



## The Copper Mark Summary Report

### Participant Information

Name of the Site	Chagres
Unique identifier provided by the Copper Mark	P0029
Address	2800 Isidora Goyenechea, Floor 47 (Headquarters)
Country of Operation	Chile
Products produced on site (e.g., concentrate, anodes, cathodes, sulphuric acid, slag, etc.)	Copper cathodes
Metals produced on site (e.g., copper, gold, nickel, silver, molybdenum)	Copper, molybdenum, sulphuric acid
Metals included in scope of Criterion 31 (this must be all, or a sub-set of the metals produced on site)	Copper
Types of operations included in scope	
Mining	<input type="checkbox"/>
Concentrate blending	<input type="checkbox"/>
Solvent extraction and electrowinning	<input type="checkbox"/>
Smelting	<input checked="" type="checkbox"/>
Refining	<input checked="" type="checkbox"/>
Other ( <i>please explain</i> )	
Infrastructure owned or controlled by the site and included in scope	
Roads	<input type="checkbox"/>
Rails	<input type="checkbox"/>
Ports	<input type="checkbox"/>
Other ( <i>please explain</i> )	

## Independent Review

<p>During this step, the Independent Reviewer examined the Copper Producer’s self-assessment, supporting documentation, independent third-party assurance reports, and publicly available information.</p> <p>The activities included review for completeness, verifying equivalence, and conducting desk-based due diligence.</p> <p>As a result, the Independent Reviewer recommended the scope of the site assessment to the Copper Mark.</p> <p>The Independent Review took place on these dates:</p>	<p>10 November 2021 – 17 January 2022</p>	
<p>The Independent Reviewer confirmed completeness, indicating available evidence for the assessor to review for all applicable criteria:</p>	<p>All applicable criteria</p>	
<p>The Independent Reviewer recommended the following criteria be included in the scope of the independent site assessment:</p>	<p>All criteria except for:</p> <ul style="list-style-type: none"> <li>• 12. Occupational Health and Safety</li> <li>• 14. Environmental Risk Management</li> <li>• 18. Pollution</li> <li>• 19. Tailings</li> <li>• 22. Mine Closure and Reclamation</li> </ul>	
<p>The following equivalent systems were applied:</p> <p><i>Equivalent systems are determined by the Copper Mark to have standards and assurance requirements that are materially comparable in scope and intent to those of the Copper Mark, in accordance with the <u>Copper Mark Recognition Process</u>.</i></p>		
<p><b>Equivalent System</b></p> <p><i>(Name, date of assurance / certification)</i></p>	<p><b>Review Process</b></p>	<p><b>Criteria Covered by Equivalency</b></p>
<p>ISO 45001:2018 25 May 2021</p>	<p>The Independent Reviewer confirmed the assurance / certification was:</p> <ul style="list-style-type: none"> <li>• Valid at the time of the review</li> <li>• No more than 24 months old and / or plans for</li> </ul>	<p>12. Occupational Health and Safety</p>

	<p>reassessment are underway</p> <ul style="list-style-type: none"> <li>• In effect for an additional 12 months and / or plans for reassessment are underway</li> <li>• Covering the same scope as the Copper Mark Responsible Production Criteria, including operations, locations, and materials</li> <li>• Accompanied by improvement plans where applicable</li> </ul>	
<p>ISO 14001:2015 4 December 2019</p>	<p>The Independent Reviewer confirmed the assurance / certification was:</p> <ul style="list-style-type: none"> <li>• Valid at the time of the review</li> <li>• No more than 24 months old and / or plans for reassessment are underway</li> <li>• In effect for an additional 12 months and / or plans for reassessment are underway</li> <li>• Covering the same scope as the Copper Mark Responsible Production Criteria, including operations, locations, and materials</li> </ul> <p>Accompanied by improvement plans where applicable</p>	<ul style="list-style-type: none"> <li>• 14. Environmental Risk Management</li> <li>• 18. Waste Management</li> </ul>
<p>The Independent Reviewer recommended the following criteria be considered focus areas for the independent site assessment:</p>	<ul style="list-style-type: none"> <li>• 10. Working Hours</li> <li>• 11. Remuneration</li> <li>• 20. Pollution</li> <li>• 25. Artisanal and Small-Scale Mining</li> </ul>	

	<ul style="list-style-type: none"> <li>• 28. Indigenous Peoples' Rights</li> <li>• 29. Land Acquisition and Resettlement</li> <li>• 31. Due Diligence in Mineral Supply Chains</li> </ul>
The Independent Reviewer recommended the following criteria be considered not applicable to the Site:	<ul style="list-style-type: none"> <li>• 12. Occupational Health and Safety</li> <li>• 14. Environmental Risk Management</li> <li>• 18. Waste Management</li> <li>• 19. Tailings Management</li> <li>• 22. Mine Closure and Reclamation</li> </ul>

