

Fresnillo plc (the “Company”)

Health, Safety, Environment and Community Relations Committee

Terms of Reference:

Reference within this section to the “**Committee**” shall mean the Health, Safety, Environment and Community Relations Committee.

1 Purpose

The role of the Committee is to assist the Board in obtaining assurance that appropriate systems are in place to deal with the management of health, safety, environment and community relations risks.

2 Membership

- 2.1** Members of the Committee shall be appointed by the Board, on the recommendation of the Nominations Committee and shall be made up of at least three members, including at least one Board director.
- 2.2** The Board shall appoint the Committee Chairman from one of its members. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of their number present to chair the meeting.
- 2.3** Only members of the Committee have the right to attend Committee meetings. However, other individuals such as other directors may be invited to attend all or part of any meeting as and when appropriate.
- 2.4** The Committee shall engage specialists with appropriate technical expertise to be members of and/or attend meetings of the Committee on a regular basis.
- 2.5** Only members of the Committee are entitled to vote at meetings of the Committee.

3 Secretary

- 3.1** The Company Secretary or his nominee shall act as the Secretary of the Committee.

4 Quorum

- 4.1** The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

5 Frequency of Meetings

- 5.1** The Committee shall meet not less than once a year and at such other times as the Chairman of the Committee shall require.

6 Notice of Meetings

- 6.1** Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any of its members.
- 6.2** Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no fewer than five working days prior to the date

of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

7 Minutes of Meetings

7.1 The Secretary of the Committee shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.

7.2 Minutes of Committee meetings shall be circulated promptly to the Chairman of the Committee in the first instance, then all members of the Committee and to the Chairman and, once agreed, may be made available to any member of the Board who so requests a copy.

8 Annual General Meeting

The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

9 Duties

The Committee should carry out the duties below for the Company and its group as a whole, as appropriate:

9.1 The Committee shall evaluate the effectiveness of the Group's policies and systems for identifying and managing health, safety and environmental risks within the Group's operations;

9.2 The Committee shall assess the policies and systems within the Group for ensuring compliance with health, safety and environmental regulatory requirements;

9.3 The Committee shall assess the performance of the Group with regard to the impact of health, safety, environmental and community relations decisions and actions upon employees, communities and other third parties. It shall also assess the impact of such decisions and actions on the reputation of the Group;

9.4 The Committee shall, on behalf of the Board, receive reports from management concerning all fatalities and serious accidents within the Group and actions taken by management as a result of such fatalities or serious accidents;

9.5 The Committee shall evaluate and oversee, on behalf of the Board, the quality and integrity of any reporting to external stakeholders concerning health, safety, environmental and community relations issues;

9.6 The Committee shall review the results of independent audits of the Group's performance in regard to health, safety, environmental or community relations matters, review any strategies and action plans developed by management in response to issues raised and, where appropriate make recommendations to the Board concerning the same.

9.7 The Committee shall review the Group's culture, ethics and values programmes as proposed and implemented by the Executive Team from time to time on behalf of the Board. The Committee shall also review the metrics (KPI's) established to monitor progress and performance against such KPI's.

10 Reporting Responsibilities

10.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

10.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

10.3 The Committee shall make a statement in the annual report about health, safety, environmental and community relations issues. .

11 Other

11.1 The Committee shall have access to sufficient resources in order to carry out its duties, including access to professional technical expertise in the areas within its remit and the assistance of the Company Secretary as required.

11.2 The Committee should consider such other matters as the Board may from time to time refer to it.

11.3 At every level of the organisation, line managers are responsible for health, safety and environmental matters. Ultimate responsibility for health, safety and environmental matters will remain with the Board.

12 Authority

12.1 The Committee is authorised to:

12.1.1 seek any information it requires from any employee of the Company in order to perform its duties and all employees shall be directed to co-operate with any request made by the Committee;

12.1.2 call any employee to be questioned at a meeting of the Committee as and when required;

12.1.3 obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference and secure the attendance at its meetings of outsiders with relevant experience and expertise if its considers this necessary.

Approved by the Board of Directors of the Company on 24 February 2016