

BIODIVERSITY STANDARD

1. PURPOSE

Establishing key guidelines to protect and preserve the biodiversity, pursuant to our company's Biodiversity Strategy, ensuring the proper management of ecosystems within the area of environmental influence and under a sustainable use of resources approach.

2. SCOPE

It applies to all Operating Units and Projects, including those activities conducted by related contractors and suppliers across the mining lifecycle, that is: exploration, design, construction, operation, closure and post-closure.

New projects and expansion works that start pre-feasibility studies after the approval of this standard shall be required to abide by all the sections of the standard hereof, as well as applicable legal requirements. Projects, operations and closing sites that are already in progress at the moment of approval of this standard, shall meet applicable legal requirements and the provisions set forth in sections 4.4 and 4.5 of the standard hereof.

3. RESPONSIBILITIES

3.1. Exploration Manager

- 3.1.1. Implementing and maintaining a process to identify World Heritage Sites and Key Biodiversity Values at exploration sites as soon as possible, using well-known databases that are publicly available.
- 3.1.2. Ensure that exploration teams know the commitments and responsibilities associated to the conservation of Key Biodiversity Values.

3.2. Project Manager

- 3.2.1. Ensure that Key Biodiversity Values are identified, and that a Biodiversity baseline -adjusted to the project's obligations and area of influence- is established.
- 3.2.2. Ensure that risks associated to key biodiversity values are assessed, and that action and mitigation plans are developed and implemented before a disruption starts.
- 3.2.3. Secure essential resources to comply with the standard hereof.

3.3. Mining unit manager

- 3.3.1. Secure essential resources to comply with the standard hereof.

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3.3.2. Ensure that there is a specific procedure and/or plan for Biodiversity Conservation and Management.

3.3.3. Periodically review the results of the Biodiversity Conservation and Management Plan's assessment.

3.4. Corporate Environmental Management

3.4.1. Prepare, update and disseminate the general requirements of the standard hereof.

3.4.2. Collaborate with the exploration, operation and project departments to ensure that the standard is appropriately interpreted and implemented.

3.4.3. Share the best biodiversity management practices to provide consistency to the organization.

3.4.4. Provide external sustainability reporting guidelines to the exploration, operation and project departments.

3.5. Supervisor and/or Head of the Environment

3.5.1. Ensure compliance with the standard hereof and/or the specific Biodiversity management procedure.

3.5.2. Ensure compliance with the permits and legal requirements, as well as other requirements applicable to biodiversity management.

3.5.3. Develop and implement a program to monitor the Key Biodiversity Values mentioned within the Biodiversity Conservation and Management Plan and/or applicable environmental permit.

3.5.4. Ensure compliance with actions set forth in the Biodiversity Conservation and Management Plan.

3.5.5. Produce Biodiversity management reports to meet regulatory and corporate sustainability requirements.

3.5.6. Communicate to relevant stakeholders the results of the monitoring established in the environmental plan or permit.

4. DESCRIPTION

4.1. Respect for protected areas

4.1.1. World Heritage sites (see definition) will be respected when planning new explorations, new projects or potential acquisitions. Thus, no exploration or mining activities shall be conducted within these areas. It shall be ensured that exploration or mining activities next to World Heritage sites are not inconsistent with the universal value for which they were designated as such.

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4.2. Identification of risks and impacts

- 4.2.1. For all new explorations, projects, expansion works or significant changes in Minsur's operations, the initial biodiversity status shall be verified and assessed, identifying and recording potential key biodiversity values in the site, using publicly available databases.
- 4.2.2. All new projects shall have a baseline that considers the monitoring of key biodiversity values, using a formal risk assessment tool in the area of direct influence, and compliance with regulatory requirements.
- 4.2.3. Identify potential impacts, both direct and indirect, of activities and infrastructure on biodiversity, such as: impacts on terrestrial biodiversity, aquatic biodiversity, impacts of discharges, impacts on biodiversity related to air quality and ecosystem services.

