



COLLECTIVE  
MINING

TSX:CNL | OTCQX:CNLMF | FSE:GG1

# 2023 ESG Report



# About this report

Unless otherwise noted, all data contained in this report covers the period of 01-01-2023 to 12-31-2023

**Audit Status:** Self-Declared

This is the third Environmental, Social and Governance Report for Collective Mining. It was prepared based on the guidelines of the International Standard of Global Reporting Initiative (GRI).

This report describes Collective Mining's performance and impacts regarding the environment, the communities and its corporate governance for the fiscal year 2023. It focuses on the most important matters of the Company's exploration activities, and how they reflect in the area of influence.

- **GRI** - Global Reporting Initiative
- **GRI MM Supplement** - Global Reporting Initiative - Mining and Metals
- **Supplement ICMM** - International Council on Mining & Metals
- **ONYEN** - Institutional and Investor Questions OSHA - Occupational Safety and Health Administration
- **SASB** - Value Reporting Foundation
- **UGC** - UN Global Compact - Sustainable Development Goals (SDGs)

For additional information concerning the corporate, legal, financial, and operative results, consult the Company's annual reports and financial statements, available at [www.collectivemining.com](http://www.collectivemining.com)




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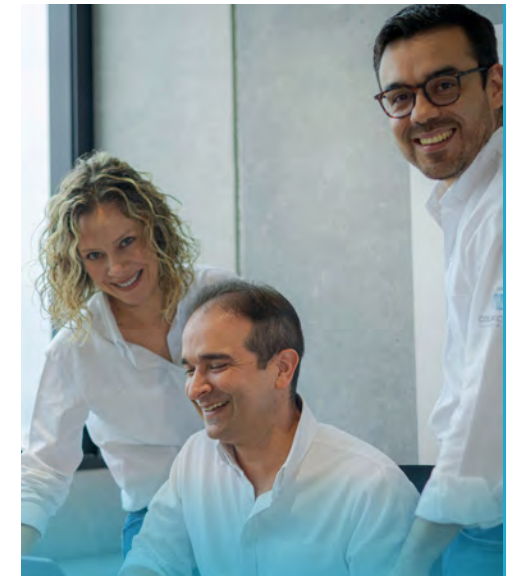
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# About Us

*Collective Mining is an exploration company located in Caldas, Colombia, and currently developing the Guayabales and San Antonio projects.*

The Company's flagship discovery is the Apollo porphyry system within the Guayabales Project, a high-grade copper-silver-gold-tungsten porphyry system of immense scale.

Located directly within the Marmato mineral district of the prolific "Middle Cauca" belt in west-central Colombia, the area is one of the most underexplored mineral belts globally, particularly given the rich history of continuous gold and silver mining in Marmato and Supía dating back more than 500 years and hosting more than 10 fully permitted mining operations.

While adhering to a principled approach towards the environment, sustainability, and governance, we work hand-in-hand with all stakeholders for a mutually beneficial future.



# Letter from the CEO



Dear Stakeholders,

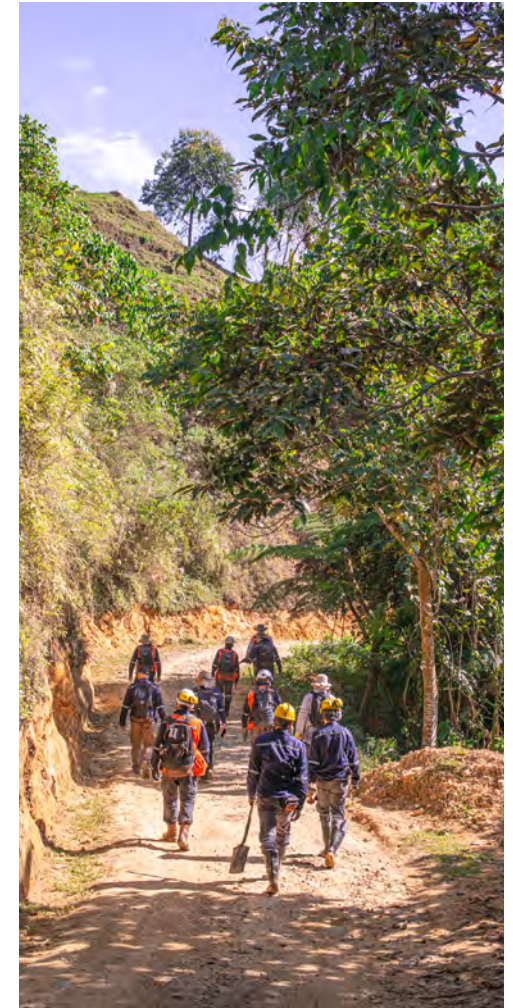
In 2023, Collective Mining continued to expand and confirm our Apollo discovery which was first announced in 2022 along with exploring for new areas of mineralization. Apollo is a high-grade copper-silver-gold-tungsten porphyry system located at our flagship Guayabales Project. Significant progress was made throughout the year thanks to a drilling program which exceeded 36,000 meters and the team's dedication and collaboration with local stakeholders. Our early success not only underscores the geological potential of our projects

