FRESNILLO

Capitalising on today's opportunities, focusing on the future

2025 Fresnillo plc
Annual Report and Accounts 2025

We are the world's largest silver producer and Mexico's largest gold producer.

Our purpose is to contribute to the wellbeing of people through the sustainable mining of silver and gold.

It springs directly from how we operate as a business. It guides everything we do and how we do it, and ensures that we deliver for all our stakeholders, including our teams, shareholders, local communities, suppliers, the authorities and the environment.

We have worked hard on factors within our control to boost performance and reduce costs – and as expected these measures have borne fruit. At the same time, factors beyond our control have led to significant increases in the prices of precious metals. And we have been able to capitalise on this positive tailwind.

Together, our own efforts and the supportive market environment have come together to generate an exceptional year for Fresnillo.

However, there is no room for complacency. Recently, we have invested in order to expand our operations into exciting new territory and bolster our already promising pipeline. In addition, our performance and cost reduction initiatives continue at pace – and these will help to underpin future performance regardless of external factors.

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PERFORMANCE HIGHLIGHTS

Operational highlights

In 2025, we delivered solid production, underscoring our continued focus on consistency and resilience across the portfolio. Combined with a reduced cost base, this enabled us to capitalise on higher precious metals prices and deliver strong profitability for the year.

Attributable gold production

600.3 koz (5.0%)

See pages 16-17

Attributable gold resources

44.0 moz 14.3%

See pages 14-15

Attributable gold reserves

7.8 moz +7.4%

See pages 16-17

Attributable silver production (Silverstream)

48.7 moz (13.5%)

See pages 16-17

Attributable silver resources

2,058.4 moz (8.5%)

See page 14-15

Attributable silver reserves

362.6 moz 9.4 %

See pages 16-17

Electricity supply from renewable sources

77.8% 2024: 80.6%

See pages 16-17

Financial highlights

Revenue

US$4,561.2m 30.5%

Adjusted revenue[1]

US$4,645.3m 27.6%

Adjusted production costs[2]

US$1,406.7m (11.1)%

Cost of sales

US$1,897.1m (15.7%)

Gross profit

US$2,664.1m 113.8%

EBITDA[3]

US$2,796.2m 80.7%

Profit from continuing operations

US$2,292.5m 142.4%

Basic and diluted earnings per share, excluding post-tax Silverstream effects

US$2.058 465.4%

For more information see **pages 47-55**

1. Adjusted revenue is the revenue shown in the income statement adjusted to add back treatment and refining costs. The Company considers this a useful additional measure to help understand underlying factors driving revenue in terms of volumes sold and realised prices. The reconciliation of Adjusted revenue to revenue as shown in the income statement is provided on page 48.
2. Adjusted production costs are calculated as cost of sales less depreciation, profit sharing, change in inventories and unproductive costs. The Company considers this a useful additional measure to help understand underlying factors driving production costs in terms of the different stages involved in the mining and plant processes, including efficiencies and inefficiencies as the case may be, and other factors outside the Company's control such as cost inflation or changes in accounting criteria.
3. Earnings before interest, taxes, depreciation and amortisation (EBITDA) is calculated as profit for the year from continuing operations before income tax, less finance income, plus finance costs, less foreign exchange gain/(loss), less revaluation effects of the Silverstream contract and other operating income plus other operating expenses and depreciation.

WHERE WE OPERATE

Our core operations are in Mexico, a country with significant geological resources and strong potential for continued growth. We benefit from Mexico's skilled workforce and solid infrastructure, and we are proud to continue playing an important part in a rich mining tradition that stretches back more than 500 years. We maintain exploration offices in Chile and Peru, and we have recently expanded our presence into Canada following the acquisition of Probe Gold Inc.

1. Au: Ag ratio of 1:80.
2. Attributable.

Approximate mining concessions

1.3m HA

Total workforce

18,273

Annual contribution to Mexico's economy

US$2,174m[1]

KEY ASSETS

Operating mines

Asset		Ownership	Type	Main metal	EBITDA	Reserves (Silver)[4]	Reserves (Gold)[4]	Year[2]	Mine life
1	**Fresnillo**	100% Fresnillo plc	Underground	Silver primary	US$383.5m	131.9 moz	353 koz	1554	9.8 years
2	**Saucito**	100% Fresnillo plc	Underground	Silver primary	US$602.5m	119.5 moz	509 koz	2011	7.7 years
3	**Juanicipio**	56% Fresnillo plc 44% Pan American Silver	Underground	Silver primary	US$706.9m	74.1 moz	529 koz	2022	8.6 years
4	**San Julián**	100% Fresnillo plc	Underground	Silver primary	US$332.2m	21.6 moz	146 koz	2016	3.3 years
5	**Ciénega**	100% Fresnillo plc	Underground	Gold/Silver	US$105.5m	15.4 moz	267 koz	1992	4.0 years
6	**Herradura**	100% Fresnillo plc	Open pit	Gold	US$762.6m		5,963 koz	1997	11.4 years
7	**Soledad-Dipolos**[3]	100% Fresnillo plc	Open pit	Gold			Excluded in 2025	2010	–
8	**Noche Buena**	100% Fresnillo plc	Open pit	Gold	US$30.4m		–	2012	–

1. Total economic impact. This is considered to be a social performance measure. For more details see page 108.
2. Represents start of commercial production.
3. Operations at Soledad-Dipolos are currently suspended.
4. As of 30 April 2025.

Advanced exploration projects

Asset		Main metal	Resources (Silver)[5]	Resources (Gold)[5]
9	**Orisyvo**	Gold	12.7 moz	9,575 koz
10	**Guanajuato**	Silver/Gold	388.2 moz	3,393 koz
11	**Rodeo**	Gold	24.5 moz	2,281 koz
12	**Tajitos**	Gold		1,096 koz

5. As of 31 December 2025.

In addition, we have many further early-stage projects and prospects located in Mexico, Peru and Chile. The acquisition of Probe Gold Inc. in early 2026 also added several gold ore deposits at various stages of exploration in the Val-d'Or area of Canada.

For more on our exploration projects and prospects see **pages 42-46**

CHAIRMAN'S STATEMENT
ALEJANDRO BAILLÈRES

Capitalising on today's opportunities, focusing on the future

This was an exceptional year for Fresnillo. Our efforts to boost performance and reduce costs bore fruit and enabled us to achieve production and efficiency targets, while a positive price environment drove a significant increase in revenue.

When we first looked ahead to 2025, our initial thoughts were that it could be challenging to surpass the achievements of 2024. However, a number of key factors came together during the year to generate one of the most rewarding periods in Fresnillo's history.

Our teams worked hard to address factors within our control, improving performance, reducing costs and achieving production goals. Meanwhile, external factors led to significant increases in the prices of precious metals – and we have been able to capitalise on this positive tailwind.

However, there is no room for complacency. Towards the end of the year we announced an important acquisition which has expanded our presence into an exciting new territory and bolstered our already promising pipeline. In addition, our performance and cost reduction initiatives continue at pace – and these will help to underpin future performance regardless of external factors.

Strong operational performance

Production of silver and gold were again in line with guidance. In fact we exceeded our target for gold – with the team at Herradura continuing to execute our plans consistently and with great expertise. Silver production was towards the lower end of guidance, with performances above expectations at Juanicipio and San Julián Veins, while the recovery that began at Saucito in 2024 started to show positive signs.

We achieved US$4,645.3 million in Adjusted revenue during the year. This represented an increase of 27.6%, primarily due to the increase in silver and gold prices. Gross profit increased 113.8% year-on-year to US$2,664.1 million, mainly driven by higher adjusted revenue and decreased costs, the latter primarily due to lower volumes processed at some of our operations, including at San Julián DOB following its closure, the devaluation of the average exchange rate between the Mexican peso and US dollar, and cost reduction initiatives and efficiencies.

These factors partially offset inflationary headwinds during the year. Cash and other liquid funds increased from US$1,297.8 million to US$2,756.5 million primarily driven by cash generated from our mining operations, which more than offset the use of funds in capital expenditure, dividend payments, taxes and mining rights. Please see pages 48 to 56 for further details on our financial performance.

Through the good times as well as those that prove more difficult, our dividend policy has remained stable and well-respected. It is the basis for continued shareholder returns while also supporting the growth of the company. We aim to pay out 33-50% of profit after tax each year, while making certain adjustments to exclude non-cash effects in the income statement. Dividends are paid in the approximate ratio of one-third as an interim dividend and two-thirds as a final dividend. Before declaring a dividend, the Board carries out a detailed analysis of the profitability of the business, underlying earnings, capital requirements and cash flow. Our goal is to maintain enough flexibility to be able to react to movements in precious metals prices and seize attractive business opportunities. During 2025, for example, our strong balance sheet and healthy cash position facilitated the proposal to acquire Probe Gold Inc.

The Board also considers paying special dividends in cases where we build up a large cash balance, considering any extraordinary needs for cash, such as the aforementioned acquisition, along with the outlook for metals prices and expected cash generation in future periods.

> "A number of key factors came together during the year to generate one of the most rewarding periods in Fresnillo's history."

For 2025, we declared an interim ordinary dividend of 20.8 US cents per share, with a final ordinary dividend of 108.12 US cents per share, bringing the total for the year to 128.92 US cents per share.

Making the most of today's opportunities...

In my statement last year, I reported that cost reduction and operational initiatives had already had a beneficial impact, and I am pleased to say that this continued through 2025, and we have again succeeded in managing our costs while improving productivity.

Our efforts were significantly strengthened by a very positive price environment, which was a major factor in the year's financial performance. The price of gold hit all-time highs, while that for silver more than doubled, following an increase of 21 per cent in 2024.

However, while we met our production objectives during the year, we failed to succeed on the one measure that is unquestionably our most important: safety. Despite achieving our lowest TRIFR (total recordable injury frequency rate) and LTIFR (lost time injury frequency rate) since 2018, it is with great sadness that I must report two fatalities in 2025, one unionised employee and one contractor.

Everybody at Fresnillo recognises that we can – and indeed we must – do better.

...while focusing on the future

As expected, the political climate in Mexico has moved into more positive territory following the appointment of the government led by President Claudia Sheinbaum. Although clear direction is still required in some areas, such as permitting for mining activities, the new administration is proving to be broadly receptive to the business community. We are cautiously confident that this new mood will continue into 2026 and beyond, underpinning our continued commitment to the environment and supporting the development of the communities in which we operate.

Our future focus includes further cost reduction initiatives and operational efficiencies across the business, and these will be complemented by an exploration pipeline that is expected to yield at least one, and possibly more, projects that can move into our development portfolio within the next two to three years.

The pipeline was enhanced during 2025 by our move to acquire Probe Gold Inc., a leading Canadian exploration company focused on the acquisition, exploration, and development of highly prospective gold properties. Following extensive due diligence to ensure it had the potential to add considerable long-term value for our shareholders, we concluded the deal in January 2026 for an all-cash consideration of CAD$3.65 per share. The total equity value of the transaction was approximately CAD$770 million (approx. US$555 million) on a fully diluted basis.

The acquisition of Probe is consistent with the disciplined approach to M&A that we have consistently set out over time – including in my statement last year – and meets our strict criteria of having a sizeable resource base with upside optionality in a mining-friendly region with mining history, skilled personnel, and existing infrastructure. Exploration is in the DNA of both companies and we look forward to working closely together as we advance the exciting Novador project. The Fresnillo team has visited the Probe site on several occasions and has met directly with stakeholders including employees, First Nations representatives and local, provincial and federal authorities.

Board activities

Our regular Board meetings provide the opportunity for members to explore and discuss a wide range of issues that impact the business. These include operational matters and the prevailing political landscape at home and abroad, amongst others. Key decisions this year have included the special dividend, the decision to end the Silverstream Agreement, and the agreement to acquire Probe. There was also considerable focus on safety, culture, the ERP system, cyber security and cost reduction.

As in previous years, one of the highlights of 2025 was the three-day Working Meeting in Mexico, which was held in July and provided a significant opportunity for the Board to engage with longer-term strategic and stakeholder issues. The meeting included a visit to Herradura, where we were able to see for ourselves the tremendous improvements that the local team has been implementing.

Changes to the Board

There were no Board changes during the year. As I explain more fully in my introduction to the Governance section on page 147, a number of significant developments for which the Audit Committee is responsible remain ongoing. The Nomination Committee has therefore proposed that at the 2026 AGM, Alberto Tiburcio (who was appointed to the Board in May 2016 and has chaired the Audit Committee since 2018) should again stand for re-election as an Independent Non-Executive Director for one further year.

In addition, the Board is recommending the re-election of Dame Judith Macgregor as an Independent Non-Executive Director at the 2026 AGM, notwithstanding that she will reach the ninth anniversary of her appointment to the Board soon after that AGM. In view of the other Board changes being made this year, we consider that it will be highly beneficial to the Company for her to serve one further year in her role as Senior Independent Director.

We will be consulting with shareholders concerning the proposed re-election of both Alberto and Dame Judith before publication of the notice of meeting for the 2026 AGM.

Outlook

Uncertainty will in all likelihood continue to be the watchword regarding global geopolitics, with ongoing conflicts such as the wars in Ukraine and the Middle East being exacerbated by heightened tensions between the US, China and Russia, along with developments in Venezuela that will have important implications for the whole region. We expect tariffs to remain a key issue for international trade, although these may evolve to become more negotiated and targeted.

The acquisition of Probe Gold Inc. has expanded our presence into Canada, while we have also continued to pursue opportunities across the broader Western Hemisphere through our activities in Peru and Chile. However, Mexico remains central to our operations, and we will continue to engage proactively with the government there.

The new administration's more business-friendly approach has already had a positive impact on our industry, and we anticipate that this could further strengthen in the coming months.

In terms of our operations, our teams will again work hard to maintain and enhance the initiatives that have driven stable production and cost efficiencies in recent months. We will also focus on moving the most promising advanced exploration projects further along our pipeline.

We expect the high price environment for silver and gold to be maintained following the structural shift in prices seen in 2025. Advanced technologies, notably those around the energy transition, are underpinning sustained strength in silver prices. At the same time, ongoing global uncertainty is leading many investors to seek safe-haven assets, offering further support to both gold and silver prices. Looking ahead, demand is forecasted to continue to exceed supply.

I am confident that we have the people, the strategy and the determination to capitalise on the many opportunities that will be presented in the months and years to come. Following a year when Fresnillo recorded a set of exceptional results, our ambitions to continue to deliver on our promises – to meet expectations and where possible go beyond them – burn as brightly as ever.

I would like to end by putting on record my gratitude to all our stakeholders – including those working in the supply chain and in government, as well as local communities, investors and, of course, our talented workforce – for their support over the past 12 months.

Alejandro Baillères
Chairman

Capitalising on today's opportunities

We worked hard on factors within our control to boost performance and reduce costs during 2025. These efforts led to a solid operational performance across the portfolio, with gold production exceeding the upper end of the guidance range and silver production delivered in line with guidance. At the same time, factors beyond our control, including geopolitical instability, have led to significant increases in the prices of precious metals – and we have been able to capitalise on the valuable opportunities that opened up for us.

Together, our own efforts and the external environment have come together to generate an exceptional year for Fresnillo.

For more details on our performance see **pages 16-17**

600.3 koz
Attributable gold production

48.7 moz
Attributable silver production

CHIEF EXECUTIVE'S STATEMENT
OCTAVIO ALVÍDREZ

Exceptional performance in a positive price environment

I am delighted to report on what was an outstanding year for Fresnillo, as we continued to execute our long-term strategy. The tremendous efforts of our teams were complemented by sustained high prices for precious metals, with gold in particular reaching all-time highs.

2025 saw our Company deliver strong operating and financial results. Profitability increased on the back of our unrelenting focus on operational efficiencies supported by rigorous cost discipline and given added momentum by very favourable prices for precious metals. The outcome was the generation of substantial free cash flow and a robust balance sheet with ample liquidity.

Our people again demonstrated their deep-seated commitment to the Company's Purpose to contribute to the wellbeing of people through the sustainable mining of silver and gold. Their continuing dedication and expertise will be crucial in the years ahead, as a number of projects in our exciting pipeline move towards becoming operational mines.

At the same time, we must strengthen our safety performance. While most of our indicators continued to improve, two fatalities overshadowed that progress. These incidents are painful reminders that zero fatalities is the only acceptable outcome, and that our first and most important responsibility is to ensure the safety of our colleagues.

Production highlights and price review

Total gold production was 600.3 koz, above our guidance range and, as expected, down by 5.0% from 631.6 koz in the previous year. This was primarily due to the lower ore grade and decreased ore throughput at Saucito and Fresnillo, as well as at Herradura, where performance nevertheless exceeded original plans.

Total silver production of 48.7 moz was towards the lower end of the guidance range, down by 13.5% from 56.3 moz in 2024. While the ongoing turnaround at Saucito has started to deliver the anticipated outcomes, there remain significant opportunities for further improvement. However, both production and ore grades were above plan at Juanicipio and San Julián Veins, helping to offset challenges elsewhere, including at Ciénega and Fresnillo.

Attributable by-product lead and zinc production decreased year-on-year, mainly due to the lower ore grade and volumes of ore processed at Fresnillo and the cessation of mining activities at San Julián DOB.

Please find more details on production at each of our mines on **pages 30-41**.

During 2025, silver and gold prices increased markedly for the third consecutive year. The average realised silver price was US$43.6 per ounce, up by 51.4%, while the price of gold hit record highs, rising by 44.0% to US$3,532.7 per ounce during the year. Average prices for zinc increased by 3.2% while those for lead decreased by 5.3%.

Demand for silver and gold is continuing to outstrip supply, with the key drivers of demand indicating good levels of support for prices in the medium term. The world's increasing reliance on advanced technologies, particularly those associated with the energy transition, is a major factor in demand for both silver and gold. Silver is essential to a wide range of applications from electric vehicle batteries and solar panels to 5G telecommunications, and also in the food, medical and electronics sectors. Towards the end of 2025, the importance of silver was underlined when the US and Chinese governments officially categorised it as one of the world's essential metals.

> **"The tremendous efforts of our teams were complemented by sustained high prices for precious metals."**

Gold is a key component in consumer electronics as well as in rapidly growing areas such as the automotive, aerospace and high-speed computing industries. In addition, demand for gold – and increasingly also for silver – as a safe haven has remained robust, among central banks as well as individual investors.

Please see **pages 18-19** for more details on prices and how they have been influenced by market dynamics.

Executing our strategy

Our strategy has been well defined and consistently applied for many years. It is based on four strategic pillars that together enable us to maintain and, where possible, enhance our track record of seizing the opportunities of today while also preparing for the future.

Maximising the potential of existing operations

Improving the productivity and efficiency of our operational mines has been the subject of great focus over the last two to three years. While some of our operations are yet to fully achieve their targets, the trend is positive.

CHIEF EXECUTIVE'S STATEMENT CONTINUED
OCTAVIO ALVÍDREZ

In last year's report, our Chief Operating Officers outlined a number of specific plans to deliver greater efficiency and cost control in their respective regions. In the Central Region, for example, a key task was to consolidate operations at Juanicipio, confirm the turnaround at Saucito and focus on greater control of the factors affecting ore grades at Fresnillo. Successful actions against the first and second of these priorities formed the basis for the region's silver production in 2025, with Juanicipio performing above plan. MAG Silver, our joint venture partner at Juanicipio, was acquired by Pan American during the year, and we have already started to work closely with them to ensure that Juanicipio continues to fulfil its outstanding potential.

At the Fresnillo mine, challenges are proving more complex to overcome. Although ore grades improved, we processed a lower volume of mineral during the year due to reduced contributions from deeper, narrower and more distant veins. However, the San Carlos shaft is now beginning to reduce haulage costs for the substantial amounts of ore we expect to mine from these areas in the coming years.

At our operations in the Northern Region of Mexico, several improvement initiatives have already paid dividends. Gold production at San Julián Veins increased due to a greater volume of ore processed, driven by the disciplined execution of plans to optimise plant operation. At Herradura, we have continued the transformation that began in 2024, controlling costs and focusing on planning and execution, including the recovery of gold content from the oxidised high-grade ore deposited at the leaching pads. Our plans to commence underground activities at Herradura have progressed well, with mining works expected to commence in 2026 and production set to follow early in 2027. We experienced challenges at Ciénega, where production decreased compared to 2024. Nevertheless, we remain confident in the mine's future, and expect cost control measures, operational efficiencies and a renewed exploration programme to successfully extend Ciénega's life beyond 2028.

Delivering growth through development projects

Although none of the projects discussed in the following section are yet quite ready to move out of the exploration phase and become standalone development projects, I look forward to reporting further progress in next year's Annual Report.

Extending the growth pipeline

We currently have five advanced exploration projects in our pipeline, an increase of one compared to this time last year.

A historic, world-class gold and silver epithermal vein field, our Guanajuato project stretches more than 40 kilometres along the central Mexican state from which it takes its name and is expected to make an important contribution to the Group's future silver production. During 2025, exploration concentrated on the southern part of the district where we drilled 107,759 metres. We continued to carry out scoping level studies as well as community engagement programmes which have already delivered access to key sections of land required for the project.

We remain moderately confident in the potential of our underground gold project at Orisyvo, despite the significant capital expenditure on infrastructure – including roads, tailings storage facilities, accommodation camps and land access – required to bring it to fruition. Following a review at the end of 2025 into the results of pre-feasibility studies, we are identifying possibilities to improve the project's cost-effectiveness and anticipate presenting next stage proposals to the Board for approval in the second half of 2026.

At Rodeo, an open pit, heap leaching gold project in central Durango state, we aim to finalise exploration activities in the first half of 2026. Over 5,000 metres have now been collared, proving good continuity of the ore bodies. Results of a preliminary economic assessment are expected in mid-2026, giving us greater visibility of considerations including development layout, water and energy supply as well as key technical issues.

Exploration continued progressing at the Tajitos gold project. In 2025 the Mexican government began to grant permits for open pit mining, and this has removed a degree of uncertainty for the project, paving the way for the new preliminary economic assessment that we expect to conclude early in 2026.

We also made encouraging progress with our project at Lucerito during 2025, and this has now joined Guanajuato, Orisyvo, Rodeo and Tajitos in the advanced exploration project pipeline. More than 9,100 metres of drilling were carried out at Lucerito over the last 12 months, and we have good grounds to believe that the ore body there includes extensive resources with a positive combination of gold, silver and zinc.

Our pipeline has been further enhanced by the acquisition, after the year end, of Probe Gold Inc. Probe's assets include the Novador Gold Project, as well as the early-stage Detour Gold project, both located in Quebec, Canada. In addition to providing us with strategic entry into a world-class Tier 1 mining jurisdiction, Probe adds a large resource base of 10 million ounces of gold. Novador alone has the potential to produce over 200,000 ounces per annum over 10+ years, and we are confident that this project, together with our advanced exploration projects in Mexico, will underpin Fresnillo's long-term future, further positioning us as one of the leading precious metals companies in the world.

Exploration continued across the portfolio during the year, with positive results yielded by brownfield exploration around the Fresnillo and San Julián districts and by greenfield drilling at Candameña, in addition to activities at those projects already mentioned. We also continued to make progress at our mining concessions in South America. In Chile, we completed 1,654 metres of drilling at Capricornio, a joint-venture project with SQM, while in Peru we drilled 2,058 metres at the Chiclayo project, with modest results, and strengthened our community relations plan.

At the end of the year, silver in consolidated overall mineral resources decreased by 8.5% vs 2024 to 2.06bn oz. This was mainly due to the application of a new approach, in line with industry best practice, to classify mineral resources based on their expected future economic extraction. Although this initially reduces the reported resource base, it enhances transparency and strengthens long-term confidence in the estimates. Gold in consolidated overall mineral resources increased by 14.0% vs 2024 to 44.0 moz, primarily driven by the favourable impact of the higher price of gold at Herradura and the Lucerito exploration project.

Silver in consolidated overall ore reserves increased by 9.4% to 362.6 moz, mainly due to higher metals prices and a lower cut-off grade together with the addition of ounces through the infill campaign, primarily at the Fresnillo district. Gold in consolidated overall ore reserves increased by 7.4% to 7.8 moz as a result of the higher gold price, principally at Herradura.

Advancing and enhancing the sustainability of our operations
Thanks to the commitment of our teams, we have achieved steady progress in our safety journey since 2018, with a 69% decrease in TRIFR (total recordable injury frequency rate) and 51% in LTIFR (lost time injury frequency rate). The last year alone saw those indices decrease by 17.6% and 13.7%, respectively. However, such progress cannot outweigh any loss of life. The two fatal accidents we experienced during the year—one involving a unionised employee and one a contractor—completely eclipse the gains. Our thoughts are with their families, friends and colleagues. These tragedies underline the fact that our work is far from finished: we can never be complacent about safety.

We have examined both incidents thoroughly and have begun to implement the appropriate corrective actions to support our goal of zero fatalities. Although mining carries intrinsic risks, we have the systems, the training and the leadership to manage and mitigate them. Ultimately, however, safety requires every person to fully embrace their responsibility—taking ownership not only of their own wellbeing, but also that of their colleagues. This principle is the foundation of our *'I Care, We Care'* strategy.

As I reported last year, the new government administration has shown a greater openness to dialogue with the mining industry. These exchanges have reinforced that sustainability-related issues, including those most critical to local communities, are central in advancing Mexico's environmental and social policy agenda—from implementing the National Agreement for Forests, Jungles and Mangroves to reducing GHG emissions by 35% by 2030 and safeguarding the fundamental right of access to water. On key sustainability matters such as these, Fresnillo has been – and will continue to be – a strategic partner.

On the decarbonisation front, we remain focused on sourcing 75% of our energy consumption from renewables. While we have consistently surpassed this target in recent years – including in 2025 – we recognise that it will become increasingly challenging as exploration projects transition into operation and demand more energy. We remain committed to ensuring that our environmental ambition keeps pace with our business growth and that our energy supply remains reliable, competitive and grounded in clean sources.

We have decided to pause the dual fuel project at Herradura, which introduced several LPG-diesel trucks into the haulage fleet. Shifts in price and performance dynamics mean that, unless conditions change significantly, we will retire these units at the end of their operational life and either revert to a diesel fleet or explore other technologies, such as electric trucks.

Mining operations not only require large quantities of water but are also frequently situated in arid locations where the population is already experiencing a high degree of water stress. Over the years we have advanced a range of initiatives to reduce our water footprint and support infrastructure and sanitation for local communities. For example, in 2025 the Proaño Potabilisation Water Plant was inaugurated in partnership with the municipal government of Fresnillo. This project diverts and treats mine water from the Fresnillo mine to supplement the local potable water system.

Having exceeded our 2025 targets for the representation of women in both our total workforce and managerial positions a year ahead of schedule, we have now begun defining the next stage of our ambition. Inclusion is a great source of strength and essential for attracting and developing the best talent at a time when we are preparing for a new phase of growth – both within Mexico and beyond.

Please find more details about our extensive sustainability initiatives on **pages 56-117**

Looking ahead

We have indicated that production of silver and gold from our current operations is expected to reduce in 2026, largely due to geological factors at our operating assets. The goal is to improve the quality of the ounces we produce by continuing to implement the wide range of initiatives introduced by Tomás Iturriaga and Daniel Diez, our Chief Operating Officers, to increase efficiency and reduce costs. At the same time, we will aim to move all five of the advanced exploration projects further along our pipeline. We believe that all of these projects show good potential – the goal now is to identify and promote those that are best suited to the current economic and operational situation, and I anticipate being able to provide a positive update in next year's Annual Report.

More generally, cost control will continue to be a focus in 2026, given cost pressures globally and the strength of the Mexican peso. On the other hand, we anticipate that our operational performance will be enhanced by the continuation of a high price environment for silver and gold, with global production failing to meet the steady increase in demand for both metals.

Our optimism is based on experience and an understanding of both known and unforeseen challenges, which we address through careful planning, precise execution, and risk mitigation.

Finally, I would like to pay tribute to the fine work of our teams, who worked with great skill and determination to execute our strategy over the last 12 months. I thank them unreservedly. The exceptional results we have posted this year would not have been possible without them.

Octavio Alvídrez
Chief Executive

BUSINESS MODEL

Our ability to create value is underpinned by the quality of our assets, the capability of our people, operational performance, the mitigation of risks and disciplined capital allocation.

STRATEGIC RESOURCES AND RELATIONSHIPS

People
We rely on the skills, experience and commitment of our people to create sustainable value. Attracting, developing and retaining high-quality talent is fundamental to achieving our business objectives. We have a skilled workforce of 7,177 unionised workers and employees and 11,096 contractors who provided services along our full value chain during 2025, supported by an experienced and purpose-led leadership team.

Natural resources
Our operations rely on a range of natural resources, including surface land, water and energy.

- 1.3 million hectares in mining concessions in Mexico.
- 259 thousand hectares in Peru and 137 thousand hectares in Chile.
- 54,695 megalitres of reused water (efficiency of 83.5%).
- 77.8% of our electricity consumption comes from renewable sources.

Relationships with key stakeholders
Our stakeholders include governments, communities, suppliers, customers, shareholders and our workforce. We maintain purposeful engagement with these stakeholders to understand the issues that matter to them, address them collaboratively, and gain their trust. We balance their priorities to ensure the social acceptance of our operations and maintain our licence to operate, enabling us to create shared value and achieve long-term success.

HOW WE OPERATE – OUR COMPETITIVE ADVANTAGE

Fresnillo is a leading precious metals mining company with a world-class portfolio of mining operations and undeveloped resources.

1 EXPLORE
Through a disciplined and sustainable exploration strategy that invests across price cycles, we have built a proven track record of discovering world-class gold and silver mines. This success is driven by our highly regarded team of 95 geologists across Mexico, Peru, and Chile, supported by 84 specialists in claims management, land negotiation, safety, community relations, environmental control and administration. Our team also includes 340 assistants drawn from local communities. Together, they operate with realistic budgets and are widely respected across the industry. The acquisition of Probe Gold Inc. early in 2026 further strengthened our exploration capabilities, expanding our geographic reach into Canada and enhancing our technical capabilities.

For more information see **pages 42-46**

2 DEVELOP
We assess each potential operation against a set of strict criteria including risk, potential returns, and the long-term sustainability and value to our stakeholders. We only approve projects with the potential to create value across precious metals price cycles. Approved projects have the ability to optimise long-term productivity at minimal risk, drawing synergistic benefits from our district consolidation strategy while also creating opportunities for costs to be shared through our association with the Peñoles Group and members' common requirements across a number of service areas.

3 OPERATE
Through our commitment to sustainable business practices, we have built a portfolio of high-quality assets and ample mineral resources, sustained through continued investment in infrastructure and technological improvements. We consistently prioritise safe, environmentally responsible working practices and foster a high-performing culture that delivers production at competitive costs. We seek to enhance productivity by evolving our mining practices and optimising capacity and beneficiation processes.

For more information see **pages 30-41**

4 SUSTAIN
Responsible mining is integral to our business model. We embed ethical, social and environmental considerations into decision-making, uphold high standards of conduct, safety and governance, and engage closely with communities. Grounded in a strong ethical culture and a deep understanding of local economies, cultures and communities, we are committed to creating shared value through our operations.

Sharing the benefits
Economic value distributed is considered to be a social performance measure.

For more information see **page 107**

Wages and benefits to workers (US$)

167.6m

Wages and benefits to workers (US$)

1,580.2m

Relationships with key stakeholders continued

We are active members of several mining organisations and associations, where we use our influence to promote greater recognition of the advantages that mining brings to society. We believe that mining must be compatible with high stakeholder expectations in terms of ethical, social and environmental performance. This underlines the importance of integrating responsible business practices deeply into our business model and considering factors that affect stakeholders at every critical decision-making level.

Financial strength

Our business is underpinned by a disciplined approach to capital allocation and strict cost controls. Our balance sheet is a key strength, providing a resilient platform to invest though cycles to generate sustained returns to shareholders.

- Total equity of US$5,074.7 million.
- Net cash[1] of US$1,916.6 million.

Property and equipment

Our assets include properties, infrastructure, processing plants and mining equipment.

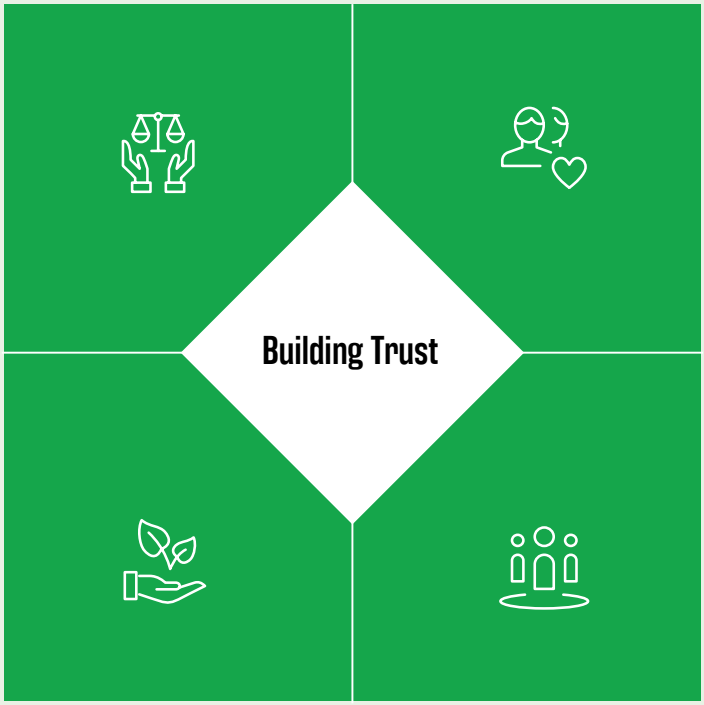
- Net book value of property, plant and equipment of US$2,466.0 million.

Technology

We leverage smart technologies to address productivity, growth and sustainability challenges, drawing on the expertise of our partners to identify and implement innovative, effective solutions across our value chains.

1. Net cash (Cash and other liquid funds at 31 December 2025 – Debt at 31 December 2025).

OUR SUSTAINABILITY FRAMEWORK



Doing business ethically and responsibly

Caring for our people

Partnering with our communities

Protecting the environment

For more information see **pages 62-63**

Payments to Federal Government (US$)

416.6m

Payments to local governments (US$)

9.4m

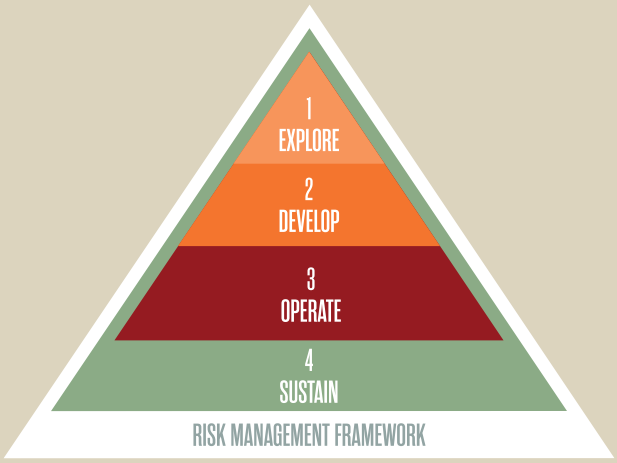
Total economic impact (US$)

2,173.8m

OUR STRATEGY

Our Purpose is to contribute to the wellbeing of people through the sustainable mining of silver and gold.

We engage our people in our long-term strategy to instil a purpose-led culture where everybody understands how we do business. The values that are embedded in our culture support our strategy, inspiring winning behaviours on ethics, safety, innovation and operational excellence.



OUR CULTURE

Our culture is the cornerstone of our safe and successful operations, and is rooted in our core values of:

- Trust
- Responsibility and Respect
- Integrity
- Loyalty

Our culture shapes decisions and actions at every level of the organisation.

For more details see Our culture on **pages 64-66**

RISK MANAGEMENT

We have a structured internal risk management process in place to identify risks, while simultaneously considering the views and interests of our stakeholders. The accurate and timely identification, assessment and management of risks gives us a clear understanding of the actions required throughout the organisation in order to achieve our objectives. We ensure that our networks, systems and data are secure, in accordance with best practice.

Risk can manifest as opportunities or threats that can affect our business performance. We balance mitigating and monitoring our risks with maximising the potential reward.

For more information see Managing Our Risks and Opportunities **pages 120-142**

ROBUST CORPORATE GOVERNANCE

We recognise that good governance is an important enabler of a prudent and well-considered approach, ensuring that short- and long-term decisions consider the interests of the Group and those of our stakeholders. At the heart of our governance framework is the Board of Directors, consisting of non-independent and independent Non-Executive Directors who hold the Executive Management to account for the effective and sustainable operation of the Group's business. We adhere to the principles of the UK Corporate Governance Code and apply its Provisions in a way that, we believe, optimises the oversight exercised by the Board. We keep our governance structures under review and evolve them to meet the needs of the business. The Board and its Committees focus on strategy, evaluate financial and operational performance and monitor risks and controls on an ongoing basis to ensure that Fresnillo achieves its objectives in line with its Purpose and values.

For more details see Corporate Governance on **pages 147-201**

Our long-term strategic priorities

We take a long-term view of our strategic priorities, which are supplemented with nearer-term targets and goals, as set out on pages 14-17.

1 EXPLORE

Extend and maintain a robust growth pipeline

- Continue to invest in our exploration pipeline.
- Focus on drilling to increase total and indicated mineral resources in our advanced exploration projects.
- Increase the resource base to drive future growth.
- Increase gold resources to support reserves replacement at Noche Buena and Herradura.
- Identify silver resources in the Fresnillo, Ciénega, San Julián and Guanajuato Districts.
- Concentrate on identifying M&A targets in North and South America.

2 DEVELOP

Deliver profitable growth, optimise cash flow and returns

- Continue advancing projects in the exploration pipeline towards development.
- Identify two further world-class assets with the potential to complement our portfolio.

3 OPERATE

Maximise the potential of our operations

- Drive improvements in productivity and efficiency across our portfolio.
- Focus on the profitability of our mines.

4 SUSTAIN

Advance and enhance the sustainability of our business

- Strengthen modern mining practices.
- Empower people.
- Address local and regional priorities.
- Generate shared value.

OUR STRATEGY CONTINUED

FINANCIAL

Earnings per share excluding post-tax Silverstream revaluation effects
This is calculated as attributable profit available to equity shareholders, excluding the revaluation effects of the Silverstream contract, divided by the weighted average number of shares in issue during the period. It measures net profit levels generated for equity shareholders.

EBITDA, EBITDA margin and cash flow from operating activities before changes in working capital
EBITDA is calculated as profit for the year from continuing operations before income tax, less finance income, plus finance costs, less foreign exchange gain/(loss), less revaluation effects of the Silverstream contract and other operating income, plus other operating expenses and depreciation.

EBITDA margin is EBITDA divided by total revenue.

Both EBITDA and cash flow from operating activities before changes in working capital measure the Group's ability to generate cash from its core business.

1 EXPLORE

2025 Goals
- Invest US$190 million in our exploration pipeline, focused on the Fresnillo and San Julián mines and advanced exploration projects.
- Continue improving our grade control and reconciliation process to increase proven reserves.
- Convert resources into reserves at all our operating mines.
- Conclude preliminary economic assessment at Tajitos
- Continue drilling campaign and progress critical technical work to determine economic viability at Rodeo.
- Advance permitting and de-risking the Orisyvo and Guanajuato projects.

2025 Progress
- US$176.1 million was invested in risk capital in exploration.
- Proven reserves increased, driven by higher metals prices, lower cut-off grade, and the infill campaign.
- Resources decreased, primarily driven by the implementation of the Reasonable Prospects for Eventual Economic Extraction (RPEEE) principle (see pages 42-46).
- Evaluations completed for mine development, water and energy supply, mineral processing, and tailings storage facilities at Tajitos, with an updated Preliminary Economic Assessment expected in 1H26.
- 22,336 metres drilled at Rodeo to obtain sufficient samples for more detailed metallurgical investigations and to increase the resource base.
- Several opportunities identified to optimise capex and operating costs at Orisyvo.
- 122,098 metres of core drilling completed at Guanajuato, while land acquisition, and mine development and mineral processing evaluations continued.

2026 Strategic priorities
- Invest US$310 million in our exploration pipeline.
- Continue enhancing confidence in our reserve and resource estimates.
- Convert resources from the inferred to indicated category to enhance the generation of reserves at our operating mines.
- Conclude preliminary economic assessment at Tajitos.
- Conclude updated preliminary economic assessment at Rodeo.
- Review options to optimise capex and operating costs at Orisyvo, to refine the pre-feasibility study.
- Continue advancing conceptual studies to conduct a preliminary economic assessment at Guanajuato.
- Allocate US$26 million to continue drilling at the Novador project in Canada.

2 DEVELOP

2025 Progress
- There are no projects currently under development and additional work is required before our projects in the advanced exploration phase can become development projects.

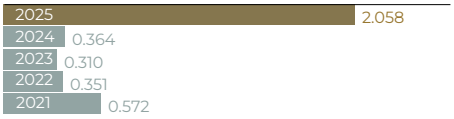
2026 Strategic priorities
- Monitor infrastructure projects to make sure they are developed in accordance with the mine plans.
- Advance the Rodeo and Tajitos projects.

2025 Group KPIs/performance

Earnings per share excluding post-tax Silverstream revaluation effects

(US$/share)

2.058

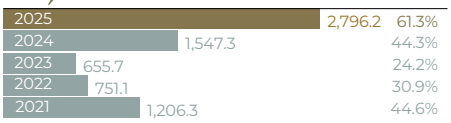


Increased profits divided across an unchanged weighted average number of shares in issue.

EBITDA and EBITDA margin

(US$ and %)

2,796.2m 61.3%

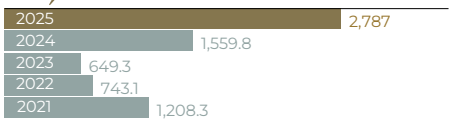


Increased vs 2024 due to a higher gross profit.

Cash flow from operating activities before changes in working capital

(US$)

2,787.3m



Increased vs 2024 due to the higher profits.

2025 Group KPIs/performance

Quantified, measured, indicated and inferred resources at all our assets; an indicator of the Group's growth potential and ability to discover and develop new ore bodies.

Attributable silver resources[1]

(millions of ounces)

2,058.4

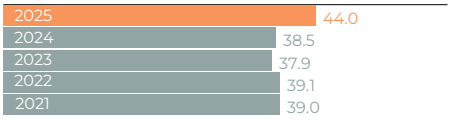
Decreased primarily driven by the implementation of the Reasonable Prospects for Eventual Economic Extraction (RPEEE) principle, under which mineral resources are classified based on a realistic expectation of future economic extraction (see page 45).

1 2025 resources from the mines are presented as of 30 April 2025. Resources from the exploration projects are presented as of 31 December 2025.

Attributable gold resources[1]

(millions of ounces)

44.0



Increased, primarily due to the favourable impact of the higher price of gold at Herradura and the Lucerito exploration project.

OUR STRATEGY CONTINUED

3 OPERATE

2025 Goals

- Prevent fatal or serious accidents.
- Produce between 49-56 moz silver and 525-580 koz gold.
- Continue our focus on initiatives to capture efficiencies and reduce costs.
- Improve the short- and medium-term planning processes.
- Maintain ore throughput and improve ore grades, primarily in the Fresnillo district.
- Continue assessing optimisation projects and define implementation phases at Herradura.
- Implement the mine closure plans at Noche Buena and San Julián DOB.

2025 Progress

- Two fatal accidents during the year: a unionised employee at Ciénega; and a contractor at Juanicipio.
- Produced 48.7 moz of silver (including Silverstream) and 600.3 koz of gold.
- Achieved US$13.8 million in cost reduction initiatives and efficiencies, primarily at Herradura.
- Cross-functional teams continued to work to improve the short- and mid-term planning process.
- Reduced availability of equipment and increased corrective maintenance at Fresnillo and Saucito, along with a lower contribution from the San Ricardo area in the west area of the Fresnillo mine, impacted ore throughput.
- Achieved cost reductions and improved mine cycles, delivering a solid performance at Herradura. The implementation phases have now been defined, with several optimisation projects currently being executed and others scheduled for future development.
- Completed analysis and test work for a new sulphides crushing circuit and began construction of the Carbon-in-Column project at Herradura.
- Mine closure plans continued (see pages 30-41).

2026 Strategic priorities

- Prevent fatal or serious accidents.
- Produce between 42-46.5 moz silver and 500-550 koz gold.
- Continue our focus on initiatives to capture efficiencies and reduce costs.
- Increase equipment utilisation and prepare areas in the eastern section of the Fresnillo mine.
- Complete the interconnection of the Jarillas shaft at Saucito.
- Conclude the construction of the underground conveyor belt at Juanicipio.
- Complete engineering and start construction of sulphides crushing circuit and ADR plant at Herradura.
- Conclude construction of the Carbon-in-Column project for dynamic leaching plants at Herradura.

4 SUSTAIN

2025 Goals

- Reduce TRIFR and Fatality rate to the ICMM range by 2026.
- Reduce freshwater consumption.
- At least 75% of electricity consumption to be from renewable sources, by 2030.
- Continue to implement the Tailings Management System.

2025 Progress

- Reduced TRIFR to 6.26 but experienced two fatal accidents.
- Decreased total water consumption by 4.2%, supported by a 16.5% decrease in freshwater consumption at the Fresnillo District – offset by an overall 1.7% increase in total freshwater consumption.
- 77.8% of electricity consumption from renewable sources.
- Advanced implementation of the Tailings Management System to 70%.

2026 Strategic priorities

- Reduce TRIFR to the ICMM range and achieve zero fatal accidents by 2026.
- Reduce freshwater consumption.
- At least 75% of electricity consumption to be from renewable sources, by 2030.
- Finalise the implementation the Tailings Management System.

Further sustainability objectives are outlined in our Sustainability section on pages 62-63

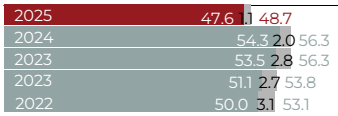
Production: Monitors total production levels at our mines and contributions from advanced development projects.

2025 Group KPIs/performance

Attributable silver production

(millions of ounces)

48.7



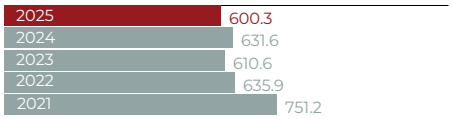
Decreased vs 2024 mainly due to the cessation of mining activities at San Julián DOB; the lower ore grade, decrease in volume of ore processed, and lower recovery rate at Ciénega; and the lower contribution from the Silverstream.

The graph illustrates silver production from our own mines, with the shaded portion representing additional ounces accrued under the Silverstream contract.

Attributable gold production

(thousands of ounces)

600.3



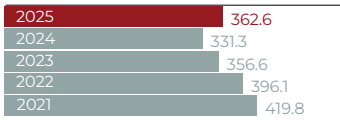
Decreased vs 2024, but above guidance, primarily due to the lower ore grades and decreased volumes of ore processed at Saucito, Fresnillo and Herradura, and the lower contribution from Noche Buena.

Proven and probable reserves: A measure of the quality of the Group's operating assets and our ability to extend the life of operating mines at profitable levels.

Attributable silver reserves[1]

(millions of ounces)

362.6



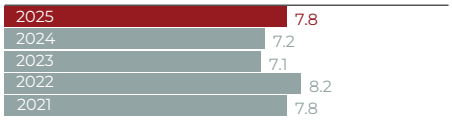
Increased primarily due to higher metals prices and a lower cut-off grade, and the addition of ounces through the infill campaign.

1 2025 reserves are presented as of 30 April 2025.

Attributable gold reserves[1]

(millions of ounces)

7.8



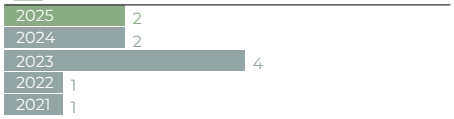
Increased, mainly as a result of the higher price of gold, primarily at Herradura.

2025 Group KPIs/performance

Fatalities

(Number of fatal injuries to employees or contractors)

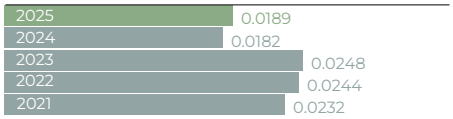
2



Greenhouse gas intensity

(Tonnes of CO_2e per tonne of mineral processed)

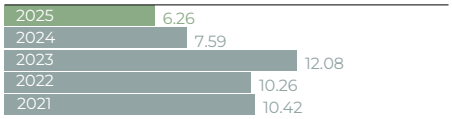
0.0189



Total recordable injury frequency rate (TRIFR)

(For every 1,000,000 hours worked)

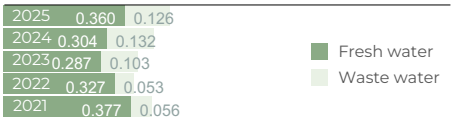
6.26



Water intensity

(m^3 per tonne of mineral processed)

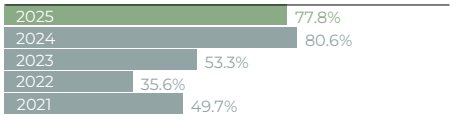
0.486



Renewable electricity

(Percentage of renewable electricity consumption)

77.8%



Capitalising on today's opportunities in a rapidly changing world

In 2025, the global operating environment was increasingly shaped by a drive for strategic control over mineral assets as nations prioritised security over optimised global trade. Silver and gold have both reasserted their roles as essential strategic assets, serving as anchors for monetary stability alongside technological and energy security.

Price milestones
2025 was a landmark year for precious metals. Gold broke through historic barriers, surpassing US$4,000/oz for the first time, fuelled by consistent central bank accumulation and investment moving away from equities and into safe havens during a period of geopolitical instability. Silver followed a similar trajectory, reaching decade-highs as the market navigated consecutive years of structural supply deficits.

Energy transition
While solar energy remains the largest consumer of industrial silver, the expansion of AI datacentres has created significant new demand. The physical infrastructure required by the digital age, including high-speed connectors, advanced semiconductors, and power grids, now competes directly with the renewable sector for high-conductivity metals.

Cost inflation
While headline inflation in some sectors cooled in early 2025, mining input costs remained a pressure point. With interest rates remaining elevated, along with ongoing geopolitical uncertainties, margins have continued to come under strain. This environment has made efficiency a central focus for the sector, driving a broader shift towards the adoption of low-energy technologies and lean production models.

Labour shortages
Attracting and retaining a skilled workforce remains a challenge across the mining industry. There is a renewed emphasis on strategic upskilling, aimed at providing professional growth opportunities to retain existing people, while modernising the industry's image to attract a new generation of talent into long-term mining careers.

Government regulation
Governments have been navigating the friction between the desire for domestic economic growth and the complexities of a less globalised trade environment. There has been a more active use of tariffs and trade barriers as nations prioritise industrial resilience and local security over global supply chain integration. In 2025, the sector saw a notable increase in the speed of policy shifts as administrations sought to build self-sustaining economies while simultaneously addressing long-term environmental and social challenges. Thriving in this environment requires the ability to navigate these diverse and often conflicting national priorities while maintaining long-term development goals.

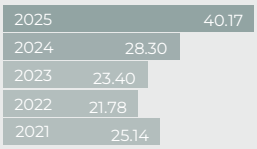
Advancements in technology
The mining industry continues to advance technological capabilities, aiming to build more resilient operating models that can reliably support the growing global demand for materials. A central focus is the expansion of automated systems, which are increasingly viewed as essential for sustaining long-term growth and improving productivity. Beyond output gains, these innovations are being leveraged to streamline maintenance cycles and elevate safety and environmental standards.

SILVER

Silver price chart

(US$ per ounce)

40.17



Industrial and investment synergy

Opportunities

- 2025 marked another year where total demand outpaced supply, leading to a further depletion of global inventories and a structural market deficit.
- The expansion of high-efficiency solar panel production and digital infrastructure has solidified silver's position as a key industrial component.
- Improving sentiment suggests a continued market reassessment of silver's long-term value as an investment opportunity.

Threats

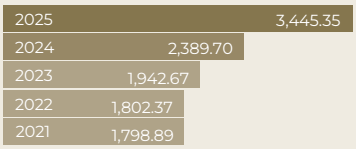
- Sustained high prices have encouraged research into thrifting or substitution in some industrial applications, though performance requirements remain a significant barrier.
- Silver's appeal as a portfolio diversifier could face increased competition for capital from traditional income-generating assets, such as bonds and equities, as well as from emerging digital and alternative asset classes.
- Significant price appreciation during the year may trigger tactical selling with profit taking and/or volatility if geopolitical tensions show signs of temporary de-escalation.
- Economic volatility or a global slowdown could dampen industrial fabrication, potentially reducing silver demand across the consumer electronics, automotive, and technology sectors.

GOLD

Gold price chart

(US$ per ounce)

3,445.35



Gold as a strategic asset

Opportunities

- Central banks in emerging markets have continued to increase gold allocations as a neutral reserve asset amid shifting global trade alliances.
- Persistent global debt and currency fluctuations have reinforced gold's role as a primary hedge for both institutional and retail investors.
- Renewed investor confidence has led to a significant recovery in gold-backed ETF holdings, providing a strong pillar of support for the price of gold.

Threats

- Sustained performance in assets such as equities and digital currencies may divert capital away from gold as investors seek higher yields or alternative stores of value.
- Significant price appreciation during the year may trigger tactical selling with profit taking and/or volatility if geopolitical tensions show signs of temporary de-escalation.
- Potential economic downturns or trade disruptions or disputes could weaken industrial demand and impact the specialised supply chains for the use of gold in high-end electronics.

OUR STAKEHOLDERS

BUILDING TRUST: RELATIONSHIPS WITH KEY STAKEHOLDERS

Our ability to deliver long-term value depends on earning and maintaining the trust of our stakeholders. Through meaningful engagement, we seek to understand expectations, manage impacts and make informed decisions that contribute to the wellbeing of people through the sustainable mining of silver and gold.

Why we engage

Engagement enables us to identify risks and opportunities early, understand stakeholder priorities and incorporate relevant perspectives into our decision-making. This supports the resilience of our business model, the continuity of our operations and the creation of shared value over the long term.

How we engage

We use a range of engagement mechanisms to gather direct and indirect feedback across our stakeholder groups. Insights from these interactions inform discussions and decisions at both Board and Executive Committee level. Information on principal decisions and stakeholder considerations are set out on pages 156-157.

Who we engage

Our key stakeholder groups have been identified based on their influence on, and relevance to, the delivery of our strategy and business model. For each group, we consider:

- Their relevance to our business model and strategic objectives.
- Their key interests, expectations. and concerns.
- The methods and frequency of engagement.
- How engagement is embedded within management and governance processes.
- The actions taken and outcomes achieved.
- The metrics used to monitor the effectiveness of our relationships.
- The principal risks that could affect those relationships.

The following panels highlights some of the different considerations that the Company takes into account in order to engage effectively with stakeholders:

EMPLOYEES AND UNIONS

Relevance

Skilled and engaged people drive our continued success.

Why we engage

To nurture a collaborative environment that motivates our workforce to shape our future.

The difference it makes

Long-term relationships enable us to build a robust pipeline of talent to progress our goals.

Read more on page 22

COMMUNITIES

Relevance

Strong, mutually beneficial relationships foster long-term trust and shared prosperity.

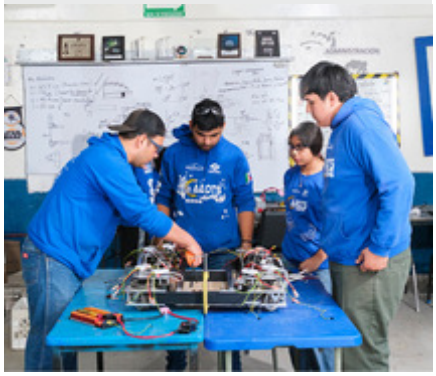
Why we engage

To understand and address stakeholder priorities, fostering long-term wellbeing and resilience.

The difference it makes

Positive engagement secures vital support to pursue our ambitions, maintaining our licence to operate.

Read more on page 23



Fostering collaborative and respectful relationships with policymakers for the common good, aligning key strategic priorities with the needs of communities.

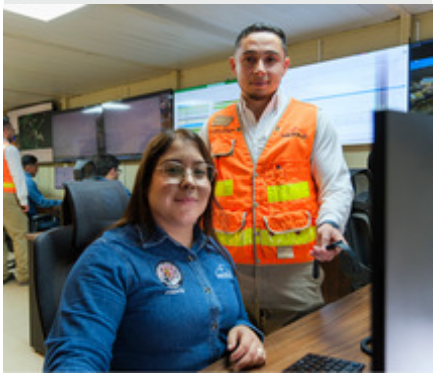
GOVERNMENT

Relevance
Proactive, transparent and collaborative dialogue helps mitigate regulatory risks and secure long-term operational stability.

Why we engage
To align key strategic issues of importance to communities, local authorities and the mining industry.

The difference it makes
Collaboration helps advance responsible mining practices, and contributes to economic growth through job creation, tax contributions and infrastructure development.

Read more on **page 24**



CONTRACTORS AND SUPPLIERS

Relevance
Valued partners who provide essential expertise and support to our operations.

Why we engage
To ensure alignment with our safety standards and ethical business practices.

The difference it makes
A strong and responsible supply chain enhances safety, operational efficiency and sustainability.

Read more on **page 25**

MINORITY SHAREHOLDERS

Relevance
A strong and engaged investor base ensures financial stability and long-term value creation.

Why we engage
To foster transparency provide insights into our performance, and align our strategy with investor expectations.

The difference it makes
Engagement strengthens confidence in our governance, enhances decision-making, and supports the long-term sustainability of our business.

Read more on **page 26**

For more information, see the Sustainability at the core of our Purpose section on pages 56-117 and Managing our risks and opportunities section on pages 120-142.

OUR STAKEHOLDERS CONTINUED
BUILDING TRUST: RELATIONSHIPS WITH KEY STAKEHOLDERS

EMPLOYEES AND UNIONS

Engaging our internal stakeholders for the long term to instil a long-lasting culture where everybody understands our Purpose and how we do business.

How we engage with employees and unions

Management

- Conduct workforce surveys to understand matters that are most relevant to employees, including organisational culture, ethics culture, safety culture (LEAL) and psychosocial risks.
- Deploy leadership practices in the field to promote leadership by example and strengthen a preventive safety culture.
- Provide safe and confidential channels to raise concerns, alongside training on their effective use (anonymous whistleblowing mechanisms and workplace conduct commissions).
- Deliver thematic symposiums and conferences, in collaboration with the Union, focused on safety, operational improvement initiatives and the integration of women into the industry.
- Hold quarterly committee meetings on priority topics to support strategy deployment (I Care, We Care Operational Committee; Labour Inclusion Committee).

Executive Committee and Board

- The designated Non-Executive Director for workforce engagement holds periodic town hall style sessions and channels workforce perspectives to the Board.
- During structured on-site working sessions, Board members interact with functional leaders, enabling them to gain first-hand insight that support their oversight duties.
- Members of the Executive Committee maintain regular dialogue with union leadership on safety, productivity and collaboration.

What issues matter to our employees and unions

- Ethics and integrity.
- Health, safety and occupational wellbeing.
- Security in the regions where we operate.
- Training, upskilling and professional development.
- Remuneration and compensation (including statutory profit-sharing).
- Labour and Human Rights.
- Preventing and addressing labour harassment.
- Work-life balance.
- Gender equality.
- Improvement of services and facilities.

Outcomes from our engagement

Decisions

- Designed and launched the Transformational Human-Centred Leadership Programme to strengthen leadership capabilities.
- Developed the safety operational plan for the period, focusing on improving the quality of leadership practices, standardising critical risks, reviewing and updating performance standards and implementing a safety standard for contractors.
- Created the Mental Health Department.
- Participated in Women in Mining (WIM) Mexico assessment at one of our mines.
- Created the Labour Inclusion Committee to oversee the rollout of the updated DEI strategy.

Actions

- Enhance operational discipline by intensifying efforts in safety awareness, training, and supervision.
- Increase communication with union leaders and conduct reviews of contractual benefits.
- Deliver safety training workshops for Union leadership.
- Promote initiatives that enhance workforce wellbeing and healthier lifestyles.
- Provide a comprehensive programme to prevent and address harassment in the workplace.
- Roll out communication campaigns addressing critical matters preventive safety culture, ethics and integrity).

Outcomes

- Increase in near-miss reporting.
- Improved TRIFR and LTIFR.
- Skills development for Union's local committee members, new employees, and aspiring leaders.
- No work stoppages affecting our business continuity.
- Steady increase of women in the workforce and in managerial positions.

Metrics

- Fatal accidents, TRIFR and LTIFR.
- New cases of occupational diseases.
- Average training hours per person.
- Turnover rate and voluntary turnover rate.
- Gender diversity in the workforce, managerial positions and payment gap.
- Ethical conduct and whistleblowing KPIs.

Associated principal risks

- 2 – Security
- 5 – Safety
- 9 – Union relations
- 10 – Human resources

For more information, please refer to the Managing our risks and opportunities section on **pages 120-142**

COMMUNITIES

Building trust in the communities where we operate, acting ethically, being accountable for our impacts and sharing the benefits of mining.

How we engage with communities

Management

- Hold interviews with formal and informal leaders, as well as with local, regional and federal authorities.
- Conduct social studies every two years to identify and assess issues that matter most to communities, as well as how the Company is perceived.
- Operate grievance mechanisms to address the concerns and enquiries of local communities.

Executive Committee and Board

- Executive Committee members meet with key government officials to establish agreements for long-term and high impact partnerships that could benefit communities.

What issues matter to our communities

- Security.
- Clean water access.
- Quality education.
- Public infrastructure and services.
- Employment and procurement.
- Transparency about the Company's local environmental footprint and risk management.
- Land negotiations.

Outcomes from our engagement

Decisions

- Liaised with the Alberto Baillères Foundation for the participation of an education project in Caborca, Sonora.
- Designed a pilot water initiative at San Julián, in partnership with Metals for Humanity, informed by local community water needs.

Actions

- Collaborate with public health and local authorities to facilitate access to healthcare.
- Partner with civil society and focus on social investment priorities.
- Support regional employment and procurement.
- Develop strategic programmes to strengthen collaboration with communities, create awareness, and mitigate social risks.
- Implement water efficiency and recirculation to mitigate competition for natural resources.
- Create partnerships or provide donations for projects that address communities' most pressing concerns (infrastructure, health and wellbeing, clean water, quality education, decent work and economic growth, and the protection of terrestrial ecosystems.

Outcomes

- No non-technical delays affecting our business continuity.
- Social investment portfolio.
- Positive social perception.
- Commencement of operations of the municipal potabilisation plant in Fresnillo, Zacatecas supplying mine water for domestic water supply.

Metrics

- Economic value distributed.
- Local employment and procurement.
- Social investment.
- Community grievances.
- Energy and water-related performance KPIs.
- Tailings storage facilities inventory.

Associated principal risks

- 2 – Security
- 6 – Access to land
- 11 – Licence to operate
- 13 – Climate change
- 14 – Tailings dams
- 15 – Environmental incidents

For more information, please refer to the Managing our risks and opportunities section on **pages 120-142**

OUR STAKEHOLDERS CONTINUED
BUILDING TRUST: RELATIONSHIPS WITH KEY STAKEHOLDERS

GOVERNMENT

Collaborative and respectful relations for the common good with policymakers and representatives of local, state and federal government.

How we engage with governments and regulators

Management

- Participate in meetings with federal authorities regarding changes to mining, energy and water regulation and participation in local economic development plans, through:
  - Trade associations such as the Mexican Mining Chamber (CAMIMEX) and state Mining Clusters.
  - Business associations such as the Mexican Confederation of Industrial Chambers (CONCAMIN), the Business Coordinating Council (CCE), and the Mexican Employers' Confederation (COPARMEX).
  - Sustainability associations such as the Mexican Chapter of the World Business Council for Sustainable Development (CESPEDES).
- Participate in independent hearings with municipal, state and federal authorities for pending permits and authorisations.
- Provide data-based sectorial information for consideration in policy making, underlining mining's contributions to the economy and providing greater understanding of the Company's operations.

Executive Committee and Board

- The Executive Committee members hold meetings with authorities to:
  - Collaborate on the feasibility of potential new projects.
  - Establish agreements for long-term and high-impact partnerships.
  - Raise critical issues affecting our workforce and operations, ensuring government entities take appropriate action (security, regional stability, infrastructure).

What issues matter to governments and regulators

- Accountability and transparency.
- Sound health, safety and environmental performance.
- Tax, royalties and other sources of contributions to local economies, such as employment and regional development.
- Public policies, programmes and social benefits in communities where the Company operates.

Outcomes from our engagement

Decisions

- Subscribed to the National Agreement for Forests, Jungles and Mangroves to strengthen forest management.
- Renewed collaboration with Sonora's Ecology and Sustainable Development Commission (CEDES) to continue supporting the conservation of the Sonoran pronghorn (Penmont).
- Subscribed to agreement with the State Government of Chihuahua to promote economic and social development (San Julián).

Actions

- Comply with laws and regulations.
- Support regional employment and procurement.

Outcomes

- Permanent security services, local operating and command centres for each business unit.
- Partnerships or donations for projects that address communities' most pressing concerns (infrastructure, health and wellbeing, clean water, quality education, decent work and economic growth, and the protection of terrestrial ecosystems.
- Commencement of operations of the municipal potabilisation plant in Fresnillo, Zacatecas supplying mine water for domestic water supply.

Metrics

- Economic value distributed.
- Social investment.
- Local employment.
- Health, Safety and Environment KPIs.

Associated principal risks

- 1 – Potential actions by governments
- 2 – Security
- 13 – Climate change
- 15 – Environmental incidents

For more information, please refer to the Managing our risks and opportunities section on **pages 120-142**

CONTRACTORS AND SUPPLIERS

Collaborative partnerships with contractors and suppliers to improve productivity and safety.

How we engage with contractors and suppliers

Management

- Monitor and evaluate performance (safety and operational).
- Take part in regular engagement and capacity building through the *'I Care, We Care'* initiative.
- Involve contract owners in accident or incident investigations.
- Participate in meetings.
- Carry out surveys to better understand the issues that matter to our workforce (organisational climate, safety).
- Hold focus groups with contractors to better understand our social performance in local communities.

Executive Committee and Board

- Executive Committee members meet with key contractors to review and supervise production and safety performance.

What issues matter to contractors and suppliers

- Productivity/development rates.
- Health and safety in the workplace.
- Security in the regions where we operate.
- Labour and human rights.
- Preventing and addressing harassment.
- Ethics and integrity.

Outcomes from our engagement

Decisions

- Issued and rolled out the safety Contractor Standard.
- Implemented quarterly contractor meetings to assess safety performance.
- Intensified efforts in planning, risk analysis and control to ensure coverage of all possible risk scenarios.

Actions

- Build the capacity of contractors to implement measures to prevent and address harassment, unethical practices, as well as to prevent and mitigate local community impacts.
- Hold safety meetings between management and key business partners at each mining unit, addressing safety opportunities and cross-functional initiatives for implementation.
- Monitor the security situation and maintain clear communication with contractors.
- Enhance controls to assure contractors' compliance with tax and labour obligations.
- Carry out due diligence procedures to verify the ethical profile of new contractors and suppliers, requiring endorsement of our Code of Conduct for Third Parties.
- Engage with our supply chain on modern slavery risk prevention.

Outcomes

- Corrective actions implemented to reinforce engineering control, personnel competencies and strengthen the accountability processes.
- Training of contractor companies in the implementation of the mechanism to prevent labour harassment.
- Reduction of contractor related community grievances.

Metrics

- Fatal injuries.
- Total Injury Frequency Rate.
- Lost Time Injury Frequency Rate.
- Gender diversity.
- Contractor-related community grievances

Associated principal risks

- 5 – Safety
- 8 – Global macroeconomic developments
- 10 – Human resources

For more information, please refer to the Managing our risks and opportunities section on **pages 120-142**

OUR STAKEHOLDERS CONTINUED
BUILDING TRUST: RELATIONSHIPS WITH KEY STAKEHOLDERS

MINORITY SHAREHOLDERS

Strong and transparent relationships to invest through the cycles and generate sustained returns.

How we engage with minority shareholders

Management

- Organise conference calls and roadshows.
- Attend investment forums and conferences.
- Hold private meetings.

Executive Committee and Board

- The Company's Annual General Meeting (AGM) provides the opportunity for some Directors to meet in person with independent shareholders.
- The Senior Independent Director engages directly with institutional investors.
- The Executive Committee members meet with analysts, hold conference calls after production reports and engage with shareholders and potential investors in roadshows.

What issues matter to minority shareholders

- Financial and operational performance.
- Capex project execution.
- Country risk uncertainty.
- Board diversity.
- Risk management.
- Governance processes and Board structure.
- Executive compensation.
- Climate transition planning.
- Mineral waste and water management.

Outcomes from our engagement

Decisions

- Supported a 2026 Business Plan and Budget that responsibly balances the operating performance targets.

Actions

- Ensure minority shareholders' interests are considered in decision making.
- Ensure that transactions with related parties are transparent and fully documented.
- Report on Company performance and strategy in a transparent and timely fashion.

Outcomes

- Declaration of a final dividend as well as an interim dividend in 2025.

Metrics

- Financial and operational performance.
- CEO Annual variable bonus.
- Environmental, Social and Governance KPIs.

Associated principal risks

- 1 – Potential actions by governments
- 5 – Safety
- 10 – Human resources
- 13 – Climate change
- 14 – Tailings dams
- 15 – Environmental incidents

SECTION 172 STATEMENT

In compliance with sections 172 ('Section 172') and 414CZA of the UK Companies Act, the Board of Directors of the Company (the 'Board') makes the following statement in relation to the year ended 31 December 2025:

Precious metals play a vital role in advancing technology and science, both of which drive societal progress and improve quality of life. As a leading precious-metals company, Fresnillo plc (the 'Company') recognises the inherent environmental and social impacts of mining and is committed to addressing these responsibly, in line with its purpose: to contribute to the wellbeing of people through the sustainable mining of silver and gold.

The Company upholds high ethical and operational standards, ensuring that employees, contractors and business partners act in accordance with its corporate values. Through a culture that promotes integrity, safety and respect, the Company fosters an environment where responsible behaviour and sound judgement guide our everyday work. These principles underpin the Company's reputation for accountability, build stakeholder confidence and lay the foundation for sustained value creation.

Recognising that long-term success depends on trust and collaboration, the Company engages with a diverse range of stakeholders — including employees and unions, contractors, local communities, government, and minority shareholders — to understand their priorities and areas of concern while integrating their perspectives to inform business outcomes. This engagement strengthens relationships and supports balanced and forward-looking management practices.

For more information, please refer to Building trust: Relationships with key stakeholders **pages 20-26** Managing our risks and opportunities **pages 120-142**.

Building on these insights, a periodic materiality assessment is carried out to help the Company identify and prioritise the sustainability issues most relevant to both its stakeholders and the long-term success of the business. This process ensures that decision-making reflects external expectations as well as internal priorities, reinforcing the integration of key sustainability matters into strategic planning.

For more information, please refer to Materiality assessment **page 61**.

These mechanisms inform oversight at the governance level. The Board of Directors integrates stakeholder considerations when reviewing Principal Decisions, particularly those with strategic, long-term or regulatory implications. The Board also maintains direct engagement with the workforce through its designated Non-Executive Director, enabling a continuous feedback process that promotes employee wellbeing and reinforces the Company's commitment to its people.

For more information, please refer to Board Activities **pages 156-158**. Workforce engagement **page 28**.

Recognising that sustainability is a defining factor in long-term value — the foundation of future performance rather than a reflection of past results — the Board identifies sustainability as a strategic priority. Sustainability issues continue to attract growing attention from society, investors and regulators, and have therefore become a standing focus of Board activities.

For more information, please refer to: Board leadership and Company purpose **pages 156-158**. Working meeting **page 159**.

The HSECR Committee assists the Board in its monitoring of the systems that are in place to better manage issues and risks associated with health, safety, wellbeing, environment and community development. Effective management of these areas helps protect people, and their livelihoods, as well as the environment, contributing to the Company's long-term performance.

For more information, please refer to: Letter from the Chairman of the HSECR Committee **pages 56-57**. Sustainability at the core of our purpose **pages 58-117**.

This integrated approach — anchored in purpose, ethical foundations, robust governance and responsible business practices — ensures that the Board is able to evaluate the long-term consequences of its decisions on all stakeholders.

Approved by the Board of Directors on 2 March 2026.

WORKFORCE ENGAGEMENT

Our sustained, long-term performance is built on the discipline, commitment, and adaptability of our teams.

The Company values a culture that empowers everyone to improve and contribute at their best.

Supporting our people means ensuring that their perspectives shape our operations. We use defined channels for workforce engagement, outlined in the diagram below. These include periodic Engagement Surveys (see Our Culture on pages 64-66) and direct input from Non-Executive Director Mr. Arturo Fernández, our designated Director for workforce engagement.

In 2025, Mr. Fernández conducted three virtual sessions with personnel from the Exploration division and the San Julián and Ciénega mines, bringing together a diverse group of unionised and non-unionised employees from various backgrounds and roles. The sessions built trust, fostered empathy, and encouraged transparency by addressing employees' concerns and identifying ways to enhance workplace satisfaction.

Participants expressed great pride in working for the Company and a clear desire to grow and contribute further. However, all sessions produced unanimous feedback regarding:

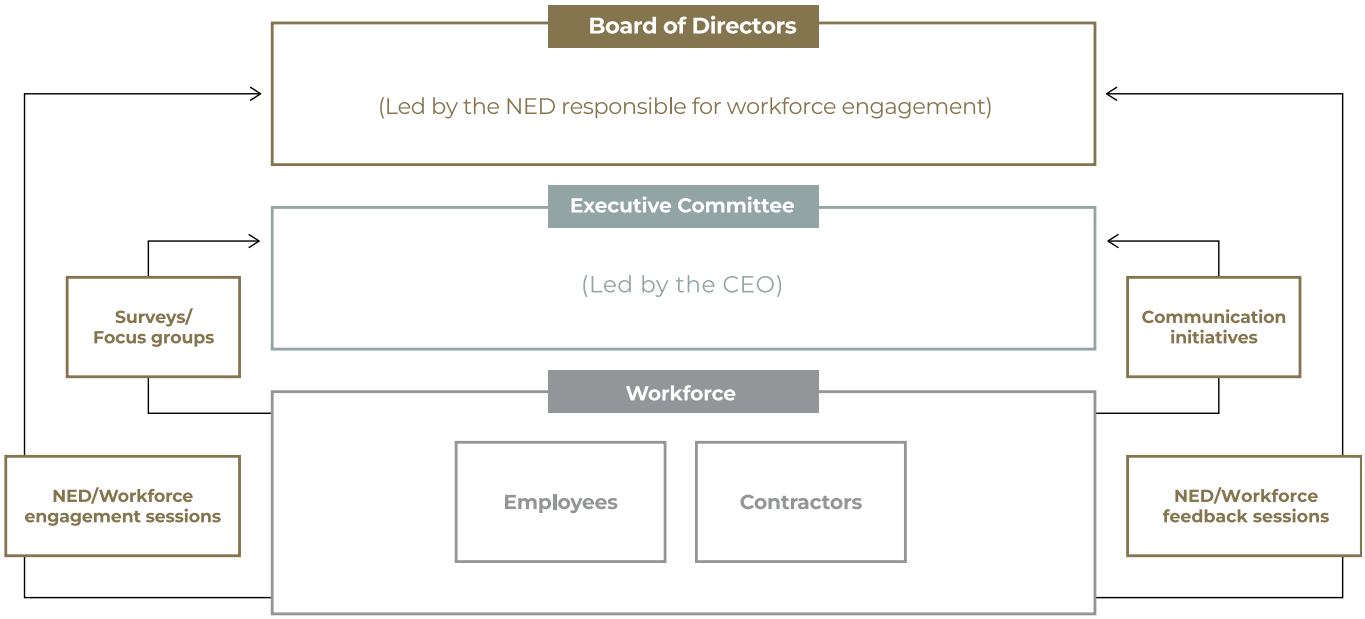
- A strong interest in training, upskilling opportunities, and professional development, particularly in technical areas.
- The desire for improvement of some services and facilities to enhance employees' quality of life.

Based on this and previous feedback, the Company has initiated actions to address key concerns, including ongoing efforts to strengthen organisational culture and wellbeing. These actions fall into three categories: Organisational Culture, Career Development, and Everyday Working Conditions and Wellbeing.

- Reinforcing organisational culture: Feedback indicated the need to consistently model the desired leadership approach, improve supervisory communication with frontline teams, and provide a higher standard of facilities and services across exploration camps.
- Setting clear expectations for career development: Employees want more transparent growth pathways. Key actions include reviewing competency frameworks and ensuring assignments align with appropriate pay scales.
- Strengthening focus on everyday working conditions and wellbeing: Feedback emphasised the need to improve daily workplace experiences, such as expanding transportation routes, upgrading canteen options and nutrition, and encouraging recreational activities, including sports leagues and modernised on-site facilities.

Insights from these sessions continue to inform ongoing and future discussions, influencing decision-making and ensuring workforce perspectives are integrated into strategy and operations. This process helps us identify areas for improvement and foster a positive, productive work environment. By addressing workforce concerns and aligning initiatives with shared goals, the Company upholds its values and strengthens engagement and motivation, both of which are essential to long-term success.

Workforce engagement: communication and feedback



Focusing on the future

Despite our excellent financial performance in 2025, we know there is no room for complacency – and we are always striving to ensure a stronger and more sustainable future that delivers maximum long-term value for our people, our communities and our shareholders.

For example, we are continuing to keep a close eye on costs across the business. And in the early months of 2026, we were also delighted to complete the acquisition of Probe Gold Inc. – a deal that not only takes Fresnillo into an exciting new country but also fully meets our strict criteria for M&A. These include a sizeable resource base with upside optionality in a region with established mining history, skilled personnel and existing infrastructure.

At the same time, our robust cash position will continue to fund improvements at our existing mines while advancing our key projects and exploration ambitions - underpinning future performance regardless of external factors.

For more details on our performance see **pages 14-17**

10m oz gold

Probe's estimated resource base

US$2,756.5m

Cash and other liquid funds

REVIEW OF OPERATIONS – MINES IN OPERATION

FRESNILLO DISTRICT

Fresnillo

One of the world's longest continuously operated mines, Fresnillo produced 21.1% of the Group's total silver in 2025 and generated 15.9% of total Adjusted revenue.

2025 Objectives		Comment
Decrease dilution.	**PA**	See: Mine production and key developments below.
Improve short and mid-term planning processes.	**PA**	See: Mine production and key developments below.
Continue to focus on key cost reduction initiatives.	**PA**	See: Mine production and key developments below.
Maintain the ongoing programme to rationalise the contractor base.	**PA**	See: Financial highlights below.
Improve our safety performance and continue strengthening our safety-centred culture.	**A**	TRIFR and LTIFR decreased 18% and 14% respectively compared to 2024, and zero fatalities.
Increase the resource base and convert resources into reserves.	**PA**	See: Mine production and key developments below.

A: Achieved; **PA:** Partially achieved; **NA:** Not achieved.

2026 Objectives

Continue to implement measures to reduce dilution.

Improve productivity and the utilisation of equipment.

Continue to focus on key cost reduction initiatives.

Advance the 'Integrated District Operations' strategy.

Continue efforts to improve safety performance and raise safety awareness.

Maintain the resource base and convert resources into reserves.

2026 Outlook

For 2026, the silver ore grade is expected to be in the range of 160-180 g/t, with the gold ore grade around 0.55-0.65 g/t.

Mine production

	2025	2024	% change
Ore milled (kt)	**2,099**	2,334	(10.1)
Silver (koz)	**10,273**	10,242	0.3
Gold (oz)	**40,753**	51,473	(20.8)
Lead (t)	**21,432**	27,088	(20.9)
Zinc (t)	**44,721**	50,702	(11.8)
Silver ore grade (g/t)	**168.0**	152	10.5

Total reserves[1]

	2025	2024	% change
Silver (moz)	**131.9**	104.5	26.2
Increased due to a higher silver price, infill drilling campaign and lower the cut-off grade, partly offset by depletion.			
Gold (moz)	**353.0**	263.0	34.2
Increased due to a higher gold price.			

Total resources[2]

	2025	2024	% change
Silver (moz)	**502.6**	690.7	(27.2)
Decreased due to the implementation of the RPEEE (Reasonable Prospects for Eventual Economic Extraction) principle, and depletion. This was offset by a higher price, lower cut-off grade, and good results from the exploration brownfield and infill programme, adding mineral resources to existing structures.			
Gold (moz)	**1.21**	1.46	(17.1)
Decreased due to depletion.			

1 2025 reserves as of 30 April 2025.
2 2025 resources as of 30 April 2025.

Financial highlights	2025	2024	% change
Adjusted revenue (US$m)	**739.3**	591.2	25.1
Revenue (US$m)	**710.2**	542.6	30.9
Adjusted production costs (US$m)	**276.5**	261.9	5.6
Depreciation (US$m)	**95.2**	96.3	(1.1)
Segment profit (US$m)	**437.7**	277.3	57.8
Capital expenditure (US$m)	**91.8**	90.3	1.7
Exploration (US$m)	**18.1**	18.8	(3.7)
Cost per tonne total (US$)	**131.75**	112.23	17.4
Cash cost (US$/oz silver)	**17.97**	15.42	16.5
Margin (US$/oz)[2]	**25.63**	13.36	91.8
Margin (expressed as % of silver price)	**58.78**	46.42	—
All-in sustaining cost (US$)	**27.02**	21.97	23.0

Key developments in the year

Silver production remained broadly stable as the higher ore grade from the San Alberto and Candelaria areas was offset by the decrease in volume of ore processed. The decrease was driven by the lower contribution from the San Ricardo area in the west section of the mine together with unplanned downtime for maintenance at the flotation plant.

Mine development rates remained broadly stable at an average of 3,273m per month in 2025 (3,236m per month in 2024).

Productivity, calculated as tonnes of ore milled per person, decreased vs 2024 driven by the lower volumes processed as explained above, mitigated by the ongoing efforts to increase productivity of our personnel and rationalise the contractor base.

The Pyrites plant at Fresnillo produced 1.6 moz of silver and 2.3 koz of gold in 2025. This was higher year-on-year due to the additional contribution made by historic tailings and, to a lesser extent, a small portion of current tailings being processed as higher prices made this more economical.

During the year, several operational improvement initiatives continued to be implemented. Dilution control measures have begun to deliver results and will remain a focus in 2026. Improvements to mine planning were also introduced to support operational performance, though their full impact was limited by lower equipment availability. The rationalisation of the contractor base continues to be an important objective, with opportunities pursued as contractor performance improves. In parallel, cost reduction initiatives were implemented during the year, however the expected savings were not fully realised. These initiatives will continue to be central to ongoing efforts to enhance efficiency and lay the foundations for more consistent performance going forward.

Financial performance

Cost per tonne increased 17.4% to US$131.8 in 2025, primarily driven by the increase in development contractors, the higher cost of mechanical and electrical maintenance, a greater consumption of explosives and milling balls, the lower volume of ore processed, and underlying cost inflation. This was partly mitigated by the favourable effect of the devaluation of the average Mexican peso vs US dollar exchange rate.

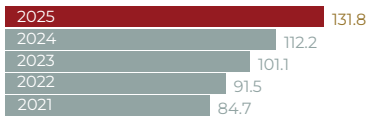
Cash cost per silver equivalent ounce[1] increased to US$18.0 (2024: US$15.4) mainly due to the increase in cost per tonne and the effect of relative metal prices in equivalent ounces (which represented 58% of the total increase), partly mitigated by lower treatment and refining charges. However, margin per ounce increased 91.8% to US$25.6 (2024: US$13.4). Expressed as a percentage of the silver price, it increased to 58.8% (2024: 46.4%).

All-in sustaining cost increased by 23.0% to US$27.0 per equivalent silver ounce, explained by the higher cash cost and an increase in sustaining capex.

Fresnillo cost per tonne

(US$/tonne milled)

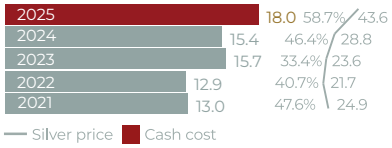
131.8



Fresnillo cash cost

(Silver US$/ounce)

18.0



% figures represent margin between cash cost and silver price.

Fresnillo ore milled per person

(Tonnes)

587

Capital expenditure

Total capital expenditure in 2025 was US$91.8 million, which included sustaining capex, mine development, and the tailings management programme.

1 Cash cost per equivalent ounce is calculated as the total cash cost (cost of sales plus treatment and refining charges, less depreciation) divided by the silver or gold equivalent ounces sold.
2 Margin defined as average realised price less cash cost per ounce.

REVIEW OF OPERATIONS – MINES IN OPERATION CONTINUED

SAUCITO DISTRICT

Saucito

Saucito contributed 28.3% to total silver production in 2025 and generated 20.0% of total Adjusted revenue.

2025 Objectives		Comment
Continue progressing the deepening of the Jarillas shaft.	**A**	See: Mine production and key developments below.
Continue our focus on cost reduction initiatives and contractor rationalisation.	**PA**	See: Mine production and key developments below.
Sustain improved safety performance.	**A**	TRIFR decreased 11%, while LTIFR remained stable compared to 2024, and zero fatalities.
Improve equipment availability.	**NA**	See: Mine production and key developments below.
Increase the resource base and convert resources into reserves.	**PA**	See: Mine production and key developments below.

A: Achieved; **PA:** Partially achieved; **NA:** Not achieved.

2026 Objectives

- Complete the interconnection of the Jarillas Shaft, on track to become fully operational in 2027.
- Maintain hauling capacity during the Jarillas shaft connection process.
- Continue cost reduction initiatives and contractor rationalisation.
- Continue efforts to improve safety performance and raise safety awareness.
- Improve equipment availability.
- Increase the resource base and convert resources into reserves.

2026 Outlook

The silver ore grade for 2026 is expected to be in the range of 200-220 g/t, while the gold grade is estimated to be between 0.95-1.15 g/t.

Mine production

	2025	2024[1]	% change
Ore milled (kt)	**2,278**	2,364	(3.6)
Silver (koz)	**13,791**	14,474	(4.7)
Gold (oz)	**69,388**	82,718	(16.1)
Lead (t)	**27,158**	22,729	19.5
Zinc (t)	**40,307**	34,097	18.2
Silver ore grade (g/t)	**213**	214	(0.5)
Gold ore grade (g/t)	**1.24**	1.40	(11.4)

Total reserves[2]

	2025	2024	% change
Silver (moz)	**119.5**	111.6	7.1
Increased due to the infill drilling campaign, lower cut-off grade and higher price, offset by depletion.			
Gold (koz)	**509.0**	515.0	(1.2)
Decreased slightly due to capping.			

Total resources[3]

	2025	2024	% change
Silver (moz)	**336.9**	346.3	(2.7)
Decreased as a result of the implementation of the RPEEE principle, depletion and exploration results, partly mitigated by the lower cut-off grade strategy and higher prices.			
Gold (moz)	**1.5**	1.7	(11.8)

2 Saucito mine production excludes ore processed and production from Juanicipio.
3 2025 reserves as of 30 April 2025.
4 2025 resources as of 30 April 2025.

Financial highlights	2025	2024	% change
Adjusted revenue (US$m)	**929.9**	760.0	22.4
Revenue (US$m)	**908.2**	720.6	26.0
Adjusted production costs (US$m)	**271.4**	314.5	(13.7)
Depreciation (US$m)	**103.9**	118.8	(12.5)
Segment profit (US$m)	**649.4**	405.1	60.3
Capital expenditure (US$m)	**92.1**	97.3	(5.3)
Exploration (US$m)	**13.4**	12.9	3.9
Cost per tonne total (US$)	**119.12**	133.03	(10.5)
Cash cost (US$/oz silver)	**13.01**	13.64	(4.6)
Margin (US$/oz)2	**30.59**	15.14	102.0
Margin (expressed as % of silver price)	**70.16**	52.61	—
All-in sustaining cost (US$)	**18.94**	18.56	2.0

Key developments in the year

Silver production decreased year-on-year due to a lower volume of ore processed, which resulted from reduced availability of equipment, increased corrective maintenance, and slower mining cycles caused by the need for additional ventilation in high temperature areas and greater need for shotcreting due to poor rock quality. Gold production decreased primarily driven by the lower ore grade and the decrease in volume of ore processed.

Mine development rates decreased year-on-year to an average of 2,472 metres per month in 2025 (2024: 2,683 metres per month), primarily due to lower availability of equipment and additional ventilation required in certain areas.

Productivity remained broadly stable vs 2024, driven by productivity improvements achieved by our personnel that allowed us to rationalise the contractor base, partially offset by lower ore throughput.

Reduced levels of service from equipment manufacturers affected equipment availability in 2025. However, service terms have since been reviewed, and initiatives and agreements with the service providers have been established to improve equipment availability in 2026.

In 2025, we continued to optimise the contractor base, enhancing the capabilities of high-performing contractors, while implementing cost reduction initiatives. These initiatives have already delivered some positive results, and are expected to generate further benefits in 2026.

The Pyrites plant at Saucito produced 515 koz of silver and 1.5 koz of gold in 2025.

The project to deepen the Jarillas shaft from 630 metres to 1,000 metres remains on track to be completed by 2027. Construction of the supporting infrastructure and activities to place equipment on site continued during the year. While the connection of the shaft was deferred from 2025 to 2026 to minimise operational disruption, this has not affected the project's target of becoming fully operational in 2027.

Financial performance

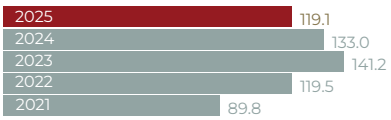
Cost per tonne decreased 10.5% to US$119.1, primarily due to the favourable year-on-year impact on costs from the conversion of the commercial arrangement with Met-Mex for processing non mining/core material at the pyrites plant into a tolling agreement in 2025, and the favourable effect of the average devaluation of the Mexican peso vs the US dollar. This was partly offset by underlying cost inflation and increased consumption of reagents.

Cash cost per silver equivalent ounce[1] decreased to US$13.0 per ounce (2024: US$13.6 per silver ounce) mainly as a result of a lower cost per tonne, partly offset by the lower gold ore grade and the effect of relative metal prices in equivalent ounces. Margin per ounce increased to US$30.6 in 2025 (2024: US$15.1). Expressed as a percentage of the silver price, it increased from 52.6% to 70.2%.

Saucito cost per tonne

(US$/tonne milled)

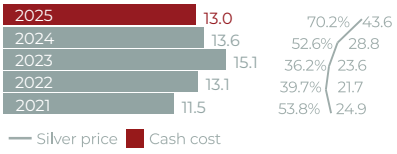
119.1



Saucito cash cost

(Silver US$/ounce)

13.0



% figures represent margin between cash cost and silver price.

Saucito ore milled per person

(Tonnes)

686

1 Cash cost per equivalent ounce is calculated as the total cash cost (cost of sales plus treatment and refining charges, less depreciation) divided by the silver or gold equivalent ounces sold.
2 Margin defined as average realised price less cash cost per ounce.

All-in sustaining cost increased by 2.0% to US$18.9 per equivalent silver ounce, due to the higher extraordinary mining rights and an increase in sustaining capex and capitalised mine development per equivalent silver ounce, mitigated by the lower cash cost.

Capital expenditure

Capital expenditure in 2025 totalled US$92.1 million, mainly allocated to sustaining capex, in-mine development, the tailings dam and the project to deepen the Jarillas shaft.

REVIEW OF OPERATIONS – MINES IN OPERATION CONTINUED

JUANICIPIO DISTRICT

Juanicipio

Juanicipio contributed 19.8% to the Group's total attributable silver production in 2025 and generated 19.9% of total Adjusted revenue.

2025 Objectives		Comment
Cost reduction initiatives.	**A**	See: Mine production and key developments below.
Increase development rates to 1,300 metres per month.	**NA**	See: Key developments below.
Increase the resource base and convert resources into reserves.	**NA**	See: Total reserves and resources below.
Improve our safety performance.	**NA**	TRIFR and LTIFR decreased 32% and 24% respectively compared to 2024, but the zero fatalities objective remains to be achieved.

A: Achieved; **PA:** Partially achieved; **NA:** Not achieved.

2026 Objectives

Continue efforts to improve safety performance and raise safety awareness.

Continue cost reduction initiatives.

Achieve development rates of 1,200 metres per month.

Construct and commission the underground conveyor belt to reduce haulage costs.

Increase the resource base and convert resources into reserves.

2026 Outlook

The average silver ore grade is expected to be between 320-380 g/t while the gold grade is estimated to be between 1.1-1.3 g/t.

Mine production

	2025	2024	% change
Ore milled (kt)	**768**	744	3.2
Silver (koz)	**9,643**	10,400	(7.3)
Gold (oz)	**23,854**	21,856	9.1
Lead (t)	**12,538**	9,957	25.9
Zinc (t)	**20,359**	16,737	21.6
Silver ore grade (g/t)	**423**	468	(9.6)
Gold ore grade (g/t)	**1.27**	1.25	1.6

Total reserves[1]

	2025	2024	% change
Silver (moz)	**74.1**	73.9	0.3
Broadly stable due to infill drilling, a higher price and the lower cut-off grade, partly offset by depletion.			
Gold (koz)	**529**	527	0.4

Total resources[2]

	2025	2024	% change
Silver (moz)	**119.9**	142.5	(15.9)
Gold (koz)	**721**	834	(13.5)
Decreased mainly due to the implementation of the RPEEE principle, and depletion.			

1 2025 reserves as of 30 April 2025.
2 2025 resources as of 30 April 2025.

Financial highlights	2025	2024	% change
Adjusted revenue (US$m)	**922.6**	662.8	39.2
Revenue (US$m)	**896.8**	627.5	42.9
Adjusted production costs (US$m)	**156.2**	153.8	1.6
Depreciation (US$m)	**84.1**	89.2	(5.7)
Segment profit (US$m)	**747.0**	475.1	57.2
Capital expenditure (US$m)	**54.4**	59.3	(8.3)
Exploration (US$m)	**9.1**	8.2	11.0
Cost per tonne total (US$)	**113.81**	115.8	(1.7)
Cash cost (US$/oz silver)	**8.18**	8.18	0.0
Margin (US$/oz)2	**35.42**	20.60	71.9
Margin (expressed as % of silver price)	**81.24**	71.58	—
All-in sustaining cost (US$)	**12.91**	11.71	10.2

Key developments in the year

Attributable silver production decreased 7.3% year-on-year mainly due to the lower ore grade in accordance with the mine plan, mitigated by the higher volume of ore processed which was driven by optimisation of the maintenance programme at the flotation plant. Attributable gold production increased due to the improved recovery rate and higher volume of ore processed.

Productivity increased as a result of efforts to increase the productivity of our own personnel and optimise the contractor base.

Mine development decreased to 1,168 metres per month in 2025 (2024: 1,222 metres per month) due to lower equipment availability caused by reduced service from equipment manufacturers.

Financial performance

Cost per tonne decreased slightly, driven by the favourable effect of the average devaluation of the Mexican peso vs the US dollar, partly offset by underlying cost inflation.

Cash cost per silver equivalent ounce[1] remained stable at US$8.2 per ounce (2024: US$8.2 per silver ounce), primarily due to the lower treatment and refining charges, offset by the adverse effect of the relative metal prices in equivalent ounces and the lower ore grade. Margin per ounce increased to US$35.4 in 2025 (2024: US$20.6). Expressed as a percentage of the silver price, it increased from 71.6% to 81.2%.

All-in sustaining cost increased 10.2% to US$12.9 per equivalent silver ounce, primarily driven by an increase in sustaining capex per ounce.

Capital expenditure

Capital expenditure in 2025 totalled US$54.4 million and was allocated primarily to mine development and purchase of equipment.

Juanicipio cost per tonne

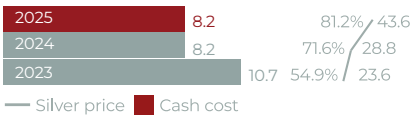
(US$/tonne milled)

113.8

Juanicipio cash cost

(Silver US$/ounce)

8.2



% figures represent margin between cash cost and silver price.

Juanicipio ore milled per person

(Tonnes)

1,088

1 Cash cost per equivalent ounce is calculated as the total cash cost (cost of sales plus treatment and refining charges, less depreciation) divided by the silver or gold equivalent ounces sold.
2 Margin defined as average realised price less cash cost per ounce.

REVIEW OF OPERATIONS – MINES IN OPERATION CONTINUED

SAN JULIÁN DISTRICT

San Julián

San Julián contributed 17.0% to the Group's total attributable silver production in 2025 and generated 11.4% of total Adjusted revenue.

2025 Objectives		Comment
Focus on implementing the second stage of the optimisation plan at San Julián Veins to improve the cost base.	**A**	See: Key developments below.
Continue exploration in the region with the aim of increasing the resource base and extending mine life beyond 2030.	**PA**	See: Reserves and resources below.
Increase the resource base and convert resources into reserves.	**A**	See: Reserves and resources below.
Improve our safety performance.	**A**	Safety performance significantly improved compared to 2024, with TRIFR and LTIFR decreasing 30% and 26% respectively and zero fatalities.

A: Achieved; **PA**: Partially achieved; **NA**: Not achieved.

2026 Objectives

Sustain operational performance and commence evaluation of marginal capital projects to improve cost base.

Complete TSF construction and begin evaluation of its expansion beyond 2029.

Continue exploration efforts to extend mine life.

Continue to improve safety performance and raise safety awareness.

2026 Outlook

For the year ahead, the silver ore grade at San Julián Veins is expected to be in the range of 210-230 g/t, with the gold ore grade expected to average 0.9-1.1 g/t.

Production San Julián Veins

	2025	2024	% change
Ore milled (kt)	**1,261**	1,237	1.9
Silver (koz)	**8,293**	8,443	(1.8)
Gold (oz)	**50,573**	49,633	1.9
Silver ore grade (g/t)	**225**	232	(3.0)
Gold ore grade (g/t)	**1.31**	1.31	—

Reserves San Julián Veins[1]

	2025	2024	% change
Silver (moz)	**21.6**	27.6	(21.7)
Decreased due to depletion, partly mitigated by the lower cut-off grade and higher metals prices.			
Gold (koz)	**146.0**	128.0	14.1
Increased due to the lower cut-off grade and higher metals prices, partly mitigated by depletion.			

Resources San Julián Veins[2]

	2025	2024	% change
Silver (moz)	**63.0**	115.4	(45.4)
Gold (koz)	**495**	883	(43.9)
Despite intensive exploration efforts which delivered results above plan, resources decreased due to the implementation of the RPEEE principle and depletion of certain areas, partly mitigated by the lower cut-off grade and higher price.			

1 2025 reserves as of 30 April 2025.
2 2025 resources as of 30 April 2025.

Financial highlights	2025	2024	% change
Adjusted revenue (US$m)	**527.9**	469.6	12.4
Revenue (US$m)	**524.4**	456.0	15.0
Adjusted production costs (US$m)	**158.7**	201.0	(21.0)
Depreciation (US$m)	**75.0**	162.7	(53.9)
Segment profit (US$m)	**366.0**	253.8	44.2
Capital expenditure (US$m)	**49.7**	49.4	0.6
Exploration (US$m)	**14.5**	16.5	(12.1)
Cost per tonne total (US$)	**125.84**	106.14	18.6
Cash cost (US$/oz silver)	**13.29**	10.95	21.4
Margin (US$/oz)2	**30.31**	17.83	70.0
Margin (expressed as % of silver price)	**69.52**	61.95	—
All-in sustaining cost (US$)	**19.82**	16.60	19.4

Key developments in the year

Gold production increased year-on-year, primarily due to the increased volume of ore processed resulting from efforts to optimise plant operation and maintenance programmes. Silver production decreased, driven by the lower ore grade, partly offset by increased ore throughput.

Productivity decreased following the cessation of activities at the disseminated ore body (DOB). Remaining operations at the Veins are less productive on a tonnes per person basis. This is due to the use of long hole drilling, a method that is more selective and targets higher grade ore compared to the massive sub-level method previously used at the DOB.

In 2025, we continued implementing the optimisation plan at San Julián, consolidating operations with the plant and ensuring the sustainability and profitability of the site. Additional cost-containment measures were implemented during the year, alongside a strong focus on exploration. Looking ahead, the focus remains on further improving cost discipline and implementing structural improvements to support future production and extend the mine's operational life.

Financial performance

San Julián Veins

Cost per tonne increased 18.6% to US$125.8, primarily driven by the increase in contractor and maintenance costs following the absorption of shared fixed costs from San Julián DOB, which was closed in 4Q24, and underlying cost inflation. This was mitigated by the favourable effect of the average devaluation of the Mexican peso vs the US dollar.

Cash cost per equivalent ounce of silver increased 21.4% due to the higher cost per tonne. However, margin per ounce increased 70.0% to US$30.3 (2024: US$17.8), while margin expressed as a percentage of the silver price increased from 62.0% in 2024 to 69.5% in 2025.

All-in sustaining cost increased to US$19.8 per equivalent silver ounce driven by a higher cash cost and increased capitalised mine development per equivalent ounce.

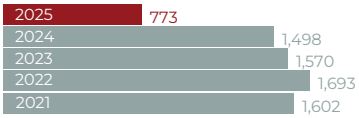
Capital expenditure

Capital expenditure in 2025 was US$49.7 million, mainly allocated to mining works and sustaining capex.

San Julián Veins[1] ore milled per person

(Tonnes)

773

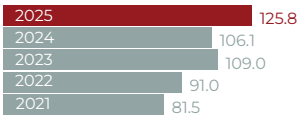


1 This indicator included ore from the San Julián disseminated ore body from 2021-2024.

San Julián Veins cost per tonne

(US$/tonne milled)

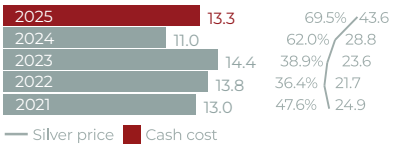
125.8



San Julián Veins cash cost

(Silver US$/ounce)

13.29



% figures represent margin between cash cost and silver price.

1 Cash cost per equivalent ounce is calculated as the total cash cost (cost of sales plus treatment and refining charges, less depreciation) divided by the silver or gold equivalent ounces sold.
2 Margin defined as average realised price less cash cost per ounce.

REVIEW OF OPERATIONS – MINES IN OPERATION CONTINUED

CIÉNEGA DISTRICT

Ciénega

Ciénega contributed 6.2% to total attributable gold production and 5.7% to total attributable silver production in 2025. The mine generated 5.0% of total Adjusted revenue during 2025.

2025 Objectives		Comment
Continue to focus on maximising productivity with own resources while enhancing contractor efficiency.	**PA**	See: Key developments below.
Continue exploration programme in selected high-grade target areas to extend the reserve base and mine life.	**A**	See: Reserves and resources below.
Finalise evaluation of satellite deposits to complement production.	**A**	See: Key developments below.
Improve our safety performance.	**PA**	TRIFR and LTIFR decreased 15% and 28% respectively compared to 2024, but the zero fatalities objective remains to be achieved.

A: Achieved; **PA:** Partially achieved; **NA:** Not achieved.

2026 Objectives

Continue to improve safety performance and raise safety awareness.

Consolidate exploration results into production and new reserves.

Complete the transition to the more productive long hole mining method.

2026 Outlook

In 2026, the average gold ore grade is expected to be between 1.4-1.6 g/t, with the silver ore grade expected to average 110-130 g/t.

Mine production

	2025	2024	% change
Ore milled (kt)	**900**	1,059	(15.0)
Silver (koz)	**2,775**	4,834	(42.6)
Gold (oz)	**37,410**	39,422	(5.1)
Lead (t)	**948**	2,922	(67.6)
Zinc (t)	**527**	3,168	(83.4)
Silver ore grade (g/t)	**125**	166	(24.7)
Gold ore grade (g/t)	**1.39**	1.27	9.4

Total reserves[1]

	2025	2024	% change
Silver (moz)	**15.4**	13.8	11.6
Gold (koz)	**267**	122	118.9

Increased as a result of the lower cut off grade and a higher price, and exploration results, partly mitigated by depletion.

Total resources[2]

	2025	2024	% change
Silver (moz)	**74.0**	113.7	(34.9)
Gold (koz)	**925**	1,458	(36.5)

Decreased as a result of the implementation of the RPEEE principle, exploration results, changes to the model, in particular related to capping and depletion, partly mitigated by the lower cut-off grade and a higher price.

1 2025 reserves as of 30 April 2025.
2 2025 resources as of 30 April 2025

Financial highlights	2025	2024	% change
Adjusted revenue (US$m)	**232.4**	228.4	1.8
Revenue (US$m)	**230.1**	222.5	3.4
Adjusted production costs (US$m)	**107.6**	128.7	(16.4)
Depreciation (US$m)	**45.8**	63.2	(27.5)
Segment profit (US$m)	**123.9**	92.9	33.4
Capital expenditure (US$m)	**17.6**	17.1	2.9
Exploration (US$m)	**7.4**	4.9	51.0
Cost per tonne total (US$)	**119.59**	121.51	(1.6)
Cash cost (US$/oz gold)	**1,697.51**	1,440.18	17.9
Margin (US$/oz)2	**1,835.23**	1,013.40	81.1
Margin (expressed as % of gold price)	**51.95**	41.30	—
All-in sustaining cost (US$)	**2,224.63**	1,823.91	22.0

Key developments in the year

Gold production decreased year-on-year, mainly due to the lower volume of ore extracted from the Jessica Transversal and Vetas Angostas areas and the depletion of Taspana. This was partly mitigated by the higher ore grade from the Victoria complex and, to a lesser extent, the higher concentration of cyanide to improve recovery rates in the leaching process.

Silver production decreased vs 2024, driven by the lower ore grade, the lower volume of ore processed, and decreased recovery rate due to the higher portion of oxides processed at the flotation plant following the depletion of sulphides from Taspana.

An economic analysis of the milling and flotation process was conducted in 1H25 as part of the project to optimise operations and increase profitability. The analysis concluded that the contribution from the zinc concentrate to the mine's profitability was marginal. As a result, it was decided that production of zinc concentrate would cease from 3Q25 with no further contribution expected thereafter.

Productivity decreased due to the lower volume of ore processed, despite ongoing programmes to improve productivity and optimise the contractor base. This was further compounded by market conditions, which have made it increasingly challenging to retain talent.

In 2025, the team continued to focus on exploration, resulting in the discovery of new high-grade gold areas. These are now in development, with production expected to start in 1H26. Additionally, several satellite mineralised areas were evaluated, with further detailed analysis and permitting planned for 2026.

Financial performance

Cost per tonne decreased to US$119.6 in 2025. This was driven by the decrease in development contractors, and the favourable effect of the average devaluation of the Mexican peso vs the US dollar, partly offset by the lower volume of ore processed and underlying cost inflation.

Cash cost per equivalent gold ounce increased by 17.9%, primarily due to the lower silver, lead and zinc ore grades. Margin per ounce increased significantly to US$1,835.2 in 2025 (2024: US$1,013.4). Expressed as a percentage of the gold price, the margin increased to 52.0% (2024: 41.3%).

All-in sustaining cost increased 22.0% to US$2,224.6 per equivalent gold ounce, primarily driven by the higher cash cost.

Capital expenditure

Capital expenditure in 2025 totalled US$17.6 million and was allocated primarily to mine development, sustaining capex and safety and environment, including the construction of the tailings dam.

Ciénega ore milled per person

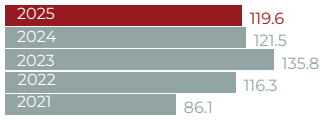
(Tonnes)

765

Ciénega cost per tonne

(US$/tonne milled)

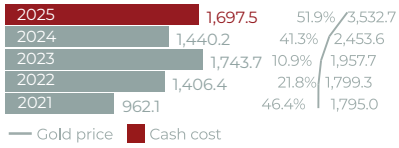
119.6



Ciénega cash cost

(Gold US$/ounce)

1,697.5



% figures represent margin between cash cost and gold price.

1 Cash cost per equivalent ounce is calculated as the total cash cost (cost of sales plus treatment and refining charges, less depreciation) divided by the silver or gold equivalent ounces sold.
2 Margin defined as average realised price less cash cost per ounce.

REVIEW OF OPERATIONS – MINES IN OPERATION CONTINUED

HERRADURA DISTRICT

Herradura

One of Mexico's largest open pit gold mines, Herradura produced 59.3% of the Group's total gold in 2025 and generated 26.7% of total adjusted revenue.

2025 Objectives		Comment
Continue metallurgical analysis for sulphides to optimise recovery.	**A**	See: Key developments below.
Advance phase 2 of the Operational Excellence programme to capture further efficiencies and cost reduction initiatives.	**A**	See: Financial performance below.
Complete engineering of the Carbon in Column project for dynamic leaching plants and start construction.	**A**	See: Key developments below.
Complete engineering and start early works for Valles underground mine.	**A**	See: Key developments below.
Improve our safety performance.	**A**	Safety indicators improved slightly over 2024 (TRIFR and LTIFR below 2.0), with zero fatalities.
Increase the resource base and convert resources into reserves.	**A**	See: Reserves and resources below.

A: Achieved; **PA:** Partially achieved; **NA:** Not achieved.

2026 Objectives

Complete engineering and start construction of sulphides crushing circuit and Adsorption, Desorption and Recovery (ADR) plant.

Initiate the optimisation programme for the dynamic leaching plant 1 through repowering.

Complete construction of the Carbon In Column project for dynamic leaching plants.

Complete rehabilitation works for the Valles underground mine.

Continue to improve safety performance and raise safety awareness.

2026 Outlook
Gold ore grades in 2026 are expected to be in the range of 0.50–0.70 g/t.

Mine production

	2025	2024	% change
Ore deposited (kt)	**20,035**	22,742	(11.9)
Total volume hauled (kt)	**95,645**	97,692	(2.1)
Gold (oz)	**356,097**	360,598	(1.2)
Silver (koz)	**516**	524	(1.5)
Gold ore grade (g/t)	**0.69**	0.71	(2.8)

Total reserves[1]

	2025	2024	% change
Gold (moz)	**6.0**	5.7	5.3%

Increased due to a higher price and lower cut-off grade, partly offset by depletion.

Total resources[2]

	2025	2024	% change
Gold (moz)	**9.6**	6.8	41.2%

Increased due to a higher price, a lower cut off grade, and replacement due to brownfield exploration campaign.

1 2025 reserves as of 30 April 2025.
2 2025 resources as of 30 April 2025.

Financial highlights	2025	2024	% change
Adjusted revenue (US$m)	**1,241.2**	884.7	40.3
Revenue (US$m)	**1,239.7**	883.6	40.3
Adjusted production costs (US$m)	**424.1**	505.5	(16.1)
Depreciation (US$m)	**91.3**	91.7	(0.4)
Segment profit (US$m)	**767.4**	323.7	137.1
Capital expenditure (US$m)	**89.9**	55.0	63.5
Exploration (US$m)	**6.6**	16.6	(60.2)
Cost per tonne total (US$)	**21.17**	22.23	(4.8)
Cash cost (US$/oz gold)	**1,214.95**	1,441.87	(15.7)
Margin (US$/oz)2	**2,317.79**	1,011.71	129.1
Margin (expressed as % of gold price)	**65.6**	41.2	—
All-in sustaining cost (US$)	**1,628.71**	1,730.28	(5.9)

Key developments in the year

Annual gold production decreased 1.2%, driven by the lower volumes of ore processed resulting from greater selectivity and a minor delay in the commissioning of phase XV of the leaching pad, as well as the lower ore grade. This was mitigated by the higher recovery rate resulting from the increase in the proportion of oxides deposited on the pads.

