GREEN SUPPLY & LOGISTICS

MEXICAN CYANIDE SUPPLY CHAIN

SUMMARY AUDIT REPORT

FOR THE
INTERNATIONAL CYANIDE MANAGEMENT CODE

MAY 2023

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Introduction

Operation General Information

Name of Transport Operation:	Green Supply and Logistics, S.A. de C.V.
Name of Facility Owner:	Green Supply and Logistics, S.A. de C.V.
Name of Facility Operator:	Green Supply and Logistics, S.A. de C.V.
Name of operators in this Supply Chain	• Green Supply and Logistics, S.A. de C.V. (Green Supply)- cyanide consignor • ML Port Service, S. de R.L. de C.V. – cyanide warehouse at Manzanillo • CBR Soluciones Logísticas S.A. de C.V. - cyanide warehouse at Monterrey, Nuevo León • Transportes Tenso S.A de C.V. – cyanide transporter, Durango • Enlace Logístico Industrial S.A de C.V – cyanide transporter, Torreón, Coahuila • Fletes Bura de Chihuahua S.A. C.V – cyanide transporter, Chihuahua
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Location and Description

Green Supply & Logistics, S.A. de C.V. is a cyanide consignor operating a supply chain in Mexico, with headquarters at Chihuahua city. The consignor purchases solid sodium cyanide from different producers and receives the product in sea containers which is deconsolidated and stored by third part warehouses to be subsequently distributed to the different mining operations in Mexican territory.

In occasion of this audit, Green Supply´s cyanide supply chain was made up of two warehouses and three transport companies. During this audit, all following entities have been audited evaluated visiting each site, with the corresponding Verification Protocol

- Green Supply and Logistics, S.A. de C.V. (Green Supply) – the cyanide consignor at Chihuahua
- CBR Soluciones Logísticas S.A. de C.V. (CBR) - cyanide warehouse at Monterrey, Nuevo León
- ML Port Service, S. de R.L. de C.V. (ML Port) – cyanide warehouse at Manzanillo
- Transportes Tenso S.A de C.V. (Tenso) – cyanide transporter, Durango
- Enlace Logístico Industrial S.A de C.V. (Enlace) – cyanide transporter, Torreón, Coahuila
- Fletes Bura De Chihuahua S.A. C.V. (Bura) – cyanide transporter, Chihuahua

All components of this cyanide supply chain have been evaluated, as appropriate, against the ICMI (International Cyanide Management Institute) Transport Verification Protocol and the Production Verification Protocol.

Two of these supply chain components are recertification audits: Green Supply as the cyanide consignor and Enlace Logístico the trucking company.

During this recertification period from January 2019 to October 2022, this cyanide supply chain experiment several changes in its components. New components area:

- ML Port warehouse at Manzanillo – since August 2022;
- CBR warehouse at Monterrey – October 2021;
- Transportes Tenso – June 2022; and
- Fletes Bura – from June 2022.

Former components of the supply chain that stop working were:

- Puerto Carguero Logístico – until May 2020;
- Transportes Mineros del Pacífico - May 2020;
- warehouse Centro de Distribución Galeón - June 2020; and
- warehouse Almacén Hermosillo – until May 2021.

Green Supply purchases sodium cyanide from USA and Asian producers. USA cyanide is

transported through the Mexican border by Enlace trucking company to CBR warehouse, a third party storage in Monterrey. Cyanide purchased from Asia is shipped to Mexico and unloaded at the port of Manzanillo, where is collected by the port designated operator truck transporter (not included in the scope of this audit) and taken to ML Port warehouse at Manzanillo. ML Port services include transportation from the port to the storage location; the trucking company for this segment is not included in the scope of this supply chain, as is controlled by the port operator who assigns the transporter.

The consignor receives the product packed in Intermediate Bulk Containers (IBCs) in 20 foot sea containers which are deconsolidated and stored in the warehouses, to be subsequently distributed to the different mining operations in Mexican territory.

Distribution of cyanide from the storage facilities to mines across Mexico is carried out by mean of three trucking companies: Transportes Tenso, Enlace Logístico and Fletes Bura.

There are no trans-shipping depots or interim storage sites, as defined in the ICMI Cyanide Transportation Verification Protocol.

Auditor's Finding

This operation is

✓ in full compliance

☐ in substantial compliance

☐ not in compliance

with the International Cyanide Management Code.

This operation has NOT experienced compliance issues during the previous three-year audit cycle.

Auditor Information

Audit Company:	BP Cyanide Auditors S.A.C.	
Lead Auditor:	Bruno Pizzorni	bpizzorni@cyanideauditor.com
Transport Technical Auditor:	Bruno Pizzorni	
Dates of Audit:	October 3 through 10, 2022	

Auditor Attestation

I attest that I meet the criteria for knowledge, experience and conflict of interest for a Cyanide Code Certification Audit Lead Auditor, 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 Certification Auditors.

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

TRANSPORT VERIFICATION PROTOCOL

Principle 1 | TRANSPORT

Transport cyanide in a manner that minimizes the potential for accidents and releases.

Transport Practice 1.1

Select cyanide transport routes to minimize the potential for accidents and releases.

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

Green Supply, the cyanide consignor and its carriers, have written procedures for selecting the routes to minimize the potential for accidents and releases. The procedures require to evaluate alternative transport routes and to the extent practical, select the one that minimizes both the potential for accidents and releases and the potential impacts of such accidents and releases if they do occur.

The individual trucking companies evaluated, Enlace, Tenso and Bura, have implemented processes and procedures for their specific land routes. The evaluation procedures consider security issues, population density, existing infrastructure conditions of the roads, pitch and grade and areas with presence of water bodies and visibility due to weather conditions. The procedures call for driver feedback and routes are re-evaluated when driving conditions change, or when driver feedback suggests that this is necessary.

The auditor reviewed these procedures to verify compliance:

- Green Supply - PT 001/2022 Carrier and Route Selection Procedure
- Enlace - TRAN-AS-CS Hazardous Materials Transportation Route Selection Procedure.
- Bura - Procedure for the Analysis and Assignment of Transport Route of Hazardous Materials.
- Tenso - TMON-P-01 Rev01 Evaluation Procedure and Route Assignment.

Records were available to demonstrate that all current routes were assessed and approved. The auditor reviewed evidence that such selection process were used. In all cases, the evaluation and selection of the routes was limited by the actual availability of road alternatives and the jurisdictional designations required routes for transport of dangerous goods.

Green Supply and the trucking companies Enlace, Tenso and Bura procedures for route selection, include evaluation of the selected route to determine if extra precautions are necessary at points along the route. Areas posing increased risks are identified and the necessary precautions, such as reducing vehicle speed, are documented for driver training. The procedures establishes to perform a risk analysis and the steps to follow for the preparation of roadmaps for all routes covered by the organization during the execution of the transport service. Once identified the risks, it is required to establish the necessary control measures.

The procedures require to prepare and update the roadmap when there is a new route, modification of conditions or a request from the customer recording the aspects related to unsafe conditions (road condition, weather conditions and traffic), speed management by road sectors, signs and prohibitions of the road, heights of bridges, tunnels, ridges of hills, water, population density, mist zones and other aspects of transport safety. Mine customer input is considered when routes are determined. Green Supply has reviewed and approved the routes of its transporters. The trucking companies' procedures conform with requirements of the cyanide consignor.

Green Supply along with its transporters Enlace, Tenso and Bura require to periodically reevaluate the routes used for cyanide transport to confirm that no new risks have developed. This is a formal administrative review along with the driver reports on route conditions by mean of a WhatsApp group and also by periodic inspection of the routes.

The procedures state to evaluate routes annually, or when changes are identified by drivers travelling a route. Also, require the drivers to provide feedback on the route conditions. When feedback from a driver suggests that a route needs to be revised, the company revise the route and communicates latest information to drivers.

The trucking companies have formally reviewed their routes periodically. They also maintain various mechanisms for rapid, informal feedback on route conditions. Interviews with drivers and management personnel were used to confirm that feedback about driving conditions is communicated. Special conditions noted by customers are noted and communicated to all drivers assigned to the route.

Records were available to show that the transporters periodically performs route risk assessment and participates in meetings with the mine customer.

The transporters route risk assessments require to document the risks identified along the selected routes and to be available in writing both for driver training and as a reference. Features such as sharp turns, areas of proximity to surface water and high population density require special precautions.

Each truck transporter has listed the control measures in their route risk assessments. These control measures have been assigned to specific road sectors identified by kilometer

markings. These controls include speed reduction, co-drivers, daylight driving restrictions, experienced drivers only, escorts, load weight reduction, specialized training, and others. Speed restrictions show up as boxes around each sector of the road, as well as other control measures for river crossings, railroad crossings and dangerous intersections, among other.

Route evaluations were complete, and records were available for review. Each route segment is evaluated for risks associated with population density, infrastructure, pitch & grade, proximity to water bodies, and likelihood of encountering poor driving conditions. Routes are also evaluated for security issues and for cell phone coverage.

Green Supply has consulted with communities, stakeholders, and agencies on behalf of the trucking companies. The consignor considers consultation on route details a sensitive issue because of the very real possibility of increasing the risk of robbery or vandalism. In many cases, there is only a single route to remote mines.

The consignor document Carrier and Route Selection Procedure requires the transport company to establish a contact verification system with communication networks of the Federal Guard so that it is informed prior to carrying out the transfer of sodium cyanide about any novelty that arises such as safety problems, closed roads and / or deviations. This point includes communication with fellow transporters, communication with communities or stores of commerce and / or mining units themselves.

Social media system of the Federal Guard informs during the journey any news. They also interact with the mine where they consult about problems such as payments demanded by some populations. Green Supply evaluates the route by interacting with the mine where they are informed. Toll booths at Mexico also warn the transporters about any problem in the route.

