,284	197,778	1,219,536	
	Energy intensity (GJ/t)	0.41	0.42	0.38	0.39	0.21	0.21
	Total freshwater withdrawn (thousand m <sup>3</sup> )	1,405	1,244	1,337	1,030	2,123	
	Total freshwater consumed (thousand m <sup>3</sup> )	1,443	948	1,285	1,022	2,039	
	Water consumption intensity (m <sup>3</sup> /t)	0.90	0.60	0.80	0.71	0.25	0.27
	Freshwater consumption intensity (m <sup>3</sup> /t)	0.90	0.60	0.80	0.71	0.24	
Energy Source Opportunities	Percentage of energy consumed from grid electricity	59%	61%	65%	65%	33%	
	Percentage of energy consumed that is renewable	4.42%	7.65%	7.01%	6.79%	7.26%	
Chronic Physical Risks	Percentage of freshwater withdrawn in regions with High or Extremely High Baseline Water Stress	0%	0%	0%	0%	15.8%	
	Percentage of freshwater consumed in regions with High or Extremely High Baseline Water Stress	0%	0%	0%	0%	10.5%	
Other	Percentage of senior management remuneration impacted by climate considerations	0%	0%	0%	0%	0%	

**Figure 14: GHG emissions intensity per thousand tonnes of processed ore (tonnes CO<sub>2</sub> equivalent/kt) [GRI 305-4]**



**Figure 15: GHG emissions intensity per ounce of gold equivalent (tonnes CO<sub>2</sub> equivalent/oz Au eq) [GRI 305-4]**



**ESG FOCUS**

- TCFD Governance a)
- TCFD Governance b)
- TCFD Strategy a)
- TCFD Strategy b)
- TCFD Risk Management a)
- TCFD Risk Management b)
- TCFD Risk Management c)
- TCFD Metrics and Targets a)
- TCFD Metrics and Targets b)
- TCFD Metrics and Targets c)
- SASB EM-MM-110a.1 Scope 1 emissions
- SASB EM-MM-110a.2 Strategy to manage Scope 1 emissions

◀ [Back to ESG for Investors](#)



# Energy Management

## WHY IS THIS IMPORTANT FOR FORTUNA?

Optimizing energy supply and consumption has financial, operational, and environmental benefits. Energy can represent a significant portion of operating costs and energy supply disruptions can impact production. Electricity consumption and fuel combustion contribute to GHG emissions.

Caylloma, San Jose, and Yaramoko use electrical energy from the grid. As a contingency measure, we have on-site power generation plants that are used for emergency energy supply. Lindero does not use electrical energy from the grid instead relying on diesel for energy supply. Overall, 33% of Fortuna's energy consumed comes from grid electricity. [SASB EM-MM-130a.1]

▼ Caylloma power lines



## OUR APPROACH

We seek to reduce energy consumption and increase the use of renewable energy, while enhancing operational productivity. Our subsidiaries prepare monthly reports on actions to reduce energy consumption and intensity. The approach varies based on the life of mine stage.

- **Caylloma:** The life of mine extension has significant implications for energy management. New infrastructure will be developed while mining continues, which will increase energy consumption and overall energy intensity over the short term but create the opportunity to install more energy-efficient equipment. In 2020, we replaced pumps and flotation cells with more efficient versions. In 2021, we installed a new power transformer that allows us to source more electricity from the grid and reduce our reliance on our on-site fossil-fueled power generation plant. In early 2022 we will switch to a grid electricity supplier that offers greater access to energy from 100% renewable sources.

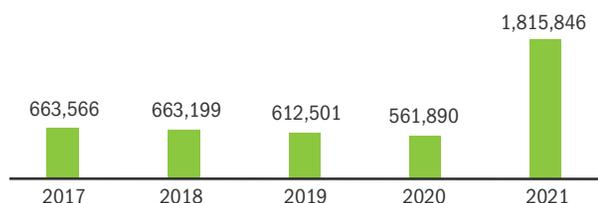
- **San Jose:** While we seek to extend the life of the mine, energy management will focus on opportunities to reduce consumption, rather than installing new infrastructure and equipment. For example, we have installed sensors on key equipment such as underground mine ventilation fans, which are one of the biggest energy consumers on the site, allowing us to monitor them for overheating. We are designing and implementing software to automatically identify, measure and alert us to specific energy consumption anomalies, so they can be addressed immediately. See [Case Study 3](#) for an example of a recent project at San Jose to increase the use of renewable energy.
- **Yaramoko:** The Lean Six Sigma process is being implemented at the Yaramoko mine and opportunities have been identified for process improvements and improved energy efficiency, with the objectives of reducing energy consumption and energy costs. An action plan has been developed and includes a range of initiatives that could lead to cost reductions and energy savings. A significant opportunity that has been identified to reduce energy consumption is to manage secondary ventilation underground (e.g., switching off fans when they are not required). This initiative is expected to be a priority project at the mine in 2022.



## OUR PERFORMANCE

In 2021, Fortuna’s production significantly increased due to the addition of Lindero and Yaramoko. Our total consumption of energy also increased due to a higher fuel consumption (Figure 16).

Figure 16: Total energy consumption (GJ) [SASB EM-MM-130a.1]



Most of our energy (93.23%) is derived from non-renewable sources (Table 17). Almost all of the fuel consumed by our subsidiaries is non-renewable (primarily diesel). 27% of the electrical energy consumed by Caylloma is from renewable sources, and we seek to increase this percentage through our energy infrastructure enhancement plans. 100% of the electricity consumed by San Jose is generated from non-renewable sources and Lindero does not use electrical energy from the grid instead relying on diesel for energy supply, so our focus at these two sites is on energy efficiency. 27% of the electricity consumed at Yaramoko is from renewable sources. [SASB EM-MM-130a.1]

Our energy intensity per tonne of processed ore decreased significantly in 2021 due to the increase in our production relative to the increase in energy consumption (Figure 17).

Table 17: Energy consumption by source (GJ) [GRI 302-1]

Consolidated	2017	2018	2019	2020	2021
<b>Total Energy Consumption</b>	<b>663,566</b>	<b>663,199</b>	<b>612,501</b>	<b>561,889</b>	<b>1,815,846</b>
<b>Total Fuel Consumption</b>	<b>274,055</b>	<b>260,155</b>	<b>215,284</b>	<b>197,778</b>	<b>1,219,536</b>
Non-renewable Sources	274,055	260,155	215,284	197,778	1,191,793
Diesel	not available	not available	not available	193,905	1,171,765
Gasoline	not available	not available	not available	1,309	1,777
LPG	not available	not available	not available	2,564	18,251
Other	not available	not available	not available	0	0
Renewable Sources	0	0	0	0	27,743
<b>Total Electricity Consumption</b>	<b>389,511</b>	<b>403,043</b>	<b>397,217</b>	<b>364,112</b>	<b>596,310</b>
Non-renewable Sources	361,450	355,904	357,071	328,393	501,177
Renewable Sources	28,061	47,139	40,146	35,718	95,133

Figure 17: Energy intensity per tonne of processed ore (GJ/t) [GRI-302-3]

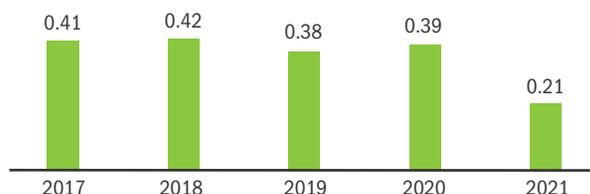
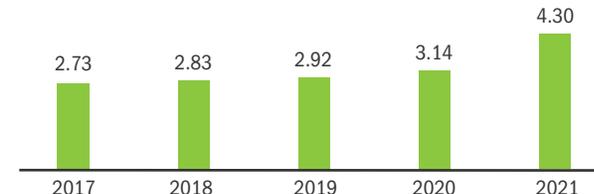


Figure 18: Energy intensity per ounce of gold equivalent (GJ/oz Au eq) [GRI-302-3]



### ESG FOCUS

- SASM EM-MM-130a.1 Energy consumed, percentage grid electricity and percentage renewable

◀ Back to ESG for Investors

**CASE STUDY 4****SAN JOSE SOLAR PANEL PROJECT**

At the site level, sustainability performance is reviewed monthly (see the [Oversight of ESG and Sustainability](#) section). Through this process, we identified an exciting opportunity to install solar panels at the San Jose mine to power the administrative buildings.

The Head of the Plant Maintenance team analyzed the feasibility of this project and made the proposal to the HSSEC Latam Committee, where it was ultimately approved. Once approved, the project took six months to be executed, including time to select the service provider and implementation. The solar panel project has been operational since October 2021.

The required investment was USD 32,000 and it is expected to generate annual savings of approximately USD 21,300 with a payback period of 1.5 years. The project is also expected to generate annual reductions of 105 tCO<sub>2</sub>e (or 0.33% reduction in the site's GHG emissions).

This is the first project of its kind at the mine site and has taught us valuable lessons regarding opportunities to enhance the use of renewable sources of energy. The project further reinforces our belief that sustainability must be embedded into operations to ensure alignment between our production and sustainability objectives.





# Air Quality

## WHY IS THIS IMPORTANT FOR FORTUNA?

Effective management of air quality can reduce regulatory compliance costs, avoid fines and penalties, facilitate permit applications, and protect the Company's reputation in the communities where we operate.

Our mines are subject to air quality regulations that specify maximum permissible emissions limits. Caylloma is subject to air quality regulation D.S. N° 003-2017-MINAM issued by the Peruvian Ministry of the Environment. San Jose is subject to the requirements of the Mexican authority SEMARNAT, which include unannounced inspection visits by PROFEPA (the Mexican Federal Attorney for Environmental Protection). Lindero is subject to local air emissions regulations that relate to emissions from mobile and stationary equipment. Yaramoko is subject to air quality regulations in Burkina Faso including Decree No. 2001-185/PRES/PM/MME/, which sets standards for the discharge of pollutants into the soil, air and water.

▼ Sprinkler truck at Lindero



## OUR APPROACH

Our aim is to ensure that air emissions remain within the specified emissions limits. We use air quality monitoring stations to track our performance in preventing air pollution. Air quality monitoring is carried out by third-party accredited laboratories on a quarterly or semi-annual basis and validated by local authorities. We continually seek ways to improve air quality at our operations.

- **Caylloma (Bateas):** We operate 10 air quality monitoring stations. We primarily monitor for particulate matter of less than 2.5 microns (PM<sub>2.5</sub>), nitrogen oxides (NO<sub>x</sub>) and sulfur oxides (SO<sub>x</sub>). We also monitor lead, arsenic, mercury, and benzene emissions as required by legislation. Monitoring accreditation is defined by the Quality National Institute (INACAL). Air quality measures include:
  - Daily irrigation of roads by water trucks hired from the local community to prevent dust.
  - Water spray systems and protective covers on the belts in the crusher area.
  - A sprinkler irrigation system for the tailings deposits.

- **San Jose (Cuzcatlan):** We operate 12 air quality monitoring stations. We primarily monitor for PM<sub>2.5</sub>. There are no stationary sources generating NO<sub>x</sub> and SO<sub>x</sub> emissions. Monitoring accreditation is defined by the Mexican Accreditation Entity (EMA) and PROFEPA approval. Air quality measures include:
  - Improved frequency of irrigation of roads, especially in the dry season.
  - Installing particulate matter collectors and a gas scrubber in the laboratory area.
  - Installing safety covers for the plant conveyor belt to reduce particle generation.
  - Using a geomembrane and chemical applications to reduce particulate generation from dry tailings.
- **Lindero (Mansfield):** We operate three air quality monitoring stations. The crushing process generates a significant amount of dust. Air quality measures include:
  - Using water for dust suppression. We added new water points in the grinding circuit and increased the frequency of use of a sprinkler truck.
  - We are exploring opportunities to compact the internal roads at the site and reduce the amount of dust generated due to road traffic. This would also have the benefit of reducing water necessary for dust suppression, without sacrificing air quality.
  - Installing covers at dust emission points.
- **Yaramoko (Roxgold):** We operate 10 air quality monitoring stations. We primarily monitor for PM<sub>2.5</sub>, PM<sub>10</sub>, NO<sub>x</sub>, SO<sub>x</sub> and ozone. We also monitor lead and the dust fallout rate. Our air quality monitoring system is approved by the National Agency for Environmental Assessment. Air quality mitigation measures include:
  - Daily irrigation of roads to prevent dust during the dry season.
  - Using water spray systems on the belts in the crusher area.



### Air quality monitoring stations

10

at Caylloma

12

at San Jose

3

at Lindero

10

at Yaramoko

## OUR PERFORMANCE

In 2021, our air emissions concentrations were in compliance with all applicable limits (**Table 18**).

**Table 18: Air emissions concentrations (ug/m<sup>3</sup>)** [GRI 305-7, SASB EM-MM-120a.1]

Type of Emissions	2017	2018	2019	2020	2021
PM <sub>2.5</sub>	9.62	14.48	47.74	4.86	13.91
PM <sub>10</sub>	25.25	30.33	32.44	20.74	38.69
NO <sub>x</sub>	9.03	8.02	4.00	4.00	24.88
SO <sub>x</sub>	13.72	13.72	13.72	3.00	3.74
Volatile Organic Compounds (VOC)	0.02	0.05	0.02	0.02	0.02
Hazardous Air Pollutants (HAP)	0.042	0.075	0.061	0.034	0.069
Persistent Organic Pollutants (POP)	0	0	0	0	0.22

Air quality monitoring station at Caylloma





# Biodiversity Impacts

## WHY IS THIS IMPORTANT FOR FORTUNA?

Effective management of biodiversity can reduce regulatory compliance costs, avoid fines and penalties, facilitate permit applications, and protect the Company's reputation.

Caylloma is located near areas of significant biodiversity value (**Table 19**), including wetlands and Andean lagoons, that are considered to be fragile ecosystems under Article 99 of the General Law on the Environment of Peru, and which provide habitat for endangered species. Some protected species are found on the Caylloma, San Jose, Lindero and Yaramoko properties (**Table 20**).

▼ At Lindero we conduct bi-annual monitoring of flora, fauna and limnology



**Table 19: Protected areas and sites of significant biodiversity value**

Protected areas and sites of significant biodiversity value	Caylloma (Bateas)	San Jose (Cuzcatlan)	Lindero (Mansfield)	Yaramoko (Roxgold)
Number of sites located in or adjacent to protected areas	0	0	0	0
Number high biodiversity value areas (outside protected areas)	2	0	0	0
Area of the identified sites (hectares)	65	0	0	0
Number of identified sites requiring a biodiversity management plan	2	0	0	0
Number of identified sites with a biodiversity management plan	2	0	0	0

**Table 20: IUCN Red List or nationally conserved species with habitat affected by operations**

[GRI 304-4]

Extinction Risk Level	Number of Species			
	Caylloma (Bateas)	San Jose (Cuzcatlan)	Lindero (Mansfield)	Yaramoko (Roxgold)
Critically Endangered (CE)	1	0	0	2
Endangered (EN)	1	0	3	0
Vulnerable (VU)	8	12	4	2
Near Threatened (NT)	7	7	0	2
Least Concern (LC)	55	0	6	87

Acid rock drainage (ARD), which can pollute water sources and harm biodiversity and surrounding communities, is not a concern for the Company because acid-generating rock is not found at any of our mine sites. Testing conducted by an accredited laboratory has concluded that our mining waste does not have the characteristics to generate ARD. This monitoring is carried out annually at a minimum. [SASB: EM-MM-160a.2].



## OUR APPROACH

We are committed to integrating biodiversity conservation considerations into our processes and to work with other parties to contribute information, knowledge, and practices to achieve common goals. We do not conduct exploration or mining operations in protected areas.

As part of our environmental impact studies, we conduct biodiversity risk and impact assessments. We prepare biodiversity management plans for approval by the local authorities, which describe the existing biodiversity inventory prior to mining operations, and set out a conservation monitoring plan. We monitor plant and animal species included in the International Union for Conservation of Nature (IUCN) Red List of Threatened Species, the [Convention on International Trade in Endangered Species \(CITES\)](#) and local regulations. At each site, monitoring is conducted every six months by specialized consultants, under the responsibility of the local HSSE department.

▼ Caylloma species: *Werneria pygmaea* Gillies ex Hook. & Arn



- **Caylloma (Bateas):** Biodiversity management plans were prepared and internally approved in 2020, covering the two areas of significant biodiversity value near the site, even though this was not a legal requirement. The biodiversity management plans reflect the biodiversity commitments in the most recent environmental impact assessment, and include monitoring the areas, conducting training and awareness sessions, and installing signage to help employees identify the areas.
- **San Jose:** We are required to report on protected species found on the mine site in our annual environmental compliance report sent to the local authorities SEMARNAT and PROFEPA. We are authorized to capture and relocate protected wildlife, which we undertake weekly throughout the year. We conduct annual external biological monitoring with external experts, and biweekly internal biological monitoring. We hold twice-yearly training and monitoring workshops with specialists on identification of protected species. All employees are trained on species preservation as part of their induction. According to the Mexican General Law of Sustainable Forest Development, when a change of land use is authorized for land with forest resources, the Company must make a payment to the Mexican Forest Fund, which can be used to finance forest restoration activities anywhere in the country. From 2009 to 2020, 172.84 hectares were reforested through this mechanism, and in 2021 an additional 10 hectares were restored with specimens native to the region that were produced in the Company's nursery.
- **Lindero (Mansfield):** We conduct bi-annual monitoring of flora, fauna and limnology. The evolution of the quantity and quality of biodiversity is assessed to verify that our activities are not impacting biodiversity.
- **Yaramoko (Roxgold):** We have a biodiversity management program with an aim of developing an integrated management approach to reduce impacts of mining activities on biodiversity, conserve and promote fauna and flora, and facilitate progressive rehabilitation of any disrupted land. The program also includes engagement with the local community as well as technical services to create collaborative opportunities

that help protect the environment in the vicinity of the mine site. In 2021, we conducted our annual fauna survey to assess the evolution of biodiversity in the permitted region of the mine. The survey collected up-to-date information to evaluate the performance of the biodiversity management program and included an inventory of the mammalian and ornithological fauna. In 2021, as part of the biodiversity management program, the following activities were implemented at the mine:

- 12,253 trees were donated to local associations and villages surrounding the mine site for planting during the year in pursuit of our objective to plant 10,000 trees via our reforestation campaign.
- A botanical garden was created in the Bagassi village to enhance students' environmental education in the areas of botany and dendrology.
- A safeguarding program was set up in two villages to assist rehabilitation and improve existing village forests inside the area impacted by the mine.
- More than 3,000 meters of firewalls were created along the conservation zone inside the mine to protect the forest from bush fires.
- Measures to improve biodiversity conditions (e.g., the creation of artificial salt flats were implemented).
- Through our agroforestry development program, we are committed to promoting the production of tangelo in the areas surrounding the mine. A tangelo producers cooperative was created to continue to develop this fruit species around the Sipohin dam. The program's objectives are to re-green the area around the dam, protect the banks from erosion caused by farming, create new income generating activity for local farmers, and to make fruits available for local nutrition.

We define disturbed land as land that has undergone some physical or chemical alteration that substantially disrupts pre-existing habitats and land cover. Disturbed land and land that has been decommissioned and assigned for rehabilitation is identified in our mine closure plans (see [Mine Closure and Reclamation](#) section).



## OUR PERFORMANCE

The status of disturbed and rehabilitated land at our operations is provided in **Table 21**.

**Table 21: Status of land disturbed and rehabilitated (hectares)** [GRI 304-3]

	Caylloma (Bateas)					San Jose (Cuzcatlan)				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
Land disturbed and not yet rehabilitated (opening balance)	56.29	54.87	56.88	57.13	61.19	107.73	107.73	109.95	109.95	117.40
Land newly disturbed	0.03	2.58	0.27	4.06	5.33	0.00	2.22	4.74	4.74	5.60
Land newly rehabilitated	1.45	0.57	0.02	0.00	0.00	0.00	0.00	0.00	0.00	5.38
Land disturbed and not yet rehabilitated (closing balance)	54.87	56.88	57.13	61.19	66.52	107.73	109.95	114.69	114.69	117.62

	Lindero (Mansfield)					Yaramoko (Roxgold)				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
Land disturbed and not yet rehabilitated (opening balance)	N/A	N/A	N/A	65.00	65.00	NRP	NRP	NRP	NRP	126.67
Land newly disturbed	N/A	N/A	N/A	0.00	0.00	NRP	NRP	NRP	NRP	1.43
Land newly rehabilitated	N/A	N/A	N/A	0.00	0.00	NRP	NRP	NRP	NRP	0.00
Land disturbed and not yet rehabilitated (closing balance)	N/A	N/A	N/A	65.00	65.00	NRP	NRP	NRP	NRP	128.10

At Yaramoko a botanical garden was created in the Bagassi village to enhance students' environmental education in the areas of botany and dendrology.



# Mine Closure and Reclamation

## WHY IS THIS IMPORTANT FOR FORTUNA?

The responsibilities of a mining company begin at the exploration phase and continue beyond the closure of a mine. There are regulatory requirements to reclaim and restore mine sites, dismantle infrastructure, and meet continuing pollution prevention and water quality obligations.

Mine closure plans provide context for aspects of our environmental management approach. The location of each of our mines in the mine life cycle is outlined in **Figure 19** [SASB: EM-MM-160a.1].

