

LUNDINGOLD

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

For the Financial Year Ended December 31, 2023

ABOUT THIS REPORT

Lundin Gold Inc. (**Lundin Gold** or the **Company**) has prepared this Fighting Against Forced Labour and Child Labour in Supply Chains Report (the **Report**) in accordance with Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act (S.C. 2023)* (the **Act**) for the financial year ended December 31, 2023.¹ This is a joint report made under Section 11 of the Act on behalf of Lundin Gold and the following entities, which we have determined are reporting entities under the Act (**Reporting Entities**) for the reporting period:

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Reporting Entity	Existing under the laws of	Activity
Aurelian Ecuador S.A. (AESA)	Ecuador	Owner of the concessions which host FDN. This is the Company's major operating subsidiary.
Aurelian Resources Inc.	Canada	Shareholder of AESA
Aurelian Resources Corporation Ltd.	Ontario	Shareholder of AESA
Ecoaurelian Agrícola S.A.	Ecuador	Owner of certain land related to FDN.

This Report describes the steps taken by Lundin Gold and the Reporting Entities to assess and address Lundin Gold's risks with respect to forced labour and child labour (**Modern Slavery Risks**).² In this Report, unless otherwise stated, references to "**Lundin Gold**", the "**Company**", "**we**", "**us**", "**our**" and similar expressions include the Reporting Entities. Monetary amounts in this Report are expressed in US dollars, unless otherwise stated.

ABOUT OUR BUSINESS

Lundin Gold is a Canadian mining company with its head office located in Vancouver, British Columbia (TSX & Nasdaq Stockholm: LUG). The Company owns the Fruta del Norte gold mine (**Fruta del Norte** or **FDN**) in southeast Ecuador in the Province of Zamora Chinchipe. In addition to Fruta del Norte, Lundin Gold owns a portfolio of exploration concessions near Fruta del Norte.

¹ This Report has not been externally assured.

² Lundin Gold has prepared this Report based on information available to it at the time of preparation. This Report contains forward-looking statements relating to Lundin Gold's policies and practices with respect to modern slavery risk management, including statements of current intention and expectation and statements of opinion. There can be no assurance that such statements will prove to be accurate, as Lundin Gold's actual results and future events could differ materially from those anticipated in this forward-looking information as a result of the factors discussed in the "Risk Factors" section in Lundin Gold's Management Discussion & Analysis dated February 22, 2024, which is available at www.lundingold.com or on SEDAR+. Except as required by applicable laws or regulations, Lundin Gold does not undertake to publicly update or review any forward-looking statements.

Fruta del Norte is among the highest-grade operating gold mines in the world. It is Lundin Gold’s sole producing asset as of the date of the Report and is held indirectly by the Company’s subsidiaries. Since 2020, Lundin Gold has been producing gold doré and gold concentrate. In 2023, Lundin Gold produced an aggregate of 481,274 ounces of gold for the year, of which 310,831 ounces were produced as concentrate and 170,443 ounces were produced as doré.

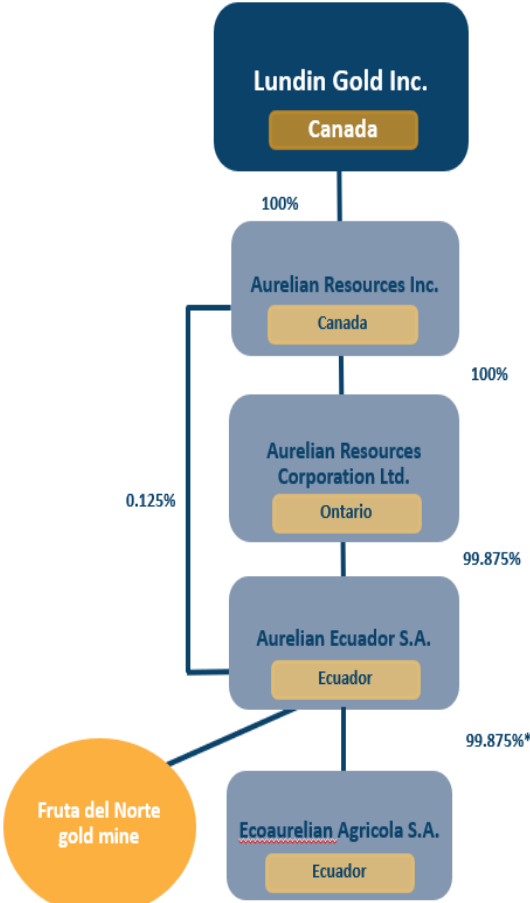
Lundin Gold conducts its operations through the Reporting Entities. The following diagram depicts the corporate structure of Lundin Gold and the Reporting Entities as at December 31, 2023:

As at December 31, 2023, Lundin Gold had approximately 1,890 employees, almost all of whom were employed on a permanent basis. Nine of its employees were based in the head office in Vancouver, Canada. The remaining employees work at the Company’s operations in Ecuador.

