

LUNDINGOLD



TSX, NASDAQ STOCKHOLM: LUG

OTCQX: LUGDF

SUSTAINABILITY REPORT 2023

A full-page background image showing two female miners in a mine. They are wearing hard hats, safety glasses, and high-visibility vests. The miner on the left is wearing an orange vest and a white hard hat, while the miner on the right is wearing a red and black vest and a grey hard hat. They are both looking towards the right side of the frame. The background shows industrial mining equipment and structures.

**BUILDING A LEADING GOLD COMPANY
THROUGH RESPONSIBLE MINING**



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About This Report

Introduction

At Lundin Gold Inc. (Lundin Gold, the Company, our, we or us) sustainability is integrated into everything we do. It is entrenched in our culture, our stakeholder engagement, our partnerships and in all of our business decisions. It is with this mindset that we are continually working to make lasting positive environmental, economic and social impacts on the communities in which we operate, and as a corporate citizen in our host country of Ecuador.

Our 2023 Sustainability Report (the Report) builds on nearly a decade of sustainability reporting. It presents a broad view of how we create shared value, and demonstrates our commitment to transparency and accountability.

While listed on the Toronto Stock Exchange (TSX: LUG), by virtue of our secondary listing on the Nasdaq Stockholm Exchange (Nasdaq Stockholm: LUG), our reporting falls into scope of the European Union's (EU) Corporate Sustainability Reporting Directive (CSRD). As a result, we are transitioning our sustainability reporting to align with the European Sustainability Reporting Standards (ESRS).



Aerial view of the Process Plant at Fruta del Norte.



Process Plant at Fruta del Norte.

We have evolved our sustainability reporting over the years to respond to changes in the reporting and regulatory landscape and stakeholders' expectations. This has led to our proactive decision to move towards ESRS alignment earlier than required. As part of this multi-year transition, we have made key changes to our 2023 Sustainability Report, which include:

- Grounding the Report in the results of an ESRS reporting standards analysis¹ and a Double Materiality Assessment².
- Organizing the pillars and enablers of our 5-Year Sustainability Strategy³, initially developed to guide our sustainability focus for the 2021-2025 period, under the headline topics of Environment, Social and Governance (ESG) to align with ESRS.
- Providing supplementary GRI tables to complement this Report that include new disclosures based upon ESRS criteria.
- Incorporating the disclosures specific to the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations within this Report, replacing the standalone TCFD Report that we previously issued.

¹ For more information on our ESRS reporting standards analysis, please see [page 5](#).

² For more information on our Double Materiality Assessment, please see [page 22](#).

³ For more information on our 5-year Sustainability Strategy, please see [page 12](#).

Report Scope and Boundaries

The scope of this Report is focused on our Fruta del Norte gold mine (Fruta del Norte or FDN), our sole producing asset. We conduct our business activities at Lundin Gold through various operating and exploration subsidiaries. Our operating subsidiaries are entities in Canada and Ecuador whose business purpose is related to FDN. Aurelian Ecuador S.A. (AESA), our major operating subsidiary, holds the concessions underlying FDN in Ecuador. It is wholly owned by Lundin Gold through Aurelian Resources Inc. and Aurelian Resources Corporation Ltd., both of which are Canadian subsidiaries. For more information regarding our ownership structure, please refer to our 2023 Annual Information Form.

This Report focuses on our sustainability performance, our activities at FDN and our exploration activities between January 1 and December 31, 2023.

Our Executive Committee and the Health, Safety, Environment and Sustainability Committee (HSES) of our Board have reviewed and approved this Report. No external third-party assurance was sought for the contents of this Report.

All dollar amounts are stated in US dollars (USD) unless otherwise indicated.



Reporting Standards

We developed this Report with guidance from globally recognized sustainability reporting frameworks, standards, and recommendations, including ESRS, TCFD, Global Reporting Initiative (GRI), Sustainability Standards Accounting Board (SASB), and United Nations Sustainable Development Goals (UN SDGs). As a participant of the UN Global Compact (UNGC), this Report is part of our 2024 Communication on Progress commitment.

This Report has also been shaped by the Mining Local Procurement Reporting Mechanism (LPRM), a set of disclosures that seek to standardize how the global mining industry and host countries measure and talk about local procurement.

We have provided a detailed 2023 GRI, ESRS Index in a downloadable digital Excel format on our website.

In addition to this Report, further information about our commitment to sustainability, performance, policies and initiatives is available on our website or via our additional reporting disclosures:

- Annual Report 2023.
- Annual Information Form 2023.
- Management Information Circular 2024.



Forward-Looking Information

This Sustainability Report contains forward-looking information or forward-looking statements. Please refer to these detailed statements in the Caution Regarding Forward-Looking Statements section provided in [page 113](#) of this Report.

Invitation for Feedback

We would love to receive feedback on this Report. Please send questions or comments to:

■ INVESTOR RELATIONS
Info@lundinggold.com

■ COMMUNICATIONS
ec.comunicaciones@lundinggold.com

■ LOCAL PROCUREMENT (FDN)
fdn.compras.locales@lundinggold.com

Note: Refer to Non-IFRS measures explanation in our Glossary on [page 114](#) of this Report.

Letter to Stakeholders from the CEO



“

Sustainability is part of everything we do. Every time I go to site, I am humbled. We have changed peoples' lives, and we continue to provide opportunities. At Lundin Gold, sustainability is about creating shared value and making a lasting impact.

”

Ron Hochstein
President, CEO and Director

Dear Reader

2023 was a year of growth and maturity for our communities and our business, highlighted by strong sustainability and financial results in our fourth year of production.

Advancing our 5-year Sustainability Strategy

In 2023, we continued to lead on sustainability in Ecuador, making measurable impact across our 5-year Sustainability Strategy. I am particularly proud of our strong Health and Safety performance, which included our implementation of numerous operational and occupational programs and an industry-leading Total Recordable Incident Rate (TRIR) of 0.24 per 200,000 hours worked. Additionally, we expanded our Diversity, Equity and Inclusion (DEI) approach and set clear 2025 commitments across seven focus areas.

We made significant progress with our biodiversity initiatives, achieving two out of three of our five-year targets. We restored 3.42 hectares of land and achieved a 90% non-hazardous waste reuse rate through recycling initiatives. Furthermore, we advanced our efforts towards carbon neutrality by 2030.

These achievements, along with other milestones in 2023, demonstrate our dedication to being the roadmap for responsible mining in Ecuador and inspiring others to follow suit.

Setting sustainability as the foundation for our Business Strategy

Guided by our fundamental principles of Working Safely, Environmental Stewardship and Respect, we have built our business strategy around our deep commitment to sustainability. By fostering a culture of engagement and collaboration, we are able to consider the realities and needs of our communities in Ecuador alongside the needs of our business. Our approach drives value across our three corporate pillars of Operational Excellence, Enhanced Cash Flow and Strong Growth.

For 2023, we achieved our full-year guidance, generating \$263 million in free cash flow¹, producing 481,274 oz of gold and achieving sales of 474,365 oz. Additionally, we expanded our exploration program, drilling 55,000 metres, paid \$95 million in shareholder dividends and repaid both our gold prepay facility and senior debt facility ahead of schedule.

Enhancing transparency and accountability for our actions and progress

To enhance our 2023 sustainability disclosure, we have aligned this Sustainability Report with ESRS standards, as outlined in the About this Report section on [page 4](#).

¹ Refer to Non-IFRS measures explanation in our Glossary on [page 114](#) of this Report.

We took this step in preparation for our impending compliance with the European Union's CSRD regulations, which is a requirement due to our Nasdaq Stockholm listing. At the start of this journey, we undertook a [Double Materiality Assessment](#) to deepen our understanding and consideration of the priority sustainability risks and opportunities impacting our business and our communities. As part of our commitment to continuous improvement, we will further strengthen our Sustainability Strategy with these insights.

Creating shared value

Engagement, dialogue and collaboration have been key enablers for our Sustainability Strategy. With this in mind, we will continue to work together with our host communities, governments and partners to best enable us to create shared value.

Our Community Roundtables help us to understand local expectations and integrate effectively with our host communities. Occurring regularly, they provide an opportunity to discuss important topics with local, national and regional government representatives, non-governmental organizations (NGOs) and communities. With these insights in hand, our employees at the national and local level partner closely with these audiences to address their most pressing needs.

To strengthen our efforts, we continue to collaborate with non-profit organizations such as the [Lundin Foundation](#), which supports our strategic community investment initiatives, with a focus on economic diversification and local supplier development. Most recently, we have forged a new partnership with international non-profit [Educación para Compartir \(EpC\)](#) to promote the development of healthy people and communities in our area of influence.

Delivering long-lasting impact

We remain committed to leading in sustainability and paving the way for others. Building on the strong foundations laid by our late founder, Lukas Lundin, we aim to make a positive impact on our communities by improving their wellbeing and creating opportunities for their future.

Many of the initiatives we have introduced over the years are now owned, implemented and driven by the local government and other organizations across industries and jurisdictions in Ecuador. In addition, through our procurement efforts, we are working hard to help incubate and develop more local businesses with a view to delivering lasting economic impact.

At the community level, we will continue to build on our commitment to education through both infrastructure investment, such as the refurbishment of the local school in our nearest community, and through our launch and support of educational programs ranging in topics such as personal wellbeing, education, water management and others. Our [Estamos Conectados](#) initiative enables internet connectivity across 22 local communities, providing both remote learning and economic development opportunities.

Our ultimate success is best positioning our host communities to continue to thrive independently of our support long into the future, which is why we will never become complacent in our approach.

Looking to the future

Heading into 2024, we will continue to enrich our Sustainability Strategy with all the learnings and insights we have gathered over time, with the aim of increasing our positive impact on our stakeholders. I am confident that we are well-positioned to continue to create significant value for our business, shareholders, host country, local communities, employees and beyond.

Sincerely,



Ron Hochstein

President, CEO and Director

Signed in Vancouver, Canada on May 8, 2024

Company Overview

About Lundin Gold Inc.

We are a Canadian mining company headquartered in Vancouver, British Columbia, Canada. Our 100% owned Fruta del Norte gold mine, located in southeast Ecuador has been in production since late 2019, and is among the lowest carbon emitting, highest-grade and most cost-effective operating gold mines in the world. With production of 481,274 ounces (oz) of gold in 2023, we are presently operating one of the largest producing gold mines in South America.

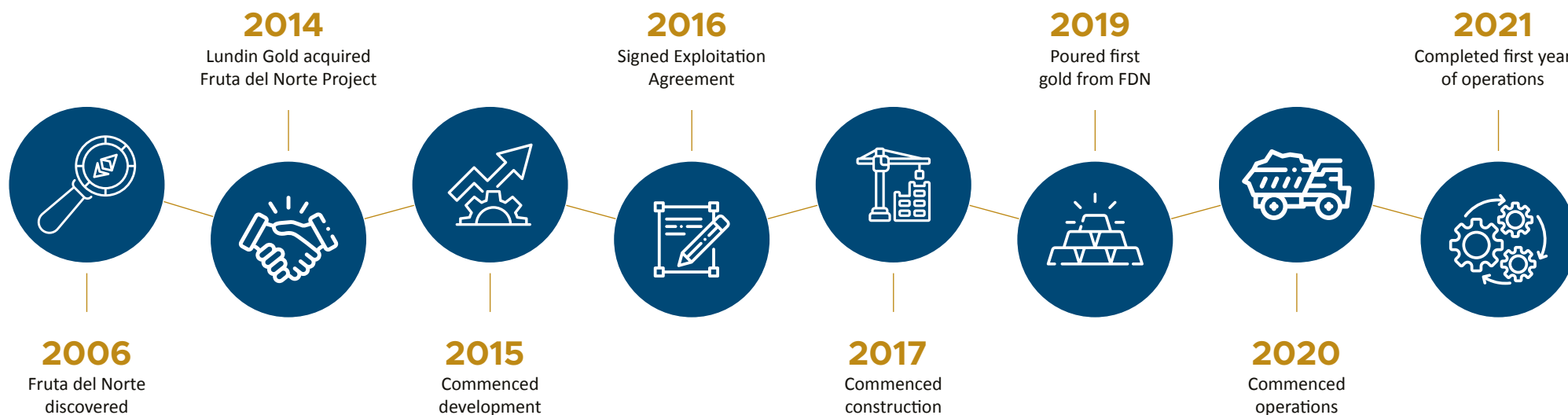
We hold 28 metallic mineral concessions and 3 construction material concessions in the South-Eastern Province of Zamora Chinchipe in Ecuador. These concessions cover an area of approximately 64,454 hectares (ha) and are managed through our major operating subsidiary, Aurelian Ecuador S.A. and our wholly owned exploration subsidiaries, Aurelianmenor S.A. and Surnorte S.A.

FDN is found in the La Zarza Concession, which is wholly owned by Aurelian Ecuador S.A and is located in the Parish of Los Encuentros, the Canton of Yantzaza, within Zamora Chinchipe.



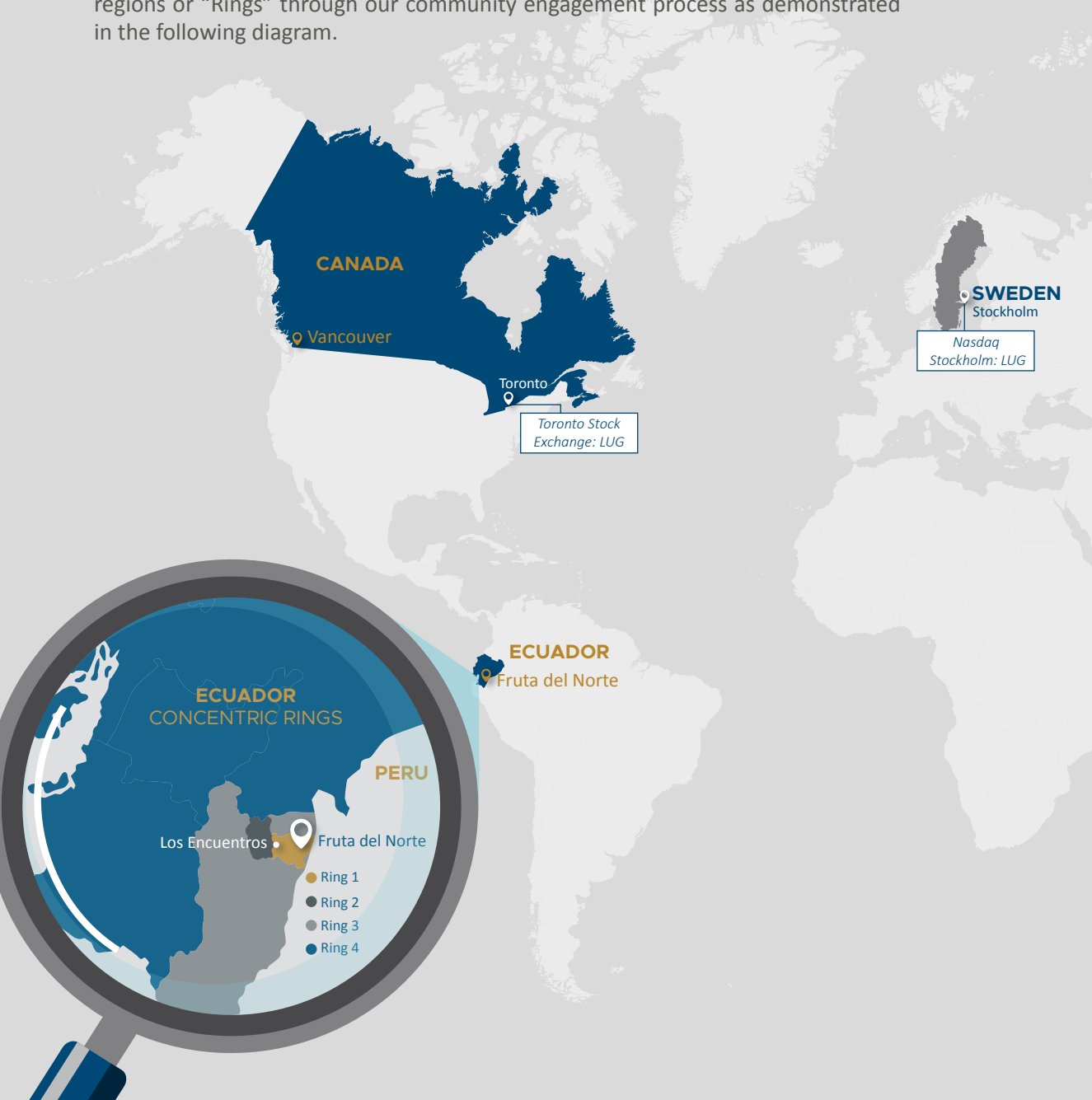
Aerial view of surface infrastructure at Fruta del Norte.

Fruta del Norte, the Story so Far



Our Definition of “Local”

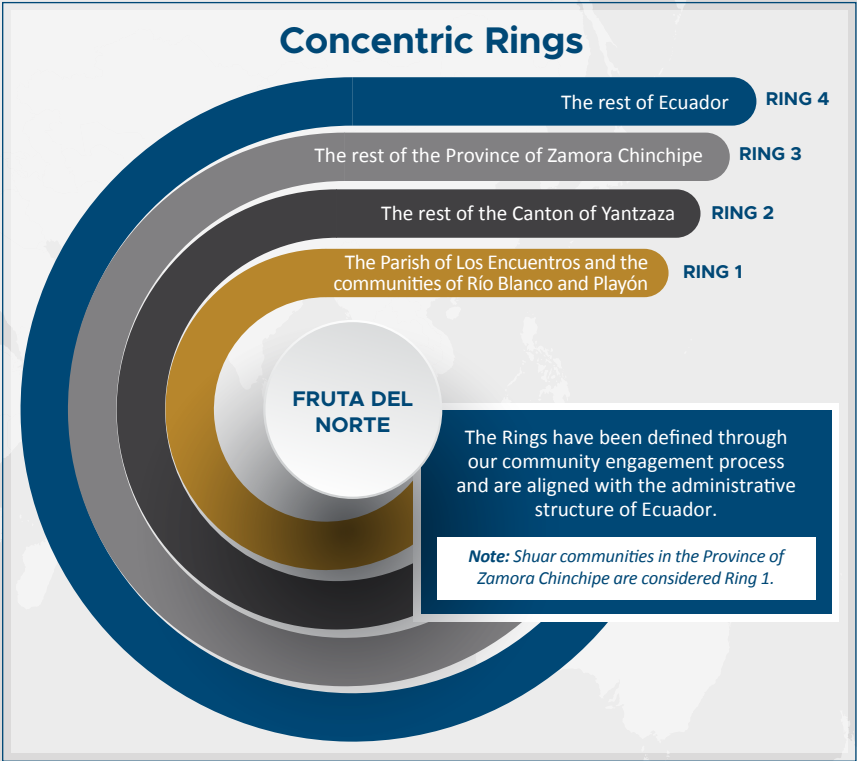
Our definition of “local” allows us to maximize the shared benefits of FDN, to mitigate or minimize risks, and to measure our impact accordingly through local employment, procurement and community investment. We jointly defined our four regions or “Rings” through our community engagement process as demonstrated in the following diagram.



Our 2023 Portfolio at a Glance*

Average Grade 10.2 Grams per Tonne	Production 481,274 Oz	Net Income \$179 million US Dollars
Metallic Mineral 28 Concessions	Construction 3 Concessions	Mineral Reserves 5.5 million Oz

*Note: As at December 31, 2023.



Note: Lundin Gold’s direct area of influence is not populated nor does it belong to any community or settlement.

Our Value Creation

The table below outlines the estimated direct economic value that we generated and distributed over the last two years.

Lundin Gold Economic Performance ¹ (\$ millions)			
Direct Economic Value Generated and Distributed	Operations and Exploration		
	2023	2022	Var % (Y-O-Y)
Revenues	901	816	10%
Total Lundin Gold Economic Value Generated	901	816	10%
Operating Costs	189	186	2%
Employee Wages and Benefits	93	81	15%
Payments to Providers of Capital	72	227	-68%
Payments to Government	104	101	2%
Community Investment	3.1	2.7	14%
Total Lundin Gold Economic Value Distributed	461	599	-23%
Total Lundin Gold Economic Value Retained	440	217	103%

¹ Includes only AESA financial information. For information on Lundin Gold's consolidated 2023 financial performance, please refer to our 2023 [Annual Report](#).



Los Encuentros park.



Q&A with our Sustainability Team Leaders

Our Sustainability Team is responsible for the development, management and implementation of our 5-year Sustainability Strategy. The team comprises 29 individuals located across Canada and Ecuador with expertise in key areas including climate change, social responsibility and stakeholder engagement.

The Sustainability Team is led by Sheila Colman, VP Legal and Sustainability, who reports into Ron Hochstein, President and CEO. 28% of the team is based in our Regional Office in Quito, Ecuador, led by Juan José Herrera, Senior Manager, Business Sustainability. Another 69% is located near FDN in our Community Office in the Parish of Los Encuentros, Ecuador, led by Winer Bravo, Senior Manager, Social Responsibility and Communities, with support from Anabell Salinas, Supervisor, Social Responsibility and Communities.



Sheila Colman

*VP Legal and Sustainability and Corporate Secretary
Corporate Head Office, Vancouver, Canada.*

How do the business and sustainability strategies intersect to create shared value for stakeholders?

"In 2015, we developed our foundational Corporate and Sustainability Strategy using the insights we gathered from our early conversations about our acquisition of FDN with communities and stakeholders in Ecuador. As a result, local

needs and priorities have shaped our corporate and sustainability strategies from the beginning. When we present our value proposition, we explain that ESG is a cross-cutting enabler of our growth, cashflow and operational excellence. This means that our Sustainability Strategy protects our social license to operate in Ecuador and helps us to mitigate risk and capitalize on opportunities. Our Sustainability Strategy enables our Corporate Strategy, and we cannot be successful without both working together."

Why transition the Sustainability Report to begin aligning with ESRS now?

"Once we had mapped out the key steps to reaching ESRS compliance, we identified multiple benefits by aligning the Report with ESRS for the full year 2023. These benefits included more time to pull key people into the conversation, looking at materiality differently, increasing transparency, enhancing our reporting processes, tools and resourcing and managing potential risk."



Juan José Herrera

*Senior Manager, Business Sustainability
Regional Head Office, Quito, Ecuador.*

What excites the team most about the 5-year Sustainability Strategy, and how does the team partner with other areas of the business to support and progress the Sustainability Strategy?

"We believe our Sustainability Strategy aligns with our material business risks. We developed clear lines of responsibility and oversight and appropriate targets to measure and track our progress. Increasing disclosure requirements and deeper insights from our recent Double Materiality Assessment provide opportunities to enhance and shape the direction of our Sustainability Strategy as we strive to make a long-lasting impact for our communities."

I'm amazed at how our team has expanded in number and in expertise over the years. We are in the room for all key corporate decisions so that we can help identify and evaluate potential sustainability risks and opportunities in any given situation. This gives us the advantage of getting ahead of potential issues that could impact our business and stakeholders either negatively or positively. I am convinced that our Sustainability Strategy has become a reference for other mining companies in Ecuador and beyond."



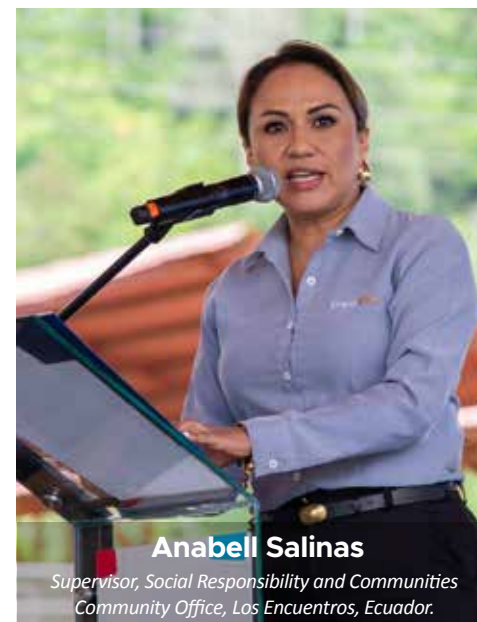
Winer Bravo

*Senior Manager, Social Responsibility and Communities
Community Office, Los Encuentros, Ecuador.*

How do your activities in Social Responsibility and Communities support or connect with the Sustainability Strategy?

"I have led the area of social responsibility and communities since 2015 and have played an active part in the development of several pillars of the 5-year Strategy including setting our goals, objectives and KPIs. My team is responsible for implementing the Strategy at the local level and in FDN's area of influence in Ecuador."

Sustainability is part of who we are. Regardless of the project we are working on, we are always thinking about how we can improve the current realities of our communities. We work with a variety of audiences including children, youth and adults to improve their lives, enabling them to aspire to and achieve a better life."



Anabel Salinas

*Supervisor, Social Responsibility and Communities
Community Office, Los Encuentros, Ecuador.*

What are you focusing on in your role as Supervisor, Social Responsibility and Communities?

"I focus primarily on the development and growth of people through formal and informal education, art, culture and sport. We identify different needs at the community level and generate initiatives to meet them."

One of the things that excites me most about the Strategy is that it considers the development of people from all angles. I particularly appreciate our focus on education, which aims to increase knowledge at every level of our local community. As a person who was born and raised in Los Encuentros, I have witnessed firsthand the significant change communities have experienced since Lundin Gold arrived."

Our Approach to Sustainability

Our Commitment

Our vision is to build a leading gold company and create shared value through sustainable and responsible mining practices. Guided by our three Fundamental Principles of Working Safely, Environmental Stewardship, and Respect in all our activities, we place sustainability at the heart of everything we do. This approach allows us to enhance stakeholder value in our key areas of corporate strategic focus: Operational Excellence, Enhanced Cash Flow, and Strong Growth.

We prioritize our relationships with local communities and stakeholders, recognizing their importance in shaping our business practices and the value we generate. Operating with transparency and adhering to international best practices is a commitment we uphold. For more information, please see our [Responsible Mining Policy](#).

Our Corporate Strategy



Our Fundamental Principles

Working Safely

We are committed to having a robust Health and Safety Culture at our operations and in local communities. We strive for zero harm through effective prevention and response measures.



Environmental Stewardship

The overarching objective of our Environmental Stewardship program is to implement industry best practices for water management, waste and tailing management and emissions reductions.



Respect in all our Activities

We promote a diverse and respectful workplace, the wellbeing of our people, and gender equality. We are committed to providing an inclusive workplace that is free from discrimination and harassment. This principle applies to our social investment programs and to promote a diverse and inclusive supply chain that advances equal opportunities.



Our Sustainability Strategy

In 2020, we established a 5-Year Sustainability Strategy for the period 2021 through 2025. Consisting of eight strategic pillars and four enablers of success, this Strategy represents the areas where we seek to create positive change to benefit our stakeholders in a measurable way while continuing to support our business success. The Strategy offers a framework for involving stakeholders, establishing objectives, concentrating efforts, and enhancing performance in the areas that are most crucial and may present the greatest risk and/or opportunity to our business.

As part of the development of this 5-Year Strategy, we implemented a comprehensive Impact Management Framework¹ to annually measure our progress against our

2025 headline targets for each strategic pillar. We have highlighted the progress that we have made towards our key 2025 headline targets in the table that follows.

It has been a transitional year for our sustainability reporting journey as we proactively began to establish the necessary foundations for reporting ESRS compliant disclosures. In late 2023, we hosted a level setting workshop and completed our first Double Materiality Assessment and ESRS Reporting Diagnostic. These activities resulted in changes to the overall structure of our reporting, highlighted the need for improvements to our assessment processes, identified specific areas where changes are necessary to achieve full ESRS compliance and altered the visual depiction of our 5-Year Strategy. As



¹ Our Impact Management Framework was developed to measure and demonstrate our ability to achieve our sustainability goals and contribute to the sustainable economic growth of the region.

Note: The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States. For more information about the UN SDGs visit the web site: <https://www.un.org/sustainabledevelopment>.

part of our transition to ESRS, our strategic pillars are now organized under the headline topics of Environment, Social and Governance (ESG).

As we move through 2024, we are well-positioned to revisit our Sustainability Strategy to reflect the outcomes of these activities and to establish fully compliant ESRS reporting policies and processes.

Our Scorecard

On Track	<div><div></div></div>
Plan in Place	<div><div></div></div>
Not Met	<div><div></div></div>



ENVIRONMENT	Pillar: Environmental Stewardship			
	Thematic	Priority Headline Targets	3-year Trend	2023 Actions/ Performance
	Water & Tailings Management	Reduce water consumption to 200 litres per capita by 2025.	<div><div></div></div>	Achieved 251 litres/day/person, down from 288 litres in 2022 and 326 litres in 2021. On track to achieve goal of 200 litres in 2025.
		Achieve full compliance on a comprehensive TSF standard by 2025.	<div><div></div></div>	<ul style="list-style-type: none">Committed to comply with Global Industry Standard for Tailing Management (GISTM).Completed a Gap Analysis against GISTM and initiated a workplan to comply with GISTM.
		Develop a local participatory water monitoring program and implement ≥ four annual participatory surveys starting in 2024.	<div><div></div></div>	Achieved significant progress in 2023 with the completion of three annual participatory surveys.
	Biodiversity	Ensure that three species conservation plans are operational by 2025.	<div><div></div></div>	Signed agreement with the Private Technical University of Loja (UTPL) to define conservation strategies and the vulnerability of three key natural species (<i>Magnolia yantzazana</i> , <i>Heliangelus regalis</i> and <i>Tapirus terrestris</i>).
		Officially declare a private protected area by 2024.	<div><div></div></div>	Continued to work to identify an appropriate parcel of land for the proposed private protected area. By the end of the year, a new area was identified and proposed. This proposed parcel is part of the Cordillera del Cóndor Protected Forest. The initial evaluation on the feasibility of recategorizing this area is positive.
		Ensure five local farms have an integrated conservation plan in progress by 2025.	<div><div></div></div>	Developed six farm management and action plans for conservation purposes.
	Land Reclamation & Rehabilitation	Restore 14.5 total ha of land by 2025.	<div><div></div></div>	Restored a total of 3.4 ha in 2023, bringing the cumulative total to date to 13.2 ha.
	Waste Management (non- hazardous)	Establish a Waste Management Plan and reach 63% waste recovery (recycled and reused) by 2025.	<div><div></div></div>	Reused 90% of non-hazardous waste generated through recycling initiatives in 2023. Presently, 30% of total waste generated is metallic.

