



**Report on Fighting Against Forced Labour and Child Labour in Supply Chains**

**For the Financial Year Ended December 31, 2024**

## INTRODUCTION

This report (the “**Report**”) is made under Section 11 of Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act (S.C. 2023)*, (the “**Act**”) on behalf of Bear Creek Mining Corporation (“**Bear Creek**”, the “**Company**”, “**our**”, or “**we**”) for the financial year beginning January 1, 2024 and ending December 31, 2024 (the “**Reporting Period**”).

After thorough analysis, the Company has determined that Bear Creek Mining Corporation is the only company in its organizational structure that is an Entity (as defined in the Act) with reporting obligations under the Act. Accordingly, this Report is on behalf of Bear Creek Mining Corporation and sets out the steps taken by the Company to reduce the risk that forced labour or child labour is used at any step in the production of goods in Canada or elsewhere or of goods imported into Canada by the Company.

This Report is available in English only. The Company is not subject to modern anti-slavery reporting legislation of any jurisdictions other than Canada.

## STEPS TO PREVENT AND REDUCE THE RISKS OF FORCED LABOUR AND CHILD LABOUR

Bear Creek strives for excellence in environmental stewardship, social responsibility and corporate governance practices. We are dedicated to conducting our business ethically and with integrity and as we continue to grow, seek to adopt appropriate formal policies and practices that strengthen our commitment to human rights and to mitigating the risks of forced or child labour in our business and supply chains.

During the Reporting Period, Bear Creek continued to implement and monitor measures, procedures and policies adopted by the Company prior to January 1, 2023 that serve to reduce the risks of forced labour or child labour in its business and supply chains. Such measures are further described below.

While Bear Creek did not undertake any new measures during the Reporting Period to specifically address the risk of forced labour or child labour in its business activities or supply chains, subsequent to the end of the Reporting Period the Company’s board of directors (the “**Board**”) approved and adopted a Health and Safety, Environmental Protection and Social Responsibility policy (the “**HSES Policy**”), applicable to all directors, officers, employees and consultants of the Company, that formally and specifically states the Company’s commitment to combating forced labour, child labour or human trafficking of any kind in its operations and supply chain and supporting the elimination of all forms of modern slavery. The HSES Policy is described in further detail below.

## STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

### *Structure*

Bear Creek is a publicly owned corporation incorporated in British Columbia, Canada and governed by the British Columbia Business Corporations Act. Bear Creek is listed in Canada on the TSX Venture Exchange under the symbol “BCM” and its common shares are additionally listed on the Bolsa de Valores de Lima exchange in Peru and are posted on the OTCQX platform in the United States.

### *Activities*

Bear Creek is a precious metals producer with indirect ownership of two material enterprises: the Mercedes gold and silver mine in Sonora, Mexico (“**Mercedes**”) and the Corani development-stage silver-polymetallic project in

Puno, Peru. The Mercedes mine is owned and operated by Minera Mercedes Minerales S. de R.L. de C.V., (“**MMM**”), a subsidiary of Bear Creek Mining Corporation.

The Mercedes Mine produces gold doré bars on site, which are shipped to and processed at refining facilities within the United States and sold to third parties under existing offtake and stream agreements. During the Reporting Period, the Mercedes Mine produced 40,220 ounces of gold and 217,676 ounces of silver.

### *Supply Chains*

Bear Creek engages a broad range of suppliers to provide goods and services in support of its business activities. A majority of the suppliers used to support the operation of the Mercedes Mine and development and community relations activities at the Corani project are contracted or procured directly by the Company’s Mexican and Peruvian subsidiaries.

Bear Creek’s supply chain, inclusive of suppliers to its subsidiaries, comprises approximately 800 contractors and suppliers of traded and non-traded goods and services, utilities and transportation services. Supplier relationships range from one-off engagements through to long term contractual agreements and from individual consultants to large contractors and suppliers. The primary categories of goods and services purchased and/or delivered under contractual relationships include: technical services; advisory and support services; environmental services; security services; consignments; vehicle leasing; vehicle and equipment consumables, tools and spare parts; chemical and industrial products; utilities; and computer and IT equipment, licences and software. Contractors and suppliers are primarily located in Mexico, Peru and Canada and supplies may be manufactured or sourced from elsewhere.

## **POLICIES AND DUE DILIGENCE PROCESSES**

### *Policies*

Bear Creek’s corporate and governance policies frame the Company’s commitment to conducting business in a lawful, ethical and responsible manner. The policies described below (full copies of which are available on Bear Creek’s website) represent the Company’s key policies and standards related to responsible business conduct and are reviewed, and if thought fit revised, annually by the Company’s Board of Directors. Bear Creek’s Board of Directors has delegated its Operations, Safety and Sustainability Committee with oversight of matters related to health and safety and the Company’s Environmental, Social and Governance practices. Bear Creek’s Audit Committee is responsible for monitoring, and reporting to the Board of Directors on, matters related to its Code of Business Conduct and Ethics and Whistleblower Policy. The Company’s Chief Financial Officer is responsible for monitoring compliance with the Anti-Bribery and Anti-Corruption Policy and for reporting any breaches of this policy to the Audit Committee and Board of Directors.

