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The processes noted herein are presented for illustrative purposes only and may not be performed in the same manner for every investment. The procedures noted are representative and may not be exhaustive. The noted case studies are presented for illustrative purposes only. These investments are not necessarily indicative of any investments that Orion will or could make in the future. The companies identified herein do not represent all of the investments made by Orion and it should not be assumed that the investments identified were or will be profitable.

Totals may not add due to rounding. All figures are in United States dollars.



RESOURCE  
PARTNERS

# Responsible Investment Report 2022 and 2023

A DECADE OF IMPACT





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#### SCOPE:

- Activities under direct operational control of Orion Resource Partners.
- Portfolio companies in our Orion Mine Finance (OMF) III and Orion Mineral Royalty (OMR) I vehicles, unless otherwise noted.
- Time frame for the data is calendar year 2022, unless otherwise noted.

#### METRICS:

- Financial data is in US dollars, unless otherwise noted.
- We continue to enhance our environmental, social, and governance data over time.

#### MATERIALITY:

- Assess and mitigate the most material topics.
- Report and responsible investment approaches are guided by:



ESG Data  
Convergence  
Initiative



Principles for  
Responsible  
Investment



EQUATOR  
PRINCIPLES



IFC  
International  
Finance  
Corporation  
WORLD BANK GROUP

Additional information, including our corporate policies, can be found on our website ([orionrp.com](http://orionrp.com)). We welcome your feedback and questions about our responsible investment performance. Please direct them to [mzales@orionrp.com](mailto:mzales@orionrp.com).

# About Orion

Orion Resource Partners (USA) LP (Orion) has invested in the metals and materials sectors since 2013 – a decade of impact. In this Responsible Investment Report for 2022 and 2023, we: i) provide an overview of Orion's responsible investment journey to date, ii) describe how responsible investment factors are incorporated into our processes, and iii) provide examples of our performance.

IMAGE: Nordic Engebo





IMAGE: High Power Exploration



## Message from Oskar Lewnowski

FOUNDER AND GROUP CEO

Orion has worked to be a unique force in the metals and materials arena over the last decade. Our core business continues to be construction and acquisition financing. More recently, we have expanded our reach into industrial venture capital in support of energy transition technologies. We have always pursued investments which enhance value to our company, investors, and all other stakeholders through direct engagement at every step of our involvement.

“Our mission is simple. We aim to create meaningful economic value for our stakeholders by investing across the metals and materials value chain. We also seek to manage risk with a positive impact on the environment and society.”

Our organizational structure has always reflected a commitment to incorporating and addressing responsible investment factors into our investment decisions. Orion’s investment and technical subject matter experts provide us with the internal capabilities to proactively assess

risks and identify opportunities in advance of making an investment decision. We conduct technical due diligence for new investments and maintain high standards for existing investments.

Where possible, we are partners with the global community to track, report, and reduce carbon emissions. We started by calculating and purchasing renewable energy credits (RECs) to offset our own operational greenhouse gas (GHG) emissions for 2021 and are now working to estimate the GHG emissions for our investments. We encourage portfolio companies to reduce emissions at their operations to enhance their value in the market.

We are excited to continue in our leadership role in the metals and materials verticals. This includes engaging with the various exchanges on responsible investment expectations and working with our strategic partners to help build tailored solutions to meet their sustainable investment targets. We are prepared to continue to do our part to support the metals industry as both an integral and committed partner for a sustainable future across the infrastructure, energy, and transportation sectors and in strong communities.





IMAGE: Horizonte



## Message from Kirsten Wolf

CHIEF RISK OFFICER

Orion's leadership has always looked beyond financials when making investment decisions. We have learned a lot over our decade of impact. In 2022, we committed to evaluate investments in our next Mine Finance and Royalty funds to the Equator Principles version 4.0 (EP4) or International Finance Corporation Performance Standards (IFC Standards) to continually enhance our structure around our processes.<sup>1</sup> Conducting diligence to these two standards is considered a global best practice to promote responsible operations.

Our technical diligence process has continued to evolve and improve with a strong focus on topics that are uniquely material to our investments. This includes tailings management, community engagement, biodiversity, and corporate ethics. Orion now has an overarching Responsible Investment Policy for investments across the organization, with corresponding Responsible Investment Procedures for certain funds. These policies and procedures demonstrate our evolving commitment to responsible and sustainable investing that helps to add financial value across our portfolio.

In 2022, we expanded our ESG Committee (the Committee), which I chair, to include a representative from our commodities fund team. To continue building on our decade of impact, we are researching and assessing Orion's role in driving performance in the metals space. We provide more detail in the Base and Precious Metals section.

Orion is engaging with the United Nation's Principles for Responsible Investment (PRI) to expand the investment community's understanding of the risks and opportunities in the metals space. Our team members actively participate in and present at conferences to enhance understanding around metals and materials. In 2022, this included our Director Responsible Investing presenting at the Organization for Economic Cooperation and Development (OECD) Mining Conference in Paris, France. Orion became a signatory of the PRI in 2021 and submitted data to the ESG Data Convergence Initiative (EDCI) in 2022 and 2023.

We are aiming to offset our own Scope 2 GHG emissions<sup>2</sup> with RECs again in 2022.<sup>3</sup> By working with our investments to enhance their focus on environmental and social responsibility, we expect to see economic, technical, environmental, and social improvements in the projects we support.

We are proud of the strides we've made in playing an active role in the global push towards a more sustainable economy over the past decade. We look forward to providing even greater impact in the next decade and receiving feedback from our stakeholders on this Responsible Investment Report.

<sup>1</sup>OMF III and OMR I investments in non-Designated Countries are assessed according to and generally follow the IFC Standards.

<sup>2</sup>Orion evaluated and determined there were no material Scope 1 emissions.

<sup>3</sup>We offset all of our Scope 2 and Scope 3 categories 6 and 7 emissions for 2021 with RECs.





IMAGE: Platreef

# Orion's Focus on Social and Environmental Impacts





IMAGE: Diligence at confidential site



IMAGE: Philip Clegg at Sedibelo site visit



IMAGE: Diligence of carbon offset project

## HEALTH AND SAFETY

Orion continues to enhance our health and safety programs for our workforce. We are proud to report that we had zero safety incidents in 2022. In 2023, we plan to update our Employee Handbook to include more information on health and safety.

As part of diligence and monitoring to effectively assess potential risks and opportunities, Orion team members are asked to travel to remote places. We support our employees in evaluating concerns about traveling to certain areas of the world. Our employees have access to International SOS and other resources to help evaluate and mitigate risks. International SOS is a company that supports us to assess risks associated with travel and provide 24/7 assistance service while we are traveling. If an employee raises a concern that cannot be appropriately mitigated, the employee has full discretion to avoid the trip without fear of retribution or criticism.

## ENVIRONMENT

Orion is working to develop internal environmental goals. This includes reducing the use of plastics in the office and purchasing environmentally friendly alternatives to products and materials. We provide and encourage employees to use filtered water and not bottled. Several offices have recycling programs, including employee driven efforts. We are purchasing sustainable gifts for our 10-year anniversary and other events, including notebooks with recycled paper, reusable tote bags, and other items.

We annually calculate our Scope 1, 2, and 3 GHG emissions and since 2021:

- Purchase RECs for GHG Scope 2 and Scope 3 categories 6 and 7 emissions.
- Conduct an annual employee transit survey.
- Identify strategies to support our portfolio companies in reducing emissions, which are included in our Scope 3 emissions category 15 investments.

Source Category	Total CO <sub>2</sub> e Emissions (kg)	Scope <sup>4</sup>
Employee Commuting	7,885	Scope 3
Air Travel	1,038,270	Scope 3
Electricity	76,499	Scope 2
Heating	7,885	Scope 2
GHG Scope	Total CO <sub>2</sub> e Emissions (Mt)	Offset Ideas
Total Scope 1	0	N/A
Total Scope 2	84	RECs
Total Scope 3 <sup>5</sup> category 6 Business Travel and category 7 Employee Commuting	1,046	RECs

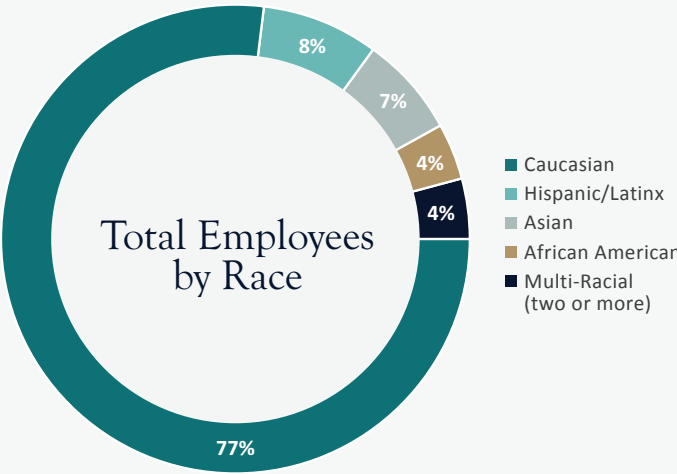
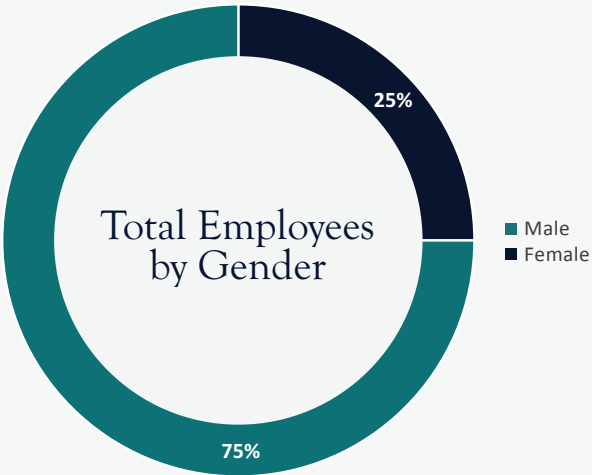
This is an estimate of Orion’s GHG emissions for 2022 based on: i) employee responses; ii) travel data from invoices; and iii) available utility information for electricity and heating. Orion is diligently working to enhance the quality of our GHG data, which results in variations in the data reported.

<sup>4</sup>Scope 2 and 3 are as defined by the World Resources Institute Greenhouse Gas Protocol.  
<sup>5</sup>Orion is working to evaluate and address Scope 3 category 15 (Investments). See OMF III and OMR I Highlights section for estimated Scope 3 category 15 GHG emissions.





IMAGE: Technical team celebrating at a Women in Mining Event

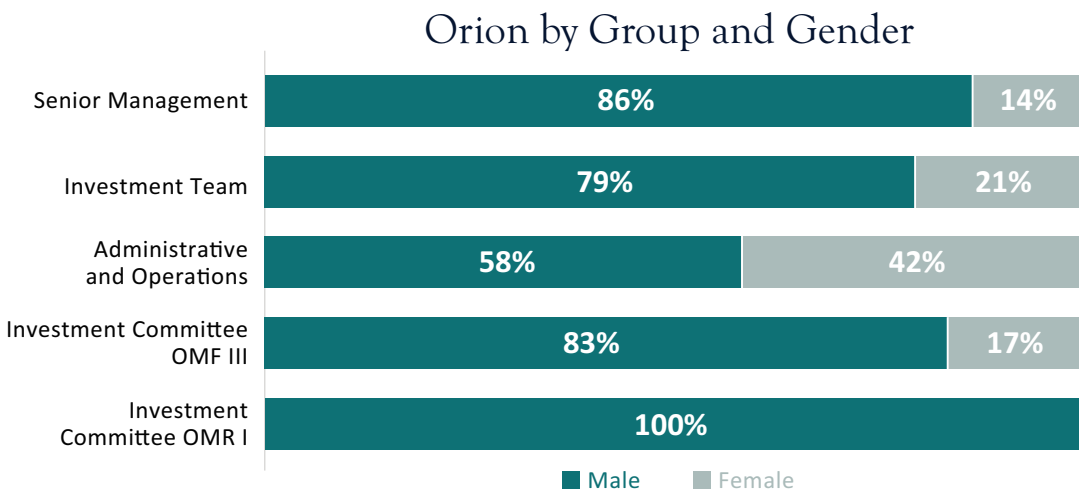


## DIVERSITY, EQUITY AND INCLUSION (DEI)

We have a focus on diversity of backgrounds, thought, and perspectives. Equity means the just and fair inclusion in a community in which all can participate, prosper, and reach their full potential. Inclusion means that all members of a community feel fully part of that community. The information in the charts is our employee information as of 31 December 2022 (total 64 employees). We have created a DEI Working Group reporting to the Committee. Our Women of Orion Affinity Group continues to meet and we are organizing an LGBTQ group. Orion invests in its employees through continuing education support, training, and other opportunities to enhance our business skills and experience.