**Figure 19: Location of mines and projects in the mine life cycle**



The projected closure schedules for our producing mines are shown in **Table 22**. Notwithstanding the closure schedule, we are conducting intensive brownfields exploration with the aim of extending mine life at all operations. If additional mineral reserves or resources are discovered, the life of mine may be extended, delaying the planned closure date.

**Table 22: Projected closure schedule for our producing mines**

Life Cycle Stage	Caylloma (Bateas)	San Jose (Cuzcatlan)	Lindero (Mansfield)	Yaramoko (Roxgold)
Production stage	Until 2027 progressive closure for certain facilities from 2021	Until 2024	Until 2036	Until 2027
Closure stage	2025-2027	2024-2028	2035-2039	2028-2032
Post-closure stage (maintenance and monitoring)	2028-2032	2029-2033	2040-2044	2033-2037

While none of our mines were at the closure stage in 2021, the regulations in the countries where we operate require us to consider the environmental and social aspects of mine closure from the planning stage.



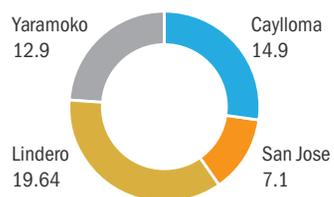
▲ At Yaramoko 12,253 trees were donated to local associations and villages surrounding the mine site for planting during the year in pursuit of our objective to plant 10,000 trees via our reforestation campaign.



## OUR APPROACH [SASB: EM-MM-160A.1]

The objective of our mine closure plans is to ensure that the environment where our mining activities take place is restored to long-term sustainability, which may be a similar condition to what existed before mining took place, or a condition suitable for another use. We have obligations to make operational and financial provisions to ensure the mine closure plans, rehabilitation and remediation activities are completed. We are committed to set aside sufficient funds for these purposes. In case of Caylloma these funds are paid to the Peruvian government as financial provisions, while at San Jose and Lindero the funds shown represent the budget for mine closure. The Mining Code of Burkina Faso requires that any holder of a large-scale mining permit open and maintain a trust account at the Central Bank of West African States or a commercial bank in Burkina Faso, which will be used to establish a fund to cover the costs of implementing the mine’s closure and rehabilitation plan (Figure 20).

**Figure 20: Budget for mine closure (USD million)**



**Table 23: 2021 Funds for mine closure (USD million)**

Type of funds	Caylloma (Bateas)	San Jose (Cuzcatlan)	Lindero (Mansfield)	Yaramoko (Roxgold)
Financial provisions for mine closure	9.93	NA	NA	0.54
Budget for mine closure	14.90	7.1	19.64	12.90

All of our operations have mine closure plans, which may be conceptual, progressive, or final closure plans depending on the life cycle stage of the mine. Closure plans consider physical conditions (including water quality, soil conditions, physical stability, chemical stability, and hydrological stability), biological conditions (including habitats and revegetation), socioeconomic considerations (including stakeholder participation and social programs) and the cultural environment. They are reassessed and updated annually, indicating which structures will be decommissioned and which areas will be restored. In the years prior to closure, updates to mine closure plans and any associated financial provisions are submitted for approval to regulators. Progress reports on implementation and compliance with ongoing restoration commitments are submitted on an annual basis.





# SOCIAL



Mining operations can be hazardous for employees and have significant social impacts on surrounding communities (both positive and negative). We are committed to the highest standards of social performance in all aspects of our operations.

Oversight and management responsibility for the social topics outlined in this section of the Report varies. The HSSEC Corporate Committee ensures the alignment of subsidiary-level social initiatives with the company-wide Sustainability Strategy. The HSSEC Corporate Committee is comprised of members of the Executive Leadership team, including the Chief Executive Officer, the Corporate Counsel and Chief Compliance Officer and both regional Chief Operating Officers. For more detail on the HSSEC Corporate Committee, see the [Oversight of ESG and Sustainability section](#).

## HIGHLIGHTS IN 2021

Zero

Work-related fatalities among employees and contractors

16%

Women in management positions

43%

of employees are from local communities

Zero

Significant disputes with local communities

Zero

Confirmed cases of human rights violations

100%

of internal and external security personnel received human rights training



# Community Relations

## WHY IS THIS IMPORTANT FOR FORTUNA?

[GRI 413-2]

Mining operations can have significant environmental, social and economic impacts (both positive and negative) on surrounding communities. An effective community relations approach can help to minimize conflicts and operational disruptions, facilitate permits and approvals, and enhance the Company's reputation. The COVID-19 pandemic has magnified the risks, as communities hard hit by the pandemic may be seeking additional support from companies.

The community context in which our mines operate is outlined below:

- **Caylloma (Bateas):** Land rights are governed by the General Law for Rural Communities, under which companies must respect and protect the customs and traditions of local communities. However, the mine is located on privately-owned land, rather than communal land.
- **San Jose (Cuzcatlan):** The State of Oaxaca has many municipalities. Most are managed on a customary basis, such that the subsidiary must develop relationships with Federal, State, municipal and traditional authorities. Municipal relationships are a key element of community relations. Some of the areas the subsidiary uses for access and exploration are communal land. Under the Mexican Agrarian Law, the subsidiary must negotiate directly with communal land holders on the rents or benefits that will be exchanged for use of the land.

- **Lindero (Mansfield):** The government of the Province of Salta grants the mining concession and we have developed a community relations plan that is aligned with the International Labour Organization (ILO)'s Convention 169, the Indigenous and Tribal Peoples Convention, ensuring a strong social license to operate.
- **Yaramoko (Roxgold):** In the land tenure system of Burkina Faso, a traditional and a modern system coexist. The modern system is governed by the law on Agrarian and Land Reorganization (RAF). The national policy of securing land tenure in rural areas through the law on Rural Land Tenure specifies a certain number of provisions concerning the management of rural land. In addition, the law on the General Code of Territorial Collectivities in Burkina Faso gives the commune the right to manage the land within its territorial jurisdiction. In the traditional system, the occupation of space is based on traditional appropriation, which is characterized by a right of collective appropriation. The land belongs to the family or lineage and each family or lineage manages its own land assets. The Yaramoko mine lease is entirely located on Bagassi commune territorial jurisdiction managed by the traditional system. Access to land for mining activities required negotiations with landowners assisted by the mayor representing the municipality and supervised by the Prefect representing the local authority. We have engaged in negotiations to secure access to land through formal agreements and have therefore developed resettlement action plans, which outlines compensation measures and other social supports that were agreed upon by the parties involved in the negotiations.

## OUR APPROACH

[SASB EM-MM-210b.1, GRI 413-1]

We seek to maintain good relations in the communities where we operate, based on dialogue, transparency and respect, and to be a catalyst for social development.

Our Chief Operating Officers (COOs) for Latin America and West Africa have executive responsibility for community relations at the subsidiary level, reporting directly to the CEO. The Country Heads reporting to COOs have management responsibility and are supported by a Community Relations team recruited at each site.

In line with the Corporate Sustainability Framework, the Country Heads are responsible for developing and implementing a Community Relations Plan, which is approved annually. All community support agreements prepared under the Community Relations Plan must be prepared in writing and referred to the Corporate Counsel and Chief Compliance Officer (CCO) for approval. Subsidiaries provide updates on their Community Relations Plans during reviews with the HSSEC Corporate Committee.

### Dialogue and Stakeholder Engagement

Our subsidiaries maintain ongoing dialogue and engagement with community stakeholders. They operate local community service offices, work collaboratively with local authorities, undertake community engagement activities, and participate in community events. They also take part in consultations and participatory meetings to identify and prioritize community development needs. More information on stakeholder engagement can be found in the [Sustainability Framework](#) section.



### Grievance Mechanisms

Issues can arise even in the best relationships. At the Corporate level, in 2022 we will be implementing a new grievance mechanism, under the supervision of the Legal Department, that will allow systematic monitoring of how concerns are addressed. Our subsidiary Community Relations departments operate local-level grievance mechanisms through which stakeholders can lodge grievances, which are registered and monitored until they are resolved.

### Local Economic Development

We seek to ensure that our presence in the community contributes to economic opportunities for local people. We identify the direct and indirect areas of influence of our operations (DAI and IAI) and use this to prioritize local employment and procurement and measure our effectiveness (Table 23).

**Table 23: Direct and Indirect Areas of Influence of our Mines**  
[GRI 204-1]

Subsidiaries	Direct Area of Influence (DAI)	DAI+ Indirect Area of Influence (IAI)
Bateas (Caylloma Mine)	District of Caylloma, Peru	Region of Arequipa, Peru
Cuzcatlan (San Jose Mine)	Municipality of San Jose del Progreso, Oaxaca, Mexico	Region of Oaxaca, Mexico
Mansfield (Lindero Mine)	Municipalities of Tolar Grande, Cavi, Antofallita, San Antonio de los Cobres, Pocitos, and Olacapato	Salta City and Salta Province, Argentina
Roxgold (Yaramoko Mine)	Area covered by the mine's facilities and infrastructures, and the owners of properties affected by the project (PAP)	Municipalities between 2 km and 10 km from the mine, those crossed by the road linking the mine to Ouahabou, and the major urban centers in the area, notably Boromo, Dédougou and Houndé.

In accordance with the definition outlined above, our subsidiaries give priority to recruitment of employment candidates and suppliers from the DAI, and then from the IAI. We also provide local small businesses with the potential to become suppliers.

### Social Investment

Our Community Relations Plans include social programs and social investment budgets. We are committed to working with community organizations, local governments and local suppliers to identify community needs and provide sustainable benefits to the communities in our direct and indirect areas of influence.

Our Community Support Initiatives Guidelines ensure that our financial contributions are used in an effective and ethical way to support outcomes-focused community initiatives, consistent with our support for the SDGs (see Sustainability Framework section). The Guidelines provide advice on designing and implementing community focused initiatives, effective use of funding, procedures to avoid violations of local or international laws (including anti-corruption laws), and procedures for approval, documentation, payments, progress measurement and audits, transparency and handling of queries.

Our financial contributions support initiatives that create a social and economic legacy and align with the SDGs (Table 24).

**Table 24: Alignment of social investment with the SDGs**

	1 NO POVERTY	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES
Education			✓					
Health		✓						
Economic Development	✓					✓		✓
Public Social Services		✓	✓		✓		✓	
Other: Social issues (equality, poverty, women and children, preserving indigenous culture, cultural promotion)	✓			✓	✓			✓



We also establish formal sustainable development funding agreements with local authorities. For example, Bateas signed an agreement with the Municipality of Caylloma, Frente de Defensa de los Intereses de Caylloma – FUDICAY, the Caylloma Municipality, and the national government to create a Sustainable Development Fund for the district of Caylloma. We have committed to contribute 2.2 million Peruvian soles per year for four years (2021-2024) for a total of 8.8 million Peruvian soles. The agreement is focused on providing employment and training opportunities for local communities and strengthening the pipeline of local suppliers through courses, workshops, internships, and scholarships. The Fund is overseen by a Management Committee and a Supervisory Committee and includes the formation and operation of an Employment and Local Procurement Committee, as well as a Participatory Environmental Oversight Committee.

In 2021, Mansfield's Community Relations team was focused on dialogue with communities and understanding their priorities. Specific agreements based on unique community needs have been made with a range of different communities, including the Kolla community, the Municipality of Tolar Grande, the Municipality of San Antonio de los Cobres. Certain agreements are also made on an initiative-by-initiative basis and often we join with a range of different stakeholders for agreements that include public and private funding. The Community Relations team is supported by the new Communities Committee which includes participation from the Country Head, finance, human resources and legal.

**Case Study 5** provides an overview of Yaramoko's approach to social investment through the Local Development Mining Fund.

## CASE STUDY 5

# LOCAL MINING DEVELOPMENT FUND IN BURKINA FASO

Since 2014, Roxgold Sanu SA has implemented community investment programs, resulting into more than 150 projects in Bagassi area. In 2020, as per the implementation of a new mining code regulation in Burkina Faso, the majority of the Yaramoko mine site's community development has been led by local authorities through the contribution to the company to the Local Development Mining Fund (LDMF). Burkina Faso's new mining code requires that mining companies contribute up to 1% of their annual gross revenue to the LDMF: half of the contribution made by Roxgold will go to the municipality of Bagassi for social development projects, with the remainder dispersed to other regions and municipalities throughout the country.

During 2021, Roxgold contributed USD 1.03 million to the LDMF. In 2019 and 2020, they formally contributed USD 5.5 million and USD 5 million, respectively, to the LDMF. It is important to note that these figures include back payment of contributions made in 2017 and 2018. To date, 60 infrastructure development projects are being sponsored by the Bagassi municipal council with funding from the LDMF. These projects include:

# 24

Educational facilities

# 10

Health promotion infrastructure projects

# 10

Water and sanitation infrastructure projects

# 7

Economic development infrastructure projects

# 7

Community infrastructure projects

We are also committed to assisting local authorities and communities in operationalizing the LDMF to ensure the effectiveness of this new regulation on the ground. Formal and informal meetings are regularly organized in order to monitor the progress of the selected projects and ensure transparency about this program. The company also supports civil society organizations, relevant local groups, and associations in setting up monitoring programs and participates in activities organized by these groups that are related to the LDMF.

In addition to our contributions to the LDMF, we support local communities also through our Community Investments Program. In 2020 and 2021, USD 770,097 was invested in various community projects such as COVID assistance and support of Bagassi Occupational Training Centre.



▲ Women's community garden organization



## OUR PERFORMANCE

There were **zero** significant community disputes related to the use of land and resources.

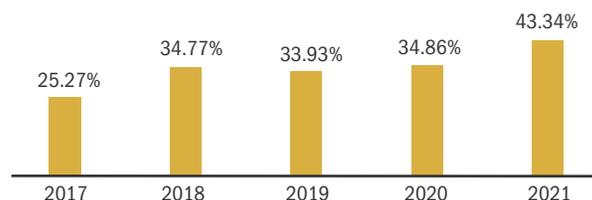
In 2021, we experienced 17 non-technical delays which lasted a total of 8.83 days at the San Jose mine [SASB EM-MM-210b.2]. Various groups from surrounding communities sometimes seek to disrupt the operations of the mine site as a means to exercise pressure on local governments or organizations. 70% of the non-technical delays were caused by members of the union of haulage carriers due to concerns around the distribution of work within their own organization and the lack of transparency in the union's management. The union members were looking for the Company to help them address these concerns. The remaining 30% of non-technical delays were related to social demands from local communities that were being ignored by the local government. Because the local government was not responding to community requests, the local communities blocked the mine site. The Community Relations team at the San Jose mine remains focused on managing relationships with the local communities to ensure that community needs that are within our control are met and addressed. In 2021, the team:

- Signed two new mutual benefit agreements with local communities.
- Developed the “Attention to Requests for Community Support” procedure to guide the way we respond to requests and develop social impact programs. We also conducted two sessions sharing details on the procedure with the community.
- Developed a Community Communications Plan to be formally launched in 2022. The plan is focused on communicating procedures clearly to the community, to ensure that they understand our processes and procedures for engagement.

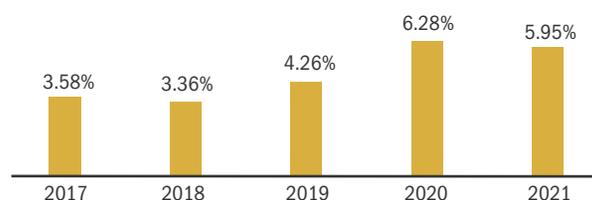
- Relunched the complaints and claims mechanism and sought to position the Community Relations office as the formal access point to engage in communication with the Company.

We continue to emphasize sourcing our workforce from the local community and in 2021 we increased the percentage of employees from our Direct Areas of Influence (**Figure 21**). In 2021, the percentage of local suppliers decreased slightly from 2020 (**Figure 22**). However, spending on local suppliers from our Direct Areas of Influence represented 4.85% of our total procurement spend, which is a slight increase from 2020 when 4.18% of total procurement was spent on local suppliers [GRI 204-1].

**Figure 21: Local employment<sup>19</sup> as a percentage of the workforce**



**Figure 22: Local suppliers<sup>20</sup> as a percentage of suppliers**



Our community investments in 2021 (**Table 25**) totaled just over USD 5 million, of which 28% was invested in public social services, 18% in economic development initiatives, 15% in health, 6% in education, 13% in other themes and 21% was contributed to the Local Development Fund by Yaramoko.

**Table 25: Community investment (USD)**

Goal	2019	2020	2021
Education	242,881	310,021	294,577
Health	289,778	439,747	747,532
Economic Development	490,800	704,969	924,822
Public Social Services	1,522,383	678,925	1,384,493
Other	252,926	224,919	628,461
Local Development Mining Fund (Yaramoko)	-	-	1,030,935
<b>Total</b>	<b>2,798,768</b>	<b>2,358,581</b>	<b>5,010,820</b>



## ESG FOCUS

- Community Relations Governance
- SASB EM-MM-210b.1 Discussion of process to manage risks and opportunities associated with community rights and interests
- SASB EM-MM-210b.2 Number and duration of non-technical delays

◀ [Back to ESG for Investors](#)

<sup>19</sup> Employees from Direct Areas of Influence

<sup>20</sup> Suppliers from Direct Areas of Influence



# Workforce Health and Safety

## WHY IS THIS IMPORTANT FOR FORTUNA?

Mining is a high-risk industry. Effective management of occupational health and safety (OHS) prevents operational disruptions and loss of productivity, reduces regulatory compliance costs, fines, and penalties, and protects the Company's reputation, allowing us to attract and retain talent. The COVID-19 pandemic has increased health risk in the workplace: mining requires an onsite workforce and operations can be disrupted by outbreaks of disease or the imposition of emergency public health measures.

Our operations are subject to strict regulation by national health and safety agencies, which carry out regular audits and inspections. Contractors make up a significant portion of our operational workforce.

### ▼ Yaramoko Mine safety meeting



## OUR APPROACH

We are committed to providing safe and healthy conditions for employees, contractors, and visitors at all our mining operations, exploration sites and offices.

### Health and Safety Policy

Our [Health and Safety Policy](#), which was approved by the Board in 2020, outlines our approach. The Sustainability Committee of the Board provides oversight, and the Senior Vice President Sustainability has management responsibility. The Senior Vice President Sustainability leads our HSSEC Corporate Committee, which monitors key occupational health and safety indicators, evaluates the safety performance of the operations and reports to the Board on ESG.

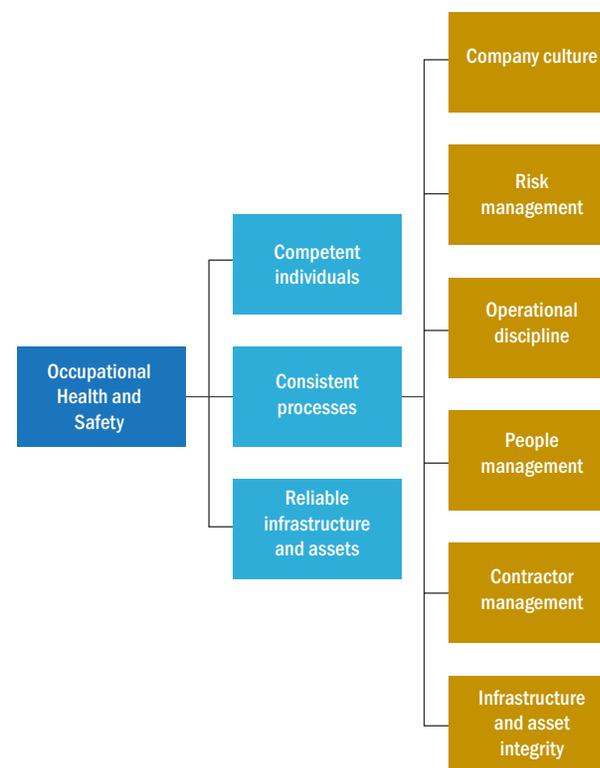
Each subsidiary has a specific Health and Safety Committee with employee, contractor and management representation [GRI 403-4, GRI 413-1].

The Health and Safety Policy requires workers to report work-related hazards and violations of the Policy, and empowers them to remove themselves from hazardous situations, without retaliation. Violations of the Policy can be reported through our whistleblower channel (see [Business Ethics and Transparency](#) section).

## OHS Management Systems [GRI 403-1]

Our approach to OHS is built upon three core principles and six pillars (**Figure 23**).

