

Corporate Human Rights Benchmark 2018 Company Scoresheet



Company Name Grupo Mexico
Industry Extractives
Overall Score (*) 16.9 out of 100

Theme Score	Out of	For Theme
1.4	10	A. Governance and Policies
3.2	25	B. Embedding Respect and Human Rights Due Diligence
2.5	15	C. Remedies and Grievance Mechanisms
3.8	20	D. Performance: Company Human Rights Practices
2.5	20	E. Performance: Responses to Serious Allegations
3.6	10	F. Transparency

(*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2018 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	The individual elements of the assessment are met or not as follows: Score 1 • Met: General HRs commitment: The company indicates that "at Grupo México, we promote and protect human rights as prescribed by the United Nations Universal Declaration on Human Rights." A similar statement including a commitment to respect HR is made in the sustainable development report. [Code of Ethics - Grupo México: gmexico.com & Sustainable development report, 2016: gmexico.com] • Met: UDHR: The company indicates in the Code of Ethics that they promote HR as prescribed by the UN UDHR. [Code of Ethics - Grupo México: gmexico.com & Sustainable development report, 2016: gmexico.com] • Not met: International Bill of Rights Score 2 • Not met: UNGPs • Not met: OECD
A.1.2	Commitment to respect the human rights of workers	0.5	The individual elements of the assessment are met or not as follows: Score 1 • Met: ILO Core: In the sustainability report the company indicates that "At Grupo México, we protect the freedom of association, the terms agreed to in the collective bargaining agreements, and we adhere to the principles of the International Labour Organization's Declaration on Fundamental Principles and Rights at Work." and in the Code of Ethics they state that "we adhere to the principles of the International Labour Organization Declaration on fundamental

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>principles and rights at work." [Code of Ethics - Grupo México: gmexico.com & Sustainable development report, 2016: gmexico.com]</p> <ul style="list-style-type: none"> • Not met: All four ILO apply to EX BPs: In its Sustainable Development Report 2017, the Company indicates: 'We also extend the Code of Ethics to our board members, suppliers of goods and services, and contractors, with recommendation for its implementation and observance, actions that become a criterion for selection and continuance in our supply chain. [...] To ensure respect for human rights extends throughout our value chain, meaning customers, suppliers and contractors, we have contract clauses in place requiring regulatory compliance in this area in the countries where we operate.' See above. However, there is no specific reference to each one of the ILO core in suppliers commitments (freedom of association and collective bargaining is not clear). [Code of Ethics - Grupo México: gmexico.com & Sustainable development report, 2017: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: All four ILO Core: In its Sustainable Development Report, the Company states: 'We base our activities on principles of respect and inclusion and we reject any form of violation of the rights of people, including child exploitation and forced labor, and also any form of discrimination. [...] Under the framework of respect for the rights of our collaborators, at Grupo México we adhere to the principles of the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. Therefore, we support freedom of association and adhere to the terms agreed to in the collective bargaining agreements'. [Sustainable development report, 2017: gmexico.com] • Met: Respect H&S of workers: "At Grupo México, the safety of our people comes first, as our team is our most valued asset. Caring for the life, safety and physical well-being of our personnel is essential in all our activities, taking top priority. We have a comprehensive system in place to ensure occupational health and safety" [Code of Ethics - Grupo México: gmexico.com] • Met: H&S applies to Ex BPs: "We require the total involvement of our collaborators, contractors and/or any other outside person involved in the activities of the Company, working only with persons who observe in full our codes and standards on safety, and also taking responsibility to care for and keep workplaces clean and safe." [Code of Ethics - Grupo México: gmexico.com]
A.1.3.EX	Commitment to respect human rights particularly relevant to the industry (EX)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Based on UN Instruments • Not met: VPs participant • Not met: Uses only ICoCA members • Met: Respecting indigenous rights: In the context of HR the company "include the rights of the indigenous communities where we have presence, through understanding and respect for their customs, traditions and spaces where we may carry out an activity, always within the framework of law." [Code of Ethics - Grupo México: gmexico.com] • Not met: ILO 169 • Not met: UNDRIP • Met: Expects BPs to respect these rights: "The terms of this section [HR] apply to our people and representatives and we promote and expect the same respect for human rights from all members of our value chain and other stakeholders, such as suppliers, contractors, customers, security personnel and the authorities." [Code of Ethics - Grupo México: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: FPIC commitment • Not met: Vol Guidelines on Tenure • Not met: IFC performance standards • Not met: Zero tolerance for land grabs • Not met: Respecting the right to water • Not met: Expects BPs to respect all these rights
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commits to stakeholder engagement: The Company states that 'Through our various channels and mechanisms, Grupo México provides our different stakeholders with open and transparent communication, particularly those that are most vulnerable, so as to build a culture of collaboration and sustainability in benefit of everyone.' [Sustainable development report, 2016: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Commits to remedy: The company indicates that they are committed to "protecting and preserving the environment" through a number of actions. However this commitments do not count as a commitment to remedy in the context of this indicator. [Code of Ethics - Grupo México: gmexico.com] Score 2 <ul style="list-style-type: none"> Not met: Not obstructing access to other remedies Not met: Collaborating with other remedy initiatives Not met: Work with EX BPs to remedy impacts
A.1.6	Commitment to respect the rights of human rights defenders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Zero tolerance attacks on HRs Defenders (HRDs) Score 2 <ul style="list-style-type: none"> Not met: Expects EX BPs to reflect company HRD commitments

