

Sustainability
Report

2020



Index



Introduction



About this report

Jaguar Mining's Sustainability Report contains relevant information about our governance, social, economic, and environmental performance from January 1st through December 31st, 2020.

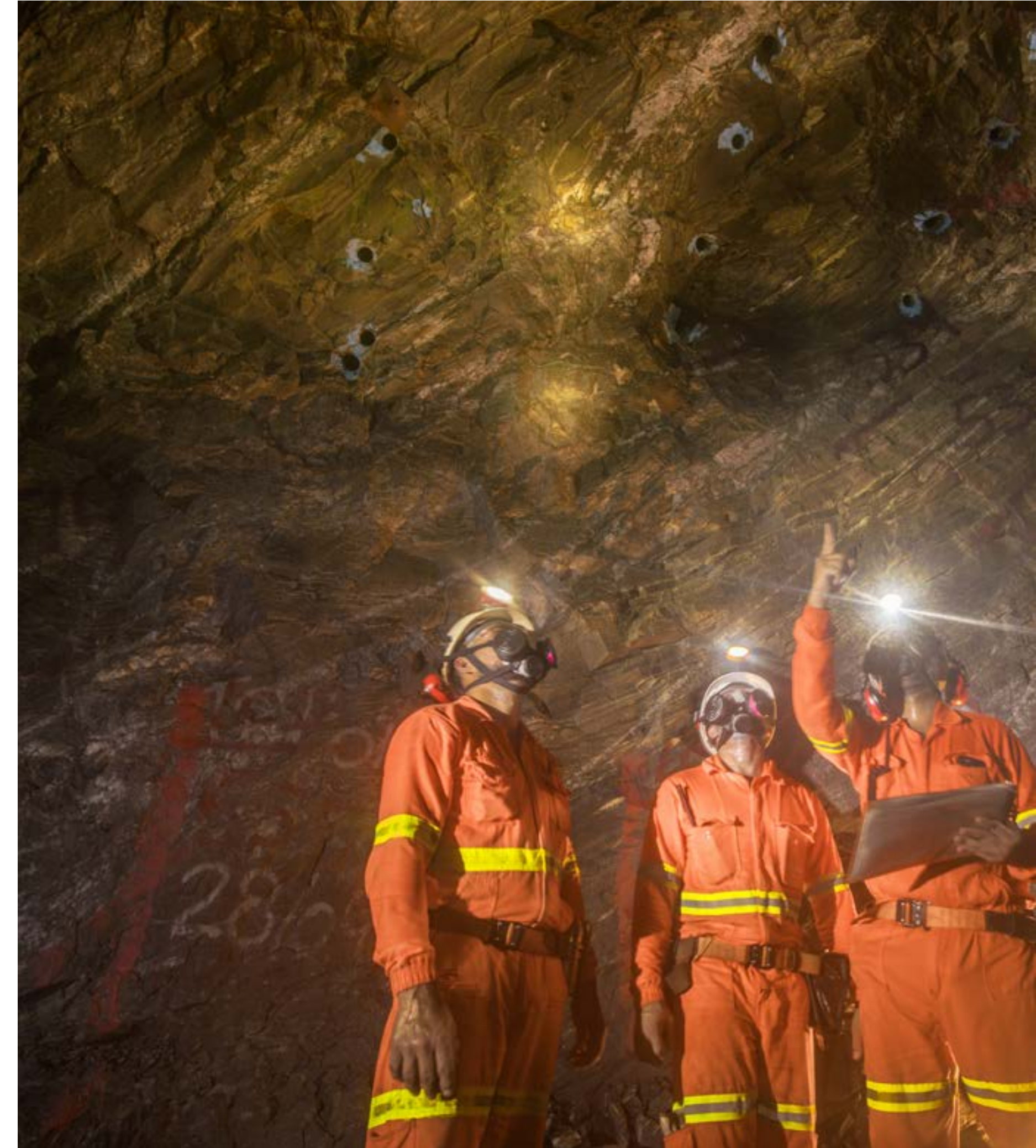
This Report was prepared in accordance with the Global Reporting Initiative (GRI) guidelines, standard version, and provides a report on the Company's activities, which includes feedback from the Company's stakeholders. All data collected for the 2020 Report has been reformulated and, as such, may differ from those shown in the previous report. [102-48, 102-50]

Reformulating to evolve

In 2020, Jaguar Mining reformulated its Materiality Matrix to introduce new material topics and a new selection on GRI disclosures in its biannual Sustainability Report. [102-49, 102-51, 102-52]

Jaguar Mining relied on an expert consulting firm to prepare and support the 2020 Report based on data gathered from internal and external surveys.

This report was prepared in line with GRI Standards and was not subjected to external verification. If you have questions, or need for additional information, please contact comunicacao@jaguarmining.com.br. [102-53, 102-54, 102-56]



¹A stakeholder is any person, group, or entity that may have an impact on or be impacted by an organization's operations. The corresponding interface may occur (i) through a direct relationship with the organization and/or (ii) involve other players participating in the organization's operations.

[102-1, 102-2, 102-3, 102-5, 102-6]

Jaguar Mining's operating
facilities in 2020 [102-4] [102-6]

Mineração Serras do Oeste Eireli (MSOL), also known in Brazil as Jaguar Mining, is a foreign-capital Brazilian company that produces gold in the Iron Quadrangle, a prospective greenstone belt in the state of Minas Gerais. With a focus on sustainable development, Jaguar Mining Inc. is the parent company of MSOL and is its only stockholder. MSOL's corporate office in Brazil is in Belo Horizonte, the capital of Minas Gerais.

Belo Horizonte is an important commercial hub for the Brazilian mining industry and a strategic location for Jaguar Mining's operation and head office.



The Brazilian operation reports to Jaguar Mining Inc., a Canadian exchange-listed company set up in accordance with the applicable laws and regulations.

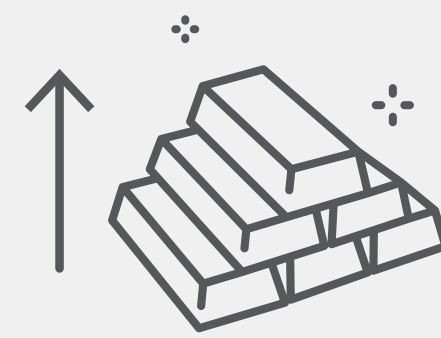
[102-7]

Jaguar Mining in figures

The company's main figures for 2020 are shown below.



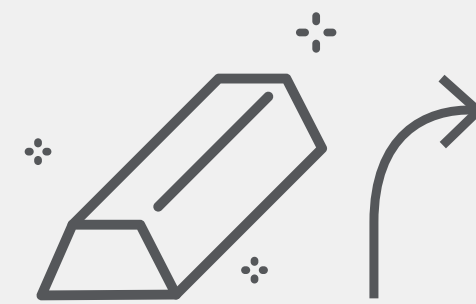
Number of
customers 1



Net revenue (R\$ 835 million)
US\$ 160 million



Number of
operations 3
two in operation and one under care
& maintenance



Total indebtedness (R\$ 15 million)
US\$ 3 million

[102-16]

Mission

Create and grow sustainable value for our stakeholders through the application of best practices in mining and our commitment on protecting the health and wellbeing of our employees and the environment in the communities where we work.

Vision

To be a recognized gold mining company focused on growing sustainable production, delivering on our commitments for excellence and valuing and developing our employees.

Values

Zero Harm

Commitment with health and safety of our employees with the communities where we operate and with the protection of the environment.

Dignity and Respect

Equal treatment and opportunity for all employees with transparent processes founded on dignity and respect and encouraging a sense of ownership.

Sustainability

Sustainable growth supported by a safe, profitable and socially responsible business while developing long-term resources.

Collaboration

Productive and ethical working relationships, transparent and responsive dialogue with surrounding communities and public agencies for the benefit of all stakeholders.

Excellence

Commitment to focus on a culture of best business practices.

The Company has a Code of Conduct and Ethics specific policies dealing with Compliance, Anticorruption and Antibribery, Risk Management, Whistleblower, and Private Social Investment. It also provides readily available corporate communication channels for whistleblowing and dialoguing with stakeholders.

Message from the leadership



[102-14]

Message from the CEO

The world has seen the impacts of the Covid-19 pandemic since the beginning of 2020 and I would like to convey my deepest feelings of sympathy and solidarity to those who have been affected by it.

Covid-19 has not only challenged society and the world economy; it has also changed the way we do business and led industries around the world to significantly and structurally reshape themselves, proving that we can win any battle if we join forces. At Jaguar Mining, we focus on zero harm and recognize the impacts caused by a global crisis. In such a context, environmental, social, and economic issues played an essential role by further enhancing our engagement and guiding the Company's actions. One outstanding aspect, which I am proud to highlight, was our agility in reorganizing ourselves and swiftly adopting control measures to protect the health and safety of all the people involved in our operation: employees, community, and partners.

Bringing people together in the last year, even if through virtual ties, was key to being able to continue our activities. In this respect, employee communication was strengthened by creating a direct communication group among corporate contacts. We also intensified the dissemination of information through newsletters addressed to both internal and external audiences.

Taking care of those outside the company was as important as those on the inside. Open communication with local communities enabled us to identify their main concerns and act assertively.

Jaguar Mining has enhanced its commitment to responsible, sustainable mining year in, year out. We continue to give top priority to sustainability-related issues by adopting a transparent approach in our operations and corporate responsibility issues, ensuring the needs of future generations.

We will continue to overcome challenges and grow with wisdom and quality, always thinking about the future and ensuring zero harm to our employees, the environment, and the communities in which we operate. I invite you to read this report and learn more about our actions.

We are grateful to everyone for having had one more successful year.

Thank you and enjoy the read!



Vernon Baker, Jaguar Mining CEO

[102-14]

Message from the CFO

The many challenges brought by the Covid-19 pandemic required Jaguar Mining's economic and financial management to adapt and respond quickly. Regardless of the uncertainties, we were able to deliver solid, sustainable results in the fiscal year, supported by a growth strategy. Our consolidated net revenue totaled US\$ 160 million (R\$ 835 million), a 65% jump from the 2019 figure. EBITDA amounted to US\$ 103 million (R\$ 531 million) in 2020, more than five times higher than that of the previous year. Such figures were positively influenced by the Brazilian currency depreciation vis-à-vis the U.S. dollar and internal actions to control the cash on a weekly basis.

The appreciation of gold during 2020 showed the value of safe assets and resulted in a challenging, yet extremely favorable year, delivering a better-than-planned performance.

The operation became profitable in June 2020, on which occasion the Company also started to pay income taxes, which also allows part of the income tax to be donated to social projects to be developed in the communities around our units. In recognition of the support we received from local communities, we made donations to health centers in the towns that host

our operations so they could face the Covid-19 pandemic. We are proud to announce that we invested US\$ 273,000 (R\$ 1.465 million) in these host communities in 2020, our largest social investment over the past three years.

I must emphasize that our focus on production, cost, and cash generation enabled us to achieve our annual goals, including sales revenue, total costs, and total investments.

Credibility is the outcome of how we deal with our stakeholders, for whom we work hard to deliver transparent, quality results year after year.

With this in mind, we strengthened our commitment to sustainability by meeting the increasing market demand and lawmakers' and regulatory agencies' requirements by means of a reporting system that provides consistent, comparable, reliable, and relevant information for value creation and sustainable development.

Enjoy the read!



