



Assessment Summary Report

Participant Information

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| Name of the Site | División Gabriela Mistral |
| Unique identifier provided by the Copper Mark | P0057 |
| Address | Ruta B-255 KM 103 s/n Pampa Elvira, Sierra Gorda, II Región |
| Country of Operation | Chile |
| Principle covered products produced on site. (e.g., concentrate, anodes, cathodes, sulphuric acid, slag, etc.) | Concentrate, cathode |
| Metals produced on site. (e.g., copper, gold, nickel, silver, molybdenum) | Copper |
| 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 checked="" type="checkbox"/> |
| Smelting | <input type="checkbox"/> |
| Refining | <input type="checkbox"/> |
| Fabrication | <input type="checkbox"/> |
| Other (<i>please explain</i>) | Heap leaching |
| Infrastructure owned or controlled by the site and included in scope | |

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| Roads | <input checked="" type="checkbox"/> |
| Rails | <input type="checkbox"/> |
| Ports | <input type="checkbox"/> |
| Other (<i>please explain</i>) | |

Equivalent Systems

The following equivalent systems were applied:

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 [Copper Mark Recognition Process](#).

| Equivalent System | Review Process | Criteria Covered by Equivalency |
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| ISO 14001: 2015 Certification valid until October 2025 | <p>The assurance / certification was confirmed to be:</p> <ul style="list-style-type: none"> Valid at the time of the review No more than 24 months old and / or plans for reassessment are underway. In effect for an additional 12 months and / or plans for reassessment are underway Covering the same scope as the Copper Mark Responsible Production Criteria, including operations, locations, and materials Accompanied by improvement plans where applicable | 14. Environmental risk management |

Independent Site Assessment Information

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| Name of the Lead Assessor | Mark Hardin and David Shirley |
| Name of the Assessment Firm (if applicable) | Corporate Integrity |
| Date(s) of Assessment Activities (dd/mm/yyyy – dd/mm/yyyy) | March – August 2023 |

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| | <p>Site visits: 12-16, 20 April 2023; 14-16 August 2023</p> <p>HQ: 10-11, 21 April 2023</p> |
| Assessment Period | January 2022 – December 2022 |
| Summary of the Assessment Methodology | <p>The assessments were against:</p> <ul style="list-style-type: none"> • The Codelco self-assessment claims for level of alignment for each of the Copper Mark (CM) requirements – <i>The Criteria Guide for Risk Readiness Assessment Feb 2020</i>; and • <i>The Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc Version 2, 1st January 2022</i>. • <i>The Copper Mark Chain of Custody Standard, 1st July 2022</i>. <p>The assurance assessment was conducted in accordance with <i>The Copper Mark Assurance Process V4: 17th October 2022</i>, which requires a ‘reasonable’ level of assurance.</p> <p>The Standard applied to this Engagement was the <i>International Standard on Assurance ISEA3000 (revised) – Assurance Engagements other than Audits & Reviews of Historical Financial Information</i> issued by the International Auditing and Assurance Standards Board (IAASB).</p> <p>Permanent workers: 494 (male: 398, female: 96)</p> <p>Contract workers: 1722 (male: 1540, female: 182)</p> |
| Summary of the Assessment Activities | <p>Given the proximity and shared policies, procedures, and stakeholders, the Northern District was assessed together, with individual site visits to each division. This report covers the overall conclusions for the Gabriela Mistral division.</p> <p>There are three management levels that interact on ESG governance. These are:</p> <ul style="list-style-type: none"> • Corporate Level, which is the highest overarching level. • District level, which typically represents a group of operations in a common geographical and/or social setting; and • Divisional (or site) level, which represents the operation itself. <p>Most ESG policies, systems and initiatives are common across all Codelco operations. They are developed, issued and overseen by central corporate functions. ESG in Chile is highly regulated. As a result, significant management effort is applied to determining compliance requirements and in monitoring compliance.</p> <p>Codelco’s ESG management is guided by a group wide risk management system. All divisions follow this system. The system, which has been in place since 2017, is online, and designed to capture material strategic risks. Inputs are made at divisional level. Each division has a risk committee which oversees various functional risk evaluations. Determination is made of which risks are material</p> |

