



**DPM's Report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act***

*This report has been prepared by Dundee Precious Metals Inc. (DPM or the Company) for our financial year ending December 31, 2024 in response to reporting requirements for relevant Canadian companies under Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act) and has been organized to address each area specified under the Act's reporting requirements.*

**PART 1: Statement of Commitment**

Modern slavery continues to impact global supply chains, individuals, and communities. DPM recognizes that companies everywhere share a clear responsibility for reducing and mitigating the risks of forced labour and child labour in their own organizations and supply chains.

For DPM, that responsibility begins with our overarching commitment to human rights, embedded in our corporate values, our Code of Business Conduct & Ethics, our Corporate Responsibility Policy and our Human Rights Standard, which establishes specific requirements aimed at preventing any form of human rights abuses at our operations or in our supply chain. Those commitments are in turn guided by the standards established in International Labour Organization (ILO) Conventions, UN Guiding Principles on Business and Human Rights and the UN Global Compact and are consistent with (or exceed) the laws, regulations, and standards in the countries where we operate.


The following is DPM's second report under the Act, which provides an account of the progress we've made over the last year to prevent and reduce the risk of forced labour and child labour in our operations and supply chains.

Over the past year, DPM continued the due diligence and risk assessment processes described in our 2023 Report. In 2024, as part of our commitment to continuous improvement, DPM:

- focused on assessing risks of new suppliers,
- conducted an updated risk assessment of each country where our assets are located
- completed a gap analysis to identify suppliers that were not subject to a third-party due diligence (3PDD) process and started the process of completing the outstanding 3PDD for all the relevant suppliers, and
- conducted continuous training across the company on the 3PDD process, including both training for the sites and for our management teams globally.

These steps are described in more detail in this 2024 Report.

We remain committed to open and transparent reporting in this area, and to reporting annually on our approach, progress, and challenges.

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David Rae

President and Chief Executive Officer



## **PART 2: DPM's Corporate Structure, Activities and Supply Chains**

DPM is a Canadian-based international gold mining company that is listed on the Toronto Stock Exchange. Our operations and projects are located in Bulgaria, Serbia, and Ecuador. We operate the Chelopech underground gold-copper mine and the Ada Tepe open pit gold mine, both located in Bulgaria. At the end of August, 2024 we completed the sale of the Tsumeb specialty smelter located in Namibia.

DPM also owns the Loma Larga project in Ecuador and the Čoka Rakita project in Serbia; and holds interests in a number of gold exploration properties in various locations, including Bulgaria, Serbia, and Ecuador.

We have incorporated principles of responsible business conduct through the adoption of various policies and programs, including the Code of Business Conduct and Ethics, Corporate Responsibility Policy and Human Rights Standard described in further detail below.

In 2023, our global workforce encompassed over 2,000 full time employees and utilized over 3,600 contractors. The percentage of total employees that were covered by a collective bargaining agreement constituted approximately 76%<sup>1</sup>.

We monitor the countries where we operate to identify developments that could lead to governance, environmental and social risks, including risks associated with forced labour or child labour. Bulgaria, where we currently operate, along with Serbia and Ecuador, where we have exploration and development projects, have different exposure to and potential for forced labour and child labour (as detailed below). Our approach to identifying the parts of our business and supply chain that carry risk of forced labour and child labour, and steps taken to assess and manage that risk, is informed by our country-level and operational-level risk profile assessments. The purpose of these assessments is to identify areas of higher risk; we then use this information to prioritize our efforts in implementing and monitoring a targeted set of controls.

As described below, DPM developed an internal risk-rating of forced labour and child labour based upon a composite assessment of a number of international human rights and modern slavery indices. Based on this risk assessment, we have identified that our current operating assets have lower risk of forced labour and child labour.

However, we acknowledge that risks can also arise in our extended supply chain. As required by the Act, this report describes the measures taken in 2024 to identify, mitigate and eliminate the risks of forced labour and/or child labour at both our operations and within our supply chain.

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<sup>1</sup> Percentage of total employees covered by collective bargaining agreements DPM wide was 76% in 2023 ([2023 Sustainability Data Supplement](#)).