Hashim Ahmed, Jaguar Mining CFO

Sustainability strategy



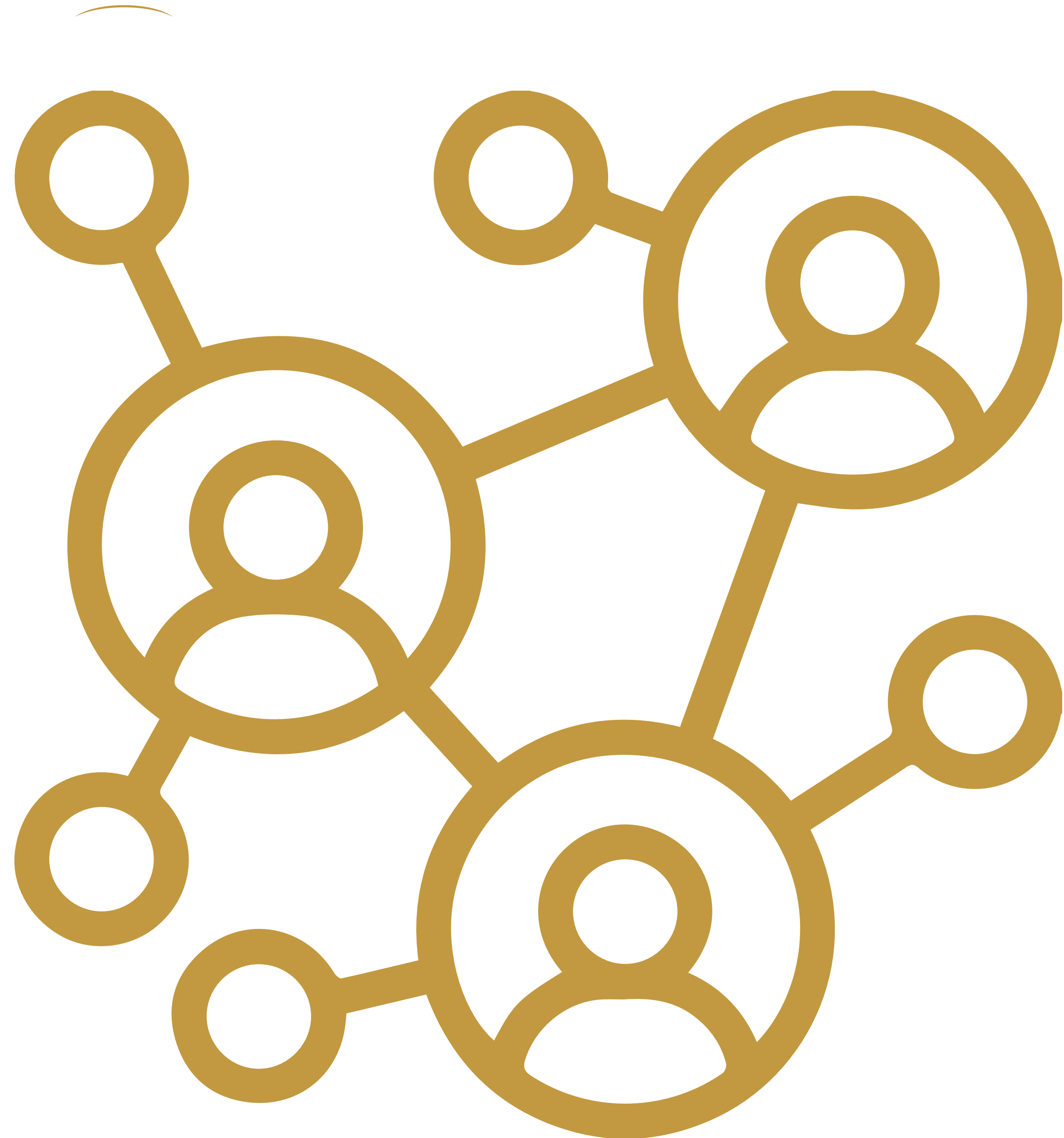
Materiality matrix

One of the main outcomes from the preparation of this Sustainability Report was the definition of material topics through the construction of Jaguar Mining's new Materiality Matrix.

The Materiality Matrix identifies what the Company considers to be core sustainability topics. The current matrix was developed in 2021 and relied on support from an expert consulting firm.

Defining the stakeholders

Selected internal and external stakeholders were those with the greatest potential of exerting influence on the business and whose relationship with Jaguar Mining is mature enough to enable a relevant contribution to the process of defining management priorities. [102-42]



[102-40, 102-43]

Consultation with the main stakeholders



Interview of Jaguar Mining's leadership: individual interviews were conducted with the CEO and CFO, administrative and operating vice presidents, and managers.



On-line inquiries with the main stakeholders' representatives: employees, suppliers, associations and representative entities, public agencies, environmental agencies, third sector, local communities, and the press were invited to participate in an on-line consultation to identify the most relevant topics for Jaguar Mining management.



Individual interviews

↓
CEO and CFO
↓
2 Vice Presidents
↓
8 managers

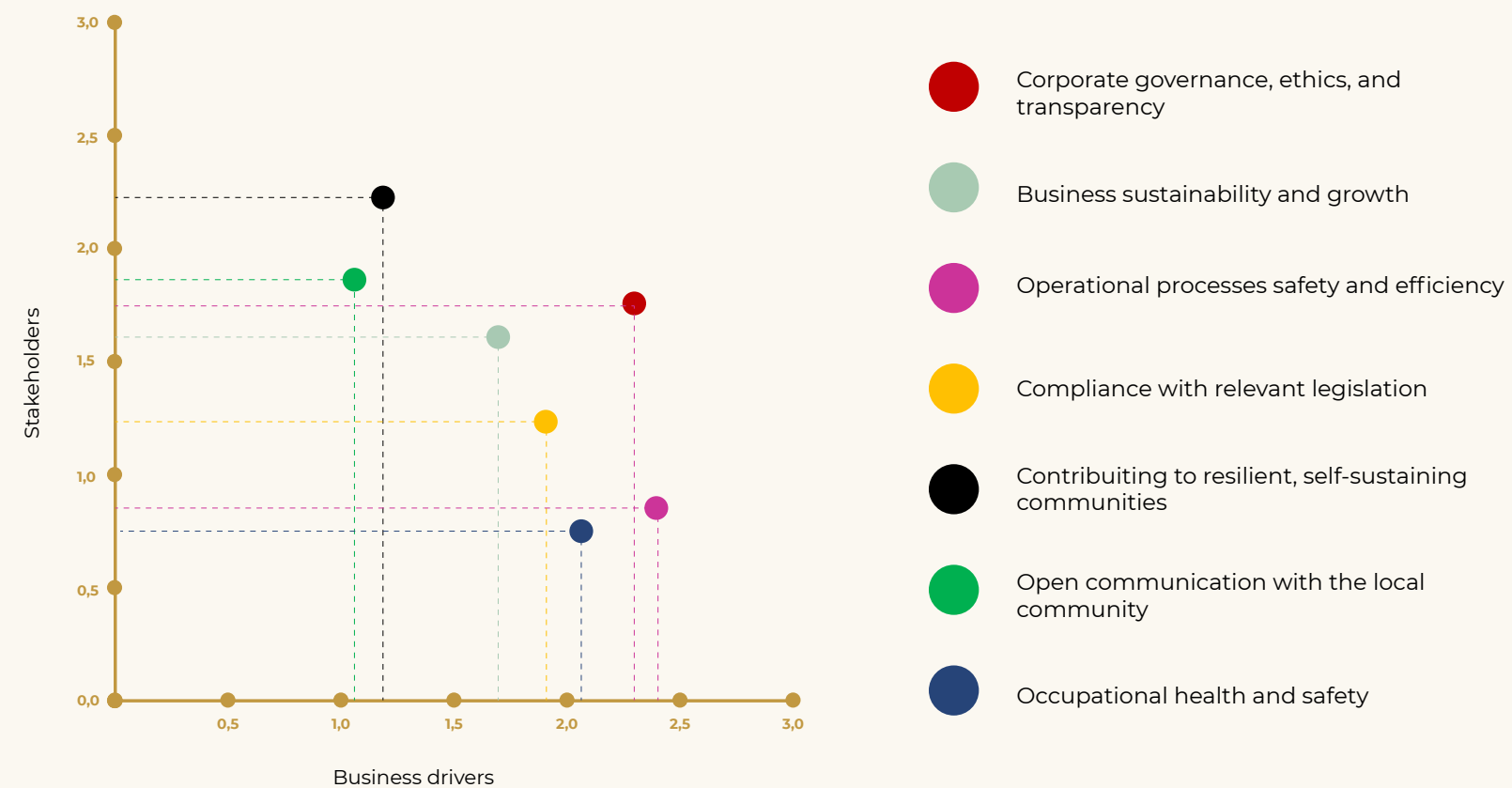


On-line inquiries

↓
63 responses

Materiality matrix analysis and preparation

Information gathered through consultation with stakeholders was reviewed in an impartial, objective, independent way to ensure individualized interpretation of each **Materiality Matrix** axis: influence of stakeholders on decision-making and significance of the impact for the organizational strategy. Such review identified seven material topics. [102-46]



These topics are shown below in order of priority, including GRI topics and disclosures selected for their representation. [102-4] [102-47]

Material topics	Related GRI topics and disclosures	
Good corporate governance and ethical, transparent behavior	Anti-corruption	205-1 205-2 205-3
	Economic performance	201-1
Sustainable business growth	Energy	302-1
	Water and effluents	303-5
	Biodiversity	304-2
	Waste	306-3
Guarantee of operational process efficiency and safety	No direct correlation with GRI Standards' topics	In-company indicators
	Environmental compliance	307-1
Compliance with applicable law	Socioeconomic compliance	419-1
	Indirect economic impacts	203-2
Participation in the development of surrounding communities to make them self-sustainable and resilient	Local communities	413-1
	No direct correlation with GRI Standards' topics	In-company indicators
Promotion of open communication with local communities	No direct correlation with GRI Standards' topics	In-company indicators
	Occupational health and safety	403-1 403-2 403-4 403-5 403-7

Strategic sustainability guidelines

Zero Harm is a top priority at Jaguar Mining, which proves its commitment to its employees' health and safety, surrounding communities, and environmental protection. The Company adopts a precautionary approach in its operations and carries out periodic environmental studies to reduce the impact of its actions and prevent environmental damage. [102-11]

The Company endorses IBRAM's (Brazilian Mining Association) Letter of Commitment, through which the industry states its public commitments and organizes actions and plans aimed at transforming the mining industry, its processes and techniques, and its relationships with society and the environment. Jaguar Mining's participation allows society to

learn about and transparently and objectively monitor the evolution of mining business activities throughout Brazil. From the Company's standpoint, the greater the social participation, the better its decision-making. [102-12]

Additionally, the Company is a member in associations such as the Minas Gerais Extractive Industries Association (SINDIEXTRA), Women in Mining (WIM Brazil), Ethos Institute, and AMCHAM Brazil. It also participates in the Business Pact for Integrity and Against Corruption, the Contagem Integrity Seal (SIC), and initiatives of the Institute of Internal Auditors (IIA). [102-12]



Jaguar Mining adopts good corporate governance practices to foster investor confidence. Corporate governance is related to the activities of the Company's Board of Directors. Board members are chosen through election and accountable to stockholders, considering the role of Jaguar Mining's management, and are responsible for the ongoing management of the Company.

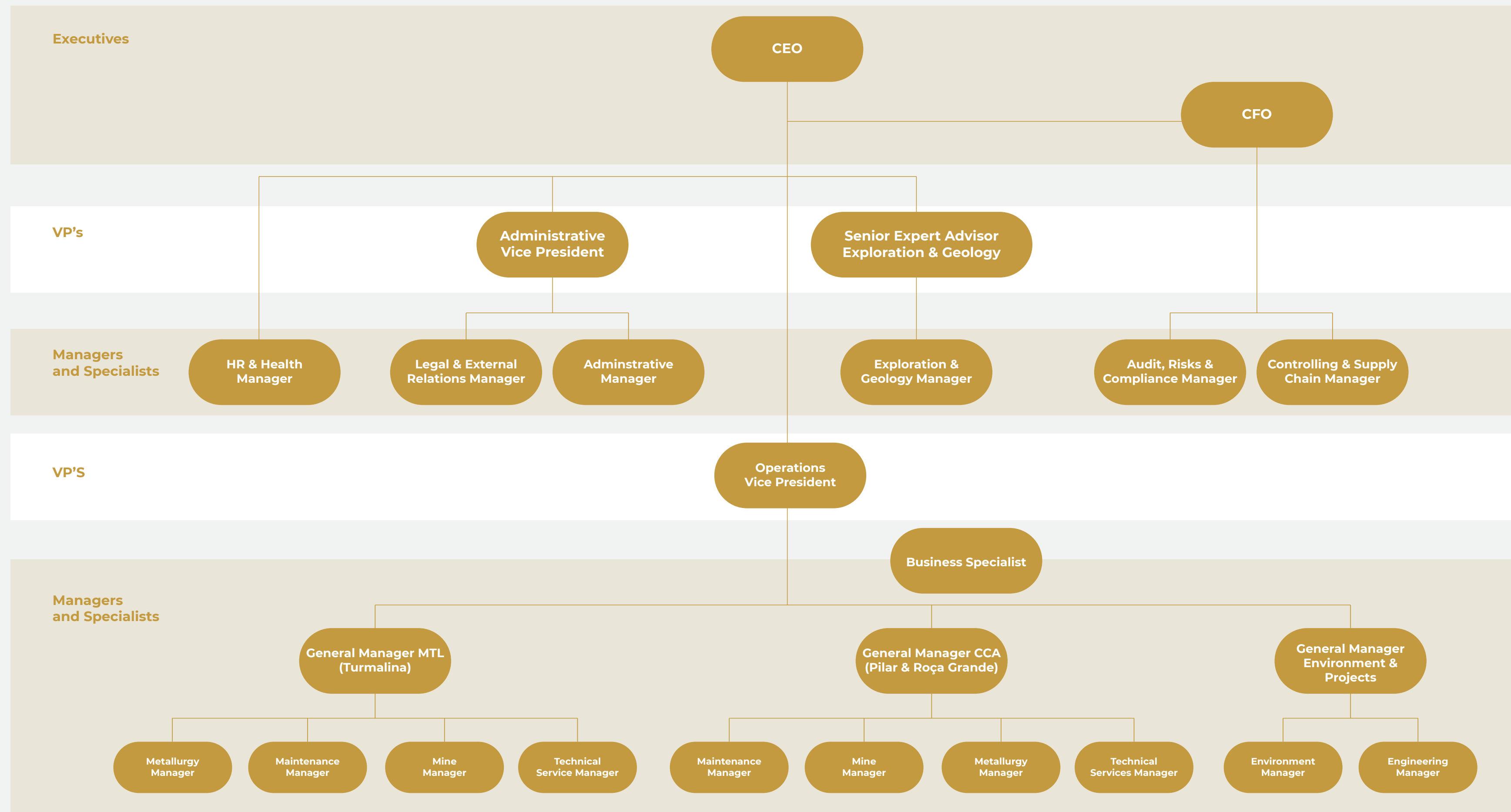
Jaguar Mining's Executive Management encourages robust corporate governance practices aimed at promoting the stakeholders' well-being and the Company's continuous development while keeping in mind its long-term interests and stockholder appreciation.

