DRASLOVKA SAN LUIS POTOSÍ BULK TRANSLOADING FACILITY

Summary Audit Report for the International Cyanide Management Code

March 2025

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Operation General Information

Name of the production operation:	Draslovka San Luis Potosí Bag to Bulk Transloading Facility
Name of the facility owner:	Draslovka Holdings, a.s.
Name of the facility operator:	Covoro Mining Solutions Mexicana S. de R.L. de C.V.
Name of Responsible Manager:	Joaquín Corres Barragán - Customer Technical Support Manager
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Operation Location Detail and Description

The Draslovka San Luis Potosí Bag to Bulk Transloading Facility in San Luis Potosí, México (SLP facility) is operated by Covoro Mining Solutions Mexicana S. de R.L. de C.V.

The SLP facility was commissioned in 2006 as a warehouse by DuPont, the predecessor company to Chemours and to Draslovka. The warehouse activities were first certified to the International Cyanide Management Institute (ICMI) Cyanide Transportation Protocol as part of the DuPont Mexico Supply Chain audit in 2010. In 2011 operations in San Luis Potosi were expanded to include the transloading system. Because of the addition of this transloading operation, the San Luis Potosi (SLP) facility was certified to the ICMI Production Code in 2014. The facility was recertified in 2017 and 2021 and is now undergoing its fifth audit cycle.

As mentioned in previous audit reports, the facility was specifically designed by DuPont engineers, constructed to DuPont specifications, and operated in alignment with ICMI Cyanide Code (the Cyanide Code or the Code) requirements. Packaged cyanide is stored in covered, well-ventilated warehouses prior to being dispatched to customers by truck. Facility safety features include interlocking on the transloading equipment and isotank and trailer security in parking areas within the site. Processes to prevent trace releases of sodium cyanide to the environment include a dust collector interlocked with the transloading operation, use of disposable outer garments, and footwear decontamination. Site security conforms with the Customs Trade Partnership Against Terrorism (CTPAT) requirements of the US Customs and Border Protection.

The property for the SLP facility is owned by *Suministros Industriales Potosinos S.A. de C.V*. (SIP) and is located in the south part of the city of San Luis Potosi (Figure 1). The transloading equipment is owned by Draslovka but operated by SIP. The two warehouses, parking areas, rail car movers, and forklifts are owned and operated by SIP. Draslovka maintains an office at site with three staff. SIP maintains a staff of 11 at the site.

Security is provided under contract round-the-clock by *Policia Urbana Bancaria Industriales* (PUBI) with a staff of six guards, two per shift. Transportes Especializados S.A. de C.V. (Segutal), the outbound trucking company, also maintains a staff of three at the site handling and dispatching tractors, isotanks, and trailers. Draslovka provides cyanide safety training to all SIP, PUBI, and Segutal staff at the site and includes them in response planning and mock drills.

The facility receives transloads, and ships solid sodium cyanide (NaCN) in briquettes. Transloading only occurs from rail hopper cars to 18.5 -19.5 tons isotanks or to flobins. Ecopaks and wooden boxes are managed and stored without being opened with the exception that occasionally when Ecopaks arrive damaged they are transloaded to an isotank. Empty flobins are returned by customers to the facility for reuse.

The product is transported from the Draslovka Plant in Menphis, United States, to the SLP facility through Laredo in various presentations: in bulk via 80 tons capacity rail hopper cars, in Ecopaks and in Intermediate Bulk Container (IBC) wooden boxes, via truck/trailer and 64 tons rail box car. The road trip

from Nuevo Laredo to San Luis Potosí takes about 8 hours. There is no longer any night traffic, the trucks leave at 5:00 a.m. and arrive at their destination at 4:30 p.m. Al the facility, bulk cyanide is transferred to isotanks and flobins for outgoing to customers via truck/chassis. Ecopaks area transferred to isotanks only when Ecopaks arrive damaged. Wooden boxes area not transloaded, they are stored at the facility for outgoing to customer.

Warehouse 1 stores empty and full flobins, whereas Warehouse 2 stores full Ecopaks and wooden boxes. The parking area adjacent to the transloading area stores full and empty isotanks. Other parking areas for the warehouse loading docks store full and empty trucks and trailers. Rail cars, either hoppers or box cars, are offloaded when they arrive and then returned. Figure 2 shows the layout for the facility using a picture of signage from the site.

Canadian Pacific Kansas City (CPKC) provides incoming rail service within Mexico while Auto Lineas Regiomontañas S.A. de C.V. (ALR) provides incoming truck service within Mexico. Segutal provides outgoing truck service within Mexico. The rail and trucking shippers are the subject of a separate supply chain audit under the Transportation Protocol of the Code.

Figure 1: San Luis Potosi Facility Location Map

Golder Associates Inc., ICMC Cyanide Production Recertification Audit – Summary Audit Report, San Luis Potosi Facility Layout, November 2021. Accessed December 2024, ICMI website.

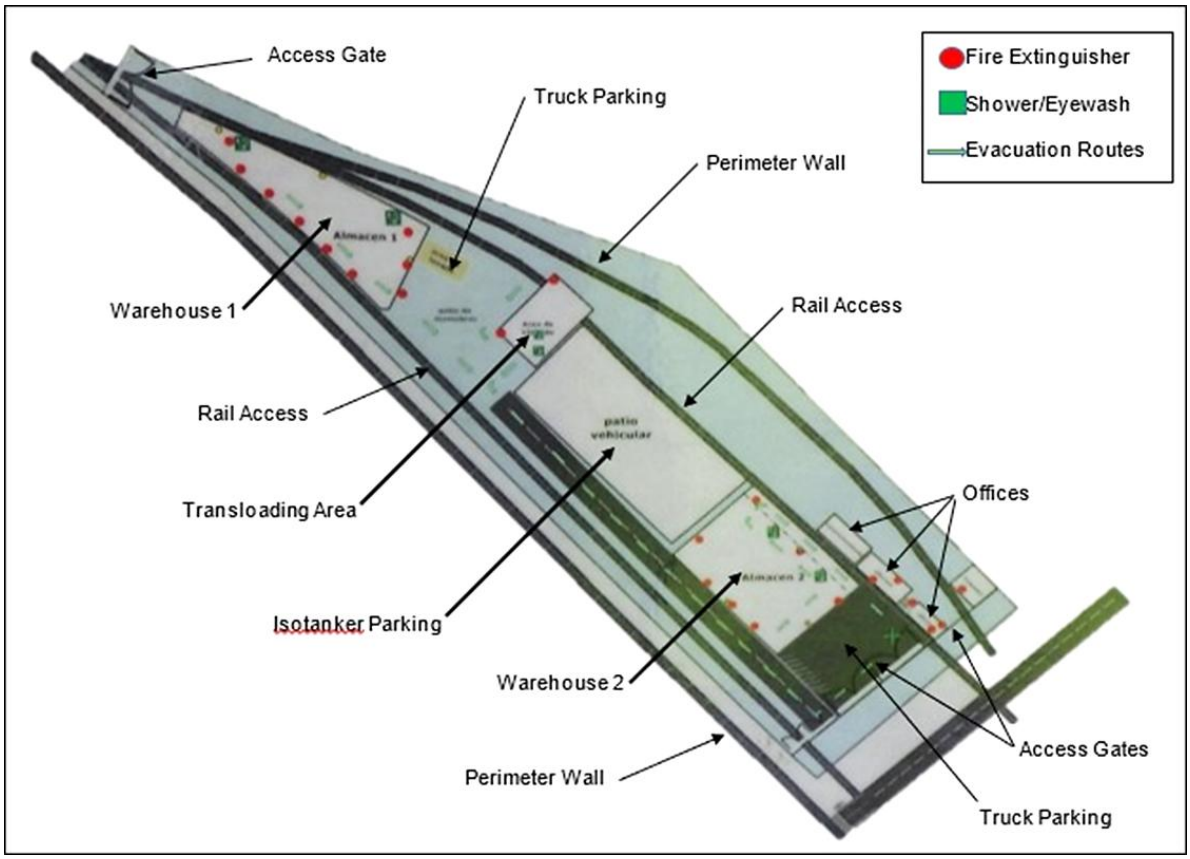

Figure 2: San Luis Potosí Transloading Facility Layout

Golder Associates Inc., ICMC Cyanide Production Recertification Audit – Summary Audit Report, San Luis Potosi Facility Layout, November 2021. Accessed December 2024, ICMI website.

Auditor's Finding

This operation is:

✓ in full compliance

☐ in substantial compliance

☐ not in compliance

with the International Cyanide Management Code.