### Independent Site Assessment Information

Name of the Lead Assessor	David Shirley
Name of the Assessment Firm (if applicable)	Corporate Integrity
Date(s) of Assessment Activities (dd/mm/yyyy – dd/mm/yyyy)	<ul style="list-style-type: none"> <li>• A document review and videoconference assessment during August 2021, and</li> <li>• A site visit between 6th and 14th December 2021</li> </ul>
Assessment Period	1 December 2020 – 30 November 2021
Summary of the Assessment Methodology	<p>Utilized 'International Standard on Assurance ISEA3000 (revised) – Assurance Engagements other than Audits &amp; Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board (IAASB) and Copper Mark Assurance Process May 2021.</p> <p>Number of workers: 276</p> <p>Number of temporary workers: 123</p> <p>Number of contract workers: 340</p>
Summary of the Assessment Activities	<p>August 2021: Document review</p> <ul style="list-style-type: none"> <li>• Corporate Integrity (CI) reviewed information which was uploaded to the electronic data room for each site. CI used this information to support teleconference reviews with site personnel.</li> </ul>

	<ul style="list-style-type: none"> <li>CI prepared a preliminary management report, which informed programs for the on-site assessments.</li> </ul> <p>6-14 December 2021:</p> <ul style="list-style-type: none"> <li>Physical site orientation involving a physical inspection of the key operations.</li> <li>Selected interviews with employees and contractors during this inspection.</li> <li>Additional meetings with key functions based on the findings of the preliminary review – these will focus on high-risk areas and on areas where additional evidence is required.</li> <li>Selected interviews with external stakeholders.</li> </ul> <p>Close out meeting with management with conclusions and key observations.</p>
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### Summary of Findings

Criterion	Rating <i>Fully meets, partially meets, does not meet, not applicable</i>	Comments <i>Includes link to publicly available documents or supporting evidence where possible and at a minimum for those criteria with an *</i>
1. Legal Compliance	Fully meets	<p>Chagres operations are subjected to permitting and legal requirements regulated by the Chilean authorities. There is a process in place to identify legal requirements, define roles and responsibilities, and ensure compliance.</p> <p>This was confirmed through review of the corporate permits and compliance manual, integrated legal management system, government audit reports, site compliance reports, training records, grievance system reports, and interviews with management.</p>
2. Business Integrity	Fully meets	<p>Chagres is subject to corporate policies and procedures managing business integrity. As part of legal compliance, the company does not allow facilitation payments. The corporate office conducts internal business integrity audits. The site’s workforce undergoes training on business integrity.</p>

		<p>This was confirmed through interviews with management, interviews with stakeholders, a review of the code of conduct, compliance training materials, and crime prevention manual.</p>
3. Stakeholder Engagement*	Fully meets	<p>Chagres is subject to the corporate process for stakeholder mapping and engagement, documented in the Social Way Management system. There is evidence of two-way interaction with Chagres local communities. A grievance mechanism is available <a href="#">here</a>.</p> <p>This was confirmed through management interviews, external stakeholder interviews, review of the procedure and corresponding report for consultation and complaint management. Additional evidence reviewed includes site-level stakeholder map and notes from community meetings, and notes from internal workshops on “area of influence.” A human rights impact assessment was completed in 2016, forming the basis of the plan for risk management.</p>
4. Business Relationships	Fully meets	<p>Chagres is subject to the corporate policies and procedures on responsible business relationships. This includes a process to conduct due diligence, business integrity audits on suppliers and contractors.</p> <p>This was confirmed through interviews with management, review of examples of contracts and terms, responsible procedures for suppliers, and training material for suppliers.</p>
5. Child Labor	Fully meets	<p>Chagres is subject to the corporate policies and procedures on child labor both in operations and the supply chain. The minimum working age in Chile is 18.</p> <p>This was confirmed through interviews with management, a review of policies</p>