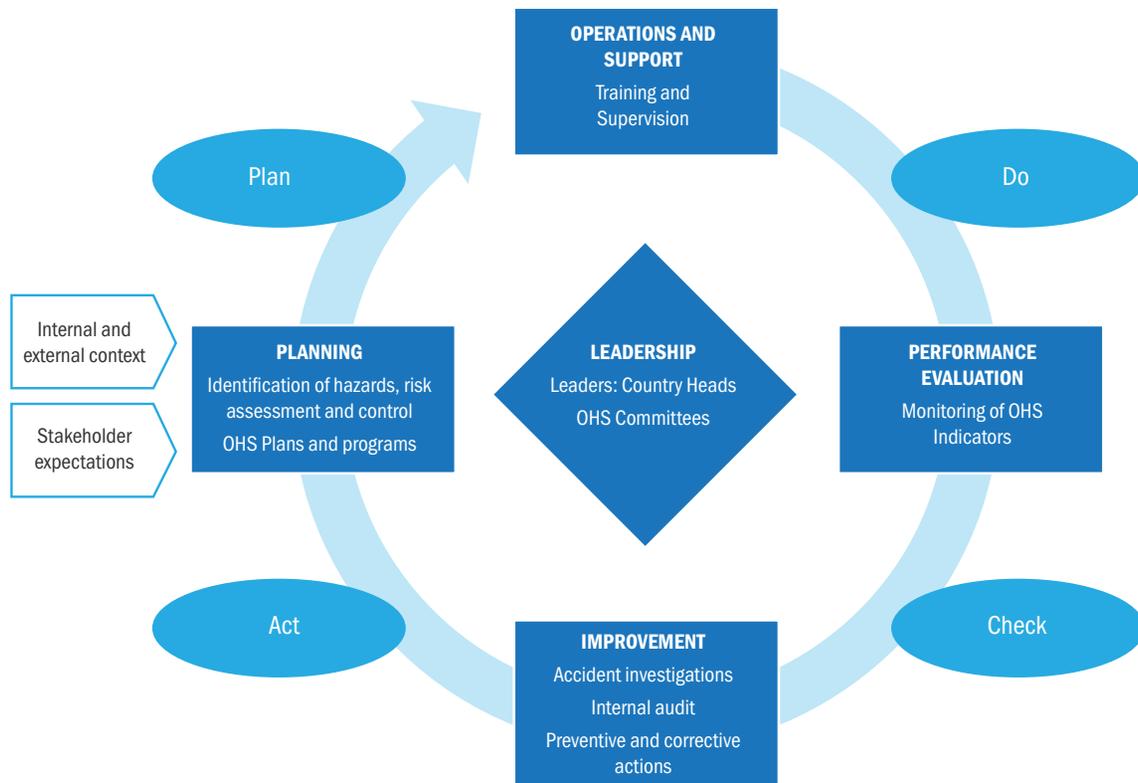
Figure 23: Corporate OHS approach





We have implemented OHS management systems (**Figure 24**) aligned with the [ISO 45001:2018](#) Occupational Health and Safety Standard and our Corporate Health and Safety Key Risks Standards. 100% of our employees and contractors are covered by our OHS management systems, which are both internally and externally audited [GRI 403-8].

**Figure 24: OHS Management System**



We aim to certify the OHS management system at each of our operations to ISO 45001 [GRI 403-1].

- **Caylloma (Bateas):** The OHS management system has been certified to ISO 45001 since 2019.
- **San Jose (Cuzcatlan):** Certification of the OHS management system to ISO 45001 was scheduled for 2020, but it was not possible to conduct certification visits because of the pandemic. Certification has been rescheduled for 2022.
- **Lindero (Mansfield):** The OHS management system is aligned to the ISO 45001.
- **Yaramoko (Roxgold):** The health and safety management system is aligned to the ISO 45001 standard.

**OHS Risk Management** [GRI 403-9]

We believe that all accidents and work-related health risks are preventable. We focus on identifying, understanding, managing and, where possible, eliminating these risks, always considering the [hierarchy of controls](#) [GRI 403-2]. Based on our Hazard Identification, Risk Evaluation and Controls matrix, incident analysis, observation, benchmarking, and international standards, a range of hazards have been determined to pose a risk of high-consequence injury (**Table 26**). To address these hazards, in 2021 we commenced the implementation of a Critical Controls Management Program based on the [ICMM Health and Safety Critical Control Management](#) good practice guidance, which involves training for security leaders, identifying critical controls for incidents, creating verification tools, and preparing implementation plans on site. We began the [bowtie analysis](#) and developed an HSSE risk management standard to define critical risks and support their identification. The definition of critical risks was done in accordance with the risk records of each subsidiary. The next step will be to identify the critical controls.



**Table 26: High-consequence injury hazards and standards developed** [GRI 403-9]

Hazard	Standard developed
Confined space entry	✓
Contact with electricity	✓
Energy release	✓
Entrapment, Impact & Laceration	
Uncontrolled Explosions	✓
Falling Objects	
Immediate Contact with Hazardous Substances	✓
Extreme environment	✓
Slope Instability	
Vehicle Collision	✓
Falling from a height	✓
Fire	
Overexposure to Hazardous Atmosphere	
Slip and Trip	
Ground Collapse	
Lifting Operations	✓
Tires on Heavy Vehicles	

We have established a company-wide incident investigation process, utilizing the [Incident Cause Analysis Method \(ICAM\)](#). We continued to offer training at the subsidiary level in 2021, including e-learning training. We have implemented an online system for monitoring incidents, acts, conditions, inspections and audits, that allows workers to upload information and evidence, including from mobile devices. The system facilitates monitoring the status of investigations, reports, corrective actions and follow-up. The HSSEC Latin America Committee and local HSSE managers produce reports regularly.

Our safety culture is focused on four key behaviors: recognizing danger, stopping dangerous tasks, eliminating danger and reporting risks. These behaviors were reinforced throughout the year at our daily “safety shares” sessions and through leadership actions. In addition,

in 2021 we implemented a Risk Factor program across our Latin America operations targeted at employees and contractors. The program was developed in alignment with our four key behaviors and was designed to build upon existing knowledge and tools. There were three key components:

- The integration of Risk Factor tools into routines and processes.
- The development of promoters of change through leadership workshops. A group of local coaches or “champions” were cultivated to disseminate knowledge to employees and contractors and amplify the impact of the program across our operations.
- A focus on persuasive leadership coaching and the reinforcement of field activities, targeted towards supervisors and operators.

Although our workers are not at high risk for work-related diseases, we carry out medical surveillance in all subsidiaries, conducting occupational health examinations when employees and contractors begin working for us, periodically during their tenure, and when they leave. Annual occupational monitoring is provided for positions that are inherently exposed to greater risks. We also monitor for the presence of hazardous substances, to ensure they remain within permissible limits. For example, at Caylloma we have hydrocyanic acid detection equipment and specialized work protocols in place at the concentrate plant. We plan to develop further standards for potential hazards to health that have emerged through our risk assessment process, including exposure to noise and chemical substances, ergonomic issues, and respiratory protection [GRI 403-3]. We also train our employees on measures to prevent work-related illnesses and carry out preventive campaigns on various health topics [GRI 403-4, GRI 403-5]. Employees at risk of non-occupational illnesses can access support through health insurance, life insurance and our employee emergency support system [GRI 403-6]. At Yaramoko, an occupational doctor was added to the site’s clinic medical staff and is responsible for conducting site employees’ annual medical check-ups and reinforcing continuous medical monitoring.

We have established processes to ensure contractors and their employees comply with our health and safety expectations (see [Supply Chain Management](#) section). We undertake an annual internal corporate audit to verify health and safety compliance, including compliance with operational standards and management of contractors.

### Emergency Preparedness and Response

We have a corporate crisis plan and emergency response plans for different situations or contingencies:

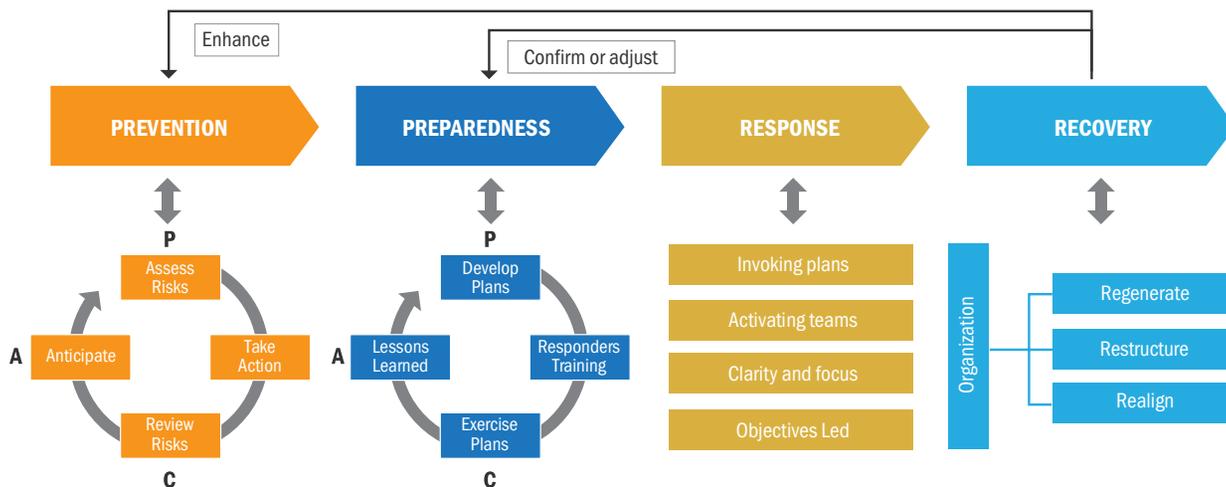
- Emergency situations that could impact our response priorities - people, the environment, property and the business.
- Security threats (robberies, kidnappings, and terrorism).
- Partial or total evacuation of the geographical area due to conflict or natural disasters.
- Any other event that could interrupt business continuity at local, national, or international level.

Our emergency plans focus on company resilience and include incident response, business continuity management and crisis management. We identify three levels of response:

- **Operational (Level 1):** The emergency can be immediately controlled, either by employees from the area impacted or by the Tactical Response Team (TRT). The Incident Management Team (IMT) and the Subsidiary Emergency Committee are activated.
- **Tactical (Level 2):** The Incident Support Team (IST) is activated. Subsidiary managers coordinate with Country Heads and relevant Corporate Managers.
- **Strategic (Level 3):** The Crisis Management Team (CMT) is activated, with the participation of the Executive Leadership team including the President and CEO, the CFO, the Corporate Counsel and CCO, the Corporate Manager of Investor Relations, and the Regional COO in charge of the response. This team reports directly to the Board.



Figure 25: Emergency response management



Emergency response management is based on prevention, preparedness, response, and recovery (Figure 25).

- **Caylloma (Bateas):** Emergency preparedness is managed through the Emergency Preparedness and Response Plan, which sets out responsibilities for different levels of emergency and for external cooperation during major incidents.
- **San Jose (Cuzcatlan):** The Emergency Response Action Plan is designed to prevent, mitigate and control risks for people, assets, reputation, business continuity and negative environmental impacts. In 2021, we developed additional protocols for dangerous spills, cases of entrapment, forest fires, gas leaks, installed a second mine shelter and conducted drills on earthquakes, major spills, and a full mine evacuation. The plan is reinforced with safe work procedures and standards, and a series of programs including:
  - Monthly review of emergency equipment, firefighting equipment, fire detection devices and fire alarms.
  - Review of the annual mine shelter service.
  - Mine emergency equipment maintenance.
  - Self-rescue equipment inspection.

- **Lindero (Mansfield):** The Emergency Response Plan covers emergencies related to health, safety, property, and environment and is reviewed on an annual basis. It is also shared with local authorities in order to maintain the operating license for the mine.
- **Yaramoko (Roxgold):** The Emergency Response Plan details the site hazards per department and includes risk assessments, required response, equipment, responsibilities, auditing, training, incident exercises, and procedures for foreseeable emergencies. The response principle is to confine the event as much as possible in its immediate location to prevent escalation and reduce danger to employees, environment, and assets.

Our subsidiaries have emergency response brigades/ teams, which are fully equipped and regularly trained. We also have an annual drill program to assess the team's performance level in response to emergency situations. Contractors play a critical role in the different stages of emergency preparedness and response. Our subsidiaries support them in the implementation of rapid and effective measures.

### Hazardous materials

Hazardous materials management is a priority for our subsidiaries, given the potential impact for health, safety, and the environment. Corporate management establishes general guidelines and undertakes audits, while the subsidiaries implement local policies and practices. We developed a corporate-level Hazardous/ Explosive Materials Standard in 2020, approved by our HSSEC Corporate Committee, covering technical issues, processes and training requirements for the workers involved.

- We look for process enhancement opportunities to reduce the use of hazardous materials.
- Acquisition of hazardous materials is planned, controlled and managed through safety committees that conduct inspections and approve the areas where hazardous materials and waste are stored, used, and disposed.
- Information on hazardous materials management is integrated to new employee induction, annual training programs, procedures and emergency response plans. It is communicated through signage in storage areas and on transport units, as well as through bulletin boards and Material Safety Data Sheets (MSDS). Emergency preparedness and response plans include procedures for handling spills of hazardous materials and waste.
- Transportation of hazardous materials is managed through internal site traffic regulations, speed controls and GPS satellite monitoring systems. Carriers must hold appropriate certifications.
- Certified, specialized firms are contracted for the disposal of hazardous waste (see [Waste and Hazardous Materials Management](#) section).



### Continued Response to COVID-19

In 2021, we continued our response to COVID-19 and maintained the same contagion prevention measures from 2020 (for more detail see [Case Study 4 from the 2020 Sustainability Report](#)). Physical distancing was maintained where possible and we conducted regular testing of employees (i.e., PCR testing at least once a month).

A key focus in 2021 was on vaccination. We carried out awareness campaigns for our employees to promote vaccination. In Latin America, 97% of our total workforce has received at least one dose of a COVID-19 vaccine. 100% of our workers at Bateas, 85% at Cuzcatlan and 88% at Mansfield were fully vaccinated. At the Yaramoko Mine, at least 92% of the workers have been fully vaccinated.

### OUR PERFORMANCE

In 2021, among our employees and contractors, there were:

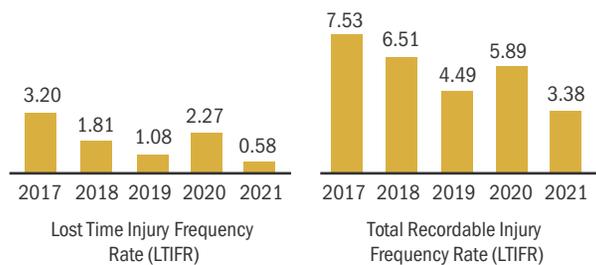
- **Zero** fatalities from work-related injuries.
- **Zero** fatalities from work-related illnesses.
- **Zero** cases of work-related illnesses.

At the beginning of 2021 at San Jose, we observed an increase in the number of safety incidents. Accordingly, at the site we began to work hard at developing visible leadership, encouraging team work and adjusting individual behaviors through the following key initiatives:

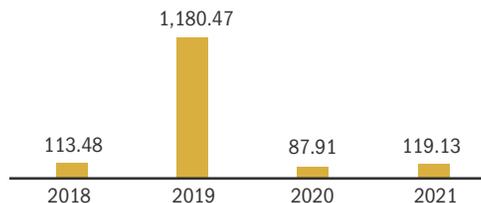
- Enhancing our management systems and instilling operational discipline by reinforcing procedures, rules that save lives, and our zero tolerance policy.
- Establishing a disciplinary committee that included the participation of employees from human resources, operations, safety and sustainability.
- Conducting a deep dive evaluation for all high potential near miss incidents.

- Conducting additional ICAM training.
- Enhancing data collection on material damage and operational delays.
- Conducting two all personnel safety stoppages to raise awareness on the importance of safe work.

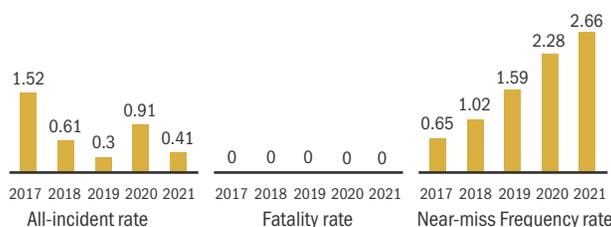
**Figure 26: Work-related injury rates<sup>21</sup> (per million hours worked)** [GRI 403-9]



**Figure 27: Severity rate<sup>22</sup> (per million hours worked)** [GRI 403-9]



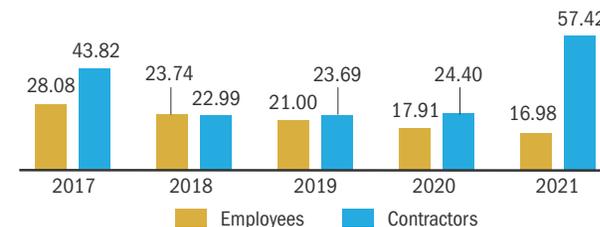
**Figure 28: Workforce safety incidents per 200,000 hours worked – employees** [SASB EM-MM-320a.1, GRI 403-9]



**Figure 29: Workforce safety incidents per 200,000 hours worked – contractors** [SASB EM-MM-320a.1, GRI 403-9]



**Figure 30: Average hours of health, safety and emergency response training** [SASB EM-MM-320a.1, GRI 403-9]



### ESG FOCUS

- Occupational Health and Safety Governance
- Occupational Health and Safety Policy
- SASB EM-MM-320a.1 (1) MSHA all-incident rate, (2) fatality rate, (3) near miss frequency rate (NMFR) and (4) average hours of health, safety, and emergency response training for (a) full-time employees and (b) contract employees

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<sup>21</sup> Includes employees and contractors

<sup>22</sup> Includes employees and contractors



# Security and Human Rights

## WHY IS THIS IMPORTANT FOR FORTUNA?

Mining companies may operate in countries where governance institutions, rule of law and human rights protections are not sufficient. Where companies use security personnel to protect workers and assets, there is potential for community conflict and human rights violations. Regardless of where a mining company operates, it may be held accountable for human rights violations in the supply chain. Effective human rights due diligence can help to prevent operational disruptions, reduce costs from settlements and compensation payments, facilitate permitting, avoid write-downs of assets in conflict areas, and protect the Company's reputation.

All of our mines have security personnel, some of whom are employed directly by the Company, but the majority of whom are employed by external public and private security enterprises. Mandatory human rights courses for security personnel are regulated in Peru, Mexico, and Argentina.

## OUR APPROACH

[SASB EM-MM-210a.3]

We are committed to respecting human rights in our operations and our supply chain. We are also committed to respecting and protecting local customs, traditions and community rights.

### Human Rights Policy

Our [Human Rights Policy](#), which is approved by the Board, is mandatory for the Company and its subsidiaries, suppliers, and business partners. The Policy is overseen by the Sustainability Committee of the Board, and the Senior Vice President, Sustainability has management responsibility for its implementation. The Senior Vice President, Sustainability is supported by the Corporate Counsel and Chief Compliance Officer (CCO) and the Corporate Human Resources Department, which is responsible for education and training activities. The human rights function is further delegated to Human Resources managers in each subsidiary, who report indirectly to Corporate Human Resources management.

The Policy draws on the [Universal Declaration of Human Rights](#), the [UN Guiding Principles on Business and Human Rights](#), and the [Voluntary Principles on Security and Human Rights](#), and its key principles are incorporated across our processes and systems (**Figure 31**).

All new employees received a copy of the Policy and a training session, mainly delivered through our e-learning platform. Human rights expectations are included in agreements with suppliers and contractors (see [Supply Chain Management](#) section). All internal and external security personnel receive human rights training aligned with local regulation and the Voluntary Principles on Security and Human Rights [GRI 410-1].

Violations of the Policy can be reported through our whistleblower channel (see [Business Ethics and Transparency](#) section).

Our commitment to respect human rights is further supported by the following policies:

- [Code of Business Conduct and Ethics](#)
- [Supplier Code of Business Conduct and Ethics](#)
- [Diversity Policy](#)

### Yaramoko's Security Management System

Fortuna faces the most significant exposure to security risks through its West African operations. The security situation in northern Burkina Faso is generally considered to be unstable and therefore there is ongoing assessment and adaptation of the security management system to ensure that we keep our employees safe. The security management system includes two key units:

- The unarmed operations unit whose role is to ensure the surveillance and security of the mine's assets. This unit is responsible for guarding and controlling access to the mine site, conducting observation, and monitoring the equipment and infrastructure within the mine perimeter. This security team receives mandatory training on the [Universal Declaration of Human Rights](#) and the [Voluntary Principles on Security and Human Rights](#).
- The armed intervention unit, including the National Gendarmerie detachment that provides escorts for convoys outside the mine site and secures the site with pre-established site defense plans. The detachment is based at the mine site and receives training on human rights. It is supervised by a security intervention group made up of former French special forces elements.

The two units are coordinated by a management team that also coordinates an external intelligence system.

Additionally, as part of the security management system, a helipad and airstrip were constructed at the mine site to reduce exposure to security risks, particularly during the transportation of employees from the airport to the mine site.



**Figure 31: Human Rights Policy commitments**

<p><b>Non-discrimination</b></p> <ul style="list-style-type: none"> <li>We do not discriminate against any individual for reasons of race, gender, religion, age, social status, sexual orientation or any other characteristic unrelated to their individual job performance.</li> <li>We respect diversity and equal opportunity.</li> </ul>
<p><b>Freedom of association and collective bargaining</b></p> <ul style="list-style-type: none"> <li>We respect the right of freedom of association and collective bargaining and we guarantee the conditions that enable our employees to exercise such rights.</li> <li>Freedom of association and collective bargaining is regulated in all countries in which we operate.</li> </ul>
<p><b>Prevention of child, youth and forced labor</b></p> <ul style="list-style-type: none"> <li>We reject child, youth or forced labor, under conditions of or slave labor. Our company procedures prohibit the hiring of child laborers.</li> <li>All overtime work tasks are voluntary and not mandatory, and are compensated in accordance with the appropriate labor legislation.</li> </ul>
<p><b>Human rights and security</b></p> <ul style="list-style-type: none"> <li>Our security staff are usually the first contact for anyone visiting our facilities. This group is trained in all aspects of respect for human rights as a part of their day-to-day activities.</li> <li>During interactions between public and private security service personnel and local communities, we observe and support the Voluntary Principles on Security and Human Rights.</li> </ul>
<p><b>Human rights of local communities</b></p> <ul style="list-style-type: none"> <li>We respect the rights of local and Indigenous communities neighboring our operations; we also contribute to health, education, and economic welfare of the surrounding communities.</li> <li>We respect the rights of the local community members to have supply of water available to them that is sufficient, safe, acceptable, physically accessible and affordable for personal and domestic use.</li> <li>We avoid, prevent or minimize adverse socio-economic impacts on local communities, such as resettlement due to land acquisitions or restrictions on land use. If applicable, we manage these cases through compensation and proper disclosure of information, consultation and informed participation of the affected parties.</li> </ul>

## OUR PERFORMANCE

- There were **zero** confirmed cases of discrimination or violations of human rights, freedom of association, child labor, youth labor with exposure to high-risk work, or forced labor involving our employees (**Table 27**).
- 100%** of our internal and external security personnel received formal human rights training.
- 67%** of our employees received human rights training.

