



## The Copper Mark Summary Report

### Participant Information

Name of the Site	Compañía Minera Condestable S.A (CMC)
Unique identifier provided by the Copper Mark	P0023
Address	Av. Manuel Olguín N° 501, Of 803, Santiago de Surco, Lima
Country of Operation	Peru
Copper products produced on site (e.g., concentrate, anodes, cathodes, sulphuric acid, slag, etc.)	Copper concentrate
Metals produced on site (e.g., copper, gold, nickel, silver, molybdenum)	Copper, gold, silver
Metals included in scope of Criterion 31 (this must be all or a sub-set of the metals produced on site)	Copper, gold, silver
Metals covered by other independent assessments for Criterion 31 (e.g., RMAP, LBMA, RJC, etc.)	NA
Types of operations included in scope	
Mining	<input checked="" type="checkbox"/>
Concentrate blending	<input type="checkbox"/>
Solvent extraction and electrowinning	<input type="checkbox"/>
Smelting	<input type="checkbox"/>
Refining	<input type="checkbox"/>
Fabrication	<input 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>The Independent Review took place from 1 <b>April 2022 to 28 April 2022</b>. During this step, the Independent Reviewer examined the Copper Producer’s self-assessment, supporting documentation, independent third-party assurance reports, and publicly available information. 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 Reviewer confirmed completeness, indicating available evidence for the assessor to review for all applicable criteria:</p>		<p>All 32 criteria</p>
<p>The Independent Reviewer recommended the following criteria be included in the scope of the independent site assessment:</p>		<p>All except</p> <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>• 25. Artisanal and Small-Scale Mining</li> <li>• 28. Indigenous Peoples’ Rights</li> <li>• 29. Land Acquisition and Resettlement</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> <i>(Name, date of assurance / certification)</i></p>	<p><b>Review Process</b></p>	<p><b>Criteria Covered by Equivalency</b></p>
<p>ISO 14001:2015</p>	<p>The Independent Reviewer confirmed the assurance / certification was:</p>	<ul style="list-style-type: none"> <li>• 14. Environmental Risk Management</li> </ul>

19 February 2021 - 27 May 2021	<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> <li>Accompanied by improvement plans where applicable</li> </ul>	<ul style="list-style-type: none"> <li>18. Waste Management</li> </ul>
ISO 45001:2018 19 February 2021 - 27 May 2021	<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> <li>Accompanied by improvement plans where applicable</li> </ul>	12. Occupational Health and Safety
The Independent Reviewer recommended the following criteria be considered focus areas for the independent site assessment:		None
The Independent Reviewer recommended the following criteria be considered not applicable to the Site:		<ul style="list-style-type: none"> <li>25. Artisanal and Small-Scale Mining</li> <li>28. Indigenous Peoples' Rights</li> <li>29. Land Acquisition and Resettlement</li> </ul>

### Independent Site Assessment Information

Name of the Lead Assessor	Ricardo Labó
Name of the Assessment Firm (if applicable)	LQG Energy and Mining Consulting (LQ A Consultoría y Proyectos Ambientales SAC)

Date(s) of Assessment Activities (dd/mm/yyyy – dd/mm/yyyy)	Site assessment: 24-27 May 2022 Document review: 30 May – 15 June 2022
Assessment Period	24 May 2021 – 23 May 2022
Summary of the Assessment Methodology	Application of ISO methodology to determine conformance with the Copper Mark criteria. Using document review, interviews, and site observations to support determinations. Included in the scope were visits to the campus, offices, auxiliary areas, medic, lab, lunchroom, mine, processing area, and tailings facilities.
Summary of the Assessment Activities	<p>Day 1</p> <ul style="list-style-type: none"> <li>• Opening meeting</li> <li>• Visit to office of public information of Minera Condestable in the town of Mala</li> <li>• Visit to main operations</li> <li>• Meetings with relevant personnel related to labor rights, community, energy consumption criteria</li> <li>• Daily closing meeting</li> </ul> <p>Day 2</p> <ul style="list-style-type: none"> <li>• Meetings with relevant personnel related to human rights, security, legal compliance, business integrity criteria</li> <li>• Visit to auxiliary services (dormitories, kitchen, medic, etc.)</li> <li>• Worker interviews (39 workers of employees and contractors)</li> <li>• Daily closing meeting</li> </ul> <p>Day 3</p> <ul style="list-style-type: none"> <li>• Meetings with relevant personnel related to due diligence, transparency, GHG emissions, other environmental criteria</li> <li>• Interviews with external stakeholders</li> <li>• Daily closing meeting</li> </ul> <p>Day 4</p> <ul style="list-style-type: none"> <li>• Meeting at central offices</li> <li>• Meetings with senior representatives of the company</li> <li>• Closing meeting and presentation of findings</li> </ul>