Despite slightly lower production compared to 2024, all operational goals were surpassed relative to the original plan, enabling the delivery of gold production above guidance. From an operational perspective, efficient cost control, optimised drilling patterns, and improved mine cycles contributed to higher-than-expected gold recoveries in the heap leach process, while selective mining continued to deliver higher grades to the dynamic leaching plants.

In line with previously outlined strategic initiatives, we continued to implement measures to optimise operational performance. The Carbon-in-Column facility is under construction, with startup expected in 1Q26 and full operational capacity by 2Q26. In addition, analysis and test work for a new sulphides crushing circuit were successfully completed, with detailed engineering for this facility and the ADR plants now underway. At the mine, the fleet renewal programme has commenced, aimed at reducing operating costs and improving operational efficiencies.

Development of the Valles underground project continued according to plan, with engineering completed and early works initiated. Production startup remains on track for 1H27.

Financial performance

Cost per tonne of ore hauled decreased 4.8%, primarily due to cost efficiencies from shorter haulage distances and the favourable effect of the average devaluation of the Mexican peso vs the US dollar, partly offset by underlying cost inflation.

Cash cost decreased 15.7% to US$1,214.9 per equivalent ounce of gold[1], mainly due to the variation in change in inventories and lower cost per tonne, partly offset by the lower gold ore grade. Margin per ounce increased 129.1% from US$1,011.7 to US$2,317.8, while margin expressed as a percentage of the gold price increased from 41.2% in 2024 to 65.6% in 2025.

All-in sustaining cost decreased 5.9% to US$1,628.7 per equivalent gold ounce, mainly due to the lower cash cost.

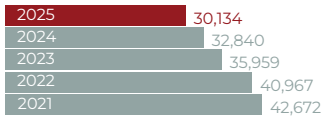
Capital expenditure

Capital expenditure in 2025 totalled US$89.9 million, which was focused on mining works, the construction of the leaching pads and sustaining capex, and tailings dams.

Herradura ore milled per person

(Tonnes)

30,134



Herradura cost per tonne

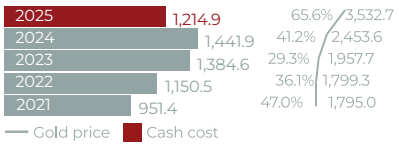
(US$/tonne processed)

21.2

Herradura cash cost

(Gold US$/ounce)

1,214.9



% figures represent margin between cash cost and gold price.

1 Cash cost per equivalent ounce is calculated as the total cash cost (cost of sales plus treatment and refining charges, less depreciation) divided by the silver or gold equivalent ounces sold.
2 Margin defined as average realised price less cash cost per ounce.

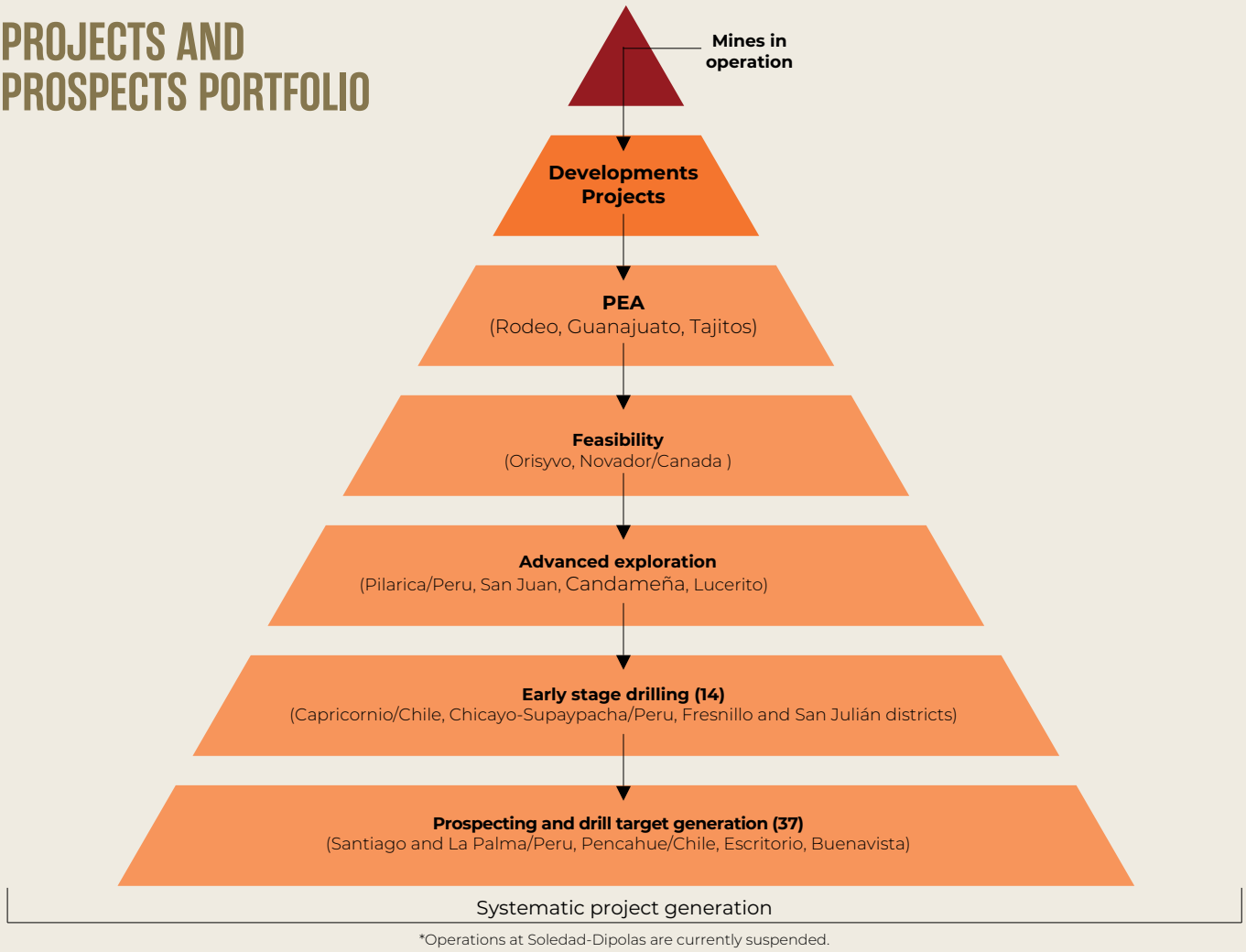
Noche Buena

Full-year gold production totalled 18,116 ounces. As previously announced, mining activities concluded in May 2023, and the mine closure plan has continued as expected. For further details on our mine closure process, see the Sustainability section on page 103. Based on new technical information and revised recovery grades and leaching targets, the estimated gold content in the leaching pads at Noche Buena was increased by 20.7 thousand ounces as at 1 January 2025.

REVIEW OF OPERATIONS CONTINUED
A STRONG GROWTH PIPELINE

Our pipeline of exploration projects is key to our ongoing strategy of organic growth. The diagram below shows our operations, projects and prospects across all stages.

PROJECTS AND PROSPECTS PORTFOLIO



*Operations at Soledad-Dipolas are currently suspended.

1 Mines in operation
Fresnillo, Saucito, Herradura, Soledad-Dipolos*, San Julián Veins, Ciénega, Juanicipio

2 Development projects
No projects under development.

3 Prospecting and drill target generation (37)
Santiago and La Zarca/Peru, Pencahue/Chile, Detour belt/Canada, Olivos, Escritorio, La Yesca

Early stage drilling (14)
Capricornio/Chile, Chiclayo-Supaypacha/Peru, Fresnillo and San Julián districts

Advanced exploration
Pilarica/Peru, San Juan, Candameña, Lucerito

PEA
Rodeo, Guanajuato, Tajitos

Feasibility
Orisyvo, Novador/Canada

EXPECTED DELIVERY OF GROWTH

BF/GF	Expected Annual Production Resources	Year / Project	2026	2027	2028	2029	2030	2031	2032	2033	2034
BF	60 - 80 koz Au	Valles underground	Infill drilling exploration, development and construction								Production
BF	40 - 50 koz Au	Noche Buena	Infill drilling exploration, development and construction								Production
GF	75 - 90 koz Au	Rodeo	Infill drilling exploration, feasability development and construction								Production
GF	1.1 moz Au	Tajitos	Exploration to increase resources, update the PEA, start PFS level studies								Production
BF	120 - 160 Koz Au	Herradura underground	Exploration to increase resources, update the PEA, start PFS level studies. Refine conceptual development scenarios								Production
GF	8.0 moz Au	Novador	Exploration to increase resources, update the PEA, start PFS level studies								Production
GF	180 - 220 koz Au	Orisyvo	Final metallurgical testing, feasability, development and construction								Production
GF	3.4 moz Au 388 moz Ag	Guanajuato	Exploration to increase resources, update the PEA, start PFS level studies. Refine conceptual development scenarios								Production

BF = Brownfield

GF = Greenfield

REVIEW OF OPERATIONS – EXPLORATION

Exploration continues to be the key driver of growth for the Group. We believe that continuous investment across price cycles is the most efficient and sustainable route to create a portfolio of prospects and projects that extends across multiple stages.

Our firm and unchanging commitment to exploration sets us apart from many of our peers and provides a solid platform for our future success.

Our exploration teams have a proud and highly respected reputation in the Mexican mining industry. They have been responsible for our most significant breakthroughs, such as those at San Julián and Saucito, and are ideally qualified to identify and develop new opportunities. One of the most important roles of our teams is to engage with local communities and seek their participation at an early stage of a project. Not only does this help safeguard our licence to operate, it also gives us the opportunity to meet and consult with local people, thereby ensuring that we are able to tailor any subsequent community support programmes to meet their specific needs (see Sustainability section on pages 104-109).

Our focus remains on Mexico, where we seek to identify and consolidate new districts with favourable gold-silver potential, while also maintaining exploration offices in Chile and Peru. In addition, our pipeline was strengthened with the acquisition of Probe Gold at the beginning of 2026. Following due diligence and several visits to engage with the team and key stakeholders in Canada, we have established an exploration programme to continue drilling at the Novador project while advancing the permitting process.

In 2025, our drilling programmes increased by 7.7% compared to 2024, with a total of 800,434 metres drilled. 80% of drilling activities were carried out at, or close to, our existing operations, in line with our continued focus on brownfield exploration which maximises the possibility of good returns. We drilled 159,065 metres in greenfield targets where we are consolidating districts.

Brownfield exploration

The Group's strategy of focusing on brownfield (on-lease or near-mine) exploration to extend mine life continued during the year. Our belief that brownfield exploration and discovery offer the best route to the expansion of low-cost, low-risk mineral resources and mineral reserves in well-understood environments remains central to our approach. Brownfield exploration is configured to deliver a balanced project pipeline that includes identifying early-stage targets with project lead times of typically four to five years, combined with progressing more advanced projects that can potentially deliver new mining opportunities within the next two to three years.

The objectives of the drilling campaigns at our mines are threefold: (i) replenish and augment our mineral reserves, converting inferred resources into the indicated category with infill drilling; (ii) increase the total and inferred resources by drilling at extensions of known mineralisation and also by testing new targets; and (iii) continue to ensure the quality of the reserves blocks scheduled to be mined in the short term, with selected additional drilling carried out wherever deemed necessary due to grade variations. We work hard to ensure the long-term sustainability of our business and to drive growth by replenishing depleted reserves and maintaining a robust growth pipeline.

Greenfield exploration

We carefully define and execute drilling campaigns aimed at discovering and increasing resources at our early-stage prospects in new mineral districts, focusing on projects that have shown good potential for supporting our growth ambitions. For projects in the relatively early stages, we may conduct preliminary economic assessments (PEAs), which comprise an economic analysis of the potential viability of mineral resources.

For more advanced projects, we undertake extensive de-risking activities to refine models, explore the extent of mineralisation and provide comprehensive support to a project as it moves into and through the development stage – a key moment in the journey towards becoming an operational mine.

All our exploration projects are measured against a set of strict criteria to ensure they meet our operational, revenue and profitability objectives. For example, we will only proceed with a stand-alone project if it offers a minimum potential of 150 moz of silver or 2 moz of gold. We also consider a range of additional factors before commencing activities, such as ore grades, metallurgical recoveries, extraction costs, environmental impact, and sustainability and community investment, as well as the available infrastructure. The exploration budget is allocated to selected projects based on their score in the favourability and risk analyses performed yearly on our prospects and projects portfolio, to be followed by the implementation of an exploration programme based on a disciplined milestone-completion approach.

2025 performance

Mineral resources and ore reserves

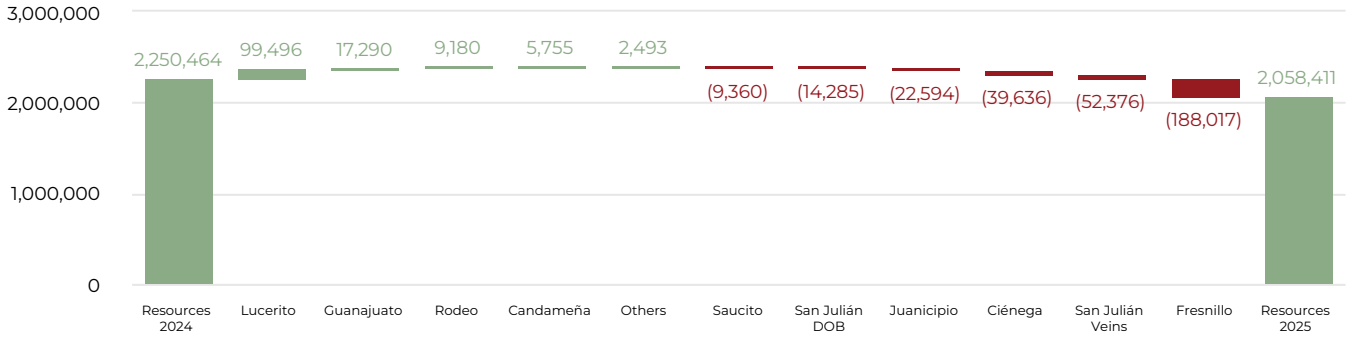
Estimations of our mineral resources and ore reserves are developed by our corporate technical staff in line with best practice and are audited every year by independent consultants prior to public statement under the JORC Code reporting standards. The 2025 mineral resources estimates were based on price assumptions of US$2,300/oz gold and US$30.0/oz silver, and ore reserves estimated at US$2,100/oz gold and US$26.5/oz silver. In line with last year's approach, these price assumptions were based on an average of the price outlooks from various financial institutions. The increased metals prices, along with lower contractual charges on concentrate sales and cost reductions achieved through our efficiency and cost savings initiatives, resulted in a decrease in cut-off grades in 2025.

Following the considerable efforts by our teams to intensify the infill drilling campaign, the proven and probable reserves at all our underground mines were replenished during 2025.

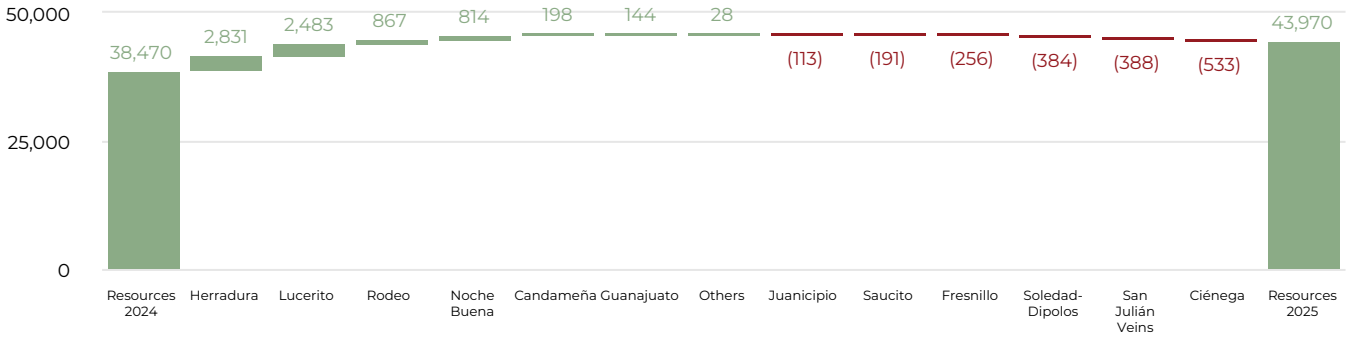
The corporate technical services team continued to improve across all disciplines in 2025, with a special focus on improving our geotechnical models, grade control, recovery parameters and reconciliation process.

Exploration and variations in reserves and resources at our existing mines are set out as part of our Review of Operations (see pages 30-41).

Silver in consolidated overall mineral resources decreased 8.5% to 2,058 moz, primarily driven by the implementation of the Reasonable Prospects for Eventual Economic Extraction (RPEEE) principle, in accordance with JORC 2012 and NI 43-101 international reporting codes. This new approach, which we have adopted in line with our commitment to follow industry best practice, classifies mineral resources based on an expectation of future economic extraction, considering technical and economic parameters, thereby providing a clear assessment of material that could be mined in the future. While the application of this principle has initially had a negative impact on the reported resource base, it will have a positive long-term impact because it enhances confidence in the estimates and reinforces transparency. The 192.1 moz decrease was the result of the variations shown below.

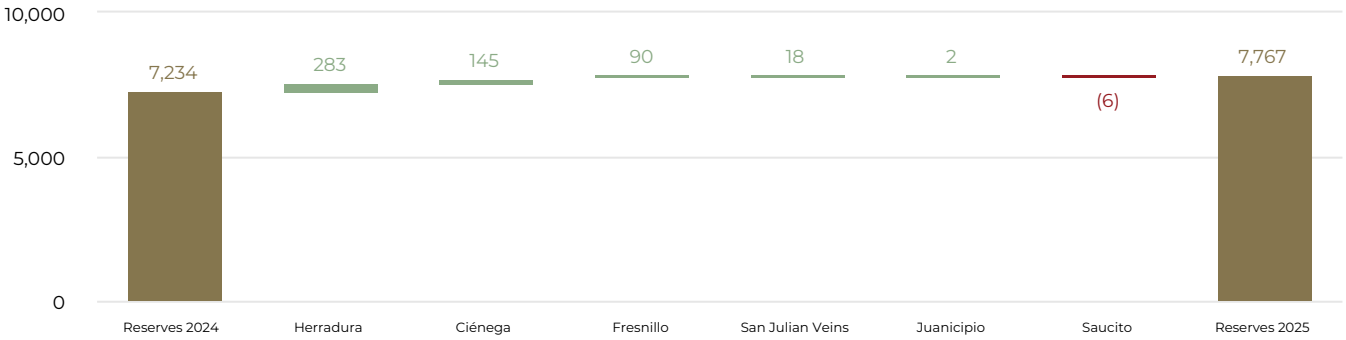


Gold in consolidated overall mineral resources increased 14.3% to 44.0 moz, primarily driven by the contributions shown below.



Silver in consolidated overall ore reserves increased 9.4% to 362.6 moz, with the increase of 31.2 moz primarily driven by the contributions shown below.

Gold in consolidated overall ore reserves increased 7.4% to 7.8 moz, with the 533 koz increase primarily driven by the contributions shown below.



REVIEW OF OPERATIONS – EXPLORATION CONTINUED

The following section provides details about our advanced exploration projects, highlighting the progress made in 2025 as well as outlining our plans for the year ahead.

Advanced exploration projects

Orisyvo

Orisyvo is a world-class, high-sulphidation epithermal, disseminated gold deposit located in the Sierra Madre mountains of Chihuahua state, hosting open-pit constrained total resources of 9.6 million ounces of gold. The project is in the pre-feasibility stage aiming at the development of a bulk-mining underground operation targeting the high-grade core of the ore deposit and the construction of the associated infrastructure, which includes mineral processing and tailings storage facilities.

During 2025, the initial pre-feasibility study was completed, and several opportunities to optimise the overall results were identified and are currently being evaluated. These focus primarily on reducing initial capital expenditures and operating costs. The key areas under review and subject to trade-off studies include alternatives for energy supply, mining sequence and mineral processing scenarios. Environmental studies continue in preparation for submission to the authorities. The land acquisition strategy, alongside the region-wide community engagement programme and ongoing coordination with local and state governments, continues as planned in preparation for the required consultation processes with Indigenous Peoples.

The 2026 programme includes refining the pre-feasibility study to deliver its final version and advance to feasibility level work, while continuing community and government engagement programmes.

Rodeo

Rodeo is an open pit, heap leaching gold project located in central Durango state, with mineralisation occurring in a disseminated volcanic rock-hosted ore body, showing thorough oxidation down to depths exceeding 200 metres. Gold metallurgical recoveries have been obtained in column test-work. Following the formalisation of agreements with the intervening communities in 2024, a 22,336 metres drilling programme was completed to obtain sufficient samples for more detailed metallurgical investigations and to evaluate extensions of the known ore bodies.

Positive drilling results, together with higher gold prices, supported an increase in mineral resources to 2.3 million ounces of gold, with 67% classified in the indicated category. Metallurgical column test-work is ongoing and continues to deliver encouraging preliminary results. Simultaneously, a regional hydrogeological study and evaluation of water and energy supply alternatives are in progress. The information gathered will form the basis of an updated Preliminary Economic Assessment to be delivered in 2H 2026. A region-wide community engagement programme also continues, focusing on health, infrastructure and educational initiatives developed in collaboration with local communities and government stakeholders. This has revealed strong support for the project.

Tajitos

Tajitos is a low strip ratio open-pit, heap-leach, disseminated gold project located in the Herradura Corridor of northwestern Sonora state, with mineral resources amounting to 1.1 million ounces of gold, of which 92% are classified in the indicated category. An updated Preliminary Economic Assessment is expected in 1H 2026, following the completion of evaluations of alternatives for mine development, water and energy supply, mineral processing, and tailings storage facilities. The potential development of the Tajitos project would benefit from synergies and existing infrastructure at the La Herradura mine. Environmental studies associated with this project are progressing well, alongside a regional community engagement programme that includes the Caborca municipality.

During 2025, a drilling programme totalling 19,198 metres was completed in the western portion of the district, which included 11,406 metres of core drilling and 7,792 metres of reverse circulation drilling. Current targets under evaluation include an outcropping vein system showing good gold grades amenable to underground mining, and several areas with good potential for the discovery of additional disseminated mineralisation. Promising results have been obtained from both target types, and drilling at these locations is planned to continue during 2026.

Guanajuato

Guanajuato is a historic, world-class gold and silver epithermal vein field stretching more than 40 kilometres across the central Mexican state of Guanajuato. During 2025, 122,098 metres of core drilling were completed, of which 88% was focused on the southern portion of the district, where the evaluation of a significant newly discovered silver-gold vein system is progressing well. Total resources at our Guanajuato project amount to approximately 3 moz of gold and 388 million ounces of silver, with 17% classified in the indicated category. In 2025, additional step-out and initial infill drilling programmes were undertaken at Guanajuato Sur, alongside environmental studies, land acquisition, and evaluation of alternative mine development and mineral processing scenarios.

For 2026, several studies are planned, including evaluations of mine development technologies, geotechnical, geohydrological assessments, environmental studies, detailed metallurgical investigations, and preliminary infrastructure designs. These are expected to form the basis of a PEA to be delivered at year end. Infill and step-out drilling will continue, together with strengthened community and government engagement programmes.

Exploration continued at a slower pace in the central portion of the district, which hosts 28% of the total resources, with 14,339 metres of surface and underground core drilling completed at several targets at the historic Torres and Peregrina mine areas. Alternatives for mine development at these locations are under consideration.

Prospects

In Mexico, our focus was on the Lucerito project, an open-pit, polymetallic sulphide deposit, located in central Durango. Initial metallurgical investigations using Biox and Albion technologies to recover refractory gold delivered promising results, and 9,135 metres of core drilling were completed for metallurgical testing and refinement of the geological model. The positive results obtained, together with rising metals prices, supported an increase in mineral resources to 5.6 moz of gold and 328 moz of silver. Additional drilling and metallurgical investigations will continue in 2026, with a preliminary conceptual study expected to be delivered by year-end.

At Candameña, a gold-silver epithermal deposit, drilling results were modest, and metallurgical investigations of its refractory gold ores are scheduled for 2026.

In Peru, the drilling programme completed at the La Palma porphyry prospect returned marginal grades, and focus has since shifted to advancing social and environmental permitting at other prospects with strong exploration potential, and these are expected to be drilled during 2026.

In Chile, drilling resumed at the Capricornio gold prospect, a joint venture with SQM which hosts several untested targets under cover that will continue to be evaluated during 2026.

Early-stage exploration

We routinely carry out activities at our six exploration offices to accumulate regional geological, geophysical, structural and geochemical data and analyse it in a GIS environment. Areas identified with good potential are followed up by gathering remote sensing hydrothermal alteration data commissioned from international high-quality service providers. The information gained is integrated into the database to refine our understanding of the targeted ore deposit systems. Furthermore, our regional prospecting teams in Mexico, Peru and Chile carry out the field work required to validate the exploration targets and eventually incorporate them into our prospect pipeline, while also evaluating a selection of third-party prospects.

FINANCIAL REVIEW

> **The Group's financial performance in 2025 reflects the positive impact of higher precious metals prices together with a more stable operational performance."**

The consolidated financial statements of Fresnillo plc are prepared in accordance with UK-adopted international accounting standards. This financial review intends to explain the main factors affecting performance as well as provide a detailed analysis of the financial results in order to enhance the understanding of the Group's financial statements.

All comparisons refer to 2025 figures compared to 2024, unless otherwise noted. The financial information and year-on-year variations are presented in US dollars, except where otherwise indicated. The full financial statements and their accompanying notes can be found on pages 115-264.

The following report presents how we have managed our financial resources.

Commentary on financial performance

The Group's financial performance in 2025 reflects the positive impact of higher precious metals prices coupled with a more stable operational performance, which was achieved despite a number of challenges.

Adjusted revenue[1] increased 27.6% vs 2024 to US$4,645.3 million. This was primarily due to higher gold and silver prices. Revenue increased 30.5% year-on-year to US$4,561.2 million, principally as a result of higher Adjusted revenue and lower treatment and refining charges.

Adjusted production costs[2] decreased 11.1% vs 2024. This was mainly due to the cessation of mining activities at San Julián DOB; the lower volumes processed at Herradura, Fresnillo, Ciénega and Saucito; the favourable effect of the devaluation of the average Mexican peso vs. the US dollar exchange rate; and net efficiencies achieved, principally at Herradura. These factors were partly offset by cost inflation of 3.2%, excluding the exchange rate devaluation.

As a result, gross profit more than doubled to US$2,664.1 million, while EBITDA3 increased by 80.7% to US$2,796.2 million in 2025.

We maintained our strong financial position, with US$2,756.5 million in cash and other liquid funds as of 31 December 2025, a net increase of US$1,458.7 million over the period, having paid dividends of US$654.3 million: US$346.3 million in accordance with our policy (adjusted for extraordinary, non-cash items, in particular the revaluation of the Silverstream contract and the effect of the exchange rate on deferred taxes), in addition to US$308.0 million in extraordinary dividends. We also invested US$400.1 million in capex, spent US$173.5 million on exploration expenses, and paid US$369.5 million in taxes, special mining rights, and profit sharing.

FINANCIAL REVIEW CONTINUED

Income statement highlights

	2025	2024	Amount change	Change %
	US$ million	US$ million	US$ million	
Adjusted revenue[1]	**4,645.3**	3,639.9	1,005.4	27.6
Total revenue	**4,561.2**	3,496.4	1,064.8	30.5
Cost of sales	**(1,897.1)**	(2,250.1)	353.0	(15.7)
Gross profit	**2,664.1**	1,246.3	1,417.8	113.8
Exploration expenses	**173.5**	163.0	10.5	6.4
Operating profit	**2,292.5**	945.8	1,346.7	142.4
EBITDA[3]	**2,796.2**	1,547.3	1,248.9	80.7
Special mining rights	**193.2**	127.0	66.2	52.1
Income tax (Tax income)[4]	**315.0**	390.2	(75.2)	(19.3)
Profit for the period	**1,573.8**	226.7	1,347.1	594.2
Profit for the period, excluding post-tax Silverstream effects	**1,706.3**	354.3	1,352.0	381.6
Basic and diluted earnings per share (US$/share)[5]	**1.878**	0.191	1.687	883.2
Basic and diluted earnings per share, excluding post-tax Silverstream effects (US$/share)	**2.058**	0.364	1.694	465.4

1 Adjusted revenue is revenue as disclosed in the income statement adjusted to exclude treatment and refining charges.
2 Adjusted production costs are calculated as cost of sales less depreciation, profit sharing, change in inventories and unproductive costs. The Company considers this a useful additional measure to help understand underlying factors driving production costs in terms of the different stages involved in the mining and plant processes, including efficiencies and inefficiencies, as the case may be, and other factors outside the Company's control such as cost inflation or changes in accounting criteria.
3 Earnings before interest, taxes, depreciation and amortisation (EBITDA) is calculated as profit for the year from continuing operations before income tax, less finance income, plus finance costs, less foreign exchange gain/(loss), less revaluation effects of the Silverstream contract, and other operating income plus other operating expenses and depreciation.
5 The weighted average number of Ordinary Shares was 736,893,589 for 2025 and 2024. See Note 18 to the consolidated financial statements.

The Group's financial results are largely determined by the performance of our operations. However, other factors beyond our control, including a number of macroeconomic variables, affect our financial results. These include:

Metals prices

The average realised silver price increased 51.4% from US$28.8 per ounce in 2024 to US$43.6 per ounce in 2025, while the average realised gold price rose 44.0% to US$3,532.7 per ounce. The average realised zinc by-product price increased 1.6% to US$1.30 per pound, with the lead by-product price decreasing 4.6% vs 2024 to US$0.88 per pound.

MX$/US$ exchange rate

Spot Exchange Rate at 31 December 2025	Spot Exchange Rate at 31 December 2024	Impact
$18.00 per US dollar	$20.27 per US dollar	The 11.4% spot revaluation had a favourable effect on deferred taxes and special mining rights

Average Mexican peso/US dollar exchange rate 2025	Average Mexican peso/US dollar exchange rate 2024	Impact
$19.22 per US dollar	$18.30 per US dollar	The 5.1% devaluation had a positive effect of US$51.6 million on the Group's costs denominated in Mexican pesos (approximately 45% of total costs) when converted to US dollars.

Cost inflation

The Mexican Consumer Price Index for 2025 calculated cost inflation at 3.9%. However, to evaluate the Group's cost inflation for the year, we calculate the unit price increase for each component of adjusted production costs and take into consideration their weighted average within the Group's basket. The resulting cost deflation estimate for 2025 was 0.2%, which included the favourable effect of the 5.1% average devaluation of the Mexican peso against the US dollar. Underlying cost inflation (cost inflation excluding the devaluation of the Mexican peso vs. US dollar) was 3.2%. We conduct the same exercise for each individual mine operation, whose basket components may carry different weightings.

The main components driving our cost inflation are listed below:

Labour

Unionised workers received on average a 7% increase in wages in Mexican pesos, while non-unionised employees received on average a 6% increase in wages in Mexican pesos; when converted to US dollars this resulted in a weighted average labour inflation of 1.5%.

Energy

Electricity

The weighted average cost of electricity in US dollars remained broadly stable at US$8.18 cents per kWh in 2025.

Diesel

The weighted average cost of diesel decreased 4.0% in US dollars to 107.4 US cents per litre in 2025, compared to 111.9 US cents per litre in 2024.

Operating materials

The weighted average unit prices of all operating materials increased by 2.2% over the year as the unit prices of steel balls for milling, explosives and reagents, including sodium cyanide, continued to increase in US dollar terms, reflecting global inflationary pressures. This was partly offset by the decrease in the unit price of lubricants. There has been no significant impact on the unit cost of operating materials from the devaluation of the Mexican peso/US dollar exchange rate as the majority of these items are dollar-denominated.

	Year-on-year change in unit price %
Steel balls for milling	4.3
Sodium cyanide	4.1
Explosives	3.3
Tyres	1.7
Other reagents	1.3
Steel for drilling	(2.6)
Lubricants	(7.6)
Weighted average of all operating materials	**2.2**

Contractors

Agreements are signed with each individual contractor company and include specific terms and conditions that cover not only labour, but also operating materials, equipment and maintenance, among others. Contractor costs are mainly denominated in Mexican pesos and are an important component of our total production costs. In 2025, increases per unit (i.e. per metre developed/per tonne hauled) granted to contractors whose agreements were due for review during the period, resulted in a weighted average decrease of approximately 1.3% in US dollars, after considering the devaluation of the Mexican peso vs the US dollar.

The effects of the above external factors, combined with the Group's internal variables, are further described below through the main line items of the income statement.

Revenue

Consolidated revenue

	2025	2024	Amount Change	Change %
	US$ million	US$ million	US$ million	
Adjusted revenue[1]	**4,645.3**	3,639.9	1,005.4	27.6
Treatment and refining charges	**(84.1)**	(143.6)	59.5	(41.4)
Total revenue	**4,561.2**	3,496.4	1,064.8	30.5

1 Adjusted revenue is revenue as disclosed in the income statement adjusted to exclude treatment and refining charges.

Adjusted revenue increased by US$1,005.4 million, driven by the higher gold and silver prices, partly offset by the lower volumes of all metals sold. Changes in the contribution by metal were the result of the relative changes in metals prices and volumes produced. The effect by metal, both in terms of volume and price, is shown in the table below.

Adjusted revenue[1] by metal

	2025		2024					
	US$ million	**% contribution**	US$ million	% contribution	Volume variance US$ million	Price variance US$ million	Total net change US$ million	Change %
Gold	**2,071.2**	**44.6**	1,514.7	41.6	(93.0)	649.4	556.5	36.7%
Silver	**2,161.9**	**46.5**	1,673.9	46.0	(309.9)	797.9	488.0	29.2%
Lead	**124.6**	**2.7**	139.8	3.8	(9.0)	(6.2)	(15.2)	(10.9%)
Zinc	**287.6**	**6.2**	311.5	8.6	28.8	4.9	(23.9)	(7.7%)
Total Adjusted revenue	**4,645.3**	**100**	3,639.9	100.0	(440.8)	1,446.1	1,005.4	27.6%

1 Adjusted revenue is revenue as disclosed in the income statement adjusted to exclude treatment and refining charges.

FINANCIAL REVIEW CONTINUED

Adjusted revenue by mine

The contribution by mine to Adjusted revenues is outlined in the table below. This is expected to change further in the future, as new projects are incorporated into the Group's operations and as precious metals prices fluctuate.

	2025		2024		
	(US$ million)	**% contribution**	(US$ million)	% contribution	Change %
Herradura	**1,241.2**	**26.7**	884.7	24.3	40.3
Saucito	**929.9**	**20.0**	760.0	20.9	22.4
Juanicipio	**922.6**	**19.9**	662.8	18.2	39.2
Fresnillo	**739.3**	**15.9**	591.2	16.2	25.1
San Julián (Veins)	**527.9**	**11.4**	354.5	9.7	48.9
Ciénega	**232.4**	**5.0**	228.4	6.3	1.8
Noche Buena	**52.0**	**1.1**	43.4	1.2	19.8
San Julián (DOB)	**0.0**	**0.0**	115.1	3.2	(100.0)
Total	**4,645.3**	**100.0**	3,639.9	100.0	27.6

Treatment and refining charges

Treatment and refining charges[1] are reviewed annually using international benchmarks. Treatment charges per tonne of lead and zinc concentrate and silver refining charges decreased substantially in dollar terms by 40.7%, 41.8% and 41.6%, respectively. These factors, combined with the lower volumes of lead and zinc concentrates shipped from our mines to Met-Mex, resulted in a 41.4% decrease in treatment and refining charges set out in the income statement in absolute terms when compared to 2024.

1 Treatment and refining charges include the cost of treatment and refining as well as the margin charged by the refiner.

Cost of sales

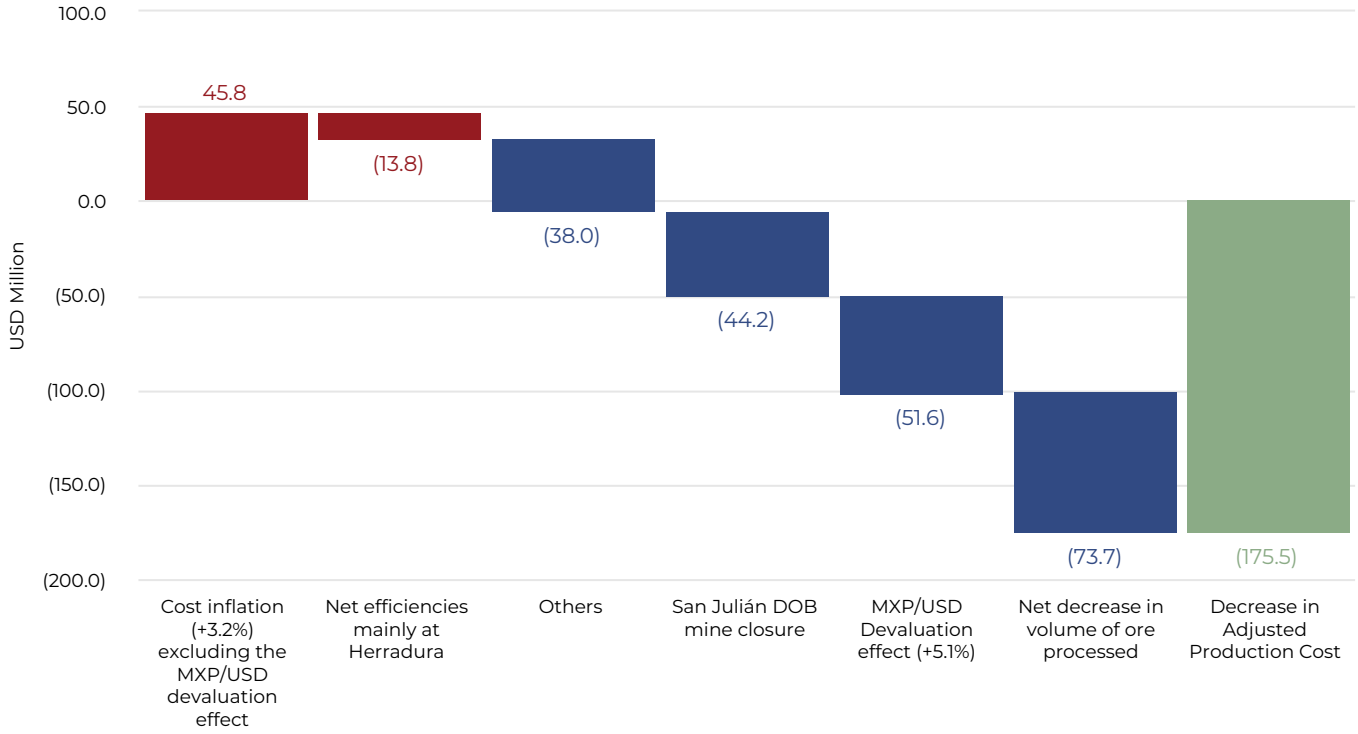
Concept	**2025 US$ million**	2024 US$ million	Amount Change US$ million	Change %
Adjusted production costs[2]	**1,406.7**	1,582.2	(175.5)	(11.1)
Depreciation	**490.6**	619.8	(129.2)	(20.8)
Profit sharing	**15.7**	12.3	3.4	27.6
Change in work in progress	**(22.4)**	35.8	(58.2)	N/A
Unproductive Costs[3]	**6.5**	—	6.5	100.0
Cost of sales	**1,897.1**	2,250.1	(353.0)	(15.7)

2 Adjusted production costs are calculated as cost of sales less depreciation, profit sharing, change in inventories and unproductive costs. The Company considers this a useful additional measure to help understand underlying factors driving production costs in terms of the different stages involved in the mining and plant processes, including efficiencies and inefficiencies, as the case may be, and other factors outside the Company's control such as cost inflation or changes in accounting criteria.

3 Unproductive costs mainly relate to expenses incurred on assets that are not currently in operation.

Cost of sales decreased 15.7% to 1,897.1 million in 2025. The main factors driving the US$353.0 million decrease are listed below.

Adjusted production costs decreased by US$175.5 million as shown in the graph below:



Ongoing efforts to implement cost reduction initiatives have continued, generating positive results in 2025 and driving US$13.8 million in net worth of operating efficiencies. These included efficiencies and cost reductions at Herradura (-US$39.6 million), and decreased contractor costs for development at Ciénega (-US$6.7 million). This achievement was offset by inefficiencies and cost increases at Fresnillo as a result of increased contractor costs for development, increased mechanical and electrical maintenance and higher consumption of explosives and milling balls at (+US$27.5 million), increased electrical and mechanical maintenance at Saucito (+US$3.4 million), and higher IT costs and increased mechanical maintenance at Juanicipio (+US$1.6 million).

Others reflect non-mining/core process costs converted from a commercial arrangement to a tolling agreement.

The decrease in depreciation (-US$129.2 million) was mainly due to lower depreciation of the asset base at San Julián as the DOB approached the end of its life, with its assets being fully depreciated in 2024, and, to a lesser extent, the reduced depletion factor at Ciénega and Saucito.

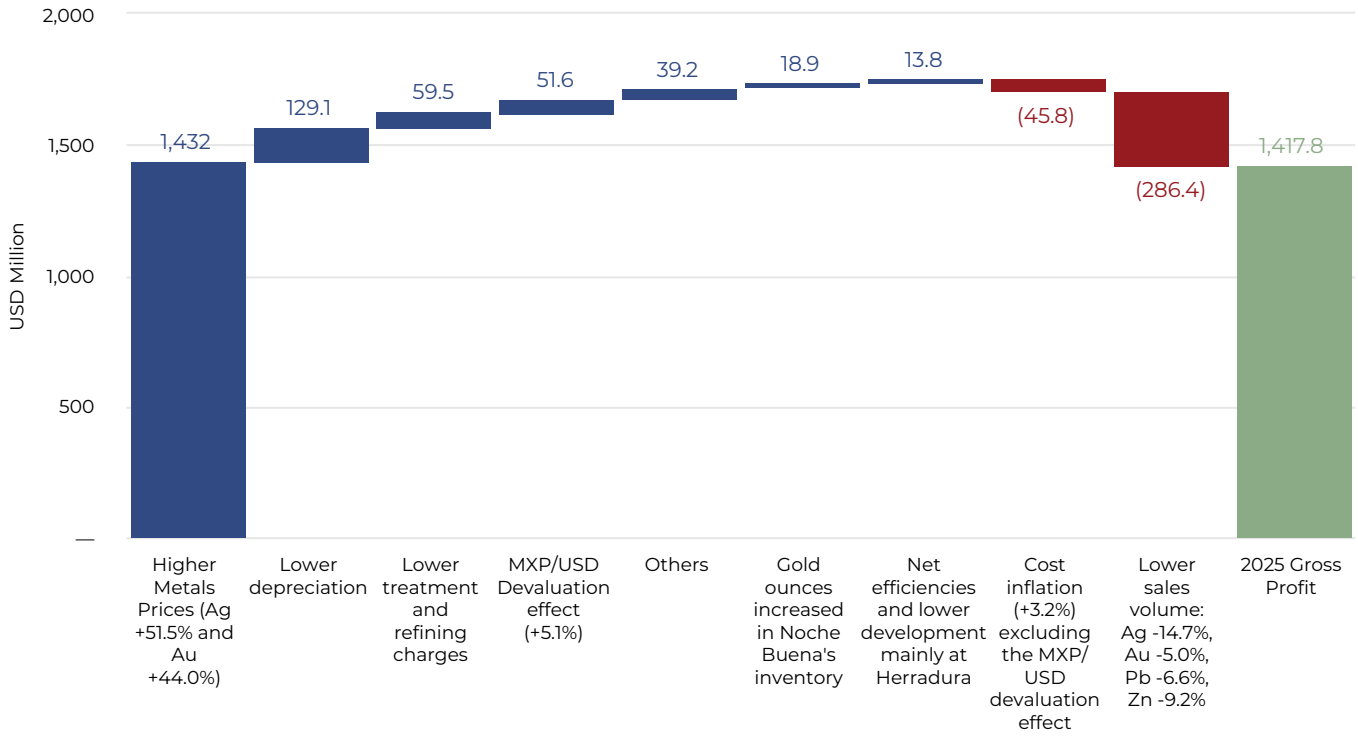
FINANCIAL REVIEW CONTINUED

Gross profit

Gross profit is a key financial indicator of profitability at each business unit and the Fresnillo Group as a whole.

Total gross profit doubled from US$1,246.3 million in 2024 to US$2,664.1 million in 2025.

The main factors driving the US$1,417.8 million increase in gross profit are shown in the graphic below:



The contribution by mine to the Group's consolidated gross profit and the year-on-year variations are outlined in the table below:

Contribution by mine to consolidated gross profit

	2025		2024		Change	
	US$ million	**% contribution**	US$ million	% contribution	US$ million	%
Herradura	**716.2**	26.9	274.2	22.0	442.0	161.2
Juanicipio	**661.7**	24.9	384.8	31.0	276.9	72.0
Saucito	**543.1**	20.4	281.7	22.7	261.4	92.8
Fresnillo	**339.1**	12.8	180.0	14.5	159.1	88.4
San Julián	**289.3**	10.9	89.3	7.2	200.0	224.0
Ciénega	**77.7**	2.9	29.6	2.4	48.1	162.5
Noche Buena	**31.1**	1.2	3.2	0.2	27.9	871.9
Total for operating mines	**2,658.2**	100.0	1,242.8	100.0	1,415.4	113.9
Other subsidiaries	**5.9**		3.5		2.4	68.6
Total Fresnillo plc	**2,664.1**		1,246.3		1,417.8	113.8

Administrative and corporate expenses

Administrative and corporate expenses increased 8.0% from US$109.5 million in 2024 to US$118.2 million in 2025, primarily due to an increase in personnel as well as performance bonuses linked to operating and financial results paid to administrative personnel, partly mitigated by the favourable effect of the devaluation of the Mexican peso vs the US dollar on administrative expenses denominated in pesos.

Exploration expenses

Exploration expenses increased 6.4% from US$163.0 million in 2024 to US$173.5 million in 2025. In line with our strategy, exploration continued to focus on the Fresnillo district and the Ciénega and San Julián mines, prioritising efforts to increase the resource base, convert resources into reserves and improve the confidence of the grade distribution in reserves. An additional US$2.6 million was capitalised, mainly relating to exploration expenses at the Guanajuato and Orisyvo projects. As a result, risk capital invested in exploration totalled US$176.1 million in 2025, compared to US$165.0 million in 2024 (of which US$2.0 million was capitalised). This represents a year-on-year increase of 6.7%.

EBITDA

EBITDA is a gauge of the Group's financial performance and a key indicator to measure debt capacity. It is calculated as profit for the year from continuing operations before income tax, less finance income, plus finance costs, less foreign exchange gain/(loss), less the net Silverstream effects and other operating income plus other operating expenses and depreciation.

	2025	2024	Amount	Change %
	US$ million	US$ million	US$ million	
Profit from continuing operations before income tax	**2,082.0**	743.9	1,338.1	179.9
– Finance income	**(92.5)**	(46.9)	(45.6)	97.2
+ Finance costs	**68.5**	73.6	(5.1)	(6.9)
– Revaluation effects of Silverstream contract	**189.2**	182.3	6.9	3.8
– Foreign exchange loss, net	**45.2**	(7.0)	52.2	N/A
– Other operating income	**(20.2)**	(39.6)	19.4	(49.0)
+ Other operating expense	**33.3**	21.3	12.0	56.3
+ Depreciation	**490.6**	619.8	(129.2)	(20.8)
EBITDA	**2,796.2**	1,547.3	1,248.9	80.7
EBITDA margin	**61.3**	44.3	—	—

In 2025, EBITDA increased 80.7% to US$2,796.2 million, primarily driven by the higher gross profit. EBITDA margin expressed as a percentage of revenue increased, from 44.3% in 2024 to 61.3% in 2025.

Other operating income and expense

In 2025, a net loss of US$13.1 million was recognised in the income statement primarily as a result of the assets derecognised in connection with new projects which, in accordance with the energy supply agreement with the state-owned company (CFE), are required for grid connection and must be transferred to CFE. However, this compared negatively with the net gain of US$18.3 million recorded in 2024, mainly due to higher proceeds obtained from the sale of the non-core Guazapares mining concessions to Coeur Mining.

Silverstream effects

As reported in the 2025 Interim Report, following a thorough evaluation of strategic options, it was concluded that terminating the Silverstream contract via a buy-back was in the best interests of Fresnillo and its shareholders. The decision to end the Agreement followed a comprehensive review by Fresnillo and its independent advisers SRK, of the ongoing operational and financial issues at the Sabinas mine. This resulted in a US$132.4 million net loss after taxes in the income statement, including the impacts of amortisation. Further information related to the Silverstream contract is provided in notes 14 and 30 to the consolidated financial statements.

Net finance costs

Net finance income of US$24.0 million compared favourably to the US$26.6 million loss recorded in 2024. This was mainly driven by the increased interest on short-term deposits and investments, net of the interest paid on the 4.250% Senior Notes due 2050.

Taxation

Income tax expense for the year was US$315.0 million, which compared favourably to the tax expense of US$390.2 million in 2024. The effective tax rate, excluding the special mining rights, was 15.1% (2024: 52.5%), compared to the 30% statutory tax rate. The reason for the variation in the effective tax rate is the difference between the tax and the accounting treatment related mainly to: i) the effect of the spot exchange rate on the tax value of assets and liabilities; ii) the special mining rights deductible for corporate income tax; iii) the effect of Mexican inflation on the restatement of tax value of fixed assets; and iv) the benefit from the lower border tax, which applied to the Herradura and Noche Buena mines, as described in the table below:

	2025	2024
Spot exchange rate devaluation (revaluation)	**(11.4)**	20.0
Exchange rate effect on tax value of assets and liabilities	**(US$192.5 million)**	US$300.2 million
Special mining right deductible for corporate income tax	**(US$58.4 million)**	(US$38.1 million)
Inflationary uplift of the tax base of assets and liabilities	**(US$50.7 million)**	(US$55.2 million)
Benefit from the lower border tax, which applied to Herradura and Noche Buena mines	**(US$24.0 million)**	

Mining rights in 2025 were US$193.2 million compared to mining rights of US$127.0 million charged in 2024, mainly as a result of the increase in the profit base used in the calculation along with the increase from 7.5% to 8.5% in 2025.

FINANCIAL REVIEW CONTINUED

Profit for the period

Profit for the year increased year-on-year by 594.2% as a result of the factors described above.

	2025	2024	Amount change	Change %
	US$ million	US$ million	US$ million	
Profit for the period	**1,573.8**	226.7	1,347.1	594.2
Profit for the period, excluding post-tax Silverstream effects	**1,706.3**	354.3	1,352.0	381.6
Profit due to non-controlling interests1	**189.8**	85.8	104.0	121.2
Profit attributable to equity shareholders of the Group	**1,384.0**	140.9	1,243.1	882.3
Basic and diluted earnings per share (US$/share)[2]	**1.878**	0.191	1.687	883.2
Basic and diluted earnings per share, excluding post-tax Silverstream effects (US$/share)	**2.058**	0.364	1.694	465.4

1 The increase reflects the higher profit generated at Juanicipio, where Pan American Silver owns 44% of the outstanding shares.
2 The weighted average number of Ordinary Shares was 736,893,589 for 2025 and 2024. See Note 18 to the consolidated financial statements.

Cash flow

A summary of the key items from the cash flow statement:

	2025	2024	Amount change	Change %
Cash generated by operations before changes in working capital	**2,787.3**	1,559.8	1,227.5	78.7
Increase in working capital	**(128.1)**	(162.9)	34.8	(21.4)
Taxes and employee profit sharing paid	**(369.5)**	(97.1)	(272.4)	280.5
Net cash from operating activities	**2,289.7**	1,299.8	989.9	76.2
Disposal of equity instruments and dividends	**178.3**	3.6	174.7	>100
Silverstream contract	**85.9**	30.0	55.9	186.3
Financial gains/(expenses) and foreign exchange effects	**48.7**	(9.8)	58.5	N/A
Proceeds from the sales of mining concessions (lay-back agreement in 2023. See Note 2 to consolidated financial statements)	**16.1**	10.0	6.1	61.0
Dividends paid to shareholders of the Company	**(654.3)**	(78.2)	(576.1)	736.7
Purchase of property, plant and equipment	**(400.1)**	(370.5)	(29.6)	8.0
Dividends paid to non-controlling interests and loans by minority shareholders	**(105.2)**	(118.8)	13.6	(11.4)
Net (decrease)/increase in cash during the period after foreign exchange differences	**1,458.7**	763.2	695.5	91.1
Cash and other liquid funds at 31 December[1]	**2,756.5**	1,297.8	1,458.7	112.4

1 Cash and other liquid funds are disclosed in Note 17 to the consolidated financial statements.

Cash generated by operations before changes in working capital increased 78.7% to US$2,787.3 million, primarily due to higher precious metals prices. Working capital increased US$128.1 million, mainly due to: i) a US$208.3 million increase in trade receivables from related parties principally because of higher precious metals prices; ii) an increase in ore inventories of US$20.4 million; and iii) a US$20.1 million increase in prepayments. This was partly offset by a US$120.7 million increase in trade payables.

Taxes and employee profit sharing paid increased to US$369.5 million, mainly due to: i) the higher final income tax paid in 2025, net of provisional taxes paid, corresponding to the 2024 tax fiscal year; ii) an increase in provisional tax payments paid in 2025; iii) an increase in mining rights payments; and iv) higher profit sharing paid.

As a result of the above factors, net cash from operating activities increased 76.2% to US$2,289.7 million in 2025.

In addition, the Group benefited from additional sources of cash, primarily generated by:

a. Proceeds from the sale of Mag Silver shares and dividends received for US$178.3 million.

b. Proceeds from the Silverstream contract of US$85.9 million.

c. Financial gains and foreign exchange effects of US$48.7 million, which compared favourably to the financial expenses and foreign exchange effects of US$9.8 million in 2024. This was primarily driven by the increased interest on short-term deposits and investments, net of interest paid on the 4.250% Senior Notes due 2050.

Main uses of funds were:

a. Dividends paid to shareholders of the Group in 2025 totalled US$654.3 million, compared with US$78.2 million in 2024. The 2025 payment comprised: i) the 2024 final ordinary dividend of 26.1 cents per share paid in May 2025, totalling US$192.3 million, in line with our dividend policy, which includes a consideration of profits generated in the year, adjusted for the extraordinary, non-cash items, in particular the revaluation of the Silverstream contract and the effect of the exchange rate on deferred taxes, ii) a one-off special dividend of 41.8 cents per share also paid in May 2025, totalling US$308.0 million, and iii) the 2025 interim ordinary dividend paid in September of US$153.3 million, equivalent to 20.8 cents per share.

b. The purchase of property, plant and equipment for a total of US$400.1 million. Capital expenditures for 2025 are described in the Review of Operations section (see pages 30-41).

c. Dividends and loans paid to non-controlling interest US$105.2 million decreased 11.4% vs 2024.

The sources and uses of funds described above resulted in an increase in net cash of US$1,458.7 million (net increase in cash and other liquid assets), which combined with the US$1,297.8 million balance at the beginning of the year resulted in cash and other liquid assets of US$2,756.5 million at the end of December 2025.

Balance sheet

Fresnillo plc continued to maintain a solid financial position during the period with cash and other liquid funds of US$2,756.5 million as of 31 December 2025. Taking this and the US$839.9 million outstanding Senior Notes, Fresnillo plc's net cash was US$1,916.6 million as of 31 December 2025. This compares positively to the net cash of US$458.3 million as of 31 December 2024.

Inventories increased 4.2% to US$502.6 million, mainly due to the increased inventories of lead and zinc concentrates at Fresnillo and Saucito.

Dividends

Based on the Group's 2025 performance, the Directors have recommended a final ordinary dividend of 108.12 US cents per Ordinary Share, which will be paid on 29 May 2026 to shareholders on the register on 24 April 2026. The dividend will be paid in UK pounds sterling unless shareholders elect to be paid in US dollars. This is in addition to the interim ordinary dividend of 20.8 US cents per share. This is above the Group's traditional dividend policy to pay out 33-50% of the profit attributable to equity shareholders of the company after making certain customary adjustments to exclude extraordinary non-cash effects in the income statement, and was permitted by strong cash generation throughout the year, which resulted in a high cash balance at year end. The company continues to maintain a healthy cash balance to invest in growth-focused projects, along with an additional buffer for any M&A opportunities that may present themselves in the future. The dividend policy remains unchanged.

As disclosed in previous reports, the corporate income tax reform introduced in Mexico in 2014 created a withholding tax obligation of 10% relating to the payment of dividends, including to foreign nationals. The 2025 final ordinary dividend will be subject to this withholding obligation.

LETTER FROM THE CHAIRMAN OF THE HEALTH, SAFETY, ENVIRONMENT & COMMUNITY RELATIONS (HSECR) COMMITTEE

> **Looking ahead, our 2026 vision remains clear: zero fatalities and a TRIFR aligned the International Council on Mining and Metals (ICMM) standards."**

Dear shareholder,

Mining plays a vital role in addressing global challenges, from modernising infrastructure and technology to advancing the energy transition. As the first link within many commercial and industrial value chains, mining is essential to a wide range of sectors. However, as a resource-intensive industry, mining demands a disciplined, forward-looking approach to managing its impacts.

The HSECR Committee assists the Board in monitoring the systems to deal with the management of health, safety, environment and community relations risks. It reviews the Company's strategies and performance in these areas and monitors progress against Board-approved commitments and objectives, helping ensure that we follow responsible mining practices that support long-term value creation.

Over the past year, the Committee has focused on strengthening its forward-looking perspective. We have sharpened the focus of our discussions and directed greater attention to the issues we believe are — and will increasingly become — the most material to the Company's future. This approach is helping us to better align long-term ambitions with day-to-day execution, while reinforcing that sustaining today's progress — and achieving tomorrow's — depends on consistency, discipline and continuous improvement. With this in mind, I share the key highlights of the period.

Caring for Our People

Supporting the Company's growth means strengthening the wellbeing pillars of our workforce — beginning with safety. During the year, the Company recorded reductions of 17.6% in total recordable injury frequency rates (TRIFR) and 13.7% in lost-time injury frequency rates (LTIFR) compared to 2024, reducing them to 6.26 and 4.10, respectively — the lowest levels to date.

However, two fatal accidents in 2025 underline the imperative of continued vigilance. We extend our sincere condolences to the families, colleagues and communities affected. These unacceptable incidents remind us that we are far from where we need to be: zero fatalities remains our uncompromising goal and achieving it demands unwavering commitment and operational rigour across every layer of the organisation.

Following the investigations of these fatal accidents, the Company immediately implemented actions driven by the short-term findings, with further measures incorporated into the 2026 operational plan across priority areas — including critical risk management, preventive reporting and visible leadership. To reinforce awareness and accountability, lessons learned were shared with leadership teams at all sites. At the same time, management advanced the rollout of a new Contractors' Safety Standard, designed to harmonise contractor requirements and establish a more comprehensive framework for evaluating their performance.

Leadership teams — together with unions and contractor representatives — took part in the symbolic signing of the new Safety Standard during quarterly meetings, reinforcing collective accountability for how safety must be managed at Fresnillo every single day.

Wellbeing, however, extends beyond physical safety. It also derives from workplaces that are inclusive and promote healthy habits, both physically and mentally. In 2025, the Company formalised its inclusion efforts through the creation of the Labour Inclusion Committee, strengthening governance around diversity commitments and guiding initiatives aligned with the broader roadmap and evolving ambitions. In addition, the Company continued to develop and evolve its approach to mental health, establishing an in-house team of psychologists to help employees build psychological, emotional and social resilience — reinforcing the kind of work environment that sustains wellbeing, safety and long-term performance.

Protecting the Environment

Protecting the environment today is fundamental to securing the Company's future. The way it manages land, biodiversity, water and emissions determines not only its impact on ecosystems and neighbouring communities, but also its licence to operate and its capacity to grow. With this in mind, the Company continues to strengthen its environmental commitments, the governance that underpins them and the results they deliver.

During the year, the Company advanced two strategic initiatives focused on priority ecosystems. Led by the Ministry of the Environment (SEMARNAT), the Company subscribed to the National Agreement for Forests, Jungles and Mangroves, reinforcing our alignment with national efforts to strengthen sustainable forest management from 2026 onward. In parallel, at Minera Penmont, the Company renewed the collaboration agreement with Sonora's Ecology and Sustainable Development Commission (CEDES) to continue supporting the conservation of the Sonoran pronghorn — a critically endangered subspecies endemic to the Sonoran Desert. These efforts will be developed in coordination with the relevant authorities and specialists over the coming years.

The Company also continued strengthening the systems used to manage environmental risks. Following the completion of the Environmental Risk Portfolio in 2025, the focus will now shift to deployment across business units — prioritising the most material risks, reinforcing critical controls and ensuring clear accountability and monitoring. In parallel, the Tailings Management System — aligned with the Mining Association of Canada (MAC) and the Canadian Dam Association (CDA) standards — reached 70% implementation across all our facilities, an increase from 59% in 2024 and a milestone in the safe operation of tailings storage facilities. This represents a significant move away from incremental care and maintenance and towards strategic multiyear solutions, enabling increased safety and operational effectiveness.

Resource security is essential not only for sustaining operations, but for supporting neighbouring communities which depend on shared natural systems. In 2025, the Company continued to advance its water-stewardship efforts, replacing freshwater with treated municipal wastewater. This accounted for 80.9% of water usage in the Fresnillo District, broadly in line with 2024. The Company also continued to achieve its renewable electricity consumption goal beyond the 2030 target of 75%, reaching 77.8% during the year.

Partnering with Our Communities

Just as responsible resource management is essential to our future, so too is supporting the wellbeing of neighbouring communities. In 2025, the Company continued to deliver awareness workshops for contractors, underlining their responsibility for respectful conduct in and around host communities. Our social investment, which totalled US$4.56 million in 2025, is part of our strategic aim to deliver sustainable growth and economic opportunity. To this end, we consolidated the social investment portfolio key priorities such as health and wellbeing, education, access to and conservation of water, local economic entrepreneurship and the protection of local ecosystems. Developed through ongoing dialogue with communities and implemented in partnership with public institutions, NGOs and civil society, these initiatives aim to expand access to essential services and strengthen local capabilities that endure beyond the life of our operations.

Looking forward

We will continue to prioritise operational excellence and strive for a zero-harm approach to people and the environment, all underpinned by strong governance and ethical conduct. While progress is not always linear, we believe the consistency of our approach to responsible mining enhances operational resilience, empowers our workforce, supports local communities and creates shared, lasting value for society. The HSECR Committee remains committed to providing comprehensive oversight of the matters within its remit, while supporting continued progress in the Company's strategy and overall ESG performance.

Yours faithfully,

Arturo Fernández
Chairman, Health, Safety, Environment and Community Relations Committee

Role of the Committee
The role and duties of the HSECR Committee are set out in its terms of reference, a copy of which can be found on the Company's website.

HSECR Committee Membership
Mr Arturo Fernández (Chair), Dame Judith Macgregor and Mr Fernando Ruiz.

Key contributors: Chief Executive Officer, Chief Operating Officer North, Chief Operating Officer Central, VP Projects and Construction (Peñoles), General Counsel and Compliance Officer, Assistant VP Safety and Environment, Medical Services Manager, Community Relations Manager, and ESG Compliance Manager.

HSECR Committee Activity
During the year, the Committee met in accordance with its terms of reference.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE

2025 ESG HIGHLIGHTS

Modern Slavery:
Raised our CCLA assessment to Evolving Good Practice (Tier 2)

DEI:
Received the gold and innovation awards at Herradura from Sello WIM México

DEI:
Creation of Labour Inclusion Committee

Safety:
Achieved a
6.26
TRIFR, our lowest to date

Water:
Reduced freshwater consumption by
16.5%
at the Fresnillo District

Renewables:
Consumed
77.8%
electricity from renewable sources

TSFs:
Achieved
70%
implementation of our Tailings Management System across all our facilities

SUSTAINABILITY AT THE CORE OF OUR PURPOSE
OUR APPROACH TO SUSTAINABLE MINING

We believe that precious metals are part of the solution to pressing global challenges.

They are vital components in equipment needed for everything from the successful diagnosis and treatment of life-changing illnesses to a smooth energy transition. We strive to mine these resources in a way that supports lives and livelihoods long into the future.

Our sustainability strategy constantly challenges us to set new standards in mining in order to operate responsibly and increase our contribution to broader society. By integrating sustainable development considerations into our business goals, we aim to reduce our environmental footprint while supporting the wellbeing, resilience and quality of life of our workers and communities.

Mining has the potential to drive economic and social progress when conducted responsibly. To safeguard these benefits, we maintain strong governance and ethical standards, ensuring transparency and integrity across our operations. Through proactive engagement with employees, unions, contractors, suppliers, communities, government entities and NGOs, we foster positive relationships while proactively mitigating risks such as bribery, corruption, money laundering, fraud, and human rights violations.

Collaboration underpins our sustainability strategy. Earning the trust of our diverse stakeholders is integral to our continued success. Strong partnerships with different entities provide us with insights and the means to strengthen our strategy and explore new avenues. Long-term relationships with our workforce enable us to build a robust pipeline of talent to progress our goals, while positive connections with communities secure vital support in pursuit of our ambitions.

It is through collaboration that we recognise our stakeholders' interests and effectively address the matters that are important to them. Forging reciprocal relationships also widens our sphere of influence, extending the positive impact of our work. By creating the positive change that our stakeholders value, we will begin to dispel negative perceptions of mining, helping to firmly cement our role in the future economy. See our Stakeholders section on pages 20-27.

To achieve our long-term vision, we are focusing our efforts on four key areas that bring together the benefits of precious metals and sustainable mining practices:

STRENGTHENING MODERN MINING PRACTICES

To limit our impact on the planet, we strive for zero-harm to people and the environment. Robust policies and responsible management of infrastructure and resources, backed by operational excellence, hold us to high standards and drive continuous improvement in managing risks and leveraging new technologies.

ADDRESSING LOCAL AND REGIONAL PRIORITIES

We want to use our influence to be a force for improvement in areas where we operate. By engaging with our neighbouring communities, we are working to address their priorities and enhance their resilience for long-term wellbeing and prosperity.

EMPOWERING PEOPLE

Modern mining offers rewarding careers and builds lifelong skills. We nurture a collaborative, supportive environment to encourage people to forge a long, rewarding career with us, where they feel involved and engaged in progressing our strategy and performance.

GENERATING SHARED VALUE

As a responsible corporate citizen, we work to distribute the benefits of our operations locally and nationally through robust policies and oversight.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Engagement
We actively engage with governments, NGOs, business associations, and industry stakeholders to drive environmental and social progress. These partnerships generate valuable insights, drive innovation, allocate resources effectively, and promote best practices across the industry. However, our commitment goes beyond mining:

- We participate in the Silver Institute's initiative to further study the life cycle of silver and its role as a climate-smart metal.
- We engage in innovation-driven partnerships, such as the Colorado Cleantech Challenge, which connects mining companies with clean technology providers to collaboratively address and overcome the environmental challenges inherent in our industry, enhancing environmental performance and industry sustainability.
- We are members of the IFRS Sustainability Alliance and, through management membership, form part of the IFRS Sustainability Reference Group with the purpose of expanding our knowledge and contributing to technical discussions on setting sustainability standards.
- In Mexico, we are part of CESPEDES, the national chapter of the World Business Council for Sustainable Development (WBCSD), collaborating on best practices and policy engagement.
- Finally, we actively engage in market research and sharing best practices and recently contributed to the development of the Mexican Stock Exchange's gender equity guide.

Basis of preparation and reporting standards
Fresnillo plc prepares its sustainability disclosures in accordance with UK regulatory requirements, its country of incorporation and primary listing. As a foreign issuer in Mexico, the Company is not subject to mandatory application of the Mexican sustainability reporting standards under NIIF S1 and NIIF S2. In line with this regulation, the Company discloses that the sustainability information contained in this report has not been prepared in accordance with NIIF S1 or NIIF S2.

The Company continues to monitor regulatory developments in the UK, including the rollout of sustainability-related disclosure requirements, and will adapt its reporting approach as these requirements become effective.

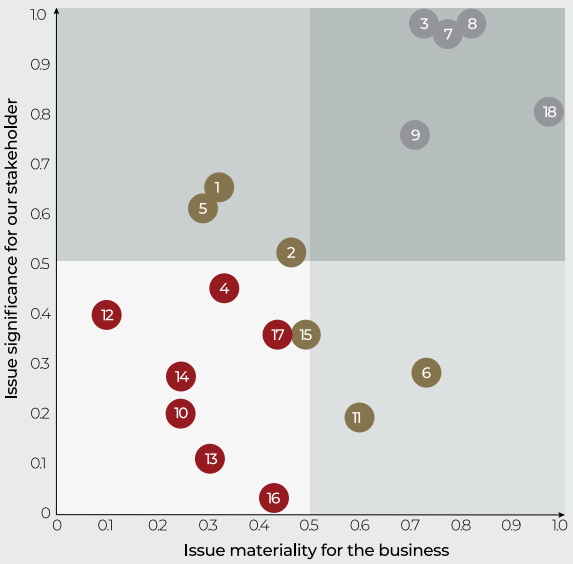
Materiality assessment

We actively engage with stakeholders to identify, assess, and prioritise material issues that impact both our business and our stakeholders. This process, known as materiality assessment, informs our sustainability strategy and non-financial reporting, ensuring alignment with evolving societal expectations and industry trends. Given the dynamic nature of our industry, we conduct in-depth materiality assessments periodically, ensuring best practices and alignment with industry standards.

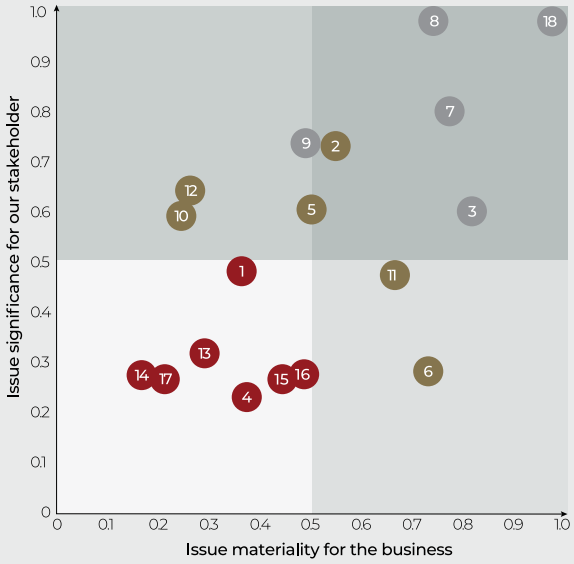
The materiality assessment we conducted in 2023, focuses on operational mining sites in Mexico. As in previous years, we assessed materiality for both the present and the next 10 years, aligning with the medium-term scenarios in our Enterprise Risk Management Framework and the Company's Strategic Plan.

The assessment outcomes were communicated internally and incorporated into our sustainability strategy and disclosures, ensuring transparency and alignment with business priorities. Issues identified as high priority for both the business and external stakeholders are being actively managed and strategically communicated.

Materiality 2023



Materiality 2033



1. Biodiversity conservation
2. Climate change
3. Community relations
4. Data privacy and cybersecurity
5. Diversity, equity and inclusion
6. Environmental management
7. Ethics and corporate integrity
8. Governance, risk and crisis management
9. Health, safety and occupational wellbeing
10. Human rights
11. Innovation and technology
12. Mine closure
13. Relationship with government and authorities
14. Relationship with Indigenous People
15. Responsible value chain
16. Talent development
17. Waste management
18. Water management

Relevance of material issues:

High

Medium

Low

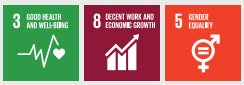
SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Our sustainability framework

Our sustainability strategy is structured around four strategic pillars: Doing Business Ethically and Responsibly, Caring for Our People, Protecting the Environment, and Partnering with Our Communities.

These pillars guide our efforts in addressing material issues that impact our business and stakeholders. By setting clear commitments and tracking measurable progress, we ensure accountability, drive continuous improvement, and align our actions with long-term sustainability commitments. See our ESG KPIs Tables in pages 111-117

Pillar	Overall ambitions	Pillar & ambitions	Material issues Page 61	Intersection with principal risks Pages 120-142
DOING BUSINESS ETHICALLY AND RESPONSIBLY See pages 65-68	**We affirm our ethical culture through our behaviour and actions**	• Ethics culture • Responsible business	4 Data privacy and cybersecurity 7 Ethics and corporate integrity 13 Relationship with government and authorities 15 Responsible value chain	1 Potential actions by the government 3 Cybersecurity 10 Human resources
CARING FOR OUR PEOPLE See pages 69-82	**We prioritise our workforce's health, safety and wellbeing**	• Our culture • Our people • Safety • Health	5 Diversity, equity and inclusion 9 Health, safety and occupational wellbeing 10 Human Rights 11 Innovation and technology 16 Talent development	5 Safety 9 Union Relations 10 Human resources
PROTECTING THE ENVIRONMENT See pages 83-103	**We optimise resource consumption to curb our impacts and are accountable for our environmental footprint**	• Energy • Climate change • Waste management • Water stewardship • Biodiversity • Mine closure	1 Biodiversity conservation 2 Climate change 6 Environmental management 11 Innovation and technology 12 Mine closure 17 Waste management 18 Water management	13 Climate change 14 Tailings dams 15 Environmental incidents
PARTNERING WITH OUR COMMUNITIES See pages 104-109	**We engage meaningfully with our communities and support the issues that matter to them**	• Community relations • Socio-economic development • Respecting human rights	3 Community relations 10 Human Rights 14 Relationship with Indigenous People	2 Security 6 Access to Land 11 Licence to Operate

SDG alignment	Our commitments	Our objectives	Our progress
	• Embed a culture of trust and accountability that strengthens operational integrity. • Be accountable for our actions across the value chain.	• Strengthen understanding of and confidence in the Whistleblowing Mechanism.	• Deployed communications campaign to avoid information leakage and fear of retaliation.
	• Empower people to make the right decisions for the safety of our operations.	• Reduce TRIFR rate to the ICMM range.	• Reduced TRIFR to 6.26 from 7.59 in 2024
	• Continually work towards achieving zero fatalities.	• Achieve zero fatalities.	• Unfortunately, we experienced two fatalities in the period.
	• Provide safe and healthy working environments.	• Reduce new cases of occupational illness.	• Reduced new cases of occupational illness from 46 to 33, a 28% decrease.
	• Foster diversity, equity, and inclusion in our workforce and increase the overall participation of women.	• Increase representation of women in our workforce to 12% and in managerial roles to 8% by 2025.	• Achieved 12.63% of women in our workforce and 10.56% in managerial roles.
	• Enhance resource efficiency and reduce consumption. • Protect ecosystems surrounding our operations.	• Achieve 75% renewables in electricity mix by 2030.	• Achieved 77.8% of renewable electricity consumption
		• Use water efficiently and responsibly, reducing freshwater consumption.	• Decreased freshwater consumption by 16.5% in Fresnillo District, despite a 1.7% increase company-wide.
	• Manage waste responsibly throughout the lifecycle of our operations.	• Implement the Tailings Management System across all mines.	• Achieved 70% progress, up from 59% in 2024.
	• Uplift communities through social investment programmes to improve local services and infrastructure, and promote entrepreneurship. • Contribute to local economy through responsible tax policies, employment and procurement.	• Drive community growth through initiatives that support community aspirations. • Promote local employment and procurement.	• Social investment totalled US$4.56 million, down 4.5% from 2024. • Economic value distributed totalled US$ 2,173.8 million, down 1% from 2024.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Our culture
We recognise that organisational culture is the foundation of safe and successful operations. Grounded in our values — **trust, responsibility and respect, integrity and loyalty** — this culture guides decisions and behaviour at every level. It fosters mutual respect, commitment and operational excellence, helping protect our people while supporting the achievement of the Company's strategic objectives.

DESIRED BEHAVIOURS
Our culture is anchored in key competencies that define the expected behaviours across all processes and levels of the organisation. They ensure the safety of our operations while fostering the wellbeing and development of our people:

- **Teamwork**: We promote effective collaboration, recognising that collective efforts drive our success.
- **Clear and Effective Communication:** We encourage open and transparent information flow, essential for informed decision-making and agile problem-solving.
- **Agile Adaptability:** We value the ability to adjust quickly to change and leverage emerging opportunities.
- **Effective Execution:** We prioritise operational discipline and a results-driven approach to maintain excellence in our daily activities.
- **Growth and Development:** We invest in our people, providing tools, training, and opportunities to help them achieve their goals.
- **Emotional Intelligence:** We foster self-regulation and empathy; essential qualities for respectful and constructive work environments.

BOARD OVERSIGHT
- Ensures the alignment of the Company's Purpose, strategy, values, and culture.
- Monitors the Company's performance through specific Board Committees and working sessions.

See Board Leadership and Company Purpose section in pages 156-160

OUTCOMES FROM MONITORING OUR CULTURE
- Foster initiatives that support our business objectives and promote our workforce's wellbeing.
- Enhance the quality of leadership practices through direct mentoring from leaders and by improving workforce competencies.
- Continue to evolve our DEI strategy and effectively communicate the positive impacts achieved.

MONITORING OUR CULTURE
- **Organisational climate surveys:**
  - Employee and contractor satisfaction
  - Organisational culture
  - Psychosocial risks
- **Safety Culture surveys:**
  - Safety perception (LEAL)
- **Ethics Culture survey:**
  - 'World's Most Ethical Companies' (Ethisphere)
- **KPIs:**
  - Whistleblowing and ethical conduct investigations
  - Turnover rate
  - Diversity indicators
  - Training

See Sustainability section in pages 58-117

EMPLOYEE ENGAGEMENT
- **Building organisational culture:**
  - Ethics and compliance framework
  - *'I Care, We Care'* philosophy
  - Living in Balance strategy
  - Harassment Prevention programme
  - Diversity, equity and inclusion strategy
- **Giving employees a voice and safe channels:**
  - Workplace conduct commissioners
  - Whistleblowing mechanism *(Línea Correcta)*
  - I Care, We Care Committee
  - Safety and hygiene committees
  - Workforce engagement sessions with designated NED
- **Leading with dialogue and accountability:**
  - Visible leadership in the field
  - Constructive, trust-based dialogue with unions

See Sustainability section in pages 58-117

DOING BUSINESS ETHICALLY AND RESPONSIBLY

We affirm our ethical culture through our behaviour and actions.

Ethics culture

We expect our workforce and business partners to embody our organisational values and comply with our Code of Ethics and Conduct, to create a foundation of trust and accountability across the Company. To support this, our Ethics and Compliance (E&C) Programme is a core element of how we manage the business — setting clear expectations, preventing misconduct and reinforcing an integrity-driven culture. It brings together policies, training, reporting mechanisms and oversight processes, ensuring our standards are applied throughout the broader business ecosystem.

External evaluations support this effort by helping us identify improvement opportunities, reduce integrity risks and reinforce an ethical culture in the Company. We participate in Ethisphere's World's Most Ethical Companies annual assessment, using independent benchmarking to enhance our programme and align with leading global practices on Ethics Culture, Corporate Governance, Ethics and Compliance and Third-Party Management.

In 2025, our integrity practices received regional recognition and were ranked in schemes such as Mexico's Corporate Integrity Ranking (IC500) and AMITAI's Most Ethical Companies report.

Training and capacity building

Our E&C Programme defines clear behavioural expectations, supports ethical decision-making in daily work activities, and reinforces accountability — primarily through structured training and ongoing engagement initiatives.

For our employees, we annually endorse our Code of Conduct, including a declaration of potential conflict of interests. In 2025, we also conducted workshops on key issues such as Conflicts of Interest, Anti-corruption and Anti-bribery (ABAC), Harassment Prevention, Regulatory Compliance and the Whistleblowing Mechanism. These included:

- Workshops for exploration teams under the 'We Act with Integrity' campaign, addressing key compliance topics and using case studies to illustrate real-world scenarios.
- A dedicated workshop for the Comptrollers team, outlining their responsibilities and risk-management role, including how they identify, evaluate and respond to risks and applicable regulations.
- Targeted training on anti-bribery, corruption and fraud for higher-risk functions such as Procurement, Contracts, Controllership and government Relations, reinforcing key concepts, raising awareness of inherent risks and reviewing applicable controls.
- The Power of Saying No webinar, which focused on recognising workplace harassment and the actions required to address, remedy and prevent it.

We also implement ongoing campaigns to engage our entire workforce through different forms of media and channels as well as a dedicated internal portal. Our aim is to ensure that internal policies and key aspects of the E&C Programme are effectively communicated and understood. In 2025, these efforts included:

- Guidelines on gifts and hospitality.
- Whistleblowing statistics every six months.
- Identification and acknowledgment of conflicts of interest.
- Cybersecurity awareness.

Additionally, we continuously engage our business partners through corporate communications and media to reinforce our compliance policies and the Code itself, which is publicly available on our corporate website.

Harassment Prevention Programme

We believe that safe, respectful workplaces are essential to both wellbeing and performance. Our Harassment Prevention Programme equips employees with the tools to recognise, prevent and report workplace harassment, helping promote a culture where everyone can work confidently and securely.

During 2025, we strengthened our approach to preventing and addressing workplace and sexual harassment across all operations, ensuring new and existing employees received appropriate training and support. Key actions during the year included:

- **Stronger investigative capacity** through refresher workshops for union representatives participating in Workplace Behaviour Commissions.
- **Awareness-building** sessions for Informal Leaders on harassment prevention. Additionally, participation in Mexico's Women in Mining event, providing practical tools for employees to exercise their "right to say no".
- **Targeted reinforcement** at priority sites, including comprehensive retraining for all employees at Minera San Julián.
- **Developed online training** on workplace harassment, reaching 1,468 non-unionised personnel; additionally, 164 received in-person training. See the case study on page 72

In parallel, we identified the need to strengthen the soft skills and people management capabilities of leadership teams in the Fresnillo District and implemented a 10-month transformational leadership programme. See the case study on page 70

Whistleblowing mechanism

Our Whistleblowing mechanism ('Línea Correcta') serves as a confidential and secure channel for raising concerns regarding the Company's operations and any unethical behaviour. It is operated by Ethics Global, an external third-party provider, which ensures the anonymity of whistleblowers when filing a report. The Whistleblowing Mechanism is widely available to our employees, contractors, and other stakeholders such as suppliers and members of surrounding communities. The reports received are reviewed quarterly by the Honour Commission and monitored by the Audit Committee. Twice a year, the Board of Directors also receives these reports at Board meetings. See Corporate Governance on pages 147-201

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

To ensure effective case management, all investigations are conducted by qualified professionals with specialised training in workplace behaviour, compliance and fraud prevention.

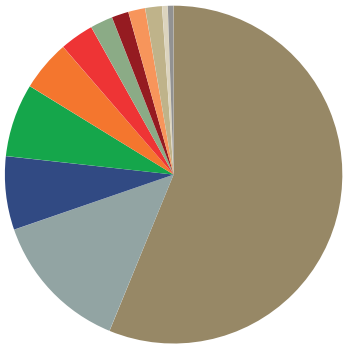
Thorough investigative procedures are in place to either substantiate or dismiss allegations — including, but not limited to, reviewing tender options to ensure fairness and transparency, reviewing third-party quality surveys to assess performance, or conducting interviews to identify instances of bribery or unethical practices. In some cases, there may not be sufficient evidence to reach a definitive conclusion, but efforts are made to monitor the situation and take preventive measures when necessary.

We continue to reinforce a strong speak-up culture by encouraging employees to raise concerns without fear of retaliation, while also promoting responsible use of reporting channels so that issues are handled fairly and efficiently. In 2025, we designed and deployed a communications campaign to reduce risks related to information leakage and retaliation, while encouraging the use of our reporting channels for potential breaches of our Code of Ethics and Conduct.

The campaign included infographics and videos explaining reportable behaviours, expectations for leaders and employees, the importance of confidentiality in investigations and common misconceptions that may discourage reporting.

During the year, we recorded an increase in workplace and sexual harassment reports. Targeted communications and training across the organisation — including in previously identified higher-risk areas — helped encourage employees to speak up and ensured cases were addressed promptly and appropriately. This trend reflects stronger awareness, clearer expectations and growing confidence in our reporting mechanisms. See ESG KPI Tables on pages 111-117.

Cases by classification



Type	2025	2024
Labour harassment	**104**	72
Sexual harassment	**25**	13
Inappropriate arrangements with suppliers	**13**	20
Abuse of authority	**13**	21
Non-compliance with internal policy	**9**	4
Other	**6**	12
Unsafe conditions	**4**	2
Conflict of interest	**3**	5
Professional negligence	**3**	3
Fraud	**3**	6
Misuse of assets	**1**	2
Breach of trust	**1**	1
Total	**185**	161

What's next

Looking ahead, we remain committed to fostering a culture rooted in integrity and respect. Our priorities include delivering ongoing training on reinforcing organisational values, addressing grievances effectively, and promoting the active use of our reporting channels by:

- Conducting workshops and providing a manager toolkit for middle management at mining operations, emphasising their responsibilities as ethical role models to promote integrity and ethical behaviour in the workplace.
- Continuing our efforts to eliminate all forms of workplace violence, prevent workplace and sexual harassment, and strengthen confidence in the Whistleblowing Mechanism, through specific training and awareness campaigns.

Responsible business

Modern slavery and commitment to human rights

We are committed to upholding human rights and do not tolerate any form of modern slavery, including forced labour and human trafficking, in any aspect of our business or supply chain.

In 2025, we strengthened our approach to preventing Modern Slavery by expanding our risk assessment beyond tier 1 suppliers to include tiers 2 and 3. This enhancement built on the work achieved in our 2024 reporting processes and was subsequently recognised by the CCLA benchmark, which upgraded our assessment from 'Meeting Basic Expectations' to 'Evolving Good Practice'. We recognise that sustaining this level of performance—and making further progress—requires ongoing effort.

For more information, refer to our website for the latest available modern slavery statement.

Compliance programme

Our Ethics and Compliance (E&C) Programme provides the framework that helps prevent, detect and respond to integrity risks across the business. Our policy mandates:

- Enforcing a zero-tolerance policy for corruption and bribery.
- Encouraging the reporting of suspected misconduct through our Whistleblowing Mechanism (Línea Correcta).
- Ensuring all reported incidents of bribery and corruption are thoroughly investigated.
- Avoiding engagement with third parties flagged for bribery or corruption concerns, following due diligence.
- Ensuring all transactions are recorded accurately and transparently.

In 2025, we strengthened this framework by updating our Zero-Tolerance Policy on Bribery, Corruption and Fraud, aligning with the UK Economic and Corporate Transparency Act (ECTA) and reinforcing controls against fraudulent practices. We also updated the Donations, Sponsorship and Political Contributions Policy, introducing enhanced approval controls. See Corporate Governance on pages 147-201

Anti-Bribery and Anti-Corruption (ABAC)

Compliance with the UK Bribery Act 2010, the Mexican General Law of Administrative Accountability, and relevant federal and state regulations, is a core commitment upheld across the organisation.

While our Internal and third-party Codes of Ethics and Conduct establish expected behaviours, we continuously supervise operations to mitigate risks and ensure compliance with legal and ethical standards. Disciplinary actions for involvement in violations — whether directly or indirectly — may include legal measures, employment termination for our workforce, or the cessation of business relationships for third parties. Our ABAC programme is aligned with international best practices, such as the United Nations Global Compact (UNGC), International Labour Organization (ILO) convention, and Organization for Economic Cooperation and Development (OECD) corporate responsibility guidelines. It is regularly reviewed against regulatory developments and leading practices to ensure alignment with evolving expectations.

Money Laundering Prevention (AML)

We rigorously monitor transactions and report suspicious activity in line with local Anti-Money Laundering (AML) regulations. During the second half of 2025, regulatory amendments increased the level of scrutiny applied to mineral concentrate transactions and customer due-diligence requirements — particularly around identifying Ultimate Beneficial Owners (UBOs). As a result, our Third-Party Due Diligence processes were reinforced to align with the updated AML expectations.

Third Party Due Diligence

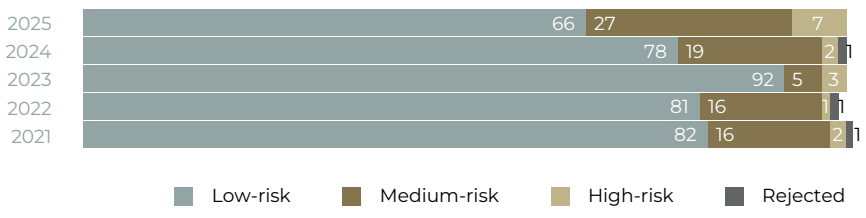
We conduct due diligence before entering relationships with third parties — including contractors, customers and suppliers — and renew the process every one to three years according to their risk level. Where risks cannot be adequately mitigated, the relationship is discontinued.

Our due diligence process is aligned with our Anti-Bribery and Anti-Corruption (ABAC) and Anti-Money Laundering (AML) frameworks, as well as our broader risk management approach. This integration helps prevent unethical practices — including fraud and human-rights violations — by reinforcing monitoring and control in higher-exposure areas. All third parties are also required to commit to our standards on ethics and integrity, human and labour rights, health and safety, and environmental and community considerations.

Since 2023, the automation and standardisation of the due diligence process has strengthened visibility of third-party criticality through a risk-based approach. Over this period, we have observed a 52% decrease in the number of due diligence assessments performed, primarily as a result of the centralisation of supplier and contractor renewals at our parent company, Industrias Peñoles. Under this operating model, due diligence processes that were previously managed by Fresnillo are now conducted centrally, reducing duplication while maintaining coverage in line with Group policy.

In parallel, enhancements to our due diligence system have improved the accuracy of risk classification. Questionnaires are tailored to the specific type of services performed by each supplier or contractor, enabling the more precise identification of inherent risk. Accordingly, changes in the proportion of risk categories over time reflect improved risk differentiation, rather than a deterioration in the underlying third-party risk profile.

Third-party due diligences performed, %



SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

As part of our continuous improvement efforts, a third-party due diligence optimisation project is being developed to streamline and strengthen the process. This project focuses on refining third-party risk categorisation, improving risk quantification and simplifying workflows based on compliance criticality, with the aim of enhancing overall efficiency and effectiveness. It additionally includes and addresses the identification of Foreign Terrorist Organisations (FTOs).

Government payment transparency

As required by the UK Reports on Payments to Governments Regulation 2014, its amendment in December 2015 and the Disclosure and Transparency Rules of the Financial Conduct Authority (FCA), since 2016 we have reported an overview of payments to governments made by our Company and its subsidiaries during the previous reporting year.

The payments disclosed are those arising from activities involving the exploration, prospecting, discovery, development, and extraction of minerals (extractive activities), based on materiality established by such regulations (where a payment or a series of related payments have exceeded £86,000).

The type of payments that were disclosed for the 2024 fiscal year are:

- Taxes: Fresnillo pays taxes on its income, including special mining rights. In accordance with the UK Regulations, payments made in relation to consumption, sales or employee taxes were excluded.
- Royalties.
- Licence fees, rental fees, entry fees and other considerations for licences or concessions: these are fees paid as consideration for acquiring a licence for gaining access to an area where extractive activities are performed.

For more information, please refer to our website for the latest available Report on payments to governments.

What's next:

- Strengthen our approach to assessing and mitigating modern slavery risks by enhancing supplier and contractor evaluations and reinforcing modern slavery awareness through annual training and the endorsement of our Code of Conduct.
- Compulsory training on regulatory compliance for teams involved in core business processes.
- Targeted training for higher-risk roles, with emphasis on fraud and bribery prevention.
- Implement the third-party due diligence optimisation and customisation project (version 2.0), to improve workflow efficiency and refine risk categorisation, including the identification and flagging of FTOs.

CARING FOR OUR PEOPLE

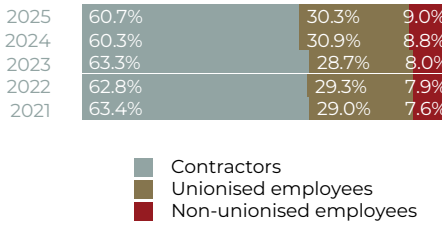
We prioritise our workforce's health, safety and wellbeing.

Our people

Our corporate culture is rooted in ethics and a genuine commitment to the wellbeing of our people. This enables us to foster long-term relationships with our workforce, built on respect for labour rights, constructive dialogue with union representatives, and initiatives to address the issues that matter most to our employees and contractors. Guided by these principles, we strive to attract, develop, and retain top talent to secure a robust pipeline that drives our organisation's success.

Our current workforce comprises 18,273 individuals, 9.0% of whom are non-unionised, 30.3% are unionised and 60.7% are contractors. Additionally, of our total workforce, 12.63% are women. See our ESG KPIs Tables on pages 111-117

Workforce composition by affiliation



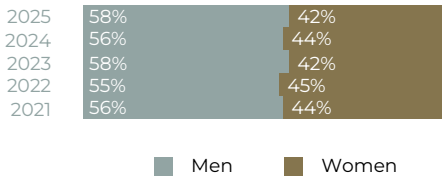
Attraction

We collaborate with leading educational institutions that offer degrees in fields related to earth sciences, such as mining, geology, metallurgy, and engineering. Our cohort-based recruitment system for non-unionised workers includes short and long-term internships, residencies, and the Engineers in Training programme.

The Engineers in Training programme is tailored for residency graduates, providing a dedicated coach for guidance and performance appraisals, with the potential for permanent roles in the Company.

These initiatives offer undergraduates meaningful professional experience, embedding our culture and values early in their careers, while building a robust talent pipeline aligned with our growth strategy. They also support our commitment to increasing the participation of women in the mining industry. Over time, we have made progress toward gender-balanced cohorts. Nevertheless, we recognise there is much we still can do to better accommodate young professional women in our ranks, and have therefore incorporated this area of focus into our DEI strategy.

Diversity in talent attraction*



* Includes junior non-unionised, non-executive positions, such as long-term internships and Engineers in Training programmes. The 2025 cohort comprised 208 individuals.

Retention

To unlock our employees' full potential, we foster a work culture that champions inclusion, collaboration and innovation, while prioritising physical and emotional wellbeing through robust safety policies, career development plans, and recognition initiatives. Long-term career growth is a cornerstone of our retention strategy, reflected in our ongoing investment in training programmes and commitment to offering fair, competitive compensation packages and benefits that exceed legal requirements, tailored to responsibilities and performance-based evaluations. To celebrate their dedication and contributions, we honour employees' milestones annually through our Loyalty Recognition Programme.

Acknowledging the importance of a modern work environment, we prioritise initiatives that enhance workforce wellbeing, promote work-life balance and address the unique needs associated with mining units, including:

- **Enhanced support for remote locations:** Flexible working arrangements such as fly-in-fly-out schedules, role rotation, variable workdays, and additional measures to compensate personnel working in areas with limited family support infrastructure.
- **Quality-of-life facilities:** Access to gyms, pools, sports courts, and reliable telecommunications.
- **Health, nutrition, and cultural programmes:** Organisation-wide initiatives to promote comprehensive wellbeing. The 'Living in Balance programme' also provides tools for employees and families to foster healthy habits that improve their lifestyle (see Health on pages 80-82).

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Development

Our **onboarding** procedures integrate unionised and non-unionised personnel through immersive in-person sessions, while contractors complete a comprehensive programme via our online 'Virtual Campus' before accessing industrial facilities, ensuring safe operations. Core onboarding topics include:

- Industrial safety and hygiene: Basic safety, *'I Care, We Care'* philosophy and critical risks controls protocol.
- Health, safety and environmental regulation: Special permits and norms, first aid, CPR, and compliance regulations.
- Company overview: HSECR management system, antibribery practices, workplace harassment prevention and psychosocial risk management.

The onboarding experience highlights the Company's safety culture, fostering a collective commitment to accountability, risk prevention, and critical risk controls, ensuring alignment with operational standards (see Safety on pages 74-79). All personnel undergo regular reinduction processes to reinforce safety protocols and operational excellence.

Our **performance appraisal** system identifies training needs, high-potential individuals, and key positions for succession planning, advancing promising candidates into institutional development programmes. Aligned with our strategic priorities, these programmes strengthen both technical competencies and leadership capabilities.

The **soft skills development programmes** provide tailored support across all organisational levels. Managers and supervisors strengthen their technical expertise in exploration, mine planning, accounting, mineral processing and digital innovation while also gaining leadership and managerial skills. Executives focus on strategic challenges, deepening their knowledge in finance, human resources, corporate social responsibility, and leadership.

The technical development programmes focus on strengthening and certifying competencies vital to business processes — such as Rock Mechanics, Ventilation, Safety, Environment, Planning, and Metallurgy — and aim to enhance core safety capabilities such as critical risks and controls.

We also operate three evaluation centres registered with the National Council for Standardization and Certification of Labour Competencies (CONOCER).

In 2025, we achieved an average of 59 training hours per worker, including 18 hours specifically dedicated to safety training. See our ESG KPIs Tables on pages 111-117.

Case study

Transforming our approach to leadership

In 2025, we launched the Transformational Human-Centred Leadership Programme in the Fresnillo District.

Its aim is to strengthen organisational culture and leadership capabilities, with a focus on trust, communication, shared accountability and employee wellbeing.

The 10-month programme involved 56 senior operational leaders from Fresnillo, Saucito and Juanicipio mines. It combined an initial diagnostic assessment, training modules on emotional intelligence, teamwork and behavioural change, organisational coaching and structured follow-up. Early outcomes include:

- Greater openness and improved active listening, strengthening team unity.
- Emotional management practices introduced at the start of shifts to reduce stress and improve team dynamics.
- Role rotations between supervisors and advisors to support cross-functional understanding and leadership succession.
- Evolution in feedback processes, replacing reprimands with coaching, recognition and structured improvement agreements.
- Development of a safety project at Minera Juanicipio, targeting accident reduction involving low-profile haulage trucks.

Overall feedback indicates meaningful progress in communication quality, leadership style and workplace relationships. These early results demonstrate both immediate impact and strong potential to support a lasting cultural transformation.

Diversity, equity and inclusion

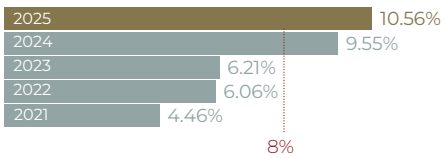
We are committed to fostering inclusion and promoting gender equality, guided by the Women's Empowerment Principles (WEPs), which we signed in 2020. To increase the overall representation of women, we have established two key objectives:

1. Strengthen the contribution of women to the Company's success.
2. Positively impact female employees' experience and opportunities.

In 2020, we committed to raising the overall representation of women in our workforce to 12% by 2025 and breaking the glass ceiling at the operating manager and superintendent levels, with the aim of increasing the percentage of women in these roles to 8%. Significant progress has been made, with the overall representation of women reaching 12.63% and women in managerial roles rising to 10.56% by 2025. While proud of these achievements, we recognise that further efforts are needed to close the gap with the national average of 18.5%, as reported by the Mexican Mining Chamber.

Percentage of women in the workforce

Glass ceiling: women in managerial positions*



* Figures reflect an updated methodological approach that distinguishes managerial roles from senior executive positions, which are excluded from this indicator, to ensure consistency.

Since adhering to the WEPs, we have participated in multiple initiatives that have enabled us to measure our progress, identify areas of opportunity, and drive organisational improvements. In 2024, we joined the United Nations Global Compact (UNGC) Target Gender Equality (TGE) Accelerator Programme and reassessed our performance using the WEPs Gender Gap Analysis Tool, achieving an overall score of 54%. Our strongest results are in the commitments pillar, with medium performance in implementation and greater opportunities for improvement in metrics and transparency.

Further advancing our gender diversity efforts, two of our mines have undergone evaluation under the Women in Mining (WIM) Mexico Seal, a methodology that assesses mining units across nine pillars, including harassment prevention, professional development, inclusive facilities and working conditions. In 2025, Herradura was awarded the highest distinction — Gold — and also received an Innovation Achievement Award for extending the methodology beyond site-level assessment to help inform the Company's broader strategy. Saucito participated in the 2025 evaluation cycle, with results expected in the first quarter of 2026.

These workstreams have marked significant progress in our journey, providing valuable insights to recalibrate the Company's gender diversity strategy in line with the Women's Empowerment Principles (WEPs) and in preparation for the 2026–2040 Strategic Plan. To oversee the implementation of this strategy, we established a Labour Inclusion Committee, with leadership representation from operations, exploration and corporate offices, supported by a multidisciplinary team.

Regarding diversity and inclusion more broadly, we have continued to deepen our initiatives by hosting annual rallies in Caborca, Sonora, in collaboration with the TELETON Sonora Foundation, the local National System for Integral Family Development (DIF), and Sonora University's (UNISON) Caborca campus.

These events aim to raise awareness and provide practical tools for fostering an inclusive society and workplace. In 2025, the rally brought together 200 participants, including students and teachers, and featured conferences on mental health, stress management, nutrition and school support networks, as well as practical workshops on mindfulness, injury prevention, emotional first aid and violence prevention.

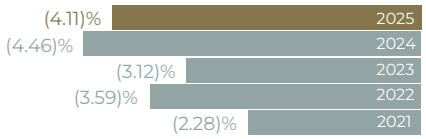
Finally, as part of our broader approach to assessing workforce and DEI performance, every year we participate in the Workforce Disclosure Initiative (WDI) assessment. In early 2026, Fresnillo was short-listed for the WDI Award and received special mentions in the workforce action, value chain data and most transparent categories.

Gender pay gap

We are committed to the principle of equal pay for equal work. Our remuneration framework is designed to ensure that employees at the same hierarchical level and in comparable roles are paid within consistent salary bands, irrespective of gender.

The gender pay gap shown reflects the weighted average salary differences across hierarchical levels for non-unionised, non-executive employees, demonstrating a reduction of 4.11% in 2025. While pay is aligned within each level, the remaining gap is primarily driven by workforce composition factors — particularly tenure — rather than unequal pay for the same role.

Overall gender pay gap



Note: Non-unionised and non-executive personnel comprises senior engineers, junior engineers and assistants. This population is assessed because it represents the primary talent pipeline for future managerial and leadership roles, making it a relevant cohort for monitoring progression and representation dynamics.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Case study

Strengthening workplace respect and inclusion

In 2025, we launched a compulsory online training campaign to prevent workplace harassment, as part of our Women's Empowerment Principles (WEPs) 2025–2026 roadmap, reinforcing our commitment to safe, respectful and inclusive workplaces.

The initiative was developed by a cross-functional team and introduced new digital learning tools designed to increase engagement and relevance. These included practical case studies illustrating different forms of workplace harassment and avatars reflecting Fresnillo's working environments. It also included a corporate video outlining the Company's journey and approach to prevention, featuring a message from the CEO.

To support effective and consistent implementation, members of the Labour Inclusion Committee actively promoted the programme with local leadership teams, helping cascade key messages across operations and encouraging completion of the training.

By year end, training had been rolled out to non-unionised personnel, achieving 91.61% completion. The programme will be extended to unionised employees and contractors during 2026 and incorporated into the induction process for new employees going forward.

The materials developed for this initiative will also serve as a standard reference for future training and awareness campaigns, supporting long-term consistency in the Company's approach to dignity, respect and inclusion at work.

Labour relations

Unions play a pivotal role in our commitment to support ongoing operations at our mine sites, enhancing productivity and developing a robust safety culture. We believe that maintaining fair and respectful relationships with unions is essential to building trust and mutual accountability, while upholding workers' rights to freedom of expression, free association, and collective bargaining.

We actively engage with unions through regular dialogue and periodic operational reviews, leadership development programmes, and wellbeing initiatives – including sports and cultural events – as well as collaborative projects focused on continuous improvement. Regular interactions take place between the CEO, the Head of HR, and union senior leadership, while our business units maintain close ties with local union committees and delegates at an operational level.

These engagements underscore our dedication to open communication and foster collaboration for capacity-building initiatives, particularly for those newly elected as union committee members.

In partnership with the union, we also conduct the 'LEAL' survey on workplace behaviour perceptions and experiences, using its insights to refine our strategy and drive continuous improvement in our safety culture (see Safety on pages 74-79).

Case study

Working with the union to build shared safety leadership

We maintain a constructive and collaborative relationship with the union, grounded in a shared commitment to protecting life and promoting safe operations.

This partnership supports the Company's objective of strengthening an intedependent safety culture in which responsibility for risk prevention is shared across all levels of the organisation.

In 2025, we began rolling out leadership practices through local union committees and safety commissions.

Under this model, unionised employees actively participate in safety verifications and risk reviews, taking on a leadership role in day-to-day operational safety and reinforcing the principle that safe operations depend on collective ownership.

- The Company's commitment to collaborative safety leadership is also reflected in its flagship Annual Safety Symposium, conducted in partnership with unions, contractors and public authorities. The event provides a platform to exchange best practices, discuss industry challenges and reinforce shared safety standards across operations. The 13th edition is scheduled to take place in 2026 under the theme 'From awareness to action: protecting life', further strengthening cross-stakeholder engagement and collective responsibility for safety.

What's next:

- Implement action plans to address findings from the latest organisational culture survey.
- Formalise succession planning across key roles and functions.
- Strengthen and consolidate the Labour Inclusion Committee and continue the rollout of the Company's gender diversity strategy.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Safety

We uphold a deep commitment to Life through our *'I Care, We Care'* philosophy, with the goal of ensuring safe operations and zero harm.

Strategy

Safety is a fundamental value, reflecting our moral obligation to protect the wellbeing of our workers. Our goal is clear – to operate without fatal accidents, minimise exposure to risk, prevent harm to people and damage to assets, and foster an ethical, safe work environment supported by visible leadership across the organisation.

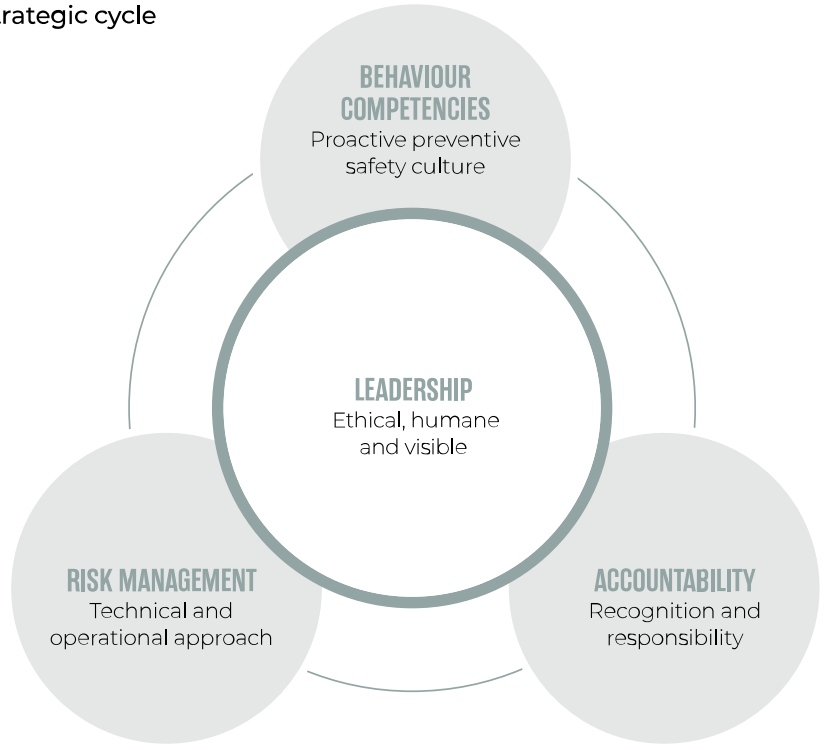
Prevention is at the heart of our safety culture. Our *'I Care, We Care'* philosophy addresses inherent risks though five strategic pillars: leadership, accountability, behaviour risk competencies, system risk competencies, and learning environment.

This approach fosters continuous improvement, effectively reducing risks through the provision of the right tools and training.

Each pillar establishes critical controls and performance standards across business processes, empowering personnel to make sound, responsible decisions and to identify and address risks in line with safety protocols.

The *'I Care, We Care'* technical components focus on critical risks —those with the potential for fatal or serious harm — while the operational framework ensures that all risks are managed systematically. Together, this approach enables comprehensive risk management and supports continuous improvement in safety practices, risk management and emergency preparedness, reinforcing a learning environment built on high performance standards.

The 'I Care, We Care' strategic cycle



Management

Our approach to safety management is grounded in the consistent and disciplined application of critical controls. We focus on verifying their effectiveness, ensuring proper deployment, and reinforcing visible leadership in the field through active engagement with employees and contractors at all levels of the organisation. This is supported by a range of mechanisms to identify and assess risks, with a strong operational focus on reducing exposure during field activities. Our Safety Operational Plan provides the structure through which these elements are implemented and sustained.

Leadership in the field

We consider safety a 'Life Value', and uphold it through values-driven Visible Leadership, embedding responsibility and accountability at every level and among all members of our workforce.

We deliver leadership practices to promote **leadership by example** in the field. This approach ensures the oversight and verification of critical risks and their associated controls, contributing to the strengthening of our preventive culture. Leadership practices aim to **empower individuals** to identify missing or failed controls and make the right decisions, for example by stopping tasks if necessary to ensure safe operations until controls are addressed. In 2025, we:

- Continued quality verification of leadership practices (using the coaching mode and quality for management categories). Safety specialists provide ongoing support and feedback to leaders and middle management. Outcomes from these processes are communicated by leaders and supervisors through formal meetings, shift-start meetings, and safety huddles.
- Strengthened leadership accountability by area through clearer performance indicators and targets, enabling more focused actions and more effective allocation of resources.

Safe Operations Culture: Behaviour, Participation, Engagement and Awareness

Safety is a shared responsibility across the organisation. Our workforce, in diverse roles and responsibilities, actively participates in hazard identification, risk assessment and the design and implementation of control measures. This frontline ownership is supported by safety and risk management specialists, who provide training, guidance and technical advice across operations and projects.

Collaboration is embedded through formal governance mechanisms — including health and safety committees, emergency response teams and joint commissions with unions and contractors — which support training, facilitate inspections, recommend preventive measures and conduct accident investigations. Together, these structures strengthen risk management and reinforce a strong, participatory safety culture.

In 2025, we continued advancing the maturity of the *'I Care, We Care'* ***Operational Committee***, with a focus on empowering people and promoting safe operations. Safety performance was reviewed, and cross-functional control and learning initiatives were implemented. A key outcome was the development of the 2026 Safety Operational Plan, centred on achieving zero fatalities by:

- Strengthening the quality of leadership practices across all organisational levels and contract types.
- Standardising the critical risk control framework, including its deployment mechanisms — such as performance standards and verification tools — aligned with best available practice.
- Reviewing, verifying and updating cross-cutting and cross-functional performance standards.
- Implementing a unified safety standard for contractors.

Our relationship with contractors is a key pillar of our safety strategy, particularly in light of the findings of investigations into fatal accidents in previous periods. Since 2022, we have strengthened this relationship through quarterly **Business Partner Meetings** which provide a structured forum to assess safety performance, analyse shared challenges, and establish mutual commitments to safe operations. These meetings bring together contractors' leadership representatives and our operational leaders to ensure alignment, enable performance reporting, and agree on specific actions — prioritising the most critical risks.

In recent years, we have strengthened contractors' alignment with our technical and operational standards, performance indicators and dashboards. In parallel, we have embedded leadership practices across the chain of command, involving both contractors' leadership and our operational leaders responsible for contractor oversight. These practices are supported through coaching and regular quality assessments. Together, these structured dialogue mechanisms have reinforced accountability and promoted the systematic sharing of lessons learned and best practices.