Convoys of trucks carrying hazardous materials on public roads are prohibited by law in México. Occasionally, drivers from various companies will informally convoy on private roads in remote areas. However, the trucking companies do implement administrative controls in areas of special concern, such as no driving at night. For example, trucks are required to stop overnight in safety places preassigned. Before departing, each transporter analyze and register the hazards such as safe rest points, daytime driving only, maximum times during the day to travel. There are road sectors in Chihuahua where authority requires escort. Toll booths have been set up as rest points. Sometimes the transporters refuse to go to the location, as a safety measure.

They do additional route reconnaissance if necessary. Occasionally, the transport is accompanied by guards depending on the security conditions of the area, this at the request of the client or the authority. By interview to management personnel, the auditor confirmed that cyanide transport operations is performed during daylight only.

During the audit, based on sampling of inspection programs and supervision records

towards the members of the supply chain, it was not possible to determine whether Green Supply's inspection and supervision programs were implemented consistently during this recertification period between years 2019 through 2023 to make the contractor aware of the applicable Code requirements and ensure the contractor complies with those requirements. The auditor found significant gaps with lack of information to demonstrate the consignor consistency oversight of its cyanide carriers of this supply, necessary to maintain Code compliance.

The evidence to support this finding include documents reviewed by the auditor, the auditor's direct observations in the field, and interviews with appropriate personnel. During the audit it was required sampling of records, inspection reports or other documentation demonstrating the consignor's supervision records. It was not possible to conclude inspection and supervision programs were implemented effectively during this recertification audit.

The auditor declared this finding as a substantial compliance as the operation had made a good-faith effort to comply. The operation has made a reasonable attempt to manage cyanide in a manner consistent with this Transport Practice. The consignee, aware of this deficiency, hired an employee to correct this deficiency, establishing specific responsibilities. After a period of time of more than three months, Green Supply demonstrated by mean of consistently visit to each contractors to review its cyanide care management as required by the Code and sent documentation to the auditor demonstrating has reassumed control and is effectively managing cyanide in a consistent manner as required by the Cyanide Code. The auditor considers this deficiency has been corrected and this protocol question is now in full compliance with the Code requirements as the consignor demonstrated adequate supervision on its contractors supervising them on the following requirements of this Transport Practice:

- Ensure the transporters have evaluated the risks of the selected routes.
- Confirm the transporters periodically reevaluate the routes.
- Supervise the transporter is documenting the measures taken to address risks identified with the selected routes.

Transport Practice 1.2

Ensure that personnel operating cyanide handling and transport equipment can perform their jobs with minimum risk to communities and the environment.

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

Green Supply as the cyanide consignor, subcontracts the transport cyanide, for which has developed and implemented the procedure PT-001/2022 Green Supply's Procedure to Select Routes and Transporters. The transportation is subcontracted to the trucking companies Enlace, Tenso and Bura. These transporters have implemented the consignor´s procedure to select qualified operators and to ensure that only trained, qualified and licensed drivers operate their transport vehicles.

In accordance with Mexican laws, truck drivers for large loads and/or hazardous materials must obtain a Type E license from the SCT (Secretariat of Communications and Transport), an agency of the México government, and to renew the driving license every two years. To verify compliance, the auditor reviewed randomly the driving licenses of the operators, confirming the drivers had the required Type E license and that these licenses were current. Every two year drivers must undergo through a medical examination. The SCT conducts course and medical examination for renewal of Type E license every 2 years.

Internal requirements in each transport vary and consider factors such as driving experience with hazardous materials (HAZMAT), medical examination, education level, criminal record, vision test, psychological interview, drug/ alcohol test, reference checks, among others.

Enlace has the instructive Driver´s Profile, detailing the requirements to hire drivers who will transport hazardous materials and double articulated trucks configuration, according to requirements of local regulations. They keep track of the driver´s licenses and medical update by means of an Excel worksheet.

Tenso requires in addition three years driving experience, each driver must pass through a process of selection and hiring of personnel.

Bura requires four year experience, anti-doping test at the, the company´s president personally performs the driving test. The companies receiving waste require operators to keep all its licenses up to date.

The transporters were able to demonstrate that personnel operating its cyanide transport trucks and trailers were trained, qualified and have the specific license to operate the trucks category, as required in its jurisdiction. They keep copies of all operator licenses in the file of each employee. The transporters do not use handling equipment as forklifts and cranes

in the cyanide transport operations.

Personnel operating the trucks for cyanide transportation are trained to perform their assigned tasks in a safe and environmentally sound manner. They transport in box trucks with security seals, sodium cyanide packed in one ton IBC´s which are placed on the trucks by the warehouses staff and then unloaded by staff at the mines.

Green Supply has provided training to its transporters in Safe Transportation, Storage and Handling of Sodium Cyanide, and in Cyanide Emergency Response Plan, as required on its procedure to select transporters in 2022 of this recertification period. The auditor reviewed the training materials and attendance lists verifying compliance.

The SCT trains every two years and the transporters have also provided training to their operators. Their training includes in pre-use checklist (operation log), fatigue control due to driving hours, defensive driving, security, general health, and others. Enlace trained its drivers in the Standard Operation Procedure (SOP) on cyanide transportation, Tenso provided his operators with training in firefighting with extinguishers and defensive driving. Bura trained his drivers in Fire Prevention and Fire Extinguisher Management, also received training from Cyanco in Hazardous Materials Emergency Management and Care.

The auditor reviewed Green Supply´s training material, attendance lists, training programs and training certificates to verify compliance. Interviews with drivers, dispatch, management, and maintenance personnel were used to confirm that they were trained in the cyanide transport operation to perform their jobs safely and appropriately.

The auditor found training records in cyanide safe management corresponding to 2022. There were significant gaps to demonstrate the consignor consistency training its cyanide carriers during this certification period, necessary to maintain Code compliance. This item was found in substantial compliance.

The auditor found training records in cyanide safe management corresponding to 2022. There were significant gaps to demonstrate the consignor consistency training its cyanide carriers during this certification period, necessary to maintain Code compliance. This item was found in substantial compliance. After the audit, the consignor sent consistently training records provided in safe cyanide management to all contractors ensuring they can perform their jobs in a manner that minimizes the potential for cyanide releases and exposures. No more information was required to be in compliance with the Code requirement.

Transport Practice 1.3

Ensure that transport equipment is suitable for the cyanide shipment.

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

Green Supply has established in its procedure for routes and transporters selection, the consignor shall evaluate and approve the carrier's procedures for the movement of sodium cyanide.

Prior to any cyanide shipment, the consignor requires carriers to submit up-to-date driver documentation and the vehicle information, as required in the consignor's procedure for route selection. If everything is in accordance, the consignor gives permission to proceed with the cyanide transportation. Green Supply maintains copies of the circulation cards from of each carrier, where it indicates the characteristics of the vehicle, the owner, load capacity, configuration of the vehicle, dimensions, type of tractor, model and brand.

Enlace trucking company use 40 foot box trucks Kenworth TT60 and a T800 450 horsepower (hp). It is indicated on the truck circulation card issued by the Official Mexican Standard on maximum weights and dimensions. It indicates the requirements for specialized transport. Ending each trip, the driver delivers a failure report. Minor repairs are made internally, preventive maintenance is done internally and externally, as appropriate by the complexity and according to manufacturer requirements.

Tenso manages its preventive maintenance plan through a worksheet in Excel; showed service orders and external invoices for work performed. The company has implemented a QR code system to directly access to maintenance records in PDF. Preventive and predictive maintenance is performed for every 20,000 hours of vehicle work, to avoid corrective actions, according to the Head of Maintenance. They monitor the condition of the tires with wheel logs, checking the tires wear. Vehicle maintenance is carried out by externals, at local shops, also for cargo boxes and trailers. They check the suspension, tires, air hoses, sealing of doors and box for waterproof, change of packaging, lights and chassis. All vehicles have to go through a yearly technical review.

Bura transporter has stablished in its procedure for route analysis and assignment of hazardous materials transport route the cargo safety measures. It indicates the amount of material authorized for loading will only be a maximum of 24 tons. Operators are instructed to load material according to the instructions in the Green Supply and Logistics Freight Request; cargo is weighed randomly on public scales. The auditor reviewed the scale tickets.

Each year every vehicle has to pass the transport authority technical evaluation. The road authority requests physical-mechanical inspection records. The circulation card of each vehicle specifies the capacity of the trailer according to the invoice letter from the trailer manufacturer. They have truck specifications, they check the torque of the trucks, among others. According to the load requirements, the maintenance area assigns the tract. In case of routes with steep slopes more power trucks are assigned.

All the transporters showed records documenting the load-bearing capacities of its trucks and trailers detailing its maximum cyanide load weight. The transporters performs maintenance activities specific to ensure that its transport equipment retains a load-bearing capacity adequate for the anticipated load. This include periodic planned maintenance and inspections. The transporters vehicles have circulation permits issued by the Mexican federal agency for transportation (SCT). These permits, in conjunction with the SCT Table of Weights and Dimensions under the regulation NOM-012-SCT2, ensure that the equipment is designed for the appropriate loads. The auditor reviewed examples of these circulation permits at each transporter to verify compliance.

The auditor reviewed the load capacities as evidence of compliance, reviewed maintenance records and interviewed maintenance personnel to verify that the transporter's procedures are followed.

The auditor interviewed the transporters managers to verify its compliance with this provision. Shipment records were reviewed to confirm that standard weights within the capacity of the tractors, trailers and containers were being shipped. Weight capacities and the fulfillment of cargo inspection requirements were reviewed during the audit and were found to be compliant. Shipping records were available to demonstrate that equipment is not being overloaded.

