



## The Copper Mark Summary Report

### Participant Information

Name of the Site	Distrito Candelaria (Compañía Contractual Minera Candelaria & Compañía Contractual Minera Ojos del Salado)
Unique identifier provided by the Copper Mark	P0038
Address	Interior Puente Ojancos Km 9, Tierra Amarilla
Country of Operation	Chile
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 in concentrate)
Metals included in scope of Criterion 31 (this must be all, or a sub-set of the metals produced on site)	Copper
Metals covered by other independent assessments for Criterion 31 (e.g., RMAP, LBMA, RJC, etc.)	N/A
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 checked="" type="checkbox"/>
Other ( <i>please explain</i> )	Desalination plant

### Equivalent Systems

<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>		
Equivalent System <i>(Name, date of assurance / certification)</i>	Review Process	Criteria Covered by Equivalency
<p>ISO 45001:2018 18 December 2021</p>	<p>The assurance / certification was confirmed to be:</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>	<p>12. Occupational Health and Safety</p>
<p>ISO 14001:2015 17 January 2022</p>	<p>The assurance / certification was confirmed to be:</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>	<ul style="list-style-type: none"> <li>14. Environmental Risk Management</li> <li>16. Energy Consumption</li> </ul>

	<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> </ul> <p>Accompanied by improvement plans where applicable</p>	
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### Independent Site Assessment Information

Name of the Lead Assessor	Soledad Mills, Victoria Veber, Luis Campos
Name of the Assessment Firm (if applicable)	TDi Sustainability
Date(s) of Assessment Activities (dd/mm/yyyy – dd/mm/yyyy)	3-7 October 2022
Assessment Period	September 2021 – September 2022
Summary of the Assessment Methodology	<p>The assessment was carried out based on the ISO 19011: Guidelines for Auditing Management Systems following the triangulation methodology, looking at complementary information sourced from interviews, documentation review and observation.</p> <p>Direct employees: 1,735</p> <p>Contractors: 4,060</p> <p>Stakeholder interviews: 12 individuals from 12 organizations</p>
Summary of the Assessment Activities	<p>The methodology used for the assessment consisted of site visits to the mines and port facilities, meeting in the company offices in Candelaria, interviews with employees, management and stakeholders, and documentation review. Pre-assessment activities included a review of the Copper Mark self-assessment report, documentation submitted by Lundin Mining and a desktop review of Chilean laws and regulations and NGO and news reports and articles about the company.</p> <p>The interviews were planned in order to cover relevant stakeholder groups. The sample was defined based on the total number of individuals for each group, with the goal of achieving an even representation from identified sub-groups (e.g., workers from different contractor companies within the contractors' stakeholder</p>

	<p>group). The team encountered a series of limitations on the scheduling and scoping of the interviews the based-on timeframe and availability of information (see 1.6 Assessment Limitations).</p> <p>The assessors gathered and reviewed information submitted to the Copper Mark in preparation for the site-assessment, as well as throughout the time on site and the weeks afterwards on open items.</p> <p>Site visits included:</p> <ul style="list-style-type: none"> <li>• Lundin Mining (or Minera Candelaria??) offices in Copiapo</li> <li>• Community offices in Tierra Amarilla and Caldera</li> <li>• Candelaria: one open pit (Candelaria pit) and one underground mine (Candelaria norte)</li> <li>• Ojos del Salado: two underground mines (Alcaparrosa and Santos)</li> <li>• Candelaria processing plant</li> <li>• Pedro Aguirre Cerda (PAC) Processing Plant</li> <li>• Tailings facility - Los Diques</li> <li>• Punta Padrones port, Caldera</li> <li>• Desalination plant, Caldera</li> </ul>
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### Summary of Findings

Criterion	Rating	Comments
1. Legal Compliance	Partially meets	<p>Lundin Mining has a Procedure for Identifying the Regulatory Framework to ensure the company is aware of and complies with national and international legal requirements. New and updated regulations are disseminated via custody letters, e-mails, meetings with functional areas, brochures and newsletters, posters, non-conformities or observations, and procedures and manuals. There is a process to gain awareness of local regulations as well as to align with any new regulations, split between corporate and local teams.</p> <p>If non-compliance issues are identified, they are followed up on and addressed through the company’s internal audit team with timelines of three months or less and are reported to the board.</p>

		<p>Lundin Mining has a Legal Compliance Verification procedure that provides for an internal and external legal audit processes.</p> <p>Two gaps were identified:</p> <ul style="list-style-type: none"> <li>• A number of legal non-compliances remain. One of the non-compliance issues identified by the external legal audit included blasting outside of the schedule defined in the permits which was also one of the main concerns of nearby communities. According to the corporate legal department, the company is working on a plan to bring the operations into compliance. Another non-compliance issue identified was the overexploitation of the Alcaparrosa mine, which was subsequently the subject of two of the four charges the environmental regulator filed against Minera Ojos del Salado in relation to the sinkhole. The company has analyzed these allegations and has submitted a compliance plan to the environmental regulator which provides explanations and/or proposes remedial/corrective actions that the company has or intends to take to address the alleged non-compliance.</li> <li>• There is a lack of evidence that there is a clear system in place to identify corrective and preventative actions in response to potential legal non-compliance issues.</li> </ul> <p>This was confirmed through interviews with management, interviews with stakeholders, and review of documents including the procedure for identifying regulatory framework, legal compliance audits, and the environmental compliance program documentation.</p>
2. Business Integrity	Fully meets	<p>Lundin Mining has a zero-tolerance policy for bribery and corruption. In alignment with UNGC Principle Ten: Anti-Corruption and guided by the Code of Conduct, the standard of integrity and ethical behaviour is set for</p>