In 2025, this approach continued to evolve. We issued a unified **Contractor Standard** with a strong focus on health, safety and environmental risks. All contractors symbolically signed the standard during the quarterly meetings, reinforcing their shared commitment to its adoption. In addition, the *'I Care, We Care'* Operational Committee defined a **contractor-specific 2026 Safety Operational Plan** to support implementation as well as the monitoring of progress and accountability going forward.

During the year, we maintained close collaboration with the **National Miners' and Metallurgists' Union FRENTE** through regular experience-sharing sessions among local committees and ongoing coordination to align communication. Together, we continued to promote skills development through practical workshops for local committee members, new employees and emerging leaders.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Case study

Living our philosophy, every day

The 'I Care, We Care' Operational Committee plays a central role in advancing the Company's safety culture and in supporting the technical and behavioural deployment of its 'safe operations' philosophy.

During 2025, the Committee held two in-person working sessions. The first focused on reviewing progress against the operational plan developed by the Committee, agreeing standardisation guidelines, promoting the adoption of best practices, and establishing shared commitments to further raise safety performance standards. The second session centred on reviewing performance trends, conducting a strategic assessment of strengths and gaps in risk management, and developing the Committee's operational plan for 2026 based on these findings.

At both sessions, leadership practices were carried out, including operational verifications and direct engagement with frontline teams. These activities reinforced visible leadership, strengthened alignment around safe work expectations, and helped embed the Company's commitment to protecting life into daily operations.

The Committee's work has contributed to the progressive maturation of the Company's safety culture, strengthening cross-site consistency and supporting the integration of safety leadership into operational decision-making.

The 2026 operational plan developed by the Committee sets out transversal actions which aim to sustain momentum towards achieving the Company's vision of zero harm.

The year concluded with the participation of the full Executive Leadership Team in the Committee's final session:

"Achieving zero fatalities and zero harm requires all of us to live our 'I Care, We Care' philosophy with conviction and passion. Our five strategic lines provide clear direction, but success depends on our consistency and focus in every safety effort. We must be disciplined in learning from experience—acting with both speed and depth — and in recognising and encouraging the commitment of everyone who contributes to our operations. This is valuable work, and it is work that belongs to all of us."

— **Octavio Alvídrez**, Chief Executive Officer

Risk Management

In 2025, we strengthened our critical risk management framework by expanding the number of top critical risks from ten to twelve. As part of this process, we issued standards covering explosives and blasting, electrical safety, rock falls, and loss of control of equipment and vehicles. We also initiated the development and testing of role-based verification tools specifically for these critical risks. Our aim is to progressively refine these tools, ensuring our risk management approach remains adaptive and informed by operational feedback and continuous learning.

To further deepen our critical risk and controls management strategy, we launched two site-level pilots in 2025, at Saucito and Ciénega. This initiative aims to strengthen risk and controls management through a comprehensive and technically robust approach, based on continuous, detailed verification processes and the active involvement of all stakeholders in risk management — from leadership and technical specialists to contractors, suppliers and support teams.

In parallel, we continued to enhance our analysis of safety performance and preventive reporting, moving beyond corporate-level indicators to a drill-down approach that enables deeper insights and more targeted allocation of resources. Finally, the training programme for our permanent emergency brigades — established last year— continued to progress, further strengthening emergency preparedness across our operations.

Communication

In 2025, we deployed a communication strategy to reinforce key messages linked to daily operations and to strengthen the *'I Care, We Care'* philosophy as a core element of our business identity. The campaign, "I take care of myself, and together, we care for one another", focused on four main themes:

1. **Critical risk management and safe decision-making:** Strengthening performance in the control of critical risks, reinforcing the consistent application of critical controls, and empowering people to take the right actions and make only safe decisions when facing risk.
2. **Personal safety and protective behaviour:** Promoting care for hands and the correct, consistent use of personal protection equipment (PPE) as essential daily safety practices.
3. **Culture, accountability and commitment to life:** Reinforcing zero fatalities and zero harm as the only acceptable outcome and promoting a culture of 'safety without excuses' that moves decisively from awareness to action.
4. **Seasonal risk prevention:** Reinforcing safety measures during the holiday season, when operational and personal risk factors tend to increase.

Certifications and awards

We hold safety-related certifications relevant to our industry in our mining units, including ISO 45001, and the International Cyanide Management Code (see our site ESG KPIs Tables on pages 111-117).

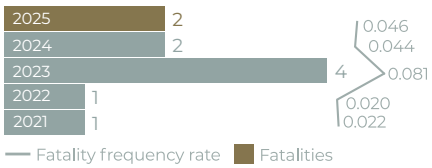
Performance

Since 2021, we have strengthened our preventive reporting through near-miss reporting, with a focus on identifying missed or failed critical controls that could lead to harm. Although near-miss events do not involve energy release or damage, they provide operational leaders with early visibility of potential hazards to people or equipment, enabling timely preventive action. This approach supports a proactive management culture and encourages active worker participation in an early warning system, enhancing awareness of the safety environment and enabling informed, timely decision-making. As a result, near-miss reporting increased by 75% compared with 2024.

During the year, we also recorded a 17.6% reduction in the Total Recordable Injury Frequency Rate (TRIFR) and a 13.7% reduction in the Lost Time Injury Frequency Rate (LTIFR), reducing them to 6.26 and 4.10, respectively—our lowest levels to date. Site-level performance is presented in the ESG KPI Tables on pages 111–117.

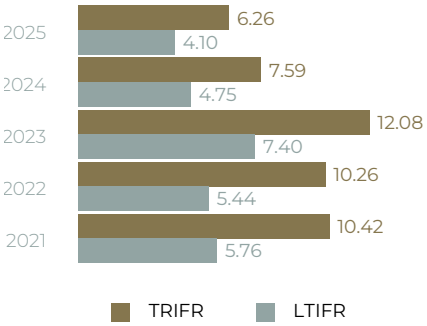
Despite this positive trend, we deeply regret the loss of one unionised employee and one contractor during the year. Not achieving our objective of zero fatal accidents is a profound reminder that there is no margin for error and reinforces the need to continuously strengthen a robust risk management culture across all processes, activities and environments—every day, on every shift.

Fatal Injuries and Fatal Injury Frequency Rate

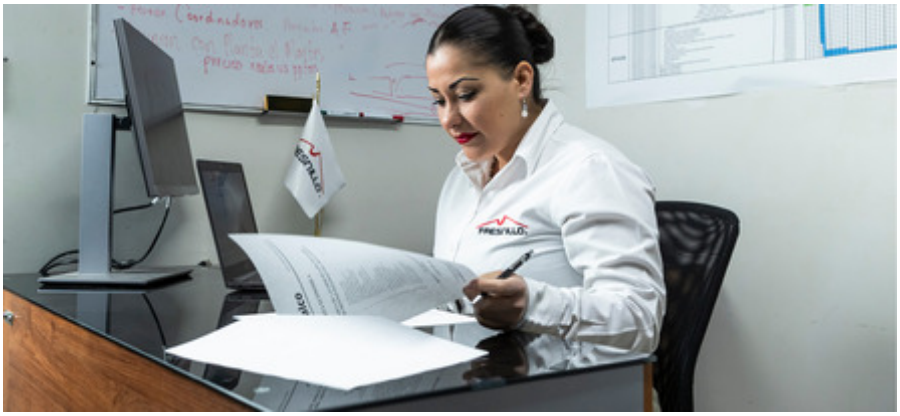


Fatal injuries: Number of fatal injuries to employees and contractors. Fatality injury frequency rate: Number of fatal injuries to employees and contractors for every 1,000,000 hours of exposure time.

Injury Frequency Rate for every 1,000,000 hours



Total Recordable Injury Frequency Rate (TRIFR): Lost-Time Cases + Restricted Work Cases + Medical Treatment per 1,000,000 Hours Worked. Lost Time Injury Frequency Rate (LTIFR): Number of Lost-Time Injuries per 1,000,000 Hours Worked.



SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED

OUR APPROACH TO SUSTAINABLE MINING

In 2025, new potential risk scenarios emerged in non-routine tasks. Root cause analyses provided valuable insights, leading to the following actions:

- Conducting in-depth analyses using the Incident Cause Analysis Method (ICAM).
- Reinforcing competencies in risk analysis and control implementation, while empowering all workers to take ownership of safety in every activity — both within and outside the production value chain — with greater rigour and discipline in routine and non-routine operations.
- Strengthening engagement with all business partners, regardless of company size, nature or duration of their operations.
- Implementing a mechanism to categorise, monitor, and evaluate business partners, assessing their compliance with standards and expected performance, and the presence of adequate and just accountability, to determine their hiring and retention.
- Intensifying efforts in the planning, risk analysis, and control of non-routine activities or those outside the productive chain.
- Enhancing verification and follow-up through leadership practices for activities outside the productive chain.

Our 2026 vision is to achieve zero fatalities and decrease our TRIFR to align with the International Council on Mining and Metals (ICMM) standards. We remain resolute in our commitment to implement disciplined controls, enhance leadership qualities, and strengthen accountability at every level to achieve safe operations in every task in order to achieve the objective of zero harm: zero fatalities, zero accidents and zero damage.

Goal	Decrease TRIFR by 5%:	Reduce TRIFR rate to ICMM range
Time horizon	Short-term (1 year)	Medium and long term (3-5 years)
Actions to achieve it	• Mature risk management • Organise consultation forums • Mature the *'I Care, We Care'* Operational Committee • Enhance quality of leadership practices	• Consolidate risk management • Improve risk management across scenarios and stakeholders • Improve personnel competencies and training • Implement projects to improve safety

What's next:

- Continue to make progress against our commitments to reduce fatality rates and TRIFR.
- Enhance the quality of leadership practices through direct mentoring by leaders and the continued development of workforce competencies.
- Strengthen the *'I Care, We Care'* Operational Committee into an effective learning environment by elevating key commitments to mandatory requirements.
- Consolidate the health and safety management system through the *'I Care, We Care'* strategy, focusing on risk reduction, improved safety performance and increased productivity.
- Conduct comprehensive verification processes of the implementation of technical standards and safety management to identify and address gaps.
- Continue deploying the *'I Care, We Care'* verification – Eye on Risk, a multidisciplinary, peer-based approach that enables technical verification in the field, across management practices and at system level.
- Develop conceptual designs for technology and innovation projects aimed at improving overall workforce safety.
- Further mature incident risk management processes, including analysis, communication of results and cross-functional learning.
- Advance the risk management strategy to address different operational scenarios and stakeholder contexts.

Case study

Focusing on risk

In 2025, we launched the '*I Care, We Care – Eye on Risk*' verification process as part of the continued maturation of our risk management system.

The initiative was designed by a multidisciplinary team drawn from operations, in line with the core principles of the '*I Care, We Care*' philosophy and the Company's internal safety standards. Deliverables included the end-to-end verification process design, technical checklists, evaluation criteria, and tools for data collection and reporting.

During 2025, two full verification cycles were completed at Saucito and Ciénega. Verification teams comprised members of the "I Care, We Care" Committee, operational leaders and technical specialists. Each verification was led by a senior manager, supported by safety specialists.

One of the defining features of this initiative is its peer-to-peer approach: verifications are conducted between leaders in the same technical discipline, enabling structured dialogue on operational requirements, control effectiveness, management gaps and improvement opportunities. This model strengthens visible leadership, encourages constructive professional challenge and reinforces shared ownership of risk management outcomes.

Beyond its technical function, the process has become a platform for organisational learning, supporting the identification of best practices, alignment around risk management expectations, and the reinforcement of human-centred, visible leadership.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Health

We are committed to ensuring the wellbeing of our workforce by promoting safe and healthy working environments.

Supported by a multidisciplinary team of health and organisational development specialists, we take a comprehensive approach to workplace health. Our efforts focus on the early identification and management of health risks to prevent both occupational and chronic diseases, strengthen emergency preparedness, and promote healthy habits across our operations. In recent years, this approach has evolved into a more holistic model, moving beyond traditional occupational health programmes to address both physical and mental wellbeing. Our strategic pillars are:

- **Health care:** medical check-ups, consultations and health campaigns
- **Comprehensive wellbeing:** nutritional guidance, sports promotion and psychological support
- **Industrial care:** ergonomics and industrial hygiene
- **Innovation and development:** health technologies and software
- **Emergencies**: preparedness and response training

Our approach is further informed by periodic workforce surveys designed to better understand health behaviours and promote preventive care. 'Living in Balance' surveys conducted in 2023 and 2024 highlighted the need to strengthen general wellbeing indicators, including sleep quality, stress, anxiety and depression. In response, during 2025 we expanded the coverage of medical screening programmes and mental health initiatives, and consolidated our fatigue management system. These are described in more detail in the following sections. The next survey cycle is scheduled for 2026.

Occupational Health

Our occupational health approach focuses on the proactive identification, mitigation and management of health risks to which our workforce is exposed, with the objective of preventing accidents and occupational illnesses.

Health care: Focused on identifying, evaluating, analysing and interpreting employees' medical information to develop a health profile for each work centre. This includes pre-employment, periodic, exit and specialised medical examinations, as well as guidance on preventive care measures, including gynaecological check-ups.

In 2025, almost 10,000 periodic medical examinations were conducted across our workforce, covering non-unionised and unionised employees and contractors. We also maintained a strong focus on women's health through targeted gynaecological screening, achieving high coverage among non-unionised personnel and steady progress among unionised personnel, supporting early detection and timely treatment.

Industrial care: Centred on industrial hygiene and ergonomics to enhance workplace quality, productivity, safety and health, with active monitoring of exposure to physical and chemical risks. **Industrial hygiene** identifies workplace hazards—such as noise, dust, vibration, heavy metal contamination and extreme temperatures—and implements targeted interventions to mitigate health risks and prevent occupational diseases. **Ergonomics** systematically analyses the interaction between individuals, their tasks, equipment and their physical environment to improve working conditions and overall wellbeing.

In 2025, we rolled out an ambitious work programme comprising on-site assessments, technical studies and recommendations, systematic monitoring of control measures, targeted training and exposure awareness, and regular engagement with operational leaders. This work reflects a structured and preventive approach that integrates technical controls, clear procedures and workforce capability to sustainably reduce occupational health risks.

As part of this effort, we advanced the deployment of engineering and operational controls to reduce physical exposure risks. Key initiatives included redesigning tools and equipment to improve ergonomics, introducing mechanical handling solutions and automation in sampling and material handling processes to minimise manual load movement, and implementing an intelligent hydration system to support adequate fluid intake for personnel exposed to high temperatures.

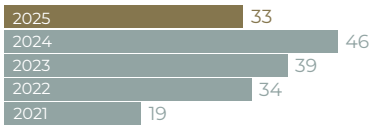
These measures help address musculoskeletal strain, vibration and noise exposure, as well as heat stroke, while improving overall working conditions and operational reliability.

To support long-term consistency and scalability across operations, we also strengthened our management framework by developing and updating procedures and technical standards for assessing and controlling occupational exposures, such as vibration and noise. This included formalising measurement protocols, reinforcing safety and warning signage, and reinforcing compliance with the proper use of personal protective equipment (PPE).

Innovation and development: Focused on strengthening occupational health management through the adoption of digital tools, data analytics and emerging health technologies. This pillar promotes innovation across all the other pillars to improve prevention, early detection and decision-making, supporting a more proactive and evidence-based approach to workforce health. The consolidation of our Fatigue Risk Management System during the period is an example of this approach in action (see case study page 81).

Emergency preparedness: Recognised as a core capability of our health teams alongside prevention. Training in Basic Life Support (BLS), Prehospital Trauma Life Support (PHTLS), Advanced Cardiovascular Life Support (ACLS) and defensive ambulance driving forms an integral part of the medical staff's professional development.
In 2025, we recertified personnel at Ciénega in ACLS and PHTLS, as this site presents the highest level of medical risk due to its remote location and its role in providing healthcare services to surrounding communities. Training programmes at other operations will continue throughout 2026.

New cases of Occupational Illneses



During the year, 33 occupational illnesses were recorded, primarily related to hearing loss, pneumoconiosis and ergonomic risk, representing a decrease compared with the previous year. While this trend reflects progress in exposure and control prevention, occupational illnesses are typically associated with historic exposures and therefore improvements may not be immediately reflected in annual figures.

Reported trends may also be influenced by changes in the regulatory framework. In recent years, amendments to Mexican regulations have broadened the definition of work-related illness, which may affect the number of cases identified and reported moving forward, independent of underlying exposure conditions.

Case study

Demonstrating our commitment to safety and wellbeing

In 2025, we consolidated our Fatigue Management System (FMS) following successful pilots at Herradura and Juanicipio.

Our goal was to enhance workforce safety while supporting business continuity in high-risk mining operations.

The FMS follows a dual predictive and reactive approach, aligned with international best practices in responsible mining and occupational risk management. It integrates scientifically validated biomathematical technology (SAFTE® – ReadiWatch) to predict fatigue based on sleep patterns and circadian rhythms, with an in-cab Driver Safety System (DSS) using computer vision and artificial intelligence to detect fatigue, microsleeps and distraction in real time. This combination enables both early risk identification and immediate operational intervention.

The results have been impressive, demonstrating that active fatigue management reduces critical events, strengthens preventive decision-making and improves the safety of personnel and material transport. Analysis of key indicators, including the Fatigue Index (FIN), confirms that shorter shifts significantly lower fatigue risk, supporting organisational decisions. Medical assessments of affected workers also identified social, medical and mental health factors as relevant contributors to fatigue, enabling timely referrals and more comprehensive interventions.

Overall, the FMS reinforces our commitment to occupational safety and workforce wellbeing through data-driven risk management, as part of our broader sustainability approach.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Comprehensive Wellbeing
Complementing our occupational health approach, **comprehensive wellbeing** promotes preventive care to reduce chronic diseases and enhance fitness for work, through a holistic approach that balances health, productivity and quality of life.

Our initiatives include **vaccination and supplementary health campaigns.** These efforts are complemented by community health campaigns carried out in collaboration with local and federal authorities, health agencies and the UNAM Foundation (see Socio-economic development on pages 107–109). Furthermore, in recognition of the growing percentage of women in our workforce, particularly those of childbearing age, we have developed a dedicated programme focused on prenatal care, cancer screening, and education and training in cancer prevention, deploying breast cancer awareness campaigns that include impactful conferences, breast examinations, cytology screenings, and physical activity sessions.

We also provide nutritional guidance and promote sports, as Mexico has one of the highest percentages of overweight citizens according to the Organisation for Economic Co-operation and Development (OECD) with over 70% of adults falling under this category.

In 2025, we conducted the Fit Challenge, which seeks to promote physical activity and a balanced diet, involving a total of 564 employees who achieved an average weight loss of 0.75 kilograms per person. The Fresnillo District was also the venue for the BAL Championship, involving a total of 585 individuals taking part in over 66 football, basketball, softball and volleyball teams, among others.

Mental health is a core component of our comprehensive wellbeing approach and is managed in line with the Mexican standard NOM-035-STPS, which guides the identification, analysis and prevention of psychosocial risk factors in the workplace. Our psychology services are designed to support how employees think, feel and respond at work, strengthening emotional resilience, safe conduct and healthy working environments.

Psychosocial risks are assessed through voluntary reference guide questionnaires and periodic psychometric evaluations. Employees identified as having been exposed to traumatic events or elevated risk receive psychological assessments and targeted support. Their progress and reintegration to activities are monitored, with temporary role adjustments implemented where appropriate to safeguard their wellbeing and prevent further health risks.

In 2025, we strengthened this approach through the creation of a dedicated Mental Health Department, staffed with in-house psychologists and with at least one specialist assigned to each mining unit. We also implemented our Mental Health Strategic Plan, combining prevention, early intervention and regulatory compliance.

Activities included psychosocial assessments, psychological support for injured personnel, incorporation of psychological assessments in defensive driving training, and continued promotion of formal reporting channels for workplace harassment and inappropriate behaviour, including the Whistleblowing Mechanism and Labour Behaviour Commissions (see Ethics and culture on pages 65–68).

By year end, 446 employees and contractors had participated in the emotional maturity programme, more than 4,500 NOM-035 assessments had been conducted, and over 2,700 psychological evaluations had been completed across different programmes. These efforts strengthen our ability to manage psychosocial risks proactively and foster safe, supportive and productive workplaces.

Certifications and awards We hold certifications including the Mexican Social Security Institute's (IMSS) 'Safe and Healthy working Environment' (ELSSA) and the '100% Smoke and Emissions-free space' of the Mexican Health Ministry (see our ESG KPIs Tables on pages 111-117).

What's next:
- Conduct the third editions of the 'Living in Balance' and 'Readiness for Change' and 'Motivation' to Adopt a Healthy Lifestyle' surveys in 2026 to further inform preventive health strategies.
- Strengthen workforce preparedness through continued training in emergency response, hazardous materials management and occupational health.
- Enhance health monitoring capabilities by developing internal KPIs for ergonomics and mature the hygiene performance indicators.
- Expand psychosocial risk management through regular psychological assessments for new and existing personnel, targeted prevention initiatives, and strengthened psychological support services for employees exposed to risk.
- Consolidate behavioural and leadership development workshops and the emotional maturity programme, to promote assertive behaviours, resilience and healthy interpersonal dynamics.
- Promote healthy lifestyles through structured active breaks during the working day, internal sports tournaments and nutrition awareness campaigns, including traffic-light labelling in industrial canteens

PROTECTING OUR ENVIRONMENT

We optimise resource consumption to curb our impact and are accountable for our environmental footprint.

While recognising the critical role that mining and precious metals processing have as essential industries, we also acknowledge the environmental impacts of our operations, including water consumption, land disturbance, waste generation, and Greenhouse Gas (GHG) emissions. To sustain our social licence to operate, we prioritise resource optimisation, mitigate adverse impacts, and transparently communicate our environmental footprint to stakeholders. A systematic approach to environmental management enables us to:

- Prevent or mitigate adverse environmental impacts.
- Comply with legal and regulatory requirements.
- Improve environmental performance across the life cycle of products and services.
- Achieve financial and operational benefits through sustainable practices.
- Transparently communicate environmental progress to stakeholders to support our licence to operate.

Environmental Impact Assessments (EIAs) are a top priority before launching any activity. They enable us to identify potential impacts on key issues such as water resources, air quality, land use, biodiversity and socioeconomic conditions, while also assessing the condition and vulnerability of local and regional resources. These assessments inform the development of robust environmental management plans and support compliance with ISO 14001 standards.

In 2025, we identified our environmental risk portfolio as the foundation of a company-wide approach to critical controls, highlighting those factors that are most material across our operations.

Our aim is to strengthen incident prevention, reduce the severity of potential impacts on the environment and human health, and embed early-warning systems and continuous improvement practices across operations.

In 2026, this strategy will be rolled out across all business units, with each site identifying its highest-priority environmental risks and we will be implementing critical controls, performance standards and field verification processes.

Energy

Mining is inherently energy-intensive, relying heavily on fuel and electricity to extract, process, and transport minerals. Vigilantly monitoring energy consumption and GHG emissions is central to our sustainability efforts, enabling us to mitigate risks, improve resource efficiency, and contribute to cost management, thereby securing business continuity.

In 2025, renewable sources accounted for 77.8% of our total electricity consumption across the different regulatory frameworks under which we operate, representing a slight decrease compared with the previous period. This was mainly due to lower renewable generation resulting from adverse climatic conditions, as well as the depletion of our renewable inventory under the self-supply scheme.

36.7% of total electricity was secured under the Electricity Sector Law (LIE) regulatory framework, with Fuentes de Energía Peñoles (FEP) acting as our Qualified Services Supplier. A total of 94.3% of this consumption was sourced by the wind farm Eólica Mesa La Paz (MLP), while the remainder was procured from the wholesale electricity market (WEM).

T

Regulatory framework	% Renewable	% Non-renewable	Total
LSE (Wholesale Electricity Market)	34.6% [a]	2.1% [b]	36.7%
Self-supply (Legacy contracts)	43.2% [c]	20.1% [d]	63.3%
Total	77.8%	22.2%	100 %

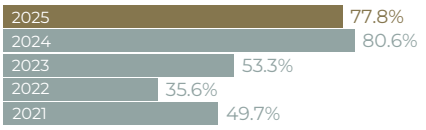
Notes: Sourcing for each figure corresponds to: a) MLP, b) WEM, c) EDC, d) CFE.

The remaining 63.3% of electricity was secured under the legacy Self-Supply regime, under which some of our load centres continue to operate. Of this, 68.2% was sourced by the wind farm Eólica de Coahuila (EDC), with the remaining energy sourced from the Mexican power utility and Federal Electricity Commission (CFE) Basic Supply.

In absolute terms, renewable energy consumption fell from 987.7 GWh/year in 2024 to 889.2 GWh/year in 2025, together with an overall decrease of 6.7% in electricity consumption. See our ESG KPIs Tables on pages 111-117.

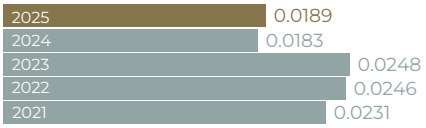
We have increased our use of renewable energy in recent years, with the aim of achieving 75% renewables in our electricity mix by 2030. This target will remain unchanged, as new expansion and exploration projects continue to come online and place additional demand on available renewable capacity. Looking ahead, we will continue to prioritise a reliable and cost-competitive energy supply, underpinned by clean energy sources.

Renewable electricity consumption



Energy intensity
(MWhe / ton processed ore)

GHG intensity
(ton CO_2e / ton processed ore)



SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Global GHG emissions and energy consumption for the period 1 January 2025 to 31 December 2025

	GHG emissions (tonnes of CO_2e)			Energy (MWhe)		
	Reporting year	Previous year	% change	**Reporting year**	Previous year	% change
	2025	2024	2025-2024	**2025**	2024	2025-2024
Scope 1 + Scope 2 (market-based)	**531,282**	598,581	(11.2)	**2,728,515***	3,003,587	(9.2)
Scope 1: Combustion of fuel (mobile and stationary sources).	**418,439***	469,122	(10.8)	**1,585,142**	1,778,651	(10.9)
Diesel Total	**371,409**	415,283	(10.6)	**1,371,229**	1,533,177	(10.6)
Diesel (Company-owned)	**283,650**	283,431	0.1	**1,047,235**	1,046,401	0.1
Diesel (contractors)	**87,759**	131,852	(33.4)	**323,994**	486,776	(33.4)
Gasoline Total	**5,848**	5,935	(1.5)	**22,524**	22,859	(1.5)
Gasoline (Company-owned)	**3,643**	3,214	13.3	**14,030**	12,381	13.3
Gasoline (contractors)	**2,205**	2,721	(18.9)	**8,494**	10,479	(18.9)
Natural gas Total	**37,634**	43,728	(13.9)	**175,779**	204,245	(13.9)
Natural gas (Company-owned)	**37,634**	43,728	(13.9)	**175,779**	204,245	(13.9)
Natural gas (contractors)	**0**	0	n/a	**0**	0	n/a
LPG Total	**3,549**	4,177	(15.0)	**15,610**	18,370	(15.0)
LPG (Company-owned)	**3,382**	3,977	(15.0)	**14,876**	17,491	(15.0)
LPG (contractors)	**167**	200	(16.4)	**735**	879	(16.4)
Scope 2 (market-based): Electricity purchased from the grid and PPAs	**112,843***	129,459	(12.8)	**1,143,373**	1,224,936	(6.7)
Mexican National Grid (CFE and WEM)	**112,843**	85,831	31.5	**254,150**	193,314	31.5
Thermal – Thermoelectric Peñoles (TEP)	**0**	43,628	(100.0)	**0**	43,949	(100.0)
Wind – Coahuila Wind Force (EDC) & Mesa La Paz (MLP)	**0**	0	n/a	**889,223**	987,674	(10.0)
Intensity measurement: Emissions and energy reported above per tonne of processed ore. Scope 2 emissions are market-based.	**0.0189***	0.0183	3.4	**0.097***	0.092	5.8

Notes:
1. Figures marked with an asterisk (*) have been assured by EY. Refer to the assurance statement on pages (118-119).
2. Methodology: We have reported on all the emission sources required under Streamlined Energy & Carbon Reporting. These sources fall within our operational control. We do not have responsibility for any emission sources that are not included in our Consolidated Statement. The emissions and energy consumed in the United Kingdom and offshore as well as those pertaining to our exploration projects and corporate offices are negligible. We have used the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), and a 100-year time horizon Global Warming Potential (GWP) for Methane (CH_4) and Nitrous oxide (N_2O) equivalences. Updates to Scope 1 and Scope 2 data compared with prior periods reflect changes in the Mexican National Grid emission factor and the fossil fuel heating values published by the Mexican Ministry of Energy. As these parameters are typically released after publication of this report, the fossil fuel heating values and electricity grid emission factors (CFE and WEM) applied to 2025 consumption correspond to 2024 data.
3. Scope 1 corresponds to direct GHG emissions / direct energy consumed.
4. Scope 2 corresponds to indirect GHG emissions from purchased electricity consumption.
5. Processed ore corresponds to the ore processed in the beneficiation and leaching plants, the mineral deposited in the leaching pads as well as iron concentrate treated in the pyrites plant.

Climate change

Task Force on Climate-related Financial Disclosures (TCFD) Compliance Statement

FCA Listing Rules

We have provided climate-related financial disclosures for the year ended 31 December 2025 according to the UK's Listing Rule 6.6.6R(8) of information to be included in the annual reports and accounts, having taken into consideration the UK Listing Rule Guidance (UKLR) 6.6.8G and UKLR 6.6.9G for all sectors and non-financial sectors. This includes all four of the TCFD pillars and the 11 recommended disclosures set out in Figure 4 of Section C of the report entitled 'Recommendations of the Task Force on Climate-related Financial Disclosures' published in 2021 by the TCFD. In completing this work, we made use of TCFD guidance material, including the TCFD technical supplement on the use of scenario analysis, TCFD Guidance on Metrics, Targets and Transition Plans, and the TCFD Guidance for All Sectors.

Our report is partially consistent with the TCFD recommendations as outlined in the table below. Further development is still required on Strategy recommended disclosure B, and Metrics and Targets recommended disclosure C. These gaps stem from our ongoing efforts to quantify Climate Risks and Opportunities (CROs), integrate them into business strategy, and define additional climate-related targets. In 2026, we plan to continue our progress in reporting across all four TCFD pillars, with particular focus on integrating climate analysis into the environmental risk portfolio. Additional details on our planned improvements are provided in the table below.

Task Force on Climate-related Financial Disclosures Statement. Summary of Fresnillo's TCFD response

TCFD Pillar	TCFD recommendation	Cross-reference	Summary of progress to date	What's next
Governance	**a) Board oversight**	Page 86	Consistent: The HSECR committee assists the Board and collaborates with management to provide oversight on the effectiveness of the Company's ESG strategies – including climate change – which is discussed at quarterly meetings; the Chairman of the HSECR reports insights from these meetings to the Board.	Assess progress on TCFD disclosure and oversight of the Company's approach to physical risks and transition risks. Develop synergy between the Audit and the HSECR Committees.
	b) Management's role	Page 86	Consistent: Within the Senior and Middle Management tiers, the responsibility for climate change encompasses identifying strategic risks, evaluating their impact on achieving strategic objectives, and supervising the implementation of controls in both strategic and operational plans.	Integrate climate-related opportunities into the Company's growth strategy and cost control initiatives. Define criteria and coordinate efforts to mature climate financial analysis.
Strategy	**a) Climate-related risks and opportunities**	Page 87	Consistent: Time horizons for CROs are defined based on the ERM framework and the Company's strategic planning. The shortlist of CROs includes detailed descriptions of impacts on our business.	Continue to improve and refine financial materiality assessments of the most relevant CROs.
	b) Impact on the Company's business, strategy and financial planning	Page 91	Partially consistent: Engaged with industry experts to understand decarbonisation value levers and matured an energy demand forecast process. More work is needed to integrate climate-related considerations into overall strategic decision-making.	Continue to develop and mature inputs to integrate climate-analysis into financial planning, informing the Company's strategy, and how the implementation of this strategy will align with Mexico's NDCs and the UK's transition planning.
	c) Resilience of the Company's strategy	Page 91	Consistent: Strengthened climate-scenario analysis including a 2°C scenario for transition risks and 4°C for physical risks. Gathered qualitative and quantitative key insights on risk exposure, informing climate resilience. Quantified risk materialisation scenarios of our most prevalent CROs.	Develop a framework that allows for connectivity between CROs and capital expenditures. Incorporate ongoing cost control initiatives and climate-opportunities to climate mitigation and adaptation strategies.
Risk Management	**a) Risk identification and assessment process.**	Page 92	Consistent: Defined comprehensive CRO register, providing insights into the most exposed CROs per facility.	Update analysis as new projects and expansions come online. Continue monitoring risks and develop KRIs.
	b) Risk management process	Page 93	Consistent: Designed climate-risk management framework, and climate-risk assessments.	Develop action plans to strengthen and standardise existing controls and mitigation measures, integrating analysis into the environmental risk portfolio.
	c) Integration into overall risk management	Page 95	Consistent: Streamlined climate into the ERM framework.	Continue maturing the climate-risk management framework, connectivity with emerging risks and review insurance opportunities.
Metrics and Targets	**a) Climate-related metrics to assess climate risks and opportunities**	Page 94	Consistent: Disclosed industry specific metrics.	Fully comply with cross-industry indicators.
	b) Scope 1, Scope 2, and, if appropriate, Scope 3 GHG metrics and the related risks	Page 97	Consistent: GHG emissions aligned to GHG Protocol methodology. Third-party verification of Scope 1 and Scope 2 GHG emissions.	Refine scope 3 GHG inventory while concurrently carrying out third-party verification of climate-related KPIs.
	c) Climate-related targets and performance against targets	Page 97	Partially consistent: Aim to source 75% of the Company's electricity from renewable energy by 2030. Introduced the first remuneration indicator in 2023 relative to GHG emissions intensity and water intensity. More work is needed to commit to other targets.	Analyse different approaches to setting GHG emission reductions and timeframes for resulting viable options. Mature connections between climate change and other ESG risks, incorporating them more explicitly into KPIs and targets.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Governance
The role of the Board and its Committees

The Company's governance framework is detailed on page 149. Board Committees focus on specific topics on behalf of the Board, drawing on the Directors' diverse range of skill sets and experiences. During these sessions, Directors actively engage in discussions, raise inquiries and provide recommendations to guide Management.

Two Committees play a particularly active role in overseeing climate change and broader ESG matters, in line with their respective Terms of Reference (ToR), which are available on the Company's corporate website.

- **The Audit Committee** reviews and challenges the Company's climate-related financial disclosures and oversees progress on reporting. It also conducts a quarterly review of principal and emerging risks — many of which intersect with climate-related risks — and monitors the effectiveness of risk management and internal controls.
- **The HSECR Committee** engages closely with Management to oversee the Company's strategies, ensuring they effectively address ESG considerations, including climate change. On a quarterly basis, it monitors key performance indicators and benchmarks progress against industry peers. Discussions include climate change and other sustainability regulatory requirements, progress against the Company's renewables target, and intensity metrics on water, energy and GHG emissions.

The Board receives updates from its Committees, including reports from the Chairs of the Audit and HSECR Committees, as well as regular sustainability performance updates from the CEO. Additionally, Board working meetings incorporate strategic discussions on climate change and broader ESG priorities, reinforcing their role as an ongoing area of focus. During 2025, key climate-related governance activities included:

- A dedicated working session for the Board, including an expert briefing by a senior sustainability leader on emerging sustainability, climate, geopolitical and regulatory trends shaping the mining sector and the Company's strategic context.
- A dedicated working session for the Board to discuss the Company's sustainability challenges, progress against its Strategic Plan – including LOM-aligned energy demand and GHG emissions –, planned next steps and benchmarking against its peers.
- Audit Committee approval of third-party external assurance for KPIs related to direct and indirect energy consumption and GHG emissions for the reporting year.
- HSECR Committee review of regulatory updates on IFRS-ISSB jurisdictional implementation in the UK and Mexico, including an assessment of the Company's current gaps, key recommendations and planned actions.
- Participation by three Board members and the CEO in Chapter Zero Mexico's first Climate Governance Forum.

To ensure Directors possess the necessary expertise to oversee Fresnillo's climate-related regulatory compliance and overall strategy, Board working sessions and HSECR Committee agendas in recent years have included briefings on regulatory updates, reporting frameworks, and sustainability trends with an industry perspective from both management and sustainability experts.

Relevant competencies of Board members for addressing climate change — particularly within the HSECR Committee — are detailed in the Board biographies in the governance section on page 150 Notably:

- Mr. Arturo Fernández brings extensive expertise in Mexican public policy and a strong academic background in macroeconomics.
- Dame Judith Macgregor provides valuable international perspectives on climate change, leveraging her extensive diplomatic background.
- Mr. Fernando Ruiz offers considerable experience in Mexican taxation and insights into evolving carbon pricing legislation.
- Ms. Georgina Kessel contributes significant experience in energy and climate change.
- Ms. Rosa Vázquez brings extensive experience in sustainability, environmental management and ESG governance from senior leadership roles in the global chemicals sector.

Management's role

Guided by the Board and Executive Committee, and in alignment with our risk appetite, we systematically assess, prioritise, and manage climate-related risks through our Enterprise Risk Management (ERM) framework.

Climate oversight is embedded within senior management, ensuring that decision-makers at the highest level integrate climate-related risks and opportunities into the Company's long-term strategy. The following roles have direct responsibility for assessing and managing these risks:

Management Role	Responsibilities
Chief Executive Officer (CEO)	Oversees the integration of climate-related risks and opportunities into business strategy, ensuring alignment with corporate objectives and regulatory requirements. Leads communication on climate goals and holds the organisation accountable for implementation.
Chief Financial Officer (CFO)	Ensures financial resilience by overseeing compliance with climate-related regulations and integrating climate risks into financial planning and reporting. Collaborates with operations to evaluate cost-effective decarbonisation opportunities.
Chief Operations Officers (COOs – North and Centre Districts)	Lead operational initiatives to enhance energy and resource efficiency, reduce GHG emissions, and address environmental risks, ensuring alignment with the Company's sustainability strategy.
Assistant VP Safety and Environment	Leads operational implementation of the safety and environmental management systems, including environmental risk management, regulatory compliance, the implementation of critical controls and performance reporting.
Corporate Risk Manager	Oversees corporate risk management, ensuring climate-related risks are identified, assessed, and integrated into the broader Enterprise Risk Management (ERM) framework. In addition, prepares scenarios of possible risks that could materialise.
ESG Compliance Manager	Leads sustainability and ESG compliance at a corporate level, ensuring alignment with climate-related regulation and disclosure requirements and the integration of ESG considerations into strategy, risk management and external reporting.

Additional functional areas such as Finance, Energy, Projects and Construction and Community Relations contribute expertise and provide operational support, ensuring alignment with climate ambitions.

In recent years, we have strengthened our approach to climate risk assessment by forming cross-functional steering teams to refine climate-risk frameworks and develop climate financial analysis. Following the harmonisation of climate risk management with the ERM framework, in 2025 a team from Risk, Financial Control, and ESG Compliance continued collaboration with the mining units to assess site-specific climate-related risks.

In parallel, the Company reinforced internal climate awareness through a company-wide campaign under the banner 'A cleaner path is a safer path', aimed at strengthening baseline understanding of climate change, its operational implications, and the actions being taken to mitigate its impacts. This initiative supports the integration of climate considerations into day-to-day decision-making and operational culture.

Governance Priorities for 2026
In 2026, we will further refine how climate priorities translate into measurable business objectives, ensuring alignment across strategy, operations, and investment decisions. Under the Executive Committee's guidance, management will focus on integrating climate-related opportunities into the Company's growth strategy and cost control initiatives, tracking progress while maintaining flexibility in the context of evolving regulations and market conditions.

To support this drive, climate-related matters will continue to be overseen through our established governance structures, including the planning of thematic discussions within the HSECR Committee. These sessions will help prioritise actions and inform the development of capabilities and future disclosures, while also recognising that progress will be phased and subject to operational and regulatory constraints.

In parallel, targeted training and capacity-building initiatives will continue to strengthen internal capabilities, enabling both management and operational teams to incorporate climate considerations into decision-making and day-to-day practices.

Strategy
Climate change represents a principal risk for the Company, with strategic implications for the business. Mining plays a key role in enabling the global transition to a low-carbon future by providing essential minerals for renewable energy technologies. However, at the same time, it expected to decarbonise its own operations and adapt to evolving regulations to reduce its impact.

Although Mexico does not currently have a net zero target, the country's plans to increase reductions in its Nationally Determined Contributions (NDCs) of economy-wide emissions to 50% by 2035 will require the participation of heavy industries such as mining. This regulatory shift, along with increasing pressure for carbon pricing mechanisms, underscores the importance of preparing for transition risks while also leveraging opportunities to enhance efficiency and incorporate renewables to reduce costs.

Scenario analysis
We use scenario analysis to evaluate how different climate futures could impact our business. Our approach follows internationally recognised methodologies:

- **Physical Risk Scenarios:** Based on the Intergovernmental Panel on Climate Change (IPCC) and Shared Socioeconomic Pathways (SSPs), these scenarios encompass a spectrum of potential futures shaped by various combinations of possible socioeconomic, regulatory and climate factors which offer insights into possible social, economic, political, and technological changes between the present and 2100. These were used to assess impacts such as extreme weather events.
- **Transition Risk Scenarios:** Based on the International Energy Agency (IEA)—which relies on the Global Energy and Climate (GEC) Model — these scenarios examine future energy trends to model potential regulatory and market changes, including carbon pricing. The Net Zero Emissions (NZE) scenario shows a narrow but achievable pathway for the global energy sector to achieve net zero by 2050, whereas the Announced Pledges Scenarios (APS) considers all climate commitments made by Governments around the world, including NDCs and net zero targets.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Climate scenarios

Scenario name	Warming trajectory by 2100	Description	Physical Scenario Source	Transition Scenario source
Rapid	1.5°C	A rapid transition to a global low-carbon economy that achieves net zero by 2050.	Not considered	IEA NZE
Steady	<2°C	A steady transition in line with the Paris Agreement, limiting peak warming below 2°C. World economies adopt more sustainable growth, with lower material intensity and respect for environmental boundaries.	IPCC SSP 1-2.6	IEA APS
Delayed	2-3°C	A slow transition with notable physical and transition impacts. Emissions decline after 2045, but environmental degradation, moderate growth, and persistent inequality increase vulnerability.	IPCC SSP 2-4.5	Not considered
Business as usual	>4°C	A worst-case scenario with unconstrained emissions, leading to extreme warming and intensified physical risks. Rapid technological progress is coupled with high fossil fuel use and resource-intensive lifestyles.	IPCC SSP 5-8.5	Not considered

We anticipate that transition risks will materialise more rapidly than physical risks, as proactive climate action seeks to mitigate the most severe consequences of climate change. While reducing emissions can help limit long-term physical risks, it also introduces regulatory, financial, and market-driven challenges. Conversely, in the absence of emissions constraints, physical risks will intensify, becoming more frequent and severe.

Scenario analysis provides a structured approach to understanding potential climate-related impacts on our business. While not a forecast, it enables us to evaluate a range of possible futures and integrate climate considerations into operational and financial planning. In past years, management has been assessing the resilience of the Company taking into consideration different climate-related scenarios. This ongoing work has taken into consideration how climate-related risks and opportunities may evolve and their potential business implications under different conditions.

Physical risks

There are significant potential physical risks to our operations due to extreme weather events caused by climate change. These risks vary depending on factors such as whether a mine is underground or open-pit and its geographic location within Mexico.

In 2023, we conducted a scenario analysis based on IPCC scenarios for eight physical risk hazards: wildfire, heat, flood, precipitation, drought, hail/thunderstorms, cold, and wind. The focus of this analysis was impact, understood as potential financial loss due to asset and infrastructure damage, as well as disruption to revenue-generating activities. The analysis was performed at five-year intervals from 2020 to 2100. By evaluating the severity and frequency of these risks in the short term and projecting their evolution through 2050, we identified sites currently exposed to physical risks as well as those that may become more vulnerable over time.

Risk classifications ranged from 'Lowest' to 'Highest,' based on hazard severity in 2020 under a >4°C scenario (business as usual) — as per the base year default of the modelling tool used to model these hazards. The risk change categories indicate how risk levels are expected to shift by 2050 under the same scenario. These range from 'lowest increase in risk' to 'highest increase in risk', with an additional 'reduction in risk' category where applicable. The risk classification for each hazard reflects the average across all sites included in our scenario analysis—incorporating all our operating mines and advanced exploration projects. We have highlighted in the table below the results that are most relevant for this preliminary analysis.

Average risk classification for all mining sites assessed by hazard

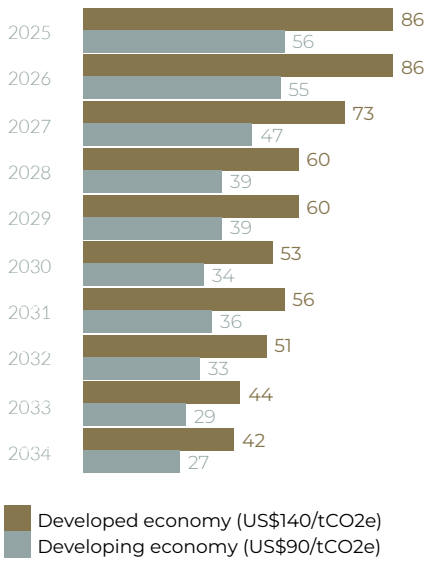
Hazard	Current risk (2020)	Risk change (2020-2050)
Wildfire	High	Lowest increase
Wind	Low	Lowest increase
Heat	Low	Medium increase
Drought	Low	Reduction in risk
Precipitation (rainfall)	Low	Low increase
Cold	Low	Reduction in risk
Hail and thunderstorms	Low	Reduction in risk
Flood*	Lowest	Lowest increase

* There are three common flood types: 1) Fluvial floods (or river floods), caused by an overflow of a river, lake or stream into neighbouring land. 2) Pluvial floods (flash floods and surface water), caused by extreme precipitation. Surface water floods occur when the urban drainage system is overwhelmed, whereas flash floods are caused by torrential precipitation falling within a short amount of time, as well as due to the sudden release of water from a levee or dam. 3) Coastal floods (or storm surge) are the inundation of land along the coast by seawater caused by tsunamis, high tides and windstorms.

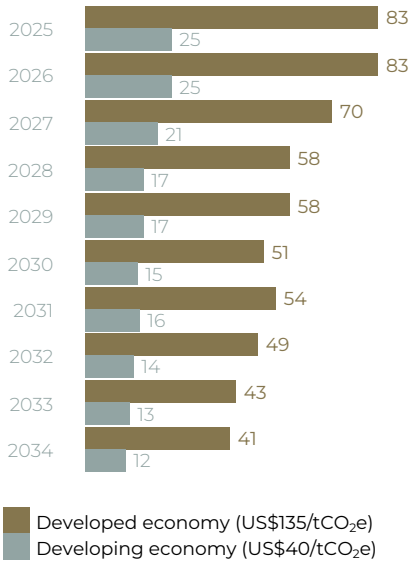
Transition risks
Our operations face a range of potential transition risks, including market shifts, policy and legal changes, technological advancements, and reputational factors. Many of these risks fall outside our direct operational control, necessitating a proactive and preventive approach. When incorporating scenario analysis, the warming trajectory expected by 2100 for transition risks remains consistent across the NZE and APS scenarios, as both assume progress toward decarbonisation—albeit at different speeds.

We conducted scenario analysis using a net zero Emissions (NZE) pathway and an Announced Pledges (APS) scenario. In the absence of a current carbon pricing mechanism in Mexico, we used carbon price projections from the International Energy Agency (IEA) for both developed and developing economies. This dual approach accounts for potential future pricing policies in Mexico and reflects costs associated with the EU's and other potential Carbon Border Adjustment Mechanisms (CBAM). Our analysis considered Scope 1 and 2 emissions by mine site, based on calculations from the 2025 update of our 2025-2040 Strategic Plan, including only the Life of Mine (LOM) of existing assets and most material energy sources (electricity and diesel).

Projected impact of carbon pricing, net zero scenario
(US$ million)



Projected impact of carbon pricing, Announced Pledges scenario
(US$ million)



The findings indicate that, depending on the pricing scenario, our Company faces significant potential exposure to rising costs from carbon pricing if additional emission reduction measures are not implemented. Additionally, we anticipate cost pressures from our upstream value chain, as suppliers pass on expenses related to new equipment investments and direct carbon costs. Given that commodity prices are market-driven, we have limited ability to influence downstream pricing. Moreover, further granularity in carbon emissions data across the value chain is needed to fully assess the financial impact of carbon pricing.

Despite continuous monitoring of carbon pricing mechanisms, we currently assess its risk rating as low due to the limited applicability of such instruments in Mexico—as detailed in the Climate Resilience section on page 91. However, given the potential financial implications as well as the evolving regulatory landscape and growing public policy commitments nationally and internationally, together with its relevance for internal shadow pricing or carbon budgeting, we recognise the need to ensure both Company Senior Management and stakeholders remain informed of its potential impact.

Climate Risk Identification and Assessment
Our climate risk assessment is an evolving process that integrates periodic reviews to refine our strategic response. After running some calibration exercises for our scenario analysis in 2023, we reassessed our Climate-Related Risks and Opportunities (CROs) through an updated analysis aligned with our Enterprise Risk Management (ERM) framework. This review incorporated insights from risk owners across key areas—Industrial Safety, Water, Tailings Storage Facilities (TSFs), Mine Planning, and Maintenance — enabling a more focused approach to prioritising climate resilience and adaptation measures.

We have identified and evaluated 25 material CROs based on their likelihood and potential impact, ensuring alignment with the operational horizons of the Company Strategic Planning framework. These risks span short-term (2025-2029), medium-term (2030-2035), and long-term (beyond 2036) time horizons, providing a structured approach to managing exposure across the mining lifecycle. While certain operations are expected to cease before 2040, the Company seeks to maintain a consistent long-term assessment at a business-wide level, recognising that CROs continue to be relevant throughout closure and post-closure phases.

The current list of CROs, together with the most recent Red-Amber-Green (RAG) risk ratings based on the ERM framework — which incorporates both impact and likelihood of occurrence — is shown in the table below. As these risks are assessed as part of the annual risk assessment process, certain risks experienced changes in their risk ratings, compared to 2024. These changes reflect evolving climatic conditions, shifts in underlying risk factors, improved availability of data and overall information, and enhanced engagement with risk owners, and together enable a more robust assessment of both short and long-term impacts. In addition, improvements in controls and mitigation measures contributed to changes in the overall risk profile for some risks.

Specifically, CROs P1, P2, P3, P5, P6, T2, T3 and T5 — which are deemed to be particularly relevant by management– are highlighted and explained in more detail in the following sections.

The ongoing strategic review of the Company's CROs continues to inform its risk management approach and provides valuable input for the further development of its climate strategy. Further details on the ERM framework are set out in the Managing our risks and opportunities section on pages 120-142.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
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List of Climate Risks and Opportunities

ID	Risk Category	Climate risk type - subcategory	Summary risk title	Levers affected	Value chain impact	Time horizon	Risk Rating	Chg. vs. '24
P1	**Operational**	Physical - Acute	Extreme weather events (rainfall, storms, flooding) impact operations and cause business disruption	Decrease in revenue, Increase in costs	Extraction and beneficiation	Medium Term	Medium	Decrease
P2	**Operational**	Physical - Acute	Extreme weather events (cold, freezing conditions, snowfall) impact operations and cause business disruption	Decrease in revenue	Extraction and beneficiation	Medium Term	Medium	Stable
P3	**Financial**	Physical - Acute	Extreme weather events (heatwaves and wildfires) impact operations and cause business disruption	Decrease in revenue	Extraction and beneficiation	Medium Term	Medium	Stable
P4	**Operational**	Physical - Chronic	Chronic changes to climate affecting operations and mine closure	Increase in costs	Extraction and beneficiation / Closure and post-closure	Long Term	Medium	Increase
P5	**Financial**	Physical - Chronic	Droughts stress water management systems	Increase in costs	Extraction and beneficiation	Long Term	Low	Decrease
P6	**Operational**	Physical - Chronic	More frequent extreme weather events increase insurance costs	Increase in costs	Extraction and beneficiation	Long Term	Low	Decrease
T1	**Compliance**	Transition - Markets	Lower ESG score decreases credit rating	Increase in loan costs	Development and construction	Short Term	Low	Stable
T2	**Operational**	Transition - Reputation	Intensive water use affecting social licence to operate	Increase in costs	Extraction and beneficiation	Short Term	Medium	Stable
T3	**Financial**	Transition - Reputation	Community engagement required to avoid negative perceptions relating to changes in local ecosystem	Increase in costs	Development and construction	Short Term	Medium	Increase
T4	**Operational**	Transition - Reputation	Capital re-allocation to implement a decarbonisation strategy	Increase in costs	Extraction and beneficiation	Short Term	Low	Stable
T5	**Compliance**	Transition – Policy and Legal	Introduction of carbon taxes	Decrease in revenue, Increase in costs	Extraction and beneficiation / Other	Medium Term	Low	Stable
T6	**Operational**	Transition – Policy and Legal	Impacts of purchasing offsets	Increase in costs	Extraction and beneficiation	Medium Term	Low	Decrease
T7	**Compliance**	Transition – Policy and Legal	More stringent land and water usage regulations are enforced	Increase in costs	Extraction and beneficiation	Medium Term	Medium	Decrease
T8	**Compliance**	Transition - Reputation	Increased emissions due to fossil fuel subsidies	n/a	Extraction and beneficiation	Medium Term	Medium	Increase
T9	**Operational**	Transition - Markets	Diesel prices affect costs associated with energy during extraction	Increase in costs	Extraction and beneficiation	Long Term	Low	Decrease
T10	**Compliance**	Transition - Policy and Legal	Changing political environment	Increase in costs	Extraction and beneficiation	Long Term	Medium	Stable
T11	**Compliance**	Transition - Policy and Legal	More stringent emissions standards to comply with Mexico's NDC	Decrease in revenue	Extraction and beneficiation	Long Term	Low	Stable
T12	**Operational**	Transition - Policy and Legal	Implementation of optimisation software	Increase in costs	Extraction and beneficiation	Long Term	Low	Stable
O1	**Operational**	Transition - Energy Source	Switching to renewable sources of energy	Reduction in costs	Extraction and beneficiation	Short Term	High	Stable
O2	**Strategic**	Transition - Markets	Increased demand for silver for PV panels	Increase in revenue	Extraction and beneficiation	Short Term	Medium	Stable
O3	**Operational**	Transition - Resilience	Reduction in the material footprint of Fresnillo as a whole	Reduction in costs	Extraction and beneficiation	Medium Term	Low	Stable
O4	**Strategic**	Transition - Resilience	Climate modelling exercises are used to build organisational resilience	Reduction in costs	Extraction and beneficiation	Long Term	Medium	Stable
O5	**Operational**	Transition – Resource Efficiency	Implementing efficient closed water circuits	Reduction in costs	Extraction and beneficiation	Long Term	Medium	Stable
O6	**Operational**	Transition – Resource Efficiency	Introduction of adaptive technologies to reduce carbon intensity of assets and operations	Reduction in costs	Extraction and beneficiation	Long Term	Medium	Stable
O7	**Operational**	Transition – Resource Efficiency	Introduction of adaptive technologies to reduce water intensity of assets and operations	Reduction in costs	Extraction and beneficiation	Long Term	Medium	Stable

Impact on the business, strategy and financial planning

Climate change affects various stages of the mining life cycle, including exploration, development, operation, closure, and post-closure. Most of our CROs have been identified as relevant to the operational stage. Our thorough analysis of our CROs is intended to serve as the foundation for informed strategic decision-making for current operations and development projects. The Company has already made certain climate-related strategic decisions, such as increasing renewable energy consumption, and investing in energy and operational efficiency. Where decisions have been approved by the Board, the effects were considered in the preparation of the financial statements (see the Judgements section of the Consolidated Financial Statements note on page 220).

Our climate strategy follows a proactive approach, seeking to mitigate our contribution to climate change while adapting to its physical consequences. To support this, we have undertaken analytical work to strengthen our understanding of climate-related drivers and constraints; however, we recognise that these initiatives represent enabling steps rather than completed solutions.

- The regional climate modelling project, concluded in 2023, improved our understanding of site-specific climate parameters across operations. While the analysis enhanced risk awareness, further work is required to translate these insights into operational thresholds, metrics and decision-making tools, supported by additional training and capability-building at site level.
- The decarbonisation roadmap, covering our largest assets and those of our parent company, Industrias Peñoles, provided an assessment of available low-carbon technologies and their potential applicability to our operations. The analysis confirmed that renewable electricity and fleet electrification remain the most material levers; however, it also highlighted technical, infrastructure and economic constraints—particularly for existing operations—that limit near-term implementation and target setting. As a result, further feasibility work is required before these pathways can be translated into measurable targets.

In recognition of these limitations, additional work is underway to strengthen the integration of climate considerations into strategic and financial planning. In 2025, we refined criteria and workflows to incorporate energy consumption by source into long-term Strategic Plan models aligned to the Life-of-Mine plans of current operational assets — although more work is needed to also apply this methodology to advanced exploration projects.

Our strategic focus remains on embedding climate considerations into day-to-day operational and cost-efficiency initiatives in ore processing, and energy and water consumption, as well as on strengthening analytical discipline in the accounting of impacts and GHG reductions, as a foundation for future target development. This approach ensures that all contributing factors — beyond large-scale technology investments — are systematically incorporated, reinforcing our ability to drive meaningful progress.

We also recognise climate-related opportunities, including increasing demand for silver in solar PV applications and copper in green technologies. Adaptation measures will continue to prioritise workforce wellbeing, infrastructure resilience, water security and collaboration with neighbouring communities, ultimately minimising the potential impact on our business and supporting business continuity.

These ongoing efforts form part of a gradual pathway towards the development of a transition plan aligned with the Transition Pathway Taskforce (TPT) framework. While further information and engagement are required — particularly in relation to Scope 3 emissions — we consider this staged approach essential to enhance our ability to anticipate and integrate associated costs and revenue streams more accurately, ensuring long-term profitability and resilience.

Climate resilience

In 2024, the Company deepened its analysis of key physical risks, focusing on wildfire exposure and water stress in the Fresnillo District and extreme heat conditions at Herradura — the operation with the highest number of days exceeding 38°C across all scenarios. This work involved dedicated working sessions with operational teams to assess exposure and resilience. A summary of the findings is presented below.

In addition, the most exposed risks were also assessed by mining unit. Scenario assumptions were deliberately stress-tested to reflect severe but plausible conditions, in order to ensure that potential impacts were meaningful from an operational and financial perspective because, under normal circumstances, these would not represent business interruption or severe damages to infrastructure. More information on how the Company manages our CROs is available in the next section, on pages 95-96.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
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Hazard	Assumptions	What we did in 2025	Conclusion
Wildfire	Potentially disrupts operations, damages infrastructure and equipment, and poses safety hazards due to flames, excess heat, and smoke.	Conducted a detailed review of reinsurance risk surveys, business continuity audits for each mine, and current insurance coverage.	Based on this assessment, wildfire risk was assessed as moderate within the broader extreme weather risk category. Existing preventive and response controls — including on-site firefighting systems and trained brigades — reduce the likelihood of material business disruption. In addition, potential fire-related damage to assets and operations is covered by insurance.
Heat stress - equipment and infrastructure	Extreme heat may reduce machinery performance or damage equipment.	Held interviews with mine leadership, operations, and mine planning teams to identify equipment vulnerabilities.	The risk of heat damage to equipment and infrastructure was assessed as non-material, as only a few spare parts, such as tyres, may be vulnerable during certain seasons, with no historical data indicating significant impact. A more detailed analysis is required.
Heat stress - worker productivity	High temperatures may impact worker productivity.	Engaged with medical and human resources teams to evaluate personnel exposure, existing site condition monitoring processes, and compliance with labour regulations on heat exposure.	The risk of heat stress on worker productivity is difficult to quantify, as job roles already factor in heat exposure regulations, and mitigation measures such as air conditioning improve overall site conditions despite average or peak temperatures.
Water stress	Increased water scarcity and reduced precipitation drive competition for water resources.	Engaged with environmental, operations and accounting teams to identify operational strategies to reduce mine water consumption and enhance community engagement.	The impact of water stress is complex, context-dependent, and sometimes indirect, influencing our social licence more than operational performance. The Company will continue to substitute freshwater with treated wastewater — when possible — and strive to reduce freshwater consumption, improving operational efficiency and strengthening community relations.

Additionally, we continue to monitor transition risks, such as regulatory developments related to emissions reduction, carbon pricing mechanisms and land and water usage regulations, as well as evolving ESG considerations in credit ratings methodologies:

- The Special Tax on Products and Services (IEPS) applied to fossil fuels has been in place since 2014. Mexico's federal Emissions Trading System applies only to facilities with direct (point-source) emissions exceeding 100,000 tonnes of CO_2e per year, a threshold that is not met by any of the Company's operations. In addition, state-level environmental taxes at operations in Durango and Zacatecas — also limited to point-source emissions — cover only 1% of the Company's total GHG emissions.
- The ESG profile scores of our credit ratings are in line with the metals and mining sector.

In 2025, we refined, standardised and formally documented our long-term energy planning analysis, aligning it with the life-of-mine (LOM) profiles of our operations. This process underwent multiple internal reviews and incorporated key operational drivers, including mine development plans, incremental increases in equipment and associated energy demand, ventilation depth and requirements, and other structural factors affecting future consumption.

Based on our thorough and evolving analysis of CROs, our management is confident in our Company's resilience and ability to thrive amidst the challenges of climate change. We are dedicated to sustainable operations and remain optimistic about our profit-generation capacity. With strong processes to manage and adapt to climate-related risks, we are well-equipped to successfully navigate the changing climate landscape, securing the long-term sustainability and success of our business.

Strategy Priorities for 2026
In 2026, the Company will continue to consolidate and embed its long-term energy planning forecast within the Strategic Plan, while selectively advancing its application to advanced exploration projects, based on conceptual engineering assumptions, when available.

We consider the energy forecast analysis to be a critical input for strengthening our financial and strategic planning, enabling the integration of more granular assumptions on key resources — such as energy and water — into forward-looking assessments. Building on this foundation, we are working to enhance connectivity between climate-related risks and opportunities and capital allocation decisions, and to further refine the quantitative assessment of the Company's most material climate-related opportunities.

Risk Management
The Board has overall responsibility for the Company's approach to risk management and delegates this oversight to the Audit Committee. Climate change is considered a principal risk to the business, and the Company applies a Group-wide risk management framework encompassing risk identification, assessment, prioritisation, mitigation and ongoing monitoring, which is regularly reviewed and enhanced in line with best practice. Climate change is also closely linked to a number of emerging risks, notably Water stress and drought, transition to a low-carbon future and increasing societal and investor expectations (see Managing our Risks and Opportunities on page 120).

Identifying and assessing climate risks and opportunities

The intricate and rapidly evolving nature of climate change amplifies risks related to environmental incidents, water access, workforce health and safety, regulatory changes, and social licence to operate. A robust climate strategy depends on a deep understanding of our business models CROs, considering the mining lifecycle and our value chain. Our risk management system follows a structured approach — identification, assessment, prioritisation, mitigation, and monitoring — continuously refined in line with best practices.

Climate change considerations were first incorporated into our annual risk appraisal in 2021. The process began with a risk catalogue informed by industry benchmarks, peer insights, and climate guidance, followed by workshops and interviews across all business areas to build a comprehensive CRO register. In 2023, we refined this register, consolidating risks into a more focused list of material CROs. This involved fully integrating climate change into our Enterprise Risk Management (ERM) framework, aligning climate risk scoring with corporate risk criteria, ensuring risk definitions were broad enough to be relevant across the business.

In 2024, we conducted our first dedicated climate risk assessment, applying a balanced and representative approach to evaluate what management deemed the most material physical and transition CROs to the organisation. We believe that an insight into this comprehensive subset of CROs offers an opportunity to enhance controls and mitigation actions for risks that have either materialised or remain latent.

This process was informed by past experiences of business continuity interruptions—such as Hurricane Rosa in Herradura, where extreme precipitation disrupted transport routes and access roads, caused landslides, and flooded the pit and other critical infrastructure. Further examples include the polar vortex in San Julián, which caused blockages to access roads, interrupting critical supplies, and power shortages. The process was also informed by past events that did not affect business continuity, such as wildfires close to our facilities at Ciénega and San Julián, as well as current operational challenges and local conditions including water sourcing availability, community perception of water stress and disruptions to local ecosystems.

In 2025, the Company built on its initial climate risk assessment by undertaking a more granular, scenario-based analysis at site level. Thirteen scenarios of potential climate-risk materialisation were developed across mining units, drawing on operational data, historical incident records, local conditions and external technical and scientific sources.

These scenarios focused on key physical risk drivers identified in the assessment process, including extreme precipitation, wildfires and water stress affecting both operations and surrounding communities. The scenarios were used to evaluate potential operational, environmental and social impacts and to stress-test existing controls and response measures. The outcomes informed a reassessment of the likelihood and severity of selected climate-related risks, resulting in updated risk ratings under the Enterprise Risk Management framework and a clearer prioritisation of mitigation actions and management focus areas.

The assessment involved interviews with risk owners, the mapping of critical processes, surveys across mining units and key corporate departments, quantification of impact and benchmarking against reports from insurance institutions and consultancy firms.

Summary of scenarios built

Mining unit	Extreme rainfall	Wildfire	Water stress – operations	Water stress – communities
Herradura	☑		☑	☑
Ciénega	☑	☑		☑
San Julián	☑	☑		
Fresnillo	☑			☑
Saucito	☑			☑
Juanicipio	☑			

During the period, and as a result of the mid-year climate risk assessment, controls were also strengthened across several priority CROs. For example, additional administrative measures enhanced the effectiveness of management systems in responding to extreme weather events, while improvements in reinsurance market assessment and the updating of insured values reinforced financial resilience. Controls related to water management were enhanced through targeted information sessions to improve understanding of water circulation and treatment processes. In parallel, actions to strengthen the Company's social licence to operate supported the management of community perceptions and associated environmental matters. As a result, we saw improvements in the risk ratings of P1, P5, P6 and T3, as shown in the table below.

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Climate risk assessment matrix

Risk ID	Risk name	Likelihood	Impact	Risk rating	Velocity	Appetite	Business interruption	Assessment of controls
P1	Extreme weather events (rainfall, storms, flooding) impact operations and cause business disruption	Likely	Medium	Medium	< 1 year	Medium	Partial shutdown	Adequate with areas of opportunity
P2	Extreme weather events (cold, freezing conditions, snowfall) impact operations and cause business disruption	Unlikely	Medium	Medium	< 1 year	Low	Impact on one or more processes	Requires improvement
P3	Extreme weather events (heatwaves and wildfires) impact operations and cause business disruption	Unlikely	Medium	Medium	< 1 year	Low	Impact on one or more processes	Requires improvement
P5	Droughts stress water management systems	Unlikely	Low	Low	< 3 years	Low	Impact on one or more processes	Requires improvement
P6	More frequent extreme weather events increase insurance costs	Unlikely	Low	Low	< 3 years	Low	n/a	Adequate with areas of opportunity
T2	Intensive water use affects our social licence to operate	Likely	Medium	Medium	< 1 year	Low	No impact	Adequate with areas of opportunity
T3	Community engagement required to avoid negative perceptions relating to changes in local ecosystem	Unlikely	Medium	Medium	< 3 years	Low	No impact	Adequate with areas of opportunity
T5	Introduction of carbon taxes	Rare	Low	Low	< 5 years	Medium	No impact	Adequate with areas of opportunity

The latest risk assessment did not identify any climate-related risk that would currently be considered catastrophic for the operations evaluated, in the sense of causing severe infrastructure damage or a complete interruption of business. However, it highlighted the potential for unexpected or extreme meteorological events to generate significant operational disruption.

Accordingly, the Company reassessed its exposure to climate-related risks and identified P1 – Extreme weather events (including heavy rainfall, storms and flooding) as the risk to which it is currently most exposed, given the potential of such events to disrupt operations and affect business continuity.

This process provides clearer insights into the Company's risk appetite for material climate-related risks, identifying opportunities to strengthen mitigation measures, and to support more effective long-term planning.

Managing climate risks

The business-wide impacts of climate change originally led us to include climate change as an emerging risk, as part of provision 28 of the 2018 UK Corporate Governance Code. Today, however, we now consider it to be a principal risk. Updates on the regulatory landscape are considered in line with business-wide regulatory monitoring processes. In this regard, climate change related risks have been included in the financial viability study, primarily focused on hypothetical scenarios of winter storms and extreme rainfall. For a more detailed overview of these scenarios, refer to the Viability Statement on pages 143-144.

Our updated climate change risk management system is a collaborative effort involving operational and corporate departments including Mine Operations, Plant Operations, Maintenance, Mine Closure, Environment, Industrial Safety, Tailings Storage Facilities (TSFs), Community Relations, Energy, Financial Planning, Operational Controllership, Financial Controllership, Explorations Controllership, Legal, ESG and Risk.

Ongoing work focuses on the definition of risk owners, identifying current controls and mitigation actions, and collaboratively enhancing these through monitoring and management, across all operating units. Our purpose is to run this exercise periodically with risk owners to ensure the accuracy of impact assessments and the adequacy of future mitigation actions.

In recent years, our focus has been on fully integrating our assessment of climate-related risks and opportunities with our ERM framework. As a result, we have updated our climate risk framework to reflect the same scoring system and timeframes as our central ERM framework, enabling climate to be ranked alongside other risks to our business. Additionally, following the 2024 assessment detailed in the previous section, we have updated our controls and mitigation actions for each CRO in that subset.

Risk ID	Risk name	Controls and mitigation actions	Metrics
P1	**Extreme weather events (rainfall, storms, flooding) impact operations and cause business disruption**	1. Continuous monitoring by qualified personnel using weather stations to predict and anticipate extreme weather events. 2. Communication protocols and coordination with municipal, state, and federal authorities. 3. Emergency Preparedness Response Plans (EPRPs) for extreme weather events, with continuous training for emergency response teams 4. TSFs Potential Failure Model Assessments (PFMAs). 5. Deep drainage systems with regular maintenance to withstand extreme rainfall, diversion channels around industrial areas, contingency ponds surrounding leaching pads, freeboard capacity in TSFs to contain 100-year storms, pumping systems, lightning rods, and slope stability monitoring in leaching pads and waste rock heaps. References in other sections: • Safety 74-79	Under development
P2	**Extreme weather events (cold, freezing conditions, snowfall) impact operations and cause business disruption**	Controls 1, 2 and 3. 6. HVAC systems for offices, housing, and support areas as well as flu prevention campaigns. 7. Road maintenance, tree pruning to prevent damage to power lines, and construction of alternative routes. 8. Maintenance and signage of roads, and instrumentation in ventilation circuits. References in other sections: • Safety 74-79	Under development
P3	**Extreme weather events (heatwaves and wildfires) impact operations and cause business disruption**	Controls 1, 2, 3 and 6. 9. Firefighting systems and brigades, wildfire response equipment and non-damaging testing of pipelines and infrastructure near forested areas. 10. Cleaning and reforestation campaigns near facilities. 11. Occupational health site monitoring of job conditions (including temperature) and mitigation measures (such as breaks, hydration or air conditioning) in compliance with labour regulations on heat exposure. 12. Intelligent hydration systems. References in other sections: • Safety 74-79 • Environment 85-103	Under development
P5	**Droughts stress water management systems**	13. Tracking water usage in processes and continuous monitoring of groundwater levels across all business units. 14. Long-term water consumption planning per business unit, including monitoring water concession titles, usage licences and strict control of bore fields' consumption. 15. Implementation of wastewater treatment, water recirculation, and reuse efficiency to minimise freshwater consumption. 16. Infrastructure in place to redirect water supply within the mine and plant, with daily monitoring. 17. Strict control over groundwater extraction for operational use. 18. Specific site initiatives: — Municipal wastewater treatment and potabilisation of groundwater in Fresnillo District. — Rainwater harvesting project in Ciénega. — Early warning system for drought conditions at Herradura. References in other sections: • Water stewardship 100-101 • Socioeconomic development 107-109	Percentage of freshwater withdrawn in regions with high or extremely high-water stress Percentage of water consumed in regions with high or extremely high-water stress Percentage of water reuse efficiency* Wastewater intensity Percentage of third-party wastewater inputs
P6	**More frequent extreme weather events increase insurance costs**	19. Ongoing global monitoring of insurance coverage, pricing, and policy types available for extreme weather events and climate change-related risks.	n/a
T2	**Intensive water use affecting social licence to operate**	20. Implementation of wastewater treatment, water recirculation, and reuse efficiency to minimise freshwater consumption to prevent conflicts with local communities. 21. Community engagement framework, including: a. Meetings with community leaders to discuss water usage concerns. b. Monitoring community grievances over water shortages and prioritising the addressing of water-related complaints. c. Specific engagement programmes related to biodiversity and water management. References in other sections: • Water 100-101 • Community relations 104-105 • Socio-economic development 107-109	Wastewater intensity Percentage of third-party wastewater inputs Community grievances*
T3	**Community engagement required to avoid negative perceptions relating to changes in local ecosystem**	Control 21. References in other sections: • Community relations 104-105 • Socio-economic development 107-109	Community grievances*

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
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Risk ID	Risk name	Controls and mitigation actions	Metrics
T5	Introduction of carbon taxes	22. Engagement with regulators and law makers on energy and climate change regulations through industry associations 23. Strategy of increasing renewable electricity consumption through legacy self-supply and current regulatory frameworks. 24. Energy and operational efficiency measures including demand control to reduce electricity demand in peak hours, haulage route optimisation, mine shafts, harmonic filters, and on demand ventilation systems 25. Use of hydraulic electric drills in underground mines, replacing drills reliant on fossil fuels. 26. Deployment of fuel switching projects from diesel to electricity. References in other sections: • Energy 83-84 • Our approach to sustainable mining 59	Absolute Scope 1 and 2 GHG emissions Percentage of grid electricity Percentage renewable electricity
O1	Switching to renewable sources of energy	Control 22, 23, 24 and 25. References in other sections: • Energy 83-84	Percentage renewable electricity
O2	Increased demand for silver for PV panels	27. Monitor commodity insights through the Silver Institute and specialised reports. 28. Advanced exploration projects such as Guanajuato focus on silver reserves, whereas exploration projects in Latin America focus on product diversification References in other sections: • Exploration 44-46 • Our markets 18-19	Silver price** Annual global industrial silver demand***

Note: Metrics with (*) are found in the ESG KPIs Tables on pages 111-117,(**) in other sections of this Annual Report, (***) not presented in this Annual Report.

Risk Management priorities for 2026

Following the completion of our 2025 climate risk assessment and scenarios for the most exposed risks at each site, we will develop action plans for the CROs identified, working with risk owners to strengthen and standardise existing controls and mitigation measures, and integrating them into the development of the environmental risk portfolio.

Looking ahead, we aim to further develop Key Risk Indicators and leverage scenario analysis to quantify key opportunities, such as the growing demand for metals and minerals in the global transition to a low carbon future.

Metrics and Targets

Our target is to source at least 75% of electricity from renewable sources by 2030, an objective that has been surpassed since 2024. This target will remain unchanged, as new expansion and exploration projects continue to come online and place additional demand on available renewable capacity.

Our primary climate-related metrics and targets are linked to our priority CROs, detailed in the previous section. Additionally, the mining industry is energy and water intensive, and the rigorous monitoring of our usage of both resources is therefore key to our operations. Our metrics are outlined in table below. Further work is still needed to comply with the cross-industry metrics.

TCFD category	Metric	Unit of measurement	% change YoY	FY25	FY24	FY23	FY22	FY21
SASB Climate-related Disclosure Topics and Metrics, Metals and Mining								
GHG emissions	Absolute Scope 1 and 2 (market-based)	tCO_2e	-11.2%	531,282	598,581	825,325	968,249	894,149
	Scope 1	tCO_2e	-10.8%	418,439*	469,122	469,146	545,970	544,107
	Percentage of Scope 1 emissions under emissions limiting regulations	%	n/a	0	0	0	0	0
	Scope 2 (market-based)	tCO_2e	-12.8%	112,843*	129,459	356,179	422,279	350,042
	Absolute Scope 3[a]	tCO_2e	n/a	+	728,734	700,479	713,043	729,158
	GHG emissions intensity measurement (Scope 1 & Scope 2 market-based)	tCO_2e / ton of mineral processed	3.6%	0.0189*	0.0183	0.0248	0.0246	0.0231
Energy management	Total energy consumed	GJ	-9.2%	9,822,653	10,812,917	10,590,930	11,350,894	11,327,936
	Percentage of grid electricity of total energy consumed	%	n/a	9.3%	6.4%	10.6%	14.8%	10.0%
	Percentage renewable energy of total energy consumed	%	n/a	32.6%	32.9%	21.3%	12.4%	17.4%
	Percentage renewable electricity of total electricity consumed	%	n/a	77.8%	80.6%	53.3%	35.6%	49.7%
	Energy intensity measurement	MWh / ton of mineral processed	5.8%	0.0970*	0.0916	0.0885	0.0801	0.0814
Water management	Total freshwater withdrawn	thousand m^3	-3.0%	30,274	31,215	24,057	30,023	28,488
	Total freshwater consumed	thousand m^3	1.7%	10,114	9,944	9,521	12,817	14,534
	Percentage of freshwater consumed in regions with High or Extremely High Baseline Water Stress	%	n/a	100%	100%	100%	100%	100%
	Percentage of third-party wastewater inputs	%	n/a	25.9%	30.2%	26.3%	14.0%	12.9%
	Wastewater intensity	m^3 / ton of mineral processed	-4.1%	0.126	0.132	0.103	0.053	0.056
Tailings Storage Facilities Management	Number of TSFs[b]	Number	11.8%	19	17	17	14	n/a
Cross industry, Climate-related Metric Categories								
Remuneration – CEO Annual Bonus	Weighting points[c]	Number	0.0%	5	5	5	n/a	n/a

Notes:

a. Scope 3 GHG emissions categories that have been deemed most material include Purchased goods and services, processing of sold products, downstream transportation and distribution, and Investments. See ESG KPIs tables on pages 111-117.

b. During 2024, the Tailings Review Executive Committee authorised changing the scope of the Tailings Management System to focus only on TSFs, resulting in an update of the TSF inventory, leaving a record of 6 operational TSFs, 3 under care and maintenance in operational units, and 8 under care and maintenance in legacy units. See Tailings and mineral waste on pages 98-99

c. Two indicators were included in the CEO Annual bonus under the ESG objective category in 2023, related to water and GHG emission intensities. See Director's remuneration report on pages 180-196

(*) Figures marked with an asterisk have been assured by EY. Please refer to the assurance statement on pages 118-119

(+) Processing of sold products and attributable silver from silverstream contract was not available at the time of publication; it will be updated retroactively.

Available Scope 3 figures for the period are reported in the ESG KPIs table in pages 111-117

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Waste management

We safeguard local communities and the environment through responsible waste management.

Our operations generate two main types of waste:

- Mineral waste — such as tailings and waste rock
- Non-mineral waste — including hazardous materials (e.g., used oils) and non-hazardous recyclables like wood and plastics

Each waste stream is managed through dedicated processes that focus on safe disposal and regulatory compliance, while minimising environmental impact. See our ESG KPIs Tables on pages 111-117

Tailings and mineral waste

Safe tailings management is a critical aspect of our mining operations, covering every phase from design to post-closure. We have adopted a range of industry-leading principles and practices for the governance and operation of our Tailings Storage Facilities (TSFs). As a result, we reported no tailings-related incidents in 2025.

Governance

Our governance framework defines the roles, responsibilities, and accountability of those involved in the design, construction, operation, maintenance, and monitoring of TSFs. The Board's Health, Safety, Environment, and Community Relations (HSECR) Committee is regularly updated on compliance, key issues, risks, and recommended actions.

The Independent Tailings Review Panel (ITRP) conducts annual field visits and presents findings to senior management for follow-up twice a year. The Tailings Review Executive Committee — comprising Board members, advisors, and general managers — continues to meet every two months, fostering coordination across management and enabling timely, informed decision-making.

The Independent Tailings Review Panel (ITRP) carried out a review programme in 2025, covering the Herradura, San Julián, Saucito, Juanicipio and Fresnillo (San Carlos and Proaño) facilities –as well as the new Fátima Norte and Fátima Sur projects.

The Panel conducted site visits and inspections across all these facilities, with the exception of San Julián, which was not visited during this review cycle. Additionally, the ITRP issued a total of 142 recommendations during the year. Of these, 14% have already been addressed and a further 57% have approved response plans in progress. High-priority recommendations accounted for 7% of the total; the majority of these have already been closed, with the remainder subject to active response plans.

In 2025, we updated our Tailings Management System guidelines to strengthen site-level accountability for decision-making. At the same time, the Tailings Review Committee continues to ensure compliance with these guidelines, drawing on reviews and reports from both the Corporate Tailings Team and the Independent Tailings Review Panel (ITRP).

Element	Roles	Responsibilities and Activities
Site Management	Mine Manager	• Risk owner and responsible for operating facilities following the Tailings Management System guidelines.
	Responsible Tailings Facility Engineer (RTFE)	• Ensure safe operation and implementation of the Tailings Management System.
	Engineer of Record (EoR)	• Provide technical expertise to ensure the TSF is managed safely and complies with appropriate governance and best practices.
Stewardship	Corporate Tailings Manager	• Develop, update and manage Corporate Governance and Tailings Management System. • Administer external reviews and verifications.
External Reviews	Independent Tailings Review Panel (ITRP)	• Annual review programme to confirm compliance with Governance and best practice requirements.
	Inspectors, reviewers, and auditors	• Implement Dam Safety Inspections. • Implement Dam Safety Reviews.
Group-level oversight	Accountable Executive Officer (AEO)	• Accountable for tailings management and implementing the systems needed for responsible tailings management.
	Tailings Review Executive Committee	• Provide governance and overall oversight. • Continuous oversight of operation, governance, inspection, review, and audit reports.

Strategy and Risk Management

Guided by our Tailings Management System, we uphold safety and environmental standards throughout the lifecycle of TSFs. Our system is based on the ICMM tailings governance principles and is primarily aligned with the Mining Association of Canada (MAC) and the Canadian Dam Association (CDA), which we believe to be industry best practice. Our design, construction, surveillance, and maintenance practices are supported by qualified engineering firms. Compliance efforts are supported by advanced instrumentation and monitoring systems, enabling near real-time management of critical controls, detailed condition reporting, and prompt response capabilities.

While we are currently not implementing the Global Industry Standard on Tailings Management (GISTM), we continue to monitor updates and industry developments related to its implementation. We believe advancing our Tailings Management System will position us to meet many GISTM requirements.

We closely monitor tailings volumes to optimise remaining capacity and extend facility lifespan, while adopting practices that reduce surface storage and improve resource recovery. As part of this effort, we continually assess new technologies — evaluating their safety, efficiency and environmental benefits, as well as their maturity and economic feasibility. Our focus includes:

1. Improving safety: Advanced surveillance, monitoring, and alerting technologies (e.g., InSAR, drones, and data analytics).
2. Enhancing operational efficiency: Downstream processing technologies (e.g. paste and filtered tailings).
3. Reducing environmental risks: Upstream processing technologies (e.g. selective processing, water and energy efficiency).

Since 2019, we have systematically evaluated all tailings facilities against leading industry standards. This work exposed important gaps in historical information and design assumptions, prompting detailed studies, additional investigations and, in some cases, structural reinforcement. As a result, we now have a far clearer understanding of our facilities and significantly greater confidence in their integrity. At the same time, we recognised that relying on short-term solutions to maintain continuity was not sustainable — and that stronger, forward-looking planning was required.

By 2025, every site had a feasible, engineered pathway to meet storage needs for at least the next five years, with several plans already aligned to current life-of-mine expectations. This represents a step-change in how we manage tailings: moving from incremental extensions to strategic, multi-year solutions that prioritise safety, compliance and operational continuity.

This strategic shift has been reinforced through the continued rollout of our Tailings Management System. In 2025, implementation reached 70% across all sites (up from 59% in 2024), including 76% at operational facilities and 61% at non-operational facilities. The most significant advances were in risk and safety management, with full compliance achieved in:

- Geotechnical characterisation.
- Stability analysis.
- Potential Failure Mode Assessment (PFMA).
- Dam Breach Analysis (DBA).
- Critical controls and Trigger Action Response Plans (TARPs).
- Operation, Maintenance and Surveillance (OMS) Manual.
- Emergency Response Plans (ERPs) – marking an important milestone in strengthening preparedness across our facilities.

Performance

In 2025, we invested US$102.6 million in eight TSF projects. Our operations comprise six active tailings facilities, three facilities under care and maintenance, and two additional facilities currently under construction. All projects are executed in line with our Tailings Management System and Capital Project Management System, incorporating site and tailings characterisation-based designs, quality assurance, validation of design by the Engineer of Record (EoR), and robust project documentation. In addition, we also manage eight legacy facilities that remain under care and maintenance. See our ESG KPIs Tables on pages 111-117.

During 2025, we generated 13.85 million tons of tailings and reprocessed 1.58 million tons of old tailings. These contributed to a net increase of 13.74 million tons in stored tailings, despite 15.36 million tons being deposited during the year. Key contributions include:

- Fresnillo (Pyrites Plant): Tailings from legacy facilities were reprocessed at the Pyrites Plant to recover economically valuable metals.
- San Julián: Closure of the Disseminated Ore Body (DOB) deposit in 2024, ending the use of tailings paste to backfill underground mine works. However, tailings backfilling is being assessed for use at Fresnillo and Saucito.

Non-mineral waste

Our goal is to optimise resource use by minimising physical waste and maximising process efficiency.

We identify two categories of non-mineral waste: non-hazardous and hazardous.

Non-hazardous waste

Most non-hazardous waste from our mining operations consists of waste that requires special handling. This includes materials with potential for recycling (such as cardboard, tyres, wood, steel, plastics), and urban solid waste (such as food or sanitary waste). To ensure proper handling, we adhere to rigorous materials management protocols and have dedicated storage sites within our business units.

We manage waste by segregating, recycling, and repurposing materials in compliance with regulatory standards:

- Recyclables are sent to accredited facilities.
- Urban solid waste is compacted and disposed of safely.
- Organic waste may be composted or repurposed for community use.

Hazardous waste

We are committed to responsible hazardous waste management and provide comprehensive training to all personnel covering the entire waste lifecycle. We securely store, identify, and organise hazardous waste before sending it to authorised facilities for final disposal. Preventive maintenance is also carried out to ensure equipment efficiency and minimise the risk of oil spills, while spent lubricating oil is reprocessed for reuse.

We also prioritise safe and responsible cyanide management in compliance with the International Cyanide Management Code (ICMC) best practices and Mexican standard NOM-155 SEMARNAT-2007, which establish environmental requirements for gold and silver leaching systems (production, transportation, storage, usage, and facilities decommissioning). Herradura and Noche Buena are certified under the International ICMC, which accounts for each of their Merrill-Crowe processes and the dynamic leaching plants. Other mines are not certified but operate under its principles. No incidents related to cyanide management were reported in 2025.

See our ESG KPIs Tables on pages 111-117.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Water stewardship

We manage water responsibly and play an active role in promoting a watershed-based approach in the regions where we operate.

Mining and ore processing require significant volumes of water, a challenge that is particularly acute in arid regions where local communities also face water scarcity. For this reason, we prioritise minimising our water footprint and strengthening how we manage water across the life cycle of our activities.

Our water stewardship strategy is structured around four key pillars:

- Efficiency and reuse: reducing freshwater dependency and operational risk.
- Pollution prevention: safeguarding water quality and downstream users.
- Watershed and community engagement: strengthening water management at watershed level.
- Transparency and accountability: ensuring compliance, measurement and continuous improvement.

Many of our operations are located in river basins already experiencing high levels of water stress. Climate change is expected to further intensify these conditions through higher temperatures, changing rainfall patterns and increased competition for water resources. To better understand the potential evolution of these risks, we assess current water stress levels and projected conditions under different climate scenarios to 2030:

	Current Conditions		Water stress considering climate change scenarios (by 2030)		
Business unit	**Overall Water Risk**	**Water stress**	**Optimistic**	**Business as usual**	**Pessimistic**
Herradura					
Noche Buena					
Fresnillo					
Saucito					
Juanicipio					
Ciénega					
San Julián					

Key

Overall Water Risk	Water stress
Extremely High (4-5)	Extremely High (>80%)
High (3-4)	High (40-80%)
Medium – High (2-3)	Medium - High (20-40%)

Source: World Resources Institute (WRI) Aqueduct 4.0. Water stress measures the ratio of total water demand to available renewable surface and groundwater supplies. Higher values indicate more competition among users.

Across our operations, water is managed through closed-loop systems that maximise recirculation. In 2025, recirculation efficiency reached 83.5%, compared with 84.2% in 2024. This slight decrease reflects a sharper reduction in tonnes processed (-14.2%) relative to the decrease in total water used in operations (-4.2%).

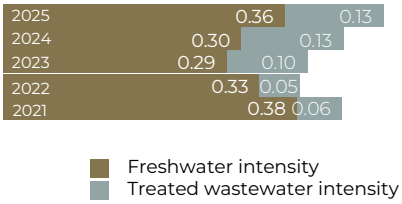
Where excess mine water is generated as part of mine development, it is discharged to surface water bodies in accordance with regulatory requirements, making it available for subsequent use by nearby communities. To safeguard water quality and downstream users, we apply operational controls such as routing mine water to settlement ponds and allowing for decantation to reduce total suspended solids prior to disposal.

In 2025, we completed the rehabilitation and inauguration of the Proaño Potable Water Plant, under an agreement with Fresnillo's municipal Potable Water, Sewage and Sanitation System. The plant treats mine water for domestic supply to the city, while water rejected during the process is repurposed for industrial use. Sewage sludge generated is managed in line with our waste management approach See Waste Management on pages 98-99

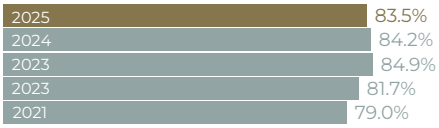
This arrangement avoids discharges to surface water bodies or the municipal sewer system and in 2025 reduced our freshwater consumption at the Fresnillo District by 16.5%. However, freshwater consumption increased at Herradura, due to the construction of the new phase of leaching pads and the tailings storage facility (TSF 2), and at Noche Buena, where inventory recovery activities continue. These two operations rely primarily on bore fields and together account for approximately 80% of our total freshwater use, increasing our total freshwater intensity.

Further detail on water performance is provided in the statement of water inputs and outputs in the ESG KPI tables on pages 111-117.

Water intensity
(m^3 / ton processed ore)



Recirculation efficiency



Looking ahead, we will continue refining our water management standards and procedures, as well as enhancing our water accounting to improve tracking, efficiency, and transparency—reinforcing our commitment to sustainable and responsible water use.

Biodiversity

We are committed to preserving biodiversity through responsible practices that mitigate the impact of our operations on ecosystems and natural habitats.

Our approach is grounded in regulatory compliance and international best practice. In line with Mexico's biodiversity regulation (NOM-059-SEMARNAT-2010), Environmental Impact Assessments (EIAs) and environmental management plans provide the foundation for identifying, avoiding, mitigating and, where necessary, compensating for biodiversity impacts.

Before initiating any project or implementing significant operational changes — such as permit or facility expansions — we conduct comprehensive assessments to evaluate potential effects on flora, fauna and ecosystems. These assessments inform the design of long-term environmental management programmes, which operate throughout the life cycle of each project and include monitoring of air, soil, water, vegetation and wildlife, as well as closure planning.

During project development and operation, we identify species of special concern and implement Wildlife Rescue and Relocation Programmes. These include the use of exclusion barriers, such as fencing and wildlife corridors, species surveys, relocation of flora and fauna, and post-relocation monitoring. Key measures include:

- Regular inspections to assess plant and wildlife conditions and apply preventive measures to support survival rates.
- Prohibiting the introduction of non-native species and limiting vegetation disturbance to designated construction areas.
- Training new employees on ecological protection requirements.
- Prohibiting hunting on company-owned land.

Rehabilitation is integrated into project planning from the outset. Following operations, we restore affected areas using endemic vegetation and apply soil conservation measures — such as erosion control using plant-based cordons—to support habitat recovery and improve moisture retention.

All operations maintain forestry nurseries to support rehabilitation activities and conserve native species. Personnel receive training in planting, irrigation and pest management, and in some cases the nurseries also support environmental education and research initiatives in collaboration with local authorities.

In addition, our Wildlife Conservation Management Units (UMAs) contribute to the long-term conservation of habitats and wildlife populations. At Fresnillo and Ciénega, these facilities also host educational visits for employees and local communities, particularly children, to promote environmental awareness.

In 2025, we renewed our cooperation agreement with the Commission for Ecology and Sustainable Development of Sonora (CEDES) for another four years, to support the conservation of the endangered Sonoran pronghorn (berrendo sonorense), an endemic species of high ecological value. The programme includes continuous population monitoring, protection of critical habitat, environmental education initiatives, and the promotion of sustainable management practices to support the long-term recovery of the species in its natural environment.

In 2025 we also joined Mexico's National Agreement for Forests, Jungles and Mangroves, promoted by the Ministry of Environment and Natural Resources (SEMARNAT), which aims to halt deforestation and forest degradation nationwide. The agreement includes commitments for 2026 to:

- Conserve and restore forests and tropical ecosystems.
- Promote sustainable forestry development and strengthen community-based forest management.
- Foster sustainable forest value chains across the public, private and social sectors.
- Strengthen the national wildfire management programme and prevent agricultural-related wildfires.

Together, these operational actions and strategic collaborations support both ecosystem conservation and the long-term sustainability of the regions in which we operate.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Case study

Partnering to prevent and respond to wildfires

Wildfires represent one of the most significant threats to ecosystems and neighbouring communities across our operating regions.

These events — caused by both natural factors and human activity — can result in biodiversity loss, soil degradation and air pollution. In the context of climate change and rising temperatures, the frequency and severity of wildfires have increased, making prevention and rapid response an operational and environmental priority.

For this reason, we work closely with authorities on wildfire prevention and emergency response by maintaining trained and equipped brigades capable of rapid deployment.

We also implement measures focused on:

- Environmental education and awareness to promote safe practices in forested areas.
- Control of high-risk human activities, including restrictions on unauthorised campfires and agricultural burning in surrounding communities.
- Forest maintenance, including the removal of combustible material, creation of firebreaks and clearing of critical areas.
- Monitoring and early-warning systems, supported by regular patrols and observation towers.

We do not operate in Mexican Natural Protected Areas, UNESCO Natural World Heritage Sites, UNESCO Man and the Biosphere Reserves, Ramsar Wetlands of International Importance, or areas designated by the International Union for Conservation of Nature (IUCN).

Mine closure

Our mine closure vision is an integral part of our project planning, shaping both design and cost considerations throughout the lifecycle of our operations.

It also incorporates social impact assessments and stakeholder engagement to support long-term community transitions. See Community Relations on pages 104-105

Our mining units benefit from conceptual closure plans which are updated every three years on a mine-site basis with the support of a third-party expert, and an internal multidisciplinary team. Mine closure provisions are updated annually for cost adjustments. See Significant accounting policies on pages 223-234

Noche Buena is the first mine in our portfolio scheduled for closure. While pit operations have ceased, inventory recovery will continue as long as it remains economically viable. The progressive closure plan focuses on restoring land for livestock and wildlife use, with a 20-year post-closure commitment to rehabilitation and maintenance. This includes the removal of most access roads, power corridors, and water infrastructure, while ensuring waste facilities and processing areas are safely decommissioned. Certain structures, such as leaching pads, may require extended care.

In 2025, we carried out a range of rehabilitation activities, including reforestation across 144 hectares using native species. We also continued advancing slope grading works to reduce slope angles and improve ground stability, thereby lowering the risk of landslides, rockfalls and collapses. These measures help minimise erosion caused by rain and wind and create conditions that allow vegetation to be re-established, supporting ecosystem restoration and closure plans.

What's next:

- Progressively roll out our critical environmental risk portfolio and controls framework across our operations.
- Continue maturing our climate change mitigation and adaptation strategies.
- Advance the implementation of our Tailings Management System.
- Continue developing standards and procedures for water management within our operations.
- Expand partnerships and collaborative initiatives to support environmental conservation efforts.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

PARTNERING WITH OUR COMMUNITIES

We engage meaningfully with our communities and support the issues that matter to them

Community relations

We build and maintain communities' trust by engaging effectively and taking responsibility for our impacts. This approach is essential to securing our social licence to operate.

Our community strategy, spanning all phases of the mining lifecycle, focuses on fostering mutual understanding and collaboration between our operations and local communities, ensuring shared development and growth.

Engaging communities effectively in the lifecycle of mining

Stakeholders in the global mining industry increasingly expect companies to manage social and environmental impacts responsibly while contributing to community development. Managing these expectations responsibly, transparently, and in a timely manner helps us reduce opposition to projects and aims to mitigate potential impacts on local communities.

Projects are carefully designed to avoid adverse impacts, and when challenges arise, mitigation measures are implemented proactively. Key elements of our approach include:

- Monitoring public opinion and media to identify challenges through partnerships with peers, business associations, governments and NGOs.
- Conducting social studies to align engagement strategies with community perceptions.
- Engaging communities through formal and informal settings and ongoing social programmes.
- Operating a grievance mechanism to resolve concerns efficiently and prevent escalation.
- Aligning mitigation strategies with global best practices in social and environmental responsibility.

Our community engagement strategy evolves with the mining lifecycle, from building relationships during exploration to trust-building and risk assessments in the development phase, ongoing dialogue during operations, and impact mitigation in closure. Local employment, procurement, and social investment also evolve over time, transitioning from early-stage support to capacity-building initiatives that align with community needs at each phase.

See Socio-economic development on **pages 107-109**.

Framework for community engagement in the life cycle of mining

	Exploration	Project development	Operation	Closure
	Regulatory framework			
Know	Stakeholder identification, assessment and mapping			
		Social studies and assessments: environmental and social impact, image and reputation, ethnographic and socio-hydrological		
Engage	Formal and informal meetings			
	Strategic social investment			
		Communication and transparency		
Develop		Strategic social investment – aligned to Sustainable Development Goals (SDGs)		
	Local employment and procurement			
	Economic impact			
Manage	Prevention and management of social risks			
	Grievance mechanism			
		Social closure plans		

Social risk management

Our evaluation procedures help us to identify potential risks and potentially impacted stakeholder groups, prioritising risks based on their impact and location. Preventive and mitigation actions are implemented through collaborative strategic planning and overseen by dedicated committees. Clear responsibilities are assigned within an accountability framework to ensure that the issues' underlying risks are effectively addressed and resolved, while remaining vigilant to any potential re-emergence.

Potential risks include negative perceptions of company performance, unmet community expectations and commitments, ineffective communication, competition for natural resources, and anti-mining activism, as well as reduced government spending.

Strategic Programmes

In 2025, we continued strengthening strategic programmes across all our business units, aligning them with our social management and investment frameworks. These programmes aim to strengthen community relations by raising awareness of social realities in our internal workforce, and by embedding social considerations into day-to-day operational practices. Key programmes include:

- **Operational Engagement Programme:** Designed to strengthen collaboration between Community Relations and operational teams, this programme promotes shared ownership of social risk management, grievance handling and community engagement. It also encourages broader participation by operational personnel in community social programmes, reinforcing trust, coordination and accountability.
- **Social Engagement Programme:** This programme develops 'social ambassadors' within our operations who engage directly with communities, communicating the Company's commitment to modern, socially responsible mining practices. It has contributed to increased awareness among employees of the social impacts of our activities and the realities of the communities in which we operate.
- **Contractor Awareness Programme:** Focused on foreign and local contractors, this programme seeks to prevent and mitigate social risks in local communities, with an emphasis on ethics, human rights and accountability. Through structured engagement and awareness-raising, contractors are encouraged to align with our social management approach and to actively participate in community engagement efforts.

Community Grievances

Our grievance mechanism forms part of a broader process to identify, assess and manage social risks across our operations and is designed to support fair and efficient resolution processes. Potential risks are identified and prioritised based on their potential impact, with preventive and mitigation measures defined accordingly. These actions are monitored by dedicated follow-up committees for each material risk, supporting continuous oversight and coordination.

Dedicated Community Relations teams at each operating unit and advanced exploration project document and manage grievances through a specialised system, acting as intermediaries between communities and relevant operational areas to facilitate timely investigation and resolution. Clear responsibilities are assigned to subject-matter specialists within an accountability framework, and strategic leaders at site level are kept informed to support coordinated mitigation planning. The process remains active until the underlying conditions contributing to the risk have been addressed.

In 2025, we recorded 19 community grievances; further details on performance are provided in the ESG KPIs tables on pages 1111-117

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Case study

Engaging our contractors to help manage social risk

Over recent years, our analysis of community grievances highlighted the importance of engaging business partners as part of our broader approach to social risk management. Contractors play a critical role in day-to-day interactions at site level and are therefore an important link between our operations and surrounding communities.

In response, since 2023 we have progressively enhanced awareness and engagement initiatives with contractors. Through targeted briefings and dialogue, contractors are encouraged to recognise their role within Fresnillo plc's value chain and their shared responsibility for managing social risks and safeguarding community trust.

These initiatives emphasise the importance of responsible conduct, alignment with the Company's Code of Conduct, and timely communication with Community Relations teams in the event of incidents or concerns. Contractors are also encouraged to participate in, or contribute to, community engagement and social programmes, reinforcing consistent messages and behaviours across our operations.

This approach has supported greater awareness among contractors of the social context in which we operate and has contributed to strengthening coordination between contractors, operational teams and Community Relations. As part of our ongoing efforts to manage community grievances and prevent recurrence, contractor engagement remains an important focus area within our social risk management framework.

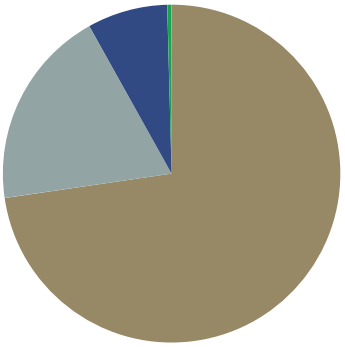
Socio-economic development

In addition to effective stakeholder engagement, the equitable distribution of mining benefits significantly contributes to the overall wellbeing of communities. Our commitment to creating value in the regions where we operate is demonstrated by our actions, which include providing job opportunities, local procurement, skills development, targeted community investments, and fulfilling our financial responsibilities by paying our fair share of taxes.

Economic impact

Our activities yield a positive economic impact in the regions where we operate. In particular, employment, contracting opportunities and contributions to local and federal government demonstrate our commitment to sharing the benefits of mining. In 2025, our economic value distributed amounted to US$2,173.8 million, up 1% versus 2024.

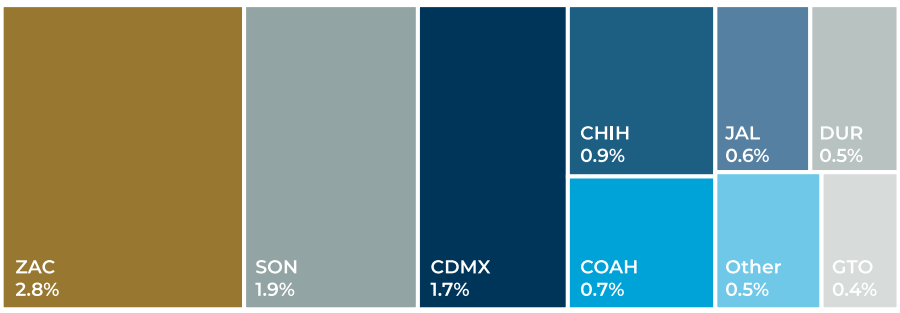
Economic value distributed, by concept



Concept	US$ million	Percentage
Payments to suppliers (contractors)	1,580.2	72.7%
Payments to federal government	416.6	19.2%
Wages and benefits of workers	167.6	7.7%
Payments to local governments	9.4	0.4%
Total	**2,173.8**	**100%**

Economic Value Distributed is considered to be a social performance measure. We consider our community investment to be an indirect economic impact of our activities and therefore present it separately from the Economic Value Distributed measure.

Economic value distributed, by state



ZAC - Zacatecas
SON - Sonora
CDMX - Ciudad de México (Mexico City, federal entity)
CHIH - Chihuahua
JAL - Jalisco
DUR - Durango
COAH - Coahuila
GTO - Guanajuato

Mining fund

Introduced in 2014, Mexico's special tax on mining activities was designed to create a fund to support the sustainable development of mining regions, benefiting communities near mining operations. However, this fund has since been reallocated to national public spending. In response, we continue to work closely with the communities where we operate to engage authorities and advocate for infrastructure projects that directly benefit mining communities.

In 2025, we contributed US$79 million to the Fund for Sustainable Development of Mining States and Municipalities.

Local employment and procurement

Local employment is a key driver of social acceptability and community development. From the early days of exploration, we prioritise hiring locally and continue this commitment throughout the development and operational phases. Employment opportunities are offered directly or through our mining contractors, and in 2025, regional labour accounted for 75.9% of our total workforce.

We actively participate in the mining clusters of Zacatecas, Sonora, Chihuahua and Durango. These clusters serve as key platforms for fostering regional supplier development, enhancing their integration into the mining industry's value chain. Additionally, they provide an effective mechanism for maintaining close relationships with key stakeholders, including state governments, while supporting local procurement capabilities and skills development.

Furthermore, Peñoles' Centre for Technical Studies in Laguna del Rey (CETLAR) provides training for mining, instrumentation and maintenance technicians, tailored to our specific needs. Candidates are selected from communities near our operations, fostering local talent and promoting long-term community engagement.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Social investment

We are committed to maintaining and strengthening our social licence to operate by addressing the most pressing needs of our communities and building trust through accountable and collaborative partnerships.

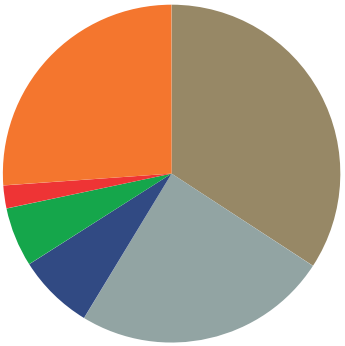
Our operations are located in communities with diverse socio-economic profiles, including areas with low to high levels of marginalisation, and spanning urban, rural and remote settings. Based on perception surveys, baseline studies and ongoing stakeholder engagement, common challenges across our areas of influence include access to water and infrastructure, employment opportunities, public services and community wellbeing.

In response, our social investment focuses on defined development levers, including education, capacity-building for self-development, infrastructure and social wellbeing. These priorities are aligned with the United Nations Sustainable Development Goals (SDGs), particularly Quality Education, Clean Water, Decent Work and Economic Growth, and Health and Wellbeing, and are designed to support community aspirations while ensuring the responsible use of resources. During 2025 we also incorporated a new investment axis focused on biodiversity and climate-related actions at community level — contributing to SDG 15 (Life on Land).

The delivery of these priorities is supported by coordinated efforts across multiple areas of the Company, combining social investment with operational, medical, environmental and socio-environmental programmes to maximise social impact at the local level. Embracing the concept of Shared Value, these efforts support community development while also generating long-term benefits for the Company through more resilient and inclusive local economies, helping to reduce poverty, inequality, and social fragmentation.

In 2025, we invested US$4.56 million in local communities, representing a 4.5% decrease compared with 2024. The distribution of investment by strategic lever and by region is shown in the graphic.

Social Investment by strategic lever, 2025

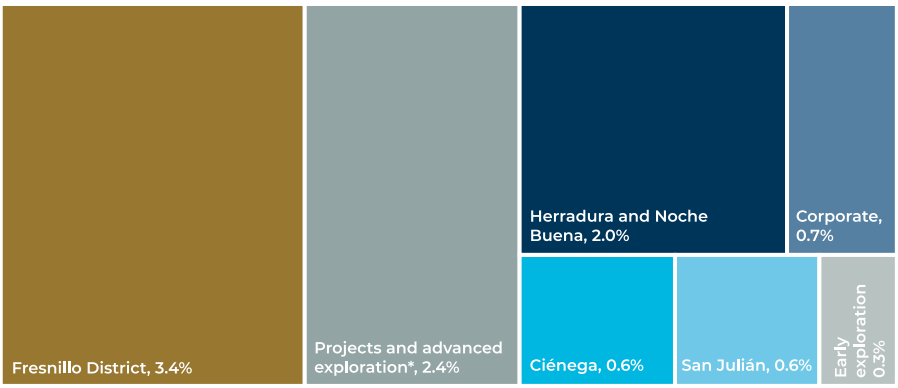


	%
Quality education	34.2%
Health and wellbeing	24.5%
Life on land	7.3%
Economic development	5.7%
Clean water	2.2%
Other	26.1%

We believe that meaningful and lasting impact can only be achieved through collaborative efforts. Through our 'Alliance for the Common Good' strategy, we proactively engage all levels of government in transparent and participatory dialogue. Our primary objective is to build long-term capacity in our neighbouring communities and to foster lasting relationships with them, civil society organisations, and government entities.

By providing accurate and verifiable information, we advocate decision-making that prioritises the needs of communities. This involves promoting projects that address pressing concerns and securing funding from various government sources. These partnerships are vital in mitigating the impact of negative external influences and ensuring operational continuity, from both a regulatory and public investment perspective. Our work helps highlight our contributions to society, strengthens the State's presence in these regions and, most importantly, improves community wellbeing.

Social investment by business unit, 2025



* Includes the Orisyvo, Rodeo and Guanajuato advanced exploration projects.

Social investment portfolio

SDG alignment

Objective

We are committed to enhancing the health and wellbeing of our neighbouring communities through a preventive approach. Our efforts focus on promoting initiatives that improve access to healthcare, encourage healthy lifestyles, and strengthen community wellbeing.

We are committed to advancing inclusive and quality education, recognising its critical role in reducing poverty and inequality. By fostering education, we aim to expand development opportunities for children and young people in our communities.

We aim to reduce our freshwater footprint through operational efficiency. We also strive to secure access to safe water and infrastructure for our neighbouring communities, aiming to avoid reliance on Company supplied water. Through community committees, we support tripartite water supply projects in partnership with government entities and NGOs, delivering solutions that meet local needs.

We are committed to fostering entrepreneurship in our neighbouring communities through collaborative strategies that promote self-sustaining local economies and support regional supplier diversification within our value chain. By working with strategic partners, we focus on developing entrepreneurial skills, empowering small and medium-sized enterprises (SMEs) for long-term success and facilitating economic resilience beyond mine closure.

We are committed to contributing to the protection of terrestrial ecosystems by promoting biodiversity conservation, habitat protection and environmental awareness in the communities where we operate. Our approach seeks to support the sustainable management of ecosystems and species of conservation interest, while fostering environmental stewardship and education.

Key initiatives in 2025

Community Health Weeks in partnership with the UNAM Foundation, local and federal authorities and health agencies to bring quality health to our neighbouring communities, providing:

- 2,559 optometry appointments and 2,413 items of corrective eyewear.
- 2,657 odontology appointments and 17,471 dental procedures.
- 603 physical therapy appointments.
- 947 general medical appointments.

Leaders in the Horizon, a sports training programme for young people and adults to develop sport leaders in communities close to Herradura and the Guanajuato project. In 2025 the programme was implemented in Ciénega and San Julián.

Sports and recreational activities to promote health and wellbeing among children, young people and adults. Examples include the Santos Fresnillo plc Soccer Academy, the Baseball Academy, the Basketball Academy, the BMX Minera Fresnillo Club, and the Tennis Club.

