

# ENGAGEMENT WITH INDIGENOUS PEOPLES PROTOCOL

## I. Introduction

In recognition of the multicultural and multilingual nature of the countries in which we operate, our principle is to respect the Human Rights of the indigenous populations in line with the United Nations Declaration on the Rights of Indigenous Peoples and the Agreement 169 of the International Labor Organization (ILO).

At Grupo México's Mining Division we respect and encourage cultural diversity and promote long-term relationships with the communities where we have operations, within a framework of due diligence. As established in our General Policy of Respect for the Rights of Indigenous Peoples and Communities, we are committed to comply with local and national regulatory frameworks on indigenous peoples and communities<sup>1</sup>.

## II. Objectives

To guide the management and engagement of the staff that is linked to the indigenous peoples who could be impacted by the operations and projects that are implemented in three of the countries where we are present: Mexico, Peru and the United States. It also seeks to strengthen the existing Community Development Model and includes proposals to encourage the community participation to consider the vision, rights and interests of indigenous peoples to generate agreements and specific and differentiated actions.

## III. Scope

The operational units and projects that operate in indigenous communities, their personnel, and our business partners in the Mining Division of Grupo México, in all countries where it operates, are subject to this protocol. It applies to the entire operational lifecycle, from planning, design, exploration, project preparation, development, closure, and post-operation.

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<sup>1</sup> For further information please consult the General Policy of Respect to the Indigenous Peoples and Communities Rights

## IV. Principles

The primary goal is to strengthen the company's operations and improve the quality of life of the communities where we operate; always under the consideration that people are the generators of development. We seek to prevent, mitigate or remedy possible negative effects and enhance positive impacts.

We are guided by the following values:

- **Engagements of trust:** empathizing and maintaining proximity.
- **Participatory communication:** promoting open and transparent dialogue as the main tool to identify points of agreement that allow us to generate plans and programs of common benefit.
- **Inclusion:** listening to the ideas and needs of the different groups that make up a community, considering their diversity in terms of age, gender, mother tongue and specific needs.
- **Co-responsibility:** Identifying each person as the leading player in his or her personal development and environment. It is possible to make positive transformations when everyone puts his or her abilities, knowledge and skills at the service of his or her community, participating jointly with the company and the community.
- **Transparency:** Ensuring clear and transparent sharing of relevant information with stakeholders.

Our social management and community development model is divided into three stages:

- **Responsible Coexistence:** We establish a harmonious and lasting relationship with the communities where we operate through open communication and bonding instruments that foster listen to gather the concerns and demands of the population and be in a position to offer timely responses and attention.
- **Economic Development:** We generate job opportunities, supply and investment in necessary and useful infrastructure for society (water, schools, etc.) to generate and strengthen the social framework, as well as to raise the standard of living of the communities.
- **Human Development:** We create spaces to strengthen the social network, generate trust and improve the quality of life in the communities where we have a presence.

We have adopted the following cross-cutting principle through this model and to guarantee a harmonious, sustainable and co-responsible engagement with the indigenous peoples involved in the various projects, (i.e., from the beginning to the end of the activities related to the projects):

- **To operate with cultural relevance:** To recognize, respect and consider the community context in all its dimensions (social, cultural, environmental and spiritual) in each activity.

For the adoption of this cross-cutting principle Grupo México's Mining Division recognizes the existence and importance of the following indispensable aspects:

- The pluricultural composition and linguistic diversity of Mexico, Peru and the United States.
- The cultural values of indigenous peoples, their history, worldview or styles and ways of perceiving life, languages, cultural representations and expressions, traditions and knowledge, spirituality, internal normative systems, communication mechanisms, use and disposition of goods, forms of organization and cultural heritage. All the above, provided that such, are not incompatible with the laws and norms defined by the national legal system applicable in each country, nor with internationally acknowledged human rights
- The collective manner in which indigenous peoples develop and reproduce part of their social, cultural and spiritual life, including the special relationship and engagement they maintain with the land, water and other elements of nature with which they are linked in a context of compliance with the legal framework in force.

The territory of indigenous peoples as a central element in the development of symbolic and material life in the community and the preservation of their cultural identity.