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| | <p>and these are uploaded to the online platform. The overall content of the system is overseen by a corporate risk function within the compliance team. The process has permanent updates, depending on the evolution of the risks.</p> <p>Risk evaluations are made against likelihood and consequence criteria. The system is currently being graduated from a 7x7 to a 5x5 matrix, which appears more practical to apply. Risks are scored and presented as inherent risks (i.e., assuming no controls) and residual risks (accounting for current controls).</p> <p>Risks which are uploaded to the platform are subject to bow-tie analyses which assists in identifying key critical controls. Evidence of this application was witnessed at divisional level.</p> <p>Activities included:</p> <ol style="list-style-type: none"> 1. Document review 2. Site visit planning including Agenda discussions with Copper Mark 3. Site visits – <ol style="list-style-type: none"> a. Site visit 1 involved: <ol style="list-style-type: none"> i. Meetings at Corporate offices ii. Meetings at the Distrito Norte Offices iii. Site visits and employee interviews to each Division with Distrito Norte iv. External Stakeholder Interviews b. Site visit 2 involved: <ol style="list-style-type: none"> i. Follow up meetings with corporate office personnel. ii. Revisit to DN sites to conduct additional workforce interviews and to visit the Chuquicamata underground and smelter. iii. Site visits and employee interviews <p>External Stakeholder Interviews southern division</p> |
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Summary of Findings

| Criterion | Rating | Comments |
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| 1. Legal Compliance | Fully meets | División Gabriel Mistral (DGM) implements a management system that ensures compliance with all national legal requirements, including national obligations under international law. |

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| | | <p>Legal compliance is a corporate-led function for all operations in the Codelco portfolio, overseen by a corporate legal counsel and mirrored through the legal counsel of the Northern District. There is a corporate standard to maintain and disseminate the legal framework, and a second process specific to compliance matters, including ESG aspects, corporate governance, ethics and transparency. This process is subject to third-party certification for alignment with national and international law.</p> <p>A third standard provides steps to take when an infraction appears to be taking place. The Council is responsible for addressing and tracking all legal issues that arise.</p> <p>The standards are complemented by policies, processes, and implementing procedures.</p> <p>Regulatory changes are communicated on a monthly basis to the site.</p> <p>Compliance and permitting obligations have been met at the site level.</p> <p>Although the Corporation was subject to labour protection lawsuits during 2022, these suits were not deemed admissible or were settled out of court, and no convictions against Codelco have been recorded.</p> <p>This was confirmed through interviews with management at corporate, district, and site level; and a review of documents including the regulatory library, suite of procedures, training records, monthly reports, permit dashboard, and registry of inspections.</p> |
| <p>2. Business Integrity</p> | <p>Fully meets</p> | <p>DGM implements a management system that prohibits and effectively prevents bribery (including facilitation payments), corruption and anti-competitive behaviour.</p> <p>Business integrity is a corporate function covering all operational</p> |

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| | | <p>divisions. There are policies covering business ethics, conflicts of interest, and the code of conduct. These are supporting by implementing instructions and training on Codelco’s “crime prevention model.” Training on this model is provided to managers and supervisors.</p> <p>Codelco is certified under the ISO 37001:2017 Anti-Bribery Management System.</p> <p>No incidents of corruption were reported for 2022.</p> <p>This was confirmed through interviews with management and a review of documents including the business ethics policy, crime prevention manual, code of conduct, training materials, and reports on training on conflicts of interest and anti-corruption.</p> |
| <p>3. Stakeholder Engagement</p> | <p>Fully meets</p> | <p>DGM has a system to carry out stakeholder mapping, and to implement an engagement plan, and to establish a grievance mechanism.</p> <p>There is a corporate sustainability policy that includes reference to community relations and is operationalized under a community relations tools procedure to identify areas of influence, map groups of interest, analyse needs and opportunities, develop community plans, and evaluate community plans in a participatory manner.</p> <p>Other implementing tools include the dialogue tables (“mesas de dialogo”), which came out of the environmental and social impact assessment and has since lasted for many years. Additional tools include community conversations, technical visits and participatory monitoring of outcomes. These tools are implemented at DGM through the northern district corporate operation based in Calama. The community liaison staff act on behalf of the four northern district sites.</p> |