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: CEO or Board approves policy: The Code of Ethics where they reaffirm their values and lay out their mission and vision, including human rights has been signed by the Vice-Chairman of the Board of Directors. [Code of Ethics - Grupo México: gmexico.com] Not met: Board level responsibility for HRs Score 2 <ul style="list-style-type: none"> Not met: Speeches/letters by Board members or CEO: The members of the board, through the letter at the beginning of the code of conduct, communicate their permanent commitment with the collaborators, the organization, the work culture, the environment and society, in which they promote honesty, responsibility and respect. However this letter do not include an approach to HR or discuss its business importance [Code of Ethics - Grupo México: gmexico.com]
A.2.2	Board discussions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Board/Committee review of salient HRs: The audit committee ensures the implementation and compliance with the guidelines specified in the Code of Ethics, that includes the guidelines for human rights. However no evidence has been found of processes in place to discuss and address salient HR issues regularly. [Audit Committee And Corporate Practices Committe: gmexico.com] Not met: Examples or trends re HR discussion Score 2 <ul style="list-style-type: none"> Not met: Both examples and process
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Incentives for at least one board member Not met: At least one key EX RH risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> Not met: Performance criteria made public

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Senior responsibility fo HR (inc ILO): The Audit Committee and Corporate Practices Committee of Grupo México, declares to take care of the implementation and compliance with the guidelines specified in the ethics code, such as human rights, among others. In addition, in its Code of Ethics, the Company indicates: 'Senior management is responsible for ensuring the Code of Ethics and other policies are available to and understood by all personnel under their charge, and to ensure compliance is met with this Code.'

