



CODE OF  
**CONDUCT**

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# MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

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At Fresnillo plc, the values of Trust, Responsibility, Respect, Integrity and Loyalty are as important to us as the goals we set. We developed our Code of Conduct on the foundation of these values, and it thus serves as a guide for daily behaviour that encourages an environment of ethics and responsibility for the benefit of ourselves and our stakeholders. Its purpose is illustrative, and our values and principles go well beyond its terms.

Complementing the foregoing, we also wish to emphasize that the safety of our personnel is an essential value at Fresnillo plc and part of our way of life.

Therefore, our people at all levels, as well as related third parties - shareholders, board members, suppliers, customers and communities in which we operate - must embody these values and comply with our Code clearly and consistently, even under pressure, to ensure that our company is recognized for having a well-established ethical culture demonstrated through our actions and our conduct, as law-abiding, committed to the sustainable development and to the full development of its personnel. I therefore encourage you to:

- 1.** Read and familiarize yourself with the Code of Conduct.
- 2.** Report any discrepancies through our whistle-blowers' hotline.
- 3.** Actively participate in creating an ethical culture.

I am convinced that every one of us, without exception, has a responsibility to comply with our Code of Conduct and its applicable regulations.

Finally, I am confident on your effort and talent to meet our goals within the framework of action set forth in our Code and to stress that we are open to dialogue and new ideas that can support the sustainability of our beloved company.

**Ing. Octavio M. Alvidrez Ortega**

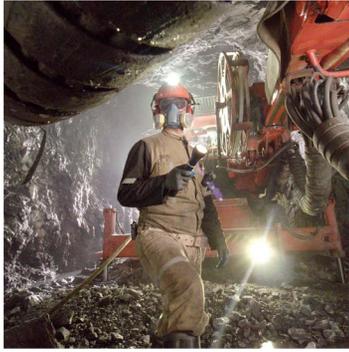


I.

# The Code of Conduct

OUR CODE DESCRIBES THE ETHICAL CONDUCT  
EXPECTED OF ALL OF US WHO WORK AT FRESNILLO PLC





## DURATION AND **OBJECTIVES**

This Code of Conduct, updated on February 2020 and in effect indefinitely after that, is organized around what we do as a company, how we do it, and our values.

It outlines the ethical conduct expected of all of us who work at Fresnillo plc, and has the following objectives:

- To have a behavioural framework for all our activities.
- To complement the internal and external regulations already in force.
- To establish the guidelines for all employees' conduct in relation to stakeholders, authorities and third parties.
- To establish the corrective measures for employees who fail to comply with the provisions of the Code.

## ORGANIZATIONAL **PHILOSOPHY**

### **What we do**

Fresnillo plc is the world's leading silver mining company and one of Mexico's largest gold producers. We seek to create value across the precious metal price cycles, focusing on high-potential projects that can be developed into low-cost, world-class mines.

### **How do we do it?**

We aim to achieve our goal through on-going investment in exploration and mine development, operational excellence, and an abiding commitment to disciplined and sustainable growth.

#### **1. Operate:** We maximize the potential of existing operations.

We strive to operate at full capacity, replenish reserves each year, generate continuous improvements in productivity and cost controls, and leverage expansion opportunities.

#### **2. Develop:** We deliver growth through development projects.

After a project meets stringent criteria for mineral content and associated cost, it is moved ahead towards mine development, construction, start-up and production.

#### **3. Explore:** We extend the growth pipeline.

The key growth driver for the Group, our exploration portfolio, extends across multiple stages (prospecting, drilling, resource definition), and we invest continuously in exploration, irrespective of metal prices.

#### **4. Sustainability:** We pursue sustainable development.

In every aspect of our operations we focus on the safety and health of our employees, responsible environmental stewardship, the wellbeing of the communities where we operate, and adherence to best governance practices.





## OUR GOAL

To profitably and sustainably maintain the Group's position as the world's largest primary silver company, which requires continuous evaluation of project delivery timetables, as well as maintaining low cost and sustainable operations.

## OUR VALUES

T

### TRUST

Firmly believing that all the members of our team will act consistently for the benefit of all.

R

### RESPONSIBILITY & RESPECT

The ability to respond correctly to the commitments assumed and the personal challenges of the job.

Recognizing the inherent value of every person, value different opinions and beliefs, comply with the law and protect the environment.

I

### INTEGRITY

Acting in a truthful, upright and honest manner with ourselves and with others.

L

### LOYALTY

Being faithful to our principles and those of the organization.

At Fresnillo plc, we demonstrate a well-established ethical culture through our actions and our conduct. Our values are the basis of this ethical culture. Likewise, the safety of all our personnel is an essential value at Fresnillo plc and part of our way of life.



There are a number of elements that contribute to building an ethical culture and our choice to do the right thing whether or not anyone is watching.

Our values Trust, Responsibility & Respect, Integrity and Loyalty provide the basis for our daily actions. But translating these into our day-to-day work can be challenging.

This Code of Conduct provides a reference point, explaining what to do when faced

with various specific situations. It provides guidance and allows us to demonstrate conducts that are consistent with our values.

However, it is impossible for this Code to cover every single situation that may arise for us on the job.

Recognizing this, Fresnillo has developed a behavioural compass to support us in making daily decisions, and make sure these are consistent with our values.

## A Behavioural Compass

### ▲ Am I following the rules?

What are the rules?

Is my decision consistent with the rules?

### ▼ Can I make an informed decision?

Am I the right person to make this decision?

Do I need to consult with others?

Am I being unduly influenced?

### ➤ Have I thought about the consequences?

Who would benefit? Who would be negatively affected?

Could my decision or action be misunderstood? Is it clear?

Am I setting a good example?

### ◀ Could I explain this to my family?

Am I going against my personal or family values?

What would my family say?





## SCOPE AND ENFORCEMENT

Every member of this Company, whether permanently employed or under or temporary contract, is obligated to act and behave according to the principles contained in this Code of Conduct.

We also expect related third parties (clients, suppliers, community and other entities who have some business relationship with Fresnillo) to act in accordance with this Code.

All Company personnel, from the time that they join the Company, must sign the following two documents every year pledging to accept and comply with the provisions of the Code, in order to explicitly

accept this commitment:

- Annual certification of abidance of the Code of Conduct
- Annual certification of conflict of interest

The Code of Conduct is available on the web page of Fresnillo and in the internal policies and procedures system, to facilitate and ensure its distribution and consultation.