The transporters verify that the load bearing capacity of its equipment is adequate by inspecting and testing its equipment to identify signs of stress or overloading. The transporters have procedures to verify the adequacy of the equipment for the load it must bear. Enlace has the procedure ELI - SEG - 006 Loading, Moving and Unloading Hazardous Materials or Waste; Tenso´s procedure is TTMON-P-01 Rev 01 Procedure and route assignment; and Bura addresses the issue in its Procedure for the Analysis and Assignment of Route of Transport for Hazardous Materials.

All transporters have implemented documented pre-use visual inspections to verify the adequacy of the equipment for the loads it will bear. These inspections, as well as their content, are required by the SCT. Inspection items cover each side of the tractor and trailer and include, for example, tires, rims, axels, suspension, chassis, nuts/bolts, air/hydraulic lines, brakes, connections, and others. The inspection forms specifically mention conditions related to load-bearing performance, such as fissures and cracks in the various components.

The auditor reviewed evidence of completed inspections performed before each shipment service and also interviewed the truck drivers in evaluating compliance with this provision.

The transporters have procedures in place to ensure that equipment is not loaded in excess of its design. One ton wooden boxes (IBCs) are loaded into the truck boxes at the warehouses, each driver is responsible to ensure the allowed quantity of boxes to transport to be within the range of the truck's carrying.

All transporters have implemented the SCT-required measures, as specified in the Table of Weights and Dimensions under the regulation NOM-012-SCT2, to prevent overloading of the tractors and trailers used in cyanide transport. Departure documents, shipping letters, and delivery notes list the weights of product being transported to verify the load complies with the SCT Table of Weights and Dimensions.

The auditor reviewed examples of documents Shipping Letter and Delivery Note from each transporter to verify compliance. Records of cyanide shipments were checked against weight capacities and weight limit regulatory information. The equipment is capable of transporting loads more than the maximum loads shipped. The regulatory limits on truck weight are typically the limiting factor that dictates the maximum amount of cyanide that can be transported. All personnel showed awareness of weight capacities and regulatory requirements pertaining to maximum truck weight allowed.

Green Supply´s Procedure for Selecting Routes and Carriers requires the transporter must be aware of their responsibilities under this Transportation Practice, that they must have procedures in place to fulfill these responsibilities, and to operate in accordance with the Code. The auditor reviewed Green Supply´s training records in this procedure, confirming the transporters are aware of this requirement.

Transport Practice 1.4

Develop and implement a safety program for transport of cyanide.

The operation is	✓	in full compliance with	Transport Practice 1.4
	☐	in substantial compliance with	
	☐	not in compliance with	

All transporters in the supply have implemented cyanide transport procedures describing the receipt, load, transport, and unloading of solid cyanide. Procedures and formal pre-trip checklist are used to ensure that the integrity of cyanide packaging is maintained during shipment, as well as during loading and unloading.

Enlace' s Procedure for Cyanide Transportation includes the register FELI- MAN- 008 Visual Inspection of Transport Units, requiring checking the truck box door is locked. Tenso´s checklist TTMON-F-02 REV02 Seals Inspection requires checking doors are closed and secured with padlocks and seals. Bura included this requirement in its procedure for route analysis and transport of hazardous materials, where addresses the safety measures to maintain to ensure the integrity of the load. Green Supply, the cyanide consignor, requires in its procedure for route and transporter selection, the transporters shall apply procedures that ensure the integrity of the cyanide packaging they transport during handling and transportation is maintained.

Truck boxes are locked and sealed after the cyanide loading operation and remain that way until deliver to mine sites. The transport companies do complete pre-trip inspections of the exteriors of the vehicle including the truck boxes, while in transit, to ensure the integrity of the cargo. The auditor reviewed examples of inspections forms verifying compliance.

The transporters procedures requires placards is used to identify the shipment as cyanide, as required by local regulations and international standards. It is the legal responsibility of each transporter to attach placards to the trucks, trailers and truck boxes. Vehicles placarding consists of the United Nations (UN) 1689 diamond placard identifying the load is solid sodium cyanide, Class 6 dangerous goods label and Maritime Pollutant (the marine toxin label).

The procedures require to review the condition of the truck boxes to ensure they are suitable for the trip, without holes in the box and with complete identification labels (placards). Pre-trip checklists include provisions to verify signage is complete. The auditor reviewed the cyanide shipments to transporter Enlace confirming placards area installed announcing the presence of cyanide on the transport vehicles.

The truck transporters have implemented safety programs for cyanide transportation. The procedures for sodium cyanide transportation addresses formal safety vehicle inspections before each shipment. Roles and responsibilities are clearly defined. They have implemented pre-trip inspections. These inspections, as well as their content, are required by the SCT. Inspection items cover each side of the tractor and trailer and include, for example, tires, rims, axels, suspension, chassis, nuts/bolts, air/hydraulic lines, brakes, connections, and others. The auditor reviewed examples of Daily Visual Inspection Forms from each transporter, which includes both the truck and the trailer, finding this in conformance.

All the trucking companies have preventative maintenance programs. Confirmation was made during interviews to company´s drivers and management personnel that the transporter performs preventive maintenance to their vehicles according to a stablished schedule, depending on the truck brand and road conditions.

The truck transporters have written maintenance programs. Maintenance is scheduled

based on time or distance driven. The auditor reviewed maintenance histories on screen for randomly selected units, verifying compliance. The auditor reviewed maintenance program, closed work orders and maintenance histories.

The SCT has established limits on drivers' hours in the Mexican Regulation NOM-087-SCT. The transporters comply with these regulations and have adopted it in written procedures. The auditor reviewed examples of the SCT-required forms (logbook) where they record the drivers' worked hours for all truck transporters (operators), verifying compliance.

The truck operators are responsible blocking the cargo to prevent loads from shifting. One ton wooden boxes are secured with straps in a designated pattern, as specified in the written procedures. Cyanide is shipped within truck boxes which are part of the trailer, eliminating the possibility of displacement during transport.

The auditor reviewed the transporter´s procedures confirming compliance. In occasion of the audit, the auditor saw at CBR warehouse in Oregon Mexico, the cyanide loading operation to the transporter Enlace, confirming the driver secured the boxes with straps.

All transporters' procedures include statements by which transportation can be modified or suspended for adverse conditions, after consultation with supervisors and the cyanide consignor.

The transporters have developed written procedures that include drug and alcohol testing at a minimum every six months. The auditor reviewed examples of breathalyzer tests conducted for alcohol and by interview with health and safety supervisors they informed that drug tests are carried out randomly.

All the transporters retain records of their safety programs. The auditor reviewed retained records documenting the above activities have been conducted. Records were available documenting inspection and maintenance records, spreadsheets to control drivers' hours, pre-trip inspections to prevent loads from shifting, procedures to suspend the trip if travel unfavorable conditions are encountered, and alcohol tests records.

During the audit, based on sampling of inspection programs and supervision records towards the members of the supply chain, it was not possible to determine whether Green Supply's inspection and supervision programs were implemented consistently during this recertification period between years 2019 through 2023. The auditor found significant gaps with lack of information to demonstrate the consignor consistency oversight of its cyanide carriers of this supply, necessary to maintain Code compliance.

The evidence to support this finding include documents reviewed by the auditor, the auditor's direct observations in the field, and interviews with appropriate personnel. During the audit it was required sampling of records, inspection reports or other documentation demonstrating the consignor's supervision records. It was not possible to conclude inspection and supervision programs were implemented effectively during this

recertification audit.

The auditor declared this finding as a substantial compliance as the operation had made a good-faith effort to comply. The operation has made a reasonable attempt to manage cyanide in a manner consistent with this Transport Practice. After a short period of time, Green Supply demonstrated by mean of consistently visit to each contractors to review its cyanide care management as required by the Code and sent documentation to the auditor demonstrating has reassumed control and is effectively managing cyanide in a consistent manner as required by the Cyanide Code. The auditor considers this deficiency has been corrected and this protocol question is now in full compliance with the Code requirements as the consignor demonstrated adequate supervision on its contractors supervising them on the following requirements of this Transport Practice:

- ensure that the cyanide is transported in a manner that maintains the integrity of the producer's packaging;
- review if placards or other signage are used to identify the shipment as cyanide, as required by local regulations or international standards;
- confirm the transporters maintains its safety program for cyanide transport that includes vehicle inspections prior to each departure/shipment, a preventive maintenance program, limitations on operator or drivers' hours, procedures to prevent loads from shifting, procedures by which transportation can be modified or suspended if conditions such as severe weather or civil unrest are encountered, a drug abuse prevention program and that they retain records documenting the safety program.

Transport Practice 1.5

Follow international standards for transportation of cyanide by sea.

The operation is	✓	in full compliance with	Transport Practice 1.5
	☐	in substantial compliance with	
	☐	not in compliance with	

Green Supply's cyanide supply chain operations only includes ground transportation and storage; there are no maritime transportation activities, this transportation practice does not apply to this supply chain.

Transport Practice 1.6

Track cyanide shipments to prevent losses during transport.

The operation is	✓	in full compliance with	Transport Practice 1.6
	☐	in substantial compliance with	
	☐	not in compliance with	

All drivers are provided with cell phones to communicate with the transport company, the mining operation, the cyanide consignor, the warehouse or the emergency responders, as appropriate. According to their procedures for cyanide transportation, all trucks must have communication equipment. Drivers have pre-determined contact information with them during deliveries.

The drivers keep their cell phones operational and charged. The vehicles have GPS tracking system which is checked for properly function before each trip. The auditor reviewed checklists and inspection forms, as well as screen shots of testing, to verify compliance. The transport companies use checklists to verify the communication equipment is functioning properly.

