

# Our people

Our people’s talent and commitment are fundamental to fulfilling Peñoles’ purpose of *generating opportunities and well-being by sustainably supplying essential resources*.

We are committed to offering a workplace environment where people feel physically and psychologically safe, included, and motivated to develop their full potential. To do so, we nurture a strong culture that supports diversity, equity, and inclusion, and we implement responsible practices to address discrimination and harassment in the workplace. We recognize the importance of

well-being, and encourage and support our people in living in balance. We have comprehensive talent development programs and outreach initiatives to cultivate future leaders within the company and our community.

We respectfully engage with unions and our unionized employees on a regular basis across our operations to nurture a solid relationship based on trust. We fully recognize and respect the rights to freedom of association, union membership, and collective bargaining.

## Governance

The Committee on Ethics and Corporate Values—made up of company executives—supervises and monitors compliance with the Code of Ethics and Conduct and addresses cases of unethical conduct, including harassment and discrimination. Senior leaders at the corporate and divisional levels are involved in developing and implementing our people strategy, under the leadership and coordination of the Head of Human Resources. We benefit from close collaboration with the companies of Grupo BAL to identify and implement best practices.

## Set of policies, guidelines, and procedures



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## Context and strategic considerations

People are fundamental to delivering on our business strategy. Constructive labor relations with unions and unionized employees support improvements in safety and productivity in the industry. Training and talent development are essential to building the capacities and competencies the industry needs in the short and long term.

It is recognized that when culture and business strategy are well aligned, companies are more successful. A strong culture helps to effectively manage ethics and integrity, health, safety, environmental concerns, and other relevant industry risks. Moreover, a diverse workforce connects better with the communities where the industry operates and contributes to innovation and productivity when people feel respected and included. Therefore, equality and the elimination of harassment and discrimination are priorities across the industry. Culture, workplace environment, and well-being are significant non-monetary factors that attract and retain the best talent to operate productively and sustainably.

## Impact, risk, and opportunity management



### Organizational culture

Aligned with our purpose, we strive to maintain a solid culture that enables us to meet the challenges and opportunities of our business strategy and a changing environment. To this end, we develop initiatives to strengthen our culture in key areas such as occupational safety, ethics, well-being, and diversity, equity, and inclusion.

More information see the [Culture and values](#) section.

### Work environment

At Peñoles, we promote workplace modernity, focused on the three pillars of work: ethical, safe, and productive. This approach allows our employees to reach their full potential, contribute to job stability, protect sources of employment, and ensure the well-being of their families and the communities where we operate.

### > Competitive compensation

We offer our employees competitive and fair salaries and benefits, based on salary surveys and the Korn-Ferry/Hay Group methodology for job evaluations and salary scales. In Mexico, where more than 99% of our workforce is located, all employees and contractors must be affiliated with the Mexican Social Security Institute, the Retirement Savings System (SAR), and the National Workers' Housing Fund Institute



(INFONAVIT), guaranteeing access to public social security, healthcare, retirement savings, and housing savings, among other benefits.

### > Psychosocial risks

Mental health is an important component of overall well-being and essential for healthy, safe, and productive work. Therefore, we are committed to addressing psychosocial risk factors, preventing workplace violence, and promoting a supportive organizational environment. A key element of our approach is the identification and analysis of psychosocial risks, as well as the assessment of organizational support through a biannual survey.

### > Harassment and discrimination

Our [Línea Correcta](#) reporting mechanism allows for the reporting and handling of cases of workplace and sexual harassment. In 2024, we established a protocol for handling such cases, including sexual violence. Implementation of this mechanism will begin with the formation of Workplace Behavior Commissions, which will serve as multidisciplinary bodies responsible for resolving these cases.

### > Termination of personnel

When layoffs are unavoidable to preserve the company's viability, Peñoles manages its obligations responsibly and in compliance with applicable laws.