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Senior management will foster an environment of confidentiality that encourages our people to seek their support, and also to express, without fear of reprisals, their concerns, questions or complaints regarding compliance with the Code of Ethics and related issues. Senior management will also ensure there are mechanisms in place to channel and properly treat all reports and complaints made honestly and in good faith'. Although the code itself does not contain a commitment to all ILO core, the Company, through its reports (signed by the board) has committed to all ILO core areas. [Audit Committee And Corporate Practices Committee: gmexico.com & Code of Ethics - Grupo México: gmexico.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Day-to-day responsibility • Not met: Day-to-day responsibility for EX BRs
B.1.2	Incentives and performance management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Senior manager incentives for human rights: In its Sustainability Development Report 2017, the Company indicates: 'The Audit and Corporate Practices Committee is comprised of independent board members. This committee monitors the internal control and audit systems, conducting regular reviews, and is also responsible for due diligence on the implementation of and compliance with the ethical guidelines laid out in the Code of Ethics. This committee also sets the fixed salary policies for senior management, and the variable portion of these salaries based on performance.' However, there is no further information on whether the performance is linked to aspects of its human rights policy commitments. [Sustainable development report, 2017: gmexico.com] • Not met: At least one key EX HR risk, beyond employee H&S <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Performance criteria made public
B.1.3	Integration with enterprise risk management	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: HR part of enterprise risk system: The Sustainability report indicates that the Group's Risk Committee is responsible for central coordination and monitoring of risk management: 'this body is responsible for managing risks associated with social, labor, environmental, and health and safety related issues, and approves the Risk Management Strategic Plan, and Policy, overseeing its implementation'. The Sustainability report indicates that the Group's Risk Committee is responsible for central coordination and monitoring of risk management: 'this body is responsible for managing risks associated with social, labor, environmental, and health and safety related issues, and approves the Risk Management Strategic Plan, and Policy, overseeing its implementation'. In addition, the Audit and Corporate Practices committee monitors the internal control and audit systems, and is responsible for due diligence and implementation and compliance with the Code of ethics. [Sustainable development report, 2017: gmexico.com & Sustainable development report, 2016: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Audit Ctte or independent risk assessment
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Communicates its policy to all workers in own operations: In its Sustainable development report 2017, the Company indicates: 'At Grupo México, we not only work to ensure that respect for human rights is present in our decision making and in how we operate, we also promote awareness of these issues throughout our value chain, including customers, suppliers and contractors. Is important to note that our collaborators [employees] receive training on the Code of Ethics every two years, including human rights topics'. In addition, in its Code of Ethics, the Company indicates: 'The Code of Ethics is mandatory for all collaborators (regardless of their position with the Company), and also for representatives and any person acting on behalf and in representation of Grupo México and our subsidiaries in Mexico and overseas. [...] We share this Code with all members of our value chain and our stakeholders in general, to inform our community of our principles and also the manner in which we conduct our relationships.' Its Code of Ethics includes a commitment to respect 'the International Labor Organization Declaration on fundamental principles and rights at work'. [Sustainable development report, 2017: gmexico.com & Code of Ethics - Grupo México: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Communication of policy commitments to stakeholder: In its Code of Ethics, the Company states: 'We ask our suppliers and contractors to respect our

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			Code of Ethics. Observance of this Code is part of the criteria for selection and contracting of those who provide us goods and services. We share this Code with all members of our value chain and our stakeholders in general, to inform our community of our principles and also the manner in which we conduct our relationships.' However, there is no description of how the company communicates its policy commitment to external stakeholders including communities. [Code of Ethics - Grupo México: gmexico.com] • Not met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Steps to communicate policy commitments to BRs: In its Code of Ethics, the Company states: 'We ask our suppliers and contractors to respect our Code of Ethics. Observance of this Code is part of the criteria for selection and contracting of those who provide us goods and services. We share this Code with all members of our value chain and our stakeholders in general, to inform our community of our principles and also the manner in which we conduct our relationships.' However, it is not clear if there is a commitment to all ILO core for business partners, including freedom of association and collective bargaining rights. [Code of Ethics - Grupo México: gmexico.com] • Not met: Including to EX BPs: As indicated above, it is communicated to all members of the value chain and stakeholders in general, and suppliers and contractors are required to respect the code. [Code of Ethics - Grupo México: gmexico.com] Score 2 • Not met: How HR commitments made binding/contractual: In its Sustainable Development Report 2017, the Company indicates: 'To ensure respect for human rights extends throughout our value chain, meaning customers, suppliers and contractors, we have contract clauses in place requiring regulatory compliance in this area in the countries where we operate. In Peru, our contracts contain clauses that define human rights acts and obligations for each of the parties involved, including non-discrimination and ensuring no child exploitation or forced labor.' In addition, in its Code of Ethics, the Company stated: 'Observance of this Code is part of the criteria for selection and contracting of those who provide us goods and services. We share this Code with all members of our value chain and our stakeholders in general, to inform our community of our principles and also the manner in which we conduct our relationships.' No evidence found, however, of freedom of association and collective bargaining included as commitments for partners. [Sustainable development report, 2017: gmexico.com] • Not met: Including on EX BPs
B.1.5	Training on Human Rights	1	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Trains all workers on HR policy commitments: The company indicates that in addition to the Code of Ethics that is made available for everyone to consult, collaborators receive refresher training on the topics it contains including its contents in HR from time to time. Also 'New hires receive orientation on the Code of Ethics, and we have developed training initiatives specifically related to anti-corruption practices.' And in its 2017 Report the Company indicates: 'Human rights training It's important to note that our collaborators receive training on the Code of Ethics every two years, including human rights topics. In 2017, a total of 2,673 training hours were provided in this area.' However it is not made clear whether all workers receive training covering human rights. [Sustainable development report, 2016: gmexico.com & Sustainable development report, 2017: gmexico.com] • Met: Trains relevant managers including security personnel: The company indicates that Company Security personnel are trained on protecting and defending HR. And all private security and protecting companies that provide services at their facilities are trained in the area and receive constant refresher training. [Sustainable development report, 2016: gmexico.com] Score 2 • Not met: Both requirements under score 1 met
B.1.6	Monitoring and corrective actions	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Monitoring implementation of HR policy commitments: The Audit Committee and Corporate Practices Committee of Grupo México, declares to take care of the implementation and compliance with the guidelines specified in the ethics code. However no evidence has been found of a description of how they