We are working to enhance engagement with our employees on several new efforts. This includes the following new initiatives starting in 2023 to enhance engagement with our employees:

- **“Ask me anything”** - with founder Oskar Lewnowski
- **Orion Newsletter** - internal to enhance knowledge
- **Technical and sustainability teach-ins** - further engage employees
- **Product teach-ins** - encourage use of educational benefits
- **Responsible client engagement** - use sustainably sourced materials
- **Customized solutions** - increase stakeholder engagement



## INTERVIEW



**Yasmin Carr-Bond**  
**MANAGER DEI**

We are honored to introduce Yasmin Carr-Bond. She accepted the role of Orion’s first Manager DEI in 2023.

### Yasmin, can you please share your thoughts on the importance of DEI at Orion?

Since 2021 when I joined our London office, I could tell that creating a safe, equitable, and open working environment was a priority. I understand the importance of creating an inclusive workspace with a strong sense of belonging. With Oskar’s leadership, we are encouraged and expected to treat each other with respect and speak openly.

### Why did you decide to take on this significant role?

Orion has always been a place where the leadership see the potential of individuals. When I joined, I felt such a strong sense of community and that people were truly valued. I aim to echo this nurturing ethos. I have been in an administrative role for the past six years across my career. When our leadership approached me with this opportunity, I was thrilled and felt very empowered. Equity and inclusion have been a passion of mine. I look forward to developing within this space and know how amazing this opportunity will be for my personal growth and career path at Orion.

### What are Orion’s strengths in the DEI space?

In my opinion, Orion’s overall greatest strength is our people. Diversity for us means diversity of thought. This is enabled by our team including a varied and broad level of experience. We have team members from different areas of the world, with different life experiences. This provides a valuable wealth of knowledge and a diverse level of thinking.

“I am excited about our collaborative efforts to enhance employee engagement through some of our new initiatives starting September 2023. We’ve created an independent working group accessible to all staff to share their feedback and thoughts ([inclusion@orionrp.com](mailto:inclusion@orionrp.com)) around these.”

### What can Orion do to further enhance DEI in the organization?

In 2022, we hired CapEQ as a third-party to better understand our opportunities. Now we have a roadmap for improvement, tailored by a human-centered design. Sometimes people may be doing their best, and not be aware of being more comfortable with “like kind” individuals. Thus, we could work to decrease the level of unconscious bias as we work to diversify our team. Our DEI Working Group have mapped out our journey and I know that we’ll create a positive impact within Orion.





In 2023, nine Orion employees and two friends participated in an event to support a local charity in England. The team climbed three of the highest mountains in Scotland, England, and Wales in 24-hours to raise money for St Mungo's. This group runs a range of hostels and projects to support homeless people to rebuild their lives. Their vision is that everyone has a place to call home and can fulfill their hopes and ambitions.

Charity addressing homelessness: St. Mungo's ([mungos.org](https://www.mungos.org))

In 2022, Orion turned to CapEQ to help assess and improve its current DEI landscape and develop its strategy for embedding equitable practices. CapEQ specializes in supporting private equity firms to embed equitable impact both internally and within their portfolio companies. The process steps, key findings, and action plan are illustrated herein.



### STRENGTHS

- Safe and supportive for ethnic and differing backgrounds
- DEI positive culture
- Strong social commitments and diligence process
- Openness for increasing DEI awareness and competencies
- Action towards DEI progression

### IMPROVEMENTS

- Update existing policies and practices
- Update employee handbook to enhance DEI topics
- Work with employees to recognize bias

### OPPORTUNITIES

- Increase DEI capacity
- Establish and elevate DEI commitments
- Improve leadership's DEI capacity
- Establish DEI alignment across the company
- Engage and expand stakeholder engagement
- Extend leadership in broader ecosystem

DEI IMPLEMENTATION PLAN	STATUS
Name a DEI Manager	Complete
Initiate a DEI Working Group reporting to the Committee	Complete
Require DEI and Unconscious Bias Training for all employees	Underway
Establish DEI goals and measure progress	Underway
Develop a stakeholder engagement plan engaging a diverse set of stakeholders	Underway
Develop a volunteer and outreach program	Underway
Include DEI goals as part of vendor procurement processes	Underway
Conduct an annual employee survey	Complete Annually







IMAGE: Oskar and Matt Zales,  
Chief Marketing Officer

# Corporate Governance

At Orion, we hold ourselves to the high standards of behavior that we expect from our portfolio companies. Our Employee Handbook and other policies provide guidance on Orion’s expectations for our employees’ code of conduct. This includes our commitment to DEI. Below are the policies and procedures Orion has implemented to adhere to our commitments on corporate governance. Company-wide policies are in teal font, fund-specific are in brown font, and new policies are marked with an asterisk. Additional policies and procedures are under development.

ORION POLICIES AND PROGRAMS		
Business Continuity and Disaster Recovery Plan	Sexual Harassment Policy	Management Committee Charter
Compliance Manual	Human Rights Policy*	Transaction Protocols
Code of Ethics	Responsible Investment Practice and Investment Policy*	European Union SFDR Pre-contractual Disclosures*
ESG Committee Charter	European Union SFDR Required Disclosures*	European Union SFDR Required Disclosures*
Non-Harassment Policy		Responsible Investment Procedures*
Orion Resource Partners (USA) Employee Handbook		
Company-wide documents	* New policies	Fund-specific

# Technical Risk Management and Opportunity Enhancement

We continue to manage our corporate technical, environmental, social, and governance risk in a similar manner to the way we expect our investments to manage risk. Our risk management program is continually enhanced with support from third-party experts. Over the past year, we have worked to enhance various aspects of our internal process as detailed herein.



Developing a corporate-wide Responsible Investment Practice and Investment Policy



Developing a Human Rights Policy



Creating a Manager DEI role and action plan



Planning on issuing a Task Force on Climate-related Financial Disclosures (TCFD) report for 2024



Working with a third-party expert to develop a gap assessment to the PRI 2022 survey and deciding to report a year early based on the results



Enhancing responsible investing criteria into other business units



Expanding OMF and OMR opportunities for the next funds



# Evolution of Orion's Responsible Investment Philosophy

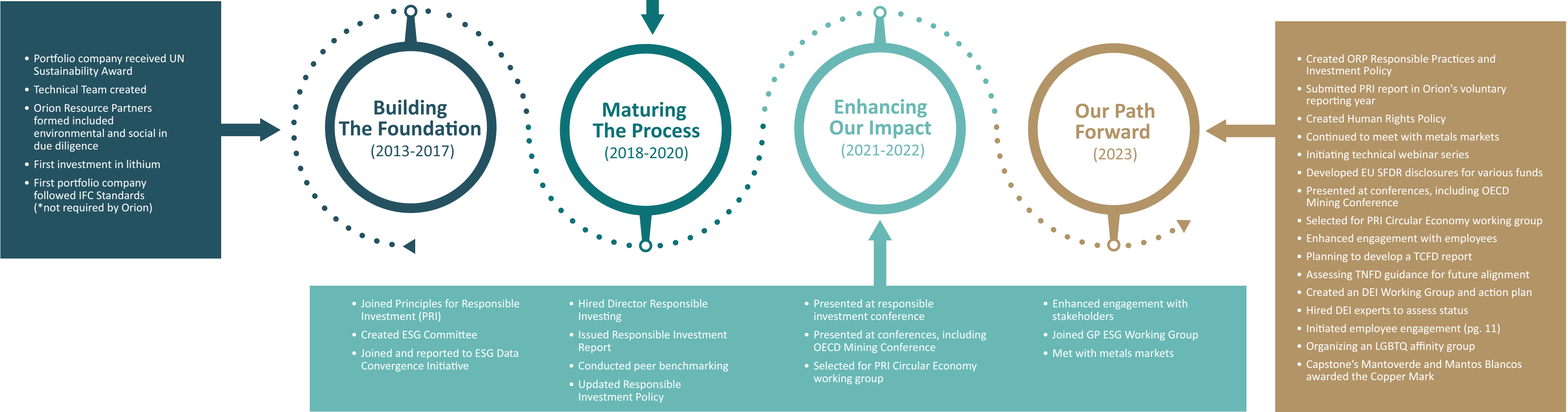






IMAGE: Sydvaranger, Norway

# Orion Resource Partners (ORP) Responsible Practices and Investment Policy

Orion believes that responsibly produced and processed minerals are key to an even better future. Responsible investment practices and this Policy guide us in our effort to be responsible stewards of our fund clients and investors, who have entrusted us with their investment capital. This Policy guides our stewardship role and reflects our commitment to creating value for our stakeholders.

Orion is committed to exhibiting and encouraging robust practices and performance related to RI Factors for both our own operations and those of our investments. We strive to be a leader in the investment arena for thoughtful and appropriate consideration and integration of RI Factors into our business. Responsible investment principles are a key component to developing strong, resilient companies and assets that deliver long-term value for our investors and we believe consideration of such factors is consistent with our fiduciary duty.

It is the policy of ORP to be a responsible investor and to take into consideration, and where applicable, act on certain RI Factors in the context of its activity as an investor, adviser, and commodity pool operator. Topics considered include, and are not limited to:

- Applicable laws and regulations relating to conflicts metal production and transfer, exchange rules, and policies (e.g., securities and exchange regulators, CME Group, and London Metal Exchange [LME]),
- Views and guidance of civil society and stakeholder groups (e.g., non-governmental organizations),
- Select global responsible investment frameworks and guidelines, and
- Investment restrictions are included in fund or managed account agreements.

Orion has a limited direct operational impact on investments. As a result, we primarily focus on carefully assessing investments made by Orion and working with our portfolio companies to enhance social integrity, environmental protection, ethical business conduct, and respect for workers and communities. Generally, we believe it is more effective to use our influence to attempt to drive change, rather than divest. We do not invest in companies which derive prescribed levels of revenue from the manufacture of controversial weapons as set out in our exclusion policy for our shareholder and policyholder funds. There is international consensus on the inappropriateness of these types of weapons.





Key markets include:

- **LME:** aluminium, copper, zinc, nickel, lead, tin, cobalt, aluminium alloy, and NASAAC
- **CME:** copper, aluminium, gold, silver, platinum, and palladium
- **LBMA:** gold, silver, platinum, and palladium
- **SHFE:** aluminium, copper, zinc, nickel, lead, and tin
- **SGX:** iron ore and steel

BREAKOUT TOPIC:  
Base and Precious Metals

Orion is committed to supporting responsible development and sourcing within the metals complex. The firm is uniquely placed with extensive in-house experience in managing physical metal assets throughout the global supply chain from mine to consumer across its merchant service and hedge fund divisions.

Since 2015, Orion Commodities Management (OCM) has managed physical base and precious metal exposure on both the London Metals Exchange (LME) and the Chicago Mercantile Exchange (CME) as part of its discretionary investment strategy. We also engage with the London Bouillon Metal Association (LBMA).

Over the same period, Orion Merchant Services’ (OMS) expertise in logistics, inventory management, and relationships with its network of smelters, fabricators, and global metals merchants, has been integral to Orion’s track record in value creation.