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| | | <p>Codelco has two defined grievance mechanisms: the complaints channel and the socio-environmental grievance and suggestion line. Both are in line with the UN Guiding Principles effectiveness criteria. Stakeholders also relay grievance directly to community liaison staff through the dialogue tables, phone, text, and WhatsApp. These are not always captured in the formal grievance process. Community members confirm that on the most part Codelco staff listen and are responsive to requests.</p> <p>This was confirmed through interviews with management and liaison staff; interviews with representatives from community members, dialogue groups, indigenous groups, schools, government, and local suppliers; and a review of documents such as the consultations and grievance folders, procedures for stakeholder mapping, procedure for establishing community grievance mechanisms, results of community relations surveys, and community investment summary.</p> <p>Learn more / access grievance mechanism here.</p> |
| <p>4. Business Relationships</p> | <p>Fully meets</p> | <p>DGM has a system to promote responsible business practices with significant business partners including suppliers. There is a due diligence KYC process that covers all suppliers and contractors. More detailed risk evaluations and contract management apply to contractors.</p> <p>Codelco has a policy for contractors that addresses the fundamental rights of contractors and guides business relationships. The code of conduct also contains specific language to include contractors in its scope.</p> <p>There is a corporate procedure to rank contractors which includes criteria on labour relations, female employment, and other areas from the Codelco charter of values. At DGM contractors</p> |

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| | | <p>account for approximately 67% of the workforce. Due diligence, training, performance monitoring, and an evaluation process for contractors is in place. Screening is complemented by a third-party vetting due diligence service. Contractors are bound by Codelco contract terms to respect Codelco's corporate values and policies. Contractors are subject to Codelco and third-party audits on a regular basis.</p> <p>This was confirmed through interviews with management; and a review of documents including the policy for contractors, sample letters requesting GHG data, standard for bid evaluation, evidence of onboarding meetings, and a registry of training of local providers.</p> |
| <p>5. Child Labor</p> | <p>Fully meets</p> | <p>DGM has a management system that prevents the employment of children under the age of 18, prevents the worst forms of child labour, and prevents the exposure of employees under the age of 18 to hazardous work in line with ILO conventions. The minimum age for employment at Codelco operations is 18 years. Proof of age is required during the recruitment process.</p> <p>There is an internship programme in Calama aimed at developing and recruiting locally in which students under the age of 18 attend site visits, but only those over the age of 18 are commissioned for apprenticeship assignments.</p> <p>No underage persons were observed onsite.</p> <p>This was confirmed through site observations; interviews with management; and a review of documents including guidance on recruitment, example request for national ID card to a job applicant, contracting policy, and the master employee roster.</p> |

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| <p>6. Forced Labor</p> | <p>Partially meets</p> | <p>While this issue is covered under Chilean law, and through reference in the Code of Conduct to United Nations Guiding Principles, and Universal Declaration of Human Rights, Codelco policies are not specific on the company position on forced labour. Employees and contractors are checked for valid documentation before commencing work. Contractors are subject to audits including checks on remuneration.</p> <p>There are significant numbers of contractors employed at DGM and rising security risks in the region relating to immigrant population, lending more relevance to forced labour at DGM than in previous years.</p> <p>Interviews with workers indicated they were not aware of any cases of forced labour.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> • Codelco policies do not have specific language relating to forced labour. • There is insufficient training and awareness of the topic to workers. <p>This was confirmed through interviews with management; interviews with workers; and a review of documents including the code of conduct, corporate guidance on recruitment, internal regulations on occupational health and safety, and personnel contracting process at the site level.</p> |
| <p>7. Freedom of Association and Collective Bargaining</p> | <p>Fully meets</p> | <p>DGM has systems to respect employees' rights to freedom of association and collective bargaining in line with ILO conventions, participate in collective bargaining processes in good faith, and not obstruct alternative means of association where there are legal restrictions.</p> <p>At corporate level, Codelco has references to the right of freedom of association and collective bargaining.</p> |

