

SUSTAINABILITY REPORT 2024





SUSTAINABILITY REPORT 2024



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MILESTONES AND HIGHLIGHTS 2024



OPERATIONAL RESULTS

154,559 metric tons of copper and 2,808 metric tons of molybdenum produced. 134,702 metric tons milled per day—an average processing rate that significantly exceeds the plant’s design capacity.



PRODUCTIVITY AND EFFICIENCY

A C1 cash cost of US\$1.61 per pound produced, reflecting that direct process costs up to the sale of the commercial product remained at competitive levels.



SAFETY EXCELLENCE

Total Recordable Injury Frequency Rate (TRIFR) of 0.99, representing the number of recordable incidents per one million hours worked.



WORKPLACE ENVIRONMENT

75% of employees reported being satisfied or very satisfied with the company, according to the Employee Satisfaction Survey—evidence of a collaborative culture and a strong organizational foundation.



RENEWABLE ENERGY AND SEAWATER USE

100% of electricity used in operations came from renewable sources, certified by RENOVA. 100% of process water sourced from seawater.



COMMUNITY TRAINEE PROGRAM

Seven residents from the Sierra Gorda commune began training in a new round of the trainee program, designed for individuals with no previous mining experience.



COMMUNITY HEALTH

More than 200 residents from the Sierra Gorda community received care from medical specialists across various fields. A total of 407 consultations and 698 health services were delivered to address priority healthcare needs.



INNOVATION AND TECHNOLOGY

Commissioning of the Sierra Bot Evolution—an autonomous inventory robot that is transforming how supplies are managed.

MESSAGE FROM THE GENERAL MANAGER

GRI 2-22

At Sierra Gorda SCM, we believe that sustainability and excellence are key enablers of our mining operation. It is with great pride that I present our sixth Sustainability Report—an overview of the main milestones of 2024, and a tribute to the dedication of our 1,721 employees and 3,014 contractors, who have worked tirelessly to position us as leaders in sustainable production of copper and molybdenum.

2024 was a year of achievements and progress, as well as a time to celebrate a major milestone: our first ten years of operation in Chile. Over this decade, we have produced 1.5 million metric tons of copper and 81,300 metric tons of molybdenum, always guided by the principles of modern, innovative, and responsible mining.

The first decade of Sierra Gorda SCM has been marked by steady growth, operational excellence, the development of efficient and sustainable mining practices, the consolidation of a unique organizational culture, and a strong relationship with our local communities.

All of this has allowed us to establish a new mining



approach rooted in transparency and an open-door policy that enables our stakeholders to see firsthand what we do and how we do it.

In this spirit, 2024 was a year of pride for us, as we welcomed a number of distinguished visitors, including the Minister of Mining, Aurora Williams, and the then Undersecretary of Labor, Giorgio Boccardo (now Minister), as well as regional and local authorities. We also had the honor of hosting the CEO of South32, Graham Kerr, representatives of our shareholders, and members of our neighboring communities of Baquedano and Sierra Gorda.

In 2024, we contributed to Chile’s mining development with the production of 154,559 metric tons of copper, placing us 12th nationwide according to the Chilean Comisión Chilena del Cobre (Cochilco, Copper Commission), and 2,808 metric tons of molybdenum, ranking us 6th nationwide.

We also achieved a record average processing rate of 134,702 metric tons milled per day and a competitive C1 cash cost of US\$1.61 per pound produced. These two key performance indicators position us among the most productive operations in low-grade mining, both nationally and internationally.

These strong results were also reflected in the impact and value we created for our local communities, expressed through various areas of action. Our management model—focused on maximizing operational efficiency and ensuring long-term sustainability—is continuously evolving to meet both current and future challenges. As part of our efforts to strengthen ESG (Environmental,

Social, and Governance) practices, we updated our Sustainability Policy. This updated policy applies across all areas of our company and guides our actions in four key areas: governance and organizational ethics; environmental management and climate change; employees; and community engagement.

In the area of safety, we reached a Total Recordable Injury Frequency Rate (TRIFR) of 0.99 per one million hours worked—further reinforcing Sierra Gorda SCM’s commitment to a strong safety culture. This focus on people has also led to meaningful progress in employee well-being, something we are particularly proud of. One notable example is the recognition we received with the “40-Hour Seal” awarded by the Ministerio del Trabajo y Previsión Social (Ministry of Labor and Social Security) to companies that implement a 40-hour workweek ahead of the legal deadline—a measure we successfully adopted in 2024.

In terms of environmental management, our commitment to the environment is evident through concrete actions. These include the use of 100% seawater—without desalination—for our mining operations, and the continued use of 100% renewable electricity certified by RENOVA, which we maintained for the second year in a row in 2024.

Innovation has also played a key role in helping us improve processes and pursue continuous improvement across all areas of our operation. A prime example is the Sierra Bot Evolution project, which in 2024 enabled us to optimize warehouse and inventory management processes—reducing inventory time to 50 minutes, increasing accuracy to 99.9%, and eliminating potential safety incidents.

At Sierra Gorda SCM, we firmly believe that sustainable growth is only possible when there is a harmonious balance between economic performance, environmental stewardship, and social commitment. A reflection of this belief is the execution of projects valued at more than US\$609,000 last year, aimed at improving the quality of life and well-being of our neighboring communities.

Programs such as the Community Trainee Program—which brought 60 residents from the Sierra Gorda commune into our workforce—and Better Technicians for the Industry—which has benefited more than 1,600 students—have become important platforms for community engagement in Sierra Gorda, Baquedano, and Antofagasta. These initiatives represent a tangible and meaningful contribution to employment opportunities across our region.

As we look back on these accomplishments, we feel proud of the path we have traveled and inspired to step into the future. I would like to thank everyone whose commitment, professionalism, and human quality have made these results possible. Let us continue to prove that it is possible to build a responsible mining industry—one that creates shared value, operates with excellence, and makes a meaningful contribution to the sustainable development of Chile and the communities around us.

Eric Zepeda Santander
Interim General Manager*
Sierra Gorda SCM

** From January 1 to June 30, 2025.*

SCOPE OF THE REPORT

GRI 2-2 GRI 2-3 GRI 2-4 GRI 2-5 GRI 2-10
GRI 2-14

In line with our commitment to integrating sustainability across all company operations—and with the goal of creating value in social, environmental, and governance areas—Sierra Gorda SCM is proud to present its sixth Sustainability Report.

This report has been prepared in accordance with the latest Global Reporting Initiative standards (GRI 2021) and it includes a range of topics aligned with global sector-specific frameworks.

The report covers the period from January 1 to December 31, 2024, and provides a comprehensive overview of the company’s strategy and performance on the issues most relevant to its stakeholders, with a special focus on the management of environmental, social, and governance (ESG) factors.

The process of defining and internally validating the report’s content, as well as its overall coordination, was led by the Office of the General Counsel, Sustainability

and Corporate Affairs. External verification of 21 key indicators was conducted by KPMG, as part of the company’s commitment to transparency and continuous improvement.

A GRI Content Index is included at the end of this report. It outlines the categories and subtopics covered, along with the corresponding page numbers where the required information can be found—making it easier to navigate and locate content.



Sierra Gorda Sociedad Contractual Minera
RUT (Tax ID): 76.081.590-K



Santiago: Roger de Flor 2775, Piso 13, Las Condes, Santiago, Chile



Antofagasta: José Manuel Balmaceda 2455, Piso 3, Edificio Puerto Nuevo, Antofagasta



Site: Sierra Gorda, Antofagasta Region, Chile



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Readers may send inquiries or comments regarding this report to:
comunicaciones.externassg@sgscm.cl

Date of publication of the Sustainability Report 2024: June 30, 2025.



COMPANY PROFILE

- LOCATION AND OPERATIONS
- PRODUCTION PROCESS
- MISSION, VISION, AND VALUES
- OWNERSHIP STRUCTURE
- MEMBERSHIPS
- GOVERNANCE

LOCATION AND OPERATIONS

GRI 2-1

Sierra Gorda Sociedad Contractual Minera (hereinafter Sierra Gorda SCM) is a mining company located in northern Chile, in the Antofagasta Region. Its operations are situated 60 kilometers southwest of Calama, 150 kilometers from the city of Antofagasta, and 4.5 kilometers from the town of Sierra Gorda—an area where the company maintains direct engagement, along with the communities of Baquedano and the communities near the port of Antofagasta.

Sierra Gorda SCM began operations in 2014 and has since strengthened its position in the industry as one of the leading producers of copper and molybdenum concentrate from low-grade ore.

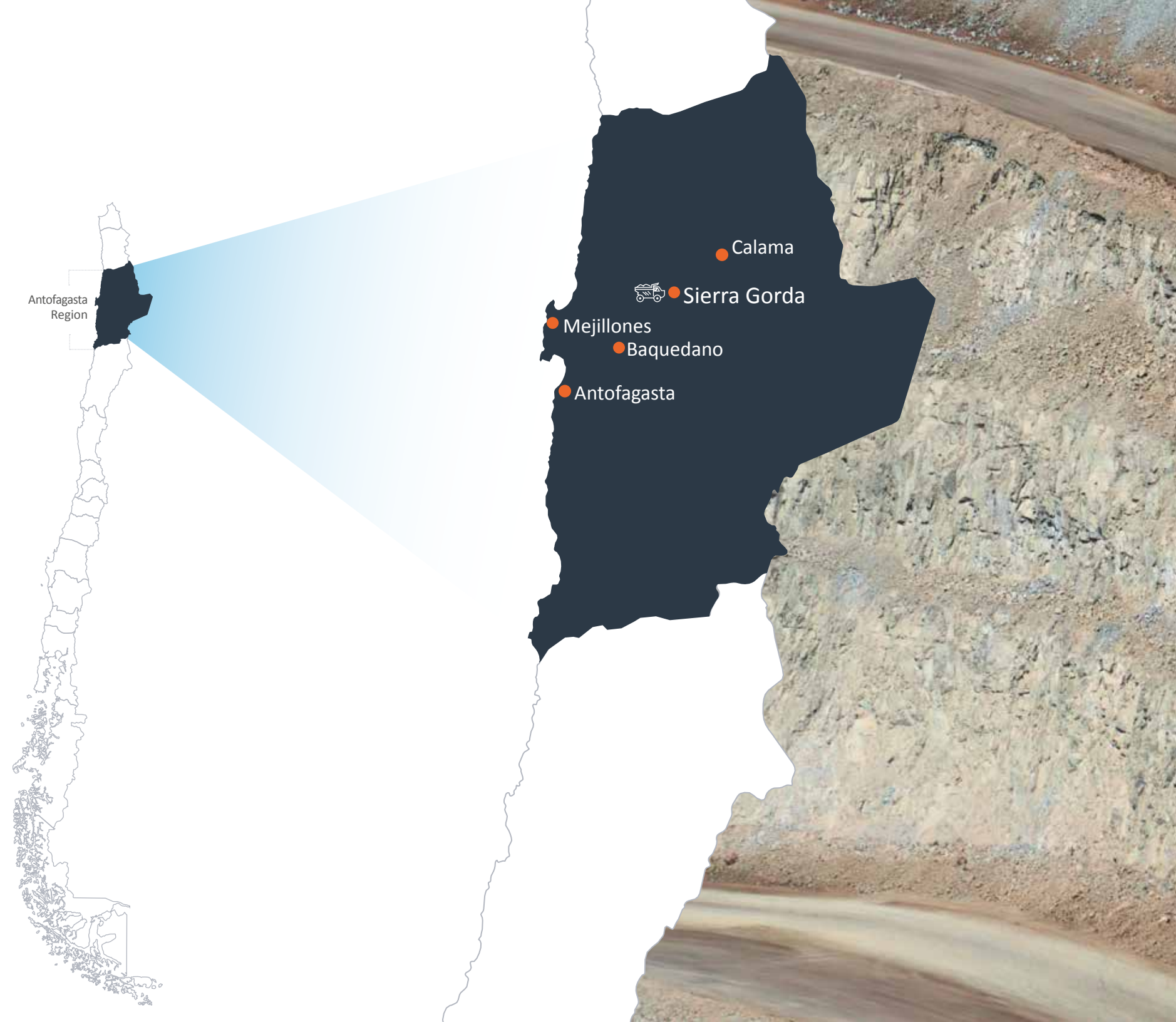
The facilities are located 1,626 meters above sea level in the heart of the Atacama Desert and include

a number of key infrastructure components that support the operation. These include an open-pit mine, waste rock dumps, a concentrator plant for sulfide ore processing—with crushing, grinding, flotation, and thickening stages—and thickened tailings storage facilities.

The deposit is classified as a copper porphyry system containing molybdenum, gold, and silver as byproducts.

The plant has an approved processing capacity of 230,000 metric tons per day (TPD) and is currently operating at approximately 130,000 TPD.

The total investment associated with the Sierra Gorda project amounts to approximately US\$5.7 billion, including capital contributions, interest accrued during construction, and incurred costs.



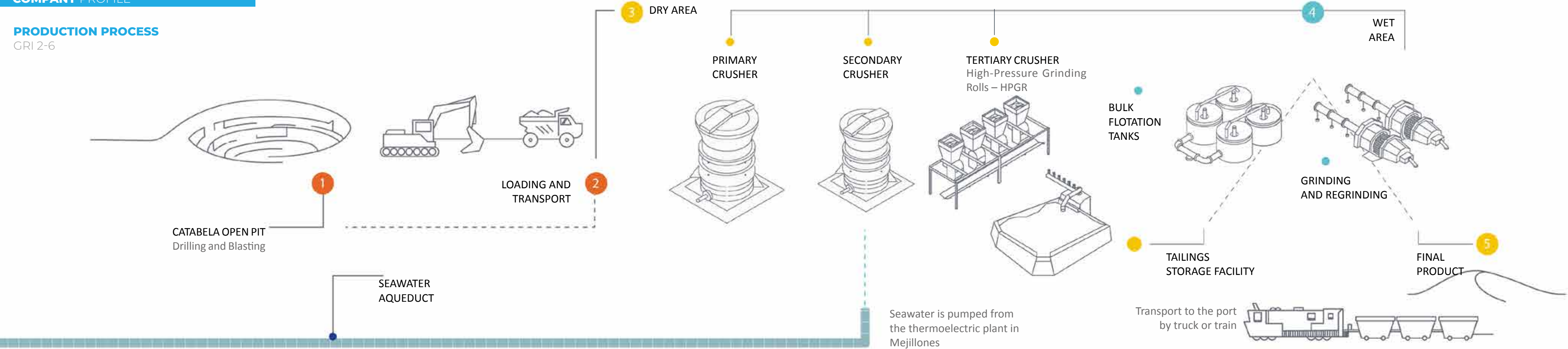
In 2024, Sierra Gorda SCM maintained strong operational performance, processing an average of 134,702 metric tons per day. This volume enabled the company to reach a total production of 154,559 metric tons of fine copper and 2,808 metric tons of molybdenum.

All electricity used in operations was sourced from certified renewable energy, including solar, wind, and hydroelectric power. This reinforces the company's commitment to low-emission, environmentally responsible operations.

Sierra Gorda SCM has developed a management model focused on maximizing operational efficiency, ensuring long-term sustainability, and creating shared value with its surroundings. The company continues to move forward with a strategic vision centered on comprehensive safety, employee well-being, technological innovation, respect for the environment and human rights, and active, collaborative relationships with neighboring communities.

COMPANY PROFILE

PRODUCTION PROCESS
GRI 2-6



Sierra Gorda SCM’s production process is defined by a constant focus on operational efficiency and the integration of cutting-edge technologies—both essential to meeting the challenges posed by the low-grade ore extracted at the site.

The mining operation is carried out using a conventional open-pit method, which includes drilling, blasting, and loading with high-performance shovels. The material is transported by large-capacity haul trucks that carry the ore to

the crushing area and the waste rock to designated dumps.

After the initial crushing process, sulfide ore is sent to the concentrator plant, while oxidized ore is stockpiled, with the option of being processed in the future using leaching techniques.

The processing facilities are designed to produce copper and molybdenum concentrates and include a shared plant with multiple stages: primary crushing, conveyor

transport, storage in a dome, secondary and tertiary crushing using high-pressure grinding rolls (HPGR), grinding, bulk flotation, and regrinding. The material is then sent to the molybdenum plant for selective flotation, where copper and molybdenum concentrates are separated. This stage includes conventional and column flotation, thickening, filtering, and bagging of the molybdenum concentrate.

The process also includes copper concentrate filtration,

supported by infrastructure for truck loading and unloading, as well as a tailings thickening system and its corresponding storage facility.

To supply its production processes, Sierra Gorda SCM uses 100% seawater. The water is captured and cooled at the Mejillones thermoelectric power plant, then pumped through a 143-kilometer aqueduct to a storage pond at the mining site. The pumping system—designed for a maximum flow of 1,500 liters per second—is made

up of three stations: Costa, PS1, and PS2. Only a small portion of the water is desalinated, primarily for use at the molybdenum plant and the mining camp. This process includes pretreatment using reverse osmosis, followed by post-treatment for reconditioning and remineralization.

In terms of electricity supply, Sierra Gorda SCM is connected to the grid via a 220 kV high-voltage transmission line with an independent double-circuit three-phase system that links the Encuentro substation

with the mine’s electrical substation. Power has been supplied by AES Andes since 2014.

Finally, copper and molybdenum concentrates are transported by land—using trucks and/or trains—to the port facilities at Antofagasta Terminal Internacional (ATI) and Puerto Angamos. This work is carried out by specialized companies that operate under strict safety and environmental protection standards.

COMPANY PROFILE

MISSION, VISION, AND VALUES

In 2024, Sierra Gorda SCM reaffirmed its commitment to responsible, efficient, and forward-looking mining—core principles that define its institutional mission and vision.

OUR MISSION REFLECTS THE CONVICTIONS THAT DRIVE THE COMPANY

OUR VISION EXPRESSES THE LONG-TERM ASPIRATION THAT GUIDES OUR DECISIONS

THIS FRAMEWORK IS BUILT AROUND THREE STRATEGIC PILLARS THAT STRENGTHEN THE COMPANY’S IDENTITY AND DIRECTION



MISSION

“To supply the world with green copper, creating value for humanity, the community, and our shareholders.”



VISION

“To be the world’s safest and most efficient low-grade green copper mining company.”

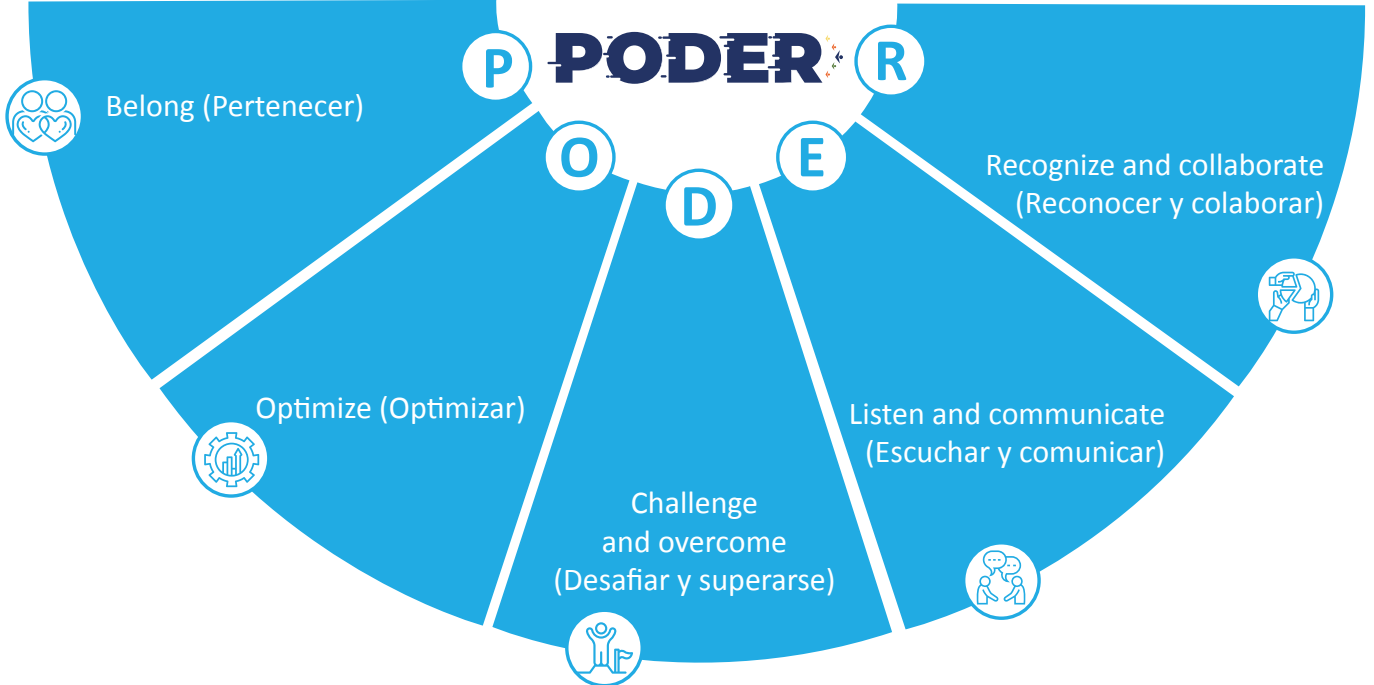
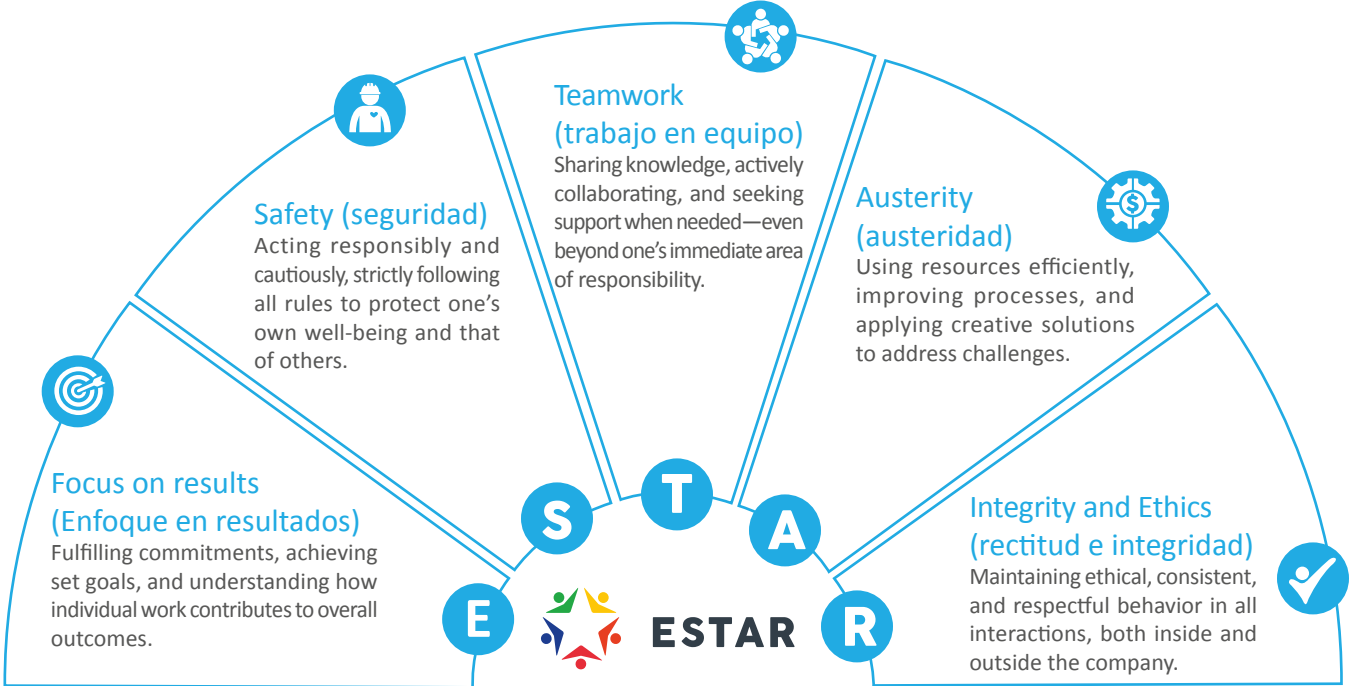


STRATEGIC PILLARS

-  Unique culture
-  Excellence and growth
-  Green copper



Sierra Gorda SCM is also distinguished by a strong organizational culture, grounded in values that are part of its corporate DNA. These values—represented by the acronym ESTAR and the PODER seal—guide the behavior of our teams and reinforce our commitment to excellence, ethics, and sustainability.



COMPANY PROFILE

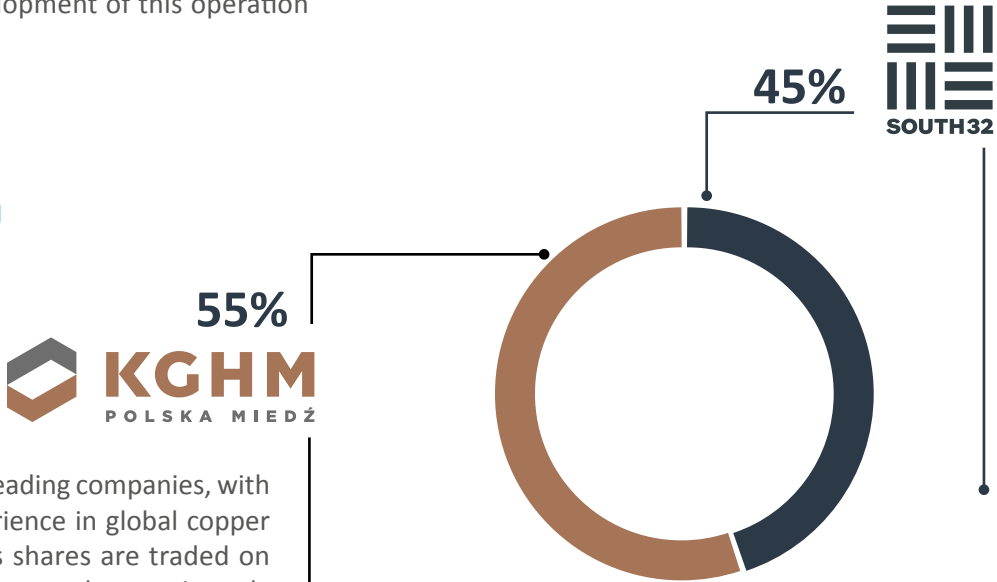
OWNERSHIP STRUCTURE

GRI 2-6

Sierra Gorda SCM is a self-managed joint venture formed by two internationally recognized companies, whose experience and commitment to responsible mining support the development of this operation in northern Chile.

EQUITY PARTICIPATION

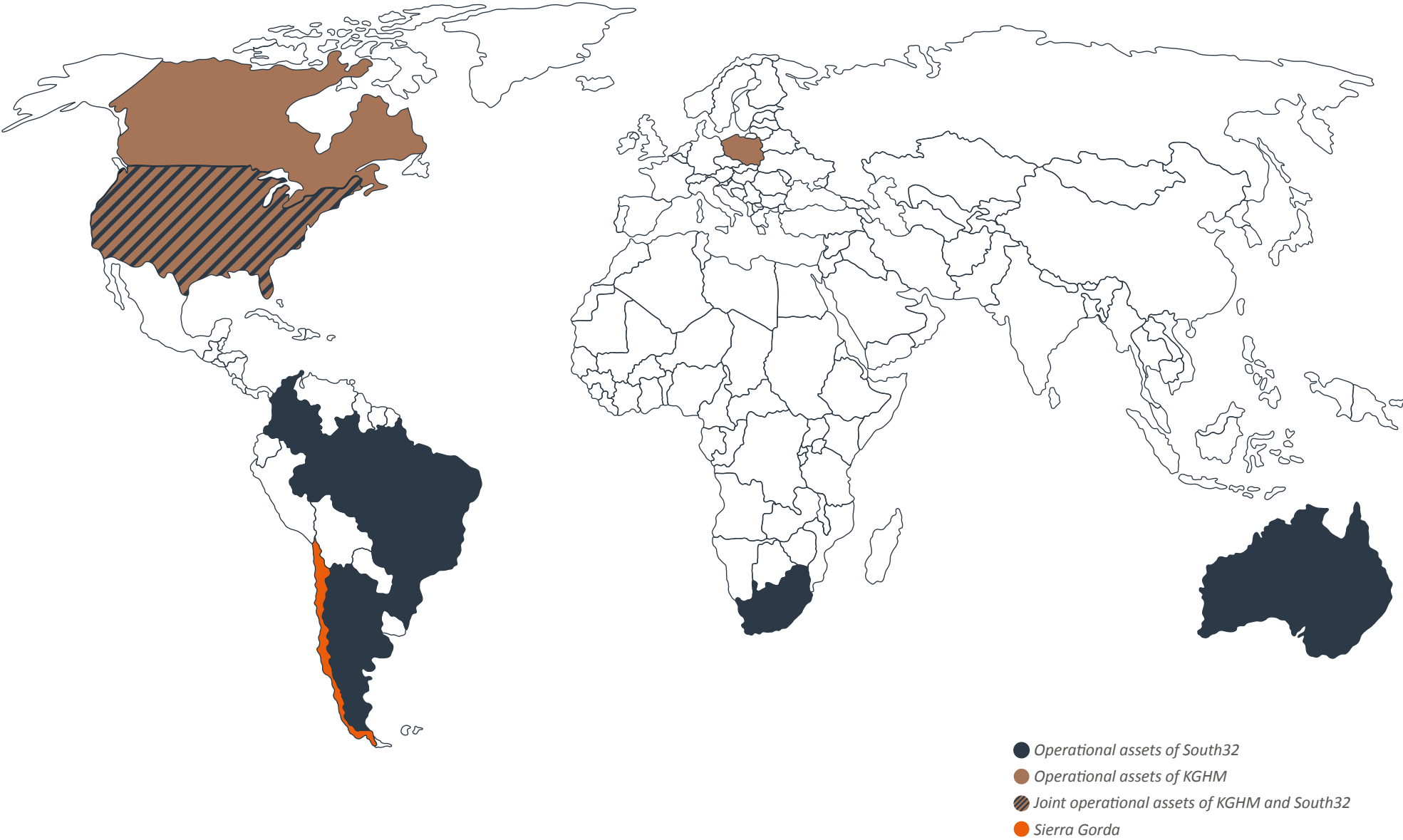
KGHM is one of Poland’s leading companies, with over six decades of experience in global copper and silver production. Its shares are traded on the Warsaw Stock Exchange, and approximately one-third of the company is owned by the Polish State. KGHM plays a key role in the country’s economy, generating over 34,000 jobs and actively participating in social impact initiatives. The company is currently the largest copper producer in Europe and a major global silver producer. Its headquarters are located in Lubin, Poland.



South32 is a global mining company headquartered in Perth, Australia. Its operations are based on a diversified portfolio of commodities, including aluminum, alumina, metallurgical coal, manganese, nickel, silver, lead, and zinc. The company operates under a comprehensive sustainability strategy, focusing on minimizing environmental impact and creating value for all stakeholders throughout every stage of the life cycle of its projects.

MEMBERSHIPS

GRI 2-28



COMPANY PROFILE

GOVERNANCE

GRI 2-12 GRI 2-13

Sierra Gorda SCM’s governance is based on a management model centered on operational self-management. The Owners’ Council, composed of representatives from the shareholder companies, delegates day-to-day management to the General Management and Senior Leadership, who operate independently within the agreed strategic framework.

This governance structure is supported by open and ongoing communication between decision-making bodies and executive management. This ensures proper implementation of the corporate strategy, strengthens internal coordination, and guarantees traceability in key decision-making processes.

As part of the strategic monitoring process, management reports monthly to the Owners’ Council and the various

areas of the company through the preparation and distribution of the Monthly Management Report. This report, compiled by each functional area of Sierra Gorda SCM, provides a summary of key activities during the period, achievements, identified challenges, and ongoing actions—all presented in line with materiality criteria and aligned with strategic objectives. The process reinforces transparency, traceability, and integrity as core principles of Sierra Gorda SCM’s corporate culture.

These reports are also made available to shareholders and reviewed by internal and external auditors, in accordance with established control policies.

The governance structure and the functions of the Owners’ Council are described in detail in Chapter 4: Governance.

EXECUTIVE COMMITTEE OF
SIERRA GORDA SCM IN 2024

RAFAL WOJTASIK
Executive Director of
Business Development

**ERIC ZEPEDA
SANTANDER**
Vice President
of Operations

**SANDRA MONTIEL
CHAMORRO**
Vice President
of Supply Chain

TOMASZ PIWOWARCZYK
General Manager

**BEATA CHORAGWICKA
MAJSTROWICZ**
Vice President of
Human Resources

**ROCÍO AMARILLA
PÁEZ**
General Counsel,
Sustainability and
Corporate Affairs

JAN MAJKUT
Vice President
of Finance





SUSTAINABILITY

- SUSTAINABILITY
- SUSTAINABILITY POLICY
- DOUBLE MATERIALITY ANALYSIS
- STAKEHOLDERS

SUSTAINABILITY

SUSTAINABILITY
GRI 2-13

Since its inception, Sierra Gorda SCM has embraced a long-term vision that seeks to align business development and objectives with the well-being of its stakeholders and the preservation of the environment. The company firmly believes that sustained growth is only possible when there is a harmonious balance between economic performance, environmental stewardship, and social commitment.

This approach is grounded in a deep understanding that sustainability is not an external obligation, but rather a core principle that guides and underpins the company’s strategic and operational decisions. From this perspective, sustainability is seen as a necessary condition to ensure business continuity, foster trust-based relationships, and create shared value in the territories where we operate.

Sustainability management is led by the General Counsel, Sustainability and Corporate Affairs Area, which is responsible for developing and implementing strategies aimed at ensuring responsible operations, strengthening the company’s social license to operate, and aligning with the highest environmental, social, and governance (ESG) standards. However, every area of the company plays an active role in achieving these goals by integrating responsible practices into their daily work and contributing to the consolidation of a corporate culture that is aligned with current and future sustainability challenges, as well as with the expectations of our various stakeholders.

AREAS OF ACTION

Within the General Counsel, Sustainability and Corporate Affairs division are the following units: Legal and Mineral Rights; Sustainability and Permitting; Corporate and Community Affairs; and the Governance, Risk and Compliance Department. Among other responsibilities, these units carry out the following functions:

- Maintain and strengthen the Social License to Operate (SLO).
- Design and implement the Community Engagement Strategy.
- Manage community relations in the company’s areas of influence.
- Coordinate external communications and manage public affairs.
- Design and implement social investment initiatives.
- Manage inquiries and complaints from community stakeholders.
- Prepare the company’s Sustainability Report.
- Provide legal support and advice to all areas of the company.
- Monitor regulations and manage the identification of legal risks.
- Manage strategic and sectoral permits required for operations.
- Oversee company projects within the Sistema de Evaluación de Impacto Ambiental (SEIA, Environmental Impact Assessment System).

- Ensure compliance with commitments established in Resoluciones de Calificación Ambiental (RCA, Environmental Qualification Resolutions).
- Implement verification processes to ensure compliance with the company’s commitments, as well as with regulations and sectoral permits.
- Report environmental compliance to authorities—such as the Superintendencia del Medio Ambiente (SMA, Superintendence of the Environment), Dirección General de Aguas (DGA, General Water Directorate), and Servicio Nacional de Geología y Minería (SERNAGEOMIN, National Geology and Mining Service)—using the relevant platforms.
- Conduct specific studies requested by authorities related to environmental components or mitigation and control measures.
- Coordinate engagement with environmental and sectoral authorities at both regional and national levels.
- Develop technical studies related to sustainability, including those focused on energy efficiency, innovation, and best practices.
- Ensure proper governance through ethical conduct and strict compliance with Chilean legislation and the company’s internal policies.
- Provide cross-functional support to the company in the identification, assessment, and management of risks and impacts related to operational, reputational, and sustainability matters.

In 2024, Sierra Gorda SCM took an important step toward sustainable governance by signing the commitment letter to begin the assurance process for The Copper Mark framework, based on version 3.0 of The Risk Readiness Assessment (RRA) Criteria. This framework establishes and promotes responsible production practices for the mining sector at a global and comprehensive level.

This decision underscores Sierra Gorda SCM’s commitment to operating under the highest sustainability standards.

Over the course of the year, the company completed the self-assessment process for 30 of the 33 criteria required by The Copper Mark. Due to the nature of the operation, the criteria related to artisanal and small-scale mining, Indigenous Peoples’ rights, and land acquisition and resettlement were excluded, as they are not applicable to the site.

In 2025, the company will continue advancing the implementation of improvements related to various environmental, social, and governance (ESG) aspects.



SUSTAINABILITY

SUSTAINABILITY POLICY
GRI 2-23 GRI 2-24

In 2024, the Sustainability Policy was updated to support the company’s goal of consolidating its position as the world’s most efficient low-grade mining operation—producing green copper and molybdenum that create value for humanity, the community, and workers. This approach is grounded in the implementation of ESG principles and commitments aligned with widely recognized national and international standards and frameworks. The policy is structured around four key dimensions: governance and organizational ethics; environmental management and climate change; employees; and community engagement.

At Sierra Gorda SCM, sustainability is reflected in the proactive management of risks, a focus on impact remediation, and the creation of shared value—all reinforced by the application of due diligence principles across the entire value chain.



KEY GUIDELINES ESTABLISHED IN THE POLICY INCLUDE

A culture of regulatory compliance, transparency, and zero tolerance for any improper practices across all operations and business relationships.

Promotion of employee well-being, safety, and professional development as a core pillar of organizational performance.

Proactive and respectful engagement with the communities in its areas of influence, grounded in dialogue, social investment, cultural heritage protection, and the promotion of development opportunities for local residents.

A proactive environmental management approach aimed at minimizing impacts through energy efficiency, emissions control, and water efficiency—reflected, for example, in the company’s commitment not to compete with communities for freshwater use.

A strong commitment to respecting and protecting human and labor rights, promoting inclusion, equal opportunity, and the elimination of unacceptable practices such as child labor or forced labor.

This policy applies across all areas of Sierra Gorda SCM, including employees, contractors, and suppliers. It serves as a comprehensive framework that guides operations throughout the entire project life cycle and is aligned with the company’s ESTAR corporate values.