**Table 27: Recorded cases of violations of human rights**

[GRI 406-1, GRI 411-1]

	2017	2018	2019	2020	2021
Discrimination	0	0	0	0	0
Freedom of association and collective bargaining	0	0	0	0	0
Child labor	0	0	0	0	0
Forced labor	0	0	0	0	0
Indigenous rights	0	0	0	0	0



## ESG FOCUS

- SASB EM-MM-210a.3 Discussion of engagement processes and due diligence practices with respect to human rights and operation in areas of conflict

[Back to ESG for Investors](#)



# Business Ethics and Transparency

## WHY IS THIS IMPORTANT FOR FORTUNA?

Mining takes place in a complex environment in which companies must work with governments and local authorities to access mineral reserves, obtain permits and meet regulatory requirements. Strong business ethics, anti-corruption practices and transparency are essential to avoid significant penalties, enable efficient operations, and protect the Company's reputation with employees, communities, and in the capital markets. Ethical mining ensures that communities benefit from the development of natural resources, rather than being undermined by it.

None of our mines are located in countries posing the highest corruption risks<sup>23</sup> (see **Table 28**). We are subject to laws that impose harsh penalties on companies and individuals for bribery and corruption, including the Canadian Corruption of Foreign Public Officials Act (CFPOA) and the U.S. Foreign Corrupt Practices Act (FCPA). We also comply with the anti-corruption laws of the countries where we operate. We are required to disclose our payments to governments under the [Canadian Extractive Sector Transparency Measures Act \(ESTMA\)](#). As a Canadian company listed on the Toronto and New York Stock Exchanges, we must also comply with strict stock market regulations and requirements designed to protect investors and the integrity of the markets.

**Table 28: Production country ranking in Corruption Perceptions Index 2021** [SASB EM-MM-510a.2]

Production Location	Rank
Peru (Caylloma)	105
Mexico (San Jose)	124
Argentina (Lindero)	96
Burkina Faso (Yaramoko)	78

None of our production is in countries in the bottom 20 ranks of the Corruption Perception Index 2021

## OUR APPROACH

[SASB EM-MM-510a.1]

Ethical and responsible behavior by our directors and employees is the basis for effective management of all aspects of our business.

### Code of Ethics

Our Code of Business Conduct and Ethics, which is approved by the Board, sets out the principles governing our behavior. The Audit Committee of the Board provides oversight, and the Chief Compliance Officer (CCO) has management responsibility for its implementation.

All employees receive a copy of the Code and must certify that they have read and will comply with it. Every year employees complete an e-learning course on the Code and are tested on it in order to receive a certificate of compliance.

Any employee who knows or suspects a violation of the Code must report it through our whistleblower channel (see below). Reports are treated with strict confidentiality and retaliation against whistleblowers is not tolerated.

If a Code violation complaint is submitted, the CCO notifies the Chair of the Audit Committee. The CCO leads an investigation into the case and reports the results directly to the Audit Committee. The CCO and Audit Committee may request external advice, if necessary. Cases are reported to the Board through the Audit Committee.

We also seek to ensure that ethical practices are respected along our value chain. Our Supplier Code of Ethics sets expectations for contractors, suppliers and other parties with whom we have a business relationship (see [Supply Chain Management](#) section).

<sup>23</sup> Based on the Transparency International Corruption Perceptions Index 2021



## Anti-Corruption Policy

Our Anti-Corruption Policy, which is approved by the Board, addresses bribery, corruption, facilitation payments, gifts, and political contributions. The Corporate Governance and Nominating Committee of the Board provides oversight, and the Chief Compliance Officer (CCO) has management responsibility for its implementation.

A copy of the Policy is provided to all new employees and all partners, agents, consultants, and other contractual parties who interact with government officials on our behalf. We conduct specialized training on the Policy for the Board and for target employees. Such employees must certify annually that they have complied with the Policy and are not aware of any potential violations by others. In addition, all directors and employees are trained on anti-corruption as part of the annual ethics training.

Employees who become aware of a potential violation of the Policy must report it to their immediate supervisor/manager or to the CCO as soon as possible. A supervisor/manager receiving a report must immediately communicate the information to the CCO through the whistle-blower channel. Employees may also make an anonymous report through the whistle-blower channel.

The CCO must report all potential violations of the Policy or applicable anti-bribery and anti-corruption laws to the Chair of the Audit Committee. The Audit Committee, in consultation with the CCO, determines how to investigate the report and ensures that there is appropriate monitoring until the matter has been satisfactorily resolved. The CCO leads the investigation, reporting directly to the Audit Committee. The CCO and the Audit Committee may request external advice, as necessary. Cases are reported to the Board through the Audit Committee.

Each year the CCO asks subsidiary compliance officers, managers and Finance and Administrative Managers to certify there have been no breaches of the Policy.

Subsidiaries must also comply with local anti-corruption regulations. For example, Bateas must comply with

Peru Law 30424 which introduced corporate liability for corruption offences in 2018. Based on a risk assessment undertaken in 2019, Bateas implemented an anti-bribery management system in 2020. As well as training all employees on the Code of Business Conduct and Ethics and including anti-corruption and conflict of interest clauses in supplier contracts, Bateas has:

- Set up a tender process separating responsibility for economic and technical assessments.
- Established a Procurement Committee to oversee the award of larger contracts.
- Provided training sessions on conflicts of interest to address risks created by family or business relationships between employees, suppliers and local government officials.

Roxgold must comply with Law No. 004-2015 CNT on the Prevention and Repression of Corruption in Burkina Faso. The law requires employers to take into account the principles of integrity, honesty and responsibility in management, and to adopt codes of conduct. Training is provided on an annual basis to employees to ensure compliance with applicable anti-corruption laws.

## Whistleblower Channel

We operate a whistleblower channel (**Figure 32**) for questions and complaints from employees and other stakeholders on potential violations of our corporate policies, including the Code of Business Conduct and Ethics and the Anti-Corruption Policy. Reports can be made in person to a supervisor/manager, through a 24-hour telephone hotline, or through the channel website. The channel is introduced at employee induction and highlighted in the annual Code of Ethics and Business Conduct training. We have also taken steps to improve the awareness of the channel among contractors and consultants, leading to its increased use, with more than half of the reports logged coming from non-employees.

In connection with the preparation of our audited financial statements, annual external audits are performed by internationally recognized accounting firms. These audits also check that the whistleblower channel is active and functioning correctly.

**Figure 32: Whistleblower channel**

IN PERSON	Communication to the supervisor or manager
WEBSITE	<a href="http://fortuna.ethicspoint.com">http://fortuna.ethicspoint.com</a> <sup>24</sup> <a href="http://www.clearviewconnects.com">www.clearviewconnects.com</a>
TELEPHONE	CANADA: 1-855-384-9882 ARGENTINA: 0800-444-5616 MEXICO: 001-800-840-7907 PERU: 0800-52116 BURKINA FASO: (980) 500-7477 COTE D'IVOIRE: (980) 500-7477

## Transparency

Our Anti-Corruption Policy prohibits the Company from providing political contributions in any circumstances, either directly or through third parties.

If we undertake activities that could be considered as lobbying, we verify that this activity is aligned with the Code of Business Conduct and Ethics, the Anti-Corruption Policy, and the regulations of the jurisdictions where we operate.

We are transparent about our spending on industry associations that may undertake public policy advocacy (**Table 29**).

<sup>24</sup> Through the website, people can report complaints anonymously. Such complaints must contain enough detail and information to enable the event to be appropriately investigated and to resolve the grievance.



**Table 29: Spending on industry association memberships in 2021 (USD)** [GRI 102-13]

Industry Associations and Other Memberships	2021
Cámara de Comercio Canada (Peru)	614.25
Sociedad Nacional de Minería, Petróleo y Energía (Peru)	50,291.76
Cámara de Comercio Canada (Mexico)	766.45
Cámara Minera de México	2,586.22
Cámara Argentina de Empresarios Mineros (CAEM)	20,862.00
Cámara de Minería de Salta (Argentina)	1,762.00
Grupo de empresas exploradoras de la República Argentina	652.00
Cámara de Comercio Argentino Canadiense (Argentina)	1,951.00
Chamber of Mines (Burkina Faso)	38,325.00
CSR Forum (Burkina Faso)	1,825.00
<b>Total</b>	<b>119,635.71</b>

Under Canada’s ESTMA legislation we are required to report our payments to all levels of government in Canada, Peru, Mexico, Argentina, and Burkina Faso. We file [ESTMA reports](#) with Natural Resources Canada (NRCAN) and post them to our website.

### Tax

Our approach to tax planning and [transfer pricing](#) complies with the laws and practices of the countries where we operate. We deal with authorities openly and with integrity, and do not undertake contrived or artificial tax planning. We pay the right amount of tax, and transparently report all payments. If any tax regulations are unclear, we seek guidance from external tax experts. We do not carry out aggressive global tax planning. We price intra-group transactions by applying the [Arm’s Length Principle](#), the international transfer pricing standard that OECD member countries have agreed multi-national enterprises should use for tax purposes. Our transfer pricing strategy, which is verified annually by third-party experts, is not publicly disclosed. While we are responsible to shareholders,

employees, and business partners to operate as efficiently as possible and remain competitive, we do not seek arrangements where the primary purpose is tax avoidance.

At the beginning of 2018, three of our indirect subsidiaries were domiciled in low tax jurisdictions, commonly referred to as “[tax havens](#)”. These structures were inherited as part of the acquisition of our mining assets. Since we do not engage in or promote tax strategies designed to erode the tax base of our subsidiaries or divert profits to low tax jurisdictions, we unwound one of the structures in November 2018. Management is evaluating the possibility of unwinding the last two offshore entities. None of our operations receive government financial assistance of any kind, in the form of subsidies or tax relief to our business activities except for the tax stability agreements in Argentina to promote foreign investment. In this case, we have a 30-year Stability Agreement expiring in 2043 that was in place when we acquired the company that owned the Lindero property. This agreement includes a provision that the income tax rate payable will not exceed 35%, as well as specific provisions for [double deduction](#) of certain expenses, capital investments, and tax loss carryforwards.

## OUR PERFORMANCE

- **Zero corruption cases:** There were no confirmed corruption cases or active cases under investigation in 2021. [GRI 205-3]
- **Zero political contributions:** Consistent with our policy, we made no corporate contributions to politicians, political parties or candidates for public office in 2021. [GRI 415-1]
- **100%** of our employees from the Latin American operations undertook annual training on the Anti-Corruption Policy and **98%** of our employees from the Latin American operations undertook annual training on the Code of Business Conduct and Ethics [GRI 205-2]. Data was not available for the West African operations for 2021.



## ESG FOCUS

- Business Ethics and Transparency Governance
- Code of Ethics
- [Anti-Corruption Policy](#)
- [Supplier Code of Ethics](#)
- ESTMA
- SASB EM-MM-510a.1 Description of the management system for prevention of corruption and bribery throughout the value chain
- SASB EM-MM-510a.2 Production in countries with the 20 lowest rankings in the Corruption Perception Index

◀ [Back to ESG for Investors](#)



# Human Capital Management and Labor Relations

## WHY IS THIS IMPORTANT FOR FORTUNA?

Mining requires significant inputs of skilled labor and professional and technical expertise. It is demanding work that can be hazardous, and the workforce has traditionally been predominantly male. In some jurisdictions, workers' rights are poorly protected, while in others, unions play a key role in negotiating wages and working conditions. Strikes can shut down operations. Effective human capital management that recruits, develops and retains diverse talent can enhance productivity and reduce costs over the long term, while effective management of labor relations can prevent disruptions and protect the Company's reputation. The COVID-19 pandemic magnifies the labor relations risks, as the virus presents an additional work hazard and there is heightened scrutiny of how companies are supporting employees.

▼ San Jose Mine women in our workforce



We operate within the framework of the labor regulations of the countries where our mines are located. Contractors play a significant role in our operations, representing just over half of our workforce in 2021 (52%) [SASB EM-MM-000.B]. At our underground mine Caylloma (Bateas) operational work is primarily undertaken by contractors and at our underground mine San Jose (Cuzcatlan) operational work is now primarily undertaken by employees of Cuzcatlan. At our Lindero open pit mine (Mansfield) operational work is undertaken primarily by our own employees. Contractors at Lindero include construction personnel who are working to expand the plant (this work will conclude at the end of 2022) and contractors performing activities such as catering, cleaning services for the camp, medical services, personnel transportation, and general services. At Yaramoko, contractors are involved in ore extraction, project development, and geological drilling [GRI 102-8]. Freedom of association and collective bargaining are regulated in the countries in which we operate [GRI 407-1]. Approximately half our employees are unionized or covered by collective bargaining agreements (Table 30).

**Table 30: Percentage of total employees unionized and covered by collective bargaining agreements**

[GRI 102-41, SASB EM-MM-310a.1]

Unionized employees			Employees covered by collective bargaining agreements		
2019	2020	2021	2019	2020	2021
53	51	47	56	54	69

## OUR APPROACH

We consider our employees to be our most valuable asset. We strive to attract and retain highly skilled employees, offering competitive wages and professional development opportunities. We are committed to building a diverse organization that respects human rights and supports equal opportunities.

Our approach to human capital management is guided by the following policies:

- [Code of Business Conduct and Ethics](#) (see [Business Ethics and Transparency](#) section).
- [Human Rights Policy](#) (see [Security and Human Rights](#) section).
- [Diversity Policy](#) (approved by the Board and outlines our expectations with respect to equal opportunities).

Our approach to human capital management and diversity is overseen by the Chief Operating Officers (COOs) for Latin America and West Africa, and the Country Heads and Vice President Operations for West Africa have management responsibility for implementation at the regional level.

## Talent Management

We seek to attract the best talent and avoid discrimination by using relevant and objective criteria in selection, training and promotions. Each vacancy has a job description against which candidates' skills and experience are evaluated, using a range of tools including psychometric evaluation, projective tests and interviews. Managers are assessed using the [360-degree feedback process](#), a comprehensive evaluation to measure managerial competencies. For non-managerial positions, we undertake a competency-based performance assessment. In 2020, we implemented a new competency-based talent management model based on the Korn Ferry Leadership Architect (KFLA) tool at Bateas,



Cuzcatlan, and for our corporate employees. This allows us to develop succession plans and prepare high potential employees to assume leadership positions. The model will be implemented in 2022 at Mansfield and we are evaluating its relevance for our West African operations.

### Talent Retention

We offer employees a competitive package of salary and benefits. Salaries are adjusted based on an analysis of external pay competitiveness data for our industry and the countries where we operate, and on internal pay equity. We approved a new Compensation Policy and a Talent Management Policy in 2020.

We conduct an employee satisfaction survey that is based on an internationally validated methodology, the Hay Group survey. Alignment to this methodology allows us to compare our performance on employee satisfaction to global mining companies as well as other companies in different industries that operating within the same region as us. It also provides us with detailed data on employee satisfaction in key areas and identifies opportunities for improvement. In 2021, the survey was only conducted for our Latin American operations and will be conducted for West African operations in early 2022.

Our satisfaction rate was 69%, which is slightly higher than the mining industry average (68%). Other key findings include that 79% of Fortuna’s employees from the Latin American operations believe that they have the support needed to succeed and are engaged and motivated. This is significantly higher than the mining industry average (50%) and above the regional average for all industries (64%).

Our subsidiaries each have internal management procedures and work regulations for employees. Additional benefits managed by subsidiaries include provision of financial support for personal emergencies and extended special leave for personal emergencies and education. There are no differences in the benefits provided to full-

time employees as compared to temporary or part-time employees [GRI 401-2]. We also conduct regular internal audits and inspections at our subsidiaries to ensure that contractors comply with the payment of all wages and employee obligations as required by law.

We utilize an e-learning platform to deliver employee training, including regulatory, technical and management training courses.

### Labor Relations

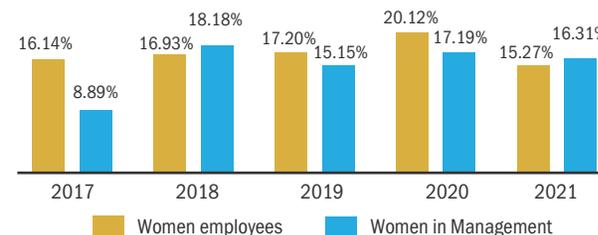
We maintain a regular dialogue with the unions that represent our workers. We respect the right to freedom of association and collective bargaining and guarantee the conditions that enable our employees to exercise such rights (see [Security and Human Rights](#) section).

In 2021, Mansfield undertook salary negotiations for the first time and reached an agreement which includes an average salary that is 10% higher than the national average. Mansfield also hired a full time employee who is responsible for labor relations and managing labor risks. At the end of 2022, a new labor agreement will be negotiated on salary and additional items. For employees who are not represented by the union, there is a compensation plan which includes quarterly increases in salary to account for projected inflation. These initiatives and agreements ensure that we remain a competitive employer in the region and maintain strong relationships with our labor force.

## OUR PERFORMANCE

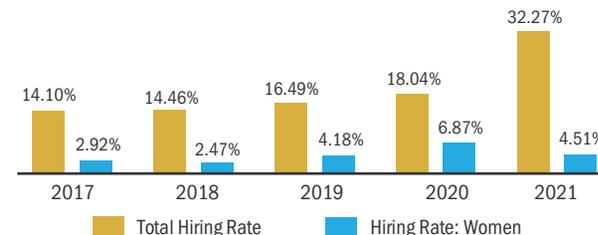
We continue to focus on workforce diversity and strive to make progress on increasing the proportion of women employees across the organization (**Figure 33**).

**Figure 33: Representation of women**



In 2021, we hired 687 new employees, representing a total hiring rate of 32%. Our hiring rate for women in 2021 decreased slightly from 2020, however, in absolute terms, we hired almost double the number of women in 2021 than in 2020 (**Figure 34**).

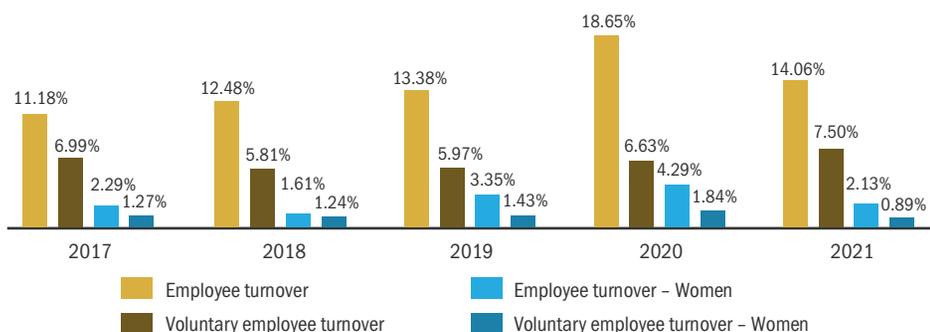
**Figure 34: Women as a percentage of new hires**





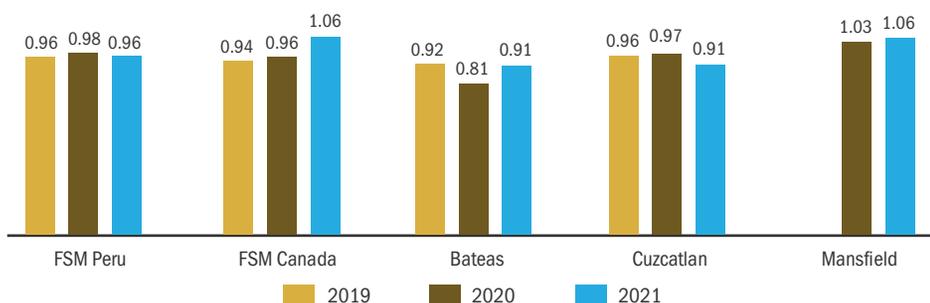
Our employee turnover rate for our Latin American operations decreased in 2021 (**Figure 35**) after increasing in 2020 for reasons attributable to the COVID-19 pandemic. Our voluntary turnover rate for our Latin American operations remained relatively steady at 7.56%. Both our employee turnover rate and voluntary turnover rate for female employees in our Latin American operations decreased by almost half in 2021. Data was not available for the West African operations for 2021.

**Figure 35: Employee turnover rates in Latin American operations** [GRI 401-1]



We continue to make progress in closing the pay gap between women and men at each level of the Company. Data was not available for the West African operations for 2021 (**Figure 36**).