but also strengthens Collective's sustainability programs which have been in our core strategy and decision-making process since our arrival in the Caldas region in 2020.

Colombia has declared energy transition as a key focus and we firmly believe that exploration plays a significant role in this initiative as it will improve the country's knowledge on critical and strategic minerals. This common goal, along with Colombia's high geological prospectivity has motivated us to continue to be proactive with drilling while boasting our sustainable initiatives in the region. By integrating our geological advancements with our sustainability initiatives at such an early stage, we are ensuring a head start in achieving growth objectives and societal well-being for the region that hosts us. This is "The Collective Way". Thanks to this, our team on the ground continues to achieve important geological and sustainable goals.

Discovering the presence of high-grade tungsten mineralization in Apollo, drilling our best hole to date, achieving carbon neutrality and a formal recognition by the Marmato government for impactful local development efforts are just some of our teams' accolades during 2023.

In addition, our partnership with SENA has empowered over 280 rural women with skills training in community tourism and textile design, fostering economic diversity and regional resilience. All these achievements are the result of close collaborations with local communities and government bodies which have led us to implement a multi-stakeholder dialogue platform that has facilitated community unity, business collaboration and sustainable development, paving the way for investment opportunities and collective progress.



# Letter from the CEO

**In 2023, the resilient and forward-thinking community of Caldas remains a pillar of excellence.**

With a strong reputation for supporting mining, Caldas provides an ideal setting for sector development and expansion. Municipalities such as Marmato, Supía and Pácora demonstrate a harmonious blend of mining activities with agriculture and other commercial ventures, fostering a diverse and thriving economy.

In regards to our commitment to health and safety, significant progress has been achieved. We kicked off the year with a very favorable Total Recordable Injury Frequency Rate (TRIFR) of 0.96. This represented a challenge to maintain and improve, making health and safety culture a focus for the year. Consequently, our team's effort and commitment led to a remarkable indicator of zero by the end of 2023. Encouraged by these accomplishments, we are steadfast in maintaining a sound health and safety culture, fueled by our employees and collaborators' desire to return home safe and sound on a daily basis. Health and safety will remain as a fundamental principle of our organization.

As we move forward, the successes of 2023 at Collective Mining, supported

by our teamwork with local groups, deep understanding of the territory, positive relationships with communities and strong focus on safety inspires us to continue working towards a future of collaboration and prosperity. These values of unity, understanding and safety will keep leading us towards ongoing success and shared progress. This is "The Collective Way".

The invaluable direction from our esteemed Board of Directors and the firsthand insights from our dedicated team have played a crucial role in our achievements during 2023, setting a solid foundation for continued growth as we look towards the opportunities that await us in the upcoming years.

