



RESPONSIBLE PROCUREMENT STANDARD

INTRODUCTION

Orla Mining Ltd. and its subsidiaries (“**Orla**” or the “**Company**”) is committed to complying with the requirements of any applicable treaties, laws, regulatory measures and governmental policies, and to contributing to the social, cultural and economic development of communities in which we operate. We will:

- Identify and develop socio-economic opportunities that lead to sustainable prosperity;
- Integrate socio-economic, environmental, occupational health and safety, human rights and governance best practices into our business processes; and
- Make meaningful and sustainable contributions to host countries and local communities where we operate.

The requirements in this Responsible Procurement Standard have been informed by the World Gold Council’s Responsible Gold Mining Principles, the Mining Association of Canada’s Towards Sustainable Mining’s Indigenous and Community Relationships Protocol, and Prevention of Child and Forced Labour Protocol.

SCOPE

This Standard is applicable to, and is the responsibility of, all the Company’s directors, officers, employees, subsidiaries, contractors and suppliers. All such individuals shall conduct their activities in a manner that is aligned with this Standard.

The goal of the Responsible Procurement Standard is to implement principles and measures to ensure that Orla’s operations and the gold, silver and other metals that it sells into the market, as well as the products and services that it purchases, are manufactured in a manner that is respectful of the environment, human rights and the rights of workers.

All purchases made for Orla and its subsidiaries or on its behalf, by its employees or by third parties, must comply with the responsible procurement principles stated in this standard. Orla’s suppliers must always carry out their business in a manner that complies with all applicable laws. The highest standard will apply when the principles outlined in this standard and laws touch on the same issues.

KEY TERMS

- **Adverse Impact:** When an action removes or reduces the ability of an individual to enjoy their rights.
- **Child Labour:** Work that deprives children of their childhood, their potential, and their dignity, and that is harmful to physical and mental development. In most jurisdictions, child labour meeting this definition is all labour by persons under the age of 18 years and that are provided or offered to be provided under circumstances that are contrary to the laws applicable in Canada; are provided or

offered to be provided under circumstances that are mentally, physically, socially or morally dangerous to them; interfere with their schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely or requiring them to attempt to combine school attendance with excessively long and heavy work; or constitute the worst forms of child labour as defined in article 3 of the Worst Forms of Child Labour Convention, 1999, adopted at Geneva on June 17, 1999.

- **Engagement:** Ongoing interaction and dialogue with potentially affected stakeholders that enables the Company to hear, understand and respond to their interests and concerns, including through collaboration.
- **Area of influence (“local”):** The geographic area within which a mining project may potentially directly and indirectly cause impacts. The area of direct impacts caused by mining-related activities includes the physical mine site footprint, areas adjacent to the project site that are affected by emissions and effluents, power transmission corridors, pipelines, borrow and disposal areas, and the area affected by associated facilities that, although not part of the project that is being assessed, would not have been constructed in the absence of the project. Areas indirectly affected by mining-related activities include the physical footprint of non-project activities in the surrounding area that are caused or stimulated by the project, plus the area affected by their emissions and effluents.
- **Forced Labour:** Any work or service not voluntarily performed that is exacted or coerced from an individual under threat of force or penalty. This covers any kind of involuntary or compulsory labour, such as indentured labour, bonded labour or similar labour-contracting arrangements required to pay off a debt; or slavery or slavery-like practices. It also includes requirements of excessive monetary deposits, excessive limitations on freedom of movement, excessive notice periods, substantial or inappropriate fines, and loss or delay of wages that prevent workers from voluntarily ending employment within their legal rights.
- **Indigenous Peoples:** Indigenous communities, peoples and Nations who have a historical continuity with pre-conquest and pre-colonial societies, consider themselves distinct from settlers, whose ancestors lived on their territories, and who irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions.
- **Modern slavery:** Covers a set of specific legal concepts including forced labour, concepts linked to forced labour (i.e., debt bondage, slavery and slavery like practices and human trafficking) and forced marriage. Although modern slavery is not defined in law, it is used as an umbrella term that focuses attention on commonalities across these legal concepts. Essentially, it refers to situations of exploitation that a person cannot refuse or leave because of threats, violence, coercion, deception, and/or abuse of power.
- **Remedy:** Remedy refers to the substantive outcomes that can counteract, or make good, the adverse impact. These outcomes may take a range of forms, such as apologies, restitution, rehabilitation, financial or non-financial compensation, and punitive sanctions (whether criminal or administrative, such as fines), as well as the prevention of further harm through, for example, injunctions or guarantees of non-repetition.
- **Stakeholders:** Individuals, groups, and public, private, or civil society organizations who directly or indirectly engage with and affect Orla’s operations, or may have interests in an Orla project, as well as the individuals, groups, and public, private, or civil society organizations that Orla’s operations may directly and indirectly cause impacts. Among others, Orla’s stakeholders include employees, investors, Nations and communities where we operate.
- **Under-represented:** Individuals or groups that may be at heightened risk of vulnerability or marginalization, that face a particular risk of being exposed to discrimination and other adverse impacts. Individuals or groups who are disadvantaged, marginalized, or excluded from society are often particularly vulnerable (e.g., children, women, Indigenous Peoples, people belonging to ethnic or other minorities, persons with disabilities, or through poverty).