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>monitor the implementation of the HR section. [Audit Committee And Corporate Practices Committe: gmexico.com & Code of Ethics - Grupo México: gmexico.com]</p> <ul style="list-style-type: none"> • Not met: Monitoring EX BP's <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Describes corrective action process: In its Code of Ethics, the Company indicates: 'To maintain a high level of integrity, it is important that we uphold the values, principles, and expected conduct established in this Code of Ethics, as well as any other applicable policies, procedures and standards. Violations of these may result in various disciplinary consequences, from dismissal to pursuing the legal recourses available. The sanctions or disciplinary actions will be congruent with the policies, practices and principles established by Grupo México and will be applied by the Ethics and Discipline Committee consistently and proportionate to the seriousness of the violation, and in accordance with current laws.' However, there is no description of the corrective action process. [Code of Ethics - Grupo México: gmexico.com] • Not met: Example of corrective action • Not met: Discloses % of supply chain monitored
B.1.7	Engaging business relationships	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: HR affects selection extractives business partners: The Company indicates in its code of ethics that "we ask our suppliers and contractors to respect our Code of Ethics. Observance of this Code is part of the criteria for selection and contracting of those who provide us goods and services". [Sustainable development report, 2016: gmexico.com] • Met: HR affects on-going business partner relationships: The Company states that they require contractors to act according to its health and safety policies and procedures, and also the Code of Ethics. "The assessment of legal compliance during the provision of the service is strengthened with the requirement to act according to our health and safety policies and procedures, and also our Code of Ethics. Any breach may lead to our disassociation from the contractor" [Sustainable development report, 2016: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirement under score 1 met • Not met: Working with business partners to improve performance
B.1.8	Approach to engagement with potentially affected stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Stakeholder process or systems: The sustainability report shows that communities were engaged on human rights issues. In the Sustainability report the company lists their stakeholders, which includes communities, opinion leaders, and charity organisations and their area of interest. However, the Company does not detail systems in place to identify affected and potentially affected stakeholders or triggers for engagement on human rights issues. [Sustainable development report, 2016: gmexico.com] • Not met: Frequency and triggers for engagement • Not met: workers in SP engaged • Not met: communities in the SC engaged: In its Sustainable development report 2017, the Company indicates: 'h. The Grupo México Mining Division strives to foster the economic and social development of our communities through our Community Development Model. This model is implemented in the communities that neighbour our operations and is based on specific methodologies and procedures, which include the community immersion process to encourage citizen participation in designing their own programs, and also in preparing social diagnostics to help us to mutually understand -company and community-, the socioeconomic reality of each region to identify their needs.' However, there is no information about a system to identify and engaged with affected and potentially affected stakeholders. [Sustainable development report, 2017: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Analysis of stakeholder views and company's actions on them