**Figure 36: Ratio of women’s total cash compensation to men’s total cash compensation across our Latin American operations** [GRI 405-2]



As part of our effort to increase the representation of women in the Company, since 2017 we have consistently invested a higher average amount in training for women (**Table 31**). We revised our definition of "training" concept and in 2021 we did not include training mandated by law. Hence, the decrease in the ratio. Data was not available for the West African operations for 2021.

**Table 31: Average hours of training and investment in training across our Latin American operations (consolidated), by gender** [GRI 404-1]

Category	2017		2018		2019		2020		2021	
	Hours	USD								
Women	23.1	234	73.4	363	37.7	769	32.9	422	22.1	239
Men	9.7	150	8.3	191	24.6	457	53.9	276	14.1	152

Performance reviews are an important part of our talent management. In 2019 we started to track compliance with our policy that all employees should receive feedback (**Table 32**). We continue to implement measures to ensure that this important process is completed for all our employees. Data was not available for the West African operations for 2021.

**Table 32: Percentage of employees across our Latin American operations who received a performance review, by gender** [GRI 404-3]

Category		2019	2020	2021
FSM Corporate	Men	100	63.64	100
	Women	100	58.3	100
Bateas	Men	100	88.6	86.9
	Women	100	92	67.7
Cuzcatlan	Men	97.7	99.7	100
	Women	100	100	100
Mansfield	Men	N/A	N/A	67.6
	Women	N/A	N/A	70.7

Further data on human capital management can be found in **Appendix E**.



# Rights of Indigenous Peoples

## WHY IS THIS IMPORTANT FOR FORTUNA?

Mining companies face additional human rights and community relations rights when operating in or near territories occupied or claimed by Indigenous Peoples. Effective management of relationships with Indigenous Peoples can help to prevent operational disruptions, reduce costs from settlements and compensation payments, facilitate permitting, avoid write-downs of assets in disputed areas, and protect the Company's reputation.

The [Indigenous and Tribal Peoples Convention \(ILO 169\)](#) has been ratified by most Latin American countries including Mexico, Peru and Argentina, all of which have also endorsed the [UN Declaration on the Rights of Indigenous Peoples](#). At Caylloma (Bateas), the Santa Rosa community could in future be recognized as Indigenous by the Peru Ministry of Culture. Under Mexican law, the municipalities surrounding San Jose (Cuzcatlan) that have customary governance systems are recognized by the authorities as Indigenous. Lindero is located 75 kilometers from the nearest community, Tolar Grande, where most inhabitants are members of the Kolla Indigenous community. This community has been recognized by the Provincial Institute of Indigenous Peoples of Salta (IPPIS) and the National Institute of Indigenous Affairs (INAI) and is included in the National Registry of Indigenous Communities (RENACI). The West African countries of Burkina Faso and Côte d'Ivoire have no registered Indigenous communities.

## OUR APPROACH

We are committed to respecting and protecting human rights, local customs, traditions and community rights.

### Human Rights Policy

Our [Human Rights Policy](#), which is approved by the Board, is mandatory for the Company and its subsidiaries, suppliers, and business partners. The Policy is overseen by the Sustainability Committee of the Board, and the Senior Vice President Sustainability has management responsibility for its implementation. The Senior Vice President Sustainability is supported by the Corporate Human Resources Department, which is responsible for education and training activities.

The Policy draws on the [Universal Declaration of Human Rights](#), the [UN Guiding Principles on Business and Human Rights](#), and the [Voluntary Principles on Security and Human Rights](#), and its key principles are incorporated across our processes and systems. The Policy specifically addresses the rights of Indigenous peoples and includes a commitment to respect the rights of local and Indigenous communities near our operations by proactively seeking, engaging and supporting meaningful dialogue about our operations. We are also committed to anticipate and avoid or, where avoidance is not possible, minimize adverse social and economic impacts, including resettlement, from land acquisition or restrictions on land use by providing compensation for loss of assets. Finally, we are committed to ensuring that resettlement activities (if necessary) are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected.

All new employees receive a copy of the Policy and a training session delivered through our e-learning platform. Violations of the Policy can be reported through our whistleblower channel (see [Business Ethics and Transparency](#) section).

Our commitment to respect the rights of Indigenous peoples is further supported by the following policies:

- [Code of Business Conduct and Ethics](#)
- [Supplier Code of Business Conduct and Ethics](#)
- [Diversity Policy](#)

### Social Investments

We have signed an agreement with the Kolla Community, consistent with ILO Convention 169. This agreement establishes the framework under which our social investment activities will be implemented and includes a commitment to provide funding to the Kolla Community Revolving Fund for micro-entrepreneurs.

## OUR PERFORMANCE

- There were zero recoded cases of violations related to the rights of Indigenous peoples in 2021 [GRI 411-1]. See **Table 27** for historical data.



# Supply Chain Management

## WHY IS THIS IMPORTANT FOR FORTUNA?

Companies have influence on the environmental and social performance of their contractors and suppliers and may be held responsible for their actions by stakeholders. Breakdowns in the supply chain for essential materials can shut down operations, and materials required for the extraction of metals and minerals can have significant environmental and social impacts for communities, workers, and ecosystems. Effective management of the supply chain can prevent operational disruptions, reduce litigation and regulatory risk, build community relationships through local procurement, and protect the Company's reputation.

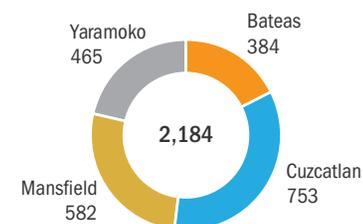
A significant part of our operational workforce consists of contractors, who work closely with our employees. We also rely on suppliers for a wide range of goods and services. An important aspect of our supply chain is the sourcing and transportation of products and materials that require special handling, such as explosives, hydrocarbons, chemical reagents, cyanide, personal protective equipment, and safety equipment [GRI 102-9].

Recently the government of Burkina Faso issued a new decree related to the regulation of local content purchases. This announcement was made in January 2022 and the West African operations are monitoring its implementation (which has not yet been finalized by the government) and the implications for operations and approach to local purchasing.

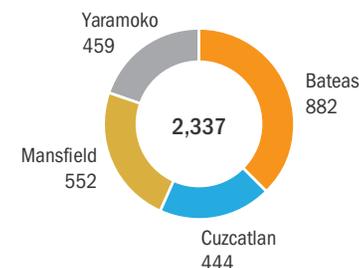
In 2021, we had 2,184 suppliers of products and services (**Figure 37**) and 2,337 contractors (**Figure 38**).

◀ Yaramoko Mine contractor

**Figure 37: Total number of suppliers by location** [GRI 102-9]



**Figure 38: Total number of contractors by location** [GRI 102-9]





## OUR APPROACH

Fortuna is committed to conducting business in an ethical, legal and responsible way, and we expect the same commitment from our contractors and suppliers. We seek out contractors and suppliers who share our corporate values, follow high standards and are committed to following our policies.

### Supplier Code of Business Ethics and Conduct

Our [Supplier Code of Business Ethics and Conduct](#), which is approved by the Board, sets out our expectations for the behavior of suppliers and other parties with whom we maintain business relationships.

We provide a copy of the Supplier Code of Business Ethics and Conduct to all suppliers, who must sign an acknowledgement that they have read it and will comply with its provisions. The Code also requires contractors and suppliers to comply with or exceed local legislation, as well as our corporate policies and guidelines:

- [Code of Business Ethics and Conduct](#)
- [Anti-Corruption Policy](#)
- [Health and Safety Policy](#)
- [Human Rights Policy](#)
- [Environmental Policy](#)
- [Community Relations Policy](#)

Complaints about any non-compliance with the Code may be submitted through our whistleblower channel (see [Business Ethics and Transparency](#) section).

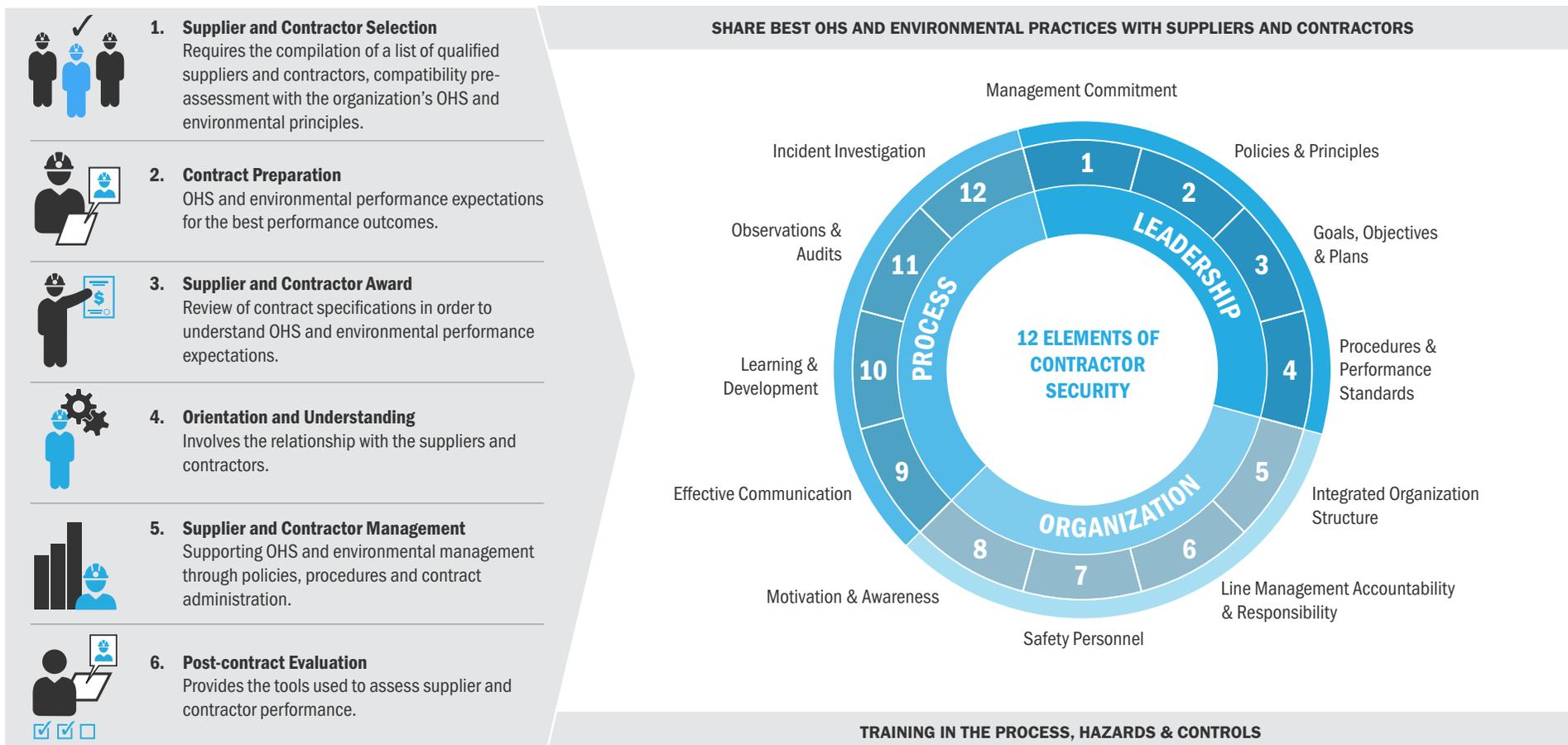
## Supply Chain Management

Our supply chain management process is outlined in **Figure 39**.

**Figure 39: Supply chain management**



Contractors and suppliers are categorized as Type A, B or C according to the duration of their work for the Company and the extent to which the goods and services they supply are critical to our primary mining activities. In 2020 we began to implement a new structure for managing supplier and contractor health and safety and environmental performance and issued guidance to subsidiaries. For this, we retained the international firm DuPont to recommend a new HSSE structure for the management of suppliers and contractors. Full implementation has been postponed due to COVID-19 and the integration with Roxgold. The methodology is shown in **Figure 40**.

**Figure 40: Supplier OHS and Environmental Management**



Because of the key role they play in our operations, our subsidiaries set specific contractual expectations for contractors on HSSE matters, including:

- Health and safety and environmental management systems.
- Alcohol and drug control programs, safe work procedures, emergency preparedness and response plans, environmental management and social responsibility plans.
- Internal regulations governing health and safety.
- Equipment technical specifications and maintenance plans.
- Driver qualifications.
- Personal protective equipment requirements and quality certificates.
- Qualifications or certifications (such as certification to ISO Standards).

More details on our safety approach and performance can be found in the [Workforce Health and Safety](#) section of this Report.

### Assessment of Supplier Performance

Our subsidiary Procurement departments work with HSSE departments to evaluate the performance of our contractors and verify compliance with our expectations. In the event of non-compliance, the local Procurement department is notified and will evaluate whether to suspend the business relationship [GRI 403-7]. Our Procurement departments are trained in all aspects of our requirements for contractors.

Our annual supplier audit is an internal assessment process performed by an external third party. It focuses primarily on our critical Type A contractors. Each year, we recognize the contractor with the highest assessment under the audit criteria.

Our subsidiaries are responsible for implementing our corporate expectations. Roxgold is currently evaluating and working to formalize its process for assessing supplier performance.

Bateas established a Procurement Committee and introduced a supplier certification process, in which an external third-party assesses potential suppliers on criteria including a range of sustainability issues. Potential suppliers passing the evaluation receive a one-year certification qualifying them as a supplier. Existing strategic suppliers (suppliers with contracts exceeding USD 50,000) must be certified and all new suppliers (regardless of whether they are strategic) must be certified. In addition to the certification process, the Procurement Committee may set contractual expectations for suppliers on additional criteria. In 2021, these contractual expectations were strengthened to include criteria related to hiring of local employees, local procurement, labor rights, and gender equity. Additionally, the Procurement team works closely with the Community Relations team to support the development of local suppliers' capacity. A local supplier development database has been implemented, "Caylloma Match", that is used to support local procurement and employment. In 2021, training was also provided on commercial issues, proposal writing, invoicing, purchasing procedures, and business development.

▼ Contractors at Caylloma Mine



## OUR PERFORMANCE

In the last two years we have made progress in formally assessing the selection of our suppliers according to environmental and social criteria (**Table 33**). We still face challenges and opportunities relating to the development responsible sourcing processes. Supplier selection data is not available for our West African operations in 2021.

**Table 33: Supplier selection in Latin American operations**

[GRI 308-1, GRI 414-1]

Supplier Selection and Compliance	2017	2018	2019	2020	2021
Supplier Selection					
New suppliers selected in accordance with environmental criteria (%)	N/A	N/A	4.17 <sup>25</sup>	13.30 <sup>26</sup>	2.31
New suppliers selected in accordance with social criteria (%)	N/A	N/A	0	0	1.65

There were no recorded cases of supplier violations of key human rights criteria (freedom of association and collective bargaining, child labor and forced labor) in 2021 across our entire operations. [GRI 407-1]

<sup>25, 26</sup> This data represents Bateas only.



## APPENDIX A

## Séguéla Data

Data for the Séguéla project is not included in our consolidated sustainability data for 2021 as this project is in the construction phase. However, in the interest of transparency, we have provided available data for the Séguéla project in Table 34.

**Table 34: Sustainability Data for the Séguéla Project**

Indicator	Reference	Unit	2021
<b>ENVIRONMENT</b>			
Number and volume of significant spills		number/ volume	0
<b>WATER MANAGEMENT</b>			
Total fresh water consumed	SASB: EM-MM-140a.1, GRI 303-5	m <sup>3</sup>	22,721
Volume of water discharged		m <sup>3</sup>	0
Freshwater consumed in regions with High/Extremely High Baseline Water Stress	SASB: EM-MM-140a.1	%	0
<b>CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS</b>			
Scope 1 GHG emissions	SASB: EM-MM-110a.1, GRI 305-1	tCO <sub>2</sub> e	2,291
Scope 2 GHG emissions	GRI 305-2	tCO <sub>2</sub> e	151
<b>ENERGY MANAGEMENT</b>			
Total energy consumption	GRI 302-1	GJ	28,683
Fuel consumption		GJ	28,031
- Non-renewable fuel	GRI 302-1	GJ	28,031
- Renewable fuel		GJ	0
Electricity consumption	GRI 302-1	GJ	651

Indicator	Reference	Unit	2021
<b>SOCIAL</b>			
<b>COMMUNITY RELATIONS</b>			
Number of significant disputes with local communities		number	0
Local employees		%	31.74%
Local contractors		%	47.52%
Local suppliers		%	4.76%
Contractors' local suppliers		number	23
<b>WORKFORCE HEALTH AND SAFETY<sup>27</sup></b>			
Hours worked	GRI 403-9	number	695,156
Work-related injuries: employees			
- Fatalities	GRI 403-9	number	0
- LTIFR		rate	0
- TRIFR		rate	0
- Severity rate		rate	0
Work-related injuries: contractors			
- Fatalities	GRI 403-9	number	0
- LTIFR		rate	0
- TRIFR		rate	0
- Severity rate		rate	0
<b>SECURITY AND HUMAN RIGHTS</b>			
Recorded cases of violations of human rights related to discrimination	GRI 406-1	number	0
Recorded cases of violations of human rights related to freedom of association and collective bargaining	GRI 407-1	number	0
Recorded cases of violations of human rights related to child labor	GRI 408-1	number	0
Recorded cases of violations of human rights related to forced labor	GRI 409-1	number	0

<sup>27</sup> All rates per 1,000,000 hours



Indicator	Reference	Unit	2021
<b>BUSINESS ETHICS AND TRANSPARENCY</b>			
Production in countries with lowest Corruption Perception Index rankings	SASB EM-MM-510a.2	t	0
<b>HUMAN CAPITAL MANAGEMENT AND LABOR RELATIONS</b>			
Employees	GRI 102-8	number	167
- Men		number	154
- Men		%	92%
- Women		number	13
- Women		%	8%
- Contractors		number	343
- Contractors		%	67.25%
- Women in management positions	GRI 405-1	%	20
- New employee hires	GRI 401-1	number	0
<b>RIGHTS OF INDIGENOUS PEOPLES</b>			
Recorded cases of violations of human rights related to Indigenous rights	GRI 411-1	number	0
<b>SUPPLY CHAIN MANAGEMENT</b>			
Number of suppliers	GRI 102-9	number	84



## APPENDIX B

## Performance Data Table

Indicator	Reference	Unit	2017	2018	2019	2020	2021
<b>ENVIRONMENTAL</b>							
Significant environmental fines	GRI 307-1	USD	96,998	0	170,990	0	0
		number	2	0	2	0	0
<b>WASTE AND HAZARDOUS MATERIALS MANAGEMENT</b>							
Total weight of tailings waste	SASB: EM-MM-150a.1	t	1,511,195	1,485,985	1,509,124	1,357,774	1,998,177
Tailings waste recycled		%	28.01	31.06	37.81	34.84	26.01
Tailings generation intensity – processed ore		t/t	0.94	0.94	0.94	0.94	0.95
Number of tailings impoundments, hazard potential	SASB: EM-MM-150a.3	number	4	4	4	4	5
		hazard potential	Significant	Significant	Significant	Significant	Significant
Significant spills		number	1	1	0	0	0
Waste generated (total)	GRI 306-3	t	1,175	1,483	1,329	1,123	2,703
Hazardous waste generated	GRI 306-3	t	329.71	345.16	307.71	261.06	806.38
- Diverted from disposal	GRI 306-4	t	151.12	171.88	126.57	115.76	290.41
- Directed to disposal	GRI 306-5	t	178.59	173.28	181.14	145.30	515.97
Non-hazardous waste generated	GRI 306-3	t	845.70	1,138	1,021	862.06	1,896.11
- Diverted from disposal	GRI 306-4	t	475.42	720.48	602.09	519.36	1,031.62
- Directed to disposal	GRI 306-5	t	370.28	417.32	419.27	342.70	864.49
Waste generation intensity – processed ore		kg/t	0.73	0.94	0.83	0.78	0.32

Indicator	Reference	Unit	2017	2018	2019	2020	2021
<b>WATER MANAGEMENT</b>							
Total water withdrawn	GRI 303-3	thousand m <sup>3</sup>	1,612	1,384	1,590	1,252	2,367
Total freshwater withdrawn	SASB: EM-MM-140a.1, GRI 303-3	thousand m <sup>3</sup>	1,405	1,244	1,337	1,030	2,123
Total water consumed	GRI 303-5	thousand m <sup>3</sup>	1,444	948	1,285	1,022	2,153
Total freshwater consumed	SASB: EM-MM-140a.1, GRI 303-5	thousand m <sup>3</sup>	1,237	808	1,032	800	2,039
Freshwater withdrawn/ consumed in regions with High/Extremely High-Water Stress	SASB: EM-MM-140a.1	%	0	0	0	0	214.58
Water consumption intensity – processed ore		m <sup>3</sup> /t	0.90	0.60	0.80	0.71	0.24
Percentage of water recycled		%	67.92	70.64	67.70	70.74	61.57
Water discharge	GRI 303-4	thousand m <sup>3</sup>	168.59	436.02	304.81	230.14	214.05
Incidents of non-compliance with water quality permits, standards and regulations	SASB: EM-MM-140a.2	number	0	1	0	0	0