REQUIREMENTS

Orla will:

1. Specifically prohibit child labour, forced labour, and modern slavery in its operations and its supply chain, and requires compliance with all applicable laws in the countries where the Company does business, including, but not limited to, the Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada) (the “Act”), and in line with our Human Rights Policy, through identification, assessment, prevention, mitigation and accounting of risks.
2. Conduct and document regular due diligence and audits on suppliers to ensure compliance with minimum ethical, safety, health, environmental, labour, social, and human rights requirements, in line with Company expectations and legal regulations.
3. Provide remedy when appropriate in cases where Orla has caused or contributed to adverse impacts identified through our due diligence processes, including support for impacted individuals and their immediate families where necessary.
4. Implement structured and regular training programs regarding this Standard for Company designated personnel responsible for procurement and third-party suppliers that are part of our supply chain on implementing this Standard.
5. Engage with stakeholders to identify, prioritize, and regularly review opportunities to optimize community benefits through local procurement, including under-represented groups, in line with Orla’s Stakeholder Engagement and Community Response Standard.
6. Develop, implement, and annually update action plans and budgets with clear roles, responsibilities and resources for prioritized local procurement opportunities, including the identification, tracking, and review of associated targets and metrics.
7. Assess and, if necessary, support the capacity and compliance of local suppliers to effectively engage on opportunities of interest to them in collaboration with relevant stakeholders.
8. Contribute to the socio-economic empowerment of under-represented groups and Indigenous peoples in the communities where we operate, by assisting them in identifying business development opportunities and, if appropriate, by working towards the development and implementation of partnerships, in line with our Indigenous Peoples Policy and Community Investment Standard.
9. Regularly and publicly communicate our local procurement and other opportunities, expectations, processes, regulatory requirements, and outcomes to stakeholders in languages and formats that are understandable to them.
10. Regularly review the effectiveness of procurement processes and outcomes with senior management and affected stakeholders and conduct an annual review to identify opportunities for continuous improvement.

RELATED POLICES AND STANDARDS

Internal documents

- Code of Business Conduct and Ethics, Orla, 2020
- Corporate Social Responsibility Policy, Orla, 2020
- Community Investment Standard, Orla, 2023
- Diversity Policy, Orla, 2018

- Environmental, Sustainability, Health and Safety Policy, Orla, 2020
- Human Rights Policy, Orla, 2023
- Indigenous Peoples Policy, Orla, 2023
- Stakeholder Engagement and Community Response Standard, Orla, 2023

Industry references

- Fighting Against Forced Labour and Child Labour in Supply Chains Act, Parliament of Canada, 2023
- Universal Declaration of Human Rights
- Guidance on implementing and assuring the RGMPs, World Gold Council, 2019
- Indigenous and Community Relationship Protocol, Towards Sustainable Mining, 2021
- Prevention of Child and Forced Labour Protocol, Towards Sustainable Mining, 2019
- Responsible Gold Mining Principles, World Gold Council, 2019
- Responsible Sourcing Alignment Supplement, Towards Sustainable Mining, 2021
- Standard for Responsible Mining 2.0, Initiative for Responsible Mining Assurance, 2023