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Identifying risks in own operations • Not met: identifying risks in EX business partners Score 2 <ul style="list-style-type: none"> • Not met: Ongoing global risk identification • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances • Not met: Explains use of HRIAs or ESIA (inc HR)
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Salient risk assessment (and context) • Not met: Public disclosure of salient risks Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks • Not met: Example of Actions decided • Not met: Including amongst EX BRs Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans Score 2 <ul style="list-style-type: none"> • Not met: Including EX BRs • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Channel accessible to all workers: The company indicates that "Violations of the Code of Ethics can be channelled directly to the immediate supervisor, manager or respective officer, and may also be reported to the Director of Human Resources, Internal Auditor, or the General Counsel, as corresponds depending on the subsidiary. At Grupo México, we promote an environment of trust that facilitates reporting, taking actions on conducts that are illegal and which violate our guidelines. We also have a reporting line managed by an independent third party, with a telephone number, email address, and website. The Ethics and Discipline Committee investigates reports and determines the measures to be taken." The code of ethics includes human rights and the application covers to all employees (observance of this Code is mandatory for all collaborators (regardless of their position with the Company). [Sustainable development report, 2016: gmexico.com & Code of Ethics - Grupo México: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved: In its Sustainable development report 2017, the Company indicates: 'Through this mechanism, we responded to three reports involving staff ethics and the impact of company activities this year. These matters were addressed and concluded to the satisfaction of both parties.' However, it is not clear whether these are specific human rights related grievances. [Sustainable development report, 2017: gmexico.com] • Not met: Channel is available in all appropriate languages: No evidence has been found that the report mechanism via website is available in other language but Spanish and partially in English. [Sistema integral de denuncia: lineadedenuncia.com] • Not met: Expect EX BPs to have equivalent grievance system • Met: Opens own system to EX BP workers: In the sustainability report the company indicates that the Ethics Reporting Line is open to customers, collaborators, investors, suppliers and contractors. [Sustainable development report, 2016: gmexico.com]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Grievance mechanism for community: Communities are not included in the group of stakeholders that can use the ethics reporting line. However, in its Sustainable Development Report 2017, the Company indicates: 'We have a mechanism in place to respond to complaints and concerns in the community in relation to our industrial processes, our staff ethics, and issues involving our activities. Through transparency and effective response to complaints, we strive to foster a relationship of trust and dialog between the company and the community.' [Sustainable development report, 2017: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Describes accessibility and local languages • Not met: Expects EX BP to have community grievance systems • Not met: EX BP communities use global system
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages users to create or assess system: In its Sustainable Development Report, the Company indicates: 'To hear the concerns and expectations of our stakeholders, we have set up channels for dialog and communication, according to the needs of our communities, including them, directly or indirectly, in the decision-making for our Development with Purpose strategy.' However, there is no specific information related to how the company engages with actual or potential users of the grievance channel on the design, implementation or performance of this grievance channel. [Sustainable development report, 2017: gmexico.com] • Not met: Description of how they do this <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Engages with users on system performance • Not met: Provides user engagement example on performance • Not met: EX BPs in creation or assessment
C.4	Procedures related to the mechanism(s)/channel(s) are	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Response timescales: In its Code of Ethics, the Company indicates: 'Questions or concerns regarding compliance with the policies of Grupo México and