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| | | <p>89.1% of the global workforce is unionized under 33 separate collective bargaining agreements (CBAs). Since 2015 (renewed in 2022), there is a foundation agreement between Codelco and the Federation of Copper Workers that promotes the dialogue between company administration and its labour force. Among other principles, it also recognizes the right to collectively bargain.</p> <p>At DGM, there are 2 CBAs. No labour actions were reported for DGM during 2022.</p> <p>Contractors are not represented by the Codelco unions but are part of individual unions organized within their respective employer organizations.</p> <p>A female union leader described their historical interactions with management as a sense of being "included." with regular meetings with management including those discussing critical risks and relating to gender equality.</p> <p>Employees stated good relations with their unions and felt well represented. Unions were identified as a good avenue to express concern. Contract workers expressed a notable improvement in relationships since the foundation agreement in 2015.</p> <p>This was confirmed through interviews with management; interviews with workers; interviews with representatives from a sampling of unions; and a review of documents including the annual sustainable development report, the foundational agreement, and the CBAs.</p> |
| 8. Discrimination | Partially meets | <p>Diversity, inclusiveness and intolerance of workplace harassment are embedded in several Codelco policies, commitments and statements, including the corporate policy on diversity and inclusiveness (2021) and the Code of Conduct.</p> <p>There are training and awareness programs covering discrimination and</p> |

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| | | <p>harassment, directly by Codelco to employees and through contract requirements to contractors.</p> <p>Throughout the Codelco operations, management is implementing a “Cultural Transformation Index” on an annual basis, designed to pick up weak spots and to enable focus areas for improvements. Evidence of this cultural transformation was witnessed, and further demonstrated through consistent feedback that the work culture has improved over recent years, and that discrimination and sexual harassment is not tolerated.</p> <p>In 2022, 8 reported grievances were attributed to workplace harassment, 1 to sexual harassment and 1 to discrimination. All grievances from 2022 have been resolved.</p> <p>Awareness of the specific Codelco requirements is variable amongst the contract workforce, although most were aware that discrimination and harassment are not acceptable in the working environment.</p> <p>The following gap was identified:</p> <ul style="list-style-type: none"> • Insufficient evidence of related training in the contracted workforce. <p>This was confirmed through interviews with management; interviews with workers; interviews with community members; and a review of documents including corporate policy on diversity and inclusiveness (2021); training materials and records; recruitment and promotion procedures; and action plan for attaining Diversity and Inclusion policy objectives.</p> |
| 9. Gender Equality | Fully meets | <p>DGM has a system to continually assess and monitor progress to ensure the implementation of a policy on gender equality in the workplace.</p> <p>At corporate level, Codelco’s commitments to gender equality are</p> |