		<p>directors, employees, officers, contractors, and third-party agents.</p> <p>Candelaria’s contracts include in the annex the Crime Prevention Model, which is signed by the contractor.</p> <p>Legal requirements to meet with Chilean law on this topic are verified by a third-party.</p> <p>The policies on gifts, no facilitation payments, how to track the annual Corruption Perception Index, and other aspects are covered in the Code of Conduct and other written documents and trained to workers.</p> <p>Allegations of violations are identified, investigated, and acted upon by management.</p> <p>This was confirmed through interviews with management, interviews with workers, and a review of documents including quarterly financial reports, Lundin Mining’s annual information form for 2021, training material on the crime prevention model, and the Candelaria Crime Prevention Manual.</p>
<p>3. Stakeholder Engagement</p>	<p>Partially meets</p>	<p>As part of Lundin Mining’s responsible mining policy, the company commits to engaging, collaborating, and partnering with stakeholders in host communities and regions to build trust-based relationships. The corporate responsible mining management system includes a Stakeholder Communication and Participation Standard that establishes a framework for effective communication, consultation, and engagement processes. The processes include a requirement for each operation to have a stakeholder engagement plan that categorizes stakeholders and their interests related to health, safety, security, environmental, socioeconomic development issues.</p> <p>This is implemented at site by a dedicated team. The site strategy includes stakeholder mapping, risk analysis, sharing of information, managing incidents and complaints, consideration of vulnerable groups, and management of community requests. This is achieved through roundtables, individual and community meetings, presence in the community (including door-to-door visits),</p>

		<p>participatory monitoring, and community visits to the mining operations. The majority of stakeholders the site engages with are women, as they are generally leading the community organizations.</p> <p>There is a grievance mechanism in place to review and address complaints from stakeholders.</p> <p>One gap was identified:</p> <ul style="list-style-type: none"> <li>The company has not included stakeholder input in the design or review of its effectiveness of the grievance mechanism.</li> </ul> <p>Note that the company is finalizing the scope of the review scheduled for 2023. Candelaria is currently undergoing a Human Rights Risk Impact Assessment (HRRIA) that includes an analysis of the grievance mechanism in line with the UNGPs as part of the scope.</p> <p>This was confirmed through interviews with management, interviews with stakeholders, review of documents including grievances received, the community engagement plan, community meeting records, and stakeholder mapping and analysis for the identified communities.</p> <p>The grievance mechanism can be accessed <a href="#">here</a>.</p>
<p>4. Business Relationships</p>	<p>Fully meets</p>	<p>Lundin Mining has a supply chain management global procurement and contracts standard that defines a common approach and requirements for managing goods and services procurement and contracting activities on behalf of the corporation and its subsidiaries. It includes a compliance clause with the company's code of conduct.</p> <p>There is a Procedure for Contracting Services that regulates process of contracting the services necessary for the normal development of mining at Candelaria District. This is complemented by due diligence activities to identify conflicts of interest, crime sentences, news appearances, and other</p>

		<p>information to establish a risk level. Once a contractor is onboarded, there is a process to monitor and address compliance with the contract requirements.</p> <p>This was confirmed through interviews with management and a review of documents and records including contracts for contractors, general mandatory regulations for contracts, service orders and purchase orders, training materials provided to personnel, and the business partners risk assessment screenshot.</p>
5. Child Labor	Fully meets	<p>Lundin Mining has in place policies, procedures and practices that ensure against the employment of children under the age of 18. Candelaria has a recruitment policy that establishes the minimum age of candidates as 18 years old. Lundin Mining’s Human Rights Policy and Code of Conduct prohibits the use of any form of child labor. There are practices in place to complement the policy, such as requiring ID for incoming workers to check age.</p> <p>According to the HRRIA Scoping, child labor is unlikely in the higher tiers of the supply chain in Chile. However, the north of Chile is a transit area for irregular migration, which presents a risk for child labor and other labor exploitation in any of the part of the supply chain. This will be further looked at during the site visit stage of the HRIA to understand if there are any preventive actions that should be developed.</p> <p>Interviews with workers confirmed that documentation is checked upon hire and did not indicate any issues associated with child labor.</p> <p>This was confirmed through interviews with management, interviews with workers, and a review of documents including the human rights policy, sample of personnel files, and the Insights Group Human Rights Impact Assessment Scoping.</p>
6. Forced Labor	Fully meets	<p>Lundin Mining’s Human Rights Policy and Code of Conduct prohibits the use of any form of forced or compulsory labor. The policy is</p>