In 2022 and 2023, as part of our commitment to responsible investment, Orion has:

- Engaged with the futures exchanges to better understand how responsible investment is incorporated into fair and transparent market practices.
- Offered feedback to the exchanges on effective methods of incorporating responsible-investment practices.
- Participated in an OECD Forum on Responsible Mineral Supply Chains investment panels.
- Addressed market structure considerations with key investors and stakeholders.



In 2019, the LME launched its responsible sourcing requirements. As of 31 December 2023, all aspects of the requirements must be fully embedded in the systems of all brands traded on the exchange. The requirements include to:

- Implement the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance).
- Maintain an ISO 14001 environmental management system certification or equivalent.
- Maintain an ISO 45001 occupational health and safety management system certification or equivalent.

The LME created the LMEpassport portal and digital register to enhance transparency across the industry. This allows purchasers of metals and minerals to verify sourcing and responsible investment practices of metals companies.



The London Bullion Market Association (LBMA) has a Responsible Sourcing Programme that verifies the continuous improvement of Responsible Sourcing business practices. The program also reassures clients that the metal sourced from LBMA Good Delivery (GDL) Refiners is free from threat financing. The program follows the five-step due diligence framework set out in the OECD Guidance. It requires GDL refiners to demonstrate their efforts to combat money laundering, terrorist financing and human rights abuses, and respect the environment globally. LBMA issues an annual report showing performance, case studies, and gold and silver country of origin information for all refiners.

In addition to commodity exchanges, there are a growing number of responsible development standards for various minerals and industries. Orion continues to monitor and evaluate these standards for use in our diligence, monitoring, and educational efforts. The icons provided are just a sample of the existing responsible standards available for companies in the materials space. Orion does not use all of these standards in diligence or monitoring.<sup>6</sup>

	Standards developed by non-governmental organizations that apply across many sectors		Mining standards developed by trade associations for minerals
	Global minerals and metals standards developed by organizations including non-governmental organizations		Supply chain standards developed by customers to the minerals industry

<sup>6</sup>Orion does not use all of these standards and they are being shared for educational purposes.





IMAGE: Inaugural “Ask me Anything” event

# Orion’s Approach to Responsible Investment





# Responsible Investment Practices



At Orion, we know that our investment decisions can have a positive impact on the environment, local communities, and the global economy. This is essential to adding and protecting value for our stakeholders, particularly our limited partners. We recognize the importance of metals and materials companies operating in an environmentally and socially responsible manner.

Orion has always considered assets which are more protected from market volatility. This includes infrastructure, energy transition, and sustainability markets. We keep sight of the basics of successful projects. We ask what the energy transition does to the relevant markets. Our diligence process considers the volatility and speed of energy transition within markets (from a market assessment perspective).

We have a dedicated ESG Committee comprised of representatives from the Management Committee and Investment, Investor Relations, and Technical Teams. This committee evaluates our direction, options, and strategies around responsible investment. Our risk management program integrated into our diligence and monitoring activities is continually enhanced. In the past year, there have been multiple improvements made to the process and approved by the Committee.

Our next steps are to:

- Align OMF IV and ORR II to the IFC Standards and Equator Principles version 4.0 during diligence and the SFDR Article 8.
- Continue to align to the TCFD guidance for physical climate risk evaluations during diligence and ongoing portfolio company expectations.
- Evolve the management review process during the diligence process to better assess the corporate governance around compensation.
- Work to align to the Task Force on Nature-related Financial Disclosures (TNFD) and enhance biodiversity reporting.
- Start to increase our use of benchmarking environmental and social data points to assess and compare performance.



## INTERVIEW

Johanna Porcello  
ASSOCIATE DIRECTOR INVESTOR RELATIONS

We are honored to introduce you to one of our talented Investor Relations (IR) team members.

### Johanna, how is responsible investment relevant to your role in the IR team?

Responsible investment has been a critical aspect of our IR team since Orion first started more than a decade ago. We regularly engage with our investors on a myriad of environmental, social, and governance related topics. We are asked to complete ad hoc and annual surveys for many Limited Partners (LPs) that include an increasing number of questions focused on environmental and social matters.

### Can you provide examples of the importance of our due diligence process for our investors?

Our LPs expect us to evaluate and work to mitigate risks and enhance opportunities with our investments. For example, LPs often ask us to demonstrate our ability to monitor a portfolio company's progress

against our responsible investment requirements by reviewing our loan or stream covenant packages. This is especially true for our co-investors who shadow our diligence work. For example, there were numerous calls regarding environmental and social topics with our co-investors for Ivanhoe Mines and Sabina, which was the first Canadian transaction using EP4.

### What significant changes have you experienced with what is expected with responsible investing and investor relations?

Over the past few years, we have received more interest and questions on greenhouse gas emissions, human rights, DEI, sensitive habitat protection, worker safety, and life cycle water management. We also have more LPs interested in speaking directly with our Director Responsible Investing.





IMAGE: Orion New York Office

## STAKEHOLDER COLLABORATION

Orion’s engagement with our stakeholders includes identifying their priorities and enhancing our overall engagement. We pride ourselves on working with our stakeholders to support the realization of business and strategic goals. For our portfolio companies, we work to enhance their market value, increase Orion’s returns, decrease risks, and increase opportunities. With our stakeholders typically we:

COMMUNICATE	IMPLEMENT	OFFER	ENCOURAGE	FACILITATE	ENGAGE
Through employee engagement	To enhance our overall processes to manage risk and enhance value	Awareness events for employees and other stakeholders	Continual improvement, targets, and goals through surveys and reporting	Regular calls and meetings with various stakeholders	Through meetings, site visits, reporting, and surveys

To increase transparency and encourage collaboration with stakeholders, Orion commits to enhancing disclosures to our investors and the public. Our efforts include:

- Continuing to assess, develop, and implement our priorities
- Enhancing our involvement with PRI, ILPA, and GP ESG Working Group
- Implementing and supporting best practices
- Improving our internal processes
- Benchmarking to peers
- Evaluating emerging regulatory requirements
- Identifying relevant topics material to stakeholders
- Engaging with the commodity exchanges

The Technical Team’s function is to evaluate and engage with companies throughout the life cycle of investments. We establish a Technical Committee with certain portfolio companies and have regular meetings to discuss a variety of technical topics. The Committee is led by the most relevant specialist on the Technical Team. The other Technical Team members participate and directly engage depending on the topics and opportunities.





In this report, we would like to give special recognition to Nick Michael. Nick was the first member of the Technical Team, joining in 2016. With Kirsten Wolf, they built out the Technical Team and enhanced the process. Over the years, Nick helped Orion with some of the most interesting and challenging opportunities for our portfolio companies. He was instrumental in building out the current Technical Team, such that they will continue to thrive under Geoff's leadership. Thank you Nick.

## RISK AND TECHNICAL TEAM

Orion has a dedicated Technical Team with expertise in areas critical to the metals and materials industry that support the due diligence and ongoing management of portfolio companies. These internal experts are independent from the Investment Team, reporting directly to the Chief Risk Officer. This team's expertise and years of experience are represented later in this report. Often, third-party experts are engaged to supplement the team as needed during diligence and asset monitoring. Information and opinions received from third-party experts are reviewed by the Technical Team and considered in their assessment. Having internal subject matter experts greatly supports our initial due diligence assessments. This allows for material technical risks and opportunities to be identified early and investments to be structured accordingly to minimize risk.

As Orion initiates pre-acquisition diligence, the Technical Team is involved in evaluating technical risks. During the investment period and based on the stage of the project, the team engages with the portfolio companies and tracks ongoing obligations and actions.

The responsible investment diligence process includes evaluating a potential portfolio company to the IFC Standards for projects in non-Designated countries. Starting with OMF IV and ORR II, the team evaluates projects using the appropriate provisions of the EP4 or IFC Standards and the CDA. This results in our Investment Teams becoming more knowledgeable about responsible investment and the relevant frameworks and standards. Our employees are offered responsible investment training each year. The goal is for each employee to receive responsible investment and responsible investment training by the end of 2023.

“With Nick we knew we would always get a direct and informed opinion on the technical aspects of a potential investment. His guidance over the years has been critical to the success of our diligence and investment efforts. Thank you Nick, for all of your contributions in making Orion the firm we are today.”



Geoff Elson  
VP TECHNICAL TEAM

We are excited to announce that Geoff Elson is the VP of the Technical Team, as of Nick Michael's retirement in April of 2023.

### Geoff, can you share with us your thoughts on the most material topics facing metals and materials projects?

Through managing our portfolio and conducting due diligence we find that the most material topics facing mining projects today are: i) establishing and maintaining social license through careful consideration of the surrounding environment and a variety of stakeholders; ii) maintaining capital and operating costs to deliver robust project economics; and iii) attracting and retaining senior and operating level management to study and execute projects at a high standard.

### When you are doing diligence, what are key aspects you need to see of the management team?

We are looking for a management team that has an appreciation for the complexity of the task at hand. Whether it's project definition, construction execution, or mine operation and optimization;

management teams that have a proven track record on similar projects are typically most prepared to avoid pitfalls and manage risk. Understanding how to direct a project away from trouble rather than reacting to situations that have developed through inexperience.

### What are the top three qualities you need to see for a project to be successful?

For a project to be successful we firstly need to see that through careful management of stakeholders gaining and maintaining permits and social license is achievable. Secondly the orebody needs to have desirable physical properties such as increased concentration, scale, continuity, or simplicity, that can deliver adequate margins through a variety of operating conditions. And lastly, a management team that has thoroughly studied and de-risked the project prior to our involvement and has a detailed and robust plan for the execution of the project.



Orion Risk and Technical Team



**KIRSTEN WOLF**  
Markets, Credit, and  
Financial Modeling



**GEOFF ELSON**  
Geology, Resources,  
and Reserves



**MIKE BLOIS**  
Process Metallurgy, Construction,  
Ramp-Up, and Costs



**JESSICA MONASTERIO**  
Tailings, Geotechnical, Water  
Management, and Financial  
Modeling



**JILL COOPER**  
Environment, Social,  
and Governance



**CHRIS SCHAUFFELE**  
Mining, Infrastructure, and  
Operations

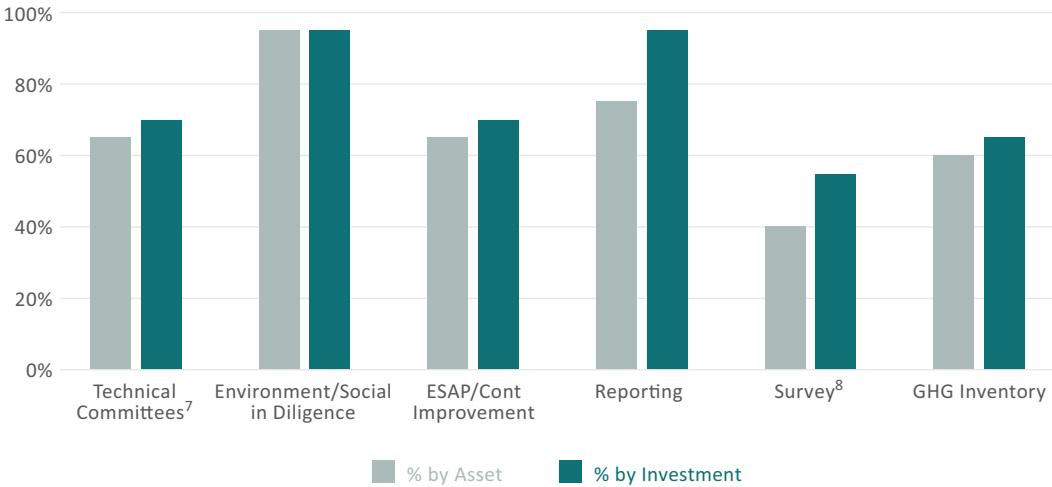


**ANGUS ARMSTRONG**  
Markets, Credit, and Financial  
Modeling



**SEBASTIAN SURRACO**  
Market Risk

Portfolio Company Engagement in 2023

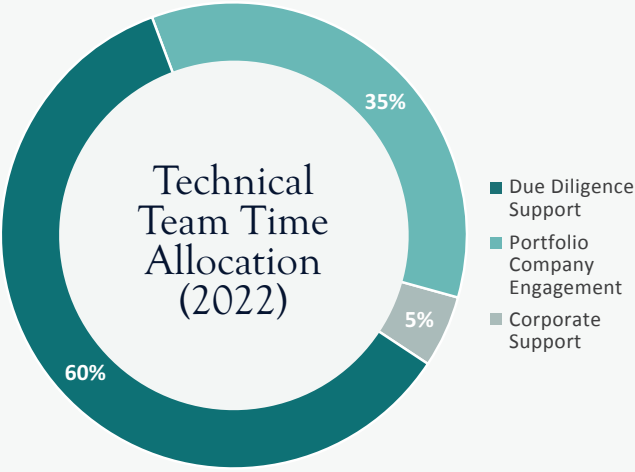


This chart represents the percent of portfolio companies that engaged in said activity. Based on estimates provided by the Technical Team for OMF III and OMR I.