Furthermore, all the personnel of Fresnillo plc is obligated to read, commit to and abide by the Grupo BAL Code of Ethics and Conduct at all times. This Code is available on Fresnillo's intranet.

## SYSTEM OF POLICIES AND PROCEDURES

To ensure well in advance that our activities are being conducted within a legal framework that promotes the highest standards of corporate, operational and social responsibility, Fresnillo has a system of internal policies and procedures.

In addition to the policies, each area has procedures, management guidelines, operational plans and manuals which all employees

must follow. The system of Policies and Procedures may be consulted on the internal website of Fresnillo plc.

The system consists of policies and procedures that the company has designed and that all of us who work for the company must follow. Employees have a responsibility for knowing all those that apply to them. If in doubt, consult with the Compliance Officer.



# REPORT ATTENTION

Fresnillo plc makes channels available to its personnel and stakeholders that are direct, confidential and independent, through which they may anonymously report any violation of this Code or any unethical conduct they become aware of.

An Honour Commission comprised by the CEO, the CFO, the COO, the VP for Exploration, the Compliance Officer, the Head of Legal and the Head of Internal Audit has been created for the purpose of receiving and following up the reports.

# PROTECTION AGAINST REPRISAL

Fresnillo prohibits any kind of punishment, disciplinary action or reprisal against any person who in good faith raises a genuine concern related to unethical business conduct. Reprisals are subject to disciplinary measures including dismissal.

## THERE ARE THE FOLLOWING CHANNELS AVAILABLE FOR 365 DAYS A YEAR, 24 HOURS A DAY:

<b>e-mail:</b>	fresnilloplc@lineacorrecta.com
<b>Web page:</b>	<a href="https://fresnilloplc.lineacorrecta.com">https://fresnilloplc.lineacorrecta.com</a>
<b>Free number:</b>	800 367 84 77
<b>Direct reports to:</b>	<ul style="list-style-type: none"><li>- Chief Executive Officer</li><li>- Compliance Officer</li><li>- Head of Internal Audit at SAPSA</li><li>- Assistant VP of Human Resources</li></ul>

► *Fresnillo plc pledges to perform the corresponding investigations with due objectivity, confidentiality and in depth, until well-ground evidence is found that warrants action.*

*If you think something isn't consistent with our values or doesn't comply with our Code of Conduct, you are obligated to discuss it with the person involved, and if this isn't possible, or you aren't successful, then you should talk to your immediate superior or use whatever reporting channel you prefer. You don't have to be the affected party or to be involved to pass along a concern.*

*I saw a co-worker doing something I think might go against our Code. I don't know the person well, and the person does not work in my area. What should I do?*

II.

## What conduct do we expect inside our facilities?

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WE ARE ALL EXPECTED TO CONTRIBUTE WITH OUR TALENT AND BEST EFFORTS TO ACHIEVING OUR GOALS, PUTTING OUR VALUES INTO PRACTICE, AND COMPLYING WITH OUR POLICIES AND PROCEDURES.





## PROFESSIONAL BEHAVIOUR AT WORK

- Understand what we do, how we do it and our goals; contribute to achieving these goals by practicing our values, complying by the policies and procedures and abiding by the Company's Code of Conduct.
- Enforce and monitor respect for the law.
- Devote our talent and best effort to each working day.
- Respect the working hours or ask for authorization in case of absence.
- Share our knowledge and experience for the benefit of Fresnillo plc and its stakeholders.
- Strive always to create value.
- Work effectively in teams and have an attitude of cooperation with our co-workers to support the achievement of goals.
- Assume shared responsibility for our own training and development, and leverage the opportunities provided by Fresnillo plc.
- Meet our commitments consistently, honestly and responsibly.
- Operate only the equipment for which we are trained and authorized, keep it in good working condition and strictly follow the established operation procedures.
- Keep our work place neat and clean and foster a culture of strict respect for the environment.
- Treat all people with dignity in verbal or other communications.
- Put forth the best image for Fresnillo plc at all times by setting a good example, especially when representing the Company or wearing the Company uniform.
- Fully respect all people within the Company, avoiding any offensive conduct, including bullying, harassment, discrimination or defamation.
- Refrain from conducting personal business during working hours or inside the Company's facilities.
- Refrain from coming to work under the influence of narcotics, other prohibited substances (drugs, alcohol) or others which can place our own physical integrity or that of our co-workers at risk.
- Carrying or using weapons within workplaces is prohibited.

## EQUALITY IN PROFESSIONAL DEVELOPMENT

For Fresnillo plc, human capital is the essential foundation for achievement of its organizational goals; therefore, Fresnillo plc promotes training of its collaborators and favours the development of those skills that are related to work functions. Likewise, promotions are based exclusively on capabilities, merits and results that are demonstrated in accordance with the performance evaluation.

Personnel must also be committed with their personal growth and professional development.

III.

## What behavior do we expect in interactions with stakeholders?

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Fresnillo plc expects ethical behaviour, grounded on respectful, transparent, fair, just and honest relationships, acting in accordance with regulations at all times and free of corruption; upholding human and labour rights, religious beliefs, social and economic conditions and avoiding any type of discrimination.

We also expect all our stakeholders to fight against any type of harassment, forced labour or child labour.

Fresnillo plc maintains a firm zero tolerance attitude towards bribery and corruption; the Company is also obligated to investigate and respond to the concerns expressed by our stakeholders.

Employees must inform our stakeholders of the guidelines of this Code to adhere to them.

## WITH SHAREHOLDERS

- To be the best investment option in the medium and long term, offering growth and profitability.
- To provide accurate information that reflects the present condition of our operations.
- To guarantee the appropriate management of resources and assets.
- Report, eliminate and punish behaviour that goes against sound practices, the free market or fair dealings in business.

## WITH SUPPLIERS AND CONTRACTORS

For Fresnillo plc, it is important that its suppliers and contractors share its values. Furthermore, they are:

- Strategic partners whose relationships are grounded on sound business practices and ethical commitments.
- A source of mutually beneficial, long-term relationships.
- Hired based exclusively on criteria of quality, profitability, service, technical capability, competitiveness and experience.
- Deserving of absolute confidentiality with regard to the information they provide.

