

Policy on Tailings Storage Facilities

1. INTRODUCTION

This policy (the “Policy”) on Tailings Storage Facilities (“TSFs”) sets out the commitment of Hochschild Mining PLC (“Hochschild”) and its subsidiaries (together “the Group”, and each individually a “Group Company”) to the responsible management of TSFs in recognition of the Group’s duties to the environment, its employees, safety and communities.

We are committed to being transparent with its key stakeholders as well as governments and regulators about our TSFs and how we manage them.

The Group adheres to the principles of effective risk-management strategies and the responsible design and use of TSFs.

2. SCOPE

The Policy applies to Hochschild, all other Group Companies and all permanent and temporary employees, contractors, managers, officers, directors, business partners and other third parties employed or engaged by, or providing services on behalf of, the Group.

All Group Companies shall implement internal policies and procedures regulating the construction, operation and closure of TSFs in accordance with this Policy.

3. PRINCIPLES

We set out below the comprehensive, Group-wide principles (the “Principles”) which guide our approach to the management of TSFs and which are consistent with Hochschild’s corporate purpose:

- 3.1 Comply with all the applicable regulatory requirements of all jurisdictions in which the Group Companies operate and Hochschild’s corporate standards;
- 3.2 Implement an accountable TSF management structure which promotes learning and communication, and which maintains an interdisciplinary knowledge base to support safe tailings management through the TSF lifecycle;
- 3.3 Apply appropriate risk management strategies;
- 3.4 Take into account all relevant conditions, including those relating to topography, climate-related considerations, seismic activity, mineral characteristics and proximity to people, in the management of TSFs;

- 3.5 Comply with regulatory requirements regarding public consultations with local communities on the design of new TSFs and their operation with a view to minimising their environmental and social impact;
- 3.6 Take a safety-first approach in ensuring the responsible management of TSFs;
- 3.7 Design and implement the necessary measures in the event of an emergency; and
- 3.8 Appoint an Engineer of Record for each TSF and facilitate regular and periodic third-party audits.

4. POLICY IMPLEMENTATION

This Policy forms an integral part of the commitments and principles articulated in the Group's other policies and standards including the Code of Conduct, Corporate Sustainability Policy and all of the other Group's applicable corporate policies. These documents are available on the Company's website.

All Group Companies shall implement internal TSF management policies and procedures consistent with this Policy and the applicable laws and/or other regulatory requirements of the jurisdictions in which they operate.

Breaches of the Principles, as well as of the Code of Conduct and relevant internal policies and/or procedures of Group Companies may result in disciplinary action, including dismissal, in accordance with applicable legislation, and the internal policies and procedures of the Group Companies. Breaches of this Policy by contractors, business partners and other third-parties may result in the immediate termination of their contracts.

The Group provides induction and ongoing training on the policies and procedures regulating TSF management for employees of the Group's in accordance with internal regulations.

5. REVIEW AND MONITORING

The Policy has been approved by the Hochschild Board of Directors.

The Sustainability Committee (the "Committee") oversees the Group's compliance with the Principles and monitors management's reporting.

The Policy shall be subject to ongoing review by the Committee to ensure that it reflects developing market practice and shall recommend such amendments as it may consider necessary or desirable for to the Board for approval.

The Management of Group Companies shall conduct regular performance reviews against the principles of the Policy, as well as internal policies and procedures, to ensure that we are fulfilling our commitments. Relevant Management of each Group Company is responsible for monitoring the Policy's implementation.

Approved by the Board of Hochschild Mining PLC
26th May 2021