Indicator	Reference	Unit	2017	2018	2019	2020	2021
<b>CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS</b>							
Total GHG emissions		tCO <sub>2</sub> e	82,349	80,288	75,642	70,983	152,232
Gross global Scope 1 emissions	SASB: EM-MM-110a.1, GRI 305-1	tCO <sub>2</sub> e	21,900	21,287	17,494	19,016	93,958
Gross global Scope 1 emissions covered by emissions-limiting regulations	SASB: EM-MM-110a.1	%	0	0	0	0	0
Gross global Scope 2 emissions	GRI 305-2	tCO <sub>2</sub> e	60,449	59,001	58,148	51,966	58,274
GHG emissions intensity - processed ore	GRI 305-4	tCO <sub>2</sub> eq/ thousand t	51.45	50.97	47.28	49.14	17.81
<b>ENERGY MANAGEMENT</b>							
Total energy consumption	GRI 302-1	GJ	663,566	663,199	612,501	561,889	1,815,846
- Non-renewable energy		GJ	635,505	616,060	572,354	526,171	1,692,970
- Renewable energy		GJ	28,060	47,139	40,146	35,718	122,876
Fuel consumption	GRI 302-1	GJ	274,055	260,155	215,284	197,778	1,219,536
- Non-renewable fuel		GJ	274,055	260,155	215,284	197,778	1,191,793
- Renewable fuel		GJ	0	0	0	0	27,743
Electricity consumption	GRI 302-1	GJ	389,511	403,043	397,217	364,112	596,310
- Non-renewable sources		GJ	361,450	355,904	357,071	328,393	501,177
- Renewable sources		GJ	28,061	47,139	40,146	35,718	95,133
Energy intensity - processed ore		GJ/t	0.41	0.42	0.38	0.39	0.21
<b>AIR QUALITY</b>							
Air emissions concentration - NO <sub>x</sub>		ug/m <sup>3</sup>	9.03	8.02	<4.00	<4.00	24.88
- SO <sub>x</sub>		ug/m <sup>3</sup>	13.72	13.72	13.72	<3.00	3.74
- PM <sub>2.5</sub>		ug/m <sup>3</sup>	9.62	14.48	47.74	4.86	13.91
- PM <sub>10</sub>		ug/m <sup>3</sup>	25.25	30.33	32.44	20.74	38.69

Indicator	Reference	Unit	2017	2018	2019	2020	2021
<b>BIODIVERSITY IMPACTS</b>							
Sites in/adjacent to protected areas & high biodiversity value areas	GRI 304-1	number	2	2	2	2	2
IUCN Red List/national list species: - Critically endangered	GRI 304-4	number	0	2	2	1	3
- Endangered		number	0	2	1	2	4
- Vulnerable		number	14	17	17	18	24
- Near-threatened		number	14	18	16	17	16
- Least concern		number	39	71	68	72	148
Land disturbed and not yet rehabilitated (year-end balance)		ha	162.6	166.83	171.82	175.88	377.25
<b>MINE CLOSURE AND RECLAMATION</b>							
Closure guarantees (Caylloma and Yaramoko mines)		million USD	3.18	4.99	7.24	9.70	10.47
Closure budget (Latam operations and Yaramoko mine)		million USD	13.72	14.52	16.17	20.67	54.54
<b>SOCIAL</b>							
<b>COMMUNITY RELATIONS</b>							
Number of non-technical delays / significant disputes	SASB: EM-MM-210b.2	number	-	-	0	0	0
Local employees - DAI		%	25.27	34.77	33.93	34.86	42.43
Spending on local suppliers - DAI	GRI 204-1	%	-	-	-	2.19	4.85
Community investment		USD	-	-	2,798,770	2,358,581	5,010,820



Indicator	Reference	Unit	2017	2018	2019	2020	2021
<b>WORKFORCE HEALTH AND SAFETY</b>							
Employees: - All incidence rate	SASB: EM-MM-320a.1	rate	1.52	0.61	0.30	0.91	0.41
- Fatality rate		rate	0	0	0	0	0
- Near miss frequency rate		rate	0.65	1.02	1.59	2.16	2.66
- Average hours of health, safety and emergency response training		hours	28.08	23.74	21	17.91	18.24
Contractors: - All incidence rate	SASB: EM-MM-320a.1	rate	1.62	1.68	1.29	1.36	0.87
- Fatality rate		rate	0.12	0	0.06	0	0
- Near miss frequency rate		rate	2.37	1.51	3.20	6.25	4.14
- Average hours of health, safety and emergency response training		hours	43.82	22.99	23.69	24.40	69.26
Work-related injuries: employees - Fatalities	GRI 403-9	number	0	0	0	0	0
- LTIFR		rate	3.25	1.02	0	1.14	0.23
- TRIFR		rate	7.59	3.06	1.49	4.55	2.07
- Severity rate		rate	478.51	72	0	36.97	49.39
- High consequence injuries		number	0	0	0	0	0
- High consequence injuries		rate	0	0	0	0	0
Work-related injuries: contractors - Fatalities	GRI 403-9	number	2	0	1	0	0
- LTIFR		rate	1.15	0	0.56	0	0
- TRIFR		rate	2.31	2.24	1.69	3.01	0.83
- Severity rate		rate	8.08	8.39	6.18	6.78	4.34
- High consequence injuries		rate	3,586	136.2	1,847	121.63	169.82
- High consequence injuries		number	0	2	0	0	1
- High consequence injuries	rate	0	0.56	0	0	0.17	
Work-related ill health	GRI 403-10	number	0	0	0	0	0

Indicator	Reference	Unit	2017	2018	2019	2020	2021
<b>SECURITY AND HUMAN RIGHTS</b>							
Incidents of discrimination and corrective actions taken	GRI 406-1	number	0	0	0	0	0
Incidents of violations involving rights of indigenous peoples	GRI 411-1	number	0	0	0	0	0
Freedom of association at risk	GRI 407-1	number	0	0	0	0	0
Child labor risk	GRI 408-1	number	0	0	0	0	0
Forced labor risk	GRI 409-1	number	0	0	0	0	0
Security personnel trained on human rights - Employees	GRI 410-1	%	12.5	100	100	100	100
- Contractors		%	71.62	100	100	100	100
Employees trained on human rights	GRI 412-1	%	-	-	-	100	79
Hours of training		hours	-	-	-	103.89	272.10
<b>BUSINESS ETHICS AND TRANSPARENCY</b>							
Production in countries with lowest Corruption Perception Index rankings	SASB EM-MM-510a.2	t	-	-	-	0	0
Corruption cases	GRI 205-3	number	0	0	0	0	0
Employees trained on anti-corruption policies	GRI 205-2	%	-	8	12	11	9
		number	-	68	101	93	154
Target employees trained on anti-corruption policies	GRI 205-2	%	-	96	100	100	100
Directors and employees trained on Code of Ethics		%	100	100	100	100	100
Political contributions	GRI 415-1	USD	0	0	0	0	0
Spending on industry associations		USD	-	-	81,788	88,693	119,636



Indicator	Reference	Unit	2017	2018	2019	2020	2021
<b>HUMAN CAPITAL MANAGEMENT AND LABOR RELATIONS</b>							
Employees	GRI 102-8	number	787	809	837	815	2,129
- Men		number	660	672	693	651	1,804
- Women		number	127	137	144	164	325
Contractors		number	1,260	1,527	1,307	1,351	2,337
New employee hires	GRI 401-1	number	111	117	138	147	687
		rate	14.1	14.46	16.49	18.04	32.27
- Men		number	88	97	103	91	591
		rate	11.18	11.99	12.31	11.17	27.76
- Women		number	23	20	35	56	96
		rate	2.92	2.47	4.18	6.87	4.51
Employee turnover	GRI 401-1	number	88	101	112	152	238
		rate	11.18	12.48	13.38	18.65	14.06
- Men		number	70	88	84	117	202
		rate	8.89	10.88	10.04	14.36	11.93
- Women		number	18	13	28	35	36
		rate	2.29	1.61	3.35	4.29	2.13
Voluntary employee turnover	GRI 401-1	number	55	47	50	54	127
		rate	6.99	5.81	5.97	6.63	7.50
- Men		number	45	37	38	39	112
		rate	5.72	4.57	4.54	4.79	6.62
- Women		number	10	10	12	15	15
		rate	1.27	1.24	1.43	1.84	0.89
Average hours of training per year	GRI 404-1	hours	11.83	19.37	26.87	49.64	16.05
		- Men	hours	9.67	8.34	24.63	53.86
- Women		hours	23.07	73.44	37.67	32.87	22.08
Employees receiving evaluation	GRI 404-3	%	-	100	99.06	92.59	88.84
		- Men	%	-	100	98.87	92.25
- Women		%	-	100	100	94.35	87.89
Employees covered by collective bargaining agreements	SASB Index, GRI 102-41	%	-	-	55.91	53.92	68.77

Indicator	Reference	Unit	2017	2018	2019	2020	2021
<b>RIGHTS OF INDIGENOUS PEOPLES</b>							
Incidents of violations involving rights of indigenous peoples	GRI 411-1	number	0	0	0	0	0



## APPENDIX C

## SASB Metals &amp; Mining Standard Content Index

The Sustainability Accounting Standards Board (SASB) publishes industry-specific sustainability accounting standards, intended to help companies disclose financially material, decision-useful ESG information to investors in a cost-effective and comparable way. We have reported applicable metrics from the SASB Metals & Mining Standard for topics that were identified as most financially material in our 2021 ESG materiality assessment. Consolidated data is provided for Fortuna offices, Bateas, Cuzcatlan, Mansfield and Yaramoko where available.

We have explained any deviations from the Standard, which fall into the following categories:

- We have omitted the metric because the topic is not applicable to our business model or not financially material for the Company. (If we have reported a similar or identical metric in accordance with the GRI Standards, a reference is provided.)
- We have modified the metric because the protocol for completion references a U.S. standard, and it is more appropriate for our Company to report using international standards, Canadian standards or standards applicable in the markets in which our operations are located.

Indicator Code	Metric	Location
<b>GREENHOUSE GAS EMISSIONS</b>		
SASB EM-MM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Climate Change and Greenhouse Gas Emissions (p. 50)
SASB EM-MM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Climate Change and Greenhouse Gas Emissions (p. 43-50)
<b>AIR QUALITY</b>		
SASB EM-MM-120a.1	Air emissions of the following pollutants: (1) CO, (2) NO <sub>x</sub> (excluding N <sub>2</sub> O), (3) SO <sub>x</sub> , (4) particulate matter (PM <sub>10</sub> ), (5) mercury (Hg), (6) lead (Pb), and (7) volatile organic compounds (VOCs)	This metric was not assessed to be financially material for Fortuna. However, data on air emissions concentrations is provided.  Air Quality (p. 55)
<b>ENERGY MANAGEMENT</b>		
SASB EM-MM-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Energy Management (p. 51-52)
<b>WATER MANAGEMENT</b>		
SASB EM-MM-140a.1	(1) Total fresh water withdrawn, (2) total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Water Management (p. 41-42)
SASB EM-MM-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Water Management (p. 42)



Indicator Code	Metric	Location
<b>WASTE &amp; HAZARDOUS MATERIALS MANAGEMENT</b>		
SASB EM-MM-150a.4	Total weight of non-mineral waste generated	Waste and Hazardous Materials Management (p. 40)
SASB EM-MM-150a.5	Total weight of tailings produced	Waste and Hazardous Materials Management (p. 39)
SASB EM-MM-150a.6	Total weight of waste rock generated	Waste and Hazardous Materials Management (p. 39)
SASB EM-MM-150a.7	Total weight of hazardous waste generated	Waste and Hazardous Materials Management (p. 40)
SASB EM-MM-150a.8	Total weight of hazardous waste recycled	Waste and Hazardous Materials Management (p. 40)
SASB EM-MM-150a.9	Number of significant incidents associated with hazardous materials and waste management	Waste and Hazardous Materials Management (p. 39)
SASB EM-MM-150a.10	Description of waste and hazardous materials management policies and procedures for active and inactive operations	Waste and Hazardous Materials Management (p. 37)
<b>BIODIVERSITY IMPACTS</b>		
SASB EM-MM-160a.1	Description of environmental management policies and practices for active sites	Environmental – Our Approach (p. 33-34) Mine Closure and Reclamation (p. 59-60)
SASB EM-MM-160a.2	Percentage of mine sites where acid rock drainage is: (1) predicted to occur, (2) actively mitigated, and (3) under treatment or remediation	Biodiversity Impacts (p. 56)
SASB EM-MM-160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	We do not conduct exploration or mining operations in protected areas according to international conventions. However, data is provided on high biodiversity value areas and presence of species on the IUCN Red List.  Biodiversity Impacts (p. 56)

Indicator Code	Metric	Location
<b>SECURITY, HUMAN RIGHTS AND RIGHTS OF INDIGENOUS PEOPLES</b>		
SASB EM-MM-210a.1	Percentage of (1) proved and (2) probable mineral reserves in or near areas of conflict	This metric was not tracked for 2021. We will provide it in future years.
SASB EM-MM-210a.2	Percentage of (1) proved and (2) probable mineral reserves in or near indigenous land	This metric was not assessed to be financially material for Fortuna. However, information is provided on the de facto or self-identified Indigenous status of communities in the vicinity of our operations.  Rights of Indigenous Peoples (p. 79)
SASB EM-MM-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	Security and Human Rights (p. 71-72) Rights of Indigenous Peoples (p. 79)
<b>COMMUNITY RELATIONS</b>		
SASB EM-MM-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	Community Relations (p. 62-65)
SASB EM-MM-210b.2	Number and duration of non-technical delays	Community Relations (p. 65)



Indicator Code	Metric	Location
<b>LABOR RELATIONS</b>		
SASB EM-MM-310a.1	Percentage of active workforce covered under collective bargaining agreements, broken down by U.S. and foreign employees	This metric was not assessed to be financially material for Fortuna. However, data is provided on the percentage of the workforce covered under collective bargaining agreements. The Company has no U.S. employees.  Human Capital Management and Labor Relations (p. 76)
SASB EM-MM-310a.2	Number and duration of strikes and lockouts	This metric was not assessed to be financially material for Fortuna.
<b>WORKFORCE HEALTH AND SAFETY</b>		
SASB EM-MM-320a.1	(1) MSHA all-incidence rate, (2) fatality rate, (3) near miss frequency rate (NMFR) and (4) average hours of health, safety, and emergency response training for (a) full-time employees and (b) contract employees	Workforce Health and Safety (p. 70)
<b>BUSINESS ETHICS &amp; TRANSPARENCY</b>		
SASB EM-MM-510a.1	Description of the management system for prevention of corruption and bribery throughout the value chain	Business Ethics & Transparency (p. 73-75) Supply Chain Management (p. 81)
SASB EM-MM-510a.2	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Business Ethics & Transparency (p. 73)

Indicator Code	Metric	Location
<b>TAILINGS STORAGE FACILITIES &amp; MANAGEMENT</b>		
SASB EM-MM-540a.1	Tailings storage facility inventory table: (1) facility name, (2) location, (3) ownership status, (4) operational status, (5) construction method, (6) maximum permitted storage capacity, (7) current amount of tailings stored, (8) consequence classification, (9) date of most recent independent technical review, (10) material findings, (11) mitigation measures, (12) site-specific EPRP	Waste and Hazardous Materials Management (p. 36).  We have reported the consequence classification of each TSF according to the Canadian Dam Association standard definition.
SASB EM-MM-540a.2	Summary of tailings management systems and governance structure used to monitor and maintain the stability of tailings storage facilities	Waste and Hazardous Materials Management (p. 35-36)
SASB EM-MM-540a.3	Approach to development of Emergency Preparedness and Response Plans (EPRPs) for tailings storage facilities	Waste and Hazardous Materials Management (p. 35, 37)
<b>ACTIVITY METRICS</b>		
SASB EM-MM-000.A	Production of (1) metal ores and (2) finished metal products	About Fortuna – Our Production (p. 15)
SASB EM-MM-000.B	Total number of employees, percentage contractors	2021 in Figures (p. 7) Human Capital Management and Labor Relations (p. 76)



## APPENDIX D

## TCFD Content Index

The TCFD developed a framework to help public companies and other organizations more effectively disclose climate-related risks and opportunities. We have reported applicable disclosures from the TCFD Recommendations as this framework has emerged as the leading investor-preferred framework for climate-related disclosure. We are taking a phased approach to implementing the TCFD recommendations and are committed to enhancing the alignment of our disclosure with the TCFD Recommendations as our approach to climate change progresses over time.

Category	Recommendation	Supporting Recommended Disclosures	Location
GOVERNANCE	Disclose the organization's governance around climate-related risks and opportunities.	(a) Describe the board's oversight of climate-related risks and opportunities.	Climate Change and Greenhouse Gas Emissions – Governance (p. 43)
		(b) Describe management's role in assessing and managing climate-related risks and opportunities.	Climate Change and Greenhouse Gas Emissions – Governance (p. 43)
STRATEGY	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	(a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Climate Change and Greenhouse Gas Emissions – Strategy (p. 43-46)
		(b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Climate Change and Greenhouse Gas Emissions – Strategy (p. 47-48)
		(c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	We continue to evaluate our capacity to conduct scenario analysis and are committed to continue to enhance the alignment of our climate change disclosure with the TCFD recommendations.

Category	Recommendation	Supporting Recommended Disclosures	Location
RISK MANAGEMENT	Disclose how the organization identifies, assesses, and manages climate-related risks.	(a) Describe the organization's processes for identifying and assessing climate-related risks.	Climate Change and Greenhouse Gas Emissions – Risk Management (p. 49)
		(b) Describe the organization's processes for managing climate-related risks.	Climate Change and Greenhouse Gas Emissions – Risk Management (p. 49)
		(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Climate Change and Greenhouse Gas Emissions – Risk Management (p. 49)
METRICS & TARGETS	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	(a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Climate Change and Greenhouse Gas Emissions – Metrics and Targets (p. 49-50)
		(b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Climate Change and Greenhouse Gas Emissions – Metrics and Targets (p. 49-50)
		(c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Climate Change and Greenhouse Gas Emissions – Metrics and Targets (p. 49-50)



## APPENDIX E

# GRI Content Index

Disclosure	Content	Location	Reasons for Omission
<b>GRI 101: Foundation (2016)</b>			
<b>GRI 102: General Disclosures (2016)</b>			
<b>1. ORGANIZATIONAL PROFILE</b>			
GRI 102-1	Name of the organization	About Fortuna – Our Company (p. 8)	-
GRI 102-2	Activities, brands, products, and services	About Fortuna – Our Operations (p. 10-11) About Fortuna – Our Exploration (p. 12) About Fortuna – Our Production (p. 15)	-
GRI 102-3	Location of headquarters	About Fortuna – Our Company (p. 8)	-
GRI 102-4	Location of operations	About Fortuna – Our Company (p. 8)	-
GRI 102-5	Ownership and legal form	About Fortuna – Our Company (p. 8)	-
GRI 102-6	Markets served	About Fortuna – Our Production (p. 15)	-
GRI 102-7	Scale of the organization	2021 in Figures (p. 7) About Fortuna – Our Operations (p. 10-11) About Fortuna – Our Production (p. 15)	-
GRI 102-8	Information on employees and other workers	Human Capital Management and Labor Relations (p. 76) Appendix F (p. 105)	-
GRI 102-9	Supply chain	Supply Chain Management (p. 80)	-
GRI 102-10	Significant changes to the organization and its supply chain	Historic Milestones (p. 9) Case Study 2 (p. 16)	-
GRI 102-11	Precautionary Principle or approach	Environmental – Our Approach (p. 33)	-
GRI 102-12	External initiatives	External initiatives adopted: <ul style="list-style-type: none"> <li>• SDGs</li> <li>• UN Guiding Principles on Business and Human Rights</li> <li>• Voluntary Principles on Security and Human Rights</li> <li>• ISO 14001</li> <li>• ISO 45001</li> <li>• GRI Standards</li> <li>• SASB Standards</li> <li>• TCFD Recommendations</li> </ul>	-
GRI 103-13	Membership of associations	Business Ethics and Transparency (p. 75) We go beyond the requirements of this indicator by disclosing our spending on industry association memberships.	-



Disclosure	Content	Location	Reasons for Omission
<b>2. STRATEGY</b>			
GRI 102-14	Statement from senior decision-maker	Message from our President and CEO and from the Chair of the Sustainability Committee of the Board (p. 4-6)	-
<b>3. ETHICS AND INTEGRITY</b>			
GRI 102-16	Values, principles, standards, and norms of behavior	Sustainability Framework – Mission, Vision and Values (p. 19) Corporate Governance – Oversight of ESG and Sustainability (p. 28)	-
<b>4. GOVERNANCE</b>			
GRI 102-18	Governance structure	Corporate Governance – Oversight of ESG and Sustainability (p. 28)	-
<b>5. STAKEHOLDER ENGAGEMENT</b>			
GRI 102-40	List of stakeholder groups	Stakeholder Engagement (p. 25)	-
GRI 102-41	Collective bargaining agreements	Human Capital Management and Labor Relations (p. 76)	-
GRI 102-42	Identifying and selecting stakeholders	Stakeholder Engagement (p. 25) Community Relations (p. 62-63)	-
GRI 102-43	Approach to stakeholder engagement	Stakeholder Engagement (p. 25) Community Relations (p. 62-63)	-
GRI 102-44	Key topics and concerns raised	Stakeholder Engagement (p. 25) ESG Materiality Assessment (p. 26)	-
<b>6. REPORTING PRACTICE</b>			
GRI 102-45	Entities included in the consolidated financial statements	About This Report (p. 3)	-
GRI 102-46	Defining report content and topic Boundaries	Sustainability Framework – Partners in Sustainable Development (p. 21) About This Report (p. 3) Stakeholder Engagement (p. 25) ESG Materiality Assessment (p. 26)	-
GRI 102-47	List of material topics	ESG Materiality Assessment (p. 26)	-
GRI 102-48	Restatements of information	Appendix E (p. 102)	-
GRI 102-49	Changes in reporting	About This Report (p. 3) ESG Materiality Assessment (p. 26)	-
GRI 102-50	Reporting period	About This Report (p. 3)	-
GRI 102-51	Date of most recent report	About This Report (p. 3)	-
GRI 102-52	Reporting cycle	About This Report (p. 3)	-
GRI 102-53	Contact point for questions regarding the report	About This Report (p. 3)	-
GRI 102-54	Claims of reporting in accordance with the GRI Standards	About This Report (p. 3)	-
GRI 102-55	GRI content index	Appendix E (p. 94)	-
GRI 102-56	External assurance	About This Report (p. 3)	-