### **Additionally, both parties are expected to refrain from:**

- Discussing with suppliers and contractors the problems, deficiencies, weakness or quotes of other suppliers or contractors.
- Seeking gifts or sponsorships.
- Delaying or advancing the payment of invoices.
- Making payments to suppliers or contractors that did not supply the original services or products, or to companies that are not legally incorporated.

The development of local suppliers and contractors is considered a benefit to the communities where Fresnillo operates. We try to recruit local, upholding the regulatory as well as the health, safety and environment guidelines of the Company.



## WITH CUSTOMERS

Fresnillo plc conducts business by providing on-time delivery of top-quality products, in keeping with best industry practices.

Advertising communications should at all times be legal, decent, honest, accurate, and abide by the principles of fair competition and good business practices.

## WITH PERSONNEL

- To be the best employment option, enabling our employees to feel pride and dignity.
  - Foster a healthy, safe, productive and team-oriented working environment that contributes to developing potential, creativity and process improvements.
  - Provide competitive compensation packages and benefits based on results.
  - Promote on-going training and development opportunities with respect and equity.
  - Promote people based on their abilities,
- performance and merits.
  - Communicate the plans, procedures, goals and indicators by which people's performance and achievement of objectives will be measured and ensure through feedback that the instructions have been clearly understood.
  - Recognize employees through mechanisms created for that purpose.
  - Hire, train and retain the most capable people.
  - Uphold freedom of association.

## WITH COMMUNITIES

- Maintain the social license to operate and be a socially responsible company, respectful of the environment, the community and supportive of self-advancement.
- Respect the culture and customs of the community and be conscious of the local laws, morals and customs.
- Contribute by promoting human rights and autonomous development.
- Establish mutually beneficial relationships and maintain an open communication channel.
- Maintain impartial relationships that are fully consistent with institutional interests.



## WITH GOVERNMENT

- Abide by the law in all transactions, procedures and relations in which Fresnillo plc is involved with government agencies or with officials.
- Cooperate with the authorities for the full exercise of their powers and act in observance of the law to protect the legitimate interests of Grupo BAL and Fresnillo plc.
- Avoid distorting facts, information or falsifying any kind of document.
- All investments and commercial activities with individuals or corporations of the public or private sector that are controlled directly or indirectly by public officials must be submitted for the corresponding authorizations in accordance with established guidelines, and must in all cases be conducted transparently and in strict accordance with the law.

## WITH BAL GROUP COMPANIES

- Conduct transactions on an arm's-length basis
- Comply with regulations related to the establishment of transfer prices, royalty payments and trademark uses.
- Comply with regulations regarding lending, in which the market interest and commercial conditions should be agreed upon in advance.
- Respect provisions regarding unfair competition.
- Obtain, when appropriate, authorizations from the competent official or governing body.



# CONFLICTS OF INTEREST

Conflicts of interest arise when there are personal interests that run counter to those of Fresnillo plc. Because in decision-making conflicts of interest can affect our judgment and objectivity, we must always put Fresnillo plc's interests before any other. Personnel must refrain from engaging in businesses or activities that entail deriving a personal benefit (either directly or indirectly through others) from the relationship they have with the companies of BAL Group.

Personnel who find themselves in the presence of potential situations of conflict of interest must communicate the circumstances to the level indicated in our Conflict of Interest policy, before the activities or operations in question take place or when one becomes aware of the situation.

The following are some examples of conflicts of interest involving employees who are involved in or fail to report them:

- Holding stock in one of BAL Group companies, a competitor, a client or a supplier company, except when the shares were bought on the open stock market.
- Conducting transactions with clients, suppliers or business partners of BAL Group companies in order to obtain a benefit for oneself, a family member or other party.
- Maintain, directly or indirectly (e.g., through a family member), financial interests in transactions with BAL Group companies. Any such interest must be approved by the Ethics and Corporate Values Committee of BAL Group or the Chairman's office before the transaction has been executed.

- Making loans to co-workers using Group company funds, without following the established authorization policies.
- Serve as director, company secretary, executive or official in a company outside the Group without the express permission of the Chairman's office.
- Engage in activities that may cause problems for the objective and efficient execution of the business.
- Fail to properly do one's job under pressure from a third party who is in a position of authority or influence with respect to the organization.
- Accept any inappropriate personal benefit as a result of a position in Fresnillo, plc or allow any dependent family member to accept it.
- Hire or influence the hiring of family members of collaborators, former employees, customers, suppliers or Board members or any related third party to BAL Group, without the proper authorisation.
- Rehire former employees of BAL Group companies or acquire goods or services from former employees or their family members without express required authorisation.
- Maintain a personal affective relationship with a person within our line reporting, either of supervision or subordination.
- Perform, without authorisation, additional work or professional commitments than those provided for the companies of Fresnillo plc.

## FAMILY MEMBERS (UNTIL FOURTH DEGREE) ARE DEFINED

### BLOOD RELATIVES

Grandparents  
Parents  
Siblings  
Sons and daughters  
Aunts and uncles  
Nieces and nephews  
Cousins  
Half-brothers and Half -sisters  
Grandsons and Granddaughters