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	publicly available and explained		<p>other applicable rules and regulations, including this Code of Ethics, can be taken to your immediate supervisor, manager or respective department head. If approaching these people is not possible or would be inappropriate, we suggest contacting any of the following people for each division of Grupo México:</p> <ul style="list-style-type: none"> • Senior Manager of Human Resources • Senior Manager of Internal Control • General Counsel <p>Additionally, reports will be channelled applying the Grupo México procedure for receiving and handling complaints or reports in place in each division. This procedure ensures matters will be handled without risk of any negative action against the person reporting the complaint. We invite our people to use this procedure to report legitimate complaints and to not make false accusations or abuse this mechanism, with the understanding that complaints must be founded, reasoned and raised in good faith and honestly'. However, there is no further information about the procedure related to the complaint mechanism: who is going to handle the complaint, how will the complainant be informed, timescales or escalation.</p> <ul style="list-style-type: none"> • Not met: How complainants will be informed: See above <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Escalation to senior/independent level: See above
C.5	Commitment to non-retaliation over complaints or concerns made	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public statement prohibiting retaliation: The company indicates in the Code of Conduct : 'Under no circumstance will there be any form of reprisal against any person who, in good faith and honestly, seeks to raise, support or address a concern or complaint regarding compliance with this document and other Company policies. Any act of reprisal against these acts of good faith will receive severe disciplinary action.' [Code of Ethics - Grupo México: gmexico.com & Sustainable development report, 2016: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Practical measures to prevent retaliation: The company indicates that the complaints made through the reporting line shall be confidential and dealt with by an agency independent of Grupo Mexico to guarantee its transparency and fairness. In addition the company indicates (in Spanish) that the complains are handled by PWC and no one from Grupo Mexico has access to the information. And there is no traceability of the access. [Sistema integral de denuncia: lineadedenuncia.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Has not retaliated in practice • Not met: Expects EX BRs to prohibit retaliation
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Won't impede state based mechanisms • Not met: Complainants not asked to waive rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Will work with state based or non judicial mechanisms • Not met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts and incorporating lessons learned	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Describes how remedy has been provided • Not met: Says how it would remedy key sector risks <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Changes introduced to stop repetition • Not met: Approach to learning from incident to prevent future impacts • Not met: Evaluation of the channel/mechanism

D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.1	Living wage (in own extractive operations, which includes JVs)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Living wage target timeframe: In its Sustainable Development Report 2017, the Company indicates: 'During 2017, the average Base Salary in the Mining Division was equal to 8.07 times the local minimum wage. The Base Salary includes the basic wage, productivity bonuses, cash benefits and profit sharing, where applicable'. During 2017, the average Base Salary in the Transportation Division was equal to more than 12 times the local minimum wage.' During 2017, the average Base Salary in the Infrastructure Division was equal to more than 6.7 times the local minimum wage.'