4.3. Biodiversity management for new projects

- 4.3.1. Developing a Biodiversity Conservation and Management Plan that includes:
 - 4.3.1.1. Legal requirements and other related requirements
 - 4.3.1.2. Results of Impact identification and assessment.
 - 4.3.1.3. Appropriate controls to reduce risks associated to key biodiversity values, respecting the "Mitigation Hierarchy" methodology (see definition) to the extent possible; eventually additional requirements to those established in the permits will be required in order to reduce risks.
- 4.3.2. Periodically review the plan to ensure that it adapts to potential changes in the project design.
- 4.3.3. Implementing the Biodiversity Conservation and Management Plan, considering lifecycle aspects, and even considering monitoring and conservation aspects within the project's conceptual closure plan.
- 4.3.4. Establishing specific biodiversity objectives, aiming at obtaining "beneficial results" (see definition) on key biodiversity values -for new mining projects under construction and for the expansion of current operations- within the mine's lifecycle.

4.4. Monitoring

- 4.4.1. Conducting monitoring activities pursuant to permits and the Biodiversity Conservation and Management Plan, during the entire project's life to assess changes caused by internal and external factors, and prove the progress made towards the fulfillment of specific objectives.
- 4.4.2. Conduct periodical assessments and record the study of biodiversity in their area of direct environmental influence, at least once a year. This assessment shall be conducted by

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professional specialized staff and established pursuant to appropriate technical requirements.

4.5. Communication with stakeholders and reporting

- 4.5.1. Communicate general issues and the results of the Biodiversity Conservation and Management plan to relevant stakeholders, as it may correspond.
- 4.5.2. Promote Biodiversity protection with awareness-raising talks for our staff, including contractors and other relevant stakeholders.
- 4.5.3. Create partnerships and/or enter into technical and economic cooperation agreements with stakeholders devoted to researching, preserving and protecting the biodiversity.
- 4.5.4. Reporting on biodiversity management to meet the requirements established in Minsur's sustainability reports, according to the provisions of the GRI and the ICMM (see Annex 1).

4.6. Indicators and deliverables

- 4.6.1. Biodiversity baseline within the area of direct influence (for Projects).
- 4.6.2. Biodiversity Conservation and Management Plan.
- 4.6.3. Review and/or communication of the biodiversity monitoring and/or performance results, according to the plan or program.

5. SAFETY AND ENVIRONMENTAL CONSIDERATIONS

Safety: Review the IPERC (Hazard identification, risk assessment and control measures) of the activity or related project to ensure controls are implemented, keeping risks at an acceptable level.

Environment: Review the environmental study of the activity or related project, the Environmental Management Plan, matrix of environmental aspects and/or matrix of environmental commitments, and applicable legal requirements.

6. FORMS

The new projects shall keep, according to their realities and commitments, the following records:

- Matrix of Risk Identification and Assessment to key biodiversity values.
- Monitoring according to the Biodiversity Conservation and Management Plan.
- Follow-up to the controls established in the Conservation Plan.

Existing operations shall keep, according to their realities and commitments, the following records:

- Monitoring pursuant to the Biodiversity Conservation and Management Plan.
- Reporting matrix according to GRI requirements.

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7. DEFINITIONS AND ABBREVIATIONS

ICMM: International Council of Mining and Metals

GRI: Global Reporting Initiative

IUCN: International Union for Conservation of Nature. It is comprised by sovereign States, governmental agencies and civil society organizations. The IUCN makes available the knowledge and tools that comprehensively enable human progress, economic development and the conservation of nature, for public, private and non-governmental entities.

UNESCO: The United Nations Educational, Scientific and Cultural Organization is a specialized agency of the United Nations, which among its objectives aims to catalogue, preserve and make available sites of cultural significance or exceptional nature for the common heritage of humanity.

Biodiversity: Variability among living organisms of all sources, including terrestrial, marine and other aquatic ecosystems, as well as ecological complexes to which they belong. This includes the diversity in species, among species and of ecosystems. It refers to flora and wildlife, and surrounding ecosystems, and -as the case may be- natural protected areas.

World Heritage sites: It is an obligation as a member of the International Council of Mining and Metals (ICMM). It is the title UNESCO grants to specific sites in the planet (either forests, mountains, lakes, caves, desserts, building, architectonic complexes, cultural routes, cultural landscapes or cities) that have been proposed and confirmed to be included in a list kept by the World Heritage program.