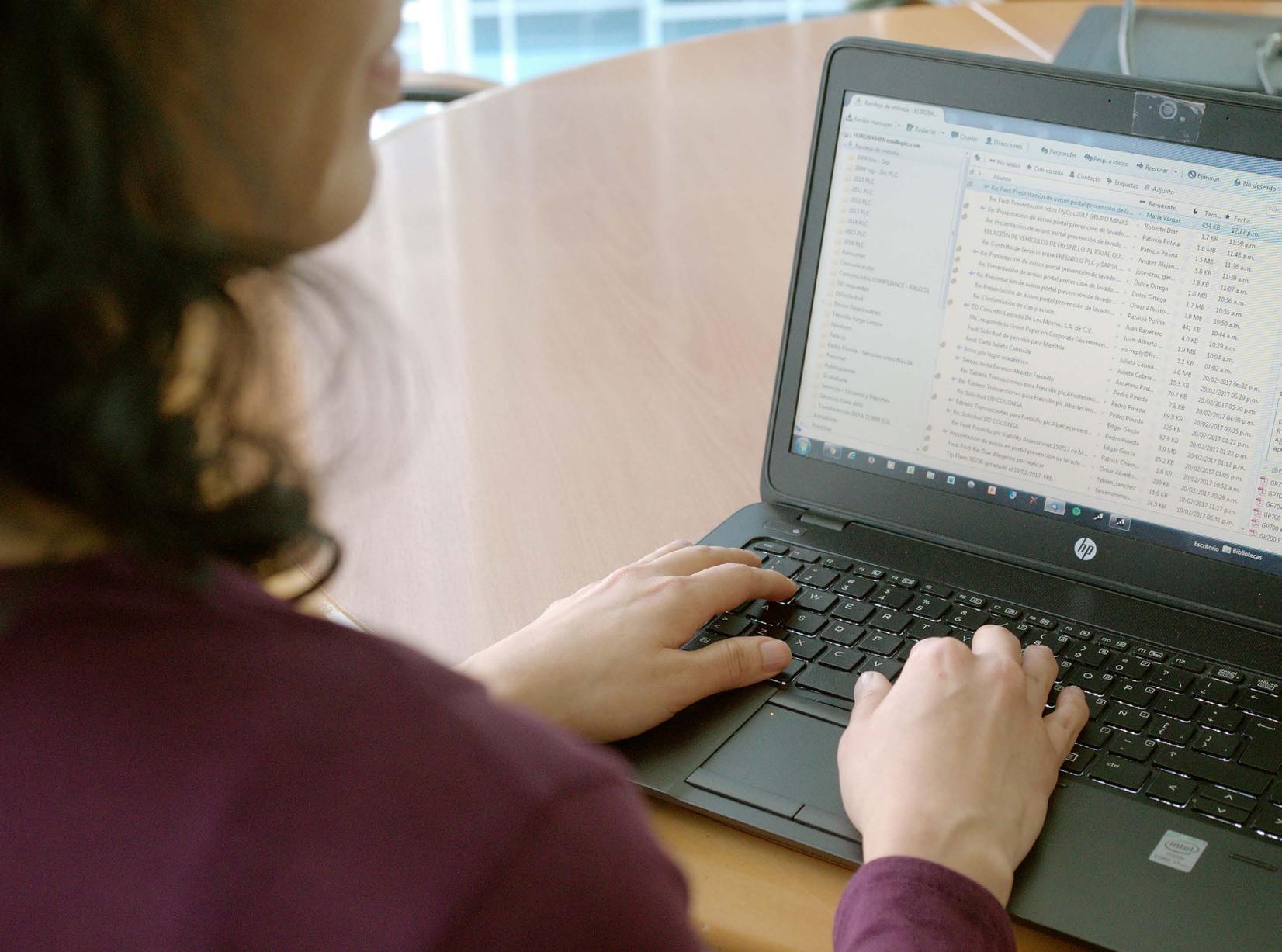
### EXTENDED FAMILY

Spouse  
Parents-in-law  
Brothers-in-law and sisters-in-law  
Sons-in-law and daughters-in-law  
Godchildren  
Adopted sons / daughters

### BY TRADITION

Godfather  
Godmother  
Godchild  
"Compadre"  
"Comadre"

► *All employees must notify the Honour Commission, the Compliance Officer or the whistleblowing hotline, when we identify a real or potential conflict of interest situation or have any doubts about it.*



## FAIR COMPETITION

Fresnillo plc promotes fair competition and sound business dealings; accordingly, all of us who work at the company must comply with the applicable rules and regulations regarding industrial secrets, patents, copyrights and the intellectual and industrial property of our competitors or any other outside party. Under no circumstances may an employee use techniques such as deception, bribery

or infiltration to obtain confidential or inside information on others; nor are we permitted to act outside of the law with regard to our competitors' employees or share information on the Group's companies with them. If for some reason it becomes necessary to share information with competitors, this must be done in a lawful manner and with the approval of the Chief Executive Officer.

## IV.

# Bribery, Corruption and other crimes

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WE ARE ALL EXPECTED NOT TO PARTICIPATE IN BRIBERY AND CORRUPTION, AND TO AVOID ANY PERCEPTION OF BEING INVOLVED IN THEM.



Fresnillo plc is proud of being an ethical company in all its business operations and relationships. For that purpose, it has a zero-tolerance policy regarding bribery and corruption. All the staff must abide by existing anti-bribery and corruption laws.

Bribery and corruption may arise in many ways, so it is important that all employees refrain from participating in such activities and avoid the perception of being involved in them. It is an offence and a serious violation to the Code of Conduct to be involved in bribe or corruption acts,

Bribery is considered offering, promising or giving a benefit, either monetary or in kind (including cash or equivalents, entertainment, hospitality, travel expenses, fees, vacations, job offers, privileges, loans, personnel services or any other thing of value), to a third party in order to induce or reward him or her to improperly play a role in or carry out a relevant activity, for example:

- Avoid compliance with a legal provision or administrative or judicial resolution.
- Fail to the code of conduct or statement of ethical principles of other companies.
- Gain an improper advantage directly or indirectly.

- Influence a decision.
- Secure a business.

Corruption includes the abuse of power for the benefit of oneself or a third party. Corruption encompasses a variety of situations such as: bribery, nepotism, collusion, influence peddling, facilitation payments, conflicts of interest, theft, extortion, embezzlement, misuse of resources, among others.

All the previous includes either with public official, governmental authorities, private companies or private persons.

Neither a Fresnillo plc employee nor anyone who represents or is related to the Company may engage in bribery or corruption and must strive to avoid any perception of being involved in them.

Disciplinary measures for persons who engage directly or indirectly through a third party in bribery and corruption include: in case of Fresnillo plc employees, up to the termination of their employment contract and in case of a third party, up to the termination of the business relationships with Fresnillo plc. The above, in addition to the measures that legally proceed, in any case.

## ACCEPTANCE OF GIFTS

It is the policy of Fresnillo plc that no employee may accept gifts from a third party that may be perceived as bribe, or that in any way jeopardize the performance of his or her duties in exchange for a business benefit, either real or promised.

In general, Fresnillo plc expects gifts to be accepted only during traditional celebrations (such as Christmas), or promotional items of purely symbolic value.

Employees must refuse a gift if there is the risk of it being considered bribery, or if it appears excessively expensive.