### Summary of Findings

Criterion	Rating <i>Fully meets, partially meets,</i>	Comments
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	<i>does not meet, not applicable</i>	<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>CMC has systems in place to comply with legal requirements. It is supported by compliance matrices, internal, external and government audits, and a team to maintain, disseminate information to and communicate with other teams at the site.</p> <p>This was confirmed through document review and interviews.</p>
2. Business Integrity	Fully meets	<p>CMC has a system in place to promote business integrity. There is a policy that prohibits bribery, corruption, and anti-competitive behavior, and is explicit on prohibiting facilitation payments. It is complemented with training and a gift log.</p> <p>This was confirmed through interviews with workers and document review.</p> <p>The following observations were identified:</p> <ul style="list-style-type: none"> <li>• No gift registry was maintained during Covid as government offices were closed. The gift registry is still not maintained even though offices are open</li> <li>• Not all workers interviewed were familiar with elements of the policy related to situations to avoid and / or mechanisms established to manage situations covered by the Policy</li> </ul>
3. Stakeholder Engagement*	Partially meets	<p>CMC has a stakeholder map, a plan for engagement and grievance mechanism. There is evidence of some community engagement, but the plan has not been formally implemented.</p> <p>SPM has a grievance mechanism called <b><u>Speak Up – SPM Contigo.</u></b></p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>• The Community Engagement Strategic Plan has not been fully implemented</li> <li>• Community representatives expressed a desire for a roundtable or dialogue to jointly – with other representatives – discuss community needs and identify where the company can provide support</li> <li>• There is not a structured system to capture the interactions, decisions and agreements</li> </ul>

		<p>(and follow-up of them) between the company and stakeholders (including social support, development, local employment and procurement, etc.)</p> <ul style="list-style-type: none"> <li>• There are no defined regulations and rules for determining representation within stakeholder fora</li> <li>• Knowledge and understanding of <i>SPM Contigo</i> is not uniform internally or externally</li> </ul>
4. Business Relationships	Fully meets	<p>CMC has policies, programs, and processes to require business partners to act responsibly. There is a process to identify risks with suppliers, and a supplier code of conduct, contractual clauses binding suppliers to sustainable practices, and training and capacity building for suppliers.</p> <p>This is confirmed through document review and interviews.</p> <p>The following observations were identified:</p> <ul style="list-style-type: none"> <li>• Suppliers are not fully aware about the specifics of responsible practices nor the SPM Contigo system</li> </ul>
5. Child Labor	Fully meets	<p>CMC has policies in place to prevent child labor, complemented by training and systems of control. There are also requirements to prevent child labor for suppliers and business partners.</p> <p>This was confirmed through document review, interviews with workers and management, and site observations. No child labor was identified during the field visit.</p> <p>The following observations were identified:</p> <ul style="list-style-type: none"> <li>• Training for workers is still at early stages, and no refresher training has yet taken place</li> </ul>
6. Forced Labor	Fully meets	<p>CMC has policies in place to prevent forced labor, complemented by training and systems of control. There are also requirements to prevent forced labor for suppliers and business partners.</p> <p>This was confirmed through document review, interviews with workers and management, and site observations. No forced labor was observed during the field visit.</p> <p>The following observations were identified:</p>

		<ul style="list-style-type: none"> <li>• Training for workers is still at early stages and no refresher training has yet taken place</li> <li>• When a policy or procedure is updated, the linked policies and procedures are not consistently updated</li> </ul>
7. Freedom of Association and Collective Bargaining	Fully meets	<p>CMC has a system in place to support freedom of association and collective bargaining, demonstrated through policies and procedures.</p> <p>This was confirmed through document review and interviews with management and workers. In interviews, union representatives described a positive relationship with the site and good responses to issues raised.</p>
8. Discrimination	Partially meets	<p>CMC has policies in place to prevent discrimination, harassment, and sexual harassment. There is evidence of training and systems of control, including a committee designed to address in particular sexual harassment as required by law. There are also requirements to prevent discrimination for suppliers and business partners. It was observed that no discrimination seems to be taking place.</p> <p>This was confirmed through document review, interviews with workers and management, and site observations.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>• Interviews with workers indicated training received was either not consistent or not well understood</li> <li>• The harassment committee does not keep a register or meeting notes, as required by law</li> <li>• There was no evidence that the site follows the law requiring companies with more than 50 workers to fill 3% of the workforce with workers with disabilities</li> <li>• There was no evidence that the site has analyzed which jobs can be filled by people with disabilities, or that there have been calls to fill such jobs without success</li> </ul>
9. Gender Equality	Fully meets	<p>CMC has policies and procedures in place to ensure equality of conditions and pay equity in a transparent manner. This is complemented with objectives, indicators, budget, and goals, an</p>