Governance

Lundin Gold’s Board oversees the Company’s approach to risk management, which includes risks related to human rights. Each committee of the Board oversees risks within their functional area. Oversight of human rights risks, including Modern Slavery Risks, falls within the mandate of Lundin Gold’s Health, Safety, Environment and Sustainability Committee (the **HSES Committee**).

Lundin Gold’s President and Chief Executive Officer (**CEO**) has ultimate responsibility for risk management, including Modern Slavery Risks. The CEO is assisted by the Vice President, Legal and Sustainability (**VP Legal**), who is responsible for the management and governance of Modern Slavery Risks and compliance with applicable laws. Lundin Gold’s legal and procurement teams work together to identify, assess and manage Modern Slavery Risks in our supply chain. Similarly, the Company’s legal and human resources teams work together to identify, assess and manage Modern Slavery Risks in our workforce. The VP Legal reports quarterly to the HSES Committee.



*The remaining interest is held by a subsidiary of AESA

Overview of Our Supply Chain

The vast majority of Lundin Gold’s procurement activities occur through a central procurement function at FDN. Lundin Gold procures a range of goods and services to support our exploration, mining, processing, transportation, and sustainability activities. A small portion of our procurement

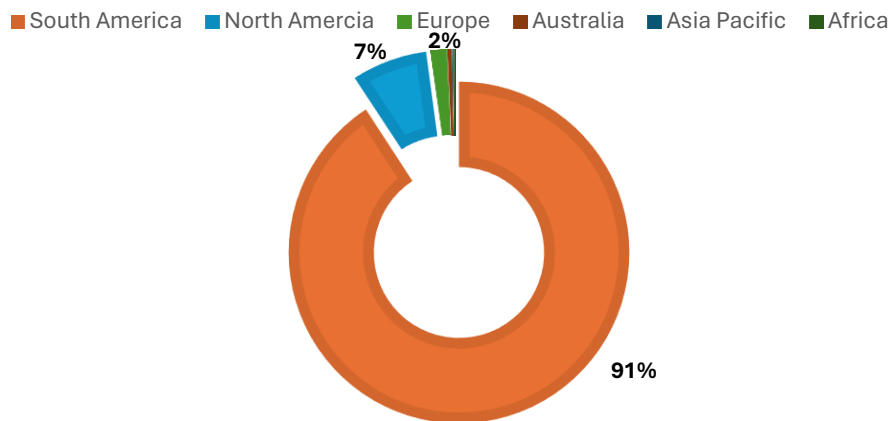
activities are handled out of the Vancouver office to meet the requirements of Lundin Gold's executive team.

Our procurement is managed by our Supply Chain Department based at FDN. The Supply Chain Department is responsible for procurement governance, with local oversight by FDN's General Manager, and oversight by Lundin Gold's SVP Finance and VP Legal, both of whom are in Canada. By expenditure, most of our procurement is done pursuant to Lundin Gold's standard form contract.

After the Act was passed in May 2023, Lundin Gold conducted a supplier mapping exercise to facilitate a more comprehensive understanding of the various Modern Slavery Risks that may be present in its supply chain. Most of Lundin Gold's supply chain activities take place in Ecuador. In 2023, Lundin Gold engaged with 1,141 direct suppliers globally, 793 (approximately 70%) of which were based in Ecuador.

When measured by value, Lundin Gold's total procurement expenditure was largely within Ecuador (83%) in 2023, much of which was spent supporting local businesses and service providers. The remaining expenditure occurred internationally (17%).