Cell phone black-out areas in the different routes from the warehouses to the mine's sites have been identified by the transporters during the routes risk analysis. By review of the routes risk analysis performed, interviews and equipment review, the auditor confirmed this practice.

The transporters have implemented satellite-based GPS systems to track trucks during transport. They use GPS and software systems that visually tracks truck locations on computers and cell phones. The cyanide consignor has access to these systems to track the progress of cyanide shipments. The auditor observed the tracking maps on the supervisor's cell phones during the site visit to each transporter, verifying compliance.

Cyanide shipments are carried out directly from the warehouses to the mines sites without opening the truck boxes, for which the seals are controlled through pre-trip inspections and after each stop en route. Drivers, in accordance with the requirements, must always carry the dispatch guides indicating the amount of cyanide in transport, the shipping paperwork, including chain of custody requirements, to ensure that cyanide shipments arrive at their destination intact. Among others, a waybill accompanies the cyanide shipments which includes chain of custody data such as container numbers, waybill numbers, shipping documentation, bill of lading, customs declarations and shipper guide.

The auditor reviewed this documentation completed during the course of several

shipments and through interviews with operators. All transporters have implemented inventory controls to prevent cyanide losses during shipment. The transporters provided paperwork for review that documented the date/time/location of departure and upon delivery of the product, as well as acceptance of delivery by the mine. The number cyanide boxes and weights were listed on the paperwork. In addition, the doors of the trucks are sealed with a numbered metal strip that is removed only at the point of delivery to verify the load was not tampered with during transit. Shipping paperwork was found to be conformant to the Code requirements.

The transporters showed completed shipping records indicating the amount of cyanide transported in each truck. Their procedures for cyanide transportation require this documentation must accompany every cyanide shipment. All shipments of cyanide are accompanied by shipping papers identifying the amount of cyanide in the load and by Safety Data Sheets describing the necessary precautions for handling of cyanide. The auditor reviewed the transporter's procedures confirming that this information accompany each cyanide shipment and verified its implementation by interviewing operators and reviewing this documentation from performed cyanide shipments.

Green Supply exercises control over its transporters, tracking each cyanide shipment from departure to arrival to prevent losses during transport. The auditor reviewed the consignor paperwork confirming compliance.

Principle 2 | INTERIM STORAGE

Design, construct and operate cyanide interim storage sites to prevent releases and exposures.

Transport Practice 2.1

Store cyanide in a manner that minimizes the potential for accidental releases.

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

Transport Practice 2.1

Interim storage activities in this cyanide supply chain, as defined by ICMI, does not take place. Cyanide shipments are sent directly from the warehouses to the mine sites. Within the scope of this supply chain audit, there are no trans-shipping depots or interim storage sites, as defined in the audit protocol. This Transport Practice does not apply to this transport operation.

Principle 3 | EMERGENCY RESPONSE

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

Transport Practice 3.1

Prepare detailed emergency response plans for potential cyanide releases.

The operation is	✓	in full compliance with	Transport Practice 3.1
	☐	in substantial compliance with	
	☐	not in compliance with	

All the transporters in this supply chain have developed written Emergency Response Plans (ERP) for emergencies that may occur during its cyanide transport activities. The consignor ERP serves as an umbrella plan for the plans of the individual trucking companies. These are detailed documents that include, among other information, the emergency response team organization chart, emergency phone directory, communication channels guidelines, emergency scenarios, and instructions to attend specific and general emergency scenarios. The auditor reviewed the following ERPs:

- Green Supply: Emergency Response Plan for Sodium Cyanide Transportation, dated November 11, 2022
- Enlace: TRAN-OP-CS Emergency Response Plan for Sodium Cyanide Transportation, dated January 1, 2022
- Tenso: TTSEG-M-01Emergency Plan for Transport of Explosive Material, Chemicals and Hazardous Waste, dated October 27, 2022
- Bura: Emergency Response Plan for Sodium Cyanide Transportation, dated January 10, 2022.

The ERPs reflect the issues presented by the particular transport route, the method of transport appropriate for the transportation route, the physical and chemical form of the cyanide, the condition of the roads and the design of the transport vehicles.

The emergency scenarios have been identified as result of the route assessment evaluations and emergency response actions have been addressed. The emergency scenarios described are specific to the physical and chemical form of the cyanide handled, and the transport vehicles used. In all cases, the physical form is solid cyanide as briquettes. The physical properties are described, such as density, solubility, and color. In all cases, the chemical form is sodium cyanide.

All emergency scenarios developed are related to ground transportation: incidents without injuries, mechanicals problems, collision, rollover with and without spill, fire during

transportation, fall of the load and collision with hurt persons. The ERPs provide information regarding the packaging and transportation characteristics of the product and the transportation unit.

The auditor reviewed the ERPs verifying that appropriately considers these factors in identifying potential emergency scenarios and necessary response actions. The documents were found to be up-to-date and appropriate for this solid sodium cyanide transportation operation.

The ERPs describe the nature of the response actions to be taken for the types of emergency situations identified to land transport, such as mechanical failure, fire, roll-overs, releases (dry or wet, over asphalt/concrete or soil), roadblocks, protests, and theft. In general, the truck operators are to call to it headquarter, isolate the area, keep people away, use of personal protective equipment (PPE), and if possible to do so safely, recover small amounts of spilled cyanide. The trucking company will communicate with Green Supply and the authority. The appropriate authority for initial notification is the Mexican agency in charge of the Emergency Transportation System for the Chemical Industry (SETIQ). The level of detail is adequate to the nature of the potential emergencies identified in the Plans and the available response capabilities.

The transporters included detailed actions, particularly for potential releases in locations along the route that have been identified as presenting increased risks, including notifications to its headquarters, Green Supply and downstream authorities for a release that occurs as cyanide is transported near a river. The auditor reviewed the Plans verifying that they describe specific response actions to be taken for the types of potential release scenarios identified.

The ERPs describe the roles of external entities in response actions, which will be directed by SETIQ. This government agency SETIQ is responsible for directing which other entities should be involved, including police, military, firefighters, red cross, and hospitals.

For chemical response actions with specialized equipment, Green Supply is in contact with Reciklan, a third party emergency responder with more than 20 years' experience handling hazardous materials and waste. This emergency responder has faced various contingency events and spills related to sodium cyanide and the handling of hazardous materials and waste. With headquarters at Hermosillo, Reciklan has branch offices at Mexicali-Tijuana, Ciudad Juarez and Nogales. In case of a significant incident with cyanide spill in route or at the warehouses, Reciklan will be in charge of dealing with this type of emergency, collecting the spilled material, remediating and neutralizing any remains. Also will be in charge to transport of any material and waste contaminated by cyanide to final disposal in an authorized HAZMAT landfill.

Transport Practice 3.2

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

The operation is	✓	in full compliance with	Transport Practice 3.2
	☐	in substantial compliance with	
	☐	not in compliance with	

Green Supply has provided training on safe cyanide management and emergency response to its transporters. The auditor reviewed the training program and certificates to verify compliance.

The transporters have also provided other emergency response training to their own staff. The auditor reviewed training programs, attendance lists, and certificates to verify compliance. Trainings addresses all anticipated response activities including calling for assistance, use of personal protective equipment and first aid for cyanide exposure. The elements of these training are documented in training materials, and records including the individuals trained and the nature and date(s) of training are retained. The training materials were in PowerPoint presentations with detailed information. The auditor reviewed this documentation and interviewed designated response personnel verifying compliance with this provision. Training records were available and complete.

The specific duties and responsibilities of response personnel are identified in the ERPs. The expectations are clear for the consignor and the transporters and there is a basis for training of these personnel. In the event of an emergency, accident or breakdown en route, the cyanide consignor and the carrier will provide support and provide the clarifications requested by the public authorities, as required by local regulations. For the three trucking companies, the duties and responsibilities for cyanide emergency response are similar. The truck keeping people away, and if safe to do so, covering spilled materials with a tarp.

The transporters have complete list of the emergency response equipment in their respective ERP and checklists inspections forms for inventorying the equipment, which include all the necessary emergency equipment that must accompany the cyanide load along the transport route.

The transporters have prepared equipment lists for safety and emergency response equipment carried in their trucks during cyanide transport. In all cases, the lists include equipment for normal operations, PPEs, equipment and materials for emergencies.

The transporters have available and documented the necessary emergency equipment ready to use for each cyanide shipment by mean of a checklist, which is required in the ERPs emergency equipment and materials to be checked prior to each cyanide delivery. The

auditor reviewed completed emergency equipment checklists, observed the equipment and interviewed the transporters personnel as a driver, the planning responsible and the health and safety responsible, verifying compliance with this provision.

The lists include among others, chemical resistant suits/gloves, rubber boots, N95 type respirators masks, goggles, tarp and cords, plastic bags, shovel and pail, bag of lime, dry chemical fire extinguisher, absorbent materials, tape, traffic cones, flares, first aid kit, and a highway emergency response guide. Green Supply has recently provided them with portable hydrogen cyanide gas (HCN) monitors with alarms set to 4.7 and 10 ppm. They will be calibrated as recommended by the manufacturer.

The emergency response equipment identified in the transporters ERPs is inspected and tested regularly so that it will be available in good working order when needed for use. The transporters' ERPs require to check emergency equipment as part of the pre-trip inspection process. Among the control measures adopted, the ERPs addresses to perform inspections to the emergency equipment before loading the truck. Checklists are used to verify that it is available prior the shipment departure and it is kept in the operation file. The auditor reviewed these records verifying that they check the equipment to be in good working order during transport of cyanide.

The consignor's selection and oversight procedures ensure that contractors in its supply chain are aware of their responsibilities under the Code with respect to cyanide emergencies and take the measures necessary to prepare for emergencies. The auditor verified that both the consignor and the entities within its supply chain comply with this provision.