This operation has maintained full compliance with the International Cyanide Management Code throughout the previous three-year audit cycle.

This operation has not experienced any compliance issues or significant cyanide incidents during the previous three-year audit cycle.

Auditor Information

Audit Company:	Cyanide Auditors S.A.	
Lead Auditor and Production Technical Auditor:	Bruno Pizzorni	bpizzorni@cyanideauditor.com
Dates of Audit:	October 10 and 11, 2024	

I attest that I meet the criteria for knowledge, experience and conflict of interest for Code Verification Audit Team Leader, established by the International Cyanide Management Institute and that all members of the audit team meet the applicable criteria established by the International Cyanide Management Institute for Code Verification Auditors.

I attest that this Summary Audit Report accurately describes the findings of the verification audit. I further attest that the verification audit was conducted in a professional manner in accordance with the International Cyanide Management Institute for Mining Operations Verification Protocol and using standard and accepted practices for health, safety and environmental audits.

PRODUCTION VERIFICATION PROTOCOL

Principle 1 | OPERATIONS

Design, construct and operate cyanide production facilities to prevent release of cyanide.

Production Practice 1.1

Design and construct cyanide production facilities consistent with sound, accepted engineering practices and quality control/quality assurance procedures.

The operation is	✓ in full compliance with ☐ in substantial compliance with ☐ not in compliance with	Production Practice 1.1

Summarize the basis for this Finding/Deficiencies Identified:

The cyanide facilities at the Transloading Facility in San Luis Potosi (SLP facility) have been professionally designed and constructed as noted in previous audit reports and found in compliance. Quality control and quality (QA/QC) assurance programs during construction of the transloading facility were implemented, qualified staff from Draslovka (former Chemours) reviewed the facility's construction and concluded that the facility was built as designed. The review was carried out by Eng. Marco Antonio de Haro Jiménez, Design Leader of DuPont Engineering Mexico, who issued a letter confirming that the facilities for the transfer of cyanide in SLP are designed and built with the appropriate construction materials and equipment to meet all safety and quality requirements for the safe handling of the product. In addition, there is a Pre-Start Safety Review (PSSR) by Corporate Security (Lino Fuentes) and a checklist for reviewing process risks (Process Hazards Review Checklist). The auditor confirmed that Draslovka has retained QA/QC documents demonstrating that the facility has been built as proposed and approved.

During this recertification period, the SLP facility installed a dust collector on top of the cyanide transloading system. The auditor verified through a review of QA/QC documents that, like the original works, the dust collector was professionally built. The operation showed the project description, which was designed and built by the contractor Missamex (Missa), the same one that originally built the transfer plant. Missa is also in charge of conducting preventive and corrective maintenance every Saturday at the plant. The project was reviewed and approved by the engineering department of Draslovka, according to emails reviewed by the auditor. They also showed documents of delivery of the work dated February 2024 signed by the responsible engineer for Missa and a Conformity Act signed by Covoro. The reviewed documents include signed plans, qualification of the welders, welding procedures, technical specifications of the equipment, among others. Also reviewed Draslovka Covoro Mining Solutions – SLP Dust System SLP Code Audit Declaration dated from October 11, 2024, confirming the dust collection system at San Luis Potosi has been designed and constructed to meet all safety requirements for the safe handling of the product, and the safe handling of dust particles that may be

generated during the product transfer from the hopper car to either the isotanks or flowbins. All dust particles are contained and recycled as product; signed by the Fleet & Logistics Manager of Draslovka Mining Solutions | Covoro Mining Solutions Canada Company.

As the auditor found that information regarding the design, construction and (QA/QC), no additional information was required to find this in compliance.

Those cyanide facilities at the SLP facility that will be in contact with solid cyanide are constructed with materials compatible with the processes employed. The auditor observed steel, aluminum, concrete, and high- density polyethylene materials, all of which are compatible with cyanide and high pH.

Draslovka has installed automatic systems to shut down transloading systems and prevent releases due to power outages or equipment failures. Interlocks are present in the retractable filling boots for both isotanks and flobins, the conveyor belt, the dust collection system, and the diversion valve to switch loading from isotanks to flobins.

The functioning of these interlocks is described in three procedures and the auditor observed the interlocks during the site visit in shrink sleeves for filling isotanks and Flo bins, conveyor belt and double screw transporter.

In procedures CSLO-16 Loading Isotanks from Hopper Cars; CSLO-18 Operation of the Dust Collection System; and CSLO-19 Loading Flobins, the interlocks are referenced. In the event of an eventuality, the control of the motors upon detecting an increase in temperature and/or electrical voltage stops the system without creating a release of product but would only close all transfer operations in progress.

The surface of the entire operating area is made of concrete, like the warehouses, thus preventing seepage into the ground. Handling, transloading and storage of containerized and packaged solid cyanide at the facility operation is conducted on concrete surfaces impermeable elements that prevents seepage to the subsurface. Concrete surfaces protect the ground throughout all the facility. The auditor observed these concrete surfaces, some with epoxy coatings, to be in good condition at the time of the site visit. As a recommendation for improvement, the auditor requested frequent maintenance for the concrete surface in the area where the forklift turns, as they were slightly worn.

The facility employs manual controls in loading isotanks as described in the two procedures CSLO-16 Loading Isotanks from Hopper Cars and CSLO-19 Loading Flobins for Loading Isotanks from Flobins that precludes the need for a level indicator and high-level alarm, as described in these two procedures. A timer preset to the duration for filling an isotank is activated when filling starts and filling stops when the timer alerts that the time is over. A scale is used to weigh the flobins and stop loading when the preset weight has been reached. The auditor observed a loading event with hopper car to confirm the procedure was followed and considers that this manual approach provides equivalent protection as level indicators and alarms to prevent overfilling.

The facility manages only solid cyanide and does not have any process or storage tanks for liquid cyanide. Its building's floor and walls serve as sufficient secondary containment for stored containers of solid cyanide. Compliance with this provision was determined through the auditor's inspection of the

facility and review of construction and maintenance records. The auditor also verified that these pavements acting as secondary containments are competent.

Although the facility only manages solid cyanide and cyanide solutions are not present, there are containment berms and curbs around the warehouses, as well as gutters around the transloading area to collect rainwater, this water goes to a collection pit in the filling area, the process is a closed circuit. Water used for external washing of isotanks is collected into a sealed concrete collection dam.

The operation has two buildings to store solid cyanide. Warehouse 1 contains cyanide in flobins and Warehouse 2 in Ecopaks and bag in box (B&B or IBC). Both buildings are roofed and closed structures to avoid contact with rainfall. Both warehouses have roofs and walls made of metal sheet and elevated concrete floors to minimize the potential for water to enter. The material is kept in a sealed presentation (B&B and Ecopaks); the transloading area is roofed and outside of it, the material is kept in closed hopper cars. Within these warehouses there are no potable water systems; safety showers that are present in the storage areas are designed in such a way that leaks, or other potential releases do not meet the cyanide containers as they have secondary containment and adequate slopes that drain into a sump enter.

The enclosed areas where cyanide is stored have particularly good ventilation to prevent the accumulation of cyanide dust and hydrogen cyanide gas. The vertical enclosure of cyanide warehouses is made up of sheet metal walls of shutter-type structures that allow ventilation to pass through properly. Both warehouses have louvered walls for adequate ventilation to prevent build-up of hydrogen cyanide gas (should solid cyanide briquettes escape from packaging at the same time water is present – an unlikely combination of events in an arid climate). The auditor determined the adequacy of ventilation by visual confirmation that enclosed storage areas are, in fact, ventilated.

There is restricted access to the facilities, as contemplated in the CSLS-28 Physical Access Control procedure; the loaded isotanks and hopper cars are duly sealed with high security seals to prevent unauthorized access. Both warehouses are within the gated and walled facility with video camera surveillance and full-time security guards in a manner that prevents access by the public and unauthorized personnel. It is inside secure buildings that have gates and padlocks. Draslovka also has temporarily stored solid cyanide in hopper cars and isotanks while awaiting unloading or transport, respectively. Both hopper cars and isotanks are designed for outdoor storage and are managed outside but within the gated and walled facility with video camera surveillance and fulltime security guards. The facility's security measures comply with CTPAT requirements of the US Customs and Border Protection Service.

The facility only stores solid sodium cyanide, solid caustic soda and solid vegetable dye, there is no need to segregate the storage of these materials since there is no incompatibility. The auditor verified by observing the storage facilities.

