

# Our people



Our workforce is a strategic stakeholder group. Our success depends on our people, and we are committed to building an organizational culture that inspires, develops, and values them. We focus on attracting, developing, and retaining the best talent—creating a work environment that enables them to reach their fullest potential and which translates into extraordinary results for our company. We promote and maintain safe, healthy, and socially productive workplaces where mining operations can be carried out in harmony with society and the environment. We respect freedom of association and reject any form of discrimination or harassment.

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## Strategy

To support our organization’s constant evolution and align behaviors with our cultural strategy, we have begun to redesign our talent management programs and processes. This involves recruitment, selection, hiring, training, succession, career planning, and retention, as well as programs to drive performance—such as recognition and continuous feedback—and a system for diagnosing and improving the work environment. The changes incorporate cutting-edge practices and human processes that improve leadership, management, productivity, and efficiency; all for the purpose of achieving extraordinary results.

In 2023, we made these tools available to our people to promote new behaviors and productive habits:

- **Ten Commandments of the Leader:** Fundamental principles of our leadership model, helping leaders develop their skills and inspire others
- **Cultural Evolution Wallet:** An interactive tool that helps work teams to reinforce their knowledge and experience of the organizational culture
- **Guide to Effective Meetings:** Checklist for planning and organizing meetings efficiently.







## Talent management

### • Recruitment and hiring

Recruiting and retaining the best talent is fundamental to achieving our goals. We look for people who share our skills, values, and behaviors, and who contribute to our success. Our selection process is designed to find the best candidates and offer opportunities for promotion and advancement based on values, ability, performance, and merit. In 2023, we hired 398 people, and promoted 383.

The Engineer-in-Training program—which began in 2003—is a significant source of talent for our business. To date, 100 classes have graduated from the program, and a total of 2,489 professionals joined our company. This year, 36 recent graduates joined the program to become professionals fully committed to our values and highly qualified to lead our operations.

### • Talent development

We value the development of our people. We detect training needs and have internal and external training programs to fill them. During the year, we provided 1,413,825 hours of training, an average of 42.63 hours per employee. These programs strengthen the technical and human skills of our people, enabling us to face current and future challenges more productively, with higher quality and competitiveness.

We launched an online course called the New Organizational Skills Model. The new model promotes agility, inclusive collaboration, total commitment to results, trust-based communication, talent development and emotional intelligence. These competencies guide behaviors towards the achievement of better results, the creation of work ecosystems and the strengthening of the organizational culture. 94% of our non-union employees completed the course.

We also updated the Performance Notes tool to align it with our new skills model and provide more effective feedback and reinforcement of expected behaviors for our employees.

As we do every year—and in partnership with the Instituto Tecnológico Autónomo de México (ITAM)—we offered management and skills development programs to 73 of our executives in areas such as leadership, strategy, decision-making, and communication to boost their growth and prepare them to face future challenges.

### • Talent retention

Because of its high impact on the organization, one of our strategic actions is identifying the critical positions that guarantee our business' operational continuity. We can then develop **succession and career plans** to ensure that we always have the right people in the right positions.

75% of our key positions have an authorized succession plan.





We offer our employees competitive and fair salaries and benefits, based on salary surveys and the Korn-Ferry/Hay-Group methodology for evaluating positions and determining salary schedules. We also have an attractive package of benefits, including medical, disability, and life insurance, and pension and savings fund, among others. The company's lowest salary level is 2.14 times higher than the legal minimum wage and, therefore, higher than the living wage.