		and procedures on child labor and training on human rights.
6. Forced Labor	Fully meets	<p>Chagres is subject to the corporate policies and procedures on the prevention of forced labor.</p> <p>This was confirmed through interviews with management, a review of policies and procedures on forced labor, training on human rights, and review of grievance records for allegations of forced labor, of which none were lodged.</p>
7. Freedom of Association and Collective Bargaining	Fully meets	<p>Chagres has a predominantly unionized workforce with collective bargaining agreements in place. Workers' rights are regulated in Chile.</p> <p>This was confirmed through interviews with management, and review of the collective bargaining agreement.</p>
8. Discrimination	Fully meets	<p>Chagres has policies and training and awareness on related issues including bullying and harassment, domestic violence, and mental wellbeing at work.</p> <p>This was confirmed through interviews with workers, review of the code of conduct and training models, and review of grievance records. The existence of grievances on this topic was considered an indication that there is knowledge on discrimination issues and the system is working.</p>
9. Gender Equality	Fully meets	<p>Chagres is subject to the corporate policies on gender equality, which forbids discrimination in employment opportunity or compensation based on gender. This is implemented at Chagres through the Group Internal Procedure, which sets targets and monitors gender balance in the workplace.</p> <p>This was confirmed by a review of policies and procedures and management interviews.</p>
10. Working Hours	Fully meets	Chagres is subject to corporate policies and procedures to maintain

		<p>working hours to 45-hours a week, 1 day off in 7, and annual leave.</p> <p>This was confirmed through interviews with management, interviews with workers, a review of overtime procedures and a review of the internal procedures on working hours and schedules.</p>
11. Remuneration	Fully meets	<p>Chagres is subject to corporate policies and procedures on remuneration, including exceeding the national minimum wage based on a three-year market review to ensure competitive wages. This is also governed by the collective bargaining agreements.</p> <p>This was confirmed through a review of documentation for employee pay settlements, showing benefits (central pay system).</p>
12. Occupational Health and Safety	Fully meets	<p>The independent review confirmed the site has a valid ISO 45001 certificate.</p>
13. Grievance Mechanism	Fully meets	<p>Chagres is subject to corporate policies and procedures on grievance mechanism, managed by the Your Voice Hotline. Employees and workers are trained, and worker interviews indicated most issues are resolved with direct supervisors.</p> <p>This was confirmed through interviews with management, review of the hotline, training materials, procedure and correlating report for consultation and complaint, and grievance summaries at the site level.</p>
14. Environmental Risk Management	Fully meets	<p>The independent review confirmed the site has a valid ISO 14001 certificate.</p>
15. Greenhouse Gas (GHG) Emissions*	Fully meets	<p>Chagres is subject to corporate policies and procedures to establish greenhouse gas emissions targets for scopes 1 and 2 and monitor progress. Chagres is part of the regional process to move toward renewable energy in 2022.</p> <p>This was confirmed by review of the group climate change policy, standard</p>



		on energy and GHG emissions management, status reports, and site-level GHG emissions data. More information can be found <a href="#">here</a> .
16. Energy Consumption	Fully meets	Chagres has processes for energy efficiency and reduction. This was confirmed by review of the standard on energy and GHG emissions management, status reports, and site-level energy reduction data.
17. Freshwater Management and Conservation	Fully meets	Chagres is subject to corporate policies on water management implemented through the SHE Way, including programs in place to monitor water quality and water supply. This was confirmed through management interviews, stakeholder interviews, a review of the group water policy.
18. Waste Management	Fully meets	The independent review confirmed the site has a valid ISO 14001 certificate and this criterion is covered in its scope.
19. Tailings Management	Not applicable	Not applicable to smelters.
20. Pollution	Fully meets	Chagres has a process to manage waste in accordance with the SHE way, that includes a mitigation strategy based on the mitigation hierarchy. Data on pollution is available online in real-time to community stakeholders. This was confirmed through a review of the ISO 14001:2015 certificate, ambient monitoring systems and results, and interviews with community stakeholders.
21. Biodiversity and Protected Areas	Fully meets	Chagres has conducted an assessment that demonstrates biodiversity is not a risk. This was confirmed through interviews with management, review of the biodiversity management plan, biodiversity offset management plan.

22. Mine Closure and Reclamation	Not applicable	Not applicable to smelters.
23. Community Health and Safety	Fully meets	<p>Chagres is subject to the corporate systems to manage community health and safety, including to conduct a context and vulnerability review every 5 years. Chagres conducted this review in May 2021.</p> <p>Programs include includes participatory monitoring of air and water quality, training programs on understanding results, and public access to monitoring output.</p> <p>This was confirmed through interviews with management, interviews with community stakeholders, review of policies and procedures, the context and vulnerability report, and other reports on health impact.</p>
24. Community Development	Fully meets	<p>Chagres is subject to the corporate systems to manage community development, informed by the context and vulnerability review at site-level every 5 years. Chagres conducted this review in May 2021.</p> <p>Community stakeholders indicated during interviews that projects directly address key community concerns.</p> <p>This was confirmed through interviews with management, interviews with community stakeholders, review of corporate investment development criteria, stakeholder mapping and engagement, community development programs and expenditure, and the grievance process and records.</p>
25. Artisanal and Small-Scale Mining	Partially meets	<p>Chagres is subject to a corporate system to engage with artisanal and small-scale miners, which so far has included a company-wide mapping of ASM within the area of influence. The second stage is to assess the mapping and develop an engagement plan.</p>