		<p>complemented by procedures and practices in place to prevent the use of forced labor.</p> <p>According to the HRRIA Scoping, forced labor is unlikely in the higher tiers of the supply chain in Chile. However, the north of Chile is a transit area for irregular migration, which presents a risk of labor exploitation in any of the part of the supply chain. UN reports describe forced labor particularly among foreign citizens in agriculture, mining, and domestic services. This will be further looked at during the site visit stage of the HRRIA to understand if there are any preventive actions that should be developed.</p> <p>Interviews wither workers confirmed that original documents are not retained and that no fees were paid to secure positions with the company or contractor companies. No other issues associated with forced labor were raised during the interviews.</p> <p>This was confirmed through interviews with management, interviews with workers, and a review of documents including the human rights policy, sample of personnel files, and the Insights Group Human Rights Impact Assessment Scoping.</p>
<p>7. Freedom of Association and Collective Bargaining</p>	<p>Fully meets</p>	<p>Lundin Mining’s Human Rights Policy includes a commitment to uphold the freedom of association and recognize the right to collective bargaining. It is complemented by procedures and practices to ensure they respect employees’ rights to freedom of association and to collective bargaining.</p> <p>A majority (86% of direct employees and over 95% of operational employees) of the workforce is unionized. Five unions represent direct employees (two of the unions represent supervisors) and contractors can also join their own unions, where available.</p> <p>Employee, contractor and union interviews did not identify any issues associated with the freedom to join a union or any interference, discrimination, retaliation of harassment for joining a union. In October 2020, two of the unions initiated strikes due to an impasse in negotiations of the collective bargaining agreement. The strikes were ultimately</p>

		<p>resolved as both sides came to an agreement on the collective contract. The incoming leadership have changed the dynamic of relations with the unions towards a more positive engagement based.</p> <p>This was confirmed through interviews with management, interviews with workers, and interviews with union representatives, and through a review of documents including the human rights policy, collective bargaining agreements, and the responsible mining management system.</p>
8. Discrimination	Fully meets	<p>The policy to prohibit discrimination in any form can be found in Lundin Mining's code of conduct, internal regulation, responsible mining policy, and diversity and inclusion policy. The company commits to strive to achieve a diverse workforce, a respectful work environment, elimination of bias, zero tolerance for any form of discrimination or harassment in the workplace, and confidential and anonymous mechanisms for workers to report any instances of discrimination or harassment. The company has begun to train staff on the Diversity and Inclusion Policy, starting with supervisors and executives. This is further supported in processes of recruitment, promotion and training.</p> <p>This was confirmed through interviews with management, interviews with workers, interviews with union representatives, and a review of documents including the Chilean Large-scale Mining Workforce Report 2021-2030: Benchmark Results, code of conduct, women's apprenticeship program, and responsible mining policy.</p>
9. Gender Equality	Fully meets	<p>Lundin Mining has in place public policies, procedures and practices on gender equality and continually monitors progress on implementation to address gender inequality in the workplace.</p> <p>The Diversity and Inclusion Policy commits the company to strive to achieve a diverse workforce. Currently, 12.3% of its employees (direct and contractors) in Candelaria are women. The company is working to increase the number of women by recruiting and</p>

		<p>training women through an apprenticeship program.</p> <p>Candelaria is working with an external consultant to implement and achieve certification against the Chilean National Standard 3262 on Gender Equality and Reconciliation of Work, Family and Personal Life. The Standard is a management framework that establishes requirements that organizations must meet in order to ensure greater gender equality.</p> <p>This was confirmed through interviews with management, interviews with workers, interviews with union representatives, and a review of documents including the Implementation Plan: Management System for Gender Equality and Reconciliation of Work, Family and Personal Life, code of conduct, women’s apprenticeship program, internal regulation, and responsible mining policy.</p>
<p>10. Working Hours</p>	<p>Fully meets</p>	<p>The company has a management system to keep employees' regular and overtime working hours within legally required limits. The Internal Regulation states that the number of hours worked in a week cannot exceed the legal maximum of 45 hours except in certain situations provided for by law.</p> <p>Operational workers work four days on and four days off in 12-hour shifts that alternate between day and night shifts with each rotation or five days on and two days off, then four days on and three days off in 10-hour shifts. Overtime may only be agreed to meet the needs or temporary situations of the company, agreements that must be in writing and last no longer than three months, a period which may be extended upon agreement by both parties.</p> <p>Workers are aware of the working hours limits and confirm they rarely worked overtime and confirm that they receive 15 days annual leave per year.</p> <p>This was confirmed through interviews with management, interviews with workers, interviews with union representatives, and a review of documents including personnel files,</p>