## Talent

### > Attraction and selection

Having the best talent is essential to achieving our goals. We look for individuals who share our values and behaviors, so their skills contribute to our success and their own professional development. Our selection process is designed to identify top candidates and provide advancement opportunities based on ability, performance, and merit.

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The Engineers in Training program, initiated in 2003, aims to attract top talent from Mexico's leading universities in engineering and earth sciences—strategic areas for our business. With over 100 cohorts to date, engineers in training follow a structured program upon joining Peñoles that introduces them to the business, builds skills, and instills the company's culture and values.

### > Talent development and retention

Talent development is critical to business success. To support this, we offer a range of internal and external training programs in both technical and soft skills. We have a strategic alliance with the Autonomous Technological Institute of Mexico (ITAM) to develop managerial and executive capabilities.

Through the BAL Fellows program, we recruit talented young individuals—recent graduates or those nearing graduation—to lead projects with organizational impact over a nine-month period.

One of our high-impact strategic actions is identifying critical positions that ensure business continuity. We implement succession planning and career development to ensure we have the right people in the right roles at all times.



## Diversity, equity, and inclusion

Diversity is a driver of innovation and effective risk management. Equity and inclusion are vital to a fair workplace and to harnessing the full benefits of diversity.

We strive to provide real opportunities for professional growth and recognition in a safe, equitable, inclusive, and respectful environment where all employees feel valued and inspired to reach their full potential.

“BAL Without Barriers” is a Grupo BAL initiative to strategically integrate diversity, equity, and inclusion into our culture. Diversity, Equity, and Inclusion Week raises awareness and inspires change through conferences and panels.

Our initiatives include unconscious bias training for managers, harassment prevention training, awareness campaigns on key dates, and online modules on discrimination, diversity, equity, and inclusion. The Women for Women mentoring program supports female leadership development.

We also created Inclusive Leadership training to promote disability awareness among executives and managers. Talent acquisition staff are trained in inclusive recruitment practices to reduce unconscious bias and prioritize skill and competency—regardless of disability.



## Gender pay gap

We are committed to ensuring equal pay for men and women. We use an equity indicator to measure the gender pay gap for nonunionized, non-managerial employees based on average salary.

This gap is primarily influenced by average length of service and the proportion of women to men at different hierarchical levels. Peñoles applies a gender-neutral salary scale and compensation policy. Compensation is determined by the position’s value, not by gender, sexual orientation, religion, or other personal characteristics. Our starting salary ratio for men and women is 1:1.

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## Live in Balance

The Live in Balance program, an initiative by Grupo BAL companies, promotes the comprehensive well-being of employees and their families, with support from wellness specialists. As part of the program, the “Vive en Balance” survey was conducted in October and November to assess overall employee well-being.

### Live in Balance survey in 2024

This comprehensive survey promotes self-care and covers seven dimensions of well-being via confidential, self-administered questionnaires. Participants received individualized feedback to help identify health and risk factors.

A total of 2,545 unionized and nonunionized employees participated voluntarily. Each received personalized recommendations to improve their quality of life, and a wellness program will be developed based on the results, with monthly follow-ups throughout 2025.

We also launched a webinar campaign on lifestyle habits, nutrition, and physical activity, along with infographics and video capsules for employees and their families.

## BAL Games and Cultural Saturday

These programs promote healthy competition through sports and cultural activities, supporting physical and mental health, building team identity, and strengthening pride in being part of Grupo BAL.

## Labor relations

We work collaboratively with unions and unionized workers to build trust and foster a culture centered on ethics, safety, and mutual benefit. Company-union interaction is based on ongoing dialogue with union representatives.

At Peñoles, we fully comply with labor laws, treaties, international conventions, and regulations respecting workers’ rights, including freedom of association and collective bargaining.

Unions periodically appoint review commissions that partner with the company to analyze and negotiate collective bargaining agreements. These agreements define mutual rights and responsibilities and reflect a shared commitment to safety, ethics, productivity, and quality of work life.

**68%** of our direct employees are covered by collective bargaining agreements.

## Social commitment

Peñoles participates in programs aimed at strengthening youth development.