Specifically, Company policy is that staff must refuse a gift whose value exceeds the equivalent of US\$100 dollars, and they

must always refuse gifts in cash. If in doubt, employees should seek support from the Compliance Officer.

Gifts with a value of more than US\$100 dollars must be refused, or if it is not feasible to return them, they should be turned over to the Compliance Officer.

Employees are not permitted to accept invitations from suppliers, clients, financial institutions or competitors to attend entertainment or sporting events or accept courtesy passes or compensation of any kind. In the case of invitations for commercial purposes such as presentations and conferences, authorization must be obtained from the Chief Executive Officer before accepting, and travel expenses must be covered by Fresnillo plc.

## GIFT GIVING

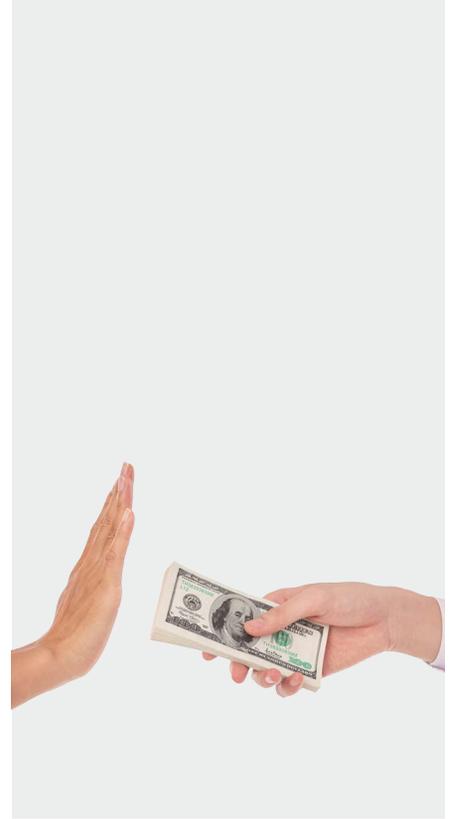
Fresnillo plc may give promotional gifts to third parties to promote the corporate trademark or provided that they are deemed to be reasonable and justifiable in the ordinary course of business relationships. Promotional gifts are permitted in the following circumstances:

**1.** The gift is approved by the Fresnillo plc Honour Commission.

**2.** The gift is not intended to influence the business decisions of third parties.

**3.** The gift is intended as a corporate promotion of Fresnillo plc only.

Fresnillo plc expects that gifts are given only during traditional festivities or at special dates such as the Company's anniversary and will not exceed a commercial value of US\$100 dollars.



## FACILITATION PAYMENTS

Fresnillo plc considers facilitation payments as bribery and for that reason employees are prohibited from making such payments without exception; any facilitation payment made will be treated as bribery and the employee involved will be subject to termination of the employment relationship.

## HOSPITALITY

Any kind of hospitality given or received by Fresnillo plc must have a justified business purpose and accordingly, it should be appropriate, legitimate and proportional to this purpose.

## CHARITABLE DONATIONS, GRANTS AND SPONSORSHIPS

Fresnillo plc's policy establishes that any charitable donation, grant or sponsorship must go through a formal process of authorization and documentation; Fresnillo's Chief Executive Officer is the only authority who can approve them, in coordination with the Honour Commission and with the prior approval of the Chairman's office.

Before making a donation, grant or sponsorship, an appropriate process of looking in to the recipient's background must be performed (Due Diligence); additionally, the transparency of the process must be ensured.

## POLITICAL CONTRIBUTIONS

Fresnillo plc recognizes and respects its employees' rights to participate in political activities. However, these must be legal and must not interfere or jeopardize the duties and responsibilities assumed by the employee as part of his or her relationship with Fresnillo plc. Under no circumstances may political activities be carried out on behalf of Fresnillo plc, nor may employees use the Company's time or resources (office resources, equipment, utility vehicles, machinery, etc.) for that purpose.

Fresnillo plc prohibits political contributions to candidates, public offices or political parties. Any employee who by his or her own initiative makes political contributions must avoid allowing this action to be interpreted as a contribution on behalf of Fresnillo plc. Any contributions made personally must be made in keeping with the applicable laws.

## LOANS

Fresnillo plc only grants monetary or in-kind loans to third parties under the following circumstances:

- 1.** Loans to third parties are made according to market contractual conditions and must stem from the normal course of operations, or
- 2.** The loan must be approved by the Chief Executive Officer with the support of the Honour Commission.

In any case, the contract must clearly define the repayment terms of the loan.

Fresnillo plc accepts loans only from legally established financial institutions such as banks. Therefore, private loans from third parties are prohibited.

## MONEY-LAUNDERING PREVENTION

Employees and third parties acting on behalf of Fresnillo plc must be aware of and comply with the legal provisions related to the prevention of money laundering and terrorist financing in order to be prevented in the event that someone tries to use the products of Fresnillo plc to conceal or simulate the source of resources of illicit origin.

Fresnillo plc refrains from doing business with other parties that show signs of participating in this type of activity.

## PREVENTION OF CRIMES

Fresnillo plc is committed to avoiding the commission of crimes within the organization. This requires strict and diligent behaviour from all collaborators in line with law enforcement.

If collaborators or related third parties become aware of the commission of any crime, we must immediately inform the Compliance area, or a member of the Honour Commission or through our whistleblowing line.

Fresnillo plc shall apply any sanctions or disciplinary measures that correspond without prejudice to the legal consequences that may occur.



# Protection and management of our resources

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WE ARE ALL EXPECTED TO PROMOTE RESPECT FOR HUMAN RIGHTS, PROTECTION OF THE ENVIRONMENT, GOOD RELATIONSHIPS WITH THE COMMUNITIES WHERE WE OPERATE, AND TO CARE FOR AND SAFEGUARD OUR INFORMATION AND PHYSICAL ASSETS.





## SUSTAINABILITY

At Fresnillo plc, we are committed to preventing pollution, guaranteeing a safe and healthy workplace for our people, creating good relationships with neighbouring communities, complying with legal and other requirements, continually improving production processes through a Comprehensive Management system and working according to a culture of sustainable development.

## HEALTH

Our people are our most valuable asset. The health and wellbeing of our workers are crucial in our efforts to be a safe, productive company. We recognize that the health of our employees is an essential component of our social license to operate.

