



TSM Verification Summary Report 2023

Dolores, Mexico

PREPARED FOR



PAN AMERICAN
— SILVER —

Pan American Silver

DATE

18 January 2024

REFERENCE

0706478



DOCUMENT DETAILS

The details entered below are automatically shown on the cover and the main page footer. PLEASE NOTE: This table must NOT be removed from this document.

DOCUMENT TITLE	TSM Verification Summary Report 2023
DOCUMENT SUBTITLE	Dolores, Mexico
PROJECT NUMBER	0706478
Date	18 January 2024
Version	01
Author	Cecilia Tejada, Omar Rios
Client name	Pan American Silver

DOCUMENT HISTORY

				ERM APPROVAL TO ISSUE		
VERSION	REVISION	AUTHOR	REVIEWED BY	NAME	DATE	COMMENTS
Draft	1	Omar Rios, Cecilia Tejada	Michelle Gillen	Judy Fedorowick	1/11/2024	
Draft	2	Omar Rios, Cecilia Tejada	Michelle Gillen	Judy Fedorowick	1/18/2024	



TSM Verification Summary Report 2023

Dolores, Mexico
0706478



Cecilia Tejada
Verifier



Omar Rios
Verifier



Michelle Gillen
Reviewer

ERM Canada
120 Adelaide Street West, Suite 2010
Toronto, ON
Canada M5H 1T1
T: +1 416 646 3608
F: +1 416 642 1269

© Copyright 2024 by The ERM International Group Limited and/or its affiliates ('ERM'). All Rights Reserved.
No part of this work may be reproduced or transmitted in any form or by any means, without prior written permission of ERM.

CONTENTS

1.	FACILITY INFORMATION	1
2.	VERIFIER AND VERIFICATION INFORMATION	3
3.	SUMMARY OF FINDINGS	5
4.	STATEMENT OF VERIFICATION	19

APPENDIX A PAN AMERICAN SILVER / DOLORES PERSONNEL

APPENDIX B COMMUNITY OF INTEREST (COI) PARTICIPANTS IN THE VERIFICATION PROCESS

LIST OF TABLES

TABLE 1	SUMMARY OF CONFORMANCE RATINGS	5
TABLE 2	SUMMARY COMMENTS ON CONFORMANCE RATINGS	7

LIST OF FIGURES

FIGURE 1	LOCATION OF DOLORES, MEXICO OPERATION	2
----------	---------------------------------------	---

ACRONYMS AND ABBREVIATIONS

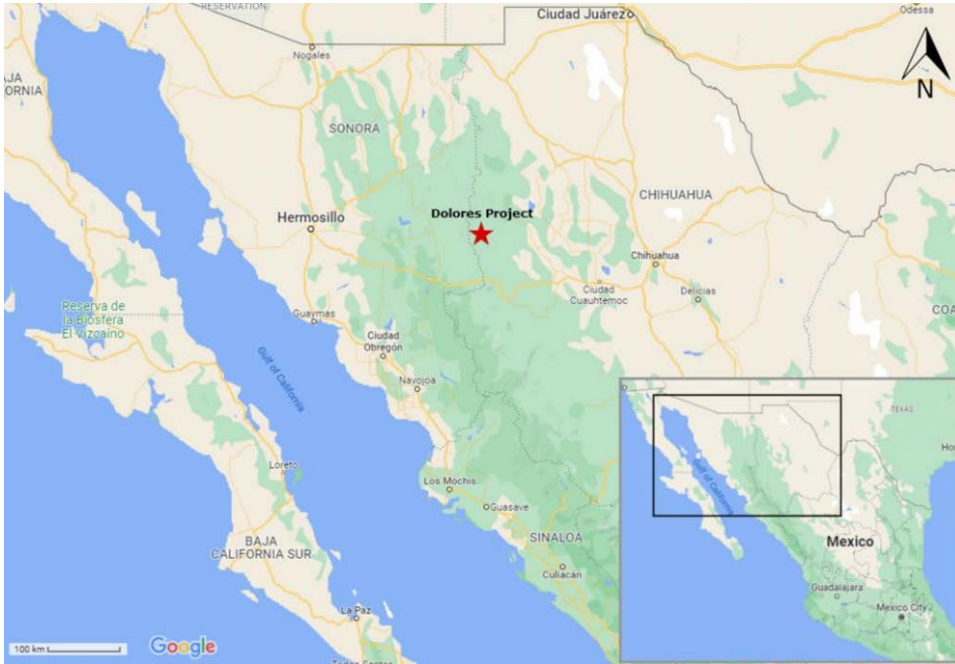
CAR	Capital Appropriate Report Process
CMP	Crisis Management Plan
COI	Community of Interest
EEM	Environmental Effects Monitoring
EOR	Engineer of Record
EPRP	Emergency Preparedness and Response Plan
FN	First Nations
GHG	Greenhouse Gases
HR	Human Rights
HS	Health and Safety
JHSC	Joint Health and Safety Committee
MOWL	Maximum Operating Water Level
PAS	Pan American Silver
RASCI	Responsible, Accountable, Supporting, Consulted and Informed

