



Ethics and Compliance Third party due diligence policy

Rationale of the policy

Fresnillo plc does business with many types of third party including, but not limited to contractors, agents, suppliers, carriers, and consultants; the company also maintains relations with unions and recipients of our donations. This policy sets out Fresnillo plc's commitments in its business and relations with third parties in order to mitigate the risks of bribery, corruption, money laundering, fraud and violation to human rights, to which the Company is exposed among its third-party relations. This policy was defined with abidance to the UK Bribery Act 2010, the Mexican Federal Law for the Prevention and Identification of Transactions with Illegally Sourced Funds(LFPIORPI for its Spanish acronym, which is the Anti money-laundering federal regulation), the Mexican Federal Law of Administrative Accountability(LGRA for its Spanish acronym), the Mexican Federal Criminal Code and other federal and state secondary laws against corruption applicable to the private sector; as well as with abidance to the Guiding principles on corporations , best corporate practices and human rights law issued by the UN, and the UK Modern Slavery Act, among others.

This policy comprehends not only our personnel, but also the third parties with whom business relations are entered into. Those responsible of contracting suppliers, agents, contractors and any third party must make them aware of the Fresnillo plc Code of Conduct and this policy, through the delivery of the Fresnillo plc ABAC letter, that adopts the principles herein established, so that they accept and are bound by its provisions.

Fresnillo plc´s policy:

1. Refrain from conducting business or entering into any relation with third parties who are or have been involved in acts of bribery and corruption. Specifically, Fresnillo plc does not authorize any third party to pay, offer or accept a bribe on behalf of Fresnillo plc.
2. Conduct business or enter into business relations only with those third parties that favor compliance with the laws to which Fresnillo and such third party are subject to, against bribery, corruption, money laundering, fraud and human rights violations.
3. Conduct business or enter into business relations only with those third parties with adequate proceedings and controls equivalent to those of Fresnillo plc, to effectively prevent and mitigate the risks arising from the risky behaviors outlined in the preceding point, or that, instead, adopt the antibribery and anticorruption policies of Fresnillo plc.
4. Make payments that are appropriate and proportional to the services rendered by third parties, in accordance with the provisions of the contract or written agreement.

A third party is defined as any company, organization or individual not owned, controlled or employed by Fresnillo plc that has entered into or pretends to enter into an agreement to supply goods, provide services or perform commercial activities on behalf of Fresnillo plc or engages in business relations with Fresnillo plc.

General guidelines

Guidelines to enter into relations with third parties

Risk assessment

Assessing any third party prior to conducting business or establishing relations with them, considering the aforementioned risks to which Fresnillo plc may be exposed through its connection with such third party.

Due Diligence

Conducting a due diligence process of the ethical profile on every third party prior to doing business or establishing relations with them based on the results of the initial risk assessment. The level of depth of the due diligence conducted on a third party will be, as an initial priority, proportionate to the identified risks and to the possibility to perform such due diligence process in accordance with the type, core business and characteristics of each third party. Fresnillo plc will periodically review and amend the arrangements with a third party as a result of the continuous compliance monitoring. The renewal period for reviewing and updating written agreements with a third party will be no longer than three years. Mitigating strategies may include, but there are not limited to:

- a. Periodically receiving confirmation from third parties to justify its compliance with anti-bribery and anticorruption policies.
- b. Periodically exercising Fresnillo plc's audit knowledge and verification rights.
- c. Providing anti-bribery and corruption training to third parties.

Monitoring

Conducting red flag analysis. This analysis comprehends paying attention to the risks of bribery and corruption in connection with a third party on an ongoing basis during the course of the business

relationship. Based on the results of these analyses Fresnillo plc must define and implement appropriate strategies for each case.

Training

Providing adequate training and coaching to the personnel in charge of managing third party relations.

Reporting

Encouraging third parties to report incidents or suspicions behaviors unforeseen in their own regulations through "Fresnillo Línea Correcta" whistle blowing hotline.

General principles of due diligence

If as a result of the due diligence it is concluded that the risks associated with the third party cannot be mitigated to an appropriate level by Fresnillo plc, the third party must be rejected and any business relationship with it shall be suspended.

The due diligence conducted on a third party must be approved by the appropriate level as provided in the relevant proceeding.

If there are any material changes to the risks associated with a third party, then the Due Diligence already conducted must be updated based on the new information, just as the original risk assessment shall be reconsidered.

Guidance and reporting

- For further guidance please contact Fresnillo plc's Compliance Officer. If you would like to make an anonymous report of violations or suspicions of violations of this policy, you can do so through available channels of "Fresnillo Línea Correcta" whistle blowing hotline:

1. email: fresnilloplc@lineacorrecta.com
2. webpage: <https://fresnilloplc.lineacorrecta.com/>
3. Free hotline from anywhere in Mexico: 800 367 8477
4. Instant messaging: (52) (155) 6538 5504

Alternatively, you can speak directly to:

- CEO
- Compliance Officer
- Head of Legal
- Head of Internal Audit of Peñoles
- Human Resources

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