Our aims are:

- To comply with all applicable health regulations.
- To limit new cases of occupational illness.
- To identify and administer health risks in a

preventive manner.

- To provide preventive care and promote healthier lifestyles.
- To prepare for emergencies as an essential component of all our occupational health teams.
- To work with authorities and support health initiatives in the communities where we operate.
- To promote our health practices with contractors and suppliers.

## SAFETY

Safety is a core value for Fresnillo plc, and a way of life. We aspire to achieve a culture of safety in which our employees and contractors have the awareness, skills and desire to work safely.

Our goals are:

- To comply with all applicable health regulations.
- To provide a safe workplace.
- To eliminate fatal accidents.
- To comply with Rules that Save Lives, with a zero-tolerance policy toward discrepancies.
- To involve our operational managers, union leaders and their local chapters.
- To reinforce safety awareness and develop personal safety skills.
- To exhaustively investigate accidents in order to avoid similar cases.
- To apply international practices for the safe handling and use of cyanide.
- To guarantee that there are emergency response plans in place.
- To apply our safety practices with contractors and suppliers.

## ENVIRONMENT

We seek to minimize the environmental impact of our activities, and we are committed to accountability and transparency in our environmental efforts. These actions are crucial to obtaining and preserving our social license to operate.

Our aims are:

- To comply with all applicable environmental regulations.
- To reduce our carbon footprint through energy efficiency measures.
- To implement measures to protect biodiversity around our projects.
- To guarantee that biodiversity is not affected.
- To use water responsibly in recognition of its social, environmental and economic value.
- Responsible stewardship of our mineral and non-mineral resources.
- To implement best international practices for handling and using cyanide.
- To promote our environmental policies and practices with contractors and suppliers.
- To inform and cooperate with authorities, communities and other parties involved in the event of environmental accidents.
- To work with interested parties in developing a mutual understanding of environmental problems.





## COMMUNITY RELATIONS

Our communities are our strategic partners. Earning their confidence requires encouraging their involvement and assuming responsibility for our actions. We recognize that building trust is the only way to obtain and preserve our social license to operate.

Our aims are:

- To listen to and encourage the involvement of the communities

where we operate.

- To promote social and economic development.
- To support education, health, access to safe water, and build capacities.
- To respect human rights.
- To consider the values and concerns of indigenous peoples.

- To identify and manage social impacts.
- To address community complaints promptly and fairly.
- To evaluate community perceptions and seek to continually improve our performance.
- To prepare communities in advance of the closure of our operations.

## LABOUR AND HUMAN RIGHTS

Our personnel are our most valuable resources. We aspire to an organizational culture based on trust, which is the single most important characteristic of the world's best places to work.

Our goals are:

- To demonstrate a well-established ethical culture through our actions and conduct
- To promote fair labour practices
- To ensure our employees and personal are treated fairly and with dignity
- To ensure that the workplace is free of any kind of discrimination, harassment and reprisal
- To respect employees' right to free expression, free association, and collective bargaining contracts

- To prohibit child labour and forced labour in our operations
- To respect and encourage diversity and inclusion
- To value different beliefs, preferences and origins
- To have adequate facilities and conditions within the workplaces for people with disabilities.
- To promote equal opportunities between men and women and not allow gender-based violence.
- To prohibit harassment for any of the reasons set out above, including labour and sexual harassment.
- To promote these policies and practices with contractors and suppliers.

Our commitment to human rights

is grounded in the United Nations Universal Declaration of Human Rights, and as signatories of the Global Compact, our policies, operations and strategies are aligned with international conventions.

We have also adopted the Voluntary Principles on Safety and Human Rights, in their three key elements: risk assessment, public safety and private security services, which enable us to keep our operations safe and guarantee respect for human rights, under the "Protect, Respect and Remedy" framework proposed by John Ruggie of the U.N.

In a context where governments have a duty to protect human rights, as a company we are responsible for respecting human rights and resolving complaints that may arise through effective complaint channels for the persons and communities who may consider themselves affected.

## INTELLECTUAL AND INDUSTRIAL PROPERTY

Fresnillo plc respects the intellectual and industrial property rights of other companies and requires its personnel to respect such rights pursuant to the applicable regulations. The creation of new technologies or innovations belongs to the Company and is for its exclusive use.

## ACCURATE INFORMATION

The veracity and integrity of the Company's operating, commercial, accounting and financial records depends on the accuracy of the information they contain. The people involved in the generation and registry of this information are responsible for achieving and maintaining this integrity, endeavouring to:

- Not misrepresent facts, information or any document.
- Respect regulations.
- Prevent distortions during the natural flow of information from its generation through its communication.
- Never omit any information required by auditors.
- Recognize and record assets and liabilities on a timely basis, properly and at fair value.
- Deliver complete and correct accounting or financial information to stock market institutions.
- Prepare and distribute the information to be disclosed, in compliance with the applicable regulatory framework.
- Protect document and database integrity and destroy information at the end of the mandatory period for preserving it, in accordance with applicable regulations.

## RESTRICTED OR CONFIDENTIAL INFORMATION

- Fresnillo plc staff may not disclose restricted or confidential information, except when required for business purposes, upon authorization by management, and having informed first their immediate supervisors in writing, as well as the information owner.
- The creators, custodians or owners of restricted or confidential information should protect, classify and categorize it as such.
- Persons with access to restricted or confidential information or facilities are jointly responsible for the consequences stemming from providing access to them.
- Persons with access to passwords, electronic signatures, etc., are responsible for the consequences arising from their misuse or loss.
- Fresnillo plc employees with access to restricted or confidential information may not, either directly or through a third party, including blood relatives, acquire or sell Fresnillo plc stocks unless applicable regulations are met.
- Any access or attempt to access restricted or confidential information without approval will be reported to the Honour Commission so that the appropriate actions may be taken.
- Taking photographs or recording video inside the business units of Fresnillo plc is strictly prohibited, except in cases approved by the business unit Manager.
- Fresnillo plc employees who are concurrently engaged in academic teaching, lecturing or research activities may use only the public information of the Company.





## INFORMATION FOR RELEVANT THIRD PARTIES

- Authorities will be responded to in writing, in keeping with legal requirements, and must be approved by the respondent's immediate superior.
- The press will be channelled to the corresponding area, and only this area may approve and order the provision of that information.