ENVIRONMENT	Pillar: Climate Change			
	Thematic	Priority Headline Targets	3-year Trend	2023 Actions/ Performance
	Improve Climate Performance	Demonstrate climate leadership through ongoing climate disclosures (e.g., TCFD reporting, Carbon Disclosure Project (CDP), and sustainability reporting) and other climate-related communication commencing in 2022.	●	<ul style="list-style-type: none"> Commenced transition to CSRD/ESRS reporting with the completion of a Double Materiality Assessment and a Gap Assessment of current sustainability disclosures. Provided disclosure specific to climate change, water and forest through CDP. Incorporated climate related reporting into 2023 Sustainability Report instead of providing a standalone report. Provided broad GRI disclosure.
		Set annual emissions targets or offsets to commence in 2023.	●	Target set to achieve carbon neutrality (Scopes 1 and 2) by 2030 based on our current Life of Mine (LOM) Plan.
		Annually assess and seek to mitigate climate risks through appropriate adaptation strategy starting in 2023.	○	<ul style="list-style-type: none"> Reviewed and validated climate scenarios at the beginning of 2023. Initiated the advancement of our adaptation strategy with climate modeling and adaptation recommendations for our Tailings Storage Facility (TSF).
SOCIAL	Pillar: Community Infrastructure			
	Road Infrastructure	Ensure that 100% of the rural road network we require is operational and accessible by 2025.	●	Extended rural roads by 8 km since 2022 to a total span of 181 km.
		Receive national and/or local government support (financial or in-kind) of ≥\$6 million to maintain roads for the period 2021-2025.	●	Secured \$3.8 million in funding from the national government and \$0.3 million in funding from the Paquisha local government for road maintenance.
	Community Infrastructure	Implement more than two infrastructure projects each year with co-financing ≥20% from partner organizations (financial or in-kind).	●	Efforts are ongoing to facilitate contact with external funding entities and engagement with provincial and national authorities to promote the effective use of mining resources at the local level. In 2023, we implemented five infrastructure projects with co-financing ≥ than 20%.
		Ensure that 100% of households in Ring 1 have internet access at or near home by 2023.	●	<ul style="list-style-type: none"> All 22 communities in Ring 1 have access to active community Wi-Fi points. The El Playón (Paquisha) community was added to the host of communities with access to community Wi-Fi service in 2023. In prior years, this community did not have access to electrical power.



Pillar: Community Wellbeing

Thematic	Priority Headline Targets	3-year Trend	2023 Actions/ Performance
Improve Educational Outcomes	Achieve a 95% success rate of students graduating from high school in Ring 1 (based upon final year enrollment and three-year rolling averages).	●	Achieved a graduation rate of 97% in 2023 with 83 out of 86 registered students graduating.
Post- Secondary Graduation Outcomes	Achieve ≥40% success rate for university/trade school graduates obtaining formal employment or becoming self-employed upon graduation (within Ring 1 and 2) by 2025.	●	62% or 32 of 52 university graduates from Ring 1 and Ring 2 in 2023 were employed between the period 2015 to 2022.
Promote Healthy Lifestyles	Achieve ≥ 75% success rate for children and youth enrolled in Ring 1 educational institutions to engage in extra-curricular programs.	●	41% of young people participated in extracurricular activities in 2023. In 2024 we plan to implement additional extracurricular activities in rural communities in collaboration with Educación para Compartir to remain on track for our 75% target.
	Host two or more campaigns annually against drug and alcohol abuse starting in 2022.	●	Hosted two campaigns in 2023 related to alcohol and drug abuse.
Social Safety Net	Host one or more campaigns against domestic violence starting in 2022.	●	Hosted one campaign and one workshop in 2023. The slogan of the campaign was "Break the Silence. Life Without Violence is Possible."

Pillar: Health & Safety

Operational Safety	Implement updated programs to track healthy lifestyles, psychological and social wellbeing.	●	<ul style="list-style-type: none"> ■ Initiated implementation of an Occupational Hygiene Plan with advice from international consultants. ■ Implemented the following Occupational Health Programs: Hearing Conservation, Respiratory Protection, Ergonomics, Musculoskeletal Prevention and Biological Control. ■ Implemented the following General Health Programs: Alcohol and Drug Control Program, Chronic Diseases, HIV and Nutritional Programs. ■ Reviewed and implemented a Pilot Fatigue Program. ■ Completed a Psychosocial Risk Program.
	Ensure zero fatalities (including site and off-site events).	●	Recorded zero fatalities in 2023.
	Ensure 100% follow-up and compliance in the closure of high-risk observations (unsafe acts and conditions) reported through the tracking tool.	●	Achieved 100% follow-up to closure of all high-risk observations in 2023.
Occupational Health	Implement updated annual programs for healthy lifestyles, psychological and social wellbeing.	●	<ul style="list-style-type: none"> ■ Improved the safety culture and practices by prioritizing three critical dimensions from our 2022 H&S Audit Process. ■ Conducted a second Safety Culture Survey as part of our annual H&S Audit Process in December 2023.
Community Safety	Ensure zero significant safety incidents (e.g., major property damage or injury) in local communities associated with business activities.	●	<ul style="list-style-type: none"> ■ Ensured zero safety incidents in exploration and operations. ■ Ensured zero lost time, medical first aid and fatalities in community investment projects.
	Conduct ≥ two annual full-scale simulation training sessions or drills delivered in conjunction with local authorities and fully functional Awareness and Preparedness for Emergencies at the Local Level (APELL) application.	●	<ul style="list-style-type: none"> ■ Hosted six workshops to train authorities and emergency response entities. ■ Identified preparedness and response capabilities. ■ Conducted a Hazards Material (HAZMAT) drill with the APELL committee to establish a gap analysis and action plan.



SOCIAL	Pillar: Human Rights			
	Thematic	Priority Headline Targets	3-year Trend	2023 Actions/ Performance
	Diversity & Inclusion (with a focus on gender)	Maintain equivalent pay for men and women at each organizational wage level, ensuring no wage gap exists.	●	<ul style="list-style-type: none"> Developed an annual third-party index of equivalent pay at Aurelian Ecuador, S.A. Achieved a 2023 index of base salary for employees equivalent to 1.02.
		Create economic opportunities for people with disabilities through community investment and achieve 4% representation of employees.	●	<ul style="list-style-type: none"> Complied with Ecuadorian Law with respect to employment of persons with disabilities. Two employees have benefited from the special fund for insurance. The Ministry of Social and Economic Inclusion of Ecuador has recognized Lundin Gold for our efforts to provide a workplace and work environment suitable for people with disabilities.
		Provide ≥ one gender sensitivity training session each year at all organizational levels and preserve the certification on workplace free of violence.	◐	<ul style="list-style-type: none"> Obtained the “Safe Company, Free of Violence and Discrimination Against Women” seal due to our commitment to zero tolerance towards gender-based violence. Structured the training session with the identified supplier.
	Indigenous Peoples	Develop five new fully functional economic opportunities/ initiatives by 2025 that focus on Shuar, Kichwa or Saraguro populations.	●	Achieved six fully functional economic opportunities effective 2023. These opportunities include: Shuar Num diversification, Kunki-ECOLAC, New Shuar Federation of Zamora Chinchipe building, Chumpias Shuar Center, Cocoa Organic Farming and Sugar Cane.
	Grievance Mechanism	By 2025, maintain an annual average of 95% of grievances closed with sign-off of the complainant once the action plan has been implemented.	●	Closed 94% of grievances with sign-off complete in 2023. Of the complaints filed in this period, all 51 were closed but only 48 had received final sign-off by end of the year.
	Pillar: Lasting Economic Opportunities			
	Direct Local Employment	Maintain or source at least 50% of workforce (contractors and employees) from local communities over the next five years.	◐	<ul style="list-style-type: none"> Sourced 50% employee workforce from local communities in 2023. Sourced 41% of contractor workforce from local communities in 2023. Reinforced our obligation of hiring local workforce and maximizing contractors from Ring 1 through our attendance at community roundtable meetings throughout the year.
	Small Business Growth	Achieve revenue growth of 75% by all local businesses in the Canton of Yantzaza by 2025.	●	Achieved \$213 million in sales from local businesses in Yantzaza representing 113% growth since 2020 (\$100 million).

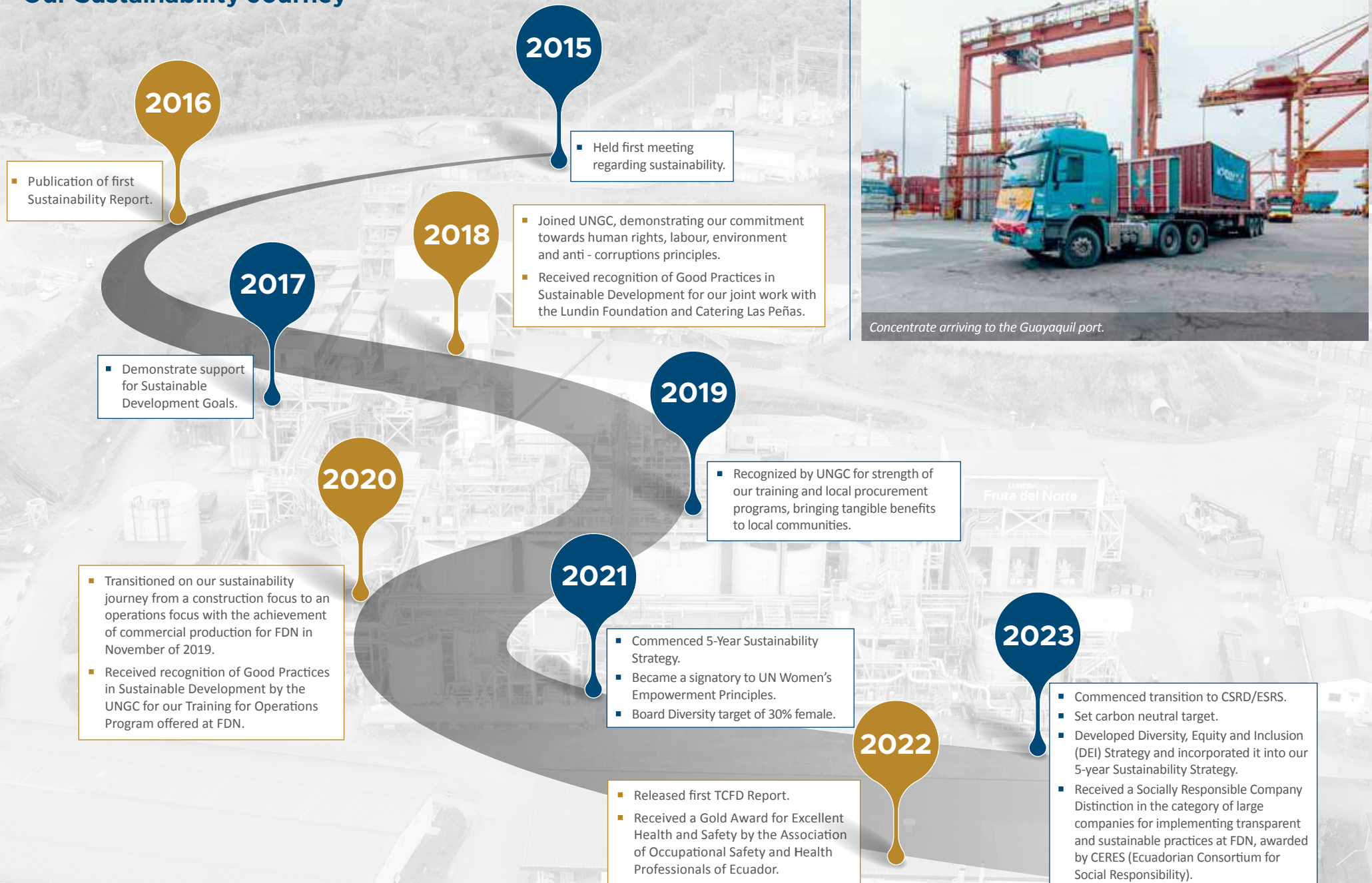
SOCIAL	Thematic	Priority Headline Targets	3-year Trend	2023 Actions/ Performance
	Local Procurement	Achieve growth of 10% in local procurement (reach \$41 million in Zamora Chinchipe province) by 2025.	●	Achieved 6% local procurement growth in 2023 for total spend of \$28 million on local suppliers in the Province of Zamora Chinchipe.
	Agriculture and Livestock	Achieve a 20% increase in revenues for agricultural and livestock initiatives by 2025 (supported by Lundin Gold and the Lundin Foundation).	●	Achieved 11% growth from 2021 baseline with total revenue of \$0.8 million.
GOVERNANCE	Pillar: Responsible Resource Governance			
	Governance	Provide capacity building training (accountability, best practices, and management) to four local governments and the Shuar Federation of Zamora Chinchipe to obtain non-Lundin Gold financing for projects.	◐	Selected one proposal to implement capacity building training in 2024. However, contracts were not finalized by the end of the year due to a technical delay in the signing of each of these contracts.
		Receive at least \$1 million of national and international financial funding from local institutions and partners by 2025.	●	Secured \$0.8 million in financing from local institutions and partners by end of 2023, an increase of more than 700% from the previous year.
		Increased perception of responsible mining and governance among FDN stakeholder visits by 50%.	●	Increased perception of responsible mining and governance among FDN stakeholder visits by 60%.
		Organize ≥ 20 key stakeholders visits to FDN on an annual basis starting in 2023.	◐	Organized 19 separate stakeholder visits in 2023. These visits included tours of the underground mine, process plan, tailings storage facility, nursery and presentations. Some visits included community tours of the most important community investment projects.
	National Mining Sector	Adopt or implement ≥ one sustainability international standard by the Chamber of Mines of Ecuador (CME) before 2025.	◐	<ul style="list-style-type: none"> ■ Our Business Sustainability Senior Manager is a Director on the CME Board. ■ Participated in the Communications and Sustainability Committees. ■ Developed a timeline and work plan for the implementation of Towards Sustainable Mining (TSM) in Ecuador. ■ Recognized for our sustainable business practices by the Ecuadorian Consortium for Social Responsibility (CERES), a non-profit organization committed to social responsibility in Ecuador.



Aerial view of Los Encuentros.

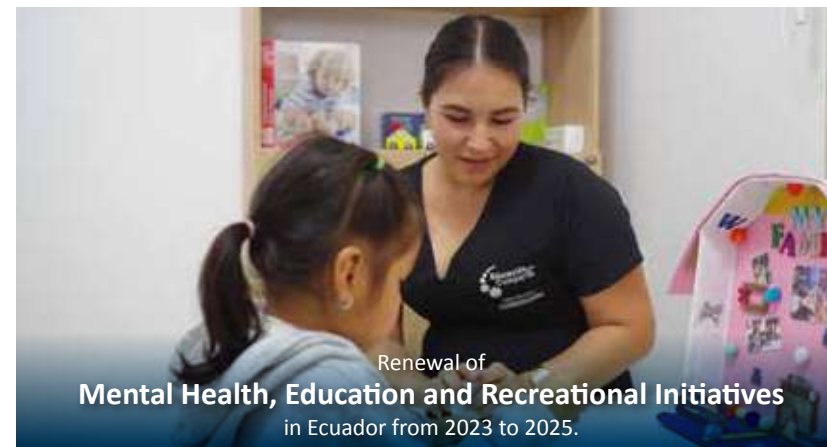


Our Sustainability Journey



Performance Highlights

The highlights noted below underscore our commitment to sustainability and the progress we have made on our journey this year.





Community Roundtable at Los Encuentros.

Stakeholder Engagement

Stakeholder engagement is a critical component of our sustainability journey. It allows us to listen to, collaborate with, and inform our existing stakeholders and right holders, fostering connections, trust, transparency, confidence and buy-in of our key initiatives. It also allows us to gather critical input to better inform our business model, corporate strategy and overall sustainability approach.

Through our involvement in roundtables and other participatory processes, we proactively work in partnership with communities, governments, local businesses, NGOs and CSOs by engaging in open and inclusive dialogue to support meaningful and outcome-focused initiatives. This approach addresses the challenges and



opportunities for both our stakeholders and our business, leading to a sense of joint ownership and achievement and providing long lasting impact.

Below we have categorized our key stakeholder groups and the channels and platforms that we use to maximize communication, participation and input.

Stakeholders	Means of Communication	Matters Discussed
Customers	Emails, newsletters, perception surveys, site visits.	Quality and safety.
Employees	E-mails, newsletters, intranet, perception surveys.	Health and safety.
Shareholders	Investor Relations, external disclosure materials such as management information circular, annual report, management disclosure and analysis, sustainability report, etc.	Business performance.
External Stakeholders (Double Materiality)	Interviews, focus groups, internal meetings, email.	ESRS topics.
External Stakeholders (local and regional)	Community roundtables held every six weeks, community perception survey.	Local procurement, road and public works, tourism and environment Survey addresses matters specific to ESG.
External Stakeholders (national)	Political engagement strategy.	
Investors and analysts	Emails, news releases, conferences, roadshows, quarterly reporting, perception surveys.	Low-carbon activity.
Local communities	Round tables, perception surveys, media.	Local impacts, investment and education programs.
Municipal Government	Roundtables, site visits.	Administrative concessions, public procurement and local infrastructure.
Parish Government		
Provincial Government		
Regional Government		
Regulatory bodies	Emails and consultation.	Regulatory frameworks.
Suppliers and subcontractors	Emails, newsletters, perception surveys, site visits.	Integrity, health and safety, human rights.

For further information regarding our approach to stakeholder engagement please see section: [Enabler: Participatory Dialogue](#).

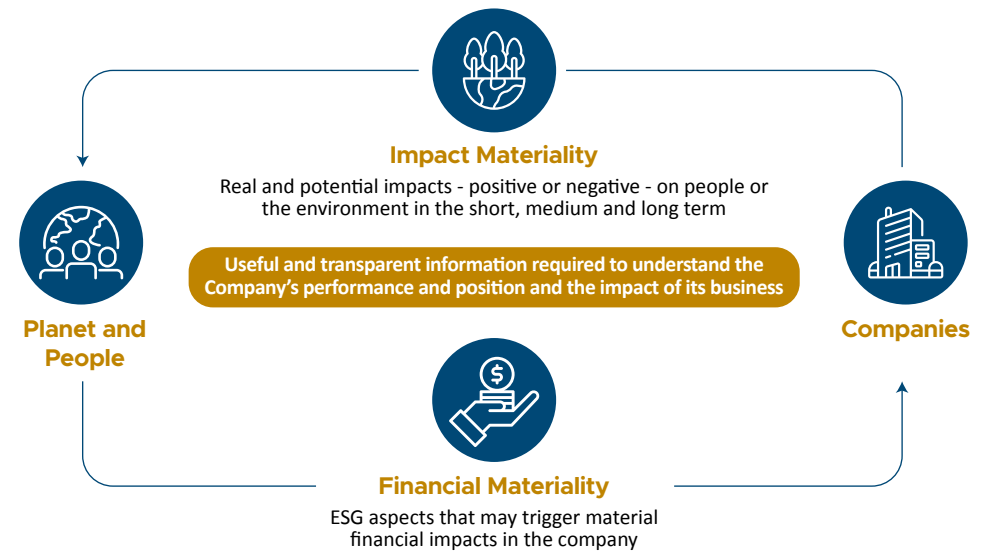
Double Materiality Assessment Approach

In late 2023, we collaborated with external experts to conduct our first Double Materiality Assessment in accordance with ESRS. Double materiality takes the concept of materiality in sustainability one step further by requiring a company to consider what is material to them (i.e., evaluating impacts of financial risks and opportunities, which arise from ESG matters) and additionally what is material to society and/or the planet (based on the impacts they have made across the entire value chain).

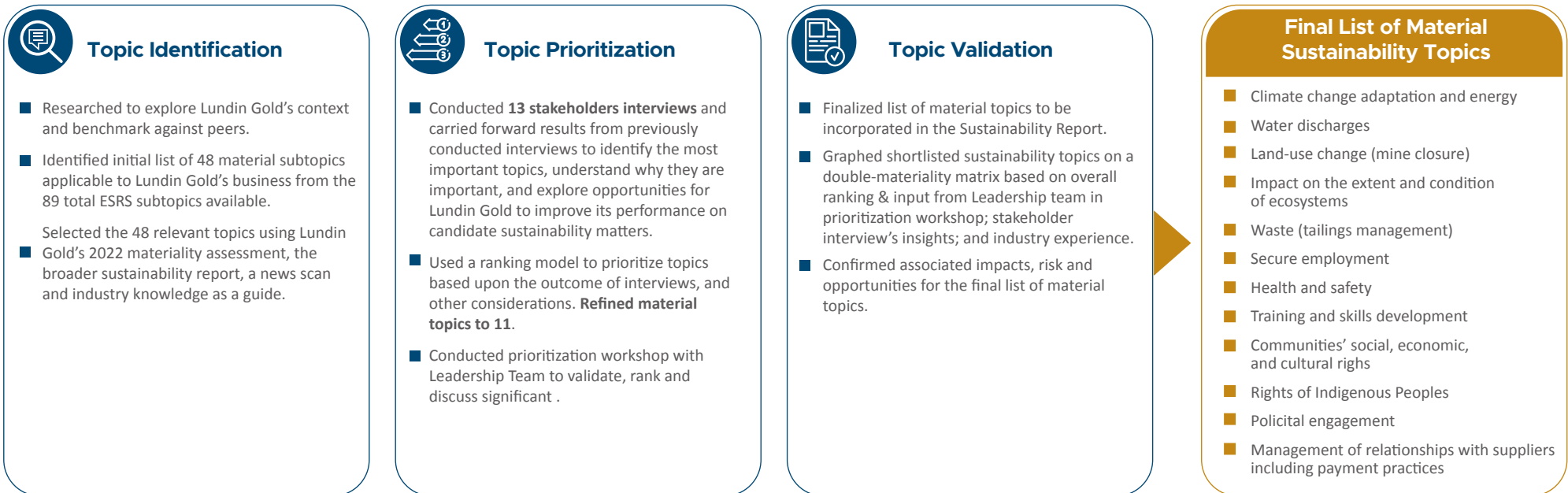
We identified our Double Materiality Assessment matters through a desktop review of internal documentation, industry leading knowledge, establishment of an impact and financial framework, internal and external stakeholder engagement and validation with our key leadership.

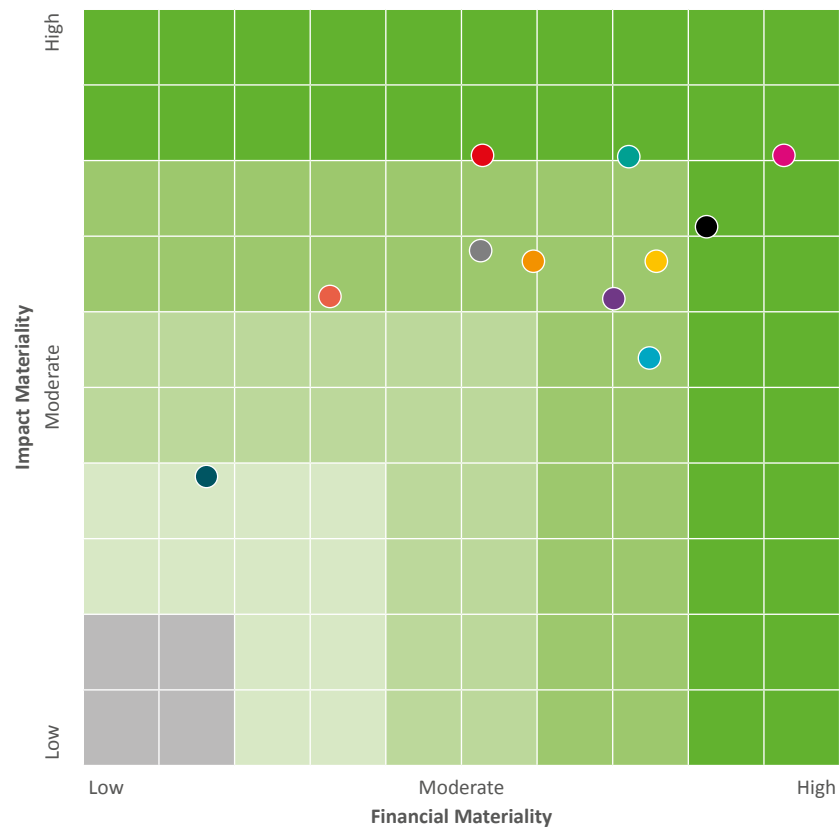
A high-level summary of this materiality assessment process is outlined below:

Double Materiality Assessment



Final List of Material Sustainability Topics





	Material Sustainability Matters	Time Horizon
●	Climate change: Climate change adaptation and energy	Long-term
●	Water and marine resources: Water discharges	Short-term
●	Biodiversity and ecosystems: Land-use change (mine closure)	Long-term
●	Biodiversity and ecosystems: Impact on the extent and condition of ecosystems	Long-term
●	Circular economy: Waste (tailings management)	Short-term
●	Own workforce: Secure employment	Medium-term
●	Own workforce + Workers in the value chain: Health and safety	Short-term
●	Own workforce: Training and skills development	Medium-term
●	Affected communities: Communities' economic, social, and cultural rights	Short-term
●	Affected communities: Rights of indigenous Peoples	Medium-term
●	Business conduct: Political engagement	Medium-term
●	Business conduct: Management of relationships with suppliers including payment practices	Short-term



ENVIRONMENT





Our Environmental Commitment

Caring for the environment and minimizing our impact on air, water, land, biodiversity and climate is central to how we do business and vital to our success.

At Lundin Gold, our commitment to environmental stewardship goes beyond regulatory compliance. We demonstrate environmental leadership through our efforts in water management, waste and tailings management, biodiversity protection and land reclamation. We aspire to be responsible stewards of the environment and prioritize sustainable practices in these areas.

Through our commitment to responsible mining, we understand that climate change is an urgent matter that must be addressed. We are taking meaningful steps to reduce our GHG emissions and improve climate resilience across our operations for the benefit of our stakeholders.

E



6 CLEAN WATER
AND SANITATION



15 LIFE
ON LAND



Pillar: Environmental Stewardship

We recognize the importance of managing our operations at FDN to minimize habitat fragmentation and protect natural landscapes. We collaborate with local stakeholders to implement solutions that facilitate the recovery of the disrupted areas around our operations and mitigate the effects.

We respond to the ever-evolving needs of our stakeholders by implementing robust programs and standards to manage and minimize our operational footprint through our day-to-day operations.

Targets

- Reduce water consumption to 200 litres/per/day by 2025.
- Comply with a comprehensive TSF standard by 2025.
- Develop a local participatory water monitoring program and conduct three participatory surveys during 2023.
- Develop conservation plans for three species by 2025.
- Submit the request for the declaration of a protected area by 2024.
- Establish a waste management plan (WMP) and achieve 63% waste recovery (recycled, reused) by 2025.

Key Initiatives

- Changed the water distribution network to faucets with water-saving technology.
- Identified and immediately repaired human consumption water leaks.
- Achieved 251 litres/day/person, down from 288 litres in 2022 and 326 litres in 2021.
- On track to achieve goal of 200 litres in 2025. Implemented enhancements to water management for human and industrial use.
- Provided training campaigns on the efficient use of water for human consumption for a total of 5,140 training hours between FDN personnel and contractors.
- Committed to comply with GISTM.
- Completed a gap analysis against GISTM and initiated a workplan to comply with GISTM. Next steps will involve executive management buy-in and formal commitment to proceed.
- Engaged UTPL to define the vulnerability and conservation strategies for three key natural species (*Magnolia yantzazana*, *Heliangelus regalis* and *Tapirus terrestris*).
- Validated our study of preliminary actions for the conservation of *Magnolia yantzazana* by the UTPL.
- Identified a new parcel of land for a protected area and advanced planning due to setbacks with the Company's initial plan.
- Developed integrated management plans for six new local farms in partnership with Conservation International (CI) and prepared and implemented action plans for five local farms, previously under integrated management plans.
- Continued planning and monitoring of restored land.



Progress

- Through our ongoing water-use and WMPs, achieved a 13% reduction in per-capita water usage and recycled/reused 90% of our non-hazardous waste.
- Developed an ongoing local Participatory Water Monitoring Program.
- Restored nearly 3.5 ha in 2023 bringing the cumulative total to 13.17 ha of the 14.5 ha target.


Water Management

Water resource protection is crucial for both the environment and our business. It is a fundamental component of the ecosystems where we operate and a shared resource vital for sustaining people and economic prosperity. With climate change causing disrupted weather patterns and extreme events, efficient water management has become more critical than ever before.

To ensure our water consumption aligns with our 5-Year Sustainability Strategy and our Environmental Management Plan, we have developed a Human Water Consumption Reduction Plan. The objective of this plan is to reduce the per capita water consumption in our camps and offices, and it is applicable to all FDN personnel.

In 2023, we made significant progress towards our 2025 water consumption target. We achieved this by implementing water-saving faucets in our distribution network, promptly repairing identified water leaks, and conducting more than 5,000 hours of training on efficient water use.

The table below provides a summary of key water management metrics for the last two financial years.