The mining industry's value chain spans a global complex network. DPM has a diverse global supply chain through which we procure a range of goods and services to support our exploration, mining, processing, transportation, and corporate support activities. Our supply chains are primarily locally and/or regionally based with most goods being procured from suppliers based in Bulgaria, Serbia, Ecuador, and Canada. The majority of our supplier spending can be generalized into the procurement of goods, construction, operational and technical services and support and administrative functions. Our risk assessment of forced labour and/or child labour in this supply chain is described in detail in Part 4 of this report.

### **PART 3: Policies and due diligence processes in relation to forced labor and child labour**

#### Governance

The Sustainability Committee of DPM's Board of Directors provides ongoing oversight of the Company's overall sustainable development activities to ensure the management of the organization's environmental and social impacts. This includes human rights and, specifically, the risks of forced labour and child labour. A core component of the Sustainability Committee's mandate is to provide oversight of potential human rights impacts associated with our business and in the communities in which we operate. Composed entirely of independent directors, the Sustainability Committee meets quarterly, including an in-camera session without management present at each meeting.

At the executive level, the Senior Vice President (SVP), Sustainable Business Development reports directly to the President and Chief Executive Officer (CEO) and is responsible for sustainability and human rights at the group level. The Director, Sustainability reports directly to the SVP, Sustainable Business Development and leads DPM's overall human rights management strategy, working across the Executive team and at each site to integrate human rights management throughout the company's sites and functional areas.

The Chief Operating Officer, who also reports to the President and CEO, has direct oversight and leadership of each site-level team that manages human rights-related risks throughout their operations and respective supply chains.

#### Policies and due diligence

When we conduct business the right way, we build trust with one another and with all our external stakeholders. Our [Code of Business Conduct and Ethics](#) (Code) is established by the DPM Board of Directors as a statement of the principles and commitments intended to direct and guide the conduct of the company. The Code sets the expectation that we conduct our business with respect for the Human Rights of all individuals affected by our business activities. It reflects our values, describes our company's expectations, and serves as a resource to help guide our decisions. The Code applies to everyone who works for our company, including employees and members of our Board of Directors, and to third parties, including suppliers working with us or on our behalf, who are contractually required by the company to comply with the Code. The Code sets the expectation that all third parties (i.e., anyone who does business with DPM, including our suppliers) adhere to principles consistent with those set out in our Code and



aligned with our core values. Additionally, our contracts with suppliers include provisions requiring the suppliers to comply with local laws and regulations and applicable professional standards.

Our Code explicitly refers to our [Corporate Responsibility Policy](#) which outlines our commitment to managing our company's impacts across all areas of our business including, among others, conducting our business in a manner that respects human rights and striving to avoid contributing to adverse human rights impacts, including child and forced labour. The policy further elaborates that DPM, its employees and members of our Board of Directors are expected to understand the company's impact and influence across the entire value chain and, wherever possible, apply responsible business practices to sourcing and materials stewardship.

To operationalize our policy commitments, we developed a [Human Rights Standard](#) that explicitly outlines the minimum requirements to which all our sites must comply, including requirements regarding forced and child labour. It is informed by the principles contained in the United Nations Guiding Principles on Business and Human Rights, which include guiding principles regarding forced labour and child labour and provides guidance on the following:

- Identifying, preventing, mitigating and being accountable for our human rights impacts using a risk-based due diligence approach
- Preventing or mitigating adverse human rights impacts that directly or indirectly arise from our operations
- Processes for the remediation of adverse human rights impacts within our sphere of influence
- Ensuring employees, communities, stakeholders, security providers and third parties (including suppliers) are aware of our commitment to respect human rights, and that the Company's business is conducted with respect for human rights; and
- In line with the Company's values and the principles set out in our Code of Conduct, encourage all personnel to report and 'speak-up' when they see something that could result in a violation of, or an adverse impact on, human rights, which encompasses child and forced labour.

Our Human Rights Standard applies to everyone who works for our company, including all employees and our Board of Directors. It also directly applies to certain third-party suppliers who have contractually committed to complying with our policies and standards and sets the expectation that all third parties (i.e., anyone who does business with DPM, including our suppliers) adhere to principles consistent with those set out in the standard.