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| | | <p>made in the corporate sustainability policy, the corporate policy on diversity and inclusion, code of conduct, guidelines on the prevention of harassment, and measures incorporated into site internal regulations. There is a corporate Head of Diversity and Inclusion.</p> <p>Gender equity within Codelco requires leadership initiatives, training, action plans, results monitoring and incorporation of diversity into all personnel processes. There is a company-wide goal of attaining 35% female participation among direct employees by 2027 (currently at about 14%). At DGM, female workers make up 15% of employed and 15% of contracted workers.</p> <p>An internal study identifies the recruitment and remuneration of women compared to men. The study acknowledges a disparity in senior executive ranks, where women's average hourly pay was reported in 2021 as between 78% and 80% of their male colleagues respectively This disparity is recognized in the company's Gender Parity program, which has established quarterly targets to reduce this gap across all operations. The workforce-wide figures for direct employees reported in the 2022 Memoria show that across all categories women have a slightly higher compensation rate of 7% above that of their male colleagues. Disaggregated data shows that disparities persisted in 2022 in the 'senior executive' (vice-president) and 'management' ranks, though the gap has been closed in 'leadership' ranks.</p> <p>There is an annual plan that drives actions aimed at achieving policy objectives, identifying training and communication initiatives. Program initiatives from this annual plan that were witnessed include</p> |
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| | | <p>apprenticeships to increase female participation in the workforce, increase promotion through the ranks, address pay disparities, promote cultural transformation (including diversity and inclusion), and advance prevention and referral of (domestic) situations of violence against women.</p> <p>Interviewed female workers are aware of the commitments and stated they are comfortable in the workplace and treated equally.</p> <p>This was confirmed through interviews with management; interviews with workers; and a review of documents including the annual plan; dashboard and indicators; Principles and Directives on Gender Diversity; goals and metrics</p> |
| <p>10. Working Hours</p> | <p>Fully meets</p> | <p>DGM has a system to keep employees' total regular and overtime working hours to 60 hours per week unless defined otherwise by applicable law or a collective bargaining agreement, and to ensure overtime is voluntary, provide one rest day in seven, and provide annual leave.</p> <p>Working hours are included within the CBAs and includes 25 vacation days, which is 10 days more than required by law. The government has signed off on special shift-based hours for DGM due to the ongoing nature of operations. Workers work either 7 days on followed by 7 days off or 4 days on followed by 3 days off, for an average of 42 or 45 hours per week respectively. Overtime is rare and voluntary. Time is recorded on a clock in/out system.</p> <p>This was confirmed through interviews with management; interviews with workers; and a review of documents including the corporate sustainability policy commitments, quality of life policy, government service order approving DGM request for 'exceptional' system for working days at</p> |

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| | | DGM, and internal regulations on occupational health and safety. |
| 11. Remuneration | Fully meets | <p>DGM has a system to pay wages that equal or exceed the national minimum wage, the appropriate industry wage (if higher), or a living wage.</p> <p>Pay scales are agreed as part of the CBAs. Using the Global Grading system, which considers market comparisons and weighting factors based on work type and experience, there is an annual analysis of all employee salary and benefits package to inform the collective bargaining process. There is also an annual comparison undertaken by a third-party consultant on 50 large Chilean companies' remuneration packages. Codelco is in the 50th percentile, which is above minimum wage. It is noted that as a state-owned enterprise Codelco is not allowed to pay the highest wage.</p> <p>Contractor remuneration packages are not set by Codelco but are required to be paid according to law and subject to a Codelco audit.</p> <p>While some contractors expressed a desire to be full time employees, it was said to be related to the criteria of job security rather than remuneration.</p> <p>This was confirmed through interviews with management; interviews with workers; and a review of documents including collective bargaining agreements, the contracting policy, and the corporate standard on negotiating collective agreements.</p> |
| 12. Occupational Health and Safety | Fully meets | <p>There is a clearly defined management system for safety, occupational health and safety and operational risks (SIGO) which is defined at the corporate level and implemented at each site. Codelco has an ISO45001 certification, a physical site visit at DGM in November 2022 identified no non-conformances in the report.</p> |

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| | | As a result, the assessment confirmed that the site meets the requirement as validated through ISO45001 certification. |
| 13. Grievance Mechanism | Fully meets | <p>DGM has a grievance mechanism accessible to all employees. The policy and process to manage complaints is managed at corporate level and through a third-party system. Employees and contractors have access to the system and resolution process.</p> <p>Quarterly reports on incidents are tracked and include information such as complaints per site as well as status and outcome. DGM received 35 complaints in 2022 including policy violations, workplace harassment and lack of work coexistence.</p> <p>Workers are aware of the formal grievance system, though state they would raise a complaint with immediate supervisors as a first line of reporting.</p> <p>This was confirmed through interviews with management; interviews with workers; and a review of documents including the procedure for the grievance and suggestion line for socio-environmental matters, grievance statistics, and sample grievances.</p> |
| 14. Environmental Risk Management | Fully Meets | <p>A full ISO14001 certification audit of DGM was conducted between July and August 2022 and the site has a valid ISO14001 certificate until October 2025</p> <p>As a result, the assessment confirmed that the site meets the requirement as validated through ISO 14001 certification.</p> |
| 15. Greenhouse Gas (GHG) Emissions | Fully meets | <p>DGM has a system to quantify, establish reduction targets for and disclose CO2 equivalent emissions in line with established international reporting protocols (Carbon Disclosure Project, or CPD).</p> <p>Scope 1 and 2 emissions are calculated for each operation including DGM using</p> |