		<p>operating manual, and clear responsible persons. It is noted that of 9 management positions in the company, 3 are occupied by women.</p> <p>This was confirmed through document review, and interviews with management and workers. During interviews, female workers stated that they noted no differences in treatment between women and men.</p>
10. Working Hours	Fully meets	<p>CMC has a system in place to keep working hours below 60 hours per week in line with national regulation. Normal working hours are capped at 48 hours per week, with voluntary overtime up to 56 hours total per week. This is enshrined in policies and procedures to maintain and control working hours. Workers are on a shift rotation of 1 of 3 types of shifts: 14 days on and 7 off; 5 days on and 2 days off; or 6 days on and one day off.</p> <p>This was confirmed through document review, record review, and interviews with management and workers.</p>
11. Remuneration	Fully meets	<p>CMC has a system in place for fair compensation for work regardless of gender and based on value. Remuneration is aligned with national industry average, above minimum wage, and determined through collective bargaining agreements.</p> <p>This was confirmed through review of documents, records, and training material, and interviews with management.</p>
12. Occupational Health and Safety	Fully meets	<p>The Independent Review confirmed that the site meets the requirement as validated through ISO 45001:2018.</p>
13. Grievance Mechanism	Partially meets	<p>CMC utilizes a grievance mechanism that exists at the corporate level. It is accompanied by a user manual. During worker interviews, it was stated that most grievances are raised through the union and its representatives.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>• The information on how to access the grievance mechanism is not easily accessible (for example, through posters)</li> <li>• There is no evidence of training on the Code of Ethics, the grievance mechanism, the</li> </ul>

		<p>process, or how to access the relevant procedures</p> <ul style="list-style-type: none"> <li>• The “Ethics Speak Up” hotline has not been fully implemented</li> </ul>
14. Environmental Risk Management	Fully meets	The Independent Review confirmed that the site meets the requirement as validated through ISO 14001:2015.
15. Greenhouse Gas (GHG) Emissions*	Partially meets	<p>CMC has a policy and plan to reduce greenhouse gas emissions that is known by relevant personnel, including reduction targets for scopes 1 and 2. The site holds a certification of energy use of renewable hydro energy that is renewed annually. More information is available <a href="#">here</a>.</p> <p>This is confirmed through document review, interviews with management and workers, and site observations.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>• The implementation of the Emissions Reduction Plan 2022 has not begun</li> <li>• Employees were not aware of the company’s reduction targets for scopes 1 and 2</li> </ul>
16. Energy Consumption	Fully meets	<p>CMC has a system for energy consumption embodied in the policy for climate change and energy efficiency. There are processes in place to measure energy use in every area of operation. The policy is known by relevant personnel, who understand the rationing use of electrical energy, and CMC is rolling out training on the same to all workers. The site holds a certification of energy use of renewable hydro energy that is renewed annually. There are visible changes in energy use, for example of LED lights in the operations.</p> <p>This is confirmed through document review, interviews with worker and management, and site observations.</p>
17. Freshwater Management and Conservation	Fully meets	CMC has a system in place to manage and conserve freshwater, as well as ISO14001. They have a project to reduce their water footprint and promote shared value with the local communities. Workers and relevant personnel are aware of the policies and procedures.

		This was confirmed through review of documents, records, training, and interviews with workers and management.
18. Waste Management	Fully meets	The Independent Review confirmed that the site meets the requirement as validated through ISO 14001:2015.
19. Tailings Management	Partially meets	<p>CMC has systems to manage tailings and are in the process to comply with ICMM. They have external reports on potential emergencies. Employees have some training on the management processes.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>• The current recommendations identified in the last “Dam Break Analysis” report have not yet been implemented</li> <li>• The GISTM is not yet fully implemented</li> <li>• Workers do not have a deep understanding on tailings management</li> </ul>
20. Pollution	Fully meets	<p>CMC has a system in place to manage pollution that follows the mitigation hierarchy and is certified to ISO 14001. They identify, register, and minimize, mitigate, or eliminate negative impacts from pollution. The system includes input from local populations since 2019.</p> <p>This was confirmed through a review of documents, records, training, and through interviews with management and workers.</p>
21. Biodiversity and Protected Areas	Fully meets	<p>CMC has a system in place to manage biodiversity and protected areas including a policy, processes, inspections, analysis of different seasons, and monitoring.</p> <p>This was confirmed through a review of documents, records, training, and through interviews with management and workers.</p>
22. Mine Closure and Reclamation	Fully meets	<p>CMC has a mine closure and reclamation plan that is reported on twice annually. It covers financial, environmental, and social elements. Stakeholders are aware of and able to comment on the closure plan.</p> <p>This was confirmed through document and record review and interviews with management and workers.</p> <p>The following observations were identified:</p>