Production Practice 1.2

Develop and implement plans and procedures to operate cyanide production facilities in amanner that prevents accidental releases.

The operation is	✓ in full compliance with ☐ in substantial compliance with ☐ not in compliance with	Production Practice 1.2

Summarize the basis for this Finding/Deficiencies Identified:

The operation has written procedures in place to operate the facility in a way that protects its workers and the environment. The cyanide bag to bulk transfer facility has written systems and procedures in place for unloading and storing incoming cyanide, operating its transferring equipment, storing and loading cyanide for delivery to customers, handling cyanide containers, and handling any contaminated water, such as water captured in secondary containment or wash water. The procedures are organized by functional groups and describe how the operation's cyanide management activities are conducted in a safe and environmentally sound manner that avoids cyanide releases and exposures.

All the procedures include among others the scope, requirements including personal protective equipment (PPE) and step-by-step instructions. Draslovka regularly reviews and revises its procedures according to specified in procedure CSLA- 01 Document Classification and Management: high risk activities, every 2 years; low risk -high importance activities every 3 years; and low risk-low importance activities, every 4 years.

Procedures reviewed among others are:

- CSLA-01 Document Classification and Management
- CSLA-02 Inventory Control
- CSLM-02 Maintenance of the Conveyor Belt
- CSLM-06 Maintenance of the Flobin Filling System
- CSLM-07 Maintenance of the Hopper Car Unloading System
- CSLM-12 Isotank Maintenance – Cleaning of Spheres and Internal Walls
- CSLM-13 Daily Maintenance Report
- CSLM-14 Maintenance and Cleaning of Isotanks
- CSLO-01 Shipping of Finished Product
- CSLO-02 Loading and Unloading Boxcars and Hopper Cars
- CSLO-03 Blocking Loads
- CSLO-04 Storage, Management, and Disposition of Hazardous Wastes
- CSLO-05 Product Stacking
- CSLO-07 Sampling and Analysis of Water or Sludge from the Spill Containment Sumps
- CSLO-09 Flobin Inspection
- CSLO-11 Loading Isotanks with Flobins

- CSLO-16 Loading Isotanks with Hopper Cars
- CSLO-18 Operation of the Dust Collection System
- CSLO-19 Loading Flobins (Carga de Flobins)
- CSLO-23 Management of Design Changes
- CSLS-01 Transportation Emergency Procedure
- CSLS-03 Transport Trailer Inspection for Plant Entry
- CSLS-04 Management of Emergency Kit for NaCN and HCN Medical Treatment
- CSLS-05 Spill Management
- CSLS-08 Brigade Organization
- CSLS-09 Treatment of HCN and NaCN Intoxication Emergencias
- CSLS-10 Fire Extinguisher Inspection and Testing Method
- CSLS-14 Shower and Eyewash Security Inspections
- CSLS-15 Revision of Work Cycles
- CSLS-16 General Safety Rules
- CSLS-18 Barricade Use
- CSLS-20 Investigation of Plant Incidents and Accidents
- CSLS-22 Emergency Plan and Personnel Duties
- CSLS-24 Risk Communication and Signage
- CSLS-37 Drill Planning – Protocol, Forms, and Annual Program

The auditor reviewed the procedures, among other documents, confirming that they address the safe management of cyanide. Implementation of procedures was confirmed through observation of these activities during the auditors' site visit. The auditor also had interviews with the personnel responsible for performing these tasks, and reviewed the available documentation, finding it in conformance.

The operation's work procedures include contingency plans for non-standard operating situations such as damage to a cyanide box on arrival inside a damaged container or during handling cyanide boxes or shutdown of the operation due to machinery breakdown. The procedures also include emergency actions during transportation, spills, exposures, and other onsite upsets. In general, contemplate some sufficiently probable situations that have been developed with previously planned responses. For example, management of damaged containers, such as loading damaged Ecopaks into isotanks, is addressed under CSLO-02 Loading and Unloading Boxcars and Hopper Cars.

The SLP facility has procedures to manage changes to site operating practices and equipment. Procedure CSLS-15 Revision of Work Cycles is used to observe operational activities, obtain worker input, and revise operational procedures. It requires approval by the Draslovka Regional Operations Supervisor, the Site Operations Supervisor, and the corporate Environmental Health and Safety (EHS) Manager. The corporate Process Safety Management process is used to manage physical changes to equipment. It includes a risk assessment and requires approval by the corporate EHS Manager (or designee). Procedure CSLO-23 Management of Design Changes is used to manage physical changes to equipment. Changes to both procedures require the approval of the corporate EHS Manager.

The facility has developed procedures and implemented programs for maintaining equipment and devices necessary for cyanide handling and transloading. Missa, external contractor, is in charge of preventive and corrective maintenance of the plant. Draslovka´s maintenance responsible carries out plant daily inspections by mean of a checklist. These maintenance programs flow down to SIP and Segutal as applicable. SIP, the property owner, operates and is the owner of rail car movers and forklifts. Segutal provides outgoing truck service within Mexico. The rail and trucking shippers are the subject of a separate supply chain audit under the Transportation Protocol of the Code. The maintenance procedures have been implemented throughout the recertification period by means of 4-month schedules, based on examples provided by Draslovka and according to the quarterly Maintenance Schedules. The maintenance records are documented, along with the basis of the frequency, such as the hours of operation for the forklifts and time periods for the rest of the equipment established between maintenance. The devices and equipment covered under the program were: the motor control center, conveyor belt, dust collector, industrial vacuum, air compressor, flobin filling system, hopper car unloading system, diversion valve, retractable sleeve, water service system, flobin packaging system, isotanks; and forklifts.

Draslovka has implemented the following procedures for maintaining equipment and devices necessary for cyanide transloading and handling:

- CSLM-01 Maintenance of the Motor Control Center
- CSLM-02 Maintenance of the Conveyor Belt
- CSLM-03 Maintenance of the Dust Collector
- CSLM-04 Maintenance of the Industrial Vacuum
- CSLM-05 Maintenance of the Air Compressor
- CSLM-06 Maintenance of the Flobin Filling System
- CSLM-07 Maintenance of the Hopper Car Unloading System
- CSLM-08 Maintenance of the Diversion Valve
- CSLM-09 Maintenance of the Retractable Sleeve
- CSLM-10 Maintenance of the Water Service System
- CSLM-11 Change of the Upper and Lower Flobin Packaging
- CSLM-12 Isotank Maintenance – Cleaning of Spheres and Internal Walls
- CSLM-13 Daily Maintenance Report
- CSLM-14 Maintenance and Cleaning of Isotanks
- CSLM-15 Changing the Conveyor Belt Links
- CSLO-14 Forklift Use and Management

The auditor inspected the cyanide facilities, reviewed examples of the maintenance records for the period 2021-2024, and interviewed the employees to determine their compliance with this provision.

There is no process equipment in use at these warehouses that require calibration.

The facility does not have any cyanide solution at the site but does generate small volumes of wash

water with the potential for low levels of cyanide contamination. The operation treats all wash water as hazardous waste and manages it according to procedure CSLO-04 Storage, Management, and Disposition of Hazardous Wastes. There are three sumps for collection of wash water: one at the Warehouse 1, other at the Transloading Area, and a third one at Warehouse 2. Collected water is pumped as needed from the Warehouse 2 Sump to the Warehouse 1 Sump. Collected water in the Transloading Area can be evaporated in heaters next to this sump or drained by gravity pipeline to the Warehouse 1 Sump. As the ultimate destination for water, Sump 3 is emptied as needed when natural/heater evaporation is insufficient by a certified transporter (Transportes Martinez Lopez) for incineration by the certified contractor SITRASA in Guanajuato. The auditor reviewed examples of shipping manifests from throughout the recertification period, as well as annual hazardous waste summaries submitted to the federal environmental agency SEMARNAT (Secretary of Environment and Natural Resources), verifying compliance.

The operation disposes cyanide-contaminated solids in an environmentally sound manner in accordance with procedure SLO-04 Storage, Management, and Disposition of Hazardous Wastes. The solid waste generated consists of used Tyvek suits, Ecopaks, pallets/wood, evaporator residue, and floor sweepings. These materials are temporarily stored in the facility hazardous waste storage while awaiting shipment by a certified transporter (Transportes Martinez Lopez) for incineration by the certified contractor SITRASA in Guanajuato. The auditor reviewed examples of shipping manifests from throughout the recertification period, as well as annual hazardous waste summaries submitted to SEMARNAT, verifying compliance.