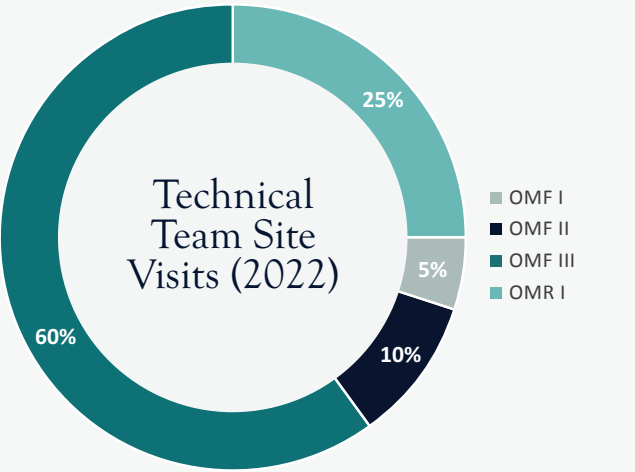
205 YEARS OF EXPERIENCE



<sup>7</sup>Or similar influence.  
<sup>8</sup>Survey or interview.



Based on estimates provided by the Technical Team.



These visits were for both diligence and monitoring. This graphic was developed based on Technical Team estimates of travel days.



MATERIALITY

Orion evaluates materiality for our own business and for portfolio companies. We use our governance programs to manage many of Orion’s material risks, as is depicted in the Orion’s Material Risks table. For portfolio companies, we manage material risk using our strong diligence and monitoring programs. In Appendix D, we are sharing material topics for portfolio companies, how Orion works to manage the risk and enhance the opportunities, and specific portfolio company examples.

Orion’s Material Risks



INTERVIEW



Jessica Monasterio  
DIRECTOR TECHNICAL SERVICES

It is our pleasure to introduce Jessica Monasterio. She provides technical leadership on tailings, geotechnical, water management, and financial modeling.

Jessica, can you please share with us why you are excited to be working at Orion in the Technical Team?

It is a pleasure to be part of a team that can affect change in global mining. The Technical Team guides mining companies to implement internationally accepted practices, generating meaningful impact to both the project and industry. Through collaboration and constructive criticism, we holistically characterize technical risk and recommend project-specific mitigations. We rely on our diverse technical backgrounds to support each other and help our counterparties. Our teamwork and cooperation make work engaging and something to look forward to.

Can you provide us your thoughts on the increasing importance of water management for operations?

While water resources have increased in importance due to climate change, site-wide water management has always been fundamental to mine construction and operations. A water surplus or shortage can limit production, impact stakeholder relationships, require capital for storage or treatment, and impact tailings safety. We look to a site-wide water balance and definition of water systems and management to understand the viability of a project. If water management is well-studied and understood, it limits risk and results in a better project and operation.

What do you look for in a strong tailings system and monitoring program?

Tailings are materials generated following processing ore. Strong leaders are critical to a well-designed and safely performing facility. Management systems and monitoring programs originate from these leaders. Tailings specialists are required to confirm that a facility is designed and constructed to align with appropriate regulations and standards, focusing on structural and geochemical integrity.

Records of design changes and construction coupled with a comprehensive monitoring and instrumentation system, allow qualified engineers to use the “Observational Method.” This method is a continuous assessment of tailings performance. Engineers evaluate whether a facility is functioning as designed, which informs the design of future phases and provides insights to mitigate risks. A holistic understanding of a tailings facility and potential risks, assists in achieving improved overall safety.

Meaningful engagement with communities through the tailings lifecycle is critical. Obtaining and maintaining free prior and informed consent (for new facilities) in addition to educating stakeholders around the operation form the basis for a well-managed facility.



RESPONSIBLE INVESTMENT:  
Diligence and Monitoring Processes

Orion uses an effective process for pre-transaction diligence efforts. This process is adapted to the specific circumstances of a deal, including the status of the project and availability of relevant information. Orion often relies on third-party information and support to obtain and assess the information. This transaction diligence process allows Orion to critically evaluate risks and opportunities germane to a specific investment. The portfolio companies continue to see benefits well past the diligence stage.



Conducting site visits and interviews are a critical aspect to our process. For each project, we evaluate the need and ability to do a site visit. If we determine it is appropriate and necessary, we consider the potential risks associated with the location. Then we select the team to attend. The investment team will send at least one individual. The Technical Team sends one to two individuals, in addition to third-party consultants. The third-party consultants will include specialists in key areas based on the stage of, type of, and potential risks associated with the project.



VALUE OF SITE VISITS

IMAGE: Confidential site visit in Namibia



Face to face interviews and meetings with workers and other stakeholders provide us firsthand information through individual connections.



Evaluating locations and issue spotting with “boots on the ground” is the only way to fully appreciate potential issues.



Relationship development with counterparties, supporting consultants, and Orion employees strengthens our ability to share best practices with portfolio companies.



For social matters, it is essential to see and meet with the workforce and communities. We work to engage through casual and formal settings.



The environmental setting and ecosystems are best understood when we can see and visit the areas.





Monthly reporting



Technical committee engagement



Selective use of independent experts



Periodic visits to locations



Collaborate to resolve issues

We continue our focus after diligence and into monitoring. Obligations are incorporated into conditions and tracked throughout the life of our investment.

As we track trends in the various relevant sectors, we adapt our processes accordingly. The trends include what is being expected by downstream stakeholders in the metal and materials process. This includes customers, commodity exchanges, future investors, insurance companies, and prospective acquirers of the operations. By focusing on these trends, the prospective investment gains value even if Orion does not choose to invest.

## TRENDS AND INCREASED FOCUS FOR DILIGENCE AND MONITORING

### TECHNICAL

- Increasing complexity of process to recover strategic and battery metals
- Basis of capital cost estimates and contingencies in an inflationary environment
- Increasing importance of project controls and scheduling
- Understanding allocation of risk between EPCM and EPC contracting strategies
- Role of owner's team in risk allocation

### WORKFORCE

- Understanding workforce global trends
- Employing and training local workforce
- Attracting and retaining qualified workforce
- Diversity in leadership and workforce
- Assessing management team skills

### COMMUNITY INVESTMENT

- Greater involvement with local needs
- Voluntary resettlements more common
- Incorporating mitigations for impacts to communities in the mine design

### COUNTRY RISK

- Increasing global socio-economic considerations
- Importance of country risk assessments and mitigation plans
- Relevance of infrastructure risks associated with remote projects

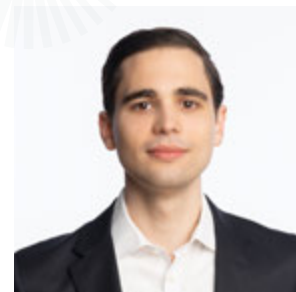
### PHYSICAL CLIMATE RISK

- Increasing impact of extreme weather to projects
- Incorporating impacts into design plans and production goals
- Insurance affected by assessment and mitigation

### RESOURCES

- Developing brownfield operations
- Reprocessing and recycling materials
- Alternative power for mining equipment

## INTERVIEW



Kurt Wasserman  
INVESTMENT MANAGER

We are proud to introduce Kurt. He is an Investment Manager with Orion and has strong experience with responsible investing practices.

### Kurt, can you comment on the value of Orion's diligence process based on your experience?

Orion's diligence process is well structured to quickly identify risks and opportunities, from all angles. At its core, each investment is a decision based on a unique set of risks and opportunities. It is paramount that risks and opportunities are properly uncovered and reviewed for an investment decision to be made. A decision is only as good as the variables that go into it. Orion's diligence process benefits from continuous refinement over 10 years of operating within this sector, including detailed reviews of hundreds of opportunities. We have witnessed the wins and losses play out many times over.

### What are examples of the emerging key environmental and social topics affecting metals projects?

I don't believe that governance, environmental, and social should be thought of as emerging topics. This has been a focus area of the mining

sector for years. There are certainly new words being used to discuss these topics, including formalized frameworks. However, day-to-day environmental, social and governance decisions of miners within their local and national communities should have been as strong 10 years ago as they are today.

### Do you have any examples of where the Technical Team identified a risk which we were able to address prior to investment?

There are many examples. Our technical team reviews many opportunities each week, and it can share good ideas across portfolio companies, whether they are risk mitigants or value creation opportunities. One recent example is construction readiness reviews that we are requesting from portfolio companies in conjunction with our investments. These reviews help to de-risk the construction process, identifying potential gaps in processes and documents.



PROCESS AND OUTCOMES

Scope of Pre-Investment Committee Diligence Report	Deliverables for Pre-Investment Diligence Report	Pre-Investment Due Diligence Results	Non-Designated Countries	Designated Countries
<ul style="list-style-type: none"><li>• Identify protected lands, Indigenous People, World Heritage Sites, and other such locations</li><li>• Conduct environmental and social legislative and regulatory review</li><li>• Review ESIA, ESMP, ESMS, and ESAP</li><li>• Consult with community and regulatory stakeholders</li><li>• Evaluate biodiversity assessments (Integrated Biodiversity Assessment Tool)</li></ul>	<ul style="list-style-type: none"><li>• Gap analysis</li><li>• Risk assessment</li><li>• High-level likely mitigations with estimated costs</li><li>• Potential list of conditions</li></ul>	<ul style="list-style-type: none"><li>• Serve as a high-level gap analysis and risk assessment</li><li>• Presented to the Investment Committee with the other transaction details to support an informed decision</li><li>• Used to determine whether additional commitments or mitigation measures need to be implemented prior to investment</li></ul>	<ul style="list-style-type: none"><li>• Expect on-going conformance to the IFC Standards or EP4 for OMF IV investments</li><li>• Controls and mitigation from the initial diligence for the transaction documents</li><li>• Complete a comprehensive gap analysis</li><li>• Implement the ESAP</li><li>• Identify any additional requirements for the transaction</li></ul>	<ul style="list-style-type: none"><li>• Assess the extent to which the regulatory regime is sufficient to address risks identified in the IFC Standards or EP4 for OMF IV investments</li><li>• Identify any additional requirements for the transaction</li></ul>

INVESTMENT COMMITTEE REVIEW

Orion’s Investment Committee considers the information provided and makes a recommendation as to the investment. There are three independent members of the OMF III and OMF IV Investment Committee including Robin Weisman, IDC.D, who previously worked for the International Financial Corporation (IFC).

INTERVIEW



Robin Weisman  
OMF III and IV INVESTMENT COMMITTEE MEMBER

It is a distinct honor to highlight Robin Weisman as she serves on Orion’s Investment Committee for OMF III and OMF IV. Her probing questions have materially benefited Orion in the diligence process.

Robin, can you please share with us your thoughts on the most important or material environmental, social, and ethical topics facing the minerals and materials sector?

While all environmental and social topics are important, the most pressing are: i) climate change, ii) shrinking biodiversity, and iii) how a company’s environmental and social risks can actually become opportunities.