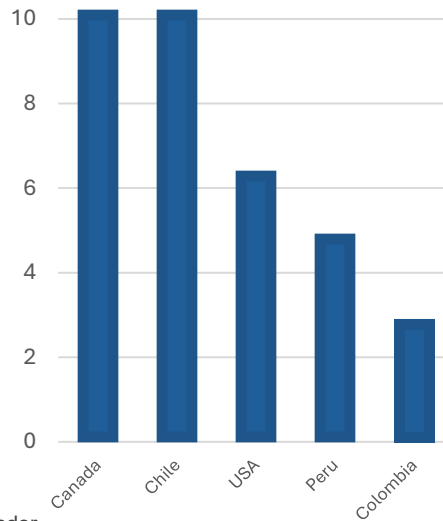
2023 GLOBAL PROCUREMENT BY SPEND



When measured by value, only a marginal amount of Lundin Gold's procurement expenditure was spent with suppliers from one of the top ten countries reputed to have the highest prevalence of modern slavery.³ Last year, under \$6,000 was spent on procurement from Türkiye. Excluding Ecuador, Lundin Gold's top five supplier countries based on spend were as follows:

³ Walk Free, "Global Slavery Index – Global Findings": North Korea, Eritrea, Mauritania, Saudi Arabia, Türkiye, Tajikistan, United Arab Emirates, Russia, Afghanistan and Kuwait ([here](#)).

2023 TOP FIVE SUPPLIER COUNTRIES*



* Millions of dollars. Excluding Ecuador

In 2023, key goods and services procured included: equipment parts, catering services, transportation, drilling contractors and other contractors to support operations, cement and diesel.

OUR POLICIES AND DUE DILIGENCE PROCESSES

Lundin Gold's policies set out our commitment to acting lawfully, ethically and responsibly and define the Company's expectations of acceptable business practices. In all our contracts, we require that our business partners and suppliers within our supply chain agree to comply with Lundin Gold's standards and policies.

Together, the following policies form a framework of standards required of our Board of Directors, officers, employees, contractors and suppliers to ensure human rights are respected, and to identify and appropriately address Modern Slavery Risks in our operations and supply chains:

- **Code of Conduct** – requires directors, officers, employees, and contractors of Lundin Gold to act honestly, with integrity and in compliance with all applicable laws and regulations in fulfilling their duties and responsibilities.
- **Responsible Mining Policy** – sets out Lundin Gold's commitment to conducting its operations and activities in accordance with its core principles of working safely, environmental stewardship and respect in all its activities. It establishes the Company's commitments with respect to transparent and sustainable practices and good corporate citizenship and reiterates Lundin Gold's commitment to treat people with dignity and to respect all internationally recognized human rights.
- **Supply Chain Policy** – promotes transparent, ethical and competitive purchasing, taking into account environmental and social considerations and objectives.
- **Anti-Bribery Policy** – prohibits the making of bribes and improper payments, and places appropriate controls on the giving and receiving of gifts and donations.

- **Workplace Discrimination, Violence and Harassment Policy** – prohibits discrimination, violence and harassment in the workplace, encourages employees to report incidents of workplace discrimination, harassment and violence and protects reporters from reprisal.
- **Sanctions and Anti-Money Laundering Policy** – prohibits the Company from doing business with suppliers located in embargoed countries or subject to sanctions and implements measures to prevent and detect laundering of illegally obtained funds.
- **Whistleblower Policy** – requires reporting of actual or suspected material violations of the Code of Conduct or material legal or regulatory obligations and protects reporters from reprisal.

In 2024 we plan to undertake an independent human rights risk assessment, which will include a corporate/operational policy and procedure gap analysis.

Third Party Risk Management

To improve its third-party risk management, Lundin Gold implemented a new third-party due diligence platform offered by GAN Integrity, which went live in the fourth quarter 2023. This platform is used to screen suppliers for allegations and convictions of a variety of offences such as sanctions violations, bribery and corruption, child labour, forced labour, human trafficking, other human rights violations, fraud, money laundering, adverse media and more.

At the end of 2023, Lundin Gold implemented screening of all new vendors through GAN Integrity's platform, which assigns a risk rating to each vendor based on their location, industry, supply, and screening results. Lundin Gold has customized this screening to incorporate Modern Slavery Risk filters. Modern Slavery Risks, such as high-risk products and jurisdictions, will result in a vendor being escalated for further due diligence.