Disclosure	Content	Location	Reasons for Omission
<b>GRI 204: PROCUREMENT PRACTICES (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Community Relations (p. 62)	-
GRI 103-2	The management approach and its components	Community Relations (p. 62-63)	-
GRI 103-3	Evaluation of the management approach	Community Relations (p. 65)	-
GRI 204-1	Proportion of spending on local suppliers	Community Relations (p. 63-65)	-
<b>GRI 205: ANTI-CORRUPTION (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Business Ethics and Transparency (p. 73)	-
GRI 103-2	The management approach and its components	Business Ethics and Transparency (p. 73-75)	-
GRI 103-3	Evaluation of the management approach	Business Ethics and Transparency (p. 73-75)	-
GRI 205-3	Confirmed incidents of corruption and actions taken	Business Ethics and Transparency (p. 75). There were zero confirmed incidents of corruption, and as a result no action was taken.	-
<b>GRI 302: ENERGY (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Energy Management (p. 51)	-
GRI 103-2	The management approach and its components	Energy Management (p. 51)	-
GRI 103-3	Evaluation of the management approach	Energy Management (p. 51-52)	-
GRI 302-1	Energy consumption within the organization	Energy Management (p. 52) Only energy consumption is applicable, no energy was sold. Electrical energy is measured in international system (SI) units, fuel energy is measured based on calorific power.	-
GRI 302-3	Energy intensity	Energy Management (p. 52) Fuel and electricity consumed within the organization.	-
<b>GRI 303: WATER AND EFFLUENTS (2018)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Water Management (p. 41)	-
GRI 103-2	The management approach and its components	Water Management (p. 41-42)	-
GRI 103-3	Evaluation of the management approach	Water Management (p. 41-42)	-
GRI 303-1	Interactions with water as a shared resource	Water Management (p. 41-42)	-
GRI 303-2	Management of water discharge-related impacts	Water Management (p. 41-42)	-
GRI 303-3	Water withdrawal	Appendix F (p. 103) All water data reported in thousand m <sup>3</sup>	-
GRI 303-4	Water discharge	Appendix F (p. 103) All water data reported in thousand m <sup>3</sup>	-
GRI 303-5	Water consumption	Appendix F (p. 103) All water data reported in thousand m <sup>3</sup>	-



Disclosure	Content	Location	Reasons for Omission
<b>GRI 304: BIODIVERSITY (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Biodiversity Impacts (p. 56)	-
GRI 103-2	The management approach and its components	Biodiversity Impacts (p. 57)	-
GRI 103-3	Evaluation of the management approach	Biodiversity Impacts (p. 57-58)	-
GRI 304-3	Habitats protected or restored	Biodiversity Impacts (p. 58)	-
GRI 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity Impacts (p. 56)	-
<b>GRI 305: EMISSIONS (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Climate Change and Greenhouse Gas Emissions (p. 43) Air Quality (p. 54)	-
GRI 103-2	The management approach and its components	Climate Change and Greenhouse Gas Emissions (p. 43) Air Quality (p. 54)	-
GRI 103-3	Evaluation of the management approach	Climate Change and Greenhouse Gas Emissions (p. 43) Air Quality (p. 54-55)	-
GRI 305-1	Direct (Scope 1) GHG emissions	Climate Change and Greenhouse Gas Emissions (p. 50) The basis for measurement is operational control.	-
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Climate Change and Greenhouse Gas Emissions (p. 50) The basis for measurement is operational control.	-
GRI 305-4	GHG emissions intensity	Climate Change and Greenhouse Gas Emissions (p. 50) The calculation includes Scope 1 and Scope 2 and the ratio is based on kilotonnes (kt) of processed ore.	-
GRI 305-7	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	Air Quality (p. 55) Emissions concentrations are disclosed. For some pollutants, the detection limit is provided rather than actual concentration, because concentrations were below the detection limit.	-
<b>GRI 306: WASTE (2020)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Waste and Hazardous Materials Management (p. 35)	-
GRI 103-2	The management approach and its components	Waste and Hazardous Materials Management (p. 35-38)	-
GRI 103-3	Evaluation of the management approach	Waste and Hazardous Materials Management (p. 35-38)	-
GRI 306-1	Waste generation and significant waste-related impacts	Waste and Hazardous Materials Management (p. 37)	-
GRI 306-2	Management of significant waste-related impacts	Waste and Hazardous Materials Management (p. 37)	-
GRI 306-3	Waste generated	Waste and Hazardous Materials Management (p. 40)	-
GRI 306-4	Waste diverted from disposal	Waste and Hazardous Materials Management (p. 40)	-
GRI 306-5	Waste directed to disposal	Waste and Hazardous Materials Management (p. 40)	-



Disclosure	Content	Location	Reasons for Omission
<b>GRI 307: ENVIRONMENTAL COMPLIANCE (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Environmental – Our Approach (p. 33-34)	-
GRI 103-2	The management approach and its components	Environmental – Our Approach (p. 33-34)	-
GRI 103-3	Evaluation of the management approach	Environmental – Our Approach (p. 33-34)	-
GRI 307-1	Non-compliance with environmental laws and regulations	Environmental – Our Approach (p. 34)	-
<b>GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Supply Chain Management (p. 81)	-
GRI 103-2	The management approach and its components	Supply Chain Management (p. 81-83)	-
GRI 103-3	Evaluation of the management approach	Supply Chain Management (p. 81-83)	-
GRI 308-1	New suppliers that were screened using environmental criteria	Supply Chain Management (p. 83) Data not available for West African Operations for 2021.	-
<b>GRI 401: EMPLOYMENT (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Human Capital Management and Labor Relations (p. 76)	-
GRI 103-2	The management approach and its components	Human Capital Management and Labor Relations (p. 76-78)	-
GRI 103-3	Evaluation of the management approach	Human Capital Management and Labor Relations (p. 76-78)	-
GRI 401-1	New employee hires and employee turnover	Human Capital Management (p. 78) Appendix F (p. 106) Data not available for West African Operations for 2021.	-
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital Management and Labor Relations (p. 77)	-
<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY (2018)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Workforce Health and Safety (p. 66)	-
GRI 103-2	The management approach and its components	Workforce Health and Safety (p. 66-70)	-
GRI 103-3	Evaluation of the management approach	Workforce Health and Safety (p. 66-70)	-
GRI 403-1	Occupational health and safety management system	Workforce Health and Safety (p. 66-67)	-
GRI 403-2	Hazard identification, risk assessment, and incident investigation	Workforce Health and Safety (p. 67-68)	-
GRI 403-3	Occupational health services	Workforce Health and Safety (p. 68)	-
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Workforce Health and Safety (p. 66-68)	-
GRI 403-5	Worker training on occupational health and safety	Workforce Health and Safety (p. 68)	-
GRI 403-6	Promotion of worker health	Workforce Health and Safety (p. 68)	-



Disclosure	Content	Location	Reasons for Omission
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Supply Chain Management (p. 83)	-
GRI 403-8	Workers covered by an occupational health and safety management system	Workforce Health and Safety (p. 67)	-
GRI 403-9	Work-related injuries	Workforce Health and Safety (p. 67-68) Workforce Health and Safety (p. 70) Appendix F (p. 104)	-
GRI 403-10	Work-related ill health	Workforce Health and Safety (p. 104) Data not available for West African operations for 2021.	-
<b>GRI 404: TRAINING AND EDUCATION (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Human Capital Management and Labor Relations (p. 76)	-
GRI 103-2	The management approach and its components	Human Capital Management and Labor Relations (p. 76-78)	-
GRI 103-3	Evaluation of the management approach	Human Capital Management and Labor Relations (p. 76-78)	-
GRI 404-1	Average hours of training per year per employee	Human Capital Management and Labor Relations (p. 78) Appendix F (p. 108)	-
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Human Capital Management and Labor Relations (p. 78) Appendix F (p. 108)	-
<b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Corporate Governance – Diversity & Inclusion (p. 31) Human Capital Management and Labor Relations (p. 76)	-
GRI 103-2	The management approach and its components	Corporate Governance – Diversity & Inclusion (p. 31) Human Capital Management and Labor Relations (p. 76-78)	-
GRI 103-3	Evaluation of the management approach	Corporate Governance – Diversity & Inclusion (p. 31) Human Capital Management and Labor Relations (p. 76-78)	-
GRI 405-1	Diversity of governance bodies and employees	Corporate Governance (p. 27) Appendix F (p. 105)	-
GRI 405-2	Ratio of basic salary and remuneration of women to men	Human Capital Management and Labor Relations (p. 78) Appendix F (p. 107) Note: The definition used for “significant locations of operation” under this indicator is management offices and subsidiaries.	-
<b>GRI 406: NON-DISCRIMINATION (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Human Capital Management and Labor Relations (p. 76) Security and Human Rights (p. 71)	-
GRI 103-2	The management approach and its components	Human Capital Management and Labor Relations (p. 76-77) Security and Human Rights (p. 71-72)	-
GRI 103-3	Evaluation of the management approach	Human Capital Management and Labor Relations (p. 76-78) Security and Human Rights (p. 71-72).	-
GRI 406-1	Incidents of discrimination and corrective actions taken	Security and Human Rights (p. 71)	-



Disclosure	Content	Location	Reasons for Omission
<b>GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Human Capital Management and Labor Relations (p. 76) Supply Chain Management (p. 80)	-
GRI 103-2	The management approach and its components	Human Capital Management and Labor Relations (p. 76-77) Supply Chain Management (p. 80-83)	-
GRI 103-3	Evaluation of the management approach	Human Capital Management and Labor Relations (p. 76-77) Supply Chain Management (p. 80-83)	-
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Capital Management and Labor Relations (p. 76-77) Supply Chain Management (p. 83)	-
<b>GRI 410: SECURITY PRACTICES (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Security and Human Rights (p. 71)	-
GRI 103-2	The management approach and its components	Security and Human Rights (p. 71-72)	-
GRI 103-3	Evaluation of the management approach	Security and Human Rights (p. 71-72)	-
GRI 410-1	Security personnel trained in human rights policies or procedures	Security and Human Rights (p. 71)	-
<b>GRI 411: RIGHTS OF INDIGENOUS PEOPLES (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Rights of Indigenous Peoples (p. 79)	-
GRI 103-2	The management approach and its components	Rights of Indigenous Peoples (p. 79)	-
GRI 103-3	Evaluation of the management approach	Rights of Indigenous Peoples (p. 79)	-
GRI 411-1	Incidents of violations involving rights of indigenous peoples	Security and Human Rights (p. 72) Rights of Indigenous Peoples (p. 79)	-
<b>GRI 413: LOCAL COMMUNITIES (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Community Relations (p. 62)	-
GRI 103-2	The management approach and its components	Community Relations (p. 62-65)	-
GRI 103-3	Evaluation of the management approach	Community Relations (p. 62-65)	-
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	100% of our operations have implemented programs. Community Relations (p. 62-65) Workforce Health and Safety (p. 66)	-
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	Community Relations (p. 62)	-



Disclosure	Content	Location	Reasons for Omission
<b>GRI 414: SUPPLIER SOCIAL ASSESSMENT (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Supply Chain Management (p. 81)	-
GRI 103-2	The management approach and its components	Supply Chain Management (p. 81-83)	-
GRI 103-3	Evaluation of the management approach	Supply Chain Management (p. 81-83)	-
GRI 414-1	New suppliers that were screened using social criteria	Supply Chain Management (p. 83) Data not available for West African Operations for 2021.	-
<b>GRI 415: PUBLIC POLICY (2016)</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Business Ethics and Transparency (p. 73)	-
GRI 103-2	The management approach and its components	Business Ethics and Transparency (p. 73-74)	-
GRI 103-3	Evaluation of the management approach	Business Ethics and Transparency (p. 73-75)	-
GRI 415-1	Political contributions	Business Ethics and Transparency (p. 75)	-



## RESTATEMENTS OF SUSTAINABILITY REPORT 2020 INFORMATION

20120 SR text	Amendment	Explanation
<p>On page 83 we stated:</p> <p><i>Table 34 – Summary of ESG and sustainability data included in the Report</i></p> <p>Near miss frequency rate – employee (2020): 2.16 Near miss frequency rate – employee (2020): 3.20</p>	<p>The amendment is:</p> <p><i>Table 34 – Summary of ESG and sustainability data included in the Report</i></p> <p>Near miss frequency rate – employee (2020): 2.28 Near miss frequency rate – employee (2020): 6.10</p>	<p>In 2021 we did a review of historical data of near miss incidents.</p>
<p>On page 83, we stated:</p> <p><i>Table 34 – Summary of ESG and sustainability data included in the Report</i></p> <p>Average hours of health, safety and emergency response training – employees: 2017: 29.31 2018: 24.25 2019: 20.39 2020: 17.09</p> <p>Average hours of health, safety and emergency response training – contractors: 2017: 42.4 2018: 20.25 2019: 19.45 2020: 22.84</p>	<p>The amendment is:</p> <p><i>Table 34 – Summary of ESG and sustainability data included in the Report</i></p> <p>Average hours of health, safety and emergency response training – employee: 2017: 28.08 2018: 23.74 2019: 21.00 2020: 17.91</p> <p>Average hours of health, safety and emergency response training – contractors: 2017: 43.82 2018: 22.99 2019: 23.69 2020: 24.40</p>	<p>In 2021 we did a review of historical data of training hours.</p>
<p>On pages 83-84 we stated:</p> <p><i>Table 34 – Summary of ESG and sustainability data included in the Report</i></p> <p>LTIFR – employees (2017): 3.25 TRIFR – contractors (2017): 8.08</p>	<p>The amendment is:</p> <p><i>Table 34 – Summary of ESG and sustainability data included in the Report</i></p> <p>LTIFR – employees (2017): 3.79 TRIFR – contractors (2017): 7.50</p>	<p>In 2021 we did a review of historical data of LTI and TRI incidents.</p>
<p>On page 84 we stated:</p> <p><i>Table 34 – Summary of ESG and sustainability data included in the Report</i></p> <p>Spending on local suppliers (2020): 2.19%</p>	<p>The amendment is:</p> <p><i>Table 34 – Summary of ESG and sustainability data included in the Report</i></p> <p>Spending on local suppliers (2020): 4.18%</p>	<p>2020 figure had an error in San Jose’s calculation.</p>



## APPENDIX F

## Supplementary Data

**Table 35: Water withdrawal, discharge, consumption and storage by source and location (thousand m<sup>3</sup>)** [GRI 303-3, GRI 303-4, GRI 303-5]

Consolidated	2017	2018	2019	2020	2021
<b>Total Water Withdrawn</b>	<b>1,612</b>	<b>1,384</b>	<b>1,590</b>	<b>1,252</b>	<b>2,367</b>
Surface Water	1,405	1,244	1,337	1,030	1,309
Freshwater	1,405	1,244	1,337	1,030	1,309
Other	0	0	0	0	0
Groundwater	0	0	0	0	720.31
Freshwater	0	0	0	0	49.47
Other	0	0	0	0	670.84
Seawater	not applicable				
Produced water	0	0	0	0	94.25
Freshwater	0	0	0	0	94.25
Other	0	0	0	0	0
Third-Party Water	207.19	139.97	253.05	222.56	243.94
Freshwater	<b>207.19</b>	<b>139.97</b>	<b>253.05</b>	<b>222.56</b>	<b>243.94</b>
Other	0	0	0	0	0
<b>Total Water Discharged</b>	<b>168.59</b>	<b>436.02</b>	<b>304.81</b>	<b>230.14</b>	<b>214.05</b>
Surface Water	168.59	436.02	304.81	230.14	185.70
Freshwater	168.59	436.02	304.81	230.14	185.70
Other	0	0	0	0	0
Groundwater	0	0	0	0	28.35
Freshwater	0	0	0	0	0
Other	0	0	0	0	28.35
Seawater	not applicable				
Third-Party Water	0	0	0	0	0
<b>Total Water Consumed</b>	<b>1,444</b>	<b>947.55</b>	<b>1,285</b>	<b>1,022</b>	<b>2,153</b>
<b>Change in Water Storage<sup>28</sup></b>	<b>417.69</b>	<b>310.55</b>	<b>364.10</b>	<b>312.34</b>	<b>142.58</b>

<sup>28</sup> Only water storage at San Jose is identified as having a significant impact.<sup>29</sup> As defined by the World Resource Institute's Aqueduct Water Risk Atlas.

Our Yaramoko mine is situated in an area of high water stress<sup>29</sup> and accordingly a breakdown of water withdrawn, discharged and consumed in this area is provided (**Table 36**).

**Table 36: Water withdrawal, discharge, consumption and storage by source in areas of high water stress (thousand m<sup>3</sup>)** [GRI 303-3, GRI 303-4, GRI 303-5]

Consolidated	2021
<b>Total Water Withdrawn</b>	<b>369.01</b>
Surface Water	191.70
Freshwater	191.70
Other	0
Groundwater	49.47
Freshwater	49.47
Other	0
Seawater	not applicable
Produced water	94.25
Freshwater	94.25
Other	0
Third-Party Water	33.59
Freshwater	<b>33.59</b>
Other	0
<b>Total Water Discharged</b>	<b>0</b>
Surface Water	0
Freshwater	0
Other	0
Groundwater	0
Seawater	0
Third-Party Water	0
<b>Total Water Consumed</b>	<b>369.01</b>



**Table 37: Work-related injuries and illnesses per million hours worked** [GRI 403-09, GRI 403-10]

Indicator	Employees					Contractors				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
Number of hours worked	1,845,292	1,958,337	2,010,153	1,758,040	4,352,800	3,464,395	3,575,701	3,559,681	2,655,524	5,988,580
<b>Fatalities as a result of work-related injury</b>										
Number	0	0	0	0	0	2	0	1	0	0
Rate per million hours	0	0	0	0	0	0.58	0	0.28	0	0
<b>High consequence work-related injuries</b> <i>(injuries with recovery time of 6 months or more, excluding fatalities)</i>										
Number	0	0	0	0	0	0	2	0	0	1
Rate per million hours	0	0	0	0	0	0	0.56	0	0	0.17
<b>Recordable work-related injuries</b> <i>The most common work-related injuries are injuries to hands and feet</i>										
Number	14	6	3	8	9	28	30	22	18	26
Rate per million hours	7.59	3.06	1.49	4.55	2.07	7.50	8.39	6.18	6.78	4.34
<b>Fatalities as a result of work-related ill health<sup>30</sup></b>										
Number	0	0	0	0	0	0	0	0	0	0
<b>Recordable work-related ill health<sup>31</sup></b>										
Cases	0	0	0	0	0	0	0	0	0	0

<sup>30, 31</sup> Data not available for West African operations for 2021.



**Table 38** provides an overview of our employee workforce in 2021 by region, contract type (permanent or temporary/fixed term) and gender. We had no part-time employees in 2021.

**Table 38: Employees by region, contract type and gender<sup>32</sup>** [GRI 102-8]

Region	Total	Contract Type		Women		Men	
		Perm.	Temp.	Perm.	Temp.	Perm.	Temp.
<b>PERU</b>							
FSM Peru	34	33	1	8	1	25	0
Bateas	333	325	8	34	2	291	6
<b>CANADA</b>							
FSM Canada	26	24	2	10	0	14	2
<b>MEXICO</b>							
Cuzcatlan	716	712	4	139	3	573	1
<b>ARGENTINA</b>							
Mansfield	584	568	16	71	3	497	13
<b>AUSTRALIA</b>							
Roxgold	4	4	0	0	0	4	0
<b>CONSOLIDATED</b>							
All Regions	2,042	1,970	76	305	16	1,665	60

**Table 39: Employees by position level, gender, and age group** [GRI 405-1]

Position Level <sup>34</sup>	Gender %		Age Group % <sup>33</sup>		
	Women	Men	Under 30	30-50	Over 50
Managerial Employees	16.31	83.69	0.00	70.37	29.63
Workforce	15.27	84.73	24.93	67.40	87.68

<sup>32, 33</sup> Data not available for West African operations for 2021.

<sup>34</sup> Due to the acquisition of Roxgold in mid-2021, it was not possible to standardize job categories across the West African and Latin America operations. We are only able to report a gender breakdown for management positions and the workforce.