		internal regulation, and the collective bargaining agreements.
11. Remuneration	Fully meets	<p>The company has in place a management system to pay employees wages that equal or exceed national minimum wage and meet the average local industry wage. Wages, production bonuses, and other working conditions are established in the collective bargaining agreements.</p> <p>Lundin Mining conducts a market analysis to evaluate competitiveness of salaries in comparison with other mining companies. The Human Resources department monitors the benefits of the roles according to the collective bargaining agreements. Interviews with workers did not identify any issues with wages or benefits.</p> <p>This was confirmed through interviews with management, interviews with workers, interviews with union representatives, and a review of documents including personnel files, recruitment and selection policy, salary scales, and the collective bargaining agreements.</p>
12. Occupational Health and Safety	Fully meets	The assessment confirms the site meets the requirement as validated through ISO 45001 certification.
13. Grievance Mechanism	Partially meets	<p>Lundin Mining provides various complaints channels for employees to report any violation of laws or of the Internal Regulation. There are channels to confidentially and anonymous submit complaints. Retaliation against anyone who files a complaint is prohibited.</p> <p>Formal complaints are managed through a third-party system and monitored by the corporate office.</p> <p>Workers report familiarity with the grievance mechanisms and comfort with speaking with their direct supervisors about most issues.</p> <p>One gap was identified:</p> <ul style="list-style-type: none"> <li>The company has not evaluated the grievance mechanism against all of the UN Guiding Principles Effectiveness Criteria for Non-Judicial Grievance Mechanisms. Note that the company is finalizing the scope of the review scheduled for 2023. Candelaria is</li> </ul>

		<p>currently undergoing a Human Rights Risk Impact Assessment (HRRIA) that includes an analysis of the grievance mechanism in line with the UNGPs as part of the scope.</p> <p>This was confirmed through interviews with management, interviews with workers, interviews with union representatives, and a review of documents including the internal regulation, complaints policy, and community insights group human rights impact assessment scoping.</p>
<p>14. Environmental Risk Management</p>	<p>Fully meets</p>	<p>The assessment confirms the site meets the requirement as validated through ISO 14001 certification.</p>
<p>15. Greenhouse Gas (GHG) Emissions</p>	<p>Partially meets</p>	<p>Lundin Mining has a Responsible Mining Policy that specifically addresses climate change issues and efforts to reduce GHG emissions from its operations. It is supported by a corporate climate strategy that is currently under development. To implement the energy management system at Candelaria, there is an energy committee and an energy policy. As part of implementation of the energy management system at Candelaria, the site has established an energy committee and an energy policy for the operations. The certified management system requires Candelaria to avoid, minimize, restore, and offset energy use. The site is ISO 50001 certified.</p> <p>Since 2015, Candelaria has been accounting GHG emissions on an annual basis and has established a baseline for the operations, including both the mine sites (Candelaria and Ojos Del Salado) and the Punta Padrones port. This GHG accounting covers Scope 1 (direct emissions) and Scope 2 (indirect emissions) for the Candelaria and Ojos Del Salado mines, and Scope 1, 2 and 3 (indirect emissions that occur outside the organization, both upstream and downstream) for the port. Current GHG emissions objective for 2021 and 2022 within the Candelaria environmental management system is to account for GHG emissions.</p> <p>An annual GHG accounting using the GHG protocol is conducted by Candelaria personnel</p>

		<p>and externally verified. GHG emissions for Candelaria are publicly reported through Lundin Mining Sustainability Report, CDP Climate Change and on LMC website. The Sustainability report indicates that GHG emissions are publicly disclosed for Scope 1, Scope 2 and limited Scope 3, and that climate-related information is comprehensively and externally assured and disclosed through CDP (formerly the Carbon Disclosure Project) aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations.</p> <p>Lundin Mining published a decarbonization target to reduce Scope 1 and 2 GHG emissions across the end-of-2019 portfolio of operations, against 2019 adjusted base year. Each site will develop site-specific energy management plans to meet this interim target.</p> <p>Candelaria has signed a PPA due to be executed January 2023, with 80% energy from renewable sources, which will reduce Scope 2 GHG emissions significantly.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>• Candelaria does not have a formal and documented climate change strategy/plan/procedure that considers the mitigation hierarchy.</li> <li>• Site-level reduction targets have not yet been set.</li> <li>• No specific action plan including activities to reduce GHG emissions, responsible staff, deadlines for implementation, and monitor progress of the plan implementation towards established targets.</li> </ul> <p>More information is available <a href="#">here</a>.</p> <p>This was confirmed through interviews with management and a review of documents including the ISO 50001 Environmental Management system targets, GHG accounting for 2019 and 2020, declaration of carbon footprint verification for 2019 and 2020, and training materials.</p>
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16. Energy Consumption	Fully meets	The assessment confirms the site meets the requirement as validated through ISO 14001 certification. Note Minera Candelaria is also certified under ISO 50001.
17. Freshwater Management and Conservation	Fully meets	<p>Lundin Mining’s Responsible Mining Policy, dated February 2022 specifically addresses water stewardship and the implementation of best practices in water management. Candelaria has implemented water management plans, targets and Key Performance Indicators (KPIs) for 2021 and 2022. These targets are reviewed and updated every year as required.</p> <p>Since 2019, 100% of the operational water being used at Minera Candelaria mining operations comes from desalinated sea water which decreases the social pressure and help minimize the perception of competition for water in a water scarcity environment such as the one where Candelaria and Ojos Del Salado mines operate. Desalinated water is used for both the Candelaria and Pedro Aguirre Cerda (PAC) concentrator plants, road watering for dust control, among other uses.</p> <p>At the Candelaria concentrator, an average of 85% of water used in the production process is recirculated back to the process for reutilization. Candelaria operation has a negative water balance, and as such, there are no process water discharges to surface water.</p> <p>Candelaria has implemented participatory monitoring programs with communities for groundwater monitoring wells, and input from communities is required for approval of their environmental impact study.</p> <p>This was confirmed through interviews with management, site observations, and a review of documents including water management targets and KPIs, water risk assessment, and water quality reports.</p>
18. Waste Management	Partially meets	Lundin Mining has developed a Sustainability Strategy that includes a focus on environmental stewardship, committing to climate action, strengthening water and waste management, and biodiversity conservation.