SPCR	Spill Prevention, Control and Response
TARP	Trigger Action and Response Plan
TEK	Traditional Ecological Knowledge
TSM	Towards Sustainable Mining
VSP	TSM Verification Service Provider

1. FACILITY INFORMATION

Facility Information:	
Name of Company	Pan American Silver
Name of Facility	Unidad Minera "Dolores", Compañía Minera Dolores, S.A. de C.V. (Dolores Mine)
Address	The Dolores mine is located in the municipality of Madera in the Sierra Tarahumara, in the state of Chihuahua, about 290km west of the capital of the same name.
Country of Operation	Mexico
Products/metals produced on site	Gold and Silver
Types of operations included in the scope:	
Mining	Dolores uses conventional cyanide heap leaching to produce gold and silver.
Concentrate blending	N/A
Smelting	N/A
Refining	N/A
Other (please explain)	N/A
Types of Infrastructure included in the scope:	
Roads	N/A
Rails	N/A
Ports	N/A
Other (please explain)	N/A

FIGURE 1 LOCATION OF DOLORES, MEXICO OPERATION



Source: Google Maps, 2023

2. VERIFIER AND VERIFICATION INFORMATION

Verification Firm	ERM
Confirmation that all verifiers involved in the verification are accredited TSM verifiers	<p>Yes.</p> <p>Cecilia Tejada, Managing Consultant, Qualified VSP</p> <p>Omar Rios, Managing Consultant, Qualified VSP.</p>
Date(s) of verification activities (dd/mm/yyyy – dd/mm/yyyy)	<p>Document Review: 21/11/2023 – 24/11/2023</p> <p>Remote Verification: 21/11/2023 – 24/11/2023</p> <p>COI Interviews: 23/11/2023 – 24/11/2023</p> <p>Reporting: 03/01/2024 – 18/01/2024</p>
Verification period	<p>This is the first external verification of the Dolores Mining Unit. The VSPs focused on the 2023 self-assessments provided by the site, with reference to the 2021 and 2022 assessments. The corporate crisis management protocol was verified in 2022.</p>
Summary of the verification methodology	<p>This was the first verification for Dolores.</p> <p>The verification did not include other standards or the addition of the Responsible Sourcing Alignment Supplement.</p> <p>A site visit to Dolores was planned, but later deemed not possible due to security concerns. The verification was then switched to remote interviews.</p> <p>The process included document review, remote interviews, COI interviews, and reporting.</p> <p>The Tailings protocol was excluded, as Dolores does not generate tailings in its operation. The remaining 7 protocols were reviewed.</p>
Summary of the verification activities	<p><u>Planning</u></p> <p>Planning for the verification was organized with Pan American Silver (PAS) corporate environment staff, who also attended the site visit with a representative from the sustainability team. A request for key COI representatives was made and arrangements were made to have short interviews. A schedule of verification activities was prepared and shared with site representatives. The schedule included a focused interview with the lead for each TSM protocol and I</p>

virtual tour of main administrative and production areas.

Document Review

In advance of the site visit, a SharePoint site was set up by PAS to allow access to the self-assessment reports and associated documented evidence. The VSP reviewed this material in advance of the site visit and in several cases, requested some additional information.

Remote Interviews

A series of interviews with key site staff at Dolores were conducted over five days. In accordance with the schedule, an opening meeting was held with site staff, including the mine general manager and other site leadership. The subsequent interviews focused on reviews of the site's self-assessments for each protocol. Evidence was reviewed and if required, the VSP requested additional information or adjustments to the self-assessment.