Companies have to consider the impact of changing weather on operations. Whether it is too much or too little water, fires, high winds, or temperature extremes. The impact on neighboring communities should also be considered.

Critical habitats are essential for threatened and endangered species. To enhance biodiversity, companies need to partner with NGOs, governments, and other companies. The latter may not have the funds or expertise to assist. Now we have metals and materials companies moving into areas that go beyond understanding grade and recovery.

Finally, risks can be addressed in a sustainable manner and lead to opportunities for the company, country, and community. For instance, a company may need

to upgrade or build roads. The road can be designed in consultation with local communities who can opine on location and access. Locals can also provide personnel to help construct the road and thereby benefit from the road and employment.

What have you learned since being a part of Orion’s Investment Committee about Orion and the sector?

Orion sees the metals and materials industry as a development imperative. It is both a necessary and important industry and driver for local economic growth. Coming from the World Bank Group, it was important for me to work with a firm that understood long-term profitability depends on a holistic approach. First, they invest time to build a relationship with the company leadership.

What would you share with Orion’s investors on the strengths of our process?

Orion chooses its clients and projects carefully. First, they invest time to build a relationship with the company leadership. If the project passes internal criteria, then a detailed due diligence and analysis is conducted. When Orion uses third party consultants, they select known experts. Finally, if the investment decision by the committee is positive, Orion continues to be part of the client’s process during construction to monitor progress and give advice.



# ORION'S PATH FORWARD



## CARBON STRATEGY

- Enhance GHG inventory for Scope 3, category 15
- Continue to purchase RECs to offset Scope 1, 2, and 3 (categories 6 and 7) emissions
- Evaluate approaches to estimate Scope 1 and 2 GHG emissions from for construction and avoided emissions
- Work to offer a tool for companies to use for the life cycle cost of renewable projects



## PRINCIPLES FOR RESPONSIBLE INVESTMENT (PRI)

- Voluntarily submitted the PRI survey a year early
- Engage on various groups and strive to influence investment in Responsible Metals and Materials industry
- Serve on the PRI Circular Economy working group
- Engage on wildlife and biodiversity working groups



## ESG DATA CONVERGENCE PROJECT (EDCI)

- Continue to submit information and data
- Strive to be more engaged in defining responsible investments
- Participated on EDCI survey advisory group



## TRANSPARENCY

- Continue to publish responsible investment reports and provide educational information
- Include feedback from Limited Partners in our planning and scoping
- Enhance our transparency around responsible investment practices and related risks and opportunities
- Plan to issue first TCFD report in 2024 for OMF



## ENHANCING THE DILIGENCE AND MONITORING PROCESSES

- Apply the EP4 and IFC Standards for diligence: OMF IV and ORR II
- Enhance the Orion Responsible Practices and Investment Policy and associated protocols across various funds
- Conform to SFDR Article 8 requirements for OMF IV and ORR II
- Enhance the annual data request of portfolio companies to better evaluate performance
- Ask investments to evaluate operations using the Integrated Biodiversity Assessment Tool (IBAT)
- Require portfolio companies to use TCFD process
- Incorporate TNFD into due diligence
- Enhance human rights assessments



## OUTREACH & ENGAGEMENT

- Developing future papers to help define Responsible Metals and Materials
- Engaging with commodity exchanges on responsible sourcing
- Working to offer environmental, social, and governance educational opportunities to our portfolio companies and interested LPs

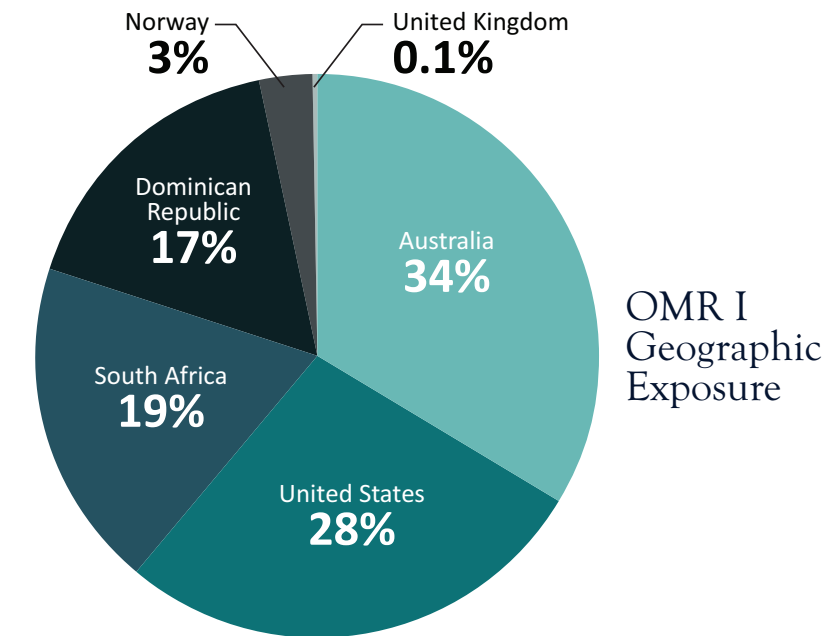
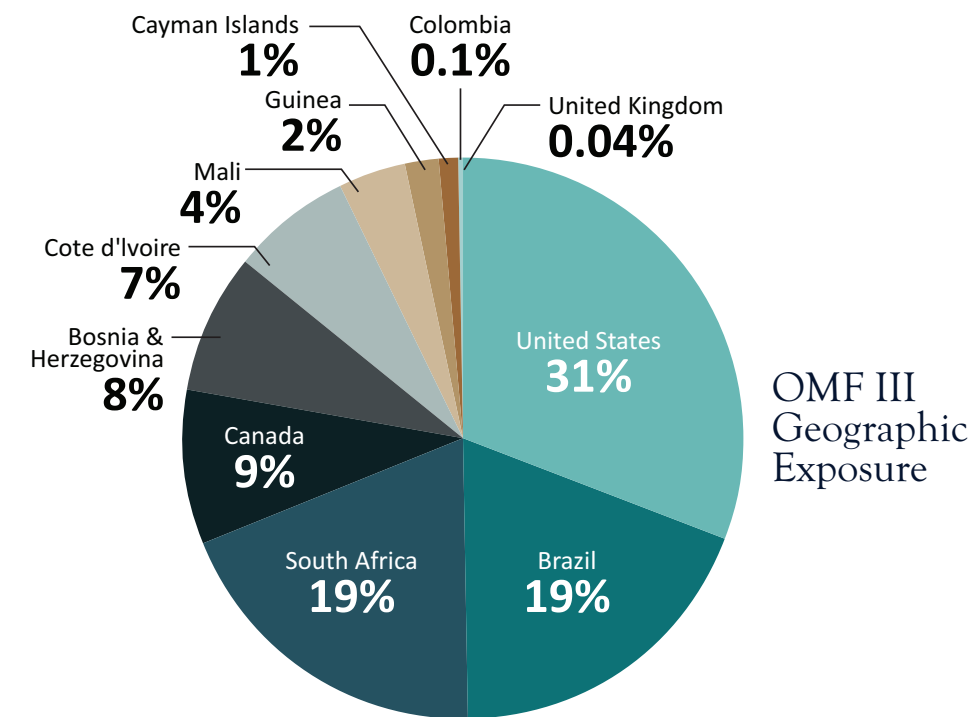




# About OMF III and OMR I

IMAGE: Confidential site visit in Africa





Over our decade of impact, Orion has been a global alternative investment management firm specializing in institutional metals investment strategies in the base and precious metals space. Our private equity, hedge fund, and merchant service divisions enable us to access in-depth knowledge of the supply chain and robust insight into the physical and financial demand driving global metals prices. These materials are critical for infrastructure and the energy transition. As we grow our business, we are looking to expand into carbon markets by investing in companies that manage carbon offset projects. We focus on delivering comprehensive and customized financial solutions to base and precious metals companies. Orion is headquartered in New York City, with offices in Denver, London, and Sydney. Our vision is to be a leader in private equity for the metals sector. We invest globally in projects and commodities. We have provided a map with our current assets and the geographic exposure for OMF III and OMR I.<sup>9</sup>

<sup>9</sup>Geographic exposure is calculated as a percentage of the combined FMV of the Fund's investments and is gross of all fees. Rigel, Sandstorm, and Trident are noted as the companies' headquarters and listing locations.





IMAGE: Tour during site visit at Sedibelo

## PORTFOLIO COMPANY COMMITMENTS AND PERFORMANCE

Orion’s commitment to the IFC Standards for projects in non-Designated Countries<sup>10</sup>, is integrated into our investment process. Below is a snapshot of the information reported by our OMF III portfolio companies for 2022, organized by the phase of the project. We continue to enhance these metrics for all phases of operations and will provide trending information over time. The annual survey was sent to 16 companies in the OMF III associated with 20 projects and four companies in the OMR I.

This is the second year Orion has requested annual data be provided. We will work to enhance our transparency as the process matures. Note, this data: i) was provided by portfolio companies and has not been verified by Orion or any third-party on behalf of Orion; and ii) is based on the data provided by the portfolio companies; and iii) for GHG emissions, has been prorated for the proportion of Orion’s investment in the companies and the Planning & Other category generally did not report emissions.

OMF III AND OMR I BOARD OF DIRECTORS’ DIVERSITY						OMF III AND OMR I HEALTH AND SAFETY					
Phase	Companies	Respondents	Total	Women	Under-represented	Phase	Companies	Respondents	No. Injuries	No. Fatalities	Days Lost to Injury
<b>Production</b>						<b>Production</b>					
2021	3	3	16	3	4	2021	3	3	20	1	6
2022	6	4	28	4	5	2022	6	4	11	0	53
<b>Construction</b>						<b>Construction</b>					
2021	7	7	49	7	0	2021	7	7	29	0	94
2022	9	8	39	8	5	2022	9	8	69	1	448
<b>Planning &amp; Other<sup>11</sup></b>						<b>Planning &amp; Other<sup>11</sup></b>					
2021	12	3	49	14	4	2021	12	3	6	0	3
2022	5	4	18	4	1	2022	5	4	19	0	8

OMF III GREENHOUSE GAS EMISSIONS (tCO <sub>2</sub> e) <sup>12</sup>						
Phase	Companies	Respondents	% by Phase	Total Scope 1	Total Scope 2	Contribution to Orion Carbon Footprint
<b>Production</b>						
2021	3	3	100%	42,967	29,870	16,984
2022	3	3	100%	345,872 <sup>13</sup>	180,156	50,679
<b>Construction</b>						
2021	4	2	50%	203	23	3
2022	8	4	50%	329,722	69,438	14,559
<b>Planning &amp; Other<sup>11</sup></b>						
2021	12	1	8%	38	-	12
2022	5	2	40%	1,438	10	97

<sup>10</sup>The Equator Principles distinguishes between Designated and Non-Designated Countries, whereby Designated Countries are countries that are both a member of the OECD and appear on the World Bank High-Income Country List.

<sup>11</sup>“Planning and Other” means a project not yet in the construction phase. Other includes investments that may not be directly funding projects.

<sup>12</sup>The GHG data is the total reported emissions multiplied by Orion’s percent ownership in the project, which are considered Orion’s estimated Scope 3 Subcategory 15 emissions.

<sup>13</sup>GHG emissions for Allied Gold were obtained from Allied Gold’s 2022 sustainability report and represent combined scope 1 and 2 emissions.



# Incorporating the IFC Standards



## Risk Management

### ORION APPROACH

- Evaluate if investment fits Orion’s corporate risk expectations and request enterprise risk management programs.
- Monitor assets and risks identified during diligence and have environmental and social aspects included in risk registries.
- Consistently engage with portfolio companies.

### PORTFOLIO COMPANY EXAMPLES

**Sabina:** Orion engaged with the company in aligning to EP4, which increased their value when B2Gold acquired them in 2023.

**Nordic:** Orion supported in developing a comprehensive risk management program, including using a third-party assessor to develop an ESAP.