## **V. Commitments**

1. To promote interculturality, recognizing cultural diversity, respecting differences and guaranteeing equitable relations, in a context of compliance with the legal framework in force.
2. To consider the characteristics of the project in accordance with the particularities and circumstances of each community context, where possible, in technical terms.
3. To know and respect the cultural characteristics of indigenous peoples and promote the associated rights.
4. To consider the Guiding Principles on Business and Human Rights in our actions.
5. To promote inclusive practices to avoid any type of discrimination.
6. To avoid actions that promote discrimination based on ethnic or national origin, gender, age, disabilities, social status, health, religion, opinions, sexual preferences, marital status or any other that violates human dignity and aims to nullify or impair the rights and freedoms of people.
7. To provide clear information according to the cultural particularities of indigenous peoples, in the corresponding linguistic version.

## VI. Tools

The main tools for managing and relating with indigenous peoples are as follows:

- a) **Cultural interaction guide.**
- b) **Socio-cultural characterization data sheet of indigenous peoples.**
- c) **Road map for appropriate engagement with indigenous peoples.**

### VI-1. Cultural interaction guide

The cultural interaction guide provides guidance and recommendations on how to interact respectfully and appropriately with indigenous peoples from different cultural contexts to facilitate mutual understanding and foster harmonious relations.

This series of recommendations are grouped into three specific moments:

Engagement Stages	Main Recommendations
<b>Preparation for the first community contact</b>	<ol style="list-style-type: none"> <li><b>1.</b> Interview with the liaison or direct counterpart to learn about the social, cultural and economic context of the indigenous peoples, as well as the general characteristics that any Grupo México's Mining Division action associated with community relations must follow.</li> <li><b>2.</b> Ask the contact person for the community cartography to know the territorial limits and priority sites.</li> <li><b>3.</b> Hold an Interview with the liaison or direct counterpart to know the social, cultural and economic context of the indigenous people, as well as the general characteristics that any Grupo México's Mining Division action associated with community relations should follow.</li> <li><b>4.</b> Learn about the dates and relevant sites of the indigenous people's festive-ritual system so that the actions to be undertaken do not interfere in any way with those.</li> <li><b>5.</b> To know in depth the Policy for the respect of the rights of indigenous peoples and the Grupo México's Mining Division Code of Ethics and Behaviour in Indigenous Communities to ensure that the actions are always in line with them.</li> </ol>

<b>First community contact</b>	<ol style="list-style-type: none"> <li><b>6.</b> Upon previous appointment, pay a visit together with the representative authority of the indigenous people who will be accompanied by the liaison or direct contact person for community relations, who will be supported by an interpreter-translator to enable mutual understanding.</li> <li><b>7.</b> Identify themselves before the representative authority, detailing verbally and in writing the objectives of the visit, the actions to be executed and the territory where these will be carried out.</li> <li><b>8.</b> Depending on the nature and implications of the actions to be performed in the indigenous population, submit to the consideration of the representative authority the relevance of presenting it to the assembly. This has the purpose to convey the good faith and transparency of the activities.</li> <li><b>9.</b> Notify and submit to the consideration of the indigenous people any use or modification to the natural environment or any other element within their territorial limits, which had not been previously agreed upon to respect their right to the territory and natural resources that coexist in their territory.</li> <li><b>10.</b> Respect the right to self-determination, taking into consideration any community decision associated with the activities to be carried out within their territory.</li> <li><b>11.</b> Evaluate together with the participants of the presentation meeting the relevance of making a minute as a record.</li> </ol>
<b>During the community visits</b>	<ol style="list-style-type: none"> <li><b>12.</b> Promote equal treatment, free of discrimination of any kind.</li> <li><b>13.</b> Respect the freedom of opinion and expression of the members of the indigenous people.</li> <li><b>14.</b> Take into account the concerns that may arise on behalf of the representative authority of the indigenous people associated with the proposed activities.</li> <li><b>15.</b> Consider and respect the hierarchy system, as well as the mechanisms of community organization and decision making.</li> </ol>

- 16.** Respect the dignity and integrity of men, women, children, the elderly and people with disabilities.
- 17.** Respect their identity, avoiding any type of discrimination.
- 18.** Respect and allow the use of the indigenous language and in such cases look for the support of an interpreter-translator.
- 19.** Avoid any type of conflict within the indigenous peoples; in this situation, any incidents should be reported to the Grupo México's Mining Division liaison or direct contact person.
- 20.** Notify the representative authority of the indigenous people and the Grupo México's Mining Division liaison or direct contact person of any change in the original planning of the activities to be performed.
- 21.** Notify the representative authority of the indigenous people and the Grupo México's Mining Division liaison or direct contact person about any findings (natural elements, archaeological remains, among others) or unforeseen circumstances associated with their territory (landslides, falling trees, among others). Respect the internal decisions of the indigenous peoples, as long as they are not contrary to the compliance with the legal framework in force.