**Table 40: Number and rate of new employee hires by region, gender, and age group** [GRI 401-1]

Region	Gender				Age Group					
	Women		Men		Under 30		30-50		Over 50	
	No.	%	No.	%	No.	%	No.	%	No.	%
<b>PERU</b>										
FSM Peru	6	17.65	5	14.71	7	20.59	4	11.76	0	0.00
Bateas	13	3.90	46	13.81	28	8.41	30	9.01	1	0.30
<b>CANADA</b>										
FSM Canada	2	7.69	4	15.38	0	0.00	6	23.08	0	0.00
<b>MEXICO</b>										
Cuzcatlan	41	5.73	334	46.65	149	20.81	211	29.47	15	2.09
<b>ARGENTINA</b>										
Mansfield	29	4.97	184	31.51	76	13.01	125	21.40	12	2.05
<b>BURKINA FASO</b>										
Yaramoko	5	1.16	18	4.17	6	1.39	17	3.94	0	0.00
<b>ALL REGIONS</b>										
Consolidated	96	4.51	591	27.76	266	12.49	393	18.46	28	1.32



**Table 41: Number and rate of employee turnover by region, gender, and age group<sup>35</sup>** [GRI 401-1]

Region	Gender				Age Group					
	Women		Men		Under 30		30-50		Over 50	
	No.	%	No.	%	No.	%	No.	%	No.	%
<b>PERU</b>										
FSM Peru	2	5.88	8	23.53	2	5.88	7	20.59	1	2.94
Bateas	11	3.30	44	13.21	15	4.50	32	9.61	8	2.40
<b>CANADA</b>										
FSM Canada	1	3.85	5	19.23	0	0.00	4	15.38	2	7.69
<b>MEXICO</b>										
Cuzcatlan	16	2.23	91	12.71	31	4.33	68	9.50	8	1.12
<b>ARGENTINA</b>										
Mansfield	6	1.03	54	9.25	4	0.68	46	7.88	10	1.71
<b>ALL REGIONS</b>										
Consolidated	36	2.13	202	11.93	52	3.07	157	9.27	29	1.71

**Table 42: Number and rate of voluntary employee turnover by region, gender and age group<sup>36</sup>** [GRI 401-1]

Region	Gender				Age Group					
	Women		Men		Under 30		30-50		Over 50	
	No.	%	No.	%	No.	%	No.	%	No.	%
<b>PERU</b>										
FSM Peru	2	5.88	5	14.71	2	5.88	5	14.71	0	0.00
Bateas	0	0.00	19	5.71	2	0.60	16	4.80	1	0.30
<b>CANADA</b>										
FSM Canada	1	3.85	5	19.23	0	0.00	4	15.38	2	7.69
<b>MEXICO</b>										
Cuzcatlan	6	0.84	43	6.01	17	2.37	32	4.47	0	0.00
<b>ARGENTINA</b>										
Mansfield	6	1.03	40	6.85	4	0.68	35	5.99	7	1.20
<b>ALL REGIONS</b>										
Consolidated	15	0.89	112	6.62	25	1.48	92	5.43	10	0.59

<sup>35, 36</sup> Data for West African operations not available for 2021.



**Table 43: Ratio of basic salary and remuneration of women to men by employee category and location of operations in 2021<sup>37</sup>**

[GRI 405-2]

Employee Category	Employee grade	FSM Peru		FSM Canada		Bateas		Cuzcatlan		Mansfield	
		Basic Salary	Total Cash								
<b>Consolidated</b>	-	<b>0.96</b>	<b>0.96</b>	<b>1.01</b>	<b>1.06</b>	<b>0.95</b>	<b>0.91</b>	<b>0.91</b>	<b>0.91</b>	<b>0.98</b>	<b>1.06</b>
Executives	28	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A
	25	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A
	24	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A
	23	-	-	-	-	-	-	-	-	-	-
Senior Managers	22	-	-	-	-	-	-	-	-	-	-
	21	0.92	0.92	-	-	-	-	-	-	-	-
Managers	20	-	-	0.94	0.96	0.96	0.95	1.03	1.04	-	-
	19	-	-	1.04	1.12	0.94	0.74	0.91	0.90	0.88	0.85
Supervisors	18	-	-	-	-	0.90	0.95	1.00	1.01	-	-
	17	-	-	1.07	1.07	0.80	0.71	-	-	1.04	1.18
Group Contributors	16	-	-	-	-	0.86	0.86	0.91	0.92	0.66	0.64
	15	1.02	1.02	-	-	0.97	0.93	1.01	1.01	1.00	1.00
Individual Contributors	14	0.92	0.92	-	-	0.94	0.83	0.98	0.98	0.87	0.83
	13	-	-	-	-	0.94	0.90	0.98	0.86	1.18	1.18
	12	-	-	-	-	0.93	0.88	0.85	0.86	1.05	0.96
Jr. Individual Contributors	11	-	-	-	-	-	-	-	-	0.71	0.71
	10	-	-	-	-	0.95	0.96	-	-	-	-
Workers	Level 1	N/A	N/A	N/A	N/A	-	-	0.85	0.85	1.00	1.00
	Level 2	N/A	N/A	N/A	N/A	-	-	1.02	1.02	1.00	1.00
	Level 3	N/A	N/A	N/A	N/A	0.91	0.91	0.97	0.98	-	-

<sup>37</sup> Data for West African operations not available for 2021.



**Table 44: Average hours of training by employee category<sup>38</sup> [GRI 404-1]**

Employee Category	2017	2018	2019	2020	2021
Executives	0	0.80	5.93	23.04	9.00
Senior Managers	0	0.36	11.67	25.76	5.60
Managers	29.11	1.71	35.33	71.45	64.14
Supervisors	31.60	3.58	78.11	102.97	41.55
Group Contributors	33.74	24.99	42.39	76.60	34.91
Individual Contributors	10.21	8.75	25.22	67.98	21.17
Jr. Individual Contributors	0	1.03	12.63	73.50	11.94
Workers	6.31	25.24	19.78	27.71	16.98

**Table 45: Average hours of training by gender<sup>39</sup> [GRI 404-1]**

Gender	2017	2018	2019	2020	2021
Women	9.67	8.34	24.63	53.86	18.85
Men	23.07	73.44	37.67	32.87	36.64

**Table 46: Percentage of employees who received a performance review by employee category<sup>40</sup> [GRI 404-3]**

Employee Category	2019	2020	2021
Executives	N/A	10.00	88.89
Senior Managers	100.00	60.00	92.31
Managers	100.00	84.62	84.62
Supervisors	100.00	94.44	87.76
Group Contributors	93.95	86.27	77.46
Individual Contributors	100.00	92.17	86.59
Jr. Individual Contributors	100.00	50.00	51.61
Workers	99.54	98.56	98.50

**Table 47: Percentage of employees who received a performance review by gender<sup>41</sup> [GRI 404-3]**

Gender	2018	2019	2020	2021
Women	100.00	98.87	92.25	89.07
Men	100.00	100.00	94.35	87.89

<sup>38, 39, 40, 41</sup> Data for West African operations not available for 2021



## APPENDIX G

# Definitions of Technical Terms

## MINING PROCESSES

In **cut and fill** underground mining, areas that have been mined out are refilled with **paste fill**, a cement that can include rock, sand or mine tailings. The filled areas provide support that enables mining of further areas. [◀ Back to Report](#)

Our Lindero open pit mine uses **heap leaching** to extract gold by applying a cyanide solution to dissolve minerals from heaps of crushed ore. [◀ Back to Report](#)

Our Yaramoko mine uses **carbon-in-leach** to extract gold where carbon is added to the leach tanks so that leaching and adsorption occur in the same tanks. [◀ Back to Report](#)

**Doré** bars are bars of partially refined gold, made at both Lindero and Yaramoko mine sites, which are transported to a refinery for further refining into pure gold. [◀ Back to Report](#)



Doré bars made at Yaramoko Mine

## ENVIRONMENT

The International Standards Organization (ISO) develops consistent international standards for a wide range of products, technology and systems. **ISO 14001:2015** is the international standard for environmental management systems (EMS). An EMS is a system to identify, manage, monitor and control all environmental factors that are relevant for a company or organization. [◀ Back to Report](#)

### Waste and Hazardous Materials Management

Mine tailings are the material left over after ore has been processed to extract the valuable minerals. A **tailings storage facility** (TSF) is a dam or impoundment in which liquid or semi-liquid tailings are stored. [◀ Back to Report](#)

**Dry stacking of tailings** is another type of tailings management in which the tailings are dewatered before storage, making them denser and more stable, and reducing their physical volume. This reduces the risk of loss of containment, minimizes site water consumption and enables progressive reclamation. The reduced surface area of tailings storage implies a smaller site catchment area, reduced runoff, reduced leachate (contaminated water) production, less contamination of groundwater, and less onerous ongoing monitoring.

If a TSF fails, damage to neighboring communities and the environment can be significant. The [Canadian Dam Association Consequence Classification Ratings for Dams](#) are guidelines for determining the level of impact that would be created by the failure of a specific dam. Please note that Yaramoko uses the Australian Standard.

## Water Management

**Suspended solids** are small solid particles that remain suspended in water. They can carry toxins and pathogens that are harmful to health and are an important indicator of water quality. [◀ Back to Report](#)

### Climate Change and Greenhouse Gas Emissions

The **Paris Agreement** is an international treaty on climate change adopted in 2015. The objective of the treaty is to avoid the worst impacts of climate change by limiting the increase in average global temperature to under 2°C, and preferably to 1.5°, compared to pre-industrial levels.

Climate change is widely considered to pose systemic risk to the global financial system, because the value of companies in almost every sector of the economy could be impacted. The Financial Stability Board (FSB) is an international organization of central banks and finance ministries that was established after the 2008 global financial crisis to monitor and address risks to the global financial system. The FSB established the [Task Force on Climate-related Financial Disclosures](#) (TCFD) to address systemic climate risk to the global financial system, by developing recommendations for more effective climate disclosure by companies and the capital markets. The TCFD Recommendations, published in 2017, have been endorsed by many of the world's largest banks, insurers and investors. [◀ Back to Report](#)



## Air Quality

Mining can generate air pollutant emissions that are harmful to human health and the environment. Air pollutant emissions at our mines are primarily associated with fuel combustion and activities that generate dust.

- **NO<sub>x</sub>**: Nitrogen oxides are formed primarily through combustion of fuel. NO<sub>x</sub> can affect respiratory health, damage vegetation and contributes to acidification of aquatic and terrestrial ecosystems. It also contributes to the formation of other air pollutants. [◀ Back to Report](#)
- **SO<sub>x</sub>**: Sulfur oxides are formed primarily through combustion and processing of raw materials containing sulfur. SO<sub>x</sub> can affect respiratory health, damage vegetation and contributes to acidification of aquatic and terrestrial ecosystems. It also contributes to the formation of other air pollutants. [◀ Back to Report](#)
- **Particulate matter (PM)**: PM includes dust and other airborne particles that can be formed through combustion or the chemical reaction of air pollutants. PM can affect respiratory and cardiac health, damage vegetation and contribute to poor visibility. The smaller the size of the particles, the greater the risk of harm, because smaller particles can travel more deeply into the respiratory system. [◀ Back to Report](#)
- **Volatile organic compounds (VOCs)**: VOCs are hydrocarbon gases. Some VOCs, such as benzene, are considered toxic. VOCs also contribute to the formation of other air pollutants. [◀ Back to Report](#)

In the emissions context, a **stationary source** is a facility at a fixed location that emits air pollutants (as opposed to a mobile source such as a vehicle). A **gas scrubber** is an installation that removes harmful gases from the exhaust stream of an emissions source. [◀ Back to Report](#)

## Biodiversity Impacts

**Acid rock drainage** is an outflow of acidic water resulting from the oxidation of minerals contained in rock that is exposed to air and water through the mining process, which can have a negative impact on water quality and aquatic life. Acid rock drainage is not a risk factor at our mines.

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The International Union for the Conservation of Nature's Red List of Threatened Species (**IUCN Red List**) is a global inventory of the conservation status of plants and wildlife, which evaluates the level of risk that they could become extinct. [◀ Back to Report](#)

The Convention on International Trade in Endangered Species of Wild Fauna and Flora (**CITES**) is an international agreement to ensure that trade in wildlife and plant specimens and products does not threaten the survival of their species. [◀ Back to Report](#)



▲ Tailings facility at Caylloma Mine is a refuge for migratory birds

## SOCIAL

### Workforce Health and Safety

The International Standards Organization (ISO) is an international organization of national standards agencies that develops consistent international standards for a wide range of products, technology and systems. **ISO 45001:2018** is the international standard for occupational health and safety (OHS) management systems. An OHS management system is designed to identify, manage, monitor and control workplace health and safety risks and opportunities. [◀ Back to Report](#)

The **hierarchy of controls** prioritizes the most effective means of hazard reduction. The preferred choice is elimination, through which the hazard is physically removed. If the hazard cannot be removed and there are no options to reduce the hazard or isolate workers from contact with it, the final option in the hierarchy is to provide personal protective equipment. [◀ Back to Report](#)

**Bowtie analysis** is an analytical method for identifying and reviewing controls intended to prevent or mitigate a specific unwanted event. [◀ Back to Report](#)

The **Incident Cause Analysis Method (ICAM)** is an industrial safety methodology to identify the actions, conditions and underlying factors that led to a safety incident and develop recommendation to prevent similar incidents in the future. [◀ Back to Report](#)

A **Material Safety Data Sheet (MSDS)** is a document containing information on the hazards posed by a material (such as its flammability or health impacts). It also explains how to work safely with the material, including emergency procedures. [◀ Back to Report](#)



## Security and Human Rights

The **Universal Declaration of Human Rights** (UDHR), proclaimed at the United Nations General Assembly in 1948, set out for the first time a set of fundamental human rights that should be universally protected. UDHR forms the basis for subsequent global human rights conventions and initiatives. [◀ Back to Report](#)

The **United Nations Guiding Principles on Business and Human Rights** (UNGPs), adopted in 2011, are global guidelines for companies focusing on due diligence to prevent and address adverse impacts for human rights linked to business activities. [◀ Back to Report](#)

The **Voluntary Principles on Security and Human Rights** (Voluntary Principles) is a multi-stakeholder initiative, created in 2000, that guides companies on how to provide security for their operations while respecting fundamental human rights. The Principles cover risk assessment and interactions with both public and private security providers. [◀ Back to Report](#)

## Business Ethics and Transparency

Transparency International's **Corruption Perceptions Index** is an annual ranking of countries according to their perceived level of official corruption, based on expert assessments and opinion surveys. [◀ Back to Report](#)

A **tax haven** is a jurisdiction that imposes low or no tax, that can be used by companies or individuals to avoid tax that would otherwise be payable in a jurisdiction that imposes higher tax. [◀ Back to Report](#)

**Transfer pricing** is pricing that is used when related companies transact business with each other. It is possible for multinational companies to manipulate transfer pricing between related companies located in higher- and lower-tax jurisdictions, to shift profits and reduce tax. [◀ Back to Report](#)

The **arm's length principle** is a valuation principle for transactions between related companies, according to which transactions should be valued at market rates, as if they had been carried out between unrelated companies, each acting in its own best interest. [◀ Back to Report](#)

**Double deduction** allows the same expense to be set off against income twice for tax purposes. [◀ Back to Report](#)

## Human Capital Management and Labor Relations

**360-degree feedback** is an employee assessment process in which employees receive confidential feedback from the people who work with them, including subordinates, peers and superiors. [◀ Back to Report](#)

## Rights of Indigenous Peoples

The **International Labour Organization Indigenous and Tribal People's Convention (ILO 169)**, adopted in 1989, addresses prevention of discrimination against Indigenous Peoples and respect for Indigenous cultures. It covers consultation and participation, rights to land, employment and vocational training, education, health and social security, customary law, traditional institutions, and cross-border cooperation. [◀ Back to Report](#)

The **United Nations Declaration on the Rights of Indigenous Peoples** (UNDRIP), adopted in 2007, builds on earlier human rights conventions and standards to address the specific situation of Indigenous Peoples, covering issues including self-determination, respect for traditional culture, governance and territory, and the concept of free, prior and informed consent for projects and actions that impact Indigenous communities. [◀ Back to Report](#)



Women's community organization at Yaramoko ▶



## APPENDIX H

# Cautionary Notes

This Sustainability Report contains forward-looking statements which constitute “forward-looking information” within the meaning of applicable Canadian securities legislation and “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 (collectively, “forward looking statements”). All statements included herein, other than statements of historical fact, are forward-looking statements and are subject to a variety of known and unknown risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements. The forward-looking statements in this document may include, without limitation, statements about the Company’s plans for its mines and mineral properties; the Company’s business strategy, plans and outlook; the merit of the Company’s mines and mineral properties; mineral resource and reserve estimates; timelines; the future financial or operating performance of the Company; expenditures; approvals, future production of gold, silver and other metals; estimated production and costs of production, including cash costs per payable ounce of gold, silver and other metals sold; life of mine estimates; the effects of laws, regulations and government policies affecting our operations or potential future operations; planned capital expenditures and brownfields exploration programs planned at each of the Company’s mines; the effectiveness and impact of, and Fortuna’s commitment to, the Sustainability Framework and related disclosure, ESG policies and targets and other operational and governance policies; achievement of the corporate objectives and key performance indicators stated in this sustainability report, including achieving a zero fatalities rate and improving our health and safety programs, training on our policies;

increasing the number of women in our workforce; working to ensure sustainable practices are used throughout the supply chain; reducing the use of water intensity; optimizing energy consumption; maximizing the use of the tailings that are produced the completion of external audits on our environmental and health and management systems; the completion of audits on our tailings storage and heap leach facilities; completing certifications of our environmental and occupational health and safety management systems at our operations; integrating our operations in West Africa into our sustainability framework; the estimates of expected or anticipated economic returns from our mining projects, including future sales of metals, concentrate or other products produced by us; and our plans and expectations for our properties and operations.

Often, but not always, these forward-looking statements can be identified by the use of words such as “estimate”, “estimated”, “potential”, “open”, “future”, “assumed”, “projected”, “calculated”, “used”, “detailed”, “has been”, “gain”, “upgraded”, “expected”, “offset”, “limited”, “contained”, “reflecting”, “containing”, “conduct”, “increasing”, “remaining”, “to be”, “periodically”, or statements that events, “could” or “should” occur or be achieved and similar expressions, including negative variations.

The forward-looking statements in this Report include forward-looking metrics relating to Fortuna and its business. Such information, which may be considered future oriented financial information or financial outlooks within the meaning of applicable Canadian securities legislation (collectively, “FOFI”), has been approved by management of the Company and is based on assumptions which management believes were reasonable on the date

such FOFI was prepared, having regard to the industry, business, financial conditions, plans and prospects of Fortuna and its business and properties. These projections are provided to describe the prospective performance of the Company’s business. Nevertheless, readers are cautioned that such information is highly subjective and should not be relied on as necessarily indicative of future results and that actual results may differ significantly from such projections. FOFI constitutes forward-looking statements and is subject to the same assumptions, uncertainties, risk factors and qualifications as set forth below.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any results, performance or achievements expressed or implied by the Forward-looking Statements. Such uncertainties and factors include, among others, changes in general economic conditions and financial markets; additional restrictions that may be placed on our operations as a result of the COVID-19 pandemic, additional waves of the virus or variants of the virus which may adversely affect our operations and supply chain and result in the suspension of operations, risks associated with dependence upon information technology systems, which are subject to disruption, damage, failure and risks with implementation and integration; risks associated with climate change legislation; our ability to manage physical and transition risks related to climate change and successfully adapt our business strategy to a low carbon global economy; our plan to release climate-related goals in 2022 and the anticipated nature and effect of climate related risks; risks associated



with war, hostilities or other conflicts, such as the Ukrainian – Russian conflict, and the impact it may have on global economic activity; changes in prices for silver and other metals; technological and operational hazards in Fortuna’s mining and mine development activities; risks inherent in mineral exploration; uncertainties inherent in the estimation of mineral reserves, mineral resources, and metal recoveries; construction delays, the timing and availability of financing; governmental and other approvals; political unrest or instability in countries where Fortuna is active; labor relations issues; as well as those factors discussed under “Risk Factors” in the Company’s Annual Information Form. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Forward-looking statements contained herein are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to estimates of future production levels; expectations regarding mine production costs; expectations regarding mine construction costs; expected trends in mineral prices and currency exchange rates; the accuracy of the Company’s current mineral resource and reserve estimates; that the Company’s activities will be in accordance with the Company’s public statements and stated goals; that there will be no material adverse change affecting the Company or its properties; that all required approvals will be obtained; that there will be no significant disruptions affecting operations, and such other assumptions as set out herein. Forward-looking statements are made as of the date hereof and the Company disclaims any obligation to

update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on forward-looking statements.

Reserve and resource estimates included in this Report have been prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and the Canadian Institute of Mining, Metallurgy, and Petroleum Definition Standards on Mineral Resources and Mineral Reserves. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for public disclosure by a Canadian company of scientific and technical information concerning mineral projects. Unless otherwise indicated, all mineral reserve and mineral resource estimates contained in the technical disclosure have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards on Mineral Resources and Reserves.

Canadian standards, including NI 43-101, differ significantly from the requirements of the Securities and Exchange Commission, and mineral reserve and resource information included in this Report may not be comparable to similar information disclosed by U.S. companies.

Eric Chapman, our Senior Vice President of Technical Services, is a Qualified Person as defined by NI 43-101. Except as otherwise noted, Mr. Chapman has reviewed and approved the scientific and technical information contained in this Report relating to all of our properties.



Lindero Mine



**FORTUNA**  
SILVER MINES INC.

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