		<p>In support, Candelaria has developed an environmental aspects matrix for each area of the operation that includes the identification of wastes generated per location and its characteristics. Candelaria is implementing the concept of circular economy for waste management. Candelaria has defined waste management targets and KPIs for 2021 and 2022.</p> <p>The following gaps were identified</p> <ul style="list-style-type: none"> <li>• The design of the waste management system does not align with the mitigation hierarchy: <ul style="list-style-type: none"> <li>○ The manual does not specifically mention the mitigation hierarchy for waste and is missing the concepts of waste reduction and reuse, which are not fully implemented in the field.</li> <li>○ The Responsible Mining Policy does not specifically mention non-mineral waste management as a key environmental aspect to be managed, though it is included in the Sustainability Strategy.</li> <li>○ Candelaria does not have a program to conduct audits / inspections of contractors that transport hazardous wastes nor of the locations where the hazardous waste is disposed</li> </ul> </li> <li>• Several observations highlighted the need to further strengthen the implementation of the waste management system including. <ul style="list-style-type: none"> <li>○ Lack of evaluation of incompatibility of wastes during storage and transport</li> <li>○ Lack of clean up of spills or sediments</li> <li>○ Storage outside of containment</li> <li>○ Deposits outside of containment system</li> </ul> </li> </ul>
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		<ul style="list-style-type: none"> <li>○ Maintenance of storage areas</li> </ul> <p>This was confirmed through interviews with management, site observations, and a review of documents including the good environmental practices manual, the hazardous waste management plan, waste management targets and KPIs, and the environmental aspects matrix.</p>
19. Tailings Management	Partially meets	<p>Lundin Mining’s Responsible Mining Policy specifically addresses tailings management and the adoption and implementation of the Global Industry Standard on Tailings Management (GISTM). Lundin Mining also have a corporate Tailings Management Standard, dated November 2021, which is aligned with the GISTM.</p> <p>Candelaria has an Operation, Maintenance and Surveillance (OMS) manual that describes how to safely operate the tailings storage facility (TSF). This OMS manual is reviewed and updated as necessary every year. The OMS manual includes an inspection program for the TSFs, and the implementation of these inspections were verified during the site visit. Candelaria also has an emergency manual for TSF.</p> <p>Lundin Mining has conducted a gap analysis against the GISTM across operations.</p> <p>One gap was identified:</p> <ul style="list-style-type: none"> <li>• The GISTM has not been fully implemented. It is noted that Candelaria continues to work to fully align its tailings management with GISTM, including the development of an action plan indicating due dates and responsible staff.</li> </ul> <p>This was confirmed through interviews with management, site observations, and a review of documents including a gap analysis with the GISTM, the TSF emergency manual, external inspection reports, and the operation, maintenance, and surveillance manual.</p>
20. Pollution	Partially meets	<p>Lundin Mining has a policy and to manage resources in a responsible manner, including air. It is supported by a dust control plan and an environmental management plan for mining operations that is implemented in the field and</p>