We currently use a comprehensive risk-based third-party due diligence process (3PDD) that was developed to manage bribery, corruption, reputational and sanction compliance risks. In 2023, we modified our 3PDD to include human-rights related due diligence, including forced labour and child labour. The 3PDD process is used as an input to determine the measures we take to engage with our suppliers' compliance with the Code. In 2024, we completed a gap analysis to identify suppliers that were not subject to the 3PDD process and are in the process of completing the outstanding 3PDD for all the relevant suppliers.



**PART 4: The parts of DPM’s business and supply chain that carry a risk of forced labor or child labour, and the steps taken to assess and manage that risk.**

**Human Rights risk assessment- DPM assets**

Throughout 2023, we engaged in risk-based human rights risk assessments across our assets including our operations in Bulgaria and at the time Namibia as well as our development projects in Serbia and Ecuador and our corporate head office in Canada. The results of those assessments allowed us to begin implementing more immediate controls related to child and forced labour in the short-term (such as internal training), while also helping to identify areas of opportunities to further integrate human rights considerations into company processes like supply chain procurement. Based on the lower risk level for forced labour and child labour in our operations in 2023, we did not conduct a similar exercise in 2024 and will continue to monitor and evaluate the appropriate timing for a subsequent human rights risk assessment across our operations and projects.

In 2024, we conducted an updated risk assessment of each country where our assets are located to better contextualize and understand the potential risk for human rights impacts and vulnerabilities for forced labour and child labour to occur. Our country-specific assessments also reviewed governance indicators like rule of law, political stability, level of corruption and conflict-affected areas, and environmental factors like climate change and ecosystem health which could potentially exacerbate human rights and labour rights issues.

As a result of this assessment, we believe the risk for forced labour and child labour is low.

**Human Rights risk assessment-DPM Suppliers**

Building off our initial 2023 supplier human rights risk assessment, we continued utilizing a risk-based approach and focused on assessing net new suppliers only (those suppliers with whom we had transactions for the first time during the reporting period). This involved classifying the products and services procured into industry categories to identify potential sector risks in addition to evaluating each supplier’s country of origin risk potential. The following sections describe the results of this analysis.

**Sector Risk**

After conducting a detailed desk-top evaluation of our supplier base<sup>2</sup> which involved referencing credible sources of information about the risks of forced labour and child labour and then subsequently evaluating where our operations and supply chain could be exposed to those risks, we identified that the following

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<sup>2</sup> Based on a review of the United Nations Global Compact: Business and Human Rights Navigator, the International Labor Organization: Global Estimates of Modern Slavery Forced Labour and Forced Marriage 2022, the US Department of Labor: 2022 list of goods produced by child labor or forced labor, the Verité and the U.S. Department of State’s Office to Monitor and Combat Trafficking in Persons Responsible Sourcing Tool, and the International Council on Mining and Metals’ 2023 Guidance on Human Rights Due Diligence in Supply Chains



sector categories and their associated goods/services could potentially be at a higher risk for forced labour and/or child labour:

**2024 DPM-relevant Supplier Sector Risks**

Sector and potential related risks for forced/child labour	Goods/Services commonly provided by that sector	Description relevant to DPM
<p><b><u>Construction Services</u></b></p> <ul style="list-style-type: none"> <li>- Risk of workers subject to excessive recruitment fees and debt bondage</li> <li>- Dangerous working conditions with high levels of industrial accidents</li> <li>- Risks of workers being subject to late or non-payment of wages</li> <li>- Restrictions on movement</li> <li>- Restrictions on trade unions and freedom of association</li> </ul>	<p>Drilling, procurement, and construction management</p>	<p>Building, maintenance, demolition, renovation, and repair of structures</p>
<p><b><u>Manufacturing</u></b></p> <ul style="list-style-type: none"> <li>- Hazardous/undesirable work</li> <li>- Vulnerable, easily replaced, and/or low-skilled workforce</li> <li>- Migrant workforce</li> <li>- Presence of labor contractors, recruiters, agents, or other middlemen in labor supply chain</li> <li>- Long, complex, and/or non-transparent supply chains</li> </ul>	<p>Electronics, machinery, equipment, spare parts</p>	<p>Manufacturing involves the transformation of raw materials from agriculture, forestry, fishing, and mining or quarrying, as well as the transformation of other manufacturing products into new products.</p>
<p><b><u>High Risk Services</u></b></p> <ul style="list-style-type: none"> <li>- Migrant workforce</li> <li>- Undesirable work</li> <li>- Presence of labor contractors, recruiters, agents, or other middlemen in labor supply chain</li> <li>- Debt bondage</li> <li>- Exploitative working conditions</li> <li>- Restrictions on trade unions and freedom of association</li> </ul>	<p>Catering, cleaning, security, waste and recycling, maintenance services</p>	<p>Wide range of economic activities, including trade, hospitality, and non-market social and other services.</p>
<p><b><u>Transport</u></b></p> <ul style="list-style-type: none"> <li>- Exploitative working conditions</li> <li>- Health and safety issues</li> <li>- Restrictions on trade unions and freedom of association</li> <li>- Hazardous/undesirable work</li> <li>- Vulnerable, easily replaced, and/or low-skilled workforce</li> </ul>	<p>Road and freight services, third party warehousing</p>	<p>Includes transport service workers and warehousing services.</p>