**Omar Ossma**  
President and CEO



# Map of Company's Assets



## 2023 Performance

### Environment

**\$0 Million**

Monetary value of fines for instances of non-compliance with laws and regulations

**986.26**

Total amount of gross global Scope 1 GHG emissions (CO<sub>2</sub>-e) (tonne)



**700**

CO<sub>2</sub> (metric tonnes) Offset credits were purchased  
*(The data corresponds to Scope 1 GHG emissions for 2022)*

### Social



**23% female**

Total employees and contractors

**USD \$822,944**

Social Management Investment (Collective Mining: 35% and strategic partners: 65%)

**1,700**

beneficiaries of social investment projects



### Work-related Injuries

**0%**

Fatality Rate

**0%**

Rate of high-consequence work-related injuries (excluding fatalities)

**0%**

Rate of recordable work-related injuries

### Governance

**33% female**

Board of Directors (GRI 405-1)

**34.93%**

Total percentage of employees that received training on anti-corruption



# Environmental Performance

## Compliance

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### TOTAL NUMBER OF SIGNIFICANT INSTANCES OF NON-COMPLIANCE WITH LAWS AND REGULATIONS DURING THE REPORTING PERIOD, AND A BREAKDOWN OF THIS TOTAL BY: (GRI 2-27-A)

Number of instances for which fines were incurred	0
Number of instances non-monetary sanctions were incurred	0

**Collective Mining did not incur any significant instances of non-compliance. During this reporting period, the Company was in compliance with all applicable environmental laws and/or regulations in the jurisdictions in which it operates.**

## GHG Emissions

Gross global Scope 1 greenhouse gas (GHG) emissions to the atmosphere of the seven GHGs covered under the Kyoto Protocol (SASB EM-MM-110a.1.1)

**985.26**

Gross Scope 1 emissions  
(tonne CO<sub>2</sub>-e)

The methodology follows the parameters outlined by the GHG Protocol scheme for estimating corporate greenhouse gas emissions or the "Greenhouse Gas Protocol: Corporate Standard Accounting and

Reporting" (WBCSD, WRI & SEMARNAT, 2007). Methodological Levels 1 and 2 were employed for the calculations, following best practices by the 2006 IPCC (IPCC, 2008) (IPCC, 2006). This internationally recognized methodology meets the requirements specified by the National Climate Change Policy of Colombia's Ministry of Environment (2017).

Since 2022, Collective Mining has initiated the monitoring and reporting of its GHG emissions. This reporting will be used to assess potential strategies for reducing GHG emissions.





## Energy Management

Total energy consumed in aggregate, in gigajoules (GJ) (hydrocarbons and electricity) **(SASB EM-MM-130a.1.1)** 17,307.24

Calculations for total energy consumed were based on total fuel consumption and electricity usage during the reporting period.

## Carbon Offset

CO2 (metric tonnes) Offset credits were purchased 700

The offset bonds were implemented through the conservation project "Delfines Cupica REDD+," aimed at protecting 103,022 hectares of tropical rainforest in Colombia. **The data corresponds to Scope 1 GHG emissions for 2022. The emissions for 2023 will be offset and reported in 2024.**



## Water Management

AMOUNT OF WATER THAT WAS WITHDRAWN FROM FRESHWATER SOURCES (IN THOUSANDS OF CUBIC METERS) (SASB EM-MM-140A.1.1)	12
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FRESHWATER WITHDRAWN IN LOCATIONS WITH HIGH OR EXTREMELY HIGH BASELINE WATER STRESS AS A PERCENTAGE OF THE TOTAL WATER WITHDRAWN (SASB EM-MM-140A.1.4)	0%
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**This measurement includes all water withdrawn from freshwater sources.**

Collective Mining operates in areas that do not experience high or extremely high baseline water stress according to the WRI Aqueduct Risk Atlas.

## Waste and Hazardous Materials Management

Total amount of tailings waste generated from mining activities by the entity during the reporting period (tonne) (SASB EM-MM-150a.1)	0
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Percentage of tailings waste that was recycled during the reporting period (SASB EM-MM-150a.1)	0%
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Collective Mining did not produce tailings waste as the Company is not currently producing ore or managing any tailings facilities.