		<ul style="list-style-type: none"> <li>Workers and stakeholders could benefit from reinforcement training and capacity building about the mine closure plan</li> </ul>
23. Community Health and Safety	Partially meets	<p>CMC has a policy and programs in place to support the health and safety of the community. This includes monitoring the quality of the environment to preserve the health of the population. CMC also assists workers, who are members of the community, with matters of health when there are challenges with health insurance.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>The impact of the efforts to address community health and safety are not measured and recorded</li> <li>The grievance mechanisms or channels to discuss concerns of health and safety with the community are not well understand or easily accessible</li> </ul>
24. Community Development	Partially meets	<p>CMC has a plan in place to manage community development with three pillars.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>The community development plan implementation, including the assignment of a budget, timelines, indicators, and details, publicly available regarding community development have not been finalized</li> <li>The stakeholder map is not regularly updated as per the stakeholder engagement plan</li> <li>The community development plan is not aligned with the commitments and recommendations included in their last Environmental Impact Assessment</li> <li>The communities are not well integrated into community development activities</li> </ul>
25. Artisanal and Small-Scale Mining	Not applicable	The site assessment confirmed there is no ASM in the area of influence.
26. Human Rights	Partially meets	<p>CMC has policies in place to protect human rights in line with the UN Guiding Principles on Business and Human Rights.</p> <p>The following gaps were identified:</p>

		<ul style="list-style-type: none"> <li>Workers are not well aware of the human rights policies and the associated grievance mechanism</li> <li>The action plan and recommendations from the Human Rights due diligence assessment have not been implemented</li> <li>There are no clear processes for access to information about complaints filed</li> </ul>	
27. Security and Human Rights	Partially meets	<p>CMC has policies and procedures in place to support security and human rights in line with the UN Voluntary Principles.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>Security forces implementation of the VPSHR is not monitored and evaluated</li> <li>Potential security and human rights risks are not identified and analyzed</li> <li>The policies following the VPSHR do not clarify the use of firearms</li> <li>Personnel is not well trained on issues related to security and human rights</li> </ul>	
28. Indigenous Peoples' Rights	Not applicable	The site assessment confirmed there are no indigenous peoples in the area of influence.	
29. Land Acquisition and Resettlement	Not applicable	The site assessment confirmed there is no planned or recent land acquisition or resettlement.	
30. Cultural Heritage	Fully meets	<p>CMC has a process in place to manage cultural heritage. This includes a baseline study that certifies there are no archaeological remains. Nevertheless, there are processes in case something should be identified during operations.</p> <p>This was confirmed through document review and interviews with management and workers.</p>	
31. Due Diligence in Mineral Supply Chains	Partially meets	CMC has a simple supply chain with no external mineral inputs. There is a system in place to manage due diligence, including policies and procedures, however it has not been fully implemented.	
	31.a. Management System	Partially meets	CMC has processes in place to manage due diligence in mineral supply chains. The policy refers to the OECD and the 5-step process and is available <a href="#">here</a> .

			<p>CMC has a strong system of internal material controls.</p> <p>The policy is supported by a procedure, including a process to identify conflict-affected and high-risk areas.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>• The management system is not fully implemented</li> <li>• Employees are not fully trained on the due diligence management system</li> <li>• The Supply Chain Policy is not clear that aspects related to the minerals supply chain are included</li> <li>• The sources to identify conflict-affected and high-risk areas are not verified</li> </ul>
	31.b. Red Flag Identification Process	Fully meets	<p>CMC has a process in place to identify conflict-affected and high-risk areas. It has determined Peru is not a conflict-affected or high-risk area. CMC has a process to conduct a red-flag assessment.</p> <p>No red flags were identified.</p>
	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	CMC's public reports do not explicitly reference the relevant policies or the OECD 5-step process.
32. Transparency and Disclosure*		Fully meets	<p>CMC publicly reports about environmental, social and governance issues. CMC participates in the EITI efforts of Peru. CMC's Sustainable Report follows GRI.</p> <p>The following observation was identified:</p> <ul style="list-style-type: none"> <li>• CMC does not publish its participation and support to EITI.</li> </ul> <p>More information is available <a href="#">here</a> and <a href="#">here</a>.</p>

## Conclusions

**Statement of conformance**

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 4 June 2023.	<input checked="" 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 4 June 2023.	<input 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)	1 August 2022
Expiry Date of the Copper Mark (dd/mm/yyyy)	31 July 2025