Transport Practice 3.3

Develop procedures for internal and external emergency notification and reporting.

The operation is	✓	in full compliance with	Transport Practice 3.3
	☐	in substantial compliance with	
	☐	not in compliance with	

All the transporters have procedures and current contact information in their ERPs for necessary internal notification and external notifications in the event of a cyanide emergency during transport. Current contact information lists include names and telephones number of the transporter's personnel, the warehouses, the receiver (mining clients), regulatory agencies, medical facilities, ambulances, police, firefighters, third party emergency responder contractor Reciklan, and potentially affected community's

information. The operators for each trucking company carry their respective ERPs with the contact procedures and lists.

In case of an emergency, the driver will immediately communicate with the transporter´s headquarters, who in turn will give notice to the consignor. Likewise, they will communicate SETIQ who will coordinate with Green Supply, external responders' agencies such as firefighters, hospitals and police delegations, and communities. The auditors reviewed the transporters notification and contact information verifying compliance with this provision.

The transporters have systems in place to ensure that emergency contact information is kept current. This are provisions in the ERP for annual or more frequent review of the entire Plans, and a specifical requirement to periodic updating of contact information by mean of testing each contact number on a regular basis. The auditor reviewed the ERPs verifying its implementation through review of documentation as updated telephone list and by mean of interviews with the transporter's personnel.

Green Supply and its cyanide transporters require in their respective ERP to notify the ICMI in case of cyanide emergency that constitutes a "significant cyanide incident" as defined in the Code's Definitions and Acronyms document.

Transport Practice 3.4

Develop procedures for remediation of releases that recognize the additional hazards of cyanide treatment chemicals.

The operation is	✓	in full compliance with	Transport Practice 3.4
	☐	in substantial compliance with	
	☐	not in compliance with	

For cases of a cyanide spill incident requiring remediation, recovery or neutralization of solutions or solids, decontamination of soils or other contaminated media and management and/or disposal of spill clean-up debris, Green Supply´s ERP refers to the procedure for these purposes of Reciklan emergency contractor. Reciklan provided complete procedures to remediate spilled cyanide.

Impacted soils are to be excavated until spilled material is no longer encountered based on testing with a field test. Recovered product and/or removed soils are to be placed in proper labelled containers and then disposed at a mine or in accordance with environmental regulations.

The truck driver's role require to notify Green Supply, isolation of the area, keeping people

away, and if safe to do so, covering spilled materials with a tarp. SETIQ would oversee overall response coordination, and once the Reciklan brigade arrives, they will be responsible for remediation, recovery or neutralization of solutions or solids, decontamination of soils or other contaminated media and management and/or disposal of spill clean-up debris.

The auditor reviewed Reciklan ERP Emergency Response Protocol, updated November 11, 2022, where in Annex 5 Sodium Cyanide Spill Protocols, details the procedures to follow.

All the transporters ERP´s including the cyanide consignors and the ERP of the emergency responder contractor Reciklan, explicitly prohibits the use of chemicals such as sodium hypochlorite, ferrous sulfate and hydrogen peroxide to treat cyanide that has been released into surface water. The auditor reviewed the transporter's ERPs and interviewed its supervisors, confirming their knowledge with this provision.

Transport Practice 3.5

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

The operation is	✓	in full compliance with	Transport Practice 3.5
	☐	in substantial compliance with	
	☐	not in compliance with	

The transporters' ERPs include provisions to review, evaluate and update their ERP as necessary to account for changes in potential release scenarios and necessary response actions that can vary over time for a variety of reasons, including changes to transport routes, changes to the form of cyanide transported, and changes to the types of transport equipment used. The auditor evaluated the processes and its implementation reviewing the ERPs past versions. Changes are documented and confirmed through interviews with the transporter's supervisors.

The transporters ERPs state to perform periodically mock emergency drills, with the purpose of evaluating the effectiveness of the Plan and correcting the anomalies found.

Green Supply ERP and the procedure sodium Cyanide Spill Emergency Simulation Procedure with Persona Exposed, includes a provision for periodically conducting mock drills with his transporters.

In the past years 2020 and 2021 there were not conducted mock emergency drills in this cyanide supply chain due to restriction of COVID-19 pandemic. In 2022, Green Supply and all its transporters held a mock drill.

On October 9, at the company's facilities Enlace Logístico Industrial Headquarters in Torreón, Coahuila, operators (drivers) and supervisors of the transport companies Transportes Bura, Transportes Tenso and Enlace Logístico Industrial that provide service to the company Green Supply, met to perform the mock emergency drill.

The scenario simulated a unit collision, the box collapses and opens, leaving two 1 ton boxes open, the rest of the boxes in good condition. The operator calls the Traffic Manager of his company who calls Green Supply. The cyanide consignor in turn communicates with Reciklan so that they can proceed with the corresponding action. The operator with his PPE cordons off the area and wait Reciklan Rescue Unit arrives. Reciklan brigades covered the CN with a black plastic, place soil on top of it and wait for the rain to stop. While monitoring HCN gas levels, collected the spill as well as any remainder of the cleanup to be handled as hazardous waste.

The auditor reviewed the drill report describing the exercise itself, number of participants (17), the type of scenario, the basic actions taken, strengths and weaknesses. All findings were followed with corrective actions until closed.

Green Supply requires in its ERP that all transporters in the supply chain should review and evaluate their ERP following any incident that triggers its activation. No revision has been done in this regard as no cyanide transportation emergency was reported in this recertification period.

PRODUCTION VERIFICATION PROTOCOL

Green Supply purchases sodium cyanide from USA and Asian producers. USA cyanide is transported through the Mexican to CBR warehouse, a third party storage in Monterrey. Cyanide purchased from Asia is shipped to Mexico and unloaded at the port of Manzanillo, where is collected by the port designated operator truck transporter (not included in the scope of this audit) and taken to ML Port warehouse at Manzanillo. ML Port services include transportation from the port to the storage location.

The consignor receives the product packed in Intermediate Bulk Containers (IBCs) in 20 foot sea containers which are deconsolidated and stored in the warehouses, to be subsequently distributed to the different mining operations in Mexican territory.

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 engineeringpractices 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:

Both CBR warehouse at Monterrey and ML Port warehouse at Manzanillo have been professionally designed and constructed. The cyanide storage areas include roofing, floors and walls that provide impermeable barriers to potential releases and forklifts used to move and store cyanide packed in one ton Intermediate Bulk Containers (IBC). There are no tanks holding contaminated water.

Records demonstrating the implementation of quality control and quality assurance programs during construction of these facilities, and as-built drawings stamped by certified professionals engineer were available for the auditor's review. Records of the review and approval of the facilities design and construction by the regulatory agencies were also available as evidence of compliance.

The materials used in the construction of the warehouses is appropriate for the use of the facilities. There are no solutions used in these operations, there is only solid sodium

cyanide. The warehouses have concrete floors with sealed joints in the floors. Both warehouses are constructed with concrete floor, block and sheet metal walls, and sheet metal roof.

No production systems as transloading operations take place at these warehouses, therefore in these sense, no releases will be due to power outages or equipment failure. The warehouses exclusively handle cyanide in closed containers such as Intermediate Bulk Containers.

The cyanide storage areas at both warehouses have concrete floor in very good shape. The floors are constructed with concrete slabs, waterproof, non-absorbent, washable and non-slip materials; with crack-free finishes and are easy to clean and disinfect. Handling and storage of IBC packaged solid cyanide at the warehouse's operation is conducted on a concrete impermeable surface.

The auditor inspected both warehouses confirming that concrete surfaces are intact and do not have cracks that compromise their ability to contain released cyanide.

The facilities do not have cyanide process and storage vessels systems in place.

The warehouses floor serve as sufficient secondary containment for the stored IBCs. There is no cyanide solution involved in these operations. The warehouses operations areas for unloading, storing and loading cyanide packages are built on concrete with curbing which provides a competent barrier to leakage. Compliance with this provision was determined through the auditor inspection of the facilities and review of construction and maintenance records.

No cyanide solution pipelines are This provision does not apply to the warehouses as there is no cyanide solution. The facilities do not have pipes for cyanide solutions since they only handle closed IBC containing solid sodium cyanide briquettes.

The warehouses receive cyanide in closed wood boxes (IBC) packaged in polypropylene bags which protect the product from the air-environment moisture. Boxes are 1 ton capacity and are stored on concrete floor in good conditions to prevent contact with water. Both cyanide warehouses are constructed with concrete and sheets metal walls, concrete floor, sheet metal roof. The surfaces adjacent to the warehouse are graded away from the warehouse to prevent ponding of water near the walls. The safety showers near the cyanide storage areas are designed such that leaks will not come in contact with cyanide packages.

Solid cyanide in wooden boxes is stored in the warehouse with adequate ventilation. The warehouses have air ventilation units installed along the warehouse walls. In addition to the ventilation units, large roll-up doors are available for increased air flow that prevents the build-up of cyanide dust and hydrogen cyanide gas. Adequacy of

ventilation was confirmed through visual confirmation.

The facilities are within a locked areas with restricted access. Security guards are present 24 hours a day, 7 days a week. Gates are kept locked. Visitors must sign in upon entry. Access to the unauthorized personnel is prohibited. Both warehouses keep records of all site personnel and subcontractors that access to the cyanide warehouses.

Cyanide is stored separated of incompatible materials in both warehouses.

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	Standard of Practice 1.2

Summarize the basis for this Finding/Deficiencies Identified:

The warehouses operation have operational procedures describing the operations activities, safety measures and personal protective equipment required during routine activities. There are written procedures for unloading and loading cyanide IBC´s from /to truck boxes, for cyanide safe storage and for managing any contaminated materials. The procedures describe how cyanide containers and contaminated materials are managed in a safe and environmentally sound manner that prevents cyanide releases and exposures.