The principles of this policy are communicated through the Sustainability Reports and are available on the corporate website: www.sgscm.cl

DOUBLE MATERIALITY ANALYSIS
GRI 3-1 GRI 3-2

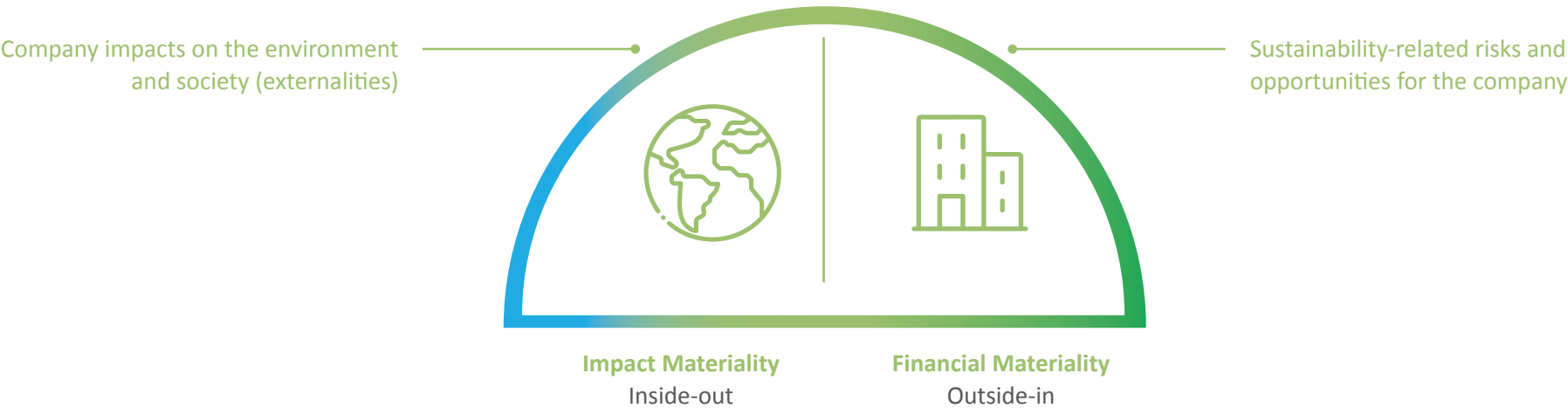
As part of its ongoing commitment to transparent management aligned with leading international standards, Sierra Gorda SCM incorporated the double materiality approach into the development of its 2024 Sustainability Report.

This strategic decision reflects the company’s intention to strengthen transparency and accountability through a framework that considers both the impact of

its operations on society and the environment (impact materiality) and the risks and opportunities that sustainability factors may pose to its financial performance (financial materiality).

The double materiality analysis was carried out in accordance with the guidelines of the European Sustainability Reporting Standards (ESRS), developed by the European Financial Reporting Advisory Group

(EFRAG) and required by the Corporate Sustainability Reporting Directive (CSRD) of the European Commission. By applying this approach, Sierra Gorda SCM gains a comprehensive perspective that enables the company to better identify and prioritize issues that have a significant influence on business outcomes or generate material impacts on the environment and society. In addition, it enhances the quality of information for strategic decision-making, as the framework provides a common, structured, and comparable basis.



1

CONTEXT ANALYSIS

The double materiality assessment drew on a variety of information sources and involved the participation of different stakeholder groups through multiple consultation processes. This phase included:

- A benchmark study of Sustainability Reports from six institutions (two national and four international) to examine the variables considered fundamental in their materiality assessment processes. This benchmarking exercise identified 13 key variables.
- Identification and prioritization of Sierra Gorda SCM's stakeholders in accordance with the ESRS framework, distinguishing between affected stakeholders and primary users of the analysis.
- Analysis of the company's value chain and business relationships, involving key actors at each stage of the operation. This analysis provided an initial view of the company's impacts, risks, and opportunities (IRO).
- Document review of both internal and external sources, including regulations, standards, company policies and procedures, and national and international sector frameworks.
- Interviews with key stakeholders, both internal (General Manager, General Counsel, Vice Presidents, Managers, and Area Heads) and external (authorities, neighborhood councils, associations), to gather insights and perceptions about the most relevant sustainability issues from both financial and impact perspectives.

2

IDENTIFICATION OF IMPACTS, RISKS, AND OPPORTUNITIES (IRO)

In this phase, Sierra Gorda SCM applied the double materiality approach in line with the ESRS framework, this time with the objective of identifying and classifying the most relevant impacts, risks, and opportunities (IRO).

The analysis was conducted using a structured matrix that distinguishes between:

- Impact materiality: significant positive or negative effects that the company's activities have on the environment and society.
- Financial materiality: risks or opportunities that could materially affect the company's development, performance, or financial position.

Both current and potential IROs related to the company's operations and context were considered. Initially, 43 IROs were identified, broken down into 20 Impacts, 16 Risks, and 7 Opportunities.

These IROs were analyzed internally as input for the next phase of evaluation and prioritization, in which material topics were assessed based on their relevance to Sierra Gorda SCM's sustainability strategy.

3

EVALUATION AND PRIORITIZATION

To evaluate the 43 identified impacts, risks, and opportunities, two workshops were held: one focused on impact materiality and the other on financial materiality, each involving key participants from Sierra Gorda SCM. The participants were selected based on their level of responsibility and functional area, ensuring a comprehensive and representative view of the organization. The workshop methodology included presentations on relevant topics, group discussions, and individual assessments of the IROs.

In total, 17 representatives from various departments participated in the workshops. The evaluation was based on ESRS framework and Sierra Gorda SCM's internal risk management methodology, using the following parameters:

- Impact assessment workshop: severity and likelihood.
- Risk and opportunity assessment workshop: magnitude (composed of scope, irremediability, and severity) and likelihood.

The impact assessment was complemented by an online survey targeting internal and external stakeholders, with the goal of capturing their perceptions of the company's potential impacts on society and the environment. A total of 86 responses were received from employees, contractors, and community members. The perceptions gathered were incorporated into the impact evaluation conducted during the workshop, with a weighting of 20% in the final result.

Based on this input, the IROs were prioritized through a systematic evaluation aligned with the ESRS framework and the application of materiality thresholds. The preliminary result was a set of 28 IROs, which, after further expert analysis, were consolidated into 18: comprising 6 impacts, 9 risks, and 3 opportunities.

4

VALIDATION AND RESULTS

Following the prioritization process, the results were presented to the General Counsel for final validation of the 18 IROs, which were ultimately consolidated into 11 material topics.

The results of this exercise provide key insights into the risks and opportunities that may affect Sierra Gorda SCM's ability to fulfill its purpose, execute its strategy, and generate environmental and social impacts.

To ensure objectivity throughout the process, the double materiality analysis was facilitated by Deloitte Chile. For each material topic, a primary Sustainable Development Goal (SDG) was identified, along with any complementary SDGs relevant to the associated impacts, risks, and opportunities.



SUSTAINABILITY

MANAGEMENT OF MATERIAL TOPICS
GRI 3-3

PILLAR	MATERIAL TOPIC	SDG	DESCRIPTION	POLICIES OR MECHANISMS
Environmental 	Environmental impact management and mitigation (1 Negative Impact)	 	Sierra Gorda SCM’s vision is to become the world’s safest and most efficient green copper mining company. Since the beginning of its operations, the company has promoted initiatives and projects aimed at preventing, minimizing, and mitigating the negative impacts of its activities. Operations use seawater, 100% of electricity consumption comes from renewable sources, and preventive and corrective measures are implemented to better mitigate potential atmospheric emissions impacts. The company maintains a strong commitment to innovation, incorporating projects that place it at the forefront of sustainable performance.	<ul style="list-style-type: none">• Health, Safety and Environmental Policy• Tailings Policy• Global Industry Standard on Tailings Management (GISTM) implementation process• Energy Management Policy• Sustainability Policy• Responsible Supply Chain Policy• Charter of Commitment of Sustainable and Ethical Business• Energy Efficiency Management System
Environmental 	Air quality (1 Risk)	 	Sierra Gorda SCM recognizes the potential environmental impact of mining activities. As such, the company continuously monitors air quality in nearby communities through a dedicated station that measures PM10 and PM2.5 levels. This allows for the implementation of effective measures to control and reduce atmospheric emissions from mining operations and ensure compliance with regulatory standards.	<ul style="list-style-type: none">• Health, Safety and Environmental Policy• Sustainability Policy• Blasting Protocol


PILLAR	MATERIAL TOPIC	SDG	DESCRIPTION	POLICIES OR MECHANISMS
Social 	People management (1 Risk)	 	Sierra Gorda SCM promotes strong labor relations grounded in mutual respect, ongoing dialogue with workers and their representatives, and full recognition of collective bargaining rights. The company is committed to strict compliance with labor rights, promoting fair working conditions and equal opportunities across all areas of its operations. It encourages an organizational culture rooted in ethics, respect, diversity, and teamwork, while promoting a positive work environment that values individual contributions and drives collaboration and innovation.	<ul style="list-style-type: none">• Diversity and Inclusion Policy• Compensation Policy• Sustainability Policy• Internal Regulations on Order, Hygiene, and Safety• ESTAR Corporate Values• Whistleblower Channel
Social 	Human rights (1 Negative Impact)		<p>Sierra Gorda SCM maintains a firm and unwavering commitment to respecting, safeguarding, and protecting the human rights of its employees, suppliers, and the communities it engages with. The company actively promotes non-discrimination, equal opportunity, inclusion, and the protection of health and safety across all operational areas.</p> <p>This commitment extends to its relationships with suppliers, with whom Sierra Gorda SCM upholds the highest standards of legal and regulatory compliance, business integrity, and safety, among others. The company explicitly prohibits child labor, forced labor, or any form of compulsory labor across all its operations and throughout its supply chain, including specific guidelines for security service providers in alignment with international initiatives.</p>	<ul style="list-style-type: none">• Human Rights Policy• Sustainability Policy• Diversity and Inclusion Policy• Health, Safety and Environmental Policy• Tailings Policy• Support for the international Voluntary Principles on Security and Human Rights initiative• Community Feedback Procedure• Whistleblower Channel• Responsible Supply Chain Policy• Corporate Risk Management System Policy


SUSTAINABILITY

PILLAR	MATERIAL TOPIC	SDG	DESCRIPTION	POLICIES OR MECHANISMS
<div>Social</div> <div></div>	Occupational health and safety (1 Risk)	<div><div>3 GOOD HEALTH AND WELL-BEING</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div></div>	<p>Safety is a constant priority for Sierra Gorda SCM. Protecting the lives and well-being of everyone working at its facilities is central to the company’s management approach, as reflected in its five core values (ESTAR), where health and safety come first.</p> <p>The company also has in place policies, training programs, and practices that foster a strong safety culture.</p>	<ul style="list-style-type: none">• Health, Safety and Environmental Policy• Internal Rules on Order, Hygiene, and Safety• Global Industry Standard on Tailings Management (GISTM) implementation process• ESTAR Values
<div>Social</div> <div></div>	Community engagement (2 Positive Impacts)	<div><div>10 REDUCED INEQUALITIES</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div></div>	<p>Sierra Gorda SCM’s approach to community engagement is grounded in ongoing dialogue with local communities, enabling the company to identify their main aspirations and challenges in a timely and effective manner. The company fosters open, transparent, and solution-oriented conversations, while showing deep respect for local culture and traditions. It also seeks to actively participate in important events within the community.</p>	<ul style="list-style-type: none">• Human Rights Policy• Community Policy• Corporate Communications Policy• Sustainability Policy• Tailings Policy• Community Engagement Strategy• Community Feedback Procedure• Spokesperson Protocol• Meeting and Hearing Guidelines with Authorities• Stakeholder Mapping• Identification of Vulnerable Groups• Blasting Protocol• Community Meeting Forums• Social Investment Procedure• Implementation of Social Investment Initiatives

PILLAR	MATERIAL TOPIC	SDG	DESCRIPTION	POLICIES OR MECHANISMS
<div>Social</div> <div></div>	Sustainable supplier management (1 Positive Impact and 1 Risk)	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>	<p>Sierra Gorda SCM promotes sustainability throughout its entire supply chain by applying rigorous controls and working collaboratively with suppliers that share its values and sustainable approach. In doing so, the company encourages the adoption of best practices, adherence to high sustainability standards, and full respect for human rights.</p>	<ul style="list-style-type: none">• Human Rights Policy• Responsible Supply Chain Policy• Whistleblower Channel
<div>Governance</div> <div></div>	Culture of excellence (1 Positive Impact and 1 Opportunity)	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div></div>	<p>Sierra Gorda SCM is committed to advancing safe, efficient, and sustainable operations by fostering a culture of organizational excellence grounded in high operational standards, continuous improvement, and innovation. This commitment is reflected in the active promotion of a preventive, responsible, and collaborative mindset across all areas of the company.</p>	<ul style="list-style-type: none">• PODER Seal• Global Industry Standard on Tailings Management (GISTM) implementation process• Energy Efficiency Management System
<div>Governance</div> <div></div>	Sustainable mining (2 Risks and 2 Opportunities)	<div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13 CLIMATE ACTION</div></div>	<p>Sierra Gorda SCM promotes sustainable mining management guided by a Sustainability Policy that provides a comprehensive framework for operating under high standards across all dimensions. This policy includes commitments related to governance and organizational ethics, environmental management and climate change, people development, and community engagement.</p>	<ul style="list-style-type: none">• Sustainability Policy• Charter of Commitment of Sustainable and Ethical Business

SUSTAINABILITY

PILLAR	MATERIAL TOPIC	DESCRIPTION	POLICIES OR MECHANISMS
Governance 	Governance and ethical conduct (1 Risk)	Sierra Gorda SCM has a robust governance structure supported by clear policies and guidelines that drive sustainable performance. The Owners’ Council (KGHM and South32) provides strategic direction to the company, oversees resources and value creation, and monitors performance, risks, and management control systems.	<ul style="list-style-type: none">• Compensation Committee• Finance Committee• Marketing Committee• Technical Committee• Tailings Storage Facilities Committee• Sustainability Committee• Compliance and Risk Committee• Code of Business Conduct and Ethics• Crime Prevention Model• Human Rights Policy• Conflict of Interest Policy• Corporate Risk Management System Policy• Assurance Policy• Charter of Commitment of Sustainable and Ethical Business• ESTAR Values• Whistleblower Channel

PILLAR	MATERIAL TOPIC	DESCRIPTION	POLICIES OR MECHANISMS
Governance 	Transparency and compliance (2 Risks)	<p>Sierra Gorda SCM recognizes the importance of maintaining transparent and ongoing communication with its various stakeholders, with the goal of providing timely information regarding the management of the potential impacts of its operations. The company maintains open communication channels, including a whistleblower channel managed by an independent third party, and policies that ensure compliance with regulatory and community obligations.</p> <p>In addition, the company operates under an internal compliance management model that systematizes the requirements set forth by Chilean legislation, ensuring proper monitoring, control, and verification. Through this model, Sierra Gorda SCM manages, obtains, and maintains the sectoral permits required for its operations, reaffirming its commitment to sustainable development through responsible mining and close engagement with its neighboring communities.</p>	<ul style="list-style-type: none">• Compensation Committee• Community Engagement Strategy• Finance Committee• Marketing Committee• Technical Committee• Tailings Storage Facilities Committee• Sustainability Committee• Compliance and Risk Committee• Owners’ Council sessions• Code of Business Conduct and Ethics• Crime Prevention Model• Conflict of Interest Policy• Whistleblower Channel• Conduct Manual under Law 20.393• Corporate Risk Management System Policy• Assurance Policy• Annual Report submitted to the Comisión para el Mercado Financiero (CMF, Financial Market Commission).



SUSTAINABILITY








STAKEHOLDERS

GRI 2-29

Sierra Gorda SCM recognizes that building transparent, participatory, and long-term relationships with its stakeholders is essential to the sustainable development of its operations. In line with this commitment, the company promotes spaces for dialogue and collaboration that enable the joint development of initiatives with a positive impact on the surrounding environment. In doing so, it contributes to the well-being of nearby communities within its areas of influence and helps strengthen the productive ecosystem of the Antofagasta Region.

These actions are carried out in accordance with the Key Stakeholder Map, a strategic tool that guides engagement efforts, identifies areas of influence, and defines priorities and strategies for interaction with the various stakeholder groups relevant to the operation.



STAKEHOLDER	DESCRIPTION	ENGAGEMENT CHANNELS
 Shareholders: KGHM Polska Miedź S.A. South32 Limited	Controlling groups of Sierra Gorda SCM as a self-managed joint venture with equity participation.	Management reports, board meetings, corporate committees, financial and sustainability reports, periodic executive meetings, and formal communications.
 Civil society	Includes non-governmental organizations (NGOs), universities, academic institutions, and associations.	Regular meetings, institutional partnerships, media presence, digital platforms, and the corporate website.
 Communities	The direct area of influence includes the towns of Sierra Gorda and Baquedano, as well as nearby educational and neighborhood communities around the Port of Antofagasta. Special attention is given to stakeholders identified as vulnerable, along with human rights and environmental advocacy groups.	Community meetings, collaborative activities, and ongoing participation in the “Mesa de Buenos Vecinos” (Sierra Gorda’s Good Neighbors Roundtable) and other permanent engagement instances led by the company.
 Authorities and regulators	Includes the central government, regional and municipal authorities, as well as oversight agencies.	Protocol meetings, formal communication instances, and direct liaison through the Office of the General Counsel, Sustainability and Corporate Affairs.
 Customers	Copper and molybdenum concentrate smelters and trading companies.	Commercial contracts, technical and operational coordination meetings, compliance with product specifications, traceability reports, technical visits, and direct communication channels established by the commercial and logistics teams.
 Suppliers	Sierra Gorda SCM works with a broad network of contractors and suppliers—international, national, regional, and local—who provide essential goods and services for the mining operation and its associated infrastructure. In 2024, the average number of permanent operational contractors was 3,014.	Commercial contracts and engagement mechanisms defined by the Vice President of Supply Chain.
 Employees	The operation has a workforce of 1,721 direct employees.	Programs and initiatives led by the Internal Communications and Organizational Development teams within the Vice President of Human Resources.
 Unions	Sierra Gorda SCM maintains an ongoing relationship with Union No. 1, Union No. 2, and the Supervisors and Staff Union. Currently, 95% of employees are unionized.	Formal dialogue and joint work sessions managed by the Vice President of Human Resources through the Labor Relations and Organizational Development departments.
 Industry associations and sectoral organizations	The company actively participates in key industry organizations, such as the Sociedad Nacional de Minería (SONAMI, National Mining Society), the Mining Council, and the Asociación de Industriales de Antofagasta (AIA, Antofagasta Industrial Association).	Participation in working groups, industry fairs, collaborative projects, and dialogue instances promoted by these entities.



03

ECONOMIC PERFORMANCE

- OPERATIONAL RESULTS
- ORGANIZATION SCALE
- CUSTOMERS AND MARKETS
- ECONOMIC VALUE

- TAXES
- INFRASTRUCTURE INVESTMENTS AND PUBLIC SUPPORT SERVICES

ECONOMIC PERFORMANCE

OPERATIONAL RESULTS

Sierra Gorda SCM reinforced its focus on optimizing production processes and enhancing cost-efficiency management. This effort was supported by the implementation of continuous improvement initiatives, detailed analysis of internal processes, and the proactive identification of opportunities to strengthen operational efficiency.

In line with this commitment, and according to the company’s financial statements—limited to Sierra Gorda SCM—the financial expenditure for the fiscal year totaled US\$349.6 million.

In 2024, we once again broke the average processing record at the concentrator plant, reaching 134,702 metric tons milled per day—well above the plant’s design capacity of 110,000 metric tons per day.

FINE METAL PRODUCTION (METRIC TONS)	2022	2023	2024
Fine copper	172,681	150,198	154,559
Molybdenum	2,493	2,982	2,808
C1 cost (USD)	1.5	1.72	1.61

*C1 cost per pound produced, including deferred stripping credit; in other words, it cost us USD 1.61 to produce one pound of copper in 2024.

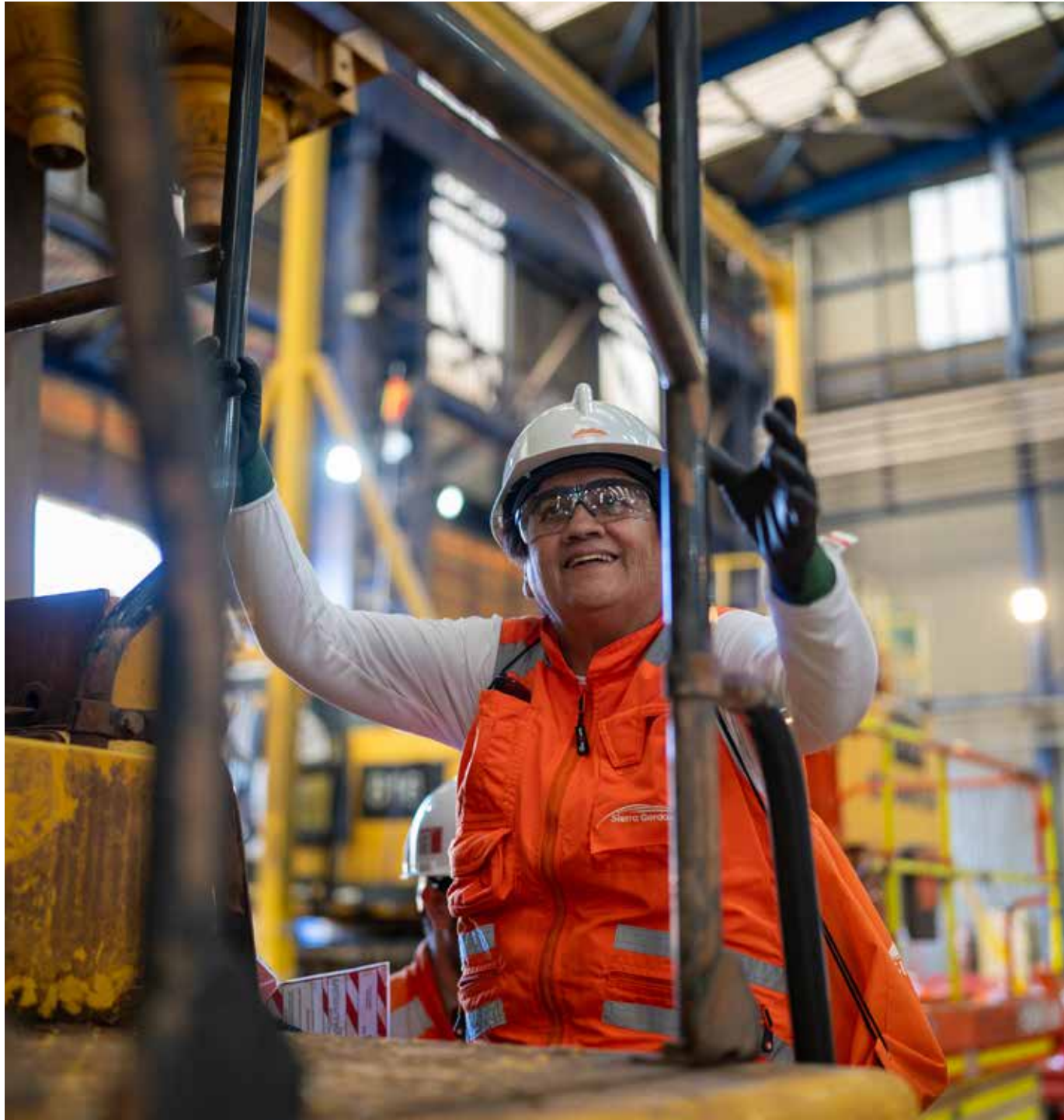


ECONOMIC PERFORMANCE

ORGANIZATION SCALE

GRI 2-6

SALES, REVENUE, AND SERVICES OF SIERRA GORDA SCM	2022	2023	2024
Total number of operations	1	1	1
Net sales for private sector organizations	USD1,617.2 million	USD1,443.0 million	USD1,622.5 million
Net revenue for public sector organizations	USD59.4 million	USD27.2 million	USD27.5 million
Total capitalization (for private sector organizations), broken down in terms of debt	USD299.2 million	USD226.2 million	USD281.6 million
Total capitalization (for private sector organizations), broken down in terms of equity	USD253.6 million	USD220.8 million	USD237.4 million
Volume of products sold or delivered	COPPER		
	365,086.09 pounds	322,915.04 pounds	325,021.06 pounds
	GOLD		
	61.44 thousand ounces	61.10 thousand ounces	60.64 thousand ounces
	SILVER		
	1,591.04 thousand ounces	1,317.51 thousand ounces	1,381.42 thousand ounces
	MOLYBDENUM OXIDE		
	7,806.95 thousand pounds	5,801.79 thousand pounds	6,440.64 thousand pounds



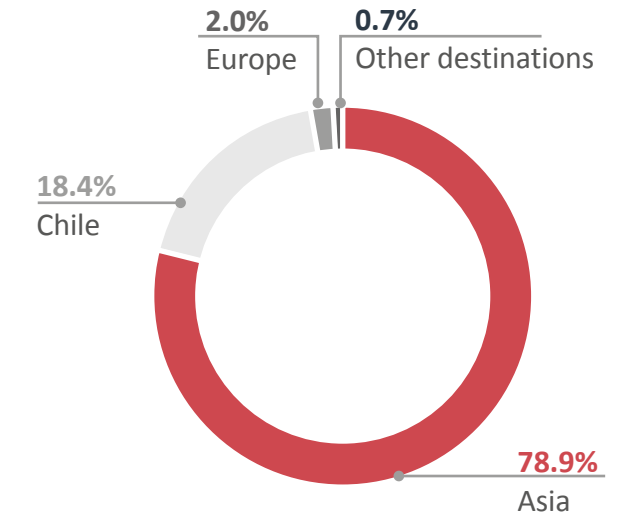
CUSTOMERS AND MARKETS

GRI 2-6

The company manages the sale of copper and molybdenum concentrate to various markets, supplying international customers, trading companies, and smelters in different regions of the world.

The refining of these minerals takes place outside Chile, allowing them to be used in a wide array of strategic industries, such as the production of electronic devices, automobiles, smartphones, electrical equipment, and renewable energy solutions—products that are essential to modern life.

In 2024, revenue distribution by geographic location was as follows:



ECONOMIC PERFORMANCE

ECONOMIC VALUE

GRI 201-1

Sierra Gorda SCM plays a key role in generating economic value for the Antofagasta Region. This value creation is reflected in two main dimensions: Economic Value Generated (EVG) and Economic Value Distributed (EVD).

ECONOMIC VALUE GENERATED AND DISTRIBUTED (USD)*	2022	2023	2024
REVENUE			
Gross sales	1,617,216,544	1,442,991,136	1,622,521,064
Income from financial investments	1,160,790	6,389,819	5,085,598
Income from the sale of fixed assets and other sources	7,003,062	13,298,264	19,948,279
ECONOMIC VALUE GENERATED (EVG)	1,625,380,396	1,462,679,219	1,647,554,941
EXPENSES			
Operating costs	1,008,042,160	928,263,264	1,036,948,692
Employee wages and benefits	99,300,377	160,936,524	117,031,164
Payments to capital providers	403,104,725	135,376,100	690,473,161
Payments to fiscal and municipal authorities	59,411,698	27,198,780	27,485,176
Community investment	219,507	506,981	609,547
ECONOMIC VALUE DISTRIBUTED (EVD)	1,570,078,467	1,252,281,649	1,872,547,739
ECONOMIC VALUE RETAINED	55,301,929	210,397,570	-224,992,799

**The amount reported as community investment includes only the resources executed through the Community Budget. It does not include contracts under the “Programa Trainee Comunitario” (Community Trainee Program) —highly valued by the local community— nor contributions made by other departments and divisions of the company.*

INDIRECT ECONOMIC IMPACTS

GRI 203-2

According to data from the Consejo Minero (Mining Council), copper mining makes a substantial contribution to both employment and Chile’s Gross Domestic Product (GDP). This impact increases significantly when the entire value chain is considered, including suppliers of various sizes.

Sierra Gorda SCM’s operations generate significant indirect economic impact, primarily concentrated in the Antofagasta Region. This is achieved by stimulating the regional economy and strengthening the local productive ecosystem through its extended value chain.

In 2024, the company maintained an average of 3,014 operational (permanent) contractors, reflecting the scale of indirect employment supported by its operations.

In terms of commercial relationships, Sierra Gorda SCM worked with 138 local service providers in the Antofagasta Region. Regarding goods, it engaged with 167 local suppliers, representing 27% of the company’s total suppliers.

These figures reaffirm Sierra Gorda SCM’s commitment to fostering a more resilient and diversified economy

in its areas of influence, while responding to local development needs. This approach also has a multiplier effect in sectors such as transportation, food services, and industrial maintenance, strengthening local productive capacities and promoting development opportunities beyond the scope of the mining operation.



ECONOMIC PERFORMANCE

TAXES
GRI 207-1

Sierra Gorda SCM maintains an unwavering commitment to strict compliance with applicable tax and legal regulations, ensuring the accurate determination, declaration, and timely payment of all corresponding taxes.

In line with its commitment to transparency and in accordance with the standards of the Extractive

Industries Transparency Initiative (EITI), the company publicly discloses the taxes and payments made to the Government of Chile in 2024.

INFORMATION CRITERIA

- The reported payments refer exclusively to Sierra Gorda SCM’s operations within Chilean territory.

- Figures are expressed in US dollars, rounded to two decimal places.
- Payments were made in Chilean pesos (CLP) and converted into US dollars based on the exchange rate in effect on the payment date.



TAX PAYMENTS IN USD BY SIERRA GORDA SCM IN CHILE, 2024	CURRENCY USD	
Mining patents	147,367.65	Annual tax established by law, which must be paid to maintain the validity of a mining concession.
Easements	161,942.59	Payment associated with the use of land or properties granted by a third party to Sierra Gorda SCM for the development of its operations.
Property tax	683,695.43	Wealth tax on real estate, calculated as a percentage of the assessed value of the properties owned by Sierra Gorda SCM.
Municipal license	322.30	Permit granted by local municipalities for carrying out economic, commercial, or industrial activities.
Stamp tax	3,200,000	Tax applied to documents certifying money credit operations.
Mining tax	10,910,944.31	Tax applied to mining exploitation activities.
Over-indebtedness tax	12,355,925.67	Tax incurred when a company exceeds the allowable level of indebtedness at the close of the fiscal year.
Tax on non-deductible expenses and/or fines	24,978	Tax applicable to expenses that are not considered necessary for income generation.
TOTAL	27,485,175.95	

INFRASTRUCTURE INVESTMENTS AND PUBLIC SUPPORT SERVICES

GRI 203-1

Sierra Gorda SCM's commitment to the development of local communities and the promotion of regional economic activity is reflected in its various lines of community contributions, social investment, and operational support. Through concrete actions, the company helps strengthen the regional economy, promote community well-being, and build long-term partnerships with local stakeholders.

In 2024, the company allocated US\$609,547 to community project investments in its areas of influence. These efforts were complemented by non-monetary contributions of high impact and value to the community, such as the provision of machinery during weather emergencies, the use of water trucks to irrigate rural roads, and responses to specific community requests.

These types of actions are carried out for various purposes—sometimes in response to specific needs or community requests, and in other cases as part of environmental commitments. One example was the paving of 5,670 m² of road near the town of Sierra Gorda, with an investment of CLP\$428,390,851. This project was undertaken as part of the company's commitments under its Resolución de Calificación Ambiental (RCA, Environmental Qualification Resolution) and is therefore not included in the previously reported amount for community projects. Through this initiative, Sierra Gorda SCM contributed to improving road infrastructure and reducing airborne dust emissions,

directly enhancing the quality of life for local residents and the surrounding environment.

In terms of employability, the company promoted the “Programa de Trainee Comunitario” (Community Trainee Program), which led to the hiring of seven new employees from Sierra Gorda and Baquedano. These workers were employed under fixed-term contracts for 12 months, supporting their professional and personal development. Further details about the program are provided in Chapter 7: Communities.

The company is also upgrading its two existing thickeners, with work scheduled for completion in 2025. These enhancements will further reinforce Sierra Gorda SCM's strategy for water efficiency, responsible tailings management, and environmental impact mitigation.

NOTABLE INVESTMENT PROJECTS IN 2024



Deployment of advanced technology in mineral exploration

As part of its efforts to promote more efficient and sustainable mining, Sierra Gorda SCM invested US\$32,943,549 in the adoption of advanced technologies for mineral exploration. This investment included the development of geophysical and geochemical studies, complemented by deep drilling in strategic areas. The use of artificial intelligence-based solutions made it possible to optimize costs, shorten exploration times, and improve the quality of geological information. While this project has a direct operational impact, it also contributes to regional technological development and the promotion of skilled employment.



Construction of the third high-rate tailings thickener

In 2024, Sierra Gorda SCM continued the construction of a third high-rate tailings thickener, with a diameter of 86 meters and an estimated investment of US\$90 million. This project, essential for optimizing water resources, has enabled an increase in the recovery of seawater used in the flotation process, reaching a discharge density above 60%.



Inauguration of the paved road built by the company, together with community representatives





GOVERNANCE

- CORPORATE GOVERNANCE
- ETHICAL CONDUCT
- COMMITMENT TO HUMAN RIGHTS
- REGULATORY COMPLIANCE
- RISK MANAGEMENT

GOVERNANCE

CORPORATE GOVERNANCE

GRI 2-9 GRI 2-10 GRI 2-11 GRI 2-14
GRI 405-1

Sierra Gorda SCM’s governance model is based on an Owners’ Council composed of six members—three representing each controlling group—ensuring equal shareholder representation. This body is responsible for the overall direction of the company and oversight of the implementation of its corporate strategy.

The Council members do not hold executive roles within the company, which guarantees their independence from operational management.

The presidency of the Council rotates every two years, and decisions are made by consensus among its members. In 2024, the presidency was held by KGHM and exercised as follows:

From January 1, 2023 to July 11, 2024	▶ Mirośław Kidoń
From July 11 to September 16, 2024	▶ Piotr Krzyżewski
From September 16 to December 31, 2024	▶ Iga Dorota Lis

Members of the Owners’ Council are appointed directly by the shareholders of Sierra Gorda SCM through a discretionary process defined by each controlling entity. The compensation received by these representatives is determined by the shareholders themselves and does not originate from the company. Executive management is led by the Senior Leadership Team, which includes the General Manager, Vice Presidents, the General Counsel, and the Executive Director of Business Development. The Internal Auditor—responsible for ensuring the effectiveness of internal controls for risk management—reports directly to the Owners’ Council, as does the General Manager.

In addition to steering the company’s strategic direction, the Council’s main responsibilities include overseeing resource management and value creation, monitoring organizational performance, risks, and internal control systems. All Council meetings are documented in minutes, and the resolutions adopted are formally recorded in the company’s corporate records.

Members of the Owners’ Council in 2024. Three representatives from each shareholder company:

KGHM

MEMBERS	FROM	TO
Mirośław Kidoń	01-01-2024	11-07-2024
Michał Jezioro	01-01-2024	16-09-2024
Mateusz Wodejko	01-01-2024	22-02-2024
Piotr Krzyżewski	11-07-2024	31-12-2024
Andrzej Konieczny	11-07-2024	31-12-2024
Iga Dorota Lis	16-09-2024	31-12-2024

SOUTH32

MEMBERS	FROM	TO
Simon Collins	01-01-2024	31-12-2024
Antonio Perez	01-01-2024	31-12-2024
Vanessa Torres	01-01-2024	04-04-2024
Erwin Schaufler	04-04-2024	31-12-2024

The powers, responsibilities, and operating rules of the Owners’ Council are established in the Joint Venture Agreement, which defines key decision-making authority, including:

- Appointment of members of the Senior Leadership Team
- Definition of corporate governance policies and approval of the operating budget
- Authorization of changes to the company’s corporate purpose and bylaws
- Approval of significant transactions such as loans exceeding certain thresholds, asset disposals, and dividend distributions, among other matters
- Formation of technical committees.

The committees established by the Council serve as advisory bodies composed of specialists selected based on their expertise in the relevant subject areas. Although they report directly to the Owners’ Council, they maintain ongoing coordination with the company’s Senior Leadership Team for the analysis and discussion of key topics.

As of the end of 2024, the committee structure was composed of the following:



SUSTAINABILITY COMMITTEE

The Sustainability Committee analyzes matters related to environmental, social, and governance (ESG) aspects. Its main functions include:

- Defining guidelines and overseeing compliance with the sustainability standards applicable to Sierra Gorda SCM, taking into account the current regulations, legal requirements, licenses, and permits.
- Creating a space for interaction between shareholders and Senior Management to address topics related to health, safety, environment, community, and risk management.
- Reviewing and evaluating reports and indicators related to sustainability, greenhouse gas (GHG) emissions, and operational risks, with the aim of contributing to the development of safe and sustainable operations.
- Reviewing the Sustainability Report and providing recommendations to the Owners’ Council.

GOVERNANCE

ETHICAL CONDUCT

CODE OF BUSINESS CONDUCT AND ETHICS

Sierra Gorda SCM upholds a strong commitment to business conduct based on ethical principles and regulatory compliance. Within this framework, the company has implemented a Code of Business Conduct and Ethics that applies to all areas and individuals within the organization.

Familiarity with the code is mandatory for all employees, as it sets forth the principles and rules that govern organizational behavior.

Through this code, the company ensures that its operations and relationships are conducted with high standards of integrity, transparency, and sound corporate governance. It also reflects the active integration of the ESTAR values into the day-to-day management of all operations.

The code aims to:

- Promote behaviors aligned with ethical principles, regulatory frameworks, and company policies
- Ensure compliance with applicable national legislation
- Establish trust-based relationships founded on integrity, honesty, and responsibility
- Contribute to a respectful and collaborative work environment

- Protect the company’s reputation through high standards of conduct
- Prevent, detect, and report instances of fraud, bribery, corruption, or other behaviors contrary to ethical principles
- Support the long-term sustainability of the business

ETHICS COMMITTEE

To strengthen the organizational culture based on ethics and corporate values, Sierra Gorda SCM has an Ethics Committee responsible for ensuring compliance with the Code of Business Conduct and Ethics, promoting ethical principles within the company, and managing formal reporting channels. The Committee is also responsible for overseeing the implementation of and ensuring compliance with the Crime Prevention Model (MPD, Modelo de Prevención de Delitos) and is composed of the following positions:

- General Manager
- Vice President of Human Resources
- General Counsel, Sustainability and Corporate Affairs
- Manager of Governance, Risk, and Compliance (Crime Prevention Officer)
- Internal Audit Manager



ORGANIZATIONAL COMPLIANCE STRUCTURE



GOVERNANCE

CRIME PREVENTION MODEL (MPD)

Sierra Gorda SCM is firmly committed to integrity and ethical business practices. In line with this commitment, the company has implemented a Crime Prevention Model (MPD, Modelo de Prevención de Delitos) in accordance with the requirements of Law No. 20.393, which establishes the criminal liability of legal entities for a range of offenses. These include money laundering, terrorist financing, bribery of public officials (both domestic and foreign), corruption, receipt of stolen goods, embezzlement, and conflicts of interest, among others.