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Describes how living wage determined: In its Sustainable Development Report 2017, the Company states: '[...]we support freedom of association and adhere to the terms agreed to in the collective bargaining agreements.' Referring to each one of its divisions, the Company adds: 'At 2017 close, 11,889 of our collaborators were unionized, representing 76% of the division's workforce. (Mining Division)', 'We have 2,229 unionized employees in the Infrastructure Division, representing 66% of the workforce.', 'We have 8,586 unionized employees in the Transportation Division, representing 76% of the workforce.' [Sustainable development report, 2017: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Pays living wages: In its Sustainable Development Report 2017, the Company indicates: 'During 2017, the average Base Salary in the Mining Division was equal to 8.07 times the local minimum wage. The Base Salary includes the basic wage, productivity bonuses, cash benefits and profit sharing, where applicable'. During 2017, the average Base Salary in the Transportation Division was equal to more than 12 times the local minimum wage.' During 2017, the average Base Salary in the Infrastructure Division was equal to more than 6.7 times the local minimum wage.' [Sustainable development report, 2017: gmexico.com] • Not met: Reviews livings wages definition with unions
D.3.2	Transparency and accountability (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Member of EITI: The Company quotes EITI website, where it is said: 'Southern Copper Corporation is a member of the multi-stakeholder group in Peru and has participating in the EITI reporting since 2007. The same process has been launched in Mexico since Mexico's acceptance to the EITI in October 2017.' In its Sustainable Report 2017, the Company indicates: 'The Mining Division of Grupo México is represented by our subsidiary Americas Mining Corporation (AMC), comprised of: Southern Copper Corporation, Minera México S.A. de C.V., Southern Peru Copper Corporation, Asarco LLC, Minera los Frailes, S.L.' However, not all the subsidiaries of Grupo Mexico are members of EITI. [Sustainable development report, 2017: gmexico.com & EITI - Southern Copper: eiti.org] • Not met: Reports of taxes beyond legal minimums <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Reports taxes and revenue by country • Not met: Steps taken re non EITI countries • Not met: Disclosures contract terms where not a requirement
D.3.3	Freedom of association and collective bargaining (in own extractive operations, which includes JVs)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits not to interfere with union rights and collective bargaining and prohibits intimidation and retaliation: The company indicates that "At Grupo México, we guarantee freedom of association, with 11,977 union employees in the Mining Division, representing 75% of the workforce. We strive to strengthen trust within the Company and our collaborators, including their union representatives, for which we maintain ongoing dialog through the Human Resources Department." However no evidence has been found of a clear commitment to not interfere with the right of workers to form or join trade unions and to bargain collectively • Met: Discloses % covered by collective bargaining: The company discloses the percentage of its workforce covered by collective bargaining for each one of its Divisions: 'At 2017 close, 11,889 of our collaborators were unionized, representing 76% of the division's workforce. (Mining Division)', 'We have 2,229 unionized employees in the Infrastructure Division, representing 66% of the workforce.', 'We have 8,586 unionized employees in the Transportation Division, representing 76% of the workforce.' [Sustainable development report, 2017: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
D.3.4	Health and safety: Fatalities, lost days, injury rates (in own extractive operations, which includes JVs)	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Injury Rate disclosures: In the company website ad the sustainability report they indicate the Accident and Illness rate for all of its three divisions. [Sustainable development report, 2016: gmexico.com] • Met: Lost days or near miss disclosures: The Company reports its severity rate indicator in its Sustainable Development Report 2017 for each Division: Mining 0,32, Infrastructure 0,03, Transportation 1,15. [Sustainable development report, 2017: gmexico.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Fatalities disclosures: The Company reports its fatalities in each division: 'Despite all the efforts made in occupational safety, in 2017 we deeply regretted the loss of three collaborators as a result of accidents at our Mission (United States), Ilo Smelter (Peru) and Santa Eulalia (Mexico) operations [...]' (Mining), 'The safety of our personnel is our top priority, therefore we deeply regret the loss of one collaborator in 2017 [...]' (Transportation), 'In 2018, our goal is to maintain zero fatal accidents' (Infrastructure). [Sustainable development report, 2017: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Set targets for H&S performance: In its Sustainable Development Report 2017, the Company indicates: 'Our primary commitment is to creating optimal and safe work environments for our collaborators, which we do to the highest standards in occupational health and safety. Our goal: ZERO accidents [...]' (Mining), 'Our goal is to complete the year with no fatalities and to reduce our occupational accident rate to below 1.80' (Transportation), 'In 2018, our goal is to maintain zero fatal accidents and to reduce our incapacitating accident rate by 10% [...]' (Infrastructure) [Sustainable development report, 2017: gmexico.com] • Not met: Met targets or explains why not
D.3.5	Indigenous peoples rights and free prior and informed consent (FPIC) (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Process to identify indigenous rights holders • Not met: How engages with communities in assessment <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to FPIC (or ICMM) • Not met: Gives recent example FPIC or dropping deal
D.3.6	Land rights (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Approach to identification of land tenure rights holders • Not met: Describes approach to doing so if no recent deals <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How valuation and compensation works • Not met: Steps to meet IFC PS 5 in state deals • Not met: Describes approach if no recent deals
D.3.7	Security (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: How implements security (inc VPs or ICOC): In its Sustainable Development Report 2017, the Company indicates: 'Of note are our efforts to train our in-house security personnel on the protection and defence of human rights. Also, the employees of all the private security firms with which we have relations receive training and refresher training in this area.' However, there is no reference to the VPs or ICOC. [Sustainable development report, 2017: gmexico.com] <ul style="list-style-type: none"> • Not met: Example of respecting HRs in security • Not met: Ensures Business Partners follow security approach: In addition, the Company states: 'To ensure respect for human rights extends throughout our value chain, meaning customers, suppliers and contractors, we have contract clauses in place requiring regulatory compliance in this area in the countries where we operate [...]', however there is no specific information related to security approach. [Sustainable development report, 2017: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Assesses and involves communities • Not met: Working with local community