### Code of Business Conduct and Ethics

Bear Creek endeavours to operate with integrity, accountability and in accordance with all applicable laws and regulations. Our Code of Business Conduct and Ethics (the “**Code**”) sets out the standards of conduct and ethics that we expect each of our directors, officers, employees, and contractors (together, “**Covered Persons**”) to meet. Covered Persons are required to acknowledge their receipt and understanding of the Code and commit to complying with the Code, which directs Covered Persons to, among other things:

- Act honestly, in good faith and in accordance with all applicable laws and regulations;
- Adhere to the ethical standards in the Code and in the Company’s policies and procedures;

- Exercise the powers attached to their employment or contractual arrangements for the purposes for which they are intended;
- Demonstrate honesty, truthfulness, respectfulness and integrity in all business dealings;
- Refrain from discrimination, intimidation or harassment; and
- Promptly report violations or suspected violations of the Code to the Company.

#### Whistleblower Policy

Bear Creek's Whistleblower Policy provides guidance to, and a mechanism for, any Covered Person as well as consultants to report concerns to the Company regarding, amongst other things, potential or actual violations of the Code or any other ethical concern ("**Ethical Concerns**"). The Whistleblower Policy protects Covered Persons and consultants by allowing them to report Ethical Concerns anonymously, confidentially and without retaliation or the threat thereof. The Company's Audit Committee is responsible for managing the Company's receipt, retention and treatment of any Ethical Concerns reported. The Audit Committee is also responsible for reviewing the Code and the Whistleblower Policy annually and reporting any breaches of the Code to the Board of Directors. Ethical Concerns may include, amongst other things:

- Violation of any laws, rules or regulations applicable to the Company;
- Violation of the Code or any other policy of the Company;
- Practices or behaviours that pose a serious risk to the health and safety of any individual, member of the public, or to the environment; and
- Any illegal conduct including but not limited to violence or threats of violence.

#### Anti-Bribery and Anti-Corruption Policy

Bear Creek's Anti-Bribery and Anti-Corruption Policy (the "**ABAC Policy**") prohibits Covered Persons and consultants from engaging in or facilitating bribery or any corrupt activity, restricts the offering or giving of things of value and sets out conditions for providing any monetary or in-kind payments or benefits to any government official, individual or organization that has a business relationship with the Company. The ABAC Policy additionally sets out requirements and conditions that relate to the engagement and monitoring of consultants and other third parties. Covered Persons and consultants are required to acknowledge their receipt and understanding of the ABAC Policy and commit to complying with it. Violations or suspected violations of the ABAC Policy are reported pursuant to the Company's Whistleblower Policy.

While forced and child labour are not expressly addressed therein, provisions included in the Code, the Whistleblower Policy and the ABAC Policy help to reduce the risk of forced or child labour in the Company's business activities and supply chains by requiring, or providing, individuals and organizations covered by the policies:

- to comply with all applicable laws and regulations,
- to act ethically and with integrity in all business activities, and
- with a mechanism for monitoring and addressing any violation of the Company's policies and procedures.

Additional policies with similar ethical standards and procedures are applied by the Company's subsidiaries operating the Mercedes Mine and Corani project.

#### Health and Safety, Environmental Protection and Social Responsibility Policy

On April 16, 2025, Bear Creek's Board approved and adopted the HSES Policy, which lays out the Company's expectations with respect to leadership and accountability in meeting its goals of striving for best practices in health, safety, environmental protection and social responsibility, in compliance with all applicable laws and

regulations. The objectives of the HSES Policy are to promote, in an effective and responsible manner, a positive culture of safety, sustainability and well-being amongst the Company's directors, officers, employees, contractors, consultants and others, as well as toward the environment, and the communities in which we operate.

The HSES Policy formally and specifically addresses the Company's commitment to combating forced labour, child labour and human trafficking of any kind in its operations and supply chain and supporting the elimination of all forms of modern slavery. The HSES Policy includes commitments to monitoring the effectiveness of, and compliance with, the HSES Policy through periodic internal and external assessments, and provides guidance to Covered Persons on reporting breaches thereof.

### *Due Diligence*

Bear Creek exercises due diligence in mitigating the risk of forced labour and child labour in its business activities and supply chains by embedding responsible business conduct in its policies and by providing a mechanism for reporting violations of its policies. The Company's hiring practices adhere to applicable national labour laws.

