

INTEGRATED MANAGEMENT SYSTEM

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RESETTLEMENT POLICY

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Drummond wants its operations to contribute to the sustainable development of the communities in its area of influence and bring them benefits. Therefore, it will seek to avoid or minimize circumstances that could lead to the involuntary resettlement of these communities, as well as avoid conditions that could lead to the formation of new irregular settlements. For this reason, in the execution of its activities, the Company will:

- Establish appropriate technical mechanisms to conduct social and environmental studies to identify
 the risks inherent in possible necessary resettlements for the projects and operations, taking into
 account the opportunities and preventive measures required during all phases of the project life cycle.
- Structure mining development plans and operational methods, incorporating measures to reduce significant effects on neighboring communities and try to reduce the risk of involuntary settlement or loss of existing sources of income.
- Seek alliances with the local authorities to strengthen the implementation of social and educational plans to discourage the formation of new population centers near the operations.
- Ensure the dissemination of information on the project and consultation with stakeholders in accordance with international best practices, addressing the social and environmental risks identified in the area of influence.

If, in spite of the above, resettlement is inevitable, the Company will:

- Implement the appropriate measures to mitigate any adverse effects on people, identifying development opportunities so that the resettlement is the last resort to improve these people's living conditions.
- Seek agreements with the communities based on the guidelines and standards of the IFC (International Finance Corporation – World Bank Group), with the participation of the authorities as guarantors of the rights of the people under resettlement and the structuring and implementation of a Resettlement Action Plan (RAP), ensuring an informed and participatory process with the communities to adopt a reasonable compensation scheme.
- Structure and implement, with the communities, a Livelihood Restoration Plan, facilitating a viable and appropriate resettlement.
- Establish an appropriate mechanism for handling requests, complaints, claims and reports that makes
 it possible to receive and resolve concerns about the process from the people involved in the
 resettlement and their representatives.
- Report to the corresponding authorities the invasion of land and formation of settlements within the
 area of influence of its operations, reporting this situation to the environmental and mining
 authorities.