	Summary of Key Water Management Metrics					
	2023			2022		
	Annual Volume (m³)	Water Intensity (m³/tonne of ore milled)	Water Intensity (m³/oz of gold produced)	Annual Volume (m³)	Water Intensity (m³/tonne of ore milled)	Water Intensity (m³/oz of gold produced)
Water Withdrawal	3,685,203	2.23	7.66	2,899,027	1.86	6.09
Streams¹	207,049	0.13	0.43	192,146	0.12	0.40
Contact Water/Precipitation²	3,278,993	1.98	6.81	2,504,350	1.61	5.26
Infiltrations to underground mine	199,161	0.12	0.41	202,531	0.13	0.43
Water Discharge	3,213,204	1.94	6.68	1,992,095	1.28	4.18
Water Consumption³	471,998	0.29	0.98	906,932	0.58	1.90
Total Water Repurposed⁴	3,556,723	2.15	7.39	3,550,049	2.28	7.45
Water Reused (without treatment)	1,493,981	0.90	3.10	1,655,445	1.06	3.48
Water Recycled (with treatment)	2,062,742	1.25	4.29	1,894,604	1.22	3.98
	2023			2022		
Tonnes of Ore Milled (t)	1,654,520			1,559,178		
Ounces of Gold Produced (oz)	481,274			476,329		

¹ Streams include permitted water catchments for camp and industrial use.

² Contact water means excess water onsite that has been in contact with mineral-bearing and excavated rock or any operational facility, as well as water reclaimed from the TSF. This water is collected, reused and treated in the Main Water Treatment Plant (MWTP) before being discharged.

³ The quantity of water that reaches the Company's boundaries and is not discharged.

⁴ Reused water plus recycled water. Water (treated or untreated) that has been used more than once before being discharged.

Note: Figures are rounded.

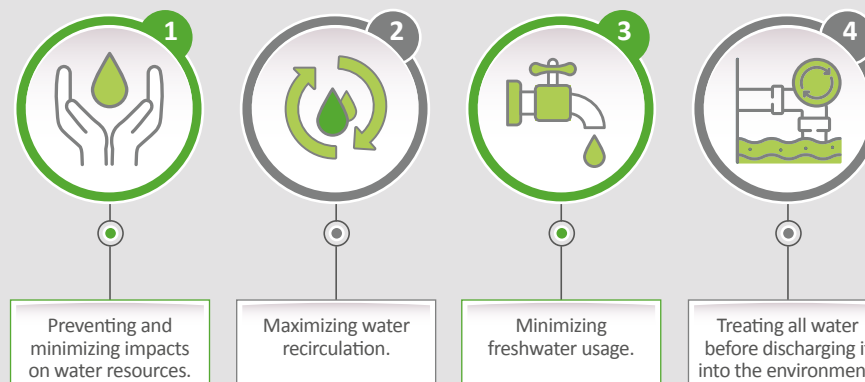


CASE STUDY: Water Management

Community Members Assess Water Quality at Fruta del Norte Area of Influence



Effective water management is a crucial component of our environmental management and focuses on four key areas:



In August 2022, we facilitated the signing of an agreement between the Lundin Foundation and the UTPL to implement the Community Water Monitoring Program. This Program, originally identified through our community roundtable process, aims to promote transparency, accountability and community engagement in water stewardship.

In 2023, the Water Monitoring Program commenced with the participation of monitors, UTPL and the Lundin Foundation. Currently, there are 11 community monitors who voluntarily participate in FDN's monitoring activities.

Having completed the first phase of this Program, we are satisfied with the results so far as they indicate that FDN's operation do not affect the water quality of the evaluated rivers. We believe that the completion of the following activities contributed to the success of the Community Water Monitoring Program:



Training of the theoretical and practical components of water management for community members by teachers from the UTPL and professionals from Gruentec, a laboratory accredited by the Ecuadorian Accreditation Service. The topics addressed included water resource management, water sampling, water quality, water legislation, sanitation and hygiene habits.

Completion of community monitoring surveys. We conducted these surveys by collecting, labeling, recording and sending samples to the accredited lab for analysis.



Hosting three workshops to review the results of water monitoring. During these workshops, water monitors assessed the results obtained at each monitoring point and compared them to the quality criteria established under applicable regulations.



FDN operations.

Tailings and Waste Rock Management

Effective tailings management requires continuous learning, collaboration and innovation. At Lundin Gold, we endeavor to use best practices to manage and reduce our tailings and understand that the management of our tailings facility is paramount to safeguard our workforce, communities and environment.

Our Tailings Facility

We own and operate only one TSF at FDN using the downstream construction method. The TSF is a zero-discharge dam, which relies on our water management system to reclaim and treat water for use in our mill in a closed circuit. During 2023, a total of 4.4 m³ millions of water was reclaimed from our TSF. Excess water is treated in our Main Water Treatment Plant and discharged in compliance with strict environmental standards. We also use our tailings as mine back fill to reduce surface storage requirements. In 2023, more than 40% of our tailings (670,000 tonnes) were diverted from final disposition in the TSF and used as aggregate for backfill in the mine.



What are tailings?

Tailings are a common by-product of the mineral recovery process. Often taking the form of a slurry, they consist of finely crushed rock, water, and chemical additives used to facilitate mineral extraction. Following mineral processing, tailings are usually disposed within engineered containment facilities or used as aggregates for mine backfill.

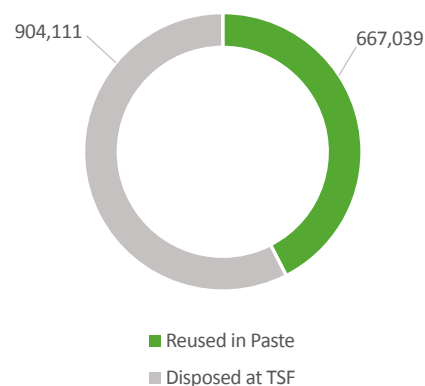
During 2023, we completed the construction of the fourth raise of the TSF, bringing the dam crest to 1,477 metres above sea level (masl) and approximately 45 metres in height. Based on the current LOM Plan for FDN, the expected elevation of the TSF will reach 1.492 masl, with an approximate dam height of 60 metres, by the year 2030. Total tailings accumulated at the TSF by the end of 2023 was 3.6 million tonnes.



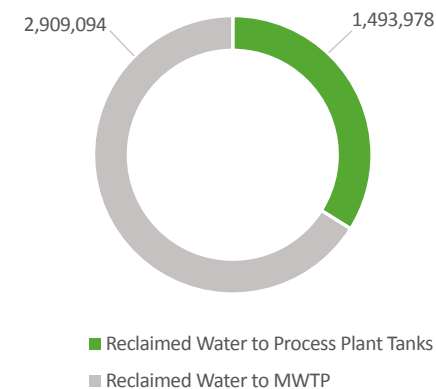
Dam Safety & Integrity

The structural integrity of our TSF is closely monitored and maintained to minimize the risk of failure. We employ performance monitoring programs that include daily, monthly, and quarterly inspections by qualified persons that align with international best practices. We externally audit our TSF compliance as well, with the most recent audit being completed in December 2023. During design and construction, the risk of natural phenomena that could adversely impact the integrity of the TSF, such as extreme water (both drought and flooding) or seismic events, were considered. In 2023, we engaged an independent engineering firm to conduct climate modelling for our TSF based on our chosen climate scenarios and to analyze the potential risks posed by changing temperatures, precipitation and evaporation on the long-term design plan for our TSF. We intend to use this study in the development of our climate change adaptation plans.

Tailings by Destination [tonnes]



Reclaim Water by Destination [m³]



FDN Tailings Storage Facility.



Process Plant Ball Mill.


Governance & Regulation

We are subject to rigorous regulatory requirements that govern our efforts related to tailings management, storage and treatment. We construct, maintain and manage our TSF in collaboration and consultation with relevant government bodies, independent engineering firms and tailings experts. We also adopt leading international standards in TSF design, operation and closure, with specific emphasis on the recommendations of the Mining Association of Canada's (MAC) *Guide to the Management of Tailings Facilities* and the *Canadian Dam Association's (CDA) Guidelines and Technical Bulletins*.

In 2023, we committed to align our TSF management system with the GISTM, the first global standard on tailings facility management and have completed an internal assessment of our performance against this standard. The results of the assessment are being used now to develop and identify opportunities for improvement and to inform a work plan to remediate in order of priority. In 2024, we intend to commence addressing these gaps and look forward to reporting our progress towards GISTM alignment.

Tailings Performance

In 2023, despite the Mill throughput increase of approximately 6% in comparison to the prior year, total tailings sent to the TSF were reduced by 4%, largely due to an increased reuse of tailings for backfill at FDN. In addition, waste rock from FDN was reduced due to less underground development during the year. As illustrated in the table below, both reductions resulted in a 16% decrease of total mineral waste disposed in the TSF and in the Waste Rock Pad in comparison with 2022.

	Key Tailings and Waste Rock Management									
	Waste Generated (tonnes)		Intensity (tonnes generated/tonnes ore milled)		Intensity (tonnes generated/ounces gold produced)		Waste Diverted from Disposal (tonnes)		Waste Directed to Disposal (tonnes)	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Tailings	1,571,150	1,479,699	0.95	0.95	3.26	3.11	667,039	537,241	904,111	942,458
Waste Rock	327,941	531,950	0.20	0.34	0.68	1.12	-	-	327,941	531,950
Total Tailings and Waste Rock	1,899,091	2,011,649	1.15	1.29	3.95	4.22	667,039	537,241	1,232,052	1,474,408
	2023					2022				
Waste Diverted (as % of Total Waste Generated)	35%					27%				
Tonnes of Ore Milled (t)	1,654,520					1,559,178				
Ounces of Gold Produced (oz)	481,274					476,329				

Waste Management

The safe storage, handling and disposal of all types of waste is essential to our commitment to environmental stewardship. In 2023, we continued to prioritize waste minimization with the implementation of our WMP. Achievements of note include improvements in waste classification, identification of recyclable and reusable waste and increased environmental inspections at our operation sites. Our efforts resulted in a significant increase in inspections, from 114 in 2022 to 471 in 2023, representing a 313% year-over-year increase. As a result, we are proud to report that 90% of our non-hazardous waste generated at FDN was successfully reused through recycling and reuse initiatives in 2023. This places us ahead of our 2025 target of 63%. The Company has focused on increasing circularity in the management of our waste, achieving an increase in the overall non-mining waste diverted from disposal with 66% in 2022 to 81% in 2023.

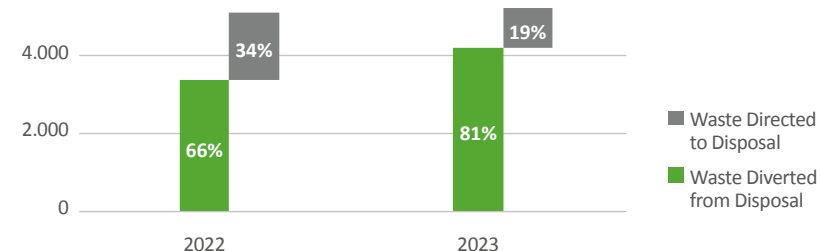
	Waste Management					
	Waste Generated (tonnes)		Waste Diverted ¹ from Disposal (tonnes)		Waste Directed to Disposal (tonnes)	
	2023	2022	2023	2022	2023	2022
Non-Hazardous Waste	4,456	4,217	4,022	3,126	433	1,092
Hazardous Waste	759	886	199	236	560	650
Total Waste	5,215	5,103	4,221	3,362	994	1,742
	2023			2022		
Non-Hazardous Waste (as % Total Waste Generated)	85%			83%		
Waste Diverted from Disposal (as % Total Waste Generated)	81%			66%		

¹ Diverted waste includes recycled and reused materials.

Note: Figures are rounded.

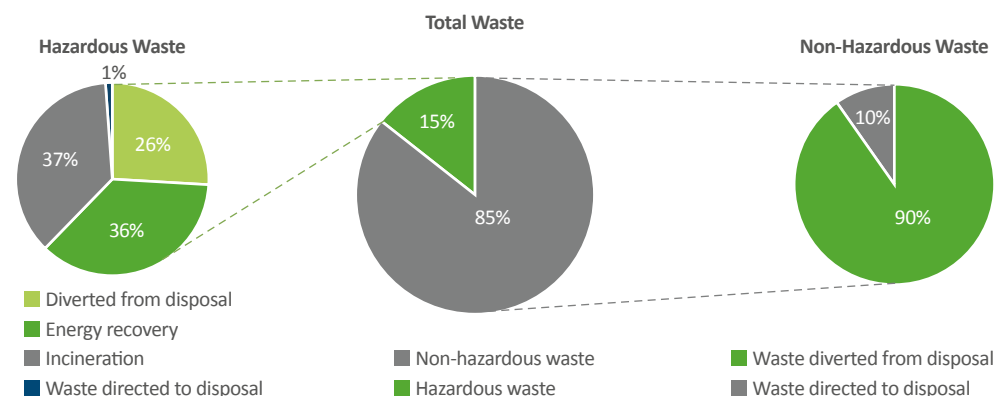


Waste Management (tonnes)



In 2023, non-hazardous waste management achieved 90% circularity. Hazardous waste management achieved 26% circularity and 36% energy recovery and followed the [Extended Producer Responsibility](#) (EPR) Policy in the case of our used tires.

Waste Generation



Biodiversity

Biodiversity is the variety of life on earth that connects us to nature through food, water and air. Operating in one of the most ecologically sensitive areas of the world, we understand the importance of safeguarding and respecting biodiversity to help our essential ecosystems. As a responsible mining company, we acknowledge that it is our responsibility to effectively mitigate the impact of our operations on nature.


Our biodiversity management at FDN is aligned with local regulations and the [International Finance Corporation's \(IFC\) Performance Standard 6](#), which focuses on the impact mitigation hierarchy (avoid, minimize, restore and offset). Through our application of this Standard, we have developed an Offsetting Strategy, using a baseline of 2019, to meet our stated goal of no-net loss of natural habitat and net-gain of critical habitat after avoidance, minimization and restoration measures are applied. To achieve this, we established a number of targets to incorporate within our 5-Year Sustainability Strategy. These targets include plans to declare a protected area, contribute to the improvement of the management of El Zarza wildlife refuge, establish conservation agreements as part of the integrated management for local farms (through our strategic partner,

Conservation International) and to develop vulnerability studies of three species for conservation purposes.

We have made significant progress towards the achievement of these targets in 2023. Due to setbacks with our initial plan to develop a protected area north of the La Zarza concession, we identified a new parcel of land for a protected area and initiated planning towards the end of the year. Through our agreement with CI, integrated management plans were developed for six new local farms and action plans were developed for five local farms, previously under integrated management plans. The farms were selected and prioritized through situational diagnosis, characterization at workshops and regular field visits. We also engaged UTPL in 2023 to define the vulnerability and conservation strategies for three key natural species: *Magnolia yantzazana*, *Heliangelus regalis* (Royal Sunangel Hummingbird) and *Tapirus terrestris* (Tapir).

In our ongoing efforts to preserve biodiversity, we implemented a series of fauna and flora rescue activities during 2023. These activities resulted in the rescue of 46 amphibians, 159 reptilians, 28 birds, 4 mammals and 752 plants.



	IUCN Red List Species and National Conservation List Species with Habitats in Areas Affected by Exploration and Operations, by Level of Extinction Risk			
	2023		2022	
Level of Extinction Risk	FDN	Exploration	FDN	Exploration
Critically Endangered	1	-	1	-
Endangered	7	12	11	12
Vulnerable	13	16	16	16
Near Threatened	17	2	22	2
Least Concern	19	44	23	44
Total	57	74	73	74
Endangered and Critically Endangered (as % Total Species)	14%	16%	16%	16%

Land Reclamation & Rehabilitation

We acknowledge the impact of our operations on the land surrounding FDN. At Lundin Gold, we are committed to minimizing our footprint and restoring the land to its natural habitat after the closure of our mine.



Río Blanco Waterfall (El Zarza).



El Zarza Protected Area.

Our rehabilitation plans have been integrated into our 5-Year Sustainability Strategy. As at the end of 2023, we are on track to achieve our goal of 14.5 ha restored by 2025. In 2023, we restored nearly 3.5 ha, bringing the cumulative total restored to 13.17 ha. In addition to the 3.5 ha restored across ten different sites, in 2023, we designed and opened over 2,000 metres of drainage canals, conducted soil sampling for agroecological analysis prior to planning and planted over 4,000 native arboreal species, 53% of which originated from biotic rescue.

Land Management Fruta del Norte						
Land (hectares)	2023	2022	2021	2020	2019	2018
Total amount of land licensed for FDN exploitation phase one ¹	2630	2630	2630	2630	2630	2630
Total amount of land newly disturbed within the reporting period	5,6	7,1	6,5	11	72	100
Total amount of land newly rehabilitated to the agreed end use within the reporting period	0	0	0	0	0	0
Cumulative total land disturbed and not yet rehabilitated to the agreed end use within the reporting period	408	403	396	389	378	306
Cumulative land disturbed and not yet rehabilitated (as % Total amount of land licensed)	16%	15%	15%	15%	14%	12%

¹ Cumulative figure comprising the following licenses: FDN-La Zarza, Las Peñas Camp-FDN Road, the North Access Road, and the electric transmission line.

Strategic Environmental Partnerships

Since November 2018, we have maintained a collaboration agreement with CI Ecuador for the implementation of the Biodiversity Conservation Program in the FDN area.

In 2023, we renewed our collaboration agreement with the Zoological Foundation of Ecuador for the Andean Bear Monitoring Program. We implemented a new strategy for advancing the study in 2023, following unsuccessful attempts at tagging bears the prior year. Based on the recommendations of other experts in the field, we are analyzing new capture attempts as an option. Through genetic analysis developed by the Universidad San Francisco de Quito, we have confirmed differences between the bear populations in the FDN, Loja and Pichincha areas. The analysis also confirmed that the bear populations found in the FDN area continue to be genetically viable in terms of population.



Biotic rescue.



Archaeology Exhibition Centre "Arutam Wakam."

Archaeology

In 2023 our archaeological research program, in collaboration with the National University of Loja (UNL), resulted in the inauguration of the Arutam Wakam Archaeology Exhibition Center – Spirit of Our Ancestors, celebrating the Province of Zamora Chinchipe's rich history and ancestral culture. The Arutam Wakam Archaeology Exhibition Centre presents a 7,000-year journey supported by over a decade of archaeological research, with the fundamental support of the National Institute of Cultural Heritage (INPC) of Ecuador, Zone 7.



Pillar: Climate Change



We are committed to maintaining our position as a leading low carbon gold producer with industry low green house gas (GHG) emissions intensity of 0.08 tCO₂e per ounce of gold produced.

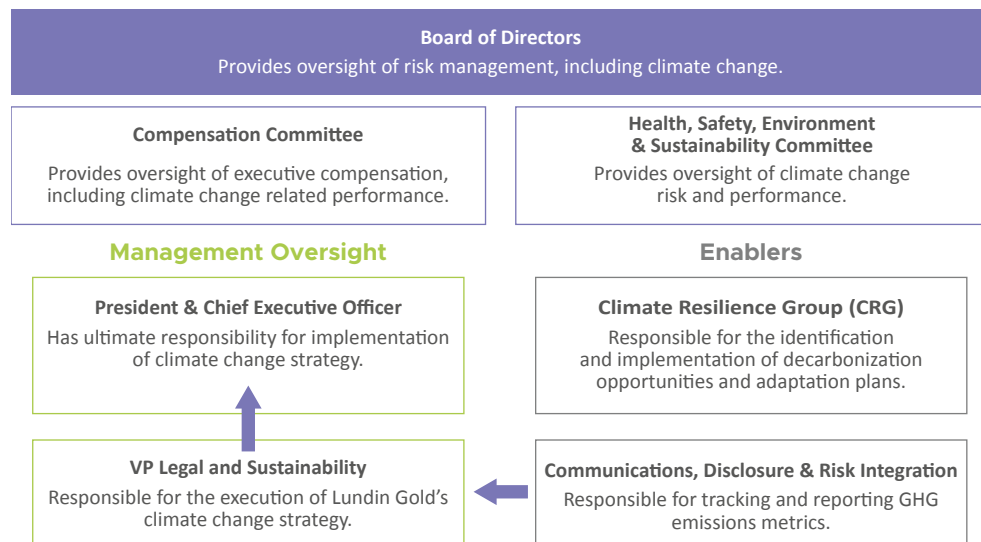
To that end, we have made a significant commitment to become a carbon neutral business by 2030 with respect to our Scope 1 and 2 emissions, based on our current LOM Plan. Our climate strategy facilitates this commitment. It enables us to outline clear goals, demonstrate our leadership efforts in reducing our GHG emissions intensity, identify key climate risks and appropriate mitigation actions, highlight our efforts to employ decarbonization strategies and seek innovative offset opportunities that benefit local communities.

Since our first full year of operations in 2021, we have implemented the recommendations of the TCFD as a guiding framework, touching upon all four disclosure categories outlined in this framework: Governance, Strategy, Risk Management and Targets. Below we have embedded our annual disclosure for 2023 specific to these recommendations, replacing the standalone TCFD reports we previously issued.

Climate Governance

We recognize the strategic importance of climate change to our business and have therefore integrated climate change into our governance and management structure.

Board Oversight



Role of the Board

- Oversight of our approach to risk management, including risk identification, management, mitigation strategies as well as the risk identification process.
- Through its delegation to the HSES Committee, oversight of climate-related matters, including the risk management, the development and progress of our climate strategy and the reporting of progress and climate performance.
- Through its delegation to the Compensation Committee, the alignment of executive compensation with sustainability and climate performance.

Each member of the Board possesses a broad range of knowledge and skills, covering mining, environment, strategic planning, risk management, finance, legal and technology, all of which equip them to consider the potential implications of climate change on Lundin Gold's business.



Roles and Responsibilities of Management

- The CEO has ultimate responsibility of our climate strategy.
- The Vice President (VP) Legal and Sustainability has executive oversight of progress against the Company's climate strategy and its climate-related goals, climate change risk and opportunity (CCRO) management within our Enterprise Risk Management (ERM) system, climate governance and climate reporting and disclosure.
- The Chief Executive Officer (CEO) and VP Legal and Sustainability attend HSES Committee meetings and report quarterly on climate change matters.

Enterprise Risk Management

We implemented an ERM system shortly after acquiring Fruta del Norte to appropriately categorize our corporate risks as either strategic or operational in nature.

As part of our risk review process, we first consider all possible causes and impacts of identified risks. We then assess impacts using an impact and probability matrix and assign an impact level of low, medium or high. For all high and selected medium rated risks, we establish mitigation plans. We assign management of each risk to a member of the senior leadership team who is accountable to the CEO. Our senior leadership reviews our risks every four months.

We fully integrated CCRO identification and management into our strategic risks register.

Compensation

Executive Compensation

Our Board recognizes the importance of aligning executive compensation with the achievement of our climate goals. Climate performance metrics are integrated into our executives’ short-term incentive program under the Corporate Performance Measure¹ and performance against these objectives impacts the annual cash payout to all executives. One executive, the VP Legal and Sustainability, also has climate performance metrics incorporated directly into her Individual Performance Measure. Performance against these objectives directly impact her bonus. For more information on how sustainability and climate performance impact executive compensation, please refer to our [2024 Management Information Circular](#).

TCFD Recommendation - Governance	Our Progress
Describe the Board’s oversight of climate-related risks and opportunities	●
Describe management’s role in assessing and managing climate-related risks and opportunities.	●

Complete: ● Developing: ●



Our Climate Strategy

To successfully achieve the climate goals we outlined in our 5-Year Strategy, we have developed a specific Climate Strategy to guide our actions across four key areas of focus: Reduce GHGs, Offset GHGs, Climate Leadership and Climate Adaptation. Annually, we review and report to the HSES Committee on the progress that we have made across each of these four key areas. This process enables us to continuously evaluate our progress and subsequently refine our climate strategies to better communicate our results to internal and external stakeholders. Furthermore, the HSES Committee uses the content to inform executive compensation.



¹ Corporate Performance Measures aligned with the Company’s corporate strategy and included proportionate weighting on ESG and climate action.

Focus Area 1

Reduce carbon footprint of our operations through decarbonization

We are committed to reducing the carbon footprint of our operations at FDN through various decarbonization initiatives. In 2022, we first evaluated our Scope 1 and 2 emissions to identify and assess viable carbon reduction opportunities, which led to the establishment of our climate target last year. While our current LOM Plan indicates that our Scopes 1 and 2 emissions will generally remain stable, we are continuing to pursue further decarbonization opportunities and are committed to improving operational efficiency.

In 2023, we set out to implement a number of decarbonization initiatives, which yielded the following results:

Measure	Considerations	Annual Reduction Potential	Progress
Reduce grinding in ball mill	Involves reducing the particle size of material leaving the grinding circuit to reduce power demand and increased gold recovery.	180 tCO ₂ e Scope 2	Achieved 5.8% increase in process efficiency vs 2022.
Increase the efficiency of mine ventilation <ul style="list-style-type: none"> Ventilation-on-demand Hard ducting for mine ventilation 	<ul style="list-style-type: none"> Supply ventilation based on where it is needed. Replace flexible ducting with a rigid alternative to reduce friction associated with supplying air and reduce the frequency of leaks. 	630 tCO ₂ e Scope 2	<ul style="list-style-type: none"> Achieved 4.4% increase in process efficiency vs 2022. A ventilation on-demand system is planned to be introduced starting in 2024.
Haul Optimization	Reduce fuel consumption through improved load management on haul trucks and through the implementation of a fleet dispatch system to reduce the queuing of haul trucks.	12,910 tCO ₂ e Scope 1	Achieved 3.9% increase in equipment efficiency vs 2022.



In addition to the above decarbonization initiatives disclosed at the start of 2023, we have also been working to enhance combustion efficiency, thereby reducing emissions.

Measure	Considerations	Annual Reduction Potential	Progress
TPx HD Test additive to fuel	TPx additive is being tested for the potential to reduce on average emissions by 40%-90% for hydrocarbons, 10%-20% for NO _x and 20%-40% for CO. See case study below.	Under analysis	Currently in phase four testing. Improved efficiency is expected to range between 3% and 8%.



CASE STUDY: Decarbonization Initiative Diesel Additive Project

In early 2023, we conducted a micro test of TPx HD additive in three AD45 trucks for a period of three months. While we were hoping to see a reduction of 5% to 7% in emissions, the initial results were disappointing. Committed to this opportunity, we determined that we needed to test this concept more broadly given the potential efficiency benefits of adding a synthetic additive to fuel. We believe that TPx HD has oxygenating and detergent properties that can improve fuel quality and reduce overall exhaust emissions. It facilitates cleaner and more complete combustion by integrating oxygen into the fuel. If successful, this experiment is expected to result in a significant improvement in overall fuel efficiency, increasing from 3% to 8%.



Additionally, it is expected to provide a reduction in emissions of:



40% - 90%
for PM hydrocarbons.



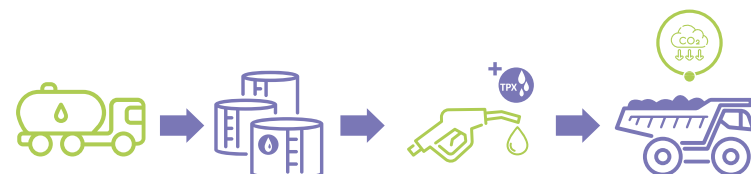
10%-20%
for NOx.



20%-40%
for CO.

We are in the final phase of a three-month trial period. Having learned from our micro test, we are currently testing this initiative across the entire equipment fleet. Through this experiment, we will also be measuring diesel particulate matter (DPM) values across all mine areas, along with total fuel consumption. To aid with this experiment, the supplier will be providing an additive metering valve for the duration of the three-month test.

Micro Test of Fuel Additive



We continue to assess other identified initiatives, such as renewable diesel and the use of power purchase agreements, with the intent of implementing them once viable.

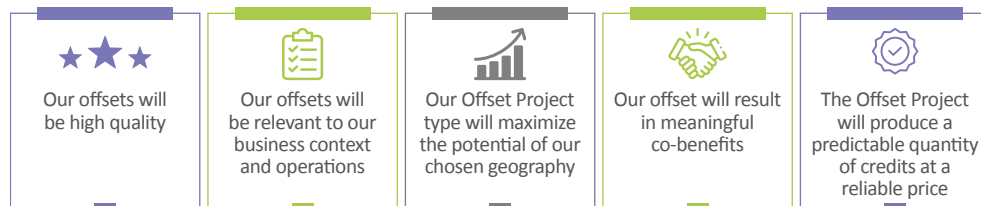
One of our significant accomplishments in 2023 was the implementation of emissions inventory management software. This software will enable us to track and report our carbon emissions performance in a consistent and auditable manner in the future and model and plan potential carbon reduction initiatives.

Importantly, the software is expected to improve our capacity to estimate our Scope 3 emissions. Our 2023 emissions reporting was prepared using this new tool.

Focus Area 2

Reduce carbon footprint of our operations through offsetting

We recognize that it is best practice for a company to prioritize reducing its own emissions before relying on carbon offsets. However, given our limited options to significantly reduce our carbon emissions through decarbonization initiatives alone, we believe we can have a greater climate impact through offsets. We are committed to an offset strategy based on five principles that align with our commitment to responsible mining as follows:

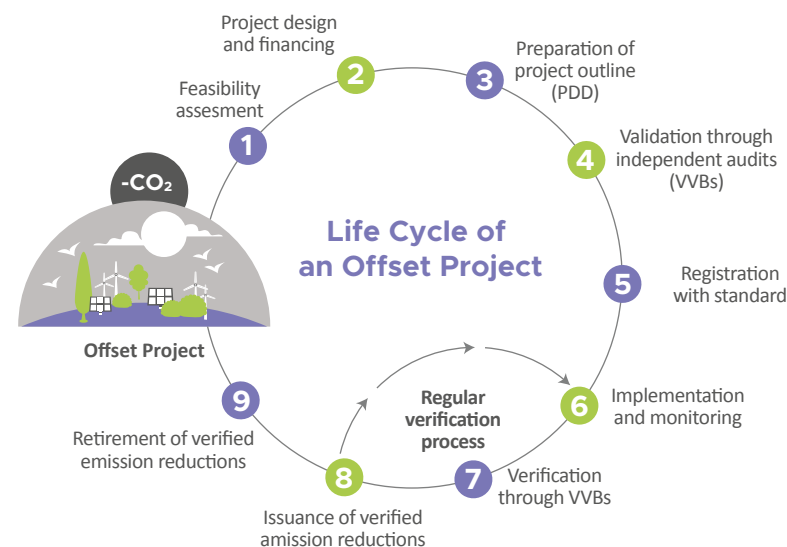


In 2023 we successfully established a climate goal after completing our LOM modelling. However, we faced challenges in finding opportunities to reduce emissions with our current technology and already low emissions profile. We also needed to identify economically viable opportunities that align with our strategy. Despite these challenges, in late 2023, we developed a work plan for 2024 with three phases: research options and regulatory framework, refine offset strategy and commence project development. By mid-2024, we expect to have completed our research and refined our offset strategy and be in a position to commence project scoping and assessment.

