HUDBAY MINERALS INC.
(the “Company”)

ENVIRONMENTAL, HEALTH, SAFETY AND SUSTAINABILITY COMMITTEE
CHARTER

PURPOSE

The Environmental, Health, Safety and Sustainability Committee is appointed by the Board of Directors to discharge the Board of Directors’ responsibilities relating to compliance with applicable environmental, health, safety and human rights legislation, rules and regulations, and adherence to sustainable development standards consistent with corporate objectives and accepted stakeholder expectations (sustainable development being broadly defined as the balancing of environmental, social, and economic interests). The purpose of the Environmental, Health, Safety and Sustainability Committee is to assist the Board of Directors in its oversight of the development and implementation by management of the Company of policies, programs and systems relating to environmental, health, safety and sustainability issues and performance, and monitoring of current and future legal and regulatory issues to ensure compliance with applicable legislation, rules and regulations and best management practices with a commitment to sustainable development and high moral and ethical standards.

REPORTS

The Environmental, Health, Safety and Sustainability Committee shall report to the Board of Directors on a regular basis. The Environmental, Health, Safety and Sustainability Committee shall report to the Audit Committee on a periodic basis, or as matters evolve, regarding financial risks or potential accruals for contingent liabilities or disclosure issues relating to environmental, health, safety and sustainability matters.

COMPOSITION

The members of the Environmental, Health, Safety and Sustainability Committee shall be three or more individuals who are appointed (and may be replaced) by the Board of Directors. The appointment of members of the Environmental, Health, Safety and Sustainability Committee shall take place annually at the first meeting of the Board of Directors after a meeting of shareholders at which directors are elected, provided that if the appointment of members of the Environmental, Health, Safety and Sustainability Committee is not so made, the directors who are then serving as members of the Environmental, Health, Safety and Sustainability Committee shall continue as members of the Environmental, Health, Safety and Sustainability Committee until their successors are appointed. Unless the Chair is appointed by the Board of Directors, the members of the Environmental, Health, Safety and Sustainability Committee may designate a Chair by majority vote of the members of the Environmental, Health, Safety and Sustainability Committee.

Each member of the Environmental, Health, Safety and Sustainability Committee shall have an understanding of environmental, health, safety and sustainability matters and best practices.

A majority of the members of the Environmental, Health, Safety and Sustainability Committee shall be “resident Canadians”, as contemplated by the Canada Business Corporations Act.

As in effect March 2020
RESPONSIBILITIES

The Environmental, Health, Safety and Sustainability Committee shall:

- Review with management the Company’s strategies and goals with respect to health, safety, environmental affairs, sustainable development, human rights and social impact.

- Ensure communication throughout the Company's organization the importance of developing a culture of environmental and community responsibility and an awareness of the importance of health and safety.

- Review with senior management the Company’s goals and policies in respect of the environment and employee health and safety, and provide oversight on the development and implementation of management systems relating to environmental, health, safety and sustainability matters.

- Ensure adequate resources are available and systems are in place for senior management to implement appropriate environmental, health, safety, human rights and social impact policies, programs and systems (which should include defined standards and objectives), monitor their effectiveness and request regular, periodic reports on such programs.

- Ensure that senior management has implemented an environmental, health, safety and sustainability performance measurement system that can be used to provide an ongoing measure of the environmental, health, safety and social performance and continuous improvement regarding such matters.

- Utilize the environmental, health, safety and sustainability performance measurement system to monitor compliance with legal requirements and internal targets, as well as communicate a demonstrated commitment to the environment, communities and employee health and safety to shareholders and stakeholders, including all members of the Company's organization.

- Ensure that senior management has implemented an environmental, health, safety and sustainability compliance audit program, which should provide an indication of the Company’s risk exposures, steps taken to monitor and control such exposures, the effect of relevant regulatory initiatives and trends and material claims, and request from senior management, periodic status reports on such program and provide feedback on necessary improvements to the program.

- Receive quarterly environmental, health, safety and sustainability reports from management that include any environmental, health, safety and sustainability issues of a material nature, including details of incidents reports.

- Ensure that, with respect to matters under the Company’s control, the Company operates in a climate that fosters the improvement of socio-economic conditions in the communities where it operates.
• Reviews and recommends to the Board for approval the Company’s annual Corporate Social Responsibility Report.

• Monitor the critical risks assigned to the Committee by the Board of Directors or the Audit Committee as part of the Corporation’s enterprise risk management program, periodically review with management how each of those risks are being managed and communicate its findings with the Board.

INDEPENDENT ADVICE

In discharging its mandate, the Environmental, Health, Safety and Sustainability Committee shall have the authority to retain (and authorize the payment by the Company of) and receive advice from special legal or other advisors as the Environmental, Health, Safety and Sustainability Committee determines to be necessary to permit it to carry out its duties.