Sampling of evidence was limited to certain monitoring reports, minutes of meetings, and other periodically scheduled activities.

A tour of the facilities and general views of the operation were not possible, however, photographs and video were provided by site staff on several instances to provide evidence.

Interviews were conducted with operational personnel and also verification of systems, processes and implementation of procedures. With some protocols, several people from the site participated in the discussion. See Appendix A for a list of PAS participants.

COI Interviews

The COI interviews were conducted by telephone and virtually based on availability of the participants. See Appendix B for a list of COI the VSP engaged with.

3. SUMMARY OF FINDINGS

This section summarizes ratings for all TSM indicators and provides brief commentary regarding these indicators and the facility's score on a given protocol.

TABLE 1 SUMMARY OF CONFORMANCE RATINGS

Criterion	PAS Rating	ERM Verified Rating
<i>Indigenous and Community Relationships</i>		
1. Community of Interest (COI) Identification	A	AA
2. Effective COI Engagement and Dialogue	A	A
3. Effective Indigenous Engagement and Dialogue	NA	NA
4. Community Impact and Benefit Management	A	B
5. COI Response Mechanism	AA	AA
<i>Safety and Health</i>		
1. Commitments and Accountability	A	A
2. Safety and Health Management Systems	AAA	A
3. Psychological Safety and Respectful Behaviour	A	A
4. Training, Behaviour and Culture	AAA	AAA
5. Monitoring and Reporting	AA	A
6. Physical Safety and Health Performance	AA	AA
<i>Crisis Management and Communications Planning</i>		

Criterion	PAS Rating	ERM Verified Rating
1. Crisis Management and Communications Preparedness	Yes	Yes
2. Review	Yes	Yes
3. Training	Yes	Yes
<i>Preventing of Child and Forced Labour</i>		
1. Preventing Forced Labour	Yes	Yes
2. Preventing Child Labour	Yes	Yes
<i>Climate Change Protocol</i>		
1. Corporate Climate Change Management	A	A
2. Facility Climate Change Management	A	AA
3. Facility Performance Targets and Reporting	A	A
<i>Biodiversity Conservation Management</i>		
1. Corporate biodiversity conservation commitment, accountability, and communications	A	AA
2. Biodiversity conservation planning and implementation	A	AA
3. Biodiversity conservation reporting	A	AA
<i>Water Stewardship</i>		
1. Water Governance	A	AA
2. Operational Water Management	A	AA

Criterion	PAS Rating	ERM Verified Rating
3. Watershed-scale Planning	A	A
4. Water Reporting and Performance	A	AA

TABLE 2 SUMMARY COMMENTS ON CONFORMANCE RATINGS

Criterion	Rating	Comments
<i>Indigenous and Community Relationships</i>		
1. Community of Interest (COI) Identification	AA	<p>Dolores has a procedure DO-PA-RC 08 How to identify COI Procedure (04/11/2022) and a Directory of Stakeholders according to their interest and influence; also there is a Map of Interested Parties that is updated monthly throughout its life of mine. Dolores also records and monitors the social temperature of these stakeholders in the IsoMetrix system.</p> <p>To complement the Map of Interested Parties, Dolores developed an anonymous survey where its allows COIs to self-identify, filling out data such as demographic aspects, whether they consider themselves indigenous or not, their language, religion, among other attributes.</p> <p>As part of the confidentiality of the data, the information of the social actors is not disseminated, all the material generated is handled exclusively by Dolores. Likewise, employees sign a confidentiality clause in their contract, all based on the privacy policy.</p> <p>COI are invited to provide input into how the facility identifies COI through a participatory process of the Closure Plan. This work is carried out by a strategic partner, Socionaut, who develop different workshops to inform COI about the mechanisms of participation and consultation and COI identification processes.</p>
2. Effective COI Engagement and Dialogue	A	<p>The engagement and dialogue processes is based on the information collected in the community relationship. An example of this is the participatory process that is carried out within the context of the Closure Plan, which invites and encourages the participation of the COIs in the design of the closure plan.</p>