Any new vendor with a risk rating above a certain threshold must complete a questionnaire that includes Modern Slavery Risk-specific questions. This questionnaire serves as a first line of risk identification for suppliers that may have an elevated likelihood of impacting human rights. If, in response to this questionnaire, a supplier identifies that they engage in modern slavery or actively source goods in areas of higher prevalence for Modern Slavery Risks, then further inquiries are made, and additional information is requested before Lundin Gold proceeds with procurement. Once a vendor has been added to Lundin Gold's database, the GAN Integrity platform continuously screens the vendor's profile and alerts Lundin Gold of any changes to its profile, such as an allegation of modern slavery.

We intend to have all active suppliers in our database screened through our third-party due diligence platform by the end of 2024.

Contracting Arrangements

At the end of 2023, Lundin Gold adapted its contracting procedures to include standard terms and conditions that require our suppliers to certify that they do not and will not, directly or indirectly, knowingly engage in forced labour or child labour practices. If a supplier breaches this term, the supplier is obligated to remedy that breach to Lundin Gold's satisfaction. Lundin Gold has a right to terminate the contract if a supplier fails to adequately remedy or take reasonable action to address modern slavery issues and may have recourse against a supplier for breach of contract.

In 2024, the Company is working on incorporating a similar provision in its standard terms and conditions for all purchase orders.

Grievance Mechanisms

We believe that trusted, effective grievance mechanisms play a key role in identifying and remediating Modern Slavery Risks. We have a Whistleblower Policy as well as local grievance mechanisms to provide channels for stakeholders to raise concerns. Where we identify that we have caused or contributed to an adverse human rights impact, we are committed to providing for or cooperating in its remediation.

Lundin Gold's grievance mechanism provides stakeholders with a clear process to express their concerns or complaints. It is a key component of our commitment to responsible mining and to respecting human rights and conducting our business in accordance with the IFC's⁴ Performance Standards and industry best practices. Our grievance mechanism is available in Spanish, English and the Shuar language. If a grievance is received from Indigenous stakeholders who prefer to speak their language rather than Spanish, the Company ensures that a person fluent in the language is available for support and follow-up. Grievances can be submitted in person at one of our offices in Los Encuentros or Quito, Ecuador. Other channels available are email, a toll-free telephone number, or through five dedicated mailboxes: two at FDN, one at the Company's regional office in Quito, one at our office in our nearest local community of Los Encuentros and one at the municipality office in Los Encuentros. Grievances can be made on behalf of a person, a community, an institution, or anonymously.

We raise awareness about the grievance mechanism through periodic communication campaigns in our area of influence, which include posters, brochures, and information sessions at community round tables. Our employees are also made aware of the grievance mechanism through education campaigns at site.

Our Whistleblower Policy provides multiple reporting channels including an independent on-line reporting portal and a tollfree telephone hotline to encourage the reporting of concerns relating to unethical, illegal or any other inappropriate behaviour, such as modern slavery or any other human rights matter. The Whistleblower Policy provides that individuals who have made complaints in good faith will receive protection from any negative consequences that could otherwise result from making a report. This channel is available to employees, contractors, suppliers (including their employees) and any other stakeholder.

The Whistleblower reporting mechanism is accessible through our website or by phone and can be used confidentially and anonymously. It is available in English, French and Spanish and is operational 24/7 through an independent third-party provider, WhistleBlower Security, which provides services through their platform *IntegrityCounts*. In 2023, we customized the reporting mechanism to explicitly include modern slavery concerns as a complaint option.

We raise awareness about our Whistleblower channels with employees and contractors on our website, during induction and annual refresher training, on posters around our offices and at sites and on our intranet. We raise awareness with suppliers by directing them to the Whistleblower Policy during on boarding and referencing the Policy in our standard contract terms.

⁴ International Finance Corporation ([here](#))

In 2023, eight complaints were received through Lundin Gold’s Whistleblower Policy and 43 were received through Lundin Gold’s grievance mechanism. No modern slavery issues were raised. Despite receiving no complaints related to modern slavery, we will continue to look for ways to strengthen the effectiveness of our mechanisms. In 2024, we plan to conduct in-person training for the workforce at FDN in English and Spanish on the Company’s various reporting mechanisms and related procedures. In addition, we are planning to undertake an independent review into the effectiveness of our grievance mechanism against the UN Guiding Principles on Business and Human Rights.

