

# ARIZONA SONORAN COPPER COMPANY INC.

## DIVERSITY AND INCLUSION POLICY

Adopted by the Board of Directors on June 21, 2021.

### 1. PURPOSE

Arizona Sonoran Copper Company Inc. (the “**Company**”) is committed to fostering, cultivating and preserving a culture of diversity, equity and inclusion. The purpose of this diversity and inclusion policy (this “**Policy**”) is to communicate the importance the Company places on diversity.

### 2. PRINCIPLES

People are our most valued resource. The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities and talent that our employees invest in their work represents a significant part of not only our culture, but our reputation and company’s achievement as well.

We embrace and encourage our employees’ differences in age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status, and other characteristics that make our employees unique.

### 3. GUIDELINES

#### 3.1 Applicability and Guidelines

The Company’s diversity initiatives are applicable but not limited to our practices and policies on recruitment and selection; compensation and benefits; professional development and training; promotions; transfers; social and recreational programs; layoffs; terminations; and the ongoing development of a work environment built on the premise of gender and diversity equity that encourages and enforces:

- 3.1.1 Attract and retain a highly skilled and diverse workforce that best represents the talent available our local communities.
- 3.1.2 Respectful communication and cooperation between all employees.
- 3.1.3 Teamwork and employee participation, permitting the representation of all groups and employee perspectives.
- 3.1.4 Employer and employee contributions to the communities we serve to promote a greater understanding and respect for the diversity.

- 3.1.5 Build and maintain a safe and inclusive work environment.
- 3.1.6 Set measurable objectives for gender diversity.
- 3.1.7 Build a workforce that is provided with opportunities to develop skills and experience for career advancement, learning and development.

### **3.2 Conduct of Employees**

- 3.2.1 All employees of the Company have a responsibility to always treat others with dignity and respect. All employees are expected to exhibit conduct that reflects inclusion during work, at work functions on or off the work site, and at all other company-sponsored and participative events. All employees are also required to attend and complete annual diversity awareness training to enhance their knowledge to fulfill this responsibility.
- 3.2.2 Any employee found to have exhibited any inappropriate conduct or behavior against others may be subject to disciplinary action.

### **3.3 Assistance and Queries**

Employees who believe they have been subjected to any kind of discrimination that conflicts with this Policy and the Company's diversity initiatives should seek assistance from a supervisor or an HR representative.

## **4. SPECIFIC TARGET**

The Company recognizes that gender diversity is a significant aspect of diversity and to promote gender diversity on the Board and management.

### **4.1 Gender Diversity Initiative – Board of Directors**

To promote diversity on the Board, the Governance and Nominating Committee shall:

- 4.1.1 maintain an evergreen list of potential candidates for election to the Board which list includes parity between men and women candidates; this list shall take into account that qualified candidates may be found in a broad array of organizations;
- 4.1.2 periodically assess the effectiveness of the nomination process at achieving the Company's diversity objectives outlined in this Policy; and
- 4.1.3 in order to support the specific objective of gender diversity, considers the level of representation of women on the Board and ensures that women are

included in the short list of candidates being considered for a Board position.

#### **4.2 Target**

The Company aspires to have female directors comprise of not less than 30% of the Board of Directors by 2023.

#### **4.3 Selection Criteria**

When identifying potential candidates for the Board, the Governance and Nominating Committee considers the selection criteria approved by the Board, as well as its analysis of the Board's needs based on the above criteria. These selection criteria are reviewed periodically.

#### **4.4 Gender Diversity Initiative – Management**

To promote diversity amongst senior management, the Compensation Committee and the human resources department of the Company shall:

- 4.4.1 Assist in the development of women within the organization through training, inside sponsorship and outside mentoring;
- 4.4.2 Ensure that for every open position within the organization, at least one female be considered as a potential candidate;
- 4.4.3 Actively participate in internal and external initiatives to promote diversity in its industry with specific focus on gender diversity; and
- 4.4.4 Provide work environment that accommodates family and work life balance, while maintaining a high achievement culture.

The Company aspires to have female officers / management comprise of not less than 25% of management.

Management will report annually to the Sustainability Committee on its gender diversity program.

### **5. REVIEW OF POLICY**

The Board of Directors will annually review and evaluate the effectiveness of this Policy.