Criterion	Rating	Comments
		<p>Dolores prepares monthly internal reports to the site manager related on participation and dialogue activities with its COIs. Meetings with the affected COIs are carried out every 2 years between the community of Dolores and Ejido Huizopa. There are also monthly meetings with local ranchers that the Director of Social Responsibility participates.</p> <p>Documents for COI are written in spanish that is clear and understandable to COI.</p> <p>Relevant materials were provided to COI in an informative manner, and the execution of required projects is coordinated with them as required.</p> <p>There is a baseline study "Dolores' Economic Vocation" , carried out in 2022, where interest in capacity development was identified. A well-being study has also been developed in Arroyo Amplio (Chihuahua, 2022) where topics of interest and concerns of the communities of direct influence were identified. These served as a reference, within the framework of the Social Closure Plan, the needs of the COIs in terms of capacity development (employment, health, energy, etc.) were identified. Likewise, surveys are carried out where COIs can identify their interested topics so that Dolores can respond them or provide more information.</p> <p>Training for the community relations team are carried out with the goal to have a better relationship with the community related to social projects.</p> <p>Dolores produces a monthly magazine "Punto de Encuentro" which includes the topics of participation and relationship with the COI and these are distributed in the community. Additionally, the 2022 Annual Sustainability Report was released describing the social management performance of Dolores and their social indicators.</p>
3. Effective Indigenous Engagement and Dialogue	NA	This indicator does not apply. It was reviewed and verified that Dolores does not have indigenous communities as an area of direct influence. Dolores has carried out an analysis taking into account Migration Maps and the project's area of influence.

Criterion	Rating	Comments
4. Community Impact and Benefit Management	B	<p>Dolores' operations manager demonstrates its commitment to identifying and mitigating impacts related with site activities impacting COI in the review of the results attached to the daily reports at site. Also, the manager participated in a visit to the Arroyo community in order to directly learn about the concerns and learn about the potential impacts of the operations.</p> <p>Dolores has a Social Risk Matrix where action items are identified and responsibilities assigned for implementing them. The matrix also considers the prioritization potential and adverse impacts related to social, environmental, and safety impacts and they are communicated to relevant COI. .</p> <p>Dolores has developed agreements/contracts with some COIs in order to mitigate any adverse impact, for example Usufruct Contract, Agreement with the Yepachi Community, Transaction Agreement; as well as holding periodic meetings with INIFAP and Ejido to maintain the relationship and preventively identify any adverse impact.</p> <p>Dolores' participation and consultation processes are in place to engage with relevant COI on the identification and prioritization of opportunities to optimize benefits for COI and analyze their inclusion in the different Dolores development projects. For example, a community development initiative project, includes the formation of five GGAVATT groups, for which five technicians are trained and follow up on the programmed activities. This in support of the producers of Ejido Huizopa, as a directly affected COI.</p> <p>Dolores carries out a monthly review and monitoring of the identified risk levels, in order to review whether their impacts have changed, and including them as actions in its social management plan. Also in this monthly meeting, Dolores communicates the contributions of the different projects.</p> <p>In the 2022 Sustainability Report, the economic and resource contributions of social investment are described and this report is publicly.</p> <p>It was not possible to identified that the metrics had been established to track action plan implementation and effectiveness".</p>

Criterion	Rating	Comments
5. COI Response Mechanism	AA	<p>Dolores has a "Your Accounts" process in place that addresses grievances and resolving COI claims. In this process, Dolores can receive feedback on incidents, as well as comments on the entire relationship process. The process includes logging emails and telephone numbers. When this process is finished, Dolores has to provide feedback directly to the affected COI including the site's response to the concern.</p> <p>The response mechanism was reviewed in June 2023 with the social management team, opportunities for improvement were identified, including other communication channels such as email or telephone or telephone messages in order to have more channels of reception and concerns from the COIs.</p>
Safety and Health		
1. Commitments and Accountability	A	<p>There is a demonstrated commitment to safety and health through the Site Policy of the Safety, Health and Environment Management System, which is communicated to workers and contractors.</p> <p>There are designated accountable roles for the Integrated Management System and local health and safety rules that all employees and contractors are responsible for complying with.</p>
2. Safety and Health Management Systems	A	<p>Dolores has implemented and maintained an Integrated Safety, Health, and Environment Management System.</p> <p>The system has the following elements to highlight:</p> <ul style="list-style-type: none"> • Objectives and goals adjusted every year through an action plan. • Hazards are identified for each task per site area and the related risk is assessed and controls stated in accordance with risk level. • A health and safety program focused on accident prevention. • A designated team devoted to the health and safety functions. • Standardized safety inspections throughout the workplace.

