

## 1. About the company

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Minsur S.A. is a Peruvian mining company with 40 years of operational experience in the Mining Sector. The company's CID number is CID001182.

Minsur S.A. was established by the BRECA group as a 100% Peruvian mining company in 1977. Currently, Minsur S.A. is one of the world's largest producers of refined tin, exploiting both its San Rafael mine located in Peru's Melgar Province, Puno department and through its subsidiary Mineração Taboca its Pitinga mine located in Brazil's Manaus Region, Amazonas states.

Currently, Minsur S.A. only sources concentrate from its own mines, refining it in its Pisco and Pirapora Smelters located in Pisco, Department of Ica, Peru and in Pirapora State, São Paulo, Brazil. Pisco concentrate comes solely from San Rafael MU and Piraporas from Pitinga MU.

Further information regarding company operations and subsidiaries may be found in its yearly 2017 published Annual Report and Sustainability Report which may be reviewed in the following link:

<http://www.minsur.com/relacion-con-inversionistas/memoria-anual/?lang=en>

## 2. RMAP Assessment Summary

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Minsur S.A.'s Pisco Smelting plant has undergone a RMAP assessment on the 31<sup>st</sup> of January 2015, valid through a three-year period, currently undertaking the re-audit process for RMAP's new Standard.

Previous assessment period was from the fourth of June 2014 to the fifth of June 2015. The assessment was conducted by ARC's team.

The new assessment summary report on this assessment will be public and will be available at: <http://www.minsur.com/relacion-con-inversionistas/?lang=en>

## 3. Company Supply Chain Policy

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Minsur S.A. has implemented a companywide supply chain policy in order to avoid the use of conflict minerals, which directly or indirectly finance or benefit armed groups and/or involve other serious human rights abuses in high-risk and conflict-affected regions.

This supply chain policy is fully aligned with the third edition of the OECD Due Dilligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas.

Going further Minsur S.A, with its commitment to avoid Human Rights abuses, Money Laundering and other suspicious activities that could be financing the vulneration of Human Rights, has in place a Human Rights Policy and a Anticorruption and Bribery Policy.

The following policies may be found in the following link:

<http://www.minsur.com/quienes-somos/politicas-empresariales/>

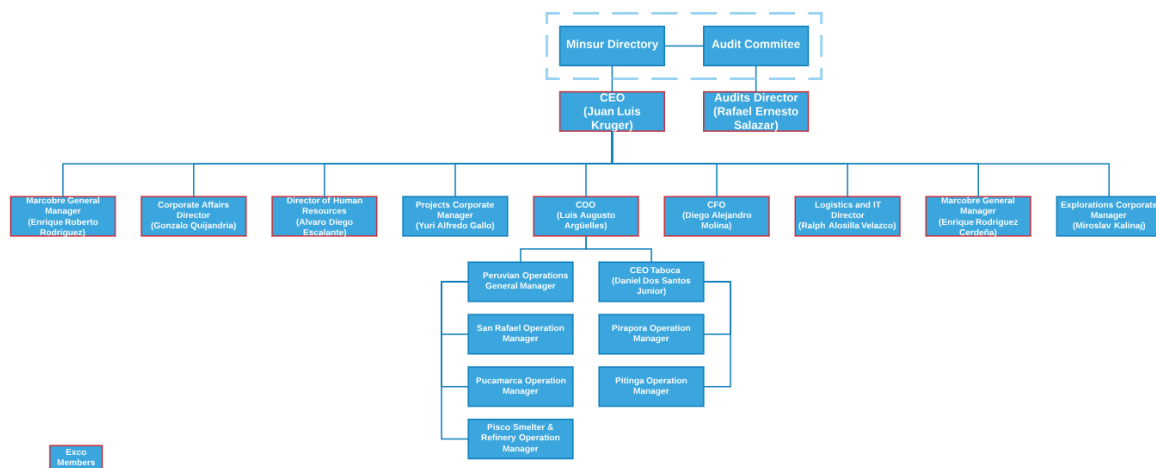
## 4. Company Management Systems

### 4.1 Management Structure

Minsur S.A is led by Mr. Juan Luis Kruger, who has served as its Chief Executive Officer since March 15, 2013. Mr. Kruger has over 15 years of broad experience having served in Senior Management positions in multinational companies of the mining, finance, telecommunications and consumer goods industries in several countries of South America, as experience as a consultant in strategic management at McKinsey. Former Executive Vice President of Gold Fields Ltd. for South America and General Manager of Gold Fields La Cima S.A.A. Prior to that, Mr. Kruger was the CEO of LAN Perú S.A. and CFO of Glencore for the regional operations. Graduate from the Business Administration School from the Universidad del Pacifico, Peru and holds a Masters Degree in Business Administration from Harvard University, USA.