With the support of the Lundin Foundation in 2023, we conducted detailed due diligence assessments of multiple offset developers to find a partner that aligned with our principles. We also engaged in research regarding Ecuador's Zero Carbon Program (PECC, for its acronym in Spanish), sponsored by the Ministry of Environment, Water



and Ecological Transition to understand how our offset project should be structured to maximize the potential for verification/certification under the future PECC. With the benefit of this work, we are currently refining criteria for our Offset Development Project and our Offset Strategy, with the intent of performing project scoping for selected project(s) by the end of 2024.



Focus Area 3

Be a climate leader in Ecuador

In our previous climate disclosure, we indicated that it was our intention to be a climate leader by setting a climate target and extending our emissions reduction focus to include Scope 3 emissions. Our progress in these areas has included the development of a cost abatement curve in 2022 and improved reporting of our Scope 3 emissions estimates in 2023. We have also identified several promising areas for further assessment relating to visibility and potential Scope 3 emissions reduction. These include:

1 Using paste backfill additives to reduce amount of cement required.

2 Increasing the grade of concentrate to reduce the number of tonnes shipped.

3 Reducing grinding in the ball mill (also a Scope 2 initiative).

4 Using LNG and bio-LNG ships to reduce emissions associated with concentrate shipping (being implemented since 2021).

In 2023, we established a climate target using insights gathered from our carbon abatement cost curve developed previously and emissions forecasting based on our current LOM. We engaged with the Ministry of Environment, Water and Ecological Transition around our climate ambitions and expressed our interest in and willingness to support the development of Ecuador's Zero Carbon Program.



FDN's Water Management.

We have also continued to demonstrate climate leadership through our proactive measures to align with ESRS standards voluntarily, prior to mandatory reporting. In 2023, we also placed a greater focus on emissions reporting and our overall process and controls. We adopted emissions inventory management software to enhance the security and auditability of our overall reporting, and better align our reporting with international standards.



Focus Area 4

Adapt to physical impacts

As determined through our previous scenario analysis work, we believe that adapting to physical impacts of global warming is a key component of our climate strategy and our ability to achieve climate resilience. In 2023, we planned to enhance our Adaptation Strategy by using improved climate modelling for our site and operations, including logistics. Given the magnitude of this task, we prioritized adaptation planning and climate modelling for our TSF. We made this decision because our TSF is a critical piece of infrastructure and therefore a hotspot for vulnerability, and alignment with GISTM is a requirement of our journey. Our work on this adaptation initiative began towards the end of 2023, which is discussed earlier in this section under [Tailings and Waste Rock Management](#) in the Environmental Stewardship section

Understanding our climate-related risks and opportunities and impact as they relate to our strategy

The impacts of climate change are both broad and systemic. Therefore, building resilience to these climate-related risks requires us to address the vulnerabilities in our strategy and financial planning models, overall operations and ultimately our balance sheet. Recognizing that these climate-related risks and opportunities may influence our business and strategic objectives over the short, medium and long-term, we have integrated them into our corporate Enterprise Risk Management system. As a result, they are now subject to semi-annual reporting to the HSES Committee and the Board of Directors. We review risks we deem to be material through this system more frequently.

As noted in our 2024 Management Information Circular, our Board oversees our approach to risk management. This approach is designed to support the achievement of our organizational objectives, including strategic objectives, and to improve long-term performance. Our Board:

- Understands the principal climate risks of our business.
- Satisfies itself that systems are in place to effectively monitor and manage climate risks.
- Reviews our ERM system (as noted above).
- Receives reports from management and Board committees with respect to the identification, assessment and management of existing and new material risks.
- Reviews and discusses with management significant risk exposures and the processes and procedures with respect to risk assessment and risk management.



TCFD Recommendation Strategy	Our Progress
Describe the climate-related risks and opportunities the organization has identified over the short, medium and long-term.	🕒
Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.	🕒
Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	🕒

Complete: ● Developing: 🕒

Our Climate Strategy Progress

Target & Net Zero Ambition

- Become a carbon neutral business by 2030.
- Demonstrate climate leadership through ongoing climate disclosures.
- Annually assess and seek to mitigate climate risks through appropriate adaptation by 2025 (commencing in 2023).

Key Initiatives

- **Reduce carbon footprint of our operations through decarbonization**
 - Reduction in grinding ball mill.
 - Ventilation optimization.
 - Haul optimization.
 - Diesel additives.
 - Implementation of emissions inventory management software to track emissions.
- **Reduce the carbon footprint of our operations through offsetting**
 - Established principles for our Offsetting Strategy.
 - Conducted due diligence to identify offset projects, which meet our strategy’s principles.
 - Researched verification options for offset projects in Ecuador, including the country’s Zero Carbon Program.
- **Be a climate leader in Ecuador**
 - Conducted a Double Materiality and Gap Assessment of current sustainability disclosures against ESRS requirements.
 - Commenced transition to CSRD/ESRS reporting.
 - Continued reporting under TCFD, CDP and GRI.
- **Adapt to physical impacts**
 - Updated our ERM system to incorporate operational and strategic risks related to climate change.
 - Reviewed and validated our climate scenarios at the beginning of 2023.
 - Prioritized adaptation planning and climate modelling for our TSF.



El Zarza Protected Area.

Progress

- Set a target in 2023 to achieve carbon neutrality (Scopes 1 & 2) by 2030.
- Incorporated climate risks into ERM system.
- Proactively transitioning to CSRD/ESRS reporting.

Climate Risk Management

Climate Risks

We recognize the importance of addressing climate change concerns and the potential risk it poses to our business. We understand that our ability to effectively identify, monitor, and manage climate-related risks and opportunities is crucial for our resilience.

In recent years, we have worked proactively to keep on top of climate change impacts by fully integrating our Climate Change Risk and Opportunity register directly into our corporate ERM register. This merger of registers ensures that our treatment of climate risk is held to the same standard as all other strategic risks we have

identified and assigned to our business so that climate risks are not considered in isolation from other business risks. With this approach, we ensure that we manage climate risks using an impact and probability matrix and appropriately assign a risk rating of low, medium or high.

When identifying and assessing our climate risk, we consider both transition risk (risks related to the transition to a lower-carbon economy) and physical risk (risk related to the physical impacts of climate change including chronic and acute risks). The following table outlines a high-level summary of the climate-related risks we face over the short, medium and long-term. In alignment with TCFD and SASB, we identify our risks and demonstrate examples of our approach to mitigating them.










FDN Transmission Line.



Transition Risks

Type of Risk	Possible Impacts	Description	Our Mitigation Options/Measures
Technology 	<ul style="list-style-type: none"> ■ Availability of low-emission mining equipment. ■ Renewable energy technology. 	<ul style="list-style-type: none"> ■ Align emerging technology with the requirements for equipment renewal. 	<ul style="list-style-type: none"> ■ Evaluate emerging technologies that are relevant for FDN. ■ Establish external partnerships. ■ Train employees on emerging technology to be implemented at FDN.
Policy & Legal 	<ul style="list-style-type: none"> ■ Emission reduction requirements. ■ Restrictions on heavy industry. ■ Reporting and disclosure. ■ Litigation. 	<ul style="list-style-type: none"> ■ Changes to land-use regulations. ■ Limited ability to permit exploration or expansion. ■ Changes to disclosure standards. ■ Uncertainty in future Canadian and Ecuadorian climate policies. ■ Change in access to capital or cost of capital for gold mining. ■ Increased cost of carbon intensive inputs such as fuel, cement and steel. 	<ul style="list-style-type: none"> ■ Active monitoring of climate policy in all relevant jurisdictions. ■ Broad external engagement to monitor disclosure requirements and practice adoption of relevant standards. ■ Develop educational sessions for the management team and board.
Markets 	<ul style="list-style-type: none"> ■ Energy costs. ■ Insurance impacts. ■ Premium/penalty for climate performance and commodity exposure. ■ Inefficiencies in the carbon offset market. 	<ul style="list-style-type: none"> ■ Increased insurance premiums and/or deductibles or exclusion of certain risks from insurance coverage. ■ Use of carbon offsets to achieve reduction targets despite known inefficiencies in the market. 	<ul style="list-style-type: none"> ■ Embed climate risk in our procurement processes. ■ Include Scope 3 emissions in supplier engagement. ■ Work closely with insurance providers to meet updated requirements to maintain coverage. ■ Establish emission reduction targets. ■ Engage with investors to ensure a strong understanding of our climate strategy. ■ Develop a portfolio of internally developed carbon offsets.
Reputation 	<ul style="list-style-type: none"> ■ Reduced demand for gold. ■ Reduced investor appetite for mining. ■ Attractiveness of gold mining for future employees. 	<ul style="list-style-type: none"> ■ Adverse reputational impact to the mining sector regionally or globally if it is perceived as being an impediment to addressing climate change. ■ Inability to meet decarbonization expectations. ■ Increased pressure to reduce direct emissions, adopt green power sources and offset emissions. ■ Difficulty in recruiting the next generation of employees. 	<ul style="list-style-type: none"> ■ Develop strong external communication regarding: <ul style="list-style-type: none"> • Our efforts to contribute positively to reducing climate change. • The challenges that our company is facing. ■ Engage with key industry bodies to support a strong understanding of the role that mining has in the climate transition.

Physical Risks

Type of Risk	Possible Impacts	Description	Our Mitigation Options/Measures
Chronic  Erosion  Water Stress  Drought	<ul style="list-style-type: none"> Changes to long-term weather patterns. Damage to facilities. Increased operating costs. Lack of insurability of assets. Service and supply chain interruptions. Suspension of operations. Loss of gold production. 	<ul style="list-style-type: none"> Increased costs due to required changes to infrastructure location, capacity, design, etc. Changes in the availability of water (scarcity or excess) which could impact power availability, among other impacts. Required changes to environmental management plans. 	<ul style="list-style-type: none"> Review design criteria of critical infrastructure including the tailings storage facility. Identification of alternative routes. Incorporate climate considerations into closure planning.
Acute  Flooding  Wildfire  Heat Stress  Cold Stress	<ul style="list-style-type: none"> Service and supply chain interruptions. Asset devaluation and write-off. Lack of insurability of assets. Suspension of operations. Potential loss of gold production. 	<ul style="list-style-type: none"> Tailings storage facility overtopping. Landslides. Loss of electricity supply. Flooding of camp. Damage to key infrastructure. Reduced site access or availability of transport routes. Increased operating costs. 	<ul style="list-style-type: none"> Include climate scenarios into our operational planning. Ongoing monitoring of seasonal rain pattern changes and ground water wells. Collection of meteorological and hydrological data.



Climate Opportunities

We assess our climate opportunities using a simplified five-by-five matrix based on their ease of implementation and the potential benefits they offer. This measurement matrix helps us determine our priority of action for each opportunity presented. In the table that follows, we have outlined our climate opportunities and the resulting benefits these opportunities present to our business if actioned.

Opportunity & Examples of Potential Benefits	Examples of Our Actions
Assessment of new technologies for electrification	The Climate Resilience Group (CRG) tracks development of new technologies and assesses viability.
Double Materiality Assessment – Compliance to ESRS	Our transition to ESRS reporting increases our social license to operate, enhances our reputation in the mining industry and attracts more investment opportunities by engaging with key industry bodies and investors to support a strong understanding of our climate strategy.
Increased use of renewable energy	The CRG considers additional supply opportunities other than hydro power to establish renewable energy sources.
Offset opportunities that have additional local benefits (e.g., biodiversity preservation, community wellbeing)	We engage with Ecuadorian authorities and international stakeholders to identify viable offset opportunities for FDN. We pay special attention to opportunities that offer additional benefits, aligned with our five principles.
Greater use of virtual meetings	We seek to leverage technology to reduce the need for unnecessary air travel.
Market focus on emissions profile of gold production	Compared to industry, FDN has a low carbon intensity and is well-positioned to deliver low carbon gold.



Aerial view of Los Encuentros.

Climate Scenario Analysis

Our approach to assessing climate-related risk begins with scenario analysis. We recognize that being able to better assess climate-related risk will improve our decision making. We consider different possible futures and their long-term climate impacts, identify the leading indicators for each, and then determine which of these futures we believe to be most likely.

We recognize that climate policy and climate impacts are dynamic, and for that reason, we review our scenario assessment on an annual basis. Our scenario approach is based upon TCFD guidance, which recommends that companies consider at least two scenarios, including one that is based upon two degrees Celsius warming or less and another based upon a high physical risk future.

In 2021, we opted to focus our evaluation using the following three scenarios:

- International Energy Agency's (IEA) Net Zero 2050 Scenario.
- IEA's Sustainable Development Scenario (i.e., net zero in 2070).
- A high physical risk scenario based upon RCP 8.5 from the Intergovernmental Panel on Climate Change (IPCC).

To better understand these scenarios, we first considered what each would mean for a wide range of our stakeholders at the local, national and international levels. We then assessed the physical and transition risks within each scenario and their possible impacts upon our business. We conducted a landscape review, highlighting trends and considerations. Finally, in early 2023, we conducted a review of early warning indicators or "signposts" across each of the three scenarios, which helped to identify the IEA sustainability development scenario as our reference case for subsequent risk evaluation.

Climate Related Scenario Analysis

■ Climate-related scenario analysis can help a company and its investors understand how climate-related events and their associated risks and opportunities may impact the company's business model, strategy and financial performance over time. Scenario analysis allows us to:

- Better understand the broader context in which it may be operating in the future.
- Assess the impacts that this potential future will have upon the business.
- Focus efforts upon mitigation measures that will reduce the severity of such impacts.
- Establish a framework to monitor both physical and transition risks.

Reference Case: IEA's Sustainable Development Scenario

In this scenario, we continue to see moderate adoption of industrial electrification, ISSB and CSRD implemented at a phased pace, demand from investors for transition and adaptation plans with moderate impact on financial conditions, higher carbon taxation, and slow and definite movement towards decarbonization across Scopes 1,2 and 3.



Lundin Gold employee planting native species in intervened areas near FDN.



Our Resilience

Through this analysis work, we have concluded that the physical impacts of climate change are highly relevant, and we believe that adaptation is a key aspect of our climate strategy. The CRG conducted its initial assessment of the physical risks we most likely would experience, and the initial plan for this year was to develop an Adaptation Strategy using our reference case scenario. As previously noted, in 2023 we prioritized adaptation planning and climate modelling for our TSF. This prioritization was made because our TSF is a key piece of infrastructure and also a requirement of our journey to align with GISTM. Climate modelling was completed at the end of 2023 by an independent consultant and Lundin Gold plans to enhance its TSF adaptation planning using this study.

TCFD Recommendation – Risk management	Our Progress
Describe the organization's processes for identifying and assessing climate-related risks.	●
Describe the organization's processes for managing climate-related risks.	●
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	●

Complete: ●

Developing: ○



Tailings Storage Facility.

Key Signposts we Monitor

- International carbon policies, governance and standards:
 - Net zero emission policy adoption and supporting efforts.
 - GHG climate policies/regulations.
 - ISSB and CSRD rollout.
- Pace of industrial electrification.
- Green finance.
- Demands of investors and lenders.
- Consumer/Supplier/Government.
- Regulator and Community demands specific to decarbonization and climate policy.
- Pace of technological change.

Climate Metrics & Targets

We have been tracking and reporting our GHG emissions progress since 2017 and employ a range of metrics to understand and inform our energy consumption and GHG emissions. According to the GHG protocol for measuring carbon dioxide equivalents, we classify our GHG emissions as follows:

Scope 1

Definition: GHG emissions produced by the combustion of energy sources that are owned or controlled by Lundin Gold.

Majority of our emissions are attributable to diesel consumption at the FDN mine site.

Scope 2

Definition: GHG emissions from the consumption of purchased electricity.

Majority of our Scope 2 emissions are generated by the energy we acquired from the national grid, which in 2022 consisted of more than 88% electricity from renewable sources, such as hydro-electric power generation.

Scope 3


Definition: GHG emissions cover all other indirect emissions that occur in our value chain.

Our Scope 3 emissions are attributable to purchased goods and services for operations, capital goods, emissions associated with the production and transport of the fuel and energy we use, transportation and refining of doré, transport and shipping of concentrate, transportation related to the supply of goods and services to site, land and air travel associated with employee commuting, business air travel and offsite waste disposal.



Underground Mine Mechanical Maintenance Workshop.

The tables below highlight our Scope 1 and 2 energy consumption and GHG emissions effective 2023. All values are reported in GJ and tCO₂e emissions, Scope 1 includes carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and Hydrofluorocarbon (HFC) emissions; meanwhile Scope 2 includes CO₂ equivalent as appropriate.

	GHG Emissions (tonnes CO ₂ equivalent) ¹ Includes CO ₂ , CH ₄ , and N ₂ O, as appropriate							
	2023				2022			
GHG Scope	Scope 1 ⁴	Scope 2 ⁵	Total Scopes 1 & 2	Scope 3	Scope 1 ⁴	Scope 2 ⁵	Total Scopes 1 & 2	Scope 3
Fruta del Norte Site (tCO ₂ e)	26,293	12,213	38,506	-	23,011	5,557	28,568	-
Exploration	1,616	-	1,616	-	1,013	-	1,013	-
Ecuador Offices (tCO ₂ e) ¹	-	39	39	-	-	19	19	-
Vancouver Office (tCO ₂ e) ²	-	-	-	-	-	-	-	-
Total tCO₂e	27,909	12,252	40,161	159,953	24,024	5,576	29,600	166,742
% of Total Annual CO ₂ e	14%	6%	20%	80%	12%	3%	15%	85%
Kilotonnes of Ore Milled (Kt)			1,655				1,559	
GHG Emissions Intensity (tCO₂e/Kt ore milled)			24.27				18.98	
Ounces of Gold Produced (oz)			481,274				476,329	
GHG Emissions Intensity³ (tCO₂e/oz. Au produced)			0.08				0.06	

¹ Ecuador offices emissions consist of emissions from the Quito and Las Encuentras offices, the Las Peñas Camp and our FDN nursery.

² Emissions from our Vancouver Office were determined to be negligible.

³ Intensity is calculated based on FDN Scope 1 and Scope 2 emissions only.

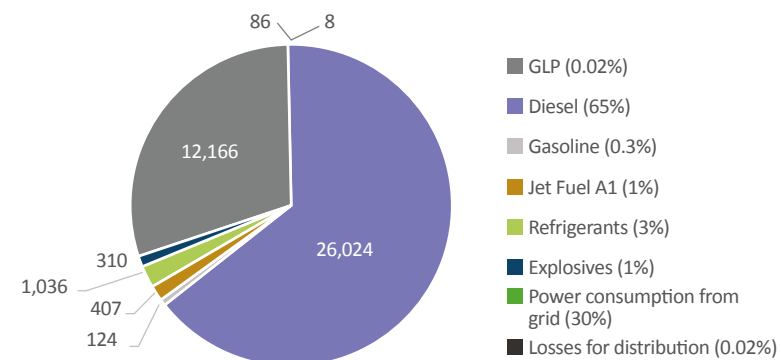
⁴ Scope 1 emissions increased in 2023 as a result of reporting adjustments made in accordance with the GHG Protocol, such as the inclusion of fugitive emissions from refrigerants (HFC) and the adjustment of emission factor for Liquified Petroleum Gas (LPG). In addition, Scope 1 emissions increased due to increased reliance on diesel generators at FDN due to supply challenges with the national electricity power supply.


⁵ Scope 2 emissions increased as a result of reporting adjustments made in accordance with the GHG Protocol, such as the inclusion of emissions from leakage of our internal distribution system and an increase in the emissions factor for national electric power generation in Ecuador.

Note: Figures are rounded. For a full list of emission factors sources and other relevant data, please refer to the ESRS tables located on our [website](#).



Scope 1 and 2 Distribution (Tonnes CO₂e)



	Comparison of total emission by type of energy (GJ) Includes FDN, Quito, Los Encuentros and Vancouver Offices			
	2023		2022	
Energy Source	GJ	% of Total	GJ	% of Total
Subtotal – Fuel	372,180	100%	332,705	100%
Diesel	364,560	98%	325,063	98%
Gasoline	1,855	0.5%	2,625	0.8%
Jet A1	5,635	1.5%	4,846	1.5%
LPG	130	0.03%	171	0.05%
Subtotal - Electricity	479,432	100%	467,589	100%
Renewable	423,818	88%	438,600	94%
Non- Renewable	55,614	12%	28,989	6%
Total	851,612		800,294	
Kilotonnes of Ore Milled (kt)	1,655		1,559	
Energy Intensity (GJ/Kt ore milled)	515		513	
Ounces of Gold Produced (oz)	481,274		476,329	
Energy Intensity GJ/oz. Au produced)	1.77		1.68	

Note: Figures are rounded.



Fuel Bay at FDN.

The following table shows a two-year history of estimates of Scope 3 GHG emissions by Category. All values are expressed in tCO₂e.

SCOPE 3 - Comparison 2022 vs 2023				
Category	Source ¹	2023 (Tons CO ₂ e)	2022 (Tons CO ₂ e)	Notes on Calculation and Sources
1	Purchases goods and services	113,818	110,451	Quantis GHG Scope 3 Tool and Vendor supplied data.
2	Capital Goods	2,165	13,391	
3	Fuel and energy-related activities	6,000	5,406	UK Government GHG Conversion Factors for Company Reporting (2021 and 2022).
4	Upstream transportation and distribution	33,554	33,507	<ul style="list-style-type: none"> ■ United States Environmental Protection Agency (EPA) Emissions Factors for GHG Inventories, April 2021 and April 2022. ■ UK Government GHG Conversion Factors for Company Reporting (2021 and 2022). Mining Association of Canada – Energy and Greenhouse Gas Emissions Management. ■ Reference Guide – Land Transport (2014).
5	Waste generated in operations	691	794	<ul style="list-style-type: none"> ■ EPA Emissions Factors for GHG Inventories, April 2021 and April 2022. ■ UK Government GHG Conversion Factors for Company Reporting (2021 and 2022).
6	Business travel	76	202	Vendor supplied data using Sabre Travel Network's carbon emissions tool.
7	Employee commuting	3,631	2,965	<ul style="list-style-type: none"> ■ Employee air travel to and from FDN, corporate offices and local land travel. ■ EPA Emissions Factors for GHG Inventories, April 2021 and April 2022. ■ Mining Association of Canada – Energy and Greenhouse Gas Emissions Management. ■ Reference Guide – Fuel-based methodology for employee land transport (2014).
8	Upstream lease assets	N/A	N/A	The Company does not operate any material upstream leased assets.
9	Downstream transportation and distribution	-	-	Included in Category 4.
10	Processing of sold products	19	26	<ul style="list-style-type: none"> ■ Includes refining of doré sold. Annual global gold market GHG emissions from "Gold and climate change: Current and future impacts (2019)" from World Gold Council. ■ Processing of concentrate has not been included. ■ We intend to extend reporting on this source in the future. ■ Processing into final products was estimated but determined to be immaterial.
11	Use of sole product	-	-	Immaterial, not estimated.
12	End-of-life treatment of sold goods	N/A	N/A	
13	Downstream leased assets	N/A	N/A	The Company does not operate any downstream leased assets.
14	Franchises	N/A	N/A	The Company does not have any franchises.
15	Investments	-	-	Immaterial, not estimated.
Total Estimated		159,953	166,742	

¹ Note: Source references are informed by the GHG Protocol Corporate Value Chain (Scope 3) Standard.

2023 Performance

In 2023, our carbon reduction initiatives achieved expected efficiency outcomes. Despite this achievement, our total Scope 1 and 2 emissions increased by 36% compared to the previous year. The change in our Scope 1 emissions was mainly due to increased production and the energy crisis in the national electric power system in Ecuador as a result of drought conditions experienced in the year. This situation led to an increase of diesel consumption for generators estimated at 200,000 gallons in order to avoid blackouts at FDN and in our local communities. With prolonged drought conditions continuing in Ecuador, this situation remains a challenge for our Climate Strategy. Similarly, our Scope 2 emissions also increased in 2023 due to a 110% increase in the Ecuadorian power grid emission factor resulting from the integration of fossil fuel-based energy generation as an alternate source of power generation for the national system.

TCFD Recommendation – Metrics & Targets	Our Progress
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	●
Disclose Scope 1, Scope 2 and if appropriate, Scope 3 GHG emissions and the related risks.	◐
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	◐

Complete: ●

Developing: ◐

SOCIAL





Our Social Commitment

We are committed to improving the lives of our employees and host communities by identifying opportunities that enhance the health, wealth and wellbeing of current and future generations to come.

Over the last year, we have advanced our social strategy, which we demonstrated in key achievements across our core focus areas of Community Infrastructure, Community Wellbeing, Health and Safety, Human Rights and Lasting Economic Opportunities.

Looking to the future, we have set targets supported by strategic initiatives that will allow us to continue to deliver shared value through measurable, long-term opportunities and positive outcomes for our people and communities.



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



11 SUSTAINABLE CITIES
AND COMMUNITIES



Pillar: Community Infrastructure

The success of our business and local communities depends upon reliable community infrastructure. As a responsible corporate citizen, we work with the local government and a range of stakeholders to promote safe, equitable access to infrastructure for local communities. Our Community Infrastructure Strategy focuses on improving access to regional services and markets, building long-term capacity for local infrastructure management, facilitating the ongoing management of the critical road network around FDN, and enhancing local health, education and recreation facilities for our people and communities.

Vehicular bridge in Zumbi.

Targets

Road Infrastructure

- Ensure that 100% of the rural road network we require is operational and accessible by 2025.
- Receive national and/or local government support (financial or in-kind) of \geq \$6 million to maintain roads for the period 2021-2025.

Community Infrastructure

- Implement more than two infrastructure projects each year with co-financing equal to or greater than 20% from partner organizations (financial or in-kind).
- Ensure that 100% of households in Ring 1 have internet access at or near home by 2023.

Key Initiatives

Road Infrastructure

- Provided follow-up of repairs and evaluated new critical infrastructure points and emergency response.
- Engaged with newly elected local authorities to address road maintenance.

Community Infrastructure

- Continued to engage with external funding entities and provincial and national authorities to promote the effective use of mining resources at the local level.



Local road maintenance.



Roof construction for the multipurpose recreation court at Río Blanco Elementary School.

Progress

Road Infrastructure

- Renewed road maintenance agreements with the Los Encuentros and Paquisha local governments.
- Extended local rural roads network to 181 km.
- Successfully secured \$3.8 million in funding from the Los Encuentros and Paquisha governments for road maintenance.

Community Infrastructure

- Signed an agreement with the Yantzaza local government for the construction of a new Water Treatment Plant in Los Encuentros.
- Completed Phase 1 of Los Encuentros School maintenance and rehabilitation with 25% co-financing.
- Refurbished an indoor recreation court in Nankais community and re-modelled the Development Centre in Los Almendros community with 58% co-financing.
- Connected all 22 communities in Ring 1 to active Wi-Fi hotspots including the newly added El Playón community.
- Initiated the roof construction for the multipurpose recreation court at Río Blanco Elementary School in Paquisha.
- Maintenance and installation of a children's playground at a local school in Yantzaza for children with special needs.

'Estamos Conectados' Program Successfully Completed

In 2020, we created the '[Estamos Conectados](#)' Program with the goal of connecting Los Encuentros and two communities within Paquisha to reliable internet and access to electronic devices (tablets), which was particularly critical in the early days of the COVID-19 pandemic.

This year, we continued to progress the Estamos Conectados Program, achieving our final aim of ensuring that all 22 communities in Ring 1 have access to internet by 2023. This required connecting the El Playón community in Paquisha to an active Wi-Fi hotspot, a key achievement considering that this community only received access to electrical power as recently as 2022. We also continued to maintain a high-speed internet connection for approximately 1,200 students, 64 teachers and staff at the local school in Los Encuentros.

This Program has enabled us to increase access to technological resources, bringing new opportunities and benefits to our local communities that more developed communities have been enjoying for decades.



Repair and Rehabilitation of Los Encuentros School “Unidad Educativa del Milenio 10 de Noviembre” – Phase 1

In collaboration with national and regional educational authorities, we helped complete the phase 1 comprehensive repair and rehabilitation of the Los Encuentros School (more than 1,200 students) facilities to meet students' needs and to promote education in a safe and healthy learning environment.

A key improvement in 2023 included the construction and installation of a metal structure roof for all of the school's 18 buildings. This involved the:

- Erection of 85,949 kg of structural steel.
- Installation of 6,236 m² of roofing.
- Waterproofing of 3,850 m² of roofing slabs.
- Assistance of 50 construction workers over the course of 36,226 workhours.

Over the duration of a 13-month period between 2022 and 2023, we provided around \$650,000 in financing for this project, supported by an additional \$214,000 in financing from the Ministry of Education of Ecuador.

Looking forward, we will continue to work with national and local authorities to help maintain the school's facilities through our Phase 2 Plan. This includes maintenance of equipment, furniture and general electric and plumbing infrastructure, rehabilitation of the multipurpose coliseum and renovation of the outdoor sports fields.