In the Company's view, sound corporate governance practices benefit all stakeholders, including its employees and surrounding communities. As governance standards change and the Company grows, such corporate governance practices are reviewed and adjusted as necessary. [102-18]





Organization chart



[103 | 205]

Jaguar Mining has a Compliance Program in place, as well as a Code of Conduct and Ethics. It regularly promotes employee awareness-enhancing campaigns to reinforce the Company's guidelines and values. In 2020, all the Company areas were mapped for corruption-related risks, but no risks related to corruption were detected. It should be noted that no case of corruption was reported in the four Sustainability Reports to date. [205-1, 205-3]

Possible conflicts of interest involving employees or other people related to the Company's activities, products, or services are identified and handled through a treatment process established by Jaguar Mining to deal with either real or apparent conflicts in personal and professional relations. Any possibly conflicting family relations must be disclosed through a Transparency Statement, which is available in the Code of Conduct and Ethics. In this respect, any identified omission is dealt with on a case-by-case basis and may lead to administrative measures.

Releases in 2020



Discrimination

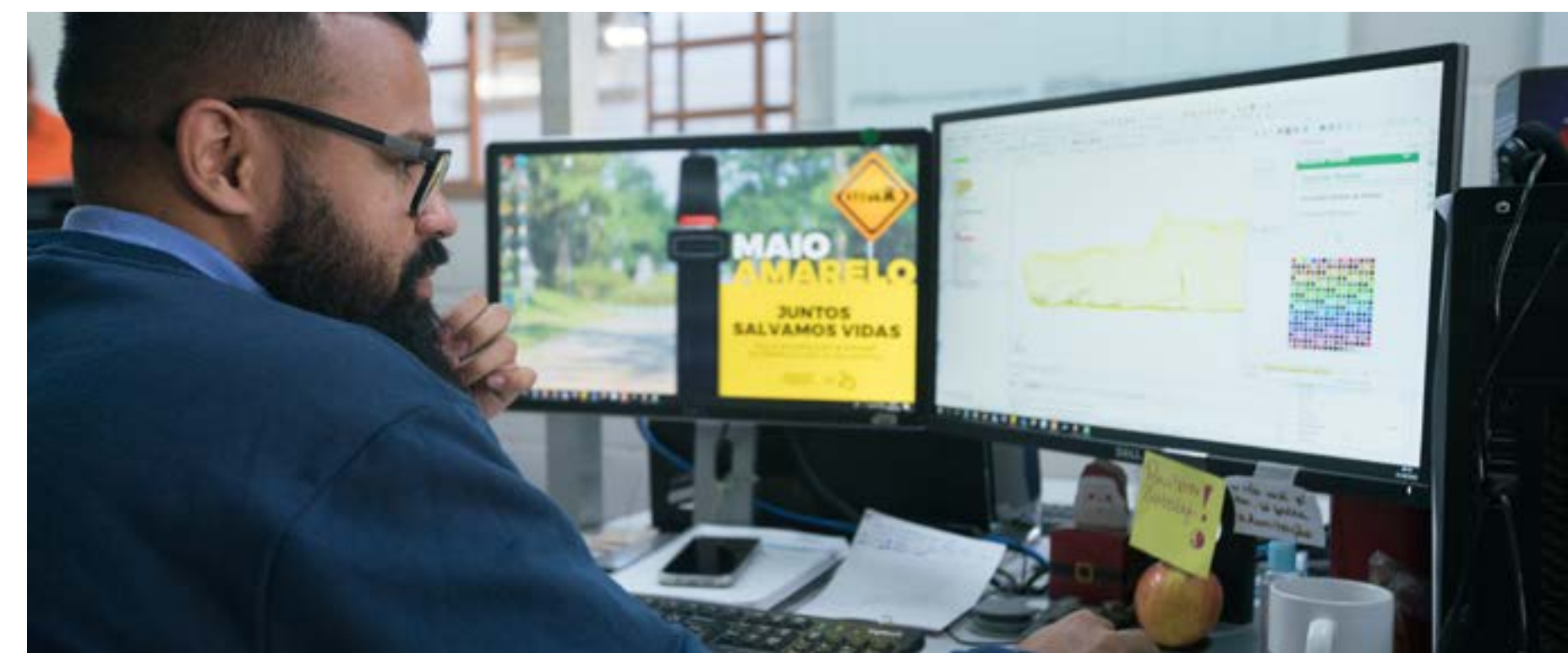


Award Contagem Integrity Seal Awarding

Training on the code of conduct and ethics

Onboarding training on the Code of Conduct and Ethics is given to all newly hired employees and refresher training is given every two years or whenever changes in the Code are introduced. A new version of the Code of Conduct and Ethics was released in 2020 and all employees, including the top management, were given the corresponding training. Suppliers are also provided with a copy of the Code at the time a contract is signed. 205-2]

The Company does not control third parties' employee training. [205-2]




Value creation



Commitment to its employees is one of Jaguar Mining's pillars. Maintaining a good relationship and aligning values and expectations are extremely important aspects. Dignity and respect are core drivers and the Company believes they can have a positive impact on employees and generate social transformation and well-being to all people with whom the Company has a relationship.

In 2020, the Company's headcount was



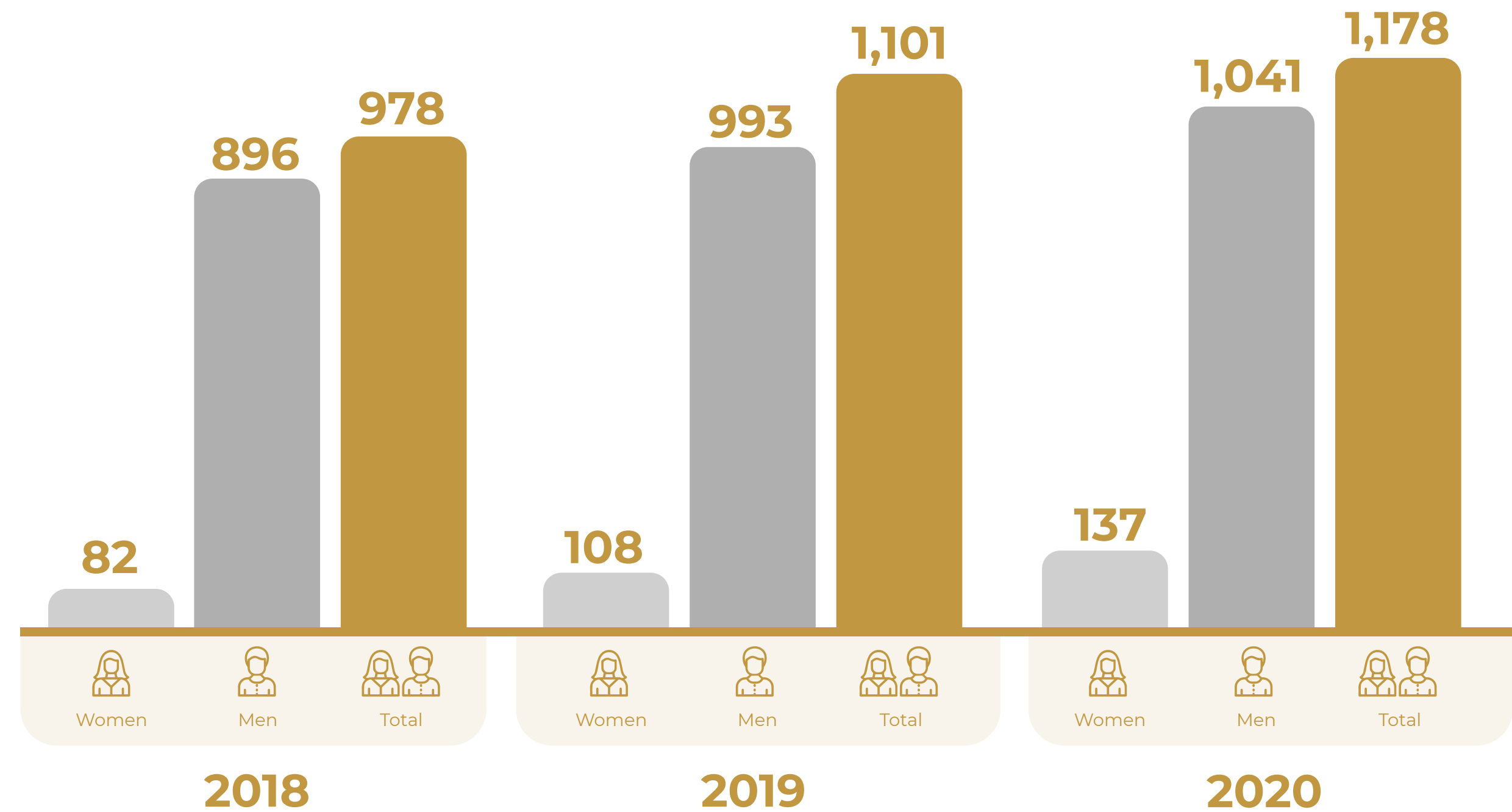
1,178

employees (apprentices and trainees excluded), up

7% from the 2019 headcount

Number of employees by gender

[102-8]



Jaguar Mining's operations are in the state of Minas Gerais, in the Southeastern part of Brazil, and all employees work in this state. Considering the employees' region of origin, 95% of them come from the Southeast, which shows the Company's commitment to hiring local labor.



Number of employees by region (top management excluded)

	2018			2019			2020		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
South	0	3	3	1	4	5	1	4	5
Southeast	78	850	928	103	943	1,046	129	991	1,120
Midwest	0	11	11	0	13	13	3	15	18
Northeast	4	25	29	4	27	31	4	24	28
North	0	7	7	0	6	6	0	7	7
Total	82	896	978	108	993	1,101	137	1,041	1,178

Diversity

Diversity is another top priority at Jaguar Mining. In order to promote dialogue on equity- and inclusion-related issues, the Company set up a committee called DIVERSIFICA (Diversify) made up of voluntary representatives from all operational and administrative units. This Committee's main purpose is to encourage discussions on diversity and propose internal improvements.

In terms of gender representation, 88% of employees are male, which is due mainly to the difficulty in attracting women to work in operational areas, where 64% of the workforce are assigned. Nevertheless, Jaguar Mining recognizes and values the female workforce and is always open to dialogue about the inclusion of women in the mining industry.

Number of employees by gender and employee category [405-1]

	2018			2019			2020		
	Women	Man	Total	Women	Men	Total	Women	Men	Total
Operacional	10	617	627	23	702	725	32	724	756
Assistants	13	30	43	17	30	47	21	32	53
Technicians	12	96	108	17	100	117	21	100	121
Higher Education	36	48	84	39	44	83	48	59	107
Supervisors	3	60	63	1	75	76	1	78	79
Coordinators	4	29	33	7	30	37	7	32	39
Technicians	4	15	19	4	12	16	6	14	20
Executive Officers	0	1	1	0	0	0	1	2	3
Total	82	896	978	108	993	1,101	137	1,041	1,178



Distribution by gender is more equal in the entry-level positions, such as trainees and apprentices, in which women account for 47% of the workforce. With respect to governance positions, the Board of Directors is made up of five men and one woman.

As to age groups, most employees (68%) are in the 30 to 50 age brackets, with 23% below 30 years old, and 9% older than 50.

Number of employees by age group and employee category

	2018				2019				2020			
	Below 30 years	From 30 to 50 years	Above 50 years	Total	Below 30 years	From 30 to 50 years	Above 50 years	Total	Below 30 years	From 30 to 50 years	Above 50 years	Total
Operational	151	428	48	627	194	479	52	725	207	489	60	756
Administrative	14	28	1	43	17	29	1	47	22	30	1	53
Technical	30	58	20	108	27	73	17	117	22	83	16	121
Higher Education	13	63	8	71	11	66	6	83	17	82	8	107
Supervisors	3	54	6	60	6	63	7	76	4	64	11	79
Coordinators	1	27	5	33	1	31	5	37	1	34	4	39
Managers	0	15	4	19	0	14	2	16	0	19	1	20
Executive Officers	0	0	1	1	0	0	0	0	0	2	1	3
Total	212	673	93	978	256	755	90	1,101	273	803	102	1,178



As far as the inclusion approach is concerned, the Company employs 41 disabled people or 3.5% of its workforce. To date, Jaguar Mining has no control in place to account for employee race, either through self-declaration or survey. The DIVERSIFICA Committee is currently planning the best way to gather such data in the coming years.

Number of employees with disability by employee category and gender

	2018			2019			2020		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Operational	1	11	12	2	17	19	2	17	19
Assistant	8	8	16	9	6	15	8	7	15
Technical	0	3	3	1	3	4	1	2	3
Higher Education	2	3	5	1	3	4	1	3	4
Supervisors	0	0	0	0	0	0	0	0	0
Coordinators	0	0	0	0	0	0	0	0	0
Managers	0	0	0	0	0	0	0	0	0
Executive Officers	0	0	0	0	0	0	0	0	0
Total	11	25	36	13	29	42	12	29	41

Collective bargaining agreements



Collective bargaining agreements are a way of making joint decisions about an organization's operations. Such agreements may cover different organizational levels and groups or categories of employees, ranging from individual organizations to an entire industry (in countries where this is the usual practice) or both. Collective bargaining agreements may apply to specific groups of employees, such as those who perform a given activity or work in a specific location of the Company.