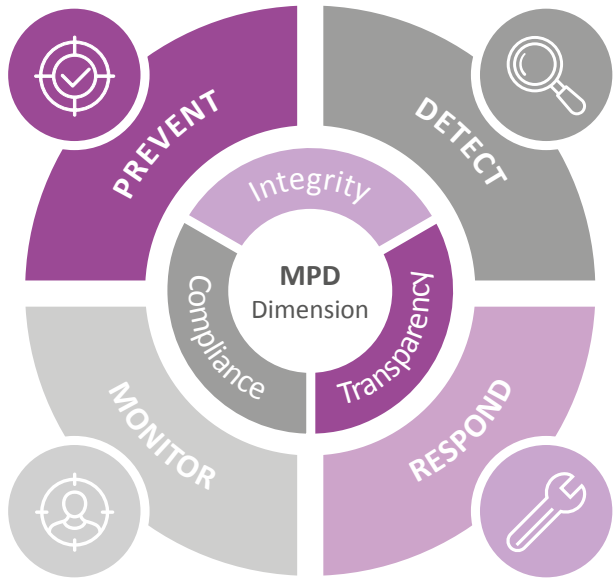
The MPD is led by a Crime Prevention Officer, whose role is to establish mechanisms to prevent and mitigate criminal risks the company may face. This includes defining the segregation of duties, responsibilities, and prohibitions applicable to all personnel, including contractors and consultants. The objective is to ensure full compliance with all applicable legal requirements.

A key component of this model is the development of a risk and control management matrix, which allows for the periodic assessment of processes or activities that may be exposed to the risk of criminal offenses.

To ensure the continued effectiveness of our Crime Prevention Model, the company has decided to submit it to a certification process every two years, in line with the recommendations established under Law No. 20.393. On April 8, 2024, we received a certificate



issued by a company listed in the Registry of Crime Prevention Model Certifying Entities maintained by the Comisión para el Mercado Financiero (CMF, Financial Market Commission). This certification confirms that Sierra Gorda SCM has implemented a Crime Prevention Model that meets all the requirements outlined in



items 1), 2), and 3) of Article 4 of Law No. 20.393. This certification confirms the strength and credibility of our program and its full compliance with all legal requirements. It serves as a strong testament to our unwavering commitment to integrity and crime prevention across all areas of our operations.

In parallel, we deliver regular training sessions on the risks, protocols, and requirements of Law No. 20.393 to all employees—placing particular emphasis on those in roles with a higher exposure to potential criminal risks.

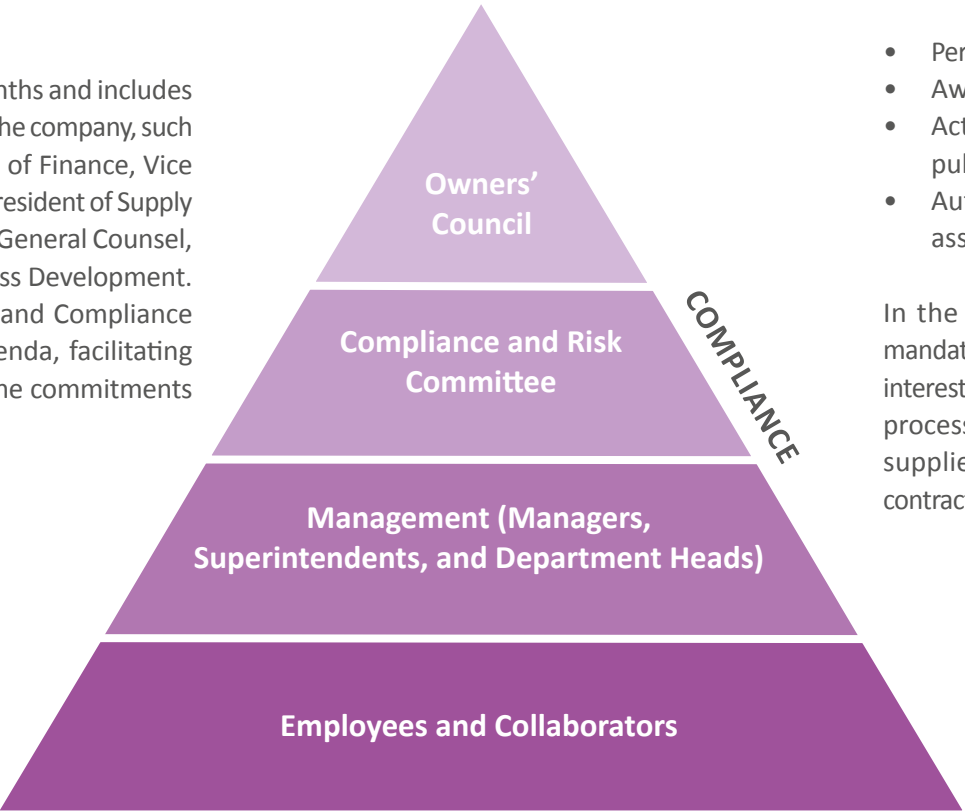
As part of our commitment to continuous improvement, in the second half of 2024, we carried out a substantial update to our Crime Prevention Model (MPD, in Spanish) to ensure full alignment with the new Law No. 21.595 on Economic Crimes.

Additionally, the Governance, Risk, and Compliance (GRC) Department and the Legal Superintendent organized a series of training sessions covering Law No. 20.393, Law No. 21.595, and the MPD framework.

COMPLIANCE AND RISK COMMITTEE

To promote a culture of compliance and risk management, several sessions of the Compliance and Risk Committee were held in 2024. The committee’s main objectives included overseeing the compliance and risk management process, improving interdepartmental communication, centralizing communication channels, supporting risk owners as needed, streamlining decision-making, and issuing recommendations.

This committee meets every two months and includes representatives from various areas of the company, such as General Manager, Vice President of Finance, Vice President of Human Resources, Vice President of Supply Chain, Vice President of Operations, General Counsel, and the Executive Director of Business Development. The Manager of Governance, Risk, and Compliance is responsible for preparing the agenda, facilitating the meetings, and following up on the commitments agreed upon.



CONFLICTS OF INTEREST

GRI 2-15

Our Conflicts of Interest Policy clearly defines actual and potential conflict scenarios within the company and establishes the expected conduct for their management and resolution. This policy applies to all Sierra Gorda SCM employees, as well as to suppliers, service providers, and clients—particularly those involved in the following areas:

- Personnel hiring, evaluation, and/or decision-making
- Awarding purchase and service contracts
- Activities involving government authorities and public agencies
- Authorization of the use of company property, assets, systems, or information.

In the case of suppliers, the policy establishes a mandatory declaration and control system for conflicts of interest during procurement and contract administration processes. This system involves key personnel from supplier teams participating in bidding processes, contract administrators, and commercial representatives.

GOVERNANCE

WHISTLEBLOWER CHANNEL

GRI 2-16 GRI 2-26 GRI 406-1

The Code of Business Conduct and Ethics sets out general guidelines for conducting business with the highest standards of ethics and integrity.

In this context, we are committed to fostering and prioritizing an environment of open and honest communication with direct supervisors. To support this, we offer multiple mechanisms for reporting concerns—free of charge, secure, and anonymous—based on concrete facts regarding irregular conduct that may violate our corporate values, the Code of Business Conduct and Ethics, or the Crime Prevention Policy. To this end, we maintain the Navex Ethics Point Whistleblower Channel, which is accessible to employees, collaborators, and external parties. Reports can be submitted anonymously, if desired, through the company’s website, by telephone, or via a dedicated email address.

Reports are initially received and logged by an external company specialized in whistleblower case management, where the identity of the whistleblower can be kept anonymous if requested.

The information is then reviewed by the Ethics Committee, which determines whether a formal investigation should be conducted based on the merits and evidence of the case.

We are committed to ensuring that all reports submitted through this channel—when made in good faith and based on substantiated facts—are addressed and, when applicable, investigated.

A summary of reports and the corrective actions taken is submitted every six months to the Owners’ Council.

Scan the QR code to access the mobile application



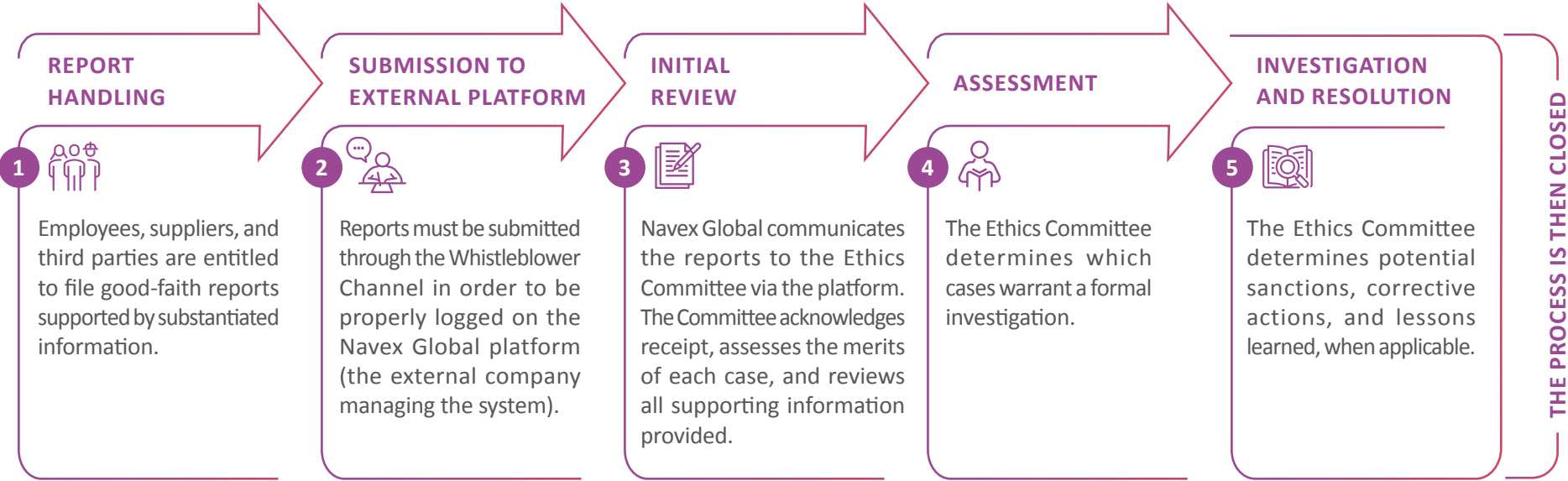

Website: www.sierragorda.ethicspoint.com


Toll-free numbers (Chile): 800-360-311 / 800-360-312
(then dial 855-840-0090)


Email: etica@sgscm.cl



STEPS IN THE WHISTLEBLOWER CASE MANAGEMENT PROCESS



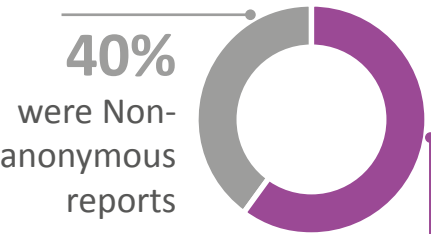
GOVERNANCE

WHISTLEBLOWER SYSTEM RESULTS

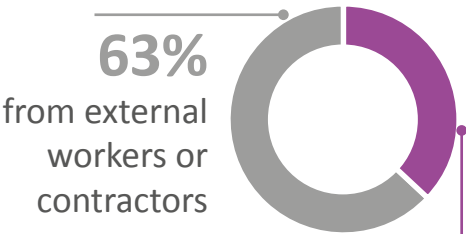
6 high-priority reports | 13 medium-priority reports | 44 general-priority reports

63 reports filed in 2024, classified according to their level of priority as detailed above

OF THE TOTAL REPORTED CASES:



60% were submitted anonymously



37% originated from direct employees

35%

of the reports were substantiated following the analysis of evidence, leading to various corrective measures, including:

- Termination of employment
- Formal reprimands
- Signed commitment letters
- Retraining of involved personnel
- Review and adjustment of internal policies or procedures.

It is worth noting that, in 2024, Sierra Gorda SCM strengthened awareness of the importance of the Whistleblower Channel and the safeguards in place to protect both the information received and the individuals who report concerns.

NUMBER OF REPORTS RECEIVED THROUGH THE WHISTLEBLOWER CHANNEL		MAIN TOPIC	NUMBER OF REPORTS 2023	NUMBER OF REPORTS 2024
Year	Number of Reports	Discrimination and harassment	26	34
2022	30	Human Resources	11	9
2023	57	Health and Safety	7	2
2024	63	Crimes under Law 20.393	3	4
		Use of illegal substances	3	2
		Other (e.g., conflict of interest, misappropriation of assets, procurement irregularities, document forgery)	7	12
		TOTAL	57	63

REPORTED CASES	NUMBER OF CASES
Discrimination cases reviewed by the company	34
Measures whose results were evaluated through routine internal management review processes	10
Cases not subject to any action	24

COMMITMENT TO HUMAN RIGHTS

GRI 2-23 GRI 2-24

Sierra Gorda SCM has a Human Rights Policy that expresses its unwavering commitment to respecting and protecting fundamental rights across all its activities. This policy, overseen by the Office of the General Counsel, is based on the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the core conventions of the International Labour Organization (ILO), and other international initiatives related to responsible business conduct.

The policy outlines specific responsibilities for each area of the company regarding key matters such as freedom of association, the prohibition of forced or compulsory labor, and the elimination of child labor, among others.

These commitments are implemented across the organization with the support of the Enterprise Risk Management System, which systematically integrates the identification, assessment, and management of both general risks and those related to human rights. This practice of conducting regular evaluations enables the company to anticipate, prevent, and mitigate potential human rights violations arising from its operations, whether in relation to employees, communities, or throughout the supply chain—with special attention to vulnerable groups.

This cross-cutting due diligence approach is reinforced by permanent, open, and accessible dialogue channels that support the timely and effective management of expectations, concerns, and even complaints from various stakeholders, including those related to human rights.

If any adverse human rights impacts are identified, response and remediation processes are activated, with a focus on protecting individuals, ensuring transparency, and closely monitoring compliance with applicable legal frameworks and the standards to which the company adheres.

In line with this commitment, in 2024 the Office of the General Counsel led a due diligence process in the company’s mineral supply chain, following the guidelines of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (CAHRAs). This international framework applies to companies involved in mineral supply chains and provides detailed guidance to ensure that their operations—and those of their suppliers—do not finance armed conflicts or contribute to human rights violations.

The OECD framework is structured around five steps: implementing strong company management systems, identifying and assessing risks in the supply

chain, adopting measures to mitigate those risks, monitoring the effectiveness of the actions taken, and communicating results transparently to stakeholders.

Based on the application of this framework, the analysis of Sierra Gorda SCM’s production process and the review of specialized sources concluded that, during 2023, the company did not engage in copper or molybdenum mineral purchases from third parties, whether domestic or international. Throughout that period, Sierra Gorda SCM sourced its minerals exclusively from its own deposit, the Catabela pit, located in the commune of Sierra Gorda, Antofagasta Region, Chile.

The company’s rigorous due diligence processes, aligned with international standards, support the conclusion that Sierra Gorda SCM operates in a low-risk and highly transparent environment. Located in a country with high human development, a strong institutional framework, and outside of CAHRA zones, the company ensures that the minerals it extracts are not linked to armed conflict or illegal activities, fully meeting the highest human rights standards in the mining industry.

These actions reflect Sierra Gorda SCM’s commitment to responsible mining, aimed at building trust and creating shared value for the people and territories where it operates.



GOVERNANCE

REGULATORY COMPLIANCE

GRI 2-23 GRI 2-24 GRI 2-27

We reaffirm our commitment to strict compliance with current environmental regulations and applicable standards, which are essential pillars for the responsible development of our activities. This vision is reflected in our Sustainability Policy, which aims to prevent, mitigate, and reduce negative impacts across our operating context, and is further supported by our Assurance Policy.

The implementation of this policy is supported by a collaborative organizational culture and a continuous improvement approach, promoting sustainable mining operations in all their dimensions. Thanks to this approach, no sanctioning procedures related to environmental matters or non-compliance with Resoluciones de Calificación Ambiental (RCA, Environmental Qualification Resolutions) were recorded in 2024.

Sierra Gorda SCM has a Closure Plan originally approved on September 14, 2015, under Exempt Resolution No. 2307, and most recently updated and approved by the Servicio Nacional de Geología y Minería (SERNAGEOMIN, National Geology and Mining Service) through Exempt Resolution No. 1384 dated July 25, 2023.

This plan outlines the actions and measures required to ensure the physical and chemical stability of the mining site, safeguarding human life, health, safety, and the

environment. To date, Sierra Gorda SCM has not initiated any partial closure or rehabilitation activities, as the mine’s operational life extends until 2035, according to the current Resoluciones de Calificación Ambiental (RCA, Environmental Qualification Resolutions).

The total estimated closure cost amounts to UF 1,276,494, and financial guarantees have been progressively secured in accordance with the latest Resolution No. 1384/2023 approving the plan.

ASSURANCE POLICY

The Assurance Policy is a governance tool that sets the foundation for the company’s environmental and sectoral oversight. It supports the work of the Assurance area by defining its mandate, structure, and relationship with the various departments and divisions across the organization, with the aim of ensuring compliance with the obligations established in the Resoluciones de Calificación Ambiental (RCA, Environmental Qualification Resolutions), sectoral permits, and current regulations. It also seeks to minimize exposure to sanction-related, reputational, and operational continuity risks.

The Assurance Policy promotes a preventive culture and continuous improvement through a comprehensive approach that emphasizes self-care, operational efficiency, and respect for the environment.



Its objectives include:

- Establishing an internal governance framework for regulatory and sectoral compliance.
- Ensuring compliance with environmental and sectoral commitments throughout all stages of the mining lifecycle: exploration, construction, operation, and closure.
- Preventing non-compliance that could result in sanctions or fines by regulatory authorities.
- Protecting corporate reputation and safeguarding business continuity.
- Promoting company-wide awareness and compliance with the policy at all organizational levels, with a short-, medium-, and long-term outlook.
- Strengthening a culture of self-care, recognizing the health and well-being of individuals as a key priority.
- Promote a preventive approach to environmental risks by encouraging the efficient use of water and energy, reducing waste and emissions, controlling particulate matter, and fostering recycling and material reuse.
- Strengthen efficient resource management by integrating the principles of reduction, reuse, and recycling.
- Drive continuous improvement through the identification and adoption of new technologies to optimize processes, improve efficiency, and lead innovation in the industry.
- Ensure the active commitment of everyone in the company to maximize the economic value of assets, contribute to social development, and reduce environmental impact.
- Develop communication systems to share the policy in a clear, practical, and accessible way for all employees.

COMPLIANCE CONTROL SYSTEM COMPONENTS

Each of our processes is governed by a formal procedure that defines specific criteria, responsibilities, and scope. Together, these documents form the foundation of the Assurance System, ensuring traceability and consistency in compliance management.

Key components of the compliance control system:

- Platform for commitment management
- Assurance compliance monitoring
- Applicability analysis of environmental regulations
- Management of commitments and obligations
- Inspections, audits, and findings management
- Compliance reporting

GOVERNANCE

ASSURANCE MILESTONES



SIERRA MAP MANAGEMENT PLATFORM

In 2024, Sierra Gorda SCM made progress in developing SIERRA MAP, a digital tool designed to integrate information from multiple sources and disciplines. This online visualization platform enhances the management, monitoring, and analysis of key data related to environmental and regulatory compliance.

COMMITMENTS AND OBLIGATIONS REPORTING

During the reporting period, a total of 211 commitments associated with Resolución de Calificación Ambiental (RCA, Environmental Qualification Resolution) and applicable environmental regulations were submitted through the Commitments Platform. This process achieved a 98% compliance rate, reflecting rigorous and efficient management.

ANNUAL ASSURANCE PLAN

An annual plan was designed and implemented to assess the quality and consistency of the evidence provided during the reporting processes. The review focused on critical operational aspects and resulted in the identification of 24 findings, which were addressed through specific action plans.



DOCUMENT MANAGEMENT AND FIELD ACTIVITIES

In 2024, the Assurance area carried out various initiatives that combined document management with on-site activities, including:

- Development of an archaeological heritage registry.
- Construction of a database to ensure traceability of inspections.
- Reporting through the platform of the Superintendencia del Medio Ambiente (SMA, Environmental Superintendency) under the Ministerio del Medio Ambiente (MMA, Ministry of the Environment).
- Monitoring of paving works on the B-225 bypass road.
- Hydrogeological monitoring.
- Improvement of infrastructure for wells with water rights.
- Direct coordination with regulatory authorities in the field.



PROJECTS

The area focused its efforts on three key initiatives aligned with regulatory requirements and the company’s commitments:

- **Salt Crust:** Activities such as testing, technical studies, and proposals for permanent monitoring were implemented to assess the stability of the salt crust during operations. These findings will serve as a basis for potential adjustments to the Closure Plan.
- **Construction of the Plant Perimeter Channel:** The Sustainability and Permitting Superintendency provided technical support throughout the engineering, bidding, and development phases

of the project, ensuring that its construction and operation comply with the standards established by current regulations.

- **Light Pollution:** Sierra Gorda SCM conducted a comprehensive assessment of the lighting system at the site, verifying compliance with Supreme Decree No. 43 and the new regulation D.S. No. 1. This work included studies on night sky characterization and modeling of light projection.

GOVERNANCE

RISK MANAGEMENT

We recognize risk as an effect of uncertainty that is an inherent part of our business and can generate both opportunities and threats. Effective risk management supports the achievement of objectives and contributes to improved performance. Risk is inherent to our business activities, and its effective management is key to the company’s growth and long-term success. Sierra Gorda SCM acknowledges the importance of identifying and managing risks across the entire organization and at all levels. To this end, the company has established a systematic approach in its Enterprise Risk Management System to identify, assess, address, monitor, and report risks, along with a common methodological language.

In today’s global, dynamic, and challenging environment, Sierra Gorda SCM’s Enterprise Risk Management

System strengthens traditional risk management practices aimed at failure prevention and enhances organizational resilience through its various lines of action.

- Support decision-making and the identification of priorities to achieve strategic objectives and both short- and long-term goals.
- Strengthen compliance with applicable legal and regulatory requirements.
- Enhance corporate governance.
- Serve as a useful tool for budget planning related to CAPEX and OPEX.
- Provide a valuable resource for identifying and managing risks in future projects developed by Sierra Gorda SCM.

With a firm commitment to supplying copper and molybdenum to the world, we are dedicated to creating value for our employees, shareholders, and neighboring communities. Our goal is to become the world’s safest and most efficient low-grade copper mining company. To achieve this, we have defined the scope and classification of our risk management system and prioritized the following key industry risk areas, aligned with our purpose and strategic objectives:



CYBERSECURITY

IP-04

Cybersecurity risks pose a threat to operational continuity and the protection of critical assets. In response, we have established a governance model that incorporates control mechanisms aimed at preventing incidents, safeguarding system integrity, and ensuring an effective response to potential vulnerabilities.

Our cybersecurity approach includes a five-year strategy, an annual roadmap, and a Cybersecurity Committee composed of leaders from key areas. It also incorporates a Disaster Recovery Plan (DRP) aligned with the Crisis Policy, awareness and training initiatives, ethical phishing campaigns, and a regulatory framework comprising specific policies and procedures.

We have also implemented measures to strengthen cybersecurity in our relationships with third parties. These include cybersecurity requirements in bidding processes, internal audits, penetration testing (pentesting), and technical improvements through the deployment of solutions for the protection and monitoring of IT and OT (Operational Technology) networks.





PEOPLE AND CULTURE

- ORGANIZATIONAL CULTURE
- PODER SEAL OF LEADERSHIP AND ESTAR VALUES
- WORKPLACE CLIMATE
- EMPLOYEE WELL-BEING
- WORKFORCE TURNOVER
- ATTRACTION AND RETENTION
- DIVERSITY, INCLUSION, AND EQUITY
- PAY GAP
- TRAINING AND DEVELOPMENT
- PERFORMANCE MANAGEMENT
- LABOR RELATIONS
- INNOVATION AND AUTOMATION IN PEOPLE MANAGEMENT

PEOPLE AND CULTURE

ORGANIZATIONAL CULTURE

Sierra Gorda SCM is characterized by a strong organizational culture rooted in the ESTAR values and the PODER leadership model. These principles are core to our identity, driving us to achieve our objectives while fostering a fulfilling work environment, professional development opportunities, and diverse teams.

As part of our organizational development strategy, we implemented a series of initiatives in 2024, including the following:

TEN YEARS OF OVERCOMING CHALLENGES
IN LOW-GRADE MINING

In 2024, Sierra Gorda SCM marked its first ten years of operation—an important milestone inspired a special commemoration. This event aimed to reflect on the company’s journey and honoring the collective efforts that have shaped its organizational identity and work culture.

To celebrate this tenth anniversary, a series of initiatives were carried out to strengthen employees’ pride and commitment. Through activities that combined the company’s history with moments of healthy competition, the celebration became a significant institutional milestone, reinforcing internal bonds and highlighting the shared commitment that has defined the past decade.



HIGHLIGHTED ACTIVITIES
POLISH BAND CONCERT

In collaboration with the Embassy of Poland and the Municipal Theater of Antofagasta, an open call resulted in a successful concert featuring the Polish band Wojtek Mazolewski Quintet. The event drew more than 500 attendees, including jazz enthusiasts, company employees, and residents from Antofagasta, Sierra Gorda, and Baquedano.



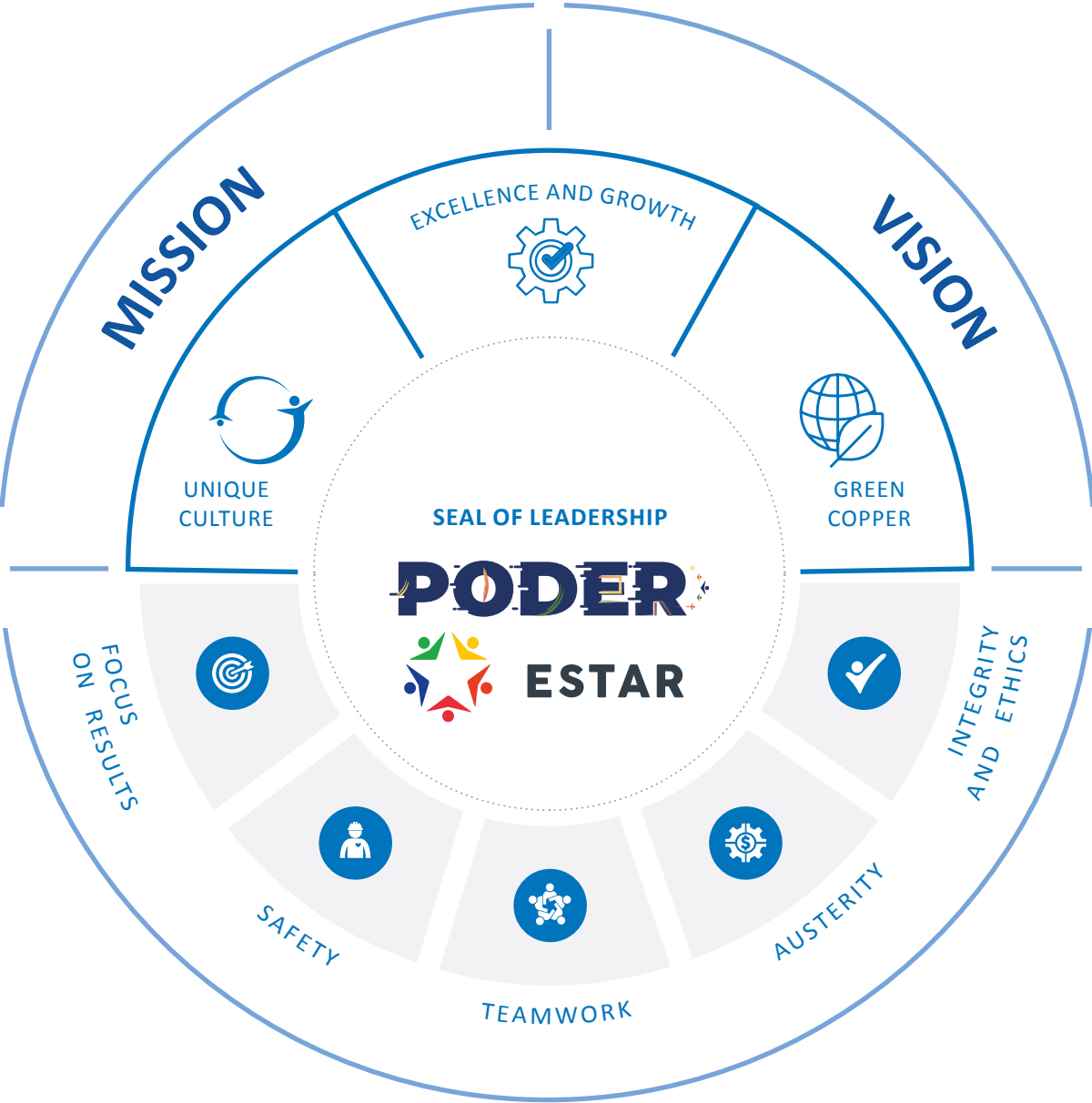
PODER SEAL OF LEADERSHIP AND
ESTAR VALUES

The PODER Seal of Leadership represents energy in action. It builds on the organization’s experience and learning to consolidate key competencies, practices, and attitudes that guide individual performance. Its purpose is to strengthen and expand these capabilities, promoting people’s development within the company from a strategic perspective.

This seal serves as a benchmark to enhance organizational culture and performance, ensuring the achievement of objectives and reaffirming the company’s leadership in low-grade copper mining.

The established capabilities are translated into specific behaviors according to each leadership level (vice presidents and managers, superintendents, supervisors with direct reports, and individual contributors), structured in development stages ranging from Reactive to Exceptional.

Through the PODER Seal of Leadership, we aim to inspire and mobilize employees by promoting behaviors and work methodologies focused on excellence. In doing so, we drive the achievement of both individual and organizational goals, positioning Sierra Gorda SCM as a constant and dynamic source of energy.



- Pillars of the PODER Seal of Leadership:
- Pertenecer (Belong)
 - Optimizar (Optimize)
 - Desafiar y superarse (Challenge and overcome)
 - Escuchar y comunicar (Listen and communicate)
 - Reconocer y colaborar (Recognize and collaborate)

Both the pillars of the PODER Seal of Leadership and the ESTAR corporate values complement each other under a unified approach that enables consistent talent management aligned with the company’s identity and purpose. While the ESTAR values define the expected behaviors of everyone at Sierra Gorda SCM, the PODER Seal brings those values to life through concrete actions.



PEOPLE AND CULTURE

WORKPLACE CLIMATE

The Workplace Climate Survey assessed employees’ perceptions of Sierra Gorda SCM’s value proposition. Conducted in July 2024, the survey achieved a high participation rate of 86%. A total of 75% of respondents reported a positive perception, consistent with the results obtained in 2023.

Information was collected anonymously through a questionnaire consisting of 55 statements across nine key satisfaction dimensions.




ACCOUNTABILITY AND FULFILLMENT OF COMMITMENTS

Evaluates the company’s ability to act responsibly and consistently, acknowledging mistakes when appropriate.



RESPECT AND ORGANIZATIONAL ETHICS

Analyzes adherence to ethical principles and respectful treatment of employees.



WORKING CONDITIONS

Assesses the availability of resources and necessary conditions for job performance, as well as the company’s commitment to employee well-being.



CLEAR AND HONEST COMMUNICATION

Measures the effectiveness of information flow across all levels of the organization, including the role of supervisors in this process.




SKILLS DEVELOPMENT

Examines whether employees have the skills required to perform their duties and whether the company fosters their professional growth.



COMMITMENT TO THE SURROUNDING ENVIRONMENT

Evaluates the company’s level of engagement with its surroundings and its contribution to socially relevant issues.



CLOSENESS, COLLABORATION, AND PARTICIPATION

Analyzes the promotion of teamwork, the creation of safe spaces, and the integration of workers’ ideas.



CONFLICT MANAGEMENT

Measures the company’s ability to address and resolve conflicts effectively, turning them into learning opportunities.



OVERALL SATISFACTION

Reflects employees’ overall perception of their satisfaction and commitment to the company.

Additionally, the survey included a leadership analysis based on the evaluation of eight statements related to this area. The results helped identify areas for improvement and guided the definition of strategies to strengthen supervisory competencies within the company.

EMPLOYEE WELL-BEING

The company’s success lies primarily in the people who make up its teams; it is their commitment and dedication that shape the company’s future. Inspired by this, we take responsibility for the well-being of our workers through a series of on-site initiatives aimed at promoting balance and optimal rest conditions for those working in shifts at the operation site.



WORKPLACE FLEXIBILITY AND BENEFITS INITIATIVES
GRI 401-2

In 2024, various initiatives were implemented to enhance team well-being, including a 4x3 work schedule of 40 hours per week for employees at the Santiago and Antofagasta offices, as well as flexible start and end times for employees with standard work schedules.

Additionally, full-time employees receive a range of benefits, which may vary depending on their position and work schedule:

- **Bonuses:** Night shift, operational continuity, 7x7 shift, monthly housing, temporary replacement, internal training (mentors), rescue brigade, annual performance (quarterly results), new duties, training on rest days, annual flexible bonus, and operational support.
- **Allowances:** Transportation, special Sierra Gorda allowance, vacation allowance.
- **Other benefits:** Annual bonus equivalent to one month’s salary, progressive vacation compensation, additional vacation days, medical loans, school scholarships, and financial assistance in case of emergencies or personal events.

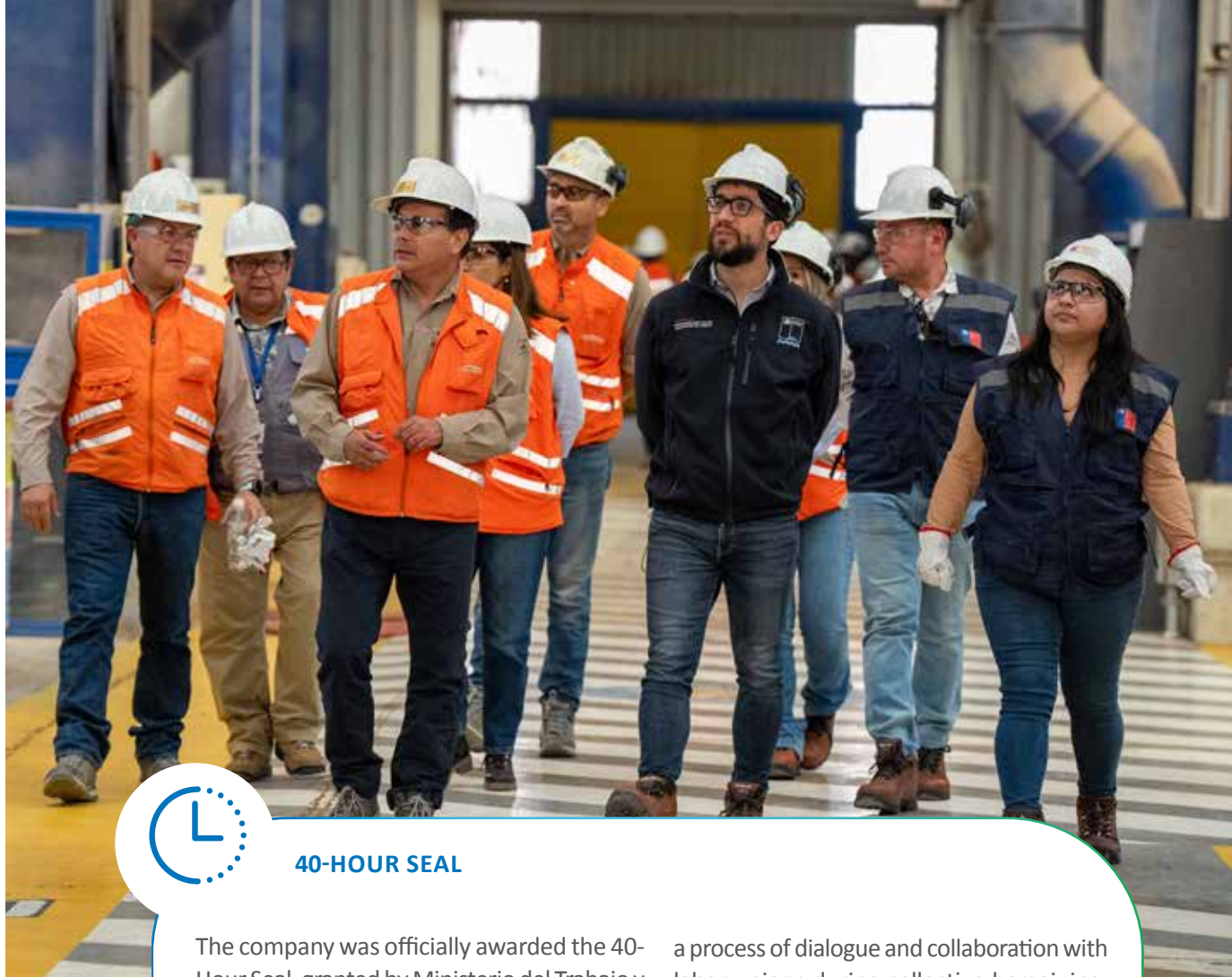
PARENTAL LEAVE
GRI 401-3

In 2024, 0.1% of employees took parental leave, all of whom were women. Every one of them returned to their position after the leave period and remained employed for at least 12 months following their return.



WELL-BEING HIGHLIGHTS

The company implemented multiple initiatives aimed at strengthening the sense of belonging and promoting workplace well-being.



40-HOUR SEAL

The company was officially awarded the 40-Hour Seal, granted by Ministerio del Trabajo y Previsión Social (Ministry of Labor and Social Security) through Exempt Resolution No. 373, dated April 29, 2024. This recognition certified the early implementation of a 40-hour workweek at the Santiago and Antofagasta offices.

This achievement was made possible through

a process of dialogue and collaboration with labor unions during collective bargaining, reflecting the participatory approach that defines the company's labor relations.

The reduction in weekly working hours represents a significant step forward in quality of life and has become a key benefit within Sierra Gorda SCM's talent attraction and retention strategy.