Improving the Local Health System and Infrastructure

As part of our commitment to the physical wellbeing of our communities, in 2020 we partnered with Newcrest Mining Limited (now Newmont Corporation) and SolGold to build a 12-bed intensive care unit (ICU) at the Yantzaza Hospital, the first of its kind to be established in the Province of Zamora Chinchipe.

In 2023, the hospital's emergency room continued to provide critical medical care to residents of Zamora Chinchipe and neighbouring provinces.

During 2023, we continued to support the transportation service for medical staff of local health units of Yantzaza, Los Encuentros, El Pincho and El Zarza that provide home-based medical care to priority vulnerable groups. Our support helped doctors to treat an average of 900 patients per month from vulnerable populations in FDN's area of influence and to reach 60 local neighbourhoods.



Home-based Medical Care.



Intensive Care Unit at the Yantzaza Hospital.

Next Steps and Goals

- Conduct an assessment of all new critical infrastructure points and emergency responses.
- Work with local governments to ensure every collaborative maintenance agreement is executed.
- Collaborate with local governments to prioritize roads in need of paving under the new Rural Road Agreement.
- Maintain the Los Encuentros School facilities to ensure student and staff safety and wellbeing.



3 GOOD HEALTH
AND WELL-BEING



4 QUALITY
EDUCATION



Pillar: Community Wellbeing



At Lundin Gold, we understand that rapid growth brings significant change to a region and requires a proactive approach across local communities, governments and civil society organizations to develop strategies that have positive and long-lasting impact.

We believe strengthening fundamental community values such as physical and mental health, education and social services will help to bolster community wellbeing and resilience and incorporate these values into our community wellbeing strategy.

Targets

■ Improve Educational Outcomes

- Achieve a 95% success rate of students graduating from high school in Ring 1 (based upon final year enrollment and three-year rolling averages).

■ Post-Secondary Graduation Outcomes

- Achieve $\geq 40\%$ success rate for university/trade school graduates obtaining formal employment or becoming self-employed upon graduation (within Ring 1 and 2) by 2025.

■ Promote Healthy Lifestyles

- Achieve $\geq 75\%$ success rate for children and youth enrolled in Ring 1 educational institutions engage in extra-curricular programs.
- Host two or more campaigns annually against drug and alcohol abuse starting in 2022.

■ Social Safety Net

- Host one or more campaigns against domestic violence starting in 2022.

Key Initiatives

■ Improve Educational Outcomes

- Invested into the community to prepare young students in the Parish of Los Encuentros and Chicaña to achieve higher education admission.
- Provided a diagnosis in mathematics, language and English to more than 500 local students with UTPL. Additionally, we provided a diagnostic of teacher's teaching techniques with UTPL and have assessed parents' values, positive education and leadership.

■ Post-Secondary Graduation Outcomes

- Invested into the community to prepare young students within the parish of Los Encuentros and Chicaña to graduate from high school education. Included providing follow up support and financial assistance to 49 students.

■ Promote Healthy Lifestyles

- Hosted two campaigns in 2023 related to alcohol and drug abuse. The first campaign focused on promoting a healthy lifestyle to achieve dreams. The second campaign focused on reducing alcohol consumption and drugs through social media and traditional advertising campaigns.

■ Social Safety Net

- Created a workshop titled "Break the Silence. Life Without Violence is Possible" to drive prevention and eradication of violence against women and gender violence.

Progress

■ Improve Educational Outcomes

- Achieved a graduation rate of 97% in 2023, with 83 out of 86 students registered graduating.

■ Post-Secondary Graduation Outcomes

- 62% local university graduates from Ring 1 and Ring 2 were employed by the end of 2023.

■ Promote Healthy Lifestyles

- 41% of children and young people participated in extracurricular activities in 2023.

■ Social Safety Net

- Hosted one campaign and one workshop in 2023.



ACCEDELE Soccer School.

Mental Health, Education and Recreational Initiatives

In 2023, we continued to focus on implementing wellbeing programs in Los Encuentros to improve community awareness around mental health, the harmful effects of alcohol and drug abuse, and preventing domestic violence.

At the end of 2022, we identified a new strategic partner in Mexican NGO, Educación para Compartir and commenced planning for a project focused on mental health to be implemented in 2023. During the year, our partnership with EpC strengthened due to increased support from local communities towards this initiative. Working with Newmont Corporation and the Los Encuentros local government, we launched the Los Encuentros Recreational, Educational and Mental Health Program. This Program is now being implemented by EpC between November 2023 and June 2025, with a planned investment of more than \$1 million, almost half of which we are funding. Newmont Corporation has committed \$600,000 over two years to the Program.

This initiative focuses on providing children, adolescents, and adults with the opportunities to achieve a healthy lifestyle and emotional wellness. The Program includes two key components:



ACCEDELE English School.

1 The Los Encuentros Cultural, Educational and Sports Academy (ACCEDELE), which provides children and youth from the community with the opportunity to participate in extracurricular activities such as music, dance, boxing, soccer, basketball and English classes. The ACCEDELE Program follows the EpC play-reflect-act methodology, which has been well received by participants. Together we adapted, equipped and rehabilitated the infrastructure and facilities required to deliver these activities. By the end of 2023, we registered around 500 beneficiaries from the local community within the ACCEDELE Program.

2 The Urban and Rural Mental Health Project, which provides free psychological care to the citizens of Los Encuentros and its rural communities, through wellbeing workshops and psychological consultations provided to people of all ages located in Los Encuentros. By the end of 2023, we had confirmed the delivery of 309 psychological consultations.

Together with EpC, we further support these programs with three community wellbeing campaigns:

- Alcohol and Drug Prevention Campaign to promote healthy lifestyles in pursuit of dreams.
- Alcohol and Drug Prevention Campaign to reduce the consumption of alcohol and drugs during public holidays and other festivities.
- Prevention of Violence Against Women Campaign to raise awareness among our communities about the importance of a life free of violence and to promote healthy coexistence.



Junior Achievement Ecuador.

Junior Achievement Ecuador (JAE) Program

Our ongoing Educational Support Program implemented in partnership with Junior Achievement Ecuador continues to help students between the ages of 15 to 18 from Los Encuentros and Chicaña (Rings 1 and 2) to achieve their dreams of higher education. The primary purpose of the JAE Program is to increase access and opportunities to post-secondary education, assist high school students in passing the standardized exit exams as a requirement for high school graduation, reduce high school drop-out rates, and provide continuous follow-up with post-secondary students until they graduate or decide to finalize their studies.

In 2023, we followed up with high school graduates from previous years. We identified 69 students who decided not to continue their education, representing 17% of the total number of students that have enrolled in higher education since 2015. The majority of these students were prohibited from pursuing further education due to a lack of financial resources and migration. In response to this issue, we collaborated with JAE in 2023 to identify 49 students who would specifically benefit from financial and psychological assistance to support their university ambitions. Our goal is to increase the number of students that graduate from higher education and to eliminate the financial and psychological barriers associated with this outcome. Our follow-up Program included 10 university students from the Shuar Federation of Zamora Chinchipe.

By 2023, 389 students (60% women) from the local school in Los Encuentros and Chicaña were accepted to higher education institutions representing a slight increase compared to 2022.

High School Graduation and Higher Education Acceptance Rates

Academic Year	Graduation Rate from Los Encuentros High School	Total Students from Rings 1 and 2 Accepted to Higher Education
2015-2016	96%	37
2016-2017	98%	37
2017-2018	93%	59
2018-2019	100%	46
2019-2020	99%	49
2020-2021	99%	60
2021-2022	97%	48
2022-2023	97%	53
Total		389



Making a Lasting Impact: Evelin's Story

Evelin, a resident of Los Encuentros, took part in the JAE Program at the age of 17. We are proud to support this Program, which aims to increase access to post-secondary education, assist high school students in passing standardized exit exams and reduce drop-out rates. With the support of JAE, Evelin was accepted to study in her chosen field of Clinical Psychology at the National University of Loja, Ecuador.

Since graduating with a degree in Clinical Psychology, she has taken the role of Clinical Psychologist with international non-profit organization and one of our partner organizations, Educación para Compartir. Through EpC, Evelin is able to support her local community with targeted mental health services including psychological evaluation, diagnosis, treatment and follow up support.

In parallel, Evelin is now pursuing a Master's Degree in Human Resources Management with the goal of further developing her career in psychology.



Thanks to the JAE program, I am proud to be able to give back to my community by joining the EpC Program. This Program is a gateway to improving the quality of life for the people of Los Encuentros.

It is inspiring to see the positive changes this Program is having on our community and I am very proud to be a part of this important initiative.



Evelin Herrera
Clinical Psychologist
Educación para Compartir

Educational Strengthening Program with the Technical University of Loja

We are working together with UTPL and the Ministry of Education to strengthen the foundations of our community's wellbeing through the promotion of quality education.

Since April 2023, we began implementing the Pedagogical, Innovation and Educational Strengthening Program to promote the social, educational and cultural sustainability of Los Encuentros' educational population (students, teachers and parents). Approximately 1,200 students from 3 to 18 years old, their parents and teachers of Los Encuentros local school actively participate in this initiative.

UTPL will continue to run the Program through to 2025 with the support of a multidisciplinary team covering the key areas of English, Mathematics, Reading and Language Arts, as well as Pedagogy and Technology. In addition, UTPL will employ a specialized team to identify key areas of need to strengthen parental co-responsibility in support of student education.

The Program is being implemented in four phases:

- **Phase 1:** Specific diagnostics for students, teachers and parents.
- **Phase 2:** Based on the results of the diagnoses, the design and layout of customized hybrid courses (face-to-face and virtual) for teachers and students.
- **Phase 3:** Implementation of the hybrid courses, face-to-face workshops and teacher coaching.
- **Phase 4:** Monitoring and evaluation by measuring the impact of the project and its components.





UEM teachers in face-to-face workshop with UTPL.

UTPL has completed the phase 1 diagnostic with findings for 8th, 9th, and 10th-grade students as follows:

- **Mathematics:** Intermediate to low level of proficiency in operations, equations, and reasoning problems.
- **Reading/Language Arts:** Gaps in accentuation of words, identification of adjectives, types of narrators and linguistic register.
- **English:** Gaps in grammar, vocabulary, listening and speaking.

In 2024, with the above findings in hand, UTPL will implement phase 2 design and layout of customized hybrid courses for teachers and students.

Next Steps and Goals

- Work with the local educational community to garner support for our Education Strengthening Project in collaboration with the Technical University of Loja.
- Support and motivate high school and university students to pursue higher education and complete their studies.
- Raise awareness among the local population of the benefits of a full education, health coexistence and a life free of violence.



Raise Awareness Campaign "Break the Silence. Life Without Violence is Possible."



8 DECENT WORK AND ECONOMIC GROWTH



11 SUSTAINABLE CITIES AND COMMUNITIES



Pillar: Health and Safety



At Lundin Gold, we are committed to promoting a robust culture of health and safety in our operations and local communities while constantly striving to achieve zero harm through effective prevention and response measures.

Targets

Operational Health and Safety

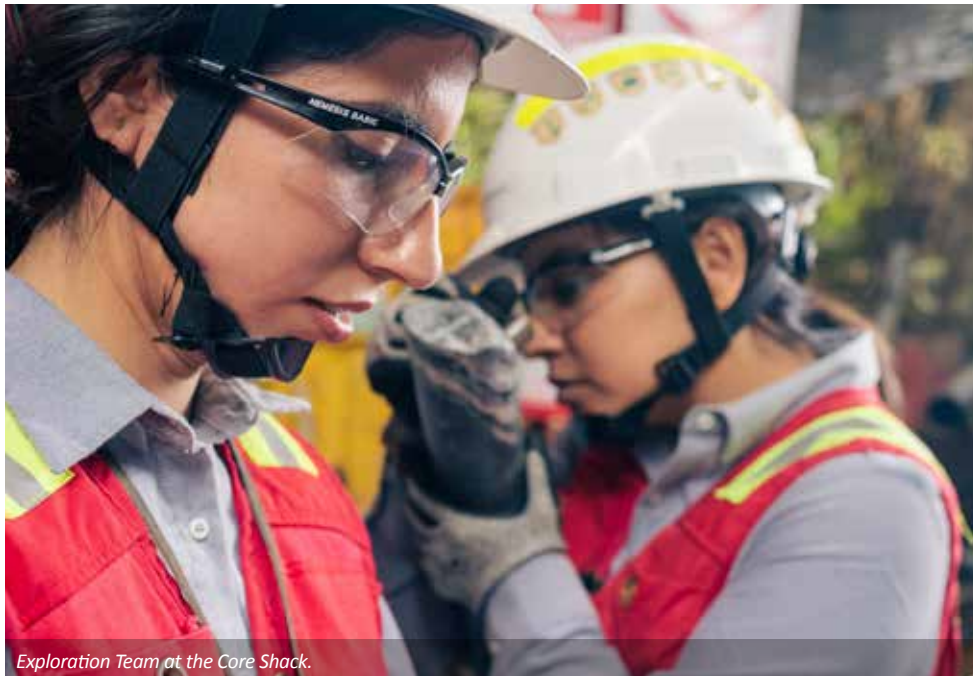
- Implement updated programs to track health lifestyles, psychological and social wellbeing.
- Ensure zero fatalities (including site and off-site events).
- Ensure 100% follow-up and compliance in the closure of high-risk observations (unsafe acts and conditions) reported through the tracking tool.

Occupational Health

- Implement updated annual programs for healthy lifestyles, psychological and social wellbeing.

Community Safety

- Ensure zero significant safety incidents (e.g., major property damage or injury) in local communities associated with business activities.
- Conduct \geq two annual full-scale simulations training sessions or drills delivered in conjunction with local authorities and fully functional APELL application.



Exploration Team at the Core Shack.

Key Initiatives

Operational Health and Safety

- Implemented programs for Alcohol and Drug Control, Chronic Diseases, HIV, Nutrition and Fatigue.
- Completed a Psychosocial Risk Program.
- Supported high-risk activities, safety inspections and audits, verified compliance with golden rules, planned task observations, verified closure of safety observations and compliance with action plans resulting from incident investigations and focused on high potential incidents.
- Conducted a comprehensive update of hazard identification and risk assessment across all areas of operation.
- Maintained total risk register in the tracking tool, Zyght.

Occupational Health

- Implemented programs for Hearing Conservation, Respiratory Protection, Ergonomics, Musculoskeletal Prevention and Biological Control.
- Initiated implementation of an Occupational Hygiene Plan.
- Improved safety culture and practices by prioritizing three critical dimensions identified in our 2022 H&S audit process.
- Conducted a second Safety Culture survey as part of our annual H&S audit process in December 2023.

Community Safety

- Continued to raise awareness among personnel and contractors about the importance of respecting speed limits and Company procedures when driving in local communities.
- Monitored, continuously followed up on and actioned all relevant complaints filed.
- Implemented the Comprehensive Emergency Response Plan according to APELL criteria.
- Identified preparedness and response capabilities.
- Prepared the 2023 Plan for strengthening the emergency response capacities of the Yantzaza local government.
- Prepared the "Capacity Building Plan" for emergency response in Yantzaza.
- Conducted a Hazards Material drill with APELL committee to establish a gap analysis and action plan.

Progress

Operational Health and Safety

- Zero fatalities in 2023.
- Zero Lost Time Incidents in 2023.
- 100% Lundin Gold and contractors personnel trained in H&S systems.
- Reduction in Total Recordable Incident Rate to 0.24 in 2023 from 0.30 in 2022.
- Achieved 100% follow-up to closure of all high-risk observations in 2023.
- Received the SSOTER Honorary Award for Excellence in Occupational Health and Safety Management from the Association of Occupational Safety and Health Professionals – Ecuador.

Occupational Health

- Implemented five programs: Hearing Conservation, Respiratory Protection, Ergonomics, Musculoskeletal Prevention and Biological Control.
- Reviewed and implemented one new Fatigue Pilot Program.

Community Safety

- Zero significant safety incidents (on-site and off-site).
- Implemented the Comprehensive Emergency Response Plan according to APELL criteria.
- Hosted six workshops to train authorities and emergency response entities.
- Implemented three drills related to transportation and hazard materials emergency response.



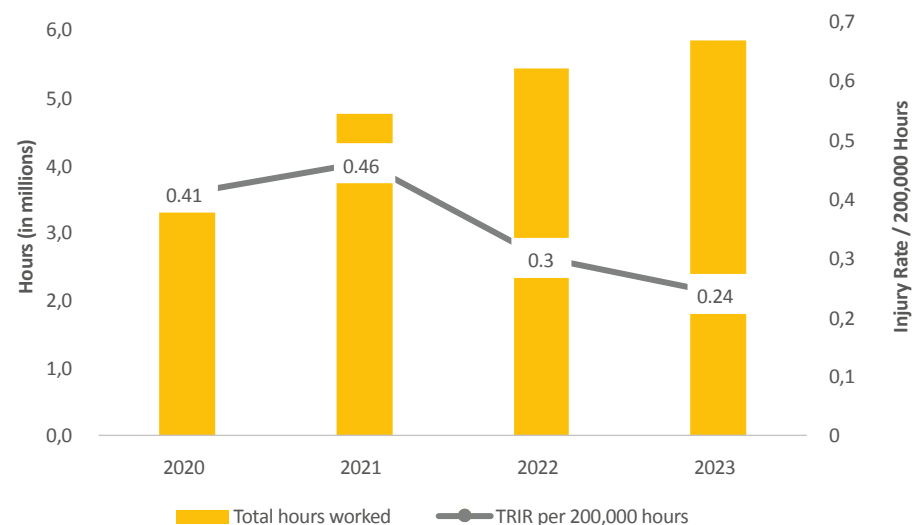
Operational Health and Safety Developments

Our Health and Safety Management System is guided by the ISO 45001:2018 Standard for Health and Safety Management Systems.

Looking to 2024, we will continue to strive to ensure maximum workforce participation in our safety training programs, which we are planning to enhance by:

- Identifying and assess all operational safety risks.
- Implementing controls to eliminate or reduce risks.
- Encouraging all incidents and near misses to be reported.
- Thoroughly investigating all major incidents and High Potential Incidents to respond effectively to emergencies.
- Ensuring that the workforce has the appropriate level of competency and the necessary resources.
- Conducting periodic audits and inspections to verify the effectiveness of the implemented controls.
- Ensuring that all FDN and contractor personnel receive comprehensive training on our safety systems, resulting in a 100% compliance rate.

Health and Safety Management





Occupational Health and Safety

Our occupational health management approach includes several programs that all employees can access and that we promote through onsite campaigns and training. These programs include a Wellbeing Program, a Chronic Diseases Program among others.

Let's Take Care to Be Well Program and Betterfly Application

During the pandemic we developed our Emotional Support Program “Let’s Take Care to be Well” (“Cuidémonos para Estar Bien” in Spanish) to support the wellbeing of our staff and their families. The Program was led by multidisciplinary teams of coaches, facilitators and psychologists.

In 2023, we evolved this Program to provide much more comprehensive support around physical and psychological wellbeing along with financial health, aligning it with the following action pillars to support our employees and their families.

	Health and Safety Management (Employees and Contractors)					
	Operations & Exploration				Construction	
	2023	2022	2021	2020	2019	2018
Hours Worked	5,842,186	5,416,996	4,745,914	3,398,536	7,482,631	5,118,008
Medical Incidents ¹	7	4	10	5	20	9
Lost Time Incidents ²	0	4	1	2	6	2
Injury Rate/ 200,000 Hours (weighted average)	0.24	0.30	0.46	0.41	0.69	0.43
Injury Rate Tolerable Target	0.50	0.60	0.65	0.70	0.75	0.80
Job Safety Analysis Quality Compliance (in %)	90%	-	-	-	-	-

¹ An occupational injury qualifies as an MI if it results in the injured employee needing professional medical treatment.

² An occupational injury qualifies as an LTI if it results in the injured employee needing at least one full day off from work.

In addition, we partnered with Betterfly, a wellbeing benefits application that focuses on rewarding healthy habits such as walking, meditating, saving and resting. With the app accessible at any time from a smartphone, our employees can:

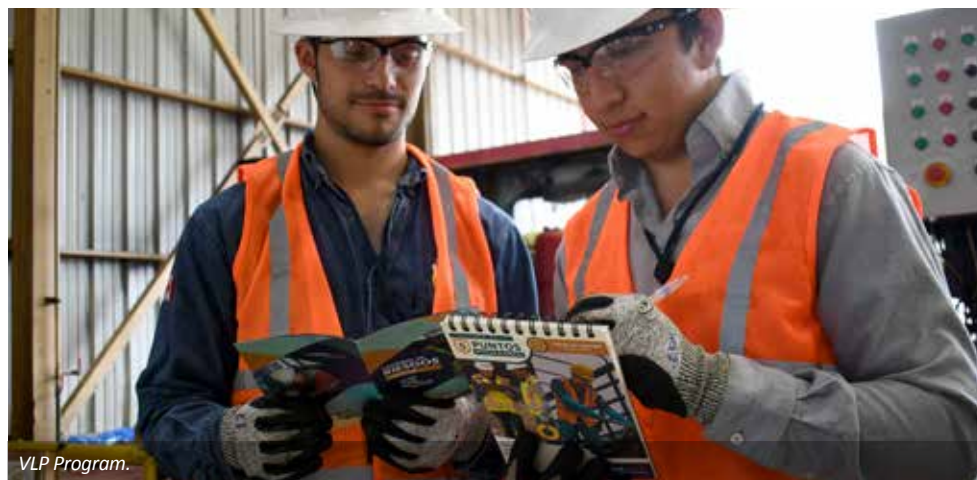
- Use the app's different health and wellness tools.
- Accumulate "Bettercoins" in reward for developing healthy habits and making an impact through social and environmental donations to worldwide NGOs.
- Win medals and prizes, compete with coworkers, play and accumulate additional Bettercoins through the app's monthly challenges.
- Expand their existing life insurance based on their healthy habits.

By the end of 2023, 70% of our employees had created their accounts on the Betterfly app. Of those with accounts, 54% were active and using the app's features as of December. Additionally, 2,406 donations were registered to various social and environmental causes.

Visible Leadership Program

Our Visible Leadership Program (VLP) promotes training, coaching and empowerment around safety issues for our employees.

In 2023, we strengthened this Program as an important tool to reinforce a strong safety culture on a daily basis, encouraging the participation of all employees and contractors. We continued to raise awareness and educate around the importance of identifying high and medium risks. Our efforts included launching several



VLP Program.

campaigns with the dissemination of graphics to help our people identify and evaluate observations by risk level, emphasizing the flow and timeline for managing them appropriately. In addition, we have implemented systems to automate and improve the management of observation reports through the health and safety management software Zyght, web platforms and a smartphone app.

Moving forward, we will continue to execute our ongoing action plan to control and mitigate high and medium risk observations. We review the management of safety observations frequently with each department manager, while Health & Safety personnel provide support and follow-up for the timely management of observations.



APELL Program workshop in Yantzaza.

APELL Program Update

We implemented the APELL Program in 2020, the first company to do so in Ecuador. The primary purpose of this Program is to raise local community awareness of local industrial and human-made hazards and preparedness for potential emergencies.

As part of this Program, we have employed both reactive and preventive measures by creating a culture of continuous improvement with the goal of protecting our people and communities.

Since initiating this Program three years ago, we have further expanded it with the support of the Yantzaza Emergency Operations Committee and other local authorities, with whom we formed an APELL Implementation Committee.

In 2023, we continued to progress the Program by implementing our Comprehensive Emergency Response Plan in alignment with APELL criteria. This included running two full-scale emergency simulation drills in conjunction with local authorities, contractors, chemical transportation services and nationwide rescue entities. These exercises enabled us to identify strengths and opportunities for enhancement in our emergency response.

In addition, we have implemented the following measures as part of the APELL Program:

- Followed-up on action plans from drills conducted in 2022 with a focus on training, procedures and equipment.
- Presented the APELL Plan to Yantzaza local government newly elected authorities, who have committed to continuing with the implementation plan.
- Held six workshops with an external consultant, Emergency Operations Committee and the Mayor of Yantzaza.
- Identified preparedness and response capabilities in authorities and emergency response entities.
- Presented the Yantzaza Fire Department's Emergency Response Plans and capabilities.
- Conducted a HAZMAT Drill with an APELL committee to establish a Gap Analysis and Action Plan.
- Prepared a Capacity Building Plan for emergency response in local communities.
- Conducted two transportation drills with heavy and chemical transportation contractors in Los Encuentros and Guayaquil.



National Award

In 2023 we received the SSOTER Honorary Award for Excellence in Occupational Health and Safety Management by the Association of Occupational Safety and Health Professionals – Ecuador (APPSTEC) for our successful implementation and expansion of the UN's APELL Program in Yantzaza.



Next Steps and Goals

- Maintain the Recordable Incident Rate according to international mining first class TRIR trend.
- Maintain the safety controls in each operative area according to specific risk assessment.
- Maintain primarily in-person induction and Annual Refresher Program.
- Reinforce H&S best practices through monthly contractors' committees.
- Implement the Nutritional Program for workers.
- Conduct a Psychosocial Risk Management and Integrated Ergonomics Program.
- Reinforce 3 dimensions:
 - Fairness of Safety management.
 - Workers' commitment to safety.
 - Worker safety priority and non-acceptance risk (Right to Say "No" Program).
- Proactively communicate and involve staff and contractors, emphasizing the importance of respecting speed limits and Company procedures.
- Maintain good relations with the local governments, authorities and host communities with an objective of proposing safety and security measures to mitigate health risks within the daily activities of our local communities.
- Evaluate the effectiveness of the fire brigades through comprehensive drills and establish an action plan for the deficiencies detected.



Pillar: Human Rights

5

GENDER
EQUALITY



16

PEACE, JUSTICE
AND STRONG
INSTITUTIONS



At Lundin Gold, we uphold and respect the UN Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, our commitment as a signatory to the UN Global Compact, and as a signatory to the UN Women's Empowerment Principles. We aim to achieve tangible progress on gender equity and the inclusion of Indigenous peoples and other vulnerable groups across our business. We leverage our position to empower underrepresented groups in the industry and local communities where we operate and ensure that communities have a credible mechanism for redress.

Targets

■ Diversity Equity and Inclusion

- Maintain equivalent pay for men and women at each organizational wage level, ensuring no wage gap exists.
- Create economic opportunities for people with disabilities through community investment and a 4% representation of employees.
- Provide ≥ 1 gender sensitivity training session each year at all organizational levels and preserve the certification on workplace free of violence.
- Implement a company-wide mentorship program for women and annually agree to the number of mentees and mentors.

■ Indigenous Peoples

- Develop five new fully functional economic opportunities/initiatives by 2025 that focus on Shuar, Kichwa or Saraguro populations.

■ Grievance Mechanism

- Maintain an annual average of 95% of grievances closed with sign-off of the complaint once the action plan has been implemented.

Key Initiatives

■ Diversity, Equity and Inclusion

- Developed recreational games for children with disabilities in the specialized school in Yantzaza.
- Held negotiations with an identified supplier to structure our zero tolerance towards the Gender Based Violence Program.
- Expanded participation in International Women in Mining Mentorship Program.

■ Indigenous Peoples

- Aimed to create fully functional economic opportunities including: Shuar Num diversification, Kunki-ECOLAC, New Zamora Chinchipe Shuar Federation of Zamora Chinchipe building, Chumpias Shuar Center, Cocoa Organic Farming and Sugar Cane with the Shuar Federation of Zamora Chinchipe.

■ Grievance Mechanism

- Focused on addressing and closing timely complaints filed in this with the aim of maximizing final sign-off by the end of the year.

Progress

■ Diversity, Equity and Inclusion

- Developed an annual third-party index of equivalent pay at Aurelian Ecuador S.A.
- Achieved a 2023 index of base salary for employees equivalent to 1.02.
- Complied with Ecuadorian Law with 4% of people with disabilities having workforce representation.
- Two employees with disabilities have benefited from the special fund for insurance.
- Participated in the IWIM Mentorship Program with 16 employees, including 9 mentees and 7 mentors.
- Recognized by the Ministry of Social and Economic Inclusion of Ecuador for our efforts to provide a workplace and work environment suitable for people with disabilities.
- Conducted a gap assessment on the UN Women's Empower Principles (WEPS) progress to identify actions and strategy to enhance WEPS progress.
- Obtained the "Safe Company, free of violence and discrimination against women" seal due to our commitment of zero tolerance towards gender-based violence.

■ Indigenous Peoples

- Achieved six fully functional economic opportunities effective 2023 with Indigenous communities and the Shuar Federation of Zamora Chinchipe.

■ Grievance Mechanism

- Closed 94% of grievances with sign-off complete in 2023.
- Unchanged expected response times for each phase of the Complaints and Grievance Mechanism in 2023.

Human Rights Legislation in Canada to Combat Modern Slavery

On May 3, 2023, the Canadian Parliament passed [Bill S-211](#), an Act to enact the *Fighting Against Forced labour and Child labour in Supply Chains Act* and to amend the *Customs Tariff* (Bill S-211t). Bill S-211 took effect on January 1, 2024, imposing significant reporting obligations on Canadian businesses and importers. Businesses that meet certain thresholds are required to file detailed public reports on measures they have taken to identify, address and prevent forced labour, prison labour

and child labour in their supply chains. As a federally incorporated company, we were required to disclose our Modern Slavery Report alongside our 2023 Annual Report. We have met this requirement with the publication of our inaugural [Fighting Against Forced labour and Child Labour in Supply Chains Report](#) for the full year 2023 on February 22, 2024.

We have assessed the risk of child labour within our own workforce as low. In most sectors, the minimum age for work in the country is 15 years old. However, the legal minimum age for hazardous work or night shifts, both of which apply to mining, is 18 years old. As such, we have adopted this as our minimum age of employment. Furthermore, all aspects of our business require specialized skills and knowledge. We operate a mine in a remote area of Ecuador, which requires technical expertise and transportation exclusively for our employees (at least 18 years old).