Criterion	Rating	Comments
		<ul style="list-style-type: none"> Budget allocated for the continuity and improvement of the management system. <p>Dolores has not achieved Level AA because it is necessary to establish and include the definition of critical controls across the definitions, procedures and work practices at site. Those critical controls shall be categorized for prevention and mitigation purposes and further verify its implementation as well as monitor their performance within the health and safety management system.</p>
3. Psychological Safety and Respectful Behaviour	A	<p>Dolores has a program for preventing psychosocial risks as companion to the preventative health and safety program.</p> <p>This program has a policy and processes communicated to employees and contractors to promote safety and respect.</p> <p>In case of unsafe or disrespectful behaviours, there is a confidential line so people at site may report those events.</p> <p>Training is part of the preventative program so that all areas at all organization levels understand and contribute to a culture of safety and respectfulness.</p>
4. Training, Behaviour and Culture	AAA	<p>Dolores has a yearly training plan and program for health and safety. This program is adjusted every year based on a procedure for determination of training needs per functional area.</p> <p>All employees and contractors receive formal health and safety training. For visitors, the scope is general orientation.</p> <p>Budget is designated to comply with the training program and its progress is monitored every month.</p> <p>To strengthen training and to foster safety culture, there is a monthly schedule for task observation.</p> <p>Health and safety criteria are incorporated in purchasing processes, and for compensation of employees.</p> <p>The Operations Manager interacts one-on-one with employees as part of safety talks and walks, demonstrating his visible commitment to the stated policy for health, safety, and the environment.</p>

Criterion	Rating	Comments
5. Monitoring and Reporting	A	<p>Dolores monitors and communicates monthly performance indicators related to health and safety both to management and employees at site.</p> <p>Performance metrics are analyzed and used to set new goals for the year.</p> <p>Auditing is an element of the management system, and the site performs a schedule of health and safety audits for company standards and regulatory compliance.</p> <p>Recommendations from audits are developed as action plans for continuous improvement.</p> <p>Finally, health and safety performance is communicated to the public every year within the corporate Sustainability Report.</p> <p>Dolores has not achieved Level AA because requires development and implementation of threshold and triggers of critical controls (to be determined as required in Indicator 2) and the inclusion of such controls within monitoring and auditing mechanisms of health and safety programs.</p>
6. Physical Safety and Health Performance	AA	<p>Dolores states and communicates Health and safety performance objectives for facility employees and contractors.</p> <p>Health and safety indicators are communicated through informative boards every month.</p> <p>Senior management reviews the yearly health and safety performance of site versus previous year results, and results inform improvement plans.</p>
<i>Crisis Management and Communications Planning</i>		
1. Crisis Management and Communications Preparedness	Yes	<p>A risk register including credible threats and risk is kept current including measures to plans in place to address those risks. The risk assessments are updated quarterly and annual or when deemed necessary, and assessment results are shared and updated with Corporate.</p> <p>A crisis management team has been created and a Local Crisis Management and Communication Plan (CMP) developed. Dolores has reviewed the crisis management and communication plans at the operation level and interviewed the people responsible for their maintenance.</p>