YEAR-ROUND ACTIVITIES

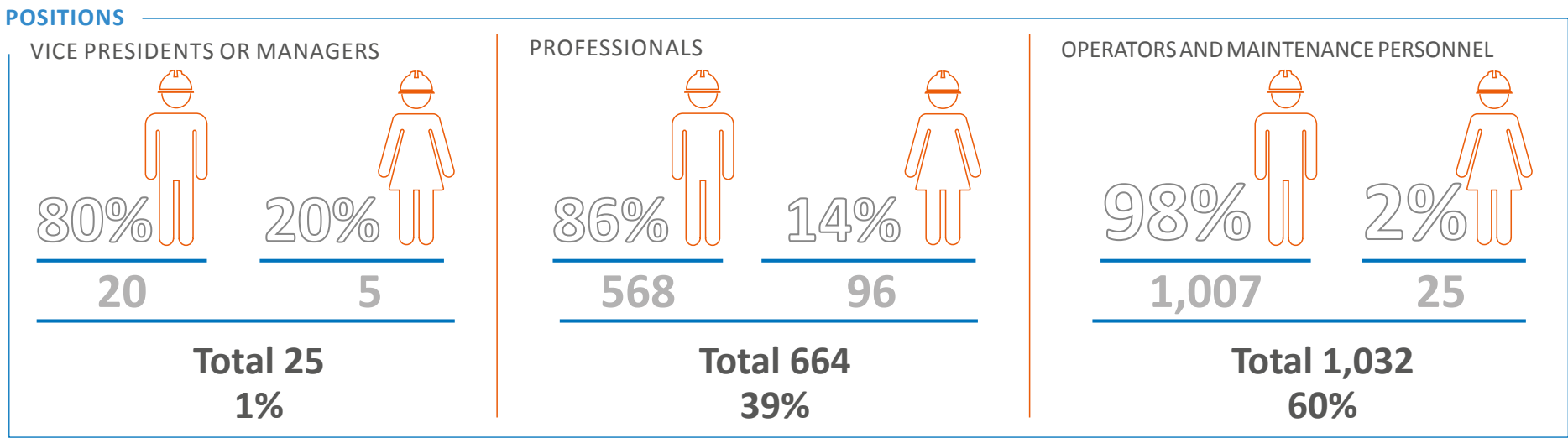
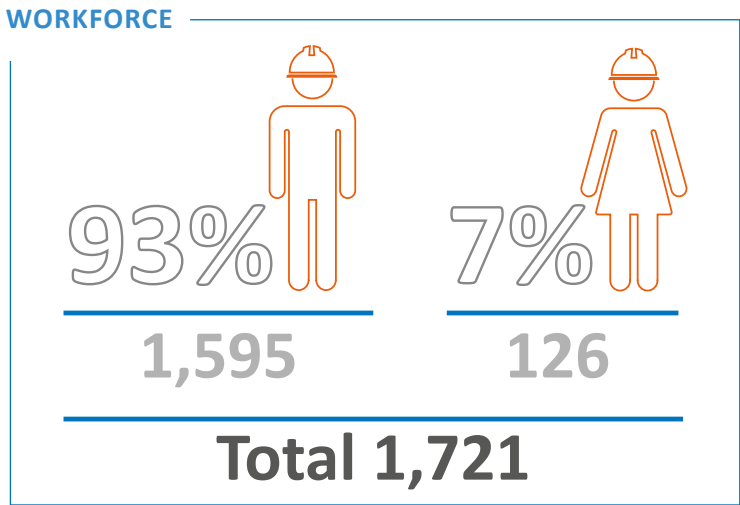
The company strengthened the sense of belonging through celebrations that brought employees together and recognized their effort and commitment to Sierra Gorda SCM:

- Commemorations such as International Women's Day, Men's Day, Labor Day, Father's and Mother's Day, Miners' Day, employee birthdays, the company anniversary, Christmas, and New Year's.
- Sports and recreational events, including basketball tournaments, cross camp, cueca dance classes, fitness mix body combat, Zumba master classes, five-a-side soccer tournaments, and doubles tennis championships.
- Special dinners for shift workers at the site, featuring menus inspired by international cuisines (e.g., East Asia, Argentina, Venezuela).
- Initiatives aimed at promoting physical activity, fostering a dynamic work environment through themed dining hall events, encouraging healthy eating habits, and reinforcing team spirit and integration.
- Family engagement activities, including talks, workshops, and both in-person and virtual contests held in a fun and informative atmosphere.

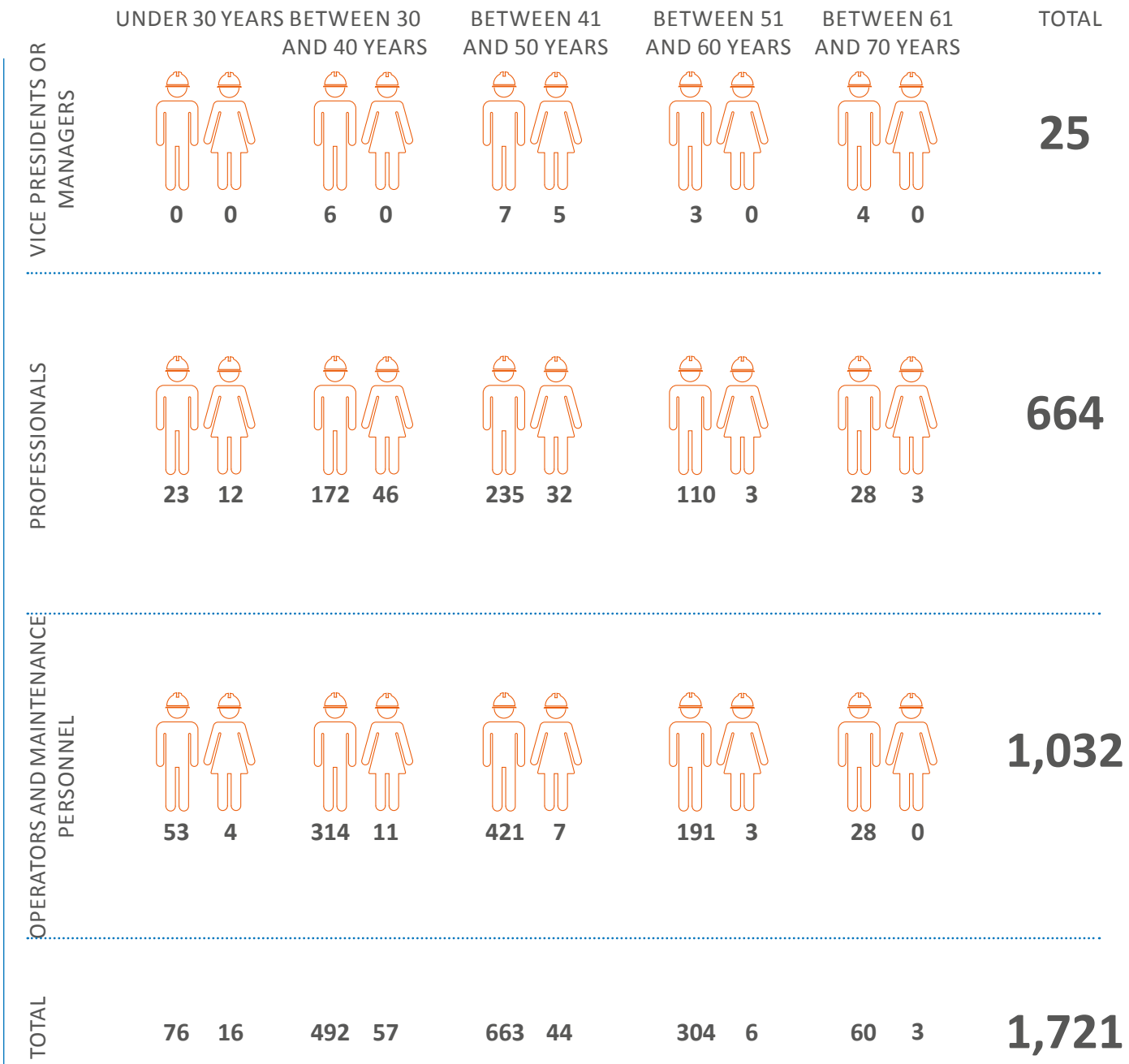
PEOPLE AND CULTURE

WORKFORCE
GRI 2-7 GRI 2-8 GRI 405-1

In 2024, a total of 14 indirect workers were recorded. Their work is supervised by Sierra Gorda SCM and carried out through temporary staffing services (Empresas de Servicios Transitorios, EST).



GENERATIONAL DIVERSITY



NATIONALITY

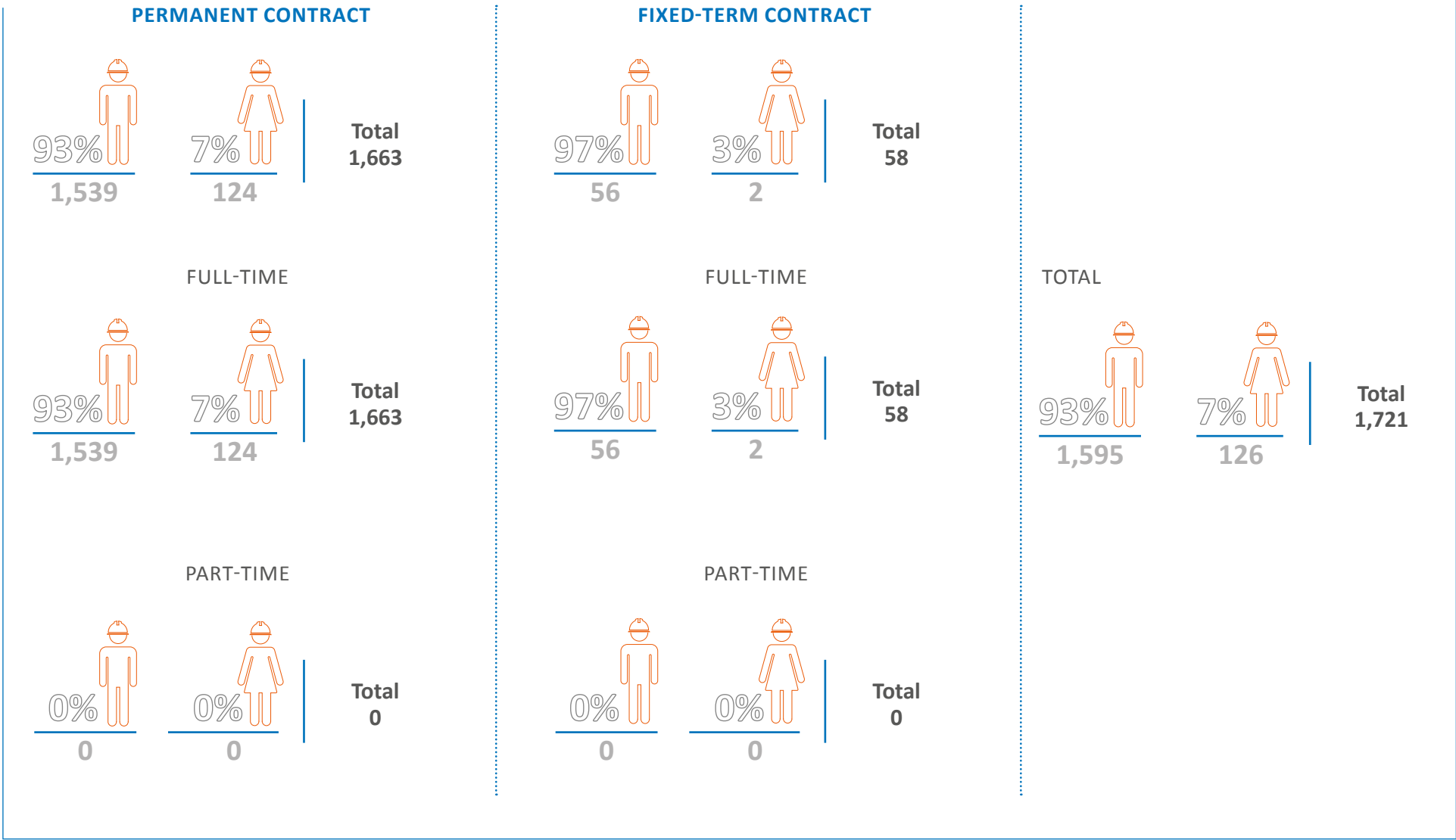


PEOPLE AND CULTURE

WORKFORCE

GRI 2-7 GRI 405-1

EMPLOYMENT TYPE



PEOPLE AND CULTURE

TURNOVER
GRI 401-1

In 2024, Sierra Gorda SCM hired 248 new employees. Of these, 28 were women and 220 were men, representing 1.6% and 12.8% of the total workforce, respectively.

During the same period, 140 employees ended their employment with the company—14 women and 126 men—resulting in an average monthly turnover rate of 0.70%. These processes were carried out in full compliance with current labor regulations.

In its risk analysis related to hiring and employee turnover, Sierra Gorda SCM has identified key challenges such as the efficient replacement of talent in critical positions, the retention of qualified workers in operational areas, and the need to ensure effective onboarding processes for new hires. To address these, a series of measures were implemented, including the “Bienvenid@s a Bordo” (Welcome Aboard) onboarding program, succession plans, and specific programs focused on diversity, inclusion, and equity.

ATTRACTION AND RETENTION

Attracting top talent and retaining high-performing professionals are key priorities for Sierra Gorda SCM. In 2024, the company enhanced its onboarding process at the site by offering new employees a comprehensive three-day induction experience. This program provided in-depth insights into the company’s operations, including each department’s role and the full production chain. From day one, new hires were introduced to the organizational culture, core values, and identity of Sierra Gorda SCM, enabling them to integrate quickly and effectively into the workplace.

As part of this commitment, Sierra Gorda SCM launched the “Bienvenid@s a Bordo” (Welcome Aboard) program in 2024 as its official onboarding process. The initiative was designed to support new employees during their first months with the company, providing essential information and key insights to ease their integration into our unique organizational culture:

ONBOARDING PLAN
A set of activities designed to guide each employee’s integration into their role, team, and department.

INFORMATIONAL CAPSULES
Digital resources covering internal processes, tools, and programs that facilitate adaptation and performance within the company.

SUCCESSION PLANS

To ensure the availability of human capital for key positions and support the strategic and operational continuity of the business, Sierra Gorda SCM implemented succession plans based on the identification and mapping of internal talent with the potential and capabilities required to take on greater responsibilities.

These individuals participated in personalized development plans aimed at closing skill gaps and meeting the requirements of future roles within the company.



DIVERSITY, INCLUSION, AND EQUITY

The company strengthened these principles through a series of strategic initiatives, including the update of its Diversity and Inclusion Policy, which was presented through employee testimonials sharing their experiences and perspectives. This participatory approach reinforced the company’s commitment to a fairer and more equitable work environment and led to the implementation of a sensitization and training plan. This included informational capsules, specialized courses, and the planning of a comprehensive training program for leaders and teams, scheduled for implementation in 2025.

GENDER DIVERSITY

In line with these efforts, one of the priority areas for the Diversity and Inclusion Committee was gender diversity, promoted through guidelines and actions focused on work-life balance and the professional development of women. In this context, in 2024, 9.5% of all promotions corresponded to female employees.

Notable actions included:

EmPODERate Program: a new edition was launched, aimed exclusively at female professionals in training, with the goal of encouraging their participation in the company. Starting in April 2025, 10 trainee engineers from various specialties will join operational and support areas, beginning their professional development at Sierra Gorda SCM.

To support this initiative, the recruitment and selection procedure was updated to incorporate an inclusive approach that ensures equal opportunities for all applicants.

INCLUSION OF PEOPLE WITH DISABILITIES

As part of its commitment to inclusion, the company reached 1.3% of its total workforce represented by 23 employees with disabilities who are actively contributing to their teams.

One of the key initiatives in this area was the “El Poder de la Inclusión” (The Power of Inclusion) Program, launched to mark the International Day of Persons with Disabilities. The program featured awareness and educational activities designed to promote reflection and challenge the unconscious biases that persist in society.

PREVENTION OF DISCRIMINATION AND HARASSMENT

To ensure equity at all levels of the company, we have implemented a Gender Equality Plan and an internal policy that actively promotes a respectful work environment. The Diversity and Inclusion Committee also led several initiatives to strengthen this inclusive culture and oversee its implementation.

In compliance with Law No. 21.643, the Internal Rules on Order, Hygiene, and Safety (RIOHS) were updated, and a specific procedure and protocol were implemented for managing harassment complaints. This process included a reporting channel, preventive measures, and an internal awareness campaign featuring digital materials and training sessions, all aimed at ensuring that everyone working at the company is fully informed about their rights and the mechanisms in place to protect them.

PEOPLE AND CULTURE

PAY GAP

GRI 2-20 GRI 405-2

Sierra Gorda SCM has a Remuneration Policy designed and implemented through a structured and transparent process.

In the case of senior executives, compensation decisions are overseen by the Compensation Committee, an independent body composed of members external to the Owners’ Committee. This committee is responsible for setting compensation guidelines that not only align with the company’s corporate strategy but also promote competitiveness and business development.

In other areas of the company, the responsibility for determining compensation lies with the Vice President of Human Resources, under the oversight and approval of the General Manager. To ensure objectivity and alignment with market conditions, this process is based on independent benchmarking studies that

evaluate salary trends and guarantee competitive conditions for employees.

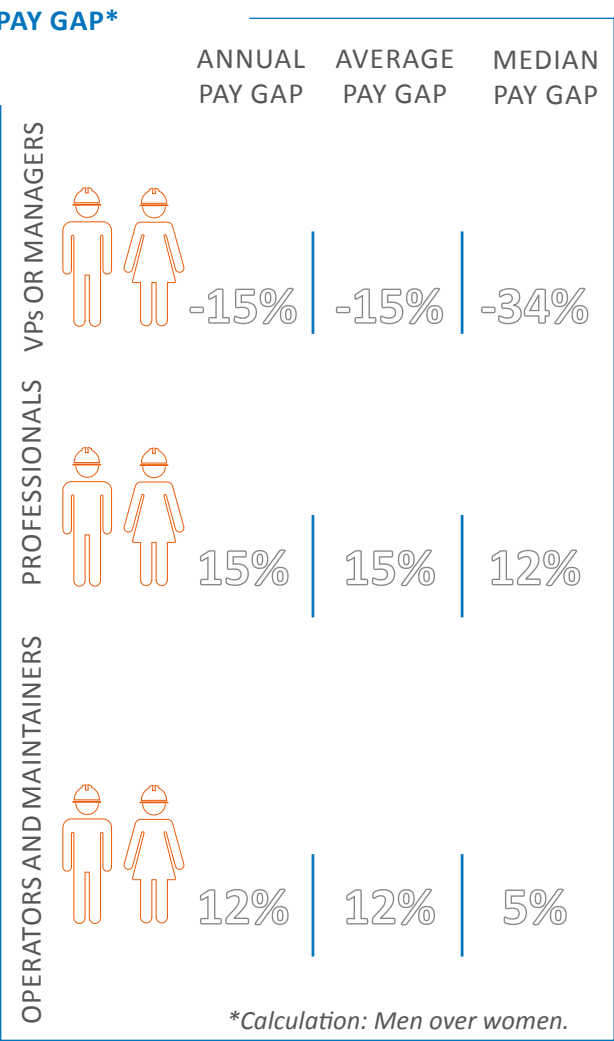
The input of stakeholders plays a key role in this process. The Compensation Committee gathers perspectives from shareholders and other key actors, enabling a comprehensive evaluation of remuneration policies to ensure they meet both the company’s internal needs and external expectations.

To reinforce the impartiality and accuracy of this process, we work with external consultants specializing in the labor market, such as Korn Ferry, among others. Their role is essential, as they provide information based on rigorous studies of salary trends, benchmarking, and best practices, ensuring that compensation decisions are competitive and aligned with global standards.

In line with our commitment to transparency and accountability, we periodically present compensation policies and benchmarking analyses to shareholders. This allows for the assessment of the decisions made by the Vice President of Human Resources and the General Manager.

As part of its pay equity analysis, Sierra Gorda SCM has not identified any significant risks of gender-based wage discrimination. Nevertheless, the regular monitoring of the pay ratio between women and men remains a key preventive measure within the company’s risk management framework for discrimination and harassment.

In 2024, gender pay gaps were analyzed with the following results:



At Sierra Gorda SCM, no gender pay gap has been identified. The differences shown in the table reflect variables such as seniority, workforce composition by hierarchical level, and legally mandated benefits. These factors do not indicate any discriminatory practices.

To advance equity, the following measures have been implemented:

- Regular review of salary bands, with a particular focus on gender.
- Update of the recruitment and selection procedure with an inclusive approach.
- Ongoing oversight by the Diversity and Inclusion Committee.
- Internal reviews of the gender pay gap and follow-up mechanisms.



PEOPLE AND CULTURE

TRAINING AND DEVELOPMENT

GRI 404-1 GRI 404-2

As part of its commitment to professional growth and operational excellence, Sierra Gorda SCM implemented a robust training and development plan in 2024. More than 1,000 employees across different areas benefited from programs ranging from technical training to the development of relational and leadership skills. These initiatives aim to foster continuous learning by providing new tools and capabilities that enable teams to face the industry’s challenges with greater preparation and confidence.

TRAINING PROGRAMS

One of the year’s milestones was the launch of a new edition of emPODERate, a program designed to attract young professionals with little or no experience in the mining sector. In its fourth edition, the program received over 3,800 applications, from which 10 talented individuals were selected to join the company. Before taking on their roles in the designated areas, participants completed an intensive two-month induction program, visiting various departments to gain a comprehensive view of the operation.

ORGANIZATIONAL CULTURE AND ESTAR VALUES WORKSHOPS

Another key program of the year was the series of organizational culture and ESTAR values workshops, known as the World Tour. The 2024 edition featured a Hollywood-inspired theme and included 24 workshops attended by more than 480 employees from various levels of the company. These sessions not only reinforced the ESTAR corporate values but also recognized the ESTAR Protagonists—employees nominated by their peers for embodying the principles and behaviors that reflect the essence of the company.

The workshops also provided a space for open dialogue, where teams shared their perceptions of the company through questions such as “what I like most” and “what I like least” about Sierra Gorda SCM. These reflections served as the basis for designing action plans aimed at improving the employee experience and strengthening the organizational culture.

STAFF TRAINING PLATFORM

To promote flexible and accessible learning, the company has strengthened the STAFF Training Platform—part of the Sierra Gorda SCM Academy. This platform offers over 7,000 asynchronous courses on technical topics and cross-cutting skills to support employees’ professional growth. It allows workers to train at no cost and at their own pace, adapting to their individual schedules and needs.

INTERNSHIP AND THESIS PROGRAM

In 2024, a new edition of the Internship and Thesis Program was carried out, aimed at the sons and daughters of company employees. This initiative seeks to provide them with a first experience in the professional world and equip them with tools and knowledge that contribute to their personal and professional development.

TRAINING BY JOB CATEGORY AND GENDER

	TOTAL NUMBER OF EMPLOYEES TRAINED	NUMBER OF TRAINING HOURS	AVERAGE ANNUAL TRAINING HOURS
VPs OR MANAGERS	<div><div>12</div><div>8</div></div>	<div><div>1,009</div><div>764</div></div>	<div><div>84.1</div><div>95.5</div></div>
PROFESSIONALS	<div><div>1,095</div><div>339</div></div>	<div><div>51,048</div><div>17,015</div></div>	<div><div>46.6</div><div>50.2</div></div>
OPERATORS AND MAINTENANCE PERSONNEL	<div><div>708</div><div>24</div></div>	<div><div>24,792</div><div>1,512</div></div>	<div><div>35.0</div><div>63.0</div></div>
TOTAL	<div><div>1,815</div><div>371</div><div>Total 2,186</div></div>	<div><div>76,849</div><div>19,291</div><div>Total 96,140</div></div>	<div><div>42.3</div><div>52.0</div><div>Total 43.98</div></div>

*Figures reflect the total number of participations in training sessions, broken down by job category and gender. A single individual may have taken part in multiple activities over the course of the year.

PEOPLE AND CULTURE

TRAINING PROGRAMS

PROGRAM NAME	DESCRIPTION	NUMBER OF WORKER / PEOPLE REACHED	NUMBER OF WORKER HOURS / PEOPLE REACHED
ESTAR Training Programs	Training activities targeting all Sierra Gorda SCM employees.	196	31,282
Annual Training Plan	Training needs assessment applied to each department	99	15,452
Seminars and Conferences	Training activities aimed at specific departments, focusing on cutting-edge topics and innovations in mining-related processes.	110	1,949
Annual Training Plan for Operators and Maintenance Personnel	General knowledge training sessions designed for support personnel.	122	14,885
Career Development Program	Training sessions based on knowledge assessments that identify gaps in the skills required for specific positions.	436	20,352
Operation/Maintenance Accreditation for Critical Equipment	Training on the company's safety procedures.	216	3,624
EmPODERate	Program aimed at attracting, developing, and retaining young professionals in the company.	586	4,344
Internal Courses	Internal training courses (not included in the 2023 Sustainability Report).	421	4,252
Online courses available through the Sierra Gorda SCM Academy	Asynchronous training offered on the Academy's platform.	6,099	6,099
Community Training Programs (Pre-contract Training and Social Scholarships)	Job skills training	112	26,880
TOTAL		8,397	129,119

It is important to note that the figures reflect the programs and courses delivered throughout the year, and that workers and other external beneficiaries may have participated in more than one training session during the period.

PERFORMANCE MANAGEMENT

Sierra Gorda SCM promotes the professional growth and development of its team by providing tools and opportunities that enable each employee to reach their full potential and advance in their career within the company. In 2024, various initiatives were implemented to strengthen key competencies and consolidate a culture of continuous learning.

As part of this commitment, all staff-level employees participated in workshops focused on feedback and feedforward, designed as strategic tools for performance management and personal development. These sessions helped promote effective communication and enhance the exchange of feedback within the company.

In parallel, an annual performance evaluation was conducted for staff-level employees with more than six months of tenure. This process incorporated the PODER Seal of Leadership, a model aimed at strengthening leadership skills aligned with the company’s values and objectives.

To structure performance management and guide the professional growth of its team, Sierra Gorda SCM operates under a system composed of five key stages:



PEOPLE AND CULTURE

LABOR RELATIONS

GRI 2-30

We promote a work environment based on collaboration, respect, and ongoing dialogue with labor unions. The company maintains strong labor representation, reflected in an 87% unionization rate, which rises to 95% when excluding executives, temporary workers, and expatriates—demonstrating a high level of employee participation in union life.

Currently, there are three unions representing different segments of the workforce:

Minera Sierra Gorda Workers’ Union No. 1

550
members

Minera Sierra Gorda Workers’ Union No. 2

538
members

Minera Sierra Gorda Supervisors’ Union

409
members



WORKERS REPRESENTED BY AN INDEPENDENT UNION OR COVERED BY COLLECTIVE BARGAINING AGREEMENTS	2022	2023	2024
Number	1,363	1,438	1,632
Percentage	90%	89%	95%
TOTAL	1,522	1,613	1,721

The relationship between Sierra Gorda SCM and its unions is grounded in consensus and joint problem-solving. This approach has made it possible to avoid formal collective bargaining processes. Through a proactive strategy, the company and its unions have reached agreements that ensure labor stability and mutually beneficial conditions.

To strengthen this dynamic, regular dialogue spaces have been established to address concerns and provide timely responses to issues raised by union organizations. This approach helps maintain a harmonious work environment where workers’ needs are heard and managed efficiently.

These meetings are led by the Superintendent of Labor Relations, with the participation of other executives when the nature of the topics requires it. In sessions requiring technical input, key stakeholders such as the Vice President of Human Resources, the Vice President of Operations, and the People Manager take part to ensure responses are aligned with the company’s strategy.

Sierra Gorda SCM holds regular meetings with its contractors to promote fair working conditions in compliance with applicable labor regulations, including freedom of association and the right to collective bargaining. These dialogue sessions aim to strengthen a culture of compliance and foster transparent labor relations.

INNOVATION AND
AUTOMATION IN PEOPLE
MANAGEMENT

To enhance operational efficiency and improve the employee experience, Sierra Gorda SCM continuously promotes the modernization and optimization of its Human Resources processes.

In 2024, the company implemented an ambitious automation plan, introducing innovative tools to optimize internal management and facilitate access to key information. Among the most noteworthy initiatives was the development of a new onboarding model, designed to provide newly hired employees with a streamlined and effective integration process.

A new feature was added to the “ESTAR Conectados” app, allowing workers to view, in real time, the routes and locations of the buses transporting them to their workplaces. Additionally, a chatbot was integrated into the app, providing an immediate support channel to address questions on various company-related topics.





HEALTH AND SAFETY

- SAFETY – OUR TOP PRIORITY, NOW AND ALWAYS
- SAFETY MANAGEMENT
- RISK MANAGEMENT
- OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM
- INTERNAL COMMUNICATION PROCESS
- INCIDENT MANAGEMENT
- HEALTH AND SAFETY METRICS AND INCIDENT PYRAMID
- TRAINING
- WORKER PARTICIPATION
- WORKPLACE HEALTH PROMOTION
- EMERGENCY PREPAREDNESS

HEALTH AND SAFETY

SAFETY – OUR TOP PRIORITY, NOW AND ALWAYS

GRI 403-1 GRI 403-7

The safety and well-being of everyone working at our facilities is a non-negotiable priority. These principles are fully embedded in our five core ESTAR values, with health and safety taking the lead—reflecting our unwavering commitment to protecting life and the integrity of our people.

To fulfill this commitment, the company has implemented an Integrated Management System (SIG in Spanish) that standardizes the elements and requirements related to health, safety, the environment, and operational risks. This system is built on compliance with legal and corporate requirements, taking into account the local operational context, and serves as a framework for planning and executing programs that enable effective management aligned with the highest standards.

The Integrated Management System (SIG in Spanish) is based on the Health, Safety, and Environment Policy and incorporates continuous improvement principles that enable the anticipation and control of risks, the strengthening of performance in key areas, and the alignment of management with the industry’s most demanding standards.

Each department and vice presidency has appointed a SIG (in Spanish) representative, who is responsible and empowered to ensure the system’s implementation,

maintenance, and ongoing improvement. These representatives regularly report to their supervisors on system performance, driving continuous review and the integration of lessons learned.

The Integrated Management System aligns legal and corporate requirements, as well as shareholder guidelines, around four core pillars:

- 01. Protecting the health and safety of everyone entering the facilities (employees, contractors, suppliers, visitors, among others).
- 02. Respecting and safeguarding the environment and neighboring communities.
- 03. Developing operations in an efficient and sustainable manner.
- 04. Actively contributing to the maintenance of the Social License to Operate (SLO).



HEALTH AND SAFETY

INTEGRATED MANAGEMENT SYSTEM

Sierra Gorda SCM’s Integrated Management System standardizes the elements and requirements related to health, safety, the environment, and operational risks, serving as a framework and point of reference for the company’s plans and programs. Based on these legal and corporate requirements, appropriate actions are defined in line with the operational context and environment,

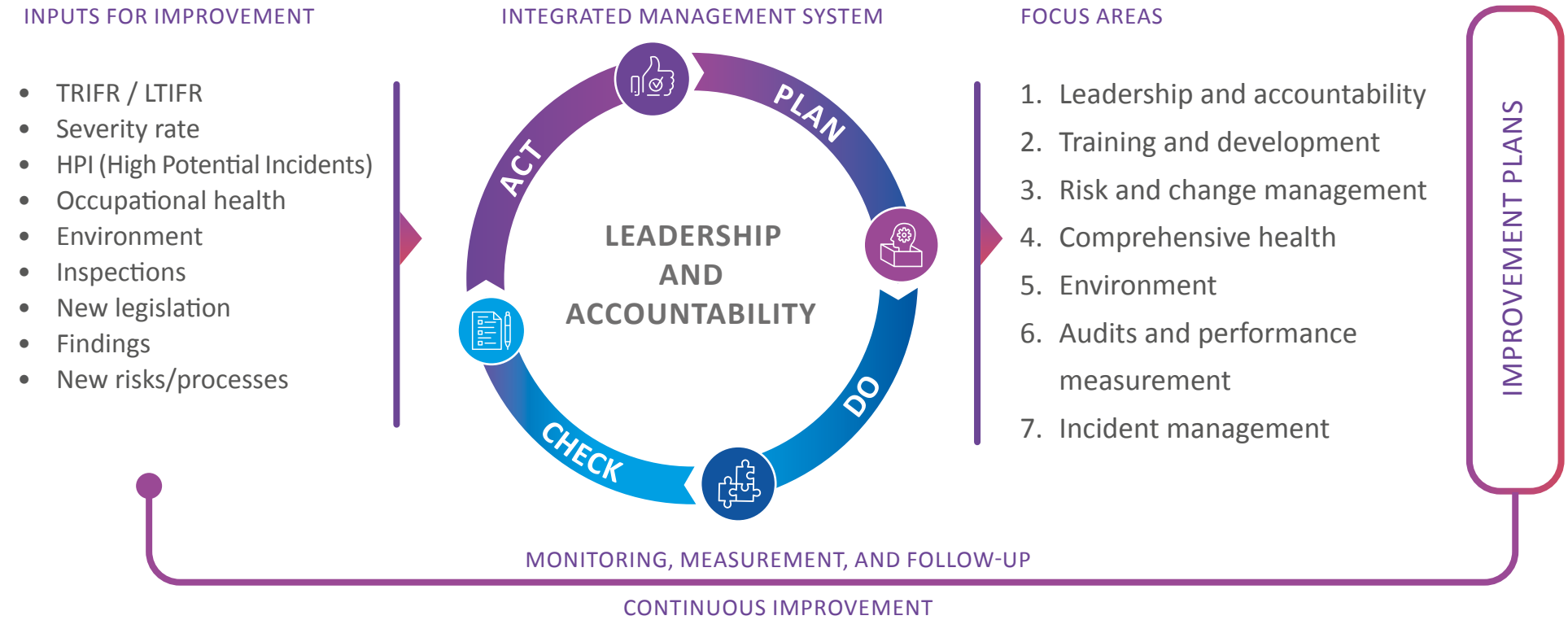
along with the assignment of responsibilities and the establishment of performance agreements.

This system, fundamentally based on the concept of continuous improvement for risk management, takes as its core reference the Health, Safety, and Environmental Policy, along with the Values that define our identity. In this way, it supports our fundamental

commitment to sustainable development, which we strive to fulfill through effective management and the achievement of targeted results.

The optimization of the Integrated Management System (SIG in Spanish) is focused on continuous improvement—both in its overarching components and in specific processes that present opportunities for enhancement, as illustrated in the following chart:

INTEGRATED RISK MANAGEMENT SYSTEM MODEL



LEADERSHIP AND ACCOUNTABILITY

- Leadership and commitment
- Health, Safety, and Environmental Policy
- Structure of responsibility and authority

PLAN – PLANNING AND MANAGEMENT

- Risk identification, assessment, and control
- Change management
- Objectives and targets
- Competency, training, and awareness
- Legal and other applicable requirements

DO – IMPLEMENTATION AND CONTROL

- Operational control
- Emergency preparedness and response
- Internal communications
- Documentation, records, and control

CHECK – VERIFICATION AND CONTROL

- Audits
- Incident investigation and lessons learned

ACT – MONITORING AND IMPROVEMENT

- Monitoring and measurement
- Management review

The Integrated Management System (IMS) is designed to identify and control risks inherent to operational tasks and conditions, through procedures that verify the effectiveness and adequacy of the controls in place. In this regard, health management is based on a preventive model that integrates both occupational and non-occupational health aspects, supported by

active epidemiological monitoring. This strategy has been key to preventing occupational diseases and promoting the overall well-being of individuals.

In 2024, various initiatives were implemented to strengthen this approach, helping to consolidate an organizational culture focused on health and safety.