Sector and potential related risks for forced/child labour	Goods/Services commonly provided by that sector	Description relevant to DPM
<ul style="list-style-type: none"> <li>- Migrant workforce</li> <li>- Presence of labor contractors, recruiters, agents, or other middlemen in labor supply chain</li> <li>- Long, complex, and/or non-transparent supply chains</li> </ul>		
<p><b><u>Raw Materials and Commodities supply chain</u></b></p> <ul style="list-style-type: none"> <li>- Exploitative working conditions</li> <li>- Discrimination in the supply chain</li> <li>- Health and safety issues</li> <li>- Restrictions on trade unions and freedom of association</li> <li>- Child labour</li> </ul>	Bricks, gravel, cement, lime, steel balls, blasting agents, lubricants, tires, chemical agents	Materials and agents used in our production operations and smelter processing

**Country of Origin Risk-DPM Suppliers**

In addition to evaluating the sector risks, we also assessed the countries of origin of our Tier 1 suppliers for their potential human rights impacts<sup>3</sup> (which includes but is broader than forced labour and child labour risks). This resulted in an internally developed risk-rating, based upon a composite assessment of a number of international human rights/modern slavery indices listed under footnote 3.

Our 2024 assessment revealed that 73% of our Tier 1 suppliers are located in countries that present a lower inherent risk for human rights violations and 27% are located in countries with a medium-risk rating for human rights violations.

DPM Supplier Country of Origin Risk Level

Country	Overall Human rights risk	% suppliers
Bulgaria	Low	53%
Serbia	Medium	18%
Ecuador	Medium	9%
Canada	Low	9%
United States	Low	3%
United Kingdom	Low	2%

<sup>3</sup> A composite qualitative rating based on [Global Slavery Index](#), the [World Bank’s Worldwide Governance Indicators](#), the International Labor Organization’s The database on [Collective Bargaining Rates](#) hours, the [Global Risk Profile’s ESG Index](#) and [The International Trade Union Confederation \(ITUC\) Global Rights Index](#).



Country	Overall Human rights risk	% suppliers
Australia	Low	2%
Other <sup>5</sup>	-	5%

We also conducted a more focused assessment of the countries of origin of our Tier 1 suppliers for their specific level of vulnerability for modern slavery based on the Walk Free Global Slavery Index. In 2024, our assessment revealed that 68% of our suppliers are located in countries with low level of vulnerability to modern slavery, while 27% of our suppliers are located in countries that present a medium level of vulnerability to modern slavery.

Vulnerability to Modern Slavery Level per Country

Country	Vulnerability to modern slavery (0-least vulnerable, 100-most vulnerable) <sup>4</sup>	% suppliers
Bulgaria	25.9	53%
Serbia	34.4	18%
Ecuador	48.2	9%
Canada	10.7	9%
United States	24.5	3%
United Kingdom	14.3	2%
Australia	6.8	2%
Other <sup>5</sup>	-	5%

Low: <26; Medium >26- <50; High: >50- <75; Very high: >75

**PART 5: Measures taken to remediate instances of forced labor or child labor, including measures taken to compensate vulnerable families for any loss of income.**

**Access to Remedy**

We have several outlets for employees, stakeholders, communities, suppliers, and workers in the extended supply chain to report concerns and access remedies around human rights, including those related to the risks of forced labour and child labour.