Draslovka has developed and implemented the procedure CSLO-01 Shipping of Finished Product to ensure cyanide is packaged as required by the United States and Mexico. Also, this is a requirement in procedures CSLO-09 Flobin Inspection; CSLO-11 Loading Isotanks with Flobins; CSLO-16 Loading Isotanks with Hopper Cars; and CSLO-19 Loading Flobins (Carga de Flobins). It is stated Ecopaks are properly packaged at the Draslovka Plant in Memphis, Tennessee; the site staff check and replace straps as needed. Isotanks are managed by a rental vendor, TriFleet, under the Code Transportation Protocol. The reusable flobins are refilled at the facility and staff ensure proper packaging and labelling as the flobins are loaded into trucks for shipping to customers. Isotanks, B&Bs (IBCs), Ecopaks and flobins stored for shipment in the operation comply with the packaging requirements of the regulations of the jurisdiction through which the material will pass, including international standards. This includes requirements for the container itself, as well as container signage that identifies the presence of cyanide and its health and environmental risks. The packaging is designed in the USA and complies with international and national standards. The auditor observed all types of packaging to be in good condition at the time of the site visit.

Production Practice 1.3

Inspect cyanide production facilities to ensure their integrity and prevent accidental releases.

The operation is	✓ in full compliance with ☐ in substantial compliance with ☐ not in compliance with	Production Practice 1.3

Summarize the basis for this Finding/Deficiencies Identified:

The operation inspects all loading, unloading, transfer, storage and secondary containment areas to identify any release of solid cyanide or situations that pose a risk of cyanide release such as cracks in impermeable surfaces.

The operation conducts routine inspections to ensure the proper functioning of equipment and containments. The site does not manage cyanide process solutions and therefore does not have any tanks, piping, pumps, and valves to be inspected. The sumps for wash water are annually inspected with maintenance if needed. The auditor observed the sump inspection forms to verify compliance and observed the sumps to be in good condition.

The checklists used for these inspections direct the inspector to evaluate specific items and provide sufficient detail regarding what to look for. During the site visit to the facility, the auditor confirmed that potentially hazardous conditions have been identified. The facility is regularly inspected, the workers were knowledgeable regarding the aspects that could present a treat and that they have to notify the site manager.

Inspections are carried out on isotanks and flobins in accordance with procedures CSLM-14 Maintenance and Cleaning of Isotanks before loading and CSLO-09 Inspection of Flobins, as well as testing of isotanks every 2.5 and 5 years by an external provider in accordance with the provisions of the International Tank Container Organization (ITCO).

Documentation is retained and was available for the auditor's review demonstrating that inspections have been conducted and that necessary cleaning measures and maintenance and repairs are performed in a timely manner when deficiencies have been identified.

The operation inspects the equipment and installations at frequencies sufficient to assure they are functioning as intended, according to procedure CSLM-13 Daily Maintenance Report. Draslovka has inspected the forklifts, showers/eyewashes, and transloading equipment daily; the fire extinguishers, cyanide kits, and rescue equipment monthly; the perimeter wall quarterly; and sump integrity annually. The warehouses have been regularly inspected in the programmed maintenance schedules. The auditor reviewed examples of inspections records and observed that equipment was in good condition at the time of the site visit, indicating adequate inspection frequencies.

The inspections and maintenance records are documented in daily reports and maintenance records,

according required in procedure CSLM-13 Daily Maintenance Report. Inspections checklists include the date of the inspection, the name of the inspector and any observed deficiencies. The nature and date of corrective action are documented in the inspection records. The auditor observed completed inspection and maintenance records throughout the recertification period verifying compliance.

Principle 2 | WORKER SAFETY

Protect workers' health and safety from exposure to cyanide.

Production Practice 2.1

Develop and implement procedures to protect facility personnel from exposure to cyanide.

The operation is	✓ in full compliance with ☐ in substantial compliance with ☐ not in compliance with	Production Practice 2.1

Summarize the basis for this Finding/Deficiencies Identified:

The operation addresses all aspects discussed in Production Practice 1.2 that are necessary for worker protection, including its inspection programs for its cyanide facilities and its preventive maintenance programs for critical equipment. The operating procedures mentioned in Production Practice 1.2 address safety issues explicitly and implicitly by describing safe practices. The level of detail of these procedures is proportional to the risks involved in the task. The procedures are developed to minimize worker exposure during normal plant operations from receipt, product transfer and shipping, non-routine and emergency situations, and maintenance related activities.

The operation has the procedure CSLS-15 Revision of Work Cycles with the aim of establishing the guidelines to carry out Work Cycle Reviews in order to detect, analyze and minimize accident risks in the individual operations established, as well as to identify opportunities for improvement to the operation through an appropriate observation technique, communication and analysis of the task. The procedure indicates, among others, that it is the employee himself who performs the task, the most important source of information to improve an operation in terms of safety and effectiveness. According to the annual Work Cycle Review program, the employee who performs the review after observing and recording a complete cycle of task, discusses with the employee what he has detected and invites him to comment on his own observations. As a result of brainstorming with the employee, take notes of the suggested steps they suggest taking to avoid injury. Examples of these measures are additional safety equipment; modification to equipment, procedure or operation; refreshment training of the personnel involved. Each observation event for a given procedure is documented with a three-page form that includes worker suggestions, recommendations from the observation event and documents that these recommendations were considered and implemented as appropriate. Draslovka programs formal observation of a subset of procedures each year such that all procedures are reviewed over a 2-to-4-year period. The auditor observed examples of these forms from throughout the recertification period to verifying compliance.

The operation has identified areas and activities where workers may be exposed to hydrogen cyanide gas or cyanide dust and has required the use of personal protective equipment while working in these

areas and conducting these activities. The warehouses and transloading area have been identified as areas with the potential for exposure. The operation commissions annually monitoring studies to evaluate occupational exposure to chemical agents (In compliance with NOM-010 of the Ministry of Labor and Social Welfare). The operation commissioned *Laboratorio del Grupo Microanálisis* to conduct an Evaluation Study of Worker Exposure to Chemical Agents in January 2024 which includes air quality monitoring reports showing detailed results by areas of filling of flobin isotanks and warehouse 1 and 2. An excerpt from the study in an internal self-evaluation presentation confirmed the identification of areas and activities with potential for exposure to cyanide and did not document any readings greater than 0.25 milligrams per cubic meter, in compliance both with local regulations for LSC (upper trust limit) and VLE (exposure limit value).

The auditor confirmed by direct observation of the signaling in place, that the operation has determined these areas and activities where such exposures may occur and require appropriate personal protective equipment and has stablished administrative controls, as necessary. The auditor also interviewed the workers to confirm that the administrative measures are being implemented.

Chemours has issued portable hydrogen cyanide (HCN) gas monitors to staff to confirm controls are adequate and to limit worker exposure to hydrogen cyanide gas and cyanide dust.

Workers are provided with HCN gas detectors and a fixed detector installed in the transloading conveyor belt pit underneath the hopper car offload, which they use in accordance with procedure CSLO-08 Portable HCN Detectors and the external study assessing occupational exposure to chemical agents. The HCN monitors are set with low and high alarms at 4.7 and 10.0 parts per million, respectively. According to the procedure, the required action for both alarms is the same – leave the area and report to supervision for an evaluation of risk. Each pair of employees is issued a portable monitor. The auditor confirmed by interview that the operators knew the alarm levels and understood that the required action was the same for both alarm levels. The auditor observed the employees' pairs with the portable monitors. Compliance with this provision was verified by observation of the monitoring equipment, calibration records and employee interviews.

The operation maintains, tests and calibrates the HCN monitors as required by the manufacturer and has retained the records. Operators perform a daily test on the portable units issued to them. The operation has developed and implemented the written procedure CSLO-08 Portable Hydrogen Cyanide (HCN) Gas Detectors for calibration of the portable units. The Draslovka Operations/EHS Supervisor has been trained by the manufacturer to calibrate the portable units on a 6-month frequency per the manufacturer. The auditor observed examples of calibration records from the recertification period confirming that recalibration occurs as required by the manufacturer.

The operation has developed and implemented a buddy system in accordance with CSLS-16 General Safety Rules to ensure that workers can provide help or aid to each other or can otherwise notify or communicate with other personnel for assistance. The procedure states that all personnel must work under the "Buddy system" and must follow the rules established to reduce the risks of accident or injury. This system is a technique implemented to increase the safety of personnel in a risky or dangerous

situation and consists of two people entering or carrying out some activity together and must maintain continuous visual contact or by other means of effective communication between them, in case of an emergency to either of these two people. The other may offer help or ask for help from other people. The auditor observed buddy pairs with radios. The operation has also installed manually operated alarm systems according to procedure CSLS-23 Alarm Codes, and a closed-circuit TV in the work areas to ensure assistance is available when needed. The auditor confirmed compliance with this provision by reviewing safety procedures and interviewing and observing employees.