Fresnillo Recreational Park is a high-quality sports facility designed to encourage physical activity and provide relaxation space for families.

PREST-MATH is designed to enhance critical thinking, problem-solving, and mathematical reasoning through interactive learning. Introduced in 45 primary schools in the communities of San Julián, Herradura, and the Fresnillo District, it operates in partnership with INNOVEC and the education ministries of Sonora, Zacatecas, and Chihuahua. In 2025, preparations are being made to implement the programme in the Ciénega unit.

Picando Letras has been redesigned with an inclusive approach that promotes equity, cultural diversity, harmony and reading comprehension. Delivered in partnership with Ensamble Alejandría, it is currently active in schools across communities neighbouring our mines. In 2025, preparations were made to implement the programme in the San Julián unit.

FIRST robotics competition engages students in Science, Technology, Engineering and Maths (STEM) subjects while fostering teamwork and leadership skills. We currently support over 150 high school students and sponsor five teams from communities near the Orisyvo and Guanajuato projects, Herradura, Ciénega, and Fresnillo. In 2025, two new rookie teams from the communities of Juanicipio and San Julián joined the Fresnillo team.

Excellence Scholarships covering academic, living, and other expenses, to support top-performing applicants from the FIRST robotics competition to access higher education. Currently, we sponsor 35 students at La Salle University's Laguna and Noroeste Campuses, as well as technological and state universities in regions where we sponsor robotics teams.

We are helping to ensure that communities suffering from water scarcity receive the clean water they need through a range of sustainable infrastructure projects:

- We maintain water committees that integrate partnerships with civil society and government, successfully rehabilitating water wells in the 15 de Septiembre community in Penmont.
- In the Las Torres project, we continue to provide water from the Mata and Peregrina dams to the communities of Mineral de Peregrina, Mineral del Cedro, and Calderones..
- In Ciénega, we continue to support the community by supplying water via pipeline to the community pools 'Pileta Aserradero' and 'Pileta del Pueblo.'
- We continue working to consolidate the community's collective water system in San Julián in synergy with AC FORMAC and the government of the state of Chihuahua.
- Likewise, we continue to support the development of an alternative well in the community of Saucito del Poleo.

Productive Projects is our flagship programme to support the creation and consolidation of small businesses.

Through our partnership with ProEmpleo, they receive tailored advisory services in marketing, finance, and business administration, aimed at enhancing their autonomy, generating employment, and expanding their market reach beyond the regional level. We have launched workshops for entrepreneurs at all our mines.

In 2025, we expanded our sustainable productive projects framework by introducing a sixth phase focused on local supplier integration, aimed at incorporating community-based businesses into our supply chain.

Environmental education activities, including Environment Week, aimed at raising awareness among children and young people of biodiversity conservation and climate change.
At Fresnillo, Ciénega and Penmont, our Wildlife Management Units host educational visits for employees and local communities, particularly children, to promote environmental awareness.

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Respecting human rights

We are committed to respecting and protecting human rights, and to ensuring that our operations and supply chain are not complicit in abuses — commitments anchored in the UN Global Compact Principles. We do not tolerate threats, intimidation or violence for corporate gain, including against those who may oppose our activities.

Mining exploration and operations can reshape ecosystems, livelihoods and social structures. For this reason, our work begins with proactive engagement with neighbouring communities and rigorous due diligence on land and procurement. These processes help us identify social, environmental, labour and human-rights risks and impacts, guiding our stakeholder-engagement strategy, while aligning with local laws and international best practices.

Indigenous and Native Peoples

We recognise the distinct identities, cultural heritage and collective rights of Indigenous and Native Peoples, and we are committed to meaningful engagement in a way that consistently demonstrates our respect for them. Free, Prior and Informed Consent (FPIC) is a fundamental right and a core element of this commitment. We evaluate potential impacts and benefits in advance and share this information openly, helping communities prepare for consultation and to participate meaningfully. During consultation, we adapt our engagement methods, provide information in culturally appropriate ways and work toward fair, mutually beneficial agreements.

There were no Indigenous consultations conducted in 2025.

Land acquisitions and resettlements

We recognise that maintaining an adequate standard of living following land acquisition or resettlement is a basic human right, and we are committed to managing these processes responsibly. Whenever possible, we avoid resettlement altogether and seek alternative solutions. Where resettlement is unavoidable, we work with affected households, communities and authorities to minimise adverse impacts and restore — or improve — living conditions.

No community resettlements occurred in 2025.

Interactions with security forces

Our security model is primarily preventive and deterrent. It relies on technology, private security contractors and coordination with public security authorities:

- **Private security contractors:** Our private security personnel remain unarmed to reduce risk, avoid confrontations with criminal groups and minimise the likelihood of violent incidents involving unauthorised access to our facilities. All contractors undergo background checks against national criminal databases.
- **Public security forces:** Only a limited number of operations are supported by armed, trained officers from the State Mining Police – a specialised unit established through cooperation between the National Guard, the Ministry of Economy and the Mexican Mining Chamber in regions with elevated security risk. These personnel operate under the Federal Protection Service framework and complete a Human Rights Training Module focused on promoting and respecting human rights in the course of their duties.

ESG KPIs

Indicator	Metric	% var 2025-2024	2025	2024	2023	2022	2021	Notes
DOING BUSINESS ETHICALLY AND RESPONSIBLY								
Compliance								
Ethical conduct								
Whistleblowing: number of reports	Number	8.9%	**220**	202	213	143	186	
Whistleblowing: number of cases	Number	14.9%	**185**	161	163	113	157	
Tone from the top: number of reports related to managers	Number	(21.4%)	**11**	14	19	8	8	
Discipline: Number of disciplinary actions	Number	40.7%	**83**	59	67	41	50	
Discipline: Number of control reinforcement	Number	11.1%	**10**	9	11	13	9	
CARING FOR OUR PEOPLE								
Workforce								
Total personnel								
Employees and contractors	Number	1.0%	**18,273**	18,095	19,776	21,709	20,116	EM-MM-000.B
Workforce composition, by affiliation								
Non-unionised	Number	3.6%	**1,648**	1,591	1,580	1,710	1,533	
Percentage non-unionised	Percentage		**#DIV/0!**	8.8%	8.0%	7.9%	7.6%	
Unionised	Number	(1.1%)	**5,529**	5,588	5,680	6,360	5,826	
Percentage unionised	Percentage		**30.3%**	30.9%	28.7%	29.3%	29.0%	EM-MM-310a.1
Contractors	Number	1.6%	**11,096**	10,916	12,516	13,639	12,757	
Percentage contractors	Percentage		**60.7%**	60.3%	63.3%	62.8%	63.4%	EM-MM-000.B
Workforce composition, by gender								
Men	Number	0.8%	**15,966**	15,841	17,427	19,081	17,901	
Women	Number	2.4%	**2,307**	2,254	2,349	2,628	2,215	
Percentage women	Percentage		**12.63%**	12.46%	11.88%	12.11%	11.01%	
Labour turnover								
Total turnover	Rate		**11.20%**	13.30%	22.07%	13.56%	10.00%	
Voluntary turnover	Rate		**5.85%**	7.79%	9.19%	9.19%	6.44%	
Training per person								
Average training hours per person	Hours	(12.7%)	**59**	67	65	83	71	
Average HSECR-training per person	Hours	(23.2%)	**21**	28	28	23	27	EM-MM-320a.1
Average non-HSECR training per person	Hours	(5.4%)	**37**	40	37	60	44	
Average safety training per person	Hours	(19.8%)	**18**	23	23	19	20	EM-MM-320a.1
Diversity, equity and inclusion								
Workforce composition, by seniority								
Senior executives	Number	(4%)	**24**	25	21	17	17	
Men	Number	(5%)	**21**	22	18	14	15	
Women	Number	—%	**3**	3	3	3	2	
Percentage women	Percentage		**12.50%**	12.00%	14.29%	17.65%	11.76%	
Managers	Number	15%	**180**	157	145	165	157	
Men	Percentage	13%	**161**	142	136	155	150	
Women	Percentage	27%	**19**	15	9	10	7	
Percentage women	Percentage		**10.56%**	9.55%	6.21%	6.06%	4.46%	
Women in leadership positions	Number	22%	**22**	18	12	13	9	
Percentage women	Percentage		**10.78%**	9.89%	7.23%	7.14%	5.17%	

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Indicator	Metric	% var 2025-2024	2025	2024	2023	2022	2021	Notes
CARING FOR OUR PEOPLE (CONTINUED)								
Diversity, equity and inclusion (continued)								
Workforce composition, by affiliation								
Non-unionised	Number	3.6%	**1,648**	1,591	1,580	1,710	1,533	
Men	Percentage	2.3%	**1,293**	1,264	1,276	1,372	1,256	
Women	Percentage	8.6%	**355**	327	304	338	277	
Percentage women	Percentage		**21.5%**	20.6%	19.2%	19.8%	18.1%	
Unionised	Number	(1.1%)	**5,529**	5,588	5,680	6,360	5,826	
Men	Number	(0.9%)	**4,827**	4,869	4,978	5,566	5,171	
Women	Number	(2.4%)	**702**	719	702	794	655	
Percentage women	Percentage		**12.7%**	12.9%	12.4%	12.5%	11.2%	
Contractors	Number	1.6%	**11,096**	10,916	12,516	13,639	12,757	
Men	Number	1.4%	**9,846**	9,708	11,173	12,143	11,474	
Women	Number	3.5%	**1,250**	1,208	1,343	1,496	1,283	
Percentage women	Percentage		**11.3%**	11.1%	10.7%	11.0%	10.1%	
Health and Safety								
Occupational Health								
New cases of occupational illnesses	Number	(28.3%)	**33**	46	39	34	19	
Occupational Safety								
Fatal injuries	Number	—%	**2**	2	4	1	1	EM-MM-320a.1
Fatal frequency rate	Rate	4.5%	**0.046**	0.044	0.081	0.020	0.022	EM-MM-320a.1
Total recordable injury frequency rate (TRIFR)	Rate	(17.5%)	**6.26**	7.59	12.08	10.26	10.42	EM-MM-320a.1
Lost time injury frequency rate (LTIFR)	Rate	(13.7%)	**4.1**	4.75	7.4	5.44	5.76	EM-MM-320a.1
PROTECTING THE ENVIRONMENT								
Greenhouse Gas (GHG) emissions								
GHG emissions, by source								
Diesel GHG emissions	ton CO2e	(10.6%)	**371,409**	415,283	428,015	500,747	499,449	
Gasoline GHG emissions	ton CO2e	(1.5%)	**5,848**	5,935	5,995	7,512	6,925	
Liquified Natural Gas (LNG) GHG emissions	ton CO2e	(13.9%)	**37,634**	43,728	30,657	33,330	34,188	
Petroleum Liquified Gas (LPG) GHG	ton CO2e	(15.0%)	**3,549**	4,177	4,478	4,380	3,545	
Electricity from the grid GHG emissions, market based	ton CO2e	31.5%	**112,843**	85,831	136,914	203,486	132,865	
Electricity from thermal GHG emissions, market based	ton CO2e	(100.0%)	**0**	43,628	219,265	218,793	217,177	
Electricity from wind GHG emissions, market based	ton CO2e	—%	**0**	0	0	0	0	
Total GHG emissions								
Direct GHG emissions (Scope 1)	ton CO2e	(10.8%)	**418,439**	469,122	469,146	545,970	544,107	EM-MM-110a.1
Indirect GHG emissions (Scope 2), market based	ton CO2e	(12.8%)	**112,843**	129,459	356,179	422,279	350,042	
Direct and indirect GHG emissions (Scope 1 and Scope 2), market based	ton CO2e	(11.2%)	**531,282**	598,581	825,325	968,249	894,149	
Indirect GHG emissions (Scope 2),location based	ton CO2e	(6.7%)	**507,657**	543,872	514,984	478,671	465,596	
Direct and indirect GHG emissions (Scope 1 and Scope 2), location based	ton CO2e	(8.6%)	**926,097**	1,012,994	984,130	1,024,640	1,009,703	
Other GHG emission metrics								
Direct GHG emissions covered under emissions-limiting regulations	Percentage	–	**0%**	0%	0%	0%	0%	EM-MM-110a.1

Indicator	Metric	% var 2025-2024	**2025**	2024	2023	2022	2021	Notes
PROTECTING THE ENVIRONMENT (CONTINUED)								
Greenhouse Gas (GHG) emissions (continued)								
GHG emissions from purchased goods and services	ton CO2e	(10.2%)	**132,583**	147,672	157,073	168,947	176,193	Blasting agents (explosives), steel balls for milling and lube oil.
GHG emissions from downstream transportation and distribution	ton CO2e	(14.7%)	**17,067**	20,009	16,371	16,595	15,178	Intermediate products transportation to processing facilities.
GHG emissions from processing of sold products	ton CO2e	n/a	*	490,894	456,390	460,478	473,604	Smelting and refining.
GHG emissions from Investments	ton CO2e	n/a	*	70,159	70,645	67,022	64,183	Silverstream contract.
Total GHG emissions from the value chain (Scope 3)	ton CO2e	n/a	*	728,734	700,479	713,042	729,158	
Greenhouse Gas emissions intensity (Scope 1 & Scope 2)	ton CO2e/ ton of mineral processed	3.3%	**0.0189**	0.0183	0.0248	0.0246	0.0231	
GHG emission intensity - economic	ton CO2e / US$ M revenue	(32.0%)	**116.5**	171.2	305.1	398.0	255.7	
GHG emission intensity - economic	ton CO2e / US$ M gross profit	(58.5%)	**199.4**	480.3	1,640.0	1,806.4	954.3	
* Processing of sold products was not available at the time of publication; it will be updated retroactively.								
Energy								
Energy Consumption by source								
Diesel	MWh	(10.6%)	**1,371,229**	1,533,177	1,580,181	1,848,756	1,843,999	
Gasoline	MWh	(1.5%)	**22,524**	22,859	23,092	28,934	26,672	
Liquified Natural Gas (LNG)	MWh	(13.9%)	**175,779**	204,245	143,192	155,680	159,685	
Petroleum Liquified Gas (LPG)	MWh	(15.0%)	**15,610**	18,371	19,696	19,264	15,593	
Electricity from the grid	MWh	31.5%	**254,150**	193,314	312,590	467,784	314,103	
Electricity from thermal	MWh	(100.0%)	**0**	43,949	236,889	240,875	239,198	
Electricity from wind	MWh	(10.0%)	**889,223**	987,674	626,284	391,733	547,399	
Total Direct Energy Consumption	MWh	(10.9%)	**1,585,142**	1,778,652	1,766,162	2,052,634	2,045,950	
Total Indirect Energy Consumption	MWh	(6.7%)	**1,143,373**	1,224,936	1,175,763	1,100,392	1,100,699	
Total Direct and Indirect Energy Consumption	MWh	(9.2%)	**2,728,515**	3,003,588	2,941,925	3,153,026	3,146,649	
Total Energy Consumption	GJ	(9.2%)	**9,822,653**	10,812,917	10,590,930	11,350,894	11,327,936	EM-MM-130a.1
Grid Electricity Consumption	Percentage		**9.3%**	6.4%	10.6%	14.8%	10.0%	EM-MM-130a.1
Renewable Energy Consumption	Percentage		**32.6%**	32.9%	21.3%	12.4%	17.4%	EM-MM-130a.1
Renewable Electricity Consumption as percentage of total electricity consumption	Percentage		**77.8%**	80.6%	53.3%	35.6%	49.7%	EM-MM-130a.1
Energy intensity	MWh/ton of mineral processed	5.4%	**0.097**	0.092	0.088	0.080	0.081	
Energy intensity - economic	GWh / US$ M revenue	(30.2%)	**0.60**	0.86	1.09	1.30	0.90	
Energy intensity - economic	GWh / US$ M gross profit	(57.7%)	**1.02**	2.41	5.85	5.88	3.36	
Figures in bold assured by EY.								

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Indicator	Metric	% var 2025-2024	**2025**	2024	2023	2022	2021	Notes
PROTECTING THE ENVIRONMENT (CONTINUED)								
Water								
Statement of water inputs and outputs								
Surface water – Rivers and creeks	megalitres	(100.0%)	**0**	166	540	617	669	
Ground water – Mine Water	megalitres	(15.8%)	**1,918**	2,277	2,270	5,154	6,166	
Ground water – Bore fields	megalitres	11.5%	**7,921**	7,101	6,205	6,721	7,370	
Ground water – Ore entrainment	megalitres	(30.7%)	**296**	427	542	353	362	
Third party – Wastewater	megalitres	(17.7%)	**3,550**	4,313	3,417	2,094	2,150	
Total water inputs	megalitres	(4.2%)	**13,686**	14,284	12,973	14,938	16,718	
Surface water – Discharges	megalitres	(18.5%)	**22**	27	36	28	33	
Other – Water entrained in concentrates	megalitres	(4.5%)	**42**	44	40	35	35	
Total water outputs	megalitres	(10.0%)	**63**	70	75	63	68	
Water (continued)								
Water deviations								
Surface water – Rivers and creeks	megalitres	n/a	**0**	0	0	0	0	
Ground water – Aquifer Interception (dewatering)	megalitres	(5.2%)	**20,138**	21,244	14,501	17,179	13,921	
Total water inputs	megalitres	(5.2%)	**20,138**	21,244	14,501	17,179	13,921	
Surface water – Discharges	megalitres	(13.8%)	**17,808**	20,652	14,299	17,051	13,807	
Surface water – Supply to third party (donation)	megalitres	293.6%	**2,330**	592	202	128	115	
Surface water – Loss (evaporation, infiltration, etc.)	megalitres	n/a	**0**	0	0	0	0	
Total water outputs	megalitres	(5.2%)	**20,138**	21,244	14,501	17,179	13,921	
Statement of operational efficiency								
Total volume to task	megalitres	(10.0%)	**65,530**	72,832	71,653	77,135	76,010	
Total volume of reused water	megalitres	(10.8%)	**54,695**	61,314	60,803	63,025	60,031	
Efficiency of reuse	Percentage		**83.5%**	84.2%	84.9%	81.7%	79.0%	
Total volume of recycled water	megalitres	(32.6%)	**3,119**	4,629	3,806	2,401	1,955	
Water management								
Total water withdrawn	megalitres	(4.8%)	**33,887**	35,599	27,549	32,180	30,707	EM-MM-140a.1
Total water deviations	megalitres	(5.2%)	**20,160**	21,271	14,537	17,207	13,954	
Total water consumed	megalitres	(4.2%)	**13,727**	14,328	13,013	14,973	16,753	EM-MM-140a.1
Percentage consumed sourced from wastewater	Percentage		**25.9%**	30.1%	26.3%	14.0%	12.8%	
Total freshwater withdrawn	megalitres	(3.0%)	**30,274**	31,215	24,057	30,023	28,488	EM-MM-140a.1
In regions with high or extremely high baseline water stress	Percentage		**100%**	100%	100%	100%	100%	EM-MM-140a.1
Total freshwater consumed	megalitres	1.7%	**10,114**	9,944	9,521	12,817	14,534	EM-MM-140a.1
In regions with high or extremely high baseline water stress	Percentage		**100%**	100%	100%	100%	100%	EM-MM-140a.1

Indicator	Metric	% var 2025-2024	**2025**	2024	2023	2022	2021	Notes
Other water metrics								
Total water intensity	m3/ton of mineral processed	11.5%	**0.486**	0.436	0.390	0.380	0.432	
Freshwater intensity	m3/ton of mineral processed	18.4%	**0.360**	0.304	0.287	0.327	0.377	
Wastewater intensity	m3/ton of mineral processed	(4.5%)	**0.126**	0.132	0.103	0.053	0.056	
Water consumption intensity - economic	megalitre / US$ M revenue	(26.6%)	**3.01**	4.10	4.81	6.15	4.79	
Water consumption intensity - economic	megalitre / US$ M gross profit	(55.2%)	**5.15**	11.50	25.86	27.93	17.88	
PROTECTING THE ENVIRONMENT (CONTINUED)								
Waste								
Tailing Storage Facilities								
Operational facilities	Number	—%	**6**	6	6	6	n/a	EM-MM-540a.1
Facilities under construction	Number	n/a	**2**	0	0	0	n/a	EM-MM-540a.1
Facilities under care and maintenance	Number	—%	**3**	3	3	3	n/a	EM-MM-540a.1
Facilities in legacy units	Number	—%	**8**	8	8	5	n/a	EM-MM-540a.1
Total facilities	Number	11.8%	**19**	17	17	14	n/a	EM-MM-540a.1
Total facilities								
Mine waste – waste rock	kton	(0.8%)	**75,962**	76,608	88,241	119,424	131,603	EM-MM-150a.6
Processing waste – tailings	kton	(14.6%)	**7,548**	8,841	8,980	8,167	7,986	EM-MM-150a.5
Metallurgical waste – tailings	kton	0.9%	**6,303**	6,246	5,045	5,993	6,225	EM-MM-150a.5
Metallurgical waste – heaps	kton	(37.6%)	**13,715**	21,989	21,209	29,345	28,642	EM-MM-150a.5
Non-mineral waste								
Hazardous waste	ton	(6.4%)	**3,316**	3,544	3,206	1,870	n/a	EM-MM-150a.7
Non-hazardous waste	ton	(13.8%)	**9,718**	11,274	9,994	11,279	n/a	
Municipal solid waste	ton	(11.0%)	**2,664**	2,992	2,786	2,337	n/a	
Special handling waste	ton	(14.8%)	**7,054**	8,282	7,209	8,941	n/a	
Total non-mineral waste	ton	(12.0%)	**13,034**	14,817	13,201	13,148	n/a	EM-MM-150a.4
Sodium cyanide								
Sodium cyanide (NaCN) consumption	ton	(8.1%)	**11,692**	12,721	11,632	13,503	13,400	
PARTNERING WITH OUR COMMUNITIES								
Community Relations								
Grievance statistics								
Outstanding grievances from previous periods	Number	16.7%	**7**	6	10	11	14	
New grievances received in the period	Number	(36.8%)	**12**	19	21	11	22	
Total grievances	Number	(24.0%)	**19**	25	31	22	36	
Closed grievances in the period	Number	(27.8%)	**13**	18	25	12	25	
Outstanding grievances at the end of the period	Number	(14.3%)	**6**	7	6	10	11	
Local employment and procurement								
Local employment	Percentage		**75.9 %**	75.0 %	73.7 %	67.3 %	71.0 %	

SUSTAINABILITY AT THE CORE OF OUR PURPOSE CONTINUED
OUR APPROACH TO SUSTAINABLE MINING

Indicator	Metric	% var 2025-2024	2025	2024	2023	2022	2021	Notes
Economic value distributed								
Wages and benefits to workers	US$ million	12.0%	**167.6**	149.7	151.7	146.6	127.5	
Payments to suppliers (contractors)	US$ million	(10.9%)	**1,580.2**	1,773.5	1,983.2	1,817.3	1,617.4	
Payments to local governments	US$ million	17.5%	**9.4**	8.0	12.6	6.2	4.6	
Payments to Federal Government	US$ million	88.3%	**416.6**	221.2	200.2	258.6	370.4	
Total economic impact	US$ million	1.0%	**2,173.8**	2,152.5	2,347.8	2,228.7	2,120.0	
Fund for Sustainable Development of Mining States and Municipalities								
Company contribution	US$ million	148.4%	**79.0**	31.8	33.2	48.7	64.1	
Social Investment								
Education	US$ million	(18.3%)	**1.56**	1.91	1.15	0.82	0.89	
Health	US$ million	(13.8%)	**1.12**	1.30	1.34	1.10	0.63	
Water	US$ million	(58.3%)	**0.10**	0.24	0.21	0.14	0.36	
Decent work and economic growth	US$ million	(16.1%)	**0.26**	0.31	0.18	0.17	0.12	
Life on land	US$ million	n/a	**0.33**	n/a	n/a	n/a	n/a	
Other	US$ million	16.7%	**1.19**	1.02	0.93	1.08	1.13	
Total social investment	US$ million	(4.6%)	**4.56**	4.78	3.82	3.31	3.14	
NORMALISATION FACTORS								
Production								
Ore processed in beneficiation & leaching plants and deposited in leaching pads	ton	(14.2%)	**28,134,416**	32,777,895	33,247,107	39,322,756	38,675,025	
Revenue								
Total revenue	US$ 000	30.5%	**4,561,200**	3,496,400	2,705,086	2,432,990	3,496,385	
Gross profit	US$ 000	113.8%	**2,664,300**	1,246,273	503,238	536,020	936,925	

	Metric	Herradura	Noche Buena	Fresnillo	Saucito	Juanicipio	Ciénega	San Julián
SITE DATA								
Health and Safety								
Occupational Safety								
Total recordable injury frequency rate (TRIFR) – 2025	Rate	1.82	0	6.07	12.63	6.71	6.3	4.57
Total recordable injury frequency rate (TRIFR) – 2024	Rate	1.79	2.53	7.43	14.17	9.84	7.44	6.56
Lost time injury frequency rate (LTIFR) – 2025	Rate	1.57	0	4.77	7.66	4.31	2.87	2.98
Lost time injury frequency rate (LTIFR) – 2024	Rate	1.67	2.53	5.57	7.7	5.69	3.98	4.04
Greenhouse Gas (GHG) emissions and Energy								
GHG emissions								
Direct GHG emissions (Scope 1)	ton CO2e	299,385	1,230	39,244	31,279	18,030	11,323	17,949
Indirect GHG emissions (Scope 2), market based	ton CO2e	6,636	727	47,842	48,630	2,095	805	6,107
Indirect GHG emissions (Scope 2), location based	ton CO2e	96,830	9,540	134,830	122,529	59,854	34,506	49,570
Energy								
Percentage of renewable electricity consumption	Percentage	93.1%	92.4%	64.5%	60.3%	96.5%	97.7%	87.7%

	Metric	Herradura	Noche Buena	Fresnillo	Saucito	Juanicipio	Ciénega	San Julián
Water								
Water management								
Total water withdrawn	megalitres	6,063	2,124	9,399	6,207	2,209	7,404	480
Total water deviations	megalitres	0	0	7,175	4,823	1,392	6,769	0
Total water consumed	megalitres	6,063	2,124	2,223	1,384	818	635	480
Freshwater management								
Total freshwater withdrawn	megalitres	6,063	2,124	7,402	5,375	1,426	7,402	480
Total freshwater consumption	megalitres	6,063	2,124	227	552	35	632	480
Percent freshwater consumption out of total consumption	Percentage	100.0%	100.0%	10.2%	39.9%	4.2%	99.7%	100.0%

	Name	Status	Coordinates (lat./ long.)	Constructi on year	Embarkment height	Construction method	Last external review	
Waste								
Tailings Storage Facilities inventory								
Fresnillo	Fresnillo TSF (Proaño)	Care and maintenance	23°09'11.99"N 102°51'45.35"W	1953	38 m	Upstream	DSI, Jan 2025	EM-MM-540a.1
Fresnillo	San Carlos TSF	Operating	23°08'52.26"N 102°53'10"W	2020	32 m	Centreline	DSI, Jul 2025	EM-MM-540a.1
Fresnillo	Fátima Norte TSF	Under construction	23°07'36"N 102°53'13"W	2025	27 m	Downstream	ITRP, Jul 2025	EM-MM-540a.1
Saucito	Saucito TSF	Operating	23°07'30"N 102°55'37.2W	2011	50 m	Centreline	DSI, Jul 2025	EM-MM-540a.1
Ciénega	Ciénega TSF1	Care and maintenance	25°02'23.59"N 106°20'20.31"W	1991	105 m	Downstream	DSI, May 2025	EM-MM-540a.1
Ciénega	Ciénega TSF2	Care and maintenance	25°03'06"N 106°20'46.60W	1998	84 m	Upstream	DSI, May 2025	EM-MM-540a.1
Ciénega	Ciénega TSF3	Operating	25°02'01.65''N 106°19'45.33W	2020	96 m	Downstream	DSI, May 2025	EM-MM-540a.1
San Julián	San Julián TSF	Operating	26°02'34.02"N 106°30'05.26"W	2015	152 m	Downstream **	ITRP, Oct 2025	EM-MM-540a.1
Juanicipio	Juanicipio TSF	Operating	23°09'57"N 102°58'19"W	2020	30 m	Downstream	DSI, Jul 2025	EM-MM-540a.1
Herradura	Herradura TSF	Operating	31°07'43.35"N 112°51'34.47"W	2014	47 m	Downstream	ITRP, Jan 2025	EM-MM-540a.1
Herradura	Herradura TSF 2	Under construction	31°07'28"N 112°52'27"W	2025	25 m	Downstream		EM-MM-540a.1

Note: DSI – Dam Safety Inspection. ITRP – Independent Tailings Review Panel. ** Downstream w/ upstream rise

	Metric	Herradura	Noche Buena	Fresnillo	Saucito	Juanicipio	Ciénega	San Julián	Exploration
SITE DATA (CONTINUED)									
Certification and awards									
Health									
Safe and healthy work environments (ELSSA)		Certified	Certified	Certified	Certified	Certified	Certified	Certified	0
100% smoke- and emissions-free space		Certified	Certified	0	Certified	Certified	0	0	0
Cardio-protected space		0	0	0	Certified	0	0	0	0
Occupational Safety									
ISO 45001		Certified	Certified	Certified	Certified	0	0	0	0
Environmental Management									
ISO 14001		Certified	Certified	Certified	Certified	0	0	0	Certified
International Cyanide Management Code (ICMC)		Certified	Certified	0	0	0	0	0	0

INDEPENDENT LIMITED ASSURANCE REPORT

To the Directors of Fresnillo plc on Fresnillo plc's Annual Report

Ernst & Young LLP ('EY') was engaged by Fresnillo plc ('the Company') to perform a limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and the International Standard for Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) to report on Fresnillo plc's Key Performance Indicators: Scope 1 Greenhouse Gas (GHG) Emissions, Scope 2 GHG Emissions, GHG Intensity (Scope 1 and 2) per tonne of mineral processed, Energy Use (MWh), and Energy Intensity (MWh) per tonne of mineral processed (collectively the 'Subject Matter') presented in Appendix A. In preparing the Subject Matter, the Company applied the WRI/WBCSD The Greenhouse Gas Protocol Corporate Accounting and Reporting Standards (Revised edition) and the UK Streamlined Energy and Carbon Reporting (SECR) requirements as stipulated by the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 and the Companies (Director's Report) and Limited Liability Partnership (Energy and Carbon Report) Regulations 2018 (the 'Criteria').

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter is not prepared, in all material respects, in accordance with the Criteria.

Basis for our conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and the International Standard for Assurance Engagements on Greenhouse Gas Statements (ISAE 3410), as promulgated by the International Auditing and Assurance Standards Board (IAASB) and the terms of our engagement letter dated 17 December 2025 as agreed with Fresnillo plc.

In performing this engagement, we have applied International Standard on Quality Management ('ISQM') 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have maintained our independence and other ethical requirements of the Institute of Chartered Accountants of England and Wales ('ICAEW') Code of Ethics (which includes the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants ('IESBA')). We are the independent auditor of the Company and therefore we will also comply with the independence requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities.

Responsibilities of the Company

The Subject Matter needs to be read and understood together with the Criteria. The directors of the Company are solely responsible for:

- the selection of the Subject Matter to be assured;
- selecting suitable Criteria against which the Subject Matter is to be evaluated and ensuring the Criteria is relevant and appropriate;
- preparing and presenting the Subject Matter in accordance with the Criteria; and
- designing and implementing internal controls and other processes they determine is necessary, to enable the Subject Matter to be free from material misstatement, whether due to fraud or error.

Responsibilities of Ernst & Young LLP

It is our responsibility to:

- plan and perform the engagement to obtain limited assurance in respect of whether the Subject Matter has not been prepared in all material respects in accordance with the Criteria;
- form an independent conclusion on the basis of the work performed and evidence obtained; and
- report our conclusion to the directors of the Company.

Our approach

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ISAE 3410, Assurance Engagements on Greenhouse Gas Statements, as promulgated by the International Auditing and Assurance Standards Board (IAASB).

Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Because a limited assurance engagement can cover a range of assurance, the detail of the procedures we have performed is included below, so that our conclusion can be understood in the context of the nature, timing and extent of procedures we performed:

- Made inquiries with Fresnillo plc representatives responsible for greenhouse gas emissions and energy management, collection of the underlying data and reporting on the Subject Matter;
- Obtained an understanding of the process to prepare the Subject Matter data by conducting interviews with responsible personnel at a sample of sites, and Fresnillo management representatives involved in the reporting process;
- Performed analytical procedures to support reasonableness of the Subject Matter data;

- Selected a sample data point to trace it through the GHG emissions reporting process, and assessed whether GHG emissions, energy use and production indicators data have been collected, prepared, collated and reported appropriately; and
- Read the Report to assess whether the Subject Matter has been reported appropriately.

We also performed such other procedures as we considered necessary in the circumstances.

Inherent limitations
Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter. Because there is not yet a large body of established practice upon which to base measurement and evaluation techniques, the methods used for measuring or evaluating non-financial information, including the precision of different techniques, can differ, yet be equally acceptable. This may affect the comparability between entities, and over time.

Our conclusion is based on historical information and the projection of any information or conclusions in the attached report to any future periods would be inappropriate.

The GHG quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Use of our report
This report is produced in accordance with the terms of our engagement letter dated 17 December 2025, solely for the purpose of reporting to the directors of Fresnillo plc in connection with the Subject Matter for the period ended 31 December 2025.

Those terms permit disclosure on Fresnillo plc's website, solely for the purpose of Fresnillo plc showing that it has obtained an independent assurance report in connection with the Subject Matter.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's directors as a body, for our work, for this report, or for the conclusions we have formed. This engagement is separate to, and distinct from, our appointment as the auditor to the Company.

Ernst & Young LLP
2 March 2026

London, United Kingdom

KPI Name	2025 Value Assured
Scope 1 Emissions	418,439 tCO_2e
Scope 2 Emissions (Market Based)	112,843 tCO_2e
Scope 2 Emissions (Location Based)	507,657 tCO_2e
Emissions Intensity (Scope 1 and Scope 2 Market Based) per tonne of mineral processed	0.0189 tCO_2e per tonne of mineral processed
Energy Use (MWh)	2,728,515 MWh
Energy Intensity per tonne of mineral processed	0.097 MWh per tonne of mineral processed

MANAGING OUR RISKS AND OPPORTUNITIES

Our approach to risk

Effective risk management is an essential part of our culture and strategy. By understanding, prioritising and managing risk, Fresnillo plc safeguards our people, our assets, our values and reputation, and the environment, and identifies opportunities to best serve the long-term interests of all our stakeholders. We are focused on conducting our business responsibly, safely and legally, while making risk-informed decisions when responding to the opportunities or threats that are presented to us. Risk management is a key accountability and performance criterion for our leaders.

Our risk management process helps us to manage risks that have the potential to impact our business objectives, and timely risk monitoring is at the core of our management practices. All employees have responsibility for identifying and managing risks. Our risk management framework reflects the importance of risk awareness across Fresnillo plc. It enables us to identify, assess, prioritise and manage risks to deliver the value creation objectives defined in our business model.

Risk appetite

Defining risk appetite is key to embedding our risk management system into our organisational culture. The Company's risk appetite statement helps to align our strategy with the objectives of each business unit, clarifying which risk levels are, or are not, acceptable. It promotes consistent decision-making on risk, aligned with the strategic focus and risk/reward balance approved by the Board.

We define risk appetite as *'the nature and extent of risk Fresnillo plc is willing to accept in relation to the pursuit of its objectives'*. We look at risk appetite in the context of the severity of the consequences should the risk materialise, any relevant internal or external factors influencing the risk, and the status of management actions to mitigate or control the risk. A scale is used to help determine the limit of appetite for each risk, recognising that risk appetite will change over time.

The risk appetite statement for each principal risk articulates what is an acceptable level of exposure, relative to the amount of reward we are seeking, and helps to determine how much control or mitigating actions may be required.

Risks that are approaching the limit of the Company's risk appetite may require management actions to be accelerated or enhanced to ensure the risks remain within appetite levels. If a risk exceeds appetite, it will threaten the achievement of objectives and may require a change to strategy.

Risk management framework

Our strategy, values and risk appetite inform and shape our risk management framework. We embed risk management at every level of the organisation to effectively manage threats and opportunities to our business and host communities, and our environmental impact.

Fresnillo plc has an enterprise-wide risk management information system which includes a set of integrated tools and applications to capture, manage and communicate material risks to the business. This system incorporates three lines of defence: 1st line - Unit leaders including mine, exploration and project personnel, as well as leaders of corporate and support areas; 2nd line - Corporate level oversight functions including the risk management team, the Health, Safety, Security, Environment and Community Relations (HSECR) team, the project oversight function and the Executive Committee; and 3rd line - Group Internal Audit.

Governance structure

This structure shown below supports our risk management framework and enables the effective management of material risks.

Top down / Bottom up

Board and Committees — Third line of defence

Board	Audit Committee/HSECR Committee	Internal Audit
Overall responsibility for assessing the nature and extent of principal and emerging risks and the risk appetite of the Company and for facilitating the effective, entrepreneurial and prudent management of the business.	Responsible for reviewing the effectiveness of the Company's risk management systems and processes. Reviews assurance regarding mitigating controls.	Provides independent and objective assurance that risk management, governance and internal control processes are working effectively, thus ensuring that the Company can achieve its objectives.

Executive management [1] — Second line of defence

Executive Committee	Risk management
Responsible for the review and assessment of the principal risks and for recommending risk appetite and tolerance to the Board. Develops Company strategy in line with Board appetite.	Responsible for monitoring principal and key risks and ensuring the effectiveness of regional and function risk management.

Operations & projects	Exploration & ore reserves	Finance	Legal, ethics & compliance	Security
Human resources and union	Community relations	Safety & health and ESG	TI-TO Cyber security	Insurance policies and coverage

Operational management [2] — First line of defence

Management steer regional departments, providing oversight of risk management in their areas of responsibility. Responsible for identifying, assessing and mitigating both key and operational risks within their functions/ business areas. Risks should be discussed as part of country management meetings.

Strategic risks	People, operational, safety and communities' risks	Financial risks
• Resources to reserves • Potential actions by the government* • Exploration* • Capital Project* • Technology, Cyber & AI* • Low-carbon transition • Climate change and natural disaster* • Security*	• People and culture* • Union & labour relations* • Operational, maintenance and planning • Health, safety and environment* • Communities and social* • Ethics and compliance • Tailings dams*	• Global macroeconomic developments* • Impact of metals prices and exchange rates* • Liquidity • Market • Credit • Tax • Disclosure

* Principal risk.
1 Main areas of executive management
2 All the Company's risks are considered

MANAGING OUR RISKS AND OPPORTUNITIES CONTINUED

Risk management process

Set strategy, objectives and risk appetite	1. Risk analysis	2. Controls and risk responses	3. Audit & assurance	4. Communication & monitoring	5. Improvement & embedding	6. Resilience
	Identify, prioritise and evaluate risks to our strategy and objectives	Implement controls and actions to manage risks within risk appetite	Check and verify that controls and actions are effective in managing the risks	Communicate principal and emerging risks and escalate as appropriate	Build risk capability and culture so active management is embedded in how we run our business	Develop the company's culture and capacity to adapt, resist, absorb and recover from the impact of a risk
First line	• Assess existing risks and assess new risks in the business units	• Ensure continuous improvement of processes and controls. • Implement corrective and preventive actions based on the results of leadership team monitoring	• Control self-certifications	• Prepare risk dashboards and risk matrices presenting the status of individual risks in the business units	• Comply with the highest international industry standards in areas such as TSFs	
Second line	• Review Key Risk Indicators (KRIs) and mitigating actions	• Implement controls and mitigations in response to risk scenarios	• Monitor compliance with international risk standards	• Carry out ongoing reviews of risks and threats. • Prepare quarterly, half-yearly and annual reports and briefings to the Audit and HSECR Committee	• Promote the risk culture across the Company through workshops and training	• Create risk scenarios to anticipate impacts and prepare risk responses.
Third line			• Execute the annual internal audit programme	• Provide advice and recommendations regarding the most exposed or new risks		• Implement appropriate policies and guidelines to build resilience to risks

Culture & leadership

1. Risk analysis

A complete view of our risk universe starts with the analysis of our business, the external environment in which we operate, the regulatory landscape and our internal operations. This includes the impacts on and of our strategy, initiatives, governance, and processes.

The Board, the Audit Committee, the HSECR Committee, the Executive Committee and Internal Audit periodically use working sessions and interviews to review the evolution of principal and emerging risks, as well as the appetite for each risk. At these working sessions, the views and suggestions of Board members are considered, and adjustments are made according to the factors influencing each risk.

We primarily use the following methods in risk assessment:

- Scenario planning.
- Horizon scanning.
- Real time risk management monitoring.
- Social media monitoring.
- Collaboration with other organisations such as third-party suppliers.

Aspects we review when assessing our principal and key risks:

- Risk ownership: each risk has an owner. In addition, each key risk is sponsored by a member of the Executive Committee who drives the monitoring and progress of mitigation measures.
- Probability and impact: five-by-five scoring matrix applied globally.
- Gross risk: before preventive controls.
- Net risk: after preventive controls have been applied.
- Risk appetite: defined at the principal and emerging risk level and approved by the Board.
- Risk tolerance: in data format, shows the amount of deviation from risk appetite.
- Key risk indicators: quantitative and qualitative measures that provide early signals of a change in the degree of risk.
- Actions: key controls in place and activities required to mitigate them if necessary.
- Impact on the Company's strategic pillars and interdependencies between key risks.
- Any relevant risks where the principal risk is affected or may affect the emerging risk.

All principal risks are detailed in a standardised statement. This ensures effective review, understanding and monitoring across the Company, together with consistency, both in terminology and in the underlying assessment itself. Following the establishment of climate change as a separate principal risk in 2020/21, reviews have been carried out at various levels, including the Executive Committee and the Board. These include the identification and documentation of climate-related risks and the review and consideration of appropriate risk responses. This consolidated view is an input to our review of the Company's risk profile.

As part of the top-down process, an updated assessment was completed for each principal risk by the relevant risk owner, working with the Executive Committee risk sponsor and the risk function.

The framework is based on ISO 31000 (International standard that provides guidelines and principles for managing risk), ISO 22301 (International standard for Business Continuity Management Systems) and COSO ERM.[1]

1 The Committee of Sponsoring Organizations (COSO) of the Treadway Commission Enterprise Risk Management (ERM) framework

Emerging risk considerations

Emerging risks are very uncertain by nature. Given the diversity of our operations and projects as well as our geographic footprint, we are exposed to many highly uncertain, complex, and often interrelated risks. The Company continues to focus on horizon scanning activity to inform and support the identification of the most pertinent internal and external trends and developments.

We monitor key indicators of emerging risks and their potential impact on our business, markets and host communities. Many emerging risk topics are reviewed on a recurring basis, alongside ongoing activity addressing their impacts. However, it is acknowledged that the nature of the emerging risks will evolve and could drive future trends which the Company will need to prepare for in the long term.

2. Controls and risk responses

We use five key processes to better address our risks: (i) a monthly procedure for evaluating and mitigating principal risks; (ii) a process to identify and analyse the impact of geopolitical instability on all the Company's risks, including projects, with a main focus on safety and identification of new risks; (iii) dashboards for each business unit to monitor mitigation actions and risk level; (iv) impact and probability scenarios conducted for risks related to security, supply chain of critical inputs for operations, cost increases and projects, and (v) collaboration with government, the mining sector and communities to ensure that we follow best practice.

We have an internal control framework in place to mitigate the impact of principal and emerging risks. Our executives (including operations, exploration and project managers, the controllership group, and the HSECR team), regularly engage in strengthening the effectiveness of our current controls.

In January 2024, the UK Corporate Governance Code was updated, introducing a new requirement (applicable from 2026) for the Board to make an annual declaration as to the effectiveness of the Group's material internal controls. During 2025, with the support of a specialist team and external advice, the comprehensive internal control framework was enhanced to document material financial and non-financial controls, responsibilities and accountabilities and align them with the Company's processes. The material controls related to financial, operational, and information technology processes have already been documented and evaluated, and improvements are planned for 2026 to make the controls more efficient. This has improved risk management, reduced potential negative impacts, and ensured compliance with regulatory requirements for internal controls.

The challenges facing the Risk Department and Executive Committee include changes to mining and water laws in Mexico; security issues near our business units; extreme volatility of gold and silver prices, rising operating costs; potential disruptions in the supply chain for critical inputs; geopolitical instability; and matters relating to our social licence and access to land. Due to the uncertainty surrounding these risks and those arising from new projects such as the acquisition of mining companies, during 2025, in addition to our established risk management activities, all strategic decisions were analysed using risk scenarios that modelled their potential impacts.

3. Audit and assurance

In pursuing the Company's business objectives, the Board cannot give absolute assurance that the implementation of a risk management process will overcome, eliminate, or mitigate all material risks. However, by developing and implementing an annual and ongoing risk management process to identify, report and manage significant risks, the Board intends to provide reasonable assurance against material misstatement or loss.

We monitor how well we manage material risks to our objectives by checking and verifying the implementation of our response plans (actions and controls) and our actual performance against objectives. We enhance the 'check and verify' step by applying the three lines of defence approach.

MANAGING OUR RISKS AND OPPORTUNITIES CONTINUED

The internal audit team consists of highly experienced professionals from various specialties, who frequently review operational, financial, exploration and project processes in the field, using internationally recognised standards and methodologies.

First line	• Annual self-assessments of controls and bi-annual compliance assurance statements.
Second line	• As part of our ERM approach, the risk team conducts specialised reviews to assess risks and controls to ensure compliance, focused on validating and testing key controls to augment the first line attestations. • The risk team annually reviews key controls for our principal risks, significant local risks and response plans to identify and respond to any significant changes in the control environment. While many controls are tailored to business unit requirements, there are consistent themes across our control environment. These include clear oversight and reporting by business unit management teams, governance processes for operations, maintenance and tenders, attention to health and safety, the wellbeing of our people and prioritising the maintenance of integrity and a strong ethical culture.
Third line and external activities	• We are supported by external partners in certain specialised areas. Furthermore, we are subject to significant assurance activities and third line audits conducted through our Internal Audit team, external third parties, certification standards and customer requirements in our various business lines. • The work plan of the internal audit area considers all the Company's operational and financial processes, continuously following up on the recommendations made in each audit, with a particular focus on the most exposed risks and those that have an impact on regulatory non-compliance or business disruption. • External reviews include those that support the range of ISO certifications we manage across the business as well as independent performance and regulatory reports on Fresnillo plc operations. Examples include: – business continuity risk inspections of all business units by Zurick & Marsh in 2025. – ISO 45001 and ISO 14001 audits of Fresnillo and Saucito mines by BSI Group auditors. – certification that the Herradura mine leaching operations comply with the Cyanide Code issued by the International Cyanide Code Institute.
Governance	• The HSECR Committee meets before every Board meeting to review the effectiveness of our risk management and internal control systems, with particular attention paid to safety, climate, tailings dams and environmental risks. • The Audit Committee continues to focus closely on key financial processes, material risks and internal controls. Further close attention has been given to the key areas of judgement and estimation in the financial statements. The Committee receives regular reports from Internal Audit, Internal Control and Risk Management, enabling it to determine whether internal controls and processes are functioning appropriately.

4. Communication and monitoring

Risk can be of any nature and manifest itself and escalate from any part of the business as a threat or even an opportunity. When risks are material to the Company, they are escalated to the Executive Committee and, where appropriate, to the Board or its Committees. This requires a strong risk culture, which we continue to develop and encourage.

Although we deploy controls to reduce the likelihood and consequences of risks, some risks inherent in our business remain. These include natural catastrophes, for which there is limited capacity in international insurance markets. We monitor these threats closely and develop business resilience plans.

The steps of the risk assessment process previously explained allow for analyses, reports and briefings that communicate the results and main findings; this information is mainly presented and discussed at Audit Committee and Board meetings.

5 & 6. Improvement, embedding and resilience

To ensure that we can prioritise our efforts and resources, we regularly assess the potential consequences and likelihood of impact of our principal risks, creating impact scenarios to implement prevention-mitigation measures and response plans. These assessments, and the effectiveness of our associated controls, reflect management's current expectations, forecasts and assumptions. They involve subjective judgements and depend on changes in our internal and external environment.

The Board confirms that:

- a robust assessment of principal and emerging risks has been carried out.
- with support from the Audit and the HSECR Committees, it has monitored the risk management framework throughout the year.
- it has reviewed the planning, progress and preliminary results of the enhancement of the comprehensive internal control framework.

Principal risks and uncertainties

The principal risks and uncertainties outlined in this section reflect the risks that could materially affect (negatively or positively) our ability to meet our strategic objectives. They could materialise from a combination of external or internal factors and manifest or escalate from any part of the business as an opportunity or threat.

We define principal risk as 'risk, or a combination of risks, which may seriously affect the business model, performance, future or reputation of the Company'.

The Company's risk profile has been developed based on the most significant risks in our business profiles. All of our principal risks were reviewed at least twice during the year, including through Key Risk Indicators (KRIs), which were developed to help embed the risk appetite framework in the business and enhance the monitoring and mitigation of risks.

Due to the effects of geopolitical instability, the volatility of prices for precious metals such as gold and silver, as well as insecurity and violence near business units, threats of cyberattacks, and changes in mining industry laws and regulations in Mexico, it has been necessary to reassess the principal risks and reorder their importance, probability, and impact, as well as reassess the related mitigation actions.

Our principal risks are summarised in the following table and shown in order of maximum reasonable consequence, probability and change since 2024.

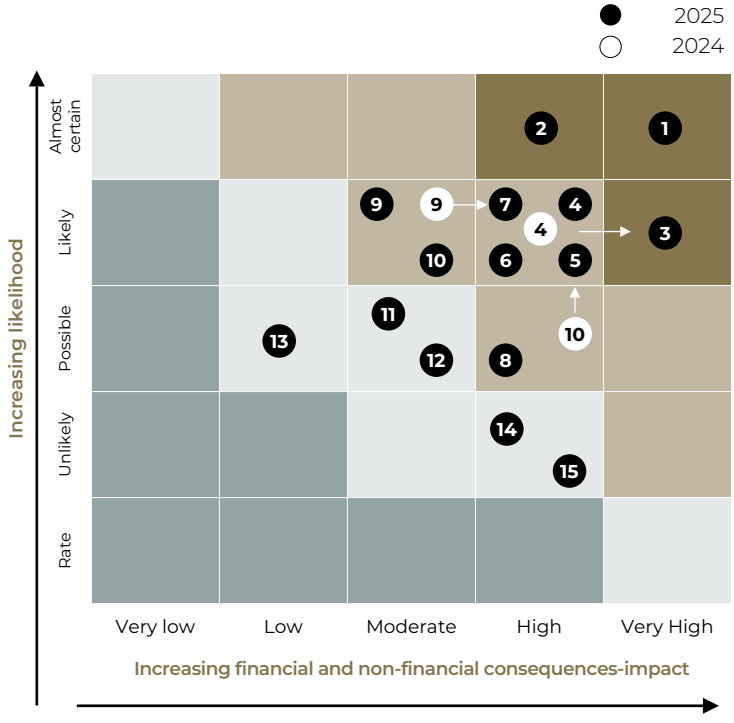
Current assessment of principal risks, as of February 2026

2025	Risk	Risk appetite*	Risk level	Change in risk level vs 2024	
1	Potential actions by governments (political, legal, regulatory, tax & concessions)	Low	Very high	Stable	V
2	Security	Low	Very high	With attention	V
3	Impact of metals prices and exchange rates	High	Very high	Increasing	V
4	Cybersecurity	Low	High	Stable	
5	Safety (incidents due to unsafe acts or conditions could lead to injuries or fatalities)	Low	High	Increasing	V
6	Access to land (full access to plots of land)	Low	High	With attention	
7	Projects (performance risk)	Medium	High	Increasing	
8	Global macroeconomic developments (energy and supply chain disruptions, inflation and cost)	Medium	High	With attention	
9	Union relations (labour relations)	Low	High	Stable	V
10	Human resources (attract and retain requisite skilled people/talent crisis)	Medium	High	Stable	
11	Licence to operate (community relations)	Medium	Medium	Stable	
12	Exploration (new ore resources)	High	Medium	Stable	
13	Climate change (comply with international standards and regulations)	Medium	Medium	Stable	V
14	Tailings dams (overflow or collapse of tailings deposits)	Low	Medium	Stable	V
15	Environmental Incidents (cyanide spills and chemical contamination)	Low	Medium	Stable	V

* Appetite determined by the Board in January 2026. With attention. Potential for increase in the short term. (V) Risks that were considered for the viability assessment

Very high Low Low

Heat map



MANAGING OUR RISKS AND OPPORTUNITIES CONTINUED

Emerging risks

As mining is a long-term business, our strategy aims to create sustained value over the life of our mining operations and beyond. This involves careful allocation of key resource inputs – the natural, human, intellectual, financial, manufactured, and social and relationship capitals – which are essential to achieving this aim.

In the longer term, as the world transitions to a low-carbon future and consumer demand for sustainable goods flows through the value chain, the supply and demand dynamics of commodities are expected to shift. This will lead to increasing demand for resources and solutions with low CO_2 emissions, and lower social and environmental footprints, in addition to a growing demand for transparent, sustainable and circular value chains.

Fresnillo plc defines an emerging risk as *"a new manifestation of risk that cannot yet be fully assessed, a risk that is known to some degree but is not likely to materialise or have an impact for several years, or a risk that the company is not fully aware of but that could, due to emerging macro trends in the mid or long-term future, have significant implications for the achievement of our strategic plan"*. Furthermore, we consider emerging risks in the context of longer-term impact and shorter-term risk velocity. We have therefore defined emerging risks as those risks captured on a risk register that: (i) are likely to be of significant scale beyond a five-year timeframe; or (ii) have the velocity to significantly increase in severity within the five-year period.

Emerging risks constantly change, can materialise quickly, and can significantly affect the Company and its operations. Procedures must be in place for continuous monitoring of these risks to allow the company to adapt or develop appropriate actions.

To strengthen our emerging risks management framework, during 2025 we carried out activities to: (i) identify new emerging risks in light of geopolitical instability, technological disruption, the implications of artificial intelligence for business strategy and climate change; (ii) re-assess the emerging risks identified in 2024; (iii) deploy effective monitoring mechanisms recognising the potential for emerging risks to evolve or materialise quickly; (iv) carry out horizon scanning to consider disruptive scenarios, and (v) implement mitigating control actions and enhance our risk awareness culture.

This process involved workshops, surveys and meetings with the Board, Executive Committee, business unit leaders, support and corporate areas, as well as suppliers, contractors and customers. We also consulted third-party information from global risk reports, academic publications, risk consulting experts and industry benchmarks.

Emerging risks can impact our principal risks directly or can become elevated to a standalone principal risk. The way we manage emerging risks is dynamic – it reflects the outcomes of our monitoring and the evolution of the risk as well as findings from our scenario analyses. Managing emerging risks involves staying on top of technological advances in the mining industry and beyond; seeking value-capturing innovations that focus on efficiencies; drawing on new sources of information and working closely with universities specialising in mining and geology; as well as training and upskilling our people.

MANAGING OUR RISKS AND OPPORTUNITIES CONTINUED

Emerging Risk	Description	Timescale
Geopolitical instability	The potential political, economic, military and social risks that can emerge from a nation's involvement in international affairs. These risks can have far-reaching implications for both the country itself and the global community at large. There are many factors that can contribute to geopolitical risks, such as a nation's economic stability, its political relations with other countries, and its military strength.	< 1 Year
Transition to a low-carbon future	The transition to a low-carbon future is a "transition risk" according to the Task Force on Climate-related Financial Disclosures (TCFD) and presents challenges and opportunities for our portfolio in the short and long term. It is considered within the climate change principal risk mitigation strategy. However, we consider this risk to be an emerging risk due to the speed of potential new climate change regulations and the obstacles that government may place in the way of investment support for clean energy.	> 5 Years
Technological disruption and the rapid proliferation of Artificial Intelligence	Generative Artificial Intelligence (AI) and advancing technologies have the potential to unlock transformative opportunities for businesses through enhancing efficiency, and data-driven insights to support decision making, driving pace and breadth of innovation. It is also in its infancy, which carries significant unknown risks. Our focus is on robust monitoring and internal upskilling to understand this evolution, supported by strong governance processes to support its use.	< 3 Years
Increasing societal and investor expectations	There is increasing expectation and focus on social equality, fairness and sustainability. Financial institutions are also placing greater emphasis on Environmental, Social and Governance (ESG) considerations when making investment decisions.	< 3 Years
Replacement of depletion of ore reserves	The inability to replace depleted ore reserves in key business units through exploration, projects or acquisitions.	> 5 Years
Unexpected mine-closure liabilities that have the potential to increase costs	There is a possibility that government authorities could introduce more costly and rigorously applied environmental provisions and obligations in the mine closure process.	> 5 Years

Emerging risks are currently managed through the Group's risk management framework, which regularly enhances controls and mitigating actions. Emerging risk topics were discussed in executive level committees throughout 2025, with key actions assigned to closely monitor their manifestation and potential opportunities and, in some cases, also form part of the business planning process.

MANAGING OUR RISKS AND OPPORTUNITIES CONTINUED
RESPONSE/MITIGATION TO OUR RISKS

1 POTENTIAL ACTIONS BY GOVERNMENTS
(POLITICAL, LEGAL, REGULATORY, TAX AND CONCESSIONS)

Risk description

Regulatory initiatives or policies issued by the government, at all three levels – federal, state and municipal – may have an adverse impact on the operation of the Company. This could include new laws, regulations, rules or guidelines with a negative impact on the mining industry in Mexico. The prohibition on granting new mining concessions continues under the new federal government administration.

There have also been complications around obtaining permits and licences for construction and environmental matters from the Ministry of Economy and the Ministry of Environment.

Recent changes to Mexico's water law could complicate the process of maintaining and obtaining water concessions.

We paid special attention to the following aspects:

- Permits for building/expanding tailings dams and projects.
- Inability to obtain necessary water concessions due to government control or private interests.
- Prohibition of new concessions for open-pit mining.
- Discrepancies in the criteria used in audits carried out by the tax authority.
- Possible new environmental taxes or royalties on the mining industry.
- Possible profit sharing with indigenous communities.
- Potential trade disputes and new labour regulations under the United States-Mexico-Canada Agreement.

Factors contributing to risk

- A considerable level of uncertainty is likely to dominate the Mexican legal landscape for the foreseeable future, with potential impacts on the timing, consistency and nature of legal decisions, including:
  - Delays or failures in obtaining permits and licences from government offices such as CONAGUA and SEMARNAT.
  - Reorganisation of the Mexican Supreme Court and election of Justices and Federal Judges by popular vote.
  - New judicial administration body and new judicial discipline tribunal.
  - Legal reforms to the following laws: 'Mining Law', 'Law on National Waters', 'Law on Ecological Balance and Environmental Protection' and 'General Law for the prevention and integrated management of waste in the field of mining and water concessions', impacting on the granting of new concessions and their duration, exploration activities and consultation with communities and Indigenous Peoples as well as payments of 5% of profits to the communities.
  - Tax audits and information requests have increased.

Controls, mitigating actions and outlook

1. As a result of the new mining law, risk scenarios were developed for each change and impact, considering the legal and operational criteria to implement the necessary mitigation and prevention measures. These scenarios are constantly updated.
2. Commitment to constant communication with all levels of government.
3. Increased monitoring of the processes being implemented at the Ministry of Energy, Environment, Labour and Economy and daily monitoring, follow-up and attention to issues before the Congress of the Union that may affect the mining industry.
4. Collaboration with other members of the mining community through the Mexican Mining Chamber to lobby against any new harmful taxes, royalties or regulations. Support for industry lobbying efforts to improve the general public's understanding of the mining industry.

For more details see Protecting our Environment on **pages 83-103**

Link to strategy

1 2 3 4

Risk appetite

Low

Risk owner

- Government Relations Department
- Legal Department
- Taxes and Royalties Department
- Mining and Water Concessions Department

Risk oversight

- The Board
- Audit Committee

Behaviour

Stable

Risk rating (relative position)

2025: Very high (1)
2024: Very high (1)

2 SECURITY

Risk description

In all our business units, we face the risk of theft, which can occur within the mines or during transportation. Our employees, contractors and suppliers are also at risk of violence due to insecurity in some of the regions in which we operate.

According to information from the Ministry of Security and Citizen Protection and the National Guard, the presence of organised crime and high-impact crimes (homicide, kidnapping and extortion) increased in 2025, especially in the states where our business units are located such as Zacatecas, Sonora and Guanajuato.

The main risks we face are:

- High-impact thefts in ore transportation, most notably of gold doré and silver concentrates.
- Theft of assets such as vehicles, equipment, spare parts and fuel.
- Homicide.
- Kidnappings.
- Extortion.
- Vandalism.
- Consumption and sale of toxic substances in our mining units.

Factors contributing to risk

The remote nature of many of our locations and projects.

Increase in mineral theft during transport on roads near business units.

Presence of organised crime in areas near business units that could lead to theft and extortion.

Influence of territorial disputes between drug cartels, organised crime and anarchy in some regions of Mexico where we have operations, projects and exploration camps, especially close to our operations in Fresnillo, Zacatecas; Caborca, Sonora; and in the mountains of Durango and Chihuahua.

Controls, mitigating actions and outlook

1. Our property security teams closely monitor the security situation, maintaining clear internal communications and coordinating work in areas of greater insecurity.
2. We maintain close relationships with authorities at federal, state and local levels.
3. We interact and meet regularly with representatives of the National Guard and also the Army and the Navy in some cases. There are military installations located near most of our operations.
4. We continue to implement greater technological and physical security at our operations including:
- the use of a remote monitoring process at the Herradura, Noche Buena, San Julián, Juanicipio, Saucito and Fresnillo mines;
- local operating and command centres for each business unit in the Saucito, Fresnillo and Juanicipio mines;
5. Increase in logistical controls to reduce the potential for theft of mineral concentrate such as:
- real-time tracking technology;
- surveillance cameras to identify alterations in the transported material;
- protection and support services on distribution routes;
- reduction in the number of authorised stops to optimise delivery times and minimise exposure of trucks transporting ore concentrates or doré.
6. We continue to invest in community programmes, infrastructure improvements and government initiatives to support the development of legal local communities and discourage criminal acts.
7. To combat drug consumption we have:
- increased the number of anti-doping tests conducted at the start of the day in the mining units;
- carried out frequent inspections outside and inside the mines to verify that drugs are not consumed or sold;
- introduced drug consumption prevention campaigns, focused on employees.

Link to strategy

Risk appetite

Low

Risk owner

- Security Department
- Legal Department

Risk oversight

- Audit Committee
- Executive Committee

Behaviour

With attention

Risk rating (relative position)

2025: Very high (2)
2024: Very high (2)

MANAGING OUR RISKS AND OPPORTUNITIES CONTINUED
RESPONSE/MITIGATION TO OUR RISKS

3 IMPACT OF METALS PRICES AND EXCHANGE RATES

Risk description

Our financial results are heavily dependent on commodity prices – principally gold and silver. There is an inherent risk when investing or planning for the future prices of these precious metals.

The volatility of these prices is high and unpredictable and prices are strongly influenced by a variety of external factors, including wars, geopolitical disruption, world economic growth, inventory balances, industry demand and supply, and possible substitution, among others.

Our sales are mainly denominated in US dollars, although some of our operating costs are in Mexican pesos. Thus, any strengthening of the Mexican peso may negatively affect our financial results.

Factors contributing to risk

Gold and silver prices in 2025 experienced a historic increase, with silver rising by up to 150% and gold increasing by more than 60%, driven by safe-haven demand, geopolitical fears and strong industrial purchases. Silver closed 2025 above $70-$75 per ounce, while gold reached record highs above $4,500.

Macro-economic and geopolitical factors can directly affect the price of commodities, both positively and negatively, These include the war between Ukraine and Russia, trade tensions in the US-China relationship, US policy in Latin America against drug cartels, especially the situation with Venezuela and Mexico and change in US monetary policy, with the Federal Reserve making multiple interest rate cuts during the year and markets betting on further easing in 2026.

Increased attraction of investing in instruments such as cryptocurrencies could lead to investors reducing their investment activities in precious metals.

Controls, mitigating actions and outlook

1. We consider exposure to commodity price fluctuations an integral part of our business and our usual policy is to sell our products at prevailing market prices although we do have a hedging policy for precious metals.
2. We monitor the commodity markets closely to determine the effect of price fluctuations on earnings, capital expenditure and cash flows. When we feel it is appropriate, we use derivative instruments to manage our exposure to commodity price fluctuations. We run our business plans through various commodity price scenarios and develop contingency plans as required.

For more details see Market Review on **pages 18-19**

3. We have hedging policies for exchange rate risk, including those associated with project-related capex.
4. We focus on cost efficiencies and capital discipline to deliver competitive all-in sustaining cost.

Link to strategy

1 2 3

Risk appetite

High

Risk owner

- Financial Planning
- Treasury

Risk oversight

- The Investment Committee
- Audit Committee

Behaviour

Increasing

Risk rating (relative position)

2025: Very High (3)
2024: High (4)

4 CYBERSECURITY

Risk description

Information is an asset that must always be protected. This requires maintaining confidentiality and integrity and ensuring the availability of information security management throughout all business processes. Breaches in, or failures of, our information security management could adversely impact our business activities. Malicious interventions (hacking) of our information or operations' networks could affect our reputation and/or operational continuity.

Poor information security could lead to loss or harm to our technical infrastructure and the use of our technology by malicious persons or bodies.

The list below shows our top eight cybersecurity and privacy risks:

1. Corruption of data - Critical data where any unauthorised modification can have adverse impacts.
2. Unauthorised access - Cybersecurity and privacy incidents due to incorrect access permissions or system abuse, exploitation, or misuse.
3. Breach and data theft - Disclosure of critical and sensitive company data by an internal or external source.
4. Business disruption - Disrupting key applications or systems for a period.
5. Lack of cybersecurity ownership - Failure to assign responsibility for implementing and adopting cybersecurity practices daily.
6. Non-compliance - Cybersecurity and privacy incidents resulting in non-compliance with applicable regulations, including privacy.
7. Health and safety incidents - Breach of availability, integrity or confidentiality of data which impacts health and safety.
8. Halt or loss of operations - Cybersecurity and privacy incidents which result in loss of operating licence or closure of operations.

Factors contributing to risk

Globally, cyber-attacks have increased in frequency and impact across all industries; we suffered a cybersecurity incident (partial disruption of services) in July 2024, which had negative consequences for the Group (Peñoles and Fresnillo plc).

Rising geopolitical tensions.

Heavy reliance on technology and automated systems to support operations within the mining industry.

The industrial and mining sectors are seen to have a significantly weak level of protection, while the damage that can be caused is very high.

Global and national cybersecurity and cybercrime regulations that could deter criminals are still developing and are not yet sufficiently mature.

Controls, mitigating actions and outlook

Our cybersecurity programme, aligned with business strategies, is based on a governance model with three lines of defence, involving all operational, tactical, and strategic business levels to prevent and mitigate the effects of computer risks. Our approach is also based on the NIST Cybersecurity Framework, which is used to assess and improve our ability to prevent, detect, and respond to cyberattacks.

1. We maintain continuous awareness of cybersecurity at all levels of the organisation, through workshops, communications, campaigns, and exercises that allow us to understand and increase our cybersecurity culture. As cybersecurity is a risk that requires more active involvement of executive teams, we carried out awareness and training exercises focused on this level during 2025.
2. The Security Operations Centre (SOC) provides analytics that correlate information from multiple business unit sources, helping us to easily identify the impact of a threat and address the incident in a timely manner.
3. Cybersecurity incident response plans are in place and regularly assessed to ensure we can respond quickly and effectively to cybersecurity incidents.
4. We conduct ongoing assessments of the technology controls implemented in our operations and services.
5. Constant threat intelligence monitoring enables us to analyse cybersecurity trends, and to adjust our operations to anticipate and apply necessary controls.
6. In addition, our systems, networks, and assets are continuously monitored through cybersecurity tools that use Artificial Intelligence and Machine Learning technology to analyse behaviours in the organisation's networks, identifying and mitigating advanced threats.
7. Controls are in place to comply with the 'Ley Federal de Protección de Datos Personales en Posesión de Particulares' (LFPDPPP).
8. During the year, we carried out the second phase of auditing our Personal Data Management System with the NYCE office, with the objective of achieving certification in our business units.

Our plan for 2026 is to focus our efforts on mitigating cyber risks, implementing and maturing controls in line with the threat landscape and emphasising the importance of individual employee responsibility to remain vigilant and alert to cyber threats.

Risk Assessment, Disaster Recovery Plans, Data Loss Prevention, Pen testing, IT/OT Network Behavioural Analysis, and targeted security enhancements for Operational Technology (OT) environments are among the initiatives that will increase our level of cybersecurity maturity (based on NIST CSF).

Link to strategy

Risk appetite

Low

Risk owner

- IT & TO Department
- Cybersecurity Office

Risk oversight

- The Cyber Security Committee
- Audit Committee

Behaviour

Stable

Risk rating (relative position)

2025: High (4)
2024: High (3)

MANAGING OUR RISKS AND OPPORTUNITIES CONTINUED
RESPONSE/MITIGATION TO OUR RISKS

5 SAFETY
(INCIDENTS DUE TO UNSAFE ACTS OR CONDITIONS COULD LEAD TO INJURIES OR FATALITIES)

Risk description

The mining industry is inherently dangerous. Major hazards across our operations and projects include process safety, underground mining, surface mining and tailings and water storage.

Our workforce faces risks such as fire, explosion, electrocution and carbon monoxide poisoning, as well as risks specific to each mine site and development project. These include rockfalls caused by geological conditions, cyanide contamination, explosion, becoming trapped, electrocution, insect bites, falls, heavy or light equipment collisions involving machinery or personnel and accidents occurring while personnel are being transported.

These risks have the potential to cause death, illness or injury, damage to the environment, and disruption to communities. A poor safety record or serious accidents could have a long-term impact on morale and on our reputation and productivity, in particular:

- Rockfall/terrain failure.
- Loss of vehicle/equipment control.
- Team-vehicle-person interaction.

Factors contributing to risk

In 2025, we unfortunately experienced two fatalities (one in Juanicipio and another in Ciénega), increasing the degree of risk.

Frequent transportation of our people to remote business units is an ongoing feature of our operations. In many cases, these units have poor accessibility by road.

Failure to comply with safety programmes, measures and audits or with the findings of inspections.

High turnover of workforce, including contractors.

Controls, mitigating actions and outlook

1. Nothing is more important than the safety and wellbeing of our employees, contractors and communities. Our objective is first and foremost to have zero fatalities. We believe all incidents and injuries are preventable, so our focus is on identifying, managing and, where possible, eliminating risks. We constantly seek to improve our safety and health risk management procedures, with focus on the early identification of risks and the prevention of fatalities.
2. We are raising awareness of the risks generated by our operational activities. This includes quarterly meetings on the main safety risks at each mining unit, project and exploration site, overseen by the Executive Committee.

For more details see Our people and compatible mining on **pages 69-82**

3. Continuing the implementation of the *'I Care, We Care'* programme in all our operations, including strengthening the programme's five lines of action.
4. We are reinforcing the four pillars of our "Safety and Occupational Health" strategy:

- Safety and health risk management: workers at all levels are able to identify hazards and controls, so that all jobs are carried out safely.
- Leadership: all employees and contractors are health and safety leaders, and we demonstrate our commitment through each individual's responsible behaviour.
- Contractor management: our contractors are an integral part of our safety team and culture, and we work together to improve.
- Reporting, research and learning from our accidents: we share good practices and learn from our mistakes.

For more details see Sharing the benefits on **page 107**

5. We have implemented technical and safety standards and procedures for slope geotechnical, tailings management, underground mining and process safety.
6. We are advancing the automation of hazardous processes.
7. The critical controls that reduce risk in the business units are periodically updated and improved through inspections and performance evaluations, which are carried out by the safety team, external auditors such as 'Real Safety' and by government authorities such as the Ministry of Labour and PROFEPA.

For more details see Safety on **pages 69-82**

Link to strategy

3 4

Risk appetite

Low

Risk owner

- Safety
- Human Resources

Risk oversight

- HCSER Committee

Behaviour

Increasing

Risk rating (relative position)

2025: High (5)
2024: High (10)

6 ACCESS TO LAND
(FULL ACCESS TO PLOTS OF LAND)

Risk description

Significant failure or delay in accessing surface land above our mining concessions and other lands of interest is a permanent risk to our strategy and has a potentially high impact on our objectives.

The biggest risk is failing to gain full control of the lands where we explore or operate.

Possible barriers to access to land include:

- Increasing landowner expectations.
- Refusal to comply with the terms of previous land acquisitions and conditions regarding local communities.
- Influence of multiple special interests in land negotiations.
- Conflicts regarding land boundaries, and the subsequent resolution process.
- Succession problems among landowners resulting in a lack of clarity about the legal right to own and sell land.
- Risk of litigation, such as increased activism by agrarian communities and/or judicial authorities.
- Presence of indigenous communities in proximity to lands of interest, where prior and informed consultation and consent of such communities are required.

Factors contributing to risk

The new mining law complicates efforts to regularise access to land and the procedures for obtaining new permits.

It is becoming increasingly difficult to negotiate land prices, with landowners demanding more money and benefits for access to land.

Social insecurity prevailing in the regions where our mining interests are located may not allow the necessary work to be carried out to demonstrate the minimum investments required by law, leading to the possible cancellation of the concession.

The Federal Government is continuing its policy of not granting new mining concessions.

Controls, mitigating actions and outlook

1. We undertake meticulous analysis of exploration objectives and construction project designs to minimise land requirements.
2. Initiatives undertaken to secure access to land in areas of strategic interest or value include:
- Judicious use of lease or occupation contracts with purchase options, in compliance with legal and regulatory requirements.
- Early participation of our community relations teams during the negotiation and acquisition of socially challenging objectives.
- Strategic use of our social investment projects to build trust.
- Close collaboration with our land negotiation teams, which include specialists hired directly by Fresnillo and provided by Peñoles as part of the service agreement.

3. We perform ongoing reviews of the legal status of our land rights, identifying certain areas of opportunity and continuing to implement measures to manage this risk on a case-by-case basis. Such measures include, wherever possible, negotiations with agricultural communities for the direct purchase of land.
4. We use mechanisms provided for in agricultural law as well as other legal mechanisms under mining legislation that provide greater protection for land occupation.
5. We negotiate carefully with the government on concessions with geological mining interest that have already been granted.

Link to strategy

Risk appetite

Low

Risk owner

- Legal Department
- Community Relations

Risk oversight

- Audit Committee

Behaviour

With attention

Risk rating (relative position)

2025: High (6)
2024: Medium (6)

MANAGING OUR RISKS AND OPPORTUNITIES CONTINUED
RESPONSE/MITIGATION TO OUR RISKS

7 PROJECTS
(PERFORMANCE RISK-GREENFIELD PROJECTS)

Risk description

The pursuit of advanced exploration and project development opportunities is essential to achieving our strategic goals. However, this carries certain risks:

- Current or new government regulations that obstruct, limit or restrict the granting of mining concessions; delay or failure to obtain permits, licences, authorisations, etc.
- Economic viability: the impact of the cost of capital to develop and maintain the mine; future metals prices; and operating costs throughout the mine's life cycle.
- Access to land: a significant failure or delay in land acquisition has a very high impact on our projects.
- Delivery risk: projects can exceed budget in terms of cost and time; they cannot be built according to the required specifications or there may be a delay during construction; and major mining teams cannot be delivered on time.
- Other uncertainties such as: fluctuations in the degree of ore and recovery; unforeseen complexities in the mining process; poor quality of the ore; unexpected presence of groundwater or lack of water; lack of energy, lack of community support; and inability or difficulty in obtaining and maintaining the required building and operating permits.

The following risks relate specifically to prospective projects in Chile and Peru:

- Government instability, especially in Peru.
- Potential actions by the government (political, legal, regulatory and tax).
- Security.
- Licence to operate (community relations)
- Access to water (national regulation and geographic complications).
- Environmental compliance.
- Competition for land (threat from green power generation companies, for example thermosolar).
- Informal mining.
- Industrial safety compliance (National Geological and Mining Service SERNAGEOMIN).
- Increased mining taxes and fees.

Factors contributing to risk

In 2025, progress on projects was hampered by the government's failure to issue permits and licences, the presence of organised crime near the projects, a lack of electricity and diesel fuel, a shortage of water, and the lack of full land rights.

Prohibition of new open-pit mining concessions.

Uncontrolled increases in the costs of critical inputs directly affecting the planning and progress of projects.

In some regions there are no specialised contractors or contractors with the technology to develop the projects.

Contractor productivity may be lower than anticipated, causing delays in the programme.

Increase in the number of high impact crimes (homicide, kidnapping, extortion) in the regions of the projects.

We have identified the following threats to project development:

- Insufficient resources for project execution.
- Changes in operational priorities that can affect projects.
- Inadequate management structure for project supervision.
- Delays in obtaining necessary permits for construction and operation.
- Lengthy procedures for land acquisition, electricity supply and water.

Controls, mitigating actions and outlook

1. Our investment assessment process determines how best to manage available capital using the following criteria:
   - Technical: we evaluate and confirm the resource estimate; conduct metallurgical research of mineral bodies to optimise the recovery of economic elements; calculate and determine the investment required for the overall infrastructure (including roads, energy, water, general services, housing) and the infrastructure required for the mine and plant.
   - Financial: we analyse the risk in relation to the return on the proposed capital investments; set the expected Internal Rates of Return (IRR) per project as thresholds for approving the allocation of capital based on the current value of expected cash flows of invested capital; and perform stochastic and probabilistic analyses.
   - Qualitative: we consider the alignment of investment with our Strategic Plan and business model; identify synergies with other investments and operating assets; and consider the implications for safety and the environment, the safety of facilities, people, resources and community relations.
2. The management of our projects is based on the Project Management Body of Knowledge (PMBOK) standard of the Institute of Project Management (PMI). It allows us to closely monitor project controls to ensure the delivery of approved projects on time, within budget and in accordance with defined specifications. The executive management team and the Board of Directors are regularly updated on progress.
3. Each advanced exploration project and major capital development project has a risk record containing the project-specific identified and assessed risks.

Link to strategy

Risk appetite

Medium

Risk owner

- Projects
- Legal
- Community Relations
- Access to Land Department

Risk oversight

- Audit Committee
- The Investment Committee

Behaviour

Increasing

Risk rating (relative position)

2025: High (7)
2024: High (9)

8 GLOBAL MACROECONOMIC DEVELOPMENTS
(ENERGY AND SUPPLY CHAIN DISRUPTIONS, INFLATION AND COST)

Risk description

Geopolitics has the potential to increase trade tensions, affecting rules-based trading systems. Trade measures can impact our markets, operations or key projects, limiting the advantages of being a multinational company with a global presence and leading to increased costs.

Disruptions or restrictions in the supply of critical operating inputs such as steel, cyanide, copper, diesel, transport equipment, oxygen and truck tyres, electricity, diesel and gas, steel, sulphuric acid or mining equipment spare parts (supplied mainly by land transport from the US and by sea from China and Europe) could negatively affect production or increase costs.

Factors contributing to risk

The 2026 review of the USMCA (United States-Mexico-Canada Agreement) which could lead to increased costs or shortages of critical supplies for operations, as well as impacts on labour arrangements.

Indirect impacts of the war in Ukraine and conflict in Latin America due to US policies against drug cartels, especially in Venezuela and Mexico.

Lack of electricity infrastructure of the state-owned company (*Comisión Federal de Electricidad CFE*), which supplies energy in Mexico.

Possible inflation growth in Mexico.

Controls, mitigating actions and outlook

1. We execute operational excellence initiatives to counter inflation and improve margins, and also enhance cost competitiveness by improving the quality of the portfolio.
2. We maintain a rigorous, risk-based supplier management framework to ensure that we engage solely with reputable product and service providers, supported by the necessary controls to ensure the traceability of all supplies (including avoiding any conduct related to modern slavery).
3. To achieve cost competitiveness, we endeavour to buy the greatest possible proportion of our key inputs, such as fuel and tyres, on as variable a price basis as possible and to link costs to underlying commodity indices where this option exists.
4. We are committed to incorporating sustainable technological and innovative solutions, such as using sea water and renewable power when economically viable, to mitigate exposure to potentially scarce resources.

For more details see **Sustainability** at the core of our purpose pages 58-117

Link to strategy

1 2 3

Risk appetite

Medium

Risk owner

- Procurement and contracts
- Operational Comptrollers
- Financial Planning

Risk oversight

- Audit Committee

Behaviour

With attention

Risk rating (relative position)

2025: High (8)
2024: High (5)

MANAGING OUR RISKS AND OPPORTUNITIES CONTINUED
RESPONSE/MITIGATION TO OUR RISKS

9 UNION RELATIONS
(LABOUR RELATIONS)

Risk description

Our highly skilled unionised workforce and experienced management team are critical to sustaining our current operations, executing development projects and achieving long-term growth without major disruption. We are committed to safety, non-discrimination, diversity and inclusion, and compliance with Mexico's strict labour regulations.

The Labour Reform allows the existence of several unions within a company and gives freedom of choice to the employee. This has led to a complex, rare work environment at the Fresnillo mine, with violent clashes between the union and a group of workers seeking to register a new independent union. The risk is that the fighting will continue and worsen, eventually reducing the mine's workforce. There is also a risk that this conflict could spread to other mines.

There is a risk of strikes or illegal work stoppages at some of our mining units by workers who do not agree with profit sharing or some of its benefits, mainly at the Herradura mine.

Factors contributing to risk

In 2026, elections will be held for important union positions in several business units, and the collective labour agreement will be reviewed. This could create tension in the workplace.

We run the risk of an outside union seeking to destabilise the current union.

We could also be adversely affected by national union politics.

Controls, mitigating actions and outlook

1. We remain attentive to any developments in labour or trade union issues. Our executive leadership and the Executive Committee recognise the importance of trade union relations and follow any developments with interest. Our strategy is to integrate unionised personnel into each team in the business unit. We achieve this by clearly assigning responsibilities and through programmes aimed at maintaining close relations with trade unions in mines and at the national level.
2. Long-term labour agreements (usually three years) are in place with all the unions at our operations, helping to ensure labour stability.
3. We seek to identify and address labour issues that may arise throughout the period covered by the labour agreements and to anticipate any potential issues in good time. When appropriate, we hire experienced legal advisors to support us on labour issues.
4. We have increased communication with trade union leaders in mining units to monitor the working environment and conducted a review of the contractual benefits for union members in our mines.
5. We maintain constructive relationships with our employees and their unions through regular communication and consultation. We are proactive in our interactions with trade unions, and their representatives and leaders at various levels of the organisation are regularly involved in discussions about:
   - the future of the workforce.
   - the economic situation facing the industry.
   - our production results.
6. We encourage union participation in our security initiatives and other operational improvements. These initiatives include the Security Guardians programmes, certification partnerships, integration of high productivity equipment, and family activities.

For more details see Our People on **pages 69-82**

Link to strategy

2 3

Risk appetite
Low

Risk owner
- Human Resources
- Legal

Risk oversight
- Audit Committee
- People & Remuneration Committee

Behaviour
Stable

Risk rating (relative position)
2025: High (9)
2024: High (7)

10 HUMAN RESOURCES

(ATTRACT AND RETAIN REQUISITE SKILLED PEOPLE / TALENT CRISIS)

Risk description

Our ability to achieve our operating strategy depends on attracting, developing and retaining a wide range of skilled and experienced people, not only our own employees but also those of our contractors.

Managing talent and maintaining a high-quality workforce in a rapidly changing technological and cultural environment is a key priority for us. Any failure in this regard could negatively impact current operating performance and future growth prospects.

We face multiple risks in the processes of recruiting, hiring, training and retaining talented, skilled and experienced people:

- Sourcing skilled labour in the mining sector has become a major risk, and our industry requires an increasing number of people who are trained and experienced in mining processes.
- Digital and technological innovation has the potential to generate substantial improvements in the Company's productivity, safety and environmental management. There is a risk that our workforce will be unable to transform to the extent necessary or will be resistant to change and unwilling to accept the impact of automation or to acquire new technological skills.
- The lack of reliable contractors with sufficient infrastructure, machinery, performance history and trained personnel is also a risk that could affect our ability to develop and build mine sites.

In addition, contractual terms prohibit us from hiring specialised personnel from business partners or contractors.

Factors contributing to risk

In Mexico, federal labour law is in the process of gradually reducing the working week from 48 to 40 hours. This change is being implemented gradually between 2026 and 2030, without any reduction in salaries, resulting in the need to create an additional shift.

The shortage of skilled and experienced technical labour in the mining industry is leading to increased competition in the regions where we operate. In certain regions, there are not enough candidates with the necessary skills to operate mining equipment.

Several of our business units are located in remote regions with limited and complex access, making it difficult to find skilled labour in those regions.

Evolving societal expectations are putting pressure on our corporate and employer brand: who we are and what we stand for.

Controls, mitigating actions and outlook

1. We enhance the talent of our employees through training and career development, invest in initiatives to broaden the talent pool and are committed to our diversity and inclusion policy. Through these actions we aim to increase employee retention, as well as the number of women, people with disabilities and employees with international experience in the workplace.
2. Our employee performance management system is designed to attract and retain key employees by creating appropriate reward and remuneration structures and providing personal development opportunities. We have a talent management system in place to identify and develop internal candidates for key management positions, as well as to identify suitable external candidates where appropriate.
3. We aim for continuous improvement, driven by opportunities for training, development and personal growth; in short, we focus on fair recruitment, fair pay and benefits, and gender equality.
4. Our goal is to be an employer of choice, and we recognise that in order to be a profitable and sustainable business, we need to create value for our employees and their families. We do this by providing a healthy, safe, productive and team-oriented work environment that not only encourages our people to reach their potential but also supports process improvement.
5. A renewed approach to talent management has been implemented in the human resources areas of the business units. This ensures that all our employees have a meaningful conversation about their performance, motivations and experience, as well as a quality development plan that enables them to acquire the skills and experience they need for the future.
6. Employees who live far away from the business units are permanently supported with transportation, medical care for them and their families, health and nutrition programmes with access to high quality food, and support with clothing and accessories to protect them from changes in the weather.
7. A global graduate programme and strategic partnerships are in place to establish mutually beneficial relationships with universities and schools specialising in mining and geology.
8. We have established local internship training programmes as well as other future skills development partnerships.
9. We have continued our performance appraisal process, reinforcing formal feedback. We promote certification of key technical competencies for operational staff and have implemented a leadership and management competency development programme for required positions. We develop our high-potential middle managers through the Leaders with Vision programme.
10. Ongoing training workshops are held for staff by business partners and contractors, focusing on new technologies and best practices in the mining industry. Our partners include Caterpillar, Matco, Epiroc, Robbins and Sandvik, among others.

For more details, see Our people on pages 69-82

Link to strategy

1 2 3 4

Risk appetite

Medium

Risk owner

- Human Resources

Risk oversight

- Audit Committee
- People & Remuneration Committee

Behaviour

Stable

Risk rating (relative position)

2025: High (10)
2024: High (8)

MANAGING OUR RISKS AND OPPORTUNITIES CONTINUED
RESPONSE/MITIGATION TO OUR RISKS

11 LICENCE TO OPERATE
(COMMUNITY RELATIONS)

Risk description

Locally and globally, the mining industry's stakeholders have high expectations relating to social and environmental performance. These expectations go beyond the responsible management of negative impacts to include continuous engagement and contribution to stakeholder development.

Failure to adequately address these expectations increases the risk of opposition to mining projects and operations. Negative sentiment towards mining or specifically towards Fresnillo plc could have an impact on our reputation and acceptability in the regions where we have a presence.

We monitor the following risks:

- Negative perception of the Company's social and environmental performance.
- Failure to identify and address legitimate concerns and expectations of the community and of society at large.
- Insufficient or ineffective engagement and communication.
- Failure to contribute purposefully to community development.

Factors contributing to risk

Higher expectations and scrutiny of social and environmental performance.

Increasing expectations of shared benefits associated with land agreements.

Perceived competition for access to natural resources, notably water.

Significant reduction in government spending on community infrastructure, development programmes and services.

Anti-mining activism fuelling opposition to our industry.

Community concerns about insecurity, access to water and the environmental impact of our operations.

Controls, mitigating actions and outlook

1. We hold regular meetings with key community stakeholders to share information about the company, and its social and environmental practices.
2. An internet communication channel was implemented in 2025 which makes it possible to capture concerns from the community, with cases remaining anonymous if requested. This initiative has extended our ability to interact virtually with communities as effectively as we do when issues are raised in-person. The module is proving especially valuable in instances where people are using digital technology to explore our company and key issues.
3. We closely monitor threats and opportunities in the communities associated with our operations by maintaining constant and direct contact with the leaders of each business unit, by carrying out social studies and media monitoring, and through our complaints and claims process.
4. Governance over the complaints process is improving every year. Complaints are received, assessed and managed, involving line managers, while dissatisfied stakeholders are kept informed of the status of each case, until satisfactory closure agreements are reached.
5. We deploy social programmes in the communities near the business units, including support for schools, clinics and health, the supply of medicines, nutrition and food, as well as maintenance of roads and bridges and water supply.

For more details see Communities **pages 104-110**

Link to strategy

1 2 3 4

Risk appetite

Medium

Risk owner

- Community Relations
- Human Resources

Risk oversight

- HSECR Committee

Behaviour

Stable

Risk rating (relative position)

2025: Medium (11)
2024: Medium (11)

12 EXPLORATION
(NEW ORE RESOURCES)

Risk description

We are highly dependent on the success of the exploration programme to meet our strategic value-creation targets and our goals for long-term production and reserves.

Maintaining a reasonable investment in exploration, even when metals prices are low, has been our policy through the years. While continuous investment has always been a hallmark of our exploration strategy, replenishing exploited reserves and increasing our total amount of resources could be a challenge in the future.

The growing level of insecurity, a more challenging land access scenario, and delays in obtaining government permits detailed previously, translate into a longer timeframe to deliver new discoveries and improve the category of resources. In addition, difficulties in obtaining new mineral concessions could hamper exploration in new target areas.

Factors contributing to risk

In Mexico, the mining legislation enacted in 2024 establishes that exploration activities in new concessions will be carried out only by the Mexican Geological Survey assigned to the Ministry of Economy.

New concessions would be granted through a bidding process following exploration orders submitted to the Service. However, pre-existing concessions may continue to be explored by their holders and may be commercialised upon authorisation by the federal Ministry of Economy. Fresnillo plc's concessions will allow the company to continue its brownfield and greenfield exploration programmes, at least in the medium term. Access to new concessions will be difficult.

This year, the exploration programme has been complicated and delayed mainly for the following reasons:

- Restrictions on new mining concessions.
- Delays in procedures regarding access to land.
- Presence of organised crime (insecurity) in the regions where we have projects and exploration camps.
- Delays and failures to obtain permits and licences from government authorities.
- Increased exploration costs.
- In Chile, risk factors include: lack of water in the Atacama Desert in the north and possibility of conflict with forestry or agricultural interests in the south; overall higher costs compared to those in Mexico; seasonal restrictions to exploration in the High Andes; scarcity of open grounds for staking; poor infrastructure in remote zones; the presence of anti-mining communities or NGOs; and strong competition for mining claims and staff.
- In Peru, the main risk factors include: the long lead time required to obtain social permits (emphasising the need for strong community relations teams and programmes); delays in obtaining government permits; poor infrastructure in mountainous regions; the presence of anti-mining communities or NGOs; and the possibility of invasion by illegal miners.

Controls, mitigating actions and outlook

1. Increasing regional exploration drilling programmes to intensify efforts in the districts with high potential.
2. Carrying out aggressive local exploration drilling programmes to upgrade the resources category and convert inferred resources into reserves.
3. A team of highly trained and motivated geologists, including both employees and long-term contractors.
4. Advisory technical reviews by international third-party experts and routine use of up-to-date and integrated GIS databases, cutting edge geophysical and geochemical techniques, large to small scale hyperspectral methods, remote sensing imagery, and analytical software that identifies favourable regions for field-checking by the team.
5. The maintenance of a pipeline of drill-ready high priority projects.

For more details see Our Strategy on **pages 12-17**

Link to strategy

Risk appetite

High

Risk owner

- Exploration
- Projects
- Legal

Risk oversight

- The Board
- The Investment Committee

Behaviour

Stable

Risk rating (relative position)

2025: Medium (12)
2024: Medium (12)

MANAGING OUR RISKS AND OPPORTUNITIES CONTINUED
RESPONSE/MITIGATION TO OUR RISKS

13 CLIMATE CHANGE

Risk description

The mining industry is highly exposed and sensitive to climate change:

- Societal responses to the transition to a low-carbon economy include stricter regulations to reduce emissions, a transformation of the global energy system, changes in behavioural and consumption choices, and emerging technologies.
- Our operations and projects are expected to face severe physical risks from extreme weather events, such as high temperatures, drought and extreme rainfall from more frequent and intense hurricanes in the Pacific Ocean. These potential natural disasters can affect the health and safety of our people, damage access roads and mine infrastructure, disrupt operations and impact our neighbouring communities.

The most significant risk we currently face relates to compliance with all provisions and requirements of international agreements to reduce pollution and greenhouse gas emissions, and regulatory disclosure standards in both Mexico and the UK.

In addition, the mining industry is also expected to face chronic risks in the coming years, such as rising temperatures, which may increase our demand for water, or a decrease in annual rainfall, which is certain to exacerbate water stress in the regions where we operate. These outcomes may also intensify competition for access to water resources, increasing the risks to our social licence to operate.

Factors contributing to risk

Burning fossil fuels adds greenhouse gases to the atmosphere, increasing the greenhouse effect and global warming.

Deforestation by industrial logging in areas where we have operations and projects adds greenhouse gases to the atmosphere.

Increased temperatures in desert areas where we operate can worsen air quality and have effects on respiratory and cardiovascular health.

Changes in weather patterns can worsen air quality and cause respiratory and cardiovascular issues.

Forest fires near units where we have operations or projects generate smoke and other air pollutants harmful to health.

Oil and gas extraction is a major source of CO_2 pollution.

Increasing farming of livestock such as cows and sheep produces large amounts of methane when the animals digest their food.

Controls, mitigating actions and outlook

1. Understanding the exposure of each asset through assessment programmes, such as our critical risk assessment and asset integrity assurance programme, and climate change resilience assessments with support from external consultants such as PWC, Marsh and Zurich.
2. Maintaining business resilience plans and emergency response plans together with training and annual exercises help us to prepare for a natural disaster, for example by deploying established communication plans and coordination with local, regional and state agencies.
3. Using the latest generation of climate analyses (weather forecasts, climate outlooks, modelling and disaster projections) to obtain quantitative information on short-, medium- and long-term physical climate risks.
4. Applying protection principles rather than a compliance-based approach across our operations, fostering proactive relationships with international civil society organisations, governments and environmental departments to support protective legislation.
5. Actively supporting and reporting on our practices in relation to the commitments in the International Council on Mining and Metals statement on water management.

Link to strategy

Risk appetite

Medium

Risk owner

- ESG Department
- Legal Department

Risk oversight

- HSECR Committee

Behaviour

Stable

Risk rating (relative position)

2025: Medium (13)
2024: Medium (13)

14 TAILINGS DAMS
(OVERFLOW OR COLLAPSE OF TAILINGS DEPOSITS)

Risk description

Ensuring the stability of our tailings storage facilities (TSFs) during their entire lifecycles is central to our operations. A failure, collapse or overtopping of any of our TSFs could result in fatalities, damage to the environment, regulatory violations, reputational damage and disruption to the quality of life of neighbouring communities as well as our operations.

Before constructing a dam, we conduct a series of studies to confirm the suitability of the area. These studies include geotechnical, geological, geophysical, hydrological, hydrogeological, and seismic analyses. Before construction begins, the Ministry of Environment and Natural Resources (SEMARNAT), through the Federal Office for Environmental Protection (PROFEPA), conducts several assessments.

Most of our currently operational facilities were designed and constructed under local and national controls and standards. Following investigation, re-design, and construction processes during the last four years, they also comply with our new tailings management policy and guidelines.

Obtaining permits, licences and certifications from the government to be able to operate TSFs is a risk due to the time involved in carrying out these procedures, together with any legal complications. Planning new TSFs with the necessary time and to international standards is also a risk, due to the limitations of the land around our mines and the costs and time involved in construction. If we fail to manage these in a timely manner, we run the risk of disrupting the operation.

Factors contributing to risk

The climate in recent years has become harsher in the regions where we operate, for example with more severe and prolonged rainfall, more intense air that degrades the geomembrane liners, snowfall, and frost that complicates the operation, among other issues.

Controls, mitigating actions and outlook

1. The Global Industry Standard on Tailings Management (GISTM) was published in 2020 and is best practice. We understand the value and importance it brings to our industry, and we continually review and assess the impact of compliance. Taking GISTM into account, we have updated our risk assessment methods with a focus on more detailed risk identification, failure modes, and controls to avoid catastrophic failures.
2. We launched a new tailings policy in 2023, based on industry best practices, reinforcing our commitment to the safety and health of our workforce, communities, and the environment. Every year, internal audit and external auditors specialised in tailings dams, such as Hawcroft Consulting and Knight Piésold Consulting, check our compliance with the policy.
3. Catastrophic failures of TSFs are unacceptable and their potential for failure is evaluated and addressed throughout the life of each facility. We manage our TSFs in a manner that allows the effectiveness of their design, operation and closure to be monitored at the highest levels of the Company:
- Our TSFs are constantly monitored, and all relevant information is provided to the authorities, regulating bodies, and the communities that could be affected.
- We manage our TSFs using data, modelling, and construction and operating methods validated and recorded by qualified technical teams and reviewed by independent international experts, whose recommendations we implement to strengthen the control environment.
- Risk management includes timely risk identification, control definition, and verification. Controls are based on the consequences of the potential failure of the TSFs.

4. In 2025 we continued initiatives to align our governance practices with current best practices:
- Updating the inventory of TSFs and validating the data log.
- Reviewing findings of the Independent Tailings Review Panel (ITRP) and prioritising recommendations arising from inspections.

For more details see Tailings and mineral waste management on **pages 98-99**

External sources of confidence

- Compliance with the Independent Tailings Review Panel (ITRP) annual review programme. This panel is comprised of renowned international experts.
- Periodically, we are inspected by the ITRP, which issues corrective and preventive recommendations to ensure that the tailings dams remain in good condition. In 2025, the ITRP visited all Fresnillo plc tailings dams.

Link to strategy

4

Risk appetite

Low

Risk owner

- TSF's Department
- Safety & Environmental Department

Risk oversight

- HSECR Committee
- Executive Committee

Behaviour

Stable

Risk rating (relative position)

2025: Medium (14)
2024: Medium (14)

MANAGING OUR RISKS AND OPPORTUNITIES CONTINUED
RESPONSE/MITIGATION TO OUR RISKS

15 ENVIRONMENTAL INCIDENTS
(CYANIDE SPILLS AND CHEMICAL CONTAMINATION)

Risk description

Environmental incidents are an inherent risk in our industry. These incidents include possible cyanide spills and dust emissions, which could have a high impact on our people, communities and businesses. We seek to achieve operational excellence to ensure that our employees and contractors go home safe and healthy, and that there are no adverse impacts on the communities and the environment where we operate.

An operating incident that damages the environment could affect both our relationship with local stakeholders and our reputation, reducing the social value we generate.

We continue to be alert to the following risks:

- Cyanide management.
- Impact on the environment through erosion/deforestation/forest loss or disturbance of biodiversity because of the operations of the business unit or project activities.
- An event involving a leak or spill of cyanide or SO_2, which due to its chemical properties could generate an event of major consequence on the premises of the business unit and/or in the nearby area.

Environmental issues directly related to climate change and tailings storage are considered in our specific principal risks 'Climate Change' and 'Tailings dams'.

Factors contributing to risk

Climate change in the regions where we operate is beginning to increase the risk of incidents impacting the environment, mainly due to more extreme rainfall.

We operate in challenging environments, including forests and agricultural areas in Chihuahua and Durango, and also the Sonora Desert, where water scarcity is a key problem.

Disruptions and lack of supply of critical inputs for the operation.

Failure to address the recommendations of external audits, especially those related to the environment.

Controls, mitigating actions and outlook

1. We work to raise awareness among employees and contractors, providing training to promote operational excellence.
2. The potential environmental impact of a project is a key consideration when assessing its viability, and we encourage the integration of innovative technology in the project design to mitigate such impacts.
3. We have an environmental management system in place. We have strengthened the regulatory risk pillar of this system, incorporating monthly updates of environmental regulations. Furthermore, we now regularly monitor the environmental authority inspection processes to assure compliance with our environmental commitments and action plans.
4. Each site maintains updated environmental emergency preparedness and detailed closure plans with appropriate financial provisions to ensure physical and chemical stability once operations have ceased.

For more details see Environment on pages 83-103

5. We comply with international best practices as promoted by the International Cyanide Management Institute (ICMI) and the Mexican standard NOM-155SEMARNAT-2007, which establishes environmental requirements for gold and silver leaching systems.

For more details see Cyanide Management on page 99

External sources of confidence

Fresnillo, Saucito, Herradura and Noche Buena are ISO 14001 and ISO 45001 certified.

In addition, Fresnillo and Saucito achieved the badge of environmental excellence issued by the Environmental Protection Attorney's Office (PROFEPA).

Our Herradura and Noche Buena leaching operations comply with the Cyanide Code issued by the International Cyanide Code Institute with the respective certification.

Link to strategy

4

Risk appetite

Low

Risk owner

- Safety & Environmental Department

Risk oversight

- HSECR Committee

Behaviour

Stable

Risk rating (relative position)

2025: Medium (15)
2024: Medium (15)

2025 LONG-TERM VIABILITY STATEMENT

Based on their assessment of prospects and viability, the Directors confirm that they have the expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next five years.

In accordance with provision 31 section 4 of the UK Corporate Governance Code, considering the Group's current position and its principal risks for a period longer than the 12 months required by the going concern statement, management prepared a viability analysis which was assessed by the Board for approval.

As discussed above, we closely monitor and assess the impact of key principal and emerging risks on our long-term prospects and, where possible, proactively build response plans into our investment decisions.

Our long-term planning reflects our business model of running our business in ways that are safer, smarter and more sustainable. To ensure we remain resilient in the long term, our business model is continuously stress tested against the key uncertainties within the emerging risks, with recommended actions to mitigate potential downside.

The Directors reviewed the viability period and confirmed the suitability of a five-year period to December 2030. This period aligns with the mining industry's typical planning cycle and with the Company's five-year forecast period normally used to evaluate liquidity and contingency plans. It allows us to model capital expenditure and development programmes planned during the timeframe and reflects cash flows generated by the projects currently under development. Due to the long business cycles in our industry, the Directors considered that a shorter period would be insufficient.

Reporting on the Company's viability requires the Directors to consider those principal risks that could impair the solvency and liquidity of the Company. In order to determine those risks, the Directors robustly assessed the Group-wide principal risks and operation-specific risks by undertaking consultations with executive management, mine managers and other personnel across our operations. These consultations also enabled the Directors to identify low probability, high loss scenarios – 'singular events' – with the potential magnitude to severely impact the solvency and/or liquidity of Fresnillo.

To assess the Group's viability, the Directors identified that of our principal risks, the following are the most important:

- **Potential actions by the government**, which could include the withdrawal of concessions, permits and licences, particularly the withdrawal of permits for the storage and handling of explosives at mining units.
- **Security**, particularly the theft of explosives at one of our business units with high rates of high impact crime and theft.
- **Impact of metals price and exchange rates**, especially the volatility of gold and silver prices over a period.
- **Safety**, risk scenarios involving fires, explosions, severe flooding and fatalities.
- **Union relations**, the possibility of an illegal work stoppage or disruption of operations by unionised workers especially at the La Herradura mine.
- **Climate change**, the effects of winter storms and torrential rains.
- **Tailings dams**, in particular the failure, collapse or overtopping of a tailings dam.
- **Environmental incidents**, the possibility of spills of toxic substances into the environment and as a risk associated with others that would have a severe impact, e.g. tailings dams.

Having determined that none of the individual risks would in isolation compromise the Group's viability, the Directors went on to group principal risks into the following severe but plausible scenarios, in each case determining the risk proximity (how soon the risk could occur) and velocity (the speed with which the impact of a risk could be felt):

Scenario 1: Impact of metals prices. Our model assumes that prices for gold and silver in 2026 fall to US$2,562 per oz and US$32 per oz respectively. We further assume that precious metals prices remain at a low level for the following four years of the viability period, varying between US$4,000 – US$2,562 per gold oz. and US$55 – US$32 per silver oz.

To create an impartial projection for a future environment of low metals prices, the Directors used an average of the three lowest forecasts for each year of the assessment, based on consensus estimates published by institutional financial analysts. This environment was deemed to be the most significant risk, and pervasive across the Company. (Principal risk.)

Scenario 2: Bench collapse at an open pit mine. A landslide occurs covering the lower pit of La Herradura mine. Due to the unexpected nature of the event, fatalities occur. Production is gradually ramped back up and re-established to full capacity. (Singular event.)

Scenario 3: Tailings deposit breach at a mine. A tailings deposit collapses and tailings are released into the surrounding area, causing environmental damage. A fund is created by the Company to be used to remediate and compensate for any damage caused. The investigation into the causes of the event is drawn out and further time is required before all environmental permits are reinstated. As a result, the mine remains closed throughout the viability assessment period. (Principal risk.)

Scenario 4: Flooding at a mine. A failure occurs in the rock mass of the Saucito mine that contains excess water, which causes a strong entry of water into the mine above the pumping capacity, thus stopping production in one of the main areas. This situation causes the loss of permits, additional costs and expenses, and reputational damage. Recovery to pre-event production levels begins once management determines it is safe to do so. (Singular event)

Scenario 5: Action by the government at a mine. Explosives are stolen in Fresnillo mine, causing the authorities to suspend the mine's explosives permit. Production is halted while an investigation into the matter is completed. Once permits have been restored, production ramps back up to pre-event levels. (Principal risk.)

2025 LONG-TERM VIABILITY STATEMENT CONTINUED

Scenario 6: Fire in a process plant. A major fire breaks out at the Veins plant at the San Julián mine, causing diverse damage to operating equipment, significant business interruption and loss of licences and permits, as well as reputational and environmental damage. (Singular event.)

Scenario 7: Total power failure at a mine. Power is totally lost at San Julián mine due to a severe winter storm in the Chihuahua and Durango region, resulting in business interruption, additional costs, and failure to meet established objectives and targets. (Singular event.)

Scenario 8: Strike breaks out over union disagreements. Due to differences in profit sharing and other demands of unionised employees, a long-lasting strike breaks out in the La Herradura mine, causing business disruption, additional costs and expenses, reputational damage and complications with communities near the mine. (Principal risk.)

The hypothetical scenarios above are 'extremely severe' to create outcomes that could threaten the viability of the Group. However, multiple control measures are in place to prevent and mitigate any such occurrences and the likelihood of these risks materialising is very low. Should any of these scenarios take place, various options are available to the Company to maintain sufficient liquidity to continue in operation, including the deferral of capital and/or exploration expenditure. When quantifying the expected financial impact and remediation time required for each of these risks, management performed benchmarking against the Group's own experience and against publicly available information on relevant, comparable incidents in the mining industry.

All scenarios were first evaluated using metals prices based on average analyst consensus. As no mitigations were necessary, it was decided that there was no threat to the viability of the Company. To create a more stringent test and further challenge the resilience of the Group, all scenarios were then overlaid with scenario one (low metals prices) and then re-evaluated.

Even with prices stressed by the impact of precious metals prices, none of the scenarios in the viability assessment turned out to be negative. Of the entire analysis, the lowest level of cash balance was identified in scenario three (US$ 1,543.4 million), with a positive balance. This is explained by the fact that in 2025, the Company closed the financial year with a cash balance of US$2,756.5 million, which goes a long way towards addressing the impacts of these types of risks should they materialise.

Risk management and internal control systems are in place throughout the Group. The internal control systems enable the Directors to monitor key variables that could impact the liquidity and solvency of the Group. We are confident that management can sufficiently mitigate any situations as they might occur.

Our risk mitigation and control measures include a Crisis Committee, while the Board would also be briefed and convened as necessary, to respond to events as they develop. At each level of our organisation, we have appointed dedicated personnel responsible for media management and engaging with authorities and other stakeholders, depending on the magnitude of the crisis.

Based on the results of this robust analysis and having considered the established controls for the risks and the available mitigating actions, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the five-year period of their detailed assessment. This longer-term assessment process supports the Directors' statements on both viability, as set out above, and going concern.

GOING CONCERN STATEMENT

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out above in the Strategic Review on pages 1-146. The financial position of the Group, its cash flows and liquidity position are described in the Financial Review on pages 47-55. In addition, note 31 to the financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

In making their assessment of the Group's ability to manage its future cash requirements, the Directors have considered the Company and Group budgets, and the cash flow forecasts for the period to 31 December 2027 (being the going concern assessment period). In addition, they reviewed a more conservative cash flow scenario using lower silver and gold prices of US$37.2 /Oz and US$2,549 /Oz respectively throughout this period, while maintaining current budgeted expenditure while only considering projects approved by the Executive Committee. This resulted in our current cash balances reducing over time but maintaining sufficient liquidity throughout the period.

The Directors have further calculated metals prices for a reverse stress test (US$20.0 /Oz and US$1,570 /Oz for silver and gold respectively), which are assumed to be maintained until the end of 2027. This would result in cash balances decreasing to minimal levels by the end of 2027, without applying mitigations and not using the revolving credit facility.

Should metals prices remain below the stressed prices above for an extended period, management has identified specific elements of capital and exploration expenditure which could be deferred without adversely affecting production profiles throughout the period. On the other hand, management could amend the mining plans to concentrate on production with a higher margin to accelerate cash generation without affecting the integrity of the mine plans. Finally, to maintain a strong liquidity, in January 2024 management acquired a committed revolving credit facility of US$350 million, which could be used if needed.

After reviewing all of the above considerations, the Directors have a reasonable expectation that management has sufficient flexibility in adverse circumstances to maintain adequate resources to continue in operational existence for the foreseeable future. The Directors, therefore, continue to adopt the going concern basis of accounting in preparing the annual financial statements.

NON-FINANCIAL INFORMATION STATEMENT

This section of the Strategic Report constitutes Fresnillo plc's Non-Financial Information Statement, produced to comply with sections 414CA and 414CB of the Companies Act. The information listed is incorporated by cross-reference.