## **ASSESSING AND MANAGING RISKS OF FORCED OR CHILD LABOUR IN SUPPLY CHAINS**

Bear Creek recognizes that the risk of forced labour and child labour is greater in its supply chains, where the conduct of consultants and suppliers is outside of the Company's control, than in its own business activities which are to a greater extent within the Company's control. The Company also recognizes that certain functions, sectors and material sources within its supply chain may be at a higher risk of forced and child labour than others. The following aspects of the Company's activities and supply chains may contribute to increased risk of forced and child labour:

- The location of its activities;
- The types of products it sources, which may include clothing and personal protective equipment; and
- The use of subcontracted labour.

The Company has not conducted a formal assessment process to identify risks related to forced and child labour in its own activities or those of its contractors and suppliers and therefore no formal risk management processes were instituted during the Reporting Period. However, the Company believes its hiring practices, contracting practices, and governance policies, as outlined above, provide a measure of mitigation to reduce the risk of forced and child labour.

## **MEASURES IMPLEMENTED TO REMEDIATE FORCED OR CHILD LABOUR OR LOSS OF INCOME**

During the Reporting Period, Bear Creek did not identify any instances of forced or child labour and therefore did not implement any measures to (i) remediate forced or child labour in its activities or supply chains, or (ii) remediate loss of income that results from any measures taken to address the use of forced or child labour in its activities or supply chains.

## **TRAINING**

Bear Creek is committed to excellence in environmental, social and governance matters including adhering to the principals of human rights, and in providing a safe work environment, free from harassment. The Company practices these commitments in its business activities and operations. Training for directors, officers and employees (direct or contractual) is generally conducted in the onboarding process and involves familiarizing newly engaged individuals with the Code, Whistleblower, ABAC, and HSES policies.

At the Mercedes Mine and Corani project, additional mandatory worker and contractor training involves periodic presentations and meetings at which occupational health and safety and community relations (including human rights) are discussed.

## **ASSESSING EFFECTIVENESS**

Bear Creek has implemented measures, as described above, to help to reduce the risk of forced and child labour in its activities and supply chains, including providing a mechanism under its Whistleblower Policy for Covered Persons and consultants to report any instances or suspected instances of unethical or illegal behaviour, which includes concerns related to forced and child labour. The Company has not yet taken any actions (including during the Reporting Period) to assess the effectiveness of these measures.

During the Reporting Period, the Company received one complaint made through its Whistleblower Policy, which was not related to forced or child labour. In accordance with the Whistleblower Policy, the Company's Audit Committee conducted a thorough and detailed investigation of the complaint, the primary concerns of which were investigated by independent third-party experts who reported back to the Audit Committee. While certain non-material recommendations made in the investigators' reports were adopted by the Company for good governance, the investigation discovered no evidence of misconduct, fraud, or illegal activity.

## **FORWARD LOOKING STATEMENTS**

Certain information in this Report may include forward-looking statements within the meaning of applicable securities legislation, including, without limitation, statements related to Bear Creek's corporate governance policies and business practices as they relate to human rights and the risk of forced labour and child labour in its own activities and within its supply chains. These forward-looking statements may include intentions, expectations and statements of opinion and information regarding future plans or objectives that are not historical fact. Statements containing words such as "could", "should", "expect", "believe", "plan", "intend", "will", "may", and similar expressions typically suggest forward-looking statements.

Any such forward-looking information is based on information currently available to us and is based on assumptions we believe are appropriate in the circumstances, including those but not limited to the effectiveness of any of our policies and practices with respect to modern slavery risk management. However, such forward-looking information involves significant risks and uncertainties. A number of factors could cause actual results to differ materially from those discussed in the forward-looking information. These risks are more fully discussed in our most recent management's discussion and analysis and annual information form which are available on the Company's website and under its profile on the SEDAR+ website.

We caution readers not to place undue reliance on any such forward-looking information. Such information is current only as of the date on which it was made. Unless otherwise required by applicable securities laws, we do not intend, nor do we undertake any obligation, to update or revise any forward-looking information contained in this Report.

## **APPROVAL AND ATTESTATION**

In accordance with paragraph 11(4)(a) of the Act, this Report was approved by the Board of Directors of Bear Creek Mining Corporation on May 26, 2025.

In my capacity as a Director of Bear Creek Mining Corporation, and not in my personal capacity, I make the following attestations:

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the Report for the Entity named above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the Report is true, accurate and complete in all material respects for the purposes of the Act, for the Reporting Period.

I have the authority to bind Bear Creek Mining Corporation.



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Name: Eric Caba

Title: President, Chief Executive Officer, and Director of Bear Creek Mining Corporation

Date: May 26, 2025