The auditor review the facilities written operating procedures, among other documents, confirming that they address the safe management of cyanide. Implementation of procedures for reception, handling and storage of cyanide was confirmed through observation of these activities during the auditors' sites visits. During his visit to the Obregón warehouse, he coincided with a cyanide loading operation into the truck box, which were being loaded according to the written procedure. The auditor also had interviews with the personnel responsible for performing these tasks, and reviewed the available documentation, finding it in conformance.

The operations standard operation procedures include contingency instructions for non-standard operating situations that detail contingency measures to be implemented if there is an upset in any activity that may result in cyanide exposures or

releases. These procedures include actions in case of cyanide as spills. Evacuation of the warehouses is also addressed. Spill kits and equipment are located near the entrance door of the warehouses. Contingency actions in the standard operating procedures include situations such as damage to a cyanide box on arrival inside a damage sea container or car box or during handling cyanide boxes.

The warehouses operations have formalized procedures for managing of changes (MOC). These procedures require to evaluate any impact on the worker´s Health & Safety (H&S) and the environment before new projects or equipment be installed on site. Require conducting a risk analysis before changes in procedures or equipment is done. State to identify changes to the facility or its operating practices that may increase the potential for cyanide releases and adverse impacts on worker health and safety before such changes are implemented so that they can be evaluated and addressed, as necessary. The procedures require written notification to environmental and H&S health and safety personnel and a sign-off before the change can be instituted. Verification was through a review of the procedures of both warehouses as well as completed MOC forms, signed off by environmental and health and safety personnel.

Both warehouses have preventive maintenance programs and checklists for the forklifts, air extractors, dock levelers and product receiving/delivering activities. Maintenance activities are recorded in an electronic log. The operation inspect and maintain all concrete for cracks, cleans out trenches and check sumps. The frequency of the different preventive maintenance activities is scheduled in program. The type of maintenance corresponds to the equipment of the facilities. Maintenance records were available for review and found acceptable.

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

The cyanide warehouses have impermeable floors and walls to provide secondary containment, although no cyanide solutions is stored. Both operations have written procedures implemented in place describing how any water collected in the building is handled, how the operation determines if the water contains cyanide, and how it treats and/or disposes of water contaminated with cyanide, to prevent unauthorized / unregulated discharge to the environment of any cyanide-contaminated water that is collected in a secondary containment area. The procedures also address management of water found in secondary containments for outside storage areas. The only potential cyanide solutions generated at the warehouses is the equipment decontamination water in case of a spill of solid cyanide.

Advised by Green Supply, the facilities have implemented the Procedure for Handling, Transport and Storage of Hazardous Chemicals, which outlines how to proceed with potentially contaminated solids with cyanide are wooden box parts, polypropylene bags, used Tyvek suits, and other used personal protective equipment (PPE). The cyanide contaminated waste material will be stored in the hazardous waste area within the warehouses while awaiting shipping. On any cyanide spill, the emergency procedures of Green Supply and Reciklan will be followed. The auditor reviewed an agreement letter between Green Supply and Reciklan to provide emergency response on any cyanide spill, cleaning, decontamination and final disposal of contaminated material. Reciklan will ship these materials to a hazardous waste management provider in the area of each warehouse. Records of waste shipments other than cyanide, were available and found to be acceptable.

The warehouses Procedure for Cyanide Storage, developed and advised also by Green Supply, state it shall be the responsibility of the operator/storekeeper to inspect the integrity of the IBC once it arrives at the warehouse as indicated in the unloading procedure according to the following points:

- No breaks in the strapping
- That the wooden boxes are completely sealed
- That do not have visible heels caused by forklift blades.
- That the pallets of the box are intact for proper handling
- That polypropylene composite IBC boxes do not present visible breaks.
- In case the integrity of any sodium cyanide packaging is compromised for any of the reasons mentioned above, the operator will notify his supervisor so that he in turn informs Green Supply and Logistics.

Once the condition of any committed packaging has been determined, it will proceed as follows:

- Store the box without stowing.
- Place the box without stowing.
- Quarantine for collection by Reciklan.
- It will be made available immediately with a client.

The auditor confirmed the cyanide boxes are labelled in Spanish among other languages and labeled as required by the political jurisdictions of the Mexican territory through which the packaged cyanide will pass, using UN 1689 and maritime contaminant signaling for each package. Truck boxes also labelled with similar signage. The procedures were in place to confirm that labeling and packaging has not been compromised when it is shipped to customers. Records were complete and readily available.

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 warehouses are operated as dry facilities, there are no tanks with cyanide solutions. Both cyanide storage operations inspect all loading, unloading, and storage areas and secondary containments to identify releases of solid cyanide or situations that pose a risk of a cyanide release as cracking of impermeable surfaces. Documentation has been retained and was available for the auditor's review demonstrating that inspections have been conducted, that they have been focused on the identification of releases and on the elements critical to the prevention of releases and exposures.

Checklist used for these inspections direct the inspector to evaluate specific items and provides sufficient detail regarding what to look for. During the site visit to the warehouses, the auditor confirmed the facilities are identifying potentially hazardous conditions. The warehouses are regularly inspected, the workers were knowledgeable regarding the aspects that could present a treat and that they have to notify them to the site manager. Documentation is retained and was available for the auditor's review demonstrating that inspections have been conducted.

The warehouses conduct inspections frequently enough to identify potential problems before they present a risk of cyanide release or exposure. Inspections are

completed at monthly frequencies. Inspections include the warehouse, emergency response equipment and materials, review and registration of extinguishers. There are also pre-operational inspections before operations involving cyanide handling, and inspections of the documentation, boxes and transportation equipment. The auditors observed examples of sufficient completed forms and spreadsheets covering to confirm that the warehouses conduct the inspections on a regular basis.

The facilities inspections and maintenance records are documented and include the date of the inspection, the name of the inspector and any observed deficiencies. The nature and date of corrective actions are documented in the inspection records. The auditor reviewed this information, verifying that this information is recorded. Records are retained in hard copy and were acceptable.

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 warehouses written procedures for unloading and loading cyanide IBC´s from /to truck boxes, for cyanide safe storage and for managing any contaminated materials, address all aspects of the operation (reception, storing and dispatching of cyanide), that are necessary for protection of workers. These procedures include inspection programs for the cyanide warehouse and its preventive maintenance programs for the forklifts during normal operations, The procedures also address the required actions for non-routine and emergency operations, and maintenance activities. The procedures address the related safety issues as they describe safe practices. The level of detail in these procedures is adequate with the risks involved with the task. These documents include statements for use of personal protective equipment and for pre-work inspections, as appropriate and necessary for the warehouse's operations. Pre-work inspections are required for cyanide reception and dispatch operations. Use of

personal protective is addressed in the procedures, safety training programs and in signs posted in specific work areas where cyanide is present.

Pre-work inspections are focused on safety and operational issues and documented in inspection. The operations has also procedures in its emergency response plans, describing the specific steps necessary to decontaminate emergency response equipment which could have been in contact with cyanide. The auditor reviewed these procedures confirming they describe safe work practices and are implemented, through employee interviews and observation.

Workers at both warehouses have the opportunity to express their feedback in development and evaluation of health and safety procedures during informal daily 5-minute pre-work talks in which various topics are discussed and work is planned.

The auditor reviewed the written procedures for unloading and loading and safe cyanide storage where are required such meetings, and by interviews with the warehouse's personnel. Employee participation in the development and maintenance of safety practices was found to be acceptable.

The facilities have identified the areas where hydrogen cyanide (HCN) gas is potentially harmful to humans. Both operations have identified with appropriate signaling those areas and activities that may expose its workers to harmful cyanide concentrations and require all personnel entering these areas to use the necessary personal protective equipment (PPE). The standard operations procedures require PPE and a gas monitor as protection from exposure to levels of cyanide greater than 4.7 parts per million (ppm) and 10 ppm.

The auditor confirm by direct observation of the signaling warning workers, 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 these protective measures are being implemented.

The facilities use personal (portable) monitoring devices when working in unloading and loading activities to confirm that safe working conditions exist and that cyanide levels are below 4.7 ppm. Green Supply, the cyanide consignor, has provided each warehouse with one portable HCN monitors to use during warehouse activities. The alert level is set at 4.7 ppm and the alarm level is set at 10 ppm. An alert result in reporting to the warehouse supervisor, investigating the cause, and ventilating the

area with a large moveable fan. The procedures address to stop the work and clear the area if the first alarm of 4.7 ppm HCN gas is trigged, and to evacuate the warehouse in case the second alarm set at 10 ppm is activated. Compliance with this provision was be verified by observation of the monitoring equipment Honeywell BW Solo and employee interviews.

Green Supply has recently provided with cyanide monitors to the warehouses. Last calibration date was September 12, 2022. As required by the manufacturer, these cyanide monitors must be calibrated every six months. The auditor reviewed the next calibration date was set to be on March 17, 2023, as required by the manufacturer. The auditor reviewed the initial (actual) calibration records indicating that the equipment calibration was completed.

The warehouses procedures prohibits employees from entering the cyanide storage areas unless accompanied by a second employee who can immediately summon assistance in the event of an exposure to harmful concentrations of cyanide; these procedures require that a buddy system is used. Workers carry cell phones for communication. The auditor reviewed procedures and observed workers during the sites visit to verify compliance. The auditor confirmed compliance with this provision through review of the standard operating procedures, interviews and observation of employees.

Both warehouses have implemented procedures to assess the health of their employees when they are hired and periodically thereafter to ensure their fitness for their jobs, as required by Mexican regulations. Operators have a medical exam when they are hired and then annually thereafter. The exams include checking blood pressure, heart function, vision and a general fitness for duty. Specific medical issues to be evaluated also include the ability to use a respirator, hearing and vision, and pulmonary function.