Non-Financial information	Policies and guidelines	Outcomes	Principal risk	KPIs
Environmental matters		• Environment section pages 83-103	• Tailings and Environmental incidents. • Climate change	• GHG emissions. • GHG intensity. • Energy intensity. • Mining & metallurgical waste. • Water withdrawal. • Water intensity.
Company's employees	• Sustainability[1]. • Code of Conduct[2]. • Recruitment, selection and training of personnel[3].	• Our People section pages 69-82. • Safety section pages 74-79. • Organisational Culture section page 64-66. • Occupational Health section page 80-82.	• Security. • Safety. • Union relations.	• Labour turnover. • Training hours. • Injury frequency rates. • Cases of Occupational diseases. • Details of number of cases in HR matters. See page 66. • Number of disciplinary actions. See page 111.
Social matters		• How we report sustainability, materiality assessment section on page 61. • Communities section of the ARA, on pages 104-109.	• Access to land. • Licence to operate	• Economic value distributed. • Local employment. • Community investment. • Number of community grievances. See page 105
Respect for human rights	• Sustainability[1]. • Diversity and inclusion[1]. • Code of Conduct[2]. • Harassment Prevention Protocol[3].	• Diversity & Inclusion section on page 71. • Operating labour commissions in each business unit, more information on page 73. • Awareness training sessions in harassement prevention. See page 65	• Human resources.	• Percentage of women. • Diversity in talent attraction. • Gender pay gap.
Anti-corruption and anti-bribery (ABAC) matters	• Anti-bribery and corruption[1]. • Code of Conduct[2]. • Donations and Political Contributions[3]. • Promotional expenses (including gifts policy)[3]. • Third-party Due Diligence[3]. • Government relations[3].	• Governance activities during 2025 included reviews of elements of the ABAC programme, which were presented periodically to the Board and to the Audit Committee. See page 176. • During 2025, we continued performing our third-party due diligence process, completing 188 assessments: 14 were classified as high risk, 50 as medium risk, and 124 as low risk. No third parties were classified as non-recommended or rejected. • Corporate Integrity 500 and World's Most Ethical Companies by Ethisphere rankings See page 65. • Ethics Culture section on page 65.	• Potential actions by the government (e.g. taxes, more stringent regulations).	• Completion rate on training programme for employees. • ABAC policy certification by third parties. • Details of number of cases of alleged inappropriate arrangement with suppliers (some of them related with alleged bribes). See page 65. • Ethical conduct. See page 65.

1. https://www.fresnilloplc.com/responsibility/our-approach/bribery-and-corruption/
2. https://www.fresnilloplc.com/responsibility/our-approach/code-of-conduct/
3. Public commitment as part of our Code of Conduct, detail on our stance and procedures available in our intranet policy site.

The Strategic Report which is set out on pages 1 to 146 has been approved by the Board of Directors of Fresnillo plc

Signed on behalf of the Board

Alberto Tiburcio
Director

2 March 2026

THE CHAIRMAN'S LETTER ON GOVERNANCE 2025

ALEJANDRO BAILLÈRES

"Strategically, 2025 has been a year of challenge and opportunity and the Board played a key role in ensuring that the Company's responses were well considered."

Dear shareholder,

Last year, I introduced the Governance Section of our annual report by focusing on the actions that the Board had taken to improve the effectiveness of our governance arrangements during 2024. By contrast, 2025 has been a year during which the attention of the Board has been more oriented towards wider business matters. This was partly because of the opportunities presented by strong precious metals prices but also due to a number of geo-political and other challenges that continued to require our vigilance. In this letter, I would like to highlight some of the areas where the Board's engagement with these issues has contributed to Fresnillo's development during the year.

Governance and strategy

Strategically, 2025 has been a year of challenge and opportunity and the Board, supported by a structure that combines Independent and Non-Independent Directors, played a key role in ensuring that the Company's responses were well considered.

In the months prior to the October announcement of Fresnillo's intention to acquire Canadian exploration company Probe Gold Inc., the Board formed a special committee comprising both Independent and Non-Independent Directors. This committee met several times to evaluate the alignment of the proposed transaction with the Company's strategy, given its primary focus on Mexico. It also sought specialist input from the executive team to satisfy itself and the Board that the transaction would meet the criteria previously established by the Board to ensure that any acquisition fulfils the Company's financial and operational objectives.

The Board's decision in July 2025 to terminate the Silverstream Agreement, which was entered into with Peñoles in 2008, is another example of the Board's structure facilitating its review of strategic options. To ensure that the interests of the Company's minority shareholders were safeguarded, the Independent Directors were asked to examine the proposed transaction and the reasonableness of the consideration payable. After evaluating independent advice from BofA Securities, they were able to conclude that the valuation offered for the buy-back of the Silverstream Agreement was fair and in the best interests of Fresnillo's shareholders, despite the considerable challenges identified during the evaluation process. Our Senior Independent Director, Dame Judith Macgregor, explains more about the work of the Independent Directors in her report on page 161.

Governance and risk

While our Audit Committee takes the lead in monitoring the Company's risk management and internal controls framework, the Board as a whole has also allocated time to review the work of the executive team in these important areas. Such reviews have been driven by recent events, for example, the maturity of the Company's cybersecurity arrangements has continued to be a regular topic for Board discussion during 2025; as has long-term planning in the case of our Enterprise Resource Planning (ERP) implementation programme. The Board received regular briefings both directly and via the Chairman of the Audit Committee on the processes being put in place to allow the Board to report on the effectiveness of the material controls in future years. More information on the work of the Audit Committee can be found on pages 167 to 179.

Governance and stakeholders

The Board's three-day Working Meeting in July, which included a visit to the Herradura Mine, was an opportunity for members to discuss the main concerns of Fresnillo's key stakeholders, particularly the workforce and local communities. Presentations from the Company's advisers setting out investor perspectives on the Company's performance and strategic options were helpful in informing subsequent Board discussions and decisions. More information about the Board's programme of activity and areas of focus during the Working Meeting can be found on page 159. The Board performance review carried out by Ceradas during 2025 confirmed the many benefits of holding an annual Working Meeting in enabling the Board to understand and assess the risks and opportunities facing the Company.

Evolution of the Board

In 2024, two new Independent Non-Executive Directors were appointed to the Board and it has been pleasing to see Rosa Vázquez and Luz Adriana Ramirez establishing themselves as valuable contributors to our Board discussions. With Rosa becoming a member of the Audit Committee in March 2025 and Luz Adriana becoming a member of the HSECR Committee in March 2026, we look forward to their further involvement in the work of the Board Committees over the coming years. Also, in March 2025, Georgina Kessel was appointed as a member of the Remuneration Committee and stepped down as a member of the HSECR Committee.

THE CHAIRMAN'S LETTER ON GOVERNANCE 2025 CONTINUED
ALEJANDRO BAILLÈRES

Furthermore, our Board performance review indicated strong levels of satisfaction with the insights and challenge that all our Directors – both Independent and Non-Independent – have brought to the Board's discussions during the year. Last year, we announced that Alberto Tiburcio (who was appointed to the Board in May 2016 and has chaired the Audit Committee since 2018) would stand for re-election as an Independent Non-Executive Director to enable, among other things, the Audit Committee to oversee the execution of some significant developments for which it is responsible. As there is still much to do in relation to the change in auditor in 2027, it will be useful for the Company that he oversees the transition, and the ongoing embedding of changes resulting from Provision 29 of the Code. Given that the Board continues to consider Alberto to be independent in character and judgement, the Nominations Committee has proposed that Alberto should stand for re-election at the 2026 Annual General Meeting as an Independent Non-Executive Director for one further year.

In addition, the Board is recommending the re-election of Dame Judith Macgregor as an Independent Non-Executive Directors at the 2026 AGM, notwithstanding that she will reach the ninth anniversary of her appointment to the Board soon after that AGM. Dame Judith has been scrupulously independent in her role as an Independent Non-Executive Director and, in view of the other Board changes being made this year, we consider that it will be highly beneficial for the Company for her to serve one further year in her role as Senior Independent Director. We will be consulting with shareholders concerning the proposed re-election of both Alberto Tiburcio and Dame Judith Macgregor before publication of the Notice of the meeting for the 2026 AGM.

Looking forward

As a Board, we enter 2026 with a mixture of positive but realistic anticipation. We know that we will need to maintain and build on our progress, but in that pursuit, I am confident that my Board colleagues will continue to provide solid and sound advice to me and the Executive Team. I would therefore like to thank them all for their wisdom and efforts which contributed so much to the work of the Board and its Committees during the year.

I would also like to conclude by expressing my sincere appreciation to our shareholders for their continued support and to all Fresnillo plc's personnel for their hard work and contributions to our collective efforts.

Yours faithfully,

Mr Alejandro Baillères
Chairman of the Board

2 March 2026

GOVERNANCE AT A GLANCE

Governance framework

The Board

The main role of the Board is to set the corporate values which underpin the culture by which the Group continues to operate. The Board is responsible for the supervision of the management of the Group's activities including the implementation of the Group's long-term plans and commercial strategy.

The composition of the Board is structured to ensure that no one individual can dominate its decision-making processes.

For further information on the activities of the Board during the year please see pages **pages 156-157**

The Chair

- Guides and leads the Board.
- Oversees the Group's governance framework.
- Promotes a culture of openness and debate.

The Senior Independent Director (SID)

- Acts as a sounding board for the Chair and intermediary for the other Directors when necessary.
- Is available to shareholders if they have concerns that cannot be resolved through other channels.

The Independent Non-Exectuive Directors (INEDS)

The independent members of the Board engage with management through their participation in the Board Committees.

The Non-Independent Non-Executive Directors (NED)

The non-independent members of the Board by virtue of either (a) having been appointed to the Board by Peñoles pursuant to the Relationship Agreement, (see further details on page 160) or (b) having been appointed for more than nine years and no longer considered by the Board to be independent[1]

The Non-Independent Non-Executive Directors appointed by Peñoles maintain regular contact with the Executive Committee to support and/or challenge as appropriate.

The Non-Executive Directors challenge management in an objective and constructive manner.

The Company Secretary

The Company Secretary, working alongside the Chairman and Management, ensures that the Board has the policies, processes, information, time and resources it needs in order to function effectively. The advice and services of the Company Secretary (whose appointment and removal are matters reserved for the Board) are also available to the Directors. The Board also regularly receives advice on UK corporate governance and legal developments from its UK legal and corporate governance advisors.

The respective responsibilities of the Chairman and the Senior Independent Director are set down in a written statement (which may be found in the Terms of Reference section of the Company's website).

Board Committees

The Board relies on the advice and recommendations provided by the Board Committees. Committee members have the requisite skills and experience to enable their Committee to review and focus on specific topics on behalf of the Board. Each Committee operates within clearly defined terms of references and reports regularly to the Board.

Standing Committees

Nominations Committee

Chair: Alejandro Baillères

The Nominations Committee makes recommendations on the structure, size and composition of the Board and its Committees. This includes succession planning for Directors and other senior executives.

For the Nominations Committee Report see **pages 163-166**

Audit Committee

Chair: Alberto Tiburcio

The Audit Committee is responsible for overseeing all financial reporting, external and internal audits, whistleblowing, related-party transactions, as well as risk and internal control matters.

For the Audit Committee Report see **pages 167-179**

Health, safety, environment and community relations (HSECR) committee

Chair: Arturo Fernández

The focus of the HSECR Committee is to monitor the systems that are in place to oversee the Group's health, safety, environment and community relations activities.

For the HSECR Committee Report see **pages 56-57**

Remuneration Committee

Chair: Alberto Tiburcio

The Remuneration Committee is responsible for oversight of the Group's approach to remuneration and setting the key performance indicators for the Executive Committee.

For the Directors' Remuneration Report see **pages 180-191**

The Executive Committee

Octavio Alvídrez
Chief Executive Officer

Mario Arreguín
Chief Financial Officer

Tomás Iturriaga
Chief Operating Officer Central

Daniel Diez
Chief Operating Officer North

Marcelo Ramos
Vice President of Business Development

Guillermo Gastélum
Vice President of Exploration

The Executive Committee is responsible for the operational leadership and management of the Group and is headed by the Chief Executive Officer.

The responsibilities of the Chief Executive Officer are set down in a written statement which may be found in the Terms of Reference section of the Company's website.

Special Committees

From time to time, the Board establishes special committees consisting of a sub-group of Directors, with a specific, temporary purpose and remit. During 2025, a Special Committee was established to consider in detail aspects of the Probe Gold Inc. acquisition. This Committee met four times.

Ethics Committee (previously the Honour Commission)

The Ethics Committee consists of the Chief Executive Officer, the Human Resources Head, the Internal Audit Director and the General Counsel and Compliance Officer.

The Ethics Committee is responsible for ensuring that ethical business standards within the Group are maintained, principally through its role in reviewing and determining the actions to be taken in response to all matters raised through the Whistleblowing Hotline and other pathways to report misconduct such as fraud, corruption, or illegal activities.

1 The appointments of Charles Jacobs and Fernando Ruiz were made outside the scope of the Relationship Agreement.

BOARD OF DIRECTORS
NON-INDEPENDENT NON-EXECUTIVE DIRECTORS

Alejandro Baillères
Chairman

Appointed: 16 April 2012 as Director and 28 April 2021 as Chairman

B N A H R

3/4[2] 1/1 3/3

Current external listed company directorships

All four of the BAL Listed Entities (as defined below) and Fomento Económico Mexicano S.A.B. de C.V.

Other key current appointments

Mr Baillères is Chairman of Grupo BAL and a member of the Board of Trustees of Instituto Tecnológico Autónomo de México. He is Chairman of the Board of Directors of Centro Cultural Manuel Gómez Morin, A.C.

Key strengths and experience

- Insurance and related financial services in Mexico.
- Broad board-level commercial experience in Mexico.

As Chairman of Grupo BAL and former Chief Executive Officer of Grupo Nacional Provincial (a leading insurance company in Mexico), Mr Baillères brings knowledge and experience of Mexican and international business to his role.

Charles Jacobs
Non-Executive Director

Appointed: 16 May 2014

B N A H R

4/4

Current external listed company directorships

None.

Other key current appointments

Mr Jacobs is co-head of UK Investment Banking at JP Morgan.

Key strengths and experience

- Board and governance experience.
- Rare combination of legal and investment banking experience with a focus on capital markets, mining and metals.

Mr Jacobs' background as the former Senior Partner of global law firm, Linklaters, and head of their mining sector, along with his previous Non-executive Directorships at Investec and the Shanghai International Financial Advisory Council, means he brings 35 years of global experience in governance, mining, and corporate finance, as well as legal and regulatory matters to the boardroom.

Arturo Fernández
Non-Executive Director

Appointed: 15 April 2008

B N A H R

4/4 4/4

Current external listed company directorships

All four of the BAL Listed Entities. and Fomento Económico Mexicano S.A.B. de C.V. (Alternate Director).

Other key current appointments

Mr Fernández is rector and a member of the Board of Trustees of Instituto Tecnológico Autónomo de México and a member of the board of Grupo Financiero BBVA México S.A. de C.V.

Key strengths and experience

- International economics and public policy.
- Directorships of several Mexican companies.

Mr Fernández's career brings together a solid academic economics background, many years' experience within the Mexican public policy arena and broad commercial experience (through board directorships of leading businesses in a number of sectors in Mexico).

2. The Chairman was unable to attend the Board meeting in July 2025 as a result of being requested to attend a high-level government meeting at short notice. Four scheduled Board meetings were held during the year. In October 2025, an additional meeting was held at short notice to discuss and approve the Probe Gold Inc. acquisition. This meeting was attended by all of the Directors except Luz Adriana Ramírez who was unable to attend because of a prior commitment, but discussed her views on the transaction with the Chairman before the meeting.

Fernando Ruiz
Non-Executive Director

Appointed: 15 April 2008

B N A H R

4/4 4/4

Current external listed company directorships

Kimberly Clark de México S.A.B. de C.V. (Alternate Director), Grupo Mexico S.A.B. de C.V. and two BAL Listed Entities (Grupo Nacional Provincial S.A.B., and Grupo Palacio de Hierro S.A.B. de C.V.).

Other key current appointments

Mr Ruiz is a Non-Executive Director of Rassini S.A.P.I de C.V. ArcelorMittal Mexico S.A. de C.V. and Cuatro B Materiales de Construcción, S.A.P.I. de C.V.

Key strengths and experience

- Mexican tax and accounting experience.
- International board and audit committee experience.

Mr Ruiz was, until 2006, managing partner of Chevez, Ruiz, Zamarripa y Cia., S.C., tax advisers and consultants in Mexico and now serves on the board and audit committees of several Mexican and international companies. He has extensive knowledge of Mexican tax and accounting issues.

Eduardo Cepeda
Non-Executive Director

Appointed: 24 June 2021

B N A H R

4/4

Current external listed company directorships

Three BAL Listed Entities, (Industrias Peñoles, S.A.B. de C.V., Grupo Nacional Provincial, S.A.B., Grupo Palacio de Hierro, S.A.B. de C.V.), Bolsa Mexicana de Valores, S.A.B. de C.V. and RLH Properties, S.A.B. de C.V.

Other key current appointments

Mr Cepeda is a Director of Valores Mexicanos Casa de Bolsa, S.A. de C.V. and EnerAB, S. de R.L. de C.V.

Key strengths and experience

- Finance, international markets and banking in the public and private sectors.

Mr Cepeda was President and Senior Country Officer for Mexico City at JP Morgan from 1993 to 2019 and Chief Executive Officer of JP Morgan Wealth Management Latin America, also based in Mexico City from 2009 to 2012. Mr Cepeda has served as Vice President of the Mexican Bank Association and has also been a board member of the Woodrow Wilson International Center for Scholars and a counsellor in several organisations related to culture, education and health.

NOTE
Some Directors hold directorships of some, or all of the following, listed companies. These are all part of the consortium known as Grupo BAL (along with Fresnillo plc, see also page 185: Industrias Peñoles S.A.B. de C.V., Grupo Palacio de Hierro S.A.B. de C.V., Grupo Nacional Provincial S.A.B. and Grupo Profuturo S.A.B. de C.V. In this section, these companies are jointly or individually referred to as the BAL Listed Entities.

Committee membership key

- B Board
- N Nominations Committee
- A Audit Committee
- H Health, Safety, Environment and Community Relations (HSECR) Committee
- R Remuneration Committee
- ◯ Chairman

BOARD OF DIRECTORS
INDEPENDENT NON-EXECUTIVE DIRECTORS

Dame Judith Macgregor
Senior Independent Non-Executive Director

Appointed: 23 May 2017

B 4/4 | N | A | H 4/4 | R

Current external listed company directorships

None.

Other key current appointments

Dame Judith is Vice Chair of the University of Southampton's Governing Council and Chair of the International Strategic Advisory Group to UK Research and Innovation. She is a Member of the Board of Trustees of the University of Cape Town Foundation and the Caradon Lecture Trusts.

Key strengths and experience

- International diplomatic experience.
- Government relations in resource-rich countries.
- International research collaboration.
- Wide-ranging managerial and Equity, Diversity and Inclusion (EDI) experience.

Dame Judith's distinguished career as a British diplomat brings a range of international experience to her role. She has worked closely with and promoted the interests and profiles of UK companies across a wide range of sectors, including the mining sector, in a number of countries including Mexico.

As Senior Independent Director, Judith is available to shareholders if they have concerns that have not been resolved through the normal channels of Chairman, Chief Executive Officer, Chief Financial Officer or Head of Investor Relations.

Alberto Tiburcio
Independent Non-Executive Director

Appointed: 4 May 2016

B 4/4 | N | A 5/5 | H | R 3/3

Current external listed company directorships

Mr Tiburcio is an Independent Non-Executive Director of Fomento Económico Mexicano, S.A.B. de C.V., Coca-Cola FEMSA, S.A.B. de C.V. and two BAL Listed Entities (Grupo Nacional Provincial S.A.B. and Grupo Palacio de Hierro S.A.B. de C.V.).

Other key current appointments

Mr Tiburcio is an Independent Non-Executive Director of Grupo Financiero Scotiabank Inverlat, S.A. de C.V. (a Mexican subsidiary of The Bank of Nova Scotia), Profuturo Afore S.A. de C.V., Transparencia Mexicana, and a member of the Board of Trustees of Instituto Tecnológico Autónomo de México and a non-independent Board Member of Tankroom S.A.P.I. de C.V.

Key strengths and experience

- International and Mexican audit and accountancy and Mexican tax experience.
- Mexican and international board and audit committee experience.

Mr Tiburcio was the Chairman and CEO of Mancera S.C. (the Mexican firm of Ernst & Young LLP) from January 2001 until his retirement in June 2013, having been a partner for more than 30 years. He has served as auditor and advisor to many prestigious Mexican companies and now sits on the boards and audit committees of important Mexican companies and institutions, thus bringing Mexican tax and corporate governance knowledge as well as Mexican and international audit and accounting experience to the Board.

Georgina Kessel
Independent Non-Executive Director

Appointed: 30 May 2018

B 4/4 | N 1/1 | A 5/5 | H | R 2/3[4]

Current external listed company directorships

None.

Other key current appointments

Ms Kessel is a Non-executive Director of Grupo Financiero Scotiabank Inverlat, S.A. de C.V. (a subsidiary of The Bank of Nova Scotia) serving as Chair of the Board and member of the Risk, Audit, Human Resources and Corporate governance Committees. Ms Kessel is also a member of the board of trustees of Instituto Tecnológico Autónomo de México and a non-resident fellow of the Centre on Global Energy Policy of Columbia University.

Key strengths and experience

- Ministerial experience within Mexican government.
- Knowledge of Mexican energy sector.

Ms Kessel has broadened the Board's energy and climate change expertise having served as Minister of Energy from 2006 to 2011 and chaired the Board of Trustees of the Federal Electricity Commission. She has previously held senior board positions at Iberdrola, S.A., Nacional Financiera and the National Bank of Foreign Trade. She also chaired the Board of Directors of Petróleos Mexicanos. Ms Kessel also served as CEO of the National Bank of Works and Public Services. She was previously adviser to the Chairman of the Federal Competition Commission and Head of the Investment Unit at the Ministry of Finance and Public Credit of Mexico.

Guadalupe De La Vega
Independent Non-Executive Director

Appointed: 29 May 2020

B 4/4 | N 1/1 | A | H | R 3/3

Current external listed company directorships

Ms de la Vega is a Director of Sitios Latinoamérica, S.A.B. de C.V.

Other key current appointments

Ms de la Vega is a Director of a number of non-listed companies including Almacenes Distribuidores de la Frontera, S.A. de C.V., Maximus Inmobiliaria, S. de R.L. de C.V., Citibanamex, Coparmex, and Altec Purificación, S.A. de C.V. She is also a Director of ITESM (Tec de Monterrey) EISAC, and member of the Consejo Asesor de Desarrrollo Económico Regional y Relocalización.

Key strengths and experience

- Broad business leadership experience within Mexico and internationally.
- Community and economic development programme leadership within Mexico.

Ms de la Vega has held senior executive roles in a variety of Mexican businesses spanning a range of sectors and she has also been an investor in a number of those companies. She also serves on the boards of educational and cultural institutions and has a strong commitment to small enterprises working in health, economic and community development.

4. Georgina Kessel was appointed to the Remuneration Committee in March 2025 and therefore did not attend the Remuneration Committee Meeting held in February 2025.

Héctor Rangel
Independent Non-Executive Director

Appointed: 24 June 2021

B N A H R

4/4 5/5

Current external listed company directorships

Mr Rangel is an Independent Non-Executive Director of a BAL Listed Entity (Grupo Nacional Provincial, S.A.B.).

Other key current appointments

Mr Rangel is the President of BCP Securities Mexico, a joint venture with BCP Securities LLC, and presently serves on the board of Polyforum Cultural Siqueiros.

Key strengths and experience

- Finance, international markets and banking.

Mr Rangel was the Chief Executive Officer of Nacional Financiera S.N.C. and Banco Nacional de Comercio Exterior and a member of Mexico's cabinet under President Felipe Calderon. Mr Rangel held various executive positions with the Grupo Financiero Bancomer from 1991 until 2008, including Chairman of the Board. Mr Rangel has also been President of the Mexico Bank Association and President of the Mexican Business Council. Mr Rangel served on the Company's Board as an Independent Non-executive Director from April 2008 to January 2009.

Luz Adriana Ramírez
Independent Non-Executive Director

Appointed: 21 May 2024

B N A H R

4/4

Current external listed company directorships

Ms Ramírez has served as an independent director on the Board of Directors of Fibra Mty S.A.P.I. de C.V. (FMTY14) since 2020 and is a member of its Audit and Corporate Practices committees.

Other key current appointments

Ms Ramírez is a Non-Executive Director of Scotiabank Inverlat, S.A. de C.V. (a subsidiary of The Bank of Nova Scotia), and is a member of its Audit and Human Resources committees.

She is also Vice President for the Mexican Association of Executive Women (AMME).

Key strengths and experience

- Commercial, consumer and industrial finance and business.

Ms Ramírez served as Managing Director/Country Manager of VISA in Mexico for almost 11 years.

Ms Ramírez has served as Vice President in the Committee of the Executive Council of Global Companies (CEEG) for six consecutive years. She worked for 18 years at General Electric, within various businesses in the industrial, corporate and financial areas. Ms Ramírez is a dynamic senior executive who is able to draw on a successful career across multiple industries. She is a strong leader, motivating teams to deliver on strategy and objectives.

Rosa Vázquez
Independent Non-Executive Director

Appointed: 21 May 2024

B N A H R

4/4 4/5[5]

Current external listed company directorships

None.

Other key current appointments

Ms Vázquez is an active member of the Risk & Audit Committee and chairs the Sustainability Committee at Bocar Group. Additionally, she serves as an independent Director of Insignia Life, S.A. de C.V., where she chairs the Investment Committee and serves on the Audit Committee.

Key strengths and experience

- Governance, compliance and Regulatory.
- Sustainability.
- Risk and Audit.

Ms Vázquez 30-year professional career began at DuPont. She also served as President and Country Manager of The Chemours Company between 2015 and 2023.

Ms Vázquez was a board member of the ICC International Chamber of Commerce, ANIQ and DuPont-Duwest. She is a strong people leader with a track record of developing talent, motivating teams, and driving engagement, and her experience and technical knowledge adds value to the Board, particularly an orientation to best practices and governance. She holds a degree in Public Accounting from Tec de Monterrey (ITESM), a diploma in Finance from ITAM, as well as a Board Member Diploma from IPADE.

B Board

N Nominations Committee

A Audit Committee

H Health, Safety, Environment and Community Relations (HSECR) Committee

R Remuneration Committee

◯ Chairman

5. Rosa Vázquez was appointed to the Audit Committee in March 2025 and therefore did not attend the Audit Committee meeting held in February 2025.

BOARD OF DIRECTORS
EXECUTIVE COMMITTEE

Octavio Alvídrez
Chief Executive Officer

Appointed: 15 August 2012

Committee membership

Mr Alvídrez is invited to attend Board, Audit Committee, HSECR Committee and Remuneration Committee meetings.

Key strengths and experience

- Mine management within Mexico.
- UK investor relations.
- Group Treasurer.

Mr Alvídrez has extensive experience within the mining industry having previously held the position of General Manager of the Madero mine operated by Peñoles, which is one of Mexico's largest mines. Mr Alvídrez joined the Peñoles Group in August 1988, since then he has held a number of senior operational and financial positions across Peñoles and Fresnillo.

Mr Alvídrez is a former Director of the Lowell Institute for Mineral Resources of the University of Arizona. Mr Alvídrez continues being a Board member, and was a previous President of The Silver Institute. He is a member of the Mexican Mining Chamber and a Vice-president of the Advisory Board of the School of Mines of the University of Guanajuato, Mexico.

Mario Arreguín
Chief Financial Officer

Appointed: 15 April 2008

Mr Arreguín is invited to attend Board and Audit Committee meetings.

- Accountancy and treasury.
- Investment banking.

Mr Arreguín was previously employed by Peñoles where he held the position of Chief Financial Officer for 11 years and Group Treasurer for six years prior to this. Mr Arreguín has a background in investment banking and project management.

Guillermo Gastélum
Vice President of Exploration

Appointed: 1 January 2021

Mr Gastélum is invited to attend Board meetings.

- Senior mining exploration experience in Mexico.
- Geological engineering background.

Mr Gastélum has extensive experience in the Mexican mining sector, most recently as Deputy Director of Northern Exploration at Fresnillo. Prior to this, Mr Gastélum was Regional Manager of Exploration at Peñoles. He started his career with Peñoles 34 years ago. He was appointed as Vice President of Exploration of Peñoles in 2007, having previously served as Subdirector of Exploration for northern Mexico and Chile and Regional Exploration Manager.

Tomás Iturriaga
Chief Operating Officer Central

Appointed: 19 November 2020

Committee membership

Mr Iturriaga is invited to attend Board meetings and on occasions the Audit Committee and HSECR Committee.

Key strengths and experience

- Senior operational experience in Mexico and North America.
- Strong mining background.

Mr Iturriaga brings more than 20 years of professional experience and a significant track record in the mining sector. In May 2018, Mr Iturriaga became Director of Health, Safety, Environment and Community Relations at Peñoles. Prior to joining Peñoles, Mr Iturriaga held several positions at Goldcorp, such as General Manager of Los Filos mine, Chief Operating Officer Mexico and Regional Vice-President and General Manager Mexico. He also held the position of Vice President North American Operations at Capstone Mining Corp in Canada and Vice President of Operations and Country Manager for Mexico of Endeavour Silver Corp.

Daniel Diez
Chief Operating Officer North

Appointed: 1 December 2023

Mr Diez is invited to attend Board meetings and on occasions the Audit Committee and HSECR Committee.

- Senior operational experience in South America, Australia and Pakistan.
- Strong mining background.

Mr Diez brings more than 25 years of sector experience and a broad understanding of the mining industry, acquired through significant corporate, operational and project development roles in Chile, Australia, Pakistan and Brazil. He joined from Gold Fields where he led its Chile operations overseeing the development of the Salares Norte project, a high-grade, gold-silver, open pit deposit situated in the High Andes of northern Chile. Previously he held several senior leadership positions at Yamana Gold. He has also served as Mining Expert (LATAM) at McKinsey & Company and development roles at both Xstrata and Antofagasta. He was a Board member of Minera Alumbrera Ltd. and has also been Chairman of the Board of Directors of MARA a (joint venture between Yamana, Glencore and Newmont) and Minera Alumbrera Limited.

Marcelo Ramos
Vice President of Business Development

Appointed: 30 July 2024

Mr Ramos is invited to attend Board meetings and on occasions the Audit Committee and HSECR Committee.

- Senior business development experience in North and South America, Australia and Asia.
- Strong mining background.

Mr Ramos was appointed to Fresnillo plc in 2024 having previously held the role of Vice President of Business Development at Baluarte Minero (part of Peñoles). Mr Ramos has more than 20 years' of international metals and mining sector experience across different commodities such as gold and base metals, primarily leading M&A activities across different regions including North America, South America, Australia and Asia. Prior to working in Peñoles, he was Vice President of Business Development of Oceana Gold Corporation in Colorado US. Mr Ramos has a Bachelor's degree of Industrial Engineering from the Universidade Federal do Rio de Janeiro, and an MBA from the Alliance Manchester Business School.

UK CORPORATE GOVERNANCE CODE COMPLIANCE STATEMENT

As a commercial company listed on the London Stock Exchange, Fresnillo is required under the FCA UK Listing Rules to comply with the Provisions of the Financial Reporting Council's UK Corporate Governance Code (the Code – a copy of which can be found on the website of the Financial Reporting Council www.frc.org.uk) or otherwise explain its reasons for non-compliance. The following statement is therefore made in respect of the year ended 31 December 2025.

For the financial year ended 31 December 2025 the Company has complied with the provisions of the Code other than as set out below:

- Code Provision 9 provides that 'the chair should be independent on appointment'. Mr Alejandro Baillères, who was appointed as Chairman on 29 April 2021, was appointed to the Board by Peñoles pursuant to the Relationship Agreement (see page 160); thus, at the time of his appointment, he was not independent. Mr Alejandro Baillères is beneficially interested in more than 50% of the share capital of the Company through his interest in Industrias Peñoles S.A.B. de C.V., the Company's controlling shareholder. Having served as Deputy Chairman for more than three years – and having received guidance for many years from Mr Alberto Baillères, the previous Chairman – the Board considers that Mr Alejandro Baillères possesses significant knowledge and experience of the Company to carry out the role of the Chairman. The Board considers that the continued oversight of the Company's strategic and operational integrity through its membership of the Peñoles Group enhances the quality of its corporate governance rather than detracts from it, especially as related-party transactions are reviewed and approved by Independent Directors and the Audit Committee. The Board therefore believes that Mr Alejandro Baillères' involvement is a governance strength since it assures the Chairman's alignment with all shareholders' interests. Given Mr Alejandro Baillères' experience and understanding of Mexican business and its regulatory context, this assessment gains further validity in the continuing political and social environment in Mexico. Notwithstanding the expectations of the Code, the Board values and endorses Mr Alejandro Baillères' chairmanship of the Company. The size, composition and balance of skills on the Board, including its independence and diversity as well as the existence of a Senior Independent Director and the adequacy of the succession plans, were assessed as part of the Board performance evaluation exercise during the year, and were considered to be highly satisfactory.
- Code Provision 19 provides that the chair should not remain in post beyond nine years and the nine-year period is calculated from first being appointed to the Board. Mr Alejandro Baillères was first appointed to the Board in April 2012. As explained above, the Board and Company benefit greatly from Mr Alejandro Baillères' significant and relevant Board and industry knowledge and experience. The Board believes that Mr Alejandro Baillères' continued appointment as Chair of the Company is in the best interests of the Company and the Company's shareholders. As explained above, Mr Alejandro Baillères' tenure is considered in the Board performance review exercise and the Board is content that there is value in this continuity and that there is sufficient independent representation from other Board members.
- Code Provision 32, which provides that the Board should establish a Remuneration Committee of Independent Non-Executive Directors with a minimum membership of three. In addition, the Chair of the Board can only be a member if they were independent on appointment. The Chairman of the Company, Alejandro Baillères, who was not independent at the time of his appointment, is a member of the Remuneration Committee. The Board believes that Mr Alejandro Baillères' experience and knowledge of both the Group and the Mexican market – and his considerable contribution to the Remuneration Committee's deliberations – justifies his membership of the Remuneration Committee. Mr Alejandro Baillères is not involved in matters concerning his own remuneration. The other members of the Remuneration Committee are Alberto Tiburcio, Guadalupe de la Vega and Georgina Kessel, who are all Independent Non-Executive Directors.
- Code Provision 36, which provides that remuneration schemes should promote long-term shareholdings by Executive Directors that support alignment with long-term shareholder interests. The Company's approach to executive remuneration is explained in the Directors' Remuneration Report on pages 180-191. The Company does not use share-based forms of remuneration because it has not been a common form of remuneration in Mexico. The annual bonus scheme sets targets which are aligned to the long-term strategic objectives so that these priorities are embedded within the day-to-day activities of the Company's business.

Information about how the Principles of the Code were applied and compliance, or otherwise, with the Code's Provisions may be found in the following sections of this report, which also provide cross-references to other sections of the report and/or the Company's website (www.fresnilloplc.com) where more detailed descriptions are available.

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The following documents are available on the Company's website:

- Schedule of Matters reserved for the Board.
- Statement of Responsibilities of the Chairman, Chief Executive Officer and Senior Independent Director.
- Terms of Reference: Audit Committee, HSECR Committee, Nominations Committee and Remuneration Committee.
- Directors' Remuneration Policy.

BOARD LEADERSHIP AND COMPANY PURPOSE

Effective board

The Board consists entirely of Non-Executive Directors and its role is therefore essentially supervisory. The leadership and management of the Company's day-to-day operations is the responsibility of the Executive Committee (comprising the Chief Executive Officer, Chief Financial Officer, Vice President of Exploration, the Vice President of Business Development, the Chief Operating Officer Central and the Chief Operating Officer North). The Non-Independent Non-Executive members of the Board maintain regular contact with the Executive Committee to challenge and/or support as appropriate.

This structure creates two levels of oversight for the Executive Management, initially from the Non-Independent Non-Executive Directors, and then from the Board as a whole, including the Independent Non-Executive Directors. The independent members of the Board engage with Executive Management through their participation in the Board Committees, particularly the Audit Committee and the HSECR Committee. Committee meetings provide most of the INEDs with an opportunity to discuss operational and financial matters in detail with management before they are presented to the Board as a whole. Examples of such detailed engagement through the Committees typically include the oversight of financial reporting, risks and internal controls, reviews of plans to improve the safety culture across the Group and diversity and inclusion initiatives.

The biographies of the Board members and the Executive Committee are detailed on pages 150 to 154, outline the wide range of experience and skills available to the Company. The Board members continue to ensure that the business model and strategy, described on pages 10 to 17 and agreed by the Board, are delivered for the benefit of the Company's stakeholders. The section 172 Statement on page 27 examines how those different categories of stakeholders are considered.

Board activities during 2025

Strategic direction

The Board supervises the implementation of both the Group's long-term plans and commercial strategy. The strategy itself - to explore, develop, operate and sustain – has been largely unchanged for many years. Further information on the strategy is set out in the Strategic Report on pages 12 to 17. Regular management reports to the Board focus on these four strategic priorities. The primary focus of the Board in respect of exploration has been on acquisition opportunities both within Mexico and further afield, primarily the acquisition of Probe Gold Inc. in Canada that was approved by the Board and announced in October 2025. More information can be found on pages 10 to 17 of the Strategic Report.

The challenge for the Board has been less about the strategy itself and more about the context within which the Company seeks to pursue its strategy. This was an important driver for the Working Meeting in July which enabled Board members to take time to consider in detail some of the key political, legislative, environmental (particularly safety and consumption reduction), technological (with particular focus on cybersecurity and artificial intelligence), ESG and competitive factors which impinge on the Company's ability to deliver the strategy. For more information on the Working Meeting see page 159.

On behalf of the Board, the HSECR Committee reviews many of the factors which enable the Company's activities to be sustainable. However, the Board itself monitored the Company's sustainability performance in relation to energy efficiency, tailings dams, water consumption and climate change.

Approval of business plan and budget – principal decision

Each year the Board reviews the Business Plan and Budget for the following year. This is usually at the October Board meeting with follow-up reviews early in the following year. This is an important annual decision for the Board which aligns with the longer-term Strategic Plan and Company Purpose; it considers site-specific priorities and challenges, sets the annual production targets and the resources necessary to achieve them, while responsibly managing the impacts of the Group's activities. Even though approving a business plan and budget is a recurring decision year-on-year, the relevant context and circumstances may change annually; the Board therefore considers strategies and actions that might affect stakeholders differently each year. In October 2025, the Board approved the 2026 Business Plan and Budget.

The Executive Committee presents the Business Plan and Budget for the Board's discussion and approval. The discussion and decision-making of the Board is complemented by a pro-forma template, distributed within the Board papers, that identifies relevant stakeholder considerations that are required to be taken into account, with a focus on:

- Generating long-term value for all stakeholders in a challenging and changing environment characterised by increasing demands and expectations.
- Prioritising social and environmental performance to maintain the trust of stakeholders, providing essential support for our business model.

The factors, as set out in section 172 of the Companies Act 2006, that the Board considered in approving the 2026 Business Plan and Budget were as follows:

Employees and unions	• Enhance critical risk control protocols and safety culture. • Embed zero-tolerance for fatal accidents. • Continue deploying the Group's health and safety strategies, including industrial hygiene and ergonomics, the prevention of psychosocial risks, as well as wellbeing and mental health programmes. • Pursue joint strategy with the Union in order to increase safety & labour productivity. • Promote wellbeing programmes. • Follow up on safety programme '*I Care, We Care*'.
Local communities	• Strengthen community relations and licence to operate. • Continue community programmes aligned to the United Nations Sustainable Development Goals (SDGs): health and wellbeing, quality education, decent work and economic growth, water and sanitation, life of terrestrial ecosystems, reading skills and reforestation. • Promote engagement on the challenges and benefits of the mining industry.
Government and regulators	• Continue to maintain high standards of corporate governance and adherence to regulations.
Contractors and suppliers	• Improve contractor management. • Align health and safety practices of contractors; reinforce safety protocols.
Minority shareholders	• Ensure that the dividend payment policy is applied in line with the financial and operational performance of the Company. • Consider aspects such as environment, health, safety, communities, growth projects, licence to operate, compliance with regulations, transparency and increases in reserves and resources.
Environmental considerations	• Maintain continuous implementation of best practices regarding environmental, hazardous waste and mineral waste management (including tailings storage facilities). • Continue to explore and implement clean and renewable energy alternatives. • Continue to review the TCFD (Task Force for Climate Related Financial Disclosures) objectives.
Customers	• Ensure greater certainty in specifications of concentrate supply to improve accuracy of assay sampling. Deliver the best product quality for efficient treatment processes.

Special Dividend - Principal Decision

In March 2025, the Board agreed a one-off special dividend of 41.8 US cents per share, equivalent to US$308.0 million in addition to the Ordinary dividend of 26.1 US cents per share announced at the same time. This decision was taken after a comprehensive review of the Group's financial position, the expectations of the Company's independent shareholders concerning the use of cash, the Company's strong balance sheet and the positive free cash flow that the Group is expecting to generate in the long-term.

Monitoring performance

At each Board meeting in 2025, the members of the Executive Committee reported on the quarterly performance of the business, focusing specifically on operations, exploration, HSECR and culture and ethics. The CEO and Chief Operating Officers presented updates on mining activities while the VP of Exploration provided updates on exploration initiatives. The CFO also presented a summary of the quarterly financial performance with particular emphasis on the performance of the business compared to the previous years and to the approved budget.

The performance of members of the Executive Committee was assessed by the Remuneration Committee by reference to previously agreed performance metrics when determining the bonus awards for the year. Further details of these outcomes for 2025 are set out in the Directors' Remuneration Report on pages 184 to 191.

Purpose, Values and Culture

The Board has established the corporate values and standards by which the Group operates. During the year, the Board received and reviewed reports on health and safety and ethics initiatives as well as reports on the operation of the Company's anti-bribery and corruption and whistleblowing procedures all of which set key cultural expectations for the Group. Prior to review by the Board, many of these reports are considered by the relevant Board Committees, providing the Independent NEDs who are members of those Committees with the opportunity to engage with the executives on specific aspects of the programmes and outcomes being presented. As in 2024, aspects of culture discussed with management during the year through the Board Committees included the following:

- The HSECR Committee discussed the role of safety leadership in setting the right safety culture for the organisation.
- The Audit Committee reviewed the whistleblowing reports and the Ethics Committee's responses and actions ensure that the whistleblowing policy is operating equitably.
- The HSECR Committee reviewed management's responses to community grievances and wider engagement.

In addition, the Working Meeting in July enabled Board members to see for themselves some of these community engagement programmes and initiatives in operation.

During the year, the Company relaunched its culture survey process which was presented to the Board in October. Progress on the resulting initiatives will be monitored during the course of 2026.

Overseeing stakeholder relationships

The Executive Committee is responsible for the day-to-day stewardship of all stakeholder relationships and its members

BOARD LEADERSHIP AND COMPANY PURPOSE CONTINUED

report to the Board on the key metrics and initiatives. The Board, either directly or through its Committees, primarily the HSECR Committee, engages or oversees engagement with the Company's stakeholders through a number of governance activities. These are described in more detail, along with further information about the Company's engagement with key stakeholders, in the stakeholder section on pages 20 to 26.

During the year, the Board received reports on community and employee initiatives, while the Working Meeting in July 2025 provided the Directors with an opportunity to see some of these initiatives for themselves (see below).

Specific stakeholder activity considered by the Board during the year included updates on:

- The safety performance and 'I Care, We Care' programme.
- Community relations initiatives.
- The Diversity, Equity and Inclusion programme.
- The Prevention of Harassment programme.
- Workforce engagement events.

The Board received quarterly updates at each of its meetings on management's engagement with independent investors. During 2025 these were supplemented by meetings between Dame Judith Macgregor (as Senior Independent Director) and some institutional investors (see page 161). The 2025 Annual General Meeting also provided an opportunity for the Chairman and some Directors to meet with independent shareholders. Feedback from those discussions has informed some of the reporting in this Governance Report.

Risk and controls governance

The primary responsibility for the governance of risk and internal controls lies with the Audit Committee, which reviewed the detail of the risk matrix and the routine changes made by the executive team during the year along with regular reviews of the emerging risks. The Chair of the Audit Committee reported to the Board on the outcome of these discussions. In addition, at its meetings in February and July 2025, the Board received reports from management on the process used by management to assess the Company's risk matrix and the proposed changes in the executives' assessment of the likelihood and impact of the Principal Risks and Uncertainties. The Board also reviewed the changes in the executives' assessment of the emerging risks compared to the previous year. These analyses formed the basis on which the Board reviewed and approved the Principal Risks and Uncertainties during the year.

On a quarterly basis, the Board reviews reports prepared by Internal Audit on the internal controls environment (which were reviewed in more detail by the Audit Committee prior to being submitted to the Board). During 2025, the Board accepted the assessments set out in each quarterly report.

At its meeting in February 2026, the Board, through the Executive Committee and the Audit Committee, reviewed the effectiveness of the Group's system of internal controls. Following this review, the Board considers that the measures that have been or are planned to be implemented, particularly those specifically highlighted in this report, complement Fresnillo's risk management framework and are appropriate to the Group's circumstances. The Board is committed to the continued development of its internal control regime with a view to achieving and maintaining best practice levels of risk management and internal control for international mining companies listed on the London Stock Exchange.

The Board also received reports from the Audit Committee on the effectiveness of the Whistleblowing line based on its half-yearly reviews of the work of the Ethics Committee in assessing its responses to individual cases. It also received regular updates on the operation of the Company's external anti-bribery and corruption plan and the procedures that were put in place during the year to further enhance the Company's anti-fraud procedures.

Throughout the year, the Board, through the Audit Committee, has monitored the steps being taken by management to meet the new requirements of Provision 29 of the Code relating to internal controls. A focused session on the new requirements was held at the Working Meeting in July 2025 which covered the following particular aspects:

- The impact of the new Provision on Directors' duties and obligations.
- The new material controls declaration required by Provision 29.
- The scope and categorisation of material controls.
- The robustness of the underlying bottom-up transaction level controls and the associated second line monitoring activities.
- Resource and programme planning, progress to date, timeline and next steps.
- Tolerance levels and testing.

Further information on the changes to the Board's approach to monitoring internal controls is set out in the Audit Committee Report on pages 168 and 177 of this section.

The Audit Committee Report on pages 167 to 179 provides further details on the governance of the Company's risk management processes and internal controls. Information about the Company's risk management and internal controls framework can be found on pages 120 to 124.

Case study

July 2025 working meeting

The Board held a Working Meeting in July 2025, with members accompanied by the Executive Directors. Sessions were held over a three-day period during which the Company's wider strategic issues were discussed in detail.

The meeting began with a visit to the Company's Herradura mine, where Board members were briefed on the operation of the mine, including production scope and the mine infrastructure. During the visit, presentations were also given concerning local community and environmental initiatives.

Key topics covered during later sessions included the Company's strategic plan, opportunities and challenges in delivering that plan, ESG and the programme for ensuring compliance with Provision 29 of the UK Corporate Governance Code, as well as focused sessions on the Mergers and Acquisitions Strategy, Cybersecurity and Artificial Intelligence trends (including pilot programmes and applications) and the Sabinas Mine (Silverstream Agreement).

Environmental, Social and Governance
Discussions focused on sustainability, geopolitical and mining industry trends and challenges. The Board considered how the Company is responding to these trends, including how they could evolve in the future. Topics of discussion included:

- Fresnillo's safety journey and the 2026 vision.
- The need to foster Diversity, Equity and Inclusion.
- The need to enhance efficiency and reduce consumption.

***'I Care, We Care'* Initiative**
Discussions centred around Safety as a core value and how the *'I Care, We Care'* initiative is promoting a safety culture based on caring for people, promoting leadership, accountability, risk-based management systems and cross functional learning. The learning pillar within the *'I Care, We Care'* programme was specifically considered during the visit to Herradura on the first day of the working meeting.

BOARD ROLES AND RESPONSIBILITIES

Roles
The composition of the Board is structured to ensure that no one individual can dominate its decision-making processes.

Chairman's independence
Mr Alejandro Baillères was appointed as the Chairman of the Company in April 2021. Mr Alejandro Baillères is beneficially interested in more than 50% of the share capital of the Company through his interest in Industrias Peñoles S.A.B. de C.V., the Company's controlling shareholder. Mr Alejandro Baillères is the Chairman of Peñoles and other companies within the BAL Group, thus at the time of his appointment, he was not independent. With Peñoles having a significant stake in the Company, the Board believes that the Chairman's non-independence is not a hindrance for his involvement on the Board but an asset to other shareholders especially as related-party transactions are reviewed and approved by Independent Directors and the Audit Committee.

Relationship Agreement
Peñoles has entered into a relationship agreement with the Company (the 'Relationship Agreement') to ensure that relationships between the Fresnillo Group and the Peñoles Group are conducted at arm's length and on normal commercial terms. Messrs Alejandro Baillères and Arturo Fernández have been appointed to the Board by Peñoles pursuant to the Relationship Agreement. Following changes to the Listing Rules in 2024, the Board has determined that the Relationship Agreement should continue to provide a basis for the relationship between the Company and the Peñoles Group.

The Relationship Agreement provides a constitutional basis for ensuring that the Company is able to carry on its business independently from the Peñoles Group, and thus comply with UK Listing Rule 5.3.1. The Independent Non-Executive Directors annually review the good standing of the Relationship Agreement (with the most recent review being undertaken in July 2025). They are satisfied that the Company has complied with the independence provisions included in the Relationship Agreement during the financial year ended 31 December 2025. As far as the Company is aware, such provisions have been complied with during the financial year ended 31 December 2025 by Peñoles and/or any of its associates.

The Relationship Agreement continues to provide a foundation for a transparent governance system, which ensures that the Company benefits from Mr Alejandro Baillères' leadership and experience while being able to demonstrate to other shareholders that the Fresnillo Group is capable of carrying on its business independently of any companies with which he is connected.

Directors' independence
Throughout 2025, the Board considered the following Directors to be independent: Georgina Kessel, Dame Judith Macgregor, Hector Rangel, Alberto Tiburcio, Guadalupe de la Vega, Luz Adriana Ramírez and Rosa Vázquez.

Further information on the consideration of Directors' independence can be found on page 165 of the Nominations Committee Report.

Time commitment
All Directors pre-clear any proposed appointments to listed company boards with the Chairman, prior to committing to them, and such appointments are ratified by the Board at the next possible meeting. With the exception of Guadalupe de la Vega who was appointed to the board of America Móvil, S.A.B. de C.V. during the year, none of the Directors took on any significant new additional external appointments in the year.

The Non-Executive Directors are required, by their letters of appointment, to spend 14 days per annum on Company business. More information on time commitment can be found in the Nominations Report on page 166.

The other listed company directorships of the Fresnillo plc Directors are set out on pages 150 to 154 of this report. The Board and Committee attendance record of each of the Directors during 2025 is set out in their biographies on pages 150 to 154 of this report.

Conflicts of interest
The Group requires that Directors complete a Director's list which sets out details of situations where each Director's interest may conflict with those of the Company (situational conflicts). Each Director re-submitted their Director's list as at 31 December 2025 for the Board to consider and authorise any new situational conflicts identified in the re-submitted lists. In addition, at the beginning of each Board meeting, the Company Secretary reminds the Directors' of their duties under sections 175, 177 and 182 of the Companies Act which relate to the disclosure of any conflicts of interest prior to any matter that may be discussed by the Board. Further information about related-party matters considered by the Board during the year is set out in the Audit Committee report on pages 171 and 178 to 179.

Director concerns
Directors have the right to raise concerns at Board meetings and can ask for those concerns to be recorded in the Board minutes. The Board has also established a procedure which enables Directors, in relevant circumstances, to obtain independent professional advice at the Company's expense.

Board development and induction
Induction
All new Directors appointed to the Board undertake an induction programme aimed at ensuring they develop an understanding and awareness of our businesses, people and processes, and of their roles and responsibilities as Directors of the Company. The induction programme includes meetings with members of the Board and Executive Committee members. It also includes briefings on the Group's strategy, UK Corporate Governance Code, operations, projects and exploration activities as well as visits to the Group's operations. New Directors are also briefed on their responsibilities and duties as directors of a UK Listed plc by the Company's external UK legal counsel. There were no new director appointments during the year.

Continuing personal development
The Working Meeting provided an opportunity for the existing Directors to receive strategic, stakeholder and operational updates on the Company's business. At the regular Board meetings, the Directors were briefed on governance, legal, regulatory and market developments that are relevant to Directors of UK-listed companies.

SENIOR INDEPENDENT DIRECTOR'S REPORT
DAME JUDITH MACGREGOR

Dame Judith Macgregor has been Fresnillo's Senior Independent Director (SID) since May 2024. In this report, she reflects on the work of the independent Non-Executive Directors during 2025.

Dear shareholder,

On behalf of the independent members of the Fresnillo Board, I am pleased to present this report describing how we have sought to work with the Chairman, the non-independent Directors and the senior executive team to create a constructive environment of accountability within the Fresnillo boardroom during 2025.

Communication is the pre-eminent activity that I undertake in my role as Senior Independent Director to ensure that the views of my fellow independent Directors both individually and collectively are articulated well to our Chairman and other non-independent Board members. I also recognise my responsibility to ensure that I understand any concerns that our independent shareholders might have, particularly concerning governance matters, not least as we have had a non-independent Chairman since our IPO.

Communications with the independent directors

Central to my role as Senior Independent Director is my work with the independent members on the Fresnillo Board. During the year, we have met together both formally and informally following which I have been in contact with the Chairman and/or the senior executives, as appropriate, to ensure that any concerns or uncertainties are understood and addressed.

Areas of particular interest have included the ability to visit in person our mining operations and to have the chance to meet with staff and understand better the working environment, especially regarding important environmental and safety issues. This led to a very useful group visit to the Herradura District in July 2025, complementing our visit to Juanicipio and Saucito in 2024. We have also discussed ways to enhance debate on strategic policy options at our meetings and strengthen our ongoing briefings to keep up with technological and operational developments, as well as corporate governance changes.

Communication with our Chairman

As required by the UK Corporate Governance Code, the independent NEDs met to review the performance of our Chairman in July. This focused on how Board meetings could make best use of the input of the independent Directors. The open, inclusive and searching style in which our meetings are conducted by our Chairman was also much appreciated.

Following the meeting of the independent Directors, I briefed the Chairman on a number of questions that independent Directors had raised concerning matters that we feel the Board and committees should explore. In particular the importance of regular review of our cyber security policies and plans for Board Succession, alongside the wider development of the talent and skills required in the company and wider sector.

I am pleased to report that the Chairman has been receptive to such conversations and good discussions on these subjects have followed. The Chairman is demonstrably respectful of the role that the independent Directors perform on the Board.

Furthermore, he is keen that the independent NEDs have good interaction with the executives and receive timely information to carry out our duties. Our three-day Working Meeting in July (outside of formal Board meetings) was a particularly useful opportunity in that regard.

Communication with the independent shareholders

It is an important aspect of my role to be available to engage with shareholders, if there are questions or concerns that I can usefully discuss with them. To date these have revolved around the role of the Board in driving growth and ensuring effective governance. It has been an opportunity to assure investors of our commitment to sustainable exploration and organic growth, alongside a considered policy of acquisition. And in particular to underline our firm determination, led by the Chairman, to challenge and improve our safety performance across the board. The importance of regular monitoring of our community outreach and our wider ESG requirements has also been a feature of our conversations.

Related party matters

Given the relationship that our controlling shareholder has with Fresnillo, both as 75% owner and as a commercial counter-party (given the Met-Mex refining arrangement), it is important that the independent Directors scrutinise any related party matters to ensure that they operate in the best interests of the Company, and in accordance with the relevant related party rules and the Relationship Agreement between Fresnillo and the controlling shareholder. Through Board meetings and their membership of the Board Committees, particularly the Audit Committee, independent Directors are able to probe issues of concern and add suggestions on other issues of interest. Any substantive related party matter requiring Board agreement has to be approved by the independent Directors, alone, before being put into effect.

During the year, we have had important, timely and constructive discussions about a small number of related party matters, all of which we have been able to approve. In these cases, for example on the Silverstream decision, we were given extensive briefing both on the detail and the various options - allowing us to consider all of the complex aspects involved before any approval was given.

In concluding, I would like to thank my independent Board colleagues for their wisdom and friendship as we have sought to bring impartial scrutiny to the Board's deliberations and operation, when needed. I would also like to thank our Chairman, the non-independent members of the Board and the executive team for their willingness to respect and engage with our questions and concerns. I believe that, as a Board, we have a healthy ongoing dialogue and I look forward to it continuing during 2026.

Yours faithfully

Dame Judith Macgregor
Senior Independent Director

BOARD PERFORMANCE REVIEW

Board performance review

The Board conducts an annual review of the effectiveness of the performance of the Board and its Committees. A combination of externally-facilitated and internally-run evaluations is carried out over a three-year cycle and forms the Board Development Programme. The Board recognises that a continuous and constructive review of its performance is an important factor in achieving its objectives and realising its full potential.

In carrying out these reviews, performance, composition, diversity and how effectively members work together to achieve objectives form the basis of the focus topics to be covered.

The cycle of the Board performance evaluation is summarised as follows:

YEAR 1 →	YEAR 2 →	YEAR 3 →
2023 Externally-facilitated Board evaluation using questionnaires and interviews.	**2024** Follow-up on action plan prepared in response to Year 1 evaluation using questionnaires.	**2025** Focus on outstanding and emerging issues arising from the action plan using questionnaires.

In 2026, the Company will be in 'Year 1' of the cycle and an externally facilitated Board review will be conducted.

MID-AUGUST 2025 →	END-AUGUST 2025 →	October 2025 →	NOVEMBER/DECEMBER 2025
Preparation and Scope • Scope agreed. • Question set prepared. • Questionnaires circulated to Directors.	**Complete and Analyse** • Questionnaires completed by Directors. • Results analysed and results report prepared.	**Review and Discuss** • Results report reviewed by Chairman and distributed to the Board. • Results report discussed at Board meeting. • Progress against previous actions discussed.	**Action and looking ahead** • Actions and priorities for change agreed.

At its meeting in October 2025, the Board discussed the results. The overall conclusion from the Board performance review process was that the performance of the Fresnillo Board continues to be rated very highly, highlighting the excellent work culture that has been established both in the Board and in the Committees. The recommendations were therefore characterised as points of potential further improvement rather than material changes of approach. Particular areas of Board governance which were commended in the report included: Stakeholder engagement; Board support, including the quality of meeting agendas and papers; Board discussions; the July Working Meeting and the operation of the Board Committees. However, the Board has asked management to consider whether there are further steps that could be taken to improve the Board's approach to the following, and to develop proposals where appropriate: (i) cyber risk; (ii) succession planning (iii) the process for determining investment discussions (iv) agenda timings; (v) papers and (vi) safety.

Committee review

The reports on each of the Board Committees prepared as part of the Board effectiveness review were circulated to the members of each of the Committees in October 2025 and discussed by the Audit, HSECR and Remuneration Committees at their meetings in October 2025 and by the Nominations Committee at its meeting in February 2026. Overall, the reviews of the effectiveness of all of the Committees were very positive.

Director performance review

As part of the Board performance review, all of the Directors were asked to complete reviews of the performance of the Chairman, as well as their own individual performance. The output from this review was collated by Ceradas and reported to the Chairman.

The Independent Non-executive Directors meet annually in order to evaluate the performance of the Chairman. A review meeting was held in July 2025 to consider the Chairman's performance over the prior year and Dame Judith Macgregor, the Senior Independent Director, subsequently discussed the key points from that discussion with the Chairman.

NOMINATIONS COMMITTEE REPORT

> “Recently appointed Independent NEDs...are bringing fresh perspective to complement those of our more experienced NEDs.”

Members	Meetings attended
Alejandro Baillères	1/1
Georgina Kessel	1/1
Guadalupe de la Vega	1/1

Dear shareholder,

It is a pleasure to introduce the Fresnillo plc Nominations Committee Report for the year ended 31 December 2025 and to briefly comment on the Committee's key priorities during the year.

Board composition

Following a year of change in 2024, the Board remained unchanged during 2025. Ms Luz Adriana Ramírez and Ms Rosa Vázquez, who were elected as Independent Non-Executive Directors at the 2024 AGM, are contributing well to the Board with Rosa becoming a member of the Audit Committee in March 2025 and Luz Adriana becoming a member of the HSECR Committee in March 2026. As recently appointed Independent NEDs, Rosa and Luz Adriana are bringing fresh perspectives to complement those of our more experienced NEDs. In March 2025, Georgina Kessel was appointed as a member of the Remuneration Committee and stepped down as a member of the HSECR Committee.

Alberto Tiburcio, who chairs both the Audit Committee and Remuneration Committee, reached the ninth anniversary of his appointment to the Board in 2025. In light of Provision 10 of the Code, which suggests that serving on a board for more than nine years may be a circumstance which could impair, or could appear to impair, a Non-Executive Director's independence, the Nominations Committee has paid particular attention to assessing Alberto's contribution and independence and has concluded that Alberto continues to perform his duties with utmost independence and therefore continues to assess him to be an Independent Director. With the Audit Committee needing to oversee key audit-related developments during 2025 and the Remuneration Committee working on the renewal of the Directors' Remuneration Policy in 2026, Alberto was proposed and re-elected to the Board as an Independent Non-Executive Director for one further year at the 2025 AGM.

By doing this, the Audit Committee has been able to benefit from Alberto's knowledge and experience as a long-standing member of the Committee in overseeing important workstreams related to the Company's cybersecurity programme, the implementation of the new ERP system and work on the Company's internal controls framework in response to the new Code Provision 29. In 2025, the Audit Committee also started the external auditor tender process to appoint a new auditor for 2027 and Alberto's oversight will facilitate a smooth transition. The Nominations Committee believes that this approach will enable a smoother process for Alberto's eventual succession but believes that these workstreams continue to need considerable time and attention from these two Committees, and the successful conclusion of these workstreams will be better achieved with Alberto continuing as Chairman of both Committees for one further year. The Nominations Committee therefore believes it to be in the Company's best interests, with the Board agreeing, to propose Alberto's re-election as an Independent NED for one further year at the 2026 AGM.

In addition, the Board is recommending the re-election of Dame Judith Macgregor as an Independent Non-Executive Director at the 2026 AGM, notwithstanding that she will reach the ninth anniversary of her appointment to the Board soon after that AGM. The Board considers Dame Judith to be scrupulously independent in her role as an Independent Non-Executive Director and it will be highly beneficial to the Board for her to serve one further year in her role as Senior Independent Director. The Board will be consulting with shareholders concerning the proposed re-election of both Alberto Tiburcio and Dame Judith Macgregor before publication of the notice of meeting for the 2026 AGM.

Board diversity

In February 2025, we revised our Board Diversity policy to bring it into line with the 2024 version of the Code. We continue to hold fast to the importance of making Board appointments on the basis of merit, including considerations such as background and experience, age, gender and shareholder perspectives in our reviews of the composition of the Board. I believe that with seven Non-Executive Directors out of 12 being independent (five of whom are female), the Board benefits from a wide diversity of thought and input in its discussions. The Board has always predominantly consisted of Mexican Directors, alongside at least two British Directors, which enables the Board's decision-making to benefit from a sound understanding of cultural, regulatory and market contexts in both the UK and Mexico. I believe that this approach continues to work well.

Board reviews

As in 2025, Ceradas assisted the Board and Committee in conducting their annual performance reviews. A summary of the overall approach and findings arising from this review is set out on page 162 of the Corporate Governance report.

The review ratings were similar to those in 2025, indicating that the performance of the Board and, indeed, that of the Nominations Committee, both continue to be regarded very well.

If any shareholders have questions about the work of the Committee, I would be happy to discuss them at our 2026 AGM.

Yours faithfully,

Mr Alejandro Baillères
Chairman of the Nominations Committee

NOMINATIONS COMMITTEE REPORT CONTINUED

Role

The Nominations Committee is responsible for making recommendations to the Board on the structure, size and composition of the Board and its Committees and succession planning for the Directors and other senior executives. Before making appointments of new Directors and members of the Executive Committee, the Nominations Committee is responsible for evaluating the balance of skills, knowledge and experience on the Board and identifying and nominating suitable candidates for approval by the Board. Prior to making such recommendations, the Nominations Committee considers the other time commitments and significant external interests of such candidates to ensure that they are able to contribute effectively to the Board.

The Board has approved Board Appointments and Diversity policies which provide the framework for the Nominations Committee and the Board's approach to Board appointments. The Board has also approved a Group Diversity policy. (Full versions of these policies may be found on the Company's website www.fresnilloplc.com). A further explanation of the steps that the Company is taking to promote diversity across its businesses is set out in the Sustainability report on pages 58 to 117.

Board appointments policy

The Nominations Committee and Board are strongly committed to the principle of equality of opportunity when making new appointments to the Board and its Committees, including the Executive Committee, while ensuring that appointments are based on merit. The Committee believes that setting targets for the number of people from a particular socio-economic, professional or educational background, sex or gender identity, ethnicity, sexual orientation or disability is not an effective approach and therefore it has no specific quotas or targets. The Nominations Committee continues to consider the composition of the Board and its Committees with this commitment in mind.

The criteria for determining the composition of the Board and future Board and Committee appointments continue to be based on:

- Relationship Agreement requirements and guidelines for appointments to the Board by Peñoles.
- The Company's leading position as a precious metals miner in Mexico.
- The Company's inclusion in the FTSE 100 Index.
- The specific functions on Board Committees which independent Directors will be required to fulfil.
- The provisions set out in the current terms of reference of the Nominations Committee and the Board Diversity policy.

Diversity Tables

Sex

As at 31 December 2025	No of Board members	% of the Board	No of senior positions	No in executive management (Note 2)	% of executive management
Men	7	58.3%	3	7	100.0%
Women	5	41.7%	1	0	0

Ethnicity[1]

As at 31 December 2025	No of Board members	% of the Board	No of senior positions	No in executive management	% of executive management
Mixed or Multiple ethnic group: Mexican	9	75.0%	3	5	72.0%
White: British	2	16.7%	1	0	0
White: Spanish	1	8.3%	0	0	0
Mixed or Multiple ethnic group: Brazilian	0	0	0	1	14.0%
Mixed or Multiple ethnic group: Chilean	0	0	0	1	14.0%

Notes:
1. Data based on the 2025 Ethnic Diversity Voluntary Census return to the UK Department of Business and Trade.
2. Executive management includes the six members of the Executive Committee and the Company Secretary.

Directors' length of tenure

As at 31 December 2025	0 to 3 years	3 to 6 years	6 to 9 years	Over 9 years
Independent Directors	2	2	2	1
Non-independent Directors	–	1	–	4

Executive succession planning
In February 2025, in line with its usual practice, the Nominations Committee reviewed a schedule of possible successors for all the positions on the Executive Committee. This review considered both short-term emergency and long-term planning scenarios.

Non-Executive Directors' independence and succession planning
Each year, the Committee reviews the tenure of the Company's Independent Non-Executive Directors to ensure that there are appropriate plans in place to ensure that the balance of Independent to Non-Independent Directors complies with Provision 11 of the Code.

During the year, the Nominations Committee's succession planning has specifically focused on Mr Tiburcio's status as an Independent Non-Executive Director bearing in mind that he will have served as an Independent Non-Executive Director for more than ten years at the Company's 2026 AGM. Similarly, the Committee has also considered Dame Judith Macgregor's status as an Independent Non-Executive Director, considering that she will have served as a Director for almost nine years at the 2026 AGM. For the reasons set out on page 163, the Committee considers that Mr Tiburcio and Dame Judith Macgregor continue to be Independent Non-Executive Directors and proposes that they be re-elected at the 2026 AGM.

In the light of the foregoing discussion and recommendation of the Nominations Committee, the Board has assessed each of these Directors by reference to the criteria set out in Provision 10 of the Code and remains satisfied that they are each independent in character and judgement. Mr Tiburcio is an Independent Non-Executive DIrector of Grupo Nacional Provincial, S.A.B. and Grupo Palacio de Hierro, S.A.B. de C.V., which are companies within the BAL Group. He is not involved in executive duties in any of those companies and has a similar obligation to be independent for those two companies as for Fresnillo. The Committee does not consider that Mr Tiburcio's position as an Independent Non-Executive Director of the Company is adversely impacted by those two appointments.

Committee Membership
In February 2026, the Committee reviewed the membership of the Board Committees and recommended that Luz Adriana Ramírez be appointed as a member of the HSECR Committee with immediate effect.

Other Committee activity during 2025
The Nominations Committee also considered the following matters as part of its usual programme of activity:

- **Committee report:** Approval of the 2024 Nominations Committee report prior to publication.
- **Committee review:** In February 2026, the Nominations Committee reviewed the outcome of the independent performance review undertaken in 2025, which concluded that the Committee is performing very well.

NOMINATIONS COMMITTEE REPORT CONTINUED

Board skills and experience

Skill/Experience	Description	% of Board members
Commercial leadership	Sustainable commercial success in business at a senior executive level.	83
Strategy	Experience in enterprise-wide strategy development. Implementation in industries with long cycles. Developing and leading business transformation strategies.	83
Mexican business experience	Relevant experience and understanding of the Mexican political, cultural, regulatory and business environments.	92
Capital allocation and cost-efficiency	Extensive direct experience in environments requiring capital allocation, cost-efficiency and cash flow management disciplines, with proven long-term performance.	92
Health, safety, environment and community	Extensive experience with complex workplace health, safety, environmental and community risks, frameworks and issues.	75
Capital markets	Relevant experience and understanding of capital markets, institutional investor engagement and regulatory/governance expectations.	92
Mining and natural resources	Board-level experience and/or long-term knowledge gained through working with companies operating in the mining or natural resources sector.	67
Financial expertise	Relevant experience in financial regulation and the capability to evaluate financial statements, financial controls and risk.	83
Public policy expertise	Extensive experience of public policy or regulatory matters, including fiscal and economic, ESG (in particular climate change) and community issues, social responsibility and transformation issues.	75
Workforce wellbeing	Workforce learning and skills development, diversity and wellbeing.	92

Time commitment and overboarding

The Nominations Committee undertook a review of the time commitment required from each Director and their other external appointments, prior to making a recommendation to the Board supporting that all of the continuing Directors be proposed for re-election at the 2026 AGM.

In making this assessment, the Committee noted that the Non-Executive Directors are required, by their letters of appointment, to spend 14 days per annum on Company business. More importantly, it also reviewed the time commitments of each Director to ensure that all Board members continue to be able to devote sufficient time and attention to the Company's business. Its philosophy in doing so is to consider the total workload of each Non-Executive Director and the particular value that each Director brings to the Board. In particular, the Nominations Committee took into account the following factors:

1. With operations in a few countries, and because of the relative commonality of the Company's activities, the Board has not in the past considered that it needs more than four scheduled Board meetings with additional working meetings per year, a factor which is reflected in the relatively modest fees that the Company pays its Non-Executive Directors. Further information regarding fees paid to Non-Executive Directors can be found on page 184.
2. The calendar for Board and Committee meetings is aligned with the meetings of other companies, including listed companies, within the BAL Group ownership structure. This ensures that Directors who are appointed to the boards of other companies within the BAL Group will not have any time conflicts with their other commitments to Fresnillo plc.

The Nominations Committee noted an increase in the time commitment in recent years; following the introduction of the three-day working meeting in July (see page 159) albeit with no change to the number of scheduled Board meetings during the year. Nevertheless, all of the Directors continued to fulfil their time commitments during 2025.

The Nominations Committee is therefore satisfied that all of the Directors, but particularly the Non-Independent Non-Executive Directors, spend considerably more than this amount of time on Board and committee activity than they are required to by their letters of appointment.

AUDIT COMMITTEE REPORT

> **The Audit Committee's agenda...has been very extensive with some significant issues and judgements required throughout the year."**

Members	Meetings attended
Alberto Tiburcio	5/5
Georgina Kessel	5/5
Héctor Rangel	5/5
Rosa Vázquez	4/5

Dear shareholder,

It gives me great pleasure to introduce the Audit Committee Report for the year ended 31 December 2025.

The Company's excellent financial performance during 2025 has benefitted from the high metals prices sustained throughout the year. Nevertheless, the Audit Committee's agenda for the year has been very extensive with some significant issues and judgements.

The primary focus of the Audit Committee continued to be to closely monitor key aspects of Fresnillo's financial reporting and controls environment, including areas of judgement and estimation in the financial statements, critical financial processes, material risks and internal controls.

The items of particular focus for the Committee during the year are detailed below:

- **Silverstream Contract:** In June 2025, Fresnillo and its Parent Company, Peñoles, agreed to terminate the Silverstream Contract (Contract) originally signed in 2007. Under the Contract, Fresnillo made an upfront payment of US$350 million to Peñoles in exchange for the right to receive the proceeds from the refined silver sold from Peñoles' Sabinas mine. Fresnillo also agreed to pay an established per ounce cash payment during the life of the Contract. However, as a result of operational challenges at the Sabinas mine in recent years, including reduced reserve estimates, both companies agreed to terminate the Contract. Since its inception, the Contract has been considered to be a derivative financial instrument which was presented in the balance sheet at fair value. Under the termination agreement, Fresnillo received a buy-back cash payment of US$40 million and the difference between that and the amount included in the Fresnillo balance sheet of US$189.2 million (US$129.4 million after tax) at the time of the transaction was recorded as a loss in the income statement. The Audit Committee was kept informed by management at every step of these negotiations and reviewed with management its valuation and accounting implications. We also received an independent expert opinion on the valuation to support its approval as a related party transaction.
- **Tax Contingencies**: As we have reported in previous years, tax contingencies are closely monitored by the Audit Committee. In 2025, the Servicio de Administración Tributaria (SAT) accepted the position taken by the Company with respect to the tax deductibility of certain payments to Peñoles in respect of the Contract. This was the most important outstanding tax dispute with the SAT at the end of 2024 and, following the completion of actions agreed with the SAT, this dispute has been concluded with no further cost to the Company. Although there are still some other tax disputes outstanding at the end of 2025, these matters are much less material. We will nevertheless continue monitoring the discussions with the SAT and evaluating the external tax experts' opinion on what they believe is the most probable outcome of these disputes. Based on current evidence, the Committee agrees with the Company's position of not recording any reserve at year end.
- **Soledad-Dipolos assets:** We continue to monitor the discussions the Company has had with local and state authorities to regain access to the assets at the Soledad & Dipolos mine (which currently are valued at approximately US$100 million). We had various discussions with Management, including the General Counsel, concerning the Company's status in relation to both access and financial claims against the Company and agreed that the legal position remains the same as in 2024 and thus agreed with the Company's decision not to impair these assets in the 2025 financial statements.
- **IT and Cybersecurity:** During 2025, we monitored and evaluated the progress made in the implementation of the previously agreed steps to improve the cybersecurity internal control system. Although progress was made in 2025, management has developed further detailed plans to accelerate the implementation of these controls in 2026. The Committee will be checking progress made during the year ahead. In addition, the Committee oversaw the organisation's technology governance model and the principal IT strategies. In particular, the Committee monitored the implementation of the Oracle ERP project. The Committee will continue to track progress during 2026. Further information about the Group's approach to IT is set out on page 131 of the Strategic report.
- **External Audit Tender Process:** EY was appointed as the Company's Independent External Auditor in 2008. Following a competitive tender process in 2016, EY was reappointed for the period ending 31 December 2017 and subsequent years through to 2026. Taking into account the maximum regulatory term, the Committee carried out a tender process for the 2027 audit which is described further on pages 174 to 175 with significant involvement from both Management and the Committee members. The result was the selection of PwC to become the Company's external auditor from 2027 (subject to shareholder approval). The Committee will monitor the transition process between EY and PwC during 2026.

AUDIT COMMITTEE REPORT CONTINUED

- **Climate-related financial disclosures:** This annual report includes disclosures consistent with the guidelines set out by the Taskforce on Climate-related Financial Disclosures (TCFD). The HSECR Committee takes primary Board-level responsibility for the Company's progress towards compliance with the TCFD recommendations. However, the Company's reporting against these disclosure requirements was reviewed by the Committee and we are satisfied that the disclosures are a fair reflection of the Company's current position. Further details of the progress made during the year and actions to be taken during 2026 are set out in the letter from the Chairman of the HSECR Committee on pages 56 to 57 and in the Sustainability report on pages 58 to 117.
- **Fraud detection:** The Committee has continued to work closely with Internal Control, Risk Management and the internal audit teams following the review of the Company's fraud risk assessment process undertaken in line with guidelines published by the Association of Certified Fraud Examiners (ACFE) during 2024. The Committee monitored the steps taken by management to prepare for the implementation of the new UK corporate criminal offence of failure to prevent fraud which took effect in September 2025. More information on risk management systems can be found on pages 120 to 124.
- **UK Corporate Governance Code - Risk Management and Internal Control:** The Committee has continued to evaluate the significant amount of work undertaken by the management team in response to the new UK Corporate Governance Code published in 2024, particularly in relation to the Board's monitoring of Fresnillo's risk management and internal controls framework. The section on Internal Controls (see page 177 below) sets out in detail the progress made during 2025. We are satisfied with the progress made and look forward to reporting fully under the new Code requirements for 2026.

In the second half of the year, an evaluation of the performance of the Board and its committees was carried out. With respect to the Audit Committee, I am pleased to report that the results of the review were very positive. Nevertheless, we continue to look for ways to improve the efficiency of the meetings, making sure that we remain well-briefed on the subjects of interest to the Committee.

At the end of the year, the Committee undertook a questionnaire-based evaluation of the performance of the internal audit function which indicated that the function is operating satisfactorily.

In closing, I would like to acknowledge the effort and valuable contributions made by the members of the Committee, and by the Company executives who work closely with it; as well as the invaluable support and trust that the Committee continues to receive from the Board.

I would be happy to speak with any shareholders who have questions about the work of the Committee.

Yours faithfully,

Alberto Tiburcio
Chairman of the Audit Committee

The Audit Committee

Membership

The members of the Audit Committee and their relevant financial and auditing experience is summarised as follows:

Committee members	Financial and auditing experience
Alberto Tiburcio (appointed to the Committee on 4 May 2016 and appointed Chairman of the Committee on 30 May 2018)	Previously Chairman and CEO of EY (Mexico). Experience in national and international accounting and audit practice and corporate governance.
Georgina Kessel (appointed to the Committee on 1 March 2021)	Public finance experience from her career in government. Has served on the Audit and Risk Committees of major companies in Mexico and Spain.
Héctor Rangel (appointed to the Committee on 24 June 2021)	Extensive corporate and investment banking expertise.
Rosa Vázquez (appointed to the Committee on 4 March 2025)	Risk, audit and accounting experience. Serves on the audit committee of other companies in Mexico.

All of the members of the Audit Committee are Independent Non-Executive Directors.

Audit Committee activity in 2025 and early 2026

This report sets out the key activities of the Committee in discharging its duties during 2025, and those undertaken in 2026 in respect of the audit and publication of the financial statements for 2025. The Committee met five times during 2025 and once more in February 2026 with all the meetings being either hybrid or virtual via video conference. Notwithstanding this, the Committee was able to operate in accordance with its terms of reference and it was able to follow its usual pattern of work which is reported under the following headings:

REPORTING

- Financial reporting: Overseeing the Company's financial and narrative reporting to shareholders (including considering whether it was fair, balanced and understandable).
- Stakeholder relationships and reporting: Overseeing the Company's reporting on certain stakeholder issues.
- Whistleblowing: Overseeing on behalf of the Board, the cases reported through the whistleblower line and the work of the Ethics Committee.

ASSURANCE

- External audit: Overseeing the work of and the Company's relationship with the external auditor.
- Internal audit: Overseeing the work and findings of internal audit.

RISK AND CONTROLS

- Risk: Overseeing the operation of the Company's risk management framework.
- Internal control: Monitoring the Company's internal control environment.
- Related parties: Overseeing the financial aspects of the Company's commercial relationships with related parties.

Details of the membership of the Committee and the Committee's effectiveness review are set out on pages 152-153 and page 162 respectively of the Governance section

AUDIT COMMITTEE REPORT CONTINUED

REPORTING

Financial reporting

The Company reports to shareholders on its financial performance twice a year.

The principal steps taken by the Committee during the period from 1 January 2025 to the date of this report in relation to its review of the published financial statements were:

- Review of the financial statements and Annual Report for the year ending 31 December 2024 and consideration of EY's comments on these documents.
- Review of the 2025 interim financial statements and 2025 interim announcement and consideration of EY's comments on the drafts of these documents.
- Review of the plan for preparing the financial statements and Annual Report for the year ending 31 December 2025.
- Review of the significant judgements and estimates that impact the financial statements (see below).
- Review of the financial statements and Annual Report for the year ending 31 December 2025 and consideration of EY's comments on these documents.

To aid the Committee members' understanding of the reported financial results during the year, the Chief Financial Officer updated the Committee on the Group's financial performance at each of its meetings in February, April, July and October.

Significant judgement areas

The Committee considered the principal areas of financial statement risk and judgements made in relation to both the interim and full-year financial statements, prior to recommending those financial statements to the Board for approval. In many cases, these significant judgement areas were the same as those considered in previous years; however, as the mining cycle progresses, these areas of judgement or estimation evolve, and new ones may need to be considered while others may become less important.

Process for the review of significant judgements

The significant judgement process may be summarised in the following way:

Significant areas of judgement in 2025

The significant judgement areas considered by the Committee in 2025 are set out below. In each case, the Audit Committee concluded that the accounting treatment and disclosure in the financial statements are appropriate.

Soledad-Dipolos (see Note 2 to the financial statements)

Assessment of risk:	Minera Penmont lost access to the leaching pads at Soledad-Dipolos in 2013 due to opposition by local agrarian group members from a community known as ejido (i.e., agrarian community) 'El Bajio', members of which have also presented several claims over land in the proximity of the operations of Minera Penmont. Nevertheless, Minera Penmont continues to own the land and mining assets and is seeking to regain access. The litigation has been protracted and management has had to consider whether it remains likely that access to the land and assets will be regained.
Variables considered:	In 2013, the Company re-assessed and wrote-off the carrying value of certain property, plant and equipment that could not be utilised or re-assigned to other mine units or remained at the site and was no longer considered to have a future economic benefit to the Company. The Company has subsequently prepared an operating plan to re-commence mining operations considering that access is recovered. The plan is reviewed annually to consider the future investments for restarting such operations, as well as the timing of recovery of inventory and associated processing costs. Based on the current reserves and existing inventory, the Company has estimated a seven-year period for the foregoing, once access to the land is regained. The Company continues to believe that its legal postion in relation to both access and financial claims against the Company remains the same as in 2024, and that there is a reasonable expectation it will regain access, and thus has considered that the assets held as property plant, and equipment and inventories as at 31 December 2025 will produce economic benefits once the Company has regained access to them.
Sources of assurance:	In making this judgement, the Committee has relied on information provided by management concerning their discussions with the relevant authorities supported by advice received from the Company's internal and external legal counsel.

Related-party transactions including revenue recognition (see Note 27 to the financial statements)

Assessment of risk:	Fresnillo has a controlling shareholder and as a result has very strong ties both to Peñoles and the broader BAL group. There is a risk that related-party relationships could be taken advantage of to manipulate earnings or otherwise distort the Company's financial position and/or transfer value to Peñoles or another BAL company inappropriately. Furthermore, related-party transaction disclosure requirements allow investors to understand the nature and extent of the Company's transactions with related parties and there is a risk that disclosures in the financial statements could be inaccurate or incomplete.
Variables considered:	Every year, the Committee scrutinises the probity of all major related-party transactions to ensure that they are entered into transparently and fairly to all shareholders. Prior to the termination of the Silverstream Agreement in June 2025, the Committee also reviewed with management its valuation (on which an independent expert opinion was received to support its approval as a related party transaction) and accounting implications
Sources of assurance:	The Committee considered management reports on the transactions with related parties during the year. In particular, it received confirmation from the Chief Executive Officer on the trading relationship with Met-Mex and the basis on which pricing is determined (using a methodology which was adopted in 2019) (see the 'Related parties' section on pages 178 - 179). The Committee discussed EY's procedures to ensure that related-party transactions are recognised accurately and correctly reported in the relevant disclosures in the Annual Report, as well as their related conclusions. Internal audit routinely reviews agreements between the Company and Peñoles, the results of which are reported to the Committee as part of its annual Internal Audit programme updates. In addition, PricewaterhouseCoopers (PWC) conducts annual reviews of the intercompany transactions each year (including related-party transactions). In previous years, these reviews have not resulted in any adverse comments thus providing a degree of assurance that the Company's usual approach to the pricing of such transactions is reasonable.

AUDIT COMMITTEE REPORT CONTINUED

REPORTING

Recoverable amount of long-term non-financial mining assets (see Note 13 to the financial statements)

Assessment of risk:	The recoverable amount of long-term non-financial assets is influenced by the level of reserves and resources for each mine at any moment in time, the likelihood that the resources can be economically mined and the expected phasing of planned production (mine plan). Other key variables considered include the expected metals prices, costs and discount rates. The estimated valuation of the recoverable amount of long-term mining assets will change year-on-year in response to changes in these inputs. If the financial statements are not adjusted accordingly there is a risk of significant financial misstatement.
Variables considered:	The estimation of reserves and resources, prices, costs, discount rates and related mine plans for each business unit, along with management's assessment of impairment indicators, were considered.
Sources of assurance:	The Committee noted that the specialist third-party reports on estimates of reserves and resources and estimates of recoverable value had been prepared by Management and then reviewed by EY, using specialists where necessary. The Committee also noted the reports from SRK and AMC on reserves and resources and scrutinised the process by which they were prepared to ensure that improvements made during the year had been properly implemented. Internal audit also followed up on steps taken by management during the year. The Committee further evaluated EY's assessment of management's position on the mines most at risk and sensitivities performed by EY for alternative metals prices and discount rate scenarios.

Mineral reserves and resources (see pages 285-291)

Assessment of risk:	Reserves and resources are a primary driver of Fresnillo's market valuation and a significant input into calculations of depreciation and assessments of impairment. Such calculations are dependent on significant amounts of geological data provided by the Company's business units and the ability of the exploration and operational teams to find new reserves and replenish resources that have been mined during the financial period.
Variables considered:	The estimation of mineral reserves and resources requires significant judgement, not only in respect of mineral physically in place but also metals prices and cost assumptions used to determine the cut-off grade for identifying economically viable ore bodies. There is also judgement in developing and maintaining the mine plans which estimate the timing and quantities of related production. During 2025, in addition to considering changes in the price assumptions, the Committee also considered the change in methodology for determining the mineral resource estimates as a result of adopting the RPEEE (Reasonable Prospects for Eventual Economic Extraction) criteria for defining mineral resources (as described further in the Review of Operations - Exploration section on pages 42 to 46).
Sources of assurance:	During 2025, the Committee continued monitoring the process and noted that, while there is still room for improvement, management accelerated significantly the timing for providing the relevant information to SRK and AMC. The Committee was satisfied as to the completeness of the reports and thus was able to make an informed assessment of the position as at 31 December 2025.

Taxation and PTU (see Note 11 to the financial statements)

Assessment of risk:	The taxation of mining companies in Mexico has been the subject of much attention as reflected by a number of tax inspections that are ongoing or have been initiated by the tax authorities. Some aspects of Mexican tax legislation are open to interpretation. During the year, the Committee has continued to closely monitor tax contingencies and received reports from management on ongoing discussions with the tax authorities. Certain tax assets and liabilities are denominated in Mexican pesos and are revalued in US dollars during the period, resulting in foreign exchange gains or losses which need to be taken into account when assessing the tax charge for the period and the deferred tax computation. In accordance with the Mexican legislation, local companies also pay employee profit sharing (PTU) in accordance with the legally applicable formulas.
Variables considered:	The Committee reviewed the status and potential outcomes of tax audits commenced during the year and ongoing dialogue with the SAT. The Company has considered and challenged the SAT position of not accepting the deductibility of some payments to the Union.
Sources of assurance:	Throughout the year the Committee received updates on the status of tax inspections. Reviews of tax related matters were also undertaken by internal audit. The Committee reviewed management's supporting memoranda on the consolidation of tax and PTU and sought EY's views on the same. It ascertained the degree to which judgements and adjustments are supported by internal and/or external subject matter experts and ensured that they corresponded with information presented during the year prior to approving the relevant disclosures in the annual report.

Stakeholder reporting

The Committee plays a role in overseeing, on behalf of the Board, some key aspects of the Company's reporting concerning its relationships with key stakeholder groups.

- **Employees**: The Committee reviewed the work of the Ethics Committee in relation to matters raised via the whistleblower line (see following section).
- **Government/Tax authorities:** The Committee closely monitors the Company's relationship with the SAT, with the status of any outstanding tax audits reviewed at most meetings. The Committee receives regular reports from the Head of Tax on her interactions with the SAT concerning current tax audits.
- **The Environment:** The oversight of the Company's approach to managing environmental and climate-related risks is primarily the responsibility of the HSECR Committee which regularly reviews Fresnillo's response to the operational implications of such risks. The Audit Committee reviews the Company's reporting on such risks and initiatives, particularly through the TCFD Report to ensure that such disclosures are consistent with the Company's financial reporting.

During 2025, the Committee reviewed the Company's Payments to Governments data, published in June, and the Company's UK Tax Strategy Statement, published in November.

Whistleblowing

The 'Línea Correcta' whistleblower hotline allows stakeholders to anonymously report (via an independent third party) violations of the Company's Code of Conduct. The effectiveness of the hotline is reviewed by the Committee twice a year (February and July meetings) and the Chairman of the Committee gives a report to the Board every six months on the key trends and steps taken as a result of these reviews.

In 2025, there were a total of 185 reports (compared to 161 in 2024). Further details about the operation of the whistleblowing arrangements and the reports made in 2025 are set out in the Sustainability report on page 65. During the year, the Committee was satisfied that all matters had been or continue to be properly investigated with appropriate action taken.

AUDIT COMMITTEE REPORT CONTINUED

ASSURANCE

External audit

Relationship with EY

Ernst & Young LLP (EY) was re-appointed as the Company's auditor at the 2025 AGM. EY was originally appointed in 2008 and, as reported below, its appointment was re-confirmed in 2016 (for the financial year ending 31 December 2017).

Steve Dobson, who has been the Company's lead partner since 2020, rotated off the Company's audit during the year. His successor, Stephney Dallmann, who had been identified and agreed with the Committee in 2024, commenced her role in 2025. During the year, the members of the Committee met twice with representatives from EY without management present and once with management without representatives of EY present, to ensure that there are no issues in the relationship between management and the external auditor which it should address. There were none noted as a result of such discussions.

The Company complied with the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Processes and Audit Committee Responsibilities) Order 2014 during the year.

External Audit Process

The key steps in the Committee's interactions with EY during the period from the sign-off of the Annual Report and Accounts for the year-ended 31 December 2024, to the date of this report were:

- The review of a report from EY providing their observations arising from the 2024 audit process and management responses to those observations in April 2025.
- Discussion with EY of the findings from their review of the interim results for the period ended 30 June 2025.
- The review of the 2025 half-year representation letter given to EY.
- The review and approval of the external audit plan, fees and terms of audit engagement.
- The review of the results of the 'hard close audit' for the ten months to 31 October 2025.
- The review of the representation letter given to EY for the 2025 full-year audit.
- The review of EY's report following completion of the audit for the year ended 31 December 2025.

Quality, objectiveness and independence of the external auditor: The Committee is mindful of its responsibility to ensure that the external auditor maintains its independence and objectivity and is appropriately qualified with sufficient resources and expertise to fulfil the role. The Committee sought written assurances from EY concerning its independence (by reference to UK Ethical Standards for the audit profession) which it duly received. As a result, the Committee is satisfied with the independence of EY as the external auditor. The Committee discussed the quality, objectiveness and independence of the EY team with management and was satisfied that there were no concerns in this regard.

Non-audit services policy: The Committee has adopted a policy for the provision of non-audit services to the Fresnillo Group by the external auditor (the 'Policy'). The Committee has maintained an ongoing dialogue with EY during the year concerning the services that it provides to the Company and the wider Peñoles Group to ensure that where such services are provided, they are in line with the Policy or discussed with the Committee on a timely basis.

The current Policy permits the engagement of the external auditor to provide a narrow range of permitted services which are closely related to the audit and/or required by law or regulation. Any engagement of the external auditor to provide permitted services above US$5,000 is subject to the specific approval of the Committee. During 2025, EY provided audit-related assurance services in connection with the review of the interim financial statements (US$685,000), the climate related non-audit service (US$107,562), Mexican tax opinion (US$135,000) and a review of the proforma figures for the acquisition of Probe Gold Inc. (US$39,579). The ratio of fees paid for non-audit work in relation to audit work during the year was 0.37:1.00 (2024: 0.31:1.00).

Details of the fees paid to EY during the year are shown in Note 28 to the financial statements.

Evaluation of the effectiveness of the external audit and the auditor

The Committee assesses the effectiveness of EY as its external auditor from two perspectives:

- Reviews of the work of EY's UK practice, as a firm, undertaken by the Financial Reporting Council's Audit Quality Review Team.
- Its own assessment of the effectiveness of the external audit process and the role played by both EY's UK and Mexican teams in the performance of the annual audit.

Audit quality review: The Committee reviewed the FRC's Audit Quality Review ('AQR') on EY as a firm and the specific report on EY's audit of the 2024 financial statements issued in September 2025. This inspection primarily focused on the risk assessment and planning; execution of the audit plan; and completion and reporting, including the quality of communication with the Audit Committee in relation to the following matters:

- Valuation of the Silverstream Contract.
- Recoverable amount of mining assets.
- Revenue recognition in relation to Saucito, Penmont and Juanicipio.
- Inventory existence in relation to Saucito, Penmont and Juanicipio.

The review assessed the audit quality as 'Good' indicating that no key or other findings were identified. The report was circulated to and noted by the members of the Committee.

Audit Committee assessment of EY and recommendation for re-appointment: Following the completion of the 2024 annual report, the Committee undertook a review of the performance and effectiveness of EY at its April 2025 meeting. As part of this process, the Chief Financial Officer and Finance Team were invited to provide their insights into their interaction with the EY teams during that process. The Committee concluded that EY was performing well with an overall consensus being that the working relationship was good.

In February 2026, taking account of the performance of the external auditor in relation to the 2025 annual report, the Committee recommended to the Board the re-appointment of EY as external auditor at the Company's 2026 Annual General Meeting.

External Audit Tender

Fresnillo last undertook an external audit tender process in 2016 and therefore, the financial year commencing 1 January 2026 will be the last year that EY can remain in this role.

During the year, the Audit Committee agreed to conduct the external audit tender process with a view to having the new auditor identified for the financial year commencing 1 January 2027. The aim of the process was to complete the tender process in time to make a recommendation of a new auditor to the Board in early 2026 so as to allow the new auditor to observe aspects of the 2026 audit and thus facilitate a smooth transition.

Having evaluated the options, the Audit Committee decided to invite Deloitte, KPMG and PwC to participate in the tender process. The Audit Committee considered whether to invite challenger audit firms to participate in the tender process but decided that, due to the complexity and size of the Company, it would be better served with the experience and resources, both in the UK and Mexico, of one of the three larger firms. Having reviewed the criteria provided, KPMG advised the Audit Committee that they would not participate in the tender process.

The tender process included the following steps during the second half of 2025 and early 2026:

Activity
Meetings with Deloitte and PwC
Meetings with management in Mexico City and site visits
Bids received and evaluated by management
Evaluation of bids by the Audit Committee and preferred bidder(s) agreed
Final Presentations to Audit Committee
Audit Committee recommendation to the Board

The criteria by which the firms participating in the tender were assessed included the following:

- Audit quality and independence.
- Experience in precious metals and mining, UK and Mexico geography, regulation and markets.
- Approach to communication and co-ordination taking account of time zone and language differences.
- Methodology, hours and fees.

The conclusion of this process was that the Committee recommended to the Board that PwC be proposed as the external auditor for the year ending 31 December 2027.

Internal Audit

The 2025 Internal Audit annual plan was approved by the Committee in October 2024, incorporating audits across all of Fresnillo's business units with a focus on strategic priorities and key risks. During the year, Internal Audit continued to leverage technology and apply data analytics to achieve a satisfactory depth of audit coverage and gain deeper insights into Fresnillo's risk and internal control environment. During the year, Internal Audit executed a series of reviews covering operational processes at the mining units, technology processes, tax matters and administrative processes. These reviews were conducted with a strong emphasis on risk exposure, control effectiveness, productivity, cost management and regulatory compliance. In addition, Internal Audit carried out its annual process of verifying the validity and accuracy of the non-financial information included in the 2025 annual report and reported the results to the Committee at the beginning of 2026.

Due to the continued importance of cybersecurity and the evolving technology landscape, Internal Audit is continuing its assessments aimed at validating the design and effectiveness of Fresnillo's cybersecurity, IT (Information Technology) and OT (Operational Technology) processes and controls. The Committee continues to review progress made in raising the level of cybersecurity maturity and actions taken by management to ensure compliance with laws and regulations.

In addition, Internal Audit oversaw the process of redefining the Group's technology governance model, ensuring that it was based on international standards.

Towards the end of each year, Internal Audit presents the proposed annual internal audit plan and resourcing requirements for the following year. The 2026 internal audit plan was presented to the Committee and approved in October 2025. The plan was developed according to the International Standards for the Professional Practice of Internal Auditing, and considered the following:

The 2026 internal audit plan was approved by the Committee in December 2025 and includes planned audit engagements aligned with strategic priorities and areas of higher risk. These will cover major ongoing exploration and capital projects, compliance with laws and regulations (including environmental legislation, labour requirements and permitting obligations), health and safety, taxation, cybersecurity, IT/OT processes and multi risk operational compliance processes at the mining units.

The Head of Internal Audit attended all Committee meetings during the year. Members of the Committee meet with the Head of Internal Audit twice a year without management present.

At each meeting, the Committee also monitored progress made by management in addressing 'red flag' items (i.e. relevant control observations) identified through internal audit work. The Committee's focus is on ensuring that the management responses to remediation are appropriate, and that timely progress is made in reducing the number of red flags over time.

In addition, the Committee monitored the quality of the dialogue between internal audit and the Executive Committee in reviewing internal audit findings and agreeing action plans with appropriate levels of operational buy-in to address the points raised. The Committee met with the Chief Executive Officer and Chief Operating Officers several times during the year to review the outstanding internal audit points and is satisfied with the progress achieved through this dialogue.

At the end of the year, the Committee carried out an evaluation of the performance of the internal audit function, based on a focused questionnaire, and was satisfied with the outcome.

AUDIT COMMITTEE REPORT CONTINUED

RISK AND CONTROLS

Risk

The Committee monitors how the Company's risk management framework is operating. Operational responsibility for risk lies with line management (details of the risk management system are set out on pages 120 to 124). The Committee discusses potential changes to the Group's risk profile through its regular reviews of the Risk Matrix and its consideration of any associated recommendations from management proposing changes to the Risk Matrix to take account of changing and emerging risk.

The emerging risks were evaluated and reviewed by the Committee during the year. No new risk categories were identified during 2025.

The principal risks and uncertainties are reviewed every six months prior to the publication of both the interim and full-year reports. The Committee discussed the proposed statements on the principal risks and uncertainties with the Head of Risk and executive team prior to making a recommendation to the Board that they be approved.

Ethical risk

The Committee monitors the Company's Ethics and Compliance programme through regular reviews of progress on the Group's anti-bribery and corruption (ABAC) programme (including attention to reports received through the whistleblowing line as well as the training programme). This demonstrates that the Group's corporate values and elements of the control culture in relation to ethics remain embedded throughout the organisation. To this end, during the year the Committee received reports on: the roll-out of training in relation to the disclosure of conflicts of interest; the Code of Conduct; Step-Up culture and harassment. The Committee also reviewed progress on the implementation of recommendations made following an external evaluation of the ABAC programme in 2022. For the past two years, the main area of focus has been the Procurement, Controllership and Finance departments, whose processes include most of the recommended anti-bribery controls. The recommendations have required each of these processes to be redesigned, and while this has taken time, the changes were completed during 2025 and the recommendations have therefore now all been implemented.

Further information about the Company's approach to bribery and corruption is set out on **pages 67 to 68** of the Strategic Report.

Fraud Risk Assessment

For the sixth consecutive year, a fraud risk assessment was carried out in line with guidelines published by the Association of Certified Fraud Examiners (ACFE). The processes where there is a higher inherent risk of fraud and where the background evidence suggests there may be a higher risk were analysed in detail. The internal controls in place to prevent and mitigate risks were also assessed and considered to be adequate with, in a limited number of cases, some areas of opportunity to improve. For the most exposed fraud risks, working sessions are planned to continue the assessment and improve internal controls.

Financial risk management

The Company's objectives and policies on financial risk management including information on the Company's exposures to market risk, such as foreign currency, commodity price, interest rate, inflation rate, equity price risks, credit risk and liquidity risk can be found in note 31 to the financial statements. During the year, the Committee reviewed the Company's Treasury Policy and concluded that no further changes were required.

Non-financial risk areas

The Committee regularly reviews and receives management updates on current issues and developments that have potential to give rise to specific risks and is guided by regular updates from management on specific issues that it considers should be kept under review. During 2025, regular reports were received on legal matters (including changes to regulation and litigation) and a review of the Group's compliance with mining licence conditions at each of its business units. Where new potential areas of risk are identified by management during regular reviews of the Risk Matrix, the Committee may request further bespoke updates from management to supplement its general review of risk and internal controls. No new areas of non-financial risk were identified during 2025.

Information technology and cyber risk

Throughout 2025, the Committee continued to receive updates on the Group's IT strategy, its linkage to the Group's overall business strategy and the financial implications of that strategy for the business plan. It also monitored the progress of the Peñoles and Fresnillo management teams in developing the cybersecurity framework for the Group.

During 2025, the ERP implementation advanced according to plan, with periodic updates provided to the Committee and close monitoring of the project's progress. The improvement of reporting for financial analysis was initiated, along with functional training to enhance the use of the system's reporting modules.

The Committee also received a presentation concerning the establishment of the Technical Governance Committee – an executive committee which will meet four times a year to discuss investment issues and the technological vision and strategy. It is anticipated that the Technical Governance Committee will begin reporting regularly to the Committee on its work during 2026.

Further information about the Group's approach to IT is set out on **page 131** of the Strategic report.

Going concern

The Directors must satisfy themselves as to the Group's ability to continue as a going concern for a minimum of 12 months from the approval of the financial statements. The Committee supported the Board in this assessment by considering whether the Company has adequate liquid resources to meet its obligations as they fall due. In February 2026, the Committee reviewed the Group's budget and cash flow forecasts for the period to 31 December 2027, taking into account the Company's anticipated production profiles at each mine, budgeted capital and exploration expenditure and the sensitivity of the cashflow forecasts to movements in metals prices, including stress testing those forecasts to identify the levels to which metals prices must fall to put pressure on working capital levels.

The Committee also considered EY's report on this assessment and on the reasonableness of assumptions therein, including their consistency with assumptions and estimates used elsewhere in the preparation of the financial statements. The Committee also challenged management on the feasibility of the mitigating actions and the potential speed of their implementation. Following this assessment, the Committee satisfied itself that the going concern basis of preparation is appropriate and the financial statements

appropriately reflect the conclusions on going concern. The going concern statement is set out in the Strategic report on page 145.

Viability assessment
The Executive Team has developed a comprehensive approach to the viability assessment, the key steps of which are explained within the Viability Statement, set out in the Strategic report on pages 143 to 144. In December 2025, the Committee agreed with Executive Management's proposal that the scenarios presented in the previous year be maintained for the purposes of the 2025 Viability Statement.

In February 2026, the Committee reviewed the proposed Viability Statement. It also considered the potential steps that could be taken to mitigate the cashflow impacts arising from the most negative scenarios (including delaying project capex or reducing exploration expenditure).

Monitoring and strengthening internal controls during the year
The Committee assists the Board in monitoring the effectiveness of the Company's internal control environment. This monitoring includes oversight of all material controls including reporting, financial, operational, regulatory and compliance.

During 2025, the Committee continued to review at its regular meetings each of the quarterly internal controls reports which were prepared by Internal Audit and subsequently submitted to the Board. These documents specifically report on developments in the Key Risk Indicators and the key internal control issues arising from the quarterly Internal Audit reports. From time to time, the Committee has proposed changes to those reports based on its own discussion of Internal Audit's findings. Remediation actions arising from the control exceptions identified throughout the year were those related to: (i) enhancing operative discipline and adherence to safety standards; (ii) improving some information security controls (iii) strengthening the control management for the third-party contracting process; and (iv) delays in obtaining permits which may impact the continuity of projects.

Internal Controls project in preparation for the 2024 UK Corporate Governance Code
Since 2023, management has been using the changes to the risk management and internal control requirements introduced by the 2024 version of the Code, (effective from 1 January 2026), as an opportunity to bring the management process and controls into line with the COSO Framework. Two further stages of the project were completed during 2025:

Documentation and validation of material controls
- Interviews with process owners at the corporate and business unit levels, covering 14 financial processes, 10 operational processes related to Fresnillo plc's 10 critical risks defined in the Company's ERM (severity: very high and high), and 18 systems/applications.
- Walk-through of each process to identify material controls
- Description and documentation of material controls by process, considering review criteria, thresholds, responsibility frequency, and evidence of their implementation, including the automated controls within the new ERP Oracle Fusion system.
- Recommendations for strengthening controls, where necessary.
- Validation of controls with process owners.

Design and Implementation Testing
- Request for information to conduct the control evidence review.
- Review and evaluation of evidence to ensure that it meets the criteria and characteristics described in the controls.
- Making recommendations to the control owners of financial, operational and IT controls in order to strengthen controls based on the results of design and implementation tests.

As at 31 December 2025, the key next steps in the project were:

- Developing a continuous monitoring plan for 2026.
- Conducting design and implementation testing of newly implemented or remediated controls.
- Preparing the Declaration to be made by the Board of Directors, as a result of the evaluation of the effectiveness of the material controls

Financial reporting controls
Fresnillo management has adopted a series of policies, practices and controls in relation to the financial reporting and consolidation process, designed to address key financial reporting risks, including risks arising from changes in the business or accounting standards and to provide assurance of the completeness and accuracy of financial statements and the Annual Report. These policies and procedures set out the Group's accounting policies, its treatment of transactions and its internal reporting requirements.

The internal reporting of financial information to prepare the Group's annual and half-year financial statements is signed off by the Chief Financial Officer and the Group Financial Controller. The Chief Financial Officer and the Accounting Information Manager must also confirm annually that all information relevant to the Group audit has been provided and that reasonable steps have been taken to ensure full disclosure in response to requests for information from the external auditors. The Committee Chair, Chief Financial Officer and Group Financial Controller have all participated in the drafting and review processes for the Annual Report and the Head of Internal Audit also reviews information disclosed in the Annual Report.

AUDIT COMMITTEE REPORT CONTINUED

RISK AND CONTROLS CONTINUED

Annual review of the system of internal controls

The Committee undertakes an annual review of the Group's system of internal controls. In this task, the Committee is directly supported by the independent work of the internal audit team. This review aims to improve the understanding of how the various sources of assurance (through the three lines of defence) interact in the review and execution of material controls by identifying and addressing any gaps in the control framework. Consequently, once a year, the Committee oversees the review of the Group's system of internal controls through an assessment, conducted by management, of the various sources of confidence over the execution of material internal controls. This is a comprehensive review incorporating operational management, financial management and Executive Management, complementing the independent assessment of material risks and internal controls by internal audit.

The Chief Executive Officer, Chief Operating Officers and other senior managers were invited to meet with the Committee to discuss their action plans and progress for remediating the issues identified.

This work underpins the Board's statement on the annual review of the system of internal controls (see statement on page 158).

Related parties

With the Company's Parent Company, Peñoles, owning just under 75% of the issued share capital of the Company (see page 199), it has and will continue to have a significant level of influence over the affairs and operations of Fresnillo. Being part of the same Group provides an opportunity to achieve synergistic operational, financial and administrative improvements by combining the resourcing of common services that can be shared between Peñoles and Fresnillo. Although these arrangements are beneficial to Fresnillo, the Committee performs a role in overseeing these arrangements to ensure that they continue to operate impartially.

The principal arrangements entered into between the Company and related parties and reviewed by the Committee during the year were:

The Met-Mex agreement	As it does every year, the Committee considered the reasonableness of proposed treatment and refining charges in respect of the Met-Mex arrangements for 2025, as disclosed in note 27 to the consolidated financial statements. Management circulated a paper setting out the methodology to determine the charges, which takes industry benchmark charges and adjusts to reflect ore composition and transport costs. The methodology used in 2025 was the same as that used in the previous three years. The Committee reviewed this paper and recommended approval of the proposed charges by the Independent Directors at the Board meeting in October 2025. As part of its review of the Met-Mex arrangements, the Committee also confirmed with management that the transfer pricing assessments in respect of prior year transactions (which are undertaken for tax reasons by the Group's external adviser, PwC), had been completed with no issues noted. A similar assessment in respect of the 2025 transactions will be received in due course.
The Silverstream Agreement	In June 2025, the Company and its Parent Company, Peñoles, agreed to terminate the Silverstream Agreement. Further information about the Committee's oversight of the termination of the Silverstream Agreement is set out on pages 167 and 171.
Other agreements	There are other dealings with related parties in the ordinary course of business (e.g. insurance brokerage) which, although not requiring approval by Independent Directors, will from time-to-time be reviewed by the Committee to ensure that the arrangements are on a reasonable arm's-length basis. During the year, the Committee reviewed the annual insurance renewal for which Grupo Nacional Provincial, S.A.B., a related party, acted as broker. During 2025, the Committee reviewed and approved a commercial agreement between the Company and related party, TANE, S.A. de C.V., (TANE), under which the Company would invest approximately US$2 million (made up of inventory and financial contributions) towards an exhibition sponsored by TANE which aimed to promote Mexican silver at a museum in Mexico. The aim of the exhibition was to promote knowledge of the origins of Mexican silver and increase its visibility.

The Shared Services Agreement is an agreement between the Company and Peñoles which sets out, on an arm's-length basis, the basis and terms under which several categories of services are provided to the Company by Peñoles. The Shared Services Agreement was renewed with effect from 1 January 2024 and must be renewed every five years. Internal Audit conducts reviews of approximately one-third of main services provided each year to ensure that these services are provided in accordance with the agreed KPIs. As a result, all services are reviewed by Internal Audit over a three-year cycle. Internal Audit reports to the Committee on its review of the Shared Services Agreement.

The following table summarises the approach taken to identify and manage related-party transactions under the Relationship Agreement.

Process	How this is managed	Responsibility
Monitoring of Directors' interests	If a Director has an interest in a company that could potentially enter into transactions with a Fresnillo Group Company, the Board will normally consider that interest under its arrangements for authorising conflicts of interest under s175, Companies Act 2006.	Directors
Contract negotiation and verification	The best possible commercial terms are negotiated by management and, where possible, they will seek to verify them against international benchmarking reports and/or independent valuation or assessment.	Fresnillo Executive Committee and management
Financial scrutiny	Review of the key financial terms of any major transaction which are verified where possible as to price and quality by external consultants or independent benchmarking.	Audit Committee
Independent Director approval	Under the Relationship Agreement and the Listing Rules, the Independent Non-Executive Directors must approve any transaction with the Peñoles Group or its associates without the Non-independent Directors voting.	Independent Non-Executive Directors

Ensuring that the Annual Report is fair, balanced and understandable

In relation to the annual report and financial statements for the year ended 31 December 2025, there are a number of steps that the Board, supported by the Committee, undertook to ensure that the annual report is fair, balanced and understandable. An explanation of the process adopted in preparing the annual report and analysis of the basis upon which each requirement for it to be 'fair', 'balanced' and 'understandable' had been met was summarised in a paper which the Board reviewed at its meeting on 25 February 2026. The key features of this process were:

- The narrative sections of the annual report were drafted by the members of the team with specific responsibility for the areas referred to in the sections that they prepare. The individuals involved included the Head of Investor Relations, the Head of Risk, the Head of Sustainability, the General Counsel and Compliance Officer, Company Secretary and Mine Managers.
- As narrative sections of the annual report were prepared, copies were circulated to Board members for review and comment. Such comments were incorporated into updated versions of the annual report.
- About a month prior to the annual report being approved by the Board, members of the Audit Committee and other Directors reviewed a current draft enabling them to assess whether the information was consistent with their understanding of the Company's business and the nature and content of discussions at the Board during the year. Comments were received from the Directors on most areas of the annual report, and these were incorporated into subsequent drafts of the annual report. The sections of the annual report which were particularly commented on included: the operations reporting, the Sustainability report and climate-related disclosures in particular, the presentation of information on diversity and inclusion and the presentation of health and safety information.
- Suggested changes put forward by the Directors, based on knowledge obtained through Board and Audit Committee papers and discussion and other interactions with management, were considered by management in preparing the final version of the annual report.
- The disclosures relating to climate change, in particular the TCFD statements, were reviewed by members of the Board to ensure that they were consistent with the approach and discussions relating to climate-related change at Board and Committee (particularly the Audit Committee and HSECR Committee) levels.
- At the same time, Internal Audit undertook a review exercise of the principal non-financial information in the annual report which is extracted from the Company's operational records and their findings were appropriately reflected.
- The Audit Committee also reviewed the annual report and financial statements, taking into account comments made and reports issued by EY and decided to recommend them to the Board for approval.