**Confidential Company:** During diligence it was identified to have serious supply chain issues due to China being a sole supplier and a plan will be developed if Orion invests.

**Confidential Company:** Orion conducted a third-party assessment of a company executive regarding his involvement with a politician charged with corruption and determined executive acted appropriately.

**Sedibelo:** Orion requested they complete a quantitative risk assessment of underground development project.

**Capstone Mantoverde and Mantos Blancos:** Awarded the Copper Mark.



## Resource Efficiency and Biodiversity

### ORION APPROACH: RESOURCE EFFICIENCY

- Evaluate tailings design relative to industry best practices (GISTM, CDA).
- Track Orion GHG emissions and conduct physical climate risk assessments.
- Request site-wide water balance and encourage life cycle water management.
- Offer ideas for renewable energy and energy efficiency.
- Encourage adoption of circular economy practices and proper waste management.

### PORTFOLIO COMPANY EXAMPLES

**Horizonte, KMS, Sedibelo, and Serra Verde:** Experienced impacts due to severe weather events and are working to mitigate future impacts.

**Adriatic:** Completed a life cycle analysis (LCA) using ISO 14040 as the standard.

**Platreef:** Incorporated electrified equipment and building renewables.

**Allied:** Sourcing materials from waste rock to buttress tailings storage facilities, improving strength of the facility and reducing waste rock piles.

**Sedibelo:** Developing a renewables strategy to better manage energy demands.

### ORION APPROACH: BIODIVERSITY

- Evaluate use of TNFD once finalized.
- Consider as a priority risk during due diligence and evaluate net-positive strategies.
- Consider and weigh the use of offsets.
- Review proposed flora reclamation and fauna re-habitation.

### PORTFOLIO COMPANY EXAMPLES

**Adriatic, Allied, Aris Gold, Blyvoor, Bushveld, Highland Copper, and i-80:** Redeveloping brownfields or employing circular economy strategies.

**Adriatic:** Contracted to install a new photo voltaic system to effectively supply the full operating load of the project (13.5MW) for 25 years.

**Nordic:** Orion requested they complete testing to better understand the end product particle size distribution (PSD), to accelerate the ramp up process.

**Capstone:** Doubled the capacity of the Mantoverde water desalination plant.



## Labor, Community, and Land Resettlement

### ORION APPROACH: LABOR

- Evaluate leading and lagging health and safety metrics monthly.
- Review health and safety procedures and provide recommendations.
- Evaluate workforce retention and compensation.
- Diligence management compensation and review leadership capabilities and skills.
- Recommend internal grievance mechanism if not in place.

### PORTFOLIO COMPANY EXAMPLES

**Greenstone:** Achieved over 4.4 million hours without a lost time injury (LTI).

**Serra Verde:** Achieved 5 million manhours without an LTI.

**Confidential Company:** Orion hired third party safety expert to audit and provide guidance.

**Bushveld:** Has a strong diversity of race and gender on its board and in leadership.

**Sedibelo:** Negotiating with multiple local labor unions through its community lead.

**Adriatic:** Completed training for the Mine Rescue Teams.

### ORION APPROACH: COMMUNITY AND LAND RESETTLEMENT

- Request grievance mechanism is in place recognizing disadvantaged groups.
- Ask for social impact assessment.
- Encourage strong stakeholder programs and policies.
- Expect human rights policies and programs be aligned.
- Require resettlement action plan and receive monthly updates.
- Work to avoid involuntary settlement and promote full and fair compensation.

### PORTFOLIO COMPANY EXAMPLES

**Nordic:** Hired a community engagement liaison and agreed to provide third-party support.

**Horizonte:** Has strong grievance mechanisms and voluntary resettlement programs

**Platreef:** Purchased locally fabricated structural components of the solar panels to reduce cost and provide economic benefit to the surrounding community.

**Horizonte:** Sponsorship of local adult educational programs at a nearby university.

**Confidential Company:** Orion required fair and appropriate grave relocation agreement.



## Indigenous Peoples and Cultural Heritage

### ORION APPROACH

- Encourage avoidance of cultural heritage sites and impacts to Indigenous Peoples.
- Request chance find procedures and acknowledgement of archaeological potential.
- Recommend consistent and transparent interaction with Indigenous populations.
- Review agreements made between Indigenous population and portfolio company.

### PORTFOLIO COMPANY EXAMPLES

**KMS:** Strengthening its Aboriginal engagement and involvement.

**Sabina:** Developed a First Nations program that is one of the strongest with positive feedback from the community.

**Greenstone:** Work with four local First Nations groups on projects involving several meetings a month, including a solar project.

**Several Companies:** Track workforce demographics and implement initiatives to increase representation of local hiring in the workforce.

**Confidential Company:** Orion required to identify and protect cultural heritage during construction and operations.

The topics in this section represent the universe of what can be reviewed as part of diligence and monitoring under IFC Standards. The listed topics are not always warranted in every case and project. This section represents select examples of how portfolio companies have demonstrated performance over a period. Note, Orion started using IFC Standards for projects in non-Designated Countries for OMF III and OMR I and IFC Standards or EP4 is required for OMF IV and ORR II.



# Portfolio Highlight Stories

## GREENSTONE MINE (EQUINOX GOLD), CANADA

### Health, Safety and Water Management



**ISTVAN ZOLLEI**  
Managing Partner,  
BA, MBA (NYC)

Greenstone Mine (Greenstone) is in the Geraldton-Beardmore Greenstone Belt in Ontario, Canada. The company is a 60/40 partnership between Equinox Gold and Orion, for the joint ownership and development of the Greenstone Project and three other properties.

This year we are recognizing Greenstone for its leadership in workforce health and safety and their actions to protect water. Istvan is the Managing Partner for Greenstone. He attributes these significant successes to the commitment of Greenstone’s leadership to its people and the environment. “From the beginning of our involvement with Greenstone, we recognized that the company’s leadership put action behind their words. Once they joined with Equinox Gold, we observed even greater support for protecting their people and the environment.”

Greenstone made a significant commitment to its workforce around health and safety. They recently had over 4.4 million work hours without a lost time incident. Protecting the health and safety of their workforce and local communities is their greatest responsibility. Occupational health and safety are rated the “highest importance” material topic by Equinox’s stakeholders. There are many safety hazards associated with mining operations, including working at heights and in confined spaces, ground instability, rock bursts, equipment mishaps and the use of explosives, among others. As such, effective management of health and safety is critical to protect the safety and wellbeing of their workforce.



Equinox issued its inaugural Water Stewardship Report aligning to the water reporting practices recommended by the International Council on Mining and Metals (ICMM). Greg Smith, President and CEO of Equinox Gold, commented: “Equinox Gold is committed to addressing water stewardship as a core component of our sustainability efforts and ESG strategy. This Water Stewardship Report shares our current actions and approach to water stewardship and is an important step in laying the groundwork for the development of our comprehensive Company-wide water stewardship strategy.” The report summarizes the company’s strategy to minimize our use of fresh water, limit potential impacts on fresh water sources, maximize water reuse, protect the water interests of both our operations and local stakeholders, and implement leading industry water stewardship standards.

Equinox Gold has adopted a range of water stewardship principles including the World Gold Council’s Responsible Mining Principles and the Mining Association of Canada’s Towards Sustainable Mining (TSM) protocols. Orion considers this a best practice amongst mining companies.

### GREENSTONE INTERVIEW

We are honored in this year’s report to hear from Greenstone’s Christine Petch, Deputy Project Manager with the Construction Team. Orion always is striving for our portfolio companies to have a goal of zero safety incidents.

**Christine, can you please share with us how Greenstone has achieved such an impressive safety performance?**

**A:** From the very beginning, developing an active safety culture has been a key focus for us. This includes establishing expectations on safety performance for all personnel, focusing on safety at a task level (i.e., Field Level Risk Assessments) and rewarding positive safety behaviors when observed.

**What is the role of leadership in achieving this safety goal?**

**A:** As with developing any culture, leading by example is critical. Senior team members highlight safety during meetings, their daily inspections, and the weekly management walk.

**Can you share with us what is next on health and safety for Greenstone?**

**A:** In mid-September, we will be launching our Finish Strong campaign to ensure construction teams stay focused on safety as they wrap up their work. We have already launched our Safety in Transition campaign that will carry us through commissioning.



# ADRIATIC METALS PLC, BOSNIA AND HERZEGOVINA

## Community Engagement and Life Cycle Assessment



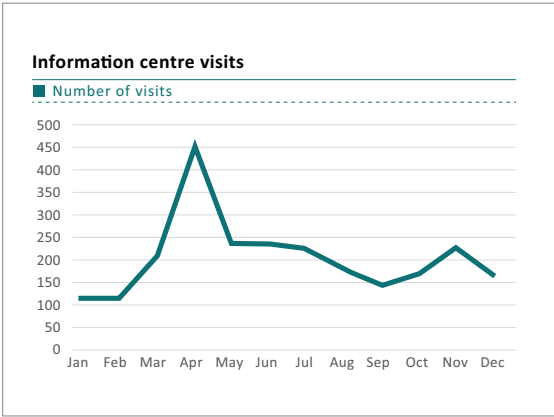
**MICHAEL BARTON**  
Managing Partner  
BA Honours, ICAEW  
(London)

Adriatic Metals’ (Adriatic) sustainability report for 2022 is titled “Laying the Foundations”. Paul Cronin, the Chief Executive Officer, makes the statement “We are not only laying these physical foundations but also the highest standards of social and environmental responsibility.” This is evident in how they chose to engage with the community and protect the environment. They are committed to a lasting positive legacy and not just a short-term gain or success. Michael is the Managing Partner for Adriatic Metals. “With strong leadership from Paul, the Adriatic team is working to set an example as to how to do business in Europe in the minerals and metals space. They will be providing rupice to the European and rest of the world for many years.”

To initiate their social programs, Adriatic conducted a household survey that included over 100 questions covering all aspects of life in the region. Over 95% of the households responded. They host regular community meetings, which include over 30 presentations over the course of the Project’s ESIA process. There is a Public Liaison Committee that allows Adriatic to provide regular and structured communication with key stakeholders. To reach the community they rely on a broad spectrum of communication channels. This includes notice boards, quarterly newsletters, technical information papers, regular social media updates and interviews via the local radio station. Adriatic’s sustainability report provides many other highlights of their social engagement program led by their Social Responsibility Manager.



VISIT REASON	VISITORS NUMBER
Adriatic Foundation	370
Job application	251
Employment information	156
Donations/Initiatives	77
Post services	327
Meetings	76
Employees	777
Investor visits	41
Other	343
TOTAL	2,418



Adriatic is also positioning themselves well to be a part of the European green economy. The company conducted a life cycle assessment (LCA) using a science based methodology to assess the potential environmental impacts of their product. Adriatic uses the ISO 14040 standard to conduct the LCA. They are conducting the LCA at this early stage to create baselines and provide critical management information as they move into production. Adriatic is assessing the impact using a risk based approach. Based on the severity, they will focus their efforts on the most material issues. Adriatic is using life cycle costing (LCC) to map the total cost of ownership of the product throughout the lifespan. The thorough cradle to grave approach Adriatic is using, is a best practice in the industry.



# KIMBERLEY MINERAL SANDS, AUSTRALIA

## Indigenous Peoples and Stakeholder Engagement



**PETER ROZENAUTERS**  
Managing Partner,  
BEng (Hons I), MAppFin  
(Sydney)

Kimberley Mineral Sands (KMS) is developing the Thunderbird Mineral Sands Project in the Kimberley region of Western Australia. Peter is the Managing Partner and says that Thunderbird is one of the largest and highest-grade zircon mineral sands discoveries in the past several decades. “This mine will generate mineral sands including zircon and ilmenite products. These products provide opacity characteristics to paint, paper and ceramics and play an increasing role in the second urbanisation phase of developing economies. The company is implementing an impressive stakeholder and community engagement program, which includes procurement and employment targets.”