Jaguar Mining supports employees' rights through collective bargaining meetings with Unions and employees. By maintaining this system and its provisions, the Company promotes dialogue with its employees and their unions.

All Jaguar Mining's employees hired under the Brazilian consolidated labor law (CLT) are covered by bargaining agreements, except for apprentices, trainees, the CEO, and service providers. [102-41]

Percentage of total employees covered by collective bargaining agreements			
Employees	2018	2019	2020
Employees covered by collective bargaining agreements	978	1,101	1,177
Total employees	978	1,101	1,178
Percentage	100%	100%	99.92%

[103 | 403]

Occupational health and safety

Jaguar Mining cares for its own employees and contractors' personnel by implementing health and well-being actions. It meets health and safety requirements set out by the Labor Ministry's Regulatory Standards and prioritizes genuine care and measures to improve the quality of life. [403-1]

Risks are controlled in every activity at the underground mine, metallurgical plant, and geology, maintenance, and administrative areas in compliance with guidelines set forth in different programs, namely: Risk Management and Preliminary Risk Analysis, Occupational Health Medical Control, Hearing Protection, and Respiratory Protection. [403-1] [403-2] [403-3]



Focus on health

Jaguar Mining features an integrated health promotion and prevention program: Focus on Health. It was created to meet legal requirements and promote health and well-being by sharing knowledge and providing guidance on food, ergonomics, rehabilitation, mental health, and other matters.



The Company assigns occupational physicians and nursing technicians to all work shifts in the operational units.

In addition to assistance, the health team also provides support to employees and works based on an orientational approach to promoting health and well-being. Jaguar Mining provides a health plan for all employees and their dependents. The employees' opinions are valued and gathered through surveys and submission of suggestions through the Fale Fácil (Easy Talk) communication channel. [403-2](#)

All employees are submitted to pre-employment and periodic consultations as a preventive measure to keep health information up to date. New hires participate in onboarding training, on which occasion they are provided with relevant information to acquaint themselves with the mining environment and measures aimed at risk mitigation and work accident prevention. [\[403-2\]](#)

Jaguar Mining's Risk Management Program further minimizes risks by identifying workplace hazards and assessing any existing risks. Periodic engagement and communication meetings are held to discuss information on accidents and risk mitigation monitoring. In addition, formal committees are set up by the Internal Commission for the Prevention of Accidents in Mining (CIPAMIN) and hold monthly meetings with all the personnel in line with Regulatory Standard NR 22. The findings of the Risk Management and Preliminary Risk Analysis Program and Occupational Health Medical Control Program reports are disclosed through Daily Safety Dialogues and regular CIPAMIN meetings. [\[403-4\]](#)

Training on health and well-being

Mandatory training on the Labor Ministry's Regulatory Standards (NR) 06, 10, 11, 20, 22, 23, 33, 34, and 35 is given to employees with positive effects on workplace health, as can be seen in the table to the right. [403-5]

Indicator	2018	2019	2020
Lost-Time Injury Frequency Rate	6.07	3.08	0.8
Injury Severity Rate	2,329	295	30
No- Lost-Time Injury Frequency Rate	5.15	2.17	1.6

Operational safety

In Jaguar's view, safety is a non-negotiable value. With that in mind, the Company adopts a risk prevention approach based on the identification of inadequate working conditions and an open, permanent dialogue about safe behavior.



Investments in operational Safety



The Company invested US\$ 0.5 million (R\$ 2.7 million) in the Turmalina Unit (MTL) in 2020. The main investments were:



Refurbishment of steel structures at the processing plant to ensure its operating safety.



Purchase of a new mobile escape chamber and its furnishings.



Purchase of one Axial and one Retrofit fan to improve the mine ventilation.



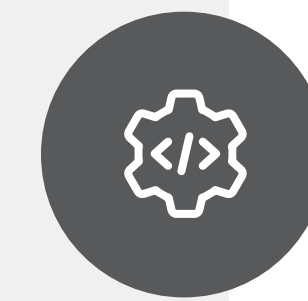
Installation of main exhausters to improve the mine ventilation.



Purchase of equipment to monitor gas level inside the mine.



Installation of an emergency warning system for the Roça Grande dam.



Purchase of a melting pot withdrawal device for the Roça Grande Plant.

In the case of Pilar and Roça Grande, investments amounted to US\$ 0.4 million (R\$ 2.3 million), including the following main items:

[103 | 203] [103 | 413]

Community relationship

The importance of communication during the Covid-19 pandemic

The Covid-19 pandemic came as a shock to the world in 2020. Since then, we have gone through some difficult times. The Coronavirus changed our routines and plans, but it also brought us together to confront the pandemic.

Notwithstanding the challenges faced and the need for many companies to reshape and adapt their processes, it also showed the importance of keeping our stakeholders at the center of all our decisions, actions, and communications.

Our results have undeniably been affected by the economic crisis created by the global pandemic, but the agility in reorganizing ourselves and adopting strict sanitizing measures and home-office work arrangements for the administrative area and risk groups has proved to be essential to protecting the health of everyone involved in our operations – employees, community, and partners. The Company learned important lessons from this hardship, which has reinforced its mission of creating and nurturing sustainable values for its stakeholders in a transparent way. It

led to the adoption of the best practices in the mining industry and the commitment to protecting employees' health and well-being, the environment, and surrounding communities.

The actions taken by Jaguar Mining are reported to the market and its stakeholders. The Company has used new mechanisms and platforms to achieve direct, transparent, frequent communication with internal and external stakeholders.

In 2020, the Company began to engage specialized services in the areas of press relations, advertising agency, social media management, corporate TV, media training, press and social media monitoring, and in-company and external campaigns. It has also used digital communication platforms, such as live streaming, webinars, podcasts, and the YouTube channel. Understanding the changing needs of our stakeholders, Jaguar Mining has adapted to the use of social media allowing the Company to maintain effective communication.

Commitment to local communities

Jaguar Mining promotes community development and growth in a relationship based on the following guidelines:

Respect

Trust

Proximity

Transparence

Dialogue

**Social, cultural, environmental,
and economic development**



The Company is committed to transparent dialogue with and promotion of the social-environmental development of local communities.

Because of the Covid-19 pandemic, some institutional relationship programs were put on hold in 2020 as they required face-to-face meetings:

Hand in Hand program: visits to operational units.

Open Dialogue program: periodic meetings with entities and communities to address matters of collective interest. Representatives from various departments attend the meetings.

Playing in the Street program: creates cultural and recreational opportunities and strengthens positive ties among employees, their families, and surrounding communities. The event disseminates important values such as creativity, collaboration, ethics, honesty, respect, and sharing, with positive effects on the communities' daily life.

Created in 2017, the Seeds of Sustainability Program fosters and supports the work of organizations and surrounding communities' projects, contributing to their social, cultural, and economic vitality. The pandemic did not hinder the provision of Jaguar's assistance to these ongoing community projects throughout 2020. Projects have been adapted to formats that enabled their continuity while complying with sanitizing protocols.

This Program encourages interactions with other companies, governments, and organizations with an aim to create partnership networks for the entities, in addition to offering consultancy to set up participants' projects and service provision. It also works as a mediator when local entrepreneurs get involved in tax incentive and financing mechanisms. Moreover, it helps map, mobilize, and strengthen a network of partnerships for such initiatives, and promoting them by creating communication channels and organizing partnerships and support networks.

The Program assisted nine institutions in 2020, with impacts on the lives of around 2,500 people. [413-1]



Number of community projects



Volunteer Program

Always seeking to contribute to the construction of a better and fairer society, Jaguar Mining kicked off its Volunteering Program in 2020. Volunteer employees and contractors' personnel participating in the Program help others to experience the reality of issues within the communities within the Company's area of influence, thus connecting Jaguar Mining to people.

The Volunteer Program includes several fields of action that will be worked on over the years:



Volunteer Learning

Campaign for donation of books, school material, magazines, and educational and recreational games.

Volunteer Eco-sustainability

Addresses environmental education-related issues, such as selective collection, cleaning efforts, planting, and exchange of seedlings for food to be donated to needy families and/or welfare recipients.

Volunteer Clothing

Campaign to donate clothes and blankets to be distributed to welfare recipients.

Volunteer Well-Being

Children and the elderly sponsorship campaign through letters to be sent on commemorative dates such as Children's Day and Christmas.

Volunteer Knowledge

Exchange of experiences and knowledge between Jaguar Mining professionals and communities.

Volunteer Engagement

Colunteer employees register to participate in Jaguar Mining's institutional events for the benefit of its host communities.

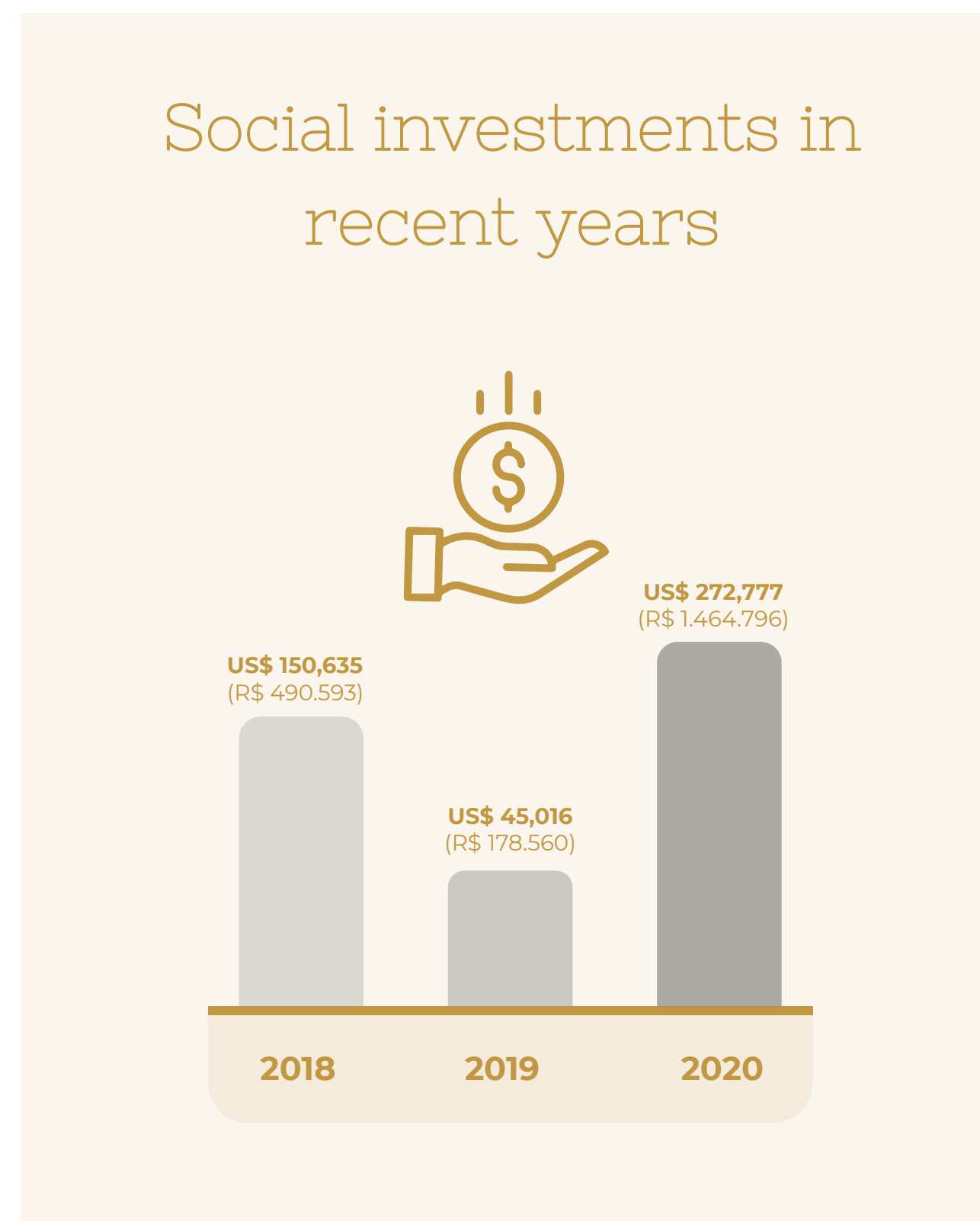
Private social investment

Because social investments by private organizations are an important tool to support civil society's and public agencies' demands, especially when it comes to the development of populations within the Company's area of influence, Jaguar Mining began putting together its Private Social Investment Policy in 2020. It includes principles and guidelines for the Company's social investments and specific methods to select projects and actions that will enhance institutional relationships while strengthening and improving the communities' quality of life.

Created in the 1990s, Private Social Investment (PSI) is a concept involving mechanisms for social action by the private sector other than philanthropy. It is voluntarily adopted by organizations to coordinate the allocation of financial resources, goods, or services in a planned, systematic, and monitored way.

