

Indigenous Peoples

We aim to build long-term, mutually beneficial relationships with Indigenous peoples based on trust. Gaining a deep understanding of their culture, organizational structures, decision-making processes, practices, and customs is essential to conducting our activities with respect.

We are convinced that effective Free, Prior, and Informed Consent (FPIC) processes, grounded in sound principles, contribute to the development of better projects—ones that not only address potential impacts but also create opportunities for sustainable development for Indigenous peoples.

Context and Strategic Perspective

Historically, Indigenous peoples have experienced structural disadvantages, resulting in higher levels of poverty, discrimination, and marginalization. These communities have distinct cultural identities and maintain deep connections with their land and natural resources, which are protected under both international agreements and national regulations.

Our strategy for engaging with Indigenous peoples aligns with our broader social management efforts and defines the key activities we carry out in collaboration with these communities.

Strategy with Indigenous Peoples

Social Studies and Community Engagement

Risk and Impact Management

Free, Prior, and Informed Consent (FPIC)

Promotion of Opportunities for Sustainable Development

Building long-term relationships based on trust for mutual benefit

Mexico, Chile, and Peru have ratified the International Labour Organization's (ILO) Convention 169, which mandates the implementation of FPIC mechanisms for Indigenous peoples. The legal obligations of governments to consult with Indigenous communities vary in their local application and enforcement. In addition to these legal frameworks, several international sustainability standards—such as those established by the International Finance Corporation (IFC), the Equator Principles (EPs), and sector-specific initiatives like the International Council on Mining and Metals (ICMM), Towards Sustainable Mining (TSM), and the Initiative for Responsible Mining Assurance (IRMA)—further support best practices for engaging with Indigenous peoples.

Effective engagement requires not only compliance with legal obligations but also the integration of these best practices. Responsible impact management is key to respecting rights and enhancing opportunities for sustainable development in mining projects.

Risk, Impact, and Opportunity Management

Responsible management of risks, impacts, and opportunities is fundamental to earning the trust required for long-term and mutually beneficial relationships. Our strategy for engaging with Indigenous peoples aligns with our broader social management efforts and defines the key activities we carry out in collaboration with these communities.

Social Studies and Community Engagement with Indigenous Communities

We conduct studies that characterize Indigenous communities, including their social organization, sociodemographic statistics, cultural heritage, practices, and customs. These studies help us identify potential impacts and define mitigation measures with an emphasis on respecting Indigenous rights and incorporating their interests, knowledge, and aspirations. Our operations and projects implement community engagement plans that involve ongoing interactions through meetings, forums, programs, and other activities with Indigenous communities.

Risk and Impact Management

We develop Social Management Plans to address both positive and negative impacts identified through Social Impact Assessments and community engagement feedback. In addition, we seek strategic partnerships with government agencies, cooperation entities, and civil society organizations to address relevant issues collaboratively.

We offer a field-based grievance mechanism and the [Línea Correcta](#) ethics hotline, which allows for confidential reporting on issues related to the conduct of the company and its value chain partners.

Due Diligence and Free, Prior, and Informed Consent (FPIC)

We implement a due diligence process to proactively identify the presence of Indigenous peoples through official sources. This enables us to adopt appropriate community engagement measures and integrate FPIC considerations into project planning.

Promotion of Opportunities for Sustainable Development

Our Social Management Plans include initiatives and programs focused on health, education, and capacity-building in collaboration with Indigenous communities.

We develop Social Management Plans to address both positive and negative impacts identified through Social Impact Assessments and community engagement feedback.

Social Process for Indigenous Consultation at San Julián Mine

National authorities carried out a Free, Prior, and Informed Consent (FPIC) process for the construction and operation of a water reservoir at the San Julián mine, operated by Fresnillo plc.

The community participated in capacity-building workshops focused on Indigenous peoples' rights and the FPIC process. Authorities incorporated the communities' perspectives when planning the consultation process, including the formation of committees and the overall logistics. Communities were informed about the potential impacts of the project and the corresponding management measures, enabling a constructive dialogue between the authorities, the company, and the community.

As a result of this process, shared benefit agreements were established, providing communities with rainwater harvesting systems for their homes and improvements to local roads.