HEALTH AND SAFETY

ADHERENCE TO THE OCCUPATIONAL HEALTH SURVEILLANCE PROGRAM IN 2024

MANAGEMENT/VICE PRESIDENCY	ADHERENCE RATE	Nº OF WORKERS ASSESSED
Mine	94%	438
Mine Maintenance	85%	104
Plant	88%	125
Tailings	88%	43
Plant Asset Management Sub-Directorate	86%	254
Technical Services	99%	68
Geology	94%	16
Bottlenecking Project	100%	24
IT and Digital Transformation	80%	8
Logistics and Inventory	100%	28
Human Resources	100%	7
People	100%	11
Health, Safety and Environment (HSE)	100%	18
Operational Projects and Improvement	93%	26
Sustainability, Communities and External Communications	100%	2
Business Development	100%	1
Accounting, Tax and Reporting	100%	1
Finance	0%	0
Internal Audit	100%	2
General	100%	11
Governance, Risk and Compliance	0%	0
Procurement and Contracts	0%	0
VP of Operations	100%	1
TOTAL	91%	1,188

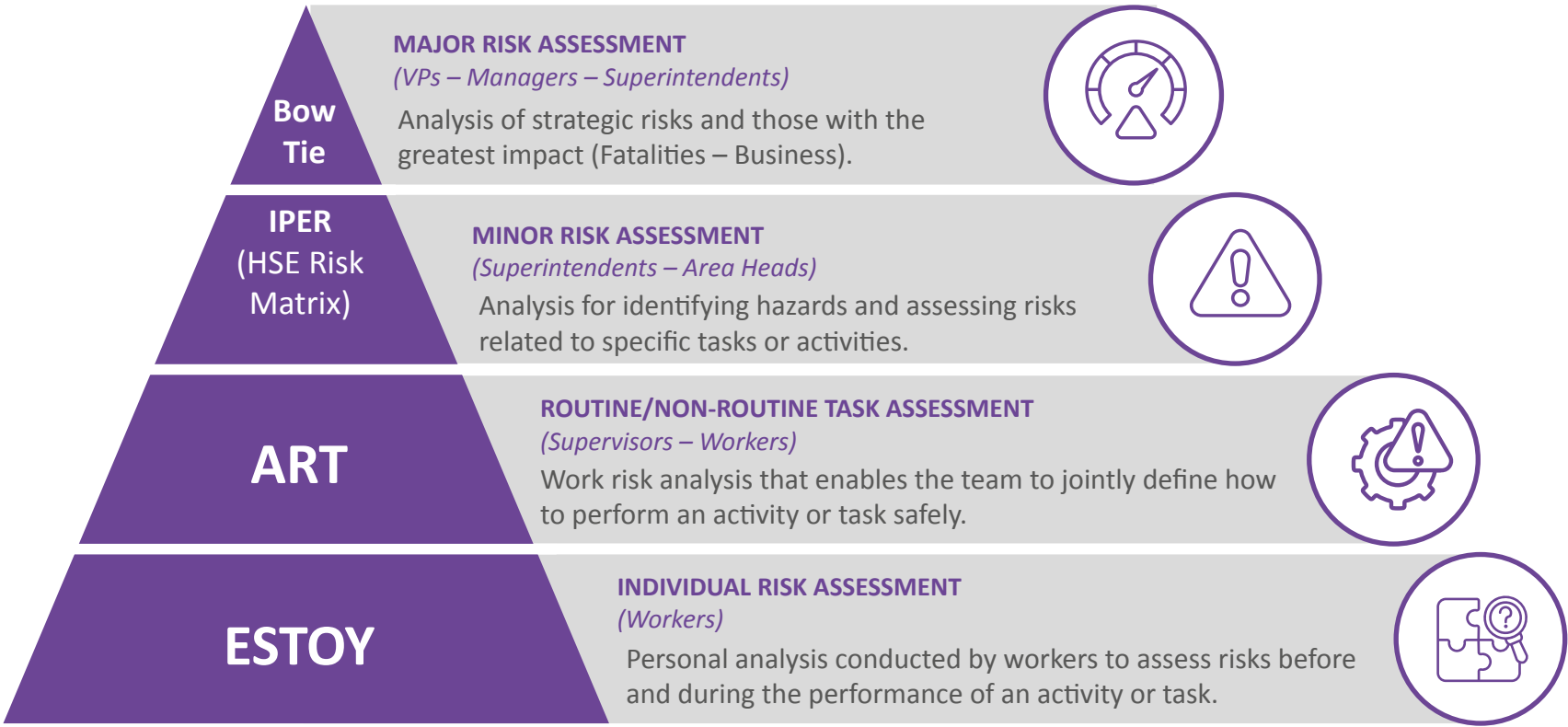


SAFETY MANAGEMENT

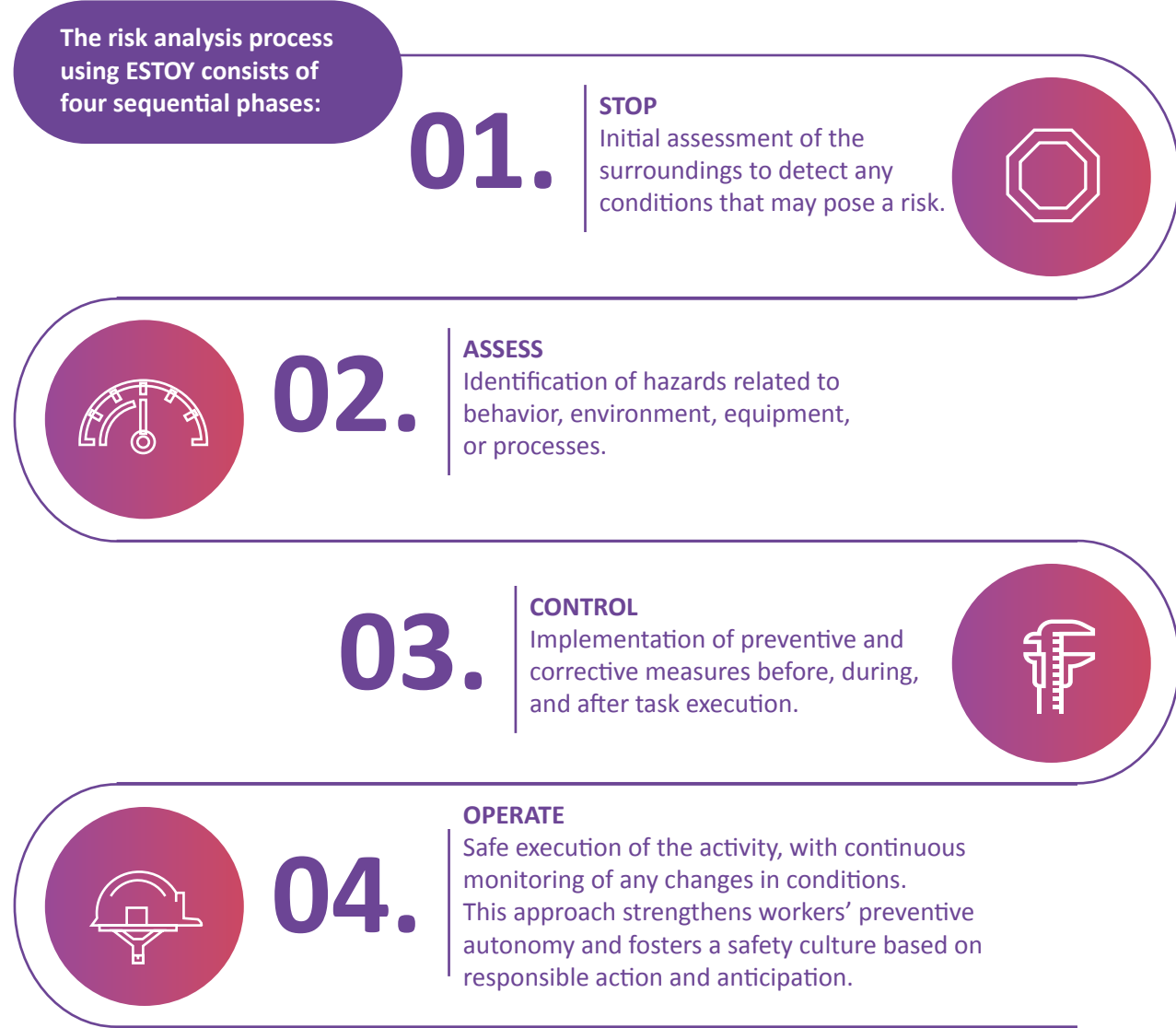
GRI 403-2

Sierra Gorda SCM’s safety management model is structured around four key tools that enable the identification, assessment, and classification of hazards and risks, as well as their impact on daily activities.

Through a layered evaluation approach, the company achieves a comprehensive understanding of associated risks, both for internal personnel and for contractors and suppliers.



Among these tools, ESTOY stands out as an application that facilitates individual risk assessments by each worker. This technological solution enables the identification, evaluation, and control of hazards that may arise before, during, and after performing a specific task or activity.



One of our core principles is the goal of Zero Repetition. To achieve it, all incidents involving people or those with high potential to affect operations are thoroughly investigated, and corrective, preventive, and immediate actions are implemented. In addition, active dissemination of the lessons learned from these investigations is promoted both within the company and among other relevant stakeholders.

In 2024, we made significant progress in preventive management, notably through the efficient implementation of the ESTOY digital safety booklet, using a QR code system. This initiative made the tool more accessible and practical for workers in the field.

The health and safety of our people remains the company's top priority. In this context, we reinforced our institutional commitment to identifying, managing, and mitigating material risks across all operations, with the goal of protecting the lives and well-being of everyone working at the company, whether directly or through contractors.

MATERIAL FATALITY RISKS

Risks with the potential to cause one or more fatalities in the operational environment are managed through a rigorous and preventive approach. Based on improvement opportunities identified in the previous year, in 2024 Sierra Gorda SCM implemented a new version of its critical risk management model. This update involved a comprehensive review and overhaul of the existing framework, aimed at strengthening the practices, actions, and procedures involved.

Key improvements included:

-  The update of Bow Ties, safety instructions, and technical manuals.
-  The design and implementation of an audit tool to monitor the status of control implementation across operational areas.
-  The assignment of Risk Owners and Control Owners by Management Area to ensure effective oversight of material risks that have a direct impact.



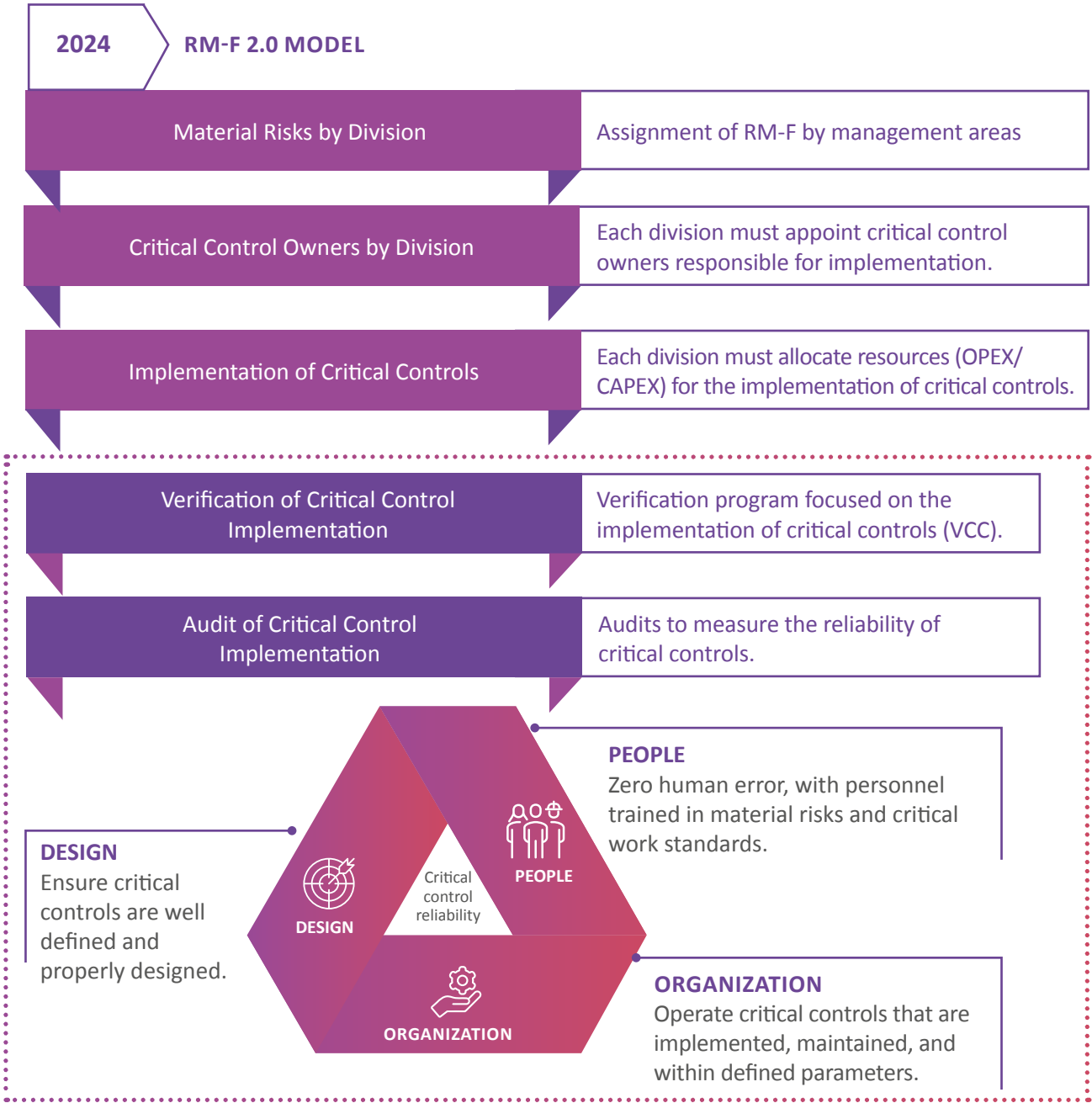
HEALTH AND SAFETY

RISK MANAGEMENT

GRI 403-2

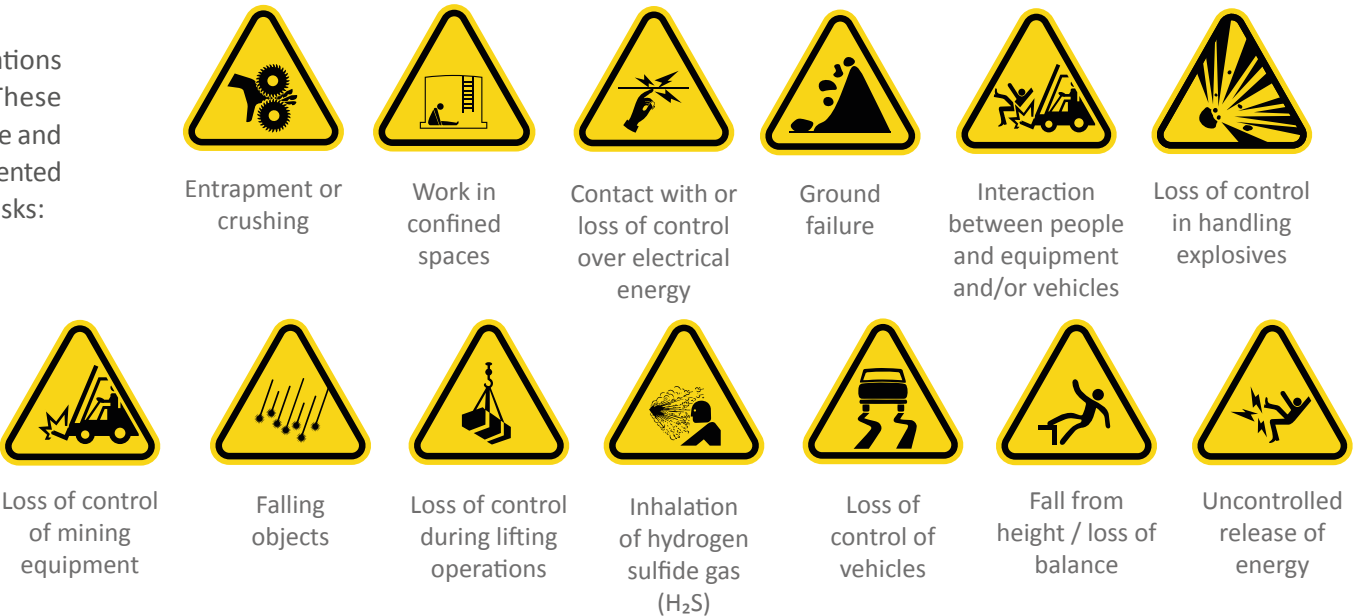
RISK MANAGEMENT MODEL

This new model assigns the management of material risks to the relevant control areas, moving away from reliance on individual responsibility in order to ensure a more systematic approach aligned with corporate standards.

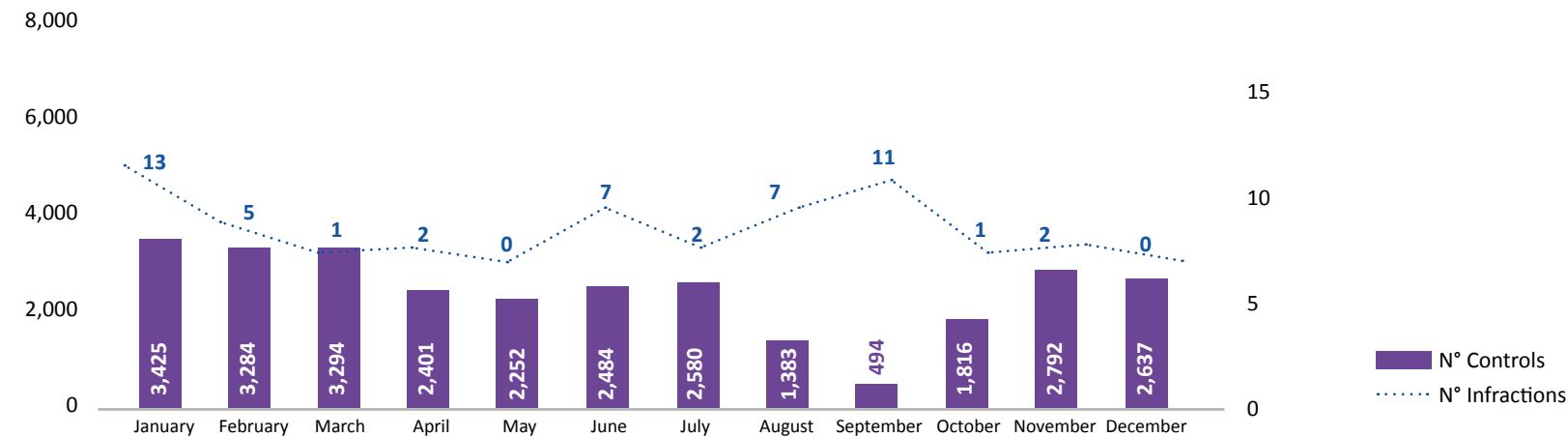


MAIN RISK CONTROL ACTIVITIES

In 2024, a total of 11,470 critical control verifications related to material risks were carried out. These verifications allowed us to assess the compliance and effectiveness of the preventive measures implemented to mitigate the previously identified material risks:



VEHICLE CONTROL ON INTERNAL ROADS



HEALTH AND SAFETY

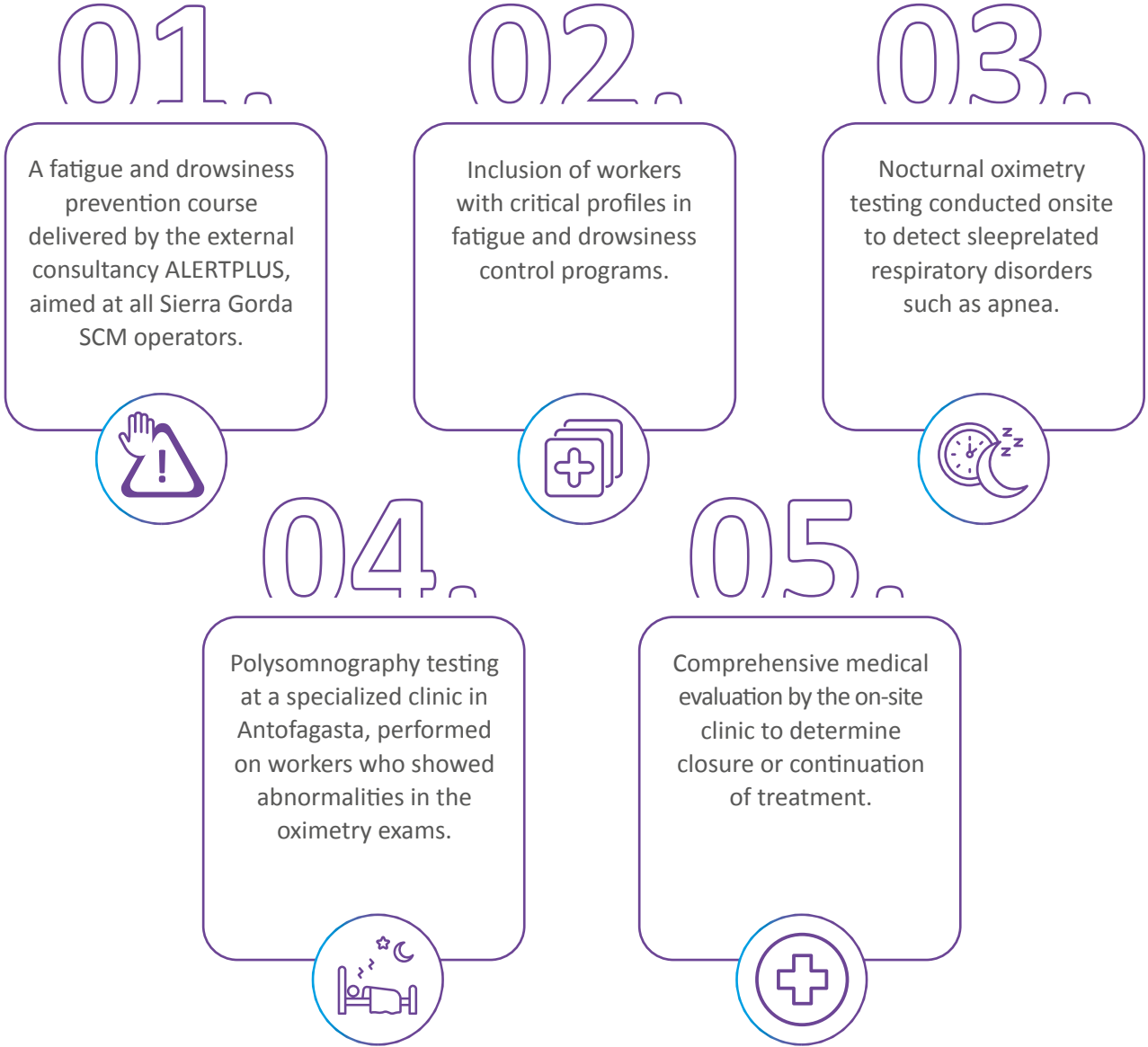
OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM
GRI 403-8

COVERAGE OF THE OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

We ensure 100% occupational health and safety coverage for our direct employees through the Mutua de Seguridad, an Insurance Company for Occupational Accidents and Diseases. Likewise, all contractor employees were fully covered under the occupational health institution to which they were affiliated—Mutua de Seguridad, Asociación Chilena de Seguridad (ACHS), or Instituto de Seguridad del Trabajo (IST).

FATIGUE AND DROWSINESS PROGRAM – MINING DIVISION

As part of the efforts to strengthen the management of occupational health risks, a series of scheduled activities were carried out under the Fatigue and Drowsiness Program, led by the Health, Safety, and Environment (HSE) Department and the Mining Department. These actions included:



PREVENTIVE HEALTH CAMPAIGNS

Throughout the year, we carried out campaigns aimed at promoting self-care and preventing prevalent diseases:

Anti-influenza campaign: vaccination of workers at the operations site and corporate offices in Santiago and Antofagasta.

Prostate cancer prevention campaign: administration of prostate-specific antigen (PSA) tests for the early detection of the disease.

PROTOCOL FOR MANAGING TEMPORARILY UNFIT WORKERS

A new management protocol was developed for employees temporarily unfit to perform their duties, designed jointly by the Health, Safety and Environment (HSE), Legal, and Human Resources departments. The procedure aims to prevent incidents and ensure regulatory compliance, covering both the duty of care and legal aspects of civil and criminal liability.

THE PROTOCOL INCLUDES:

- Early case identification.
- Implementation of specific management plans.
- Actions aimed at restoring work capacity.
- Support for workplace reintegration and improvement of both professional and personal quality of life.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM COVERAGE

DESCRIPTION	2024
Total number of employees and non-employees whose work or workplace is controlled by the company	81,827 workers
Number of employees and non-employees whose work or workplace is controlled by the company and are covered by an occupational health and safety management system	81,827 workers
Percentage of employees and non-employees whose work or workplace is controlled by the company and are covered by such a system	100%
Number of employees and non-employees whose work or workplace is controlled by the company and are covered by such a system that has been internally audited	5,254
Percentage of employees and non-employees whose work or workplace is controlled by the company and are covered by such a system that has been internally audited	87.6%
Number of employees and non-employees whose work or workplace is controlled by the company and are covered by such a system that has been audited or certified by an external party	5,280
Percentage of employees and non-employees whose work or workplace is controlled by the company and are covered by such a system that has been audited or certified by an external party	88%

HEALTH AND SAFETY

INTERNAL COMMUNICATION
PROCESS


GRI 403-3

We have open, accessible, and transparent communication channels across all areas, particularly in matters related to health, safety, and the environment. These channels facilitate access for all stakeholders and help strengthen the organization’s preventive culture.

The communication strategy is implemented through formal channels tailored to each stakeholder group, ensuring timely and two-way communication. Key mechanisms include:



INDUCTION PROCESSES FOR NEW WORKERS AND CONTRACTORS (EMPRESAS CONTRATISTAS, EECC, IN SPANISH)
We consolidated and updated a systematic and operational induction process, managed by an external company under the guidelines of the Health, Safety, and Environment (HSE) Division. This process ensures the proper integration of new workers—both company employees and contractor personnel—into Sierra Gorda SCM’s safety standards.

 **A TOTAL OF**
9,724
INDUCTIONS
were conducted, reinforcing the company’s commitment to a strong safety culture from day one on the job.

INCIDENT MANAGEMENT
GRI 403-2

INCIDENT INVESTIGATION PROCESS

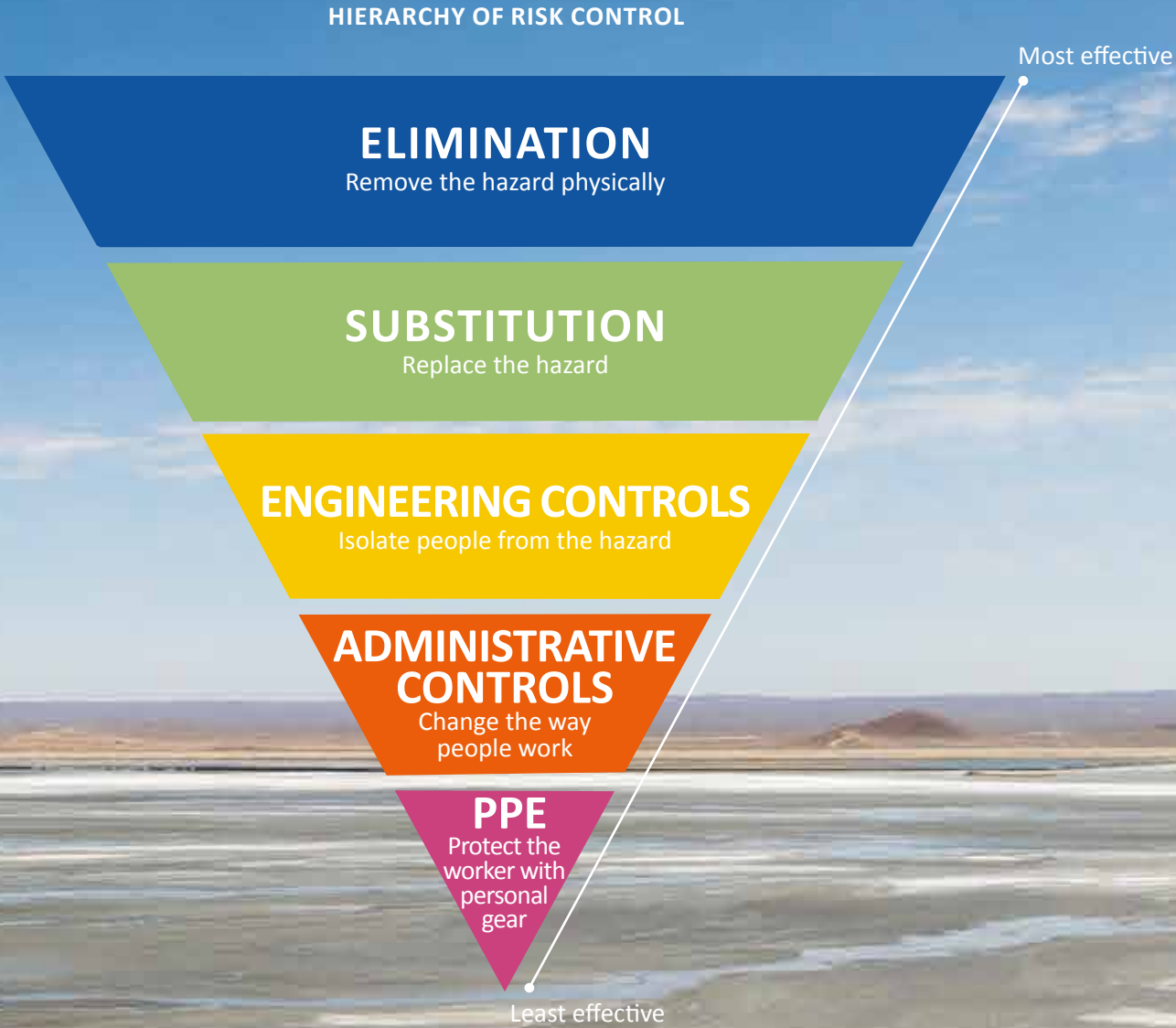
Incident investigation is a key component of Sierra Gorda SCM’s preventive management approach. It focuses on the systematic and detailed collection of information related to events that have occurred, with

the goal of identifying both immediate and root causes using a structured causal model. This methodology enables the implementation of effective measures to prevent recurrence and strengthens the company’s overall safety culture.

INCIDENT INVESTIGATION FLOWCHART



The definition of corrective and preventive actions is based on the Hierarchy of Risk Control, which establishes a logical and effective order for implementing measures, according to the following levels: eliminate, substitute, engineering controls, administrative controls, and personal protective equipment.



HEALTH AND SAFETY

INCIDENT REPORTING

GRI 403-3 GRI 403-9 GRI 403-10

At Sierra Gorda SCM, the incident reporting process follows a structured approach consisting of five key phases, enabling the efficient collection, analysis, and communication of reported events:



In 2024, the company recorded a Total Recordable Injury Frequency Rate (TRIFR) of 0.99 per million hours worked, maintaining excellent safety results for the third consecutive year. During the same period, there were no fatalities or work-related illnesses reported.

The TRIFR indicator includes all injuries that result in temporary disability (lost-time injuries), as well as those that, while not requiring time off, do require medical treatment in accordance with OSHA standards**.

This performance reaffirms Sierra Gorda SCM’s commitment to a strong preventive culture and responsible management approach that places people at the center of its operations.

TOTAL RECORDABLE INJURY FREQUENCY RATE (TRIFR)	2022	2023	2024
Total Accidents	74	47	64
Recordable Incidents	9	9	12
Lost-Time Incidents	6	9	8
Total Recordable Injury Frequency Rate TRIFR	0.17	0.17	0.20
Injury Frequency Rate Chilean Law	0.85	0.85	1.05
Injury Severity Rate	11.16	13.6	18.97
Lost Workdays	116	139	231
Fatal Accidents	0	0	0
Occupational Diseases	0	0	0

**OSHA: Occupational Safety and Health Administration, a United States Department of Labor agency.

In 2024, no work-related fatalities or occupational diseases were reported among Sierra Gorda SCM employees. However, recurring medical consultations were recorded at the on-site clinic, primarily associated with two health conditions:

CONSULTATIONS RELATED

132

TO THE RESPIRATORY SYSTEM.

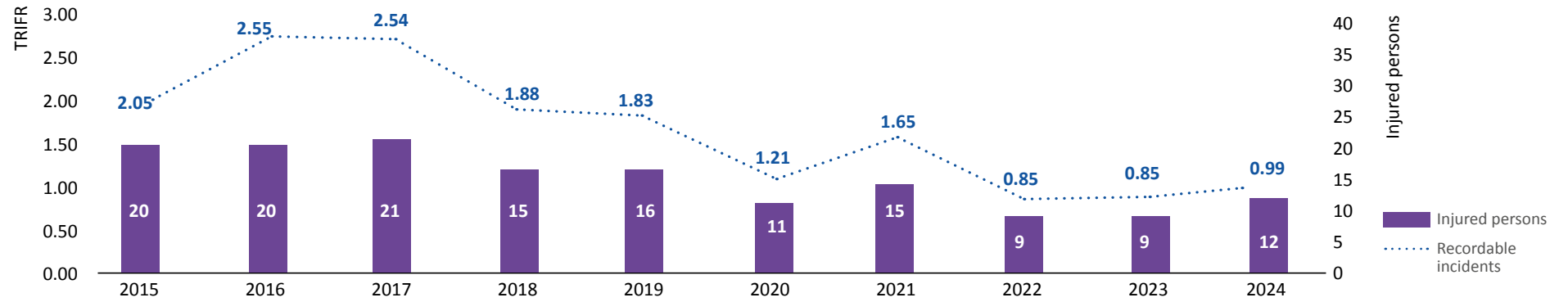
CONSULTATIONS RELATED

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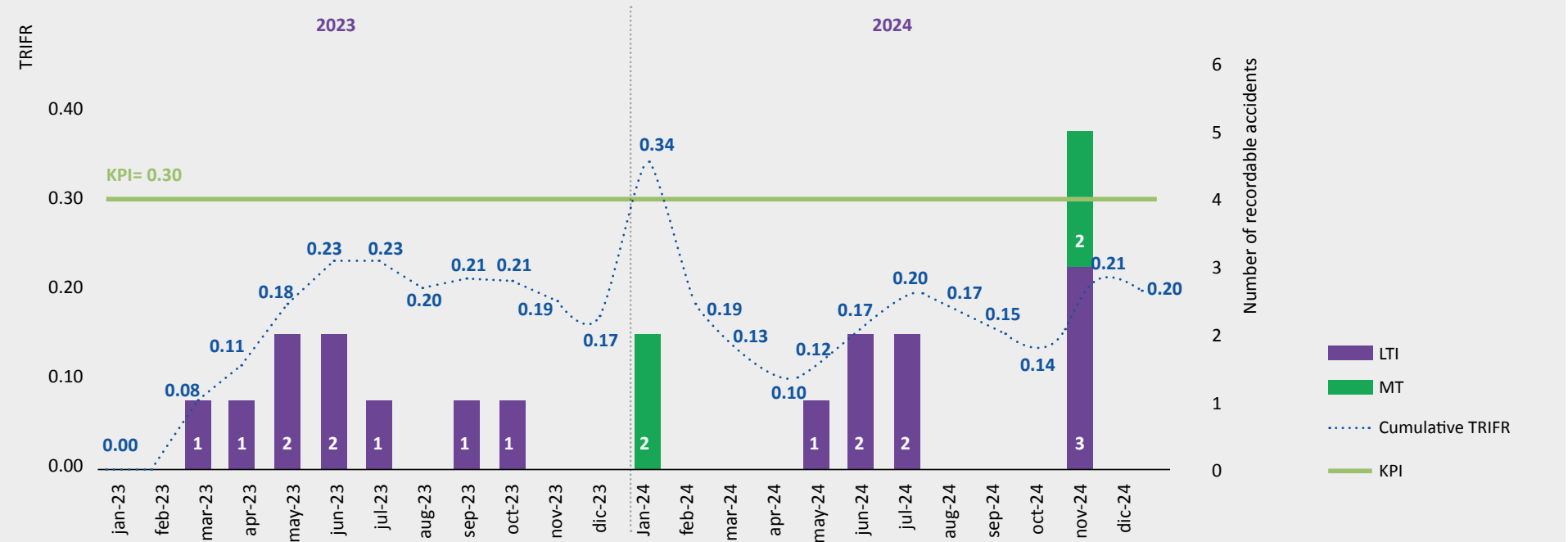
TO THE DIGESTIVE SYSTEM.

TRIFR – HISTORICAL (PER 1 MILLION HOURS)

2015 - 2024



TRIFR (Per 200,000 Hours)*



TRIFR: Total Recordable Incident Frequency Rate
LTI: Lost Time Injury
MT: Medical Treatment
Cumulative TRIFR: Cumulative Total Recordable Incident Frequency Rate
KPI: Key Performance Indicator

*TRIFR is calculated as follows: (Number of Events [LTI + MT + FT] × 200,000) ÷ Total Hours Worked

HEALTH AND SAFETY METRICS AND INCIDENT PYRAMID

In 2024, we introduced a new analysis ratio that interrelates three key variables: high-potential incidents, high-potential findings, and preventive findings. This metric was incorporated into the monthly reports distributed across all company areas, with the goal of strengthening the reporting culture—particularly in relation to high-quality preventive findings.

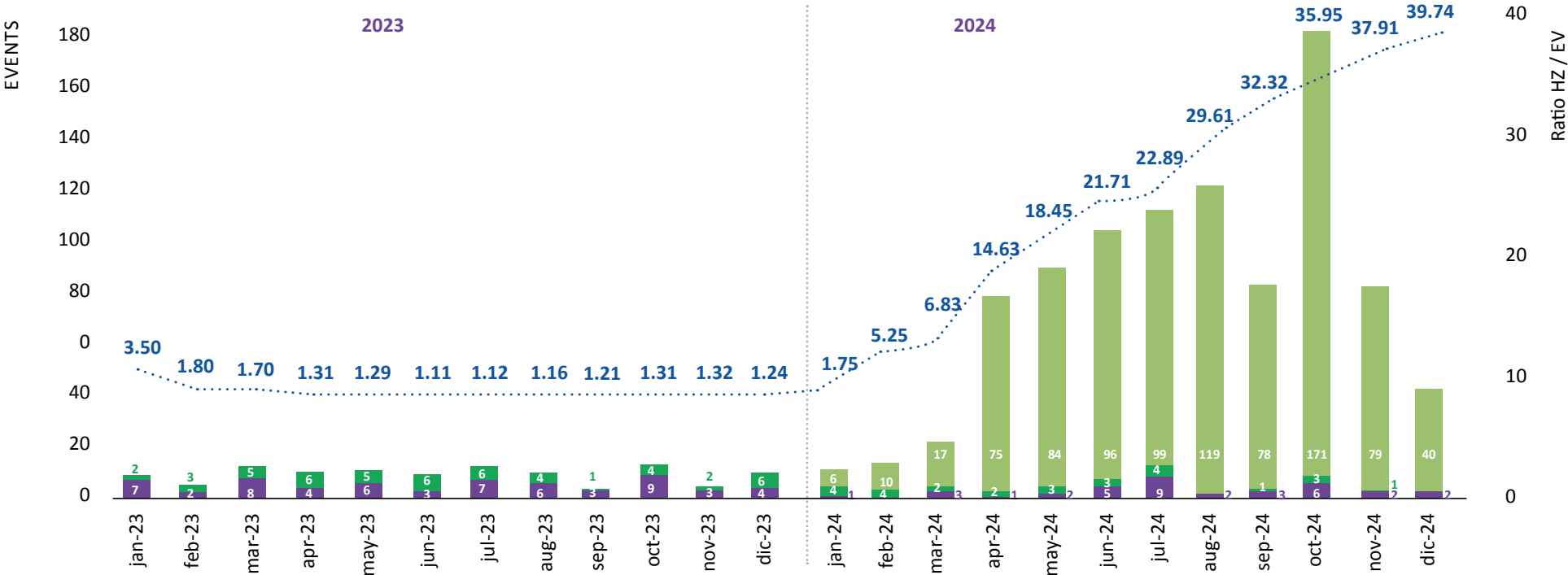
The purpose of this indicator is to highlight reports that

help identify unsafe or substandard conditions which, although they do not involve personnel exposure or energy release, represent deviations from defined regulations, corporate policies, values, rules, standards, and procedures.

The chart shows a significant drop in the number of preventive findings reported in December. This decrease was due to a temporary block of the reporting

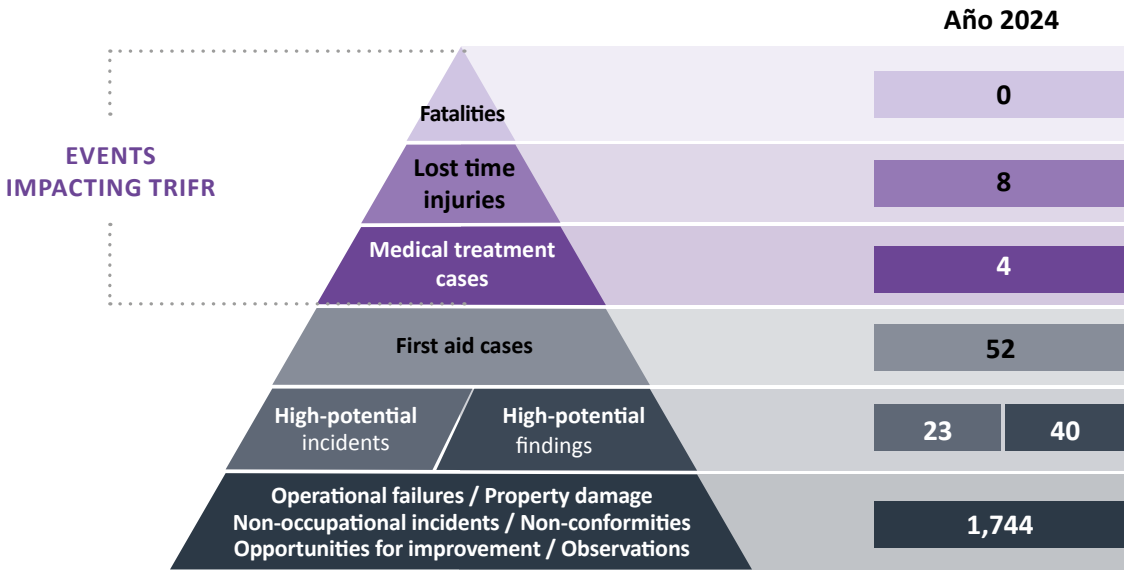
functionality on the platform, a measure implemented to redesign the process and ensure the quality of reports in line with the definitions set by the corporate causal tree.