<sup>4</sup> Source: [Global Slavery Index](#)

<sup>5</sup> Countries included under “other” individually represent under a 1% vulnerability risk for modern slavery and when combined represent 5% of DPM’s suppliers. These countries include: South Africa, Netherlands, Switzerland, France, Germany, Hungary, Sweden, Romania, Austria, Belgium, Türkiye, Finland, Ireland, Singapore, Spain, Czech Republic, Namibia, New Zealand, Belgium, China, Colombia, Denmark, Ghana, Greece, Israel, Italy, Luxembourg, Malta, North Macedonia, Norway Poland, Portugal, Slovenia, Spain, Taiwan.





We use a third party-provided Speak-Up process, which is a publicly available mechanism to report any unethical behaviour, including human rights violations. In addition, across our sites, we also have implemented grievance mechanisms accessible to our stakeholders and communities so that we may receive and address complaints or grievances in an expedited and transparent manner. These processes are available for workers in our extended supply chain to report on risks associated with forced labour and child labour and are publicly available on our website for everyone to utilize.

We have four reporting channels, as part of the Speak-Up process, including an EthicsPoint hotline, operated by an independent third party-provider, which allows for anonymous reporting of misconduct and ethical concerns. Reports submitted through the hotline are referred to the Corporate Compliance Officer (except when the Corporate Compliance Officer is personally implicated or the reports implicate a member of the executive committee, or a member of Board of Directors, in which case the report is appropriately escalated) and to the appropriate Board Committee Chair, depending on the nature of the report. The Board receives quarterly updates on Speak-Up reports received and the status of investigations, if any, and Committee Chairs discuss the reports at their respective meetings. DPM's Code of Conduct includes protection from retaliation for anyone who files a report, raises a concern, or participates in an investigation in good faith. Our most recent disclosure on Speak Up reports received in 2023 is described in our [Management Approach Report, Sustainability and Good Governance](#).

At the site level, we have also provided a local grievance mechanism to receive human rights grievances with the intention of transparent and expeditious resolution and, at all times, we do not retaliate against anyone who submits a complaint.

The company did not receive any Speak Up reports or grievances related to forced labour or child labour and has not changed its business relationships as a result of our due diligence efforts relating to forced labour or child labour in 2024 and as such, has no measures to report with respect to remediation.

#### **PART 6: Modern slavery awareness training compliance for employees**

Our Human Rights Standard includes providing human rights training at all our sites. Although our employees receive training in good governance practices (such as anti-bribery, anti-corruption, and workplace harassment) that are associated with preventing and mitigating human rights risks, we recognize that we need to provide more updated training across our operations to specifically address the risks of forced labour and child labour in our supply chains.

As stated in our previous report, we conducted comprehensive human rights training in Ecuador in 2023. In 2024, continuous training was conducted on the 3PDD process, including both training for the sites and for our management teams globally.



**PART 7: How DPM assesses its effectiveness in ensuring that forced and child labor are not being used across its business and supply chains**

Effectiveness

Our EthicsPoint hotline and grievance mechanisms provide a forum to receive issues related to actual and/or perceived human rights impacts amongst our employees, communities, and supplier base.

Beginning with our 2022 Sustainability Report, we have started to publish the number of and types of complaints we have received, which we will continue to report in our bi-annual sustainability reporting. This provides us with an avenue to track and communicate our performance on the risks of forced labour and child labour.

Progress in this area will be publicly reported in our bi-annual sustainability report, to be published in 2025, as well as in our Management Approach Report focusing on Sustainability and Good Governance.

**PART 8: Board of Directors' Approval**

This report has been reviewed and approved by DPM's Board of Directors in accordance with section 11(4)(a) of the Act.

In accordance with the requirements of the Act, in the capacity of Chair of the Board of Directors, I attest that I have reviewed the information contained in the report on behalf of DPM. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed within this report.

DocuSigned by:  
*Peter Gillin*

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Peter Gillin, Chair, Board of Directors