		<p>has developed targets and KPIs to measure performance. The local authorities also conduct inspections of Candelaria related to dust emissions.</p> <p>In addition, as part of a regional review the authorities determined that parts of Tierra Amarilla and Copiapó are a saturated area in terms of dust, a decontamination plan with mine operations and smelters in the region is being agreed with authorities and will be communicated.</p> <p>Dust and damage due to vibration are considered the most critical environmental risks at the operation based on concerns raised by community stakeholders.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>• The responsible sourcing policy does not mention dust control, which is a critical environmental risk at Candelaria.</li> <li>• The policy to manage pollution in particular as it relates to dust, does not reference the mitigation hierarchy.</li> <li>• Additional controls are needed to sufficiently identify and minimize dust emissions at the Candelaria mine site and PAC plant. <ul style="list-style-type: none"> <li>○ Excessive dust was observed during loading of haul trucks in the Candelaria pit.</li> <li>○ There are no PM-10 (particulate matter &lt;10 micrometers) stations located between the Candelaria pit and Tierra Amarilla town to detect, in an early manner, high emissions of dust coming from the pit, either from blasting or from regular mining activities, such as loading of haul trucks and haulage of ore/waste.</li> </ul> </li> </ul> <p>This was confirmed through interviews with management, site observations, and a review of documents such as the responsible mining policy, the dust control plan, and the noise and vibration monitoring data.</p>
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<p>21. Biodiversity and Protected Areas</p>	<p>Partially meets</p>	<p>Lundin Mining has developed a Sustainability Strategy that includes a focus on environmental stewardship, committing to climate action, strengthening water and waste management, and biodiversity conservation. It is supported by a good biodiversity practices manual that includes information on how to manage flora and fauna in the influence area of the mine.</p> <p>Candelaria has conducted several biodiversity studies as part of the Environmental Impact Studies for the project, that includes management plans to mitigate the impacts to biodiversity.</p> <p>No current or future activities planned by Candelaria will affect World Heritage Sites / critical biodiversity habitats.</p> <p>At the port, Candelaria has 2 marine monitoring programs, one related to the Port infrastructure and the other one to the desalination plant. The monitoring program includes biannual analysis of metals in sediments, metals in water and macro fauna. Monitoring results indicate no negative impacts to biodiversity due to Candelaria activities.</p> <p>Lundin Mining discloses annually to the CDP Forestry questionnaire, which incorporates disaggregated biodiversity disclosures for all operations, including Candelaria.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>• The good practice manual does not include reference to the mitigation hierarchy and as such, it is not being used a tool for achieving “no net loss” or a “net gain” in biodiversity.</li> <li>• There is no Biodiversity Action Plan, including targets and KPIs to manage biodiversity in the area.</li> </ul> <p>This was confirmed through interviews with management and a review of documents including the biodiversity practices manual, biodiversity studies for EIA 2040, report of rescue/relocation of fauna of low mobility, and results of marine monitoring program.</p>
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<p>22. Mine Closure and Reclamation</p>	<p>Partially meets</p>	<p>Lundin Mining has a policy that addresses proactive closure planning considering environmental aspects; and employees and external stakeholder input. It is supported by corporate guidance on planning for closure.</p> <p>Candelaria and Ojos del Solado have closure plans that are currently being updated. Both include provisions for closure targets.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>• The closure plans for Candelaria and Ojos del Salado do not include indicators to measure progress against closure targets mentioned in the closure plans.</li> <li>• The current closure plans do not include a social closure plan. Concerns and opinions of local stakeholders have not been considered. Based on gap analysis findings, Candelaria plans to build a social closure plan aligned with corporate closure planning standards.</li> </ul> <p>This was confirmed through interviews with management and a review of documents including the corporate closure planning standard and guidance, the Candelaria closure plan, Ojos del Salado closure plan, and the peer reviews of each plan.</p>
<p>23. Community Health and Safety</p>	<p>Partially meets</p>	<p>Lundin Mining has begun to develop policies, procedures, and practices to identify, avoid, minimize, reduce, and compensate for adverse project-related impacts on community health and safety.</p> <p>There is a commitment to community health and safety and to prevent illnesses, injuries, environmental degradation, and negative impacts on communities, supported by a risk management process and controls through an impact management plan. Some management plans include participation of local stakeholders.</p> <p>The main concerns of the Tierra Amarilla community, which is closest to the operations, are related to dust (see Criteria 20: Pollution), vibrations from the blasting (see also Criteria 20: Pollution), and the recent sink hole (see also Criteria 1: Legal Compliance).</p>

		<p>According to the Social License to Operate survey the company conducted in May 2022, the Tierra Amarilla community perceived the company to have negative environmental impacts, and that blasting vibrations and the amount of dust in the community was increasing.</p> <p>The company has an established participatory monitoring program for vibrations. Local stakeholders confirm participation in the program; however, these impacts continue to cause concerns.</p> <p>The following gap is identified:</p> <ul style="list-style-type: none"> <li>• The continued impacts of dust and vibrations continue to cause concerns in the community and health monitoring is not conducted, except as required by the primary air quality regulation in Chile for breathable particulate matter PM10 and participatory monitoring for vibrations related to blasting process.</li> </ul> <p>This was confirmed through interviews with management, interviews with stakeholders, visits to communities, and a review of documents including stakeholder mapping and analysis, grievance reports, the social and environmental impact assessments, and the responsible mining policy.</p>
24. Community Development	Fully meets	<p>Lundin Mining commits to working with its stakeholders to advance socioeconomic development and promote economic diversification in the regions where they operate. This is supported through the establishment of community programs and social investment processes in collaboration with local stakeholders.</p> <p>Social investment plans are developed in consultation with the municipalities and communities and are aligned with local community development plans and with the UN Sustainable Development Goals (SDGs). Projects are designed to promote sustainable development, economic diversification, and to become self-sustaining in the long term.</p> <p>The company's social investment strategy focuses on four areas: community collaboration (focusing on innovation, culture,</p>