RELATIONSHIP BETWEEN HIGH-POTENTIAL FINDINGS AND INCIDENTS – 2023 AND 2024



INCIDENT PYRAMID

The company updated its incident pyramid with 2024 figures, maintaining a consolidated view of the evolution of risk management and preventive behavior in the field.



TRAINING

GRI 403-5 GRI 403-10

The Health, Safety, and Environment (HSE) Division continued the training program of its Risk School, reaching a total of 50,693 instances of participation in training activities, including both mandatory subjects and general interest topics.

HEALTH REGULATIONS

In line with current regulatory compliance, Sierra Gorda SCM delivered targeted training initiatives for various employee groups:

- First Aid Training: 356 supervisors trained.
- MINSAL (Chilean Ministry of Health) Protocol Training: 3,819 workers participated in training sessions focused on the prevention of occupational diseases, under the following categories:
 - Exposure to silica (PLANESI)
 - Occupational noise (PREXOR)
 - Ultraviolet radiation (UV)
 - Musculoskeletal disorders (TMERT)
 - Psychosocial risks.

MATERIAL RISKS

A total of 4,956 workers received training on material risks to reinforce technical knowledge related to fatality prevention. In addition, operators of critical equipment were certified, surpassing the figures achieved in 2023.

HUMAN RIGHTS

GRI 410-1

In 2024, 96% of security personnel received training on the Human Rights Policy. Additionally, the industrial security company providing services to the operation also implemented a training plan aimed at reinforcing key concepts and applying relevant protocols related to human rights. These training activities are part of a comprehensive approach that, in addition to policies and procedures, includes an ongoing process for managing human rights risks and impacts, as well as the implementation of accessible and effective grievance mechanisms to ensure that any security-related or human rights-related incident is reported, investigated, and addressed.

EMERGENCY MANAGEMENT

During the year, 324 supervisors from contractor companies were trained in topics such as fire extinguisher use, basic first aid, and automated external defibrillator (AED) use, through a combination of theoretical and practical sessions. In addition, specialized training sessions were held on vehicle rescue, industrial fire response, and hazardous materials handling (HAZMAT), benefiting 47 internal emergency brigade members at Sierra Gorda SCM.

Key actions carried out in this area included:



Development of a comprehensive and unified emergency response plan for the Sierra Gorda SCM site.



Execution of an annual drill program, with six practical exercises conducted as planned.



Strengthening of the CECOM communications center through the addition of new radio operators to enhance emergency response capacity.

TRAINING PROGRAMS AND NUMBER OF PARTICIPANTS TRAINED

COURSE TITLES	2023	2024
“New Person” Onboarding	11,879	9,724
Defensive Driving and Regulations	3,418	2,874
Material Fatality Risks	4,956	8,375
Isolation and Lockout	5,404	9,044
Confined Spaces	2,483	1,584
Hot Work	2,259	1,874
Lifting and Hoisting	2,312	1,807
Electrical Hazards	1,884	1,669
Working at Heights	5,050	3,730
Fire Extinguisher Use and Handling	2,938	3,960
ESTOY Tool	5,220	4,279
Molybdenum Onboarding	1,197	1,372
Emergency Management for Supervisors	290	391
Remote Work Onboarding	95	10
TOTAL	49,385	50,693

EMPLOYEES TRAINED BY DIVISION

MANAGEMENT / VICE PRESIDENCY	2023		2024	
	SIERRA GORDA SCM	CONTRACTORS	SIERRA GORDA SCM	CONTRACTORS
Mine	36	105	124	531
Mine Maintenance	21	315	38	698
Plant	80	325	78	1,716
Plant Asset Management Subdivision	40	1,440	122	3,147
Technical Services	78	84	80	161
Tailings	9	419	21	1,147
Geology	14	250	7	463
Debottlenecking Project	18	863	17	1,434
Operational Improvement Projects	3	-	23	122
Human Resources	4	270	21	835
Health, Safety, and Environment (HSE)	18	258	10	427
IT and Digital Transformation	11	75	12	152
Business Improvement	2	-	5	33
Logistics and Inventory	11	204	8	339
TOTAL SITE	345	4,608	566	11,205

CERTIFICATIONS BY EQUIPMENT TYPE

EQUIPMENT TYPE	NUMBER OF CERTIFICATIONS 2023	NUMBER OF CERTIFICATIONS 2024
Boom Truck	13	49
Forklift	78	83
Mobile Crane	7	4
Pedestal Crane	6	7
Tower Crane	17	6
Manlift	11	30
Overhead Crane	56	53
Rigger	65	71
Total	253	303

HEALTH AND SAFETY

WORKER PARTICIPATION

GRI 403-4

The company promotes spaces and tools that encourage worker participation in health and safety management. Key initiatives include:

- Training on Chilean Ministerio de Salud (MINSAL, Ministry of Health) protocols aimed at preventing occupational diseases.
- Sharing of lessons learned from investigations of lost-time or high-potential incidents, disseminated company-wide.
- Safety culture perception surveys conducted with both company employees and contractor personnel.
- Collaborative work with the Joint Health and Safety Committee to channel feedback, suggestions, and improvement opportunities raised by workers.
- Ongoing support from the HSE Management Department through regular meetings that include the sharing of key indicators, statistics, and trends to support decision-making.



WORKPLACE HEALTH PROMOTION

GRI 403-6

We promote the overall well-being of our workforce through an assistance program designed to support individuals with physical or psychological conditions not directly related to their work activities. This initiative is managed by the Vice President of Human Resources, in collaboration with the specialized firm CRECER, and includes individualized case follow-up.

Its main objective is to support the emotional and physical balance of personnel, including contractor employees, reaffirming the company's commitment to comprehensive care for people beyond their job responsibilities.

EMERGENCY PREPAREDNESS

The Tailings Management Department and the emergency response team at Sierra Gorda SCM carried out several initiatives to strengthen preparedness for operational risks, as part of the implementation and operation of the Global Industry Standard on Tailings Management (GISTM).

KEY ACTIVITIES INCLUDED:

-  Vehicle and/or equipment collision drill.
-  Coordination of a tailings wall collapse drill.
-  Development of evacuation layouts and identification of critical areas, led by the Health, Safety, and Environment Department, including the installation of signage for Emergency Assembly Points (EAP), Ambulance Assembly Points (AAP), and evacuation points for seismic events.
-  Review of emergency procedures related to GISTM and operations.
-  Emergency brigade and onsite medical staff walkthroughs in critical areas, including verification of ambulance access routes.
-  Delivery of operational guidelines to field brigades, reinforcing emergency response protocols.
-  Direct support from the emergency brigade during critical tasks carried out by contractor companies.



COMMUNITIES

- KEY COMMUNITY MILESTONES AND SOCIAL INVESTMENT
- COMMUNITY FEEDBACK
- COMMUNITY ENGAGEMENT PROGRAMS
- SOCIAL INVESTMENT COMMITTEE
- IDENTIFICATION OF NEGATIVE IMPACTS ON THE LOCAL COMMUNITY

COMMUNITIES

KEY COMMUNITY MILESTONES AND SOCIAL INVESTMENT

Sierra Gorda SCM carried out a range of social projects in its areas of influence, with a social investment of US\$609,547 focused on creating shared value, improving quality of life, and expanding opportunities for local residents.

COMMUNITY TRAINEE PROGRAM

With the new 2024 edition of the Trainee Comunitario (Community Trainee) program, we reaffirmed our commitment to local employability. This initiative, first implemented in 2016, has helped more than 60 residents from the Sierra Gorda and Baquedano communities enter the mining industry.

The program follows a hands-on training model that creates real opportunities for individuals with no prior experience in the sector. It includes a 12-month intensive training period, during which participants receive technical instruction, professional guidance, and competitive compensation. At the end of the program, those who meet the technical and safety standards set by the company—and depending on available vacancies—have the opportunity to join the workforce on a permanent basis.

The 2024 edition included the training of seven new haul-truck operators. In addition to strengthening key operational roles, this initiative ensured the transfer of technical knowledge at the local level. Upon completing the training, participants undergo a performance-based evaluation designed to validate



their competencies for continued employment. In this way, we create real job opportunities and respond to the aspirations of local community members seeking to join the country’s most important industry.

This program is a tangible expression of the company’s commitment to developing regional human capital and creating shared value. Through this initiative, Sierra Gorda SCM strengthens its relationship with neighboring communities, generating the conditions for effective, sustainable, and transformative workforce inclusion.

KEY FIGURES

7
new trainees joined the program in 2024.

+60
local residents were trained from the program’s launch by the end of 2024.

39
trainees were hired on a permanent basis in 2024 as a result of previous editions of the program.



SPECIALIZED MEDICAL CLINICS

As a result of the Social Study conducted at the end of 2023, specific healthcare needs were identified in the communities of Baquedano and Sierra Gorda. In response, five weekend medical clinics were organized, offering free care that benefited more than 200 residents of the local community. A total of 407 consultations and 698 medical services were provided by specialists in various fields. These clinics addressed the needs identified in the initial health assessment and helped bring specialized medical care closer to the community, improving access to healthcare.

The medical clinics were funded by Sierra Gorda SCM and carried out in coordination with the Municipality of Sierra Gorda, Desafío Levantemos Chile, and the Clínica UC Christus in Santiago. Their purpose was to improve access to specialist care and make a meaningful contribution to reducing waiting lists.



ROAD IMPROVEMENT

As part of the commitments outlined in its Resolución de Calificación Ambiental (RCA, Environmental Qualification Resolution) , Sierra Gorda SCM carried out paving works covering 5,670 m² of roads in its area of influence, with an investment of CLP428,390,851. This project contributed to improving road infrastructure and mitigating airborne dust emissions, directly enhancing the quality of life for local residents and the surrounding environment.



CULTURAL EXCHANGE PROGRAM

The Cultural Exchange Program with Poland, developed in collaboration with the community of Gaworzyce, consists of two phases: one week of educational immersion with local families and participation in school activities, followed by a second week of intensive instruction in history and art led by a historian from the University of Warsaw.

In its second edition, three students from Escuela G-130 Estación Baquedano and the Complejo Educacional Caracoles took part in this enriching experience, which included visits to the offices and operations of KGHM Polska Miedź, one of Sierra Gorda SCM’s shareholder companies.

COMMUNITIES

SPONSORED CLASSES AT COLEGIO DON BOSCO

In 2024, through the Clases Patrocinadas (Sponsored Classes) Program at the technical school Colegio Don Bosco in Antofagasta, the company awarded 20 merit-based scholarships to third-year high school students specializing in Electricity and Electronics—reaffirming its commitment to educational excellence and equitable access to opportunities.

We also contributed to the student community through guest lectures delivered by Sierra Gorda SCM professionals, both in the classroom and during guided visits to the operation site, offering students a firsthand look at modern mining practices.

In addition, 20 selected students participated in professional internships designed to strengthen their technical skills and support their preparation for the workforce.

**POLISH NIGHT**

Given Sierra Gorda SCM's connection with Poland—driven by its shareholder KGHM—and its goal of strengthening educational and cultural ties with that country, the company organized the event “Noche Polaca” (Polish Night). Held in the town square of the local community of Sierra Gorda, the gathering gave residents the opportunity to hear directly from the three local students who participated in a 15-day educational trip to Poland. The program included a performance of works by Polish composer Frederic Chopin presented by the Santiago Philharmonic Ensemble string trio, as well as a Christmas carol presentation.

These actions demonstrate the company's ongoing commitment to fostering trust-based relationships with neighboring communities and reflect its pride in actively supporting their development. For Sierra Gorda SCM, a strong connection to the surrounding environment and local communities has been a cornerstone since the start of its operations.

**BETTER TECHNICIANS FOR THE INDUSTRY**

As part of its strategy to support education and the development of human capital, Sierra Gorda SCM continued—now for the ninth consecutive year—its alliance with Colegio Técnico Don Bosco de Antofagasta, an institution recognized for its contribution to training young technicians for the mining industry.

Another edition of the program was implemented in 2024, benefiting 193 fourth-year students from Colegio Don Bosco, who received training in safety, environmental management, forklift operation (Class D license), photovoltaic plant maintenance, and residential electrical installation—certified by the Superintendencia de Electricidad y Combustibles (SEC, Superintendence of Electricity and Fuels).

Since its inception, the program has trained 1,660 students, thanks to the joint efforts of Sierra Gorda SCM, Colegio Don Bosco, and the Servicio Nacional de Capacitación y Empleo (SENCE, National Training and Employment Service).

This is a concrete initiative that provides young people in the region with the tools they need—such as official certifications—to graduate from high school with additional skills that enhance their professional development and improve their employability.



COMMUNITIES



COMMUNITIES

COMMUNITY FEEDBACK

GRI 2-25

As part of our Sustainability Policy, we maintain a firm commitment to implementing due diligence processes that include timely risk management, mitigation of adverse impacts, and a focus on remediation when applicable. Within this framework, we have formal mechanisms in place to receive and respond to feedback from communities in our direct area of influence.

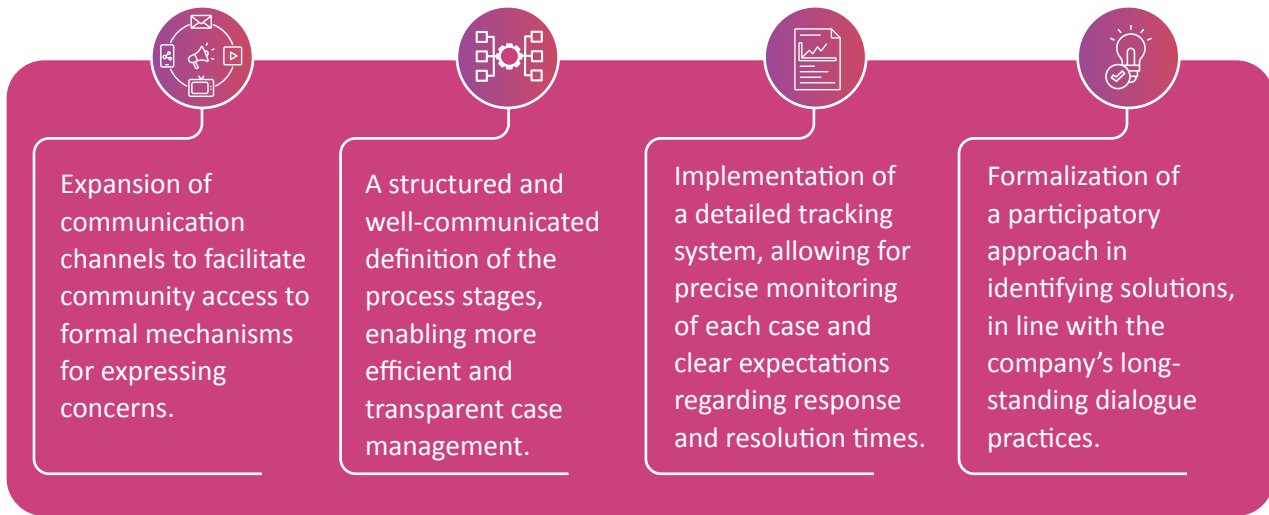
UPDATE TO THE COMMUNITY FEEDBACK PROCESS

A transparent and constructive relationship with communities is the result of the ongoing strengthening of communication and response channels. Taking into account the specific characteristics of the local context and the company’s commitment to maintaining open and respectful relationships with neighboring communities, Sierra Gorda SCM carried out a comprehensive update of its community feedback and communication

procedure. The goal was to improve the system’s efficiency, traceability, and clarity.

This update is based on the guidelines of the United Nations Guiding Principles on Business and Human Rights, which outline effectiveness criteria for non-judicial grievance mechanisms used to address and resolve concerns or conflicts.

Among the main updates to the procedure are:



The system is now referred to as the Community Inquiries, Complaints, and Acknowledgments Management Procedure, and classifies incoming messages into three categories: inquiries, complaints, and acknowledgments.



COMMUNITIES

COMMUNITY ENGAGEMENT PROGRAMS
GRI 413-1



ENVIRONMENTAL IMPACT ASSESSMENT AND ONGOING MONITORING

As part of its environmental commitment and in compliance with current regulations, Sierra Gorda SCM operates an air quality monitoring station in the local community of Sierra Gorda. This publicly accessible system, well-known by the community, provides real-time information through the company’s website: www.sgscm.cl.

Additionally, and with the aim of strengthening trust with local residents, the company provides advance notice—via email and through the community relations team—regarding scheduled blasting times on weekends. This measure forms part of the internal blasting protocol.

For Sierra Gorda SCM, community well-being is a priority. For this reason, blasting activities are suspended during large-scale events in the locality—particularly those associated with traditional religious celebrations—as a preventive measure. Similarly, blasting and material dumping at the south waste dump are halted during adverse weather conditions that could lead to dust dispersion toward the community, such as in the event of strong wind storms.



COMMUNITY INVOLVEMENT

Our approach to community engagement is based on ongoing, respectful, and transparent dialogue with the communities in our area of influence. This relationship allows us to clearly identify their main aspirations and challenges, fostering the collaborative search for solutions. We actively participate in key events within the local community, promoting respect for local culture and traditions.



MESA DE LOS BUENOS VECINOS (GOOD NEIGHBORS ROUNDTABLE)

A key space for citizen participation is the Mesa de los Buenos Vecinos, a monthly meeting that brings together residents, community leaders, and representatives from mining companies in the area. This space has become a well-established and valued forum for the community of Sierra Gorda. In each session, the company shares updates on its community initiatives and provides opportunities for direct dialogue with attendees.

In 2024, the community engagement team actively participated in every meeting of the Mesa, and also took on the administrative and logistical coordination of sessions.



COMMUNITY PROGRAMS BASED ON LOCAL NEEDS

Sierra Gorda SCM’s social investment strategy is built on a long-term vision and a commitment to addressing the concrete needs of its neighbors. Community projects are developed collaboratively with social organizations and key local stakeholders—from initial identification to implementation and closure.

Social investment efforts aim to mitigate potential negative impacts, promote positive outcomes, and create shared value. The current strategy focuses primarily on four key areas: health, education, employability, and the environment. However, it also includes initiatives that promote equity, support the inclusion of vulnerable groups, or strengthen local identity and culture.

In general, the support model does not involve direct cash transfers. Instead, the company facilitates the purchase of goods or services requested by legally recognized organizations, formalizing the agreement through cooperation agreements.

A significant portion of the implemented projects originated from early identification in the field by the community engagement team. These initiatives — aligned with the company’s sustainability strategy — were internally evaluated in accordance with the Social Investment Procedure, and subsequently submitted for managerial approval.



COMMUNITIES

SOCIAL INVESTMENT COMMITTEE

PROJECTS APPROVED BY THE SOCIAL INVESTMENT COMMITTEE

The Social Investment Committee (CIS, in Spanish) is the body responsible for evaluating and approving community projects submitted by legally recognized organizations from the company’s areas of direct influence.

Initiatives may originate directly from the community when local residents identify needs and propose solutions aimed at generating a positive impact. These projects are evaluated based on the benefits they offer to the community and their alignment with the company’s Community Engagement Strategy.

At least once a year, the company announces the opening of the application process for the community initiative funding and implementation program. The Social Investment Committee serves as the formal evaluation body and is made up of executives from various areas of the company. Committee members rotate every two years to ensure a multidisciplinary and transparent evaluation process. The Committee meets at least once a year.

Organizations interested in submitting projects must present them to the community engagement team using a specific application form. The requests go through the following stages:

- 1

Receipt and Preparation of Initiatives: Applications submitted by local organizations are received and undergo an initial review to verify compliance with the minimum requirements.
- 2

Preliminary Evaluation: The Head of Community Engagement and the Superintendent of Corporate and Community Affairs review the relevance of each proposal, assessing its alignment with the company’s strategic focus areas, its potential benefits for the community, and its overall feasibility.
- 3

Presentation to the Social Investment Committee: Proposals that pass the preliminary evaluation are presented by the Head of Community Engagement to the Social Investment Committee. During this session, key aspects of each project are highlighted, including its contribution to community well-being and budget feasibility. After the meeting, a report with the results is prepared and shared with Committee members.

If a project is not approved, the community engagement team sends a formal letter to the applicant organization, outlining the reasons for the rejection.



CORPORATE COMMUNICATIONS POLICY

The Corporate Communications Policy is intended to support the corporate objective of strengthening the company’s reputation both locally and nationally. To that end, it defines communication actions aligned with the company’s institutional values, aimed at ensuring transparency, consistency, and the proper delivery of information to communities, authorities, investors, and the general public.

Within this framework, processes have been established to organize, unify, and guide corporate communications, ensuring that the various stakeholder groups have access to clear, relevant, and timely information about the company’s strategic vision and operations.



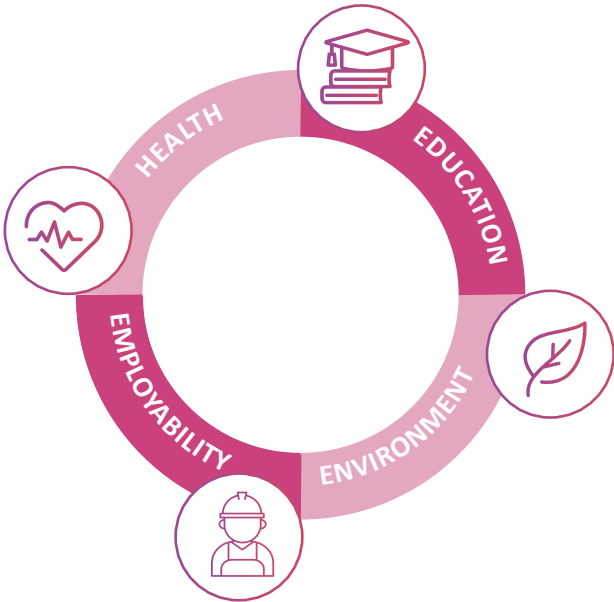
COMMUNITY ENGAGEMENT STRATEGY

In 2024, Sierra Gorda SCM defined its Community Engagement Strategy for 2024–2028, aligning with the 2023 Social Study findings.

This strategy is grounded in the company’s commitment to ongoing, transparent dialogue with surrounding communities—an approach that has enabled Sierra Gorda SCM to accurately identify the main aspirations, concerns, and challenges of local residents. As part of this process, the company conducted a direct consultation with the inhabitants of Sierra Gorda and Baquedano to gather their perceptions and expectations regarding the role the company should play in the future development of the territory. The Social Study provided high-value insights that

served as the foundation for a proposal aligned with the community’s concrete needs, while also reinforcing a sense of ownership.

The Community Engagement Strategy emerged as a tool built from within the territory, shaped with the participation of local residents and tailored to their specific context and characteristics. In practice, it is a collaboratively developed proposal, structured around four strategic pillars: health, education, environment, and employability.



COMMUNITIES

IDENTIFICATION OF NEGATIVE IMPACTS
ON THE LOCAL COMMUNITY

GRI 413-2

The deposit operated by Sierra Gorda SCM is located in the Antofagasta Region, approximately 60 kilometers from the city of Calama and 4.5 kilometers from the locality of Sierra Gorda. Its proximity to populated areas entails a particular responsibility regarding the potential effects of mining operations on the local community. For this reason, the company adopts a proactive approach to identifying, monitoring, and mitigating impacts.

Potential negative impacts include those associated with the constant movement of people and machinery on and off the site, blasting activities, earthworks, and particulate matter emissions into the air. Aware of these challenges, Sierra Gorda SCM has established and implemented a set of preventive and corrective measures, in line with the commitments outlined in its Resolución de Calificación Ambiental (RCA, Environmental Qualification Resolution).

Mitigation measures include, watering internal roads to reduce dust generation, applying dust suppressants, and using dust collectors at the concentrator plant, as well as paving certain routes in the locality of Sierra Gorda to control particulate matter emissions. Additionally, blasting operations are carried out under strict monitoring and control protocols that take into account weather variables—such as wind direction and speed—to minimize the dispersion of emissions toward populated areas.





ENVIRONMENT

- ENVIRONMENTAL MANAGEMENT
- ENERGY MANAGEMENT
- CARBON FOOTPRINT MANAGEMENT
- WATER MANAGEMENT AND GROUNDWATER MONITORING
- TAILINGS MANAGEMENT
- AIR QUALITY MANAGEMENT
- WASTE MANAGEMENT
- ARCHAEOLOGICAL HERITAGE MANAGEMENT AND CONSERVATION
- WILDLIFE RESCUE

ENVIRONMENT

ENVIRONMENTAL MANAGEMENT

Sierra Gorda SCM recognizes that modern mining must create value in a sustainable and responsible way. For this reason, the company actively promotes initiatives aimed at building an environmentally responsible operation and reinforcing its commitment to environmental care and preservation.

Sierra Gorda SCM’s environmental management approach encompasses both operational and administrative actions, and involves all areas of the company as well as its value chain.

The main objective is to ensure environmental sustainability at every stage of the operation.

REGULATORY COMPLIANCE

GRI 2-27
Sierra Gorda SCM operates under a strict regulatory framework, complying with environmental regulations and the highest industry standards. These guidelines are formalized in the company’s Sustainability Policy and Assurance Policy, which guide preventive and corrective actions to mitigate the potential negative impacts of operations.

This approach is rooted in a collaborative organizational culture and sustainable operational practices. In 2024, no environmental sanctions or enforcement actions were issued by the Servicios de Evaluación Ambiental (SEA, Environmental Assessment Service), reflecting the company’s strong and responsible commitment to environmental management.

MANAGEMENT EFFORTS ARE FOCUSED ON THE FOLLOWING PRIORITY AREAS:



Water management and groundwater monitoring



Meteorology and air quality



Waste management



Handling of hazardous substances



Protection of archaeological heritage



Wildlife rescue and care



Carbon footprint management



ENVIRONMENTAL MANAGEMENT TRAINING

In 2024, Sierra Gorda SCM conducted environmental management training sessions for all operational areas of the company, as well as for contractors. A total of 11,897 people received training on topics related to environmental protection and regulatory compliance.

A significant increase in training sessions was recorded in September, as the Superintendencia del Medio Ambiente (SMA, in Spanish for Environmental Enforcement Agency) implemented a training program covering each of the most relevant environmental components: Environmental Management, Wildlife, Waste Management, Air Quality, Archaeology, and Hazardous Substances

It is worth noting that, for reporting purposes, corporate induction was also counted as training; therefore, all individuals who joined the company during the year were included.

TRAINING ON ENVIRONMENTAL PROTECTION AND REGULATORY COMPLIANCE

TOPIC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Environmental management	59	14	37	56	34	4	4	68	972	18	54	985	2,305
Wildlife	0	0	0	0	16	0	0	57	972	18	54	985	2,102
Waste management	0	0	16	31	33	0	16	11	912	18	54	985	2,076
Air quality	0	0	0	0	19	73	5	11	912	18	54	985	2,077
Archaeology	0	0	0	0	16	0	0	0	912	18	54	985	1,985
Hazardous substances	12	8	35	56	39	49	66	30	0	18	54	985	2,076
TOTAL TRAINED EMPLOYEES	71	22	88	143	157	126	91	177	4,680	108	324	5,910	11,897

ENVIRONMENT

ENERGY MANAGEMENT

GRI 302-1 GRI 302-2 GRI 302-3

In 2024, Sierra Gorda SCM reaffirmed its commitment to energy efficiency by advancing the implementation and certification of an Energy Management System (SGE, in Spanish) based on the ISO 50001:2018 standard.

Key milestones achieved during the year include:

- 1

Incorporation of energy efficiency criteria in bidding processes and project design.
- 2

Definition of baselines, indicators, and energy performance objectives.
- 3

Publication and dissemination of the Energy Efficiency Policy, which outlines governance structure and guiding principles on the matter.
- 4

Official certification of the SGE, demonstrating compliance with international standards and Law No. 21.305 on Energy Efficiency.

100% RENEWABLE ENERGY: SIGNIFICANT PROGRESS IN EMISSIONS MITIGATION

Since 2023, 100% of the electricity used by Sierra Gorda SCM comes from renewable sources, supplied by AES Andes. This energy is delivered through a substation located at the site and a high-voltage transmission line that connects to the seawater pumping system in the Mejillones area.

The supply contract came into effect in January 2021, marking a major sustainability milestone by enabling the effective mitigation of Scope 2 emissions and reducing variable energy costs. In 2021, the company was certified by Registro Nacional de Energías Renovables (RENOVA, National Renewable Energy Registry) with 36% clean energy usage, which increased to 40.5% in 2022 and reached 100% in 2023.

It is worth noting that RENOVA, managed by the Coordinador Eléctrico Nacional (National Electric Coordinator), ensures the traceability of renewable energy used, certifying that it comes from clean sources injected into the national electric system. A portion of the energy used for pumping at station PS0 is not traceable through RENOVA but is covered by an International Renewable Energy Certificate (IREC).



ENERGY CONSUMPTION WITHIN THE COMPANY (MWH)*:

	2022	2023	2024
Gasoline	14.89	36.39	25.28
Diesel	1,273,384.83	1,344,320.85	1,571,377.06
LPG	50.65	28.49	30.39
Total consumption of non-renewable fuel sources	1,273,384.83	1,344,320.85	1,571,377.06
Total consumption of non-renewable energy sources	1,273,384.83	1,344,320.85	1,571,377.06
Total consumption of renewable electricity	475,799	1,272,335	1,317,206.08
Electricity consumption	1,280,946	1,272,335	1,317,206.08
Total purchased energy for consumption	1,280,946	1,272,335	1,317,206
Total energy consumption within the company	2,554,397	2,616,721	2,888,639

*Consumption outside the company is not monitored.

For the calculation of the above data, Sierra Gorda SCM uses the following conversion factors:

ENERGY SOURCE	NCV (NET CALORIFIC VALUE)	UNIT
Diesel	10.510	kWh/liter
Natural Gas	10.862	kWh/m³
Kerosene	10.455	kWh/liter
Gasoline	9.507	kWh/liter
LPG	7.738	kWh/liter

ELECTRICITY CONSUMPTION INTENSITY

ELECTRICITY	2022	2023	2024
Electricity consumption intensity of the company, calculated based on the results obtained in the production process (FMT, Fine Metric Tons)	7.30	8.13	8.38

ENERGY EFFICIENCY POLICY

In line with its commitment to sustainability, Sierra Gorda SCM continued in 2024 with the implementation of its Energy Efficiency Policy, which establishes a systematic and structured management framework to optimize the energy performance of its operations.

The main objective of this policy is to reduce greenhouse gas (GHG) emissions and operational costs, thereby reinforcing the company’s strategic commitment to supplying the world with green copper. Notably, it incorporates energy efficiency criteria into key processes such as strategic procurement, where energy performance is considered a critical factor in the evaluation and selection of products and services.

The design and implementation of this policy take into account the adaptation of existing processes, incorporating improvements where necessary to ensure compliance. While the operation has been powered exclusively by electricity from renewable sources since 2023, this policy further reinforces Sierra Gorda SCM’s commitment to efficiency by fostering a culture focused on the responsible use of energy.

Through this management tool, the company aims to continue meeting high operational standards, reducing its carbon footprint, and advancing toward an increasingly efficient and competitive mining operation.

ENVIRONMENT

CERTIFICATION OF THE ENERGY MANAGEMENT SYSTEM (ISO 50001:2018)

In 2024, Sierra Gorda SCM reached a major milestone on its path toward energy excellence by obtaining certification of its Energy Management System (SGE, in Spanish) under the ISO 50001:2018 standard.

This certification acknowledges the implementation of a formal system to continuously improve the company’s energy performance through the Plan–Do–Check–Act (PDCA) cycle. The standard enables organizations to adopt best practices in energy use, resulting in greater efficiency, lower emissions, and optimized costs.

Obtaining this certification confirms that the company manages its energy consumption in accordance with internationally recognized standards. This endorsement not only strengthens its commitment to energy efficiency but also enables Sierra Gorda SCM to demonstrate—both in Chile and in key markets such as Europe and the United States—that its operational processes align with the requirements of Law No. 21.305 and its associated regulatory framework.

Benefits of ISO 50001:2018 certification:

01.

IMPROVED ENERGY PERFORMANCE
through systematic processes and informed operational decisions.

02.

GHG EMISSIONS REDUCTION
contributing to climate change mitigation by using energy more efficiently.

03.

LOWER OPERATING COSTS
resulting from controlled and reduced energy consumption.

04.

REGULATORY COMPLIANCE
alignment with national and international energy efficiency regulations.

05.

COMPETITIVENESS
positioning the operation as a benchmark for sustainable mining.



CARBON FOOTPRINT MANAGEMENT

GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4

As a result of the implementation and certification of the Energy Management System (SGE, in Spanish), along with the establishment of a dedicated governance structure for the quantification of greenhouse gas (GHG) emissions, Sierra Gorda SCM has made significant progress in the accuracy and disaggregation of its data and associated calculations. This methodological strengthening enabled the company to recalculate its historical Scope 1 and 2 emissions, reflecting an effective continuous improvement process and a higher degree of organizational maturity in GHG emissions management.

It is worth noting that Scope 1 and 2 emissions for 2024 were verified by an independent third party (Deloitte), adding greater robustness and transparency to the reported results. The 2022 and 2023 emissions have not been verified by a third party, but were calculated using the same standards applied in 2024.

SCOPE 1 (DIRECT) AND SCOPE 2 (INDIRECT) GHG EMISSIONS (METRIC TONS OF CO ₂ EQUIVALENT)			
EMISSIONS	2022	2023	2024
Scope 1	383,891	401,571	448,296
Source type: Stationary combustion (Diesel, Gasoline, and LPG)	380,733	399,560	446,245
Source type: Fugitive (Refrigerants)	3,158	2,011	2,051
Scope 2 (location-based)	384,288	307,161	265,551
Scope 2 (market-based)	241,659	0	0

SCOPE 3 (INDIRECT) GHG EMISSIONS (METRIC TONS OF CO ₂ EQUIVALENT)			
EMISSIONS	2022	2023	2024
Scope 3	1,784,148	1,718,282	1,913,903
C1 – Goods and Services	196,471	220,980	241,189
C3 – WTT Fuel and Energy	75,617	79,830	86,433
C9 – Downstream Distribution	57,464	46,121	60,645
C2 – Capital Goods	48,807	40,588	52,531
C5 – Waste Generated	1,806	2,448	2,067
C4 – Upstream Transportation	2,694	2,214	2,579
C6 – Business Travel	784	784	1,108
C7 – Employee Commuting	151	151	262
C15 – Investments (Cochrane)	1,400,355	1,325,166	1,467,089

Scope 3 emissions have not been verified by a third party.

ENVIRONMENT

Regarding significant changes in Scope 2, Sierra Gorda SCM progressed toward implementing a contract for 100% renewable electricity. For Scope 1, the company increased its fleet—mainly through the acquisition of haul trucks—increased the fleet’s utilization rate due to the natural development of the Catabela Pit.

The emission factors used are based on data from the Intergovernmental Panel on Climate Change (IPCC), the UK’s Department for Business, Energy and Industrial Strategy (BEIS), and academic sources.

The global warming potential (GWP) values were obtained from the IPCC’s Sixth Assessment Report (AR6, 2023), with the following values:
CO₂ = 1
CH₄ = 27
N₂O = 273

The company has adopted an operational control consolidation approach, applying the methodologies of the GHG Protocol and partially the ISO 14064-1 standard for calculating Scope 1 and Scope 2 emissions.



Reduction of greenhouse gas emissions by 320,625 metric tons of CO₂ equivalent in 2024 thanks to the use of 100% renewable electricity.

For Scope 3 emissions, Sierra Gorda SCM used a “cradle-to-gate” consolidation approach, following the methodologies outlined in the GHG Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

REDUCTION OF GHG EMISSIONS

The company does not currently use an established emissions intensity ratio.

As a direct result of using 100% renewable electricity, Sierra Gorda SCM reduced its greenhouse gas (GHG) emissions by 320,625 metric tons of CO₂ equivalent in 2024. Additionally, the company continues to explore technological improvements and process innovations to further reduce emissions across all scopes.

WATER MANAGEMENT AND GROUNDWATER MONITORING

GRI 303-3

Sierra Gorda SCM does not use groundwater in its production processes. Since the beginning of operations, the mining site has been supplied exclusively with seawater, which comes from the cooling process of a thermoelectric plant located in Mejillones and is transported via a 143-kilometer pipeline to the mining site.

Moreover, the company’s production processes are largely adapted to use seawater without desalination, an innovative approach that minimizes energy consumption and the generation of brine discharge. Only about 10% of the seawater is desalinated, and this is reserved for human consumption and minor operational processes.

The operation does not discharge into surface or groundwater bodies, nor into public sewer systems. It functions under a closed-loop system. The only discharges authorized under the current environmental permits are those applied to soil for irrigation purposes or to the tailings storage facility.

Although the company holds consumptive groundwater rights in the Pampa Lina area, these are neither exploited nor used by Sierra Gorda SCM.

In terms of environmental monitoring, Sierra Gorda SCM conducts continuous surveillance of the groundwater system at the mine site (faena), in compliance with Exempt Resolution No. 31/2022 issued by the Superintendencia del Medio Ambiente (SMA, Environmental Enforcement

Agency). This resolution sets the guidelines for monitoring water components in tailings storage facilities.

To that end, the company has implemented various digital tools, including a historical hydrogeological monitoring database, integration with the SMA’s REST API system, a registry of monitoring points (wells and sources), and

the preparation of quarterly electronic reports, among other measures.

The following section presents monthly volumes of seawater extraction and potable water consumption for human use during 2022, 2023, and 2024.