Criterion	Rating	Comments
		<p>Media training has been provided to designated team members.</p> <p>A notification protocol is in place.</p> <p>A crisis control center has been established.</p> <p>Contact information for all stakeholders is kept up to date. Dolores meets annually with members of the Civil Protection Authority of the municipality of Madera.</p>
2. Review	Yes	<p>The CMP is reviewed annually or when there is a change in personnel.</p> <p>Dolores performs tests of the Crisis Notification Protocol, both in desktop drills and in full deployment exercises. The crisis management team uses a dedicated WhatsApp group and is currently implementing the Noggin Crisis Management System software platform for notifications.</p> <p>The facility tests its communication tree used in alerting employees of a crisis annually. Crisis Management and Communication Plan for Dolores site is shared with the Pan American Silver corporate team.</p>
3. Training	Yes	A desktop drill was completed in September 2023, with a full crisis drill also completed in October 2023.
Preventing of Child and Forced Labour		
1. Preventing Forced Labour	Yes	<p>Dolores has a Global Policy for Human Rights stating not to be involved in forced or indentured labour, nor child labour.</p> <p>Contractors are required to comply with the Code of Conduct and contract clauses related to Mexican labour laws and human rights. The Site issues a certificate of compliance every year for compliant contractors.</p>
2. Preventing Child Labour	Yes	<p>Dolores has Internal Labour Regulations that include a restriction on hiring persons under 18 years old. These regulations are aligned to Mexican law requirements for mining sector and have been submitted to the Federal Ministry of Labour.</p> <p>The hiring process requires copies of identity documentation issued by Mexican authorities to verify that candidates are already 18 years old at the moment of job application.</p>

Criterion	Rating	Comments
		For contractors, the same age requirements are in place and stated within the contract and Code of Conduct.
Climate Change		
1. Corporate Climate Change Management	A	A corporate climate change strategy has been developed at PAS and includes developing and implementing a corporate standard on energy, emissions and climate change. This process includes setting annual targets at each operation to support meeting corporate targets, setting accountabilities for implementing the standard, assessing material climate risks and opportunities across the company, detailed public reporting on the company's climate strategy. The standard is also supported by a Capital Appropriate Report Process (CAR) to integrate climate change targets into review of new projects, equipment upgrades, etc.
2. Facility Climate Change Management	AA	<p>Dolores has an PS-DO-PA-60 Energy & GHG Management System Procedure which mentions the commitment of the Environment and guidelines for the management of energy use and GHG emissions, which has been implemented at Dolores. This procedure includes the standard calculation methodologies (e.g. IPCC). The site also has an identification and breakdown matrix of significant sources of energy consumption and GHG emissions.</p> <p>Dolores considering energy and GHG emissions in its business planning, including design criteria, in improvement 's projects called CAR.</p> <p>The site conducts an annual review of Energy and GHG Emissions management system, which was led by the Corporate group.</p> <p>Dolores has carried out the Climate Change Analysis (2020) that includes the risks to physical effects and taking action. This study concludes that it is possible that in post-closure times it may have some effect and Dolores wants to confirm the risk physical effect in the study would like to update in 2024.</p> <p>There is a 2023 Environmental Training Program that has topics to promote awareness of climate change mitigation and adaptation, such as training related to energy and GHG management procedure and the Dolores 's objectives.</p>

Criterion	Rating	Comments
		<p>Dolores has developed surveys to the COIs in order to gauge the level of importance of climate change and adaptation of relevant COIs.</p> <p>An example of collaborating with COI interested in climate change, Dolores has developed, within its Environmental Management Program, a forestation campaign among the children of the Arroyo community.</p> <p>Dolores has received a corporate internal audit that includes independent verification of energy and GHG management (May 2023).</p>
3. Facility Performance Targets and Reporting	A	<p>Dolores has an action plan for 2023 with the objective to reduce scope 1 and 2 GHG Emissions. Year to date, Dolores has been reaching the goal, this is seen in the comparative reductions with previous years and with the presence of Acciona (energy supplier), which is a company that operates exclusively with renewable energies.</p> <p>There is 2022 Annual Sustainability Report (public) that reports the methodology of recollecting data and and evaluating the performance of its emissions 1 and 2. This report describes the evaluation of the establishment of the possible physical impacts of the climate, for example in the 2022 report it is described that for Dolores, which is close to closure, it is exposed to extreme precipitation and that the performance of surface water management structures and site water balance will be assessed and updated for mines vulnerable to extreme precipitation events throughout the operational, closure and post-closure period.</p>
<i>Biodiversity Conservation Management</i>		
1. Corporate biodiversity conservation commitment, accountability, and communications	AA	<p>There is a "Biodiversity Commission" document signed by the 2023 Operations Manager, which includes commitments to comply with the biological conservation criteria in accordance with the framework of the TSM and Biodiversity Conservation Framework initiative. Likewise, there is a Resource Protection Policy, which has been disseminated in newsletters, emails and bulletins to employees, contractors and COIs as part of the Communication and Relationship Plan.</p> <p>There is a Biodiversity Management Plan that is consistent with the intent of the TSM Mining and Biodiversity</p>