		<p>socioenvironmental, education and capacity-building, wellbeing and health, and sport projects), territorial development (focusing on Tierra Amarilla), fishing (focusing on Caldera), and educational loans.</p> <p>This was confirmed through interviews with management, interviews with stakeholders, visits to stakeholder communities, and a review of documents including a local voices survey, the social performance community investment budget, information about specific programs and their status reports, and community meeting records.</p>
25. Artisanal and Small-Scale Mining	Fully meets	<p>Lundin Mining does not currently source from small-scale miners but is party to an agreement between the government, the sindicatos, and the mining companies in the region.</p> <p>The company's engagement with small-scale miners is governed by the Agreement. The Agreement's objective is to establish a public-private partnership that allows for coordinated actions with support from the mining companies for small-scale mining in the Atacama region.</p> <p>It appears child labor is not an issue in the small-scale mining operations as they are formalized operations overseen by the government. While there is a good relationship between the company and the community, there could be more direct capacity-building activities.</p> <p>Lundin Mining provides some health and safety equipment, such as first aid kits.</p> <p>Interviews and desktop research did not identify any illegal mining in the area.</p> <p>This was confirmed through interviews with management, interviews with stakeholders, and a review of documents including the Mining Cooperation Agreement for the Support of Leasing Mining Properties in the Atacama Region, ENAMI's website,</p>
26. Human Rights	Partially meets	<p>Lundin Mining has adopted a Human Rights Policy that references the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPs), and</p>

	<p>UN Global Compact, and the Organization for Economic Cooperation and Development Guidelines for Multi-National Enterprises. As part of Lundin’s Responsible Mining Policy, the company commits to conducting business in line with the UN Guiding Principles on Business and Human Rights.</p> <p>Complementing the policy is the code of conduct, anti-corruption, diversity and inclusion policies and sustainability reports. There are processes to carry out due diligence on business partners in accordance with the UNGPs.</p> <p>The company is in the process of implementing the UN Guiding Principles and is currently working to the communicate the Human Rights Policy to internal and external stakeholders, as well as implement it in operating procedures. Candelaria has a Working Group on Human Rights that includes various departments including legal, procurement, human resources, health and safety, and social performance.</p> <p>The company is undergoing a comprehensive, external HRRIA since 2020 to identify human rights risks and impacts in direct operations, affected communities and its supply chain, which will result in a human rights action plan to manage and mitigate human rights risks.</p> <p>The following gap was identified:</p> <ul style="list-style-type: none"> <li>• Lundin Mining has begun to implement the UN Guiding Principles on Business and Human Rights and has begun to develop policies, procedures, and practices to uphold its human rights commitment, but implementation is still in progress.</li> <li>• The company does not have a process to categorize business partners based on risk of human rights impacts or to escalate due diligence for business partners identified as medium or high risk.</li> </ul> <p>This was confirmed through interviews with management and a review of documents including the human rights policy, human rights risk assessment strategy and plan,</p>
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		human rights impact assessment scoping, and procedure for contracting services.
27. Security and Human Rights	Partially meets	<p>Lundin Mining has committed to supporting and implementing the expectations established by the Voluntary Principles on Security and Human Rights (VPs) in its Human Rights Policy. At Candelaria, the company uses a contractor company to provide security guards. The contractor company undergoes the standard due diligence processes that all contractors undergo.</p> <p>Lundin Mining works with its private security providers to ensure that processes are in place to work directly with relevant authorities to report any issues, and to ensure the workforce is protected from circumstances associated with illegal infringements or public disturbances that could affect their safety and well-being. The performance of the contractor is reviewed on a periodic basis to ensure performance is held to the highest standards. Security guards are not armed, and the area is generally low risk. The main security risks are related to work stoppages/strikes, community unrest and illegal trespassing.</p> <p>The following gap was identified:</p> <ul style="list-style-type: none"> <li>Lundin Mining has begun to implement the VPs, but implementation is still in progress, pending completion of the HRRIA, human rights training for security guards, and additional due diligence to be conducted on the contractor security provider.</li> </ul> <p>This was confirmed through interviews with management and a review of documents including the human rights policy, voluntary principles on security and human rights from the Mining Association of Canada, and the Community Insights Group human rights risk impact assessment scoping.</p>
28. Indigenous Peoples' Rights	Partially meets	Lundin Mining has adopted a Human Rights Policy that includes a commitment to respecting the rights, interests, culture, and traditions of all stakeholders where we operate, including Indigenous Peoples,



		<p>supported by relevant processes and procedures.</p> <p>Lundin Mining maintains good working relationships with the Indigenous Peoples in the local community, the company avoids adverse impacts on Indigenous Peoples' lands, livelihoods, resources, and cultural heritage; and the company is implementing community development projects that benefit some Indigenous Peoples. The two most recent environmental impact assessment processes (EIA 2030 and EIA 2040) have shown that there are no significant impacts on native or Indigenous People.</p> <p>In 2019, Lundin Mining engaged a law firm specializing in Indigenous Peoples' rights to conduct an analysis of the indigenous component of the EIAs. The analysis identified 11 Indigenous communities within the area of influence of the company's operations. While the analysis agreed with the conclusions of the EIAs that the operations do not generate or present significant impacts on the indigenous population and their lands and do not require a formal FPIC process, it recommends engagement plans and identification of cultural festivals and ceremonies and participatory monitoring.</p> <p>The following gap was identified:</p> <ul style="list-style-type: none"> <li>• The company has not undertaken community-level impact assessments in collaboration with Indigenous Peoples to identify any potential adverse impacts has not tailored engagement plans or social investment programs to the specific needs of Indigenous Peoples.</li> </ul> <p>This was confirmed through interviews with management, interviews with indigenous stakeholders, and a review of documents including the social and environmental impact assessment, the responsible mining management system, and the analyses of the environmental impact assessment such as observations by the Nacional Corporation of Indigenous Development (CONADI).</p>
29. Land Acquisition and Resettlement	Not applicable	The assessment confirmed that communities have not been resettled or displaced in the