We have not identified any instances or allegations of forced or child labour within our own workforce. If we determine that we have caused or contributed to any instances of modern slavery, we intend to cooperate with the impacted parties to develop an approach to remediation tailored to their needs. With no instances yet requiring remediation, our primary focus has been on preventing and mitigating potential adverse impacts.



Human Rights Governance

Our Board oversees our approach to risk management, which includes risks related to human rights. Each committee of the Board oversees risks within their functional area. Oversight of human rights risks, including modern slavery risks, falls within the mandate of our HSES Committee.

Our CEO assumes ultimate responsibility for risk management, including modern slavery risks, and is assisted by the VP Legal and Sustainability, who is responsible for the management and governance of modern slavery risks and compliance with applicable laws. Our legal and procurement teams work together to identify, assess and manage modern slavery risks in our supply chain.

Similarly, our legal and human resources teams work together to identify, assess and manage modern slavery risks in our workforce. Our VP Legal and Sustainability reports quarterly to our HSES Committee on human rights and other issues.

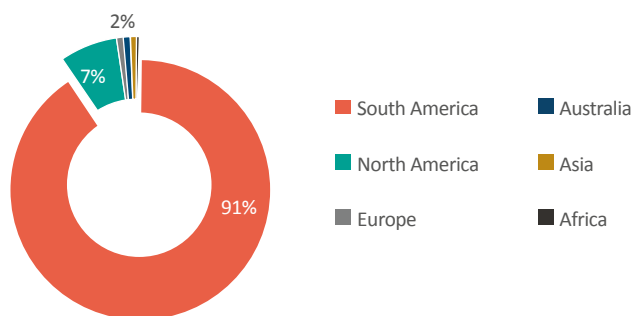
Our employment practices around salaries, working hours, minimum age and risk assessments help to ensure that our employees do not face exploitative treatment such as slavery, forced labour or servitude.

Procurement

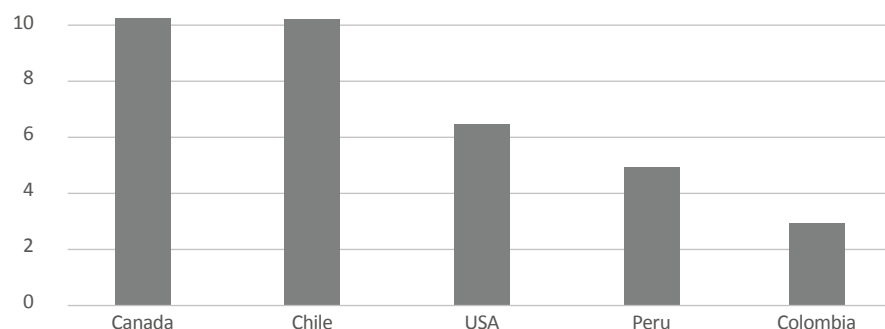
We conduct the vast majority of our procurement activities through a central procurement function at FDN. This function procures a range of goods and services to support our exploration, mining, processing, transportation and sustainability activities.

We handle a small portion of our procurement activities out of our Vancouver Office to meet the requirements of our Executive team. We manage procurement through our Supply Chain Department based at FDN. The supply chain department is responsible for procurement governance, with local oversight by FDN's General Manager, and oversight by our Senior Vice President (SVP) Finance and VP Legal and Sustainability, both of whom are based in Canada.

2023 Global Procurement by Spend



2023 Top Five Supplier Countries*



*Millions of dollars. Excluding Ecuador.

By expenditure, we conduct most of our procurement in alignment with our standard form contract. In 2023, we conducted a supplier mapping exercise to facilitate a more comprehensive understanding of the various modern slavery risks that may be present in our supply chain.



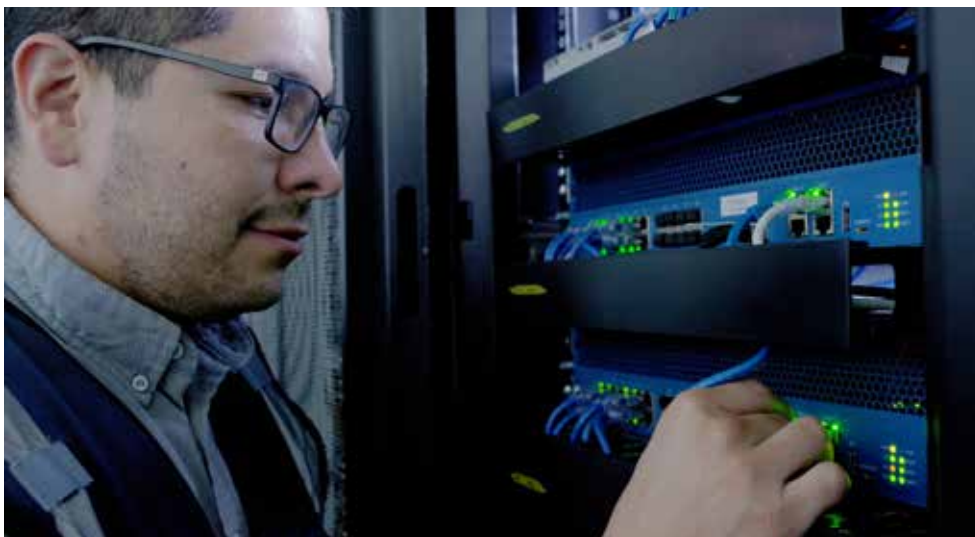
Agricultural suppliers in our supply chain.

Highlights included:

- 1,192 direct suppliers globally, 844 (approximately 70%) of which were based in Ecuador.
- By value, our total 2023 procurement expenditure was located within Ecuador (83%). Most of this expenditure was invested in supporting local businesses and service providers. The remaining expenditure occurred internationally (17%).
- By value, a marginal amount of our procurement expenditure was spent with suppliers from one of the top ten countries reputed to have the highest prevalence of modern slavery.

Our Supply Chain

As part of our commitment to responsible mining, we have a Program in place to assess and manage third-party risk since our initial development of FDN. However, we did not develop that Program with Bill S-211 in mind. Since Bill-S211 was passed in May 2023, we have worked to implement measures to prevent and reduce the risk of forced labour and child labour in our supply chains. At the time of this Report, the assessment of modern slavery risks within our supply chain was in process. However, we have completed a supplier mapping exercise that considers the nature of the goods and services we source, the number and location of our direct suppliers and, by total annual expenditures, a breakdown by region and country to identify high-risk procurement activities. The proportion of our suppliers based on spend with activities in areas rated with a high prevalence of modern slavery was less than 1%.



Based on this assessment, we identified the following procurement categories as presenting a potential risk in our supply chains due to geographical location, industry and product:

- Agriculture and Livestock Supply.
- Personal Protective Equipment and Other Apparel.
- IT Equipment.
- Construction – Raw Materials.
- Other Goods Manufactured in High-Risk Countries.

We have not identified any instances or allegations of forced or child labour within our supply chain. If we determine that we have caused or contributed to any instances of modern slavery, we intend to cooperate with the impacted parties to develop an approach to remediation tailored to the needs of the impacted parties. With no instances yet requiring remediation, our focus has been to prevent and mitigate potential adverse impacts.

Modern Slavery Risk Training

In November 2023, we held two mandatory in-person training sessions for our supply chain and human resources teams in Ecuador. The sessions focused on educating these teams about their roles in identifying, preventing and reporting allegations or instances of modern slavery. They also emphasized the responsibility to implement specific modern slavery risk screening tools with our suppliers.

Looking forward

In 2024, we plan to undertake an independent human rights risk assessment of our entire operations, a component of which will include our workforce.

Great Place to Work

Guided by our Fundamental Principle of Respect, we conducted our annual employee survey through global consulting firm, Great Place to Work with the objective of assessing the quality of our work environment and organizational culture in the eyes of our people.

The survey consisted of 60 statements on a 5-category Likert scale and two open-ended questions for comments helping us to evaluate how employees perceive our organizational environment and culture. Of the 1,616 employees who participated in the survey, 89% considered Lundin Gold to be a “Great Place to Work.”

This is the second consecutive year that we have received this level of recognition, which is testament to the actions we have been taking to create a healthy and attractive organizational environment and culture for our people. We are committed to building on this solid foundation to accelerate ongoing projects and to implement actions aimed at maintaining our strengths and identifying opportunities for improvement.



This includes:

- Implementing the 2023 Compensation Plan, which focused on equal and fair salaries.
- Applying new salary categories for mine and process plant operators.
- Continuing to engage our employees through various communication channels and encouraging continuous feedback through monthly meetings with operational staff, Human Resources and operational managers.
- Advancing the implementation of DEI initiatives.
- Launching a communication campaign highlighting the importance of DEI to reinforce our Fundamental Principle of Respect.
- Updating our Wellbeing Program, which provides psychological support through a permanent helpline, individual sessions, and webinars on topics of interest.
- Relocating the helipad to minimize noise in the sleeping area. Reassigning blocks of rooms by areas, considering the schedule and the assigned work shift.

Diversity, Equity and Inclusion

Our DEI Approach

We have continued to build on our commitment to diversity, equity and inclusion by further expanding and enhancing our DEI strategy with the aim of driving improvement across our core areas of focus.



Our Core Focus Areas	Our 2025 Commitments
Corporate level	<ul style="list-style-type: none"> ■ Create DEI governance structure to support implementation of our DEI Strategy. ■ Make annual improvements to our WEPs score. ■ Implement DEI training across our organization.
Recruitment and selection	<ul style="list-style-type: none"> ■ Establish baseline data to help improve representation of women and Indigenous peoples across all levels of our organization. ■ Implement an equitable hiring process.
Career and leadership development	<ul style="list-style-type: none"> ■ Implement a succession planning process designed to improve outcomes for women and Indigenous peoples. ■ Implement training and mentorship programs specific to women and Indigenous employees by the end of 2024.
Remuneration	<ul style="list-style-type: none"> ■ Achieve pay equality for each level of our organization.
Inclusive work environment	<ul style="list-style-type: none"> ■ Ensure workplace health and safety practices fully satisfy requirements for relevant groups such as women, Indigenous peoples, employees with disabilities and vulnerable groups.
Gender and Indigenous considerations in the supply chain	<ul style="list-style-type: none"> ■ Incorporate gender- and Indigenous-based criteria into our procurement activities and efforts to develop new local suppliers.
Incorporation of gender and Indigenous considerations into community investment and engagement	<ul style="list-style-type: none"> ■ Enable data collection and tracking of results that incorporate gender and Indigenous-based criteria into our community investment programs. ■ Ensure that community engagement is deemed appropriate by identified vulnerable groups.


In 2023, guided by our Fundamental Principle of Respect, we continued to implement and build on a range of DEI campaigns that we originally launched in 2021.

Key highlights include:

- Engaging with each department to establish baseline data on gender and Indigenous representation and retention in our current workforce.
- Tracking of WEPs activities and gap assessments to promote ongoing improvement.
- Implementing the International Women in Mining (IWIM) Mentoring Program with the aim of supporting women's career and leadership development.
- Beginning to develop a strategy to incorporate gender and Indigenous considerations into our supply chain procurement and community investment processes.
- Beginning to develop a mandate for the governance and function of a new DEI taskforce and create a new DEI leader role, both of which will be based on site at FDN.

Key focus areas for 2024 will include promoting our DEI Strategy and Initiatives at the local level among our key stakeholder groups and embedding DEI into our hiring practices and various community engagement programs, among other important initiatives.



	Diversity at Lundin Gold ¹											
	Employees						Management ²					
	2023		2022		2021		2023		2022		2021	
Category	#	%	#	%	#	%	#	%	#	%	#	%
Female	336	18%	303	17%	262	16%	9	22%	6	19%	6	19%
Male	1,544	82%	1,523	83%	1,428	84%	32	78%	25	81%	25	81%
People with disabilities ³	53	3%	54	3%	52	3%	1	2%	0	-	0	-
Indigenous people ⁴	180	10%	191	10%	187	11%	0	-	0	-	0	-
Total	1,880	100%	1,826	100%	1,690	100%	41	100%	31	100%	31	100%

¹ For more information on our diversity leadership, see our most recent Management Information Circular available on our website at www.lundinalgold.com.

² Managers, Senior Managers, Directors, and the Executive Committee.

³ Excludes employees who are qualified substitutes of people with disabilities (by the Ministry of Labour) and who count for the percentage of people with disabilities according to Ecuadorian legislation. At the end of December 2023, there were 18 employees qualified as substitutes of people with disabilities.

⁴ Employees who self-identified as part of a town or Indigenous Nation in the Amazon, Coastal and Andean Region.


IWIM Mentoring Program Update

In 2023, we partnered with the Lundin Foundation once again to enable nine of our women employees to participate as mentees in the International Women in Resources Mentoring Program organized by the IWIM organization. We also had seven employees volunteer as mentors in the Program during the year.




IWIM created this important Program to help women advance their careers, overcome professional challenges, gain confidence and take on leadership roles in the mining sector. This Program, along with a number of other key initiatives, is helping to increase the number of women employed both within Ecuador's mining industry and with us specifically.


Our ongoing commitment to gender equality and inclusion is increasingly reflected in our workforce. As of December 31, 2023, 18% of our total direct workforce was women, which is higher than Ecuador's regional peer countries such as Colombia, Peru and Chile¹, where the mining industry is more mature.


Participants 2023


Mentees




Karina Alarcón
Reliability Engineer




Verónica Barbecho
Environment and Permitting Superintendent




Sulay Camisán
Warehouse Supervisor



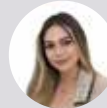
María Augusta Niveló
Occupational Health Supervisor




Jessy Enríquez
Geotechnical Engineer



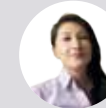
Valeria Sancho
Process Plant Administrative Coordinator



Stefanny Pazmiño
Process Plant Administrative Coordinator



Anabell Salinas
Social Responsibility and Communities Supervisor



Daniela Mazón
IT Coordinator

Engagement with the Indigenous Peoples of Zamora Chinchipe

As part of our commitment to supporting the lives and wellbeing of the Indigenous peoples of Zamora Chinchipe, we renewed our established agreement with the Shuar Federation of Zamora Chinchipe in 2021. Reviewed and signed every four

¹ During 2021, a gender equity survey was conducted with the purpose of evaluating the participation of women within the mining industry. The results showed that the participation of women was Colombia (14%), Peru (6.4%) and Chile (9%). See details of this survey in the following links:

<https://www.mineriaec.com/participacion-mujer-industria-minera-ecuatoria/>

<https://zetaradiofm.com/actualidad/lundin-gold-destaca-el-rol-femenino-en-la-industria-minera-del-ecuador/1581/>



Shuar women at the Shuar Num Centre.

years, this agreement outlines how we can work together to support the life development plans, language, customs and traditions of these Indigenous peoples in the short, medium and long-term with intention of empowering them and delivering sustainable shared value.

There is no intersection between Indigenous Territories and FDN's area of influence. However, we prioritize engagement with the Indigenous peoples of Zamora Chinchipe and have an ongoing four-year General Cooperation Agreement with the Shuar Federation of Zamora Chinchipe.

The Lundin Foundation also contributed to our support for Indigenous communities. In 2023, we worked together with the Shuar Federation of Zamora Chinchipe to support the Shuar Num Company, which promotes the preservation of the Shuar culture, sustainable tourism and growing sources of income to reinvest back into the community.



We believe that each Indigenous group of people has its own context, worldview and way of living that must be respected.



Anabell Salinas
Supervisor, Social Responsibility
Lundin Gold



Shuar artisan woman in Masuk Las Vegas Community.



Cocoa Organic Farming.



Balsa Wood Cultivation Project.

Economic Initiatives Focused on Indigenous Peoples

Since 2021, we have financed six projects to support Indigenous peoples. These projects include:

- **Chumpias Shuar Center:** The Napurak and Yutui's balsa wood cultivation project, Napints' community bank that provides loans for project financing and the Chumpia's cattle breeding project.
- **Shuar Num:** Preservation of the ancestral Shuar culture through tourism promotion, which is managed by the Shuar Num Tourism Company.
- **Shuar Federation of Zamora Chinchipe Building:** Renovation and expansion of the Shuar Federation of Zamora Chinchipe building to include commercial spaces with the aim of providing commercial rental income.
- **Kunki Community:** Technological innovations and strategies aimed at increasing the quantity and quality of milk and meat products.
- **Cocoa Organic Farming:** Supporting Shuar communities with organic cocoa production, technical assistance, agricultural supplies, tools, machinery and grafts of cocoa and other fruits.
- **Sugar Cane Farming:** Supporting Shuar communities with sugar cane production, technical assistance, agricultural supplies, tools, machinery and construction of a granulated panel processing plant.

Looking forward we will enhance and consolidate these initiatives and ensure that they are sustainable independent of our ongoing support to enable independence and long-lasting impact for the Indigenous Peoples of Zamora Chinchipe.


Grievance Mechanism

Our grievance mechanism provides stakeholders with a clear process to express their concerns or submit their complaints. Offering our grievance mechanism in the languages of Spanish, English and Shuar is a key component of our commitment to human rights and compliance with the [International Finance Corporation \(IFC\) Performance Standards](#). If Indigenous stakeholders express a grievance in their preferred language, we ensure that a fluent speaker of that language is available to provide support and follow-up.

Stakeholders can submit grievances in person at one of our offices in Los Encuentros or in Quito. Other available channels include email, a toll-free telephone number or through specially marked mailboxes we installed at FDN, Los Encuentros and Quito. Grievances can be made on behalf of a person, a community, an institution or anonymously.



Grievance Mechanism.

	Grievances Mechanism Records at Lundin Gold ¹													
	Operations and Exploration								Construction					
	2023		2022		2021		2020		2019		2018		2017	
Categorization	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Level I ²	38	75%	29	60%	32	41%	72	99%	103	97%	125	100%	70	93%
Level II ²	13	25%	19	40%	46	59%	1	1%	3	3%	0	0%	5	7%
Level III ²	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Total	51	100%	48	100%	78	100%	73	100%	106	100%	125	100%	75	100%

¹ The increase in Level II complaints since 2020 was due to a number of duplicative complaints, all related to the alleged poorly paid long shifts for employees and alleged negative working environment caused by the supervisor of a contractor company.

² Grievance categories are determined by the Company based on an internal Risk Assessment Framework.

2023 Grievance Complaints Received by Topic		
Responsible Department	Themes	Number
Supply Chain	Alleged negative work environment caused by a contractor.	22
Human Resources & Administration	Alleged lack of respect from employees.	18
Geology & Exploration	Unauthorized entry by employees onto private land.	1
Process Plant	Alleged lack of coordination in maintaining the power transmission line.	1
Health and Safety	Alleged drone flight over private property.	1
Transferred out of Grievance Mechanism	Themes	Number
Non-Applicable Grievances	Directed to other mechanism (Legal, Harassment etc.).	8
Total		51

Our Security Approach

Our security approach is designed to protect people, assets, and operations while respecting human rights and local communities. We implement a continuous risk mitigation process based on careful and deliberate planning that incorporates international best practices to avoid conflict to the greatest extent possible. Our onsite security team and the local public security forces are trained to utilize appropriate de-escalation strategies to avoid the use of force. Each member of FDN's security team receives an induction and annual refresher training on conflict de-escalation techniques, Ecuadorian laws governing the progressive use of force, and the Voluntary Principles on Security and Human Rights. Our primary security activities are outsourced to a reputable international security provider that operates

in accordance with the United Nations Global Compact and the International Code of Conduct for Private Security Providers. As such, the security provider is committed to good governance, respect for human rights and international humanitarian law.



Next Steps and Goals

- Establish an index of equivalent pay by organizational level.
- Schedule a bi-annual internal audit of workplace accommodations to ensure suitability for employees with disabilities.
- Ensure that people with disabilities are considered in our recruitment processes.
- Identify projects that specifically contribute to the economic development of persons with disabilities in the community.
- Increase number of eligible women for participation in the IWIM Program.
- Continue to provide gender sensitivity training specific to mining communities and in multiple languages.
- Continue to implement our DEI strategy and set specific targets for 2025.



Pillar: Lasting Economic Opportunities

1 NO POVERTY



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



We are committed to creating lasting economic opportunities for our communities, both directly and in the broader economy through a focus on direct employment and the incubation, development and promotion of small businesses.

Targets

■ Direct Local Employment

- Maintain/source at least 50% of workforce (contractors and employees) from local communities over the next five years.

■ Small Business Growth

- Achieve revenue growth of 75% by all local businesses in Yantzaza by 2025.

■ Local Procurement

- Achieve growth of 10% in local procurement (reach \$29 million in Zamora Chinchipe) by 2025.

■ Agriculture and Livestock

- Achieve a 20% increase in revenues for agricultural and livestock initiatives by 2025 (also supported by the Lundin Foundation).

Key Initiatives

■ Direct Local Employment

- Reinforced our obligation of hiring local workforce and maximizing contractors from Ring 1 through our attendance at community roundtables meetings throughout the year.

■ Small Business Growth

- Collaborated with the Lundin Foundation to identify new business opportunities and support the development of local startups that meet our procurement requirements.

■ Local Procurement

- Reactivated in-person attention to local suppliers in Los Encuentros.
- Provided leadership at local Entrepreneurship and Transportation Community Roundtables organized by the Los Encuentros local government.
- Attended in-person training of procurement procedures and bidding processes to local suppliers.
- Provided recommendations to suppliers regarding the process of subcontracting local suppliers.

■ Agriculture and Livestock

- Provided direct support to productive initiatives, including ECOLAC, ASOPROARTROS-PITAJAYA and four other projects in Chumpias Shuar Center.
- The Lundin Foundation provided direct support to productive initiatives, such as Somos Semilla and APEOSAE.

Progress

■ Direct Local Employment

- Sourced 50% of employee workforce from local communities in 2023.
- Sourced 41% of contractor workforce from local communities in 2023.

■ Small Business Growth

- Achieved \$213 million in sales from local businesses in Yantzaza representing 113% growth since the 2020 (\$100 million).

■ Local Procurement

- Achieved 6% local procurement growth in 2023 for total spend of \$28 million in Zamora Chinchipe on local suppliers.

■ Agriculture and Livestock

- Achieved 11% growth from 2021 baseline with total revenue of \$0.8 million.



Local light vehicle transport company "Edén de la Amazonía."

Creating Local Employment Opportunities for Our Communities

Our goal is to maximize direct and indirect local employment and procurement, with a specific focus on the communities in the area of influence of FDN. We have grown to become one of the largest employers in the region, having a significant economic impact in Zamora Chinchipe.

	Lundin Gold Employment ¹							
	Operations and Exploration							
	2023		2022		2021		2020	
Employment by Area of Origin	#	%	#	%	#	%	#	%
Ring 1	477	25%	457	25%	406	24%	365	25%
Ring 2	234	12%	230	13%	211	12%	155	11%
Ring 3	227	12%	226	12%	219	13%	169	12%
Ring 4	763	41%	731	40%	679	40%	600	41%
Total Ecuador	1,701	90%	1,644	90%	1,515	90%	1,289	89%
Ring 5 (Foreign)	179	10%	182	10%	175	10%	162	11%
Total Lundin Gold	1,880	100%	1,826	100%	1,690	100%	1,451	100%

¹ Excludes employees working in the Vancouver Office.



Exploration activities contractors.

	Contractors Employment ¹							
	Operations and Exploration							
	2023		2022		2021		2020	
Employment by Area of Origin	#	%	#	%	#	%	#	%
Ring 1	180	15%	129	16%	155	20%	154	17%
Ring 2	178	15%	122	15%	106	14%	100	11%
Ring 3	137	11%	89	11%	112	15%	109	12%
Ring 4	650	54%	442	53%	337	45%	407	45%
Total Ecuador	1,145	95%	782	94%	710	94%	770	84%
Ring 5 (Foreign)	65	5%	46	6%	47	6%	142	16%
Total Lundin Gold	1,210	100%	828	100%	757	100%	912	100%

¹ All data for contractor employment has been provided by contractors. Data relates solely to contractors who provide onsite services.

We have also implemented comprehensive training and certification programs for our employees. In 2023, we ensured that 1,907 employees received approximately 78 hours of average training on a variety of corporate policies, H&S and Environmental topics, basic technical and mining skills, as well as soft skills to improve communication and leadership qualities within their teams.

Training for Operations Program

From 2019 to 2023, our Training for Operations (TFO) Program, in partnership with the Lundin Foundation, developed and delivered industry-relevant initiatives to create a confident and skilled workforce and maximize job opportunities at local communities. This Program provided learning in the handling of heavy underground machinery or mine services, or as process plant operators. Two state-of-the-art simulators were purchased to train students in a 3D virtual reality mine environment.

In 2021, we began applying our Impact Measurement Framework for this Program. The second year of results are shown in the table below.

2023 Training for Operations Results Zamora Chinchipe	
Number of trainees who started and completed the Program (2019-2020)	307
Number of graduates who secured gainful employment with us after the Program	304
Employed graduates (female)	32
Employed graduates (male)	183
Employed graduates (Shuar - female)	7
Employed graduates (Shuar - male)	8
Attrition ¹	8
Number of graduate employees still employed at the end of 2023	222
Total wages paid to employed graduates during 2023	\$ 3,998,654

¹ Turnover between the period January 1 and December 31, 2023.



State-of-the-art simulator.



Implementation of the Ipiak Nua Masuk Las Vegas Community Tourist Center.

Our Procurement Approach is Driving Long-term Economic Benefits for our Local Communities

We have developed our Procurement Strategy with the parameters and goals of our 5-year Sustainability Strategy at the centre. To effectively implement this Strategy, we have connected our procurement team's compensation with local procurement spend targets. Our team is constantly looking for new opportunities to help incubate and develop new businesses around FDN. Our objective is to help create long-term value for our local stakeholders while also meeting the goods and services need of our operations. In the future, it is our hope that these businesses will continue to operate successfully, independent of our support.

Our Procurement Strategy is enriched by our frequent dialogue with local communities through regularly scheduled community roundtables. This approach enables us to engage with potential and existing local suppliers and to consider their realities and needs, with the aim of increasing the amount and type of goods and services that we procure from them.



I do this job because building local businesses around FDN is life changing for local communities. It is work that really matters, takes time and delivers impact for the long-term.



Murray Wright
Supply Chain Senior Manager
Lundin Gold



Shuar Community of Masuk Las Vegas.

Our Partnership with the Lundin Foundation

Since 2016, we have partnered closely with the Lundin Foundation to implement a strong, sustainable Supplier Development Program built on international practices, due diligence and a thorough understanding of the development trajectories of local business. The Lundin Foundation was founded 18 years ago with the aim of elevating ESG and developmental practices across the broader Lundin Group, ensuring resource operations mobilize local economic opportunities and benefit surrounding communities.

Part of the important work we are doing together aims to help:

- Ensure that our local communities capture the maximum benefits we bring to the table.
- Establish a sustainable legacy that our local communities can build and thrive on long into the future.
- Reduce dependency on our business by helping local suppliers develop diverse customer bases.
- Connect our onsite caterers, food suppliers and other products and services into other markets and countries to broaden their reach.
- Increase women entrepreneurship and help them build up their businesses.



Osbra.



Sonia Sarango, beneficiary of the "Soy Emprendedora" Program.

2023 Procurement Spend

In 2023, we saw overall procurement spend for Ring 1-3 decrease as a result of identifying an incorrectly classified supplier. Thanks to due diligence, we were able to identify this issue and in an effort provide accurate comparability, we have restated these figures retroactively for 2022.

While spend has modified as a result of these new procedures, we are proud to have seen that the foundations we have been putting in place over the last seven years are now delivering an increasingly positive experience for our local and national stakeholders.

In 2023, we began working with the Lundin Foundation to develop a new set of procurement procedures for the classification of procurement spending, which we will continue to develop in 2024 as we work to establish fully compliant ESRS reporting policies and processes.

	Lundin Gold Procurement ¹ (\$ millions)			
	Operations and Exploration			
Procurement by Area of Origin	2023		2022	
	\$	%	\$	%
Ring 1	23.3	10%	22.6	9%
Ring 2	2.4	1%	2	1%
Ring 3	2.3	1%	1.6	1%
Ring 4	172.9	71%	176.6	68%
Total Ecuador	200.9	83%	202.8	78%
Total International	42.5	17%	57.5	22%
Total Lundin Gold	243.3	100%	260.3	100%

¹ Includes procurement from Aurelian Ecuador S.A. and Aurelianmenor S.A.



Smera: Mobile Fire Extinguisher Workshop.



UN Global Compact – Ecuador award in the SDG 5 Gender Equality category for the "Soy Emprendedora Program."

Capacity Development of Local Suppliers

We are committed to responsible resource development, which is demonstrated through our award winning Community Development Programs and Sustainable Mining Practices. In 2023, the Lundin Foundation worked closely with us to implement strategic community investments related to economic diversification, women economic development and local supplier development.

In 2023, we supported 12 local businesses led by women through the "Soy Emprendedora" Program. These businesses generated over \$92,500 in revenue and integrated 16 new clients during 2023. Participants received training, business and leadership mentoring, and participated in a competition for seed capital. The Program delivered over 500 hours of training to participants and leveraged over \$10,000 in external funding to accelerate women-led businesses. We were honored to receive the UN Global Compact – Ecuador award in the SDG 5 Gender Equality category, a recognition from the Violeta Summit Full Equity 2023 for Good Practice in Gender Equality, as well as the "Violet Impulse Footprint" in the categories: "Violet."

NEXO is dedicated to developing local suppliers for FDN. As such, in 2023 we continued to support three local suppliers:



ASERFRUN

For fumigation and pest control at FDN.



OSBRA

For supplying uniforms and other textiles.



SMERA

For supplying and maintaining fire extinguishers.



Warehouse at FDN.



Together with the Lundin Foundation, we continued the multi-year implementation of the NEXO Local Supplier Development Program, which incubates new local companies to integrate into the supply chain of the Fruta del Norte mine.