	SEAWATER EXTRACTION (m³)			POTABLE WATER FOR HUMAN CONSUMPTION (m³)		
	2022	2023	2024	2022	2023	2024
January	2,621,291	2,320,418	2,314,583	24,262	21,204	26,169
February	2,985,667	2,706,135	2,689,974	20,302	25,669	21,902
March	2,696,732	2,527,991	3,268,227	24,053	24,173	23,680
April	2,377,060	2,384,165	2,107,305	18,980	19,949	18,544
May	2,835,289	2,440,970	2,942,559	16,839	19,442	24,273
June	2,279,652	2,222,532	2,553,519	16,960	18,079	21,844
July	2,597,851	2,208,266	2,365,876	18,093	17,727	25,844
August	2,613,236	2,627,236	2,614,773	17,574	17,947	23,577
September	2,405,191	2,438,857	2,428,030	19,424	17,995	23,497
October	2,563,670	1,836,241	2,361,461	19,513	21,626	22,645
November	2,889,145	2,673,608	2,988,430	18,305	19,820	25,469
December	2,578,209	2,638,679	2,839,054	20,038	19,626	24,705
Total	31,442,993	29,025,097	31,473,791	234,343	243,257	282,149

In addition to recording volumes, the potable water is tested monthly to ensure its quality in accordance with Standard NCh 409. Monthly consumption increases

are also reported to the camp manager as part of the control measures in place, enabling the detection of potential hidden leaks and ensuring efficient water use.

ENVIRONMENT

TAILINGS MANAGEMENT

IP-01 IP-05

Sierra Gorda SCM’s tailings storage facility, located in the community of Sierra Gorda, Antofagasta Region, at 1,626 meters above sea level, began operating in October 2014 and holds a valid environmental permit (RCA 165/2018). From the outset, it has incorporated the highest technical standards, with a constant focus on safety and environmental compliance. Its operation is aligned with international initiatives promoting responsible tailings management, such as the Global Industry Standard on Tailings Management (GISTM).

The tailings facility is among the ten largest tailings facilities currently operating in Chile in terms of surface area, storage capacity, and overall dimensions. However, its impact on nearby populations, infrastructure, the economy, or agricultural areas is negligible, as there are no communities, no use of groundwater downstream from the containment walls, and no critical infrastructure in the vicinity. The tailings are thickened (55–62% solids), and the facility currently stands 37.2 meters high, with an approved maximum height of 75 meters. As of the end of 2024, the tailings storage facility had reached 30.8% of its authorized total capacity.

Its design incorporates a range of safety and environmental control measures, including impermeable barriers (geomembranes), drainage and infiltration control systems, and a comprehensive online geotechnical monitoring system that features topographic surveys

and inspections at various frequencies (daily, weekly, and monthly). All of these measures aim to ensure the structural stability of the facility and to prevent environmental impacts.

TAILINGS MANAGEMENT POLICY

The Tailings Management Policy aims to establish the guidelines for operating the tailings storage facility, using the Global Industry Standard on Tailings Management (GISTM) as a reference framework. Its purpose is to minimize the risk of harm to the environment, people, and communities by implementing safety mechanisms to prevent, mitigate, and remediate potential negative impacts.

To this end, and in line with its commitment to ensuring the structural stability of the facility throughout all phases of its life cycle, Sierra Gorda SCM has adopted management principles and operational practices that include:

- Prioritization of structural stability over production or cost considerations.
- Design, planning, construction, operation, maintenance, and closure in accordance with the GISTM and current regulations.
- Risk management based on technology, scientific data, and proven technical analysis.
- Promotion of a culture of stability and safety, including ongoing training for employees and contractors, as well as the timely detection and communication of deviations.
- Systematic reviews, with results reported to the Owners’ Council.
- Commitment to continuous improvement through the progressive adoption of increasingly rigorous technical and operational standards.

As part of its commitment to transparency, Sierra Gorda SCM maintains open and effective communication with its stakeholders (employees, contractors, local communities, and authorities). This includes engagement through a range of activities such as:

- Participation in the development of emergency response plans.
- Sharing of risk-related information with potentially affected communities.
- Receiving feedback and addressing concerns.
- Conducting community visits to the tailings storage facility.

For more technical information about the tailings facility, please refer to Sierra Gorda SCM’s public profile on the tailings platform of the Consejo Minero de Chile (Mining Council of Chile).

ENVIRONMENT

AIR QUALITY
MANAGEMENT

IP-02 IP-05

At Sierra Gorda SCM, air quality management is a central component of environmental compliance, directly linked to the provisions set forth in the Resolución de Calificación Ambiental (RCA, Environmental Qualification Resolution), as well as to current regulations on Particulate Matter 10 (PM10) and Particulate Matter 2.5 (PM2.5).

Environmental Qualification Resolution No. 137/2011—corresponding to the “Sierra Gorda Project”—sets forth specific commitments that guide the environmental control and mitigation measures implemented by the company.

Among the key actions aimed at controlling emissions, the following stand out, each considered to be 90% effective in mitigating impacts:

- 1

Regular watering—nine times per day—of roads, circulation areas, and active work fronts in the mine—Catabela plant area, pipelines, and filtration plant.
- 2

Application of bischofite or similar compounds every 20 days on stabilized roads leading to operational zones.
- 3

Installation of dust suppressors and collectors along the crushing lines.
- 4

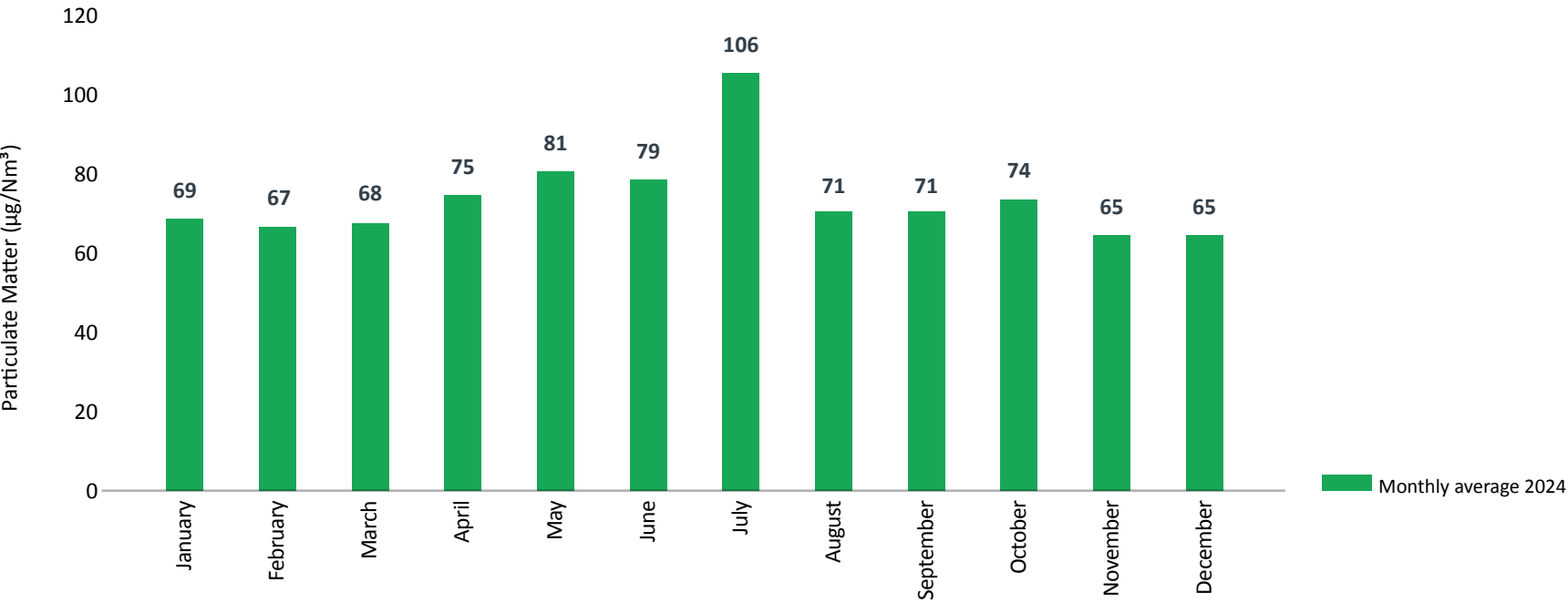
Incorporation of capture systems on transfer belts, high-pressure grinding rolls, and milling processes.

These commitments and their technical specifications are outlined in Annex 4-3.1 of Addendum No. 2 to the Environmental Impact Study associated withResolución de Calificación Ambiental (RCA, Environmental Qualification Resolution) No. 126/2011 for the Sierra Gorda Project.

PARTICULATE MATTER 10 (PM10) CONCENTRATION

In 2024, the monitoring station located in the town of Sierra Gorda recorded an annual average of 74 µg/Nm³ for PM10, exceeding the limit by 24 µg/Nm³ established by Supreme Decree No. 12/2022.

MONTHLY PM10 CONCENTRATION CYCLE AT THE SIERRA GORDA SCM MONITORING STATION



During the year, there were nine PM10 concentration events that exceeded the daily emission standard (130 µg/Nm³). These are detailed in the table to the right:

DATE	DAILY AVERAGE PM10 (µg/Nm³)
July 1	145
July 10	175
July 17	232
July 18	138
July 19	148
July 27	143
August 1	135
August 29	143
October 6	160

A meteorological analysis of these episodes revealed a direct correlation with high wind events—specifically when wind speeds exceeded 6 meters per second—surpassing the area’s historical average. In this context, wind erosion is a relevant factor that contributes to the year’s highest recorded particulate matter concentrations.

BLASTING PROCESS

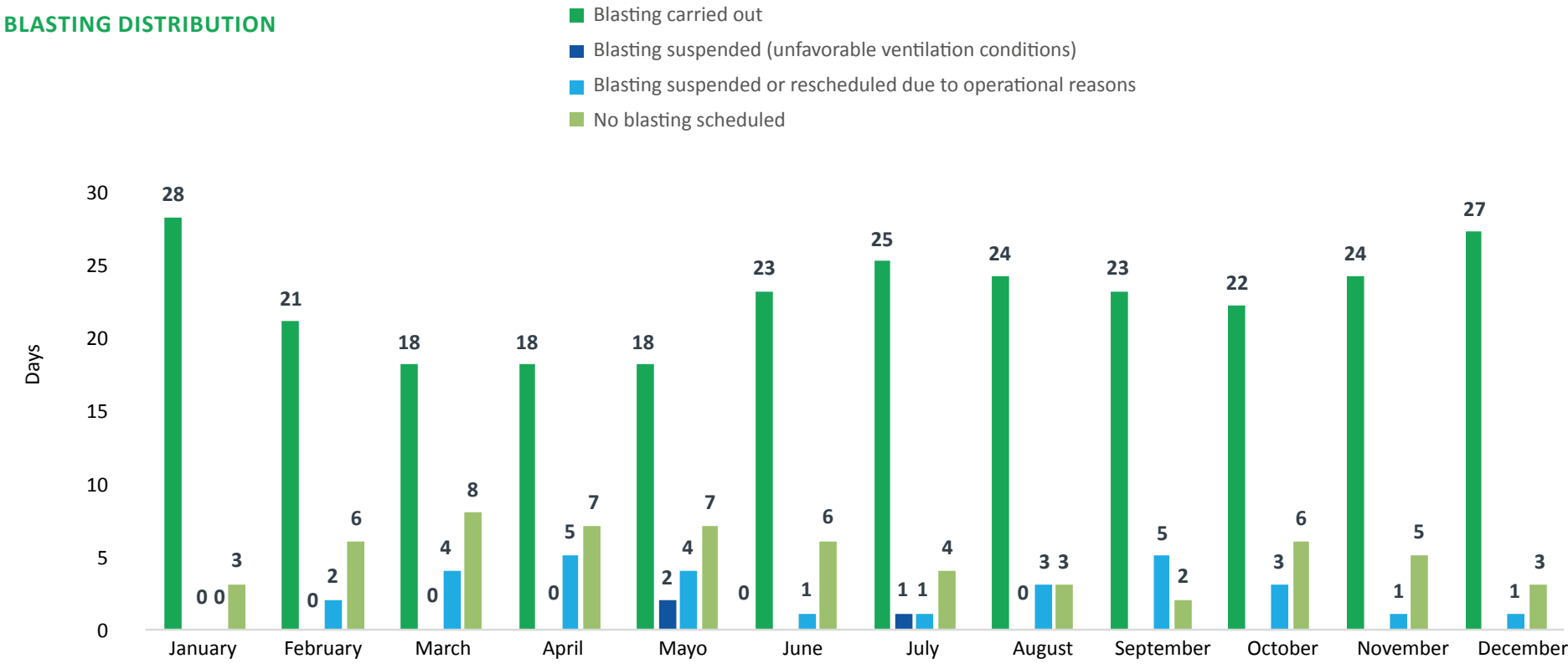
Throughout the year, Sierra Gorda SCM carried out 271 blasting events, with a total volume of approximately 170,756,552 tons of material removed.

Further information on the protocols applied for the planning and execution of blasting is available in the Communities section.

The chart shows the annual distribution of blasting activities, including the number of blasting events carried out each month, those suspended due to operational reasons, those suspended or rescheduled due to unfavorable ventilation conditions, and days with no blasting scheduled.

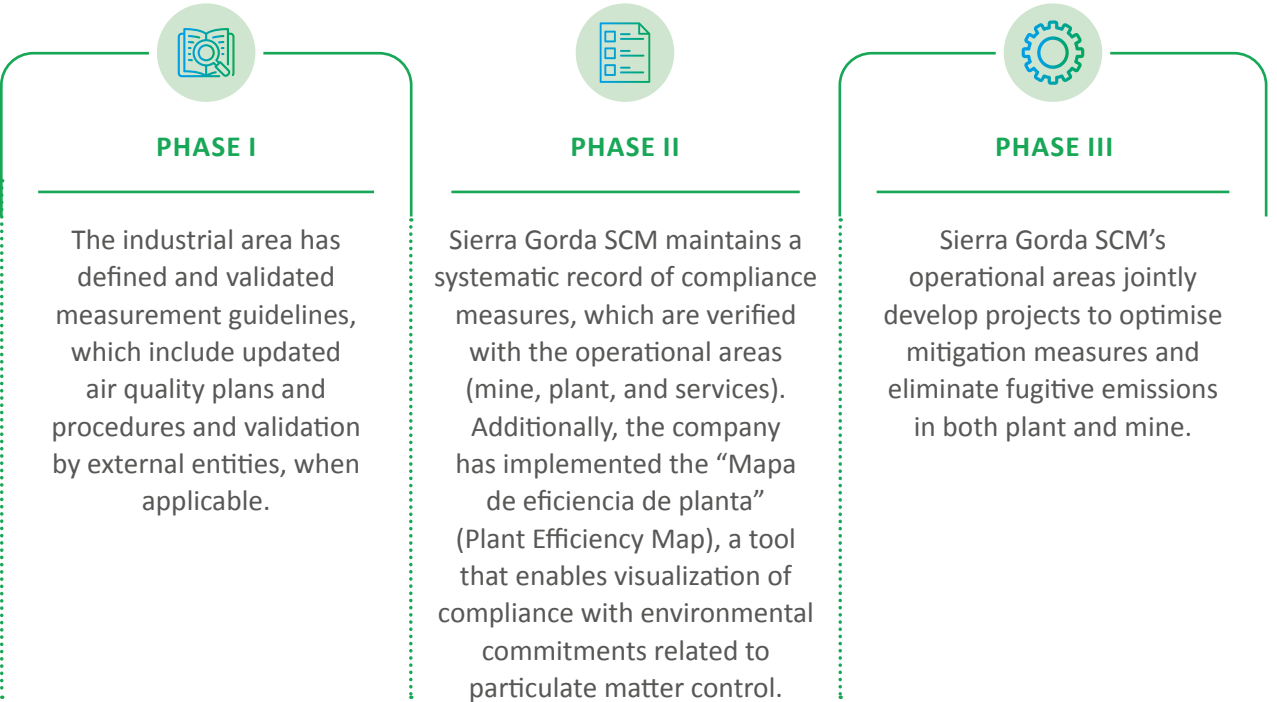
It is important to note that all blasting processes at Sierra Gorda SCM are conducted following prior evaluation and approval by the Superintendency of the Environment, in accordance with the advisory protocol for ventilation conditions in the mining area. In this context, all rescheduled blasts are part of the company’s internal operational management and reflect its commitment to safeguarding air quality in the surrounding area.

BLASTING DISTRIBUTION



“POLVO CERO” (ZERO DUST) PROJECT

In 2024, the company launched a cross-cutting initiative called “Polvo Cero” (Zero Dust), which brings together multiple actions aimed at improving air quality from both environmental and occupational health perspectives. This project represents a paradigm shift in air management and included three phases executed during 2024:



OTHER RELEVANT ACTIONS IN 2024

During the same period, additional measures were implemented, including:

1. Annual maintenance of the Sierra Gorda Population Representativeness Monitoring Station (EMRP SG) in accordance with Supreme Decree No. 61.
2. Submission of the Annual Declaration of Stationary Sources as required by Supreme Decree No. 138.
3. Application of dust suppressants on mining roads.
4. Maintenance and operation of air quality monitoring stations.
5. Measurement of fine particulate matter and follow-up of paving works.
6. Air quality studies, emission modeling, and environmental monitoring campaigns in the Sierra Gorda district.
7. Online measurement services to assess the efficiency of dust suppressants and dust collectors at the plant.
8. Evaluation of the use of surfactant foam as a solution to mitigate particulate matter emissions.
9. Implementation of an online monitoring system for PM10, PM2.5, and silica in operational areas of the mine and plant.

ENVIRONMENT

WASTE MANAGEMENT

GRI 306-1 GRI 306-2 GRI 306-3
GRI 306-4 GRI 306-5

Sierra Gorda SCM has a Waste Management Plan in place that provides for the comprehensive management of solid waste generated throughout all stages of its operational and service processes. This plan includes the classification, storage, transportation, final disposal, and recovery of waste to ensure compliance with current environmental regulations and the commitments established in applicable sectoral resolutions.

As part of this management approach, a key highlight is the operation of a sanitary landfill located within

the industrial area. This facility is authorized under Exempt Resolution No. 1008/2023, issued by the Secretaría Regional Ministerial (SEREMI) de Salud (Regional Health Ministerial Secretariat of Health), and is used for the disposal of domestic-type waste.

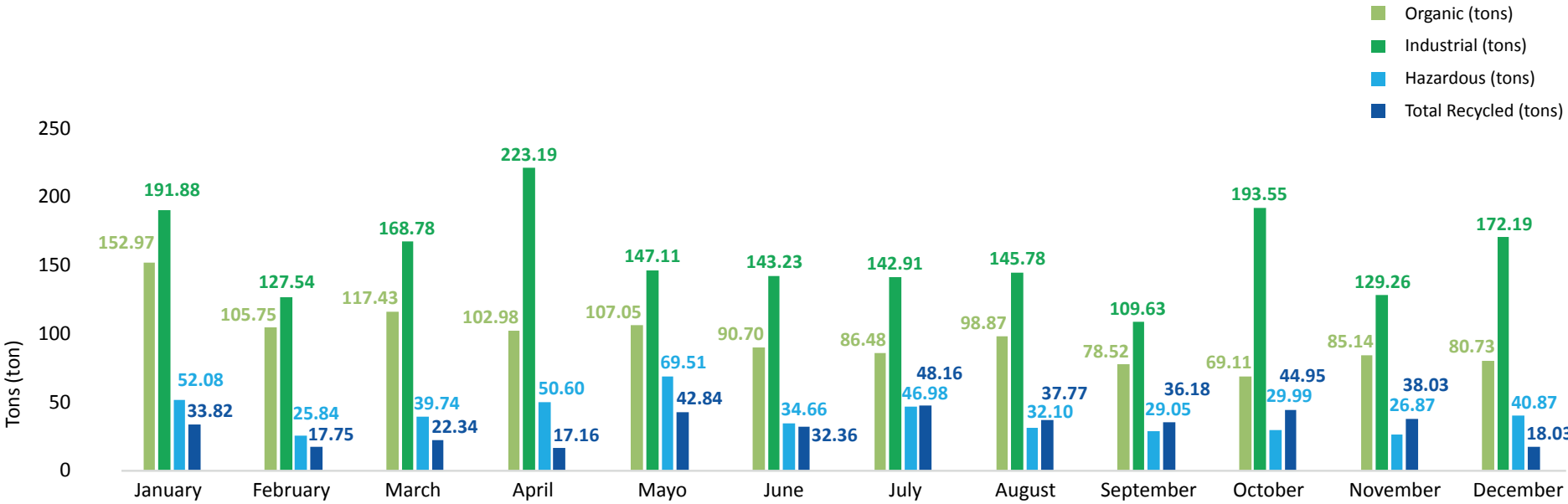
Hazardous waste is managed in accordance with the provisions of Regulation D.S. No. 148/2003, while non-hazardous industrial and recyclable waste is handled by authorized third parties who hold the corresponding permits for final disposal. This process

is aligned with the guidelines set forth by the Extended Producer Responsibility Law (Ley REP, Responsabilidad Extendida del Productor).

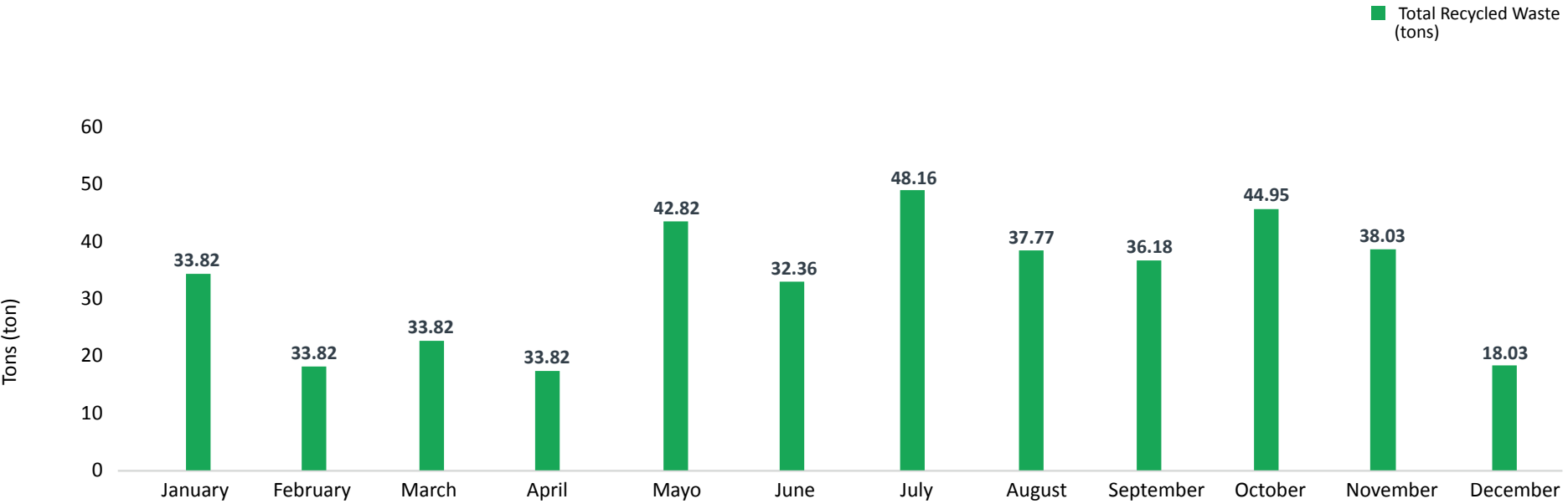
On-site waste management infrastructure includes specially designated containers and hoppers for each type of waste, ensuring safe and efficient handling. In total, Sierra Gorda SCM managed 4,204 tons of waste in 2024, categorized by type and corresponding treatment.



WASTE GENERATION



GENERATION OF RECYCLABLE WASTE



ENVIRONMENT

TOTAL WASTE GENERATED (TONS) BY WASTE COMPOSITION

CATEGORY	TYPE	2023	2024
Non-hazardous	Domestic and Domestic-Type Waste	1,169	1,176
	Other Non-Hazardous Waste	2,621	2,060
	Recyclables (Bottles, Cardboard, Scrap Metal, HDPE)	80	981
Hazardous	Waste Oils Used for Energy Recovery (Inacesa)	150	357
	Rags, Wipes Contaminated with Hydrocarbons, etc.	508	569
	Batteries	39	20
	TOTAL	4,567	5,163

WASTE DIRECTED TO DISPOSAL BY RECOVERY OPERATION

CATEGORY	TYPE	2023	2024
Non-hazardous	Recycling	80	981
	TOTAL	80	981
Hazardous	Preparation for re-use	150	357
	Recycling	39	20
	TOTAL	189	377


WASTE NOT DIRECTED TO DISPOSAL BY RECOVERY OPERATION

CATEGORY	TYPE	2023	2024
Non-hazardous	Landfilling	1,169	1,176
	Other disposal operations	2,621	2,060
	TOTAL	3,790	3,236
Hazardous	Incineration (with energy recovery)	150	357
	Landfilling	508	569
	TOTAL	658	926


COMPLIANCE WITH THE EXTENDED PRODUCER RESPONSIBILITY LAW (LEY REP, RESPONSABILIDAD EXTENDIDA DEL PRODUCTOR)

In 2024, Sierra Gorda SCM successfully implemented its Individual Management Program under the framework of the REP Law (Ley REP, Responsabilidad Extendida del Productor) for packaging and containers (P&C), making significant progress in the traceability, segregation, and recovery of metallic waste. The actions carried out during the year included:


Implementation of internal alerts from the Supply Chain area to notify the arrival of imported mill liners used in grinding proccses.




Coordination with user areas to ensure the segregated collection of these materials.




Designation of a specific area in the scrap metal yard, with proper signage and identification.




Establishment of traceability procedures for the transport of metallic packaging and containers to recovery service providers.




Recording the weight of the metal profiles sent for recovery and verifying that service providers hold valid licenses for recycling metallic packaging and containers.



Implementation of a process to receive documentation from service providers certifying the weight of recycled metal profiles.




Development and implementation of an internal guideline defining tasks and responsibilities, along with training for involved personnel.



Creation of a record-keeping system for:

- a. Metal profiles from imported mill liners.
- b. Weight of profiles sent for recovery.
- c. Recovery certificates for metal profiles.



It is worth noting that, in accordance with Exempt Resolution No. 0233/2023, which approved Sierra Gorda SCM’s Packaging and Containers Management Plan, the company met the required recovery percentage, recycling a total of 4.7 metric tons of metals through an authorized and accredited service provider.

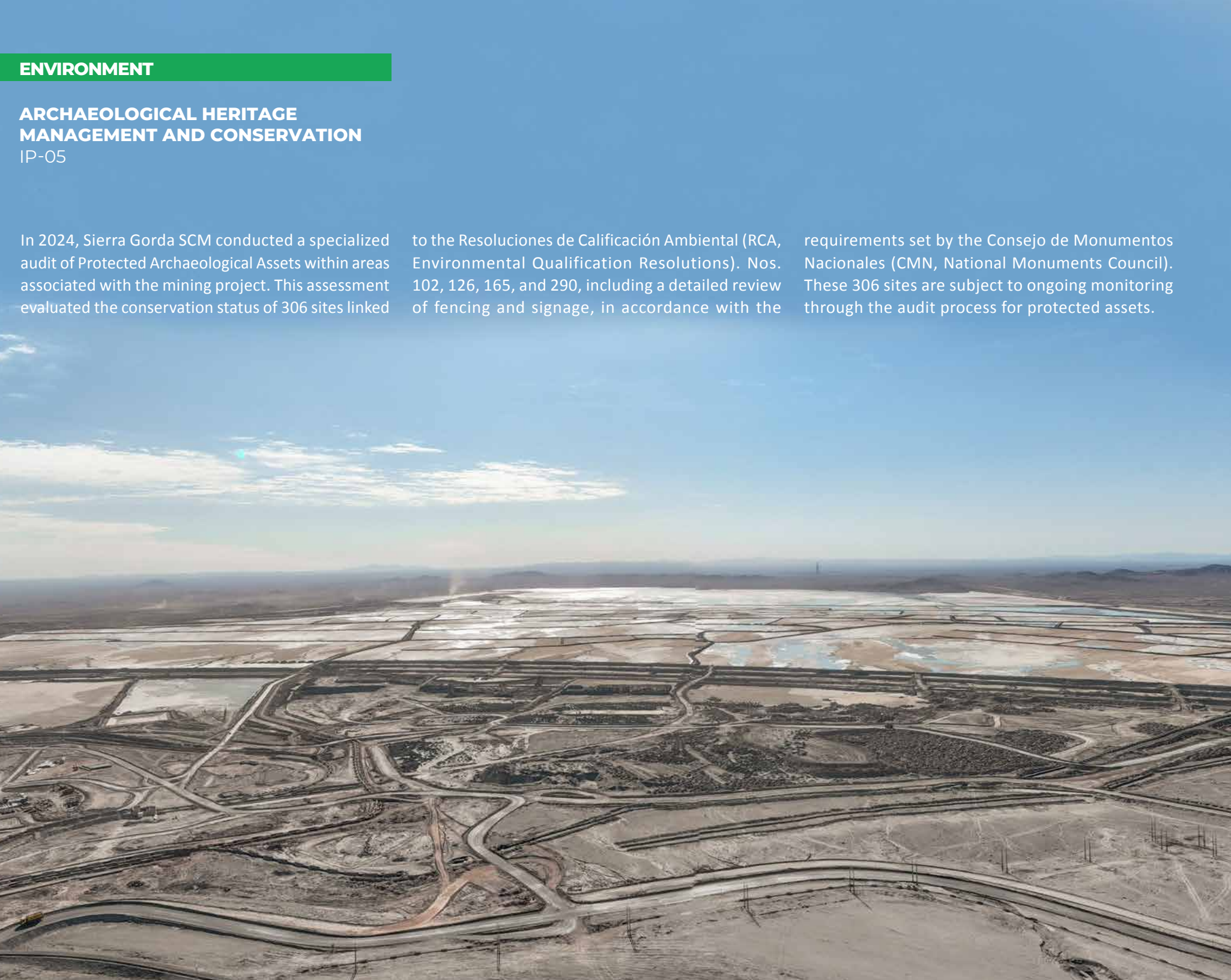
ENVIRONMENT

ARCHAEOLOGICAL HERITAGE
MANAGEMENT AND CONSERVATION
IP-05

In 2024, Sierra Gorda SCM conducted a specialized audit of Protected Archaeological Assets within areas associated with the mining project. This assessment evaluated the conservation status of 306 sites linked

to the Resoluciones de Calificación Ambiental (RCA, Environmental Qualification Resolutions). Nos. 102, 126, 165, and 290, including a detailed review of fencing and signage, in accordance with the

requirements set by the Consejo de Monumentos Nacionales (CMN, National Monuments Council). These 306 sites are subject to ongoing monitoring through the audit process for protected assets.



WILDLIFE RESCUE

In compliance with environmental regulations and the biodiversity commitments established under Resolution No. 343/2022, Sierra Gorda SCM recorded 10 wildlife sightings within the industrial area in 2024:




3

Fox
individuals



6

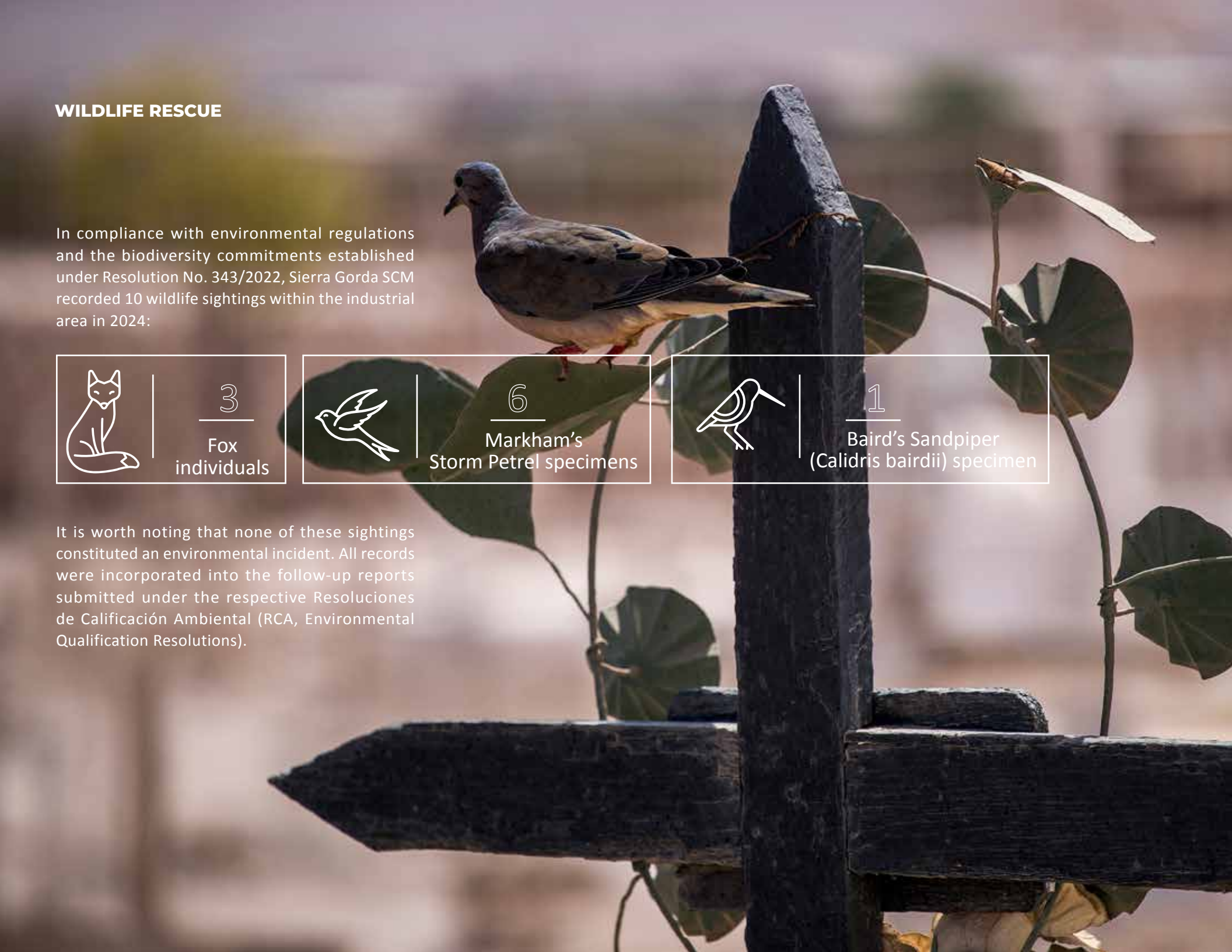
Markham's
Storm Petrel specimens



1

Baird's Sandpiper
(Calidris bairdii) specimen

It is worth noting that none of these sightings constituted an environmental incident. All records were incorporated into the follow-up reports submitted under the respective Resoluciones de Calificación Ambiental (RCA, Environmental Qualification Resolutions).





RESPONSIBLE PROCUREMENT

- SUPPLY CHAIN EXCELLENCE
- RESPONSIBLE SUPPLY MANAGEMENT
- SUPPLY CHAIN
- LOCAL SUPPLIERS
- SUPPLIER AND CONTRACTOR HIRING PROCESS
- SUPPLY CHAIN MILESTONES
- PROVEEDORES CONECTADOS AND EXPONOR 2024

RESPONSIBLE PROCUREMENT

SUPPLY CHAIN EXCELLENCE

The Supply Chain Division, through its Supply Chain Excellence area, is responsible for leading the transformation and continuous improvement of the company’s logistics processes. Its purpose is to drive innovation, accelerate digitization, ensure compliance with high standards, and align all processes with efficiency, sustainability, and the creation of strategic value for the company.

In 2024, the “Supply Chain Excellence” management model expanded its scope by strengthening its framework and consolidating a working structure based on three key pillars:

1

PROCUREMENT EXCELLENCE

The adoption of emerging technologies and innovative methodologies continues to play a key role in optimizing supply processes. Within this framework, several initiatives are currently underway as part of the company’s digital transformation roadmap, with the goal of positioning Sierra Gorda SCM as a benchmark in smart procurement by 2027:

- Pilot project for generating technical specifications using generative artificial intelligence.
- Development of an automated platform for contract management processes.
- Pilot test on strategic category management using Cirtuo software.

At the same time, significant progress was made in the comprehensive redesign of the goods and services procurement process, in coordination with the commercial, continuous improvement, and internal client areas.

2

GOVERNANCE

This pillar focuses on ensuring regulatory compliance, business ethics, and operational consistency across all areas under the Supply Chain Division. It applies to the entire supply chain, with key actions carried out in 2024 including:

- Updating the Responsible Supply Chain Policy, incorporating a new Statement of Expectations for supplier engagement.
- Strengthening monitoring through key performance indicators (KPIs).
- Improvements in document traceability, internal and external reporting, and audit follow-up processes.

3

SUSTAINABLE SUPPLIERS

This pillar aims to build a resilient, reliable supply network aligned with the challenges of sustainable development. It promotes long-term, strategic relationships with suppliers through a collaborative approach. Its main lines of action include:

1. Supplier management: Covers processes such as registration, classification, performance evaluation, and capacity building.

2. ESG risk management: Focused on identifying and mitigating environmental, social, and governance risks and impacts across the value chain.

3. Shared social value: Encompasses active engagement with local suppliers, promotion of regional procurement, collaboration with communities, and support for open innovation.



RESPONSIBLE PROCUREMENT

RESPONSIBLE SUPPLY MANAGEMENT

The Supply Chain Division leads the management of the supply and logistics of goods and services, promoting a responsible and efficient mining operation aligned with the sustainability principles that drive green copper production.

In 2024, the company managed relationships with 1,059 suppliers, placing special emphasis on the promotion of local suppliers as part of its territorial development strategy and community engagement efforts.

IMPACT DIMENSIONS

The initiatives and strategies implemented by the Supply Chain Division are based on three impact dimensions that serve to operationalize strategic guidelines and achieve defined objectives and goals:



EXCELLENCE DIMENSION

This dimension reflects the ability to optimize processes and services by maximizing performance through efficient resource use. It is supported by three fundamental pillars:

- Productivity**

Refers to achieving optimal results relative to the resources used—whether human, material, or technological. Sierra Gorda SCM places particular value on suppliers that operate under efficiency and sustainability standards aligned with its productive purpose.
- Continuous Improvement and Value Creation Program (VCP)**

We promote a culture of continuous improvement by incorporating methodologies such as Lean Six Sigma, Kaizen, and others that enhance process efficiency and quality. In parallel, the internal Value Creation Program helps to identify cost-saving opportunities and generate value throughout the supply chain. We actively promote collaboration with suppliers who share this commitment to ongoing improvement.
- Digital transformation and innovation**

Digital transformation is understood as a cross-cutting process that redefines operations and organizational culture through the strategic adoption of technology, automation, data analytics, and artificial intelligence. We foster an agile and innovative ecosystem focused on operational efficiency and data-driven decision-making. In this context, we prioritize partnerships with suppliers that demonstrate leadership in innovation and technological adoption.




FINANCIAL AND SUSTAINABLE
IMPACT DIMENSION

This dimension aims to ensure economic efficiency and the long-term sustainability of operations, with a focus on cost optimization, strengthening cash flow, and meeting key financial performance indicators.