Draslovka has developed and implemented a program to assess the health of staff to determine their fitness for assigned duties. The company has a corporate physician based in Baja California, Mexico. According to the program, it personalizes the exam required for each worker, considering the job position, such as age, coma and among other points, then there is feedback, sending an email directly to the worker for his laboratory pass. Annual medical examinations are carried out, including assessment of pulmonary function and fitness for respirator use, audiometry, spirometry, anti-doping of 5 reagents, blood chemistry and general medical examination, which are under the protection of the Human Resources area of the provider that manages the site (SIP) with copy to the supervisor on site. The results are considered confidential medical information and are held by the Human Resources Department. Given the confidential nature of the data, the auditor observed pictures of folders in an internal self- evaluation presentation and accepted that the program was implemented as described by Draslovka throughout the recertification period.

The operation has developed and implemented a clothing change program for employees, contractors, and visitors to areas with the potential for cyanide contamination. CSLS-16 General Safety Rules requires all staff at the end of the shift or when going to lunch must go through the decontamination area (Warehouse 2) and clean their shoes. In the office area, they must go to the bathroom to wash their face and hands, and if they go to the dining room or bathroom, they must deposit their personal protective equipment in the area designated for this purpose in Warehouse 2, in order to avoid contamination of these areas. To dispose of used Personal Protective Equipment, it refers to procedure CSLO-04. Procedure CSLS-16 General Safety Rules also requires that visiting and/or contracted staff must go through the decontamination area, clean their shoes, and if they are provided with overalls and other equipment, deposit them in the container designated for this purpose and wash their hands.

The auditor observed workers in the warehouse and transloading area wearing the required Tyvek suits and the use of the mechanical boot brush. Compliance with this provision was complemented by reviewing the procedure and interviewing and observing employees.

The facility has placed legible signage throughout the operation as necessary to ensure that all workers who may be exposed to cyanide are aware of the risks and take appropriate protective measures. Workers have been alerted to the presence of cyanide and the need for appropriate personal protective equipment. Mandatory use of specific personal protective equipment is indicated for the sodium cyanide zone. Signage has been installed according to CSLS-24 Risk Communication and Signage with requirements based on Mexican worker safety laws. In addition, isotanks, flobins, B&B and Ecopaks are

labelled to advise workers of their contents and hazards. The auditor confirmed by observation the presence of signage around the facility. Interviews with site personnel and review of the overall safety and training program with respect to cyanide safety also confirmed the workforce has been alerted to the presence and risks of cyanide.

The operation prohibits personnel from smoking, eating, drinking, and having open flames by means of extensive signage in areas where there is the potential for cyanide contamination; the prohibition is included in the operation's safety training and is re-enforced by signage in these areas. Signage has been installed according to CSLS-24 with requirements based on Mexican worker safety laws. Smoking and open flames are prohibited in the entire plant. Eating and drinking are allowed only in a designated lunchroom away from the areas where cyanide is present. The auditor reviewed the training plans and records, interviewed the employees, and observed on-site signage throughout the facility, finding compliance with this provision. Employees showed awareness of the restrictions and of the potential dangers of not following the rules.

Production Practice 2.2

Develop and implement plans and procedures for rapid and effective response to cyanide exposure.

The operation is	✓ in full compliance with ☐ in substantial compliance with ☐ not in compliance with	Production Practice 2.2

Summarize the basis for this Finding/Deficiencies Identified:

The operation has the following written Safety Procedures detailing the necessary response to inhalation of cyanide gas or skin contact with liquid or gaseous cyanide:

- CSLS-01 Transportation Emergencies
- CSLS-04 Management of Medical Treatment Emergency Kit for Exposure to NaCN
- CSLS-05 Spill Management
- CSLS-08 Brigade Organization
- CSLS-09 Emergency Treatment for HCN and NaCN Poisoning
- CSLS-22 Emergency Plan and Personnel Accounting
- CSLS-23 Alarm Codes

Along with the Emergency Plan, the procedures describe specific emergency response procedures to respond to cyanide exposures and the processes to be followed in the event that cyanide is ingested, skin or eye contact made, and/or inhaled. The use of cyanide antidotes is also detailed. The document addresses the transfer of exposed victims to medical centers. The Plan and procedures are suited for

the facility.

The operation has safety showers, eyewash stations and fire extinguishers in the warehouse's areas and transloading area, where workers may be exposed to cyanide. This equipment is regularly maintained and tested to ensure it is working properly when needed, according to the written procedure CSLS-14 Shower and Eyewash Security Inspections. The operation provided a schematic layout showing the locations of six shower/eyewash stations and that of 23 fire extinguishers. The auditor checked that the shower/eyewash stations worked properly at the time of the site visit and that the eyewashes had low pressure water and nozzles are protected with overlapping caps to prevent the water from the line from carrying contaminants into the eyes. The auditor checked the inspection tags to verify that the shower/eyewash stations had received their monthly visual inspections.

The extinguishers are of the non-acidic dry chemical powder type. The auditor checked the inspection tags to verify that the extinguishers had received their monthly visual inspections and annual hydrostatic testing and certification by an outside vendor. The operation showed the auditor the maintenance, testing, and inspection records demonstrating that this safety equipment has been routinely evaluated to ensure that it is available when needed, in accordance with procedure CSLS-10 Fire Extinguisher Inspection and Testing Method.

The operation has the necessary equipment available for emergency response to a worker's exposure to cyanide. The operation has provided water, oxygen, antidotes, and multiple means of communication/notification that are readily available in the facility. The operation features medical oxygen with a mouthpiece with a valve that can also be used as a resuscitator. An antidote kit is located in the rescue equipment room that includes amyl nitrite, sodium nitrite, and sodium thiosulfate antidotes. Oxygen, water, activated carbon, and additional antidotes (Cyanokit, amyl nitrite, sodium nitrite, and sodium thiosulfate) are also located in the rescue equipment room. The Cyanokit, sodium nitrite, and sodium thiosulfate antidotes are for use by doctors. For emergency communication it has reliable means of communication and emergency notification such as radios, alarm systems, telephone, and cell phones. Employees carry radios and there are red emergency alarm buttons at various locations in the facility. They have emergency telephone lists in the operation office and in the SIP guardhouse. The auditor confirmed compliance with this provision through a facility inspection and interviews with employees.

The operation performs monthly inspections to its cyanide first aid equipment according to the procedure CSLS-04 Management of Medical Treatment Emergency Kit for Exposure to NaCN, inspection records were available for the auditor's review. The auditor reviewed the dates of the antidotes to make sure they had not expired and to determine if they were stored at the temperature specified by their manufacturer. No antidotes showed expired at the time of the site visit.

Employees at the facility have access to the Safety Data Sheets (SDS) of the sodium cyanide and on cyanide first aid in Spanish (procedure CSLS-04 Management of Emergency Kit for NaCN and HCN Medical Treatment) with each of the four cyanide kits at Warehouse 1, Warehouse 2, Transloading Area, and the Brigade Equipment Room. available upon entering the office and the guard house. Given

that the site is small, it is readily available to workers. The auditor observed the safety and warning signs, reviewed the SDS and first aid procedures available in the language of the workforce, finding this requirement in compliance.

Draslovka manages only solid cyanide at the facility, there are no storage tanks, process tanks, containers, or piping for cyanide solutions. However, the transloading dust collection system has the potential for cyanide. The auditor observed the piping to be labelled as containing cyanide with the direction of air flow indicated. All is identified by labeling and using colors as mentioned in the CSLS-24 Hazard Communication and Signage procedure, as well as the corresponding labeling on storage containers and packaging.

Draslovka decontamination procedure is included in CSLS-16 General Safety Rules for employees, contractors, and visitors. CSLS-16 requires anybody working outside of offices to wear a Tyvek suit. After completing work, the suit is removed and placed in a designated bin for disposal as hazardous waste and boots are decontaminated in an automatic boot brush. The procedure also requires washing hands and face to remove cyanide dust. The auditor observed workers in the warehouse and transloading area wearing the required Tyvek suits and gloves, and staff using the boot brush machine. The auditor reviewed the procedure and confirmed its implementation through observation of signaling and interviews with employees.