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| | | <p>methodology consistent with the Carbon Disclosure Project (CPD). Emission and carbon intensity figures are reported publicly in the sustainability report and are third-party verified.</p> <p>Codelco has a corporate strategy with an objective of reaching net zero for scopes 1 and 2 by 2050. There is a 2030 interim target reduction of 70% against a baseline of 2019 levels, intended to be achieved through conversion of scope 2 emissions through purchasing agreements for certified renewable energy and through electrification of underground operations.</p> <p>There is a site-level climate change and energy plan reflecting corporate objectives.</p> <p>This was confirmed through interviews with management; and a review of documents including the sustainable policy commitments, indirect and direct emissions spreadsheet, and environmental IMS procedure.</p> <p>More information is available here.</p> |
| 16. Energy Consumption | Fully meets | <p>DGM has a system to implement and quantify energy efficiency improvements and increased use of renewable energy to reduce total energy consumption and/or energy intensity.</p> <p>Energy consumption and energy efficiency are quantified and reported in the sustainability section of the annual report.</p> <p>DGM have reviewed energy efficiency and conversion projects, such as electrified personnel bus transport, and 100% electrification of underground operations. These projects have been prioritized in a plan aimed at meeting corporate objectives. There is an energy efficiency target of 2% improvement over 2019 baseline by</p> |

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| | | <p>2027. DGM is planning to be ISO 50001 certified by 2024.</p> <p>This was confirmed through interviews with management; and a review of documents including the energy efficiency plan, notice on agreement to buy 100% renewable energy, and a status report on energy efficiency initiatives at DGM.</p> |
| <p>17. Freshwater Management and Conservation</p> | <p>Fully meets</p> | <p>DGM has a system to conduct a comprehensive assessment of water-use impacts and risks in collaboration with relevant stakeholders and to implement measures to ensure that water consumption does not restrict availability/access for other water users or reduce the range and populations of fauna and flora in the catchment area of the site / facility.</p> <p>At corporate level, there is a commitment to seek greater efficiency and reduction of impacts to freshwater resources, primarily by reducing consumption of land-based water sources through process efficiency, reliance on recovered tailings water, and desalination of ocean water. These measures are targeted to reduce consumption of “continental” water by 60% by the year 2030, against a 2019 baseline.</p> <p>Water supply for DGM is all from their own wells for which there are long term licences. Due to the remote location of this mine, there is no competition for this water from other users.</p> <p>Make-up water reduction programs are driven at both corporate and Distrito Norte levels with implementation activities at each of the divisions. At DGM, there are initiatives tracked and monitored by the Distrito Norte steering committee.</p> <p>DGM operates on a zero-discharge basis. Rainwater is captured within a closed water management designed for a maximum probable flood event.</p> |

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| | | <p>This was confirmed through interviews with management; and a review of documents including commitments of Codelco sustainability policy, status of sustainability goals 2022: water use, and audit report from national water authority internal audit report on implementation of corporate water strategy.</p> |
| 18. Waste Management | Fully meets | <p>DGM implements a risk-based waste management system that includes a commitment to the 'waste hierarchy' and is applicable to all waste types (hazardous, non-hazardous and inert).</p> <p>There is a circular economy-based target in the 2030 strategy to reduce industrial waste by 60% based on 2019 levels. Several current activities for waste management including tyre and electronic waste recycling and re-use were witnessed.</p> <p>This was confirmed through site observations; interviews with management; and a review of documents including good practices in valorising wastes, minutes from landfill audits, reports from the hazardous waste landfill, and the procedure to manage industrial solid wastes.</p> |
| 19. Tailings Management | Not applicable | <p>The assessment confirmed there is no tailings storage facility at DGM.</p> |
| 20. Pollution | Fully meets | <p>DGM implements the mitigation hierarchy to avoid, minimize, reduce and compensate for the adverse impacts of pollution on human health and the environment. The mitigation hierarchy is particularly prominent during the environmental impact assessment when pollution impacts are first quantified.</p> <p>DGM operates in a remote area with no communities are environmental receptors in the area of influence, hence, pollution risk is lowered.</p> <p>The main issue at DGM is dust generation, this is recognised on the risk register as an impact on health of</p> |