Also, Jaguar Mining began making use of tax incentive arrangements to donate part of its Corporate Income Tax as of June 2020, when the Company's operation became profitable. Such tax incentives are covered by several laws for different beneficiaries, namely: Act 8.069/1990 on the Rights of Children and Adolescents, Act 12.213/2010 on the Rights of the Elderly, Federal Act 11.438/2006 on Sports Incentives, and Federal Act 8.313/1991 on Cultural Incentives.

The challenges brought by the Covid-19 pandemic led Jaguar Mining to be concerned about the health system in the municipalities where it operates - resulting in it being the destination of donations made in 2020.



2020 highlights

- **Financial donations to municipalities in which Jaguar Mining operates to help fight the Covid-19 pandemic**
- **Corporate contact numbers available in WhatsApp groups**
- **Publication of the Jaguar in Focus Newsletter**
- **Attendance at community meetings**
- **Release of institutional materials**
- **Development of the Volunteer Program**
- **Use of tax incentive laws to donate part of the Corporate Income Tax in Brazil, as of June 2020**

In 2020, investments were allocated to projects and actions in the following areas: Health and Sanitation, Education and Culture, and Income Generation.

In addition to its social investments and programs, Jaguar Mining relies on a dedicated institutional and community relations team, seeking to identify, enhance, and monitor the relationships with its stakeholders.

Such relationships are based on guidelines that promote and maintain a collaborative environment with stakeholders, as follows.



LEGITIMACY OF EXISTING PROCESSES

Acknowledgment of existing models and practices at the Company, identifying their potentialities and considering their incremental improvement.



ADAPTATION TO THE CONTEXT

Capability to adapt itself to new circumstances and challenges, with a focus on understanding and reevaluating the existing context. This is a key perspective as it concerns a dynamic, complex relationship, subject to transformations all the time.



DIALOGUE WITH INTENTIONALITY

Dialogic interactions supported by qualified information on territories and audiences.



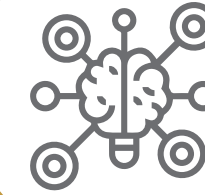
TRANSPARENCY

Commitment to reporting whatever may significantly affect stakeholders' interests. It requires qualified information on territories and audiences to be available and ongoing studies to understand specific situations and scenarios.



TRUST AND COLLABORATION

Regular cooperation-oriented interactions based on principles that result in stronger relationships are key requirements to foster cooperative trust.



INNOVATION OUTLOOK

Adoption of new relationship approaches in line with existing challenges and Jaguar Mining's action outlook, seeking to ensure fast response capability especially in case of adverse events, such as the Covid-19 pandemic.



RESPECT FOR LAWS, GUIDELINES, AND COVENANTS IN FORCE

Compliance with law, guidelines, and covenants applicable to large projects and permitting processes, particularly the IFC Performance Standards on Environmental and Social Sustainability, United Nations Policy Framework for Business and Human Rights (Ruggie Report, 2011), AA1000 Stakeholder Engagement Standard 2015 (Accountability), Sustainable Development Goals (SDG), United Nations Development Program (UNDP), and Global Reporting Initiative (GRI) Guidelines.

Process of engagement with local society

In recent years, Jaguar Mining has grown its business by exploiting gold mines and obtaining new mining grants. It has made additional efforts to develop institutional strategies in line with its mission, vision, values, and objectives. Improving the processes of engagement with surrounding communities is among such actions.

Jaguar Mining has endeavored to be a reference in promoting and maintaining a collaborative environment with stakeholders so that it can carry out its activities in accordance with its values, standards, and applicable laws, contributing to business results and the generation of shared value in its areas of influence.

The Institutional and Community Relationship Plan was prepared as part of such improvement efforts. It addresses planning, control, and monitoring through a Stakeholders and Reporting Management System. At the same time, it has been working on the construction of indicators to measure its operations and the results and impacts of its actions. Such indicators are linked to the Sustainable Development Goals (SDG) that aim at rigorously complying with rules and regulations, while also improving the Company image and reputation and promoting the development of communities within its area of influence.

The processes of engagement with local communities ensures Jaguar Mining combines operational focus with an ongoing focus on community relationship strategies. These strategies can be implemented through different actions and ways of application.





Group of actions	Application
Key Stakeholder Mapping and Characterization	<ul style="list-style-type: none"> • Definition of content, intentions, and relationship activities with stakeholders within areas of influence. • Feasibility analysis and adequacy of projects and actions within areas of influence. • Orientation of the planning of Jaguar Mining's social and environmental programs and social investments. • Definition and enhancement of communication actions within areas of influence.
Social Listening in the Areas of Influence	<ul style="list-style-type: none"> • Identification of existing social investment opportunities within Jaguar Mining's areas of influence. • Identification of existing needs, demands, and opportunities within Jaguar Mining's areas of influence. • Monitoring of socio-economic impacts of projects. • Definition of projects and actions within areas of influence. • Orientation of the planning of Jaguar Mining's social-environmental programs.
Scenario Analysis	<ul style="list-style-type: none"> • Definition of content, intentions, and relationship activities with stakeholders within areas of influence. • Social opportunity and risk assessment of projects and investments. • Management of socio-environmental impacts of projects. • Monitoring of the outcome of programs, projects, and actions within areas of influence.
Relationship with Key Stakeholders	<ul style="list-style-type: none"> • Implementation of stakeholder relationship and communication strategies within areas of influence. • Listening to and understanding the communities' perceptions of matters of interest related to projects. • Specific treatment of demands and interests arising from key stakeholders' activities within the scope of Jaguar Mining's performance milestones. • Development and validation of solutions that depend on actions by key stakeholders in their respective territories.
Institutional Relationship	<ul style="list-style-type: none"> • Definition and implementation of institutional agendas in line with guiding rules and regulations. • Establishment of institutional partnerships, especially in case of potential synergy between actions. • Specific treatment of demands and interests arising from institutional players' activities within the scope of Jaguar Mining's performance milestones. • Development and validation of solutions that depend on actions by institutional players.
Dialogue Meetings	<ul style="list-style-type: none"> • Presentation to the communities and clarification of intentions and/or actions to be carried out within Jaguar Mining's areas of influence. • Participative implementation of Jaguar Mining's social and environmental programs, projects, and actions within the Company's areas of influence. • Communication of Jaguar Mining results within areas of influence. • Social listening to groups within areas of influence.
Reporting Management	<ul style="list-style-type: none"> • Reception, treatment, and feedback to stakeholders' requests (complaints, grievances, compliments, doubts, or suggestions) submitted either anonymously or not.
Mapping of Demonstrations	<ul style="list-style-type: none"> • Reporting about the possibility and/or occurrence of protests at project sites. • Identification of social groups and players involved, as well as understanding their claims and demands. • Mapping of existing risks (special attention should be paid to escalation of participants' mood). • Prediction of possible actions to solve the impasse.

The surrounding communities not only are taken into account in Jaguar Mining's strategies; they also play a role in other Company processes, such as:

Assessment of operating and environmental impacts

By adopting an active listening approach, Jaguar Mining receives requests and demands from the communities, evaluates them internally and treats them appropriately. All reports are recorded in the Stakeholder Management System.

Disclosure of environmental and operating impact assessment findings

Once each report is evaluated, feedback is given individually (preferably in person) and/or through the Company's regular communication channels. If necessary, meetings are held with the communities to discuss the matter.

Economic impacts

Indirect economic impacts are analyzed through the use of external benchmarking, which contributes to the continuity of existing operations and the prospection of new ones. [203-2]

Main impacts identified by Jaguar Mining:

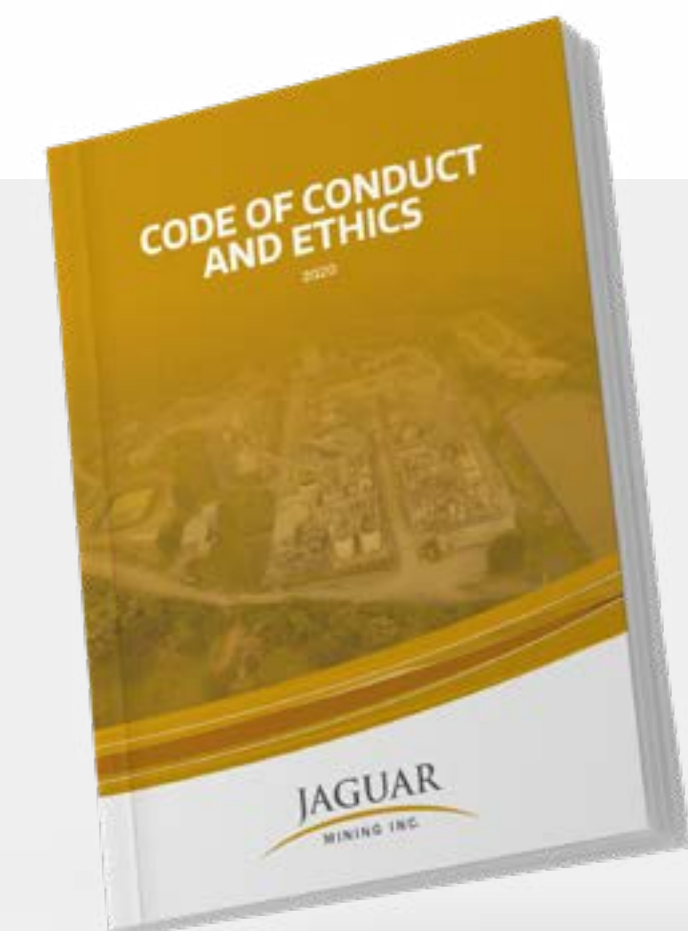
Positive

Payment of taxes, job generation, implementation of socio-environmental programs (Seeds of Sustainability, Roots of Knowledge, and tax incentive arrangements), partnership with institutions to promote supplier development courses, public-private partnerships, compliance with applicable environmental law and priority to hiring local labor and suppliers.

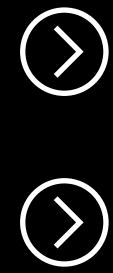
Negative

Low output, outdated socio-environmental diagnosis, and lack of skilled suppliers.

Ensuring the legal certainty of its operations is one of Jaguar Mining's basic premises. It operates in a sustainable way in line with current laws and regulations, as well as several internal documents, such as: Code of Conduct and Ethics, Compliance Policy, Anti-Bribery and Anti-Corruption Policy, Risk Management Policy, Whistleblower Policy, Private Social Investment Policy, Legal Manual, Environmental and Work Safety Procedures, and Matrix of Powers. [103 | 419]



Sustainable business growth



Growth strategy

Supplier chain

Jaguar Mining is committed to strengthening the local supply chain and continually implements policies for hiring local labor and suppliers. The Company's comprehensive supply chain is responsible for providing materials, inputs, and energy, as well as services such as the development of operations and ore transportation. [102-9]

Jaguar Mining increased its Capital Expenditure (CAPEX) investments to US\$ 36 million in 2020 (R\$ 187 million), up 6.6% from the previous year, thus promoting economic growth in the region it operates in. [102-10]

[103 | 201]

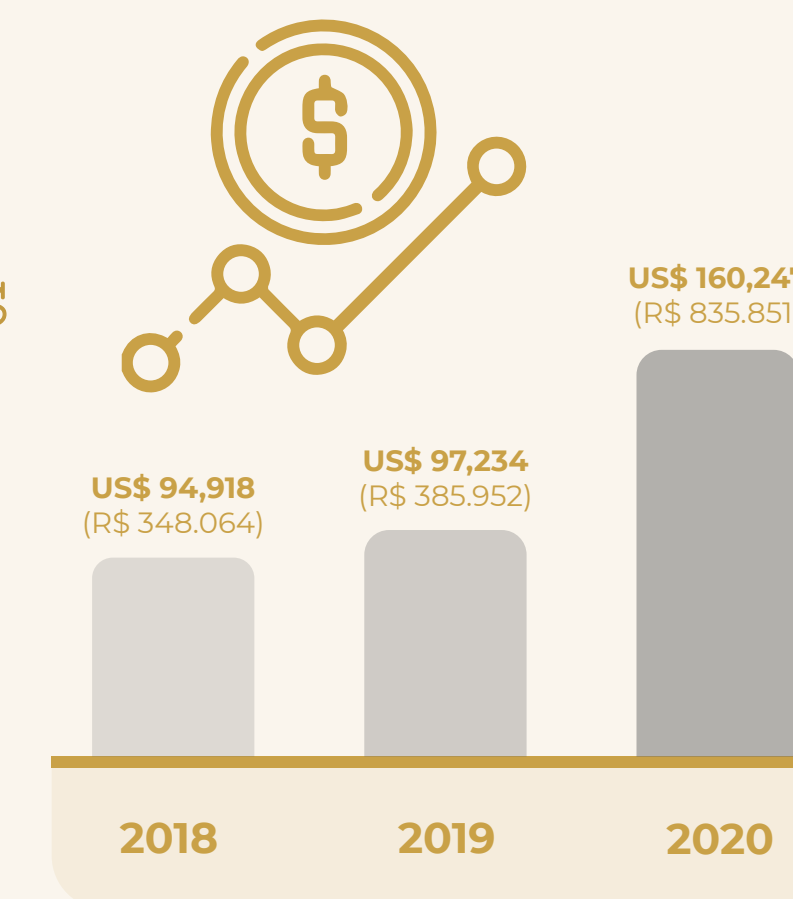
Jaguar Mining monitors its investments and financial performance, which is of utmost importance in terms of analyzing the impacts and financial results in each operational location. It makes it possible to identify the best ways to implement new actions aimed at economic growth, income generation, and improvement of the surrounding communities' quality of life.