Criterion	Rating	Comments
		<p>Conservation Framework and including the mitigation hierarchy.</p> <p>In addition, roles and responsibilities for implementation of the commitment are clear, and the environmental team has been assigned to implement the commitment.</p> <p>A 2023 corporate independent verification was conducted that included the biodiversity management plan.</p>
2. Biodiversity conservation planning and implementation	AA	<p>There are EHS regulatory, procedure and plan linked to the preservation of Biodiversity approved by the senior management at Dolores, as well as the approval of the budget (2023) for the execution of its activities. These documents are communicated to the contractors for their compliance.</p> <p>Dolores has an Environment Budget with approval, for items Closure, including reforestation, topsoil coverage, greenhouses, etc.</p> <p>A corporate independent verification has been developed in 2023 that included biodiversity management aspect.</p> <p>Dolores participates with COI supporting biodiversity conservation through the social project such as the reforestation project with the Ejildo community, developing reforestation and nursery activities in the area.</p>
3. Biodiversity conservation reporting	AA	<p>Dolores prepares semiannual TSM Compliance Reports that include the Biodiversity protocol to the Corporate and Site Manager.</p> <p>Additionally, there are daily meetings where information is provided on biodiversity activities and these help make operational decisions for the day and weekly planning. In addition, information on its performance in relation to biodiversity conservation is described in the 2022 Annual Sustainability Report (public report).</p> <p>The GRI Biodiversity database for the preparation of Annual Sustainability Reports is reviewed by Corporate (Vancouver) before publication. This review of 2022 data occurred between January and April 2023.</p>
Water Stewardship		

Criterion	Rating	Comments
1. Water Governance	AA	<p>Dolores has a "Water Management Commission" document signed by the Operations Manager, consistent with the TSM's water stewardship framework. The tracking of its compliance is carried out in a monthly Water Management Committee.</p> <p>Dolores implements a TSM Induction Program, which includes dissemination of the water management policy to all employees, including contractors. This Policy is also communicated to the COI with the relationship management.</p> <p>There is an HSE Regulation that includes responsibilities for water management; there are also Letters of Assignment of responsibilities to relevant managements. Specific responsibilities are also described in the water management procedure and operational water management procedure approved by Dolores senior management.</p> <p>Dolores analyzed the water risk of the dry year and its impact on the operation, and a budget was approved for the installation of a Water Line. It is evidenced by a CAR of the Pumping System of the Tuluaca System.</p> <p>Dolores had a corporate internal audit completed in 2023 that included confirming the consistency of the facility water management practices with the TSM's water responsibility framework, whether water commitments to water stewardship had been communicated to employees and other relevant COI and confirmed that roles and responsibilities linked to water management are defined.</p>
2. Operational Water Management	AA	<p>The impacts related to surface and groundwater were evaluated and identified in the environmental aspects matrix of Dolores. Additionally, a monthly water balance is generated where the inputs, outputs and losses of water within the process, which is delivered to the senior management of Dolores and corporate.</p> <p>In addition, there is a Water Monitoring Procedure which establishes the sampling frequency and regulatory compliance regarding LMP (Maximum Permissible Limit).</p> <p>There is a database where the results of the water monitoring carried out are recorded, and this upload the Eqwin program. This data is analyzed every time water monitoring is carried</p>

Criterion	Rating	Comments
		<p>out. If deviations are identified, actions will be taken to correct them.</p> <p>Groundwater modeling is attached to the 2020 Closure Plan.</p> <p>Dolores carries out inspections of the water facilities and follows up with those responsible for their effective closure.</p> <p>Dolores has carried out a corporate internal audit in May 2023 that includes the points indicated in level A.</p>
3. Watershed-scale Planning	A	<p>Dolores has carried out a survey on the topic of water (uses and perception of COI). These surveys include information collected related to practices, beliefs, customs, etc., in the watershed.</p> <p>Dolores participates in the meetings of the National Water Commission (Chihuahua local commission), formed in 2023 to report on issues related to water and watershed.</p> <p>The 2021 Environmental Impact Manifesto includes a study of cumulative impacts due to infiltration issues.</p>
4. Water Reporting and Performance	AA	<p>Dolores prepares semi-annual compliance reports with the TSM guidelines, which include objectives and goals that are reported to the operation manager.</p> <p>Also prepares a 2022 Annual Sustainability Report (public on the web) which includes compliance with the objectives and goals. This report indicates that in the year 2022 Dolores has met its objectives and goals. So far in 2023, it is reviewed that Dolores is in the process of meeting its objectives.</p> <p>The Annual Sustainability Report is independently verified by the Corporation of Vancouver prior to public reporting.</p>