The facility has onsite capability to provide first aid to workers exposed to cyanide operation has operations personnel who are trained in cyanide first-aid on-site to respond in the event of a cyanide exposure. Given that all Draslovka and SIP staff are brigade members, all have the capability to attend to workers exposed to cyanide and to administer the amyl nitrite antidotes. All employees make up a multi-functional emergency brigade trained at the National Association of Chemical Industries (ANIQ) Emergency Brigade Training School in Zelaya. The auditor reviewed the training records demonstrating that the individuals have received specific training in cyanide first aid, including use AMBU, a defibrillator and administration of oxygen. Cyanide antidote will be administered by medical personnel at the local clinics.

The facility has established an emergency response protocol for exposed workers that includes the transfer of the person exposed to cyanide to the hospital closest to the facility, as detailed in the CSLS-22 Emergency Plan and Personnel Accounting, Procedure CSLS-04 Management of Emergency Kit for NaCN and HCN Medical Treatment in Section 5 states transfer of the patient from the plant to the local hospitals will be done by means of the ambulances of the Mexican Red Cross, Delegation of San Luis de Potosí; the procedure implies that the transfer can also be done through the company's vehicle. Workers will be transported to one of several hospitals which are within a 15-minute drive depending on traffic conditions: *Clinica 50 de Instituto Mexicano del Seguro Social* (IMSS), *Hospital Mar Charbel*; *Hospital de Nuestra Señora del Salud*, or *Hospital Especialidades Médicas de la Salud.* Draslovka staff stated the Cyanokit, sodium nitrite, and sodium thiosulfate antidotes from its office would be sent with the vehicle transporting the exposed worker. The auditor reviewed the operation's response procedure and emergency mock drill report determining compliance with this provision.

Draslovka has alerted local hospitals of the potential to treat patients with cyanide intoxication via cyanide treatment training. The operation provides periodically cyanide treatment training to staff from local hospitals in San Luis Potosí and is therefore confident that the medical staff are qualified to treat patients with cyanide intoxication. On June 12, 2024, Draslovka's Technical and Product Safety Consultant provided the medical training Sodium Cyanide Medical Emergency Course to staff of *Hospital de Especialidades Médicas de la Salud de San Luis de Potosí* with 23 participants. The auditor reviewed the operation's documentation of its coordination with the off-site medical confirming and has taken the necessary actions to ensure proper care for exposed personnel.

The operation has the written procedure CSLS-20 Investigation of Plant Incidents and Accidents, for all types of incidents, including those related to cyanide, to determine if the operation's policies and programs to prevent incidents are adequate or whether they need to be revised. The auditor reviewed the written procedure as well as records of incident reports and investigation, not cyanide related, confirming that the general program for investigation of accidents and incidents is being implemented.

Principle 3 | MONITORING

Ensure that process controls are protective of the environment.

Production Practice 3.1

Conduct environmental monitoring to confirm that planned or unplanned releases of cyanide do not result in adverse impacts.

The operation is
- ✓ in full compliance with
- ☐ in substantial compliance with
- ☐ not in compliance with

Production Practice 3.1

Summarize the basis for this Finding/Deficiencies Identified:

The facility does not discharge directly or indirectly to surface water. For cases of floor washing at the transfer area or at the cyanide warehouse, the operation has a water collection channel that does not connect to any drainage. The operation has no environmental commitment with the authority to water monitoring.

The facility does not have direct or indirect discharges to surface water.

There are no compliance points or points of actual groundwater use near the facility and no government agencies have issued permits to Draslovka SLP facility related to groundwater.

The site is not engaged in groundwater remediation.

There are no hydrogen cyanide gas emissions during the process. There is an evaporator equipment for the washing water, which is monitored by a qualified external supplier once a year, to verify that the gases flowing through the ducts are within the limits established by national regulations (NOM 043 SEMARNAT 1993. Maximum permissible levels of emission into the atmosphere of solid particles from fixed sources), as well as the study of the evaluation of occupational exposure to chemical agents. Given the result of the air quality monitoring carried out at the beginning of 2024 and that as reported in the previous certification report of the operation carried out by Golder where they indicate that the results of monitoring in 2020 was within the permissible limits, the auditor considers that the monitoring is conducted with the appropriate frequency to characterize the monitored environment.

The facility does not have discharges to surface water or groundwater and therefore monitoring is not performed.

Principle 4 | TRAINING

Train workers and emergency response personnel to manage cyanide in a safe and environmentally protective manner.

Production Practice 4.1

Train employees to operate the facility in a manner that minimizes the potential for cyanide exposures and releases.

The operation is
- ✓ in full compliance with
- ☐ in substantial compliance with
- ☐ not in compliance with

Production Practice 4.1

Summarize the basis for this Finding/Deficiencies Identified:

The operation trains its own personnel, that of the Segutal carrier and SIP personnel. The written induction procedure is described in the CSLS-16 General Safety Rules and training is performed according to the Annual Training Matrices. All personnel involved in the cyanide transfer operation are trained at least in cyanide awareness and in the emergency response plan. Training in cyanide awareness provides all personnel who may encounter cyanide with knowledge in recognizing the cyanide materials present at the operation, the health effects of cyanide, the symptoms of cyanide exposure, and the procedures to follow in the event of exposure. The operation has provided training and refresher to their staff, SIP and Segutal, to understand cyanide hazards. The operation provides refresher courses annually and will do so with issues related to cyanide.

The auditor reviewed the annual training matrices 2022-2024, training materials, examples of training participation lists, understanding test and interviewed employees to verify that cyanide hazards are adequately addressed and potentially exposed personnel receive both initial and periodic refresher training.

The facility trains its workers regarding the proper use of personal protective equipment and the specific personal protective equipment required for various tasks and in different areas of the facility. Use of personal protective equipment is disseminated to the employees in the initial entry induction into the company; in the specific work procedure for loading, unloading transfer and cyanide storage. The auditor noted board posts on dashboards on the proper use of personal protective equipment on dashboards, such as the proper removal of the Tyvec suit, use of face shields and eye protection, care of the half-face mask, and for correct use of gloves. Training based on CSLS-16 covers facility-wide personal protective equipment use, although each procedure reinforces that training with a section on required personal protective equipment. The auditor reviewed examples of training participation lists 2022-2024 in the use of personal protective equipment, observed the use of personal protective equipment at the facility and interviewed the employees regarding their training, finding this in

conformance.

All personnel involved in the management of cyanide at the SLP facility have been trained to perform their assigned tasks in a safe and environmentally sound manner. Task-specific training is aimed to instruct employees on how to accomplish their assigned tasks safely; the required procedures are designed such that the tasks are accomplished in a manner that prevents exposures and releases. Each procedure has a "Development" section which contains step-by-step instructions on how to safely perform a task. The auditor reviewed annual training matrices and participation lists from throughout the recertification period to verify compliance. Through interviews, employees showed awareness of procedural requirements.

Task training is provided to employees before they are allowed to work with cyanide in an unsupervised manner. Training effectiveness is evaluated through testing and through observation of on-the-job performance by the Operations Supervisor. Procedure CSLS-16 requires that new staff be inducted with the following six procedures before they can work with cyanide: SLS-04 Management of Emergency Kit for NaCN and HCN Medical Treatment; CSLS-13 Use and Inspection of Gloves; CSLS-16 General Safety Rules; CSLS-18 Barricade Use; CSLS-22 Emergency Plan and Personnel Duties; and CSLS-24 Risk Communication and Signage. Until the induction training has been completed, fresh staff cannot work without supervision. The auditor verified compliance by reviewing training records and interviewing operational and supervisory personnel.

The facility provides refresher training annually to its employees, on normal tasks involving handling cyanide to ensure that employees continue to perform their jobs in a safe and environmentally protective manner, as scheduled in the annual training matrices. This program, among others, includes specific training to their assigned tasks and address cyanide safety. Formal evaluations were verified by review of the evaluation records and interviews with employees.

The operation´s annual training matrices identify the specific cyanide management elements that the employees must be trained in to properly perform the required tasks. Training based on cyanide working procedures identifies the important items that must be conveyed to a new employee regarding how the cyanide-related tasks must be performed. The auditor reviewed the training material and interviewed workers and trainers finding compliance with this provision.

Training on normal tasks to handle cyanide is provided by Draslovka (Covoro Mining Solutions) qualified senior staff to provide training personnel, who have experience in the handling of sodium cyanide: the Operations Leader and the Operations Supervisor, both with 36 years of experience, and the Operations Supervisor with 13 years of experience. All are experienced and qualified personnel with knowledge of the specific tasks to be accomplished and experience in effective communication techniques. Verification included interviews with the Supervisors, confirming their level of expertise in operating the facilities and in training is adequate.