Ecosystem services: The benefits obtained from ecosystems, including provisioning services such as food, water, timber and fiber; regulating services affecting the weather, floods, diseases, waste and water quality; cultural services that provide recreational, esthetic and spiritual benefits; and supporting services, such as soil formation, photosynthesis and the nutrient cycle.

Key biodiversity values: Species and ecosystems with a local, regional, national or global meaning, or cultural significance. They include:

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- **Prioritized species for conservation:** Species that are classified as endangered species in national/international lists of endangered species, in the IUCN red list.
- **Prioritized habitats for conservation:** Ecosystems that are protected by law, identified as a conservation priority by international or nationally recognized institutions, that are the habitat of prioritized species for conservation and/or that generate prioritized ecosystem services for conservation.
- **Prioritized ecosystem services for conservation:** Ecosystem services that contribute substantially to the beneficiaries' livelihoods, health, safety or culture. The process to identify prioritized ecosystem services for conservation shall vary from one place to the other, and may depend on regulatory processes, community consultations carried out by the Community Relations department or other methods that may be considered appropriate by the site.

Biodiversity Conservation and Management Plan: Plan that addresses relevant aspects of Biodiversity Management and the challenges that arise when designing and implementing mitigation measures.

Mitigation Hierarchy: Series of actions to manage biodiversity impacts and risks.

- **Prevent:** actions taken to modify the project's spatial design to protect key biodiversity values from impacts.
- **Minimize:** measures that aim to reduce time, intensity and/or scope of impacts that cannot be fully avoided.
- **Rehabilitate:** measures taken to replace or reverse degradation of impacted ecosystems.
- **Compensate:** Compensations are projects outside the site that restore degraded habitats or prevent imminent degradation or loss of habitat to offset the loss of key biodiversity values within the project's footprint. These actions shall offset adverse residual impacts that couldn't be avoided, minimized or rehabilitated.

Beneficial results: These are achieved when the risks to key biodiversity values have been properly managed, and biodiversity conservation has been maintained or enhanced (whenever practical) in the landscape where the site is located during the mine's lifecycle.

Project's area of influence: It describes the area that may be affected by the project, either directly or indirectly, including additional aspects such as facilities/transport corridors (for instance, access

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highways, railway corridors, landing strips, port facilities, etc.), relocation areas, water and power supply areas, and construction fields).

8. LEGAL REFERENCES AND OTHER REGULATIONS

- Review the Matrix of Environmental Commitments that stem from the EMI and the matrix of legal requirements applicable to the activities.
- Data sheet of Environmental Performance indicators on Biodiversity.

9. ANNEXES

Annex 1: Reporting – Annual Sustainability Reports on Biodiversity

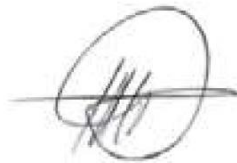
The organization shall present the following information, on an annual basis, based on the Global Reporting Initiative (GRI) standards to prepare the company's sustainability reports.

1. Location nearby protected areas or areas of high biodiversity value
 - Geographic location,
 - Position in relation to the protected area or area of high biodiversity value;
 - Type and size of the mining operation;
 - Biodiversity value, characterized by the attributes of the area of high biodiversity value outside the protected area and the IUCN protection lists, the Ramsar Convention and/or domestic laws.
2. Significant impacts to biodiversity caused by activities, products and or services
 - The nature of significant positive and negative impacts, both direct and indirect, referred to:
 - o Affected species;
 - o Size of areas that have suffered impacts;
 - o Duration of impacts
 - o Impact reversibility or irreversibility
3. Protected or restored habitats
 - The size and location of protected or restored areas of habitats.
 - If partnerships have been created with third parties to protect or restore the habitat areas.
 - The status of each area in relation to their condition at the end of the reporting period.
 - Standards, methodologies and assumptions used.

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4. Species included in the IUCN Red List and/or in national conservation lists
 - The total number of species that appear in the IUCN Red List and in national conservation lists, whose habitats are in areas affected by the company's operations, by extinction risk level:
 - o In critical danger;
 - o In danger;
 - o Vulnerable;
 - o Nearly threatened;
 - o Minor concern.

Lima, January 15, 2020



Luis Argüelles
COO – Chief Operation Officer