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| | | <p>the workforce. Dust levels are measured both on site and adjacent to the site, and mitigation actions have been implemented.</p> <p>At the corporate level, there is a policy commitment to prepare emissions inventories and dispersion models, maintain permanent monitoring processes, develop solutions to continually reduce emissions sources, and report results to relevant authorities and communities.</p> <p>This was confirmed through interviews with management; interviews with stakeholders; site observation; and a review of documents including methodology for emission calculations, EMS system incident report, reports on air quality monitoring, and sustainability goals 2030.</p> |
| <p>21. Biodiversity and Protected Areas</p> | <p>Fully meets</p> | <p>DGM implements the mitigation hierarchy to avoid, minimize, reduce and compensate for adverse impacts on biodiversity; to avoid adverse impacts to Critical Habitats or Endangered Species; and to prevent operational activities in World Heritage sites or in designated protected areas unless specifically and legally permitted.</p> <p>At corporate level Codelco commits to conservation of biodiversity including to apply the mitigation hierarchy. The management of the resolution-driven and voluntary biodiversity programs for the three Calama operations (including DGM) is aggregated at the Northern District level.</p> <p>The Northern District signed a community development agreement with the Calama Tourism and Culture Corporation to construct the El Loa Centre for Biodiversity, in which Codelco provides funding for the physical infrastructure. Landscaping projects supported by Codelco in the</p> |

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| | | <p>Calama area are part of biodiversity compensation.</p> <p>This was confirmed by interviews with management; and a review of documents including reports on results of seasonal monitoring, capture and relocation programs, biodiversity reporting formats, Environmental impact assessment baseline studies, permits, and commitments registers.</p> |
| <p>22. Mine Closure and Reclamation</p> | <p>Fully meets</p> | <p>DGM has a documented plan with stakeholder inputs that addresses environmental and social aspects and makes financial provisions for closure and reclamation of the site / facility.</p> <p>Mine closures are overseen by a corporate Mine Closure Director using a defined governance structure and subject to Chilean mine closure law and ICMM guidance on closure. The closure plans have been approved.</p> <p>Elements of the closure plan include financial provisions, internal audit programs, social aspects, and physical aspects.</p> <p>Chilean regulation requires that a conceptual closure plan be presented and approved at the EIA stage. Closure plans for DGM included a stakeholder engagement component, with an activity timeline. Stakeholder engagement on the closure plan is underway and will be rolled out to stakeholders in 2024. The issue was not raised by stakeholders during interviews.</p> <p>This was confirmed through interviews with management; interviews with stakeholders; and a review of documents including the resolution approving the closure plan, program for diffusion, and the corporate closure standard.</p> |
| <p>23. Community Health and Safety</p> | <p>Fully meets</p> | <p>DGM implement a management system to monitor, avoid, minimize, reduce and</p> |

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| | | <p>compensate for adverse impacts on community health and safety.</p> <p>As DGM is a remote operation, the risk evaluations have not identified any community health and safety related risks associated with the operation.</p> <p>This was confirmed through interviews with management; interviews with representatives from stakeholder groups; and a review of documents including the standard operating procedures between related parties, air quality reports, and the decontamination plan for Calama, community investment program, among others.</p> |
| <p>24. Community Development</p> | <p>Fully meets</p> | <p>DGM has a process to identify community needs in consultation with affected communities, develop a plan, and commit resources to support community development.</p> <p>At corporate level, there is a commitment to social value being created and contributing to local social, economic, and institutional development.</p> <p>There is a community development director for the northern district sites that take steps to identify, design, executive, and evaluate projects that reach communities within the four operations in their jurisdiction. There is a formal process around determining 'territorial needs' in collaboration with authorities and stakeholders that was undertaken at DGM. This, plus ongoing engagement, drive community development planning.</p> <p>In 2022, Codelco community investments were made through 170 community agreements, of which nearly 40% was characterized as 'voluntary'. The latter term means that the investments were made above and beyond statutory obligations, such as those contained in EIA resolutions of approval.</p> |