## Management Plans and Biodiversity

In adherence to environmental mining standards, Collective Mining implements environmental guidelines for mining exploration activities in the Guayabales and San Antonio projects. The topics addressed in these guides are:

- Emissions to air
- Noise impacts
- Waste generation
- Discharges to water
- Hazardous chemical usage
- Natural resource consumption
- Ecological and biodiversity impacts

The environmental guidelines were designed by Collective Mining, taking as reference the Colombian environmental regulations established for mining exploration activities.



# Social Performance

## Scale of the Organization

Report the total number of operations (GRI 102-7)	2
Report the total number of direct employees worldwide (exclude contractors) (GRI 102-7)	83
Report the total number of contract employees worldwide (GRI 102-7)	217
Total number of employees worldwide (include contractors) (GRI 102-7)	300
Total percentage of female employees and contractors worldwide (GRI 102-7)	23.33%
Total percentage of male employees and contractors worldwide (GRI 102-7)	76.66%

In 2023, there was a 20% increase in direct employees compared to the previous year. This growth reflects the company's expansion and the increase in exploration activities.

## Labour Relations

# 0%

Percentage of total direct employees covered by collective bargaining agreements (GRI 102-41-a)



## Turnover

**Total number of turnover (the number that left during the period) (GRI 401-1-b)** **15**

Collective Mining adheres to national legislation and is obligated to notify the national Ministry of Labor prior to implementing any significant operational changes that could substantially impact workers.



## Occupational Health and Safety

### INJURIES- FOR ALL EMPLOYEES, CALCULATING PER 200,000 HOURS (GRI-403-9-A)

Rate of fatalities resulting from work-related injuries	0
Rate of high-consequence work-related injuries (excluding fatalities)	0
Rate of recordable work-related injuries	0
Lost Time Injuries Rate (LTIR)	0

### INJURIES - WORKERS WHO ARE NOT EMPLOYEES BUT WORK AND/OR WHOSE WORKPLACE IS CONTROLLED BY THE ORGANIZATION

Rate of fatalities resulting from work-related injuries	0
Rate of high-consequence work-related injuries (excluding fatalities)	0

**There were no work-related injuries in the reporting period.**

Our safety culture is focused on the prevention of accidents, injuries and occupational diseases, reaffirming our commitment to the integral care of all our employees, and contractors.

The GTC 45 methodology, a Colombian technical standard, is used to identify occupational health and safety hazards. This approach facilitates the assessment of associated risks by documenting activities.

The following activities were implemented:

1. Safe work procedures
2. Personal protective equipment
3. Area marking and signage
4. Specific training on identified risk