POTENTIAL MODERN SLAVERY RISKS

Our Operations

The lack of current information about the prevalence of child labour in Ecuador may lead to inaccurate assessments by the Company of the risk of child labour occurring in its operations.⁵ However, more than 10 years ago when the Government of Ecuador last conducted a nationwide child labour survey, it was publicly reported that approximately 7% of the children in Ecuador between 5 to 14 years old were working. Most of those children were reported to be in school and almost all of the children of that age completed primary school.

Lundin Gold has assessed the risk of child labor within its own workforce as low. In most sectors, the minimum age for work in the country is 15 years old.⁶ However, the legal minimum age for hazardous work or night shifts, both of which apply to mining, is 18 years old.⁷ As such, Lundin Gold has adopted this as the minimum age of employment for the Company. Furthermore, all aspects of Lundin Gold’s business require specialized skills and knowledge. The Company operates a mine in a remote area of Ecuador, which requires technical expertise in the areas of geology, drilling, Mineral Resource and Reserve estimation and mine planning, engineering, metallurgical processing, tailings facility management, mine operations and maintenance, environment compliance, construction, procurement, information technology, community and public relations, regulatory compliance, legal and accounting.

Furthermore, Lundin Gold’s employment practices ensure that our employees do not face exploitative treatment such as slavery, forced labour, or servitude. These employment practices include:

- Our entry level minimum salary is above the legal minimum salary established for the mining sector in Ecuador.
- Our salaries are competitive according to the national Ecuadorian benchmark.
- Working hours are within the legal approved work shifts and overtime within the limits stipulated by local Ecuadorian law.
- We do not hire individuals below the age of 18.

In 2024, we plan to undertake an independent human rights risk assessment of our entire operations, a component of which will include Lundin Gold’s workforce.

⁵ US Department of Labor, Child Labor and Forced Labor Reports ([here](#))

⁶ Article 46 of the Constitution; article 82 of the Childhood and Adolescence Code (23.25)

⁷ Article 87 of the Childhood and Adolescence Code.

Our Supply Chain

As part of its commitment to responsible mining, Lundin Gold has had a program in place to assess and manage third party risk since the development of Fruta del Norte, eight years ago. That program, however, was not designed with the Act in mind. Since the Act was passed in May 2023, Lundin Gold has worked to implement measures to prevent and reduce the risk of forced labour and child labour in its supply chains.

At the time of this Report, the assessment of Modern Slavery Risks within Lundin Gold's supply chain is a work in progress. However, as discussed above under "Overview of Our Supply Chain", Lundin Gold has completed a supplier mapping exercise that considered the nature of the goods and services sourced by the Company, the number and location of the Company's direct suppliers and, by total annual expenditures, a breakdown by region and country to identify high-risk procurement activity. Moreover, in assessing our supply chain we considered the fact that according to the Global Slavery Index, Ecuador has a vulnerability rating of 48.⁸ By comparison, Canada has a vulnerability rating of 1.8. The proportion of suppliers based on spend with activities in areas rated with a high prevalence of modern slavery was less than 1%.⁹

Based on this assessment, we identified the following procurement categories as presenting a potential risk in our supply chains because of geographical location, industry and product:

- Agriculture and livestock supply
- Personal protective equipment (**PPE**) and other apparel
- Information Technology (**IT**) equipment
- Construction – Raw Materials; and
- Other goods manufactured in high-risk countries.

A brief description of Lundin's assessment of the risk of modern slavery associated with the potential risks identified above, is set out below.

Agriculture and Livestock Supply: Lundin Gold's supplier of catering services purchases all agricultural and livestock supply for FDN from suppliers within the country. Approximately, 15% of that agriculture and livestock supply comes from suppliers in the Province of Zamora Chinchipe, the mostly rural province in which the mine is located. In Ecuador, children are frequently used in the production of bananas, rice, coffee, cocoa, palm oil, sugarcane, vegetables, citrus and fishing, along with bovine and poultry farming.¹⁰

Personal Protective Equipment and Other Apparel: Manufacturing of PPE and apparel generally involves lower skilled, lower paid workers, who may also have other risk factors, including using migrant workers, increasing the risk of child and forced labour in these supply chains.¹¹ Work is often undertaken in higher risk jurisdictions.¹² In particular, apparel is often associated with long, complex, and non-transparent supply chains and include high risk inputs like raw materials.¹³

⁸ Walk Free, "Global Slavery Index 2023 – Explore Data: Ecuador" ([here](#)).