The Company's economic commitments are linked to goals set out and approved in the annual budget. The main goals for 2020 were: sales revenue, total costs, and growth investments. Jaguar Mining focused on production, costs, and cash generation to achieve such goals.

Backed by a zero-net-debt strategy, the Company has managed its cash flow on a weekly basis, monitored indicators that impact liquidity, aiming to improve its net earnings.

As can be seen from the figures below, Jaguar Mining posted a loss in 2018 and 2019. However, in 2020, the Company presented net income and obtained a 65% increase in revenue compared to the previous year. The rise in gold prices and the appreciation of the U.S. currency in 2020 led to a significant gain in revenue and margin, resulting in income tax being levied on the Company's total profit. [201-1]

Total revenues





Direct economic value generated (US\$ thousand) [201-1]			
	2018	2019	2020
Total revenues	US\$ 94,918 (R\$ 348.064)	US\$ 97,234 (R\$ 385.952)	US\$ 160,247 (R\$ 835.851)
Economic value distributed (US\$ thousand)			
	2018	2019	2020
Operating costs	US\$ 54,581 (R\$ 196.339)	US\$ 59,585 (R\$ 234.313)	US\$ 59,448 (R\$ 304.704)
Salaries and benefits to employees	US\$ 22,241 (R\$ 80.863)	US\$ 21,949 (R\$ 86.635)	US\$ 22,554 (R\$ 116.331)
Payment to fund providers	US\$ 750 (R\$ 2.728)	US\$ 545 (R\$ 2.153)	US\$ 327 (R\$ 1.686)
Payments to governments	US\$ 7,507 (R\$ 27.293)	US\$ 8,517 (R\$ 33.619)	US\$ 23,305 (R\$ 120.204)
Community investments	US\$ 151 (R\$ 491)	US\$ 45 (R\$ 179)	US\$ 273 (R\$ 1.465)
Dividends	-	-	US\$ 8,880 (R\$ 45.801)
Total	US\$ 85,229 (R\$ 307.713)	US\$ 90,642 (R\$ 356.898)	US\$ 114,787 (R\$ 544.435)
Economic value retained (US\$ thousand)			
	2018	2019	2020
Economic value generated - Economic value distributed	US\$ 9,689 (R\$40.350)	US\$ 6,592 (R\$ 29.054)	US\$ 45,460 (R\$ 291.415)
Other financial indicators (US\$ thousand)			
	2018	2019	2020
Ebtida - Earnings Before Interest, Taxes, Depreciation and Amortization	US\$ 7,122 (R\$ 25.894)	US\$ 18,763 (R\$ 74.059)	US\$ 103,015 (R\$ 531.331)
Gross profit	US\$ 21,129 (R\$ 76.821)	US\$ 23,206 (R\$ 91.596)	US\$ 85,744 (R\$ 442.250)
Operating profit (\$/Oz)	US\$/Oz 283 (R\$/Oz 1.030)	US\$/Oz 314 (R\$/Oz 1.239)	US\$/Oz 933 (R\$/Oz 4.814)
Net profit (loss)	US\$ 15,968 (-R\$ 58.056)	US\$ 148 (-R\$ 584)	US\$ 72,280 (R\$ 372.806)
Investment/CAPEX	US\$ 30,563 (R\$ 111.121)	US\$ 34,098 (R\$ 134.588)	US\$ 36,363 (R\$ 187.553)
Bank indebtedness	US\$ 9,743 (R\$ 35.424)	US\$ 5,592 (R\$ 22.072)	US\$ 3,058 (R\$ 15.773)
Brazilian income tax provision	US\$ 42 (R\$ 53)	US\$ 871 (R\$ 3.438)	US\$ 14,536 (R\$ 74.974)





[403-4]

Jaguar Mining has four tailings dams in its operational units: Turmalina Dam, located in Conceição do Pará, Paciência Dam in Itabirito, and the Moita and RG2W dams, in Caeté, all in the state of Minas Gerais.

Jaguar Mining's dams are built from compacted soil landfill, without using any waste. None of Jaguar's dams were built using the upstream raising.

Each dam has its own control and monitoring system designed according to each dam's specific characteristics. Care is taken to follow up each dam's situation and condition and monitor their structures on a daily basis. Jaguar Mining relies on its own trained team to carry out this task and also engages third-party professionals to provide guidance on proper dam maintenance.

Due to the dams' lifespan and Jaguar Mining's focus on implementation of sustainability in its operations, it has started the closure procedures for the Turmalina dam and plans to

decommission the Paciência, RG2W, and Moita dams (the latter is currently going through the closure process and is expected to be idled by 2026). Nowadays, most of the tailings generated by the Company's activities are piled up after going through a filtering process, which will allow the dams to be closed without affecting the mining plant operations.

The Dam Safety Plan is seen as extremely important and kept updated and registered with government agencies. Moreover, the Company team is given regular training and participates in inspections and drills as part of a preventive approach.



[103 | 302-1]

Energy

The mining industry is a capital-intensive segment and energy is among the four largest components of the Company's overall cost.

Jaguar Mining is supplied with two main types of energy: electricity for stationary equipment, such as underground mine ventilation machines and mills and crushers in beneficiation plants, and diesel S10 for mobile equipment, such as drilling and containment machines and wheel loaders and trucks to handle ore from underground to surface, and then processed in the plants.

The main factors behind Jaguar Mining's approach to energy supply are operational safety, cost optimization, and sustainability, all in line with the Company's values.

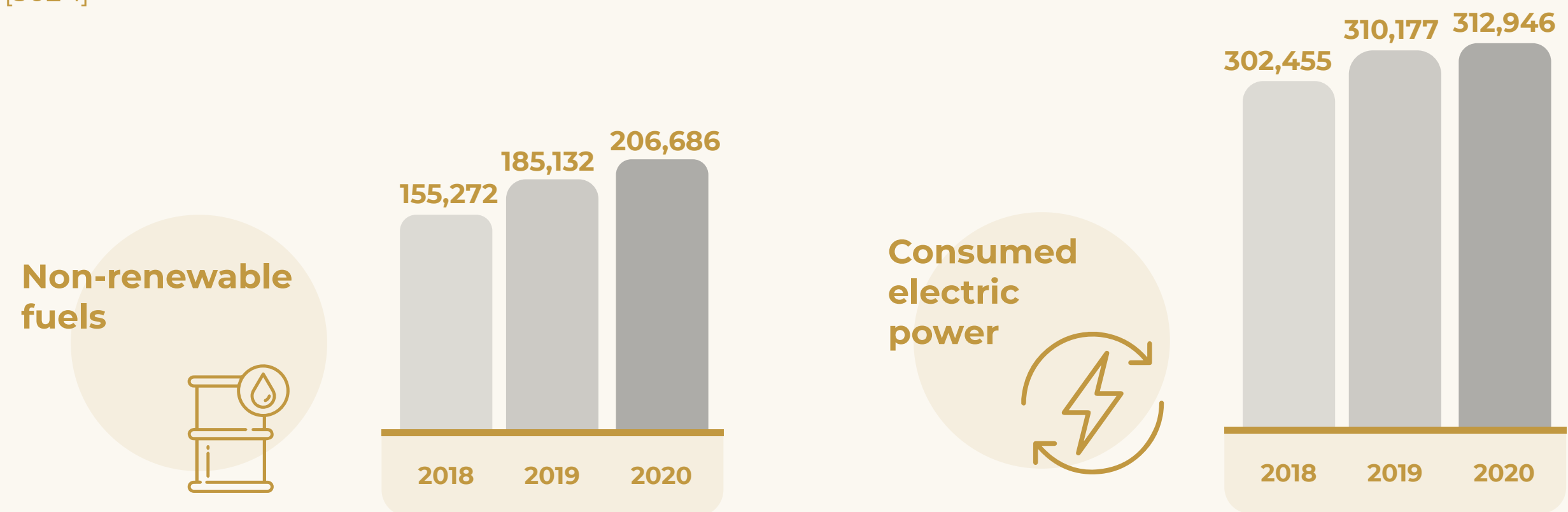
The main factors behind Jaguar Mining's approach to energy supply are: operational safety, cost optimization, and sustainability, all in line with the Company's values.

Highlights in energy management

- Development of energy consumption controls
- Initial discussions about energy efficiency and opportunity mapping
- Electric power consumption and demand planning up to 2025
- Starting a business case to procure wind and solar energy as a source of electric power

Total consumed energy (GJ)

[302-1]



[103 | 303]

Water

Reiterating its commitment to the conscientious use of water in its operations, Jaguar Mining conducts environmental education campaigns and complies with applicable legal requirements, supplementary requirements imposed by the environmental permit, and agreements entered into with competent agencies. Specific environmental control systems are implemented. They consist of a set of standards, structures, and water flow control and balance devices to periodically monitor water resource quality and quantity.

Effluent management is carried out by Jaguar Mining through treatment of oily, and industrial waste, including waste from mine dewatering. Each type of effluent is handled in specific treatment plants and subsequently released to water streams and reservoirs. In addition to the control measures mentioned above, the Company has an Effluent Management Procedure composed of internal regulations.

A new Household Effluent Treatment Plant is planned to be built at Pilar Unit in Santa Bárbara, Minas Gerais, to improve the treated effluent quality.



Water resources

Jaguar Mining has a water use grant covering tubular wells and intake from water reservoirs and mine dewatering. Such water is used in ore processing plants and fed into tank trucks to wet roads for dust control. Grants are issued by government agencies and their validity is subject to fulfilling certain obligations related to environmental permit conditions and/or legal requirements.

Commitment: effluents to be disposed in compliance with the environmental regulations in force.

Effluents

Jaguar Mining operates in accordance with the Brazilian Water Resources Policy and meets applicable control requirements regarding discharged effluent volume, physical-chemical and biological characteristics, and toxicity.

Commitment: the Company carries out monitoring campaigns as set out in applicable regulations and environmental permit conditions.

In order to ensure compliance with above commitments, Jaguar Mining uses quality indicators for process control. The main monitoring parameters are biochemical oxygen demand (BOD), cyanide, arsenic, and other elements, which are controlled by means of a water monitoring data base.

	2018	2019	2020
Total water consumption (m ³)	480,208.45	676,572.70	1,217,323.10
[303-5]			

[103 | 303]

Water withdrawal and use

Any water withdrawn to meet Jaguar Mining’s administrative and industrial activities and maintenance is covered by the corresponding grant, through which the competent public agency gives the Company authorization to use water.

Water withdrawals vary depending on the local availability. Sources may be surface streams (such as rivers and creeks) or groundwater (through artesian wells). The following table shows water volumes withdrawn over the past three years by source:

Total water withdrawal by source (m ³) [303-5]			
Sources	2018	2019	2020
Surface water	873,619	780,487	940,282
Groundwater	609,508	656,607	761,772
Total	1,483,127	1,437,094	1,702,054

Waste water from the administrative area is also treated in the Sewer Treatment Plant and returned to the environment through disposal into surface water bodies, as follows:

Water used in industrial operations is treated and reused in the ore processing plants. Part of it is discharged according to applicable standards. All water pumped out from underground mines (dewatering) is treated. Part of it is returned to the environment and recharges water streams and part is reused in the mining process. The resulting effluent is treated for subsequent disposal in natural water reservoirs.

Total water discharge by destination (m ³) [303-5]			
Destination	2018	2019	2020
Surface water	1,002,918	760,521	484,730

The water monitoring network carries out monthly sampling and analysis in an accredited laboratory according to conditions set out in each environmental permit. The results are recorded monthly by the Environmental Department, showing the water quality for all monitoring points in all operational units, as defined by regulatory agencies. Collected data are managed through a database, which allows detecting possible deviations and adopting the necessary adjustments.

[303-1]

Impact mitigation actions

Environmental impact mitigation actions include

- Effluent treatment so that discharged water by operational units does not contaminate any water body.
- Participation in meetings of the watershed subcommittees, along with representatives from governmental agencies and organized civil society, to discuss water resource-related issues.
- Meetings with communities to clarify impacts from the use of water.



Jaguar Mining complies with applicable water resources regulations, namely: COPAM's (State Environmental Policy Council) Joint Regulatory Deliberation No. 01/2008 and CONAMA's (National Environmental Council) Resolution No. 430/2011. Effluent discharge points were defined by means of environmental studies during the permitting process phase. [303-2]

[103 | 304]

Biodiversity management

When required to build new structures or expand existing ones, native vegetation suppression is carried out in strict compliance with regulations after obtaining the necessary authorization, followed by the adoption of environmental compensation measures. This stage may involve the acquisition of land within official Conservation Units, its environmental recovery, and subsequent donation to the State.

In Jaguar Mining's view, the adopted compensation method is suitable to mitigate impacts caused by suppression activities and helps protect biodiversity.

[103 | 304]

Biodiversity protection strategies

Jaguar Mining meets the conditions stipulated in environmental permits and implements environmental compensation actions.

The Company's Environmental Management System features internal procedures based on applicable regulations to help control the operational units. Such procedures are: Vegetation Suppression Procedures, Effluent Management, Water Resources Management, Waste Management, Air Emissions Management, and Drainage Control Management for roads and structures, such as piles and mine pits. Wildlife at the Roça Grande Unit is monitored twice a year by an accredited service provider, in line with the corresponding environmental permit condition.