4. STATEMENT OF VERIFICATION

<p>The external verification was conducted in accordance with the <i>Terms of Reference for Verifiers</i> and, accordingly, consisted primarily of interviews, data analysis, and examination (on a sample basis) of other evidence relevant to management's assertion of conformance to the requirements of the TSM performance indicators.</p>	
<p>The scores indicated in this report are verified as being accurate based on the evidence reviewed during the external verification of this facility.</p>	
<p>Limitations</p>	<p>No limitations to how this verification was to be planned and completed were encountered.</p>
<p>Additional comments</p>	<p>The Pan American and Dolores teams were well prepared for the verification process. Their self-assessments were comprehensive, and they were very transparent with document and data sharing.</p>
<p>Name of lead verifier</p>	<p>Cecilia Tejada</p>
<p>Date of statement of verification</p>	<p>18.01.2024</p>
<p>Signature of lead verifier</p>	

APPENDIX A PAN AMERICAN SILVER / DOLORES PERSONNEL

Protocol	Interviewees	Position
Biodiversity	Martin Magallanes Juan Carlos Esquer Gilberto Figueroa Gil	Environmental Management Manager Environmental Management Superintendent Environmental Management Supervisor
Energy and GHG	Martin Magallanes Juan Carlos Esquer Gilberto Figueroa Gil Nathalia Gomez Jae Min	Environmental Management Manager Environmental Management Superintendent Environmental Management Supervisor Sustainability Corporate
Water	Martin Magallanes Juan Carlos Esquer Gilberto Figueroa Gil Roberto Del Villar Nathalia Gomez Jae Min	Environmental Management Manager Environmental Management Superintendent Environmental Management Supervisor Water Management Superintendent Sustainability Corporate
Tailings	Not applicable	Not applicable

Protocol	Interviewees	Position
Crisis and Communications	Nerio Montañez Gómez Mario Luis Flores Pérez Richard Graves	Security Manager Security Lead Security Director
Indigenous and Community	Martin Magallanes Carlos Zepeda Albarran Napoleon Barron Mercado	Environmental Management Manager Social Management Manager Social Management
Child and Forced Labour	Alejandro Fernández Ramírez Buendía Jesús Ordorica Bernal	Human Resources and Legal Director Human Resources Manager
Safety and Health	Edgar Martínez Montes	Industrial Safety and Health Manager

APPENDIX B COMMUNITY OF INTEREST (COI) PARTICIPANTS IN THE VERIFICATION PROCESS

Name	Organization	Protocol Association
Isela Solis	Water Commttee	Water Stewardship
Gerardo Encinas	President of the Ejido Huizopa Commissariat	Water Stewardship Indigenous & Community Relations Biodiversity
Sonia Gonzalez	Church Committee	Water Stewardship Energy & GHG Climate Change
Sebastian Urresta	Socionaut Org.	Indigenous & Community Relations



ERM

ERM HAS OVER 160 OFFICES ACROSS THE FOLLOWING
COUNTRIES AND TERRITORIES WORLDWIDE

Argentina	The Netherlands
Australia	New Zealand
Belgium	Peru
Brazil	Poland
Canada	Portugal
China	Puerto Rico
Colombia	Romania
France	Senegal
Germany	Singapore
Ghana	South Africa
Guyana	South Korea
Hong Kong	Spain
India	Switzerland
Indonesia	Taiwan
Ireland	Tanzania
Italy	Thailand
Japan	UAE
Kazakhstan	UK
Kenya	US
Malaysia	Vietnam
Mexico	
Mozambique	

**ERM Consultants Canada
Ltd.**

120 Adelaide Street West, Suite
2010
Toronto, ON
Canada M5H 1T1

T: +1 416 646 3608
F: +1 416 642 1269

www.erm.com