## CONFIDENTIALITY AGREEMENTS AND RELATED ASPECTS

All financial, strategic, statistical, operating, technical and business information, acquisition and expansion plans, new products, marketing campaigns, personal information on shareholders, board members and employees of the company or relating to them, which is not known to the general public, which may or may not be considered an industrial secret, must be kept in the strictest confidentiality, and employees are therefore responsible for safeguarding this information and refraining from disclosing it.

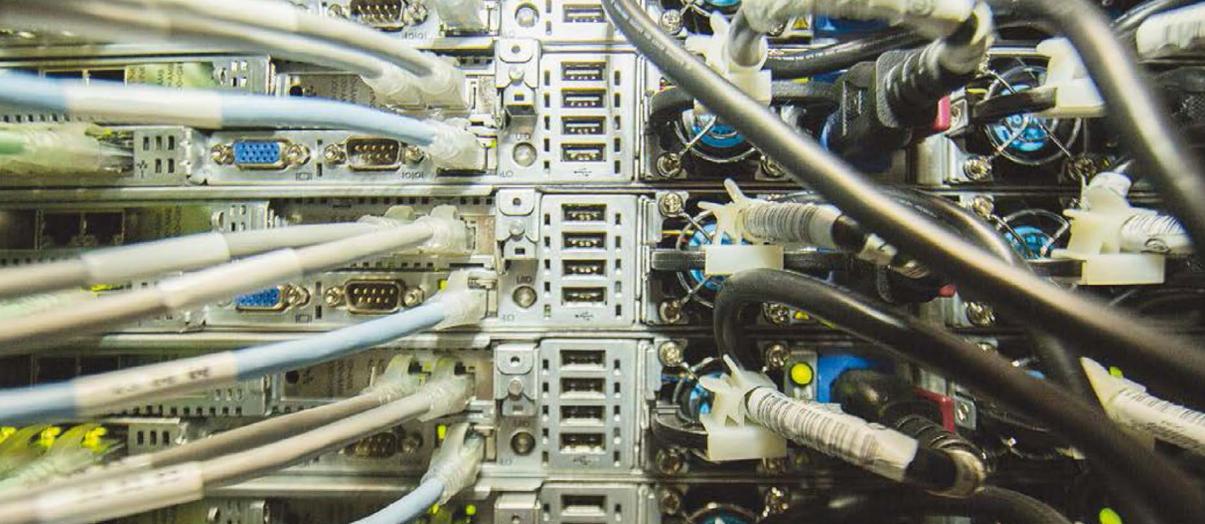
All employees, including Managers, Assistant VP's and VP's must require a signed confidentiality agreement from any external parties who need to enter the facilities of Fresnillo plc and will be subject to the following classification:

- Occasional visitors that require technical information.
- Competitors' visits who could use the information to gain an advantage over Fresnillo plc.

- Suppliers of goods and services in possession of inside or confidential information of the Company.
- Companies or institutions with which Fresnillo plc has joint technological development agreements with bilateral exchange of information.
- Internships and trainees

Employees of the Group's companies must refrain from disclosing to anyone (including colleagues, family members or friends) non-public, inside or confidential information, except when required for business reasons and with prior authorization from the Chief Executive Officer, having informed their immediate superior in writing. The commitment of not disclosing information remains in place even when the labour relation ends.

Employees must not disseminate or disclose rumours that directly or indirectly affect the reputation of other employees and companies of Fresnillo plc, its shareholders and board members.



## INFORMATION TECHNOLOGY

Fresnillo plc's technology and computing resources should be used solely for company purpose

It is prohibited the use of technology and computing resources to:

- Issue, save or distribute messages of harassment, discriminatory in any form, offensive, defamatory, pornographic, fraudulent, threatening or that may alter the order, as well as "chain" messages.
- Access web pages that may damage computer equipment and its information.
- Violate or cause security violations or network communication alterations.
- Usurp a user's identity; as well as, reveal

your password to other users.

- Violate the copyright, trade secrets or intellectual property patents or similar of any person or company, for example, unlicensed software.
- Download or install programs or files that are not required for the operation.
- Use the name of the Group companies to create accounts, groups or profiles on social networks (Facebook, Twitter, Instagram, LinkedIn, etc.) other than the institutional ones.

All software that is necessary for the operation must be authorized before being purchased by the IT area and according to the authorization levels. Software that is not approved by the Corporate IT area should not be installed.

## FRESNILLO PLC'S RIGHTS OVER TECHNOLOGY AND COMPUTER TECHNOLOGY RESOURCES

Fresnillo plc reserves the right to monitor the equipment, system and network activities, including electronic and voice mail, Internet use and any stored information of its employees under the appropriate circumstances and pursuant to the applicable laws.

For the operational, maintenance, security, business, legal or regulatory requirements, authorized personnel and service providers from third parties will have unrestricted access to the information found in the information technology resources of Fresnillo plc, to the extent permitted by law and in accordance with specific requests.

Employees of Fresnillo plc who use its technology and computer technology

resources should not assume any right to personal privacy or confidentiality when using them. Fresnillo plc reserves the right to cancel any user's access to the technology and computer technology resources at any time without prior notification.

Accordingly, all employees of Grupo Fresnillo waive all rights to confidentiality, personal privacy or communication when using the computer and telecommunications equipment the company has placed at our disposal as work tools for carrying out our duties. Therefore, such tools may be reviewed, copied, transmitted, stored and used by Fresnillo plc at any time, without the need for us to be present and without the need to inform us, for any purpose that suits the Company.



## ASSET PROTECTION AND USE

- Fresnillo plc employees are responsible for the custody and safekeeping of the assets under their use and control. They must not in any circumstance participate in, influence or permit situations related to theft or misuse, or the lending, disposal or sale of assets without approval.
- Fresnillo plc assets and services may only be used by the Company's employees for the performance of their duties and for the benefit of the Company.
- Employees who keep assets are responsible for their physical condition, integrity and use.



VI.

## **Additional Information**

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WE ARE EXPECTED TO REPORT  
CONDUCTS THAT GO AGAINST  
OUR CODE OF CONDUCT.