KMS consulted with the Joombarn Buru Traditional Owners, neighboring communities, and key stakeholders prior to commencing operations. This resulted in a Co-Existence Agreement with the Joombarn Buru Traditional Owners, with clear targets for KMS to meet over time, including 40 percent Aboriginal employment by year 8 of operations.

As an example of the KMS approach to stakeholder and community relationship management, a third-party expert was appointed to lead a community engagement process to help inform their Traffic Impact Assessment and Management Plan. The goal of the consultation was to identify and assess the potential impacts on the community

associated with the transportation of mineral sands bulk products by 60 meter road trains from Thunderbird to the Port of Broome. This engagement process included interviews, focus groups and a community survey to seek feedback and input on:

- The impacts of the size of the heavy vehicles proposed to transport the mineral sands, and
- Management strategies and actions to mitigate or limit impacts from the transportation of the mineral sands through Broome.

The result of this effort was an identified set of concerns and mitigation ideas to reduce impacts to the health, safety, and quality of life of local residents. This information was used to develop the Traffic Impact Assessment and Management Plan which have been submitted to Main Roads WA to support the road train permit application process.

Maximizing local and Aboriginal procurement is an important objective for KMS. Western Australian contractor Carey Mining was recently awarded a Waste Mining Services Agreement and is already undertaking initial waste mining activities at Thunderbird. Carey is a 100 percent Indigenous-owned company with a strong record of committing to and achieving local engagement plans. Carey has committed to match KMS targets with respect to local and Aboriginal employment.

Providing long term employment and career development opportunities for Kimberley locals and Aboriginals is important to maintain social license and become established in the local business community. As at the end of July 2023, 82 percent of the KMS workforce reside in the Kimberley Region, 28 percent are female, and 25 percent of the workforce identify as Aboriginal. The representation of these groups will continue to grow over time as the project moves from the construction phase into the operation phase.





SWEETWATER ROYALTIES, UNITED STATES  
Renewable Energy



JON LAMB  
Managing Partner,  
BA (NYC)

Sweetwater Royalties (Sweetwater) is a base metals, industrial minerals, and renewable energy royalty company, which is one of the largest landowners in the United States. The company owns more than 4 million mineral acres and approximately one million fee surface acres in Wyoming, Utah, and Colorado (the “Land Grant”) as well as 450,000 mineral acres in the Upper Michigan area near the Eagle Mine. Sweetwater provides opportunities to develop natural resources as well as access to grazing and the renewable energy sector along the Land Grant. The Land Grant asset package dates to the Pacific Railroad Act of 1862 and provides value to Sweetwater through a diverse array of natural resources, primarily trona.

Jon is the Managing Partner for this project. “We knew from the start of discussions, that this was a unique opportunity to work with a talented team to develop the

potential of this land asset. We also knew the development had to be done with the future most care to protect the communities and environment. Sweetwater’s commitment to ESG carries throughout the organization.”

Sweetwater has a unique opportunity to be a key player in Wyoming’s energy transition, including the build out of transmission capacity throughout the Western US. The team has chosen high caliber development partners to accomplish this mission. Our partners are moving forward with best practice governance, environmental, and social standards which include programs to better understand wildlife habitats on our land and to implement conservation measures that will avoid, minimize, and mitigate potential impacts to wildlife and ecosystems when building out new renewable energy projects.



James Perry, President at Sweetwater Royalties commented that:

“We are excited to have approximately 240,000 surface acres under renewable energy development and one existing wind farm already in operation. Sweetwater is partnering with Rocky Mountain Power to build out high voltage grid expansion on our land. This effort will result in the transport of green electrons to communities and industrial offtakers across Western US region.”



SERRA VERDE, BRAZIL  
Management System



PHILIP CLEGG  
Managing Partner,  
MSc Geology, ACA

Orion places great emphasis on portfolio companies having strong and comprehensive management systems. Serra Verde is developing an integrated mining and processing operation in Brazil that will be the only producer of high value magnetic rare earth elements (REEs) outside of Asia with industry leading sustainability credentials. The Company’s strategy is to accelerate the transition to clean energy by responsibly providing essential materials and establishing sustainable networks and value chains.

REEs such as those produced by Serra Verde, are critical to key technologies that will deliver the green energy transition such as EVs and wind turbines. Serra Verde aims to be recognized as a leader in the sustainable provision of REEs, creating superior value for shareholders and shared value for a wide range of stakeholders including employees, local communities, local and national governments, suppliers, and customers.

CATEGORY EXAMPLES	SPECIFIC TOPICS MONITORED
Environment	Compliance, incident management, biodiversity, greenhouse gases, air quality, water quality, materials management, tailings management
Social	Engagement, community programs and communication, complaints and grievances, archeological areas, local employment, local supplier development
Health and Safety	Health and safety, emergency response, preventative measures
Overall System	Risk management and mitigation, roles and responsibilities, legal and regulatory, leadership commitment

Philip is the Managing Partner for Serra Verde, “Serra Verde has developed and implemented an integrated ESG management system that incorporates global best practice and aligns with relevant standards.” Orion laid out its expectations of operational practices in covenants to its agreements with Serra Verde. The company is meeting our expectations. The management team committed the time and resources necessary as part of a collaborative effort with Orion, using best practices and implementing them in a systematic manner.

The Company’s comprehensive management system is aligned with its strategy and mission, complies with relevant regulatory standards, and meets industry best practice. Serra Verde adheres to various global benchmarks including, the IFC Standards, ICMM’s Mining Principles, International Labor Organization Standards, the Global Industry Standard on Tailings Management, UN SDGs, Equator Principles, and the Brazilian Mining Institute’s guidelines. A full set of policies are in place and key appointments have been made to provide the necessary capabilities to deliver on governance, environmental, and social requirements as Serra Verde enters production and looks to expand its operations. Sustainability and climate change issues have also been integrated into Serra Verde’s overall strategy and risk management framework. Examples of topics and monitoring aspects integrated into the management system are provided herein.

Serra Verde will have a relatively low environmental impact due to the simple extraction process used, the processing plant applying no toxic chemicals, and the use of a dry stack tailings facility to manage waste material. The operation does not require explosives, crushing, milling, or leaching. It is expected to have an industry leading low greenhouse gas emissions profile, since it will source a significant portion of its power from nearby renewable hydro generation plants. The operation is designed to avoid many of the risks commonly associated with similar rare earths operations, such as the utilization of environmentally harmful reagents and complex processing techniques. The company benefits from excellent accessibility and infrastructure, being in a region with a long history of mining, significant skilled resources and strong community support.

Pedro Burnier, ESG Corporate Manager of Serra Verde, stated:

“We have developed and implemented a comprehensive ESG management system that aligns with our strategy. We strive to meet industry best practices thus ensuring we can meet regulatory requirements and comply with relevant international standards. As we commission our operation and move into production, we aim to become a leader in the sustainable production of critical rare earths.”





PORTFOLIO COMPANY	LINK TO SUSTAINABILITY REPORT AND WEBSITE	WEBSITE
OMF III		
Adriatic Metals	<a href="https://www.adriaticmetals.com/sustainability/">https://www.adriaticmetals.com/sustainability/</a>	<a href="https://www.adriaticmetals.com/">https://www.adriaticmetals.com/</a>
Allied Gold	No public report at this time.	<a href="https://www.allied.gold/">https://www.allied.gold/</a>
Aris Mining (Aris Gold)	<a href="https://www.aris-mining.com/Sustainability/shared-value-esg/default.aspx">https://www.aris-mining.com/Sustainability/shared-value-esg/default.aspx</a>	<a href="https://www.arisgold.com/overview/default.aspx">https://www.arisgold.com/overview/default.aspx</a>
BMC Minerals	<a href="https://bmcm minerals.com/environmental/">https://bmcm minerals.com/environmental/</a>	<a href="https://bmcm minerals.com/">https://bmcm minerals.com/</a>
Bushveld Minerals	<a href="https://www.bushveldminerals.com/corporate-sustainability/">https://www.bushveldminerals.com/corporate-sustainability/</a>	<a href="https://www.bushveldminerals.com/">https://www.bushveldminerals.com/</a>
Greenstone Gold Mines	<a href="https://www.greenstonegoldmines.com/corp-responsibility">https://www.greenstonegoldmines.com/corp-responsibility</a>	<a href="https://www.greenstonegoldmines.com/">https://www.greenstonegoldmines.com/</a>
High Power Exploration	<a href="https://smfg.com/environment-and-social-responsibility/">https://smfg.com/environment-and-social-responsibility/</a>	<a href="https://www.hpxploration.com/">https://www.hpxploration.com/</a>
Highland Copper	<a href="https://www.highlandcopper.com/social-responsibility">https://www.highlandcopper.com/social-responsibility</a>	<a href="https://www.highlandcopper.com/">https://www.highlandcopper.com/</a>
Horizonte Minerals	<a href="https://horizonteminerals.com/news/en_20230524_2022-sustainability-report.pdf">https://horizonteminerals.com/news/en_20230524_2022-sustainability-report.pdf</a>	<a href="https://horizonteminerals.com/uk/en/">https://horizonteminerals.com/uk/en/</a>
i-80 Gold	<a href="https://www.i80gold.com/responsible-mining/">https://www.i80gold.com/responsible-mining/</a>	<a href="https://www.i80gold.com/">https://www.i80gold.com/</a>
Ivanhoe Electric <sup>14</sup>	<a href="https://ivanhoeelectric.com/sustainability/safety/">https://ivanhoeelectric.com/sustainability/safety/</a>	<a href="https://ivanhoeelectric.com/">https://ivanhoeelectric.com/</a>
Ivanhoe Mines	<a href="https://ivanhoemines.com/site/assets/files/3775/ivanhoe-sustainability-report-2022.pdf">https://ivanhoemines.com/site/assets/files/3775/ivanhoe-sustainability-report-2022.pdf</a>	<a href="https://ivanhoemines.com/projects/platreef-project/">https://ivanhoemines.com/projects/platreef-project/</a>
Orla Mining (GSV) <sup>15</sup>	See Orla Mining, acquired August 2022.	
Rigel Resource Acquisition	<a href="https://www.rigelresource.com/investors">https://www.rigelresource.com/investors</a>	<a href="https://www.rigelresource.com/">https://www.rigelresource.com/</a>
Sabina Gold & Silver	Purchased by B2Gold April 2023.	<a href="https://www.sabinagoldsilver.com/">https://www.sabinagoldsilver.com/</a>
Sedibelo Resources	<a href="https://sedibeloresources.com/social-and-relationship-capital/">https://sedibeloresources.com/social-and-relationship-capital/</a>	<a href="https://sedibeloresources.com/">https://sedibeloresources.com/</a>
Serra Verde	<a href="https://serraverde.com/en/esg/">https://serraverde.com/en/esg/</a>	<a href="https://serraverde.com/en/home/">https://serraverde.com/en/home/</a>
Sweetwater	No public report at this time.	<a href="https://www.sweetwaterroyalties.com/">https://www.sweetwaterroyalties.com/</a>
OMR I		
Incoa Performance Minerals	<a href="https://incoa.com/about-us/sustainability/">https://incoa.com/about-us/sustainability/</a>	<a href="https://incoa.com/">https://incoa.com/</a>
Kimberley Mineral Sands	<a href="https://www.kmsands.com.au/esg/environment">https://www.kmsands.com.au/esg/environment</a>	<a href="https://www.kmsands.com.au/">https://www.kmsands.com.au/</a>
Nordic Mining	<a href="https://www.nordicmining.com/sustainability/corporate-responsibility/">https://www.nordicmining.com/sustainability/corporate-responsibility/</a>	<a href="https://www.nordicmining.com/">https://www.nordicmining.com/</a>
Sedibelo Resources	<a href="https://sedibeloresources.com/social-and-relationship-capital/">https://sedibeloresources.com/social-and-relationship-capital/</a>	<a href="https://sedibeloresources.com/">https://sedibeloresources.com/</a>
Tungsten West	<a href="https://www.tungstenwest.com/environment">https://www.tungstenwest.com/environment</a>	<a href="https://www.tungstenwest.com/">https://www.tungstenwest.com/</a>
Uniformity Labs	No public report at this time.	<a href="https://www.uniformitylabs.com/">https://www.uniformitylabs.com/</a>

