

# December CPBA Progress Update

During December, the Hermosa CPBA Signatories continued advancing the Community Protection & Benefit Agreement (CPBA), strengthening the agreement framework and confirming near-term community commitments.

## **What we worked on:**

- Contribution Agreement
- Early Actions (immediate benefits)
- Roadmap for Protections

## **Early Actions**

The Signatories confirmed the Early Actions for 2026, which look to fund immediate protections and benefits. Early Action benefits planned relate to high priority emergency services, education & childcare, and nature-based restorative economy developments that are readily implementable (with some implementation potentially extending into 2027). The Early Actions benefits are accompanied by short term protection initiatives (including monitoring, reporting and public review activities) outlined in a protection roadmap that was developed by an independent expert (see below). South32 will fully fund the Early Action benefits and protections through a collaborative contribution agreement.

The Signatories also continued planning for longer term benefit programs that are intended to extend through the period when the mine is operating profitably (to be executed when in peak operations). These benefits would be supported through a to-be-defined fiscal agent or foundation, designed to provide long-term continuity and accountability.

## **Planning for long-term protections and benefits administration**

To inform development of the future protections and benefits structure, the Signatories reviewed several community benefit administration models used elsewhere, including an approach that rotates benefit funding among local jurisdictions on a scheduled basis (for example, every three years). These discussions are part of building a framework that is transparent, equitable, and responsive to community priorities.

## **Protections Roadmap refinement and release planning**

An independent Protections Roadmap is being developed by Spheros, a Signatory-assigned environmental expert, and will be released for public review on the CPBA website <https://cpba-hermosa.org/> in late January. The Roadmap summary is below. As part of finalizing the document, the Signatories identified a need to further clarify how certain roles and responsibilities will function in practice.

Task Name	Lead Entity	2025				2026				2027				2028			
		Q1	Q2	Q3	Q4												
<b>Task 1. ENGAGE</b>																	
Engage facilitator/liaison (F/L)	CPBA, Expert Consultant																
Define roles and responsibilities	CPBA, Expert Consultant																
Define schedule and deliverables	CPBA, Expert Consultant																
<b>Task 2. DEFINE GOALS</b>																	
Develop a vision statement	CPBA, Expert Consultant, F/L																
Define goals	CPBA, Expert Consultant, F/L																
<b>Task 3. DATA REQUESTS</b>																	
Detailed technical review	Expert Consultant																
Data availability analysis	Expert Consultant																
<b>Task 4. EXPLORE PROTECTION OPPORTUNITIES</b>																	
Develop and execute plan to enhance	Expert Consultant																
Improve monitoring	Expert Consultant																
Improve preparedness	Expert Consultant																
<b>Task 5. MONITOR &amp; COMMUNICATE PROGRESS</b>																	
Bi-annual written updates from Hermosa	South32																
Annual update from CPBA	CPBA																
Annual summary from F/L	F/L																
Include dashboard on public facing website	TBD																
<b>Task 6. ANNUAL REVIEW</b>																	
Establish Technical Review Board (TRB)	TRB																
TCRB visit site annually	TRB																
TCRB develop recommendations	TRB																

## First Quarter (Q1) priorities and planning

Through a Q1 priorities exercise, Signatories identified shared themes that will guide next steps:

- What community members and Signatories want to see: strong trust and transparency, timely delivery of Early Action benefits, and measurable improvements to community well-being
- Key risks to plan for: ensuring long-term consistency and continuity of support over time

## Primary Q1 priorities include:

- Completing the Contribution Agreement
- Delivering Early Actions
- Beginning implementation of actions outlined in the Protections Roadmap
- Expanding understanding of and engagement around the CPBA

## December Website Submissions:

- Four Survey Submissions
- Five Comments/Messages

These inputs are considered and discussed by the Signatories as part of community engagement efforts to understand community concerns and interests.