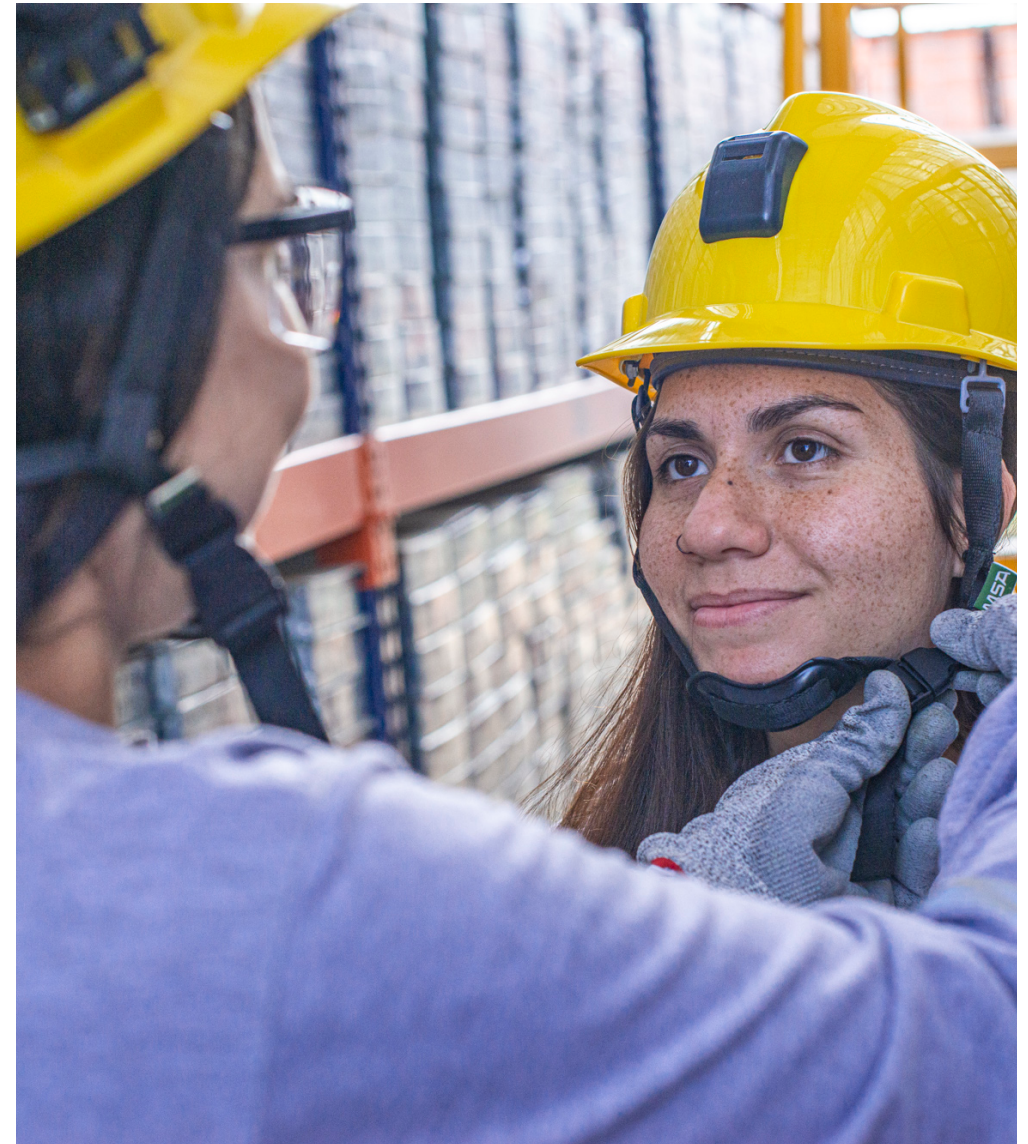
## Safety Training

### AVERAGE HOURS OF HEALTH, SAFETY, AND EMERGENCY RESPONSE TRAINING FOR,

Full-time direct employees <b>(SASB EM-MM-000.B EM-MM-320a.1.3)</b>	8.69
Contract Employees <b>(SASB EM-MM-000.B EM-MM-320a.1.3)</b>	12.53

Collective Mining has comprehensive Health, Safety and Environmental (HSE) guidance for all employees, contractors and visitors to its worksite. Some of the actions taken to eliminate other work-related hazards and minimize risks include:

- Implementation of safe work procedures
- Use of personal protective equipment
- Area marking and signage
- Specific training on identified risks
- Specific training for the identified risk profile at entry



## Security, Human Rights, and Rights of Indigenous People and Community Relations

### Does Not Apply

Percentage of inferred, indicated and measured resources that are located in or near areas that are considered to be indigenous peoples' land **(SASB Modified)**

Discuss practices and list procedures while operating in areas of conflict **(SASB EM-MM- 210a.3.3):**

Collective Mining does not operate in areas of conflict.

Collective Mining holds a total of 9,208 hectares in its mining titles and applications. As part of the ongoing mining formalization process with traditional miners and national and regional authorities, a preliminary operating area of 27.43 hectares has been designated for small-scale mining, representing just 0.28% of the Company's total area.



Collective Mining performed a stakeholder mapping and risk assessment to develop a comprehensive action plan. The community engagement strategy centers on four key approaches: proactive engagement, stakeholder dialogue and agreement, joint evaluation, and maintaining positive relationships. Additionally, the Grievance System ensures efficient handling of stakeholder requests and feedback.