<sup>14</sup>I-Pulse is a part of Ivanhoe Electric  
<sup>15</sup>Orla Mining acquired in 2022




# Appendix A:

## PORTFOLIO COMPANY SUSTAINABILITY REPORTS AND WEBPAGES

IMAGE: Orion employees hiking in support of a local charity in England



ORION 2022-2023 RESPONSIBLE INVESTMENT REPORT - SECTION	SASB DISCLOSURE (FN-AC) and (EM-MM)*	IFC PERFORMANCE STANDARDS*	UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS*
About Orion	FN-AC-330a.1 FN-AC-410a.1 FN-AC-410a.2	 	
Orion's Focus on Environmental and Social Impacts	FN-AC-410a.1 FN-AC-410a.2	 	 
Orion's Approach to Responsible Investment	FN-AC-410a.1 FN-AC-410a.2	 	 
About OMF III and OMR I	EM-MM-110a.1 EM-MM-320a.1	 	
Portfolio Highlight Stories			
Greenstone Mine (Equinox Gold), Canada: Health, Safety and Water Management	EM-MM-320a.1	 	 
Adriatic Metals PLC, Bosnia and Herzegovina: Community Engagement and Life Cycle Assessment	EM-MM-210b.1	 	
Kimberley Mineral Sands, Australia: Indigenous Peoples and Stakeholder Engagement	EM-MM-210a.3 EM-MM-210b.1	 	 
Sweetwater Royalties, United States: Renewable Energy	EM-MM-130a.1		
Serra Verde, Brazil: Management System			

\*Orion used these international frameworks as a guide for the 2022-2023 Responsible Investment Report. References indicate full or partial alignment to the standard. Orion does not claim compliance with these standards. This index is intended to help stakeholders navigate to related topic areas.

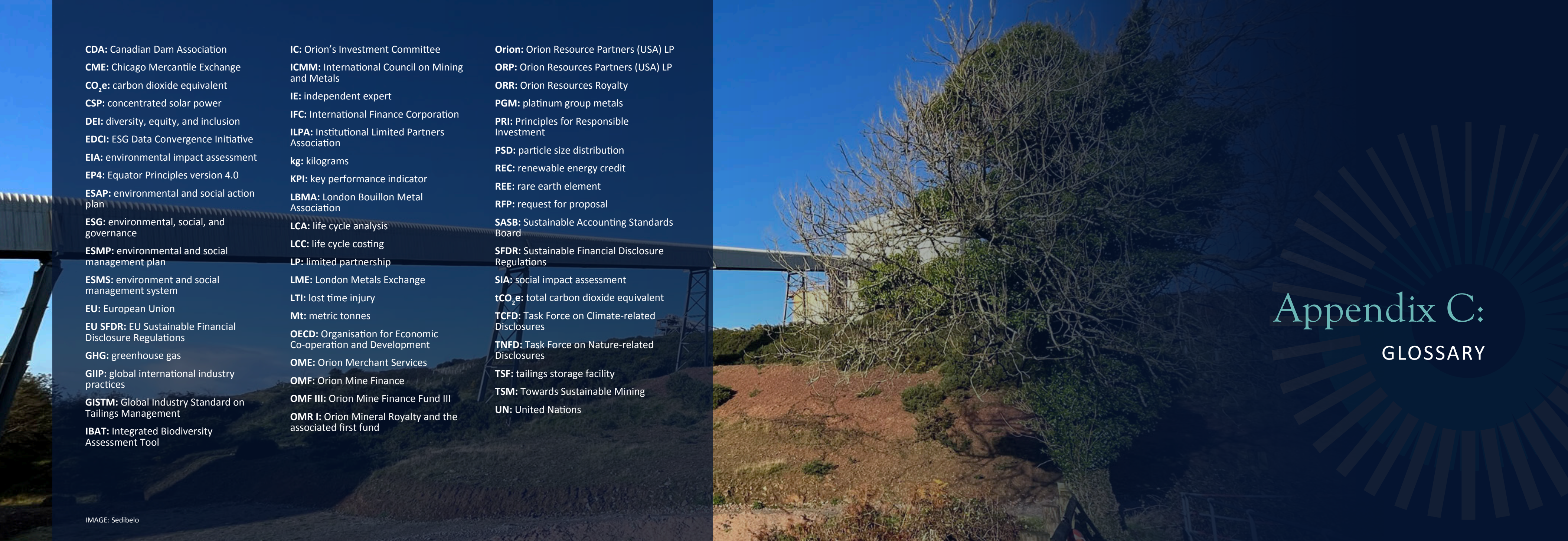


IMAGE: Lilly Wilson at Hemerdon Mine site visit

# Appendix B:

## STANDARDS FRAMEWORK TABLE





# Appendix C:

## GLOSSARY

- CDA:** Canadian Dam Association

**CME:** Chicago Mercantile Exchange

**CO<sub>2</sub>e:** carbon dioxide equivalent

**CSP:** concentrated solar power

**DEI:** diversity, equity, and inclusion

**EDCI:** ESG Data Convergence Initiative

**EIA:** environmental impact assessment

**EP4:** Equator Principles version 4.0

**ESAP:** environmental and social action plan

**ESG:** environmental, social, and governance

**ESMP:** environmental and social management plan

**ESMS:** environment and social management system

**EU:** European Union

**EU SFDR:** EU Sustainable Financial Disclosure Regulations

**GHG:** greenhouse gas

**GIIP:** global international industry practices

**GISTM:** Global Industry Standard on Tailings Management

**IBAT:** Integrated Biodiversity Assessment Tool
- IC:** Orion’s Investment Committee

**ICMM:** International Council on Mining and Metals

**IE:** independent expert

**IFC:** International Finance Corporation

**ILPA:** Institutional Limited Partners Association

**kg:** kilograms

**KPI:** key performance indicator

**LBMA:** London Bouillon Metal Association

**LCA:** life cycle analysis

**LCC:** life cycle costing

**LP:** limited partnership

**LME:** London Metals Exchange

**LTI:** lost time injury

**Mt:** metric tonnes

**OECD:** Organisation for Economic Co-operation and Development

**OME:** Orion Merchant Services

**OMF:** Orion Mine Finance

**OMF III:** Orion Mine Finance Fund III

**OMR I:** Orion Mineral Royalty and the associated first fund
- Orion:** Orion Resource Partners (USA) LP

**ORP:** Orion Resources Partners (USA) LP

**ORR:** Orion Resources Royalty

**PGM:** platinum group metals

**PRI:** Principles for Responsible Investment

**PSD:** particle size distribution

**REC:** renewable energy credit

**REE:** rare earth element

**RFP:** request for proposal

**SASB:** Sustainable Accounting Standards Board

**SFDR:** Sustainable Financial Disclosure Regulations

**SIA:** social impact assessment

**tCO<sub>2</sub>e:** total carbon dioxide equivalent

**TCFD:** Task Force on Climate-related Disclosures

**TNFD:** Task Force on Nature-related Disclosures

**TSF:** tailings storage facility

**TSM:** Towards Sustainable Mining

**UN:** United Nations

IMAGE: Sedibelo



ENVIRONMENT				
MATERIAL TOPICS	RELEVANT GIIP	RISK OR OPPORTUNITY	HOW ORION SUPPORTS	PORTFOLIO COMPANY
Physical Climate Adaptation	TCFD	Planning and preparedness for severe weather events can avoid delays and cost overruns	Sharing best practices and requiring TCFD physical risk assessments	KMS, Horizonte, Sedibelo, and Serra Verde have seen impacts due to severe weather events and working to mitigate future impacts
Water Management	WRI Aqueduct Tool	A site-wide water balance supports a company in proactively managing water matters	Requiring a site-wide water management plan focused on reuse and recycling	Adriatic completed a site-wide water balance and uses a third party to design water treatment system
GHG Emissions and Energy Management	WRI GHG Protocol	An appropriate GHG inventory identifies opportunities for reducing energy use	Request energy management plan and GHG inventory scope 1 and 2 emissions	Ivanhoe Mines has incorporated electrified equipment and building renewables.
Tailings Management	CDA and GISTM	Aligning to CDA protects communities and the environment	Require CDA for future investments	Capstone enhanced its tailings system with building a buttress and enhanced its market value
Waste Management and Circular Economy	ISO 14001	Systematically using materials versus generating waste can reduce risk and cost	Request life cycle materials management plan	Allied is evaluating the reuse of waste rock for products
Biodiversity	TNFD	Baseline analysis and avoiding impacts can reduce regulatory risk	Request greater biodiversity information on impacts avoided	Confidential company is working to avoid sensitive primate habitat by moving materials underground
Quality of Life	Various	Impacts due to dust, noise, lights, traffic, and other such matters	Share best practices between companies	Horizonte is applying unique road dust mitigation and avoiding trips where possible



IMAGE: Jessica at a site visit in Brazil



SOCIAL				
MATERIAL TOPICS	RELEVANT GIIP	RISK OR OPPORTUNITY	HOW ORION SUPPORTS	PORTFOLIO COMPANY
Human Rights	OECD Due Diligence Guidance ILO guidelines	Assessing, integrating, acting, tracking, and communicating leads to greater protection of human rights	Include human rights in diligence process and requires reporting on incidents	Horizonte’s voluntary resettlement program incorporates best practices
Health and Safety	ISO 45001 ILO-OSH guideline	Health and safety of workers is a paramount priority	Key factor in diligence and monitoring; require reports on life changing events	Greenstone has operated for over 4.4 million hours without a lost time incident
Labor Relations	ILO declaration and guidelines	Fair and ethical treatment of workers is critical to a successful business	Evaluate labor during diligence, require reporting of disputes, and discuss strategies to resolve matters	Confidential company had several labor issues; the dedicated social lead was able to negotiate solutions
Community and Stakeholder Relations	ISO 26000 OECD Meaningful Stakeholder Engagement in Extractive Sector	Effective engagement with stakeholders makes good business sense and can lead to a social license to operate	Require stakeholder engagement plans and processes	Adriatic is receiving strong community support based on its engagement programs
Indigenous Relations	UN Declaration on the Rights of Indigenous Peoples ILO Convention 169	Free prior and informed consent and consultation support the appropriate involvement of indigenous peoples	Evaluate how indigenous peoples are included during diligence and monitoring	KMS is strengthening its aboriginal engagement and involvement
Diversity Equity and Inclusion	OECD recommendations UN SDG	DEI is a strong contributor to innovation and performance	Assess diversity and can request an increase in diversity	Bushveld has strong diversity of race and gender on its board and in leadership

GOVERNANCE				
MATERIAL TOPICS	RELEVANT GIIP	RISK OR OPPORTUNITY	HOW ORION SUPPORTS	PORTFOLIO COMPANY
Enterprise Risk	ISO 31000 Risk Management Guidelines	Comprehensive risk management system is essential for any project	Conduct a risk assessment and require companies to manage risk program	Nordic enhancing its risk management program based on our engagement
Business Ethics	Security and Exchange Commission regulations, FCPA	High ethical standards reduce risk and liability	Chief Compliance Officer reviews each and requires appropriate ABC policy	Multiple companies have enhanced their ABC policies based on Orion’s comments
Supply Chain	ISO 20400 Sustainable Procurement guidance	Understanding supply chain risks can directly benefit a project	Evaluate supply chain during diligence and monitoring	Confidential company during diligence was identified to have serious supply chain issues due to China being a sole supplier
Legal and Regulatory	Applicable laws and regulations	Comprehensive compliance system is essential to a successful project	Assess compliance systems and require reporting	Confidential company has numerous compliance issues which ORP is tracking and engaging on regularly
Country Risk	Corruption Index	Socio-political risk can materially affect project success	Third-party evaluates and tracks for non-designated countries	Confidential company had engaged with political official charged with ethics violations; ORP conducted a third-party assessment of one of the company officers