		This was confirmed through a review of the “4K tool,” and interviews with management.
26. Human Rights	Fully meets	<p>Chagres is subject to the corporate management system for human rights. Chagres underwent a human rights impact assessment in 2016, and results were incorporated into the operational risk register.</p> <p>This was confirmed through interviews with management, review of policies, training records, and the site’s human rights impact assessment report.</p>
27. Security and Human Rights	Not applicable	<p>Not applicable to smelters.</p> <p>However, Chagres is subject to corporate policies and procedures on security and human rights. The company is a signatory to the UN Voluntary Principles on Security and Human Rights and provides annual reports. Security personnel are trained on the voluntary principles and Chagres also has an agency guideline for how to manage interactions with police forces, plus an emergency response plan in case of civil unrest.</p> <p>This was confirmed through interviews with management, review of the annual report, security management plan, and training materials.</p>
28. Indigenous Peoples’ Rights	Fully meets	<p>Chagres has identified Indigenous Peoples but they are not affected by the site’s operations. The corporate Social Way policy, implemented at Chagres, provides for a process to align with national regulatory framework governing relationships with Indigenous Peoples, should they be affected by the operations.</p> <p>This is confirmed through interviews with management and review of policies and the external context and index of vulnerability study.</p>
29. Land Acquisition and Resettlement	Fully meets	Chagres is subject to the corporate system on land acquisition and

		resettlement. Currently, no land acquisition is planned.	
30. Cultural Heritage	Fully meets	Chagres has a process to comply with national regulations governing cultural heritage. No cultural heritage assets have been identified.  This is confirmed through management interviews and review of the group policy on cultural heritage.	
31. Due Diligence in Mineral Supply Chains	Partially meets	Chagres has policies and management systems in place which relate to the intent of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas  Further work is being planned to specifically align with the OECD Due Diligence Guidance and Annex II risks. It is noted that Chagres only sources domestically.	
	31.a. Management System	Partially meets	Chagres is subject to the corporate ESG governance and management structure.
	31.b. Red Flag Identification Process	Partially meets	Chagres is subject to corporate practices to conduct supplier due diligence.
	31.c. Risk Assessment Process	Not applicable	No red flags were identified.
	31.d. Risk Management Process	Not applicable	No red flags were identified.
	31.e. Public Reporting*	Partially meets	Chagres is included in corporate reporting on ESG risk identification and mitigation. The full report is available <a href="#">here</a> .
32. Transparency and Disclosure*	Fully meets	Chagres is included in corporate reports on environmental, social, and governance data including GRI data. The company is an active participant in EITI though Chile is not an EITI contributing country. More information is available <a href="#">here</a> .	

## Conclusions

<b>Statement of conformance</b>	
The site is found to fully meet all applicable criteria of the Risk Readiness Assessment and, for Criterion 31, all applicable conformance criteria of the Joint Due Diligence Standard.	<input type="checkbox"/>
The site is found to fully meet or partially meet all applicable criteria of the Risk Readiness Assessment and, for Criterion 31, all applicable conformance criteria of the Joint Due Diligence Standard. The site has committed to continuous improvement to fully meet all applicable Copper Mark Criteria by 5 November 2023.	<input type="checkbox"/>
The site is found to miss some or all of the applicable criteria of the Risk Readiness Assessment and / or for Criterion 31, some, or all of the applicable conformance criteria of the Joint Due Diligence Standard. The site has committed to continuous improvement to fully meet all applicable Copper Mark Criteria by 5 November 2023.	<input checked="" type="checkbox"/>
The site misses some or all of the applicable requirements of the Risk Readiness Assessment and / or for Criterion 31, the applicable criteria of the Joint Due Diligence Standard. The Site has not committed to continuous improvement.	<input type="checkbox"/>
Limitations:	
Additional comments:	

### **Copper Mark Award**

*This Summary Report is prepared using data from the independent review report and the independent assessment report. The Copper Mark confirms the assessors' conclusion and awards the Copper Mark as follows*

Date the Copper Mark is awarded (dd/mm/yyyy)	7 February 2022
Expiry Date of the Copper Mark (dd/mm/yyyy)	6 February 2025