Disclose the total number of site shutdowns or project delays due to non-technical factors **(SASB EM- MM- 210b.2.1)**

0

Number of company operating sites where artisanal and small-scale mining **(ASM)** takes place on, or adjacent to, the site (not controlled by company/ unauthorized) **(GRI MM Supplement MM8-2.2)**

1



## Programs

### COLLECTIVE MINING PROJECTS FOCUS ON KEY SOCIAL INVESTMENT AREAS

**Water and Territory:** Enhancing basic sanitation and community involvement in water resource care.

**Diversity and Field:** Strengthening and diversifying agricultural activities.

**Community Infrastructure:** Developing public infrastructure for rural development.

**Education and Competitiveness:** Providing holistic training and fostering multi-stakeholder dialogues for territory planning involving community and public/private institutions.

### Highlights over 3 years:

- Building trust with stakeholders
- Establishing 33 regional and local partnerships
- Empowering 280 women with new skills and launching 4 ventures
- Assisting 370 coffee farmers with agricultural support
- Providing clean water to over 1,000 people
- Constructing 298 meters of roadways
- Supporting 56 Community Action Boards
- Conducting 150 water source monitoring activities
- Engaging 18 women leaders in water advocacy
- Involving 30 students in educational programs
- Establishing a Tourism Association
- Forming the first birdwatching club in Supía

### SOCIAL MANAGEMENT INVESTMENT

Direct Investment by Collective Mining: **35%**  
 Investment from Strategic Partners: **65%**

\$822,944

Total Beneficiaries **(Individuals)**

1,700





# Governance

## General Disclosure

Collective Mining's Board of Directors is comprised of six (6) members. The Board of Directors oversees and supervises the Company's management, conducting procedures directly or through two (2) standing committees: Audit Committee and the Corporate Governance, Nominating, and Compensation Committee.

The Corporate Governance, Nominating, and Compensation Committee of the Board is tasked with overseeing the organization's impacts on the environment, economy, and people.

At the executive level, the CEO is responsible for the Company's sustainability initiatives and performance, providing progress reports to the Board.

## Board Composition

Report the composition of the highest governance body and its committees by: [\(GRI 102-22\)](#)