## **VI-2. Socio-cultural characterization data sheet of the indigenous people**

Document that compiles relevant information on the specific indigenous people, in order to understand its social, cultural and economic context, taking into account basic aspects such as the indigenous peoples' origin and history, festivities, worldview, rituals, sacred places, territorial connection, map on the use of the territory, problems observed and expressed by those people on the use of the land, internal normative systems, community organization, main productive activities, language and other identity elements.

In countries that have norms or regulations on characterization data sheets, these provisions should be considered at the time of executing any action that involves the preparation of such sheets.

### VI-3. Roadmap for appropriate engagement with indigenous peoples

The roadmap guides the process of engagement with indigenous peoples designed for Grupo México's Mining Division and is in accordance with the Code of Ethics.

It should be noted that one of the main characteristics of the roadmap is that it is flexible, so it adapts to each context. The details of its operation are defined on a case-by-case basis and in each of the indigenous peoples independently.

It consists of 8 indications to incorporate the specific considerations regarding indigenous peoples in the management and community participation tools that make up the AMC Community Relations Protocol:

Community engagement management phase	Tool	Indications
Knowledge Bases	Stakeholders' Map	1. Consider the indigenous peoples that have been identified in the project's direct area of influence. To achieve this, it is necessary to consider the Cultural Interaction Guide and complete the Sociocultural Characterization Record with the analysis containing the community components in indigenous matters.
	Participatory Social Diagnosis	2. Define the social benefits together with the indigenous peoples, for which it is necessary to have an economic development program based on the joint identification of needs, development perspective and community potentials.
	Social Risks Matrix	3. Identify the social, cultural, environmental and spiritual

		<p>impacts on each indigenous people linked to the project, to define measures to enhance or mitigate them as appropriate.</p>
<b>Mechanisms of community engagement</b>	Community Dialogues	<p><b>4.</b> Establish the first community approach to initiate the link with the indigenous peoples to generate communication channels and establish the basis for a long-term engagement based on trust and good faith.</p> <p><b>5.</b> Define together with the indigenous peoples, the agreements regarding the future relationship, agreeing on the modalities and bases for dialogue in accordance with the decision-making internal mechanisms of the indigenous peoples.</p>
	Support and Attention Center	<p><b>6.</b> Inform the indigenous people that the Support and Attention Center is available in their own language, to have a specific, permanent and culturally appropriate communication channel, focused on the reception and attention of concerns, suggestions, complaints, special cases or contingency reports that arise in their relationship with the company.</p>
<b>Social Programs</b>		<p><b>7.</b> Comply with the agreements and give continuity to the community relationship, guaranteeing the fulfillment of the commitments acquired and thus maintaining a</p>



	harmonious and long-term engagement for mutual benefit.
<b>Social impact evaluations</b>	<b>8.</b> Periodically evaluate actions in relation to indigenous peoples, identify weaknesses and strengths of Grupo México's Mining Division practices with indigenous peoples to improve community relations.

## VII. Knowledge Bases

Each operation and project unit are responsible for having a reliable and verifiable information base, supported by a proper due diligence process<sup>2</sup> for adequate management, which includes the socio-cultural characterization of the indigenous people, the social diagnosis<sup>3</sup> and the map of stakeholders<sup>4</sup>, which must include studies, information gathering and evidence of actions carried out (results, photos, videos) as support.

The knowledge bases will be updated on a biannual basis and must be accessible for consultation.

## VIII. Plans and Programs

In addition to complying with the provisions of Grupo Mexico's Community Relations Protocol, each operating unit or project where indigenous peoples are present must develop specific components for the **Social Management Plan**<sup>5</sup> that include the tools mentioned in this protocol.

## IX. Budget

Each operational unit or project will prepare an annual operating program containing an estimate of the financial resources necessary to implement the actions that allow us to meet the objectives and commitments set forth in our Community Development Policy and this protocol of engagement with indigenous peoples.

