

Message from the Sustainability and Stakeholder Management Committee Chair

GRI 2-22



VIVIANNE BLANLOT
Chair
Sustainability and Stakeholder
Management Committee

Dear stakeholders,

I am pleased to present our 2023 Sustainability Report, underscoring our steadfast commitment to sustainable practices. Acknowledging the contributions of our directors, project teams, and stakeholders, who are integral to our objectives, we recognise the pivotal role of environmental, social, and governance issues in driving sustainable growth, benefiting our organisation and society.

The relevance of these dimensions in our business is reflected in our governance and particularly in our Sustainability and Stakeholder Management Committee. This body oversees our performance on

community and environmental aspects based on our sustainability and human rights policies. This Committee supports the role of the Board and gives recommendations to ensure that sustainability matters are included in the Board's ongoing decision-making.

Antofagasta Minerals maintains regular dialogue with our stakeholders, and the Committee ensures their views are carefully considered in the Board's deliberations. We regularly review and update the Group's policy framework on safety, health, environment, human rights and community relations, and oversee the Group's performance in these subjects.

In 2023, the Committee reviewed topics such as our water strategy concerning our neighbouring communities, our environmental strategy, social programmes and our progress in health and safety. This key dimension has consistently demonstrated high standards by incorporating best practices, a corporate learning cycle and digital tools.

Given our role as a mining company in the energy transition and our long-term 2050 goal of carbon neutrality, we promoted our adherence to sustainability policies and standards to contribute to climate change adaptation. As members of the International Council on Mining and Metals (ICMM), we adhere to its sustainable development framework.

This consists of ten Mining Principles, each with a set of Performance Expectations in environmental, social and governance practices. In addition, our four operations meet all the criteria of The Copper Mark, an independent assurance framework for responsible copper industry mining practices.

Our Environmental Management Model addresses climate change aspects comprehensively. We seek to support our companies in the integrated implementation of the Model to identify and mitigate risks, and comply with the Group's environmental regulations. We advise on project design and improvement from the environmental and sustainability perspective, particularly regarding early dialogue with neighbouring communities.

Additionally, biodiversity and the circular economy have continued to be areas of focus for us. In 2023, we launched our Circular Economy Strategy, approved at the end of 2022. Our updated Biodiversity Standard was implemented and is aligned with the ICMM's position statement on Mining and Protected Areas.

Our people are at the centre of what we do

Health and safety are important issues for us. In 2023, we made progress in consolidating our management system by incorporating occupational health and safety planning into our operational model, to ensure the implementation of controls to prevent unwanted events. This framework applies to 100% of operations, our internal workforce, and contractors.

We are proud of having zero fatalities in 2023 and a reduction of 19% in High Potential Incidents. This demonstrates our company's commitment, particularly to the safety of our people on-site.

How we address climate change

Antofagasta strives to reduce its Greenhouse Gas (GHG) emissions in the short and medium term in line with our emissions reduction targets and our long-term ambition is to achieve carbon neutrality by 2050, or sooner if technology allows. In accordance with our Energy Policy framework, we incorporated the role of Energy Administrator at each mining site, along with a dedicated decarbonisation team.

In 2023, we released our second Climate Change Report, underscoring Antofagasta Minerals' commitment to sustainability and responsible business practices. In line with our company's dedication to transparency and accountability, the report provides a detailed overview of our efforts and progress in addressing climate change and reducing our environmental footprint. We disclosed our Scope 3 emissions inventory and established a new medium-term Scope 1 and 2 emissions reduction goal according to our new decarbonisation plan. We aim to reach a 50% reduction in emissions by 2035, with 2020 as a baseline. We also set a target to reduce Scope 3 emissions by 10% by 2030, which we aim to achieve through industry engagement.

Message from the Sustainability and Stakeholder Management Committee Chair *continued*

As part of the third pillar of our Climate Change Strategy, water stewardship has become a critical aspect of our operations due to the nature and geographical location of our mining activities. In 2023, we assigned a water lead expert at each mining site to improve water management and increase efficiency. The green light for the Los Pelambres desalination plant expansion to 800 l/s by the Coquimbo region's Environmental Evaluation Commission exemplifies the relevance of the strategic value of water in our operations.

We support the development of the neighbouring communities

The social dimension of our sustainable future is based on our engagement with a Social Management Model composed of four elements: initiative management, impact measurement, engagement, and socio-territorial alert management. This framework is accompanied by an updated Human Rights Policy to strengthen our explicit commitment to respecting Indigenous peoples' rights, culture and traditions, along with our Indigenous Peoples Engagement Standard.

We have been working closely with our neighbouring communities, particularly in the Choapa Valley, through Los Pelambres' social strategy and its historical relationship with its 42 neighbouring communities in four counties in the Coquimbo Region. A pivotal element of this strategy hinges on the Somos Choapa methodology programme that encompasses dialogue, transparency, collaboration, traceability, and technical participation, to boost the relationship with the communities and trust, and social and reputational capital. The programme has been a successful generator of ideas, programmes and project, most of them in partnership and building on synergies with local, regional and national government.

As Antofagasta Minerals, we represent 25% of the Gross Domestic Product (GDP) in the Coquimbo region and 15% in the Antofagasta region, prioritising local employment and boosting the supply chain of our operations. We create value through what we do. Developing the local economy and local talents is also a focus of our social value creation. In 2023, we implemented our Suppliers for a Better Future programme to incentivise suppliers to move towards sustainability, promoting local employability; enhance diversity and inclusion (D&I); reduce carbon footprint in the supply chain and promote circular economy solutions. This milestone seeks to align our suppliers with the high standards of the company and ensures the best quality of goods and services.

As Chair of the Sustainability and Stakeholder Management Committee, I am confident in our collective commitment to a sustainable future. Antofagasta Minerals will continue to evaluate priorities, foster initiatives in collaboration with our stakeholders, and work towards increasing the benefits of the mining industry across society.

VIVIANNE BLANLOT

Chair

Sustainability and Stakeholder Management Committee



Inauguration of the restored Church of Camar, Antofagasta region