### > 7th Edition of the BAL UNAM Award in Earth Sciences and Renewable Energy

In collaboration with UNAM, the BAL Group promotes scientific research in earth sciences, renewable energy, and environmental studies. In 2024, BAL Group invited students to the 7th edition of the BAL-UNAM Award, and received 84 submissions from university students.

### > Leaders in Motion Program

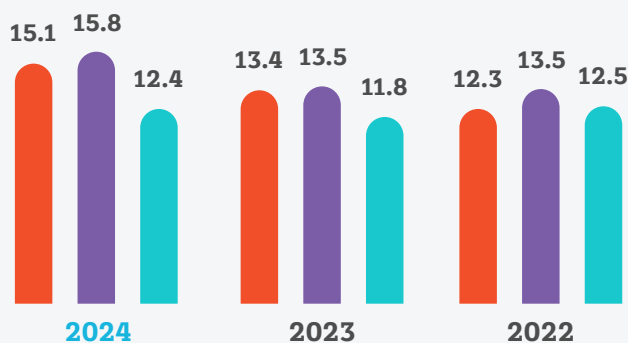
We support this Mexican Business Council initiative that promotes leadership and talent development among high school and university students.



### > Baleños for Education

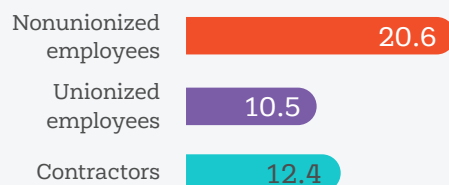
This program supports undergraduates at ITAM through voluntary staff donations from Industrias Peñoles. The contributions help students complete their studies.

### Women's participation by labor segment (%)



- Leadership positions
- Unionized and nonunionized employees
- Contractors

### Total participation of women (%)



## Performance and metrics

### Workforce

Segment	Peñoles	Fresnillo plc	Industrias Peñoles
● Nonunionized employees	3,143	1,915	5,058
● Unionized employees	5,116	5,588	10,704
● Contractors	5,855	10,619	16,474
<b>TOTAL</b>	<b>14,114</b>	<b>18,122</b>	<b>32,236</b>

Bal Holdings employees are not included.

### Ratios between standard entry-level wage by gender and local minimum wage

Company	Ratio
Peñoles	1.89
Fresnillo plc	2.02
Industrias Peñoles	1.89

For nonunionized employees only.

Employees covered by a collective agreement	%
Peñoles	61.94
Fresnillo plc	74.48
Industrias Peñoles	67.91

### Composition of the workforce by gender

Segment	Peñoles			Fresnillo plc			Industrias Peñoles		
	Men	Women	%	Men	Women	%	Men	Women	%
Nonunionized employees	2,419	646	21.1	1,536	379	19.8	3,955	1,025	20.6
Unionized employees	4,715	401	7.8	4,869	719	12.9	9,584	1,120	10.5
Contractors	4,984	871	14.9	9,452	1,167	11.0	14,436	2,038	12.4
<b>TOTAL</b>	<b>12,118</b>	<b>1,918</b>	<b>13.7</b>	<b>15,857</b>	<b>2,265</b>	<b>12.5</b>	<b>27,975</b>	<b>4,183</b>	<b>13.0</b>

### Workforce



- 15.69% Nonunionized employees
- 33.21% Unionized employees
- 51.10% Contractors

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[Communities](#)

### Participation of women by segment of nonunionized employees

Segment	Peñoles		Fresnillo plc		Industrias Peñoles		
	Men	Women	Men	Women	Men	Women	Women's participation (%)
Executive	40	3	22	3	62	6	8.8
Manager	277	52	145	15	422	67	13.7
Senior professional	668	202	347	52	1,015	254	20.0
Professional	970	266	707	220	1,677	486	22.5
Non-professional	458	120	43	37	501	157	23.9
Interns	6	3	16	11	22	14	38.9
<b>TOTAL</b>	<b>2,419</b>	<b>646</b>	<b>1,280</b>	<b>338</b>	<b>3,699</b>	<b>984</b>	

Figures for nonunionized employees from Mexico, Chile and Peru. Workers of Exploraciones Mineras Parreña, Línea Coahuila Durango and Quirey du Brazil are not included. Senior professional, professional, and non-professional categories were audited.