The auditor confirmed they had their periodically medical exams and that such assessments are being conducted was confirmed through interviews to workers and supervisors.

The warehouses written procedures for unloading and loading cyanide IBC´s from /to truck boxes, for cyanide safe storage and for managing any contaminated materials, include clothing change provisions for employees and contractors that enter areas with the potential for cyanide contamination of clothing. Visitors are not allowed to be in the cyanide storage areas.

All the warehouses' operators working with cyanide must wear Tyvek suits, this clothing is left on site in a safe place when they leave, out of access of unauthorized workers to the place, so that it can be reused, if the suits are still in good shape. The procedures address employees must change clothes upon leaving the operational area. They remove any clothing that has potentially been in contact with cyanide after cargo handling operations. The auditor reviewed the procedures and observed the change room with lockers and the dedicated area to store the used Tyvec suits to verify compliance.

The facilities have placed legible signage throughout the cyanide storage and operation areas as necessary to ensure that all workers who may be exposed to cyanide are aware of the risks and take appropriate protective measures. Workers are alerted to the presence of cyanide and the need for appropriate personal protective equipment. The auditor verified compliance by observation of signage around the facilities, interviews with site personnel and review of the overall safety and training programs regarding to cyanide safety.

Both facilities prohibit smoking, eating, drinking and having open flames in all areas of the warehouse where cyanide is present. The prohibition is included in the operation's safety training, standard operations procedures and is re-enforced by signage in these areas. The auditor reviewed the training plans and records, interviewed the employees and observed on site signage throughout the facilities finding compliance with this provision. Employees showed awareness of the restrictions and of the potential dangers of not following the rules. Signs that explain these prohibited activities are at the entrance to the cyanide warehouses and the unloading areas, among others.

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:

CBR warehouse maintains the PROC DC 02 Sodium Cyanide Emergency Protocol for Spills and Intoxication and the PROC VCI 02 Firefighting Emergency Protocol for rapid and effective response to cyanide accidents. ML Port warehouse has the PDG-SE-02

Procedure for Management, Transport and Storage of Hazardous Materials and the PL-SEG-01 Emergency Response Plan for Sodium Cyanide Transportation, Manipulation and Storage. The procedures and plans cover 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 are also detailed. The documents addresses transfer of exposed victims to medical centers. The procedures and plans are suited for each facility.

One safety shower and low-pressure eye wash station is available at each warehouse, provided by the cyanide consignor, Green Supply. Non-acidic fire extinguishers are available near areas of the warehouses where workers may be exposed to cyanide, among other areas. Water supply is from the city network. The eye wash and emergency showers are tested daily. The facility has several non-acid fire extinguishers located at strategic locations throughout the facility. Both shower / low-pressure eye stations and fire extinguishers are inspected regularly. Inspection / testing records were reviewed and were found to be complete.

The warehouse has water, oxygen, Air Mask Bag Unit (AMBU) as resuscitation equipment, Sodium Nitrite and Sodium Thiosulfate as cyanide antidotes, and communication devices readily available. Communication is accomplished with cell phones. The auditors confirmed compliance with this provision through inspection of the facility and interviews with employees.

The facilities appropriately maintains emergency response equipment and the antidote to ensure their availability during an emergency. Recent records of equipment inspections were reviewed for the equipment and the antidote. The methods by which shelf-life medicines and antidotes are managed were also reviewed. The auditor confirmed the dates on antidotes have not expired and also that they are stored at the temperature specified by their manufacturer to ensure it will be effective when used. The antidotes are stored in air-conditioned offices to meet the man temperature range of 20 to 25 degrees centigrade. Both warehouses' operations inspect the first aid and emergency equipment on a monthly basis.

Copies of the sodium cyanide Safety Data Sheets are available to workers at the entrance to the operational areas of the warehouse in local language, Spanish. First aid procedures are available at the first aid kit. Also, as other information materials on cyanide safety, the facilities have enough signing informing about the presence of cyanide and the precautions to consider.

The facilities do not include cyanide solutions, storage tanks, process tanks, containers and piping containing cyanide. They exclusively manage cyanide in solid

form in IBC boxes. All containers of cyanide are clearly identified as such. The auditor determined compliance with this provision through inspection of cyanide containers stored at the operation.

The facilities standard operation procedures have requirements implemented for hand washing and showering for its employees who have been in areas of the facility posing the potential for skin exposure to cyanide. The auditors reviewed the procedures for unloading and loading cyanide IBC´s from /to truck boxes, for cyanide safe storage and for managing any contaminated materials and confirmed its implementation through observation of and interviews with employees. The procedures cover all people entering and leaving the warehouse area and require that they wash their hands when leaving the warehouse. Employees demonstrated a good understanding of the decontamination procedure and the need for safety precautions.

The warehouses operations have on-site personnel trained in cyanide first-aid to respond in the event of a cyanide exposure. The auditor reviewed training records in the emergency response plan which includes cyanide fist aids, provided by Green Supply´s H&S supervisor who is an experienced trainer in cyanide emergency, demonstrating that the individuals have received specific training in cyanide first aid, including use of oxygen. Antidotes would be administered at medical centers by authorized personnel.

The emergency procedures and plans of both warehouses cover transfer of exposed victims to a medical center, allowing for warehouse staff to transport the exposed person to the hospital. CBR emergency response plan requires immediate notification to the clinic and transport of the victim, along with the cyanide antidotes and bottle of oxygen, to the medical centre Clinics Promedic, located at 10 minutes' drive from the warehouse. In a similar way, ML Port warehouse emergency procedures requires to transport exposed workers to the Manzanillo General Hospital, at 30 minutes' drive. The auditor reviewed the operation's response procedures confirming compliance with this provision.

Both facilities have agreements with their respective medical centre to provide medical attention to exposed workers that require attention beyond the site capabilities. Green Supply is confident that the hospitals have adequate, qualified staff and equipment.

The warehouses have implemented procedures for incidents report and investigation,

including cyanide exposure cases. According to interviews, procedures and practices would be extensively reviewed in the event of an incident to determine the need for revision. There have not been any cyanide-related incidents, but records of other accidents and incidents were reviewed 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 facilities do not discharge directly or indirectly to surface water. There are no surface water nearby. The facilities are not required by local regulations to monitor for cyanide discharges to surface water or ground water upgradient and downgradient of the sites.

The facilities do not have direct or indirect water discharges to the environment, they are not required by local regulations to monitor for cyanide concentrations in groundwater discharges to surface water or ground water upgradient and downgradient of the sites.

As required by the Mexican regulations the facilities contract indoor air analysis every two year to monitor HCN, cyanide dust, and carbon monoxide among others air quality parameters. HCN and cyanide dust levels were below regulatory action levels for worker exposure.

There are no requirements or demonstrated need to perform surface water or groundwater monitoring. Air quality monitoring frequency is performed biannually,

as required by local regulations.

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:

Green Supply trains each warehouse workers to understand the hazards of cyanide through an annual training and refresher program that include the following topics among others:

- Cyanide properties
- Cyanide safety management
- First aids;
- Use and safety issues related to the SLS system
- Emergency response
- Emergency drills.

The auditor reviewed the learning material in Spanish the local language, covering the full range of training related to cyanide. This material is used for the cyanide safety training given annually by the Green Supply H&S Supervisor.

Interviews with site personnel confirmed they had completed hazard awareness training. The auditors found that all the warehouses' workers have been trained on cyanide related topics. Records include the names of the employee and the trainer,

the date, topics covered, and tests of understanding. Records are retained throughout an individual's employment documenting the training they receive.

Each site personnel receive specific training regarding the use, storage and cleaning of the personal protective equipment (PPE) required by each activity conducted. Personnel is trained on the cyanide work procedures which includes a learning module on PPEs use. In addition, each operational procedure includes the PPE required to perform the job. Auditors found all personnel was trained on the operational procedures, including the use of PPE, during the recertification period.

All personnel involved in the management of cyanide is trained to perform their assigned tasks in a safe and environmentally sound manner. Task training instruct employees on how to accomplish their assigned tasks safely, and the required procedures to accomplish the task in a manner that prevents exposures and releases. Internal training in the operative procedures has been given to all operation personnel. The induction training program includes the safety procedures and safety measures applicable to the activities that are conducted onsite. The cyanide training is provided by Green Supply.

Examples of assistance and test of understanding records were observed in person's folder. Employees are trained to perform normal operation tasks to minimize risks to personal safety and the environment. Through interviews, employees showed awareness of procedural requirements for both normal and upset operating conditions.

Task training is provided to employees before they are allowed to work with cyanide in an unsupervised manner. All personnel is trained internally on cyanide awareness training prior to work in the facility and trained in the job procedures before working with cyanide. The auditor verified its compliance by reviewing the training materials and records and interviewing operational and supervisory personnel.

Refresher training on normal tasks involving cyanide is provided annually by Green Supply to ensure that employees continue to perform their jobs in a safe and environmentally protective manner. This training is specific to their assigned tasks and address cyanide safety. The register of personnel authorized to work with cyanide shows the date of its annual refresher training. Formal evaluations were verified by review of the evaluation records.

Green Supply use the work procedures as training material for the warehouses, which

contains all the necessary elements are identified. Training elements are defined for the different jobs. Records were reviewed and were found to be complete, finding this requirement in compliance.

The training is provided by green Supply´s H&S Supervisor, an experienced trainer who trains the emergency response in all the supply chain. She is a qualified person to provide the safety and operations training. She has been training emergency response teams through the Chemical Industry National Association (ANIQ) in different locations.