## MANAGEMENT OF THE CODE OF CONDUCT

The Honour Commission is comprised of Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Vice President for Exploration, Compliance Officer, Head of Legal, Head of Internal Audit and is responsible for:

- Issuing the Code of Conduct.
- Reviewing, approving and submitting its content as well as proposals to amend it, for approval by the Board.
- Ensuring that updates to the Code are incorporated into the Internal Policies and Procedures system of Fresnillo plc and its web page.
- Clearing up questions or conflicts concerning the scope or interpretation of the Code.
- Taking into account the appropriate experts' point of view when making a decision on a particular issue.

## EMPLOYEES

**are responsible for:**

- Reporting all violations we know, including suspected violations to this Code. Where there is no certainty about any situation of possible infringement, we must seek assistance of the members of the Honour Commission or the Compliance area. Directors, managers and supervisors have a greater responsibility; if they suspect and do not report prohibited actions, they could also be considered co-responsible.
- Cooperating with investigations into violations of the Code and state the truth always.



## HUMAN RESOURCES

### is responsible for:

- Proposing updates to the Code every two years.
- Communicating any update to the Code.
- Introducing the Code of Conduct during the orientation program for new staff

## INTERNAL AUDIT

- Monitoring compliance with the Code by all the staff.
- Performing the required investigations in case of suspicion or reports by whistle-blowers concerning a possible violation of the Code.
- Reporting to the Honour Commission on the status of the complaints received as well as the result of the investigations result.

## EXECUTIVES

### are responsible for:

- Knowing and complying with this Code of Conduct in all its content. Make sure the employees know it and endorse every year their commitment to fulfilling it.
- Supporting their collaborators to understand the provisions of the Code and to resolve any doubts that may exist.
- Set an example to create an ethical, accountable and committed environment for compliance with this Code of Conduct.



# DISCIPLINARY ACTIONS

Exceptions to the application of this Code of Conduct will only be made in legally justified cases indicated by the Honour Commission.

Fresnillo plc personnel must cooperate with any internal or external investigation and maintain the confidentiality of every part of the company.

Any executive who reprimands an employee who has in good faith reported a violation of the Code, will be subject to serious sanctions that could lead to his or her dismissal for justified cause.

The following are considered infractions of the Code of Conduct:

- Failing to act in accordance with our principles or obligations;
- Requesting or ordering other employees to act against these principles and obligations;
- Failing to report observed infractions;
- Failing to cooperate with or obstructing investigations; and

- Failing to punish breaches of this Code.

Infractions of the Code of Conduct will result in disciplinary measures that may vary depending on the circumstances and gravity of each case.

Among others, and at the criteria of the Honour Commission, sanctions may include:

- a)** Verbal admonition;
- b)** Written warning;
- c)** Temporary suspension of duties or certain benefits;
- d)** Termination of the labour relationship; and
- e)** Others according to the law.

The review of the cases and the disciplinary measures to be taken according to the aforementioned terms, as well as any resulting criminal charges, are the responsibility of the Honour Commission, led by the CEO, which casts the deciding vote in the event of a tie on any decision.





## VII.

# Glossary

**Assets:**

The tangible and intangible goods owned by Fresnillo plc, such as buildings, machinery and equipment, inventory, cash, accounts receivable, shares and securities; as well as its information, innovations, business plans, patents and trademarks, trade names, corporate image and identity, and information technology, among others.

**Employee:**

Any non-unionized person who works for one of the subsidiaries of Fresnillo, plc, whether temporarily or permanently.

**Executives:**

Employees who occupy management or senior positions within Fresnillo plc.

**Global Compact:**

A United Nations initiative launched in 2000 aimed at inviting companies to adopt, support and put into practice a set of fundamental values regarding human rights, labour standards, environment and the fight against corruption.

**Harassment:**

Pursuing, pressing, upsetting or pressuring someone with inconveniences or inappropriate requests.

**Promotional articles:**

Address books, pens, commemorative or representative objects as silver coins, etc., that are regularly given to prospective or current customers or received from vendors.

**Related third party:**

Any company, organization or individual that does not belong or is controlled or employed by Fresnillo plc and which is contracted to provide goods or services, conducts business

activities on behalf of Fresnillo plc or maintains relationships with Fresnillo plc.

**Restricted or confidential information:**

Any information that has not been disclosed to the public concerning Fresnillo plc, its directors, stakeholders or operations. For example, lists of clients and suppliers, information on mining lots and exploration projects, secret formulas and processes, production lines that by their nature make it easier or cheaper to obtain products, research and development of new products, raw material and processes; personnel and intellectual and industrial property information.

**SAPSA:**

Servicios Administrativos Peñoles, S.A. de C.V.

**Senior executives:**

Employees who occupy senior management positions within Fresnillo plc.

**Stakeholders:**

Persons or groups of persons directly or indirectly related to or affected by the activities of Fresnillo plc.

**Technology and computer technology resources:**

All of the computer equipment owned by Fresnillo plc or under its control through leasing programs regardless of its physical location; including but not limited to computers, portable computer devices, network servers, Internet access, access to e-mail and intranet devices, voice mail, cellular phones and other voice systems; fax machines and information that was obtained, downloaded or disclosed through the Internet or intranet of Fresnillo plc; access to the Company network and e-mail through a computer that does not belong to the Company, as for example, home computers.





## MY PERSONAL COMMITMENT

I have read and understand that at Fresnillo plc, relationships between those of us who work in this company and with our stakeholders must be grounded in Trust, Responsibility & Respect, Integrity, Loyalty and Safety.

I pledge to embody our values every day on the job, inside the facilities and outside of them when representing Fresnillo plc. I understand that I must make the right decisions and conduct myself appropriately, because there is an importance not only to achieving my objectives, but also to way in which I achieve them.

I agree that my conduct must be consistent with the guidelines of this Code of Conduct, which require that our operations and actions adhere strictly to the corresponding regulations, applying the highest ethical standards of responsibility, transparency and commitment, which are expressed in our Company's reputation.

My personal commitment to our values is to live them every day, within a framework of ethics and integrity, and to be recognized as an exceptional individual.

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Name: \_\_\_\_\_

Employee Number: \_\_\_\_\_

Department: \_\_\_\_\_

Immediate supervisor: \_\_\_\_\_

Place: \_\_\_\_\_ on \_\_\_\_\_ of \_\_\_\_\_ of \_\_\_\_\_

Signature \_\_\_\_\_

I have received and accept the content of this Code of Conduct.