As a result of the above procedures, the Board considers that, taken as a whole, the Annual Report is fair, balanced and understandable.

The Corporate Governance report which is set out on pages 147 to 201 has been approved by the Board of Directors of Fresnillo plc.

Signed on behalf of the Board.

Alberto Tiburcio
Independent Non-Executive Director
2 March 2026

DIRECTORS' REMUNERATION REPORT
REMUNERATION AT A GLANCE

Remuneration Policy in summary
The Company currently has no Executive Directors; however, the Remuneration Committee treats the Chief Executive Officer as if he were an Executive Director for the purposes of the Remuneration Policy and for reporting on his remuneration.

Objective of the Remuneration policy
What does the policy seek to achieve?
The Group's Remuneration policy seeks to ensure that the Company is able to attract, retain and motivate its Executive Directors and members of the Executive Committee. The retention of key management and the alignment of management incentives to the Group's purpose are essential objectives of this Policy.

Components of Directors' remuneration
How is executive remuneration structured?

Component	Salary	Bonus	Benefits	Pension
Rationale	Setting base salary levels for Executive Directors and members of the Executive Committee at an appropriate level is key to managerial retention in Mexico. Salaries are positioned within a range of possible salaries according to experience and length of service. Ordinarily, subject to performance, the same percentage will be applied to salary increases across the Company for senior management and other employees alike.	The annual bonus rewards the achievement of financial and strategic business targets and the delivery of personal objectives. Annual bonus is capped at six months' salary and is paid on the basis of metrics set out in the Remuneration Policy.	Benefits are provided in line with the Group's policy on employee benefits.	The Group operates a defined contribution scheme for all employees. Executive Directors and key management are entitled to membership of the defined contribution scheme.

Additional features of Fresnillo's Remuneration Policy

Component	Long-term Incentives	Share-based remuneration	Shareholding guidelines	Recovery of bonus
Rationale	The annual bonus scheme sets targets which are aligned to the Company's long-term strategic objectives so that these priorities are embedded within the day-to-day activities of our business. The Company does not operate a long-term incentive plan.	The Company does not use share-based forms of remuneration because the Remuneration Committee does not currently consider them to be a common form of executive remuneration in Mexico.	In the absence of share-based incentive schemes, the Company does not adopt shareholding guidelines for executives.	There is scope within the bonus scheme for bonus awards to be adjusted downwards at the discretion of the Remuneration Committee if they cannot be justified by the Company's financial or operational performance during the year (or in respect of previous years).

Objective of the annual bonus
What does the annual bonus seek to achieve?
The annual bonus is set for, and based on, performance over a single-year period but the KPIs and targets are also designed to ensure that both short-term objectives and the long-term development of the Fresnillo Group are given broadly equal priority within variable remuneration.

ALIGNMENT OF THE REMUNERATION POLICY TO PURPOSE AND STRATEGY

Our Purpose is to contribute to the wellbeing of people, through the sustainable mining of silver and gold.

STRATEGIC PRIORITIES

1 EXPLORE
Extend and maintain a robust growth pipeline.

2 DEVELOP
Deliver profitable growth, optimise cash flows and returns.

3 OPERATE
Maximise the potential of our operations.

4 SUSTAIN
Advance and enhance the sustainability of our business.

RELEVANT BONUS METRICS

- Replenishment and expansion of reserves and resources.
- Exploration projects progress.

- Development projects progress.
- Contractors' performance.
- EBITDA

- Production – increase in ounces produced.
- Synergies and teamwork.
- Management of contractors.

Employees/Contractors
- Safety (various metrics).
- Labour relations.

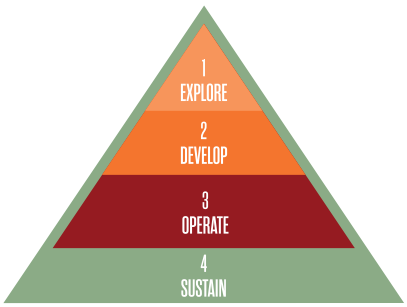
Communities
- Project-based metrics.

Environment
- Environmental risk management.

Shareholders
- EBITDA.

Key components of the annual bonus in 2025

What was achieved?



		2025	2024	Change (%)
Performance	**Total silver reserves** (moz)	**362.6**	331.3	9%
	Total gold reserves (moz)	**7.8**	7.2	8%
	EBITDA (US$m)	**2,796.2**	1,547.3	81%
	Profit for the year (US$m)	**1,573.8**	226.7	594%
	Silver production (moz)	**48.7**	56.3	(13%)
	Gold production (koz)	**600.3**	631.6	(5%)
	Total relevant environmental incidents	**0**	0	
	Fatalities	**2**	2	0%
CEO's Remuneration	**Total salary** (US$000)	**1,308**	**1,277**	**2.4%**
	Bonus (US$000)	**469**	**458**	**2.3%**

DIRECTORS' REMUNERATION REPORT CONTINUED
CHAIRMAN'S ANNUAL STATEMENT

"Ensuring that executive remuneration rewards excellent performance while also incentivising executives in a way that is consistent with the expectations of the Company's Shareholders."

Members and meetings in 2025	Meetings attended
Alejandro Baillères	3/3
Alberto Tiburcio	3/3
Guadalupe de la Vega	3/3
Georgina Kessel	2/2*

* Georgina Kessel was appointed to the Remuneration Committee on 4 March 2025 and was therefore only eligible to attend two of three meetings during the year.

Dear shareholder,

I am delighted to introduce the Directors' Remuneration Report.

The Remuneration Committee continues to maintain the approach to executive remuneration that has been applied since Fresnillo first listed on the London Stock Exchange in 2008. We continue to welcome the support of our shareholders for our remuneration arrangements, and I was pleased to see that this support was again strongly demonstrated at our 2025 AGM.

Review of variable remuneration

The Remuneration Committee has kept in focus the importance of ensuring that executive remuneration rewards excellent performance while also incentivising executives in a way that is consistent with the expectations of the Company's shareholders. In this regard, the Committee has again monitored the annual bonus arrangements for our senior management team to ensure that they are aligned to our strategy and the business context within which the Company operates. In 2025, we continued to monitor the KPIs used to calculate the annual bonus to Executive Committee members and we were satisfied that they remained appropriate for that year. However, since the end of the year, we have been considering the appropriateness of our executive incentives in the light of the Group's international expansion and strong financial performance and budget projections. As a result, we have been considering refreshing the Annual Bonus Plan for our senior executives and, particularly, our Chief Executive Officer in order to introduce more strategic considerations into those bonus arrangements.

These changes are likely to involve amendments to the parameters of the Annual Bonus Plan set out in the Directors' Remuneration Policy ("the Policy") and we are currently finalising the detail of the framework that we will be asking shareholders to approve at the 2026 annual general meeting ("AGM"). The details of these changes will be included in the Circular accompanying the Notice of Meeting for the AGM ("the AGM Circular"). At this point, I would nevertheless confirm the Remuneration Committee's commitment to the Annual Bonus Plan as the primary vehicle for rewarding both short-term and long-term performance and we maintain our long-held view that the use of long-term equity-based incentives is not a remuneration mechanism that we consider to be appropriate for the Company.

It is also anticipated that there will be changes to the 2026 targets to complement the changes we expect to make to the Annual Bonus Plan structure. The essence of those changes will also be communicated in the AGM Circular. Performance against those targets and the basis of calculation of bonus points awarded will be disclosed in next year's report.

2026 Directors' Remuneration Policy

With the renewal of the Policy due in 2026, we have reviewed whether changes are needed and have concluded that the current Policy in essence remains appropriate as a remuneration framework which appropriately incentivises our senior executive team. We are nevertheless taking the opportunity to make a small number of very minor editorial changes to the proposed Policy (which are set out in the draft of the Policy on pages 192 to 196). We plan to consult with independent shareholders prior to making any further changes and seeking shareholder approval at the 2026 AGM.

The Remuneration Policy set out on pages 192 to 196 will be presented for approval at the 2026 Annual General Meeting. Should the Remuneration Committee conclude amendments are needed to the Remuneration Policy set out herein in respect of the executives' variable remuneration (as set out above), an additional resolution will be proposed at the 2026 Annual General Meeting to adopt a revised Remuneration Policy, as set out in the Notice of AGM, with such revised Remuneration Policy, if approved, superseding the Remuneration Policy set out in this Remuneration Report and taking effect from 19 May 2026.

As ever, I am always interested to hear the views of shareholders on our approach to executive remuneration.

During the year, we have applied the Remuneration Policy to executive remuneration without needing to exercise any form of discretion other than those elements of the executive bonus plan which require an element of judgement in determining outcomes for the year.

Salaries, bonus and our application of the Remuneration policy in 2025

Levels of salary increase for the members of the Executive Committee, with the exception of the Chief Executive Officer, continued to be aligned to the level of increase for all employees (at around 5.3%). The CEO's pay was increased by 8%, which was supported by evidence from Willis Towers Watson, showing how the CEO's remuneration compares with the peer group used to benchmark any Executive Committee member's remuneration (the 'Peer Group') under the terms of the Company's Directors' Remuneration Policy approved in 2023.

For 2025, the Committee has agreed to award bonuses to the members of the Executive Committee to reflect their performance against the targets set out in the Annual Bonus Plan. The Chief Executive Officer was awarded 119.1 points under the plan and therefore has been awarded a bonus equivalent to six months' salary.

As I reported last year, it has been the Committee's view that it is not appropriate to include long-term share-based remuneration as a component of the Company's executive remuneration arrangements because we believe that our current incentive arrangements are a more effective way to reward our senior executive team. However, the Committee continues to monitor the role of long-term incentives in the Company's approach to executive remuneration and, while it has concluded that no change will be needed when the Policy is renewed in 2026, it has concluded that a change is needed to provide a more appropriate incentive arrangement. As I have already mentioned, our preferred approach will be to achieve this through changes to the Annual Bonus Plan.

Malus and Clawback

The Remuneration Committee has considered changes to Provisions 37 and 38 of the 2024 version of the UK Corporate Governance Code which have strengthened malus and clawback expectations in relation to executive remuneration. It is a key pillar of our Directors' Remuneration Policy that variable remuneration for executives is centred on the Annual Bonus Plan, which rewards both short-term and long-term business performance. A corollary of this is that we do not have long-term incentive plans (equity-based or otherwise). This means that the Annual Bonus Plan is the only mechanism that the Committee can use to recover or withhold sums from monies otherwise due to executives. By including, as we have for some time, a provision in our Directors' Remuneration Policy which gives the Committee absolute discretion to adjust remuneration outcomes downward, either in respect of sums otherwise due in the current year (malus) or to recover sums paid in previous years (clawback), we consider that we comply with the requirements of Code Provision 38. Our Policy does not specify how far back we might use discretion to recover sums paid in previous years. Given the long-term nature of planning cycles in our sector, it seems appropriate to retain that level of flexibility in our use of discretion in this regard. The Committee has not needed to exercise this discretion in 2025.

We are not proposing to change these arrangements in the 2026 version of the Policy.

Committee discussions during 2025

In the last 12 months, the Remuneration Committee met four times and its discussions and decisions included the following:

- Review of the performance of the Chief Executive Officer and members of the Executive Committee compared to the KPIs set for 2024 and 2025.
- Review of KPI targets for the Chief Executive Officer and members of the Executive Committee for 2025 and 2026.
- Review of the Non-executive Directors' fees. The last review of the Non-Executive Directors (NEDs') fees took effect in July 2023. No fee increases were considered for the 2024 or 2025 financial period. The fees have recently been reviewed taking into consideration current market conditions and exchange rates and the Board has approved increases of 10% for Mexican-based Directors and 7% for UK-based Directors for 2026.
- Discussion of the results of the effectiveness review of the Committee undertaken as part of the wider Board effectiveness review, which were considered to be satisfactory.
- Review and revision of the terms of reference of the Committee in response to UK regulatory developments.

I am always happy to discuss our approach to remuneration with shareholders and will attend the 2026 AGM to answer any questions prompted by this report. I would be happy to speak with any shareholders who have questions about the work of the Committee.

Yours faithfully,

Alberto Tiburcio
Chairman of the Remuneration Committee

DIRECTORS' REMUNERATION REPORT CONTINUED
ANNUAL REPORT ON REMUNERATION 2025

Introduction

This report sets out information about the remuneration of the Directors and Chief Executive Officer of the Company for the year ended 31 December 2025. In accordance with the regulations, the information provided in the section entitled 'Directors' remuneration – 1 January 2025 to 31 December 2025' and accompanying notes, has been audited by Ernst & Young LLP.

The Remuneration Committee has responsibility for making recommendations to the Board on the Group's Remuneration Policy for Executive Directors and the Chief Executive Officer and other members of the Executive Committee, and for determining specific remuneration packages for senior management, including pension arrangements and any compensation packages, as well as remuneration of the Chairman within agreed terms of reference.

Audited information – Directors' remuneration – 1 January 2025 to 31 December 2025

Single total figure of remuneration

The detailed emoluments received by the Executive and Non-executive Directors and the Chief Executive Officer during the year ended 31 December 2025 are detailed below:

	2025							2024						
US$ thousands	Salary/ Fees	Benefits	Bonus	Pension	**Total fixed pay**	**Total variable pay**	**Total**	Salary/ Fees	Benefits	Bonus	Pension	**Total fixed pay**	**Total variable pay**	**Total**
Chairman														
Alejandro Baillères	55	0	0	0	**55**	**0**	**55**	54	0	0	0	**54**	**0**	**54**
Non-executive Directors														
Juan Bordes[2]	0	0	0	0	**0**	**0**	**0**	20	0	0	0	**20**	**0**	**20**
Arturo Fernández	55	0	0	0	**55**	**0**	**55**	54	0	0	0	**54**	**0**	**54**
Bárbara Garza Lagüera[2]	0	0	0	0	**0**	**0**	**0**	20	0	0	0	**20**	**0**	**20**
Charles Jacobs	142	0	0	0	**142**	**0**	**142**	138	0	0	0	**138**	**0**	**138**
Georgina Kessel	63	0	0	0	**63**	**0**	**63**	61	0	0	0	**61**	**0**	**61**
Judith Macgregor	142	0	0	0	**142**	**0**	**142**	138	0	0	0	**138**	**0**	**138**
Fernando Ruiz	55	0	0	0	**55**	**0**	**55**	54	0	0	0	**54**	**0**	**54**
Alberto Tiburcio	79	0	0	0	**79**	**0**	**79**	77	0	0	0	**77**	**0**	**77**
Guadalupe de la Vega	55	0	0	0	**55**	**0**	**55**	54	0	0	0	**54**	**0**	**54**
Eduardo Cepeda	55	0	0	0	**55**	**0**	**55**	54	0	0	0	**54**	**0**	**54**
Héctor Rangel	63	0	0	0	**63**	**0**	**63**	61	0	0	0	**61**	**0**	**61**
Luz Adriana Ramírez[2]	55	0	0	0	**55**	**0**	**55**	33	0	0	0	**33**	**0**	**33**
Rosa Vázquez[2]	62	0	0	0	**62**	**0**	**62**	33	0	0	0	**33**	**0**	**33**
Total	881	0	0	0	**881**	**0**	**881**	851	0	0	0	**851**	**0**	**851**
Chief Executive Officer														
Octavio Alvídrez[1]	1,308	198	469	84	**1,590**	**469**	**2,059**	1,277	160	458	148	**1,585**	**458**	**2,043**
Grand total[3]	2,189	198	469	84	**2,471**	**469**	**2,940**	2,128	160	458	148	**2,436**	**458**	**2,894**

1. Details of benefits and the bonus paid to Mr Alvídrez are set out in the tables below.
2. Luz Adriana Ramírez and Rosa Vázquez were elected to the Board on 21 May 2024. Bárbara Garza Lagüera and Juan Bordes retired from the Board on the same date.
3. The Company does not operate a long-term incentive plan or any share-based incentives.

Benefits

The Chief Executive Officer participates in the Company-wide benefits scheme. The benefits provided to Mr Alvídrez during the year consisted of:

US$	**2025**	2024		**2025**	2024
Life insurance premiums	**77,959**	71,563	Medical insurance premiums	**6,446**	4,642
Chauffeur	**39,120**	37,637	Club memberships	**2,900**	2,412
Subsistence/meal benefits	**9,182**	9,299	Social security	**1,459**	1,475
Car	**60,799**	32,792			

Pension

The pension entitlement of the Chief Executive Officer is as follows and is explained further on pages 185 and 188:

US$'000	Defined Contribution Scheme (DCS)	Defined Benefit Scheme (DBS)
Rights as at 31 December 2025	1,820	897
Additional benefit in the event that the Chief Executive Officer retires early.	In the event of early retirement, Mr Alvídrez is entitled to receive his accumulated contributions (both member and Company) to the DCS.	Mr Alvídrez is not currently entitled to any additional benefit on early retirement in the DBS.

	Accumulated accrued benefits (as at 31 December)		Increase (decrease) in accrued benefits during the year (see note)		Increase (decrease), before inflation and the effect of foreign exchange, in accrued benefits during the year	
US$ thousands	**2025**	2024	**2025**	2024	**2025**	2024
Octavio Alvídrez[1]	**2,714**	2,630	**84**	679	**151**	358

Note: The increase in accrued benefits during the year includes a revaluation effect of -US$126k (2024: +US$272k) and inflation of +US$58k (2024: +US$49k).

Shares held by Directors

The number of Ordinary Shares of the Company in which the Directors were beneficially interested at 1 January 2025 and at 31 December 2025 was:

	1 January 2025	31 December 2025
Alejandro Baillères[1]	552,595,191	552,595,191
Juan Bordes	15,000	n/a
Arturo Fernández	–	–
Charles Jacobs	1,600	1,600
Georgina Kessel	–	–
Dame Judith Macgregor	–	–
Fernando Ruiz	30,000	30,000
Alberto Tiburcio	–	–
Guadalupe de la Vega	–	–
Eduardo Cepeda	–	–
Héctor Rangel	–	–
Luz Adriana Ramírez	–	–
Rosa Vázquez	–	–
Chief Executive Officer	–	–
Octavio Alvídrez	–	–

1. Mr Alejandro Baillères is beneficially interested in more than 50% of the share capital of the Company through his interest in Industrias Peñoles S.A.B. de C.V. ('Peñoles'). The Company and Peñoles are part of the consortium known as Grupo BAL which is now controlled and directly or indirectly majority-owned by a Baillères Family Trust, Mr Alejandro Baillères being the major beneficiary. Mr Alejandro Baillères and companies controlled by him hold, in aggregate 68.9%, of the issued share capital (and voting rights) of Peñoles. Peñoles holds 552,595,191 Ordinary Shares (74.99%) of the issued share capital in the Company.

Our stakeholders and remuneration

- The Committee seeks to ensure that its approach to executive remuneration matters is aligned with the interests of all of its key stakeholders. In particular, the current Policy seeks to take account of the interests of our key stakeholders in the following ways:

Shareholders

- Feedback from major shareholders and proxy voting agencies provided prior to the AGM is considered by the Remuneration Committee in the course of its discussions during the following year.

Workforce

- Salary reviews for the members of the Executive Committee are decided after taking account of the average salary increases discussed and agreed with the unions.
- Metrics that promote good employment practices, e.g. appropriate management of health and safety and the relations with unionised employees and contractors, are included in the targets for the Annual Bonus Plan.

Communities and environment

- Metrics that promote good community relations and sound environmental stewardship are included in the targets for the Annual Bonus Plan.

DIRECTORS' REMUNERATION REPORT CONTINUED
ANNUAL REPORT ON REMUNERATION 2025

Salary

Policy on the consideration of wider employment conditions and remuneration
When setting pay and benefits for Executive Directors and members of the Executive Committee, the Remuneration Committee takes account of pay and conditions across the Group. It will consider the overall pay increase percentage negotiated each year with employee representatives as its starting point taking account of inflation and other information supporting the annual pay award for employees.

Factors considered in setting salary and workforce engagement on remuneration
Benchmarking information on pay and employment conditions provided by Mercer, Hay Group and Data Compensation was used across the Group in determining salaries for all employee grades including senior management. These reports benchmarked salaries by reference to peer groups in mining, large companies in Mexico and internationally.

The Company negotiates salary increases with the unions annually, to take effect from 1 April each year. The agreed rates may also be used as the point of reference in setting the annual salary review for the Chief Executive Officer, members of the Executive Committee and non-unionised employees. In 2025, it was agreed that the Chief Executive Officer would receive a salary increase of 8.0% in 2025 following a benchmarking review undertaken by Willis Towers Watson. Consequently, the salary payable under Mr Alvídrez' service agreement is MX$1,501,401 (US$78,098) per month, which excludes payments for holidays, Company-paid savings contributions and other cash benefits.

Policy on the alignment of executive remuneration and the market
Reviews of the Executive Director and Executive Committee members' remuneration are conducted by Willis Towers Watson from time to time at the request of the Remuneration Committee. These enable the Remuneration Committee to validate the Company's policy towards remuneration and ensure that it is globally as well as locally competitive. The analysis evaluates the elements of base salary, short-term compensation (guaranteed payments and short-term bonus) and long-term compensation (primarily stock programmes) separately. With assistance from Willis Towers Watson, the Remuneration Committee has established a peer group which will be used to benchmark any Executive Director's and any Executive Committee member's remuneration (the 'Peer Group') to ensure that it remains within the parameters set out in the policy.

The Peer Group will be updated where necessary, to ensure that it remains an appropriate comparator group of companies.

Benchmarking
The Remuneration Committee has agreed that the Chief Executive Officer's salary should be set within a range of 25-75% of the Peer Group for base salary. This was reviewed in October 2024. The Peer Group consists of the following companies:

Policy benchmarking Peer Group

Region	Peer group companies
Mexico	• Southern Copper (Peru) • Alamos Gold
US/Canada	• Agnico Eagle Mines Ltd • Centerra Gold • Hecla Mining Co. • IAM Gold • Newmont Goldcorp • Pan American Silver Corp. • Capstone Copper Corp.
Europe	• Hochschild Mining • Antofagasta

Variable remuneration

Policy on Annual Bonus Plan and variable remuneration
It is the Company's policy not to use its equity to incentivise long-term performance. The Company's core strategy is one of long-term sustainable growth. Sustainable growth in mining requires the steady and safe expansion of the Group's operations through the discovery of new resources and construction, maintenance and/or expansion of new mines. No distinction is therefore made between short and long-term incentives.

Factors considered in setting the bonus
The Annual Bonus Plan includes metrics and targets which are aligned to at least one of the four main themes of the Group's strategy (see Remuneration at a Glance section on page 180).

The Remuneration Committee has set a cap on each of the KPIs (other than the Safety KPI) such that the points awarded on any KPI (other than Safety) cannot exceed 135% of the target set for that KPI at the beginning of the year.

Annual bonus

Mr Alvídrez achieved 119.1 points under the bonus scheme for the year ended 31 December 2025 (2024: 127.2 points) and therefore has received a bonus for 2025 of US$468,590 (2024: US$457,867).

The objectives, the measures associated with each objective, and the relative weighting between objectives, as applied to Mr Alvídrez' annual bonus payment, are detailed in the following table:

Objective[1]	Measure	Weighting points[1]	2025 Target	2025 Results	Points awarded
Financial[2]	(Adjusted EBITDA for the year/Budgeted EBITDA) x 100	20	**1,346**	**1,543**	34.6
Production[3]	Increase in silver equivalent ounces produced compared to the prior year production level	20	**104.9**	**108.0**	23.0
Exploration	Increase of total resources[4] (total resources for the year – total resources prior year) x 100	4	**0.5**	**12.03**	4.4
	Upgrade from inferred to measured and indicated (MI) resources (MI resources for the year – MI resources prior year) x 100[5]	5	**0.5**	**8.0**	5.5
	Reserves replenishment (Reserves at year end/Reserves prior year) x100	5	**100%**	**107%**	5.5
Compliance with cost control vs budget	Corporate + Admin. expenses + Adjusted production cost Note: Staying in budget: 11 points 1 points for each additional 1% reduction 1 point less for each 1% increase	11	**0%**	**(1.6)%**	12.3
Exploration projects' progress[6]	Progress compared to project plan for three key development projects (to be reviewed each year)	2	**90%**	**104%**	2.4
	(maximum 20% increase reaching 100% of the programme)	2	**90%**	**91%**	2.0
	Proportional decrease to 0 points below 90% progress	1	**90%**	**119%**	1.2
Projects	Progress according to programme (Real vs Plan) (to be reviewed each year)	3	**90%**	**98%**	4.5
	3 points at 95% programme – Proportional to 6 points at 100%	4	**100%**	**93%**	1.3
	Unionised labour relations (discretionary award) (Score: 100 – Best relationships ...to... 0 – Worst relationships)	2	**90**	**90**	2.0
Safety	Fatal accidents[7]	0	**0**	**2**	0
	Sustainability area plan progress in implementing the safety plan for the year[8] (Target = 95% progress: Maximum = 100% progress, proportional decrease to nil points from 95% to 0%)	3	**95%**	**95%**	3
	Reduction in the Lost Time Incidence Ratio[9] compared to previous year (Including contractors)	3.5	**4.8**	**4.1**	4.0
	Reduction in the Incidence Frequency Rate[9] compared to previous year (Including contractors)	3.5	**7.6**	**6.3**	4.1
ESG[9]	Communities, inclusion and diversity[12]	5.0	**5**	**5**	5
	Water consumption (m^3/Tonne)[9]	2.5	**0.436**	**0.486**	2.2
	CO2 emissions (CO2/Tonne)[9]	2.5	**0.018**	**0.019**	2.4
Synergies and teamwork	Increase collective teamwork[10] Discretionary target as agreed by the Chairman	1	**95**	**95**	1
Total		**100**			**120.3**
Adjustments	Safety[7]	0	**2**	**0**	(1.2)
	Environmental[11]	0	**0**	**0**	0
	Other: Special adjustment due to special/extraordinary events, determined by the Remuneration Committee (maximum 15 points)	0	**0**	**0**	0
Total		**100**			**119.1**

1. The performance evaluation's items, weights and targets (Budget) will be determined on a yearly basis according to the Strategic Plan.
2. Metals prices, Silverstream and Devaluation effects will be eliminated. Budgeted metals prices: Gold – 2,500 US$/oz; Silver – 29.0 US$/oz; Lead – 0.90 US$/lb; Zinc – 1.30 US$/lb Budgeted exchange rate: 20.5 MX$/US$ Increase of 1.0 point per each 1% increase in EBITDA. Decrease of 1 point in case of a 1% decline in EBITDA.
3. Total production in silver equivalent ounces. Silver production + (Gold production X 70) + Lead and Zinc production (converted into silver equivalent ounces at prevailing price and NSR terms). Same conversion rate will be used for real production and target. Total production = 52.7 moz silver + (0.53 moz gold X 75) + (56,000 lead tonnes X .000074) + (87,134 zinc tonnes X .000091) 104.9 moz AgEq = 52.7 moz silver + 40.1 moz AgEq from gold + 4.1 moz AgEq from lead + 7.9 moz AgEq from Zinc. Increase of 1.0 point per each 1% increase. Decrease of 1 point in case of a 1% decline.
4. Proportional increase in points per increase in Resources above target. A proportional decrease in points will be applied in case of an increase in Resources below the target. Weighted Average Resources according to Quality.
5. Increase of 2.0 points per each 1% of Resources increase above target. A decrease of 2 points per each 1% below target will be applied. Weighted Average Resources according to Quality.
6. Relevant ongoing projects which progress will be measured compared to plan.
7. 10 points in case of zero fatal accidents (premium of 10 points over the weight). Zero points in the case of one accident. The total score will be reduced by 1% in the case of two fatal accidents. From the remaining total score, an additional 2% will be reduced in the case of three fatal accidents. In the case of four fatal accidents, an additional 3% will be reduced from the remaining total score and so on consecutively. Includes own workers and contractors.
8. Progress of the programme set by the Sustainability Development area. The Chairman and coordinator will set the score.
9. Decrease of the previous year corresponding rate.
10. Foster teamwork and relationship improvement with Group companies. The Chairman and coordinator will set the score.
11. The total score is reduced by 2% in the case of an environmental incident. From the remaining total score, an additional 3% will be reduced in the case of two incidents. In the case of three incidents, an additional 4% will be reduced from the remaining total score and so on consecutively.
12. Determined by the HSECR Chairman and coordinator according to annual programme.

DIRECTORS' REMUNERATION REPORT CONTINUED
ANNUAL REPORT ON REMUNERATION 2025

Reconciliation of adjusted net profit targets and outcomes to the financial statements

US$ million	2025	2024
Profit for year as shown in financial statements	**1,573.8**	226.7
Interest, tax, depreciation and amortisation	**1,033.2**	1,138.4
Adjustments:		
Changes due to currency fluctuations	**60.5**	(68.3)
Changes due to year-on-year movements in metals prices (including the effects of metals hedging)	**(1,313.8)**	(696.3)
Changes due to the movement in the valuation of the Silverstream contract	**189.2**	182.3
Adjusted EBITDA total for bonus purposes	**1,542.9**	782.7

The Chief Executive Officer is prohibited from participating in the PTU scheme and may receive a bonus not greater than six months' pay. All other Mexican employees are eligible for PTU payments annually. The PTU payable in respect of 2025 payments are capped at the higher of three months' salary or the average PTU received in the last three years.

2026 Bonus targets

The Remuneration Committee will be adapting the key performance indicators, weightings and measures in tandem with a revision to the structure of the Annual Bonus Plan which will be set out in the Notice of Meeting for the 2026 AGM as part of the Directors' Remuneration Policy to be submitted for shareholder approval at the AGM.

The 2026 targets, performance against those targets and the basis of calculation of bonus points awarded will be disclosed in next year's Directors' Remuneration Report.

Pension entitlement

Policy on pensions

The Group operates two pension schemes: (i) a defined benefit scheme which was closed to new members on 1 July 2007 with benefits frozen at this date for existing members, subject to indexation with reference to the Mexican National Consumer Price Index; and (ii) a defined contribution scheme (which was introduced on 1 July 2007). Membership of the latter scheme is voluntary. Members earning a salary of no more than 25 times the minimum wage in force from time-to-time may make contributions of 5% to the scheme.

On behalf of members earning a salary of no more than 25 times the minimum wage in force from time to time, the employing company may make contributions of 5% to the scheme. The employing company may also make additional contributions between 5-8% of salary to this plan. Members may elect to match percentages between 5-8% of salary. Executive Directors may participate in the Group's pension schemes on the same basis as any other employee.

Mr Alvídrez is a member of the defined benefit scheme in relation to services with the Company prior to 1 July 2007. He is also a member of the defined contribution scheme. He is expected to retire at his normal retirement age of 60 years.

Chairman and Non-executive Directors

Policy on Chairman and Non-executive Directors

The remuneration of the Chairman of the Company and the Non-executive Directors consists of fees that are paid quarterly in arrears. The Chairman and Non-executive Directors do not participate in any long-term incentive or annual bonus schemes, nor do they accrue any pension entitlement. The Chairman of the Company does not receive any fees for acting as Chairman other than his fees as a Non-executive Director.

The fees payable to Non-executive Directors were reviewed in February 2026 and are now calculated on the following bases:

- A base fee of £46,200 per annum is paid to each non-UK-based Non-executive Director to reflect the time commitment and level of involvement they are required to make in the activities of the Board as a whole.
- There are no set fees for membership of any Board committees or for the chairmanship of the Board, other than as follows:
  - The UK-based Non-executive Directors receive a higher fee, currently £115,560 per annum, to reflect the additional time commitment that they make in order to travel to Board meetings in Mexico and for responsibilities as committee members and, where appropriate, as Senior Independent Director and/or Chairman of any committee.
  - The Chairman of the Audit Committee will receive an additional fee of £19,800 per annum.
  - Members of the Audit Committee will receive an additional fee of £6,600 per annum.

The key terms of the Non-executive Directors' letters of appointment for the Directors serving at the end of the year are as follows:

Director	Date of original letter of appointment[1]	Notice period from Director to the Company	Duration of term[2]	Fees p.a.
Alejandro Baillères	16 April 2012	3 months	1 year	£42,000
Arturo Fernández	15 April 2008	3 months	1 year	£42,000
Fernando Ruiz	15 April 2008	3 months	1 year	£42,000
Charles Jacobs	11 April 2014	3 months	1 year	£108,000
Alberto Tiburcio	4 May 2016	3 months	1 year	£60,000
Dame Judith Macgregor	22 May 2017	3 months	1 year	£108,000
Georgina Kessel	7 May 2018	3 months	1 year	£48,000
Guadalupe de la Vega	30 May 2020	3 months	1 year	£42,000
Eduardo Cepeda	24 June 2021	3 months	1 year	£42,000
Héctor Rangel	28 June 2021	3 months	1 year	£48,000
Luz Adriana Ramírez	21 May 2024	3 months	1 year	£42,000
Rosa Vázquez	17 May 2024	3 months	1 year	£48,000

1. Copies of the Directors' letters of appointment and service agreements are available for inspection at the Company's registered office.
2. Unexpired term: the Non-executive Directors all have rolling contracts which are subject to the annual re-election at the Annual General Meeting. The current term expires on the date of the next Annual General Meeting, but the appointment will continue after that date provided that each Director is re-elected at the AGM.

Shareholders and remuneration

Policy on engagement with shareholders on remuneration

The composition of the Remuneration Committee has been designed to ensure that the views of the controlling shareholder (through the membership of the Chairman of the Board on the Committee) and the independent shareholders can be represented. The Remuneration Committee has considered the views of organisations such as Institutional Shareholder Services (ISS) and the Investment Association both generally and as reported to the Company in relation to its own executive remuneration practices prior to each Annual General Meeting, when considering the Remuneration Policy and its application.

AGM voting on the Remuneration Report

The Remuneration Committee's approach to executive remuneration has received strong support from shareholders at every Annual General Meeting since the Company's listing on the London Stock Exchange in 2008. More than 65% of independent share votes cast on the advisory vote at each AGM have been in favour of the Directors' Remuneration report.

	All shares voted		Independent shares voted		No. of votes withheld
Year	For	Against	For	Against	
2023: Remuneration policy	94.15%	5.85%	68.15%	31.85%	752,104
2023: Remuneration Report	98.47%	1.53%	91.74%	8.26%	17,493
2024: Remuneration Report	98.72%	1.28%	94.07%	5.93%	10,250
2025: Remuneration Report	99.22%	0.78%	94.99%	5.00%	3,118,818

Advisers to the Remuneration Committee

Remuneration consultants (Mercer, Hay Group and Data Compensation) are engaged by Group companies to provide benchmarking information on remuneration across the Fresnillo Group but not to provide guidance on the structure of remuneration. Such information is taken into account when considering Executive Committee remuneration. Willis Towers Watson advises the Remuneration Committee on executive remuneration matters from time to time. During 2025 the Group paid Willis Towers Watson US$150k (2024: US$5k). All of the consultants that the Group uses are independent of the Company and each of the Directors. No remuneration consultants are directly engaged by the Remuneration Committee itself.

The Company Secretary ensures that the Remuneration Committee fulfils its duties under its terms of reference and arranges regular updates to the Remuneration Committee on relevant regulatory developments in the UK. The Group human resources department provides information on Mexican market trends and compensation structures for the broader employee population in the Fresnillo Group.

DIRECTORS' REMUNERATION REPORT CONTINUED
ANNUAL REPORT ON REMUNERATION 2025

Additional information on remuneration

Share price performance

As required by the Regulations, the following graph sets out the performance of the Company's share price since its listing compared to the FTSE 100 Index. As the Company was a constituent of the FTSE 100 Index for most of the year, this is deemed to be the most appropriate index for comparative purposes for the year ended 31 December 2025.

Chief Executive Officer's service agreement

During the year, Mr Alvídrez served as Chief Executive Officer but was not a member of the Board. Mr Alvídrez is employed under a contract of employment with Servicios Administrativos Fresnillo S.A. de C.V., a subsidiary of Fresnillo plc. Mr Alvídrez' contract commenced on 15 August 2012 and is governed by Mexican Federal Labour Law. Mr Alvídrez' service agreement does not have a fixed term and may be terminated in writing by either party. There is no provision in Mr Alvídrez' service agreement entitling him to additional compensation for termination other than those required by Mexican labour laws for termination without cause. No benefits are payable on termination.

Under his service agreement, Mr Alvídrez is entitled to 26 working days' paid holiday per year. He is not entitled to profit-sharing (PTU). Mr Alvídrez is also entitled to life insurance, the use of a chauffeur and company car, the payment of medical insurance premiums covering limited expenses and check-ups, meals and subsistence payments and club subscriptions.

Total remuneration of the Chief Executive Officer

The total remuneration of the Chief Executive Officer for the past ten years, in US dollars, has been as follows

Year ending 31 December	2016	2017	2018	2019	2020	2021	2022	2023	2024	**2025**
Total remuneration US$'000s										
Octavio Alvídrez	1,111	1,072	886	1,164	939	975	916	1,370	2,043	**2,059**
Percentage change on previous year	(4.7%)	(3.5%)	(10.7%)	31.4%	(19.3%)	3.8%	6.1%	49.6%	49.1%	**0.8%**
Proportion of maximum bonus paid to CEO in year										
Octavio Alvídrez	66.66%	33.33%	Nil%	Nil%	20.83%	Nil%	Nil%	Nil%	100.00%	**100.00%**

Changes in Directors' remuneration 2021-2025

The changes in Directors total remuneration between 2021 and 2025 and a comparison with changes in average employee remuneration over that period are as follows:

	2025			2024			2023			2022			2021		
Year-on-year change (%)[3]	Salary	Bonus	Benefits	Salary	Bonus	Benefits	Salary	Bonus	Benefits	Salary	Bonus	Benefits	Salary	Bonus	Benefits
Directors[4]															
Alejandro Baillères	3.0%	n/a	n/a	13.1%	n/a	n/a	11.09%	n/a	n/a	(13.12%)	n/a	n/a	(8.26%)	n/a	n/a
Arturo Fernández	3.0%	n/a	n/a	13.1%	n/a	n/a	11.09%	n/a	n/a	(13.12%)	n/a	n/a	(8.26%)	n/a	n/a
Charles Jacobs	3.0%	n/a	n/a	13.1%	n/a	n/a	11.09%	n/a	n/a	(14.66%)	n/a	n/a	(11.53%)	n/a	n/a
Georgina Kessel	3.0%	n/a	n/a	13.1%	n/a	n/a	11.09%	n/a	n/a	(11.33%)	n/a	n/a	2.27%	n/a	n/a
Judith Macgregor	3.0%	n/a	n/a	13.1%	n/a	n/a	11.09%	n/a	n/a	(13.12%)	n/a	n/a	(8.26%)	n/a	n/a
Fernando Ruiz	3.0%	n/a	n/a	13.1%	n/a	n/a	11.09%	n/a	n/a	(13.12%)	n/a	n/a	(8.26%)	n/a	n/a
Alberto Tiburcio	3.0%	n/a	n/a	13.1%	n/a	n/a	11.09%	n/a	n/a	(13.12%)	n/a	n/a	(8.26%)	n/a	n/a
Guadalupe de la Vega	3.0%	n/a	n/a	13.1%	n/a	n/a	11.09%	n/a	n/a	(13.12%)	n/a	n/a	67.51%	n/a	n/a
Eduardo Cepeda	3.0%	n/a	n/a	13.1%	n/a	n/a	11.09%	n/a	n/a	66.02%	n/a	n/a	(8.26%)	n/a	n/a
Héctor Rangel	3.0%	n/a	n/a	13.1%	n/a	n/a	11.09%	n/a	n/a	66.02%	n/a	n/a	(8.26%)	n/a	n/a
Luz Adriana Ramírez[7]	66.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rosa Vázquez[7]	88.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Chief Executive Officer[2]															
Octavio Alvídrez	2.4%	2.3%	23.85%	15.0%	n/a[6]	45.1%	21%	0%	30.83%	5.98%	0%	25.0%	18.07%	n/a[5]	9.09%
Average employee remuneration[1]	3.68%	34.41%	-4.51%	0.1%	6.8%	9.2%	36%	87.34%	29.65%	11.06%	11.49%	6.26%	7.06%	2.78%	6.82%

1. Average employee remuneration is calculated by dividing the relevant personnel costs (as disclosed in note 8 to the consolidated financial statements on page 237) by the average number of employees (as disclosed in note 8(b) to the consolidated financial statements on page 237). PTU is excluded in order to make a like-for-like comparison with the Chief Executive Officer who does not receive PTU.
2. The Chief Executive Officer's salary, bonus and benefit amounts are excluded from the calculation of average employee remuneration. No bonus was paid to the Chief Executive Officer for 2021, 2022 and 2023. A bonus of 6 months' salary was paid to the Chief Executive Officer in 2024.
3. Calculated using the data from the single figure table in the annual report on remuneration (page 184)) in US dollars. The Non-executive Directors are paid fees in UK sterling and therefore will be subject to year-on-year changes in exchange rates.
4. The Non-Executive Directors do not receive bonuses or benefits from the Company.
5. The Chief Executive Officer's salary, bonus and benefit amounts were excluded from the calculation of Average Employee Remuneration in 2019 and 2020. No bonus was paid to the Chief Executive Officer for 2019 but a bonus of 2.5 months was paid for 2020, and no bonus was paid to the Chief Executive Officer for 2021, thus it is not possible to present the change as a meaningful percentage.
6. No bonus was paid to the Chief Executive Officer for 2023 but a bonus of 6 months was paid for 2024, thus it is not possible to present the change as a meaningful percentage.
7. Luz Adriana Ramírez and Rosa Vázquez were elected to the Board on 21 May 2024 but served for a full year in 2025. Rosa Vasquez also served on the Audit Committee for part of the year in 2025, thus receiving an additional committee fee for that period.

Relative importance of the spend on pay

	2025	2024	% change
Staff costs (US$000s)[1]	**264,357**	253,849	4.1%
Distributions to shareholders (US$000s)	**653,595**	78,111	736.8%
Income tax mining rights and profit sharing paid	**369,482**	97,062	280.7%
Purchases of property, plant and equipment	**400,141**	370,542	8.0%

1. Staff costs are taken without PTU in order to make a like-for-like comparison with the Chief Executive Officer who does not receive PTU.

Payments to new or departing Directors

During the year, the Company has not recruited any Executive Directors; nor has it made any payments to past Directors or made any payments to Directors for loss of office.

This report has been approved by the Board of Directors of Fresnillo plc.

Signed on behalf of the Board.

Alberto Tiburcio
Chairman of the Remuneration Committee
2 March 2026

APPENDIX: PROPOSED DIRECTORS' REMUNERATION POLICY

Introduction

This Remuneration Policy of the Company has been prepared in accordance with The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 ('the Regulations'). The effective date of the new Policy will be 19 May 2026. The full text of the current Remuneration Policy can be found on pages 206 to 210 of the Fresnillo plc 2022 Annual Report and Accounts. Should the Remuneration Committee conclude that amendments are needed to the Remuneration Policy in respect of the executive's variable remuneration, an additional resolution will be proposed at the 2026 Annual General Meeting to adopt a revised Remuneration Policy, as set out in the Notice of AGM, with such revised Remuneration Policy, if approved, superseding the Remuneration Policy set out herein and taking effect from 19 May 2026.

As required by English law, the Company's approved Remuneration Policy is binding in relation to Directors. The Company currently has no Executive Directors who would be bound by the Remuneration Policy. However, the Company will (as it has previously done) treat the Chief Executive Officer as if he were an Executive Director for the purposes of the Remuneration Policy and for reporting on his remuneration.

Details of the remuneration paid to the Chief Executive Officer for the year ended 31 December 2025 can be found in this year's Annual Report on Remuneration at page 184.

Remuneration policy

The Group's Remuneration Policy seeks to ensure that the Company is able to attract, retain and motivate its Executive Directors and members of the Executive Committee. The retention of key management and the alignment of management incentives and the creation of shareholder value being key objectives of this policy.

Setting base salaries for Executive Directors and members of the Executive Committee at an appropriate level is a key to managerial retention in Mexico. Therefore, the Remuneration Committee seeks to ensure that salaries are market competitive both within the Mexican context and internationally for comparable companies. Total compensation is set within a range around the median level for the Company's peer group within Mexico and internationally, total remuneration is benchmarked triennially to ensure that the whole remuneration package is maintained at this level over the long term. Salaries are positioned within the range according to experience and service.

The table below sets out the key elements of Executive Directors' pay set out in the Remuneration Policy (the policy table):

Base salary	
Provides the core reward for the role.	
Operation	Normally reviewed annually and fixed for 12 months starting on 1 April each year. Each review will take into account: • Role, experience and performance. • Average workforce salary adjustments. • Mexican economic factors. • Comparison with the Company's peer group in Mexico and internationally. • The effect an increase will have on the overall levels of an Executive Director's remuneration. When benchmarking salaries, the Remuneration Committee will normally benchmark by reference to companies of similar size and complexity to the Company in Mexico and internationally. Details of the peer group used will be disclosed in the Annual Report on Remuneration.
Maximum value	Subject to the review process described above, the maximum value of an Executive Director's base salary will be determined by the Remuneration Committee in its absolute discretion and ordinarily it will be increased in line with increases applied across the whole workforce. In exceptional circumstances, an Executive Director's salary may be increased by up to, but never more than, 10% above the average pay increase for the whole workforce of the Company in any financial year. The rationale for any such increase will be fully explained in the Annual Report on Remuneration.
Performance metric	The Remuneration Committee considers individual salaries at the appropriate review meeting each year by reference to the factors noted under the Operation heading in this Policy Table.
Discretion	The Remuneration Committee established the Company's comparator peer group in Mexico and internationally as part of a triennial review which it undertook in October 2023 and will be reviewed again in October 2026, if not before. The Committee will report on the outcome of these reviews within the relevant Annual Report on Remuneration.

Annual bonus	
Rewards the achievement of both short and long-term financial and strategic business targets and delivery of personal objectives.	
Operation	Targets are renewed annually and relate to the strategic aims of the business as a whole. A scoring system is used for the plan. Each objective set for the executive at the beginning of the year is allocated a points-rating which represents a median performance target for that objective. Upper and lower thresholds are set to allow for outstanding performance and to ensure that underperformance is not rewarded. For each member of the Executive Committee (including the Chief Executive Officer, the Chief Financial Officer, the Vice President of Exploration and the Chief Operating Officer), a bonus is only payable if the aggregate performance equals or exceeds 100 points. Bonus payments are paid for aggregate performance against target at or above 100 points on a prorated basis between two months' salary paid for the achievement of 100 points and six months' salary paid for the achievement of 115 points or more, as follows:
	Number of points: — **Months' salary paid** 100.00 — Two months' salary 100.01-115.00 — Prorated on a linear basis between two months' salary and six months' salary 115.01+ — Six months' salary
Maximum value	The maximum percentage of salary payable as an annual bonus to an Executive Director is 50% (six months' salary) and is paid where the Executive Director achieves 115.01 points or more under the Annual Bonus Plan (the target is 100 points).
Performance metric	The KPI targets set out in the previous table will apply and are intended to focus on risks that are within the control and influence of management. Thus, the management of safety, security, project, human resource, exploration teamwork, synergies, community and environmental risks are all currently implicitly covered within the KPIs. The KPIs and targets, which are set by reference to the reserves and resources and financial metrics at the previous year end and/or set in the budget for the forthcoming financial year are also designed to ensure that both short-term objectives and the long-term development of the Fresnillo Group are given equal priority. The achievement of project milestones will be used to measure project management performance and the Committee's discretion will be applied for subjective metrics such as teamwork. Details of the measures, targets and performance which are tested on an annual basis will be provided in the relevant Annual Report on Remuneration. The Remuneration Committee considers that the KPIs, upon which bonuses are based, may need to evolve from year-to-year in line with the strategy and therefore it retains the discretion to make appropriate adjustments to the KPIs themselves, the bonus bands within the overall maximum and the individual KPI weightings from year-to-year.
Discretion	The Remuneration Committee retains the discretion to adjust bonus payments in the following circumstances: (i) A downward adjustment where the KPI outcomes would result, in the opinion of the Remuneration Committee, in a bonus payment which cannot be justified by the Company's financial or operational performance during the year (or in respect of previous years). (ii) A modest upward adjustment may be considered either: (i) where factors outside the control of Executive Directors (e.g. force majeure circumstances) have significantly depressed the level of points awarded (and in deciding whether and to what extent an adjustment is merited, the Remuneration Committee will consider the appropriateness of the response to those circumstances); and/or (ii) when the Executive Directors, individually or collectively, have demonstrated a level of performance which has resulted in significant benefits to the Company which, in the opinion of the Remuneration Committee, merits an increase in the number of points awarded. (iii) Poor executive response to adverse health, safety or environmental performance during the year, in which case a downward adjustment would be considered. (iv) Where the bonus payment is not, in the opinion of the Remuneration Committee, commensurate with the wider stakeholder experience (especially those of employees in relation to remuneration outcomes for the year and/or shareholders in relation to dividend payments), a downward adjustment may be considered. The use of any such discretions will be fully explained in the relevant Annual Report on Remuneration.

Note: Any adjustment in individual KPI weightings will not result in their achievement being any less difficult to satisfy.

DIRECTORS' REMUNERATION REPORT CONTINUED
APPENDIX: DIRECTORS' REMUNERATION POLICY

Benefits	
Help recruit and retain employees.	
Operation	Executive Directors may (at the Company's discretion) be offered life insurance, meal and subsistence benefits, the payment of premiums for medical insurance covering expenses and check-ups (for themselves and their family members) death in service benefits and remote working expenses (as applicable). Benefits may be changed if the Company's policy on benefits changes.
Maximum value	The maximum value of any benefits provided will be determined by the Company policy on benefits that is applicable from time to time.
Performance metric	None.
Discretion	The Remuneration Committee may consider changes to the benefits made available to Executive Directors in line with any changes in the Company's policy for benefits provided to all employees.

Pension	
Rewards continued employment and sustained contribution.	
Operation	The Group operates a defined contribution scheme. Executive Directors are entitled to membership of the defined contribution scheme.
Maximum value	The maximum Company contribution for any employee (including Executive Directors) may not exceed 13% of salary. Company contributions made for Executive Directors will be aligned with Company contributions provided to the majority of the workforce from time to time.
Performance metric	None.
Discretion	The Remuneration Committee may consider changes to the pension contributions made for Executive Directors, including increases, in line with any changes in the Company's policy for pension contributions provided to all employees.

Alignment of executive remuneration and the market

In setting the fixed remuneration of Executive Directors and the members of the Executive Committee, information relating to the mining company comparators is provided by various consultants. Information relating to the Mexican economic metrics is collated by management for the Remuneration Committee to consider.

Reviews of the Executive Directors' and Executive Committee members' remuneration are conducted by the Remuneration Committee's remuneration advisers from time to time at the request of the Remuneration Committee. These enable the Remuneration Committee to validate the Company's policy towards remuneration and ensure that it is globally as well as locally competitive. The analysis evaluates the elements of base salary, short-term compensation (guaranteed payments and short-term bonus) and long-term compensation (primarily stock programmes) separately. With assistance from its remuneration advisers, the Remuneration Committee has established a peer group which will be used to benchmark any Executive Director's and any Executive Committee member's remuneration (the 'Peer Group') to ensure that it remains within the parameters set out in this Policy (see page [180] of the Annual Report on Remuneration). The Peer Group will be updated where necessary, to ensure that it remains an appropriate comparator group of companies.

The consideration of wider employment conditions and remuneration

When setting pay and benefits for Executive Directors and members of the Executive Committee, the Remuneration Committee takes account of pay and conditions across the Group. It will consider the overall pay increase percentage negotiated each year with employee representatives as its starting point taking account of inflation and other information supporting the annual pay award for employees. Subject to the 10% limit in the Policy Table, the Remuneration Committee may agree pay increases above or below the agreed percentage in exceptional circumstances, where in its discretion it considers such variance to the norm to be justified. Other than the Willis Towers Watson report specifically commissioned by the Remuneration Committee, the same benchmark reports are used in the evaluation of executive and employee remuneration, thus providing a common approach to both.

Below Board level, a statutory profit-sharing arrangement (PTU) is operated which in some years has enabled employees to receive significant levels of bonus in line with the increased profitability of the relevant employing company. The Chief Executive Officer does not participate in a PTU scheme within the Fresnillo Group. Members of the senior management group below Board-level are employed by Servicios Administrativos Fresnillo S.A. de C.V. or Operaciones Fresnillo, S.A. de C.V., which pay annual PTU payments. However, such payments are modest.

The Group operates two pension schemes: (i) a defined benefit scheme which was closed to new members on 1 July 2007 with benefits frozen at this date for existing members, subject to indexation with reference to the Mexican National Consumer Price Index; and (ii) a defined contribution scheme (which was introduced on 1 July 2007). Membership of the latter scheme is voluntary, members earning a salary of no more than 25 times the minimum wage in force from time to time may make contributions of 5% to the scheme.

On behalf of members earning a salary of no more than 25 times the minimum wage in force from time to time the employing company may make contributions of 5% to the scheme. The employing company may also make additional contributions between 5-8% of salary to this plan. Members may elect to match percentages between 5-8% of salary.

Executive Directors may participate in the Group's pension schemes on the same basis as any other employee.

The Remuneration Committee does not consult with employees in setting Directors' remuneration. Engagement with employees as a stakeholder group is primarily the responsibility of the Board; however, where appropriate, the Remuneration Committee will consider any relevant feedback from employees to the Board in relation to remuneration matters when discharging its responsibilities under this Policy.

Engagement with shareholders on remuneration

The composition of the Remuneration Committee has been designed to ensure that the views of the controlling shareholder (through the membership of the Chairman of the Board on the Committee) and the independent shareholders can be represented. The Remuneration Committee has considered the views of organisations such as Institutional Shareholder Services (ISS) and the Investment Association both generally and as reported to the Company in relation to its own executive remuneration practices prior to each Annual General Meeting, when considering the Remuneration policy and its application. Details of votes cast for and against the resolutions to approve the proposed Remuneration Policy and annual report on remuneration for each year will be announced to the market as soon as practicable after the conclusion of the annual general meeting at which such resolutions are voted upon.

Policy on recruitment

The Remuneration Committee will consider the remuneration of new Executive Directors by reference to the Policy Table set out above. The Remuneration Committee will not, as a matter of standard practice, pay sign-on payments or compensate new Directors for any variable remuneration forfeited from any employment prior to joining the Board. However, it may choose to do so in exceptional circumstances, when it considers this to be in the best interests of the Company (and therefore shareholders), in which case any buy-out payments will not exceed the remuneration relinquished and will mirror (as far as possible) the delivery mechanism, time horizons and performance requirements attached to that remuneration. Where possible this will be facilitated through the Company's existing Annual Bonus Plan, as set out in the Policy Table above, but if not, the Remuneration Committee may fulfil this requirement in line with the provisions of 9.3.2 of the UK Listing Rules.

For the avoidance of doubt, the value of any 'sign-on' and/or 'buy-out' payments will not count towards the limits on annual bonus in the Policy Table above. Any such payments will be fully explained in the next annual report on remuneration both as to the reason for payment and the rationale for the quantum.

Salary will be set so as to be market competitive both within the Mexican context and internationally for comparable companies and taking account of the experience and seniority of the appointee coming into the new role. The Remuneration Committee is likely to set base salaries below median on appointment while retaining discretion to award increases during the first and, possibly, subsequent years to bring salaries into the normal range expected for Executive Directors, in line with the Company's stated Policy. Such increases will not ordinarily exceed the maximum level set out in the Policy Table but may be subject to a maximum which is no more than 20% higher than the cap set out in the Policy Table. New Executive Directors will receive benefits and pensions in line with the Company's existing Policy and will be able to participate in the Annual Bonus Plan on a pro-rated basis for the portion of the financial year for which they are in post although the Remuneration Committee may use its discretion to ensure that benefits and pension contributions are offered at a competitive level compared to the market. The maximum level of variable pay for new recruits will be the same as that set out in the Policy Table for existing employees (pro-rated as necessary).

In the case of an internal appointment or promotion, any variable pay element awarded in respect of the prior role will be allowed to pay out according to its original terms stipulated on grant or adjusted as considered desirable to reflect the new role.

Where appropriate, to recruit, promote or transfer individuals to a different location of residence, the Remuneration Committee may also, to the extent it considers reasonable, approve the payment of one-off relocation and repatriation related expenses. It may also pay or make a contribution towards any legal fees appropriately incurred by the individual in connection with their employment by the Group.

Policy on loss of office

Other than in circumstances of gross misconduct, Executive Directors and members of the Executive Committee, including the Chief Executive Officer, leaving employment from the Group, will be entitled to receive salary and pro-rated annual bonus based on performance to the date of leaving. Statutory entitlements are payable according to Mexican labour law, based on length of service. Employee and Company pension contributions are payable in accordance with the applicable pension plan rules. Mexican labour law does not make any provision for employers and employees to give or receive notice of termination of employment. Therefore, the Committee will not generally make payments in lieu of notice to departing executives. However, the Committee reserves the right to make additional payments where such payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation), or by way of settlement or compromise of any claim arising in connection with the termination of an Executive Director's office or employment or by way of contribution to legal fees appropriately incurred by the individual in connection with the termination of their employment by the Group. No contractual commitments concerning loss of office were entered into with any Director prior to 27 June 2012.

Annual Bonus Plan and policy on variable remuneration

It is the Company's policy not to use its equity to incentivise long-term performance. The Company's core strategy is one of long-term sustainable growth. Sustainable growth in mining requires the steady and safe expansion of the Group's operations through the discovery of new resources and construction, maintenance and/or expansion of new mines. No distinction is therefore made between short and long-term incentives.

The Company operates a single cash-based Annual Bonus Plan for Executive Directors and the members of the Executive Committee, including the Chief Executive Officer as described in the Policy Table above. In the event of a change of control, the Remuneration Committee shall, in accordance with the Annual Bonus Plan rules, as amended from time to time and in its absolute discretion, determine whether and to what extent the annual bonus will vest and be paid early. The Committee may also decide that the bonus award will vest to a greater or lesser extent having regard to the Director's or the Group's performance or such other factors it may consider appropriate. The Remuneration Committee may decide that bonus awards will vest pro-rata to take account of early vesting or in full.

DIRECTORS' REMUNERATION REPORT CONTINUED
APPENDIX: DIRECTORS' REMUNERATION POLICY

Recovery of bonus
The absence of long-term incentives and the operation of Mexican law makes it difficult to adopt claw-back arrangements in order to recover bonuses that have already been paid. The Remuneration Committee has considered whether claw-back provisions should be incorporated into the service agreement for the Chief Executive Officer. Given that the Company does not operate any remuneration plans with a timeframe of more than one year, the Remuneration Committee does not consider that there is much value in introducing claw-back provisions into the contractual arrangements with the Chief Executive Officer at this stage. However, within this Remuneration Policy, the Remuneration Committee reserves the right to apply malus to bonuses before they are paid where the KPI outcomes would result, in the opinion of the Remuneration Committee, in a bonus payment which cannot be justified by the Company's financial performance or the Executive Director's personal performance during the year (or previous years). In this case a downward adjustment to the bonus payment would be applied

Illustrations of the application of the Remuneration Policy for the Chief Executive Officer
The following table sets out the fixed and variable remuneration of the Chief Executive Officer in the different scenarios where he receives minimum, target and maximum variable pay (based on 31 December 2025 remuneration).

Component		Maximum value US$ thousands	Minimum	Target	Maximum
Share incentives[1]					US$2,059k
Annual bonus	US$469k	Annual variable pay[2, 4]		US$1,746k	22.8%
			US$1,590k	8.9%	
Pension benefits	84	Fixed pay[3]	100%	91.1%	77.2%
Other benefits	198				
Base salary	1,308				

1. Fresnillo plc does not operate any share option or share-based long-term incentive plans.
2. Variable pay consists only of remuneration where performance measures or targets relate only to one financial year.
3. Fixed pay includes salary, benefits and pension.
4. The Company does not operate any equity-based long-term incentives, consequently, the Company's share price does not have any impact on the variable remuneration paid to Executive Directors and members of the Executive Committee who do not sit on the Board.

External appointments
It is the Board's policy to allow Executive Directors to accept directorships of other quoted and non-quoted companies and retain any fees or other remuneration for doing so, provided that they have obtained the consent of the Chairman of the Company. Any such directorships must be formally notified to the Board.

Chairman and Non-executive Directors
The remuneration of the Chairman of the Company and the Non-executive Directors consists of fees that are paid quarterly in arrears. The Chairman and Non-executive Directors do not participate in any long-term incentive or annual bonus schemes, nor do they accrue any pension entitlement. Neither the Chairman nor any of the Non-executive Directors has a service contract with the Company; however, each has entered into a letter of appointment with the Company.

Non-executive Directors' letters of appointment
On their initial appointment, each of the Non-executive Directors signs a letter of appointment with the Company. The letters of appointment of serving Non-executive Directors are drafted in accordance with Provision 18 of the UK Corporate Governance Code, thus obliging them to retire at each Annual General Meeting and be subject to annual re-election by shareholders to serve for a further term of one year. The amendments have been drafted such that renewed appointment will not necessitate a new letter of appointment.

The Chairman of the Company shall not receive any fees for acting as Chairman other than his fees as a Non-executive Director. Each Non-executive Director is expected to commit a minimum of 14 days per year in fulfilling their duties as a Director of the Company.

The total fees for Non-executive Directors, including the Chairman, will not exceed the maximum stated in the Company's Articles of Association.

The level of fees is reviewed periodically and takes into account the time commitment, responsibilities, market levels and the skills and experience required. Non-executive Directors normally receive a basic fee and an additional fee for specific Board responsibilities, including chairmanship or membership of Board committees or acting as the Senior Independent Director. Additional fees may be paid to Non-executive Directors on a per diem basis to reflect increased time commitment in certain limited circumstances.

Expenses incurred in the performance of non-executive duties for the Company may be reimbursed or paid for directly by the Company, as appropriate, including any tax and social security due on the expenses.

Non-executive Directors may be provided with benefits to enable them to undertake their duties.

Shareholding guidelines
Fresnillo has not introduced share ownership guidelines. The Company does not operate share-based incentive arrangements given that the culture for incentives in the Mexican market does not favour share-based incentives. Consequently, there would be neither opportunity nor appetite for executives to build a shareholding in the Company and therefore the Remuneration Committee has not adopted any shareholding guidelines.

Payments under previous policies
Any remuneration payment or benefit, or any payment for loss of office which a Director received or became entitled to under a previous Remuneration Policy or before the person became a Director (unless the payment was in consideration of becoming a Director) shall lawfully be paid out under this policy, even though it may not be consistent with, or otherwise provided for under, the Policy Table set out above.

FRESNILLO PLC DIRECTORS' REPORT 2025

In accordance with Section 415 of the Companies Act 2006, the Directors of Fresnillo plc present their report for the year ended 31 December 2025.

The Directors believe that the requisite components of this report are set out elsewhere in this Annual Report and/or on the Company's website www.fresnilloplc.com. The table below sets out where the necessary disclosures can be found.

Business performance	
Results	Results for the year ended 31 December 2025 are set out in the Financial Review on pages 47 to 55 and the consolidated income statement on page 214.
Dividends	Information regarding the proposed dividend can be found in the Financial Review on page 55. Information regarding dividend payments can be found in the notes to the financial statements on page 247-248.
Strategic Report	The Strategic Report can be found on pages 2 to 146.
Corporate Governance statement	The Company's statement on Corporate Governance can be found on page 155.
Directors' Remuneration Report	The Directors' Remuneration Report can be found on pages 180 to 191.
Activities in research and development	The Company does not have any research and development activities.
Future developments	Details about the Company's future developments can be found in the Strategic Report on pages 12 to 17.
Post-balance sheet events	The Company completed the acquisition of Probe Gold Inc. on 21 January 2026 following the conclusion of all of the relevant regulatory and court approvals. There were no other post-balance sheet events.
Directors	
Directors	Directors that have served during the year and summaries of the current Directors' key skills and experience are set out in the Corporate Governance report on pages 150 to 154 and 166.
Directors' interests	Details of the Directors' beneficial interests are set out in the Directors' Remuneration Report on page 185.
Directors' indemnities	The Company has given indemnities to each of the Directors in respect of any liability arising against them in connection with the Company's (and any associated company's) activities in the conduct of their duties. These indemnities are subject to the conditions set out in the Companies Act 2006 and remain in place at the date of this report.
Directors' and Officers' Liability Insurance	Directors' and Officers' Liability Insurance cover is in place at the date of this report. Cover is reviewed annually.

FRESNILLO PLC DIRECTORS' REPORT 2025 CONTINUED

Constitution	
Articles of Association	Any amendments made to the Articles of Association may be made by a special resolution of shareholders. The following is a summary of the structure, rights and restrictions of the Company's share capital: The Company has two classes of share capital: 736,893,589 Ordinary Shares of US$0.50 ('Ordinary Shares') and 50,000 deferred shares of £1.00 each (Sterling Deferred Shares). The Ordinary Shares are listed on the London Stock Exchange and the Mexican Stock Exchange. The rights and obligations attaching to these shares are governed by UK law and the Company's Articles of Association. Ordinary shareholders are entitled to receive notice and to attend and speak at any general meeting of the Company. On a show of hands, every shareholder present in person or by proxy (or being a corporation represented by a duly authorised representative) shall have one vote, and on a poll every shareholder who is present in person or by proxy shall have one vote for every share held. The Notice of Annual General Meeting specifies deadlines for exercising voting rights and appointing a proxy or proxies. There are no restrictions on the transfer of the Ordinary Shares other than: • The standard restrictions for a UK-quoted company set out in article 32 of the Articles of Association. • Where, from time to time, certain restrictions may become imposed by laws and regulations (for example, insider trading laws). • Pursuant to the Listing Rules of the Financial Conduct Authority whereby certain Directors, officers and employees of the Company require the approval of the Company to deal in the Ordinary Shares. The appointment and replacement of Directors is governed by the Company's Articles of Association, the UK Corporate Governance Code, the Companies Act 2006 and related legislation. The Articles of Association provide that a Director may be elected by ordinary resolution of the shareholders or appointed by the existing Directors either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not thereby exceed the maximum in accordance with the Company's Articles of Association. At every Annual General Meeting, all Directors must automatically retire. A retiring Director is eligible for election or re-election, as applicable. Subject to the Articles of Association, the Companies Act 2006 and related legislation, and any regulations as may be prescribed by special resolution of the Company, the Directors may exercise all the powers of the Company. No shareholder holds securities carrying special rights as to the control of the Company. There are no limitations on the holding of securities. There are no restrictions on voting rights or any arrangements by which, with the Company's cooperation, financial rights carried by securities are held by a person other than the holder of the securities. There are no agreements between holders of securities that are known to the Company which may result in restrictions on the transfer of voting rights. The Sterling Deferred Shares only entitle the shareholder to payment of the amount paid up after repayment to ordinary shareholders on winding up or on a return of capital. The Sterling Deferred Shares do not entitle the holder to payment of any dividend, or to receive notice or to attend and speak at any general meeting of the Company. The Company may also at its option redeem the Sterling Deferred Shares at a price of £1.00 or, as custodian, purchase or cancel the Sterling Deferred Shares or require the holder to transfer the Sterling Deferred Shares. Except at the option of the Company, the Sterling Deferred Shares are not transferable.
Branches outside the UK	The Company's operations are outside the UK. The Company, through various subsidiaries, has established branches in a number of jurisdictions in which it operates (mainly in Mexico).
Change of control	The following represents the likely effect on significant agreements with the Company were it to be subject to a change of control: • The Shared Services Agreement contains a discretionary provision for Servicios Administrativos Peñoles, S.A. de C.V., to terminate the agreement should they so wish if there is a change of control of Fresnillo plc. • There are no formal 'change of control' provisions within the Met-Mex arrangements. • The Group's mining concessions are held by several of its Mexican subsidiary companies. As long as the companies holding the mining concessions remain Mexican resident companies, there are no provisions within the concession agreements which would be triggered by a change of control of the Company. The Company does not have any agreements with any Non-Executive Director, Executive Director or employee that would provide compensation for loss of office or employment resulting from a change of control.

Stakeholders and policies	
Section 172 Statement	The Company's Section 172 Statement can be found in the Strategic Report on page 27.
Workforce engagement	Details of how the Company engages with its workforce can be found in the Strategic Report on page 28.
Principal decisions	Overview of the key decisions and discussions of the Board during the year and the main stakeholder inputs into those decisions are set out in the Corporate Governance Report on pages 156 to 157.
Stakeholder engagement	Details of the Company's relevant stakeholders and how it engages with them are set out in the Strategic Report on pages 20 to 26.
Payments to governments	In July 2025, the Company approved and published a report disclosing payments made to governments. https://www.fresnilloplc.com/investors/regulatory-announcements/
Modern Slavery Statement	The Company has approved and published on its website its Modern Slavery Statement in accordance with the Modern Slavery Act 2015. https://www.fresnilloplc.com/responsibility/our-approach/modern-slavery/
Diversity policy	In February 2025 the Company approved and published on its website its policy on diversity and inclusion. https://www.fresnilloplc.com/media/nnwj11vk/fres-plc-diversity-and-inclusion-policy.pdf The Company has also approved a policy on labour equality and non-discrimination. https://www.fresnilloplc.com/responsibility/our-approach/code-of-conduct/
UK tax strategy	The Company's UK tax strategy for the financial year ending 31 December 2025 is published on its website. https://www.fresnilloplc.com/media/33zbzk1k/131125-fresnillo-plc-tax-strategy-statement-2025.pdf
Greenhouse gas emissions	Details of the Company's greenhouse gas emissions can be found on page 84 in the Sustainability section of the Strategic Report.
Political contributions	The Company did not make any donations to political organisations during the year.
Financial risk	Details of the Company's policies on financial risk management and the Company's exposure to price risk, credit risk, liquidity risk and cash flow risk are outlined in Note 31 to the financial statements.
Shareholders and share capital	
Share capital	Details of the Company's share capital are set out in Note 18 to the Financial Statements on pages 246-247.
Authority to purchase own shares	The Company was authorised by a shareholders' resolution passed at the Annual General Meeting held in May 2025 to purchase up to 10% of its issued Ordinary Share capital. Any shares which have been bought back may be held as treasury shares or, if not so held, must be cancelled immediately upon completion of the purchase, thereby reducing the amount of the Company's issued and authorised share capital. This authority will expire at the forthcoming Annual General Meeting and a resolution to renew the authority for a further year will be proposed. No shares were purchased by the Company during the year.
Major interests in shares	As at 31 December 2025, in accordance with DTR 5, the Company had been advised of the following notifiable interests (whether directly or indirectly held) in its voting rights: Industrias Peñoles, S.A.B. de C.V. holds 552,595,191 shares (74.99%). As at 2 March 2026, the Company has not been advised of any changes to those notifiable interests.
2025 Annual General Meeting	At the 2025 Annual General Meeting (AGM), all resolutions put to shareholders were passed by a majority. In accordance with UK Listing Rules applicable to companies with a controlling shareholder, the resolutions relating to the re-election of the Independent Non-Executive Directors required approval by a majority of votes cast by independent shareholders as well as all the shareholders of the Company. Further to the Code provisions, details of proxy voting are presented at the AGM and final figures are announced to the London Stock Exchange and uploaded to the Company's website as soon as practicable after the AGM.
2026 Annual General Meeting	The Company's 18th Annual General Meeting will be held on 19 May 2026 and the Notice of Meeting will be issued to all shareholders 20 business days before the meeting date. In planning the business of each AGM, the Board takes account of institutional shareholder guidelines on pre-emption rights, share buy-backs, and shareholder rights in relation to general meetings when drafting the usual resolutions dealing with those matters. In each case, resolutions are presented to the AGM to give the Board flexibility to respond to market developments.

FRESNILLO PLC DIRECTORS' REPORT 2025 CONTINUED

Auditors and audit	
Auditor reappointment	A resolution to re-appoint Ernst & Young LLP as auditor will be proposed at the 2026 AGM.
Audit information	Each of the Directors, as at the date of the approval of this report, confirms that: • So far as he/she is aware, there is no relevant audit information of which the Company's auditor is unaware. • He/she has taken all the reasonable steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of the information. • The confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.
UK Listing rules disclosures	
UK Listing Rule (UKLR) 6.6.4	Disclosure requirements under UKLR 6.6.4, where applicable to the Company, are identified below along with cross-references indicating where the relevant information is set out in the Annual Report: • Capitalised interest for the year ended 31 December 2025 can be found on page 243. • Details of significant contracts with controlling shareholders can be found on page 178. • Details pertaining to services provided to the Company by Peñoles are set out on pages 255 to 256. • A statement in relation to the agreement that the Company has entered into with the controlling shareholder can be found in the Corporate Governance Report on page 160.

The Directors' report has been approved by the Board of Directors of Fresnillo plc.

Signed on behalf of the Board.

Alberto Tiburcio
Independent Non-Executive Director
2 March 2026

Fresnillo plc
Registered Office:
21 Upper Brook Street
London, W1K 7PY
United Kingdom
Company Number: 6344120

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the Group and Parent Company financial statements in accordance with applicable United Kingdom law and regulations.

The Directors are required to prepare financial statements for each financial year which present a true and fair view of the financial position of the Company and of the Group and the financial performance and cash flows of the Company and of the Group for that period. The Directors have elected to prepare the Group and Parent Company financial statements in accordance with UK-adopted International Accounting Standards.

In preparing those financial statements, the Directors are required to:

- Select suitable accounting policies in accordance with IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors' and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information.
- Provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company and of the Group's financial position and financial performance.
- State whether UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the accounts on a going concern basis unless, having assessed the ability of the Company and the Group to continue as a going concern it is appropriate to presume that the Company and/or the Group will not continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and Group's transactions and which disclose with reasonable accuracy at any time the financial position of the Company and of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable UK law and regulations, the Directors are responsible for the preparation of a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that comply with that law and regulations. In addition, the Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Neither the Company nor the Directors accept any liability to any person in relation to the annual financial report except to the extent that such liability could arise under English law. Accordingly, any liability to a person who has demonstrated reliance on any untrue or misleading statement or omission shall be determined in accordance with section 90A and schedule 10A of the Financial Services and Markets Act 2000.

Directors' responsibility statement under the UK Corporate Governance Code

In accordance with Provision 25 of the UK Corporate Governance Code, the Directors consider that the Annual Report and accounts, taken as a whole, is fair, balanced and understandable and provides information necessary to enable shareholders to assess the Company's position, performance, business model and strategy.

Responsibility statement of the Directors in respect of the Annual Report and Accounts

Each of the Directors whose names are listed on pages 150 to 154 confirms that to the best of their knowledge:

a) The consolidated financial statements, prepared in accordance with UK-adopted international accounting standards give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company and the undertakings included in the consolidation taken as a whole.

b) The Annual Report (including the Strategic Report encompassed within the 'Overview', 'Strategic Report', 'Performance' and 'Governance' sections) includes a fair review of the development and performance of the business, and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

For and on behalf of the Board.

Alberto Tiburcio
Independent Non-Executive Director
2 March 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRESNILLO PLC

Opinion

In our opinion:

- Fresnillo plc's Group Financial Statements and Parent Company Financial Statements (the Financial Statements) give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- the Group Financial Statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company Financial Statements have been properly prepared in accordance with UK adopted international accounting standards as applied in accordance with section 408 of the Companies Act 2006; and
- the Financial Statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements of Fresnillo plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise:

Group	Parent Company
Consolidated balance sheet as at 31 December 2025	Balance sheet as at 31 December 2025
Consolidated income statement for the year then ended	Statement of changes in equity for the year then ended
Consolidated statement of comprehensive income for the year then ended	Statement of cash flows for the year then ended
Consolidated statement of changes in equity for the year then ended	Related Notes 1 to 16 to the Financial Statements including material accounting policy information
Consolidated statement of cash flows for the year then ended	
Related Notes 1 to 31 to the Consolidated Financial Statements, material accounting policy information	

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and as regards the Parent Company Financial Statements, as applied in accordance with section 408 of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and Parent in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Group and the Parent Company in conducting the audit.

Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate. Our evaluation of the directors' assessment of the Group and Parent Company's ability to continue to adopt the going concern basis of accounting included the following procedures:

- We walked through the process to confirm our understanding of management's going concern assessment process;
- The Group has a US$350 million revolving credit facility that contains financial covenants. We confirmed through inquiries of management, inspection of bank statements and subsequent event procedures that, as of the date of our audit opinion, no amounts have been drawn. As a result, the Group is not subject to covenant compliance criteria nor is it expected to be throughout the going concern period, as none of the scenarios forecast a requirement to draw down on the facility;
- We verified the terms, maturity, interest rates, and any restrictions or covenants that are relevant to the senior notes and revolving credit facility held by the Group at the date of approving of the Financial Statements against the original contracts;
- We assessed management's forecasting accuracy by comparing forecasts to actuals for the year ended 31 December 2025 and assessing the reasons for differences, including the effect of market-driven factors;
- We assessed the completeness of the factors included in the going concern assessment by verifying the consistency of key assumptions with our understanding of the business and the environment within which it operates, including consideration of climate related impacts;
- We obtained management's going concern assessment, including a cash forecast for the going concern period which extends to 31 December 2027. The Group has modelled plausible adverse changes and applied reverse stress testing in respect of prices to assess the impact on the forecast liquidity of the Group (before considering the revolving credit facility);

- We tested the factors and assumptions included in the base case and reverse stress test scenario for the cash forecast, in particular comparing forecast metals prices to analyst forecasts and comparing production forecasts to 2025 production, plant capacity and our understanding of the business and its future plans;
- We considered the mitigating actions available to management and challenged whether these are within management's control, although no mitigating actions have been modelled due to the level of headroom in the downside scenario;
- We have challenged and concluded that management's downside scenario modelled is appropriately severe and the price reduction required to exhaust liquidity in the reverse stress test is remote; and
- We reviewed the Group's going concern disclosures included in note 2 of the financial statements, in order to evaluate whether the disclosures are appropriate.

Our key observations:

- The Directors' assessment forecasts that the Group will maintain sufficient liquidity and will comply with the financial covenants throughout the going concern assessment period in all reasonably plausible scenarios, prior to the consideration of any mitigating actions available at their discretion. Considering the short-term nature of the cash forecasts, we do not consider climate change to impact the estimates reflected in the going concern assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Parent Company's ability to continue as a going concern for the period which extends to 31 December 2027.

In relation to the Group and Parent Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the Financial Statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities, and the responsibilities of the Directors with respect to going concern, are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Overview of our audit approach

Audit scope	• Out of 12 components in scope, we performed an audit of the complete financial information of eight components being the six operating mining units (Fresnillo, Penmont, Saucito, Juanicipio, San Julián and Ciénega), the Parent Company and Comercializadora de Metales Fresnillo (CMF), the entity which held the Silverstream contract. These eight components represented 100% of revenues, 100% of the Silverstream revaluation effects and 97% of total assets. • We performed specified procedures on certain balances at a further four components. These components represented 3% of total assets.
Key audit matters	• Recognition of related party transactions, including revenue recognition. • Recoverable amount of mining assets. • Recoverable amount of investments in subsidiaries (Parent Company only).
Materiality	• Overall Group materiality was set at US$41.0 million which represents 5% of the five-year average of profit before tax prior to Silverstream revaluation effects and material non-recurring items (Adjusted Normalised Profit).

An overview of the scope of the Parent Company and Group audits

Tailoring the scope

In line with the approach taken in the previous year, our audit scoping reflects the requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures. When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, the potential impact of climate change, the applicable financial framework, the Group's system of internal control at the entity level, the existence of centralised processes, applications and any relevant internal audit results.

We determined that centralised audit procedures could be performed for eight components in the following audit areas:

Key audit area on which procedures were performed centrally	Component subject to central procedures
Accounting for the Silverstream Contract	Comercializadora de Metales Fresnillo
Recoverable amount of mining assets	Fresnillo, Penmont, Saucito, Juanicipio, San Julián and Ciénega
Recoverable amount of investments in subsidiaries (Parent Company only)	Fresnillo plc (Parent Company)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRESNILLO PLC CONTINUED

We then identified eight components as individually relevant to the Group due to significant risks and areas of higher assessed risk of material misstatement, including higher risk estimates, of the Group Financial Statements being associated with the components. These eight are individually relevant due to risk, materiality or financial size of the component relative to the Group.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the Group significant accounts on which centralised procedures will be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the Group significant financial statement account balance.

We then considered whether the remaining Group significant account balances not yet subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the Group financial statements. We selected four components of the Group to include in our audit scope to address these risks.

Having identified the components for which work will be performed, we determined the scope to assign to each component.

Of the 12 components selected, we designed and performed audit procedures on the entire financial information of eight components (full scope components). For the remaining four components, we performed specified audit procedures to obtain evidence for one or more relevant account assertions.

We noted that some entities presented financial losses in 2025, which, consistent with 2024, distorted the coverage assessment over the Group's Adjusted Normalised Profit. Therefore, when calculating their overall contribution, this shows a coverage exceeding 100% of the Group's Adjusted Normalised Profit.

Our scoping to address the risk of material misstatement for each key audit matter is set out in the Key audit matters section of our report.

Involvement with component teams
In establishing our overall approach to the Group Audit, we determined the type of work that needed to be undertaken at each of the components by us, as the Group Audit engagement team, or by component auditors operating under our instruction.

All of the Group's significant operations are in Mexico and are audited by local teams under our direct supervision. One team performs procedures on the mine units and a separate team, the auditor of Peñoles, performs procedures on certain areas which include the testing of internal inputs for the accounting of the Silverstream contract and other areas covered by a shared service centre at Peñoles.

	Work performed by	
	Primary team	Component team under our direct supervision
Full scope components	●●*	●●●●●●
Components on which specified audit procedures are performed		●●●●

* The two full scope components relate to the Parent Company and CMF. For CMF, the primary team performed the main procedures relating to the accounting for the Silverstream contract with the testing of cash receipts performed by the component team. In addition to these, the auditor of Peñoles performed certain supporting procedures on the estimation of reserve and resource quantities and the Sabinas mine plan.

Senior members of the component teams attended our virtual global planning meetings during the planning phase of the audit, and we discussed the results of interim procedures and interacted regularly with the local teams in Mexico. The primary engagement team, including the Senior Statutory Auditor, is predominantly composed of Spanish speakers to further enhance our interactions with both the component team and management.

The primary team, including the Senior Statutory Auditor, visited Mexico during both the planning and execution phases, with members of the team working with and supervising the component team in Mexico for a number of weeks over three visits. These visits involved discussion and oversight of the component team audit approach, consideration of significant accounting and auditing issues arising from their work, reviewing key audit working papers, visiting some of the mines, meeting with management and attending closing meetings.

The primary team was responsible for the scope and direction of the audit process. For certain procedures, in particular areas involving significant judgement and heightened audit risk, we performed work ourselves with support where required from the component team. In other cases, we reviewed key working papers including, but not limited to, the risk areas described below.

Based upon the above approach we are satisfied that we have been able to perform sufficient and appropriate oversight of our component team and the work performed by the auditor of Peñoles relevant to our audit. This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

Climate change

Stakeholders are increasingly interested in how climate change will impact Fresnillo plc. The Group has determined that the most significant future impacts from climate change on its operations are likely to be from water stress and drought, transition to a low-carbon future and increasing societal and investor expectations. These are explained on pages 85-96 in the Task Force On Climate Related Financial Disclosures and on page 140 in the principal risks and uncertainties, which form part of the "Other information", rather than the audited Financial Statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its Financial Statements. As explained in note 2(c) to the Group and Parent Company financial statements, governmental and societal responses to climate change risks are still developing, and are interdependent upon each other, and consequently financial statements cannot capture all possible future outcomes as these are not yet known. The degree of certainty of these changes may also mean that they cannot be taken into account when determining asset and liability valuations and the timing of future cash flows under the requirements of UK-adopted international accounting standards and in accordance with the provisions of the Companies Act 2006. Significant judgements and estimates relating to climate change have been described in note 2(c).

Our audit effort in considering the impact of climate change on the Financial Statements was focused on evaluating management's assessment of the impact of climate risk, physical and transition, their climate commitments, the effects of material climate risks disclosed on page 140 and whether these have been appropriately considered in the assessment of indicators of impairment of long-term non-financial assets and the timing and quantum of future cash flows underpinning the provision of mine closure costs and associated disclosures. We also considered whether other assets and liabilities were susceptible to material changes in measurement as a result of climate risks and opportunities. As part of this evaluation, we performed our own risk assessment, supported by our climate change internal specialists, to determine the risks of material misstatement in the Financial Statements from climate change which needed to be considered in our audit. Details of our procedures and findings on the assessment of impairment indicators are included in our key audit matters below where relevant.

We also challenged the directors' considerations of climate change risks in their assessment of going concern and viability and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work we have not identified the impact of climate change on the Financial Statements to be a key audit matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter: Recognition of related party transactions, including revenue recognition 1

- 99.8% of the Group's current year revenue from the sale of goods being concentrates, doré, activated carbon, slag and precipitates (2025: US$4,552.7 million; 2024: US$3,481.8 million), and a significant amount of its expenses incurred (2024: US$251.7 million; 2023: US$240.4 million), arise from transactions with related parties. The Silverstream contract was also with a related party. These related parties are all subsidiaries of the Group's direct parent, Industrias Peñoles, S.A.B. de C.V. (Peñoles).
- Principal transactions include the sale of goods to the Met-Mex Peñoles refinery, administrative services received and the Silverstream contract.
- The Silverstream contract was terminated during the year, therefore there was a risk that the transaction would not consider the arm's length principle and/or follow all the relevant governance, valuation and regulatory requirements.
- There is a risk that, if not at arm's length or not reflecting the goods or services provided in the period, such transactions could be used to manipulate earnings or to distribute profits to the Group's parent.
- There is also a risk that revenues are inappropriately recognised as a result of incorrect cut-off or inappropriate measurement of product sold.
- There is an ongoing focus by the Mexican tax authorities on transfer pricing as reflected by recently concluded and ongoing tax inspections. There is therefore the potential risk of tax exposures arising from related party transactions.

Our judgement is that the level of risk in this area remains consistent with the prior year.

Related party transactions are disclosed in note 27 to the consolidated financial statements, revenues in note 5 and relevant accounting policies in note 2.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRESNILLO PLC CONTINUED

Our audit response	
We performed full scope audit procedures over this risk area in eight components, which covered 100% of the aggregate risk amount relating to revenue, 100% of the risk related to the Silverstream contract and 98% relating to related party expenses. In addition, we performed specified procedures in components which covered 2% of related party expenses.	
Identification of related parties and related party transactions	• We read new and amended contracts and agreements with related parties, including Met-Mex Peñoles, to understand the nature of the transactions. • We evaluated the appropriateness of management's process for identifying, recording and reporting related party transactions. For this purpose, we have performed a walkthrough of Management's process, we inquired of management and tested the design and implementation of relevant controls. • As part of our procedures on completeness of related party transactions, we reviewed those transactions that have been identified, monitored, reviewed and approved by the Audit Committee. • We made inquiries of management at various levels and inspected board minutes and confirmation letters to assess the completeness of related parties. • We performed a consistency check with our other audit procedures in order to identify any related party transactions not already identified by management or that are outside the normal course of business.
Revenue recognition	• In order to test completeness of revenue transactions, we obtained confirmations totalling 100% of sales to Peñoles (which represents 99.8% of total revenue), including quantities delivered, the period-end receivable balance, and subsequent cash settlement where applicable. • We evaluated the risk of material misstatement due to assay adjustments at 31 December 2025 by performing a retrospective review of the quantum of previous adjustments made during the year and determining the maximum plausible adverse effect on period-end provisional sales. • We performed revenue cut-off testing, by reference to shipment dates. • On a sample basis, we performed testing to verify physical deliveries of product in the year and related party expenses against the underlying contract terms. Since this is a significant risk, our testing threshold was lower, and our sample sizes are larger than they would otherwise have been. • We obtained an understanding of the basis of the treatment and refining charges (T&RCs) negotiated between the Group and Peñoles for the current year, these being deducted from revenue. • We compared principal inputs to external benchmarks or other external evidence. We recalculated T&RCs based on actual production and contractual terms. • We performed overall analytical procedures which consisted of comparing actual revenues on a disaggregated basis to detailed expectations developed based on production in the year and market prices for relevant metals and obtained explanations for any material variances.
Silverstream contract	• We reviewed the Silverstream buy-back agreement to understand the termination clauses and assessed whether the process followed by management was consistent with the contractual terms. • We reviewed correspondence and legal advice received from management's external legal advisor and sponsor in relation to the proposed termination. • We reviewed supporting documentation including board minutes, communications between Fresnillo and Peñoles, and Peñoles' quarterly reports to assess whether any contradictory evidence existed that would impact the appropriateness of the transaction or its presentation. • We reviewed the Audit Committee's terms of reference and the relationship agreement between Peñoles and Fresnillo to ensure the transaction was carried out in accordance with the governing principles and oversight expectations. • Considering that the Silverstream contract is a transaction between related parties, we assessed the governance and regulatory implications of the proposed termination of the agreement. Our procedures included evaluating the application of relevant requirements under the UK Listing Rules, Disclosure Guidance and Transparency Rules, and the Companies Act. • With assistance from our valuation specialists, we challenged key economic assumptions in the valuation, including future metal prices and the discount rate applied. • Assisted by our non-EY specialist (geologist) we reviewed the due diligence report prepared by management's external geology specialist, covering the updated reserves and resources estimation and mine plan as at 30 June 2025. • We tested settlement of open shipments and verified the termination payment. • We assessed the appropriateness and completeness of disclosures included in the notes to the Financial Statements and their consistency with the disclosures made in the front half of the annual report.
Other transactions with related parties	• On a sample basis, we tested related party expenses against underlying contractual terms. • We compared actual results against detailed expectations of income statement line items impacted by related party transactions to determine whether there was any evidence of manipulation.
Accuracy of disclosures	• We verified that related party disclosures in the Financial Statements are consistent with the results of our audit procedures.

Our audit response	
Transfer pricing considerations	• We read new and amended contracts and agreements with related parties, including Met-Mex Peñoles to understand the nature and accounting impacts of related transactions. • With the involvement of our transfer pricing specialist, we obtained and reviewed the most recent transfer pricing studies provided to management by its transfer pricing specialist. • Assisted by our internal transfer pricing specialists, we reviewed the updated letter provided by the external specialist for the year ended 31 December 2025 (providing an update since the final 2024 studies). We met with the specialist to further understand the content of the update letter and review any changes made. • We assessed the competence, capabilities and objectivity of management's specialist. • We confirmed the principal inputs to external benchmarks used to determine transfer pricing ranges. In respect of T&RCs, these include confirmations from the auditor of Peñoles in respect of T&RCs charged to other customers.
Management override	• We compared actual revenues on a disaggregated basis to detailed expectations developed based on production in the year and market prices for relevant metals to identify and understand variances for further investigation. • We utilised data analysis tools to test revenue and search entire data sets for potential related party transactions. • We compared actual results against detailed expectations of income statement line items impacted by related party transactions to determine whether there is evidence of manipulation.

Key observations communicated to the Audit Committee

- Our procedures did not identify issues with the identification, recording or reporting of related party transactions.
- We concluded that revenue recognition in the year is appropriate, including the treatment of related provisional pricing terms.
- As a result of our consistency check with other audit procedures, we did not identify any additional or undisclosed related party transactions.
- In respect of transfer pricing in transactions with related parties, we confirmed that the methodology for determining transfer pricing in respect of the transactions with other Peñoles companies has not changed during the year and remains reasonable.
- In respect of the termination of the Silverstream contract, based on the procedures performed, we considered that the governance process, accounting treatment and related disclosures are appropriate.

Key audit matter: Recoverable amount of mining assets 2

- The identification of indicators of impairment requires management judgement, as changes in key economic assumptions are subject to risk and uncertainty that may be beyond the control of the Group.
- The key assumptions underpinning management's assessment of the recoverable amount of mining assets are reserves and those resources with a high likelihood of being converted into reserves, related mine plans and production profiles, estimated future operating and capital expenditure, future commodity prices, exchange rates and the discount rates applied.
- The estimation of mineral reserves and resources quantities of the Group's mines requires significant judgment and estimation.
- The Group's estimates of mineral reserves and resources are audited by third party specialists engaged by management ("Reserves and Resources Specialists").
- Changes to assumptions could lead to material changes in estimated recoverable amounts, resulting in impairment of property plant and equipment with a net book value of US$2,522.5 million (2024: US$2,557.6 million). There is no impairment recorded in prior years that may be reversed.

Our judgement is that the level of risk in this area remains consistent with the prior year, as no impairment triggers were identified in any of the mining units.

We have also considered the possible effect of climate change in the impairment trigger assessment, in line with the prior year.

Management's assessment of the judgement and estimation required is set out in note 2 to the consolidated Financial Statements, with the results of management's sensitivity assessment in note 13. The reserves and resources tables are presented after the Parent Company notes to the Financial Statements as unaudited information.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRESNILLO PLC CONTINUED

Our audit response	
We performed full scope audit procedures over this risk area in six components and specified procedures over this risk in two components, which covered 100% of the risk amount.	
Indicators of impairment and methodology used to estimate recoverable values	• We evaluated management's identification of indicators of impairment under IAS 36 'Impairment of assets' and considered whether climate risks could represent indicators. • We challenged management's assessment with particular emphasis on whether operational issues, cost increases and decreases in estimations of reserves and resources would result in an impairment trigger by performing our own independent assessment based on inputs calculated by our valuation specialists. • We verified information from our procedures in respect of reserves and resources (as described below) to management's indicator assessment to ensure that the most recent reserves information was used. • We considered the results of our other procedures, including in respect of the mine closure provision and our analytical review procedures over production to evaluate whether there were any unidentified indicators of impairment.
Estimation process for reserves and resources including external specialists engaged by management	• We performed substantive procedures over the estimation of reserves and resources to evaluate the extent to which we can rely on those estimates when concluding whether an indicator of impairment existed. • We walked through the process of the estimation of the reserves and resources quantities and identified relevant controls. • We walked through the process of determining mine plans from estimated reserves and resources quantities. • We assessed the competence of management's reserves and resources specialists, as well as capabilities and objectivity as specialists engaged by management to audit the Group's estimates of reserves and resources and confirmed the scope of their work was appropriate for the purpose of financial reporting. • We assessed the potential impact of climate related matters on the estimates. • We read the reports prepared by the Reserves and Resources Specialists, gained an understanding of the changes in reserves and resources estimates in the year and considered their observations on the Group's reserve and resource estimation process insofar as they affect the Financial Statements. • We assessed whether the implementation of the Reasonable Prospects for Eventual Economic Extraction (RPEEE) resulted in any indicator of impairment, given the impact this had in the resource estimation. • We engaged our own specialist (geologist) to evaluate the information provided by the Reserves and Resources Specialists. • We discussed directly with management's reserves and resources specialists the results of their reports.
Sensitivity disclosures	• We assessed the appropriateness of sensitivity disclosures included in the Financial Statements in light of our other audit procedures.

Key observations communicated to the Audit Committee

- We assessed management's reserves and resources specialists as appropriate specialists engaged by management for the purposes of auditing the reserves and resources of the Group.
- The increase in gold and silver price forecasts has reduced the risk of impairment indicators being identified across the Group's operations.
- We concluded that, although the implementation of RPEEE resulted in an overall reduction of resources in certain mines, the updated mine plans reflect these changes while continuing to show sufficient headroom, such that this did not give rise to an impairment indicator at 31 December 2025.
- We concluded that no impairment indicators were identified in any of the mining units.

Key audit matter: Recoverable amount of investment in subsidiaries (Parent Company only) 3

- Investments in subsidiaries (US$6,246.0 million, 2024: US$4,189.7 million) are more sensitive to changes in recoverable value than the Group's underlying mining assets because these investments were re-measured at fair value in 2008 when the Group was established ahead of its Initial Public Offering and have been subject to previous impairment charges, including in the prior year.
- The principal driver of the recoverable amount of investments in subsidiaries is the estimated value of underlying mining assets held by the Group's subsidiaries. Refer to related considerations in the key audit matter above.
- In addition, management estimates the recoverable value of exploration projects in considering the recoverable value of subsidiaries.
- Increases in prices and revisions of the reserves and resources estimates in the underlying assets could lead to material changes in estimated recoverable amounts, resulting in reversals of impairment charges recognised in prior years (2025 aggregate net impairment reversal of US$2,039.0 million, 2024: net impairment reversal of US$855.7 million).

Our judgement is that the level of risk in this area, overall, remains consistent with the prior year.

As with the recoverable amount of mining assets, in the current year we have also considered the possible effect of climate change in the impairment trigger assessment.

Management's assessment of the judgement and estimation required is set out in Note 2 to the Parent Company Financial Statements, with the required disclosures around the recoverability of investments in subsidiaries included in Note 5.

Our audit response	
We performed full scope audit procedures over this risk area in one component, which covered 100% of the risk amount.	
Indicators of impairment and methodology used to estimate recoverable values	• We assessed the methodology used by management to determine whether there were any indicators of impairment or reversals of previously recognised impairment charges for each investment in a subsidiary to ensure that this is consistent with accounting standards. Refer to the 'Our audit response' section of the key audit matter above with respect to procedures performed relating to the recoverable value of mining assets. • We evaluated management's approach to valuing exploration prospects.
Key assumptions used in management's estimate of the recoverable values of investments in subsidiaries	As the assessment of impairment of investments in subsidiaries is directly linked to the recoverable value of mining units underlying each investment, we have performed the following procedures in respect of the mine operations: • We compared related production profiles to the current mine plans for each mine and considered their consistency with our understanding of future plans at the mines obtained through enquiries with both operating and senior management. • We assessed operating and capital costs included in the cash flow forecasts to ensure consistency with current operating costs, forecast mine production and other forecast information, by reviewing the cost assumptions and understanding the methodology applied by management in their budgeting process. We considered the possible effect of climate change on cost estimates. • With the assistance of our valuation specialists, we assessed management's assumptions relating to future metals prices and discount rates by comparing these to market data and also for consistency with other estimates used in the Financial Statements. • We performed sensitivity analysis on management's calculated recoverable values for alternative assumptions for metals prices, costs and the discount rate applied.
Sensitivity disclosures	• We assessed the appropriateness of sensitivity disclosures included in the Parent Company Financial Statements considering our other audit procedures.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRESNILLO PLC CONTINUED

Key observations communicated to the Audit Committee

- We confirmed that our observations with respect to reserves and resources set out in the key audit matter in respect of the recoverable amount of mining assets above are also relevant for the recoverable amounts of investments in subsidiaries.
- We considered the approach to determining the recoverable value of investments in subsidiaries, including the valuation of exploration assets, to be appropriate.
- Our procedures confirmed that the estimates of production, operating and capital costs are consistent with the production profiles of respective mines and related mine plans. We considered those to be reasonable.
- We concluded gold and silver prices used by management fall within our range of acceptable values calculated independently by our engaged specialists.
- We consider that management's discount rates applied are within the range of acceptable values for all of the mining units.
- We concluded that the reversal of impairment recognised during the period and the sensitivity disclosures reflected in the Parent Company financial statements are appropriate.

In the prior year, our auditor's report included a key audit matter in relation to the valuation of the Silverstream contract. For this year's audit, following the termination of the agreement, we have included the relevant considerations as part of the key audit matter related to Recognition of related party transactions, including revenue recognition. At the time of our interim review, we performed procedures in line with those disclosed in the key audit matters section of our 2024 audit report. In addition, we performed specific procedures to assess other aspects related to the termination of this agreement, including governance and related party considerations, accounting treatment, valuation methodology and related disclosures.

For purposes of the 2025 audit of the Group's consolidated financial statements we have tested the impacts of the termination of the agreement, including the procedures listed in the key audit matter section above. As a result, we have concluded that the loss in the Consolidated Income Statement and the disclosures included in the Group Financial Statements as well as the front half section of the annual report are appropriate.

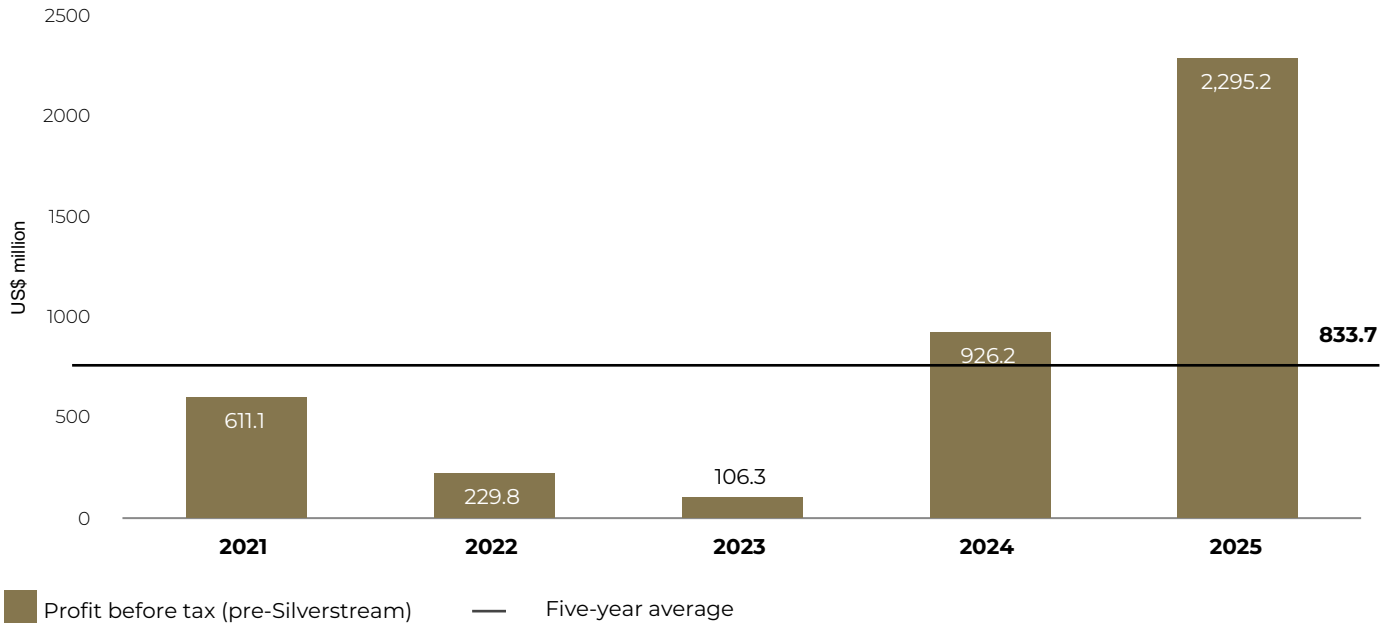
Materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be US$41.0 million (2024: US$24.0 million), which is 5% (2024: 5%) of the five-year average profit before tax prior to Silverstream revaluation effects, adjusted for any material one-off transactions ("Adjusted Normalised Profit"). We believe this measure of profit represents one of the main considerations for members of the Group, particularly as the Silverstream revaluation effects are principally non-cash in nature and one-off transactions are not reflective of the ongoing operations of the business.

We have concluded that, solely for the purposes of determining materiality, there are sufficient indicators to normalise the basis for determining materiality using the five-year average, which is in line with the directors' viability assessment period. An illustration of our approach to Adjusted Normalised Profit is set out below, with profit before tax prior to Silverstream revaluation effects as the starting point.

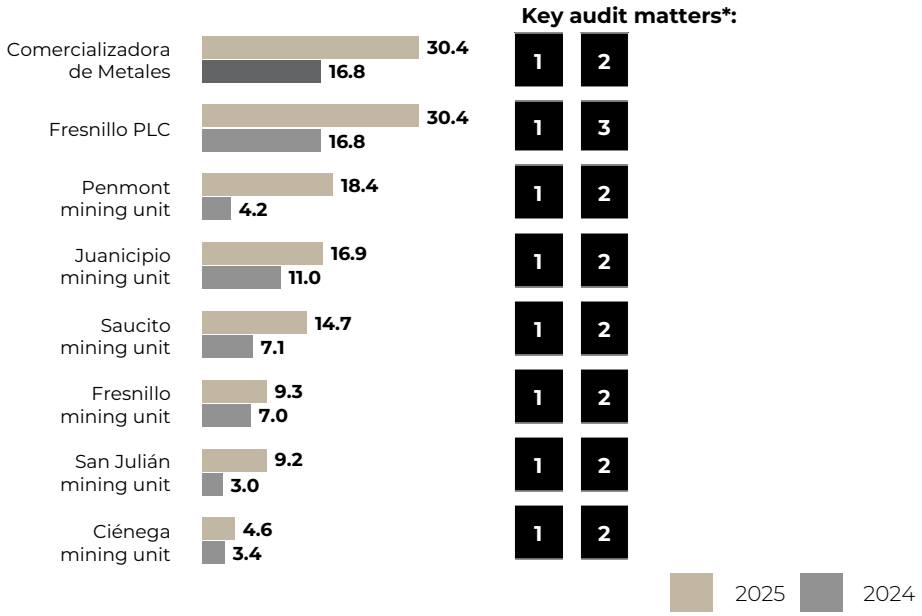


We determined materiality for the Parent Company to be US$70.6 million (2024: US$49.9 million), which is 1% (2024: 1%) of equity. The materiality of the Parent Company is higher than that of the Group, reflective of the Parent Company's primary role being that of a holding company.

Performance materiality
The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2024: 75%) of our planning materiality, namely US$30.8 million (2024: US$18.0 million). We have set performance materiality at this percentage with reference to the level of historical misstatements, our ability to assess the likelihood of misstatements and the effectiveness of the internal control environment.

Audit work was undertaken at component locations for the purpose of responding to the assessed risks of material misstatement of the Group Financial Statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. Assigned performance materiality decreased in all components, reflecting the overall performance of the Group. Where assigned performance materiality decreased, this represents the changes in the relative contribution of profit of that component. The allocation of performance materiality to full scope components is as follows:



* The icons correspond to the key audit matters set out above. Audit procedures in respect of the recoverable amount of investments in subsidiaries are performed at the performance materiality of the standalone parent company Financial Statements.

Reporting threshold
An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of US$2.0 million (2024: US$1.2 million), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the Annual Report other than the Financial Statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report.

Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRESNILLO PLC CONTINUED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements and those reports have been prepared in accordance with applicable legal requirements;
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Rules and Transparency Rules sourcebook made by the Financial Conduct Authority (the FCA Rules), is consistent with the Financial Statements and has been prepared in accordance with applicable legal requirements; and
- information about the company's corporate governance statement and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in:

- the Strategic Report or the Directors' report; or
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 of the FCA Rules

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company Financial Statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- a Corporate Governance Statement has not been prepared by the company

Corporate Governance Statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the Financial Statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 145;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on pages 143-144;
- Directors' statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 145;
- Directors' statement on fair, balanced and understandable set out on page 179;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 123-124;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out on pages 176-179; and
- The section describing the work of the audit committee set out on pages 167-179.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 201, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those related to the reporting framework (UK adopted international accounting standards and Companies Act 2006 and UK Corporate Governance Code), regulations impacting mining operations including mining laws, environmental and labour regulations and tax and employee profit-sharing requirements in Mexico.
- With the assistance of our forensics specialists, we understood how Fresnillo plc is complying with those frameworks by making enquiries of management, internal audit, those responsible for legal and compliance procedures and the company secretary. We corroborated our enquiries through our review of board minutes and papers provided to the Audit Committee.
- We have involved our forensic specialists in obtaining an understanding of the process established by management to identify, evaluate and respond to fraud risks, who have placed specific focus on bribery and corruption risks.
- We assessed the susceptibility of the Group's Financial Statements to material misstatement, including how fraud might occur by meeting with management from various parts of the business to understand where it is considered there was a susceptibility of fraud. We also considered performance targets and their propensity to influence efforts made by Management to manage earnings. We considered the programmes and controls that the Group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included using data analytics to test manual journals and were designed to provide reasonable assurance that the Financial Statements were free of fraud or error. In the current year, forensic specialists reviewed our fraud risk assessment and assisted on our journal entry testing procedures.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of Group management and those charged with governance, legal counsel, internal audit, and the risk and compliance departments; journal entry testing, with a focus on manual journals and those indicating large or unusual journals based on our understanding of the business; and challenging the assumptions and judgements made by management in respect of significant accounting estimates. Where observations are raised about management's process or controls surrounding compliance with laws and regulations by us or others, we consider the potential effect of those observations.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the Audit Committee, we were appointed by the company in May 2008 to audit the Financial Statements for the year ending 31 December 2008 and subsequent financial periods. Following a competitive tender process, we were reappointed as auditor of the Company for the period ending 31 December 2017 and subsequent financial periods. The total uninterrupted period of engagement is 18 years, covering periods from our initial appointment through to the period ended 31 December 2025.
- The audit opinion is consistent with the additional report to the Audit Committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stephney Dallmann
(Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor

London

3 March 2026

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

		Year ended 31 December 2025			Year ended 31 December 2024		
		US$ thousands			US$ thousands		
	Notes	**Pre-Silverstream revaluation effect**	**Silverstream revaluation effect**	**Total**	Pre-Silverstream revaluation effect	Silverstream revaluation effect	Total
Revenues	5	**4,561,231**		**4,561,231**	3,496,385		3,496,385
Cost of sales	6	**(1,897,120)**		**(1,897,120)**	(2,250,112)		(2,250,112)
Gross profit		**2,664,111**		**2,664,111**	1,246,273		1,246,273
Administrative expenses		**(118,237)**		**(118,237)**	(109,514)		(109,514)
Exploration expenses	7	**(173,531)**		**(173,531)**	(163,048)		(163,048)
Selling expenses		**(66,770)**		**(66,770)**	(46,154)		(46,154)
Other operating income	9	**20,229**		**20,229**	39,559		39,559
Other operating expenses	9	**(33,338)**		**(33,338)**	(21,296)		(21,296)
Profit before net finance costs and income tax		**2,292,464**		**2,292,464**	945,820		945,820
Finance income	10	**92,549**		**92,549**	46,936		46,936
Finance costs	10	**(68,541)**		**(68,541)**	(73,571)		(73,571)
Revaluation effects of Silverstream contract	14	**—**	**(189,212)**	**(189,212)**	—	(182,276)	(182,276)
Foreign exchange (loss)/gain		**(45,278)**		**(45,278)**	6,993		6,993
Profit before income tax		**2,271,194**	**(189,212)**	**2,081,982**	926,178	(182,276)	743,902
Corporate income tax	11	**(371,739)**	**56,764**	**(314,975)**	(444,870)	54,683	(390,187)
Special mining right	11	**(193,178)**		**(193,178)**	(127,024)		(127,024)
Income tax	11	**(564,917)**	**56,764**	**(508,153)**	(571,894)	54,683	(517,211)
Profit for the year		**1,706,277**	**(132,448)**	**1,573,829**	354,284	(127,593)	226,691
Attributable to:							
Equity shareholders of the Company		**1,516,436**	**(132,448)**	**1,383,988**	268,513	(127,593)	140,920
Non-controlling interest		**189,841**		**189,841**	85,771		85,771
		1,706,277	**(132,448)**	**1,573,829**	354,284	(127,593)	226,691
Earnings per share: (US$)							
Basic and diluted earnings per Ordinary Share	12			**1.878**			0.191
Adjusted earnings per share: (US$)							
Adjusted basic and diluted earnings per Ordinary Share	12	**2.058**			0.364		

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

		Year ended 31 December	
		2025	2024
	Notes	**US$ thousands**	US$ thousands
Profit for the year		**1,573,829**	226,691
Other comprehensive income/(expense)			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation		**2**	(3,366)
Net other comprehensive loss that may be reclassified subsequently to profit or loss:		**2**	(3,366)
Items that will not be reclassified to profit or loss:			
Changes in the fair value of cash flow hedges		**(1,394)**	(201)
Total effect of cash flow hedges		**(1,394)**	(201)
Changes in the fair value of equity investments at fair value through other comprehensive income (FVOCI)		**70,855**	35,309
Remeasurement loss on defined benefit plans	22	**(2,439)**	(199)
Income tax effect on items that will not be reclassified to profit or loss	11	**(20,733)**	(10,502)
Net other comprehensive Income that will not be reclassified to profit or loss		**46,289**	24,407
Other comprehensive Income, net tax		**46,291**	21,041
Total comprehensive income for the year, net of tax		**1,620,120**	247,732
Attributable to:			
Equity shareholders of the Company		**1,430,419**	162,022
Non-controlling interests		**189,701**	85,710
		1,620,120	247,732

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2025

	Notes	As at 31 December 2025 US$ thousands	2024 US$ thousands
ASSETS			
Non-current assets			
Property, plant and equipment (PPE)	13	**2,466,034**	2,538,665
Equity instruments at FVOCI	30.(b)	**34,537**	139,968
Silverstream contract	14	**—**	214,437
Deferred tax asset	11	**610,367**	466,734
Inventories	15	**69,760**	69,760
Other receivables	16	**41,510**	5,264
Other assets		**3,608**	3,101
		3,225,816	3,437,929
Current assets			
Inventories	15	**432,838**	412,417
Trade and other receivables	16	**830,585**	674,211
Prepayments		**33,450**	13,881
Silverstream contract	14	**—**	44,204
Derivative financial instruments		**103**	—
Short-term investments	17	**92,733**	187,403
Cash and cash equivalents	17	**2,663,743**	1,110,413
		4,053,452	2,442,529
Total assets		**7,279,268**	5,880,458
EQUITY AND LIABILITIES			
Capital and reserves attributable to shareholders of the Company			
Share capital	18	**368,546**	368,546
Share premium	18	**1,153,817**	1,153,817
Capital reserve	18	**(526,910)**	(526,910)
Hedging reserve	18	**(470)**	(92)
Fair value reserve of financial assets at FVOCI	18	**26,168**	66,594
Foreign currency translation reserve	18	**(7,568)**	(7,570)
Retained earnings	18	**3,619,311**	2,800,956
		4,632,894	3,855,341
Non-controlling interests		**441,793**	355,029
Total equity		**5,074,687**	4,210,370
Non-current liabilities			
Interest-bearing loans	20	**839,926**	839,507
Lease liabilities	25	**6,183**	7,581
Provision for mine closure cost	21	**262,521**	233,748
Pensions and other post-employment benefit plans	22	**17,732**	11,454
Deferred tax liability	11	**145,507**	209,213
		1,271,869	1,301,503
Current liabilities			
Trade and other payables	23	**375,175**	223,779
Notes payable	30.(a)	**—**	2,055
Income tax payable		**523,046**	113,221
Derivative financial instruments	30	**741**	189
Lease liabilities	25	**4,864**	4,312
Provision for mine closure cost	21	**9,961**	11,781
Employee profit sharing		**18,925**	13,248
		932,712	368,585
Total liabilities		**2,204,581**	1,670,088
Total equity and liabilities		**7,279,268**	5,880,458

These Financial Statements were approved by the Board of Directors on 2 March 2026 and signed on its behalf by:

Dr Arturo Fernández
Non-Executive Director
2 March 2026

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

		Year ended 31 December	
		2025	2024
	Notes	**US$ thousands**	US$ thousands
Net cash from operating activities	29	**2,289,707**	1,299,802
Cash flows from investing activities			
Purchase of property, plant and equipment	3	**(400,141)**	(370,542)
Proceeds from the sale of property, plant and equipment and other assets		**462**	2,563
Proceeds from the sale of mining concessions	9	**16,050**	10,000
Proceeds from Silverstream contract	14	**85,945**	29,957
Purchase of equity instruments at FVOCI[1]	30.(b)	**—**	(1,466)
Disposal of equity instruments at FVOCI[1]	30.(b)	**176,584**	5,098
Dividends received from equity instruments at FVOCI		**1,754**	—
Decrease/(increase) in short-term investments	17	**94,670**	(187,403)
Interest received		**92,113**	46,333
Net cash used in investing activities		**67,437**	(465,460)
Cash flows from financing activities			
Payment of notes payable	30.(a)	**(2,055)**	(92,361)
Principal element of lease payments	25.(a)	**(4,689)**	(5,443)
Dividends paid to shareholders of the Company[2]	19	**(654,313)**	(78,156)
Dividends paid to non-controlling interests in subsidiaries	4.(a)	**(103,400)**	(26,400)
Capital contribution		**278**	—
Interest paid[3]		**(40,625)**	(45,917)
Net cash used in financing activities		**(804,804)**	(248,277)
Net decrease in cash and cash equivalents during the year		**1,552,340**	586,065
Effect of exchange rate on cash and cash equivalents		**990**	(10,232)
Cash and cash equivalents at 1 January		**1,110,413**	534,580
Cash and cash equivalents at 31 December	17	**2,663,743**	1,110,413

1. Following the investment strategy of the Group, during 2025, the Group decided to dispose the shares held in MAG Silver Corp. The Group disposed 9,314,877 owned shares. The gain on the disposal of US$128.6 million has been transferred from the Fair value reserve of financial assets at FVOCI to retained earnings, net of tax amounting to US$38.6 million.
2. Includes the effect of hedging of dividend payments made in currencies other than US dollar (Note 19).
3. As of 31 December 2025 includes US$1.2 million (2024: US$1.2 million) related to a commitment fee in respect of undrawn amounts of the syndicated revolving credit facility entered by the Group. No amounts have been draw down from the credit facility as of 31 December 2025.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

		Attributable to the equity holders of the Company									
	Notes	Share capital	Share premium	Capital reserve	Hedging reserve	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
											US$ thousands
Balance at 1 January 2024		368,546	1,153,817	(526,910)	50	42,591	(4,204)	2,737,962	3,771,852	295,345	4,067,197
Profit for the year		—	—	—	—	—	—	140,920	140,920	85,771	226,691
Other comprehensive income, net of tax		—	—	—	(95)	24,716	(3,366)	(153)	21,102	(61)	21,041
Total comprehensive income for the year		—	—	—	(95)	24,716	(3,366)	140,767	162,022	85,710	247,732
Hedging loss transferred to the carrying value of PPE purchased during the year		—	—	—	(47)	—	—	—	(47)	(1)	(48)
Transfer of gain on disposal of equity investments at FVOCI to retained earnings (net of tax)	30(b)	—	—	—	—	(713)	—	713	—	—	—
Recognition of non-controlling interest	4(a)	—	—	—	—	—	—	(375)	(375)	375	—
Dividends declared and paid	19	—	—	—	—	—	—	(78,111)	(78,111)	(26,400)	(104,511)
Balance at 31 December 2024		368,546	1,153,817	(526,910)	(92)	66,594	(7,570)	2,800,956	3,855,341	355,029	4,210,370
Profit for the year		**—**	**—**	**—**	**—**	**—**	**—**	**1,383,988**	**1,383,988**	**189,841**	**1,573,829**
Other comprehensive income, net of tax		**—**	**—**	**—**	**(1,137)**	**49,598**	**2**	**(2,032)**	**46,431**	**(140)**	**46,291**
Total comprehensive income for the year		**—**	**—**	**—**	**(1,137)**	**49,598**	**2**	**1,381,956**	**1,430,419**	**189,701**	**1,620,120**
Hedging loss transferred to the carrying value of PPE purchased during the year		**—**	**—**	**—**	**759**	**—**	**—**	**—**	**759**	**185**	**944**
Transfer of gain on disposal of equity investments at FVOCI to retained earnings (net of tax)	30.(b)	**—**	**—**	**—**	**—**	**(90,024)**	**—**	**90,024**	**—**	**—**	**—**
Capital contribution		**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**278**	**278**
Dividends declared and paid	19	**—**	**—**	**—**	**—**	**—**	**—**	**(653,625)**	**(653,625)**	**(103,400)**	**(757,025)**
Balance at 31 December 2025		**368,546**	**1,153,817**	**(526,910)**	**(470)**	**26,168**	**(7,568)**	**3,619,311**	**4,632,894**	**441,793**	**5,074,687**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Fresnillo plc (the Company) is a public limited company and registered in England and Wales with registered number 6344120 and is the holding company for the Fresnillo subsidiaries detailed in Note 5 of the Parent Company accounts ('the Group').

Industrias Peñoles S.A.B. de C.V. ('Peñoles') currently owns 75 percent of the shares of the Company and the ultimate controlling party of the Company is the Baillères family, whose beneficial interest is held through Peñoles. The registered address of Peñoles is Calzada Legaria 549, Mexico City 11250. Copies of Peñoles' accounts can be obtained from www.penoles.com.mx. Further information on related party balances and transactions with Peñoles' group companies is disclosed in Note 27.

The consolidated Financial Statements of the Group for the year ended 31 December 2025 were authorised for issue by the Board of Directors of Fresnillo plc on 02 March 2026.

The Group's principal business is the mining and beneficiation of non-ferrous minerals, and the sale of related production. The primary contents of this production are silver, gold, lead and zinc. During 2025 99.8% of the production was sold to Peñoles' metallurgical complex, Met-Mex (2024: 99.6% of the production), for smelting and refining. Further information about the Group operating mines and its principal activities is disclosed in Note 3.

2. Significant accounting policies

2.(a). Basis of preparation and consolidation, and statement of compliance

Basis of preparation and statement of compliance

The Group consolidated Financial Statements have been prepared in accordance with UK-adopted international accounting standards in accordance with the provisions of the Companies Act 2006.

The consolidated Financial Statements have been prepared on a historical cost basis, except for trade receivables, derivative financial instruments, equity securities and defined benefit pension scheme assets which have been measured at fair value.

The consolidated Financial Statements are presented in dollars of the United States of America (US dollars or US$) and all values are rounded to the nearest thousand ($000) except when otherwise indicated.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out above in the Strategic Review on pages 1-146. The financial position of the Group, its cash flows and liquidity position are described in the Financial Review in pages 47-55. In addition, note 31 to the financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

In making their assessment of the Group's ability to manage its future cash requirements, the Directors have considered the Company and Group budgets, and the cash flow forecasts for the period to 31 December 2027 (being the going concern assessment period). In addition, they reviewed a more conservative cash flow scenario using lower silver and gold prices of US$37.2 /Oz and US$2,549 /Oz respectively throughout this period, whilst maintaining current budgeted expenditure while only considering projects approved by the Executive Committee. This resulted in our current cash balances reducing over time but maintaining sufficient liquidity throughout the period.

The Directors have further calculated metal prices for a reverse stress test (US$20.0 /Oz and US$1,570 /Oz for silver and gold respectively), which are assumed to be maintained until the end of 2027. This would result in cash balances decreasing to minimal levels by the end of 2027, without applying mitigations and not using the revolving credit facility.

Should metal prices remain below the stressed prices above for an extended period, management has identified specific elements of capital and exploration expenditure which could be deferred without adversely affecting production profiles throughout the period. On the other hand, management could amend the mining plans to concentrate on production with a higher margin to accelerate cash generation without affecting the integrity of the mine plans. Finally, to maintain strong liquidity, in January 2024 management acquired a committed revolving credit facility of US$350M, which could be used if needed.

After reviewing all of the above considerations, the Directors have a reasonable expectation that management has sufficient flexibility in adverse circumstances to maintain adequate resources to continue in operational existence for the foreseeable future. The Directors, therefore, continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of consolidation

The consolidated Financial Statements set out the Group's financial position as of 31 December 2025 and 2024, and the results of operations and cash flows for the years then ended.

Entities that constitute the Group are those enterprises controlled by the Group regardless of the number of shares owned by the Group. The Group controls an entity when it is exposed to, or has the right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Entities are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. The Group applies the acquisition method to account for business combinations in accordance with IFRS 3.

2. Significant accounting policies continued

All intra-group balances, transactions, income and expenses and profits and losses, including unrealised profits arising from intra-group transactions, have been eliminated on consolidation. Unrealised losses are eliminated in the same way as unrealised gains except that they are only eliminated to the extent that there is no evidence of impairment.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition by-acquisition basis. Subsequent to acquisition, non-controlling interests consist of the amount attributed to such interests at initial recognition and the non-controlling interest's share of changes in equity since the date of the combination. Any losses of a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, a transaction with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interest are also recorded in equity.

2.(b). Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the consolidated Financial Statements are consistent with those applied in the preparation of the consolidated Financial Statements for the year ended 31 December 2024.

New standards, interpretation and amendments (new standards) adopted by the Group

A number of new or amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

The Group has evaluated the applicability of Pillar II rules considering that the Parent Company and the main subsidiaries of the Group is a tax resident in Mexico. Management also assessed the status of the Pillar II legislation in the country, however no laws or regulations have been enacted to the date of this report.

Standards, interpretations and amendments issued but not yet effective

The International Accounting Standards Board (IASB) has issued new standards, interpretation and other amendments resulting from improvements to IFRSs that management considers do not have any impact on the accounting policies, financial position or performance of the Group except for the new standard IFRS 18-Presentation and Disclosure in Financial Statements; this new standard replaces IAS 1-Presentation of Financial Statements, with a focus on updates to the statement of profit or loss. This new standard is applicable for periods commencing 1 January 2027, early adoption is permitted. The Group plans to adopt the new standard on the required effective date. The Group has assessed the expected impact of IFRS 18 on its consolidated financial statements and anticipates that the standard will primarily affect the presentation and disclosure of income and expenses, including the classification of operating and non-operating results. The Group do not expect it to have a material impact on the amounts recognised for financial performance or cash flows. However, the presentation of comparative information may change in future periods..

The Group has not early adopted any standard, interpretation or amendment that was issued but is not yet effective.

2.(c). Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated Financial Statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated Financial Statements and reported amounts of revenues and expenses during the reporting period. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, with regard to prior experience, but actual results may differ from the amounts included in the consolidated Financial Statements. Information about such judgements and estimates is contained in the accounting policies and/or the notes to the consolidated Financial Statements.

Judgements

Areas of judgement, apart from those involving estimations, that have the most significant effect on the amounts recognised in the consolidated Financial Statements for the year ended 31 December 2025 are:

Recoverability of Soledad-Dipolos assets:

In 2009, five members of the El Bajio agrarian community in the state of Sonora, who claimed rights over certain surface land in the proximity of the operations of Minera Penmont ('Penmont'), submitted a legal claim before the Unitarian Agrarian Court #28 (Tribunal Unitario Agrario) of Hermosillo, Sonora, to have Penmont vacate an area of this surface land. The land in dispute (the 'Original Claim Land') encompassed a portion of surface area where part of the operations of the Soledad-Dipolos mines are located, in particular, the Dipolos pit. The litigation resulted in a definitive court order with which Penmont complied by vacating the Original Claim Land, comprising 1,824 hectares, in 2013, resulting in the suspension of operations at Soledad-Dipolos. The claim and the definitive court order did not affect the Group's legal title over the mining concession, the ore currently held in leaching pads near the mine site, or Penmont's property title over the lands where the Soledad pit is located.

Penmont is the legal and registered owner of a separate parcel of land where the leaching pads are located but has not yet been able to gain physical access to these pads due to opposition by certain local individuals and security concerns. This land was purchased by Penmont from the Federal Government of Mexico in accordance with established legal procedures. The Group has a reasonable expectation that Penmont will eventually regain access to the Soledad-Dipolos assets and process the ore content in the Soledad & Dipolos leaching pads. This expectation is supported by several elements, including but not limited to the different legal proceedings that Penmont has presented as well other actions taken by the Company. Therefore, the Group

continues to recognise property, plant & equipment and inventory related to Soledad-Dipolos, as disclosed in Note 13 and Note 15, respectively. Due to the fact that it is not yet certain when access may be obtained, so that the inventory can be processed, this inventory is classified as a non-current asset.

In addition, claimants from the El Bajío community has also presented claims against occupation agreements they entered with Penmont, in respect of land parcels different to both the Original Claim Land and the area where the leaching pads are located. Penmont neither carried out extraction of minerals nor has a specific geological interest in these parcels (the 'Unmined Claim Land') and therefore the Unmined Claim Land is not considered strategic for Penmont. The Agrarian Court has issued rulings declaring the occupation agreements over the Unmined Claim Land to be null and void, and that Penmont must remediate such lands and return any minerals extracted from the Unmined Claim Land, regardless that no minerals were extracted therein. The litigation remains subject to final conclusion. Pursuant to the foregoing, in the same litigation of the Unmined Claim Land, in April 2025 the Agrarian Court issued an order that Penmont considers to be highly irregular in form and substance, ordering Penmont to pay approximately MXP$13,330 million pesos (US$ 742 million) for the extraction of minerals carried out in the Dipolos pit, which is part of the Original Claim Land and not the Unmined Claim Land. This matter was already the subject of a different (final and unappealable) judicial ruling relating to the Original Claim Land which is mentioned in the first paragraph above which ruling did not include restitution of any minerals extracted from the Dipolos pit. Penmont has presented appeals before the Federal Courts which Penmont expects to be successful. Such Federal Courts have granted Penmont stay orders so that no further execution by the Agrarian Court against Penmont is made pending resolution of the appeals procedures. The outcome of such proceedings would still be subject to further review and appeals at the Federal level in Mexico. At this stage, the Company considers that it holds strong arguments that support its position that the Agrarian Court's decision will eventually be overturned by the higher Federal Courts; therefore, no provision has been recorded in respect of this matter. There are no material assets, liabilities or provisions recognised in respect of the Original Claim Land at 31 December 2025.

Climate change:
In the climate disclosure in the Strategic Report, the Group set out its assessment of climate risks and opportunities (CROs). The Group recognises that there may be potential financial statement implications in the future in respect of the mitigation and adaptation measures to the physical and transition risks. The potential effect of climate change would be in respect of assets and liabilities that are measured based on an estimate of future cash flows. The Group specifically considered the effect of climate change on the valuation of property, plant and equipment, deferred tax assets, the Silverstream contract, and the provision for mine closure cost. The Group does not have any assets or liabilities for which measurement is directly linked to climate change performance (for example: Sustainability-Linked Bonds).

The main ways in which climate has affected the preparation of the Financial Statements are:

- The Group has already made certain climate-related strategic decisions, such as to focus on decarbonisation and to increase the use of wind energy. Where decisions have been approved by the Board, the effects were considered in the preparation of these Financial Statements by way of inclusion in future cash flow projections underpinning the estimation of the recoverable amount of property, plant and equipment and deferred tax assets, as relevant.
- Further information about the potential effect of CROs on the provision for mine closure cost is set out in Note 21.

The Group's strategy consists of mitigation and adaptation measures. To mitigate the impacts by and of climate change the Company relies on renewable electricity, fuel replacement and efficiency opportunities to reduce the carbon footprint. The approach to adaptation measures is based on climate models to produce actionable information for the design, construction, operation and closure of its mining assets, considering climate change. In addition, societal expectations are driving government action that may impose further requirements and cost on companies in the future. Future changes to the Group's climate change strategy, global decarbonisation signposts and regulation may impact the Group's significant judgements and key estimates and result in material changes to financial results and the carrying values of certain assets and liabilities in future reporting periods. However, as at the balance sheet date the Group believes there is no material impact on the balance sheet carrying values of assets or liabilities. Although this is an estimate, it is not considered a critical estimate.

Uncertain tax positions:
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and it considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances based on either the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

2. Significant accounting policies continued

Estimates and assumptions

Significant areas of estimation uncertainty considered by management in preparing the consolidated Financial Statements include:

Estimated recoverable ore reserves and mineral resources, Note 2.(e):

Ore reserves are estimates of the amount of ore that can be economically and legally extracted from the Group's mining properties. Mineral resources are an identified mineral occurrence with reasonable prospects for eventual economic extraction. The Group estimates its ore reserves and mineral resources based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the ore body and suitable production techniques and recovery rates, in conformity with the Joint Ore Reserves Committee (JORC) Code 2012. Such an analysis requires complex geological judgements to interpret the data. The estimation of recoverable ore reserves and mineral resources is based upon factors such as geological assumptions and judgements made in estimating the size and grade of the ore body, estimates of commodity prices, foreign exchange rates, future capital requirements and production costs.

As additional geological information is produced during the operation of a mine, the economic assumptions used and the estimates of ore reserves and mineral resources may change. Such changes may impact the Group's Reported Balance Sheet and Income Statement including:

- The carrying value of property, plant and equipment and mining properties may be affected due to changes in the recoverable amount, which considers both ore reserves and mineral resources, refer to Note 13;
- Depreciation and amortisation charges in the income statement may change where such charges are determined using the unit-of-production method based on ore reserves, refer to Note 13;
- Stripping costs capitalised in the balance sheet, either as part of mine properties or inventory, or charged to profit or loss may change due to changes in stripping ratios, refer to Note 13;
- Provisions for mine closure costs may change where changes to the ore reserves and resources estimates affect expectations about when such activities will occur, refer to Note 21;
- The recognition and carrying value of deferred income tax assets may change due to changes regarding the existence of such assets and in estimates of the likely recovery of such assets, refer to Note 11.

Estimate of recoverable ore on leaching pads, Note 15:

In the Group's open pit mines, certain mined ore is placed on leaching pads where a solution is applied to the surface of the heap to dissolve the gold and enable extraction. The determination of the amount of recoverable gold requires estimation with consideration of the quantities of ore placed on the pads, the grade of the ore (based on assay data) and the estimated recovery percentage (based on metallurgical studies and current technology).

The grades of ore placed on pads are regularly compared to the quantities of metal recovered through the leaching process to evaluate the appropriateness of the estimated recovery (metallurgical balancing). The Group monitors the results of the metallurgical balancing process and recovery estimates are refined based on actual results over time and when new information becomes available. Any potential future adjustment would be applicable from the point of re-estimation and would not by itself change the value of inventory and as such no sensitivity is included.

The Group monitors the metallurgical balances to confirm the grade and recovery of the ore in inventories. Based on new technical information and the reconsideration of actual recovery grades and updated leaching targets, the Group updated its estimate of gold content in leaching pads of the Noche Buena mine, increasing this by 20.7 thousand ounces of gold as at 1 January 2025.

This change in estimation was incorporated prospectively in inventory from 1 January 2025. The increase in the number of ounces in Noche Buena inventory reduced the weighted average cost of inventory. Had the estimation not changed, production cost during 2025 would have been US$13.4 million higher, with an offsetting impact against the work-in-progress inventory balance as of 31 December 2025.

Silverstream, Note 14:

Until 31 December 2024, the valuation of the Silverstream contract as a derivative financial instrument required estimation by management. The term of the derivative was based on the Sabinas life of mine and the value of this derivative was determined using a number of estimates, including the estimated future silver production, which was based on the ore that management considers possible to extract, as a market participant would. In August 2025 the Group entered into a buyback agreement with Peñoles to terminate the Silverstream agreement for a one-off payment of US$40 million. Further detail of the buyback agreement and the valuation of this derivative are included in Note 14.

Income tax, Notes 2.(r) and 11:

The recognition of deferred tax assets, including those arising from un-utilised tax losses, requires Management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. Estimated cash flows are not significantly sensitive to reasonable possible changes to key assumptions on which management bases the recoverable value calculations. The carrying value of deferred tax assets is disclosed in Note 11.

Provision for mine closure cost, notes 2.(k) and 21:

The Group assesses its mine closure cost provision annually. Significant estimates and assumptions are made in determining the provision for mine closure cost as there are numerous factors that will affect the ultimate liability. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases, mine life and changes in discount rates. Those uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision at the balance sheet date represents Management's best estimate of the present value of the future closure cost required.

2.(d). Foreign currency translation
The Group's consolidated Financial Statements are presented in US dollars, which is the Parent Company's functional currency. The functional currency for each entity in the Group is determined by the currency of the primary economic environment in which it operates. The determination of functional currency requires Management judgement, particularly where there may be more than one currency in which transactions are undertaken and which impact the economic environment in which the entity operates. For all operating entities, this is US dollars.

Transactions denominated in currencies other than the functional currency of the entity are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences that arise are recorded in the Income Statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated into US dollars using the exchange rate at the date when the fair value is determined.

For entities with functional currencies other than US dollars as at the reporting date, assets and liabilities are translated into the reporting currency of the Group by applying the exchange rate at the balance sheet date and the income statement is translated at the average exchange rate for the year. The resulting difference on exchange is included as a cumulative translation adjustment in other comprehensive income. On disposal of an entity, the deferred cumulative amount recognised in other comprehensive income relating to that operation is recognised in the income statement.

2.(e). Property, plant and equipment
Property, plant and equipment is stated at cost less accumulated depreciation and impairment, if any. Cost comprises the purchase price and any costs directly attributable to bringing the asset into working condition for its intended use. The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate proportion of production overheads.

The cost less, the residual value of each item of property, plant and equipment, is depreciated over its useful life. Each item is estimated useful life has been assessed with regard to both its own physical life limitations and the present assessment of economically recoverable reserves of the mine property at which the item is located. Estimates of remaining useful lives are made on a regular basis for all mine buildings, machinery and equipment, with annual reassessments for major items. Depreciation is charged to cost of sales on a unit-of-production (UOP) basis for mine buildings and installations, plant and equipment used in the mine production process (except mobile equipment) or on a straight-line basis over the estimated useful life of the individual asset that are not related to the mine production process. Changes in estimates, which mainly affect unit-of-production calculations, are accounted for prospectively. Depreciation commences when assets are available for use. Land is not depreciated.

The average expected useful lives based on actual life of mines are as follows:

	Years
Buildings	6
Plant and equipment	10
Mining properties and development costs[1]	10
Other assets	5

1. Depreciation of mining properties and development cost are determined using the unit-of-production method.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising at derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year that the asset is de-recognised.

Non-current assets or disposal groups are classified as held for sale when it is expected that the carrying amount of the asset will be recovered principally through sale rather than through continuing use. Assets are not depreciated when classified as held for sale.

Disposal of assets
Gains or losses from the disposal of assets are recognised in the income statement when all significant risks and rewards of ownership are transferred to the customer, usually when title has been passed.

Mining properties and development costs
Payments for mining concessions are expensed during the exploration phase of a prospect and capitalised during the development of the project when incurred.

Purchased rights to ore reserves and mineral resources are recognised as assets at their cost of acquisition or at fair value if purchased as part of a business combination.

Mining concessions, when capitalised, are amortised on a straight-line basis over the period of time in which benefits are expected to be obtained from that specific concession.

Mine development costs are capitalised as part of property, plant and equipment. Mine development activities commence once a feasibility study has been performed for the specific project. When an exploration prospect has entered into the advanced exploration phase, and sufficient evidence of the probability of the existence of economically recoverable minerals has been obtained, pre-operative expenses relating to mine preparation works are also capitalised as a mine development cost.

2. Significant accounting policies continued

The initial cost of a mining property comprises its construction cost, any costs directly attributable to bringing the mining property into operation, the initial estimate of the provision for mine closure cost, and, for qualifying assets, borrowing costs. The Group ceases the capitalisation of borrowing cost when the physical construction of the asset is complete and is ready for its intended use.

Ore generated as part of the development stage may be processed and sold, giving rise to revenue before the commencement of commercial production. Where such processing is necessary to bring mining assets into the condition required for their intended use (for example, in testing the plants at the mining unit in development), revenues from metals recovered from such activities are recognised in profit or loss.

Upon commencement of production, capitalised expenditure is depreciated using the unit-of-production method based on the estimated economically proven and probable reserves to which they relate.

Mining properties and mine development are stated at cost, less accumulated depreciation and impairment in value, if any.

Construction in progress

Assets in the course of construction are capitalised as a separate component of property, plant and equipment. On completion, the cost of construction is transferred to the appropriate category of property, plant and equipment. The cost of construction in progress is not depreciated.

Subsequent expenditures

All subsequent expenditure on property, plant and equipment is capitalised if it meets the recognition criteria, and the carrying amount of those parts that are replaced, is de-recognised. All other expenditure including repairs and maintenance expenditure is recognised in the income statement as incurred.

Stripping costs

In a surface mine operation, it is necessary to remove overburden and other waste material in order to gain access to the ore bodies (stripping activity). During development and pre-production phases, the stripping activity costs are capitalised as part of the initial cost of development and construction of the mine (the stripping activity asset) and charged as depreciation or depletion to cost of sales, in the income statement, based on the mine's units of production once commercial operations begin.

Removal of waste material normally continues throughout the life of a surface mine. At the time that saleable material begins to be extracted from the surface mine the activity is referred to as production stripping.

Production stripping cost is capitalised only if the following criteria are met:

- It is probable that the future economic benefits (improved access to an ore body) associated with the stripping activity will flow to the Group;
- The Group can identify the component of an ore body for which access has been improved; and
- The costs relating to the improved access to that component can be measured reliably.

If not all of the criteria are met, the production stripping costs are charged to the income statement as operating costs as they are incurred.

Stripping activity costs associated with such development activities are capitalised into existing mining development assets as mining properties and development costs, within property, plant and equipment, using a measure that considers the volume of waste extracted compared with expected volume, for a given volume of ore production. This measure is known as 'component stripping ratio', which is revised annually in accordance with the mine plan. The amount capitalised is subsequently depreciated over the expected useful life of the identified component of the ore body related to the stripping activity asset, by using the units of production method. The identification of components and the expected useful lives of those components are evaluated as new information on reserves and resources is available.

The capitalised stripping activity asset is carried at cost less accumulated depletion/depreciation, less impairment, if any. Cost includes the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified component of ore, plus an allocation of directly attributable overhead costs. The costs associated with incidental operations are excluded from the cost of the stripping activity asset.

2.(f). Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. At each reporting date, an assessment is made to determine whether there are any indicators of impairment. If there are indicators of impairment, an exercise is undertaken to determine whether carrying values are in excess of their recoverable amount. Such reviews are undertaken on an asset by asset basis, except where such assets do not generate cash flows independent of those from other assets or groups of assets, and then the review is undertaken at the cash generating unit level.

If the carrying amount of an asset or its cash generating unit exceeds the recoverable amount, a provision is recorded to reflect the asset at the recoverable amount in the balance sheet. Impairment losses are recognised in the income statement.

The recoverable amount of an asset

The recoverable amount of an asset is the greater of its value in use and fair value less costs of disposal. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time, value of money, and the risks specific to the asset. The cash flows used to determine the recoverable amount of mining assets are based on the mine plan for each mine. The mine plan is determined based on the estimated and economically proven and probable reserves, as well as certain other resources that are assessed as highly likely to be converted into reserves. Fair value less cost of disposal is based on an estimate of the amount that the Group may obtain in an orderly sale transaction between market participants. For an asset that does not generate cash, inflows largely independently of those from other assets, or groups of assets, the recoverable amount is determined for the cash generating unit to which the asset belongs. The Group's cash generating units are the smallest identifiable groups of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Reversal of impairment

An assessment is made each reporting date as to whether there is any indication that previously recognised impairment losses may no longer, exist or may have decreased. If such an indication exists, the Group makes an estimate of the recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in estimates used to determine the asset's recoverable amount since the impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to the recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised in previous years. Such impairment loss reversal is recognised in the income statement.

2.(g). Financial assets and liabilities

Financial assets

The Group classifies its financial assets in the following measurement categories:

- Those to be measured at amortised cost.
- Those to be measured subsequently at FVOCI.
- Those to be measured subsequently at fair value through profit or loss.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

Classification

The Group holds the following financial assets:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include receivables (other than trade receivables which are measured at fair value through profit and loss).

Equity instruments designated as fair value through other comprehensive income

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation, and are not held for trading. The classification is determined on an instrument-by-instrument basis.

2. Significant accounting policies continued

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its listed equity investments under this category.

Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable.

The Group's trade receivables and derivative financial instruments, including the Silverstream contract, are classified as fair value through profit or loss.

De-recognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For receivables (other than trade receivables which are measured at FVPL), the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

The Group classifies its financial liabilities as follows:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Measurement

For purposes of subsequent measurement, financial liabilities held by the Group are classified as financial liabilities at amortised cost.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

De-recognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.(h). Inventories

Finished goods, work in progress and ore stockpile inventories are measured at the lower of cost and net realisable value. Cost is determined using the weighted average cost method based on cost of production which excludes borrowing costs.

For this purpose, the costs of production include:

- personnel expenses, which include employee profit sharing;
- materials and contractor expenses which are directly attributable to the extraction and processing of ore;
- the depreciation of property, plant and equipment used in the extraction and processing of ore; and
- related production overheads (based on normal operating capacity).

Work in progress inventory comprises ore in leaching pads as processing is required to extract benefit from the ore. The recovery of gold is achieved through the heap leaching process. The leaching process may take months to obtain the expected metal recovery and mainly depends on the continuity of the leaching process. When the ore in leaching pads is in active leaching, it is classified as current. When the leaching process has stopped and not expected to restart within twelve months, ore in the leaching pads affected is classified as non-current.

Operating materials and spare parts are valued at the lower of cost or net realisable value. An allowance for obsolete and slow-moving inventories is determined by reference to specific items of stock. A regular review is undertaken by management to determine the extent of such an allowance.

Net realisable value is the estimated selling price in the ordinary course of business less any further costs expected to be incurred to completion and disposal.

2.(i). Short-term investments
Where the Group invests in short-term instruments with a maturity higher than three months, and which are either not readily convertible into known amounts of cash or are subject to risk of change in value that are not insignificant, these instruments are classified as short-term investments.

2.(j). Cash and cash equivalents
For the purposes of the balance sheet, cash and cash equivalents comprise cash at bank, cash on hand and short-term deposits held with banks that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Short-term deposits earn interest at the respective short-term deposit rates between one day and three months.

2.(k). Provisions
Mine closure cost
A provision for mine closure cost is made in respect of the estimated future costs of closure, restoration and environmental rehabilitation costs (which include the dismantling and demolition of infrastructure, removal of residual materials and remediation of disturbed areas) based on a mine closure plan, in the accounting period when the related environmental disturbance occurs. The provision is discounted and the unwinding of the discount is included within finance costs. At the time of establishing the provision, a corresponding asset is capitalised where it gives rise to a future economic benefit, and is depreciated over future production considering proven and probable reserves from the mine to which it relates. The provision is reviewed on an annual basis by the Group for changes in cost estimates, discount rates or life of operations based on the estimated mine production which includes ore reserves and a certain amount of mineral resources. Changes to estimated future costs are recognised in the balance sheet by adjusting the mine closure cost liability and the related asset originally recognised. If, for mature mines, the revised mine assets net of mine closure cost provisions exceed the recoverable value, the portion of the increase is charged directly as an expense. For closed sites, changes to estimated costs are recognised immediately in profit or loss.

2.(l). Employee benefits
The Group operates the following plans for its employees based on Mexico:

Defined benefit pension plan
This funded plan is based on each employee's earnings and years of service. This plan was open to all employees in Mexico until it was closed to new entrants on 1 July 2007. The plan is denominated in Mexican Pesos. For members as at 30 June 2007, benefits were frozen at that date subject to indexation with reference to the Mexican National Consumer Price Index (NCPI).

The present value of defined benefit obligations under the plan is determined using the projected unit credit actuarial valuation method and prepared by an external actuarial firm as at each year-end balance sheet date. The discount rate is the yield on bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid. Actuarial gains or losses are recognised in OCI and permanently excluded from profit or loss.

Past service costs are recognised when the plan amendment or curtailment occurs and when the entity recognises related restructuring costs or termination benefits.

The defined benefit asset or liability comprises the present value of the defined benefit obligation less the fair value of plan assets from which the obligations are to be settled directly. The value of any asset is restricted to the present value of any economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan.

Net interest cost is recognised within finance cost and return on plan assets (other than amounts reflected in net interest cost) is recognised in OCI and permanently excluded from profit or loss.

Defined contribution pension plan
A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss when they are due. The contributions are based on the employee's salary.

This plan started on 1 July 2007 and it is voluntary for all employees to join this scheme.

2. Significant accounting policies continued

Seniority premium for voluntary separation

This unfunded plan corresponds to an additional payment over the legal seniority premium equivalent to approximately 12 days salary per year for those unionised workers who have more than 15 years of service. Non-unionised employees with more than 15 years of service have the right to a payment equivalent to 12 days for each year of service. For both cases, the payment is based on the legal current minimum salary.

The cost of providing benefits for the seniority premium for voluntary separation is determined using the projected unit credit actuarial valuation method and prepared by an external actuarial firm as at each year-end balance sheet date. Actuarial gains or losses are recognised as income or expense in the period in which they occur.

Other

Benefits for death and disability are covered through insurance policies.

Termination payments for involuntary retirement (dismissals) are charged to the income statement, when incurred.

2.(m). Employee profit sharing

In accordance with the Mexican legislation, companies in Mexico are subject to pay for employee profit sharing (PTU) equivalent at ten percent of the taxable income of each fiscal year, capped to three months of salary or average of the profit sharing paid in the last three years.

PTU is calculated based on the services rendered by employees during the year, considering their most recent salaries. The liability is recognised as it accrues and is charged to the income statement as personnel expenses. PTU paid in each fiscal year is deductible for income tax purposes.

2.(n). Leases

Group as a lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Variable lease payments that are not linked to price changes due to changes in a market rate or the value of an index and are linked to future performance or use of an underlying asset are not included in the measurement of the lease liability. Such costs are recognised in profit and loss as incurred.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment.

2.(o). Revenue from contracts with customers
Revenue is recognised when control of goods or services transfers to the customers based on the performance obligations settle in the contracts with customers.

Sale of goods
Revenue associated with the sale of concentrates, doré, slag, precipitates and activated carbon (the products) is recognised when control of the asset sold is transferred to the customers. Indicators of control transferring include an unconditional obligation to pay, legal title, physical possession, transfer of risk and rewards and customers' acceptance. This generally occurs when the goods are delivered to the customer's smelter or refinery agreed with the buyer; at which point the buyer controls the goods.

The revenue is measured at the amount to which the Group expects to be entitled, being the estimate of the price expected to be received in the expected month of settlement and the Group's estimate of metal quantities based on assay data, and a corresponding trade receivable is recognised. Any future changes that occur before settlement are embedded within the provisionally priced trade receivables and are, therefore, within the scope of IFRS 9 and not within the scope of IFRS 15.

Given the exposure to the commodity price, these provisionally priced trade receivables will fail the cash flow characteristics test within IFRS 9 and will be required to be measured at fair value through profit or loss up from initial recognition and until the date of settlement. These subsequent changes in fair value are recognised in revenue but separately from revenue from contracts with customers.

Invoiced revenues to our customers for products other than refined silver and gold, are derived from the value of metal content which is determined by commodity market prices and adjusted for the treatment and refining charges to be incurred by the metallurgical complex of our customers. Refining and treatment charges represent an element of the cost that will be incurred by our customers in processing the products further to extract the metal content for onward sale to its customers (See Note 5.(c)).

2.(p). Exploration expenses
Exploration activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

Exploration expenses are charged to the Income Statement as incurred and are recorded in the following captions:

Cost of sales: costs relating to in-mine exploration, that ensure continuous extraction quality and extend mine life, and

Exploration expenses:

- Costs incurred in geographical proximity to existing mines in order to replenish or increase reserves.
- Costs incurred in regional exploration with the objective of locating new ore deposits, which are identified by project, in areas where the Group carriers out exploration activity. Currently the Group carries out exploration activities in Mexico and Latin America.
- Costs incurred are charged to the income statement until there is sufficient probability of the existence of economically recoverable minerals, and a feasibility study has been performed for the specific project from which time further expenses are capitalised as exploration costs on balance sheet as Property, Plant and Equipment.

2.(q). Selling expenses
The Group recognises in selling expenses a levy in respect of the Extraordinary Mining Right as sales of gold and silver are recognised. The Extraordinary Mining Right consists of a 1.0% (2024: 0.5%) rate, applicable to the owners of mining titles in Mexico. The payment must be calculated over the total sales of all mining concessions. The payment of this mining right must be remitted no later than the last business day of March of the following year and can be credited against corporate income tax.

The Group also recognises in selling expenses a discovery premium royalty equivalent to 1% of the value of the mineral extracted and sold during the year from certain mining titles granted by the Mexican Geological Survey (SGM) in the San Julián mine. The premium is settled to SGM on a quarterly basis.

2.(r). Taxation
Current income tax
Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the country in which the Group operates.

Deferred income tax
Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2. Significant accounting policies continued

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither the accounting profit nor taxable profit loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred income tax asset relating to deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax relating to items recognised directly in other comprehensive income is recognised in equity and not in the income statement.

Deferred income tax assets and deferred income tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities, and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Mining Rights

The Special Mining Right is considered an income tax under IFRS and states that the owners of mining titles and concessions in Mexico are subject to pay an annual mining right of 8.5% (2024: 7.5%) of the profit derived from the extractive activities (note 11 (e)). The Group recognises deferred tax assets and liabilities on temporary differences arising in the determination of the Special Mining Right (note 11).

Sales tax

Expenses and assets are recognised net of the amount of sales tax, except when the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item. The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.(s). Derivative financial instruments and hedging

The Group uses derivatives to reduce certain market risks derived from changes in foreign exchange which impact its financial and business transactions.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The full fair value of a derivative is classified as non-current asset or liability if the remaining maturity of the item is more than 12 months.

Any gains or losses arising from changes in fair value on derivatives during the year that do not qualify for hedge accounting are taken directly to the income statement as finance income or finance cost respectively.

Derivatives are valued using valuation approaches and methodologies (such as Black Scholes and Net Present Value) applicable to the specific type of derivative instrument. The fair value of forward currency and commodity contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles, European foreign exchange and commodity options are valued using the Black Scholes model. The Silverstream contract is valued using a Net Present Value valuation approach.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of the hedged item.

Hedges which meet the criteria for hedge accounting are accounted for as cash flow hedges.

For derivatives that are designated and qualify as cash flow hedges, the effective portion of changes in the fair value of derivative instruments is recorded as other comprehensive income and are transferred to the income statement when the hedged transaction affects profit or loss, such as when a forecast sale or purchase occurs. For gains or losses related to the hedging of foreign exchange risk these are included, in the line item in which the hedged costs are reflected. Where the hedged item is the cost of a non-financial asset or liability, the amounts recognised in other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. The ineffective portion of changes in the fair value of cash flow hedges is recognised directly as finance costs, in the income statement of the related period.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss recognised directly in other comprehensive income from the period that the hedge was effective remains separately in other comprehensive income until the forecast transaction occurs, when it is recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive income is immediately transferred to the income statement.

When hedging with options, the Group designates only the intrinsic value movement of the hedging option within the hedge relationship. The time value of the option contracts is therefore excluded from the hedge designation. In such cases, changes in the time value of options are initially recognised in OCI as a cost of hedging. Where the hedged item is transaction related, amounts initially recognised in OCI related to the change in the time value of options are reclassified to profit or loss or as a basis adjustment to non-financial assets or liabilities upon maturity of the hedged item, or, in the case of a hedged item that realises over time, the amounts initially recognised in OCI are amortised to profit or loss on a systematic and rational basis over the life of the hedged item.

When hedging with forward contracts, the forward element is included in the designation of the financial instrument. Therefore, there is no cost of hedging in relation to forward contracts.

2.(t). Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes 12 months or more to get ready for its intended use or sale (a qualifying asset) are capitalised as part of the cost of the respective asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available for a short term from funds borrowed specifically to finance a project, the income generated from the temporary investment of such amounts is also capitalised and deducted from the total capitalised borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the period.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

2.(u). Fair value measurement
The Group measures financial instruments at fair value at each balance sheet date. Fair values of financial instruments measured at amortised cost are disclosed in Note 30.(b).

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or;

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

2. Significant accounting policies continued

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 – Valuation- techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. Further information on fair values is described in Note 30.

2.(v). Dividend distribution

Dividends on the Company's ordinary shares are recognised when they have been appropriately authorised and are no longer at the Company's discretion. Accordingly, interim dividends are recognised when they are paid and final dividends are recognised when they are declared following approval by shareholders at the Company's Annual General Meeting.

3. Segment reporting

For management purposes, the Group is organised into operating segments based on producing mines.

At 31 December 2025, the Group has seven reportable operating segments as follows:

The Fresnillo mine, located in the state of Zacatecas, an underground silver mine;

The Saucito mine, located in the state of Zacatecas, an underground silver mine;

The Ciénega mine, located in the state of Durango, an underground silver-gold mine;

The Herradura mine, located in the state of Sonora, a surface gold mine;

The Noche Buena mine, located in the state of Sonora, a surface gold mine;

The San Julián mine, located on the border of Chihuahua/Durango states, an underground silver-gold mine, and

The Juanicipio mine, in the State of Zacatecas, an underground silver mine.

The operating performance and financial results for each of these mines are reviewed by management. As the Group's chief operating decision maker (CODM) does not review segment assets and liabilities, the Group has not disclosed this information.

Management monitors the results of its operating segments separately for the purpose of performance assessment and making decisions about resource allocation. Segment performance is evaluated without taking into account certain adjustments included in Revenue as reported in the consolidated income statement, and certain costs included within Cost of sales and Gross Profit which are considered to be outside of the control of the operating management of the mines. The table below provides a reconciliation from segment profit to Gross profit as per the consolidated income statement. Administrative expenses, Exploration expenses, Selling expenses, and other income and expenses not related to production activities included in the consolidated income statement are not allocated to operating segments. Also, the Group's financing (including finance cost and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments. Transactions between reportable segments are accounted for on an arm's-length basis similar to transactions with third parties.

In 2025 99.8% of revenue was derived from customers based in Mexico (2024: 99.6% of revenue was derived from customers based in Mexico).

Operating segments

The following tables present revenue and profit information regarding the Group's operating segments for the year ended 31 December 2025 and 2024, respectively. Revenues for the year ended 31 December 2025 and 2024 include those derived from contracts with customers and other revenues, as shown in Note 5.

Year ended 31 December 2025

US$ thousands

	Fresnillo	Herradura	Ciénega	Saucito	Noche Buena	San Julián	Juanicipio	Other[4]	Adjustments and eliminations	Total
Revenues:										
Third party[1]	**632,318**	**1,239,748**	**230,101**	**1,007,973**	**51,793**	**524,360**	**874,938**	**—**	**—**	**4,561,231**
Inter-segment	**67,461**	**—**	**—**	**—**	**—**	**—**	**17,534**	**50,278**	**(135,273)**	**—**
Segment revenues	**699,779**	**1,239,748**	**230,101**	**1,007,973**	**51,793**	**524,360**	**892,472**	**50,278**	**(135,273)**	**4,561,231**
Segment profit[2]	**437,685**	**767,366**	**123,856**	**649,423**	**30,929**	**366,021**	**746,965**	**48,166**		**3,170,411**
Depreciation and amortisation in cost of sales										**(490,647)**
Employee profit sharing in cost of sales										**(15,653)**
Gross profit as per the income statement										**2,664,111**
Capital expenditure[3]	**91,837**	**89,873**	**17,555**	**92,149**	**—**	**49,704**	**54,412**	**4,611**		**400,141**

1. During 2025 all segment revenues were derived from Met-Mex, except in Juanicipio which includes sales of iron concentrate to another external customers of US$8.5 million.
2. The Group's CODM primarily uses this measure to monitor the operating results directly related to the production of its business units separately to make decisions about resource allocation and performance assessment. Segment profit excludes depreciation and amortisation and employee profit sharing.
3. Capital expenditure represents the cash outflow in respect of additions to property, plant and equipment, excluding additions relating to changes in the mine closure provision. Significant additions include expansions of tailings dams at Saucito, Fresnillo, Juanicipio, San Julián and Herradura; mining works at San Julián, Fresnillo and Saucito and stripping cost and construction of leaching pads at Herradura mine.
4. Other inter-segment revenue corresponds to leasing services provided by Minera Bermejal, S.A. de C.V; capital expenditure mainly corresponds to Minera Bermejal, S. de R.L. de C.V.

Year ended 31 December 2024

US$ thousands

	Fresnillo	Herradura	Ciénega	Saucito	Noche Buena	San Julián	Juanicipio	Other[4]	Adjustments and eliminations	Total
Revenues:										
Third party[1]	499,519	883,571	222,455	764,708	42,923	455,995	627,214	—	—	3,496,385
Inter-segment	36,409	—	—	—	—	—	152	50,839	(87,400)	—
Segment revenues	535,928	883,571	222,455	764,708	42,923	455,995	627,366	50,839	(87,400)	3,496,385
Segment profit[2]	277,333	323,696	92,898	405,077	4,348	253,494	475,113	49,102	(2,662)	1,878,399
Depreciation and amortisation in cost of sales										(619,779)
Employee profit sharing in cost of sales										(12,347)
Gross profit as per the income statement										1,246,273
Capital expenditure[3]	90,335	55,049	17,111	97,270	—	49,429	59,263	2,085	—	370,542

1. During 2024 all segment revenues were derived from Met-Mex, except in Juanicipio which includes sales to another external customer of US$14.7 million.
2. The Group's CODM primarily uses this measure to monitor the operating results directly related to the production of its business units separately to make decisions about resource allocation and performance assessment. Segment profit excludes depreciation and amortisation and employee profit sharing.
3. Capital expenditure represents the cash outflow in respect of additions to property, plant and equipment, excluding additions relating to changes in the mine closure provision. Significant additions include expansions of tailings dams at Saucito, Fresnillo, Juanicipio and San Julián, mining works at San Julián, Fresnillo and Saucito and stripping cost and construction of leaching pads at Herradura mine.
4. Other inter-segment revenue corresponds to leasing services provided by Minera Bermejal, S.A. de C.V; capital expenditure mainly corresponds to Minera Bermejal, S. de R.L. de C.V.

4. Group information

The list of the Company's subsidiaries included in the consolidated Financial Statements and its principal activities are shown in Note 5 on the Parent Company's separate Financial Statements. The country of incorporation or registration is also their principal place of business.

4.(a). Material partly-owned subsidiaries

The table below shows the detail of non-wholly owned subsidiaries of the Group that have non-controlling interests:

	Portion of ownership interest held by non-controlling interest		Profit (loss) allocated to non-controlling interest		Accumulated non-controlling interest	
	31-Dec-2025	31-Dec-2024	**31-Dec-2025**	31-Dec-2024	**31-Dec-2025**	31-Dec-2024
Minera Juanicipio, S.A. de C.V.	**44%**	44%	**170,903**	90,616	**335,908**	266,153
Equipos Chaparral, S.A. de C.V.	**44%**	44%	**21,773**	(10,891)	**106,079**	86,443
Other subsidiaries with non-controlling interests not considered to be material[1]	**—**	—	**(2,835)**	6,046	**(194)**	2,433

1. In October 2024 the Group entered into an exploration joint venture in Chile through its subsidiary Minera Capricorno, SCM (Capricornio) and Sociedad Quimica y Minera de Chile, S.A. de C.V. (SQM), a Chilean mining company. The agreement considers a transfer of 25% ownership which represent a net share of US$0.4 million.

Set out below is the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. Figures are presented in thousands of US dollars unless otherwise indicated.

Summarised income statement for the year ended 31 December 2025 and 2024

	Minera Juanicipio, S.A. de C.V.		Equipos Chaparral, S.A. de C.V.	
	31-Dec-2025	31-Dec-2024	**31-Dec-2025**	31-Dec-2024
Revenue	**892,472**	627,366	**—**	—
Profit/(loss) before income tax	**562,738**	366,541	**55,114**	(21,698)
Income tax charge	**174,323**	160,595	**5,630**	3,054
Profit/(loss) for the year	**388,415**	205,946	**49,484**	(24,752)
Other comprehensive (loss)/gain	**(43)**	(30)	**(54)**	90
Total comprehensive income/(loss)	**388,372**	205,916	**49,430**	(24,662)
Attributable to non-controlling interests	**170,884**	90,603	**21,749**	(10,851)
Dividends paid to non-controlling interests	**(101,200)**	(26,400)	**(2,200)**	—

Summarised statement of financial position as at 31 December 2025 and 2024

	Minera Juanicipio, S.A. de C.V.		Equipos Chaparral, S.A. de C.V.	
	31-Dec-2025	31-Dec-2024	**31-Dec-2025**	31-Dec-2024
Current				
Assets	**532,955**	161,736	**22,822**	29,462
Liabilities	**(308,024)**	(82,572)	**(12,037)**	(7,919)
Total current net assets	**224,931**	79,164	**10,785**	21,543
Non-current				
Assets	**720,588**	730,074	**230,314**	174,871
Liabilities	**(182,092)**	(204,266)	**(11)**	(6)
Total non-current net assets	**538,496**	525,808	**230,303**	174,865
Net assets	**763,427**	604,972	**241,088**	196,408
Attributable to:				
Equity holders of parent	**427,519**	338,819	**135,009**	110,018
Non-controlling interest	**335,908**	266,153	**106,079**	86,443

Summarised cash flow information for the year ended 31 December 2025 and 2024

	Minera Juanicipio, S.A. de C.V.		Equipos Chaparral, S.A. de C.V.	
	31-Dec-2025	31-Dec-2024	**31-Dec-2025**	31-Dec-2024
Operating	**532,088**	354,895	**8,262**	17,521
Investing	**(24,583)**	(40,104)	**383**	692
Financing	**(272,087)**	(297,489)	**(9,774)**	(24,485)
Net increase/(decrease) in cash and cash equivalents	**235,418**	17,302	**(1,129)**	(6,272)

5. Revenues

Revenues reflect the sale of goods, being concentrates, doré, slag, precipitates and activated carbon of which the primary contents are silver, gold lead and zinc.

5.(a). Revenues by source

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Revenues from contracts with customers	**4,512,948**	3,503,662
Revenues from other sources:		
Provisional pricing adjustment on products sold	**48,283**	(7,277)
	4,561,231	3,496,385

5.(b). Revenues by product sold

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Lead concentrates (containing silver, gold, lead and by-products)	**2,167,423**	1,652,909
Doré and slag (containing gold, silver and by-products)	**816,695**	753,747
Zinc concentrates (containing zinc, silver and by-products)	**346,705**	380,169
Precipitates (containing gold and silver)	**747,014**	522,077
Activated carbon (containing gold, silver and by-products)	**474,847**	172,747
Iron concentrates (containing silver, gold, lead and by-products)	**8,547**	14,736
	4,561,231	3,496,385

5.(c). Value of metal content in products sold

Invoiced revenues are derived from the value of metal content which is determined by commodity market prices and adjusted for the treatment and refining charges to be incurred by the metallurgical complex of our customer. The value of the metal content of the products sold, before treatment and refining charges is considered as an alternative performance measure for the Group. The Group considers this a useful additional measure to help understand underlying factors driving revenue in terms of volumes sold and realised prices. The value of production sold by metal is as follows:

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Silver	**2,161,932**	1,673,901
Gold	**2,071,175**	1,514,702
Zinc	**287,594**	311,557
Lead	**124,587**	139,789
Value of metal content in products sold	**4,645,288**	3,639,949
Refining and treatment charges[1]	**(84,057)**	(143,564)
Total revenues[2]	**4,561,231**	3,496,385

1. The methodology to determine the refining and treatment charges takes into account industry benchmark charges and adjustments to reflect ore composition and transport costs (refer to Note 27.(b)).
2. Includes provisional price adjustments which represent changes in the fair value of trade receivables resulting in a gain of US$48.2 million (2024: loss of US$7.2 million). For further detail, refer to note 2.(o).

The average realised prices for the gold and silver content of products sold, prior to the deduction of treatment and refining charges, were:

	Year ended 31 December	
	2025	2024
	US$ per ounce	US$ per ounce
Gold	**3,532.74**	2,453.58
Silver	**43.60**	28.78

6. Cost of sales

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Depreciation and amortisation	**490,647**	619,779
Contractors	**339,766**	351,474
Maintenance and repairs	**288,284**	289,475
Operating materials	**243,640**	304,946
Personnel expenses (Note 8)	**232,099**	230,312
Energy	**202,633**	249,517
Mining concession rights and contributions	**28,873**	27,192
Surveillance	**21,352**	21,705
Insurance	**14,911**	12,727
Mine equipment leased[1]	**13,577**	59,156
IT services	**12,106**	10,785
Freight	**6,948**	7,607
Other	**24,708**	29,672
Cost of production	**1,919,544**	2,214,347
Change in work in progress and finished goods (ore inventories)[2]	**(22,424)**	35,765
	1,897,120	2,250,112

1. Corresponds to mine equipment leased to contractors, the lease payments are based on a variable rate linked to the usage of the assets.
2. Refer to Note 2. (c) for more detail related to change in work in progress inventories for the year ended 31 December 2025 following a change in estimation.

7. Exploration expenses

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Contractors	**112,002**	101,514
Mining concession rights and contributions	**29,055**	30,437
Personnel expenses (Note 8.(a))	**15,921**	15,461
Assays	**6,585**	5,746
Administrative services	**2,167**	1,406
Rentals	**1,380**	869
Other	**6,421**	7,615
	173,531	163,048

These exploration expenses were mainly incurred in the operating mines located in Mexico; the Guanajuato and Orisyvo projects; and the Tajitos prospect. Exploration expenses of US$13.6 million (2024: US$17.6 million) were incurred in the year on projects located in Peru and Chile.

Cash flows relating to exploration activities are as follows:

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Operating cash outflows related to exploration activities	**172,925**	162,837

8. Personnel expenses

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Salaries and wages	**112,100**	108,800
Statutory healthcare and housing contributions	**49,086**	48,214
Bonuses	**48,675**	36,547
Other benefits	**25,048**	29,704
Employees' profit sharing	**15,859**	13,609
Post-employment benefits	**9,762**	9,684
Legal contributions	**6,477**	5,625
Vacations and vacations bonus	**6,305**	8,727
Training	**2,431**	1,923
Other	**4,473**	4,625
	280,216	267,458

8.(a). Personnel expenses are reflected in the following line items

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Cost of sales (Note 6)	**232,099**	230,312
Administrative expenses	**32,196**	21,685
Exploration expenses (Note 7)	**15,921**	15,461
	280,216	267,458

8.(b). The monthly average number of employees during the year was as follows:

	Year ended 31 December	
	2025	2024
	No.	No.
Mining	**3,526**	3,572
Plant	**932**	1,040
Exploration	**155**	101
Maintenance	**1,314**	1,261
Administration and other	**1,268**	1,266
Total	**7,195**	7,240

9. Other operating income and expenses

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Other income:		
Gain on sale of mining concessions[1]	**13,050**	24,149
Insurance claims recovered	**200**	6,302
Gain on sale of property, plant and equipment and other assets	**286**	1,004
Selling of sundry materials and scrap	**907**	1,549
Change in mine closure cost provision[2]	**344**	1,222
Rentals	**1,934**	543
Dividends from Equity instruments at FVOCI	**1,754**	—
Other	**1,754**	4,790
	20,229	39,559

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Other expenses:		
Allowance for obsolete and slow-moving inventories	**3,652**	6,165
Donations	**2,909**	4,517
Maintenance[3]	**6,158**	3,554
Indemnities to suppliers	**—**	2,151
Write-off of PPE assets[4]	**15,988**	1,704
Change in mine closure cost provision[2]	**—**	1,214
Environmental activities[5]	**392**	599
Consumption tax expensed	**960**	709
Other	**3,279**	683
	33,338	21,296

1. In 2025 the Group sold certain mining concession that on an individual basis are not material amounts. In July 2024, the Group entered into a contract to assign the rights and obligations of certain mining concessions to Coeur Mexicana, S.A. de C.V., subsidiary of Coeur Mining Inc. The total consideration amounted US$25.0 million. The settlement considers three payments: US$10.0 million that was paid upon ratification of the contract, US$10.0 million that was paid on 3 July 2025, and US$5.0 million that will be paid no later than 30 June 2026.
2. Relates to changes in estimates after the completion of mining activities and adjustment to the value of mine closure assets.
3. Costs relating to the rehabilitation of the facilities of Compañía Minera las Torres, S.A. de C.V. (a closed mine).
4. In 2025, mainly corresponds to assets derecognised in connection with new projects which, in accordance with the energy supply agreement with the state-owned company (CFE), are required for grid connection and must be transferred to CFE. (2024: mainly corresponds to mobile equipment damaged).
5. Main activities were related to improvement in tailing dams in Ciénega (2024: Main activities were related to improvement in tailing dams in Ciénega).

10. Finance income and finance costs

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Finance income:		
Interest on short-term deposits and investments	**84,088**	42,210
Interest on tax receivables	**3,856**	3,117
Other	**4,605**	1,609
	92,549	46,936

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Finance costs:		
Interest on interest-bearing loans and notes payable	**39,675**	43,845
Unwinding of discount on provisions (Note 21)	**22,360**	24,997
Interest on lease liabilities (Note 25.(a))	**1,031**	1,574
Other	**5,475**	3,155
	68,541	73,571

11. Income tax expense

11.(a). Major components of income tax expense:

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Consolidated income statement:		
Corporate income tax		
Current:		
Income tax charge	**567,703**	187,027
Amounts (over)/under provided in previous years[1]	**(23,030)**	(158)
	544,673	186,869
Deferred:		
Origination and reversal of temporary differences	**(172,933)**	258,001
Effects of Silverstream contract	**(56,765)**	(54,683)
	(229,698)	203,318
Corporate income tax	**314,975**	390,187
Special mining right		
Current:		
Special mining right charge (Note 11.(e))	**191,417**	66,469
Amounts (over)/under provided in previous years	**151**	(238)
	191,568	66,231
Deferred:		
Origination and reversal of temporary differences	**1,610**	60,793
Special mining right	**193,178**	127,024
Income tax expense reported in the income statement	**508,153**	517,211

1. During 2025, the Group received a favorable resolution to apply the incentive for the North border region to prior years, resulting in a decrease in current income tax of US$ 23.0 million.

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Consolidated statement of comprehensive income:		
Deferred income tax (charge)/credit related to items recognised directly in other comprehensive income:		
Changes in fair value of cash flow hedges	**135**	60
Changes in fair value of equity investments at FVOCI	**(21,257)**	(10,593)
Remeasurement losses on defined benefit plans	**389**	31
Income tax effect reported in other comprehensive income	**(20,733)**	(10,502)

11.(b). Reconciliation of the income tax expense at the Group's statutory income rate to income tax expense at the Group's effective income tax rate:

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Accounting profit before income tax	**2,081,982**	743,902
Tax at the Group's statutory corporate income tax rate 30.0%	**624,595**	223,171
Exchange rate effect on tax value of assets and liabilities[1]	**(192,494)**	300,243
Expenses not deductible for tax purposes	**9,023**	7,122
Inflationary uplift of the tax base of assets and liabilities	**(50,670)**	(55,170)
Special mining right deductible for corporate income tax	**(58,359)**	(38,107)
Non-taxable/non-deductible foreign exchange effects	**(6,233)**	(18,601)
Update of tax values[2]	**—**	(13,468)
Incentive for Northern Border Zone (note 11 (e))	**425**	(12,921)
Deferred tax asset not recognised	**10,890**	6,392
Inflationary uplift of tax losses	**(1,870)**	(4,701)
Current income tax (over)/underprovided in previous years	**(22,879)**	(1,977)
Inflationary uplift on tax refunds	**(1,157)**	(935)
Other	**3,704**	(861)
Corporate income tax at the effective tax rate of 15.1% (2024: 52.5%)	**314,975**	390,187
Special mining right	**193,178**	127,024
Tax at the effective income tax rate of 24.4% (2024: 69.5%)	**508,153**	517,211

1. Mainly derived from the tax value of property, plant and equipment.
2. Correspond to the update of tax values of Juanicipio's property, plant and equipment for assets expensed during 2021 to 2023.

11. Income tax expense continued

The most significant items reducing the effective tax rate are: a) the exchange rate effect on the tax value of assets and liabilities. This amount reflects the impact of converting the tax base of non-monetary assets (mainly PPE) denominated in Mexican pesos into US dollars at closing foreign exchange rate (instead of historical rates), b) the inflationary uplift of the tax base of assets and liabilities as allowed under Mexican tax regulations, and c) the deduction of the Special Mining Right. The future effects of inflation and exchange rate will depend on future market conditions.

11.(c). Movements in deferred income tax liabilities and assets:

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Opening net asset/(liability)	**257,521**	532,100
Income statement (charge)/credit arising on corporate income tax	**229,698**	(203,318)
Income statement charge arising on special mining right	**(1,610)**	(60,793)
Exchange difference	**(16)**	34
Net charge related to items directly charged to other comprehensive income	**(20,733)**	(10,502)
Closing net asset	**464,860**	257,521

The amounts of deferred income tax assets and liabilities as at 31 December 2025 and 31 December 2024, considering the nature of the related temporary differences, are as follows:

	Consolidated balance sheet		Consolidated income statement	
	2025	2024	**2025**	2024
	US$ thousands	US$ thousands	**US$ thousands**	US$ thousands
Related party receivables	**(430,412)**	(352,650)	**77,762**	171,414
Other receivables	**(4,452)**	(11,656)	**(7,205)**	5,423
Inventories	**150,911**	148,629	**(2,282)**	3,749
Prepayments	**(4,847)**	(2,939)	**1,908**	(560)
Derivative financial instruments including Silverstream contract	**191**	(71,833)	**(71,889)**	(66,278)
Property, plant and equipment arising from corporate income tax	**478,359**	300,222	**(178,137)**	66,472
Exploration expenses and operating liabilities	**106,974**	90,201	**(16,774)**	17,510
Other payables and provisions	**81,745**	73,659	**(8,086)**	14,046
Losses carried forward	**46,441**	90,124	**43,683**	50,999
Post-employment benefits	**2,819**	1,821	**(610)**	310
Deductible profit sharing	**6,089**	3,974	**(2,115)**	(3,121)
Special mining right deductible for corporate income tax	**92,552**	39,886	**(52,666)**	(32,441)
Equity investments at FVOCI	**(676)**	(10,017)	**(30,598)**	792
Other	**(9,739)**	7,580	**17,310**	(24,996)
Net deferred tax asset related to corporate income tax	**515,955**	307,001		
Deferred tax credit related to corporate income tax			**(229,698)**	203,319
Related party receivables arising from special mining right	**(120,219)**	(99,487)	**20,732**	54,524
Inventories arising from special mining right	**41,996**	41,664	**(332)**	(4,540)
Property plant and equipment arising from special mining right	**(10,688)**	(22,444)	**(11,757)**	10,756
Other	**37,816**	30,787	**(7,033)**	52
Net deferred tax liability related to special mining rights	**(51,095)**	(49,480)		
Deferred tax (charge)/credit			**(228,088)**	264,111
Reflected in the statement of financial position as follows:				
Deferred tax assets	**610,367**	466,734		
Deferred tax liabilities	**(145,507)**	(209,213)		
Net deferred tax asset	**464,860**	257,521		

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to the same fiscal authority. Under Mexican tax legislation, tax losses cannot be offset against taxable profits from other legal entities within the same group.

Based on management's internal forecast, a deferred tax asset of US$31.9 million (2024: US$79.6 million) has been recognised in respect of tax losses amounting to US$106.4 million (2024: US$265.3 million). If not utilised, US$15.7 million (2024: US$7.8 million) will expire within five years and US$139.1 million (2024: US$292.6 million) will expire between six and ten years. Of the total deferred tax asset related to losses, US$37.2 million (2024: US$21.7 million) is covered by the existence of taxable temporary differences, the remaining US$9.2 million (2024: US$57.9 million) corresponds to Fresnillo plc which maintained a deferred net asset position. Management has considered the taxable profit generated in the current year of US$190.3 million and based on a consideration of this, combined with future financial and tax projections, Management considers that there is evidence that sufficient taxable profits will be available against which these unused tax losses can be utilised. Management has performed a sensitivity assessment on key inputs of the deferred tax asset assessment, such as interest income or finance expense. Management concluded that there are no reasonably possible changes to these key inputs that could result in the deferred tax asset recognised in respect of tax losses not being recoverable.

The Group has also performed an assessment of the recoverability of tax losses from mining entities based on financial projections that are consistent with the Group's impairment assessment (refer to Note 13), together with relevant tax projections which consider the amount and timing of certain tax deductions. Based on those assumptions, the Group expects to fully utilise its recognised losses.

The Group has further tax losses and other similar attributes carried forward for companies outside of Mexico of US$146.9 million (2024: US$119.7 million) on which no deferred tax is recognised due to insufficient certainty regarding the availability of appropriate future taxable profits. Based on the applicable tax legislation the tax losses are not subject to expiry.

11.(d). Unrecognised deferred tax on investments in subsidiaries
The Group has not recognised all of the deferred tax liability in respect of distributable reserves of its subsidiaries because it controls them and only part of the temporary differences is expected to reverse in the foreseeable future. The temporary differences for which a deferred tax liability has not been recognised aggregate to US$1,544.9 million (2024: US$1,139.3 million).

11.(e). Corporate Income Tax ('Impuesto Sobre la Renta' or 'ISR') and Special Mining Right ('SMR')
The Group's principal operating subsidiaries are Mexican residents for taxation purposes. The rate of current corporate income tax is 30%.

On 30 December 2018, the Decree of tax incentives for the northern border region of Mexico was published in the Official Gazette, which provided a reduction of income tax by a third and also a reduction of 50% of the value added tax rate, for taxpayers who produce income from business activities carried out within the northern border region. The tax incentives were applicable since 1 January 2019 and remained in force until 31 December 2020. On 30 December 2020 an extension of the Decree was published in the Official Gazette which was in force until 31 December 2024. On 31 December 2025 a further extension of the Decree was published in the Official Gazette which remains in force until 31 December 2026. Some of the Group companies which produce income from business activities carried out within Caborca, Sonora, which is considered for purposes of the Decree as northern border region, applied for this Decree tax incentives before the Mexican tax authorities, and were granted authorization for income tax and value added tax purposes.

The special mining right 'SMR' states that the owners of mining titles and concessions are subject to pay an annual mining right of 8.5% of the profit derived from the extractive activities and is considered as income tax under IFRS. The 8.5% tax applies to a base of income before interest, annual inflation adjustment, taxes paid on the regular activity, depreciation and amortisation, as defined by the new ISR. This SMR can be credited against the corporate income tax of the same fiscal year and its payment must be remitted no later than the last business day of March of the following year.

12. Earnings per share

Earnings per share (EPS) is calculated by dividing profit for the year attributable to equity shareholders of the Company by the weighted average number of Ordinary Shares in issue during the period.

The Company has no dilutive potential Ordinary Shares.

As of 31 December 2025 and 2024, earnings per share have been calculated as follows:

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Earnings:		
Profit attributable to equity holders of the Company	**1,383,988**	140,920
Adjusted profit attributable to equity holders of the Company	**1,516,436**	268,513

Adjusted profit is profit as disclosed in the Consolidated Income Statement adjusted to exclude revaluation effects of the Silverstream contract ofUS$ 189.2 (US$ 132.4 net of tax) (2024: US$240.3 million gain (US$(168.2) million net of tax)).

Adjusted earnings per share have been provided in order to provide a measure of the underlying performance of the Group, prior to the revaluation effects of the Silverstream contract, a derivative financial instrument.

	2025 US$ thousands	2024 US$ thousands
Number of shares:		
Weighted average number of Ordinary Shares in issue	**736,894**	736,894

	2025 US$	2024 US$
Earnings per share:		
Basic and diluted earnings per share	**1.878**	0.191
Adjusted basic and diluted earnings per Ordinary Share	**2.058**	0.364

13. Property, plant and equipment

Year ended 31 December 2025 [1]

US$ thousands

	Land and buildings	Plant and equipment [2]	Mining properties and development costs	Other assets [3]	Construction in progress	Total
Cost						
At 1 January 2025	**478,595**	**3,238,079**	**3,430,657**	**395,029**	**269,613**	**7,811,973**
Additions	**—**	**6,994**	**4,056**	**4,250**	**422,812**	**438,112**
Disposals[4]	**(3,366)**	**(48,596)**	**(266,703)**	**(1,286)**	**—**	**(319,951)**
Transfers and other movements	**66,032**	**56,520**	**202,934**	**5,352**	**(330,838)**	**—**
At 31 December 2025	**541,261**	**3,252,997**	**3,370,944**	**403,345**	**361,587**	**7,930,134**
Accumulated depreciation						
At 1 January 2025	**(282,128)**	**(2,230,801)**	**(2,463,157)**	**(297,222)**	**—**	**(5,273,308)**
Depreciation for the year[5]	**(79,209)**	**(143,682)**	**(253,385)**	**(16,506)**	**—**	**(492,782)**
Disposals[4]	**1,466**	**37,101**	**262,548**	**875**	**—**	**301,990**
At 31 December 2025	**(359,871)**	**(2,337,382)**	**(2,453,994)**	**(312,853)**	**—**	**(5,464,100)**
Net book amount at 31 December 2025	**181,390**	**915,615**	**916,950**	**90,492**	**361,587**	**2,466,034**

1. Amounts include Right-of-use assets as described in Note 25.
2. The amount of Property, plant and equipment related to Soledad-Dipolos at 31 December 2025 is US$33.4 million and reflects capitalised mining works and the amount recognised in the cost of Property Plant and Equipment related to estimated remediation and closure activities.
3. From the additions in "other assets" category US$6.1 million corresponds to the reassessment of mine closure rehabilitations costs, see note 21
4. From the total net amount of disposals, US$16.0 million correspond to a write off of assets as disclosed in Note 9.
5. Depreciation for the year includes US$491.6 million recognised as an expense in the income statement and US$1.1 million capitalised as part of construction in progress.

Year ended 31 December 2025 [3]

US$ thousands

	Land and buildings	Plant and equipment [4]	Mining properties and development costs	Other assets [2]	Construction in progress	Total
Cost						
At 1 January 2024	435,884	3,132,445	3,240,706	453,048	285,473	7,547,556
Additions	40,627	32,215	144,041	(51,426)	136,565	302,022
Disposals[4]	(70)	(27,069)	(4,148)	(6,318)	—	(37,605)
Transfers and other movements	2,154	100,488	50,058	(275)	(152,425)	—
At 31 December 2024	478,595	3,238,079	3,430,657	395,029	269,613	7,811,973
Accumulated depreciation						
At 1 January 2024	(246,713)	(1,991,095)	(2,185,700)	(263,132)	—	(4,686,640)
Depreciation for the year[1]	(35,483)	(265,219)	(281,539)	(40,119)	—	(622,360)
Disposals[4]	68	25,513	4,082	6,029	—	35,692
At 31 December 2024	(282,128)	(2,230,801)	(2,463,157)	(297,222)	—	(5,273,308)
Net book amount at 31 December 2024	196,467	1,007,278	967,500	97,807	269,613	2,538,665

1. Amounts include Right-of-use assets as described in Note 25.
2. The amount of Property, plant and equipment related to Soledad-Dipolos at 31 December 2024 is US$30.4 million and reflects capitalised mining works and the amount recognised in the cost of Property Plant and Equipment related to estimated remediation and closure activities.
3. From the additions in 'other assets' category US$(42.7) million corresponds to the reassessment of mine closure rehabilitation costs, see Note 21.
4. From the total net amount of disposals, US$1.4 million corresponds to a write off of assets as disclosed in Note 9.
5. Depreciation for the year includes US$620.9 million recognised as an expense in the income statement and US$1.2 million capitalised as part of construction in progress.

The table below details construction in progress by operating mine and development projects

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Fresnillo	**62,755**	60,674
Saucito	**84,346**	81,712
Juanicipio	**60,138**	48,846
Ciénega	**8,058**	13,843
San Julián	**28,371**	15,820
Herradura	**117,513**	48,422
Other[1]	**406**	296
	361,587	269,613

1. Mainly corresponds to Minera Bermejal, S.A. de C.V. (2023: Minera Bermejal, S.A. de C.V.).

14. Silverstream contract

On 31 December 2007, the Group entered into an agreement with Peñoles through which the Group is entitled to receive the proceeds received by the Peñoles Group in respect of the refined silver sold from the Sabinas Mine ('Sabinas'), a base-metal polymetallic mine owned and operated by the Peñoles Group. The agreement required an upfront payment of US$350 million by Fresnillo. In addition, a per ounce cash payment of US$2.00 in years one to five and US$5.00 thereafter (subject to an inflationary adjustment that commenced from 31 December 2013) is payable to Peñoles. The cash payment to Peñoles per ounce of silver for the year ended 31 December 2025 was US$5.83 per ounce (2024: $5.74 per ounce). Under the contract, the Group has the option to receive a net cash settlement from Peñoles attributable to the silver produced and sold from Sabinas, to take delivery of an equivalent amount of refined silver or to receive settlement in the form of both cash and silver. If, by 31 December 2032, the amount of silver produced by Sabinas were to be less than 60 million ounces, a further payment would have been due from Peñoles to the Group of US$1.0 per ounce of shortfall.

On 12 November 2024 Fresnillo announced it had received notification from Peñoles, the owner and operator of the Sabinas mine, that the mine was experiencing operational and financial difficulties impacting silver production and the long-term viability of the mine and consequently of the Agreement. Fresnillo and Peñoles immediately set up a working group to assess the extent of the challenges faced by the mine and identify a realistic and sustainable solution for the Sabinas mine and the Agreement. As a result, Fresnillo reported a revaluation loss of the Agreement, net of its amortisation and before taxes, of US$182.3 million in its 2024 accounts, valuing the Agreement at US$258.6 million before taxes.

In May 2025 the Group received an updated reserves report that was based on additional information obtained in 2025 from Peñoles for the Sabinas mine, audited independently by SRK Consulting in July, which used a rigorous criterion, including higher cut off grades and new analysis of infill exploration data. This showed a significant reduction in reserves from previous reports (more than 50%). In light of this additional information, a revised mine plan and sequencing programme were drawn up which materially impacted future production and free cash flow projections.

The Group together with Peñoles assessed strategic options for Sabinas given the financial profile of the mine whereby revenues did not cover its operational costs, nor the obligations imposed by the Agreement. These options included changing the terms and conditions of the Silverstream Agreement (increasing the strike price), the transfer of ownership of the mine to Fresnillo (becoming the owner and operator) and other ownership structures, in lieu of the Agreement, or immediate suspension of mine operations for an indefinite period. Based on the analysis and after careful consideration, it was concluded there was no realistic prospect of increasing the expected value of the mine and therefore the options listed above were not considered viable options, nor was continuing the Agreement in its current form viable.

Finally, Peñoles offered US$40 million to terminate the Silverstream agreement as an additional alternative. Based on the above-mentioned analysis Management considered this to be the best option in terms of risk and rewards.

The Independent Directors of Fresnillo received financial advice from Bank of America Securities in relation to the consideration payable by Peñoles to Fresnillo to buy back the Silverstream agreement. The Independent Directors considered the valuation offered by the buyback of the Silverstream Agreement was fair and in the best interests of Fresnillo shareholders given the considerable challenges identified.

On 26 August 2025, Fresnillo received the final US$40 million one-off payment from Peñoles, which considers the buy-back date to be the 31 July 2025.

Until 31 July 2025, the Silverstream contract represented a derivative financial instrument which had been recorded at FVPL and classified within non-current and current assets as appropriate. In the year ended 31 December 2025 total proceeds received in cash were US$45.9 million, plus US$40 million relating to the final settlement payment (2024: US$30.0 million) of which, US$16.5 million was in respect of proceeds receivable as at 31 December 2024 (2024: US$5.0 million in respect of proceeds receivable as at 31 December 2023). Cash received in respect of the year of US$69.5 million (2024: US$24.9 million) corresponds to 2.0 million ounces of payable silver (2024: 1.4 million ounces). As at 31 December 2025 no amount was due. As at 31 December 2024, a further US$16.5 million of cash receivable corresponding to 713,061 ounces of silver was due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

A reconciliation of the beginning balance to the ending balance is shown below:

14. Silverstream contract continued

	2025 US$ thousands	2024 US$ thousands
Balance at 31 December	**258,641**	482,340
Cash received in respect of the year	**(69,429)**	(24,907)
Cash receivable	**—**	(16,516)
Remeasurement gains recognised in profit and loss	**(189,212)**	(182,276)
Balance at 31 December	**—**	258,641
Less – Current portion	**—**	44,204
Non-current portion	**—**	214,437

The US$189.2 million realised loss recorded in the income statement (31 December 2024: US$182.3 million loss) mainly resulted from the decrease in reserves in Sabinas mine which underlies the change in the final proceeds.

As of 31 December 2024, the fair value of Silverstream contract was based on the following significant assumptions:

- Forecasted volumes (millions of ounces/moz)
  - Silver to be produced and sold over the life of mine 29.0 moz
  - Average annual silver to be produced and sold 2.9 moz
- Weighted average discount rate 20.1%
- Future silver prices (US$ per ounce)

Year ended 31 December	Year 1	Year 2	Year 3	Year 4	Year 5	Long-term
2024	29.70	31.36	32.74	33.31	33.77	24.50

15. Inventories

	As at 31 December	
	2025 US$ thousands	2024 US$ thousands
Finished goods[1]	**69,704**	36,766
Work in progress[2]	**259,577**	274,936
Ore stockpile[3]	**11,087**	6,281
Operating materials and spare parts	**179,001**	177,043
	519,369	495,026
Allowance for obsolete and slow-moving inventories	**(16,771)**	(12,849)
Balanace as 31 December	**502,598**	482,177
Less – Current portion	**432,838**	412,417
Non-current portion[4]	**69,760**	69,760

1. Finished goods include metals contained in concentrates, doré bars and activated carbon on hand or in transit to a smelter or refinery.
2. Work in progress includes metals contained in ores on leaching pads for an amount ofUS$218.3 million (2024: US$253.5 million) and in stockpiles US$41.3 million(2024: US$21.4 million) that will be processed in dynamic leaching plants (Note 2.(c)).
3. Ore stockpile includes ore mineral obtained at Juanicipio.
4. Non-current inventories relate to ore in leaching pads where the leaching process has stopped and is not expected to restart within twelve months. As at 31 December 2025 and 2024 non-current inventories corresponds to Soledad-Dipolos mine unit (Note 2.(c)).

Concentrates are a product containing sulphides with a variable content of precious and base metals and sold to smelters and/or refineries. Doré is an alloy containing a variable mixture of gold and silver that is delivered in bar form to refineries. Activated carbon is a product containing variable mixture of gold and silver that is delivered in small particles.

The amount of inventories recognised as an expense in the year was US$1,897 million (2024: US$2,254.0 million). During 2025 and 2024, there was no adjustment to net realisable value allowance against work-in-progress inventory. The adjustment to the allowance for obsolete and slow-moving inventory recognised as an expense was US$3.9 million (2024: US$6.2 million).

16. Trade and other receivables

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Trade receivables from related parties (Note 27)	**760,177**	548,760
Value Added Tax receivable	**46,419**	89,441
Other receivables from related parties (Note 27.(a))	**1,355**	17,339
Other trade receivables	**6,312**	2,079
Other receivables	**16,618**	16,885
	830,881	674,504
Expected credit loss of Other receivables	**(296)**	(293)
Trade and other receivables classified as current assets	**830,585**	674,211
Other receivables classified as non-current assets:		
Other receivable	**411**	5,264
Value Added Tax receivable	**41,099**	—
Trade and other receivables classified as non-current assets	**41,510**	5,264
Total trade and other receivables	**872,095**	679,475

Trade receivables are shown net of any corresponding advances, are non-interest bearing and generally have payment terms of 46 to 60 days.

The total receivables denominated in US dollars were US$783.4 million (2024: US$584.1 million), and in Mexican pesos US$87.5 million (2024: US$95.4 million).

Balances corresponding to Value Added Tax receivables and US$3.3 million within Other receivables (2024: US$2.3 million) are not financial assets.

As of 31 December for each year presented, except for 'other receivables' in the table above, all trade and other receivables were neither past due nor credit-impaired. The amount past due and considered as credit-impaired as of 31 December 2025 is US$1.4 million (2024: US$0.3 million). Trade receivables from related parties and other receivables from related parties (see Note 14) are classified as financial assets at FVTPL and are therefore not considered in the expected credit loss analysis. In determining the recoverability of receivables, the Group performs a risk analysis considering the type and age of the outstanding receivable and the credit worthiness of the counterparty, see Note 31.(b).

17. Cash and cash equivalents and short-term investments

The Group considers cash and cash equivalents when planning its operations and in order to achieve its treasury objectives.

	As at 31 December	
	2025	2024
	US$ thousands	US$ thousands
Cash at bank and on hand	**7,070**	2,194
Short-term deposits	**2,656,673**	1,108,219
Cash and cash equivalents	**2,663,743**	1,110,413

Cash at the bank earns interest at floating rates based on daily bank deposits. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. Short-term deposits can be withdrawn at short notice without any penalty or loss in value.

	As at 31 December	
	2025	2024
	US$ thousands	US$ thousands
Short-term investments	**92,733**	187,403

Short-term investments are made for fixed periods longer than three months and earn interest at fixed rates without an option for early withdrawal. As at 31 December 2025 short-term investments are held in fixed-term bank deposits of US$92.7million (31 December 2024: US$187.4 million)

18. Equity

Share capital and share premium

Authorised share capital of the Company is as follows:

	As at 31 December			
	2025		2024	
Class of share	**Number**	**Amount**	Number	Amount
Ordinary Shares each of US$0.50	**1,000,000,000**	**$500,000,000**	1,000,000,000	$500,000,000
Sterling Deferred Ordinary Shares each of £1.00	**50,000**	**£50,000**	50,000	£50,000

Issued share capital of the Company is as follows:

	Ordinary Shares		Sterling Deferred Ordinary Shares	
	Number	US$	Number	£
At 1 January 2024	736,893,589	$368,545,586	50,000	50000
At 31 December 2024	736,893,589	$368,545,586	50,000	50000
At 31 December 2025	**736,893,589**	**$368,545,586**	**50,000**	**50000**

As at 31 December 2025 and 2024, all issued shares with a par value of US$0.50 each are fully paid. The rights and obligations attached to these shares are governed by law and the Company's Articles of Association. Ordinary shareholders are entitled to receive notice and to attend and speak at any general meeting of the Company. There are no restrictions on the transfer of the Ordinary shares.

The Sterling Deferred Ordinary Shares only entitle the shareholder on winding up or on a return of capital to payment of the amount paid up after repayment to Ordinary shareholders. The Sterling Deferred Ordinary Shares do not entitle the holder to payment of any dividend, or to receive notice or to attend and speak at any general meeting of the Company. The Company may also at its option redeem the Sterling Deferred Ordinary Shares at a price of £1.00 or, as custodian, purchase or cancel the Sterling Deferred Ordinary Shares or require the holder to transfer the Sterling Deferred Ordinary Shares. Except at the option of the Company, the Sterling Deferred Ordinary Shares are not transferrable.

Reserves

Share premium

This reserve records the consideration premium for shares issued at a value that exceeds their nominal value.

Capital reserve

The capital reserve arose as a consequence of the Pre-IPO Reorganisation as a result of using the pooling of interest method.

Hedging reserve

This reserve records the portion of the gain or loss on a hedging instrument in a cash flow hedge that is determined to be an effective hedge, net of tax. When the hedged transaction occurs, the gain or the loss is transferred out of equity to the income statement or the value of other assets.

Cost of hedging reservebn

The changes in the time value of option contracts are accumulated in the cost of hedging reserve. These deferred costs of hedging are either reclassified to profit or loss or recognised as a basis adjustment to non-financial assets or liabilities upon maturity of the hedged item, or, in the case of a hedge item that realises over time, amortised on a systematic and rational basis over the life of the hedged item.

Fair value reserve of financial assets at FVOCI

The Group has elected to recognise changes in the fair value of certain investments in equity securities in OCI, as explained in Note 2.(g). These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial information of entities with a functional currency different from the presentational currency of the Group.

Retained earnings

This reserve records the accumulated results of the Group, less any distributions and dividends paid.

19. Dividends declared and paid

The dividends declared and paid during the years ended 31 December 2025 and 2024 are as follows:

	US cents per Ordinary Share	Amount US$ thousands
Year ended 31 December 2025		
Final dividend for 2024 declared and paid during the year[1]	**26.1**	**192,329**
Special dividend for 2024 declared and paid during the year[2]	**41.8**	**307,992**
Interim dividend for 2025 declared and paid during the year[3]	**20.8**	**153,274**
	88.7	**653,595**
Year ended 31 December 2024		
Final dividend for 2023 declared and paid during the year[4]	4.2	30,950
Interim dividend for 2024 declared and paid during the year[5]	6.4	47,161
	10.6	78,111

1. This dividend was approved by the shareholders on 20 May 2025 and paid on 30 May 2025.
2. This dividend was approved by the shareholders on 20 May 2025 and paid on 30 May 2025.
3. This dividend was approved by the Board of Directors on 28 July 2025 and paid on 17 September 2025.
4. This dividend was approved by the shareholders on 21 May 2024 and paid on 29 May 2024.
5. This dividend was approved by the Board of Directors on 29 July 2024 and paid on 17 September 2024.

A reconciliation between dividend declared, dividends affected to retained earnings and dividend presented in the cash flow statements is as follows:

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Dividends declared	**653,595**	78,111
Foreign exchange effect	**30**	—
Dividends recognised in retained earnings	**653,625**	78,111
Foreign exchange and hedging effect	**688**	45
Dividends paid	**654,313**	78,156

The directors have proposed a final dividend of US$108.1 cents per share, which is subject to approval at the Annual General Meeting and is not recognised as a liability as at 31 December 2025. Dividends paid from the profits generated from 1 January 2014 to residents in Mexico and to non-resident shareholders may be subject to an additional tax of up to 10%, which will be withheld by the Group.

20. Interest-bearing loans

Senior Notes

On 2 October 2020, the Group completed its offering of US$850 million aggregate principal amount of 4.250% Senior Notes due 2050 in the Euronext Dublin. Movements in the year in the debt recognised in the balance sheet are as follows:

	As at 31 December	
	2025	2024
	US$ thousands	US$ thousands
Opening balance	**839,507**	839,002
Accrued interest	**37,986**	38,093
Interest paid[1]	**(37,986)**	(37,986)
Amortisation of discount and transaction costs	**419**	398
Closing balance	**839,926**	839,507

1. Interest was payable semi-annually on 2 April and 2 October for 4.250% senior notes.

The Group has the following restrictions derived from the issuance of all outstanding Senior Notes:

Change of control:

Should the rating of the senior notes be downgraded as a result of a change of control (defined as the sale or transfer of 35% or more of the common shares; the transfer of all or substantially all the assets of the Group; starting a dissolution or liquidation process; or the loss of the majority in the Board of Directors) the Group is obligated to repurchase the notes at an equivalent price of 101% of their nominal value plus the interest earned at the repurchase date, if requested to do so by any creditor.

Pledge on assets:

The Group shall not pledge or allow a pledge on any property that may have a material impact on business performance (key assets). Nevertheless, the Group may pledge the aforementioned properties provided that the repayment of the Notes keeps the same level of priority as the pledge on those assets.

21. Provision for mine closure cost

The provision represents the discounted values of the risk-adjusted estimated cost to decommission and rehabilitate the mines at the estimated date of depletion of mine deposits. Uncertainties in estimating these costs include potential changes in regulatory requirements, decommissioning, dismantling and reclamation alternatives, timing; the effects of climate change, and the discount, foreign exchange and inflation rates applied. Closure provisions are typically based on conceptual level studies that are refreshed at least every three years. As these studies are renewed, they incorporate greater consideration of forecast climate conditions at closure.

The Group has performed separate calculations of the provision by currency, discounting at corresponding rates. As at 31 December 2025, the discount rates used in the calculation of the parts of the provision that relate to Mexican pesos range from 7.53% to 9.84% (2024: range from 9.84% to 10.50%). The range for the current year parts that relate to US dollars range from 3.33% to 4.03% (2024: range from 3.69% to 4.00%).

Mexican regulations regarding the decommissioning and rehabilitation of mines are limited and less developed in comparison to regulations in many other jurisdictions. It is the Group's intention to rehabilitate the mines beyond the requirements of Mexican law, and estimated costs reflect this level of expense. The Group intends to fully rehabilitate the affected areas at the end of the lives of the mines.

The provision is expected to become payable at the end of the production life of each mine, based on the estimation of reserves and resources, which range from 2 to 25 years from 31 December 2025 (1 to 22 years from 31 December 2024). As at 31 December 2025 the weighted average term of the provision is 13 years (2024: 12 years).

	As at 31 December	
	2025	2024
	US$ thousands	US$ thousands
Opening balance	**245,529**	292,316
Decrease to existing provision	**(30,397)**	(4,072)
Effect of changes in discount rate	**11,858**	(28,736)
Unwinding of discount rate	**22,360**	24,997
Payments	**(2,512)**	(3,093)
Foreign exchange	**25,644**	(35,883)
Closing balance	**272,482**	245,529
Less – Current portion	**9,961**	11,781
Non-current portion	**262,521**	233,748

The provision is sensitive to a reasonably possible change in discount rates, exchange rate US Dollar compared to Mexican peso, change in future costs, and change on the expected life of mine (years). The sensitivity of these key inputs is as follows:

	Discount rate		Foreign currency		Estimated costs		Change in LOM	
Year ended 31 December	**Basis point increase/ (decrease)in interest rate**	**Effect on provision: increase/ (decrease)**	**Strengthening/ (weakening)of US dollar**	**Effect on provision: increase/ (decrease)**	**Increase/ (decrease)in estimated costs**	**Effect on provision: increase/ (decrease)**	**Increase/ (decrease)in years**	**Effect on provision: increase/ (decrease)**
		US$ thousands		**US$ thousands**		**US$ thousands**		**US$ thousands**
2025	**50**	**3,112**	**10%**	**(24,624)**	**10 %**	**32,072**	**2**	**(10,179)**
	(50)	**(3,480)**	**(5%)**	**14,256**	**(10)%**	**(32,072)**	**(2)**	**11,764**
2024	50	8,783	10%	(19,030)	5%	12,991	2	(9,751)
	(50)	(11,708)	(5%)	11,017	(5%)	(12,991)	(2)	11,764

Change on the provision would be principally offset by a change to the value of the associated asset unless the asset is fully depreciated, in which case the change in estimate is recognised directly within the income statement.

22. Pensions and other post-employment benefit plans

The Group has a defined contribution plan and a defined benefit plan.

The defined contribution plan was established as from 1 July 2007 and consists of periodic contributions made by each Mexican non-unionised worker and contributions made by the Group to the fund matching workers' contributions, capped at 8% of the employee's annual salary.

The defined benefit plan provides pension benefits based on each worker's earnings and years of service provided by personnel hired up to 30 June 2007 as well as statutory seniority premiums for both unionised and non-unionised workers.

The overall investment policy and strategy for the Group's defined benefit plan is guided by the objective of achieving an investment return which, together with contributions, ensures that there will be sufficient assets to pay pension benefits and statutory seniority premiums for non-unionised workers as they fall due while also mitigating the various risks of the plan. However, the portion of the plan related to statutory seniority premiums for unionised workers is not funded. The investment strategies for the plan are generally managed under local laws and regulations. The actual asset allocation is determined by current and expected economic and market conditions and in consideration of specific asset class risk in the risk profile. Within this framework, the Group ensures that the trustees consider how the asset investment strategy correlates with the maturity profile of the plan liabilities and the respective potential impact on the funded status of the plan, including potential short-term liquidity requirements.

Death and disability benefits are covered through insurance policies.

22. Pensions and other post-employment benefit plans continued

The following tables provide information relating to changes in the defined benefit obligation and the fair value of plan assets:

		Pension cost charge to income statement					Remeasurement gains/(losses) in OCI					
	Balance at 1 January 2025	Service cost	Net interest	Foreign exchange	Sub-total recognised in the year	Benefits paid	Return on plan assets (excluding amounts included in net interest)	Actuarial changes arising from changes in financial assumptions	Sub-total included in OCI1	Contributions by employer	Defined benefit decrease due to personnel transfer	Balance at 31 December 2025
												US$ thousands
Defined benefit obligation	**(29,110)**	**(1,618)**	**(2,688)**	**(3,884)**	**(8,190)**	**1,859**	**(761)**	**(1,462)**	**(2,223)**	**—**	**(56)**	**(37,720)**
Fair value of plan assets	**17,656**	**—**	**1,519**	**2,390**	**3,909**	**(1,859)**	**(216)**	**—**	**(216)**	**481**	**17**	**19,988**
Net benefit liability	**(11,454)**	**(1,618)**	**(1,169)**	**(1,494)**	**(4,281)**	**—**	**(977)**	**(1,462)**	**(2,439)**	**481**	**(39)**	**(17,732)**

		Pension cost charge to income statement					Remeasurement gains/(losses) in OCI					
	Balance at 1 January 2024	Service cost	Net interest	Foreign exchange	Sub-total recognised in the year	Benefits paid	Return on plan assets (excluding amounts included in net interest)	Actuarial changes arising from changes in financial assumptions	Sub-total included in OCI1	Contributions by employer	Defined benefit decrease due to personnel transfer	Balance at 31 December 2024
												US$ thousands
Defined benefit obligation	(32,671)	222	(2,664)	5,713	3,271	1,458	—	(672)	(672)	—	(496)	(29,110)
Fair value of plan assets	19,460	—	1,486	(2,914)	(1,428)	(1,458)	474	—	474	256	352	17,656
Net benefit liability	(13,211)	222	(1,178)	2,799	1,843	—	474	(672)	(198)	256	(144)	(11,454)

Of the total defined benefit obligation, US$17.5 million (2024: US$12.1 million) relates to statutory seniority premiums for unionised workers which are not funded. The expected contributions to the plan for the next Annual Reporting period are nil. The principal assumptions used in determining pension and other post-employment benefit obligations for the Group's plans are shown below:

	As at 31 December	
	2025	2024
	%	%
Discount rate	**9.09**	10.14
Future salary increases (National Consumer Price Index)	**5.25**	5.25

The life expectancy of current and future pensioners, men and women aged 65 and older, will live on average for a further 25 and 29 years respectively (2024: 22.5 years for men and 23.7 for women). The weighted average duration of the defined benefit obligation is 8.0 years (2024: 7.8 years).

The fair values of the plan assets were as follows:

	As at 31 December	
	2025	2024
	US$ thousands	US$ thousands
State owned companies	**618**	279
Mutual funds (fixed rates)	**19,370**	17,377
	19,988	17,656

As at 31 December 2025 and 2024, all the funds were invested in quoted debt instruments.

The pension plan has not invested in any of the Group's own financial instruments nor in properties or assets used by the Group.

A quantitative sensitivity analysis for significant assumptions as at 31 December 2025 is as shown below:

Assumptions	Discount rate		Future salary increases (NCPI)		Life expectancy of pensioners
Sensitivity Level	0.5% Increase	0.5% Decrease	0.5% increase	0.5% decrease	+1 Increase
Year ended 31 December 2025					
(Decrease)/increase to the net defined benefit obligation (US$ thousands)	**(1,378)**	**1,477**	**476**	**(456)**	**(149)**
Year ended 31 December 2024					
(Decrease)/increase to the net defined benefit obligation (US$ thousands)	(1,026)	1,101	270	(260)	167

The sensitivity analysis above has been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The pension plan is not sensitive to future changes in salaries other than in respect of inflation.

23. Trade and other payables

	As at 31 December	
	2025	2024
	US$ thousands	US$ thousands
Trade payables	**200,696**	110,891
Other payables to related parties (Note 27.(a))	**40,720**	39,203
Accrued expenses	**68,210**	38,188
Other taxes and contributions	**65,549**	35,497
	375,175	223,779

Trade payables are mainly for the acquisition of materials, supplies and contractor services. These payables do not accrue interest and no guarantees have been granted. The fair value of trade and other payables approximate their book values.

Balances corresponding to Accrued expenses and Other taxes and contributions are not financial liabilities.

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 31.

24. Commitments

A summary of capital expenditure commitments by operating mines and development project is as follows:

	As at 31 December	
	2025	2024
	US$ thousands	US$ thousands
Saucito	**36,974**	28,030
Fresnillo	**41,934**	20,324
San Julián	**5,303**	4,785
Juanicipio	**23,963**	21,776
Herradura	**19,285**	16,167
Ciénega	**3,047**	2,603
Other[1]	**841**	657
	131,347	94,342

1. Mainly corresponds to Minera el Bermejal, S. de R.L. de C.V.

25. Leases

25.(a). The Group as lessee

The Group leases various offices, buildings, plant and equipment and IT equipment. The resulting lease liability is as follows:

	As at	
	2025 US$ thousands	2024 US$ thousands
IT equipment	**5,228**	5,925
Plant and equipment	**3,198**	3,123
Buildings	**2,621**	2,845
Total lease liability	**11,047**	11,893
Less – Current portion	**4,864**	4,312
Non-current portion	**6,183**	7,581

The total cash outflow for leases for the year ended 31 December 2025, except short term and low value leases, amounts to US$3.0 million (2024: US$7.0 million), including finance costs of US$1.0 million 2024: US$1.6 million). The table below details right-of-use assets included as property plant and equipment in Note 13.

	Year ended 31 December 2025			
	US$ thousands			
	Buildings	**Computer equipment**	**Plant and Equipment**	**Total**
Cost				
At 1 January 2025	**5,907**	**15,788**	**4,139**	**25,834**
Additions	**—**	**4,056**	**144**	**4,200**
Disposals	**—**	**(921)**	**—**	**(921)**
At 31 December 2025	**5,907**	**18,923**	**4,283**	**29,113**
Accumulated depreciation				
At 1 January 2025	**(3,729)**	**(10,301)**	**(1,390)**	**(15,420)**
Depreciation for the year	**(640)**	**(3,519)**	**(502)**	**(4,661)**
Disposals	**—**	**179**	**—**	**179**
At 31 December 2025	**(4,369)**	**(13,641)**	**(1,892)**	**(19,902)**
Net Book Value At 31 December 2025	**1,538**	**5,282**	**2,391**	**9,211**

	Year ended 31 December 2024			
	US$ thousands			
	Buildings	Computer equipment	Plant and Equipment	Total
Cost				
At 1 January 2024	5,035	19,279	4,056	28,370
Additions	942	1,329	83	2,354
Disposals	(70)	(4,820)	—	(4,890)
At 31 December 2024	5,907	15,788	4,139	25,834
Accumulated depreciation				
At 1 January 2024	(3,034)	(11,155)	(801)	(14,990)
Depreciation for the year	(763)	(3,926)	(589)	(5,278)
Disposals	68	4,780	—	4,848
At 31 December 2025	(3,729)	(10,301)	(1,390)	(15,420)
Net book amount at 31 December 2024	2,178	5,487	2,749	10,414

Amounts recognised in profit and loss for the year, additional to depreciation of right-of-use assets, included US$1.1 million(2024: US$1.6 million) relating to interest expense, US$15.7 million (2024: US$62.1 million) on relating variable lease payments (Note 6) of which US$2.1 million (2024: US$2.9 million) were capitalised as a part of stripping cost, US$0.1 million (2024: US$0.3 million) relating to short-term leases and US$3.1 million (2024: US$2.7 million) relating to low-value assets.

25.(b). The Group as a lessor

Operating leases, in which the Group is the lessor, relate to mobile equipment owned by the Group with lease terms of between 12 to 36 months. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the equipment at the expiry of the lease period. The Group's leases as a lessor are not material.

26. Contingencies

As of 31 December 2025, the Group has the following contingencies:

- The Group is subject to various laws and regulations which, if not observed, could give rise to penalties.
- Tax periods remain open to review by the Mexican tax authorities (SAT, by its Spanish acronym) in respect of income taxes for five years following the date of the filing of corporate income tax returns, during which time the authorities have the right to raise additional tax assessments including penalties and interest. Under certain circumstances, the reviews may cover longer periods. As such, there is a risk that transactions, and in particular related party transactions, that have not been challenged in the past by the authorities, may be challenged by them in the future.

  It is not practical to determine the amount of any potential claims or the likelihood of any unfavourable outcome arising from this or any future inspections that may be initiated. However, management believes that its interpretation of the relevant legislation is appropriate and that the Group has complied with all regulations and paid or accrued all taxes and withholding taxes that are applicable.
- On 8 May 2008, the Company and Peñoles entered into the Separation Agreement (the 'Separation Agreement'). This agreement relates to the separation of the Group and the Peñoles Group and governs certain aspects of the relationship between the Fresnillo Group and the Peñoles Group following the initial public offering in May 2008 ('Admission'). The Separation Agreement provides for cross-indemnities between the Company and Peñoles so that, in the case of Peñoles, it is held harmless against losses, claims and liabilities (including tax liabilities) properly attributable to the precious metals business of the Group and, in the case of the Company, it is held harmless by Peñoles against losses, claims and liabilities which are not properly attributable to the precious metals business. Save for any liability arising in connection with tax, the aggregate liability of either party under the indemnities shall not exceed US$250 million in aggregate.
- In 2011, following a flood in the Saucito mine, the Group filed an insurance claim in respect of the damage caused (and in respect of business interruption). This insurance claim was rejected by the insurance provider. In early 2018, after the matter had been taken to mutually agreed arbitration, the insurance claim was declared valid; however, there is disagreement about the appropriate amount to be paid. In October 2018 the Group received US$13.6 million in respect of the insurance claim, however this does not constitute a final settlement and management continues to pursue a higher insurance payment. Due to the fact that negotiations are on-going and there is uncertainty regarding the timing and amount involved in reaching a final settlement with the insurer, it is currently not practicable to determine the total amount expected to be recovered.
- On 4 July 2024, the SAT issued the tax assessment ruling regarding the 2016 tax audit of Comercializadora de Metales Fresnillo where it confirmed its findings on the tax treatment of the Silverstream premium payment amounting to US$16.8 million, which includes the effect of time value of the money, penalties and surcharges. The Company filed an administrative appeal on 30 August 2024 to challenge the SAT assessment.
- On 11 April, 2025, Comercializadora de Metales Fresnillo reached an agreement with the SAT, so the SAT confirmed that the tax treatment applied by the company is correct for considering the transaction as a financial derivative transaction for tax purposes, and the premium paid by the company and allocated in 2016, 2017 and 2018, is deductible for income tax purposes. The company will not make any tax amendment for the years 2016 to 2018, and the SAT also confirmed its tax treatment for the year 2019. Currently, the agreement reached with the SAT is still being implemented as follows: The administrative appeal filed by the Company to challenge the SAT assessment for 2016 is in the process of being revoked; the 2017, 2018 and 2019 tax audits have been concluded by the SAT.
- Regarding the Minera Fresnillo, Minera Penmont, and Minera Saucito tax audits for the year 2019, findings were shared by the SAT on 9 December 2025, 11 December 2025, and 15 December 2025, respectively. The SAT´s findings relate mainly to consider non-deductible expenses for income tax purposes, the union payments, the travel expenses and in the case of Minera Fresnillo, also the administrative services payments. In addition, in the case of Minera Penmont and Minera Saucito, the SAT is challenging the VAT vs Income Tax Compensation (Compensación Universal). Also, the SAT is challenging the transfer pricing analysis of certain transactions made by the companies with its related parties. The companies responded to the SAT on January 2026 and began a Conclusive Agreement procedure before the Mexican tax ombudsman (PRODECON).

  It is not practical to determine the amount of any potential claims or the likelihood of any unfavourable outcome arising from this or any future inspections that may be initiated.

  The Directors and their external tax advisors consider management's interpretation of the relevant legislation and assessment of taxation to be appropriate, that the Group has complied with all regulations and paid or accrued all taxes and withholdings that are applicable and that it is probable that the Group's tax position will be sustained.
- It is probable that interest income will be earned on the Group's outstanding income and value added tax receivable balances; however, there is no certainty that this interest will be realised until the underlying balance is recovered. Due to that uncertainty, it is also not practicable to estimate the amount of interest income earned but not recovered to date.

27. Related party balances and transactions

The Group had the following related party transactions during the years ended 31 December 2025 and 2024 and balances as at 31 December 2025 and 2024.

Related parties are those entities owned or controlled by the ultimate controlling party, as well as those who have a minority participation in Group companies and key management personnel of the Group.

27.(a). Related party balances

	Accounts receivable		Accounts payable	
	As at 31 December		As at 31 December	
	2025	2024	**2025**	2024
	US$ thousands	US$ thousands	**US$ thousands**	US$ thousands
Trade:				
Metalúrgica Met-Mex Peñoles, S.A. de C.V.	**760,177**	548,760	**—**	6,622
Other:				
Industrias Peñoles, S.A.B. de C.V.[1]	**—**	16,516	**—**	—
Metalúrgica Met-Mex Peñoles, S.A. de C.V.	**—**	322	**1,886**	1,791
Servicios Administrativos Peñoles, S.A. de C.V.	**—**	—	**10,688**	6,420
Servicios Especializados Peñoles, S.A. de C.V.	**—**	—	**8,995**	10,374
Fuentes de Energía Peñoles, S.A. de C.V.	**—**	—	**10,624**	6,373
Termoeléctrica Peñoles, S. de R.L. de C.V.	**—**	—	**—**	439
Peñoles Tecnología, S.A. de C.V.	**—**	—	**1,282**	1,640
Eólica de Coahuila S.A. de C.V.	**—**	—	**4,076**	2,693
Minera Capela, S.A. de C.V.	**—**	—	**—**	2
Grupo Nacional Provincial, S.A.B. de C.V.[2]	**995**	357	**—**	—
Other	**360**	144	**3,169**	2,849
Sub–total	**761,532**	566,099	**40,720**	39,203
Less–current portion	**761,532**	566,099	**40,720**	39,203
Non-current portion	**—**	—	**—**	—

1. This balance corresponds to the cash receivable related to the Silverstream contract, see Note 14.
2. This balance corresponds to excess payments to the defined contribution plan which will be refunded.

Related party accounts receivable and payable will be settled in cash.

Other balances with related parties:

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Silverstream contract:		
Industrias Peñoles, S.A.B. de C.V.	—	258,641

As of 31 December 2025, the Silverstream contract has been settled in cash. As of 31 December 2024, the Silverstream contract can be settled in either silver or cash. Details of the Silverstream contract are provided in Note 14.

27.(b). Principal transactions with affiliates, including Industrias Peñoles S.A.B de C.V., the Company's parent, are as follows:

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Income:		
Sales:		
Metalúrgica Met-Mex Peñoles, S.A. de C.V. [1]	4,552,684	3,481,650
Insurance recovery		
Grupo Nacional Provincial, S.A.B. de C.V.	246	8,317
Other income	7,574	4,678
Total income	4,560,504	3,494,645

1. Invoiced revenues are derived from the value of metal content which is determined by commodity market prices and adjusted for the treatment and refining charges to be incurred by the metallurgical complex (refer to Note 5.(c).