Green Supply evaluates the effectiveness of their cyanide task training by testing of the warehouse's employees at the completion of training and observation of employees performing their tasks after initial training. 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:

Employees working in areas where cyanide is present are trained in what to do in the event they observe a cyanide release and/or exposure. Green Supply trains the personnel on the emergency responses. Interviews with personnel showed acceptable awareness regarding procedures to be followed in case of a cyanide release or exposure.

All personnel working with cyanide at the warehouses conform the emergency response brigades and have been trained by Green Supply to aid workers exposed to cyanide. Training includes decontamination and the use of the oxygen and control of releases. The operation's requirements for employee training are included in the operation's training programs, emergency response plans and training records.

Both sites and Green Supply keep training records and evaluation results of all trained

workers. Training records are maintained for at least as long as the employee is working at the site. Records were reviewed and were sufficiently detailed to be found conformant. The auditor reviewed this documentation and interviewed trained personnel determining compliance with this provision, 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 materials.

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:

Both warehouses maintain emergency response plans (ERP) to address potential releases of cyanide that may occur on site. CBR warehouse maintains the PROC DC 02 Sodium Cyanide Emergency Protocol for Spills and Intoxication and the PROC VCI 02 Firefighting Emergency Protocol for rapid and effective response to cyanide accidents. ML Port warehouse has the PDG-SE-02 Procedure for Management, Transport and Storage of Hazardous Materials and the PL-SEG-01 Emergency Response Plan for Sodium Cyanide Transportation, Manipulation and Storage.

The ERPs consider the following potential failure scenarios for its site-specific environmental and operating circumstances:

a) Catastrophic release of hydrogen cyanide. The ERPs contain sections on warehouse evacuation, the action for a large HCN release.

b) Releases during loading and dissolution operations. The ERPs contain a section on leaks or spills of cyanide during loading, unloading or transfer operations; dissolution is inapplicable.

c) Releases during fires and explosions. The ERPs and procedures contains sections on fire breakout.

d) Pipe, valve and tank ruptures. Inapplicable because the warehouses do not manage cyanide solutions.

e) Power outages and equipment failures. These scenarios are not considered in the ERPs as any power outage or equipment failure, although that may reasonably be expected to occur during the cyanide operations in the warehouses, will not result in significant impacts to its workers, community and environment.

f) Overtopping of ponds, tanks and waste treatment facilities. Inapplicable because the warehouses does not have facilities for cyanide process solutions.

The ERPs and an associated procedures describe, as appropriate to the applicable emergency scenarios, the following:

a) Specific response actions. The ERPs describes step- by-step response actions for spills, fire, injured workers and site evacuation. There is also a community telephone directory for contacting the neighboring industrial facilities should a broader evacuation be needed.

b) Use of cyanide antidotes and first aid measures for cyanide exposure. The procedures for responding to cyanide exposures describe actions for inhalation, absorption, and ingestion for both conscious and unconscious victims. The warehouses staff would administer oxygen but only trained medical staff from the hospitals can administer the antidotes.

c) Control of releases at their source. The section in the ERPs on spills discusses controlling sources.

d) Containment, assessment, mitigation and future prevention of releases. The section in the ERPs on returning to normal operating conditions describes containment, assessment, mitigation, and prevention measures, including a detailed investigation in accordance with the separate incident investigation procedure.

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:

Workers have been involved in emergency response planning via the training sessions and mock drills. Workers have also been trained in safe cyanide management and first aids in case of cyanide exposure. Stakeholders were involved in the initial process to obtain functioning licenses for the warehouses. Green Supply has provided cyanide antidote training and safe cyanide management training to the warehouse's workers. Staff from the 3 trucking contractors have also participated in the mock drills. The warehouses managers stated that the nearby businesses have been invited to participate in mock drills, but none have done so. Adjacent facilities have been informed of the site's operations.

Both warehouses' facilities are located within industrial parks. The sites have informed adjacent facilities and civil protection authorities regarding its operations and coordination in case evacuation is required. The sites provided a copy of its emergency response procedures to the civil protection authorities.

The facilities were able to demonstrate through interviews and through communication records, that they are in regular contact with local authorities, and the external emergency responder contractor Reciklan.

Green Supply has an agreement with the external emergency responder contractor Reciklan, a third party emergency responder with more than 20 years' experience handling hazardous materials and waste. This emergency responder has faced various contingency events and spills related to sodium cyanide and the handling of hazardous materials and waste. With headquarters at Hermosillo, Reciklan has branch offices at Mexicali-Tijuana, Ciudad Juarez and Nogales. In case of a significant incident with cyanide spill in route or at the warehouses, Reciklan will be in charge of dealing with this type of emergency, collecting the spilled material, remediating and neutralizing any remains. Also will be in charge to transport and final disposal of any material and waste contaminated by cyanide.

Green Supply has engaged in regular consultation and communication with all its cyanide supply chain actors, with Reciklan and civil defense authorities, to ensure that

the ERPs addresses current conditions and risks. The auditor's finding is based on interviews with on-site personnel and Green Supply President. The cyanide consignor is engaged to maintain their involvement in ongoing improvement of the ERPs.

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:

Site workers and the management personnel are members of the site emergency response brigade. Their roles are described in the ERPs. Site manager is the brigade coordinator. Their responsibility, authority, and duties for managing an emergency situation are clearly described, as the primary and alternate emergency response coordinators with explicit authority to commit the resources necessary to implement the ERPs.

The emergency response teams are identified in the warehouses ERPs plans. All involve participation of Green Supply as coordinators and Reciklan brigades as responders on major emergencies.

The ERPs require appropriate training for emergency responders. Members of the warehouse's emergency brigade have been trained by qualified Green Supply personnel.

All ERPs have updated emergency telephone numbers contact lists. They include telephone numbers of the local emergency response agencies, Reciklan and Green Supply representatives.

Responsibility, authority, and duties for managing an emergency situation are clearly described in the ERPs.

The ERPs list the emergency response equipment that should be available and includes PPEs, containment and neutralization materials and collection equipment for waste generated during the emergency.

The emergency response equipment is inspected monthly using checklists. Its availability and operability was confirmed during the audit. Filled checklists were

reviewed and interviews during the audit confirmed this practice.

The roles of the police, firefighters, medical services, emergency response contractor Reciklan and Green Supply are described in the ERPs; they have participated in the emergency drills conducted by the site.

Green Supply has confirmed that outside entities with roles in emergency response are aware of their involvement and have been included in trainings that included practicing cyanide first aids. The primary outside responder is Reciklan. Green supply has an agreement with this emergency response contractor and delivered copies of the ERPs to this contractor and to civil defense. All the actors of this supply chain, have participated in mock drills.

The auditor reviewed records of meetings, confirmation that these entities were sent copies of the ERPs, and interviews with on-site and off-site personnel, as well as documentation of mock drills indicating the various parties that participated in the drills.

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 warehouses and Green Supply ERPs include emergency telephone numbers, of the nearest hospitals, local emergency agencies and Green Supply representatives are included. The plans establish who is responsible of calling the external responders and authorities. The ERPs contain procedures for evaluating emergencies and as appropriate, notifying management, agencies, responders, medical facilities, and others. The auditor reviewed the ERPs verifying that this information is available and up to date. In addition.

Both warehouses are located within industrial parks; the contact phones information in the ERPs include the names of the adjacent facilities that would be notified in case of emergency. The ERPs include who needs to make the notifications (in the event of an emergency) to Green Supply leadership, neighboring industrial partners, and authorities. The plans describe the procedures to notify the external support Reciklan to achieve a more effective emergency response. The emergency response

procedures also include measures for contacting and communicating with the media in the event of an emergency. The information was available for the auditor's review in the ERPs.

The ERPs include 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 done 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:

1. Does the Emergency Response Plan describe specific, appropriate remediation measures, such as:

   The warehouses ERPs address recovery cyanide briquettes, decontamination of contaminated media, and management and disposal of spill clean-up debris. Briquettes would be recovered using brooms, shovels, bags, and pails. Recovered materials would be returned to the boxes or disposed as with other hazardous wastes. There are no cyanide process solutions at the warehouses, but in the unlikely event of a liquid cleanup, the ERPs indicates that absorbent materials or sand would be used, followed by recovery as with solid cyanide. Other than wash down with water, if needed, neutralization or treatment is not anticipated.

   Provision of an alternate drinking water supply is not considered as the operations only manages solid cyanide over impermeable surfaces, a release from the warehouses operations is not considered can adversely impact a drinking water supply. Although the warehouses are supplied with drinking water from the public network, the personnel drinks bottled water. Provision of an alternative water supply is inapplicable because the warehouse and surrounding businesses are supplied by city water with the sources distant from the industrial park.

   The ERPs prohibit 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 site property and there are not surface water bodies near of the site.

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

Standard of Practice 5.6

Summarize the basis for this Finding/Deficiencies Identified:

The ERPs requires that emergency plans to be updated when conditions change or at least every 2 years. The ERPs contain sections on the history of changes to these documents. Green Supply ERP has been updated during this recertification period; the warehouses are new actors at this supply chain.

Emergency drills have been conducted by Green Supply and its cyanide supply actors except for years 2019 and 2020 due to COVID-19 pandemic. The drills were evaluated by Green Supply the warehouses sites management and workers. Learned lessons are considered to update the Emergency Response Plan and procedures if required. The modifications to the Emergency Response Plan and procedures are notified to the site workers. The auditors reviewed the mock drill reports, where the response times were considered, the training, the material handling suitability and the personal involvement. The reports include evaluation of the drills, the ERPs compliance, and established the necessary corrective action. Corrective actions were done and closed.

All the ERPs have provisions to evaluate the Plan and revise as necessary after any emergency that required its implementation. No such reviews have been conducted as there were no cyanide incidents requiring to activate the ERP.