### Termination of personnel

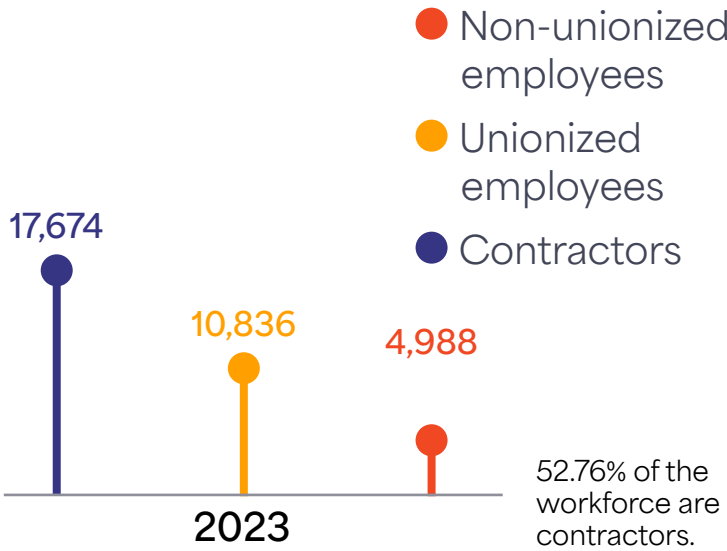
When layoffs are inevitable to preserve the company's viability, Peñoles manages its obligations responsibly and in keeping with the law. The reduction in total headcount and increase in turnover figures between 2022 and 2023 is due to layoffs that were part of this deeper transformation process.

## Performance and metrics

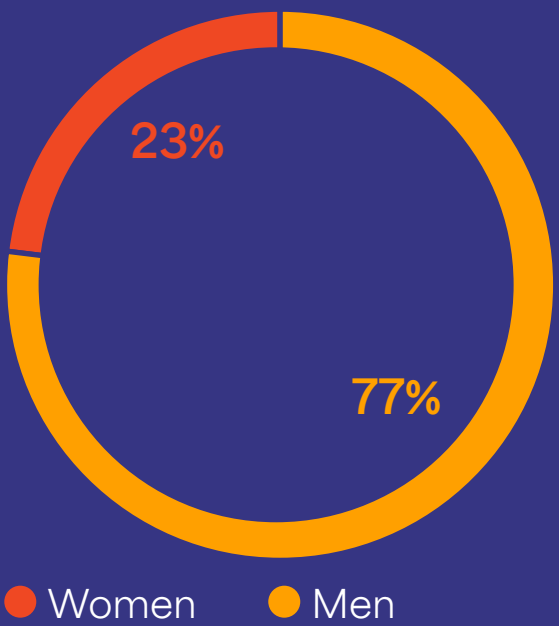
	Total training hours	Average training hours
Non-unionized employees	230,129	47.30
Unionized employees	630,269	59.09
Contractors	553,427	31.38
TOTAL	1,413,825	42.63

\* This information excludes personnel from Bal Holdings (42), Quirey do Brasil (2), and Línea Coahuila Durango (288).

## Workforce



### Promotions

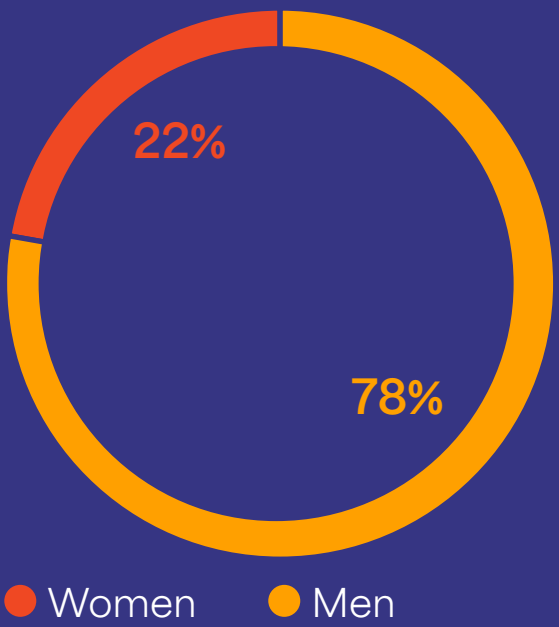


### Movements by type of position

2023



### New hires



### Turnover