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.8	Water and sanitation (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Action to prevent water and sanitation risks: In its Sustainable Development Report, the Company indicates: 'The risks associated with climate change include intense rains and droughts, and in this area we are developing engineering projects to reinforce our water management systems and improve water reuse in our production chain', 'Water is the most important input in the operation of our extractive processes. Therefore, the Mining Division installs the latest technologies to increase the reuse and recycling of process and wastewater. To ensure we are managing water appropriately, our mine operations incorporate the following actions to maximize the efficient use and reuse of water: Installation of Closed Circuits, Thickeners for water recovery, Wastewater treatment plants, Water consumption and recovery [...]'. However, there is no reference to actions to prevent water risks related to local communities water consumption. [Sustainable development report, 2017: gmexico.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Water targets considering local factors • Not met: Reports progress in meeting targets and shows trends in progress made

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> • Area: Security of persons • Headline: Three civilians were killed by police during protests at Southern Copper's Tia Maria mine project in Peru between April and May 2015 • Sources: Bloomberg, 23/05/2015 - bbc.com Reuters, 22/04/2015 and 06/05/2015 - reuters.com and reuters.com SNL Metals and Mining Daily, 12/05/2015 • Allegation: Grupo Mexico owns 85.1% of Southern Copper. According to media reports, on 22 April 2015, a protester was killed at Southern Copper's Tia Maria mine project in Peru, following clashes between police and opponents of the mine. The 61-year-old man died in hospital after being shot in the leg at the protest rally. A further eleven people were injured. The protesters, mainly comprising farmers who grow crops for export, claimed the mine will pollute nearby agricultural valleys in Peru's southern region of Arequipa. On 5 May 2015, further clashes resulted in the death of one civilian and a police officer who died on 9 May after suffering a serious head injury during the protest. On 15 May 2015, Southern Copper announced a 60-day suspension of the mine project and proposed talks with the local community. On 22 May 2015, another protester was killed in clashes with police after a group of 400 people sought to block the Pan-American Highway in the coastal province of Islay. Farmers in Islay began street protests on 23 March 2015, claiming that the Tia Maria project would cause air and water pollution. Following the 22 May incident, the government declared a state of emergency in Islay. During a 60-day period, armed forces helped police to restore order and some constitutional rights were suspended, including freedom of transit and the right to hold meetings.
E(1).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public response available: The Company has publicly responded to the allegation and proposed talks with the local community. <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Response goes into detail
E(1).2	The Company has appropriate policies in place	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Company policies address the general issues raised: CHRB has not identified any documents in the public domain which provide all the information required to meet this indicator. • Not met: Policies apply to the type of business relationships involved <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Policies address the specific rights in question
E(1).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders • Not met: Encourages linked business to engage affected stakeholders • Not met: Provides remedies to affected stakeholders • Not met: Has improved systems and engaged affected stakeholders <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders

F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	1.58 out of 4	Out of a total of 38 indicators assessed under sections A-D of the benchmark, Grupo Mexico made data public that met one or more elements of the methodology in 15 cases, leading to a disclosure score of 1.58 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> • Met: Company reports on GRI: "Continuing our annual commitment, we offer our eleventh Sustainable Development Report. This report was prepared according to the Global Reporting Initiative (GRI) G4 methodology, under the "core" compliance option, and the "Mining and Metals" and "Construction and Real Estate" sector supplements. The report also applies the Principles of Inclusivity, Materiality and Responsiveness defined by Accountability AA1000APS (2008)." [Sustainable development report, 2016: gmexico.com] • Not met: Company reports on SASB • Not met: Company reports on UNGPRF
F.3	Key, High Quality Disclosures	0 out of 4	Grupo Mexico met 0 of the 10 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples <ul style="list-style-type: none"> • Not met: Score 2 for A.2.2 : Board discussions • Not met: Score 2 for B.1.6 : Monitoring and corrective actions • Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers • Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) Discussing challenges openly <ul style="list-style-type: none"> • Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts • Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned Demonstrating a forward focus <ul style="list-style-type: none"> • Not met: Score 2 for A.2.3 : Incentives and performance management • Not met: Score 2 for B.1.2 : Incentives and performance management • Not met: Score 1 for D.3.1 : Living wage (in own extractive operations, which includes JVs) • Not met: Score 2 for D.3.4 : Health and safety: Fatalities, lost days, injury rates (in own extractive operations, which includes JVs)

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2018 Key Findings report for more details of the research process.

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As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.