Jaguar Mining uses the CAL 4.0 software to consult the legislation in force and ensure compliance.

The Company is working on the implementation of external auditing of compliance with legal requirements.

This is a challenging process, particularly with respect to the preparation and implementation of procedures and processes involving adaptations of operation routines and dissemination of a new culture at Jaguar Mining.

Highlights

- **Environmental compensation through planting of native seedlings in a 23-hectare area of pasture in the Mata do Cedro Ecological Station.**
- **Environmental Education campaigns, including lectures and group dynamics involving employees, contractors' personnel, and communities.**
- **Land allocated to environmental compensation by Jaguar Mining increased by 350 hectares in 2020.**

Significant direct and indirect impacts on biodiversity [304-2]

Construction or use of beneficiation plants, mines, and transportation infrastructure

Mine development, ore transportation, and activities that require vegetation suppression.

Pollution (introduction of substances that do not naturally occur in the habitat from point and non-point sources)

Use of chemicals in the beneficiation process to neutralize such substances.

Changes in ecological processes outside the natural range of variation (such as salinity or changes in groundwater level)

Groundwater level lowering during mining activities.

Impacts identified as a result of any resettlements and operation closure

Closure of mining activities when operations become unfeasible.

Solid waste

Jaguar Mining carries out actions to properly manage and dispose waste and prevent contamination of areas around its operations. Environmental education campaigns target the Company employees, contractors' personnel, and communities. Subjects such as inadequate waste disposal and waste management and reuse are addressed during such campaigns; one of them is selected to be discussed with the community each month. In addition, Daily Safety Dialogues encourage conscious consumption in the Company's operations and prevent unnecessary consumption. [306-2]



[103 | 306]

Waste management

Generated waste is managed by an outsourced firm. Recyclable waste is delivered to accredited cooperatives, while contaminated waste is properly collected and disposed in authorized places. Waste transportation and destination documentation is checked for compliance. [306-2]

More than just complying with legislation, Jaguar Mining values the proper management of waste generated in its units, ranging from segregation to destination, in order to prevent soil and water contamination.

Waste management is based on the Solid Waste Management procedure, whose purpose is to establish a systematic handling process for waste and effluents generated at the operational units in line with applicable legal requirements and other provisions contained in the permits and agreements entered into with competent agencies.

The Company fulfills its commitment to the Waste Management System and its continual improvement by enhancing employee awareness during the Weekly and Daily Safety Dialogues and environmental education campaigns designed by expert firms.

Waste monitoring

In 2020, data on waste generated by Jaguar Mining was controlled by means of Waste Transportation Manifests in accordance with COPAM's Regulatory Deliberation No. 232/2019. An official information control system will be used in 2021, which will enable issuing reports showing all the waste collected from each operational unit. A Waste Handling Declaration to be issued every six months compiles waste generated during the period under analysis. [306-2]

Internal indicators	2018	2019	2020
Perform monthly control of waste generation (summary)	12	12	12
Tailings Handling Declaration to be prepared every six months and submitted on-line to the State Environmental Foundation (FEAM)	2	2	2
Fill out the Annual Report on Potential Polluting Activities (RAPP)	1	1	1

Main impacts

Inadequate management of waste generated by operations may result in local biodiversity loss or reduction due to soil, surface water, and groundwater contamination during ore extraction and processing and tailings disposal. [306-1]

Inputs, activities, and products that cause or may cause such impacts

Inputs: cyanide, oils and greases, arsenic, household and industrial effluents.

Activities: vehicle maintenance, dam operation, and ore processing.

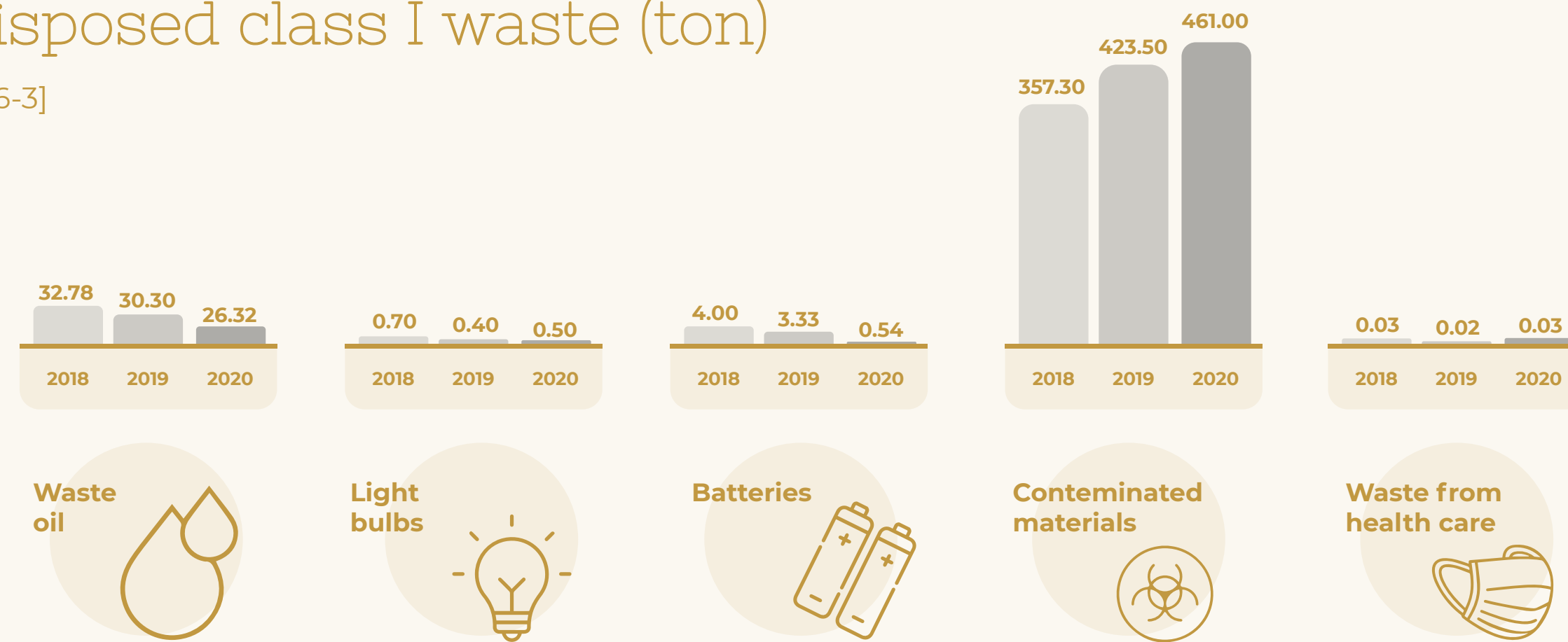
Hazardous waste, such as oil and chemicals, is handled in impermeable areas provided with containment barriers to prevent contact between waste and natural soil. [306-3]

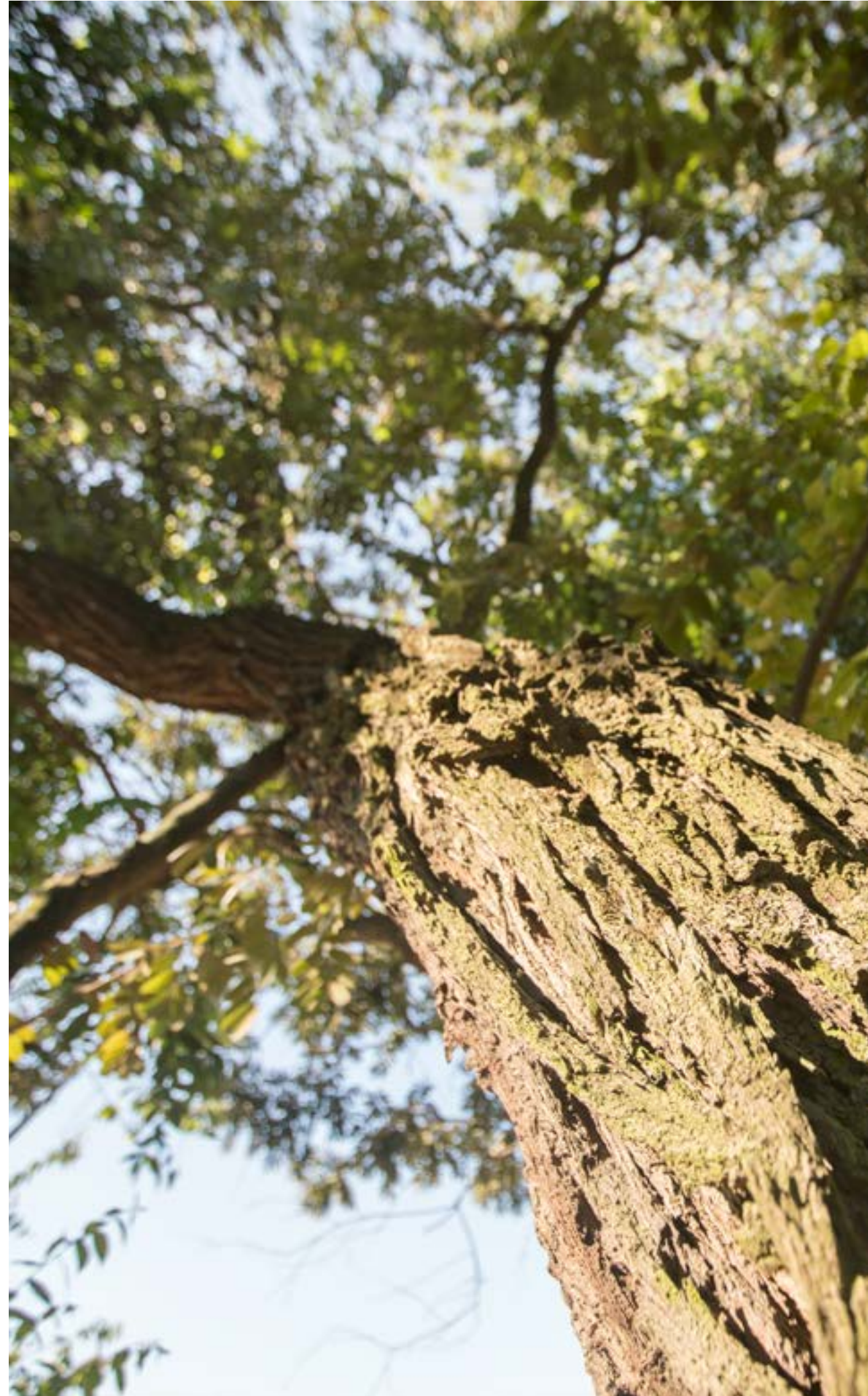
Suitable treatment systems are used to deal with effluents generated by Jaguar Mining, including household, oily, and industrial effluents, so as to enable them to be safely disposed in water bodies.

All hazardous Class I wastes (as defined in NBR Standard No. 10004/2004) are disposed after treatment and/or decontamination and subsequently allocated to recycling or stored in duly permitted backfills. The following items are deemed hazardous waste: used oils, light bulbs, batteries, contaminated materials, waste from health care facilities, and printer cartridges. Contaminated waste includes materials such as cotton waste and chemical packaging that have been in contact with substances such as oils and greases. [306-3]

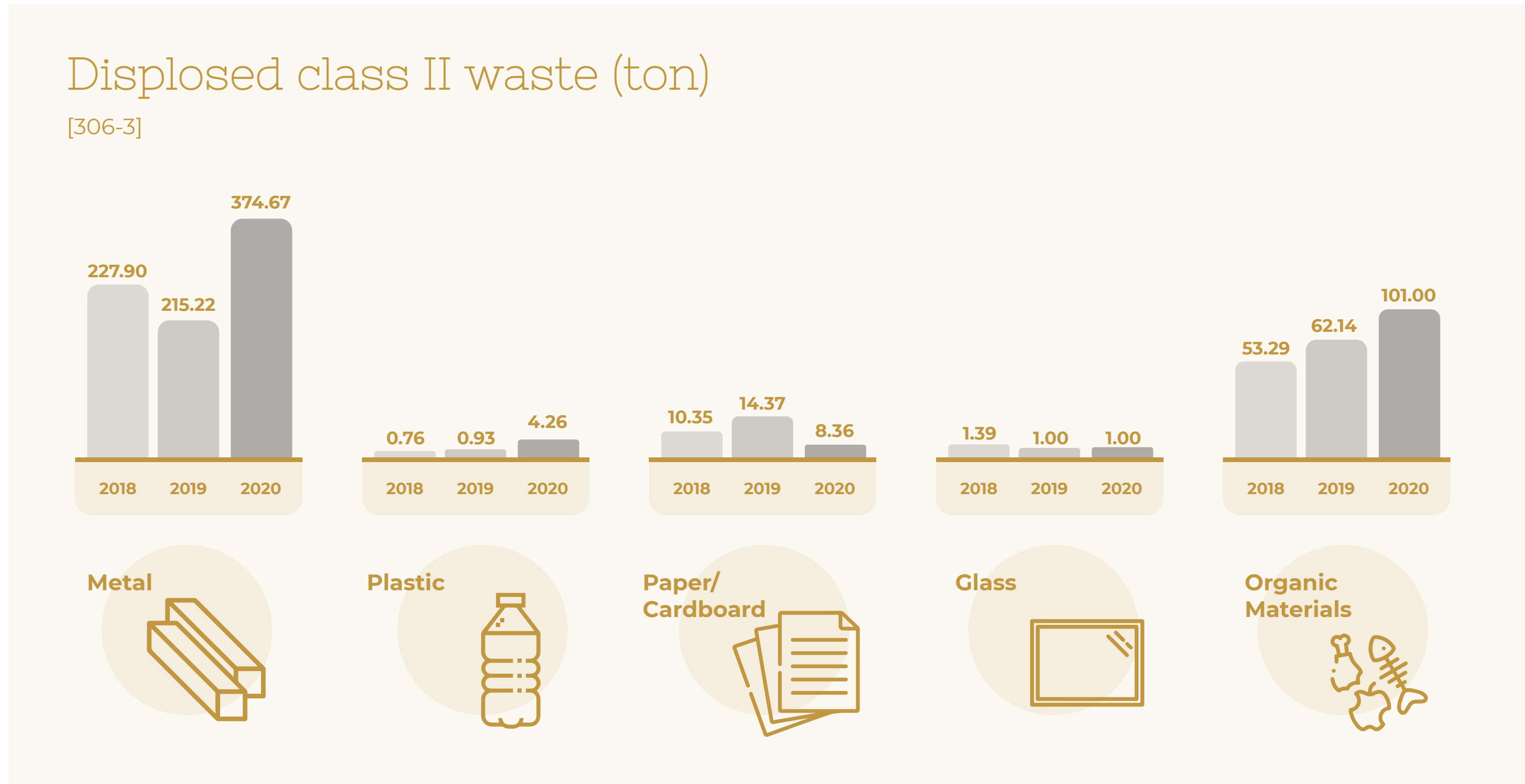
Disposed class I waste (ton)