The facility evaluates the training effectiveness through testing and observation of on-the-job performance by the Operations Supervisors. The supervision applies a written exam-type questionnaire for each procedure that is reviewed and the review of the processes is carried out through the Work

Cycles (observation of tasks). Each procedure contains an exam that requires a passing grade of 80%. The auditor reviewed records for formally documented evaluations, finding it in compliance.

Production Practice 4.2

Train employees to respond to cyanide exposures and releases.

The operation is	✓ in full compliance with ☐ in substantial compliance with ☐ not in compliance with	Production Practice 4.2

Summarize the basis for this Finding/Deficiencies Identified:

The operation trains all its employees working in the facility in what to do in the event they observe a cyanide release and/or exposure, to call for assistance and to provide cyanide first aid themselves. Personnel are trained in the different procedures that the site has to respond to a situation of exposure or release of cyanide. According to the annual training matrices, employees are trained to provide first response in case of cyanide spills and first aids; also, they are trained to call for the assistance of medicals from the local hospitals located in the surroundings of the facility. Workers are trained annually in transportation emergencies, spill management, use of barricades and in the Emergency Response Plan, among others. The auditor reviewed the operation's training matrices, records of emergency response training, and through interviews with facility personnel confirmed that appropriate training is provided to site personnel in the following emergency procedures: CSLS-01 Transportation Emergencies; CSLS-22 Emergency Plan and Personnel Duties; CSLS-05 Spills Management; and CSLS-23 Alarm Code.

Personnel at the facility are trained in all the necessary actions to carry out against cyanide exposures and in release response actions as is assigned in the operation's emergency response plan. The operation's requirements for employee training, including records of the training that these employees receive is detailed in the Annual Drill Program; Annual training for Brigades; and periodic review of procedures in accordance with the Training Matrix. Workers are trained annually in CSLS-04 Management of Emergency Kit for NaCN and HCN Medical Treatment, CSLS-05 Spill Management, CSLS-18, Barricade Use and in CSLS-22 Emergency Plan and Personnel Duties related to responding to cyanide exposures and managing releases. The auditor reviewed examples of training participation lists from throughout the recertification period and interviewed workers verifying compliance.

The facility retains the emergency response training records, throughout an individual's employment documenting the training they have received and including the names of the employee and the trainer, the date of training, the topics covered, and how the employee demonstrated an understanding of the training material. The auditor reviewed examples of training participation lists covering the recertification period, examples of completed exams lists, binders of training records and interviewed trained personnel determining compliance with this provision.

Principle 5 | EMERGENCY RESPONSE

Protect communities and the environment through the development of emergency response strategies and capabilities.

Production Practice 5.1

Prepare detailed emergency response plans for potential cyanide releases.

The operation is	✓ in full compliance with ☐ in substantial compliance with ☐ not in compliance with	Production Practice 5.1

Summarize the basis for this Finding/Deficiencies Identified:

The operation has the CSLS-22 Emergency Plan and Personnel Duties (Emergency Response Plan or ERP) for responding to a cyanide emergency in the site, along with procedures CSLS-01 Transportation Emergency Procedure; CSLS-04 Management of Emergency Kit for NaCN and HCN Medical Treatment; CSLS-05 Spill Management; CSLS-08 Brigade Organization; CSLS-09 Treatment of HCN and NaCN Intoxication; and CSLS-18 Barricade Use. The Plan and procedures describe specific emergency response actions to respond to cyanide releases and exposures.

The Plan and procedures do not consider a catastrophic release of hydrogen cyanide gas (HCN) as a scenario due to the nature of its operation. The Plan do consider a release during handling cyanide applies only to solid cyanide; in the event of a cyanide spill, the amount spilled would be less than a ton over a concrete pavement built with appropriate slopes so that it does not allow the accumulation of water puddles. The procedure prohibits the transfer of cyanide in the presence of rain or severe weather. Cyanide manipulation is carried out on an impermeable surface and no water courses are in the vicinities.

Releases during fires are covered under the ERP. In all cases, the Plan indicates that, if possible, to fight the fire with dry chemical powder extinguishers that are not acidic or that contain water. If the fire cannot be controlled, it is preferable to let the product burn. For larger fires, the Plan considers calling the local firefighter's company. Explosion scenarios are not considered possible in the Plan as the facility does not store substances or materials that could result in explosions. As of July 2022, the operation contracted a fire risk assessment for its facilities carried out by an NFPA certified fire protection specialist, concluding the report in a low fire risk classification.

The Plan does not consider emergency scenarios due cyanide piping, valves or tanks rupture as the facility only manages solid cyanide. Also, Draslovka considers power outages and equipment failures inapplicable because of the manual approach to transloading wherein the workers would simply stop work. The scenarios of failure due to overtopping of ponds, tanks, and waste treatment facilities are inapplicable to the operation because there is no cyanide solution at the facility.

The auditor verified that the Plan address those release scenarios that may be expected to occur and result in significant impacts to its workers, community and environment, as applicable to the site-specific features of the operation and its environmental setting.

The Emergency Response Plan addresses the types of releases and responses that may be expected to occur at the site and includes sufficient details so that personnel know the specific actions they are expected to take in response to the emergency. The degree of detail and specificity in the Plan is adequate to the environmental setting of the operation, the nature of the potential receptors, and the controls in place at the facility. All operators on site are trained as emergency responders. Including first-time operators who are equipped with the proper emergency response equipment, the operation counts spill volumes one box at a time. The warehouse is located in an industrial area.

The Plan and procedures describe step- by-step response actions for solid cyanide spills (CSLS-05 Spill Management, fire (CSLS-22 Emergency Plan and Personnel Duties), cyanide exposed workers, use of cyanide antidotes and first aid measures for cyanide exposure (CSLS-04 Management of Emergency Kit for NaCN and HCN Medical Treatment and site evacuation. There is also a community telephone directory for contacting the neighboring industrial facilities should a broader evacuation be needed. Control of releases at their source is addressed in CSLS-05 Spill Management and CSLS-18 Brigade Organization. Containment, assessment, mitigation and future prevention of releases are addressed in the ERP and procedures CSLS-05 Spill Management and CSLS-20 Investigation of Plant Incidents and Accidents. The auditor evaluated the Emergency Response Plan and procedures confirming its level of detail is appropriate.

Production Practice 5.2

Involve site personnel and stakeholders in the planning process.

The operation is	✓ in full compliance with ☐ in substantial compliance with ☐ not in compliance with	Production Practice 5.2

Summarize the basis for this Finding/Deficiencies Identified:

The operation has involved its own site personnel also to that of SIP, Segutal and security staff in the emergency planning process via regular review and revision of all procedures, the task observation activities according to procedure CSLS-15 Work Cycles, and via mock drills. Also, as stated in the Draslovka PowerPoint Presentation for the San Luis Potosi facility “Cyanide Production Self-Evaluation Protocol,” their site borders companies that do not have production processes, but there is a relationship of good neighborly help and there is training from nearby hospitals. There are no residential communities in the vicinity of the SLP facility, as confirmed by review of an aerial photograph. However, Draslovka has interacted with their industrial neighbors via an informal network for communications. The auditor reviewed assistance records registers, also interviewed site personnel

confirming compliance with this provision.

The operation maintains a fluid relationship with its neighbors as far as security is concerned. When required, they share information from surveillance cameras. In September 2024, an emergency drill was performed at the Potosi Industrial Supplies (SIP) company. The auditor reviewed coordination emails in order to not interfere with other operations. Other interaction was in occasion of national emergency mock drill. Draslovka stated that there are no residential communities in the vicinity of the facility. By an aerial photography, the auditor confirmed there are no communities nearby, only industrial installations. Draslovka staff stated there is an informal network for communications with their industrial neighbors. The auditor observations during the site visit confirmed there are no communities nearby. There is contact with neighboring companies, Civil Protection and public and private hospitals, and a nearby fire station.

Draslovka has involved local response agencies and medical facilities in the emergency planning and response process. Draslovka provided training to local hospitals, as shown in an excerpt from an internal self- evaluation. Medical personnel from public and private hospitals, as well as PROFEPA (Federal Environmental Protection Agency) and Civil Protection personnel have been invited to the training carried out by Draslovka. The auditor reviewed pictures of the training carried out by the company's doctor at the *Hospital d Especialidades Médicas de la Salud* in July 2024, organized by Draslovka with the participation of around 25 medical personnel. Another training course was also held in the town of Zelaya and online training for clients where external entities are also invited. The last training was held the first week of October 2024 on the subject of Management of Emergency Kit for NaCN and HCN Medical Treatment.