⁹ As identified by the Global Slavery Index ([here](#)).

¹⁰ Bureau of International Labour Affairs, "Child and Forced Labour Reports: Ecuador" ([here](#)).

¹¹ US Department of Labour, "The 2022 List of Goods Produced by Child Labor or Forced Labour" at p. 28 ([here](#)).

¹² Global Fund to End Modern Slavery, "Apparel and Manufacturing" ([here](#)).

¹³ Walk Free, "Beyond Compliance in the Garment Industry" at p. 7 ([here](#)).

IT Equipment: IT equipment manufacturing generally involves lower skilled workers, who may also have other vulnerabilities (including migrant workers).¹⁴ This work is often undertaken in higher risk jurisdictions.¹⁵ IT equipment often has long, complex and non-transparent supply chains and includes higher risk inputs like raw materials.¹⁶

Construction – Raw Materials: Various commodities used in construction also carry heightened Modern Slavery Risks particularly when sourced from higher risk countries (e.g. bricks, gravel, cement, sand).¹⁷

Other Goods Manufactured in High-Risk Countries: We source a number of goods that are manufactured in jurisdictions that have heightened risks of labour exploitation including child and forced labour. Many of these manufactured goods also have their own long, complex and non-transparent supply chains and may include high risk inputs including raw materials. The specific Modern Slavery Risk factors vary depending on the good.

As of the date of this Report, Lundin Gold has not identified any instances or allegations of forced or child labour within its own work force or its supply chain. If Lundin Gold determines that it has caused or contributed to any instances of modern slavery, Lundin Gold intends to cooperate with the impacted parties to develop an approach to remediation tailored to needs of the impacted parties. With no instances yet requiring remediation, Lundin Gold's focus has been to prevent and mitigate potential adverse impacts.

TRAINING

In November of 2023, Lundin Gold conducted two in-person, mandatory internal training sessions with the Company's supply chain team and human resources team, both of which are based in Ecuador. The training materials were prepared in house and focused on raising awareness about Modern Slavery Risks, the roles these teams have in identifying, preventing, and reporting on allegations or instances of modern slavery, and implementation of specific screening tools for Modern Slavery Risks for Lundin Gold's suppliers.

ASSESSING EFFECTIVENESS

As Lundin Gold continues the development of its program to prevent Modern Slavery Risks in 2024, it will consider and implement measures to assess the effectiveness of these processes.

OUR PLANS FOR 2024

Lundin Gold is committed to continuous improvement in all aspects of our business operations, and this extends to our commitment to take meaningful steps to identify and combat Modern Slavery Risks and maintain a responsible and transparent supply chain.

In 2024, we intend to continue all current actions to address Modern Slavery Risks in our business and supply chain. In addition, we are planning the following actions for 2024:

¹⁴ Walk Free, "Global Slavery Index 2023" at p. 4 ([here](#)).

¹⁵ Walk Free, "Global Slavery Index 2023" at p. 4 ([here](#)).

¹⁶ See generally, "Global Slavery Index 2023", ([here](#)).

¹⁷ See generally, US Department of Labour, "The 2022 List of Goods Produced by Child Labor or Forced Labour" ([here](#)).

- Completion of a human rights assessment, which will include reviewing Modern Slavery Risks.
- Development of ongoing workforce training and awareness building.
- Review of Lundin Gold's policies and procedures.
- Screening of all active vendors complete by end of 2024, including the use of a modern slavery questionnaire for all suppliers who are assessed to have a medium to high risk profile.
- Development of risk-based training for suppliers in our supply chain.
- Further education for our employees related to available reporting mechanisms.
- Review of our Whistleblower and grievance mechanisms to identify potential areas of improvement.

APPROVAL AND ATTESTATION

This Report was approved by the Board of Directors of Lundin Gold on February 22, 2024, on behalf of itself and the other Reporting Entities.

In my capacity as a Director of Lundin Gold and not in my personal capacity, I make this attestation in accordance with the requirements of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have authority to bind Lundin Gold Inc. and the other Reporting Entities.

/s/ "Ron Hochstein"

Ron Hochstein
President, Chief Executive Officer and Director
Lundin Gold Inc.
February 22, 2024