- **SMERA**, a start-up supplying and maintaining fire extinguishers, received technical assistance, training, and seed capital from the Lundin Foundation and is now a successful FDN supplier.
- **OSBRA**, a start-up created in 2021 designs and manufactures custom workwear and uniforms. They received technical assistance, training, and seed capital. They are a successful FDN supplier and have incorporated new customers.
- **ASERFRUN**, a start-up created in 2014 and receives support from the Lundin Foundation since 2022, provides cleaning, fumigation, pest control, maintenance and sanitation services. They received technical assistance, training, and seed capital. They are a successful FDN supplier and have expanded its operations and customer base including local government entities.

2023 was a pivotal year for these local suppliers, with significant year-on-year sales growth: 63% for Smera, 42% for Aserfrun and 183% in Osbra. Collectively, they have created 21 new job openings and 62 new customers, reinforcing their business sustainability.

Additionally, we launched a renewed Local Agricultural Producer Program, Somos Semilla ("We are Seed"), which offers technical assistance, a revolving credit fund and marketing support to local fruit and vegetable producers. This Program benefits 38 agricultural groups and associations and 110 direct agricultural producers.

Together, the participants in NEXO and Somos Semilla sold over \$725,000 in goods and services to FDN, either through direct sales or to onsite contractors, and employed 82 people to support their business activities.

Looking ahead, we remain dedicated to being a responsible miner and to working with the Lundin Foundation to realize our joint vision for resilient local communities.



Artisanal miner at Río Blanco.

Artisanal and Small Scale Mining Activities

Most artisanal and small-scale mining (ASM) activity on our concessions happens along riverbeds, river terraces and alluvial deposits, near the Río Blanco, El Zarza and Machinaza Rivers. We seek co-existence with local artisanal miners. This is achieved by formalizing artisanal operations and providing training. We audit formalized operations to ensure health and safety, and environmental compliance. Over the course of 2023, we also conducted inspections on our mining concessions using helicopter and drone flyovers, as well as ground patrols. The purpose of these inspections is to identify illegal mining activities and present any resulting complaints or claims to the appropriate judicial institutions.

In 2023, we did not enter into any new ASM contracts on any of the concessions related to FDN due to a position taken by the Ministry of Energy and Mines, which required any signatory to an ASM contract on FDN related concessions to comply with our Environmental Management Plan. This would not be economically feasible for ASM miners. However, there were eight formalized contracts on our exploration concessions.

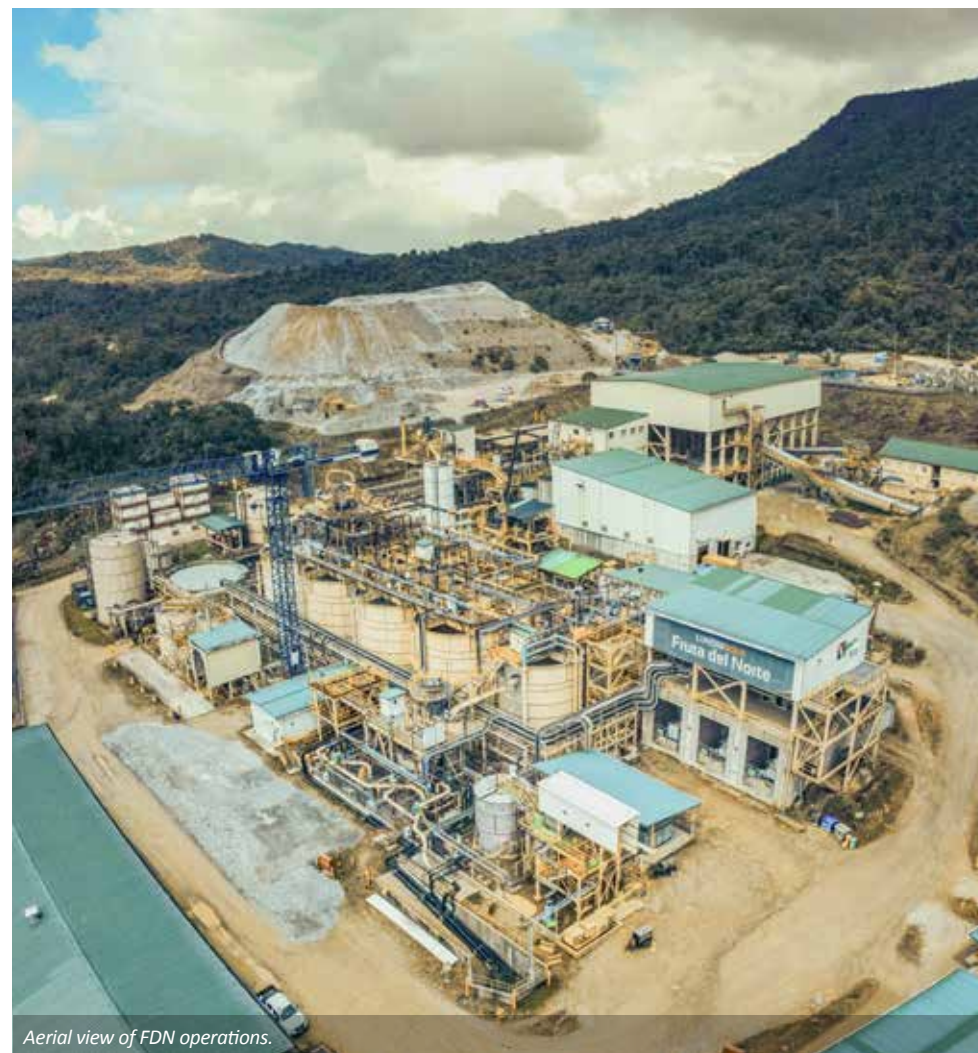


Artisanal and Small-Scale Mining Activities within Lundin Gold Concession Areas

Activities	Operations and Exploration				Construction		
	2023	2022	2021	2020	2019	2018	2017
Formalized artisanal contracts with Lundin Gold	8	9	15	16	17	19	21
Voluntary departure of informal miners after government inspections	63	66	17	43	18	38	25
Legal complaints filed by Lundin Gold against informal miners	32	39	21	13	21	19	17
Number of impoundments, disablements, or destruction of ASM equipment or camps by authorities	16	20	1	0	1	2	10
Number of peaceful removals of informal miners by authorities	19	48	17	4	2	6	25
Grievances lodged with Lundin Gold related to ASMs	0	0	0	0	0	0	1

Next Steps and Goals

- Continue to enhance our process for identifying and evaluating new local procurement opportunities.
- Reinforce the prioritization of local hiring with our contractors.
- Develop a new set of procedures or policy for the classification of procurement spending.
- Promote the participation of contractors in community roundtables.
- Reinforce inspections on our mining concessions to identify illegal mining activities.



Aerial view of FDN operations.

GOVERNANCE





Our Governance Commitment

At Lundin Gold, good governance is part of our culture. It is a critical component for the long-term successful management of our Company and achievement of our sustainability ambitions. To that end, we have implemented a clear and formalized corporate governance structure. We have embedded our governance approach within our 5-Year Sustainability Strategy through the Responsible Resource Governance Pillar and across each of the four Strategic Enablers: Accountability and Management Systems; External Communication, Sustainability and Financial Reporting; Participatory Dialogue and Strategic Partnerships.

Through our governance approach, we provide the appropriate environment to implement our business model and corporate strategy. We create lasting positive impact for our stakeholders by:

- Upholding our values of transparency, accountability, honesty and ethics.
- Managing and mitigating risks and opportunities effectively.
- Sharing insights and resources to help enhance the approach for effective oversight and regulation of resource development for institutions in Ecuador.
- Being responsive to changes in regulations and best practices.
- Continually monitoring developments and trends.
- Leveraging expertise of our strategic partners.
- Measuring and tracking our performance.



Corporate Governance: Our Approach

Strong corporate governance is the foundation of our commitment to sustainability, responsible mining and long-term performance. Our governance structure comprises Board and executive oversight, along with policies, standards, processes and procedures to guide the expected behaviors of our staff, how we run our operations and how we manage risk. Our Board is committed to continuously striving for excellence by prioritizing key areas, including sustainability performance and oversight, clear roles and responsibilities, diverse board composition across gender and skillset, independence and tenure, risk oversight and education on trending topics for continuous improvement. Further details specific to our Board's activities are outlined in our Management Information Circular.

Note: 2024 Management Information Circular can be found at www.lundinalgold.com.

Key Corporate Governance Highlights

Board Structure

- Appropriate Board size with nine directors.
- Optimal mix of skills and experience in annual matrix review.
- Female Board director representation (44%).
- Gender representation on each Board committee.
- Representation beyond gender on Board.

Board Effectiveness, Independence and Compensation

- Monitor Board effectiveness annually through formal assessment process.
- Ensure ongoing director education on hot button topics to keep skills current.
- Maintain a Board composition of majority independent directors.
- Maintain a fully independent Audit, Compensation and Corporate Governance & Nominating (CGN) Committee.
- Maintain a majority independent HSES Committee.
- Host independent director sessions at every Board meeting and a stand-alone in person independent director meeting at the end of each year.
- Host In-camera sessions with the CEO at all Board meetings.
- Embed HSE, ESG and climate performance key performance indicators (KPIs) in executive compensation.
- Require share ownership for Board directors and executives, with the CEO at 5x salary.
- Separate Board Chair and CEO roles to enhance Board independence.
- Support Lead Director in place as additional support to independent directors.

Risk Oversight

- Oversight of ERM system, with semi-annual review at the Board and Committee level.
- Quarterly reporting to Audit Committee on cyber security risk management.
- Quarterly reporting to the HSES Committee on material matters relating to sustainability and climate, including the impacts/risks, mitigation measures and action plans specific to environment, social and governance.
- Regular director education focused on key risks within cyber security, sustainability and climate.
- Oversight of executive compensation risk, including third party risk testing of compensation practices.



Carmel Daniele



Dr. Gillian Davidson



Ian Gibbs



Melissa Harmon



Ashley Heppenstall



Ron Hochstein



Scott Langley



Jack Lundin



Angelina Mehta

Board Oversight of Sustainability Matters

Our Board is ultimately responsible for the stewardship of our business, which includes the oversight of our corporate and sustainability strategies. Our Board's five standing committees oversee different aspects of our sustainability activities, with the Health, Safety, Environment and Sustainability Committee taking overall responsibility and reporting to the Board on the development and implementation of the Sustainability Strategy. This includes the review and approval of sustainability objectives at the start of each new year and the monitoring of our progress against these objectives at the end of each year. At quarterly Board meetings, the HSES Committee reports on significant sustainability matters and risks discussed with management, as well as the status of sustainability initiatives and programs.

As previously noted in the [Environment section](#) of this Report, our Board has identified climate change, in particular, as an important consideration for our business and has implemented climate governance in accordance with the recommendations of TCFD. We have integrated climate considerations into our governance and management structure at all levels, starting with our Board. This includes fully integrating climate-related issues and risks into our ERM system and modifying our risk assessment methodology to capture the impacts of climate change on different time horizons, with the benefit of scenario analysis.

The Role of ESG Oversight

Board of Directors					
Enhance and preserve long-term shareholder value and ensure that we meet our obligations on an ongoing basis and that we operate in a reliable and safe manner.					
Board Committees					
Assist our Board with its responsibilities. Each committee has a written mandate and reviews its mandate annually.					
	Health, Safety, Environment and Sustainability Committee	Compensation Committee	Corporate Governance & Nominating Committee	Technical Committee	Audit Committee
General	<ul style="list-style-type: none"> Provides oversight over the Company's progress to align with ESRS and comply with CSRD. Provides oversight on all sustainability matters, reviews and approves our sustainability objectives and reports on the significant matters discussed with management and the status and adequacy of our sustainability activities. 				
E	<ul style="list-style-type: none"> Reports to our Board on corporate policies and practices with respect to environmental and permitting matters, including water, waste, biodiversity, air quality management, emissions and climate change. Receives updates on decarbonization initiatives and offset strategy. 	<ul style="list-style-type: none"> Ensures alignment of compensation and incentives to climate change targets. 		<ul style="list-style-type: none"> Oversees environmental risks, such as TSF design and water treatment. 	
S	<ul style="list-style-type: none"> Oversees performance and risks related to our operations, including worker health and safety, emergency response plans, engagement with communities and Indigenous peoples, diversity and human rights-related matters such as the new Canadian Modern Slavery legislation. Reports to our Board on corporate policies and social practices. 	<ul style="list-style-type: none"> Ensures alignment of compensation and incentives to community wellbeing and human rights targets. 	<ul style="list-style-type: none"> Responsible for recommending diversity policy updates and targets to the Board. Considers candidates based upon their skills and experience assessed against our skills matrix and diversity criteria. 	<ul style="list-style-type: none"> Oversees risk related to our operations, including health and safety. 	



	Health, Safety, Environment and Sustainability Committee	Compensation Committee	Corporate Governance & Nominating Committee	Technical Committee	Audit Committee
G	<ul style="list-style-type: none"> Oversees performance and risks related to our operations, including tailings management, stakeholders' engagement, transparency, corporate disclosure (frameworks) and anti-corruption. 	<ul style="list-style-type: none"> Ensures alignment on compensation and incentives to operational and growth targets. Reviews CEO's recommendations and approves compensation for other officers, including extent of involvement in incentive programs. 	<ul style="list-style-type: none"> Oversees our approach to corporate governance, monitoring the regulatory environment and recommending changes to our Company practices where appropriate. Makes recommendations to our Board regarding board size, composition, independence, committee composition, effectiveness and compliance to mandates, policies and guidelines. Responsible for setting skills and experience matrix based on the Company's strategy and material matters, which influences board compensation. Considers candidates based upon their skills and experience assessed against our skills matrix, independence, potential conflicts and whether or not each nominee will be able to devote sufficient time and resources to our Board. Responsible for succession planning. 	<ul style="list-style-type: none"> Assists Board in fulfilling its oversight responsibilities with respect to our operational performance and risks, particularly in technical areas. 	<ul style="list-style-type: none"> Oversees accounting and financial reporting as well as all external review of the financial statements. Provides oversight of internal controls and accounting and auditing activities. Reviews Code of Business Conduct and Ethics, Anti-Bribery Policy and Whistleblower Policy. Oversees risks related to information systems and cyber security.

Executive Leadership Team

Develop, guide implementation and monitor strategy performance, including the integration of sustainability matters into decision-making and financial plans. Develop and oversee corporate initiatives, policies and processes.

Senior Management Team

Integrate our Sustainability Strategy and Risk Management into daily functional and operational accountabilities, oversee corporate initiatives, policies, processes and measure the performance of at site programs.

Employees

Contribute to organizational success through adherence to policies and corporate values in an environmental-socially responsible and ethical manner.

Other

Additional details can be found in our ESRS Tables¹ and our Management Information Circular

^{1 2} More information of our ESRS Tables: <https://lundingold.com/responsible-mining/sustainability-reports/>.

Board Diversity

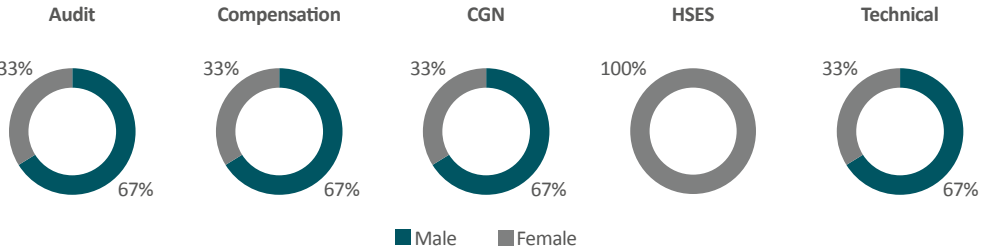
We believe that a mix of diverse skills, backgrounds, experience, gender and age encourages independent thinking, enriches the decision-making process and ensures that we receive the benefits from all available talent on our Board. This viewpoint extends beyond our Board as we are committed to the principles of DEI company wide. This commitment is the foundation of the Human Rights Pillar of our 5-Year Sustainability Strategy. In 2021, we became the first mining company in Ecuador to be a signatory to Women’s Empowerment Principles and we have since advanced our alignment with these principles.

Gender Diversity

In 2021, our Board set a target to obtain 30% representation of women in director roles by 2023 and achieved this target one year in advance. In 2023, we achieved 44% representation, continuing to surpass our initial target. Additionally, the Board has composed all of its standing committees in 2024 to ensure gender representation.

Our Board believes that diversity leads to the creation of a stronger company and recognizes the underrepresentation of women in management roles at Lundin Gold and within the mining sector in general. To address this, we have implemented actions through our Human Rights Strategy Pillar. These actions include linking compensation to improvement in women’s empowerment and intentionally considering diversity (including gender and non-gender-based diversity) through our standard recruitment practice. Our Board requires specific search protocols when filling board and executive positions, including using an independent search consultant specifically directed to include a diverse pool of candidates including women and members of the designated groups or other underrepresented groups.

The graphic below sets out the representation of women on the Board's committees.



Diversity Beyond Gender

Continuing to expand board diversity is a priority of our Board, and part of the consideration for nominating directors. While always evolving, our current Board and Executive Diversity Policy does not yet include measurable objectives for people with disabilities, Indigenous peoples or members of visible minorities. Currently, our Board has one member who self-identifies as a visible minority and no members who self-identify as persons with a disability or Indigenous peoples. The tables below illustrate the diversity of our Board in 2024 and the Company’s two-year historical Board diversity performance, measured each year on the date of the Annual Shareholder Meeting.

2024 Board Composition					
Director	Residency	Age Category	Tenure (years)	Gender	Identify as having a disability, Indigenous People, member of visible minorities
Carmel Daniel	UK	50-59	7-10	F	No
Gillian Davidson	UK	50-59	<3	F	No
Ian Gibbs	Canada	50-59	7-10	M	No
Melissa Harmon	US	40-49	<3	F	No
C. Ashley Heppenstall	UK	60-70	7-10	M	No
Ron Hochstein	Canada	60-70	7-10	M	No
Scott Langley	Canada	40-49	<3	M	No
Jack Lundin	Canada	<40	<3	M	No
Angelina Mehta	Canada	40-49	<3	F	Yes

Two Year Board Diversity Performance Comparison				
	2023		2022	
	#	%	#	%
Independent	6	67	5	56
Not Independent	3	33	4	44
Female	4	44	3	33
Male	5	56	6	67
Under 50	2	22	1	11
50-60	6	67	7	78
Over 60	1	11	1	11
Members of visible minorities, Indigenous people or Individuals with a disability	1	11	0	0

Governance Through Policies

As part of our commitment to responsible mining, our Board has implemented core policies designed to provide good corporate governance, reinforce ethical business conduct, promote accountability, transparent disclosure and create a safe workplace for all. These core policies include the Code of Business Conduct and Ethics, the Anti-Bribery Policy, the Sanctions and Anti Money Laundering Compliance Policy, the Responsible Mining Policy and the Workplace Discrimination Harassment and Violence Policy.

Our employees receive training annually on these policies and directors and officers certify their compliance each year. Our Board reviews these policies at least annually and implements updates as required. All of the core policies are available on our website at www.lundin角度.com.

Code of Business Conduct and Ethics

This Code outlines our principles and standards for honest and ethical behavior at Lundin Gold and upholds our commitment to conduct business in compliance with the law and the highest ethical standards.

Any concerns regarding violations of laws, rules or regulations or of the Code are reported to the Chief Executive Officer, the Chair of the Audit Committee or the VP Legal and Sustainability and Corporate Secretary.



Anti-Bribery Policy

Our Anti-Bribery Policy reiterates our commitment to compliance with Canada's Corruption of Foreign Public Officials Act (CFPOA), the U.S. Foreign Corrupt Practices Act (FCPA) and the Ecuadorian Criminal Code and other anti-bribery laws. The Policy provides guidelines for compliance with the CFPOA, the FCPA, Ecuadorian legislation and our policies applicable to our operations worldwide.

Sanctions and Anti-Money Laundering Compliance Policy

This Policy outlines our commitment to compliance with applicable laws and regulations that regulate business with countries, entities and individuals that are subject to embargoes or sanctions and that prohibit money laundering and terrorist financing. It outlines measures that our employees are required to take to verify that our commercial relationships do not violate sanction measures and anti-money laundering laws.

Responsible Mining Policy

This Policy outlines our commitment to conducting operations and activities in accordance with our core principles of working safely, environmental stewardship and respect in all of our activities. It demonstrates our commitment with respect to transparent and sustainable practices and good corporate citizenship and reiterates our commitment to treat people with dignity and to respect all internationally recognized human rights.

Workplace Discrimination Harassment and Violence Policy

This Policy outlines our commitment to providing and maintaining a safe and healthy workplace for our employees, including a workplace free from discrimination, harassment and workplace violence. It outlines our expectations regarding acceptable workplace conduct, provides a confidential complaint procedure for reporting incidents and protects reporters from retaliation.

Whistleblower Policy

This Policy outlines our process for the receipt, retention and treatment of complaints regarding breaches of the Code of Business Conduct and Ethics, or any other company policy, violation of law or other corporate misconduct or any accounting, internal accounting controls or auditing matters, to encourage employees, officers and directors to raise concerns regarding accounting, internal controls or auditing matters, on a confidential basis free from discrimination, retaliation or harassment.



Information

For more information see the Governance section of our Website at <https://lundingold.com/responsible-mining/governance/>.

Director Skills and Experience in ESG

Our Board maintains a competency matrix to assess composition and ensure it has an appropriate mix of skills and experience to govern sustainability matters effectively. The data below depicts our aggregated level of self-assessed experience or expertise in the areas most connected to sustainability as at year end 2023.

Director Education and Orientation

We regularly conduct education and orientation sessions for our new directors to ensure they possess a comprehensive understanding of our business, enabling them to effectively govern. Additionally, we provide new directors with copies of all company policies, codes, mandates, and guidance on our disclosure practices. Moreover, senior management is readily available to meet with and support new directors.

Our ongoing Director Education Program includes annual site visits to FDN, sessions run by third party experts, regular management briefings and reports on various topics such as operations, sustainability, social matters, Ecuadorian politics, the local economy, accounting and financial disclosure, compensation, corporate governance and other initiatives. These activities keep the Board well-informed about new developments and challenges in our business. For more specific details regarding this Program, please refer to our 2024 Management Information Circular.

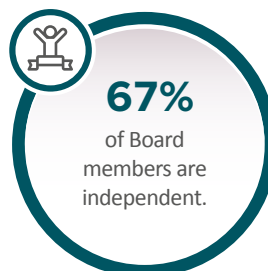
ESG Related Skills and Experience	Daniele	Davidson	Gibbs	Harmon	Heppenstall	Hochstein	Langley	Lundin	Mehta
Health, Safety & Environment Direct experience with environmental, health and/or safety policy, practices and management.		X	X	X	X	X		X	X
Government Relations Experience or knowledge of the regulatory environment in jurisdictions Lundin Gold operates.		X			X	X		X	
Strategic Planning Executive or board experience in strategy development, execution, analysis.	X	X	X	X	X	X	X	X	X
Corporate Governance Sophisticated understanding of corporate governance practices and stakeholder engagement.	X	X	X		X	X		X	X
Sustainability Experience or knowledge of sustainability matters, including climate change risk management, diversity and human rights, tailings facility management and related matters.		X	X	X	X	X		X	X
International Business Executive or board experience with entities operating in multiple jurisdictions with diverse political, cultural, regulatory, and business environments.	X	X	X	X	X	X		X	X
Risk Management Experience identifying, assessing, managing, and reporting on corporate risk.		X	X	X	X	X		X	
Information Technology Experience with enterprise resource planning systems, including IT security, policies and procedures.	X		X					X	
HR and Executive Compensation Direct experience in compensation practices, talent management and retention, and succession planning.	X		X	X	X	X		X	



Independence

Our Board believes that adequate structures and processes are in place to facilitate the functioning of our Board independently of management. With the assistance of the CGN Committee, our Board reviews each director's independence annually and upon the appointment or nomination of a new director to ensure a majority of its members are independent. Independent directors meet alone at the end of each meeting and at an in-person stand-alone session at the end of each year. The HSES Committee is considered to be majority independent, while the Audit Committee, Compensation Committee and CGN Committee are 100% independent.

The roles of Board Chair and CEO are also separated. While the CEO has primary responsibility for the operational leadership and strategic direction of Lundin Gold, our Board Chair is the leader of our Board, directs our Board agenda and engages with Shareholders. We have also appointed a Lead Director to provide additional support to our independent directors.



Compensation Governance

Our Board has ultimate responsibility for director and executive compensation at Lundin Gold. It oversees our compensation policies and practices and assesses compensation based on balanced short- and long-term performance and relative to predetermined measures.

The goal of our executive compensation structure is to attract, motivate, retain and reward a knowledgeable and driven management team and to encourage that team to attain and exceed performance expectations.

Our compensation practices are based on a pay-for-performance philosophy in which the performance is assessed based on our financial, operational and sustainability performance measures and individual performance measures. The Compensation Program is designed to reward each executive and to motivate executives to drive the organization's growth in a sustainable, responsible and prudent way.



Risk Oversight

Our risk management approach is designed to support the achievement of both our organizational and strategic objectives, improve long-term performance and enhance shareholder value. Our Board is responsible for overseeing our risk identification, management and mitigation strategies and our risk assessment process.

Each of our Board committees oversee risks within their functional area and report to the Board on these matters at each quarterly meeting or as the need arises. Twice per year, the Technical Committee and the HSES Committee review the risk register with management in detail.

G



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



17 PARTNERSHIPS
FOR THE GOALS



Pillar: Responsible Resource Governance



Our governance initiatives aim to enhance the public sector's oversight and regulation of resource development projects. We responsibly manage the associated benefits and promote open and accountable management of mineral resources in Ecuador. To achieve this, we collaborate closely with diverse stakeholders to strengthen resource governance at national and local levels, driving positive change.

Targets

Governance

- Provide capacity building training (accountability, best practices, and management) to four local governments and the Shuar Federation of Zamora Chinchipe to obtain non-Lundin Gold financing for projects.
- Receive at least \$1 million of national and international financial funding from local institutions and partners by 2025 to promote local development.
- Organize ≥ 20 key stakeholders visits to FDN on an annual basis starting in 2023.

National Mining Sector

- Adopt/Implement \geq one sustainability international standard(s) by the Chamber of Mines in Ecuador before 2025.

Key Initiatives

Governance

- Most stakeholder visits included tours of the Underground Mine, Process Plant, Tailings Storage Facility, Nursery and also included presentations. Some visits in particular included community tours of the most important community investment projects.

National Mining Sector

- Actively participated in the governance of the Chamber of Mines of Ecuador in 2023, including a seat on the Board of Directors and participate in the Communications and Sustainability Committees.
- Engaged with the Mining Association of Canada to support the adoption of TSM in Ecuador.
- Conducted a benchmark analysis using major mining sustainability standards such as the Initiative for Responsible Mining Assurance (IRMA), ICCM, TSM, and TCM to support the advancement of TSM in the country.
- Developed a timeline and work plan for the implementation of TSM in Ecuador.

Progress

Governance

- Secured approximately \$0.8 million in financing from local institutions (approximately \$0.2 million) and partners (approximately \$0.6 million) by end of 2023 to support local development, an increase of more than 700% from the previous year.
- Organized 19 separate stakeholder visits, representing approximately 203 individuals in 2023.
- Increased perception of responsible mining and governance among FDN stakeholder visits by 60%.
- Recognized for our sustainable business practices by the CERES, a non-profit organization, committed to social responsibility in Ecuador.



María Eulalia Silva, executive president of the CME and Juan José Herrera, Principal Director of the CME 2023-2025.

Extractive Industries Transparency Initiative

Since Ecuador's first introduction to the Extractive Industries Transparency Initiative¹ (EITI) in October 2020, we have played an active role in both the EITI industry group and EITI multistakeholder group (bringing together civil society, government and extractive companies) to develop a workplan for EITI in Ecuador. The aim of the EITI Standard requirement is to identify and disclose information on contracts, licenses, final beneficiaries of extractive industries, government competencies and participation, production, exports, payments received by national and local governments, resource allocation and the social and economic contributions of the industry to promote national development and local communities.


In 2023, the Pan American Development Foundation (PADF) supported the preparation and publication of the first Ecuador EITI Report². The intent of the Report is to assess the progress made with the implementation of the EITI Standard in Ecuador by examining its requirements, identifying payments and contributions made by the extractive industry and approximating the list of private companies eligible to participate in the initiative. The 2023 Report highlighted gaps identified through the initial analysis and provided recommendations to improve the EITI Standard implementation in Ecuador. The current validation status from EITI International to Ecuador was released in early 2024 and in the Global EITI Report³ for Ecuador was rated as a moderate implementer (green).



EITI Ecuador Multi-stakeholder group (MSG) meeting (EITI courtesy).

Extractive Sector Transparency Measures Act

The Extractive Sector Transparency Measures Act⁴ (ESTMA) is a law enacted by the Government of Canada in 2014 to increase transparency and deter corruption in the extractives sector. Through this Standard, we are required to publish our payments to government entities in Canada and abroad on an annual basis. The details of our payments to federal, provincial, municipal and local governments, and Indigenous organizations, are shown in the table below.

	ESTMA Payment Reporting (\$ thousands)					
	2023	2022	2021	2020	2019	2018
Government Entity						
Parish Government of Los Encuentros	1,320	1,210	920	470	600	1,110
Municipal Government of Yantzaza	3,930	3,230	5,580	2,890	3,600	2,060
Provincial Government of Zamora Chinchipe	-	220	520	2,400	-	-
Federal Government of Ecuador	85,580	88,660	26,940	25,300	17,410	31,210
Indigenous Organizations	260	-	110	-	90	-
Total Payment by FDN and Other Mining Activities	91,090	93,320	34,070	31,060	21,700	34,380

Our ESTMA Report for the financial year ended December 31, 2023, is available on our website found [here](#).