Number of male governance body members: **4**

Number of female governance body members: **2**

**1**

Number of executive members

**5**

Number of non-executive members

**5**

Number of independent members



Ari Sussman



María Constanza  
García Botero



Paul Murphy



Angela María  
Orozco Gómez



Ashwath Mehra

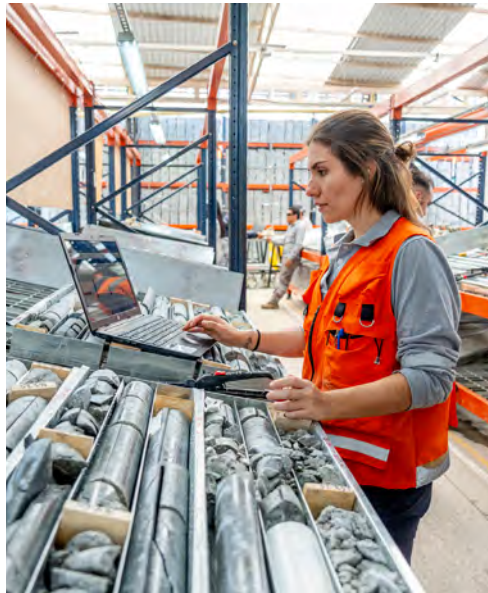


Ken Thomas

## Ethics and Integrity for 2023

**34.93%**

Total percentage of employees that have received training on anti-corruption



## Ethics and Integrity

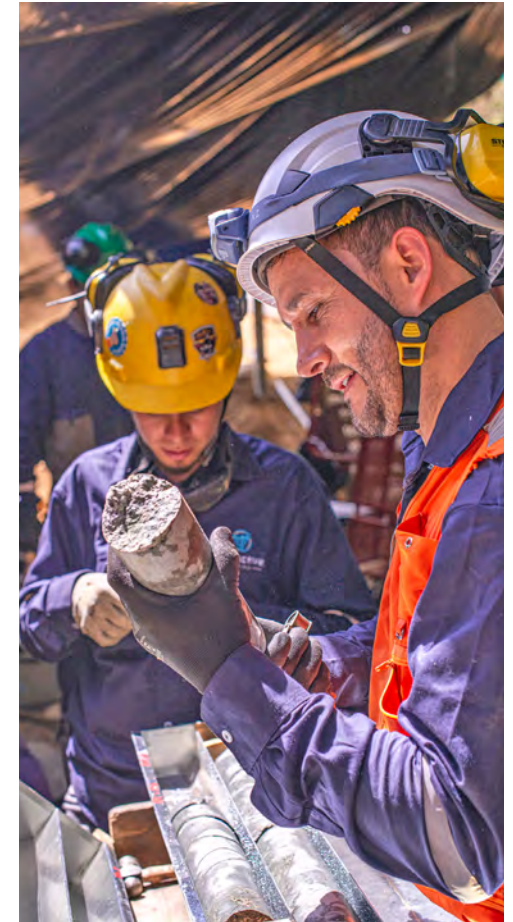
The Audit Committee is responsible for establishing procedures for confidential and anonymous submission of concerns related to accounting, internal controls, auditing, corporate misconduct, and violations of the Company’s ethical standards and policies.

The Board of Directors has adopted the Whistleblower Policy, which aims to promote ethical behavior among all employees and outlines the process for reporting violations or misconduct, including fraud and abuse, either directly or anonymously. The policy also includes mechanisms for responding to and documenting such complaints.

Report net production from activities located in the countries with the 20 lowest rankings in Transparency International’s Corruption Perception Index (CPI) (Saleable tonne) (SASB EM-MM-510a.2.2): 0

## Remuneration

The Nominating and Compensation Committee is responsible for reviewing and approving the annual compensation of all senior executives of the Company, based on the CEO’s recommendations, and subsequently presenting its findings to the Board of Directors. They also have measurable KPIs that are linked to environmental, social and governance objectives.



## ***Cautionary Note Regarding Forward-Looking Information***

This ESG Report and documents found within may contain "forward-looking statements" and "forward-looking information" within the meaning of applicable securities legislation (collectively, "forward-looking statements"), which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events, level of activity or results to differ materially from those projected in the forward-looking statements. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans," "expects," or "does not expect," "is expected," "budget," "scheduled," "goal," "estimates," "forecasts," "intends," "anticipates," or "does not anticipate," or "believes" or variations of such words and phrases or statements that certain actions, events or results "may," "could," "would," "might," or "will be taken," "occur," or "be achieved." Such risks and uncertainties include, but are not limited to, risks associated with the mining industry, the risk of commodity price and foreign exchange rate fluctuations, the ability of Collective Mining to fund the capital and operating expenses necessary to achieve the business objectives of the Company, limited operating history, foreign operations risk, as well as those risks described in public disclosure documents filed by Collective Mining on SEDAR at [www.sedar.com](http://www.sedar.com). Collective Mining does not intend, and expressly disclaims any obligation, to update or revise the forward-looking statements contained on this website, except as required by law. Due to the risks, uncertainties, and assumptions inherent in forward-looking statements, prospective investors in securities of Collective Mining should not place undue reliance on forward-looking statements. For more information visit our website [here](#).

## ***Technical Disclosure Statement***

Readers are advised that National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators ("NI 43-101") governs the disclosure of scientific or technical information made by an issuer concerning a mineral project on a property material to the issuer. All technical information about Collective Mining's mineral properties contained in this website is subject to the more detailed information (including the qualifications, assumptions and notes set forth therein) filed by Collective Mining with securities regulators and available at [www.sedar.com](http://www.sedar.com).

## ***Qualified Persons***

Unless otherwise stated on this website or other relevant, publicly available disclosure documents, all technical and scientific information contained on this website regarding Collective Mining's San Antonio Project and Guayabales Project has been reviewed and approved by David Reading, M.Sc., Economic Geology, FIMMM\*, Special Advisor of Collective who is a Qualified Person as defined by NI 43-101.

## ***ESG Scorecard***



**COLLECTIVE**  
— MINING —

TSX:CNL | OTCQX:CNLMF | FSE:GG1

### Collective Mining

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Collective Mining

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