Draslovka has regularly engaged with stakeholders with respect to emergency planning, current conditions, and risks. These engagements were ongoing throughout the recertification period via Draslovka provided cyanide training drills hosted at the facility with a government agency, an inspection by the local Civil Protection unit, and SIP representation on the site staff. Additionally, Draslovka attends the annual training at the Civil Protection facilities together with PROFEPA and the Health Secretariat. The auditor reviewed email communications, and meeting minutes, confirming compliance.

Production Practice 5.3

Designate appropriate personnel and commit necessary equipment and resources for emergency response.

The operation is	✓ in full compliance with ☐ in substantial compliance with ☐ not in compliance with	Production Practice 5.3

Summarize the basis for this Finding/Deficiencies Identified:

The ERP addresses the primary and alternate emergency response coordinators with explicit authority to commit the resources necessary to implement the Plan.

The procedure CSLS-08 Brigade Organization identifies lead coordinators and their alternates and authorizes them to commit resources as necessary, also identifies the brigade members by name.

The annual training matrices requires training in the emergency response procedures, as well as use of self- contained breathing apparatus and barricading, among others. This is complemented with practice during the annual mock drills. Annual training is carried out at the Emergency Brigade Training School (ECBE).

Procedure CSLS-01 Transportation Emergency Procedure includes call-out procedures and 24-hour contact information for the facility brigade as well as Draslovka regional brigades.

Procedures CSLS-01, CSLS-08 and CSLS-22 Emergency Plan and Personnel Duties (the ERP) specify the duties and responsibilities of the brigade.

Procedures CSLS-01 lists the emergency response equipment and CSLS-04 Management of Emergency Kit for NaCN and HCN Medical Treatment lists the items for cyanide first aid.

Procedure CSLS-01 states to inspect the emergency response equipment assure its availability when required; the auditor reviewed completed inspection sheets for the equipment in the rescue equipment room from throughout the recertification period.

Procedure CSLS-04 describes the role for hospitals, the only outside entity that would be involved to treat patients exposed to cyanide. External physicians are included in the procedure, as well as a list of medical personnel trained to provide it.

Draslovka confirmed that outside entities relevant to the emergency scenarios for the facility as stated in Production Practice 5.1. are aware of their involvement and have been included in medical training. The outside entities with a role in the ERP are hospitals and even then, it is an offsite role for treatment of patients exposed to cyanide, as described CSLS-04. Local doctors participated in training offered by Draslovka and Chemours during the recertification period. The necessary information was available for the auditor's review.

Production Practice 5.4

Develop procedures for internal and external emergency notification and reporting.

The operation is	✓ in full compliance with ☐ in substantial compliance with ☐ not in compliance with	Production Practice 5.4

Summarize the basis for this Finding/Deficiencies Identified:

The facility has procedures and contact information relevant to the emergency scenarios appropriate for the site. The first communication is internal to Management and the Management follows up with Dependencies and Authorities, as mentioned in the CSLS-01 Transportation Emergency Procedure and in the ERP. The Transportation Emergency Procedure contains contact information for regional and corporate management and the national chemical emergency response agency (Sistema de Emergencias en Transporte para la Industria Quimica [SETIQ]), which would then notify other agencies as appropriate. The ERP contains contact information for general emergencies, the Red Cross, the fire department, and the police as a precaution even though these entities do not have defined roles. CSLS-04 Management of Emergency Kit for NaCN and HCN Medical Treatment contains hospital contact information. Draslovka has not identified a need for other outside response providers.

The situation is communicated to Draslovka corporate management team, who takes the lead in media management. At the corporate level, Draslovka has the Mining Solutions Global Response Plan for Off-Site Incidents that addresses outside notifications and communications with the media. The document´s Appendix B Mining Solutions Global Emergency Response Plan Phone List and Appendix D Media Guidance address developing an official position and communication with different audiences, respectively. The ERP limits public communications to corporate staff.

The ERP includes a requirement and details to notify ICMI of any significant cyanide incidents, as defined in ICMI's Definitions and Acronyms document. No such communications have been made as there was no significant incident in the operation.

Production Practice 5.5

Incorporate remediation measures and monitoring elements into response plans and account for the additional hazards of using cyanide treatment chemicals.

The operation is	✓ in full compliance with ☐ in substantial compliance with ☐ not in compliance with	Production Practice 5.5

Summarize the basis for this Finding/Deficiencies Identified:

Draslovka procedure CSLS-05 Spill Management describes specific remediation measures to the limited extent that such procedures are needed for this facility and setting. Draslovka does not manage cyanide solutions at the facility; most surfaces are roofed, concrete, or asphalt; and the climate is arid. Nonetheless, CSLS-05 describes methods to wash surfaces and materials with a dilute (6%) sodium hypochlorite solution to destroy cyanide, and that the neutralization materials are to be treated as hazardous wastes. Provision of an alternate drinking water supply is inapplicable because the facility already provides bottled water for their staff, and there are no discharges to surface water or groundwater that might affect intakes or wells, respectively.

Procedure CSLO-04 Storage, Handling and Disposal of Hazardous Waste describes specific measures for management and disposal of spill clean-up debris.

The CSLS-01 Transportation Emergency Procedure prohibits the use of chemicals such as sodium hypochlorite, ferrous sulfate and hydrogen peroxide to treat cyanide that has been released into surface water or that could be expected to enter surface water, although all activities are performed inside the facility cyanide yard properly confined and waterproofed and away from bodies of water. There are no surface water bodies near the site.

The facility has in place procedures CSLS-05 Spill Management and CSLS-07 Sampling of Water or Sludge that address the potential for environmental monitoring to the limited extent that such procedures are needed for this facility and setting. Draslovka does not manage cyanide solutions at the facility; most surfaces are roofed, concrete, or asphalt; and the climate is arid. Nonetheless, CSLS-05 addresses visual identification of the extent of a spill of solid cyanide, and in the unlikely event that characterization of potentially affected water was needed, then CSLS-07 describes sampling and analysis.

Production Practice 5.6

Periodically evaluate response procedures and capabilities and revise them as needed.

The operation is

- ✓ in full compliance with
- ☐ in substantial compliance with
- ☐ not in compliance with

Production Practice 5.6

Summarize the basis for this Finding/Deficiencies Identified:

The facility has provisions for reviewing and revising its emergency planning procedures on an established frequency. According to procedure CSLA-01 Document Classification and Management, the emergency planning procedures require review and revision every 2 or 3 years depending on their classification under CHMA-01. The header of each procedure lists dates for the original, current, and next revisions. The auditor observed that the emergency planning procedures had been revised according to the required schedule and were current as of 2024. Also, through interviews with site personnel and emergency respond training records verified its implementation.

The operation has conducted mock drills during this recertification period 2022 -2024 according to the procedure CSLS-37 Drill Planning – Protocol, Forms, and Annual Program. The mock emergency drills scheduled for 2022 were rescheduled for 2023 due to the Covid pandemic. The auditor reviewed reports of a drill carried out in June 2023 related to cyanide exposure with the participation of all plant personnel; also, in June 2023 performed a drill for spill. In August 2024 they carried out a drill for exposure to cyanide with 9 participants, the drill report included opportunities for improvement where they assigned dates and those responsible for closing the actions referred to, including carrying out a training as a refresher on the emergency plan. In May 2024 they carried out a fire drill in the plant yard with the participation of 21 workers. Draslovka has conducted at least two drills per quarter, according to CSLS-37 and the annual programs for the recertification period. The mock drills covered both cyanide exposures and releases.

All drills conducted during this audit cycle, along with their planning, encompassed the entire emergency process from notification through to closure. During the planning phase, various aspects were identified, including the type of drill, communications, expected responses, key personnel, and evaluators. Each drill meticulously details the step-by-step procedure followed during the emergency response, as well as the post-incident evaluation process and its assessment.

The ERP includes provisions to evaluate it and revise as necessary after any emergency that requires its implementation. This action can also arise from the procedure CSLS-20 Incident Investigation where corrective actions are taken through an action plan. The procedure contains a list of check boxes under the heading “administrative safety elements for the processes that failed.” If the box for “planning and emergency response” is checked, then the emergency response procedures would be evaluated and revised if necessary.