Building Capacity with Local Authorities

Capacity building for local officials is a key priority to reduce financial dependency on our organization. In our 2023 Capacity Building Program, we aimed to provide training to newly elected officials from the Local Governments of Los Encuentros and Yantzaza and the Shuar Federation of Zamora Chinchipe on obtaining non-local government financing for projects. In 2023, with the assistance of the Lundin Foundation, we designed the Program and evaluated proposals from potential partners. Our next step is to implement a training program in 2024 specific to project design and management and to provide support for the project proposal and funding acquisition.

¹ <https://eiti-ecuador.org/>.

² Ecuador 2020-2022 EITI Report | EITI.

³ eiti.org/ EITI Progress Report.

⁴ <https://natural-resources.canada.ca/our-natural-resources/minerals-mining/services-for-the-mining-industry/extractive-sector-transparency-measures-act/18180>.

Chamber of Mines of Ecuador

The Chamber of Mines of Ecuador is an association that represents large and medium scale mining in the country. It hosts worldwide mining companies and is committed to the development of responsible mining through the implementation and development of international industry standards and best practices. We have been an active member and contributor to the development of the CME and a champion of implementing and maintaining best practices since 2015.

In 2023, the CME implemented a continuous political and communication engagement strategy. The goal of this strategy was to convey important messages about responsible mining and collaborate with officials from the executive and legislative branch. These messages highlighted the positive impacts of large-scale mining, as well as the challenges faced by the legal mining industry. This new strategy resulted in 19 visits by stakeholders to FDN and its surrounding areas.

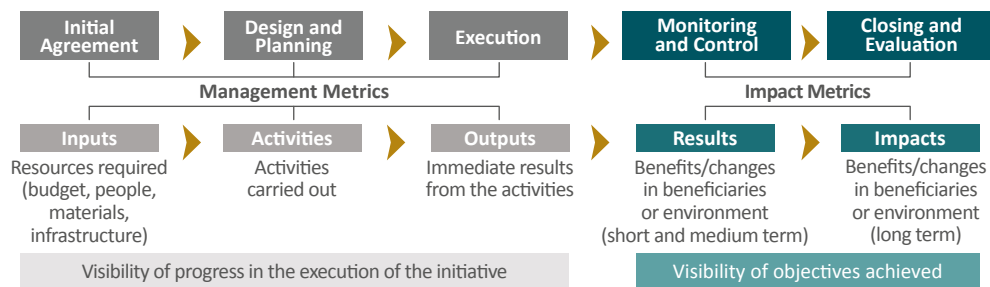
As a CME Board member, we participated in the Communications and Sustainability Committees and promoted the adoption of a comprehensive ESG standard for the Ecuadorian mining industry. To accomplish this, we met with the Mining Association of Canada to resume discussions on the application of the Toward Sustainable Mining standard in Ecuador through the CME. We also conducted benchmarking analysis to determine the most suitable sustainability standard for the Ecuadorian mining industry, applying learnings from the experience of the Colombian Mining Association and the TCM, IRMA and ICMM standards.





Enabler: Accountability and Management Systems

Our management systems and performance measures are a necessity to ensure we achieve the targets we have outlined for each Pillar of our 5-Year Sustainability Strategy. We have developed an Impact Measurement Framework to measure, evaluate and subsequently refine the strategic design of our community investment programs. This Framework helps us ensure that these investments provide benefit to local communities and remain on schedule. Additionally, the data we gather through this Framework drives greater accuracy when we are communicating our progress and results and contributes to internal decision making.



2025 Targets

- Implement an External Communication Strategy for local, national and international stakeholders, social media, traditional media and investor relations.
- Strengthen our sustainability brand.
- Highlight internally how our Sustainability Strategy is core to our success.
- Strengthen our communication to investors on sustainability topics that have been highlighted as key to our success.

2023 Progress

- In 2021, we applied the Impact Measurement Framework to our TFO Program. The TFO program helped us to prepare for our transition from construction to operations at FDN by providing skills training to community members interested in working in our underground mining and mineral processing operations. The goal of applying this Framework to our TFO Program was to quantify the Program's benefits, measure its success, and identify the specific impacts on target groups for livelihood improvement. Our 2023 progress and impact measurement are reported in the Lasting Economic Opportunities section on [page 80](#) of this Report.
- We have entered into 48 agreements with various institutions that monitor and report on the compliance of agreements based on KPIs. These agreements assist us in achieving our 5-year Sustainability Strategy objectives.
- In 2023, we updated the FDN Economic Impact Study to compare 2022 to 2019. We also included a year-over-year comparison at the national, regional and local levels in relevant economic variables, including exports, gross domestic product (GDP), direct and indirect benefits for the national and local governments, formal employment and the mining industry economic multiplier effect based on sales. Our findings indicate that FDN stimulates an economic virtuous cycle through increased production in the Ecuadorian economy and subsequent mining exports. This translates into increased national and local tax revenues, more employment opportunities, and a greater multiplier effect (productive linkages).

Building a Sustainability Strategy Around our People and Communities' Needs and Priorities

Third Party Conducted 5-Year Social Baseline Surveys of Ring 1 communities (the parish of Los Encuentros and communities of El Playón and Río Blanco) using census-type household surveys, interviews and participatory observation. The findings of the updated social baseline assessment help us to understand the socioeconomic impact we are having on our local communities and will continue to guide us as we evaluate the progress of our 5-Year Sustainability Strategy in 2024 and beyond. The results of the 2021 Social Baseline Survey are summarized in the table on page 50 of our [2022 Sustainability Report](#). We aim to update our Social Baseline Survey when we update our 5-Year Sustainability Strategy.

Annual Perception Surveys of permanent residents aged 16 years and above in Los Encuentros and the Canton of Yantzaza. We have been conducting these surveys since 2015, covering key topics such as social, environmental, and economic issues. In December 2023, our independent consultant interviewed 305 participants. The findings revealed that Security, Access to Public Services and Road Infrastructure conditions were the top three social concerns of Ring 1 and 2 communities, with the quality of the health and education systems gaining importance among local communities.

Community Roundtables were established in 2016 with the technical support from Insuco, an independent consulting firm specializing in social sciences and sustainability. We implemented a multi-stakeholder dialogue process on social matters to help us understand local expectations and to integrate effectively with our host communities. Since inception, the structure of the roundtables has adapted to the evolving priorities and context of the region. As a result, community roundtables are led and managed by the elected Parish Government of Los Encuentros. Today, community roundtables take place every six weeks and serve as an essential platform for discussion between representatives from local, regional and national government, local companies, academia, local NGOs and communities. At each roundtable, participants discuss and promote a specific theme. The topics cover a wide range of issues of concern that are important to local stakeholders. For additional information please see the section: [Enabler – Participatory Dialogue on page 109](#).

Impact Measurement Framework to measure, evaluate and subsequently refine the strategic design of our community investment programs. This framework helps us ensure that our investments provide benefit to local communities and remain on schedule. Additionally, the data we gather through this framework drives greater accuracy when we are communicating our progress and results.



Enabler: External Communication, Sustainability and Financial Reporting

We are committed to transparent, timely, and material reporting related to our financial and sustainability plans, goals, and performance. Through relevant financial disclosures and ongoing external communications, we provide our diverse stakeholder groups with meaningful information.

To achieve this commitment, we have developed and implemented an External Communications Strategy focused on creating and disseminating a consistent flow of transparent, timely and material communications to our stakeholders. This approach enables us to communicate our corporate and sustainability strategies, goals, progress, and performance to drive broad awareness and education of how we are striving to making a long-lasting positive impact.

As part of our commitment to transparency and education, we invite external stakeholders, particularly government, media, academia and other mining companies to visit FDN on a regular basis. Visitors receive tours of our underground operations and processing facilities, have the opportunity to speak with members of our site teams, and to engage with local communities. All of these activities serve to educate our site visitors about the gold mining industry and our commitment to sustainability.

2025 Targets

- Implement an External Communication Strategy for local, national, and international stakeholders, social media, traditional media, and investor relations.
- Strengthen our sustainability brand.
- Highlight internally how our Sustainability Strategy is the foundation for FDN's success.
- Strengthen our communication to investors on sustainability topics that they have highlighted as key to our success.

Our Monthly Social Media Posts Focusing on People, Communities and Partners



Our Community Newspaper



2023 Progress

Scheduled Reporting

- Inaugural ESRS aligned Sustainability Report, incorporating our TCFD Report content.
- Eight years of sustainability reporting.
- Inaugural Modern Slavery Report.
- Quarterly and Annual Reporting, Annual Information Form, Management Information Circular, Press Releases and other regulatory filings.

Media Outreach

- Social media efforts included:
 - 12 social media campaigns.
 - 8,060 new Instagram followers.
 - 105,945 new Facebook followers.
 - 103,630 new LinkedIn followers.
 - 5,060 new X followers.
 - 1,270 new YouTube followers.

Other Communication Activities (English and Spanish)

- **Website Improvements:** Launched the Fruta del Norte website, which features our operations, Sustainability Strategy, social responsibility, vacant positions, press releases and content for our national audiences.
- **Community Newsletters:** Released three editions of our community newspaper "Nuestro Encuentro" in April, July and November.
- **Press Media:** Released ten press media articles with our most important operational and community investment highlights.
- **External Events:** Participated in 15 events with spokespersons in thematic related to mining, sustainability, energy, gender and Indigenous peoples.
- **Roundtables (a series of four) covering key themes such as:**
 - Local Procurement.
 - Roads and Public Works.
 - Tourism and Environment.
 - Diversity and Inclusion.
 - Productive Innovation.
 - Local Transportation.

Enabler: Strategic Partnerships



We pursue strategic partnerships with a wide range of local, national and international organizations to maximize the impact of our programs and achieve mutually beneficial outcomes. We acknowledge that our operation at FDN is finite and requires a long-term commitment from diverse sources to achieve meaningful impact towards sustainable development.

We form these partnerships to help minimize the dependency of our local communities on our business. By working together to leverage the resources, knowledge, and expertise of our partners, we successfully carry out sustainability initiatives, promote the formal mining industry in Ecuador, disseminate the positive socio-economic impact of FDN, provide technical assistance to local small businesses, implement biodiversity conservation programs and develop infrastructure, education and agricultural projects.

Our strategic partners include the Lundin Foundation, national industry organizations such as the CME, local, regional, and national governmental agencies, universities, NGOs, civil society organizations, local community groups, local religious institutions, other businesses and industries and Indigenous groups.

Our 2023 Partnerships and Alliances

National Industry Associations



1. Alliance for Entrepreneurship and Innovation (AEI): Development of a long-term vision for a mining ecosystem in Ecuador.



2. Ecuador-Canadian Chamber of Commerce: Participation in the Energy and Natural Resources Committee and Compliance Committee.



3. Chamber of Industry and Production: Participation in the Sustainability Committee and several events and roundtables.



4. Ecuadorian Consortium for Social Responsibility: Participation as members in events, meetings, webinars and others.



5. Chamber of Mines of Ecuador: Strengthening the mining industry in Ecuador. Our Business Sustainability Senior Manager is a Director on the Board of the CME. We participated in the Communications and Sustainability Committees.



6. Extractive Industries Transparency Initiatives: Participation in the industry group and representing the private-sector in multi-stakeholder groups to increase transparency in the extractives industry.



7. Global Compact Ecuador and Latin America: Participation in various working groups as part of the Sustainable Development Goals Leadership and Global Compact initiatives.



8. Women in Mining Ecuador: Supporting and developing women within the mining industry. Our Communications Manager is presently a Director of this organization.



9. Quito Chamber of Commerce: Participation in several events, meetings and workshops to promote responsible mining.



10. Ecuadorian British Chamber: Participation in several events, webinars and meetings to share how sustainability is implemented through our activities.

The Lundin Foundation

We work collaboratively with the Lundin Foundation to develop and implement strategic community investment initiatives. These long-term programs focus on local supplier development for a more inclusive supply chain, economic diversification and education and training programs that lead to lasting community benefits, and improved resource governance through capacity building.

[The Lundin Foundation](#) is a Canadian non-profit organization that works in partnership with the Lundin Group of Companies and local communities to improve the management of, and benefit streams from, resource development projects. The Foundation is connected to a global community committed to knowledge sharing and collaboration to elevate best practices across the Lundin Group of Companies. The Foundation contributes to a diverse pool of international expertise to address pressing ESG topics, including climate change, sustainability reporting and disclosure, diversity, equity and inclusion, and small business development.



Valeria Zúñiga, beneficiary of the "Soy Emprendedora" Program.

Universities, NGOs and CSOs

1. **Conservation International Ecuador (Conservación Internacional Ecuador):** Protecting local biodiversity through various initiatives.
2. **Coastal Polytechnic School (Escuela Superior Politécnica del Litoral):** Participation in events and as part of the consultative committee of the Earth Sciences School.
3. **Junior Achievement Ecuador:** Preparing high school students to succeed in their studies and access higher education.
4. **Education for Sharing (Educación para Compartir):** Implementing the Educational and Mental Health Program at Los Encuentros Parish.
5. **National University of Loja (Universidad Nacional de Loja):** Constructing and managing the archaeological museum in Los Encuentros.
6. **Technical University of Loja (Universidad Técnica Particular de Loja):** Implementing the Community Water Monitoring Program for FDN and implementing a new program to improve the quality of education at the local school.
7. **Zoological Foundation of Ecuador (Fundación Zoológica del Ecuador):** Andean bear monitoring.

Government

1. **Local Governments:** Initiatives related to infrastructure, rural road maintenance, education, and agricultural projects in Zamora Chinchipe.
2. **National Government:** Supporting educational infrastructure in the Los Encuentros local school.

Lundin Foundation

1. **I am an Entrepreneur (Soy Emprendedora) Program:** Enabling female entrepreneurship through training, support, seed capital and connections to markets.
2. **Local Supplier Development Program:** Helping develop local small businesses to become suppliers to FDN.
3. **Shuar Cultural and Interpretation Centre:** Promoting Shuar culture through partnerships with the Shuar Federation of Zamora Chinchipe.
4. **Somos Semilla Program:** Developing the local supply chain for Catering Las Peñas, a locally owned catering company serving the FDN mine and broader markets in Ecuador.

2025 Targets

- Identify strategically relevant partners from academia, NGOs, development agencies, embassies, industry associations and chambers, public sector institutions, other companies and religious institutions that share our objectives and can leverage additional support and expertise.
- Leverage our expertise in the areas of impact management, strategy development, economic development and create linkages with other Lundin Group companies to successfully integrate Foundation-led initiatives into our community investment programming.

2023 Progress

- Strengthened our strategic alliances by renewing and signing new agreements with more than ten organizations, trade groups, guilds and academia, allowing us to expand our reach and develop greater allies to broaden our community investment programs in Los Encuentros.
- Prioritized the renewal of alliances with national scope such as the Chamber of Industry and Production, Chamber of Mines of Ecuador, Ecuadorian Consortium for Social Responsibility, Alliance for Entrepreneurship and Innovation to call attention to our best practices and the important message that responsible mining in Ecuador is possible. Through these allies, we have also strengthened our capacities by participating in events, panels, workshops, courses learning and sharing experiences. We also developed new alliances with organizations such as Education for Sharing (Unidos por la Educación) to implement strategic community investment programs.
- The Lundin Foundation continued to be our most important strategic partner for the development and implementation of strategic community investment initiatives, with a focus on economic diversification and local supplier development to foster lasting community benefits.



Enabler: Participatory Dialogue



Engaging in transparent and meaningful dialogue with stakeholders is crucial for establishing trust and fostering long-lasting relationships. We prioritize this by actively participating in community roundtables and other participatory processes. Through these engagements, we proactively and consistently involve local communities in discussions about the issues that are most important to them. This ensures that they are well-informed, consulted, and taken into consideration in all our plans and decisions. These engagement processes are integral components of our Community Relations and Environmental Management Plans.

Our Performance

2025 Targets

- Ensure a multi-stakeholder process that facilitates an understanding of community priorities is ongoing and led by local stakeholders.
- Update this process to reflect evolving contexts and to align with our 5-Year Sustainability Strategy.
- Leverage this process to develop community investment initiatives and provide feedback on community investment results.

2023 Progress

- Participated in community roundtable discussions in four six-week cycles throughout 2023. Key themes discussed included gender, connectivity, infrastructure, environment, local procurement, transportation, training, and agriculture. Members of our Corporate Social Responsibility (CSR), Environment, Supply Chain, IT and Human Resources teams, along with the Lundin Foundation, participated in these spaces.
- Continued to communicate with national stakeholders through a permanent political engagement strategy.
- Achieved strong results from our annual Local Perception Survey in 2023, demonstrating a year-over-year increase in positive sentiment towards our business.

Community Roundtables

The community roundtable process serves as our primary mechanism for engaging in participatory dialogue with local stakeholders. Since 2016, our active participation in these roundtables has proven essential for effective community engagement, the development of community investment programs, and the ongoing enhancement of our sustainability initiatives, strategies and performance. These roundtables focus on key thematic areas of concern, provide an opportunity for open dialogue and bring together our senior leaders from relevant departments alongside representatives from diverse stakeholder groups. These groups include local community leaders, community organizations, central and local government representatives, local private sector entities, social organizations, Indigenous leaders, and academia, among others.



Training and Certification Round Table at Los Encuentros.

This inclusive approach ensures that we consider a wide range of perspectives and that we can consider the interests of all our stakeholders.

In March 2023, a final series of roundtables were led by the outgoing Parish Government of Los Encuentros (2019 – 2023) to provide a summary of its management and to encourage the incoming government, elected for the period 2023-2027, to continue the process. The outgoing Parish Government of Los Encuentros also carried out a series of transition activities, coordinating the new community roundtables and sharing lessons learned during the process.

The community roundtable process was restarted in September 2023 with the technical support from Insuco, an independent consulting firm specializing in social sciences and sustainability and is now led by the newly elected Parish Government of Los Encuentros. Roundtables are scheduled to occur every six weeks. A total of four community roundtables meetings were held during 2023, with an average of 180 participants registered during each session. The final meeting occurred during November with six separate roundtables and a total of 214 participants registered. Improved attendance was primarily due to the increase in interest generated from incoming local authorities. Key themes discussed included gender, connectivity, infrastructure, environment, local procurement, transportation, training, and agriculture. Members of our CSR, Environment, Supply Chain, IT and Human Resources teams, along with the Lundin Foundation, participated in these spaces.

Roundtable	Main Area of Focus in 2023
Local Procurement	Local entrepreneurs expressed the need to enhance their financial management skills and requested better communication regarding our future procurement and bidding processes.
Road and Public Works	Progress in road maintenance and community infrastructure was presented. The community requested improvements in basic services such as electricity, water, sewage, and roads. We are committed to work with the authorities and government entities to analyze potential interventions.
Tourism and Environment	We provided information on permits, inspections, and audits in FDN, as well as monitoring and rescue of wildlife. Motivating environmental consciousness is also a fundamental objective.
Diversity and Inclusion	This is a new roundtable that registered active participation from local youth. There is interest in creating a gerontological centre to aid and support older adults in the parish.
Productive Innovation	We worked with the Parish Government of Los Encuentros to finance a veterinarian who will provide technical support to the livestock in the area. The Lundin Foundation offers technical assistance, a revolving credit fund, and marketing support to local fruit and vegetable producers.
Local Transportation	Our direct and subcontracted transportation opportunities, both for light and heavy transportation, continue to be a priority for local communities.

Political Engagement

From our Office in Quito, Ecuador, we communicate with national stakeholders through a permanent Political Engagement Strategy implemented by the CME and our Business Sustainability Department. This Strategy aims to convey positive messages regarding responsible mining and enables us to monitor and develop mitigation measures for specific risks. We engage daily with regulatory and national government officials to ensure our compliance with social, economic, and environmental laws and regulations.

Community Perception Survey

Annually, we conduct a Community Perception Survey in the Canton of Yantzaza and Los Encuentros to proactively uncover important community issues and foster an open dialogue. In 2023, we conducted in-person household interviews with 305 people aged 16 years and older. We specifically designed the survey to address general

concerns related to social, environmental, and economic issues within Rings 1 and 2 of our area of influence. Through the Survey, we gather perceptions and feedback from the community regarding Lundin Gold and the large-scale mining industry as a whole.

Type of Issues	Top Three Areas of Concern during 2023
Social	Insecurity, lack of access to public services and the condition of road infrastructure remain the main social concerns through this year's survey. The quality of health and education systems are also gaining importance.
Environmental	Water pollution concerns have regained relevance in 2023 as the most important environmental concern. Our survey also highlighted air pollution, loss of green areas and soil contamination as a concern within the community.
Economic	Unemployment continues to be the community's main economic concern. There has also been a high instance of concern raised over low salaries, poverty and inflation.



Los Encuentros GAD.

Perceptions about Lundin Gold

In 2023, we achieved strong results from our annual Local Perception Survey, demonstrating a year-over-year increase in positive sentiment towards our business. The Survey provided clear evidence that we continue to stand out as the company that provides the most benefit to communities, especially in Yantzaza.

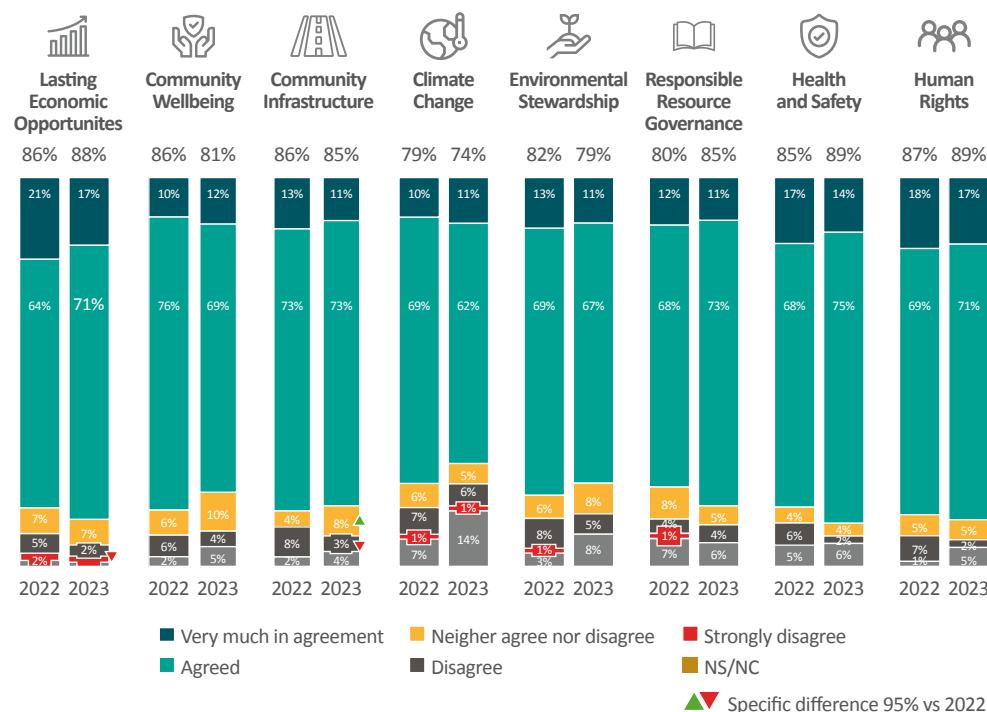
The 2023 Survey also indicated a positive perception of our contribution to the community across all eight Pillars of our Sustainability Strategy. The residents of both Los Encuentros and Yantzaza recognize the possibility of socially responsible and environmentally friendly large-scale mining, with approximately 80% of those surveyed agreeing that we have benefited the local community.



According to the residents surveyed, we have made significant progress in creating lasting economic opportunities, improving community wellbeing, enhancing community infrastructure, and implementing responsible resource management. We have also made strides in ensuring the health and safety of our employees and the public, as well as in promoting human rights and environmental stewardship.

To continue building the industry's credibility with communities, we will continue to remain proactive and transparent with information regarding FDN and will leverage our involvement with the CME.

How much do you Agree that Lundin Gold Contributed to the Community in...?



Small base for analysis (less than or equal to 30 cases)

Caution Regarding Forward-Looking Statements

Certain information and statements in this Sustainability Report are considered “forward-looking information” or “forward-looking statements” as those terms are defined under Canadian securities laws (collectively referred to as “forward-looking statements”). Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as “believes”, “anticipates”, “expects”, “is expected”, “scheduled”, “estimates”, “pending”, “intends”, “plans”, “forecasts”, “targets”, or “hopes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “will”, “should”, “might”, “will be taken”, or “occur” and similar expressions) are not statements of historical fact and may be forward-looking statements.

By their nature, forward-looking statements and information involve assumptions, inherent risks, and uncertainties, many of which are difficult to predict, and are usually beyond the control of management, that could cause actual results to be materially different from those expressed by these forward-looking statements, and information. Lundin Gold believes that the expectations reflected in this forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct. Forward-looking information should not be unduly relied upon. This information speaks only as of the date of this Sustainability Report, and the Company will not necessarily update this information, unless required to do so by securities laws. This Sustainability Report contains forward-looking information in a number of places, such as in statements relating to our Sustainability Strategy; our short-term and long-term sustainability goals, including the timing and anticipated achievement of our goals and targets; the benefits to be derived from our plans and actions, including initiatives to protect the health and safety of our employees, to reduce water usage and waste generated by our operations, to protect the biodiversity of our local ecosystem and to improve local employment and procurement;

the economic and social benefits to be derived from our operations and our community programs; and our goals related to climate change action and estimates of gold production and the future performance of our operations. There can be no assurance that such statements will prove to be accurate, as Lundin Gold's actual results and future events could differ materially from those anticipated in this forward-looking information as a result of the factors discussed in the “Risk Factors” section in Lundin Gold's Annual Information Form dated March 26, 2024, which is available at www.lundin.gold or www.sedarplus.ca. Lundin Gold's actual results could differ materially from those anticipated.

Factors that could cause actual results to differ materially from any forward-looking statement or that could have a material impact on the Company or the trading price of its shares include: instability in Ecuador; community relations; forecasts relating to production and costs; mining operations; security; non-compliance with laws and regulations and compliance costs; tax changes in Ecuador; waste disposal and tailings; government or regulatory approvals; environmental compliance; gold price; infrastructure; dependence on a single mine; exploration and development; control of Lundin Gold; availability of workforce and labour relations; dividends; information systems and cyber security; Mineral Reserve and Mineral Resource estimates; title matters and surface rights and access; health and safety; human rights; employee misconduct; measures to protect biodiversity; endangered species and critical habitats; global economic conditions; shortages of critical resources; competition for new projects; key talent recruitment and retention; market price of the Company's shares; social media and reputation; insurance and uninsured risks; pandemics, epidemics or infectious disease outbreak; climate change; illegal mining; conflicts of interest; ability to maintain obligations or comply with debt; violation of anti-bribery and corruption laws; internal controls; claims and legal proceedings; and reclamation obligations.

Glossary of Acronyms

ACCEDELE	The Los Encuentros Cultural, Educational and Sports Academy
AEI	Alliance for Entrepreneurship and Innovation
AESA	Aurelian Ecuador S.A.
APELL	Awareness and Preparedness for Emergencies at the Local Level
ASM	Artisanal and Small-Scale Mining
CCRO	Climate Change Risk and Opportunity
CDA	Canadian Dam Association
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CERES	Ecuadorian Consortium for Social Responsibility
CFPOA	Canada's Corruption of Foreign Public Officials Act
CGN Committee	Corporate Governance & Nominating Committee
CH₄	Methane
CI	Conservation International
CME	Chamber of Mines of Ecuador
CO₂	Carbon Dioxide
CRG	Climate Resilience Group
CSO	Civil Society Organizations
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
DEI	Diversity, Equity and Inclusion
DPM	Diesel Particulate Matter
EITI	Extractive Industries Transparency Initiative
EPA	United States Environmental Protection Agency
EpC	Educación para Compartir
EPR	Extended Producer Responsibility
ERM	Enterprise Risk Management
ESG	Environment, Social and Governance
ESRS	European Sustainability Reporting Standards
ESTMA	Extractive Sector Transparency Measures Act

FCPA	Foreign Corrupt Practices Act
FDN	Fruta del Norte
GDP	Gross Domestic Product
GHG	Green House Gas
GISTM	Global Industry Standard for Tailing Management
GJ	Gigajoule
GRI	Global Reporting Initiative
HAZMAT	Hazards Material
HFC	Hydrofluorocarbon
HSES	Health, Safety, Environment and Sustainability Committee
ICCM	Integrated Community Case Management
ICU	Intensive Care Unit
IEA	International Energy Agency
IFC	International Finance Corporation
INPC	National Institute of Cultural Heritage
IPCC	Intergovernmental Panel on Climate Change
IRMA	Initiative for Responsible Mining Assurance
IWIM	International Women in Mining
JAE	Junior Achievement Ecuador
KPIs	Key Performance Indicators
Kt	Kilotonnes of Ore Milled
LOM	Life of Mine
LPG	Liquefied Petroleum Gas
LPRM	Local Procurement Reporting Mechanism
M&A	Mergers and Acquisitions
MAC	Mining Association of Canada
MASL	Meters Above Sea Level
MWTP	Main Water Treatment Plant
NGO	Non-Governmental Organization
N₂O	Nitrous Oxide
Oz	Ounces of Gold Produced

PADF	Pan American Development Foundation
PECC	Ecuador's Zero Carbon
SASB	Sustainability Standards Accounting Board
TCFD	Task Force on Climate-Related Financial Disclosures
TFO	Training for Operations
TRIR	Total Recordable Incident Rate
TSF	Tailings Storage Facility
TSM	Towards Sustainable Mining
TSX	Toronto Stock Exchange
UN	United Nations
UNGC	UN Global Compact
UNL	National University of Loja
UN SDGs	United Nations Sustainable Development Goals
USD	US Dollars
UTPL	Universidad Técnica Particular de Loja or Technical University of Loja
VLP	Visible Leadership Program
WEP	Women Empowerment Principles
WMP	Waste Management Plan
Y-O-Y	Year-Over-Year

LUNDINGOLD



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