### Wage gap (ratio) between women and men

Segment	Peñoles				Fresnillo plc				Industrias Peñoles			
	Ratio	Men	Women	%	Ratio	Men	Women	%	Ratio	Men	Women	%
Senior professional	0.97	668	200	23.04	0.93	337	51	13.14	0.96	1,005	251	19.98
Professional	0.98	960	256	21.05	0.99	694	218	23.90	0.98	1,654	474	22.27
Non-professional	1.05	452	126	21.80	0.96	41	37	47.44	1.04	493	163	24.85
<b>TOTAL</b>	<b>0.99</b>	<b>2,069</b>	<b>582</b>	<b>21.86</b>	<b>0.97</b>	<b>1,072</b>	<b>306</b>	<b>22.21</b>	<b>0.99</b>	<b>3,152</b>	<b>888</b>	<b>21.98</b>

The ratios are calculated with the base salary of nonunionized employees in Mexico.

### Workforce by age group

Segment	Peñoles			Fresnillo plc			Industrias Peñoles		
	<30 years	30 - 50	>50	<30 years	30 - 50	>50	<30 years	30 - 50	>50
Nonunionized employees	582	1,992	491	516	1,184	215	1,098	3,176	706
Unionized employees	1,586	2,817	713	1,724	3,389	475	3,310	6,206	1,188
Contractors	1,921	3,098	836	3,626	6,057	936	5,547	9,155	1,772
<b>TOTAL</b>	<b>4,089</b>	<b>7,907</b>	<b>2,040</b>	<b>5,866</b>	<b>10,630</b>	<b>1,626</b>	<b>9,955</b>	<b>18,537</b>	<b>3,666</b>

Figures for nonunionized employees from Mexico, Chile and Peru. Workers of Exploraciones Mineras Parreña, Línea Coahuila Durango and Quirey du Brazil are not included.

### Hiring of non-union employees

Age range	Men	Women	Total
< 30 years	186	66	252
30 - 50 years	138	21	159
> 50 years	6	0	6
<b>TOTAL</b>	<b>330</b>	<b>87</b>	<b>417</b>

### Other training

Segment	Average of total hours
Nonunionized employees	20.96
Unionized employees	40.67
Contractors	7.62
<b>TOTAL</b>	<b>20.69</b>

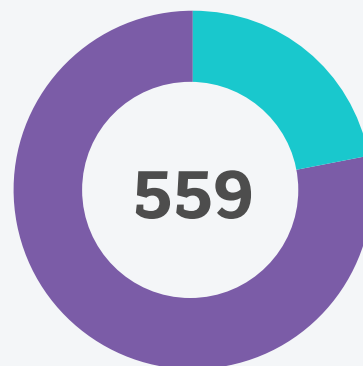
Other training on environmental issues, technical skills, humanities, and values, anti-corruption policies and procedures, and human rights. Safety and health training can be found in the [Health and safety](#) section.

### Turnover rate (%)

	Peñoles	Fresnillo plc	Industrias Peñoles
<b>Age range</b>			
< 30 years	14.6	18.2	16.4
Between 30 and 50 years	9.8	9.5	9.7
> 50 years	12.7	12.1	12.5
<b>Gender</b>			
Women	16.5	12.1	14.2
Men	10.8	12.4	11.5
<b>TOTAL</b>	<b>11.5</b>	<b>12.3</b>	<b>11.9</b>

Turnover rates for unionized and nonunionized employees for Mexico, Chile and Peru. Linea Coahuila Durango, Bal Holdings and Quirey du Brazil are not included.

### Promotions of non-union employees



● 22% Women  
● 78% Men