		<p>recent history of the operations. Land acquisition is not part of Lundin Mining’s future plans and expansion of surface area.</p>
30. Cultural Heritage	Fully meets	<p>The company identifies cultural heritage through the official EIA process and through engagement with local stakeholders.</p> <p>A recent environmental impact assessment identified cultural heritage areas that may be impacted and established procedures to follow to protect those areas as well as procedures to follow in case of any chance archaeological or paleontological finds.</p> <p>For other operations, the EIA concluded that the operations would not generate or present significant alteration of monuments, sites with anthropological, archaeological, historical value and, in general, those associated with cultural heritage.</p> <p>Through its social investment programs, the company supports the preservation of local cultural heritage.</p> <p>This was confirmed through interviews with management and a review of documents such as the environmental impact assessments, and books supported through the social investment programs.</p>
31. Due Diligence in Mineral Supply Chains	Partially meets	<p>Candelaria does not source minerals. As such, the due diligence efforts are limited to their own operations.</p> <p>There are policies and procedures in place that follow the spirit of the OECD due diligence guidance.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> <li>• The current due diligence process does not incorporate the OECD Guidance five-step framework in the set-up of its due diligence system and does not have a written procedure to identify Conflict-Affected and High-Risk Areas (CAHRAs).</li> <li>• Procurement and internal audit representatives are not aware of the OECD Guidance nor the five-step framework.</li> </ul>

	31.a. Management System	Partially meets	<p>Lundin Mining has a framework that defines the way the company manages the economic, social, and environmental issues related to its operations, and commits to develop and implement management systems and operating practices that take into consideration applicable international guidelines, including: the OECD Guidelines for Multinational Enterprises (MNEs); the UN Global Compact; the UN Guiding Principles on Business and Human Rights (GPs); the Voluntary Principles on Security and Human Rights (VPs); the International Finance Corporation (IFC) Performance Standards on Social and Environmental Sustainability; the Global Reporting Initiative (GRI), and the Prospectors and Developers Association of Canada (PDAC).</p> <p>There is a due diligence process which defines a common approach and requirements for vendor onboarding process for all Suppliers. There are tracking mechanisms and processes to assess for ethics, health, safety, corruption, and human rights risks.</p>
	31.b. Red Flag Identification Process	Partially meets	<p>The Lundin Mining Responsible Mining Management System Standard contemplates geographic location as one of the criteria that could result in flagging vendors as high-risk, which could trigger enhanced monitoring and targeted training.</p>
	31.c. Risk Assessment Process	Not applicable	
	31.d. Risk Management Process	Not applicable	
	31.e. Public Reporting	Partially meets	<p>Due diligence activities, though not specific to the OECD process, are reported upon <a href="#">here</a>.</p>
32. Transparency and Disclosure	Fully meets	<p>Lundin Mining has developed a Sustainability Strategy, publicly available on Lundin Mining website, that includes a focus on five key pillars of the business including Environmental Stewardship, Thriving Communities, Empowered Workforce, Good Governance and Business Resilience aligned with the United Nations Sustainable Development</p>	

		<p>Goals (SDGs). All material aspects of the business are reported publicly against these five pillars in the Sustainability Report. This is done in alignment with the Global Reporting Initiative.</p> <p>Key sustainability metrics are externally assured annually (Water, energy, GHG, H&amp;S, stakeholder engagement and grievances).</p> <p>Given that Chile is not an EITI implementing country, the company does not make any public disclosures nor has participated in EITI activities.</p> <p>More information is available <a href="#">here</a>.</p> <p>This was confirmed through interviews with management and a review of documents including the Lundin Mining Sustainability Report 2021, materiality assessment, disclosure of payments to governments, commitment to monitor, measure and publicly report on the company’s performance against internationally recognized reporting standards, and the sustainability strategy.</p>
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## 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 13 April 2024.	<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	<input type="checkbox"/>

improvement to fully meet all applicable Copper Mark Criteria by 13 April 2024.	
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:	<p>The assessment team did not receive the list of stakeholders in advance and therefore was not able to identify additional stakeholders.</p> <p>During the assessment there was not sufficient time in the agenda to organize additional stakeholder interviews. Also, the company is currently undergoing an official environmental impact assessment (EIA) as part of its application to extend the mining permit to 2040 and is currently under investigation by state authorities for the sinkhole that appeared near one of its mines on July 30, 2022.</p> <p>This meant that the assessment team was not able to speak to any regulatory authorities. Due to time constraints and changing of schedules, the assessment team was not able to visit the small-scale mining areas.</p>
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)	28 February 2023
Expiry Date of the Copper Mark (dd/mm/yyyy)	27 February 2026