[306-3]





The same NBR Standard lists the following Class II waste: metals, plastic, paper, cardboard, glass, and organic materials. At Jaguar Mining, such wastes are segregated and destined for recycling, which prevents them from building up in sanitary backfills. Metals are currently the largest volume of waste, followed by organic materials and paper/cardboard.



[102-55]

GRI Index



General disclosures

Organizational profile

GRI Standard	Content	Page Answer	Not reported
GRI 102: General disclosures 2016	102-1 Name of the organization	Page 5 Corporate name: Mineração Serras do Oeste Eireli (MSOL)	
	102-2 Activities, brands, products, and services	Page 5	
	102-3 Location of the organization's headquarters	Page 5	
	102-4 Place of operations	Pages 5 and 14	
	102-5 Nature of ownership and legal form	Page 5	
	102-6 Markets served	Page 5	
	102-7 Scale of the organization	Page 6	
	102-8 Information on employees and other workers	Page 20	
	102-9 Supply chain	Page 40	
	102-10 Significant changes to the organization and its supply chain	Page 40	
	102-11 Precautionary principle or approach	Page 15	
	102-12 External initiatives	Page 15	
	102-13 Main memberships of industry or other associations		

Strategy

GRI Standard	Content	Page Answer	Not reported
GRI 102: General disclosures 2016	102-14 A statement from the most senior decision-maker	Pages 9 and 10	

Ethics and integrity

GRI Standard	Content	Page Answer	Not reported
GRI 102: General disclosures 2016	102-16 Values, principles, standards, and norms of behavior	Page 7	
	102-17 Mechanisms for advice and concerns about ethics		

Governance

GRI Standard	Content	Page Answer	Not reported
GRI 102: General disclosures 2016	102-18 Governance structure	Page 16	
	102-25 Conflicts of interest		

Stakeholder engagement

GRI Standard	Content	Page Answer	Not reported
GRI 102: General disclosures 2016	102-40 List of stakeholder groups	Page 13	
	102-41 Collective bargaining agreements	Page 25	
	102-42 Stakeholder identification and selection	Page 12	
	102-43 Approach to stakeholder engagement	Page 13	
	102-44 Key topics and concerns raised		

Reporting practice

GRI Standard	Content	Page Answer	Not reported
GRI 102: General disclosures 2016	102-45 Entities included in the consolidated financial statements	Financial statements are those of Jaguar Mining Inc. (Mineração Serras do Oeste Eirelli)	
	102-46 Defining report content and topic boundaries	Page 14	
	102-47 List of the material topics	Page 14	
	102-48 Restatements of information	Page 4	
	102-49 Changes from previous reporting periods	Page 4	
	102-50 Reporting period	Page 4	
	102-51 Date of the most recent previous report	Page 4	
	102-52 Reporting cycle	Page 4	
	102-53 Contact point for questions regarding the report	Page 4	
	102-54 Reporting statement according to GRI Standards	Page 4	
	102-55 GRI content index	Page 52	
	102-56 External assurance	Page 4	

Economic performance

GRI Standard	Content	Page Answer	Not reported
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary		
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	Pages 40 and 41	

Indirect economic impacts

GRI Standard	Content	Page Answer	Not reported
GRI 203: Indirect economic impacts 2016	103-1 Explanation of the material topic and its boundary		
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 203: Indirect economic impacts 2016	203-2 Significant indirect economic impacts	Page 38	

Anti-corruption

GRI Standard	Content	Page Answer	Not reported
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary		
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 18	
	205-2 Communication and training about anti-corruption policies and procedures	Page 18	
	205-3 Confirmed incidents of corruption and actions taken	Page 18	

Energy

GRI Standard	Content	Page Answer	Not reported
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary		
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 44	

Water and effluents

GRI Standard	Content	Page Answer	Not reported
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary		
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	Page 47	
	303-2 Management of impacts related to water disposal	Page 47	
	303-5 Water consumption	Pages 45 and 46	

Biodiversity

GRI Standard	Content	Page Answer	Not reported
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary		
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products, and services on biodiversity	Page 48	

Waste

GRI Standard	Content	Page Answer	Not reported
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary		
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 306: Wastes 2020	306-1 Waste generation and significant waste-related impacts	Page 50	
	306-2 Management of significant waste-related impacts	Page 49	
	306-3 Waste generated	Page 50 and 51	

Environmental compliance

GRI Standard	Content	Page Answer	Not reported
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary		
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations		Not available. Jaguar Mining considers fines above R\$ 50,000 as significant. However, the value of fines paid during the reporting year are not recorded by type of fine.

Occupational health and safety

GRI Standard	Content	Page Answer	Not reported
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary		
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	Page 26	
	403-2 Hazard identification, risk assessment, and incident investigation	Pages 26 and 27	
	403-3 Occupational health services	Page 26	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Pages 27 and 43	
	403-5 Worker training on occupational health and safety	Page 28	
	403-6 Promotion of worker health		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Not applicable. It is not part of the Company's production process.

Local communities

GRI Standard	Content	Page Answer	Not reported
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary		
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 32	Not applicable. There are no significant disputes related to or associated with current, future, planned, or proposed operations in connection with land use, customs rights of local communities or rights of indigenous people.

Socioeconomic compliance

GRI Standard	Content	Page Answer	Not reported
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary		
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 307: Socioeconomic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area		Not available. Jaguar Mining considers fines above R\$ 50,000 as significant. However, the value of fines paid during the reporting year are not recorded by type of fine.

Caution regarding forward-looking information

This document contains “forward-looking information” (as defined in applicable securities legislation, including the provisions of the *Securities Act* (Ontario)) that is based on expectations, assumptions, estimates, projections and other factors that Jaguar believes to be relevant and reasonable as of the date of this document in light of management’s experience and perception of current conditions and expected developments. Forward-looking statements include, without limitation, Jaguar’s sustainability strategy and vision, possible or future events, statements with respect to possible or future events, estimations and the realization of such estimates (including but not limited to associated timing, amounts and costs), expected expenditures and activities, timelines, requirements for additional capital, government regulation, legal proceedings, environmental risks, unanticipated reclamation expenses, and title disputes or claims. Often, but not always, such forward-looking information can be identified by the use of forward-looking words such as “plans,” “expects,” “is expected,” “budget,” “scheduled,” “targeted,” “estimates,” “forecasts,” “intends,” “anticipates,” “believes,” or variations or the negatives of such words and phrases or statements

that certain actions, events or results “may,” “could,” “would,” “might,” or “will” be taken, occur or be achieved or not be taken, occur or be achieved. Forward-looking information, by its nature, requires us to make assumptions and is subject to significant risks and uncertainties which may give rise to the possibility that our expectations or conclusions – whether expressed or implied in any forward-looking statements in this document made by, or on behalf of, Jaguar – will not prove to be accurate and that our assumptions may not be correct.

Important information identifying risks and uncertainties and other factors is contained in: Jaguar’s annual information form for the year ended December 31, 2021 (the “AIF”) under the headings entitled “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors”; Jaguar’s management’s discussion and analysis for the year ended December 31, 2021 (the “2021 Annual MD&A”) under the headings entitled “Risks and Uncertainties” and “Cautionary Note Regarding Forward-Looking Statements”; and in Jaguar’s management’s discussion and analysis for the

quarter ended March 31, 2022 (the “2022 Q1 MD&A”) under the headings entitled “Risks and Uncertainties” and “Cautionary Note Regarding Forward-Looking Statements”. The AIF, the 2021 Annual MD&A and the 2022 Q1 MD&A may be accessed at [sedar.com](https://www.sedar.com) under Jaguar’s profile.

Examples of forward-looking information in this document include, but are not limited to, our work to integrate ESG objectives/goals into our corporate strategy, business processes and investment decisions, our activities that align with the United Nations Sustainable Development Goals (SDG) and the globally recognized ESG criteria, our sustainable growth initiatives, our board and management diversity initiatives, our long-term ESG strategy and related human resources initiatives, our environmental initiatives and our shareholder engagement initiatives.

These risks include, but are not limited to: competition from other mining companies; fluctuating gold prices and monetary exchange rates; adverse effects on our results caused by global economic conditions (including the impacts

Caution regarding forward-looking information

impacts of Covid-19 and/or any new variants of concern) or uncertainties; failure to retain and attract qualified personnel; the availability of labour and equipment; the possibility of civil insurrection, labour strikes and work stoppages; employee relations; geopolitical and other factors which could cause business interruption (including the impacts of Covid-19 and/or any new variants of concern); changes in applicable laws, including laws related to mining development, environmental protection, and the protection of the health and safety of mine workers; failure to properly identify or implement our strategies; regulatory constraints; constraints imposed by our level of indebtedness, risks of litigation or other proceedings; failure to close and effectively integrate acquisitions to achieve planned economics, or divest underperforming assets; whether benefits expected from any recent transactions are realized; restrictions on paying dividends; dependence on third party suppliers and service providers; the failure to realize cost reductions in the amount or the time frame anticipated; dependence on market activity that cannot be controlled; future levels of revenues being lower than expected or costs being higher than expected; damage to Jaguar's reputation

due to the actual or perceived occurrence of any number of events, including negative publicity with respect to the Jaguar's handling of environmental matters or dealings with community groups, whether true or not; expropriation or nationalization of property and political or economic developments in Brazil and other jurisdictions in which Jaguar does or may carry on business in the future; contests over title to properties, particularly title to undeveloped properties, or over access to water, power and other required infrastructure; risks associated with working with partners in jointly controlled assets; increased costs and physical risks, including extreme weather events and resource shortage, related to climate change; risks associated with artisanal and illegal mining; fluctuations in the spot and forward price of gold or certain other commodities; the speculative nature of mineral exploration and development; changes in mineral production performance, exploitation and exploration successes; diminishing quantities or grades of reserves; operating or technical difficulties in connection with mining or development activities; timing of receipt of, or failure to comply with, necessary permits and approvals; non-renewal

of key licences by governmental authorities; Jaguar's ability to achieve our climate-related goals; failure to comply with environmental and health and safety laws and regulations; and our ability to successfully close and integrate acquisitions or complete divestitures. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks).

Forward-looking information is based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions in connection with the ability of Jaguar to successfully compete against global and regional marketplaces; business and economic conditions generally; exchange rates (including estimates of exchange rates from Canadian dollars to the U.S. dollar or Brazilian real); gold prices; the continued availability of financing on appropriate terms for current and/or future projects; productivity at Jaguar, as

Caution regarding forward-looking information

well as that of Jaguar's competitors; market competition; exploration and development activities; the impact on Jaguar and its customers of various regulations; Jaguar's ongoing relations with its employees; and the extent of any labour, equipment or other disruptions at any of its operations of any significance other than any planned maintenance or similar shutdowns.

While we anticipate that subsequent events and developments may cause our views to change, we have no intention to update this forward-looking information, except as required by applicable securities law. This forward-looking information should not be relied upon as representing our views as of any date subsequent to the date of this report. We have attempted to identify important factors that could cause actual actions, events or results to differ materially from those current expectations described in forward-looking information. However, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended and that could cause actual actions, events or results to differ materially from current expectations. There

can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. These factors are not intended to represent a complete list of the factors that could affect Jaguar or its business/operations.

All of the forward-looking statements made in this document are qualified by these cautionary statements and those made in the above-referenced sections of the AIF, the 2021 Annual MD&A and the 2022 Q1 MD&A, to which readers are referred and which are incorporated by reference in this document, all of which qualify any and all forward-looking statements made in this document.

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