<sup>2</sup> For further information please consult the General Policy of Human Rights

<sup>3</sup> For further information please consult the Internal Procedure 01 – Social Diagnosis

<sup>4</sup> Please refer to clause VIII-2 of the Community Relations Protocol

<sup>5</sup> Please refer to clause IX of the Community Relations Protocol

## X. Execution<sup>6</sup>

A due diligence process will be carried out in all operations and projects that operate within the presence of indigenous peoples, starting with a socio-cultural characterization of the indigenous population, to subsequently carry out a participatory social diagnosis identifying the areas of influence and the risk matrix. The norms and guidelines of the country where this process will be carried out, if regulated, will be taken into consideration.

Based on the integration of these knowledge bases, they will generate a social management plan which, as a starting point, contemplates avoiding and minimizing significant adverse impacts on indigenous peoples, with a focus on human rights, establishing mechanisms for dialogue and open a participatory listening to the population to adequately address, remedy and compensate in coordination with the corresponding internal areas according to their nature, if they exist. The plan will also describe the economic and human development programs to be implemented in the unit's neighbour community/ies.

A social management exercise with indigenous peoples will be carried out in full compliance with the applicable legislation in each country, taking into account the existing best practices, as long as they do not go against the regulations of each country

## XI. Performance Indicators

Indicator	Responsible party
Timely update of the knowledge bases <sup>7</sup>	Site coordination
Degree to which engagement mechanisms were used to address indigenous peoples' complaints and concerns.	Site coordination
Number and description of grievances and concerns received through engagement mechanisms with indigenous peoples	Site coordination
Degree to which consultation processes with indigenous peoples have been implemented	Site coordination
Degree of implementation of community dialogues with indigenous peoples.	Site coordination
Compliance with the annual social management plan - performance of social programs with indigenous peoples.	Site coordination

<sup>6</sup> For further information please refer to the Internal Procedure 05 – Quality Management

<sup>7</sup> The knowledge bases are resources that contain relevant information about communities, including quantitative and qualitative data. These databases are used to develop social projects.

Amounts invested in social programs and projects with indigenous peoples.	Site coordination / Community Development Director
Amounts invested in infrastructure and works with indigenous peoples.	Site coordination / Community Development Director
Timely update of the activity plan for the social closure of operations in indigenous communities.	Site coordination / Community Development Director
Certifications granted by national and international organizations	Site coordination

## XII. General Supervision

The supervision of the engagement with the indigenous peoples is responsibility of the Corporate Board of Community Development of the Grupo México's Mining Division. The results of this supervision will be reflected on the reports made about the progress of the annual social work programs and according to the frequency of the updates foreseen in this protocol.

Tool	Site Coordination	Unit's Management and Directorate	Regional Management of Community Development	Community Development Directorate	Sustainable Development Directorate
<b>Socio Cultural Characterization Record of the Indigenous People</b>	(E) Quarterly	(V) Quarterly	(A) Quarterly	(A) Quarterly	
<b>Cultural interaction Guide</b>	(E) Annual	(V) Annual	(A) Biennial	(A) Biennial	
<b>Road map for the adequate relation with the indigenous peoples</b>	(E) Annual	(V) Annual	(A) Biennial	(A) Biennial	
<b>Stakeholders map</b>	(E) Annual	(V) Annual	(A) Biennial	(A) Biennial	
<b>Participatory social diagnosis</b>	(E) Biennial	(V) Biennial	(A) Biennial	(A) Biennial	
<b>Social Risks Matrix</b>	(E) Quarterly	(V) Quarterly	(V) Quarterly	(A) Annual	
<b>Community Dialogues</b>	(E) Annual	(V) Annual	(V) Annual		
<b>Community Care Service</b>	(E) Annual	(V) Annual	(V) Annual	(A) Annual	
<b>Social Programs</b>	(E) Annual	(V) Annual	(V) Annual	(A) Annual	
<b>Social Impact Evaluations</b>	(E) Biannual	(A) Biannual	(V) Biannual		

Elaboration (E) / Validation (V) / Authorization (A)

The results of the operational and corporate supervision and validation must be considered for the continuous improvement of the tools and processes of engagement that this Protocol indicates.

### **XIII. Report<sup>8</sup>**

The management performance of the community engagement will be reported and reviewed according to the procedures of community relationship. The Community Development Directorate must submit an annual report to the Sustainable Development Directorate including its actions, as well as in a frequent basis or as requested by the government bodies and internal or external stakeholders

### **XIV. External Verification**

The successful implementation of the plans and programs of the community relationship can be evaluated on a yearly basis by an external auditor.

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<sup>8</sup> For further information please refer to the Internal Procedures 10 ' Operation of the Overall Impact Measurement / 11 – Evidence Management