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Expenses:		
Administrative services:		
Servicios Administrativos Peñoles, S.A. de C.V.[1]	51,171	52,352
Servicios Especializados Peñoles, S.A. de C.V.[2]	14,938	18,738
Peñoles Tecnología, S.A. de C.V.	6,387	4,970
	72,496	76,060
Energy:		
Termoeléctrica Peñoles, S. de R.L. de C.V.	—	7,295
Fuentes de Energía Peñoles, S.A. de C.V.	38,410	35,711
Eólica de Coahuila S.A. de C.V.	39,561	46,057
	77,971	89,063
Operating materials and spare parts:		
Wideco Inc	5,652	5,315
Metalúrgica Met-Mex Peñoles, S.A. de C.V.	15,038	55,525
	20,690	60,840
Equipment repair and administrative services:		
Serviminas, S.A. de C.V.	750	2,760
Insurance premiums:		
Grupo Nacional Provincial, S.A.B. de C.V.	25,598	21,068
Other expenses:	3,513	2,755
Total expenses	201,018	252,546

1. Includes US$0.9 million (2024: US$0.9 million) corresponding to expenses reimbursed.
2. Includes US$8.6 million (2024: US$8.5 million) relating to engineering costs that were capitalised.

27.(c). Compensation of key management personnel of the Group

Key management personnel include the members of the Board of Directors and the Executive Committee.

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Salaries and bonuses	**7,612**	6,044
Post-employment benefits	**432**	395
Other benefits	**388**	342
Total compensation paid in respect of key management personnel	**8,432**	6,781

	As at 31 December	
	2025	2024
	US$ thousands	US$ thousands
Accumulated accrued defined benefit pension entitlement	**5,393**	4,325

This compensation includes amounts paid to directors disclosed in the Directors' Remuneration Report.

The accumulated accrued defined pension entitlement represents benefits accrued at the time the benefits were frozen. There are no further benefits accruing under the defined benefit scheme in respect of current services.

28. Auditor's remuneration

Fees due by the Group to its auditor during the year ended 31 December 2025 and 2024 are as follows:

Class of services	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Fees payable to the Group's auditor for the audit of the Group's annual accounts	**2,077**	2,048
Fees payable to the Group's auditor and its associates for other services as follows:		
The audit of the Company's subsidiaries pursuant to legislation	**892**	975
Audit-related assurance services[1]	**860**	748
Total	**3,829**	3,771

1. Includes US$0.7 million (2024: US$0.6 million) for the limited review of the Half Yearly financial report, US$0.1 (2024: US$0.2 million) for the Mexican tax audit opinions and US$0.1 million (2024: US$0.1 million) for the limited assurance services over certain GHG's KPIs.

29. Notes to the consolidated statement of cash flows

	Notes	2025 US$ thousands	2024 US$ thousands
Reconciliation of profit for the year to net cash generated from operating activities			
Profit for the year		**1,573,829**	226,691
Adjustments to reconcile profit for the period to net cash inflows from operating activities:			
Depreciation and amortisation	13	**491,636**	620,867
Employee profit sharing	8	**15,859**	13,609
Deferred income tax (credit)/expense	11	**(224,789)**	264,111
Current income tax expense	11	**732,942**	253,100
Write-off of assets	9	**15,988**	1,704
Gain on the sale of property, plant and equipment and other assets		**(286)**	(1,004)
Net finance costs		**(24,238)**	25,131
Unrealised foreign exchange loss/(gain)		**30,261**	(2,200)
Difference between pension contributions paid and amounts recognised in the income statement		**1,657**	(63)
Dividends received from equity instruments at FVOCI		**(1,754)**	—
Non-cash movement on derivatives		**(297)**	(301)
Changes in fair value of Silverstream	14	**189,212**	182,276
Change in mine closure cost provision	9	**344**	8
Gain in sale of mining concessions	9	**(13,050)**	(24,149)
Working capital adjustments			
Increase in trade and other receivables		**(208,292)**	(196,196)
(Increase)/decrease in prepayments and other assets		**(20,076)**	10,741
(Increase)/decrease in inventories		**(20,421)**	50,556
Increase/(decrease) in trade and other payables		**120,664**	(28,016)
Cash generated from operations		**2,659,189**	1,396,865
Income tax paid[1]		**(357,561)**	(94,957)
Employee profit sharing paid		**(11,921)**	(2,106)
Net cash from operating activities		**2,289,707**	1,299,802

1. Income tax paid includes US$294.3 corresponding to corporate income tax (2024: US$72.1 million) and US$63.2 million corresponding to special mining right (2024: US$22.9 million), for further information refer to Note 11.

30. Financial instruments

30.(a). Fair value measurement

	At 31 December 2025			
	US$ thousands			
Financial assets:	**Amortised cost**	**Fair value through OCI**	**Fair value (hedging instruments)**	**Fair value through profit or loss**
Trade and other receivables[1]	**21,341**	—	—	**760,177**
Equity instruments at FVOCI	—	**34,537**	—	—
Silverstream contract (note 14)	—	—	—	—
Derivative financial instruments	—	—	**103**	—

Financial liabilities:	**Amortised cost**	**Fair value (hedging instruments)**	**Fair value through profit or loss**
Interest bearing loans (Note 20)	**839,926**	—	—
Trade and other payables (Note 23)	**241,416**	—	—
Derivative financial instruments	—	**741**	—

US$ thousands	At 31 December 2024			
Financial assets:	Amortised cost	Fair value through OCI	Fair value (hedging instruments)	Fair value through profit or loss
Trade and other receivables[1]	8,542	—	—	565,276
Equity instruments at FVOCI	—	139,968	—	—
Silverstream contract (Note 14)	—	—	—	258,641

Financial liabilities:	Amortised cost	Fair value (hedging instruments)	Fair value through profit or loss
Interest bearing loans (Note 20)	839,507	—	—
Notes payable[2]	2,055	—	—
Trade and other payables (Note 23)	150,094	—	—
Derivative financial instruments	—	189	—

1. Trade and other receivables and embedded derivative within sales contracts are presented net in Trade and other receivables in the balance sheet.
2. Corresponds to interest-bearing notes payable received from Minera los Lagartos, S.A. de C.V. which holds a non-controlling interest in Juanicipio. The notes are denominated in US Dollars and bear interest at a rate of 6.76%. Interest paid amounted to US$5.0 million.

30.(b). Fair value measurement

The value of financial assets and liabilities other than those measured at fair value are as follows:

	As at 31 December			
	Carrying amount		Fair value	
	2025	2024	**2025**	2024
	US$ thousands	US$ thousands	**US$ thousands**	US$ thousands
Financial assets:				
Trade and other receivables	**21,341**	8,542	**21,341**	8,542
Financial liabilities:				
Interest bearing loans[1] (Note 20)	**839,926**	839,507	**678,215**	605,396
Trade and other payables	**241,416**	150,094	**241,416**	150,094
Notes payable	**—**	2,055	**—**	2,055

1. Interest-bearing loans are categorised in Level 1 of the fair value hierarchy.

The financial assets and liabilities measured at fair value are categorised into the fair value hierarchy as at 31 December as follows:

	As of 31 December 2025			
	Fair value measure using			
	Quoted prices in active markets Level 1	**Significant observable Level 2**	**Significant unobservable Level 3**	**Total**
	US$ thousands	**US$ thousands**	**US$ thousands**	**US$ thousands**
Financial assets:				
Trade receivables	**—**	**—**	**760,177**	**760,177**
Derivative financial instruments:				
Option and forward foreign exchange contracts	**—**	**103**	**—**	**103**
Other financial assets:				
Equity instruments at FVOCI	**34,537**	**—**	**—**	**34,537**
	34,537	**103**	**760,177**	**794,817**

1. This balance corresponds to the cash receivable related to the Silverstream contract, see Note 14.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

30. Financial instruments continued

	As of 31 December 2024			
	Fair value measure using			
	Quoted prices in active markets Level 1	Significant observable Level 2	Significant unobservable Level 3	Total
	US$ thousands	US$ thousands	US$ thousands	US$ thousands
Financial assets:				
Trade receivables	—	—	548,760	548,760
Other receivables from related parties[1]	—	—	16,516	16,516
Derivative financial instruments:				
Silverstream contract		—	258,641	258,641
Other financial assets:				
Equity instruments at FVOCI	139,968	—	—	139,968
	139,968	—	823,917	963,885

1. This balance corresponds to the cash receivable related to the Silverstream contract, see Note 14.

There have been no transfers between Level 1 and Level 2 of the fair value hierarchy, and no transfers into and out of Level 3 fair value measurements.

A reconciliation of the opening balance to the closing balance for Level 3 financial instruments other than Silverstream (which is disclosed in Note 14) is shown below:

	2025	2024
	US$ thousands	US$ thousands
Balance at 1 January:	**548,760**	306,668
Sales	**4,512,967**	3,503,662
Cash collection	**(4,349,814)**	(3,254,312)
Changes in fair value	**83,129**	32,638
Realised embedded derivatives during the year	**(34,865)**	(39,896)
Balance at 31 December	**760,177**	548,760

The fair value of financial assets and liabilities is included at reflects the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following valuation techniques were used to estimate the fair values:

Option and forward foreign exchange contracts

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. The foreign currency forward (Level 2) contracts are measured based on observable spot exchange rates, the yield curves of the respective currencies as well as the currency basis spreads between the respective currencies. The foreign currency option contracts are valued using the Black-Scholes model, the significant inputs to which include observable spot exchange rates, interest rates and the volatility of the currency.

Silverstream contract

Further information relating to the valuation techniques used to estimate the fair value of the Silverstream contract as well as the sensitivity of the valuation to the key inputs are disclosed in Note 14.

Equity investments:

The fair value of equity investments is derived from quoted market prices in active markets (Level 1). These investments were irrevocably designated at fair value through OCI as the Group considers these investments to be strategic in nature. As of 31 December 2025, approximately 58.6% of the investments correspond to 2,800,0000 shares (2024: 2,800,000 shares) of Endeavor Silver Corp. for an amount of US$26.3 million (2024: US$10.3 million). These equity investments are listed on the Toronto stock Exchange. The price per share as 31 December 2025 was US$12.91 (2024: US$3.66).

During May and June 2025, the Group disposed its equity investment of 9,314,877 shares in MAG Silver, Corp. The shares sold had a fair value of US$176.6 million and the Group realised a gain of US$128.6 million which had already been included in OCI. This gain has been transferred to retained earnings, net of tax amounting to US$38.6 million.

Interest-bearing loans

The fair value of the Group's interest-bearing loan is derived from quoted market prices in active markets (Level 1).

Trade receivables:
Sales of concentrates, precipitates doré bars and activated carbon are 'provisionally priced' and revenue is initially recognised using this provisional price and the Group's best estimate of the contained metal. Revenue is subject to final price and metal content adjustments subsequent to the date of delivery (see Note 2.(o)). This price exposure is considered to be an embedded derivative and therefore the entire related trade receivable is measured at fair value.

At each reporting date, the provisionally priced metal content is revalued based on the forward selling price for the quotational period stipulated in the relevant sales contract. The selling price of metals can be reliably measured as these metals are actively traded on international exchanges but the estimated metal content is a non-observable input to this valuation.

31. Financial risk management

Overview

The Group's principal financial assets and liabilities, other than derivatives, comprise trade and other receivables, cash, equity instruments at FVOCI, interest-bearing loans, notes payable and trade payables.

The Group has exposure to the following risks from its use of financial instruments:

- Market risk, including foreign currency, commodity price, interest rate and equity price risks
- Credit risk
- Liquidity risk

This note presents information about the Group's exposure to each of the above risks and the Group's objectives, policies and processes for assessing and managing risk. Further quantitative disclosures are included throughout the Financial Statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Fresnillo Audit Committee has responsibility for overseeing how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit, which undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

31.(a). Market risk

Market risk is the risk that changes in market factors, such as foreign exchange rates, commodity prices or interest rates will affect the Group's income or the value of its financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

In the following tables, the effect on equity excludes the changes in retained earnings as a direct result of changes in profit before tax.

Foreign currency risk
The Group has financial instruments that are denominated in Mexican peso and other foreign currencies which are exposed to foreign currency risk. Transactions in currencies other than the US dollar include the purchase of services, fixed assets, spare parts and the payment of dividends. As a result, the Group has financial assets and liabilities denominated in currencies other than functional currency and holds cash and cash equivalents in Mexican peso.

In order to manage the Group's exposure to foreign currency risk on expenditure denominated in currencies other than the US dollar, the Group has entered into certain forward and option derivative contracts.

31. Financial risk management continued

The following table demonstrates the sensitivity of cash and cash equivalents, trade and other receivables, trade and other payables and derivatives financial instruments (excluding Silverstream which impact is disclosed in Note 14) to a reasonably possible change in the US dollar exchange rate compared to the Mexican peso, reflecting the impact on the Group's profit before tax and equity, with all other variables held constant. It is assumed that the same percentage change in exchange rates is applied to all applicable periods for the purposes of calculating the sensitivity with relation to derivative financial instruments.

Year ended 31 December	Strengthening/ (weakening) of	Effect on profit before tax: increase/ (decrease)	Effect on equity: increase/ (decrease)
	US dollar	US$ thousands	US$ thousands
2025	**5%**	**1,356**	**(19,031)**
	(5%)	**(3,418)**	**23,312**
2024	10%	955	(582)
	(5%)	(2,228)	582

The Group's exposure to reasonably possible changes in other currencies is not material.

Commodity risk

The Group has exposure to changes in metals prices (specifically silver, gold, lead and zinc) which have a significant effect on the Group's results. These prices are subject to global economic conditions and industry-related cycles.

The table below reflects the aggregate sensitivity of financial assets and liabilities (excluding Silverstream which impact is disclosed in Note 14) to a reasonably possible change in commodities prices, reflecting the impact on the Group's profit before tax with all other variables held constant.

The sensitivity shown in the table below relates to changes in fair value of commodity derivatives financial instruments contracts (excluding Silverstream) and embedded derivatives in sales.

	Increase/(decrease) in commodity prices				Effect on profit before tax: increase/ (decrease)
Year ended 31 December	Gold	Silver	Zinc	Lead	US$ thousands
2025	**20%**	**40%**	**10%**	**5%**	**175,345**
	(20%)	**(40%)**	**(10%)**	**(5%)**	**(175,347)**
2024	10%	15%	10%	10%	38,509
	(10%)	(15%)	(10%)	(10%)	(38,509)

Interest rate risk

The Group is exposed to interest rate risk from the possibility that changes in interest rates will affect future cash flows or the fair values of its financial instruments, principally relating to the cash balances and the Silverstream contract held at the balance sheet date as explained in Note 14. Interest-bearing loans and notes payable are at a fixed rate, therefore the possibility of a change in interest rate only impacts its fair value but not its carrying amount. Therefore, interest-bearing loans, notes payable and loans from related parties are excluded from the table below.

The following table demonstrates the sensitivity of financial assets and financial liabilities (excluding Silverstream which impact is disclosed in Note 14) to a reasonably possible change in interest rate applied to a full year from the balance sheet date. There is no impact on the Group's equity other than the equivalent change in retained earnings.

Year ended 31 December	Basis point increase/ (decrease) in interest rate	Effect on profit before tax: increase/ (decrease)
		US$ thousands
2025[1]	**—**	—
	(50)	(13,826)
2024[1]	**—**	—
	(50)	(6,556)

The sensitivity shown in the table above primarily relates to the full year of interest on cash balances held as at the year end.

1. Based on actual market conditions management considers an increase in interest rates is likely remote.

Equity price risk
The Group has exposure to changes in the price of equity instruments that it holds as equity investments at FVOCI.

The following table demonstrates the sensitivity of equity investments at FVOCI to a reasonably possible change in market price of these equity instruments, reflecting the effect on the Group's profit before tax and equity:

Year ended 31 December	Increase/ (decrease) in equity price	Effect on profit before tax: increase/ (decrease)	Effect on equity: increase/ (decrease)
		US$ thousands	US$ thousands
2025	**100 %**	**—**	**34,537**
	20 %	**—**	**(6,907)**
2024	80%	—	111,958
	(20%)	—	(27,989)

31.(b). Credit risk
Exposure to credit risk arises as a result of transactions in the Group's ordinary course of business and is applicable to trade and other receivables, cash and cash equivalents, the Silverstream contract and derivative financial instruments.

The Group's policies are aimed at minimising losses as a result of counterparties' failure to honour their obligations. Individual exposures are monitored with customers subject to credit limits to ensure that the Group's exposure to bad debts is not significant. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each counter party. The Group's financial assets are with counterparties with what the Group considers to have an appropriate credit rating. As disclosed in Note 27, the counterparties to a significant proportion of these financial assets are related parties. At each balance sheet date, the Group's financial assets were neither credit-impaired nor past due, other than 'Other receivables' as disclosed in Note 16. The Group's policies are aimed at minimising losses from foreign currency hedging contracts. The Company's foreign currency hedging contracts are entered into with large financial institutions with strong credit ratings.

The Group has a high concentration of trade receivables with one counterparty Met-Mex Peñoles, the Group's principal customer throughout 2025 and 2024. Met-Mex is a subsidiary in the Peñoles group which currently owns 75 per cent of the shares of the Company and is considered by management to be of appropriate credit rating.

The Group's surplus funds are managed by Servicios Administrativos Fresnillo, S.A. de C.V., which manages cash and cash equivalents, including short-term investments investing in several financial institutions. Accordingly, on an ongoing basis the Group deposits surplus funds with a range of financial institutions, depending on market conditions. In order to minimise exposure to credit risk, the Group only deposits surplus funds with financial institutions with a credit rating of MX-1 (Moody's) and mxA-1+ (Standard and Poor's) and above. As at 31 December 2025, the Group had concentrations of credit risk as 22.9 percent of surplus funds were deposited with one financial institution of which the total investment was held in short term deposits.

The maximum credit exposure at the reporting date of each category of financial asset above is the carrying value as detailed in the relevant notes. See note 17 for the maximum credit exposure to cash and cash equivalents and short-term investments, note 16 for other receivables and note 27 for related party trade and other receivables..

31.(c). Liquidity risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group monitors its risk of a shortage of funds using projected cash flows from operations and by monitoring the maturity of both its financial assets and liabilities.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

US$ thousands

	Within 1 year	2–3 years	3-5 years	> 5 years	Total
As at 31 December 2025					
Interest-bearing loans	**37,986**	**75,973**	**75,973**	**1,609,727**	**1,799,659**
Trade and other payables	**241,416**	**—**	**—**	**—**	**241,416**
Lease liabilities	**5,368**	**5,349**	**920**	**—**	**11,637**

31. Financial risk management continued

US$ thousands

	Within 1 year	2–3 years	3-5 years	> 5 years	Total
As at 31 December 2024					
Interest-bearing loans	37,986	75,973	75,973	1,647,713	1,837,645
Trade and other payables	150,094	—	—	—	150,094
Notes payable	2,055	—	—	—	2,055
Lease liabilities	4,994	6,092	2,604	—	13,690

The payments for financial derivative instruments are the gross undiscounted cash flows. However, those amounts may be settled gross or net. The following table shows the corresponding estimated inflows based on the contractual terms:

US$ thousands

	Within 1 year	**2-3 years**	**3-5 years**	**> 5 years**	**Total**
As at 31 December 2025					
Inflows	**437,947**	**—**	**—**	**—**	**437,947**
Outflows	**(439,562)**	**—**	**—**	**—**	**(439,562)**
Net	**(1,615)**	**—**	**—**	**—**	**(1,615)**

US$ thousands

	Within 1 year	2-3 years	3-5 years	> 5 years	Total
As at 31 December 2024					
Inflows	13,191	—	—	—	13,191
Outflows	(12,403)	—	—	—	(12,403)
Net	788	—	—	—	788

The above liquidity tables include expected inflows and outflows from currency option contracts which the Group expects to be exercised during 2025 as at 31 December 2025 and during 2025 as at 31 December 2024, either by the Group or counterparty.

Management considers that the Group has adequate current assets and forecast cash from operations to manage liquidity risks arising from current liabilities and non-current liabilities.

Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios that support its business and maximise shareholder value. Management considers capital to consist of equity and interest-bearing loans, excluding net unrealised gains or losses on revaluation of derivatives financial instruments and equity instruments at FVOCI. Refer to Notes 18, 20 and 30 respectively for a quantitative summary of these items.

In order to ensure an appropriate return for shareholders' capital invested in the Group, Management thoroughly evaluates all material projects and potential acquisitions and approves them at its Executive Committee before submission to the Board for ultimate approval, where applicable. The Group's dividend policy is based on the profitability of the business and underlying growth in earnings of the Group, as well as its capital requirements and cash flows, including cash flows from the Silverstream up to its buy back in August 2025.

One of the Group's metrics of capital is cash and other liquid assets which in 2025 and 2024 consisted of only cash and cash equivalents, which details are disclosed in Note 17.

In January 2024 the Group entered into a syndicated revolving credit facility (the facility) with a term from January 2024 to January 2029. The maximum amount available under the facility is US$350.0 million. The facility is unsecured and has an interest rate on drawn amounts of SOFR plus an interest margin of 1.15%. The terms of this facility include financial covenants related to leverage and interest cover ratios. No amounts have been drawn from the facility to date.

32. Subsequent event

On 31 October 2025, the Company entered into a definitive arrangement to acquire 100% of the issued and outstanding shares of Probe Gold Inc for an all-cash consideration of CAD$3.65 per share. On 21 January 2026 the Group completed the acquisition of 100% of the issued and outstanding shares of Probe Gold Inc., for a total consideration of US$555 million (CAD$770 million).

Probe is a Canadian exploration company focused on the acquisition, exploration, and development of highly prospective gold properties. It is the 100% owner of the multimillion-ounce Novador Gold Project, as well as an early-stage Detour Gold project, both located in Quebec.

The Group has applied its judgment to weigh the characteristics of Probe's acquisition and conclude whether it constitutes the acquisition of a business or a set of assets and activities under IFRS 3 "Business combinations". The Group has applied the optional concentration test outlined in the standard and on this basis, concluded that the acquisition of Probe does not constitute the acquisition of a business but the acquisition of a set of assets.

PARENT COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2025

	Notes	As at 31 December 2025 US$ thousands	2024 US$ thousands
ASSETS			
Non-current assets			
Investments in subsidiaries	5	**6,246,001**	4,189,712
Equity instruments at FVOCI	15	**34,537**	139,968
Deferred tax asset	4	**4,766**	43,481
		6,285,304	4,373,161
Current assets			
Loans to subsidiaries	12	**1,111,385**	1,026,470
Income tax recoverable		**818**	135
Trade and other receivables	6	**2,137**	1,149
Derivative financial instruments	15	**103**	—
Cash and cash equivalents	7	**521,098**	446,353
		1,635,541	1,474,107
Total assets		**7,920,845**	5,847,268
EQUITY AND LIABILITIES			
Capital and reserves attributable to shareholders of the Company			
Share capital	8	**368,546**	368,546
Share premium	8	**1,153,817**	1,153,817
Merger reserve	8	**4,212,817**	2,173,782
Hedging reserve	8	**(518)**	—
Fair value reserve of financial assets at FVOCI	8	**19,214**	59,712
Retained earnings	8	**1,310,582**	1,234,914
Total equity		**7,064,458**	4,990,771
Non-current liabilities			
Interest-bearing loans	10	**839,926**	839,507
		839,926	839,507
Current liabilities			
Trade and other payables		**15,720**	16,801
Derivative financial instruments	15	**741**	189
		16,461	16,990
Total liabilities		**856,387**	856,497
Total equity and liabilities		**7,920,845**	5,847,268

The Company profit is US$2,678.3 million for the year ended 31 December 2025 (2024: loss of US$800.9 million). In accordance with the exemption granted under section 408 of the Companies Act 2006 a separate income statement for the Company has not been presented.
These Financial Statements were approved by the Board of Directors on 2 March 2026 and signed on its behalf by:

Dr Arturo Fernández
Non-Executive Director
2 March 2026

PARENT COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

		Year ended 31 December	
		2025	2024
	Notes	**US$ thousands**	US$ thousands
Net cash from operating activities	14	**(31,258)**	(71,450)
Cash flows from investing activities			
Capital contribution to subsidiaries	5	(17,254)	(13,341)
Loans granted to subsidiaries		(913,405)	(2,005,228)
Proceeds from repayment of loans granted to subsidiaries		942,448	2,251,753
Interest received		120,290	153,935
Dividends received		491,647	33,600
Purchase of equity instruments at FVOCI		—	(1,466)
Disposal of equity instruments at FVOCI		176,584	5,098
Net cash generated from investing activities		**800,310**	424,351
Cash flows from financing activities			
Dividends paid[1]	9	(654,313)	(78,156)
Interest paid		(39,207)	(37,986)
Net cash used in financing activities		**(693,520)**	(116,142)
Net increase in cash and cash equivalents during the year		75,532	236,759
Effect of exchange rate on cash and equivalents		(787)	(6,300)
Cash and cash equivalents at 1 January		446,353	215,894
Cash and cash equivalents at 31 December	7	**521,098**	446,353

1. Includes the effect of hedging of dividend payments made in currencies other than US Dollar.

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Share capital	Share premium	Merger reserve	Hedging reserve	Fair value reserve of financial assets at FVOCI	Retained earnings	Total equity
At 1 January 2024		368,546	1,153,817	1,318,114		35,708	1,367,044	4,243,229
Income for the year		—	—	—	—	—	800,937	800,937
Other comprehensive gain net of tax		—	—	—	—	24,716	—	24,716
Total comprehensive income for the year		—	—	—	—	24,716	800,937	825,653
Transfer of gain on disposal of equity investments at FVOCI to retained earnings (net of tax)		—	—	—	—	(713)	713	—
Transfer of reserves		—	—	855,668	—	—	(855,668)	—
Dividends declared and paid	9	—	—	—	—	—	(78,111)	(78,111)
Balance at 31 December 2024		368,546	1,153,817	2,173,782	—	59,711	1,234,915	4,990,771
Income for the year		**—**	**—**	**—**	**—**	**—**	**2,678,300**	**2,678,300**
Other comprehensive income net of tax		**—**	**—**	**—**	**—**	**49,530**	**—**	**49,530**
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**49,530**	**2,678,300**	**2,727,830**
Transfer of gain on disposal of equity investments at FVOCI to retained earnings (net of tax)		**—**	**—**	**—**	**—**	**(90,027)**	**90,027**	**—**
Hedging gain (loss) transferred to the carrying value of PPE purchased during the year		**—**	**—**	**—**	**(518)**	**—**	**—**	**(518)**
Transfer of reserves		**—**	**—**	**2,039,035**	**—**	**—**	**(2,039,035)**	**—**
Dividends declared and paid	9	**—**	**—**	**—**	**—**	**—**	**(653,625)**	**(653,625)**
Balance at 31 December 2025		**368,546**	**1,153,817**	**4,212,817**	**(518)**	**19,214**	**1,310,582**	**7,064,458**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

1. Corporate information

Fresnillo plc ('the Company') is a public limited company and registered in England and Wales with registered number 6344120 and is the holding company for the Fresnillo subsidiaries detailed in Note 5. The Company is a Mexican resident for taxation purposes with tax residency in Mexico City. For further information see Note 4.

Industrias Peñoles S.A.B. de C.V. (Peñoles) currently owns 75 percent of the shares of the Company and the ultimate controlling party of the Company is the Baillères family, whose beneficial interest is held through Peñoles. The country of incorporation of Peñoles is Mexico. Copies of Peñoles' accounts can be obtained from www.penoles.com.mx.

The primary activity of the Company is as a holding company for the Fresnillo Group of companies. See Note 5.

The Financial Statements of the Company for the year ended 31 December 2025 were authorised for issue by the Board of Directors of Fresnillo plc on 2 March 2026.

2. Significant accounting policies

2.(a). Basis of preparation and consolidation, and statement of compliance

The Company's separate Financial Statements have been prepared in accordance with UK adopted international accounting standards and the requirements of the Companies Act 2006.

The Financial Statements of the Company have been prepared on a historical cost basis, except for certain derivative financial instruments and equity securities which have been measured at fair value.

The Financial Statements are presented in dollars of the United States of America (US dollars or US$) and all monetary amounts are rounded to the nearest thousand (US$000) except when otherwise indicated.

The basis of preparation and accounting policies used in preparing the Financial Statements are set out below. These accounting policies have been consistently applied to all the periods presented unless otherwise stated.

Going concern

The financial position of the Company and its cash flows are set out in the balance sheet and statement of cash flows respectively. In addition, Note 16 includes the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

In making their assessment of the Company's ability to manage its future cash requirements, the Directors have considered the Company budgets and the cash flow forecasts for the period to 31 December 2027 (being the going concern assessment period). The Directors have also considered the cash position as of 31 December 2025 (US$521 million) and the net current asset position (US$1,619.1 million). The cash flow forecast is based on the expected profit of the Group as described in the going concern section of the Consolidated financial statements of the Company.

After reviewing all of the above considerations, the Directors have a reasonable expectation that management have sufficient flexibility in adverse circumstances to maintain adequate resources to continue in operational existence for the foreseeable future. The Directors, therefore, continue to adopt the going concern basis of accounting in preparing the Financial Statements.

2.(b). Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the separate Financial Statements are consistent with those applied in the preparation of the separate Financial Statements for the year ended 31 December 2024.

New standards, interpretations and amendments (new standards) adopted by the Company

A number of new, or amended, standards became applicable for the current reporting period. The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

Standards, interpretations and amendments issued but not yet effective

The International Accounting Standards Board (IASB) has issued other amendments resulting from improvements to IFRSs that Management considers do not have any impact on the accounting policies, financial position or performance of the Company, except for the new standard IFRS 18-Presentation and Disclosure in Financial Statements; this new standard replaces IAS 1-Presentation of Financial Statements, with a focus on updates to the statement of profit or loss. This new standard is applicable for periods commencing 1 January 2027, early adoption is permitted. The Company is currently assessing the impact of IFRS 18 and plans to adopt the new standard on the required effective date.

The Company has not early adopted any standard, interpretation or amendment that was issued but is not yet effective

2.(c). Significant accounting judgements, estimates and assumptions

The preparation of the Company's Financial Statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the Financial Statements. These judgements and estimates are based on management's knowledge of the relevant facts and circumstances, with regard to prior experience, but actual results may differ from the amounts included in the Financial Statements. Information about such judgements and estimates is in the accounting policies and the Notes to the Financial Statements.

Judgements

Areas of judgement, apart from those involving estimations, that have the most significant effect on the amounts recognised in the separate Financial Statements for the year ended 31 December 2025 are:

Deferred tax asset (Note 4):
The Company has recognised a deferred tax asset of US$4.8 million (2024: US$43.5 million) mainly in respect of tax losses amounting to US$30.8 million (2024: US$192.9 million). The Company is a Mexican resident for taxation purposes and calculates the tax payable based in its local currency that is the Mexican peso which generates difference between financial and taxable profits. The Company has performed an assessment of the recoverability of tax losses before their expiration based on financial and tax projections. Management have considered the taxable profit generated in the current year of US$177.8 million and based on a consideration of this, combined with future projections of taxable profit, consider that there is evidence that sufficient taxable profits will be available against which the unused tax losses can be utilised.

Climate change:
We describe how climate-related risks and opportunities (CROs) may affect, and, was considered in, the preparation of the Financial Statements in Note 2.(c) to the Consolidated Financial Statements. Because the cash flows underpinning the recoverable amount of mining assets also underpin the recoverable amount of investments in subsidiaries holding those mining assets, the considerations set out in that note also apply to the Parent Company Financial Statements. The Company does not have any assets or liabilities for which measurement is directly linked to climate change performance (for example: Sustainability-Linked Bonds).

As disclosed in Note 2.(c) to the Consolidated Financial Statements, future changes to the Group's Climate Change Strategy, global decarbonisation signposts and regulation may impact the Group's significant judgements and key estimates and result in material changes to financial results and the carrying values of certain of the Group's assets and liabilities in future reporting periods, which could ultimately result in material changes in the carrying value of the Company's assets and liabilities. However, as at the balance sheet date, management believes there is no material impact on the Company's balance sheet carrying values of assets or liabilities.

Estimates and assumptions

The significant area of estimation uncertainty considered by management in preparing the Financial Statements is:

- Recoverable value of investments in subsidiaries (Notes 2.(e) and 5):

  The Company assesses investments in subsidiaries annually to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs of disposal (FVLCD) and the value in use. Due to the nature of the subsidiaries, the assessment of the recoverable amount is generally determined based on the net present value of future cash flows related to the subsidiaries requiring the use of estimates and assumptions such as long-term commodity prices, estimated and economically proven and probable reserves, as well as certain other resources that are assessed as highly likely to be converted into reserves and the associated production profiles, discount rates, future capital requirements, and production costs. Estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The determination of that rate requires certain judgements.

  Where an impairment charge has previously been recognised, the Company assesses at the end of each reporting period whether there is any indication that the impairment loss may no longer exist, or may have decreased. If any such indication exists, the Company estimates the recoverable amount of that investment, requiring similar estimates and assumptions as those for determining an impairment charge. At 31 December 2025 the Company recognised an impairment reversal of US$2,039.0 million (2024: net impairment charge of US$855.7 million) resulting in a cumulative impairment relating to subsidiaries of US$1,576.8 million (2024: US$3,615.8 million).

2.(d). Foreign currency translation

The Company's Financial Statements are presented in US dollars, which is the functional currency of the Company. The functional currency for the Company is determined by the currency of the primary economic environment in which it operates.

Transactions denominated in currencies other than the functional currency of the Company are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the balance sheet date. All differences that arise are recorded in the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated into US dollars using the exchange rate at the date when the fair valued is determined.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS CONTINUED

2. Significant accounting policies continued

2.(e). Investments in subsidiaries

Subsidiaries are entities which the Company controls due to it being exposed to, or having the right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Investments in subsidiaries are recognised at acquisition cost less any provision for impairment. Impairment charges and reversals are recognised in the income statement and subsequently transferred from the merger reserve against retained earnings.

When the Company increases its capital investment in or where there is a return of share capital from its subsidiaries, such movements are recognised as an addition to, or return of the original cost recognised in investment in subsidiaries. Dividends are recognised as other income in the income statement when the right of payment has been established.

At each reporting date, an assessment is made to determine whether there are any indicators of impairment. Where an indicator of impairment exists, an estimate of the recoverable amount of the investment in subsidiary is made, which is considered to be the higher of the fair value less costs of disposal and the value in use. The Company usually determines FVLCD based on the net present value of the future cash flows related to its subsidiaries. If the carrying amount of an investment exceeds the recoverable amount, a provision is recorded in the income statement to reflect the investment at the recoverable amount.

Where an impairment charge has previously been recognised, an assessment is made at the end of each reporting period whether there is any indication that the impairment loss may no longer exist or may have decreased. If any such indication exists, an estimate of the recoverable amount is made. An impairment loss is reversed to profit or loss to the extent that the increased carrying value of the investment in subsidiary does not exceed that would have been determined had no impairment loss been recognised for the asset in prior years.

2.(f). Financial assets and liabilities

Financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured at amortised cost.
- those to be measured subsequently at FVOCI, and.
- those to be measured subsequently at FVPL.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

Classification

The Company holds the following financial assets:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses.

The Company's financial assets at amortised cost include receivables from loans granted to subsidiaries.

Equity instruments designated as fair value through other comprehensive income

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the income statement when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

The Company elected to classify irrevocably its listed equity investments under this category.

Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the income statement as applicable.

The Company's derivative financial instruments are classified as fair value through profit or loss.

De-recognition of financial assets
Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Impairment of financial assets
For loans granted to subsidiaries the Company evaluate the expected credit loss using a one-year probability of default corresponding to the mining industry determined by a specialised financial institution and considering an appropriate severity based on the cost of capital of the Company.

Financial liabilities
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Classification
For purposes of subsequent measurement, financial liabilities held by the Company are classified as financial liabilities at amortised cost.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the income statement.

De-recognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

2.(g). Cash and cash equivalents
For the purposes of the balance sheet, cash and cash equivalents comprise cash at bank, cash on hand and short-term deposits held with banks that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Short-term deposits earn interest at the respective short-term deposit rates between one day and three months.

2.(h). Share capital
Ordinary shares issued by the Company are recorded at the net proceeds received, which is the fair value of the consideration received less costs that are incurred in connection with the share issue. The nominal par value of the shares issued is taken to the share capital account and any excess is recorded in the share premium account, including the costs that were incurred with the share issue.

2.(i). Dividends receivable
Dividends are recognised when the Company's right to receive payments is established. Dividends received are recorded in the income statement.

2. Significant accounting policies continued

2.(j). Income tax

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither the accounting profit nor taxable profit loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled, and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred income tax asset relating to deductible temporary differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future, and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.(k). Derivative financial instruments and hedging

The Company enters into derivative contracts in order to manage certain market risks derived from changes in foreign exchange and commodity prices which impact the financial and business transactions of its subsidiaries. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

In the Group's consolidated Financial Statements certain of these derivative instruments are designated as cash flow hedges but for the purposes of the Company's stand-alone Financial Statements the related hedged items are not held by the Company, so do not qualify as cash flow hedges.

Any gains and losses arising from changes in fair value on derivatives during the year that do not qualify for hedge accounting are taken directly to the income statement.

Derivatives are valued using valuation approaches and methodologies (such as Black Scholes and Net Present Value) applicable to the specific type of derivative instrument. The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

2.(l). Fair value measurement
The Company measures financial instruments at fair value at each balance sheet date. Fair values of financial instruments measured at amortised cost are disclosed in Note 15.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. Further information on fair values is described in Note 15.

2.(m). Dividend distribution
Dividends on the Company's Ordinary Shares are recognised when they have been appropriately authorised and are no longer at the Company's discretion. Accordingly, interim dividends are recognised when they are paid and final dividends are recognised when they are declared following approval by shareholders at the Company's Annual General Meeting.

Mexican Income Tax Law establishes a 10% withholding tax on earnings from 2014 and thereafter, for dividends paid to foreign residents and Mexican individuals.

Dividends paid are not subject to income tax if paid from the Net Tax Profit Account (CUFIN). Dividends paid that exceed CUFIN are subject to an income tax payable at a rate of 30%. The tax is payable by the Company and may be credited against the normal income tax payable by the Company in the year in which the dividends are paid or in the following two years. Dividends paid from earnings previously taxed are not subject to any withholding or additional tax payment.

3. Segment reporting
Segmental information is not presented in the Company's stand-alone Financial Statements as this is presented in the Group's consolidated Financial Statements.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS CONTINUED

4. Income tax

4.(a). Movements in the deferred income tax liability and asset:

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Opening net asset	**43,481**	68,916
Income tax expense	**(17,565)**	(14,842)
Net (charge) related to items directly charged to other comprehensive income	**(21,150)**	(10,593)
Closing net asset	**4,766**	43,481

The amounts of deferred income tax assets and liabilities before offset as at 31 December considering the nature of the temporary differences are as follows:

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Prepayments and other assets	**(4,640)**	(4,701)
Provision for expected credit losses on loans granted to subsidiaries	**646**	303
Derivative financial instruments	**191**	—
Losses carried forward	**9,245**	57,896
Equity instruments at FVOCI	**(676)**	(10,017)
Net deferred tax asset	**4,766**	43,481

4.(b). Unrecognised deferred tax on investments in subsidiaries

The Company has not recognised all the deferred tax liability in respect of distributable reserves of its subsidiaries because it controls them and only part of the temporary differences is expected to reverse in the foreseeable future. The temporary differences for which a deferred tax liability has not been recognised aggregate to US$1,322.8 million (2024: US$1,139.3 million).

4.(c). Corporate Income Tax ('Impuesto Sobre la Renta' or 'ISR')

The Company is a Mexican resident for taxation purposes. The rate of current corporate income tax is 30%.

5. Investments in subsidiaries

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Opening balance	**4,189,712**	3,320,703
Impairment reversal/(charge)	**2,039,035**	855,668
Capital contributions	**17,254**	13,341
Closing balance	**6,246,001**	4,189,712

During 2025, the Company made an impairment assessment to determine whether the carrying value of each of its subsidiaries was recoverable as at 31 December 2025 and determine if prior year impairment could be reversed. As a result, a cumulative impairment loss of US$1,576.8 million is recognised with respect to certain of the Company's investment in subsidiaries (2024: US$3,615.8 million). The recoverable amount was estimated based on the Fair Value Less Cost of Disposal (FVLCD) model (2024: FVLCD).

The following tables provide relevant information in respect of each impaired subsidiary:

	Year ended 31 December 2025			
	Impairment loss/(reversal) in the year	**Cumulative Impairment**	**Recoverable amount**	**Discount rate (post-tax)**
	US$ thousands	**US$ thousands**	**US$ thousands**	
Minera Fresnillo, S.A. de C.V.	**(1,458,511)**	**1,145,336**	**2,760,205**	**7.22 %**
Minera Mexicana la Ciénega, S.A. de C.V.	**(465,469)**	**374,209**	**816,935**	**6.60 %**
Minera San Julián, S.A. de C.V.	**(48,760)**	**—**	**743,118**	**6.54 %**
Minera Penmont, S. de R.L. de C.V.	**(47,169)**	**—**	**2,032,678**	**7.45 %**
Exploraciones Mineras Parreña, S.A. de C.V.	**(19,126)**	**57,237**	**165,095**	**6.96 %**
	(2,039,035)	**1,576,782**		

	Year ended 31 December 2024			
	Impairment loss/(reversal) in the year US$ thousands	Cumulative Impairment US$ thousands	Recoverable amount US$ thousands	Discount rate (post-tax)
Minera Fresnillo, S.A. de C.V.	(358,709)	2,603,847	1,243,478	7.35%
Minera Mexicana la Ciénega, S.A. de C.V.	(10,806)	839,678	288,650	7.35%
Minera Saucito, S.A. de C.V.	(225,376)	—	1,307,706	7.34%
Minera San Julián, S.A. de C.V.	(73,360)	48,760	442,970	7.33%
Minera Penmont, S. de R.L. de C.V.	(130,920)	47,169	915,312	7.38%
Exploraciones Mineras Parreña, S.A. de C.V.	(56,497)	76,363	145,969	7.34%
	(855,668)	3,615,817		

In determining FVLCD it is necessary to make a series of assumptions to estimate future cash flows including reserves and resources volumes and related production profile, price assumptions, cost estimates and discount rate. Accordingly, the fair value is categorised as Level 3 in the fair value hierarchy. The price assumptions used to calculate FVLCD are determined with reference analysts' consensus of long-term prices. As at 31 December 2025, the Company used long term price assumptions of US$3,137/ounce (2024: US$2,169/ounce) and US$37.7/ounce (2024: US$27.6/ounce) for gold and silver, respectively.

Sensitivity analysis

The key assumptions on which management bases the recoverable value calculations of the investment in subsidiaries are commodity prices, future capital requirements, production costs, reserves and resources volumes (reflected in production volumes) and discount rate.

The models are most sensitive to changes in commodity price assumptions. Other than commodity price assumptions, management has considered that the fair value of the investments in subsidiaries is not significantly sensitive to reasonably possible change in any other key assumptions.

In the absence of any changes to any of the other key assumptions, a decrease of 10% in gold and 15% in silver prices would result in a decrease of the reversal of the year of US$730.4 million.

The subsidiaries in which investments are directly held as at 31 December 2025 and 2024 are as follows:

			Equity interest % Year ended 31 December	
Legal company	Principal activity	Country of incorporation	**2025**	2024
Minera Fresnillo, S.A. de C.V.	Production of lead/silver and zinc concentrates	Mexico[4]	**100**	100
Minera San Julián, S.A. de C.V.	Production of lead/silver and zinc concentrates	Mexico[4]	**100**	100
Minera Penmont, S. de R.L. de C.V.[1]	Production of doré bars (gold/silver)	Mexico[4]	**56**	56
Minera Mexicana La Ciénega, S.A. de C.V.	Production of lead and zinc concentrates and silver precipitates	Mexico[4]	**100**	100
Minera Saucito, S.A. de C.V.	Production of lead and zinc concentrates	Mexico[4]	**100**	100
Equipos Mineros Nazas, S.A. de C.V.	Leasing of mining equipment	Mexico[4]	**100**	100
Proveedora de Equipos Fresne, S de R.L. de C.V.[1]	Leasing of mining equipment	Mexico[4]	**56**	56
Equipos Mineros la Hacienda, S.A. de C.V.	Leasing of mining equipment	Mexico[4]	**100**	100
Proveedora de Equipos Jerez, S.A. de C.V.	Leasing of mining equipment	Mexico[4]	**100**	100
Equipos Chaparral, S.A. de C.V.	Leasing of mining equipment	Mexico[4]	**56**	56
Minera Juanicipio, S.A. de C.V.	Production of lead/silver and zinc concentrates	Mexico[4]	**56**	56
Comercializadora de Metales Fresnillo, S.A. de C.V.	Holds rights over silver production from Peñoles' polymetallic Sabinas mine through the Silverstream contract	Mexico[4]	**100**	100
Exploraciones Mineras Parreña, S.A. de C.V.	Exploration services	Mexico[4]	**100**	100
Exploraciones y Desarrollos Mineros Coneto, S.A. P. I. de C.V.	Exploration services	Mexico[4]	**61**	55
Minera El Bermejal, S. de R.L. de C.V.	Mining equipment leasing	Mexico[4]	**56**	56
Compañía Minera Las Torres, S.A. de C.V.	Mine project	Mexico[4]	**100**	100
Servicios Administrativos Fresnillo, S.A. de C.V.	Administrative services	Mexico[4]	**100**	100
Operaciones Fresnillo, S.A. de C.V.	Administrative services	Mexico[4]	**100**	100
Servicios de Exploración Fresnillo, S.A. de C.V.	Administrative services	Mexico[4]	**100**	100
Prestadora de Servicios Jarillas, S.A. de C.V.	Administrative services	Mexico[4]	**100**	100
Fresnillo Management Services, Ltd	Administrative services	UK[5]	**100**	100

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS CONTINUED

Legal company	Principal activity	Country of incorporation	Equity interest % Year ended 31 December 2025	2024
Fresbal Investments, Ltd	Holding company for mining Investments	Canada[6]	**100**	100
Fresnillo Perú, S.A.C.	Exploration services	Peru[7]	**100**	100
Parreña Perú, S.A.C.	Exploration services	Peru[7]	**100**	100
Fresnillo Chile, SpA	Exploration services	Chile[8]	**100**	100
Minera Capricornio, SCM[2]	Exploration services	Chile[8]	**75**	75
Caja de Ahorros Fresnillo, S.C.[3]	Administrative services	Mexico[4]	**—**	—

The list of subsidiary undertakings presented in this note represents the full list of subsidiary undertakings, required to be submitted by Section 409 of the Companies Act 2006.

1. The remaining 44% interest in these companies is held by Comercializadora de Metales Fresnillo, S.A. de C.V. a wholly-owned subsidiary of the Company.
2. In October 2024 the Group entered into an exploration joint venture in Chile through its subsidiary Minera Capricorno, SCM. The agreement is between Sociedad Quimica y Minera de Chile, S.A. de C.V. (SQM), a Chilean mining company and Minera Capricorno, SCM, which considers a transfer of 25% ownership in Minera Capricorno through a capital increase from SQM.
3. Whilst Fresnillo plc holds no direct ownership in Caja de Ahorros Fresnillo, S.C. the entire share capital of the company is held through its subsidiaries.
4. The registered address for all Mexican subsidiaries is: Calzada Saltillo 400 No. 989, Torreón, Coahuila 27250.
5. Registered address is: Second Floor, 21 Upper Brook Street, London W1.
6. Registered address is: 355 Burrard Street, Suite 1800, Vancouver, BC, V6C 2G8.
7. Registered address is: República de Colombia 643, Piso 9, Distrito San Isidro, Lima 27.
8. Registered address is: Apoquindo 4775 oficina 1002 – Las Condes, Santiago de Chile.

6. Trade and other receivables

	Year ended 31 December 2025 US$ thousands	2024 US$ thousands
Other receivables from subsidiaries (Note 12)	**2**	199
Prepayments	**2,135**	950
	2,137	1,149

Balances corresponding to Prepayments and Other receivables are not considered as financial assets.

7. Cash and cash equivalents

	Year ended 31 December 2025 US$ thousands	2024 US$ thousands
Cash at bank and on hand	**—**	2
Short-term deposits	**521,098**	446,351
Cash and cash equivalents	**521,098**	446,353

Cash at the bank earns interest at floating rates based on daily bank deposits. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates. Short-term deposits can be withdrawn at call without any penalty or loss in value.

8. Equity

Share capital and share premium

Authorised share capital of the Company is as follows:

	As at 31 December			
	2025		2024	
Class of share	**Number**	**Amount**	Number	Amount
Ordinary Shares each of US$0.50	**1,000,000,000**	**$500,000,000**	1,000,000,000	$500,000,000
Sterling Deferred Ordinary Shares each of £1.00	**50,000**	**£50,000**	50,000	£50,000

Issued share capital of the Company is as follows:

	Ordinary Shares		Sterling Deferred Ordinary Shares	
	Number	US$	Number	£
At 1 January 2024	736,893,589	368,545,586	50,000	£50,000
At 31 December 2024	736,893,589	368,545,586	50,000	£50,000
At 31 December 2025	**736,893,589**	**368,545,586**	**50,000**	**£50,000**

As at 31 December 2025 and 2024, all issued shares with a par value of US$0.50 each are fully paid. The rights and obligations attached to these shares are governed by law and the Company's Articles of Association. Ordinary shareholders are entitled to receive notice and to attend and speak at any general meeting of the Company. There are no restrictions on the transfer of the Ordinary shares.

The Sterling Deferred Ordinary Shares only entitle the shareholder on winding up or on a return of capital to payment of the amount paid up after repayment to Ordinary shareholders. The Sterling Deferred Ordinary Shares do not entitle the holder to payment of any dividend, or to receive notice or to attend and speak at any general meeting of the Company. The Company may also at its option redeem the Sterling Deferred Ordinary Shares at a price of £1.00 or, as custodian, purchase or cancel the Sterling Deferred Ordinary Shares or require the holder to transfer the Sterling Deferred Ordinary Shares. Except at the option of the Company the Sterling Deferred Ordinary Shares are not transferable.

Reserves

Share premium

This reserve records the consideration premium for shares issued at a value that exceeds their nominal value.

Merger reserve

The merger reserve represents the difference between the value of the net assets acquired as part of the Pre-IPO reorganisation and the nominal value of the shares issued pursuant to the Merger Agreement. Movements in this reserve during 2025 and 2024 represent the impairment losses and reversals of the carrying value of Fresnillo's investments in subsidiaries transferred from retained earnings.

Hedging reserve

This reserve records the portion of the gain or loss on a hedging instrument in a cash flow hedge that is determined to be an effective hedge, net of tax. When the hedged transaction occurs, the gain or the loss is transferred out of equity to the income statement or the value of other assets.

Fair value reserve of financial assets at FVOCI

The Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI, as explained in Note 2.(f). These changes are accumulated within the FVOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Retained earnings

This reserve records the accumulated results of the Company, less any distributions and dividends paid.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS CONTINUED

9. Dividends declared and paid

The dividends declared and paid during the years ended 31 December 2025 and 2024 are as follows:

	US cents per Ordinary Share	Amount US$ thousands
Year ended 31 December 2025		
Final dividend for 2024 and paid during the year[1]	**26.1**	**192,329**
Special dividend for 2024 declared and paid during the year[2]	**41.8**	**307,992**
Interim dividend for 2025 declared and paid during the year[3]	**20.8**	**153,274**
	88.7	**653,595**
Year ended 31 December 2024		
Final dividend for 2023 and paid during the year[4]	4.2	30,950
Interim dividend for 2024 declared and paid during the year[5]	6.4	47,161
	10.6	78,111

1. This dividend was approved by the shareholders on 20 May 2025 and paid on 30 May 2025.
2. This dividend was approved by the shareholders on 20 May 2025 and paid on 30 May 2025.
3. This dividend was approved by the Board of Directors on 28 July 2025 and paid on 17 September 2025.
4. This dividend was approved by the shareholders on 21 May 2024 and paid on 29 May 2024.
5. This dividend was approved by the Board of Directors on 29 July 2024 and paid 17 September 2024.

A reconciliation between dividend declared, dividends affected to retained earnings and dividend presented in the cash flow statements is as follows:

	Year ended 31 December	
	2025 US$ thousands	2024 US$ thousands
Dividends declared	**653,625**	78,111
Foreign exchange effect	**—**	—
Dividends recognised in retained earnings	**653,625**	78,111
Foreign exchange and hedging effect	**688**	45
Dividends paid	**654,313**	78,156

The Directors have proposed a final dividend of US$108.12 cents per share, which is subject to approval at the annual general meeting and is not recognised as a liability as at 31 December 2025. Dividends paid from the profits generated from 1 January 2014 to residents in Mexico and to non-resident shareholders may be subject to an additional tax of up to 10%, which will be withheld by the Company.

10. Interest-bearing loans

Senior Notes

On 2 October 2020, the Company completed its offering of US$850 million aggregate principal amount of 4.250% Senior Notes due 2050 in Euronext Dublin. Movements in the year in the debt recognised in the balance sheet are as follows:

	As at 31 December	
	2025 US$ thousands	2024 US$ thousands
Opening balance	**839,507**	839,002
Accrued interest[1]	**37,986**	38,093
Interest paid	**(37,986)**	(37,986)
Amortisation of discount and transaction costs	**419**	398
Closing balance	**839,926**	839,507

1. Interest is payable semi-annually on 2 April and 2 October for 4.250% senior notes.

The Company has the following restrictions derived from the issuance of all outstanding Senior Notes:

Change of control:
Should the rating of the Senior Notes be downgraded as a result of a change of control (defined as the sale or transfer of 35% or more of the common shares; the transfer of all or substantially all the assets of the Group; starting a dissolution or liquidation process; or the loss of the majority in the board of directors) the Company is obligated to repurchase the notes at an equivalent price of 101% of their nominal value plus the interest earned at the repurchase date, if requested to do so by any creditor.

Pledge on assets:
The Company shall not pledge or allow a pledge on any property that may have a material impact on business performance (key assets). Nevertheless, the Company may pledge the aforementioned properties provided that the repayment of the Notes keeps the same level of priority as the pledge on those assets.

11. Contingencies

The Company is subject to various laws and regulations which, if not observed, could give rise to penalties. As of 31 December 2025, the Company has the following contingencies:

- Tax periods remain open to review by the Mexican tax authorities (SAT, by its Spanish acronym) in respect of income taxes for five years following the date of filing of corporate income tax returns, during which time the authorities have the right to raise additional tax assessments including penalties and interest. Under certain circumstances, the reviews may cover longer periods. As such, there is a risk that transactions, and in particular related party transactions, that have not been challenged in the past by the authorities, may be challenged by them in the future. It is not practical to determine the amount of any potential claims or the likelihood of any unfavourable outcome arising from these or any future inspections that may be initiated. However, management believes that its interpretation of the relevant legislation is appropriate and that the Company has complied with all regulations and paid or accrued all taxes and withholdings that are applicable.
- On 8 May 2008, the Company and Peñoles entered into the Separation Agreement (the Separation Agreement). This agreement relates to the separation of the Group and the Peñoles Group and governs certain aspects of the relationship between the Fresnillo Group and the Peñoles Group following the initial public offering in May 2008 (Admission). The Separation Agreement provides for cross-indemnities between the Company and Peñoles so that, in the case of Peñoles, it is held harmless against losses, claims and liabilities (including tax liabilities) properly attributable to the precious metals business of the Group and, in the case of the Company, it is held harmless by Peñoles against losses, claims and liabilities which are not properly attributable to the precious metals business. Save for any liability arising in connection with tax, the aggregate liability of either party under the indemnities shall not exceed US$250 million in aggregate.

12. Related party balances and transactions

Related parties are those entities owned or controlled by the ultimate controlling party and include the Company's subsidiaries disclosed in Note 5. Related party balances will be settled in cash. All the balances as at 31 December 2025 and 2024 and the transactions carried-out with related parties for the years then ended correspond to subsidiaries.

12.(a). Related party accounts receivable and payable

	Accounts receivable US$ thousands		Accounts payable US$ thousands	
	2025	2024	**2025**	2024
Loans[1]	**1,111,385**	1,026,470	**—**	—
Other (note 6)	**—**	189	**529**	1,151
Balance as 31 December	**1,111,385**	1,026,659	**529**	1,151
Less – Current portion	**1,111,385**	1,026,659	**529**	1,151
Non-current portion	**—**	—	**—**	—

1. Accounts receivable derived from loans with subsidiaries are net of provision for expected credit loss of US$2.1 million (2024: US$1.0 million).

Effective interest rates on loans granted to related parties in US dollar is 6.26% (2024: 6.49% to 7.25%) and in Mexican pesos range from 9.37% to 12.04% (2024: 12.42% to 13.50%).

During the year the Company granted short-term loans to its subsidiaries for an amount of US$913.4 million (2024: US$2,005 million).

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS CONTINUED

12. Related party balances and transactions continued

12.(b). Principal transactions with related parties (apart from dividends, additional investments and returns of capital) are as follows:

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Income:		
Interest on loans	**110,292**	134,338
Total income	**110,292**	134,338

During 2025 and 2024 the Company did not receive short-term loans from its subsidiaries.

	Year ended 31 December	
	2025	2024
	US$ thousands	US$ thousands
Expenses:		
Administrative services	**8,673**	7,217
Total expenses	**8,673**	7,217

12.(c). Compensation of key management personnel of the Company

Key management personnel comprise Non-Executive Directors. In 2025, their compensation was US$0.9 million (2024: US$0.8 million). This compensation paid is disclosed in the Directors' Remuneration Report.

13. Auditor's remuneration

The auditor's remuneration for the Company was US$2.1 million (2024: US$2.1 million) in respect of the audit of its Financial Statements.

Fees paid to Ernst & Young LLP and its associates for non-audit services to the Company itself are not disclosed in the stand-alone Financial Statements because Group Financial Statements are prepared which include these fees on a consolidated basis.

14. Notes to the statement of cash flows

		Year ended 31 December	
	Notes	**2025**	2024
		US$ thousands	US$ thousands
Reconciliation of profit for the year to net cash generated from operating activities			
Profit for the year		**2,678,300**	800,937
Adjustments to reconcile profit/(loss) for the year to net cash inflows from operating activities:			
Impairment (reversal)/loss of investment in subsidiaries	5	**(2,039,035)**	(855,668)
Dividend income		**(491,647)**	(33,600)
Income tax loss		**17,680**	14,842
Net finance gain		**(96,106)**	(111,048)
Foreign exchange (gain)/loss		**(97,169)**	115,355
Other expenses		**845**	273
Working capital adjustments			
(Decrease) in trade and other receivables		**(1,291)**	(271)
(Decrease) in trade and other payables		**(2,210)**	(2,167)
Cash (used)/generated from operations		**(30,633)**	(71,347)
Income tax paid		**(625)**	(103)
Net cash (used)/generated from operating activities		**(31,258)**	(71,450)

15. Financial instruments

15.(a). Fair value category

	As at 31 December 2025		
			US$ thousands
Financial assets:	**Amortised cost**	**Fair value through OCI**	**Fair value through profit or loss**
Loans to related parties	**1,111,385**	**—**	**—**
Equity instruments at FVOCI	**—**	**34,537**	**—**
Derivative financial instruments	**—**	**—**	**103**

Financial liabilities:	**At amortised Cost**	**Fair value through profit or loss**
Interest-bearing loans	**839,926**	**—**
Derivative financial instruments	**—**	**741**
Trade and other payables	**529**	**—**

	As at 31 December 2024		
			US$ thousands
Financial assets:	Amortised cost	Fair value through OCI	Fair value through profit or loss
Loans to related parties	1,026,470	—	—
Equity instruments at FVOCI	—	139,968	—

Financial liabilities:	At amortised Cost	Fair value through profit or loss
Interest-bearing loans	839,507	—
Derivative financial instruments	—	189
Trade and other payables	1,151	—

15.(b). Fair values

The value of financial assets and liabilities other than those measured at fair value are as follows:

	As at 31 December			
	Carrying amount		Fair value	
	2025	2024	**2025**	2024
	US$ thousands	US$ thousands	**US$ thousands**	US$ thousands
Financial assets:				
Loans to related parties[1]	**1,111,385**	1,026,470	**1,111,385**	1,026,470
Financial liabilities:				
Interest-bearing loans[2]	**839,926**	839,507	**678,215**	605,396
Trade and other payables	**1,270**	1,151	**1,270**	1,151

1. Loans to related party are categorised in Level 3 of the fair value hierarchy. The carrying amount is a reasonable approximation of fair value due the short-term period of the receivable.
2. Interest-bearing loans are categorised in Level 1 of the fair value hierarchy.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS CONTINUED

The financial assets and liabilities measured at fair value are categorised into the fair value hierarchy as at 31 December as follows:

	As at 31 December 2025 US$ thousands			
	Fair value measure using			
	Quoted prices in active markets Level 1	Significant observable Level 2	Significant unobservable Level 3	Total
	US$ thousands	US$ thousands	US$ thousands	US$ thousands
Financial assets:				
Derivative financial instruments:				
Option and forward foreign exchange contracts	**—**	**103**	**—**	**103**
Other financial assets:				
Equity investments	**34,537**	**—**	**—**	**34,537**
	34,537	**103**	**—**	**34,640**
Financial liabilities:				
Derivative financial instruments:				
Option and forward foreign exchange contracts	**—**	**741**	**—**	**741**
	—	**741**	**—**	**741**

	As of 31 December 2024 US$ thousands			
	Fair value measure using			
	Quoted prices in active markets Level 1	Significant observable Level 2	Significant unobservable Level 3	Total
	US$ thousands	US$ thousands	US$ thousands	US$ thousands
Financial assets:				
Other financial assets:				
Equity investments	139,968	—	—	139,968
	139,968	—	—	139,968
Financial liabilities:				
Derivative financial instruments:				
Option and forward foreign exchange contracts	—	189	—	189
	—	189	—	189

There have been no transfers between Level 1 and Level 2 of the fair value hierarchy, and no transfers into and out of Level 3 fair value measurements.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following valuation techniques were used to estimate the fair values:

Option and forward foreign exchange contracts

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. The foreign currency forward (Level 2) contracts are measured based on observable spot exchange rates, the yield curves of the respective currencies as well as the currency basis spreads between the respective currencies. The foreign currency option contracts are valued using the Black-Scholes model, the significant inputs to which include observable spot exchange rates, interest rates and the volatility of the currency.

Option commodity contracts

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. The option commodity (Level 2) contracts are measured based on observable spot commodity prices, the yield curves of the respective commodity as well as the commodity basis spreads between the respective commodities. The option contracts are valued using the Black-Scholes model, the significant inputs to which include observable spot commodities price, interest rates and the volatility of the commodity.

Equity investments:

The fair value of equity investments is derived from quoted market prices in active markets (Level 1). These investments were irrevocably designated at fair value through OCI as the Group considers these investments to be strategic in nature. As of 31 December 2025, approximately 58.6% of the investments correspond to 2,800,000 shares (2024: 2,800,000 shares) of Endeavor Silver Corp. for an amount of US$26.3 million (2024: US$10.3 million). These equity investments are listed on the Toronto Stock Exchange. The price per share as 31 December 2025 was US$12.91 (2024: US$5.27).

During May and June 2025, the Company disposed its equity investment of 9,314,877 shares in MAG Silver, Corp. The shares sold had a fair value of US$176.6 million and the Company realised a gain of US$128.6 million which had already been included in OCI. This gain has been transferred to retained earnings, net of tax of US$38.6 million.

Interest-bearing loans

Fair value of the Company's interest-bearing loan, is derived from quoted market prices in active markets (Level 1).

Loans with related parties

Fair value of the Company's loan to related party is determined using a discounted cash flow method based on market interest rates at each reporting date.

16. Financial Risk Management

Overview

The Company's principal financial assets and liabilities, other than derivatives, are comprised of equity investment at FVOCI, cash, loans to related parties, interest-bearing loans and trade payables.

The Company enters into certain derivative transactions with the purpose of managing foreign exchange risk arising on the activity and transactions of its subsidiaries.

The Company has exposure to the following risks from its use of financial instruments:

- Market risk, including foreign currency, interest rate and equity price risks
- Credit risk
- Liquidity risk

This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for assessing and managing risk. Further quantitative disclosures are included throughout the Financial Statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company risk management framework.

The Company's risk management policies have been established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Fresnillo Audit Committee has responsibility for overseeing how Management monitors compliance with the Company risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit, which undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

16.(a). Market Risk

Market risk is the risk that changes in market factors, such as foreign exchange rates, or interest rates will affect the Company income or the value of its financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign currency risk

The Company is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the US dollar. Transactions in foreign currencies include the purchase of services, payment or receipt of dividends and other items. As a result, the Company has financial liabilities denominated in currencies other than functional currency and holds cash and cash equivalents in Mexican peso.

In order to manage the Group's exposure to foreign currency risk on expenditure denominated in currencies other than the US dollar, the Company has entered into certain forward and option derivative contracts.

The following table demonstrates the sensitivity of financial assets and financial liabilities to a reasonably possible change in the US dollar exchange rate compared to the Mexican peso, reflecting the impact on the Company's profit before tax with all other variables held constant. It is assumed that the same percentage change in exchange rates is applied to all applicable periods. There is no impact on the Company's equity other than the equivalent change in retained earnings.

Year ended 31 December	Strengthening/ (weakening) of US dollar	Effect on profit before tax: increase/ (decrease) US$ thousands
2025	**5 %**	**540**
	(5)%	**(489)**
2024	10 %	40
	(5) %	(69)

The Company's exposure to reasonably possible changes in other currencies is not material.

16. Financial Risk Management continued

Commodity risk

The Company's subsidiaries have exposure to changes in metals prices (specifically gold, lead and zinc) which have a significant effect on the Group's results. These prices are subject to global economic conditions and industry-related cycles.

The Company uses derivative instruments to hedge against precious metals commodity price exposure in its subsidiaries. As the Company passes through the effect of derivatives to its subsidiaries, the Company is not sensitive to changes in commodity prices.

Interest rate risk

The Company is exposed to interest rate risk from the possibility that changes in interest rates will affect future cash flows or the fair values of its financial instruments. The Company's earnings are sensitive to changes in interest rates on any floating element of the loans with related parties and interest earned on cash balances. Interest-bearing loans are at a fixed rate, therefore the possibility of a change in interest rate only impacts its fair value but not its carrying amount. Therefore, interest-bearing loans and loans from related parties (for which exposure is not material) are excluded from the table below.

The following table demonstrates the sensitivity of all financial assets and financial liabilities to a reasonably possible change in interest rate applied to a full year from the balance sheet date. There is no impact on the Company's equity other than the equivalent change in retained earnings.

Year ended 31 December	Basis point increase/ (decrease) in interest rate	Effect on profit before tax: increase/ (decrease) US$ thousands
2025[1]	**—**	**—**
	(50)	**(8,162)**
2024	—	—
	(50)	(7,364)

1. Based on actual market conditions management considers an increase in interest rates is likely remote.

Equity price risk

The Company has exposure to changes in the price of equity instruments that it holds as equity investments held at FVOCI.

The following table demonstrates the sensitivity of FVOCI assets to a reasonably possible change in market price of these equity instruments, reflecting the effect on the Company's profit before tax and equity:

Year ended 31 December	Increase/ (decrease) in equity price	Effect on profit before tax: increase/ (decrease)	Effect on equity: increase/ (decrease) US$ thousands
2025	**100 %**	**—**	**34,537**
	(20)%	**—**	**(6,907)**
2024	80 %	—	111,958
	(20) %	—	(27,989)

16.(b). Credit risk

Exposure to credit risk arises as a result of transactions in the Company's ordinary course of business and is applicable to cash and cash equivalents, intercompany loans and derivative financial instruments.

The Company's policies are aimed at minimising losses as a result of counterparties' failure to honour their obligations. Individual exposures are monitored with customers subject to credit limits to ensure that the Company's exposure to bad debts is not significant. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each counter party. The Company's financial assets are with counterparties that the Company considers to have an appropriate credit rating. As disclosed in Note 12, the counterparties to a significant proportion of these financial assets are related parties. At each balance sheet date, the Company's financial assets were neither credit-impaired nor past due other than 'Related party accounts receivables as are disclosed in Note 12. The Company's policies are aimed at minimising losses from the foreign currency and commodity hedging contracts. The Company's foreign currency and commodity derivative contracts are entered into with large financial institutions with strong credit ratings.

The Company's surplus funds are managed by Servicios Administrativos Fresnillo, S.A. de C.V., which manages cash and cash equivalents investing in several financial institutions. In order to minimise exposure to credit risk, the Company only deposits cash and cash equivalents with financial institutions with a credit rating of M-1 (Moody's) and mxA-1+ (Standard and Poor's) and above, and only for periods of less than three months.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS CONTINUED

The maximum credit exposure at the reporting date of each category of financial asset above is the carrying value as detailed in the relevant notes. See Note 15.(a) for the maximum credit exposure for other financial assets, Note 7 for cash and cash equivalents and Note 12 for related party balances.

16.(c). Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company monitors its risk of a shortage of funds using projected cash flows and by monitoring the maturity of both its financial assets and liabilities.

The table below summarises the maturity profile of the Company financial liabilities based on contractual undiscounted payments.

US$ thousands

	Within 1 year	**2–3 years**	**4-5 years**	**> 5 years**	**Total**
As at 31 December 2025					
Interest-bearing loans	**37,986**	**75,973**	**75,973**	**1,609,727**	**1,799,659**
Derivative financial instruments	**741**	**—**	**—**	**—**	**741**
Trade and other payables	**100**	**—**	**—**	**—**	**100**

US$ thousands

	Within 1 year	2–3 years	4-5 years	> 5 years	Total
As at 31 December 2024					
Interest-bearing loans	37,986	75,973	75,973	1,647,713	1,837,645
Derivative financial instruments	189	—	—	—	189
Trade and other payables	1,151	—	—	—	1,151

The disclosed financial derivative instruments in the above table are the gross undiscounted cash flows. However, those amounts may be settled gross or net. The following table shows the corresponding estimated inflows based on the contractual terms:

US$ thousands

	Within 1 year	**2–3 years**	**4-5 years**	**> 5 years**	**Total**
As at 31 December 2025					
Inflows	**437,947**	**—**	**—**	**—**	**437,947**
Outflows	**(439,562)**	**—**	**—**	**—**	**(439,562)**
Net	**(1,615)**	**—**	**—**	**—**	**(1,615)**

US$ thousands

	Within 1 year	2–3 years	4-5 years	> 5 years	Total
As at 31 December 2024					
Inflows	13,191	—	—	—	13,191
Outflows	(12,403)	—	—	—	(12,403)
Net	788	—	—	—	788

The above liquidity tables include expected inflows and outflows from currency option contracts which the Company expects to be exercised during 2026 as at 31 December 2025 and during 2025 as at 31 December 2024, either by the Company or counterparty.

Management considers that the Company has adequate current assets and forecast cash from operations to manage liquidity risks arising from current liabilities and non-current liabilities.

Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios that support its business and maximise shareholder value. Management considers capital to consist of equity and interest-bearing loans (Note 10), as disclosed in the balance sheet and equity investments at FVOCI (Note 15).

In order to ensure an appropriate return for shareholders' capital invested in the Company, Management thoroughly evaluates all material projects and potential acquisitions and approves them at its Executive Committee before submission to the Board for ultimate approval, where applicable. The Company's dividend policy aims to pay out between 33-50% of profit after tax each year, while making certain adjustments to exclude non-cash effects in the income statement. Dividends are paid in the approximate ratio of one-third as an interim dividend and two-thirds as a final dividend. Before declaring a dividend, the Board carries out a detailed analysis of the profitability of the business, underlying earnings, capital requirements and cash flow. The Company aim is to maintain enough flexibility to be able to react to movements in precious metals prices and seize attractive business opportunities.

CONSOLIDATED AUDITED MINERAL RESOURCE STATEMENT FOR UNDERGROUND OPERATIONAL PROPERTIES, SRK CONSULTING (U.S.), INC.[1, 2, 4]

AS AT 30 APRIL 2025

		Quantity	Grade					Contained metal			
Resource category	**Cut-off grade[2]**	**Tonnes(kt)**	**Au(g/t)**	**Ag(g/t)**	**Pb(%)**	**Zn(%)**	**NSR ($/t)**	**Au(koz)**	**Ag(koz)**	**Pb(kt)**	**Zn(kt)**
Minera Fresnillo – Fresnillo/Proaño Mine – Underground											
Measured	100.76 $/t NSR	10,012	0.89	434	1.01	1.86	400.73	287	139,640	101	187
Indicated		18,817	0.69	250	1.31	3.06	279.20	420	151,269	247	576
Measured and indicated		28,830	0.76	314	1.21	2.65	321.40	707	290,909	348	763
Inferred		27,105	0.58	243	0.73	1.46	236.51	502	211,730	198	397
Minera Saucito – Saucito Mine – Underground											
Measured	108.13 $/t NSR	6,482	1.42	254	1.37	2.34	328.87	297	52,900	88	152
Indicated		19,811	0.96	233	1.23	2.30	286.08	612	148,480	244	455
Measured and indicated		26,294	1.08	238	1.26	2.31	296.63	909	201,380	333	607
Inferred		24,204	0.71	174	0.97	2.15	220.89	551	135,543	235	522
Minera Ciénega – Ciénega Complex – Underground											
Measured	Multiple[3]	3,803	2.61	179	0.88	1.34	317.14	319	21,855	34	51
Indicated		3,897	1.79	165	0.68	1.08	251.58	225	20,708	27	42
Measured and indicated		7,699	2.20	172	0.78	1.21	283.96	544	42,564	60	93
Inferred		5,805	2.04	169	0.58	1.00	266.13	381	31,484	34	58
Minera San Julián – San Julián Mine Underground: Veins											
Measured	110.36 $/t NSR	612	1.45	241	0	0	303.01	29	4,732	—	—
Indicated		5,255	1.27	148	0	0	212.36	215	24,976	—	—
Measured and indicated		5,867	1.29	157	0	0	238.19	244	29,708	—	—
Inferred		7,068	1.10	147	0	0	199.65	251	33,324	—	—
Totals – Underground											
Measured and indicated	Multiple	68,689	1.09	256	1.08	2.13	300.61	2,403	564,561	741	1,463
Inferred		64,182	0.82	200	0.73	1.52	229.24	1,685	412,081	466	977

1. Mineral resources are reported inclusive of ore reserves. Mineral resources are not ore reserves and do not have demonstrated economic viability. All figures rounded to reflect the relative accuracy of the estimates. Gold, silver, lead and zinc assays were capped where appropriate. Given historical production it is the company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.
2. To address Reasonable Prospects of Eventual Economic extraction, mineable shapes were created using a Mineable Stope Optimizer (at an NSR cut-off grade) to report the Mineral Resources. The MSO shapes have been defined using variable NSR (Net Smelter Return) cut-off values, with additional review to exclude discontinuous, distal mining shapes not likely to support CAPEX and development. Cut-off grades are based on metal price assumptions*, variable metallurgical recoveries (as a function of grade and relative metal distribution), estimated mining costs, processing costs, general & administrative (G&A) costs, and NSR factors that include smelting and transportation costs. The final tonnage and grade figures presented account for internal dilution within these stopes, with dilution within the mineable stope shapes assigned at zero grade.
3. The cut-off grade for Ciénega's mineral resources varies between 113.5 and 139.9 $/t NSR.
4. Metal price assumptions considered for the calculation of metal equivalent grades are as follows: Gold (US$/oz 2,300.00), Silver (US$/oz 30.00), Lead (US$/lb 0.91) and Zinc (US$/lb 1.25).

CONSOLIDATED AUDITED MINERAL RESOURCE STATEMENT FOR SONORA PROPIERTIES, AMC MINING CONSULTANTS (CANADA) LTD.[1-3,6-8]

AS AT 30 APRIL 2025

Resource category	Cut-off grade	Quantity Tonnes(kt)	Grade Au(g/t)	Contained metal Au(koz)
Minera Penmont: Herradura open pit[4]				
Measured	Multiple[4]	257,191	0.80	6,626
Indicated		118,556	0.78	2,955
Measured and indicated		375,746	0.79	9,581
Inferred		3,177	0.32	32
Minera Penmont: Noche Buena open pit[5]				
Measured	0.14 g/t Au	69,695	0.40	898
Indicated		6,110	0.44	86
Measured and indicated		75,805	0.40	984
Inferred		283	0.35	3
Minera Penmont: Centauro Profundo underground				
Measured	1.7 g/t Au	309	3.64	36
Indicated		9,272	3.76	1,119
Measured and indicated		9,581	3.75	1,156
Inferred		14,123	3.66	1,664
Total – Open pit				
Measured and indicated	Multiple [4,5]	451,551	0.73	10,565
Inferred		3,460	0.32	35
Totals – Underground				
Measured and indicated	1.7 g/t Au	9,581	3.75	1,156
Inferred		14,123	3.66	1,664

1. Totals may not compute exactly due to rounding.
2. Mineral Resources are reported inclusive of Ore Reserves.
3. Mineral Resources are reported in accordance with the JORC (2012) reporting code.
4. Herradura open pit Mineral Resources are reported at various cut-offs dependent on material types and grade.
   a. Oxide material equal to or above 0.20 g/t Au and below 0.53 g/t Au reports to the heap leach;
   b. Transitional and sulfide material equal to or above 0.27 g/t and below 0.30 g/t Au reports to the heap leach;
   c. Oxide material equal to or above 0.53 g/t Au reports to the mill;
   d. Transitional and sulfide material equal to or above 0.30 g/t Au reports to the mill.
5. Noche-Buena open pit Mineral Resources are reported at a cut-off grade of 0.14 g/t Au reporting to the heap leach.
6. Reasonable prospects for eventual economic extraction (RPEEE) criteria have been applied to open pit Mineral Resources by reporting blocks above the relevant cut-off grade within a constraining pit shell using similar inter-ramp angles used for Ore Reserve pits. RPEEE was applied to underground Mineral Resources using a Mineable Stope Optimizer, assuming a cut-and-fill mining method and a cut-off grade of 1.7 g/t Au. Underground Mineral Resources are reported at a 0 g/t cut-off grade within contiguous mineable shapes.
7. Cut-off grades assume a gold price of US$2,300/oz. Metallurgical recoveries are determined using grade-recovery regression curves for heap leach processing by material type. Heap leach recoveries range from 28-70% for open pits. Material processed through the mill (including all underground) assumes an average recovery of 90%.
8. Mineral Resources were estimated by Fresnillo. Simeon Robinson, P.Geo. (EGBC #43058, PGO #3904, MAIG #5609) of AMC reviewed and audited the Resource estimates for Herradura and Centauro Profundo. Michael O'Brien. P.Geo. (EGBC #41338, FAusIMM #206669) of Red Pennant reviewed and audited the Resource estimates for Noche Buena.

CONSOLIDATED AUDITED MINERAL RESOURCE STATEMENT OF EXPLORATION PROJECTS AND PROSPECTS[1]

AS AT 31 DECEMBER 2025

Deposit1		Quantity	Grade				Contained metal			
Fresnillo subsidiary	Cut-off grade*	Tonnes (kt)	Gold (g/t)	Silver (g/t)	Lead (%)	Zinc (%)	Gold (koz)	Silver (koz)	Lead (kt)	Zinc (kt)
Measured mineral resource										
Orisyvo – disseminated Au **	0.34 g/t Au	42,330	1.34	2	—	—	1,830	2,104	—	—
Candameña – disseminated Au **		—	—	—	—	—	—	—	—	—
Leones – breccia **		—	—	—	—	—	—	—	—	—
Lucerito – breccia/mantos **		—	—	—	—	—	—	—	—	—
Rodeo – disseminated Au		—	—	—	—	—	—	—	—	—
Manzanillas – veins	US$80.50/t	107	4.45	86	—	—	15	295	—	—
San Juan – veins		—	—	—	—	—	—	—	—	—
Opulencia – veins		—	—	—	—	—	—	—	—	—
Guanajuato Centro – veins	US$63.67/t	2,927	0.55	42	—	—	57	4,786	—	—
Guanajuato Sur – veins		—	—	—	—	—	—	—	—	—
Cebadillas – veins		—	—	—	—	—	—	—	—	—
La Yesca – veins		—	—	—	—	—	—	—	—	—
San Nicolas – veins		—	—	—	—	—	—	—	—	—
Pilarica – mantos		—	—	—	—	—	—	—	—	—
Total Measured		**45,365**	**1.30**	**4**	**—**	**—**	**1,903**	**7,186**	**—**	**—**
Indicated mineral resource										
Orisyvo – disseminated Au **	0.36 g/t Au	195,993	1.01	1	—	—	6,334	8,542	—	—
Candameña – disseminated Au **	US$14.22/t	84,712	0.60	15	0.03	—	1,622	39,524	21	46
Leones – breccia **							—	—	—	—
Lucerito – breccia/mantos **	US$22.00/t	273,937	0.32	18	0.18	—	2,798	154,187	494	838
Rodeo – disseminated Au	0.15 g/t AuEq	114,857	0.41	5	—	—	1,518	16,761	—	—
Manzanillas – veins	US$80.50/t	1,033	2.88	56	—	—	96	1,864	—	—
San Juan – veins	US$80.50/t	3,229	1.61	144	—	—	168	14,917	—	—
Opulencia – veins	US$85.50/t	3,150	2.43	111	—	—	246	11,240	—	—
Guanajuato Centro – veins	US$73.81/t	11,571	1.58	61	—	—	586	22,715	—	—
Guanajuato Sur – veins	US$85.50/t	714	4.18	631	—	—	96	14,490	—	—
Cebadillas – veins		—	—	—	—	—	—	—	—	—
La Yesca – veins		—	—	—	—	—	—	—	—	—
San Nicolas – veins		—	—	—	—	—	—	—	—	—
Pilarica – mantos	US$18.95/t	10,666		98	—	—	—	33,703	33	52
Total Indicated		**699,862**	**0.60**	**14**	**—**	**—**	**13,464**	**317,943**	**548**	**936**
Inferred mineral resource										
Orisyvo – disseminated Au **	0.35 g/t Au	68,539	0.64	1	—	—	1,410	2,103	—	—
**	US$8.85/t	14,113	0.32	13	0.01	0.03	145	6,075	1	4
Leones – breccia **	US$25.20/t	9,171	—	91	1.29	1.12	—	26,746	119	102
Lucerito – breccia/mantos **	US$22.00/t	349,430	0.25	15	0.15	0.29	2,847	173,664	509	1,007
Rodeo – disseminated Au	0.15 g/t AuEq	69,062	0.34	3	—	—	763	7,717	—	—
Manzanillas – veins	US$80.50/t	333	1.72	39	—	—	18	423	—	—
San Juan – veins	US$80.50/t	8,599	1.48	137	—	—	410	37,789	—	—
Opulencia – veins	US$85.50/t	3,500	1.70	81	—	—	191	9,125	—	—
Guanajuato Centro – veins	US$78.02/t	16,454	1.50	58	—	—	791	30,823	—	—
Guanajuato Sur – veins	US$85.50/t	18,261	2.43	503	—	—	1,426	295,016	—	—
Cebadillas – veins	US$85.50/t	2,015	1.76	55	—	—	114	3,541	—	—
La Yesca – veins	US$85.50/t	1,810	0.59	112	—	—	34	6,525	—	—
San Nicolas – veins	1.18 g/t Au-Eq	3,868	1.10	145	—	—	136	17,988	—	—
Pilarica – mantos	US$34.83/t	7,252	0.38	82	1.21	1.28	89	19,202	88	93
Total Inferred		**572,407**	**0.46**	**35**	**0.13**	**0.21**	**8,374**	**636,737**	**717**	**1,206**

1. Mineral resources are not ore reserves and do not have demonstrated economic viability. All figures rounded to reflect the relative accuracy of the estimates. Composites were capped where appropriate. Mineral resources are reported at variable metal, metal equivalent or NSR cut-off grades, assuming reasonable metal recoveries. Orisyvo, Lucerito, Candameña, and Rodeo mineral resources are reported inside a conceptual pit shell based on appropriate mining and processing costs and metal recoveries for oxide and sulfide material. Equivalent metal grades are based on US$2,300 per ounce of gold, US$30.00 per ounce of silver, US$1.25 per pound of zinc, US$0.91 per pound of lead and US$3.00 per pound of copper. Orisyvo assumed historical metal prices of US$1,400 per ounce of gold and US$17.50 per ounce of silver. Cut-off grade calculations assume variable metallurgical recoveries.

** Mineral Resources Statement prepared independently by SRK.

CONSOLIDATED AUDITED ORE RESERVE STATEMENT FOR UNDERGROUND OPERATIONAL PROPERTIES, SRK CONSULTING (U.S.), INC.

AS AT 30 APRIL 2025

		Quantity	Grade					Contained metal			
Deposit	**Cut-off grade[1]**	**Tonnes(kt)**	**Au(g/t)**	**Ag(g/t)**	**Pb(%)**	**Zn(%)**	**NSR ($/t)**	**Au(koz)**	**Ag(koz)**	**Pb(kt)**	**Zn(kt)**
Minera Fresnillo – Fresnillo/Proaño Mine – Underground[2]											
Proven	112.68 $/t NSR	4,517	0.57	243	0.62	1.21	205.87	83	35,233	28	55
Probable		16,087	0.52	187	1.05	2.45	191.97	270	96,693	168	394
Proven and Probable		**20,605**	**0.53**	**199**	**0.95**	**2.18**	**195.02**	**353**	**131,926**	**196**	**449**
Minera Saucito – Saucito Mine – Underground[2]											
Proven	110.28 $/t NSR	3,899	1.19	190	1.28	2.21	239.15	149	23,858	50	86
Probable		13,546	0.83	220	1.1	1.97	236.35	359	95,681	149	267
Proven and Probable		**17,444**	**0.91**	**213**	**1.14**	**2.02**	**236.98**	**509**	**119,540**	**198**	**353**
Minera Ciénega – Ciénega Complex – Underground[2]											
Proven	Multiple[2]	1,864	2.29	133	0.45	0.67	219.49	137	7,975	8	13
Probable		1,720	2.35	135	0.41	0.55	224.98	130	7,448	7	10
Proven and Probable		**3,584**	**2.32**	**134**	**0.43**	**0.62**	**222.12**	**267**	**15,423**	**16**	**22**
Minera San Julián – San Julián Mine Underground: Veins[2]											
Proven	118.65 $/t NSR	476	1.24	229	0	0	248.36	19	3,510	—	—
Probable		3,679	1.07	153	0	0	181.38	127	18,127	—	—
Proven and Probable		**4,155**	**1.09**	**162**	**0**	**0**	**189.06**	**146**	**21,637**	**—**	**—**
Totals – Underground											
Proven	Multiple	10,756	1.13	204	0.8	1.43	222.18	389	70,575	86	154
Probable		35,032	0.79	194	0.92	1.91	209.64	886	217,950	324	670
Proven and Probable		**45,789**	**0.87**	**196**	**0.9**	**1.8**	**212.58**	**1,275**	**288,525**	**410**	**824**

NSR ($/t)

1. All figures rounded to reflect the relative accuracy of the estimates. Ore reserves are reported at reported at an NSR cut-off grade based on the following assumptions:
- Metal price assumptions $2,100/oz Au, $26.50/oz Ag, $0.94/lb Pb, $1.20/lb Zn
- Pb concentrate recoveries 48% Au, 70% Ag, 66% Pb with 95% pay factor and include TC/RC
- Zn concentrate recoveries 3% Au, 9% Ag, 56% Zn with 75% Au, 70% Ag, 85% Zn pay factors and include TC/RC
- Mining costs, processing costs, general and administrative costs vary for each site and range between $110.28/t-ore and $118.65/t-ore
- Dilution and inferred material within the design shapes is reported at zero grade
- A small amount of marginal material is included in the reserves

Reserves include planned dilution to a minimum mining width and to minable outlines. Additionally, based on mining method, floor dilution is included, and appropriate mining recovery factors are applied.

2. The NSR cut-off grade for the Ciénega reserves vary between $115.74/t NSR and $115.96/t NSR.
- The reserves are valid as of April 30, 2025. All topography is valid as of April 30, 2025
- The ore reserves were estimated by Fresnillo. Anton Chan, B.Eng, M.Sc., P.Eng, MMSAQP (#01546QP) of SRK, a Competent Person, reviewed and audited the reserve estimates.
- kt: thousand tonnes; Au: gold; Ag: silver; Pb: Lead; Zn: zinc; g/t: grams per tonne; %: percent; oz: troy ounce; koz: thousand troy ounces.

CONSOLIDATED AUDITED ORE RESERVE STATEMENT FOR SONORA PROPERTIES, AMC MINING CONSULTANTS (CANADA) LTD.

AS AT 30 APRIL 2025

Reserve category	Cut-off grade	Quantity Tonnes(kt)	Grade Au(g/t)	Contained metal Au(koz)
Minera Penmont: Herradura open pit				
Proven		181,916	0.82	4,781
Probable	Multiple[1]	47,436	0.78	1,182
Proven and Probable		**229,353**	**0.81**	**5,963**

- The Herradura Ore Reserves that are attributed to the heap leach are reported at cut-off grades of 0.21 g/t Au for oxide ore and 0.27 g/t Au for sulfide and transition ore. Oxide material above 0.65 g/t Au and transitional and sulfide material above 0.31 g/t Au are attributed to the mill.
- Ore Reserves and all topography are valid as of 30 April 2025.
- Ore Reserves are based on a US$2,100/oz Au price.
- Exchange rate of 20 MXN to 1 US$.
- Full mining recovery assumed. Ore Reserves have no additional dilution added to that inherent in the selective mining unit (SMU) of 15 × 15 × 8 m^3.
- Assumed metallurgical recoveries are based on operational experience and average 68% and 30% for Herradura oxide and sulfide ore, respectively, to the heap leach, and 90% for Herradura ore to the mill.
- Ore Reserves are converted from mineral resources through the process of pit optimisation, pit design, and production scheduling, and are supported by a cash flow model.
- All figures rounded to reflect the relative accuracy of the estimates; numbers may not compute exactly due to rounding.
- Ore Reserves were estimated by Fresnillo. David Warren, BSc, MSc, P.Eng. (EGBC #15053) of AMC, a Competent Person, reviewed and audited the Ore Reserve estimates.

AUDITED MINERAL RESOURCE FOR THE JUANICIPIO PROPERTY (100% BASIS) AS AT 30 APRIL 2025

		Quantity	Grade				Contained metal			
Resource category	**Cut-off grade**	**Tonnes(kt)**	**Au(g/t)**	**Ag(g/t)**	**Pb(%)**	**Zn(%)**	**Au(koz)**	**Ag(koz)**	**Pb(kt)**	**Zn(kt)**
Measured	140.76 g/t AgEq	2,639	1.56	518	2.02	3.72	132	43,960	53	98
Indicated		18,138	1.62	193	2.50	4.74	942	112,330	454	860
Measured and indicated		**20,777**	**1.61**	**234**	**2.44**	**4.61**	**1,074**	**156,290**	**508**	**958**
Inferred		11,282	0.59	159	1.35	4.31	213	57,824	152	486

Notes:

- Totals may not compute exactly due to rounding.
- Mineral Resources declared on a 100% basis.
- Mineral Resources are inclusive of Mineral Reserves.
- Mineral Resources are reported in accordance with the JORC (2012) reporting code.
- To address RPEEE mineable shapes were created using a Mineable Stope Optimizer based on the following assumptions:
  - Avoca long hole open stope mining, with a Minimum Mining Unit (MMU) dimension with a minimum mining width of 2m, 20 m long, and 20 m high.
  - 140.76 g/t AgEq cut-off grade.
- Discontinuous, distal minable shapes not likely to support development and operating costs were excluded.
- Mineral Resources are reported at a 0 g/t AgEq cut-off grade within the mineable stope shape (i.e. incorporating internal dilution).
- The AgEq grade calculation and cut-off grades assume the following:
  - Metal prices of Au (US$2,300.00/oz), Ag (US$30.00/oz), Pb (US$0.91/lb), and Zn (US$1.25/lb).
  - Metal recoveries of 74.9% Au, 94.67% Ag, 89.52% Pb, and 80.23% Zn.
  - NSR factors of US$44.87/g Au, US$0.77/g Ag, US$16.18 %Pb, and US$16.33 %Zn.
- The Mineral Resources were estimated by Fresnillo. Justin Glanvill (SACNASP), Principal Geologist of AMC, reviewed and audited the Mineral Resources.

AUDITED ORE RESERVES FOR THE JUANICIPIO PROPERTY (100% BASIS), AMC MINING COUNSULTANTS (CANADA) LTD.
AS AT 30 APRIL 2025

		Quantity	Grade				Contained metal			
Reserve category	**Cut-off grade**	**Tonnes(kt)**	**Au(g/t)**	**Ag(g/t)**	**Pb(%)**	**Zn(%)**	**Au(koz)**	**Ag(koz)**	**Pb(kt)**	**Zn(kt)**
Proven	155 g/t AgEq	2,366	1.30	410	1.84	3.35	99	31,184	44	79
Probable		18,633	1.41	169	2.18	4.12	846	101,052	406	768
Proven and Probable		**20,999**	**1.40**	**196**	**2.14**	**4.03**	**945**	**132,236**	**450**	**847**

Notes:
- Totals may not compute exactly due to rounding.
- All figures rounded to reflect the relative accuracy of the estimates. Ore Reserves are reported at variable cut-off value based on metal price assumptions, metallurgical recovery assumptions, mining costs, processing costs, G&A costs, sustaining capital costs, and variable trucking costs.
- JORC Code was used for reporting of Ore Reserves.
- NSR values are calculated as:
  - NSR = 40.81*Au+0.67*Ag+16.69*Pb+15.53*Zn. Units: Au (g/t), Ag (g/t), Pb (%), Zn (%).
  - NSR factors are based on metal prices of $2,100/oz Au, $26.50/oz Ag, $0.94/lb Pb, and $1.20/lb Zn, and estimated recoveries of 74.90% Au, 94.67% Ag, 89.52% Pb, and 80.23% Zn.
  - Payable metal assumptions for Au are 95% for lead concentrate, 65% for zinc concentrate, and 45% for pyrite concentrate; for Ag: 95% for lead concentrate, 70% for zinc concentrate, and 43% for pyrite concentrate. Lead 95% payable and zinc 85% payable.
  - The all-inclusive operating costs, excluding variable trucking costs, for longhole stopes and cut-and-fill stopes are US$104/tonne and US$137/tonne respectively (155 g/t AgEq based on weighted average for mining method).
  - Estimated stope hangingwall and footwall dilution (ELOS) of 0.81m and 0.36m, respectively, was included in the stope optimisation process for both longhole stopping and cut and fill mining methods.
  - An additional operational floor mucking dilution of 0.5m for longhole and cut-and-fill stopes is applied to the Ore Reserve calculation. An endwall dilution of 0.5m for longhole stoping is also applied.
  - Mining recovery factors are 92% for longhole stopes and cut-and-fill stopes. Mining recovery factor for ore drive development is 99%. Mining recovery factor for sill pillars is 0%.
  - Exchange rate of 20 MXN to 1 US$.
  - The Ore Reserves were estimated by Fresnillo. Paul Salmenmaki, P.Eng. (EGBC #40227), a Competent Person, reviewed and audited the Ore Reserves.

OPERATING STATISTICS

	ORE PROCESSED (tonnes)							SILVER (grammes/tonne)						
	2019	2020	2021	2022	2023	2024	2025	2019	2020	2021	2022	2023	2024	2025
Fresnillo	2,461,785	2,336,943	2,216,467	2,462,409	2,618,509	2,333,973	**2,098,904**	184.5	193.9	186.2	188.7	170.2	152.1	**168.5**
Ciénega	1,329,134	1,318,263	1,282,367	1,114,232	1,064,543	1,058,778	**900,078**	158.9	158.6	153.4	152.4	147.5	165.5	**125.1**
Herradura	22,926,542	19,797,063	20,311,876	22,195,187	20,223,914	22,742,296	**20,035,347**	2.9	2.6	2.1	1.6	1.6	1.2	**1.3**
Saucito	2,752,638	2,767,432	2,434,449	2,072,812	2,163,982	2,363,960	**2,278,284**	227.6	205.8	182.9	201.3	195.2	214.0	**212.8**
Saucito Pyrites	167,513	172,233	159,635	135,044	109,433	91,313	**71,570**	299.4	220.1	150.5	164.0	199.6	264.8	**310.7**
Soledad-Dipolos	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
Noche Buena	12,166,900	6,682,617	8,996,842	7,428,189	2,510,639	—	**—**	0.2	0.7	0.2	0.2	0.2	—	**—**
San Julián – Veins	1,265,030	1,254,970	1,202,826	1,175,764	1,142,309	1,236,682	**1,261,161**	115.4	108.6	119.2	134.6	165.6	231.6	**225.0**
San Julián – DOB	2,226,956	2,229,612	2,070,563	2,092,971	2,073,847	1,554,108	**—**	139.5	150.3	220.6	167.9	136.2	80.7	**—**
Juanicipio (Total)	—	71,859	251,906	646,148	1,268,757	1,328,178	**1,372,673**	—	327.8	470.2	519.8	472.4	468.2	**423.2**

	ZINC CONCENTRATE (tonnes)							SILVER (grammes/tonne)						
	2019	2020	2021	2022	2023	2024	2025	2019	2020	2021	2022	2023	2024	2025
Fresnillo	61,639	67,851	68,192	84,466	89,932	99,740	**88,836**	622	627	572	549	504	351	**413**
Ciénega	16,897	17,470	12,339	10,264	7,219	6,646	**1,368**	1,177	1,336	2,056	1,982	3,548	4,208	**7,121**
Herradura	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
Saucito	62,171	86,451	76,696	56,531	65,273	66,712	**79,492**	692	501	397	501	532	533	**484**
Soledad-Dipolos	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
Noche Buena	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
San Julián – DOB	45,979	39,621	38,226	34,567	29,350	24,037	**—**	2,188	2,959	3,765	3,443	3,227	2,441	**—**
Juanicipio (Total)	—	576	4,117	16,438	40,790	59,332	**71,154**	—	1,835	1,528	1,159	1,057	1,082	**602**

	LEAD CONCENTRATE (tonnes)							SILVER (grammes/tonne)						
	2019	2020	2021	2022	2023	2024	2025	2019	2020	2021	2022	2023	2024	2025
Fresnillo	58,679	60,157	52,035	60,094	62,548	74,905	**61,120**	6,241	6,042	6,415	6,272	5,627	3,785	**4,627**
Ciénega	13,032	14,450	9,725	8,375	6,575	6,186	**4,179**	10,797	9,292	12,465	12,519	13,125	15,717	**12,812**
Herradura	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
Saucito	56,844	71,982	64,825	47,130	52,490	60,075	**71,772**	8,632	6,110	5,499	7,304	6,510	6,903	**5,441**
Soledad-Dipolos	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
Noche Buena	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
San Julián – DOB	16,200	14,363	16,644	14,657	15,564	8,441	**—**	10,478	11,924	14,801	12,281	9,483	5,554	**—**
Juanicipio (Total)	—	894	4,457	14,440	31,157	43,057	**58,881**	—	20,505	20,838	17,934	15,127	11,301	**8,178**

	DORÉ AND OTHER PRODUCTS (tonnes)							SILVER (grammes/tonne)						
	2019	2020	2021	2022	2023	2024	2025	2019	2020	2021	2022	2023	2024	2025
Ciénega precipitates	56.5	58.9	54.7	46.8	49.0	50.6	**46.2**	348,315	366,889	417,407	454,399	467,989	497,015	**498,347**
Ciénega Gravimetric Concentrator	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
Saucito Pyrites precipitates	83.3	60.0	39.0	37.3	26.7	29.2	**25.0**	437,279	476,801	451,681	441,459	551,136	570,187	**641,480**
Herradura doré	79.7	66.6	53.7	46.0	38.9	32.6	**29.2**	606,458	583,752	529,334	532,056	487,379	487,184	**512,618**
Herradura slag	1,284.3	1,323.7	608.9	—	34.8	—	**—**	1,041	1,634	1,550	—	480	—	**—**
Soledad-Dipolos doré	—	—	—	—	—	—		—	—	—	—	—	—	
Soledad-Dipolos slag	—	—	—	—	—	—		—	—	—	—	—	—	
Fresnillo Concentrates from Tailings Dam	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
Noche Buena doré	7.8	0.4	—	—	0.7	—	**—**	98,118	269,786	—	—	254,728	—	**—**
Noche Buena slag	248.7	11.6	—	—	158.7	—	**—**	—	1,069	—	—	963	—	**—**
San Julián – Veins precipitates	155.6	142.8	151.1	172.2	215.7	346.8	**325.8**	862,812	877,909	869,458	837,831	801,541	757,151	**791,630**
Fresnillo precipitates	—	—	0.2	—	21.2	76.7	**79.7**	—	—	454,780	—	566,560	569,270	**612,236**
Juanicipio precipitates	—	—	0.4	15.5	8.4	—	**25.5**	—	—	625,852	623,760	642,547	—	**461,855**

	METAL PRODUCED[1,2] SILVER (ounces)							GOLD (ounces)						
	2019	2020	2021	2022	2023	2024	2025	2019	2020	2021	2022	2023	2024	2025
Fresnillo	13,007,227	13,054,481	11,986,025	13,609,019	12,771,803	10,241,905	**10,272,874**	52,259	38,388	33,743	34,432	36,909	51,473	**40,753**
Ciénega	5,796,190	5,762,384	5,446,619	4,709,216	4,334,581	4,833,902	**2,774,656**	65,583	64,101	48,819	37,466	35,934	39,422	**37,410**
Herradura	1,563,060	1,305,572	925,825	775,948	610,764	524,461	**515,801**	482,722	425,288	421,535	349,715	355,485	360,598	**356,097**
Saucito	17,159,627	15,532,298	12,438,843	11,977,292	12,101,782	14,474,389	**13,790,997**	79,539	84,878	88,440	73,497	72,763	82,718	**69,388**
Saucito Pyrites	1,171,298	920,212	567,030	529,355	473,912	535,599	**515,403**	4,045	3,452	2,294	1,959	1,228	1,514	**1,459**
Soledad-Dipolos	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
Noche Buena	57,754	39,340	31,574	19,830	10,316	9,206	**3,125**	127,166	87,998	96,835	79,668	42,537	20,941	**18,116**
San Julián – Veins	4,317,225	4,030,008	4,224,406	4,638,089	5,558,565	8,442,804	**8,292,807**	62,207	61,790	51,840	43,397	41,009	49,633	**50,573**
San Julián – DOB	8,691,636	9,276,125	12,547,642	9,613,719	7,790,507	3,393,468	**—**	2,393	3,134	4,006	3,330	3,478	1,779	**—**
Juanicipio (Attributable)	—	349,220	1,789,979	5,179,950	9,414,788	10,400,181	**9,642,527**	—	590	3,683	12,461	20,570	21,856	**23,854**
Fresnillo DLP	—	—	2,617	—	386,609	1,404,055	**1,568,613**	—	—	8	—	733	1,639	**2,289**
Juanicipio Pyrites (Attributable)	—	—	—	—	—	—	**212,300**	—	—	—	—	—	—	**348**
Fresnillo Total	51,764,017	50,269,640	49,960,560	51,052,418	53,453,627	54,259,970	**47,589,103**	875,914	769,619	751,203	635,925	610,646	631,573	**600,287**

GOLD (grammes/tonne)							ZINC (%)							LEAD(%)						
2019	2020	2021	2022	2023	2024	2025	2019	2020	2021	2022	2023	2024	2025	2019	2020	2021	2022	2023	2024	2025
0.89	0.73	0.68	0.61	0.62	0.92	**0.82**	1.80	2.07	2.20	2.38	2.32	2.93	**2.85**	1.0	1.1	1.0	1.1	1.0	1.4	**1.2**
1.66	1.63	1.27	1.14	1.14	1.27	**1.39**	1.13	1.18	0.90	0.86	0.63	0.55	**0.31**	0.7	0.7	0.5	0.5	0.4	0.4	**0.2**
0.80	0.77	0.76	0.69	0.76	0.71	**0.69**	–	–	–	–	–	–	**—**	—	—	—	—	—	—	**—**
1.19	1.24	1.46	1.40	1.34	1.40	**1.24**	1.57	2.21	2.08	1.78	1.96	1.85	**2.26**	0.9	1.2	1.2	1.0	1.1	1.1	**1.4**
2.32	1.92	1.50	1.44	1.43	1.87	**1.95**	–	–	–	–	–	–		—	—	—	—	—	—	
—	—	—	—	—	—	**—**	–	–	–	–	–	–	**—**	—	—	—	—	—	—	**—**
0.51	0.52	0.59	0.53	0.47	—	**—**	–	–	–	–	–	–	**—**	—	—	—	—	—	—	**—**
1.61	1.61	1.42	1.21	1.17	1.31	**1.31**	–	–	–	–	–	–	**—**	—	—	—	—	—	—	**—**
0.08	0.09	0.10	0.08	0.08	0.06	**—**	1.36	1.19	1.27	1.09	0.94	1.04	**—**	0.4	0.4	0.5	0.4	0.4	0.3	**—**
—	0.73	1.13	1.39	1.27	1.25	**1.27**	–	0.60	1.20	1.72	2.06	2.78	**3.30**	—	0.3	0.6	0.9	1.2	1.5	**1.8**

GOLD (grammes/tonne)							ZINC (%)							LEAD (%)						
2019	2020	2021	2022	2023	2024	2025	2019	2020	2021	2022	2023	2024	2025	2019	2020	2021	2022	2023	2024	2025
2.6	2.2	1.9	1.8	1.7	1.8	**1.5**	51.2	50.3	50.6	51.3	50.5	50.8	**50.3**	—	—	—	—	—	—	**—**
7.1	7.6	10.2	9.4	16.1	21.5	**48.4**	53.2	53.0	51.6	52.5	49.2	47.7	**38.6**	—	—	—	—	—	—	**—**
—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
3.1	2.4	1.6	1.6	1.9	1.6	**1.3**	47.2	49.5	48.9	50.3	50.5	51.1	**50.7**	—	—	—	—	—	—	**—**
—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
0.6	1.0	1.2	1.2	1.3	1.1	**—**	49.4	51.7	52.3	50.6	49.1	49.7	**—**	—	—	—	—	—	—	**—**
—	3.7	3.6	2.4	1.8	1.6	**0.9**	—	45.9	44.9	49.1	49.8	50.4	**51.1**	—	—	—	—	—	—	**—**

GOLD (grammes/tonne)							ZINC (%)							LEAD (%)						
2019	2020	2021	2022	2023	2024	2025	2019	2020	2021	2022	2023	2024	2025	2019	2020	2021	2022	2023	2024	2025
25.0	17.3	17.6	15.4	15.9	19.0	**18.5**	—	—	—	—	—	—	**—**	36.6	35.4	36.1	36.2	34.2	36.2	**35.1**
78.2	72.0	80.0	69.0	73.0	81.8	**119.8**	—	—	—	—	—	—	**—**	44.8	42.3	40.6	42.0	43.8	47.2	**22.7**
—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
40.2	33.8	40.5	46.6	40.8	41.0	**28.6**	—	—	—	—	—	—	**—**	36.5	39.7	38.0	37.8	37.2	37.8	**37.8**
—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
2.8	4.0	4.8	4.2	4.5	3.3	**—**	—	—	—	—	—	—	**—**	47.2	49.5	51.3	48.5	44.0	43.9	**—**
—	34.2	42.4	44.0	33.6	23.7	**20.7**	—	—	—	—	—	—	**—**	—	21.5	26.9	34.1	41.3	41.3	**38.0**

GOLD (grammes/tonne)						
2019	2020	2021	2022	2023	2024	2025
15,918	13,940	11,249	10,489	10,647	11,400	**12,911**
—	—	—	—	—	—	**—**
1,510	1,788	1,828	1,634	1,428	1,612	**1,815**
190,981	192,426	248,538	241,449	280,498	288,334	**248,364**
334	494	662	—	3,833	—	**—**
—	—	—	—	—	—	
—	—	—	—	—	—	
—	—	—	—	—	—	**—**
8	475,146	—	—	181,396	—	**—**
206	1,025	—	—	7,584	—	**—**
12,432	13,461	10,670	7,839	5,913	4,451	**4,828**
—	—	1,473	—	1,074	664	**893**
—	—	972	1,131	712	—	**757**

ZINC (tonne)							LEAD (tonne)						
2019	2020	2021	2022	2023	2024	2025	2019	2020	2021	2022	2023	2024	2025
31,530	34,116	34,530	43,342	45,386	50,702	**44,721**	21,472	21,319	18,796	21,756	21,373	27,088	**21,432**
8,986	9,263	6,373	5,387	3,550	3,168	**527**	5,839	6,112	3,947	3,518	2,881	2,922	**948**
—	—	—	—	—	—	**0**	—	—	—	—	—	—	**0**
29,365	42,774	37,469	28,415	32,991	34,097	**40,307**	20,764	28,592	24,615	17,816	19,535	22,729	**27,158**
—	—	—	—	—	—		—	—	—	—	—	—	
—	—	—	—	—	—	**0**	—	—	—	—	—	—	**0**
—	—	—	—	—	—	**0**	—	—	—	—	—	—	**0**
—	—	—	—	—	—		—	—	—	—	—	—	
22,697	20,492	19,990	17,487	14,410	11,942	**0**	7,648	7,112	8,543	7,105	6,843	3,704	**0**
0	148	1,036	4,521	11,368	16,737	**20,359**	—	108	671	2,755	7,202	9,957	**12,538**
—	—	—	—	—	—	**—**	—	—	—	—	—	—	**0**
—	—	—	—	—	—	**—**	—	—	—	—	—	—	**0**
92,578	106,793	99,397	99,153	107,705	116,646	**105,915**	55,722	63,242	56,573	52,950	57,833	66,400	**62,076**

1. Including Production from Fresnillo's Tailings Dam
2. All figures include 100% of production from the Penmont mines (Herradura, Soledad-Dipolos and Noche Buena).

SHAREHOLDER INFORMATION

Financial calendar

Preliminary statement	3 March 2026
First quarter production report	22 April 2026
Annual General Meeting	19 May 2026
Second quarter production report	22 July 2026
Interim statement	4/8/2026*
Third quarter production report	21 October 2026

Dividend payment schedule

2025 Final Dividend Record Date	24 April 2026
2025 Final Dividend Payment Date	29 May 2026
2026 Interim Dividend Record Date	14 August 2026
2026 Interim Dividend Payment Date	18 September 2026

*To be confirmed

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Travers Smith are Fresnillo plc UK Legal Advisers.

Share fraud warning
Share fraud includes scams where investors are called out-of-the-blue and offered shares that turn out to be worthless or non-existent, or an inflated price for shares they own. These calls come from fraudsters operating in 'boiler rooms', mostly based abroad. While high profits are promised, those who buy or sell shares in this way usually lose their money. Most victims are experienced investors, losing on average £20,000.

Protect yourself
If you are offered unsolicited investment advice, discounted shares, inflated prices for shares you own, or free company or research reports, take these steps before handing over any money:

1. Get the name of the person and organisation.
2. Check the Financial Services Register at www.fca.org.uk/register to ensure they are authorised.
3. Use the details on the Financial Services Register to contact the firm.
4. Call the FCA Consumer Helpline on 0800 111 6768 if there are no contact details on the Register or you are told they are out of date.
5. Search the list of unauthorised firms and individuals to avoid doing business with.
6. **REMEMBER: if it sounds too good to be true, it probably is.**

If you use an unauthorised firm to buy or sell shares, you will not have access to the Financial Ombudsman Service or Financial Services Compensation Scheme (FSCS) if things go wrong.

Report a scam
If you are approached about a share scam you should tell the FCA using the form at www.fca.org.uk/scams (where you can also review the latest scams) or call the Consumer Helpline on 0800 111 6768.

If you have already paid money to share fraudsters then contact Action Fraud on 0300 123 2040.

For further information, please visit our website:
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