Our CEO is assisted in the implementation of our corporate strategy and oversight of operations by an Executive Committee (Exco), formed by seven high level management members including the Audits Director.

Below you can find Minsur's organization chart, up to the third level:



In order to follow through its commitments in the supply chain policy Minsur S.A has an internal procedure for due diligence with the following aspects;

- The Corporates Affairs director, Gonzalo Quijandria (the company's compliance officer) and its area are responsible on overseeing and updating Minsurs S. A's Supply Chain Policy and its commitments and of assuring that the company's due diligence management system is constantly being updated and conformant with international standards.
- Pisco Smelter and Refineries manager will be the person in charge of overseeing the adequate functioning of the due Dilligence Management System on a day to day basis.
- The CAHRA and identification process of the Puno Region will take place in a yearly manner in the case that no major conflict occurs. Possible conflicts in the companies are monitored in a daily manner by the communications team and the social management (part of corporate affairs direction).
- In the scenario that the company would buy concentrate from a third party, the company's Commercial Manager (under the CFO) in hand with the Sustainability Manager (under the Corporate Affairs Director) will evaluate the source utilizing the identification of CAHRA's procedure.
- The company's staff especially Pisco Smelter and Refinery staff will be trained twice a year in the due diligence management system. In the case of an update key staff will be trained as soon as possible.

#### **4.2 Internal Systems of Control**

Minsur S.A. has established/updated its due diligence management system to be aligned with the OECD Guidance and RMAP as of August 2018.

The company will communicate the updated supply chain policy and sourcing requirements to all identified upstream suppliers on the first week of October 2018.

The company's updated Supply Chain Policy has been communicated to all clients as of September 2018.

The company sole supply of mineral concentrate comes from its own mine which are forming part of its internal due diligence management system.

The following link is to the company's Integrity Channel or grievance mechanism in place:

<https://www.canaldeintegridad.com/minsur/>

All processes involved in the due diligence management system of responsible sourcing have been updated, making reference to RMAP's new Standard and OECD's due diligence management system.

#### **4.3. Record Keeping**

Minsur S.A. requires that all records relating to the due diligence program are maintained at least for 5 years and that they be properly used and safely stored in our online company database. MVD Software is used for the management of all documentation. The program used by the company and the Pisco Smelter and Refinery management on a daily manner is SAP.

#### **4.5 Risk Identification**

Recently as part of the recertification process of Responsible Minerals Initiative 2018 Tin and Tantalum Standard and with our commitment to the ICMM, the company has established a robust process to identify risks in its supply chain.

Minsur has established a procedure to identify CAHRAs. The objective of the following procedure is to allow the company to identify possible affected and high-risk areas (CAHRAs) and will apply to all cassiterite providers (including origin and transit routes for all primary material and the identification of any conflict-affected and high-risk areas in their supply chains).

The procedure includes the scope, resources used, the criteria to define a “conflict-affected and high-risk area” and to identify red flags in our supply chain as well as the responsibility of the Compliance Officer. The company will use the following resources to determine CAHRAs:

- a) The Heidelberg Conflict Barometer: this indicator allows Minsur to detect the presence of armed conflict and generalized violence through the use of annually updated conflict maps. The country (or sub-region) is classified as a CAHRA if:
  - ✓ Has a subnational classification of 3 or more in the region of origin (mine or transit routes).
  - ✓ If a country in its supply chain is considered CAHRA due to a country-level list in the Heidelberg Conflict Barometer (greater than 3), the Compliance Officer will evaluate it at a subnational level using information reported by the barometer to identify if the conflict is related to the tin mining sector. If it turns out that this assumption is true, that location will result in a CAHRA, it will be considered a red flag.
  
- b) Human Rights and Rule of Law Indicator of the Fragile States Index: This indicator detects risks of harm to human rights. The country (or sub-region) is classified as a CAHRA if:
  - ✓ Has a score of 8 or more for the Human Rights and Rule of Law (HR) indicator.
  - ✓ The review will be carried out only at the country level. The Compliance Officer will consider a red flag when the score is 8.

No red flags were identified related to submitted KYS forms if it were the case the Compliance Officer would immediately compile a list of red flags that guarantee an additional evaluation or other actions.

It is important to mention that Minsur S.A has also established a procedure to identify possible suppliers of concentrates that comply with standards required by MINSUR to be able to establish businesses in a spot or long-term manner. This procedure includes relevant aspects of RMI and OECD's Annex II.

Due to the nature of Minsur S.A business it sources only from its own mining operations therefore the company is able to have accurate origin information for each material transaction having exceptional understanding of the transaction origin, transportation route, as well as direct suppliers' names and locations.