It is grounded in rigorous criteria for supplier selection, with particular emphasis on financial soundness as a key factor in ensuring operational continuity and compliance with contractual obligations. Preference is given to strategic partners who share the company’s values and principles and who demonstrate responsible economic and social management.





SUSTAINABILITY DIMENSION

Safety

The safety of people, facilities, and processes is a core value at Sierra Gorda SCM. Based on this principle, the company promotes proactive risk management, incident prevention, and the implementation of labor policies and practices that foster a safe working environment. Through a safety-centered organizational culture, ongoing training, and rigorous monitoring systems, the company ensures compliance with standards and reinforces a strong culture of prevention. The company actively collaborates with suppliers that share this commitment, building a collaborative network focused on safeguarding the well-being of everyone involved in the operation.

Sustainable Supply Chain

Responsible resource management and environmental stewardship are guiding principles of Sierra Gorda SCM’s operations. In line with its commitment to green copper production, the company has developed a sustainable supply chain that incorporates social and environmental criteria at all stages. This comprehensive approach includes emissions reduction, respect for human rights, conservation of natural resources, proper waste management, and close, proactive engagement with neighboring communities.

RESPONSIBLE PROCUREMENT



HUMAN RIGHTS IN THE SUPPLY CHAIN

GRI 408-1 GRI 409-1
In 2024, we deepened our commitment to respecting and protecting human rights by establishing concrete measures to prevent any risks related to child labor and forced labor—both within our operations and across our supply chain.

Through the Statement of Expectations for Supplier Engagement, the company reaffirmed its requirement of high standards for in regulatory compliance, business integrity, occupational safety, and full respect for fundamental rights. This instrument governs supplier conduct and promotes commercial relationships based on transparency, ethics, and shared responsibility.

The Business Integrity and Ethics Code clearly defines the principles that guide the conduct of the company

and its strategic partners, reinforcing the importance of acting with integrity and fostering safe and fair working environments.

In turn, the Human Rights Policy sets out specific guidelines that strictly prohibit child labor and forced labor, while promoting fair working conditions and practices aligned with relevant international conventions.

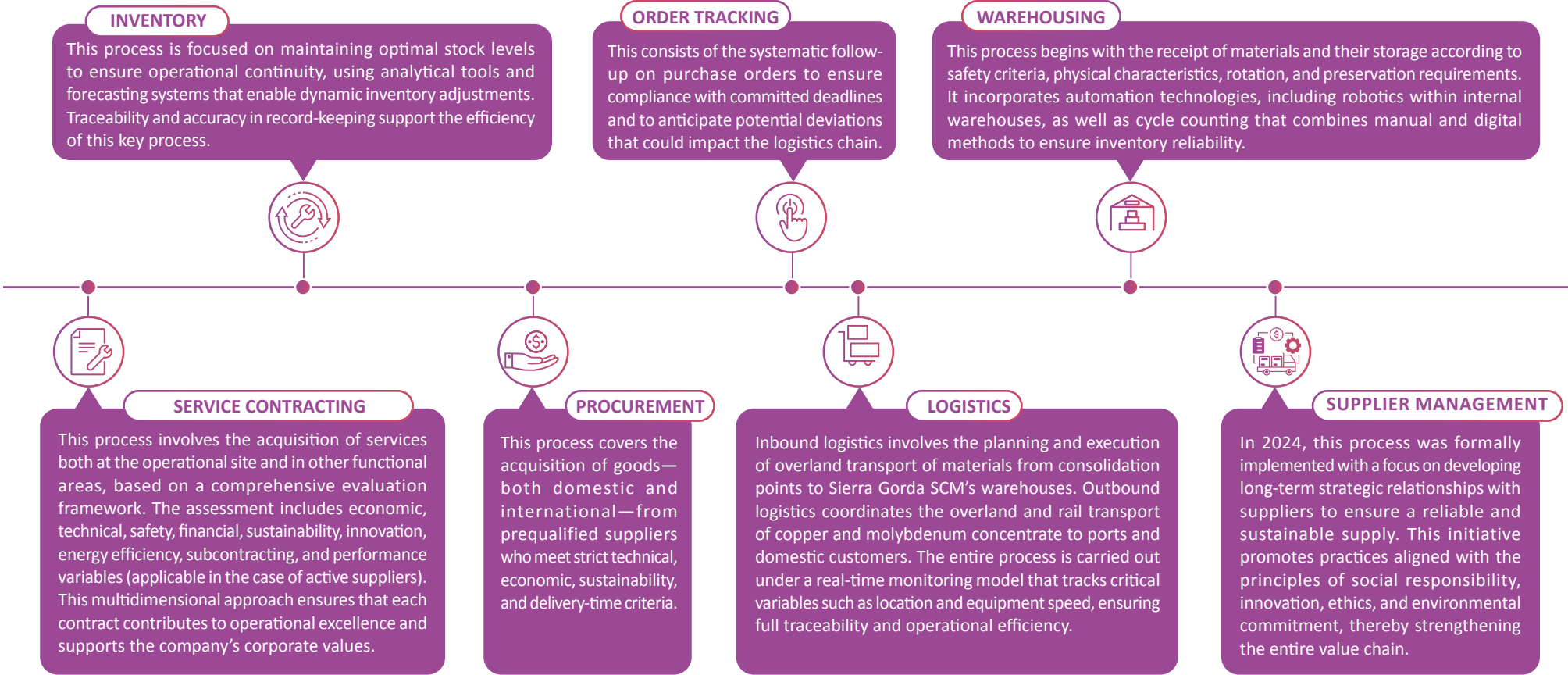
As part of this approach, we maintain active monitoring and ongoing dialogue with our suppliers to identify potential gaps early and support their resolution—ensuring alignment with our corporate values and commitments. All contracts include explicit clauses requiring contractors to fully comply with labor legislation and all applicable regulations concerning their workers, as well as to adhere to sound labor practices. In addition, the Responsible Supply Chain Policy reinforces

our absolute rejection of any form of child or forced labor within the value chain. This policy serves as a key tool for ensuring that every link in the procurement process operates under principles of fairness, legality, and respect for human dignity.

In this way, Sierra Gorda SCM continues to advance in building an organizational culture grounded in sustainability, ethics, and the promotion of fair labor conditions—an essential part of its commitment to responsible development and the well-being of its stakeholders.

SUPPLY CHAIN

The supply chain plays a critical role in operations, as it ensures the continuous, efficient, and sustainable availability of materials, goods, and services required for productive activities. Its strategic management contributes directly to competitiveness, operational efficiency, and long-term value creation. The supply chain management model encompasses various interconnected processes, each with specific objectives and standards:



LOCAL SUPPLIERS

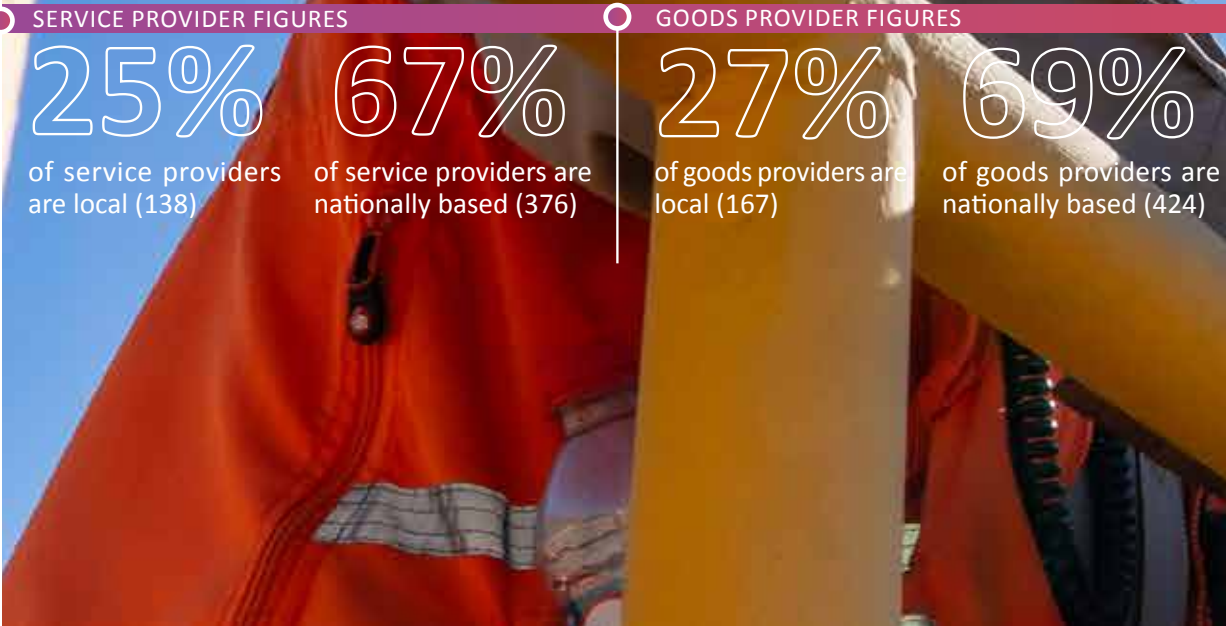
GRI 204-1

In 2024, Sierra Gorda SCM worked with 617 goods suppliers, representing a 6% decrease compared to the previous year. At the same time, the company engaged with 561 service providers, reflecting a 10% increase over 2023.

In line with its commitment to supporting the national and regional economy, the company has strengthened its sourcing strategy to promote employment and the participation of Chilean businesses—large, medium, and small—with a particular focus on those based in the Antofagasta Region, considered local suppliers. These companies play a fundamental role in supplying goods, services, and solutions for the operation.

During the reporting period, Sierra Gorda SCM engaged 138 local service providers, representing 25% of the total. In addition, 376 nationally based providers participated in the delivery of specialized services, accounting for 67% of the total.

Regarding the supply of goods, the company maintained commercial relationships with 167 local suppliers, equivalent to 27% of the total, while 424 national suppliers were responsible for 69% of the goods purchased.



SUPPLIER SPENDING	2022 CLP	2023 CLP	2024 CLP
Total supplier spending	\$1,145,918,432	\$1,157,980,613	\$1,217,844,192
Local supplier spending	\$114,228,303	\$142,789,194	\$165,271,852

- To strengthen the participation of local and regional suppliers, a series of strategic actions were implemented in 2024, including:
-  Review and adjustment of procedures to facilitate access for local suppliers to bidding platforms.
 -  Mapping of capabilities and supply offerings available in the region, aligned with operational requirements.
 -  Identification of specific opportunities that can be addressed by local suppliers.
 -  Proactive dissemination of bidding processes.
 -  Technical assistance and support for local suppliers in the use of platforms such as Ariba, Unilink, and SICEP, as well as during the execution of awarded contracts.
 -  Promotion of long-term agreements with local suppliers, fostering sustainable and mutually beneficial relationships.
 -  Reduction in direct awards, encouraging competitive and transparent procurement processes.
 -  Recognition of outstanding suppliers based on performance, promoting a culture of continuous improvement and collaboration.

SUPPLIER AND CONTRACTOR HIRING PROCESS

GRI 407-1 GRI 414-1

The supplier and contractor hiring process is structured under a solid governance model, led by the Supply Chain Division in coordination with the Human Resources area. This joint approach aims not only to ensure compliance with current legal regulations but also to strengthen responsible and sustainable labor practices throughout the value chain.

As part of this approach, various measures were implemented to safeguard working conditions and promote ethical standards in the workplace. Key actions include:



MONTHLY MEETINGS

Held with all contractor companies to discuss the company’s strategic guidelines, share organizational updates, and reinforce key topics.



ON-SITE SUPERVISION

Visits are carried out at operational sites to directly observe the working conditions of employees and contractors, verifying compliance with established commitments.



LABOR AUDITS

To ensure full compliance with Law 20.123 on subcontracting, regular audits are conducted for suppliers and contractors operating on-site. These audits include a detailed review of compliance with safety, risk prevention, labor, social security, and wage obligations. In the event of non-compliance, a notification and correction protocol is activated, with defined deadlines for resolution.



INCORPORATION OF SOCIAL CRITERIA IN SUPPLIER EVALUATION

As part of its commitment to a sustainable supply chain, beginning in 2025, Sierra Gorda SCM will implement specialized tools to assess the social and environmental performance of its suppliers. Notably, the company will adopt the internationally recognized EcoVadis platform, known for its ESG-focused evaluation approach.



Fair labor practices



Strict prohibition of child and forced labor



Compliance with standards on working hours and compensation



Recognition of freedom of association and the right to collective bargaining



Prevention of harassment and discrimination



Active promotion of diversity, equity, and inclusion

At the same time, the Responsible Supply Chain Policy was updated to explicitly outline the expectations for suppliers seeking to do business with the company. The document sets out clear principles for the comprehensive management of procurement, logistics, and contracts, promoting collaborative relationships with suppliers and contractors based on transparency, respect for human and labor rights, and environmental protection.

It includes an enhanced social dimension that addresses the following aspects:

This policy applies across the board to all workers, suppliers, contractors, and companies we work with—consolidating a joint effort to generate positive impacts in the territories where we operate and contributing to the construction of a more equitable, resilient, and sustainable future.

RESPONSIBLE PROCUREMENT

SUPPLY CHAIN MILESTONES

Throughout 2024, significant progress was made in integrating sustainability criteria into procurement processes and strategic contracts. Key initiatives implemented during the year include:



Incorporation of electric vehicles into the Hydraulic Barrier Service contract.



Replacement of diesel forklifts with electric models under the logistics operator's contract.



Conversion of HPI engines to MCRS technology in four haul trucks, improving energy performance and reducing fuel consumption.



Awarding of a contract focused on the recovery and reuse of tools, as well as the recycling of components—promoting a circular economy model.



Signing of a contract for the removal and recovery of scrap, which is reused as input for the production of wear plates.



Implementation of a contract for the recycling of corporate clothing and mattresses, carried out by an entrepreneurial supplier from Antofagasta—also generating value for the local ecosystem.

PROVEEDORES CONECTADOS AND EXPONOR 2024

“PROVEEDORES CONECTADOS” (CONNECTED SUPPLIERS) PROGRAM – 2024

This essential engagement initiative allows suppliers to gain insight into the company's corporate strategy, key challenges, the vision of the Supply Chain Division, impact dimensions, and upcoming bidding processes. Through dynamic working sessions, suppliers actively participate by offering recommendations and suggestions related to contract execution and other supply chain matters.

In 2024, Sierra Gorda SCM held three editions of the “Proveedores Conectados” program. These themed gatherings created opportunities for dialogue, learning, and recognition—incorporating key topics for the future of responsible procurement.

1

FIRST EDITION LOCAL COMPANIES

Held in January, this session brought together representatives from suppliers based in the Antofagasta Region. The event included working groups focused on the impact dimensions defined by Sierra Gorda SCM. In addition, the company presented an overview of its main upcoming bidding processes and recognized local suppliers for their commitment and performance. This session reaffirmed the company's commitment to creating opportunities in the regions where it operates.

2

SECOND EDITION SUSTAINABILITY AS A CROSS-CUTTING PILLAR

As part of Exponor 2024, the second edition of the program was held, focusing on the sustainability dimension. On this occasion, Sierra Gorda SCM reaffirmed its commitment to environmentally and socially responsible management, inviting its suppliers to actively join this vision. The session included a symbolic signing in which participants expressed their support for the company's sustainable development principles—reinforcing a culture of shared responsibility across the supply chain.

3

THIRD EDITION DIGITAL TRANSFORMATION AND INNOVATION

The final session of the year brought together more than 140 representatives from suppliers, strategic partners, and Sierra Gorda SCM leadership in a forum focused on the challenges and opportunities presented by digital transformation in the mining industry. Topics discussed included technological innovation, cybersecurity, process automation, and digital infrastructure. The company invited its suppliers to take an active role in this evolution, encouraging the joint development of solutions that enhance efficiency, safety, and sustainability across operations.

RESPONSIBLE PROCUREMENT

PARTICIPATION IN EXPONOR 2024 AND SUPPLIER ENGAGEMENT EVENTS

In 2024, Sierra Gorda SCM reinforced its commitment to developing an innovative and competitive supply chain by actively participating in key events within the mining sector. Among these, its presence at EXPONOR—one of the leading international mining industry trade shows, held in the Antofagasta Region—was especially notable. Through business roundtables and networking opportunities, the company strengthened ties with potential suppliers, fostering new partnerships and enhancing diversity and competitiveness across its procurement processes.

In addition, the company took part in high-level meetings with its supplier network, including the 2024 National Suppliers Meeting and the Annual Dinner of the Asociación de Proveedores Industriales de Minería (APRIMIN, Association of Mining Industry Suppliers). These events provided opportunities to strengthen relationships with strategic partners, generate new collaboration opportunities, and promote a culture of joint work focused on operational excellence, transparency, and mutual development.



Our stand was visited, among others, by the Minister of Mining.





INVESTMENT AND TECHNOLOGY

- INNOVATION AND TECHNOLOGY
- MINING 4.0

INVESTMENT AND TECHNOLOGY

INNOVATION AND TECHNOLOGY

IP-03

SIERRA BOT EVOLUTION

For Sierra Gorda SCM, innovation is a key driver of sustainability—and Sierra Bot Evolution, an autonomous inventory robot that combines artificial intelligence and RFID technology, is a clear example of that commitment. With the ability to scan more than 14,000 codes in just 50 minutes, this system has significantly reduced operating times, increased accuracy to 100%, improved traceability of supplies, and helped prevent location errors and even unnecessary purchases.

In addition, its battery-powered electric operation enables silent, emission-free performance, further reinforcing Sierra Gorda SCM’s commitment to environmental stewardship and workplace safety. By reducing direct handling of materials, it also supports the company’s Zero Harm objective across operations.

Sierra Bot Evolution frees up human work hours, allowing teams to focus on higher-value tasks.



INVESTMENT AND TECHNOLOGY

TRUCK BED INSPECTION
USING ARTIFICIAL VISION –
TRUCKVISION



Innovation at Sierra Gorda SCM also translates into practical solutions to enhance on-site safety and efficiency. With this objective in mind, the company implemented TruckVision, an artificial vision system that automates the inspection of CAEX truck beds upon entry into the maintenance workshop.

Using video cameras and image analysis algorithms, the system identifies the truck and initiates a visual inspection process, recording the structural condition of the truck bed with photographic evidence. This significantly reduces inspection times, improves wear tracking, and detects cracks without the need for manual work at heights, thereby strengthening operational safety.

The information collected enables more timely and effective decision-making, helping to extend equipment lifespan and prevent failures that could disrupt operational continuity.

SHIFT ASSIGNMENT –
MINE



Another innovation aimed at optimizing operational management in the mining area was the implementation of a digital tool for assigning operators during shift changes. This system automates the assignment process by taking into account operational best practices, specific conditions of each shift, and the unique constraints of the mining environment.

The tool generates a detailed list showing the available equipment and the assigned operators per shift, ensuring efficiency and full traceability. This optimization has led to reduced assignment times, less operational workload for dispatch personnel, and a standardized process that minimizes human error and increases overall productivity in the area.

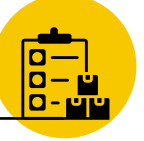
IMPLEMENTATION OF MINE
OPERATIONS REPORTING
SYSTEM



As part of the Mine Operational Excellence Program, the “Integración de Bases de Datos y Confección de Reportes para Operaciones Mina” (Data Integration and Reporting for Mine Operations) project was launched to establish a single, reliable source of information to support real-time monitoring and on-site decision-making.

The project involved the implementation of a centralized database and the development of both executive and operational reports, covering more than 100 key performance indicators (KPIs) critical to the day-to-day management of mining operations. This initiative marked a significant milestone in the digitalization of operational processes and was made possible through collaboration among the Superintendency of Business Improvement, the Mine Management, Technical Services, and IT & Digital Transformation teams.

OPTIMAL INVENTORY
MODELING



In line with Sierra Gorda SCM’s objectives for operational efficiency and smart resource management, advanced models based on applied mathematics and artificial intelligence were implemented to estimate optimal inventory levels.

These tools enable dynamic classification of stock into overstocked, understocked, and compliant categories, based on management variables and demand projections. This classification supports the valuation of total inventory, the definition of optimal stock levels by item, and more efficient procurement decisions.

This innovative solution was developed through a collaborative effort between the Warehouse and Inventory Department, the Technological Innovation Department, and the Anacleto Angelini Innovation Center at Pontificia Universidad Católica de Chile. It marked a significant milestone in the digital transformation of inventory management within the operation.

LIQUEFIED NATURAL GAS
TRUCKS



As part of its ongoing commitment to sustainability and the reduction of greenhouse gas emissions, Sierra Gorda SCM entered into a pioneering agreement in Chile with Grupo San Gabriel to transport copper and molybdenum concentrate using a fleet powered by liquefied natural gas (LNG).

Starting in March 2025, a new logistics operation is scheduled to launch, featuring a fleet of 40 LNG-powered trucks and two electric pick-up vehicles. This initiative aims to reduce the carbon footprint associated with transportation by 40%, while raising the bar for efficiency, safety, and clean technology in the mining industry. It also reinforces the company’s commitment to operating in a greener, more modern, and responsible way.



INVESTMENT AND TECHNOLOGY



MINING 4.0

The mining industry is undergoing an unprecedented evolution. In recent years, the sector has accelerated the adoption of advanced technologies and methodologies to enhance safety, increase productivity, and optimize costs. This transformation process, known as Mining 4.0, has paved the way for the implementation of innovative solutions that drive greater efficiency and support increasingly sustainable operations.

The following projects illustrate this ongoing commitment:



OPERATIONAL EXCELLENCE AT SIERRA GORDA SCM

SGWay is Sierra Gorda SCM’s roadmap toward becoming a world-class operation. Developed internally, this strategic program aims to position the company as the safest and most efficient low-grade green copper mine in the world.

The name SGWay, chosen by employees themselves, reflects a distinctive way of “doing things right the first time”—with safety and excellence. SGWay is built on three pillars: Operating Systems, People, and a Culture of Excellence, and includes the implementation of nine Lean tools, as well as the 5S and Kaizen & VCP programs.

This operational excellence model has enabled the standardization of processes, the empowerment of teams, and the consolidation of an organizational culture focused on continuous improvement and high performance.



IMPLEMENTATION OF SHIFT COVERAGE FOR CAEX TRUCKS

As part of efforts to improve efficiency and operational continuity, in 2024 Sierra Gorda SCM implemented a shift coverage program during the lunch break of CAEX truck operators. The strategy involves assigning relief operators to cover this period, thereby reducing downtime and increasing utilization rates across the CAEX truck fleet and support equipment.

The project includes both theoretical and practical training to ensure compliance with regulatory and operational standards. This measure makes a significant contribution to production efficiency while safeguarding working conditions.



MODERNIZATION OF THE GEOLOGICAL SAMPLING PROCESS

Technological advancements also made their way into the core-logging workflow, through the implementation of a new geological-sampling facility that integrates key functions such as core reception, photography, cutting, density measurement, and a module for XRF analysis all within a safe, ergonomic, and efficient environment.

The installation of interconnected modules using roller-equipped stands significantly reduced manual handling, streamlining each stage of the process. This initiative reflects the company’s commitment to a technically precise, efficient, and safe operation for its personnel.



CIRCULAR ECONOMY: SCRAP RECOVERY AND REUSE

In line with its sustainability vision, Sierra Gorda SCM has continued to strengthen its circular economy approach through the implementation of an effective industrial waste recovery model.

In 2024, the company formalized an agreement with a specialized firm for the purchase and removal of industrial waste and scrap materials. This partnership not only ensures proper disposal but also promotes the productive reuse of these materials, aligned with current environmental regulations in Chile and international best practices.

Among the recovered materials, grinding balls stand out. After a smelting process, they are transformed into wear plates that are reintegrated into operational processes and used in equipment such as crushers and chutes.

This case represents a tangible example of Sierra Gorda SCM’s commitment to integrating innovative solutions that drive progress toward a circular, efficient, and environmentally responsible mining operation—making a direct contribution to the development of cleaner mining and a more sustainable future.





ANNEXES

- GLOBAL REPORTING INITIATIVE INDEX
- TOPICS FROM GRI 14: MINING SECTOR STANDARDS CONSIDERED NOT MATERIAL
- ASSURANCE REPORT

ANNEXES
GLOBAL REPORTING
INITIATIVE INDEX

Declaration of use	Sierra Gorda SCM has prepared this report in accordance with the GRI Standards for the period from January 1, 2024, to December 31, 2024.
GRI 1 used	GRI: Foundation 2021
Applicable GRI Sector Standards	GRI 14: Mining Sector 2024
Custom Indicators (IP, in Spanish for Indicadores Propios)	This report includes certain Custom Indicators, identified as “IP-XX,” developed by Sierra Gorda SCM to report relevant information on its Material Topics.

STANDARD	CONTENT	LOCATION	REASON FOR OMISSION	EXPLANATION FOR OMISSION	GRI SECTOR STANDARD REFERENCE NUMBER
GRI 2: General Disclosures					
2-1	Organizational details	14			
2-2	Entities included in the organization's sustainability reporting	10			
2-3	Reporting period, frequency, and contact point	10			
2-4	Restatements of information	10			
2-5	External assurance	10			
2-6	Activities, value chain, and other business relationships	16, 20, 44			
2-7	Employees	82, 84			
2-8	Workers who are not employees	82			
2-9	Governance structure and composition	54			
2-10	Nomination and selection of the highest governance body	10, 54			
2-11	Chair of the highest governance body	54			
2-12	Role of the highest governance body in overseeing the management of impacts	22			
2-13	Delegation of responsibility for managing impacts	22, 26			
2-14	Role of the highest governance body in sustainability reporting	10, 54			
2-15	Conflicts of interest	59			
2-16	Communication of critical concerns	60			
2-17	Collective knowledge of the highest governance body		Confidentiality	The company has chosen not to disclose this information due to its strategic relevance and the confidential nature of the technical knowledge and expertise of the members of the highest governance body.	
2-18	Evaluation of the performance of the highest governance body		Confidentiality	The company has chosen not to disclose this information, as the procedures for evaluating the performance of the highest governance body and their results are governed by internal regulations and are considered strategic and confidential.	

STANDARD	CONTENT	LOCATION	REASON FOR OMISSION	EXPLANATION FOR OMISSION	GRI SECTOR STANDARD REFERENCE NUMBER
2-19	Remuneration policies		Confidentiality	Sierra Gorda SCM maintains its remuneration policies in accordance with its corporate governance framework and has determined that detailed disclosure could compromise confidentiality agreements with its executives.	
2-20	Process to determine remuneration	88			
2-21	Annual total compensation ratio		Confidentiality	The company has chosen not to disclose this information, as its remuneration policies and related data are managed under principles of confidentiality and respect for the individual privacy of its personnel.	
2-22	Statement on sustainable development strategy	8			
2-23	Policy commitments	28, 64, 66			
2-24	Embedding policy commitments	28, 64, 66			
2-25	Processes to remediate negative impacts	130			
2-26	Mechanisms for seeking advice and raising concerns	60			
2-27	Compliance with laws and regulations	66, 140			
2-28	Membership associations	20			
2-29	Approach to stakeholder engagement	38			
2-30	Collective bargaining agreements	94			
GRI 3: Material Topics					
3-1	Process to determine material topics	29			
3-2	List of material topics	29			
Management and Mitigation of Environmental Impacts					
3-3	Management of material topics	32			
302-1	Energy consumption within the organization	142			14.1.2
302-2	Energy consumption outside of the organization	142			14.1.3
302-3	Energy intensity	142			14.1.4
303-3	Water withdrawal	147			14.7.4
306-1	Waste generation and significant waste-related impacts	154			14.5.2
306-2	Management of significant waste-related impacts	154			14.5.3
306-3	Waste generated	154			14.5.4
306-4	Waste diverted from disposal	154			14.5.5
306-5	Waste directed to disposal	154			14.5.6
IP-01	Tailings management	148			14.6.2 and 14.6.3

STANDARD	CONTENT	LOCATION	GRI SECTOR STANDARD REFERENCE NUMBER
Air Quality			
3-3	Management of material topics	32	
305-1	Direct (Scope 1) GHG emissions	145	14.1.5
305-2	Energy indirect (Scope 2) GHG emissions	145	14.1.6
305-3	Other indirect (Scope 3) GHG emissions	145	14.1.7
305-4	GHG emissions intensity	145	14.1.8
IP-02	Meteorology and air quality	150	
People Management			
3-3	Management of material topics	33	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	79	14.17.4
401-3	Parental leave	79	14.17.5 and 14.21.3
405-1	Diversity of governance bodies and employees	54, 82, 84	14.21.5
405-2	Ratio of basic salary and remuneration of women to men	88	14.21.6
Human Rights			
3-3	Management of material topics	33	
408-1	Operations and suppliers at significant risk for incidents of child labor	166	14.18.2
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	166	14.19.2
410-1	Security personnel trained in human rights policies or procedures	118	14.14.2
407-1	Operations and suppliers which the right to freedom of association and collective bargaining may be at risk	170	14.18.3 and 14.20.2
Occupational Health and Safety			
3-3	Management of material topics	34	
403-1	Occupational health and safety management system	98	14.16.2
403-2	Hazard identification, risk assessment, and incident investigation	103, 106, 112	14.16.3
403-3	Occupational health services	110, 114	14.16.4
403-4	Worker participation, consultation, and communication on occupational health and safety	120	14.16.5
403-5	Worker training on occupational health and safety	118	14.16.6
403-6	Promotion of worker health	120	14.16.7
403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	98	14.16.8
403-8	Workers covered by an occupational health and safety management system	108	14.16.9
403-9	Work-related injuries	114	14.16.10
403-10	Work-related ill health	114, 118	14.16.11

STANDARD	CONTENT	LOCATION	GRI SECTOR STANDARD REFERENCE NUMBER
Community Engagement			
3-3	Management of material topics	34	
203-1	Infrastructure investments and services supported	50	14.9.3
203-2	Significant indirect economic impacts	47	14.9.4
413-1	Operations with local community engagement, impact assessments, and development programs	132	14.10.2
413-2	Operations with significant actual and potential negative impacts on local communities	136	14.10.3
Sustainable Supplier Management			
3-3	Management of material topics	35	
204-1	Proportion of spending on local suppliers	168	14.9.5
414-1	New suppliers that were screened using social criteria	170	14.17.9 and 14.19.3
Culture of Excellence			
3-3	Gestión de los temas materiales	35	
401-1	New employee hires and employee turnover	86	14.17.3
404-1	Average hours of training per year per employee	90	14.17.7 and 14.21.4
404-2	Programs for upgrading employee skills and transition assistance programs	90	14.8.3 and 14.17.8
Sustainable Mining			
3-3	Management of material topics	35	
201-1	Direct economic value generated and distributed	46	14.9.2 and 14.23.2
IP-03	Investments and technology	178	
Governance And Ethical Conduct			
3-3	Management of material topics	36	
207-1	Approach to tax	48	14.23.4
406-1	Incidents of discrimination and corrective actions taken	60	14.21.7
IP-04	Cybersecurity management	71	
Transparency And Compliance			
3-3	Management of material topics	37	
IP-05	Sanctions related to non-compliance with RCA (Environmental Qualification Resolutions)	148, 150	

TOPICS FROM GRI 14: MINING SECTOR
STANDARDS CONSIDERED NOT MATERIAL

TOPIC	EXPLANATION
Climate adaptation and resilience	Although this topic was not identified as material, it is becoming increasingly important for the company. Sierra Gorda SCM is continuously incorporating advanced technologies and methodologies to accelerate the adoption of so-called Mining 4.0, enabling the implementation of solutions that enhance operational efficiency and resilience to climate change. In line with its commitment to sustainability, Sierra Gorda SCM is making progress in developing a comprehensive climate strategy to systematically address the risks and opportunities associated with climate change, with a long-term perspective.
Biodiversity	This topic is not considered material for Sierra Gorda SCM due to its geographical location in the Atacama Desert—one of the driest regions on the planet, with limited terrestrial or aquatic biodiversity in its direct area of influence. However, the company remains committed to environmental compliance and impact prevention, and integrates conservation criteria into its environmental management whenever applicable.
Mine closure and rehabilitation	Sierra Gorda SCM has a Closure Plan, originally approved on September 14, 2015. However, the company has not initiated any partial closure or rehabilitation activities, as the operation’s life span extends until 2035, in accordance with the current Resolución de Calificación Ambiental (Environmental Qualification Resolution). The company updates this plan regularly in compliance with applicable environmental regulations and contemplates its gradual implementation in line with the asset’s life cycle.
Rights of Indigenous Peoples	This topic is not considered material for Sierra Gorda SCM. According to the baseline studies included in its Resolución de Calificación Ambiental (Environmental Qualification Resolution) (126/2011 and 1216/2022) and official information from CONADI (March 2024), no Indigenous communities or associations have been identified within the direct area of influence of the operation. This is further supported by the findings of the 2024 Social Study conducted by the company. Sierra Gorda SCM conducts periodic reviews of this analysis as part of its Community Engagement Plan.
Land and resource rights	This topic is not considered material for Sierra Gorda SCM, as no impacts related to land acquisition or physical or economic resettlement have been identified in connection with its operations. This conclusion is based on the technical background of its environmental permits (RCA 126/2011 and RCA 1216/2022), which indicate no displaced groups or conflicts over land use or access. The company periodically reviews this information as part of its regulatory compliance management.

TOPIC	EXPLANATION
Artisanal and small-scale mining	This topic is not considered material for Sierra Gorda SCM. The operation is located in an area of large-scale mining, with no presence of artisanal or small-scale mining activities in its immediate surroundings. In addition, the company does not purchase ore from third parties, as certified through the declarations submitted to the Servicio Nacional de Geología y Minería (SERNAGEOMIN, National Geology and Mining Service), in compliance with the Mining Safety Regulations. This condition is reviewed annually as part of the company’s regulatory compliance process.
Critical incident management	Although the management of significant spills was not identified as a material topic, it remains a key aspect within Sierra Gorda SCM’s environmental management system. Chapter 8 of this report outlines the company’s actions in control, monitoring, response, and continuous improvement related to this matter.
Payments to governments	Although this topic was not identified as material, Sierra Gorda SCM provides detailed reporting on its tax contributions and other mandatory payments to the State, in alignment with its support for the principles of transparency and accountability promoted by the Extractive Industries Transparency Initiative (EITI). This information is presented in Chapter 3 of this report, as part of the company’s economic performance.
Public policy	The company’s internal policies expressly prohibit any form of political financing, in accordance with its corporate integrity and ethical conduct framework. In line with this, during the reporting period, Sierra Gorda SCM made no monetary or in-kind contributions to political parties, candidates, or public officials.
Conflict-affected and high-risk areas	This topic is addressed within the company’s human rights management approach. As part of its Sustainability Policy, Sierra Gorda SCM is committed to implementing due diligence processes that include timely risk management, mitigation of adverse impacts, and a focus on remediation when applicable.



Independent Practitioner's Limited Assurance Report on the Sustainability Information Identified

To the Partners and Directors of
Sierra Gorda SCM:

Conclusion

We have performed a limited assurance engagement on whether the 21 ESG indicators in the 2024 Sustainability Report (information identified) of Sierra Gorda SCM (hereinafter the "Company") for the year ended December 31, 2024, identified below, have been prepared in accordance with the standards for the preparation of Sustainability Reporting in the Global Reporting Initiative (GRI) and the standard issued by the Sustainability Accounting Standards Board (SASB).

Information Identified

Indicator	Description	Standard assured
2-7	Employees	GRI
2-15	Conflicts of interest	GRI
2-16	Communication of critical concerns	GRI
207-1	Approach to tax	GRI
2-25	Processes to remediate negative impacts	GRI
2-30	Collective bargaining agreements	GRI
203-1	Infrastructure investments and services supported.	GRI
302-1	Energy consumption within the organization.	GRI
303-3	Water withdrawal	GRI
201-1	Direct economic value generated and distributed	GRI
305-1	Direct (Scope 1) GHG emissions	GRI
306-1	Waste generation and significant waste-related impacts	GRI
401-1	New employee hires and employee turnover	GRI
403-5	Worker training on occupational health and safety.	GRI
403-9	Work-related injuries.	GRI
404-1	Average hours of training per year per employee.	GRI
405-2	Ratio of basic salary and remuneration of women to men.	GRI
413-2	Operations with significant actual and potential negative impacts on local communities.	GRI
413-1	Operations with local community engagement, impact assessments, and development programs.	GRI
204-1	Proportion of spending on local suppliers	GRI
IP-01	Tailings management: Sierra Gorda SCM's indicator	Own indicator



Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the 21 ESG indicators in the 2024 Sustainability Report of Sierra Gorda SCM as of and for the year ended December 31, 2024, identified above, are not prepared, in all material respects, in accordance with the standards for the preparation of Sustainability Reporting in the Global Reporting Initiative (GRI) and the standard issued by the Sustainability Accounting Standards Board (SASB).

Our conclusion on the 21 ESG indicators in the 2024 Sustainability Report does not extend to any other information that accompanies or contains the Company's 2024 Sustainability Report.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under this standard are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies 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*, issued by the IAASB. This standard requires the firm to 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 believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities for the Information Identified:

The Management of Sierra Gorda SCM is responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the IESG indicators in the 2024 Sustainability Report such that it is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the ESG indicators in the 2024 Sustainability Report and appropriately referring to or describing the criteria used; and
- preparing the ESG indicators in the 2024 Sustainability Report in accordance with the Standard for Sustainability Reporting in the Global Reporting Initiative (GRI) and standard issued by the SASB.
- Those charged with governance are responsible for overseeing the reporting process for Sierra Gorda SCM's ESG indicators in the 2024 Sustainability Report.



Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the 21 ESG indicators in the 2024 Sustainability Report are free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Company's Management.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the 21 ESG indicators in the 2024 Sustainability Report that is sufficient and appropriate to provide a basis for our conclusion. Our selected procedures depended on our understanding of the 21 ESG indicators in the 2024 Sustainability Report and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- We interviewed key personnel of Sierra Gorda SCM's General Counsel, Sustainability and Corporate Affairs responsible for the preparation process, the definition of its contents and the information systems used to prepare the information identified.
- We gained an understanding of the process for gathering and reporting the information identified.
- We conducted substantive tests on the data included in the information identified from the supporting documentation provided by Management.
- We compared the data associated with the ESG indicators covered by this Limited Assurance Engagement with those presented in the 2024 Sustainability 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.

The above translation of the practitioner's report is provided as a free translation from the Spanish language original, which is the official and binding version. Such translation has been made solely for the convenience of non-Spanish readers.

Signed in the Spanish version

Juan Pablo Belderrain P.
Partner

KPMG Ltda.

SUSTAINABILITY REPORT 2024



We supply copper and molybdenum to the world, committed to our neighboring communities and creating value for our employees and shareholders.