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| | | <p>Projects include integration into the Codelco value chain by providing tools to participate in the bidding process for goods and services, strengthening the local labor participation in the contract workforce, capacity building in the local educational system, and facilitating access to potable water.</p> <p>There is a recommendation for improvement:</p> <ul style="list-style-type: none"> • While overall feedback indicated that community investment projects are well received, there are opportunities for improvement to ensure adequate support during execution to prevent delays and to proportion community investment to legacy issues around pollution and health impacts. <p>This was confirmed through interviews with management; interviews with stakeholders from the community; and a review of documents including the procedure for community investments, the registry of community projects, community agreements, and the map of the stakeholder region.</p> |
| 25. Artisanal and Small-Scale Mining | Not applicable | The assessment confirmed there is no ASM activity in the area of influence of the northern district operations. |
| 26. Human Rights | Partially meets | <p>Codelco has a human rights policy included in the sustainability policy that commits to implementing the UN Guiding Principles on Business and Human Rights, evaluating and managing human rights risks, applying the OECD Due Diligence Guidance, and maintaining a grievance system.</p> <p>The northern district underwent an independent human rights due diligence (HRDD) assessment in September 2022, which included DGM and interviews with workforce and external stakeholders. The project focused on relevant inherent risks more than evaluating current residual risks</p> |

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| | | <p>with controls. Recommendations were provided to each of the sites.</p> <p>Training is provided to the workforce on specific human rights-related issues, although they do not specifically refer to “human rights.”</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> • There is insufficient evidence to demonstrate that an improvement program based on the findings of the HRDD assessment is being implemented. • There is insufficient evidence to demonstrate that risks identified in the HRDD assessment have been incorporated into the risk management framework, confirming that a systematic effort to address the findings is not yet in place. <p>This was confirmed through interviews with management; and a review of documents including the due diligence report, registry of training, and the corporate sustainability policy.</p> |
| <p>27. Security and Human Rights</p> | <p>Partially meets</p> | <p>The Codelco corporate sustainability policy pledges to respect human rights. There are two tiers of private security throughout Codelco operations: unarmed guards and armed enforcement. There are technical specifications on guarding and protection, including guidelines on apprehension and detainment. There is training to security on human rights, not specific to the Voluntary Principles on Security and Human Rights (VPSHR).</p> <p>Other safeguards in place include accreditation requirements around physical and psychological status and background checks.</p> <p>Chile is not a member of the VPSHR. The Human Rights Due Diligence in Northern Districts and Divisions final report recommended that</p> |

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| | | <p>Codelco consider adhering to the VPSHR. Given rising crime rates in the Calama area, and public concern over the same, it may be in Codelco’s best interest to incorporate reference to the VPSHR as well as some degree of training into its security management system.</p> <p>The following gaps were identified:</p> <ul style="list-style-type: none"> • There is insufficient evidence that the VPSHR are included in policies and processes. • There is insufficient evidence that relevant security personnel are trained on VPSHR. <p>This was confirmed through interviews with management; interviews with a member of the security force; and a review of documents including the training for security, decree on private security, organization manual for private security, accreditation guidelines, and the human rights due diligence report.</p> |
| <p>28. Indigenous Peoples’ Rights</p> | <p>Fully meets</p> | <p>DGM implements a management system to respect the rights of Indigenous Peoples, including free, prior and informed consent (FPIC); avoid adverse impacts on Indigenous Peoples’ lands, livelihoods, resources, and cultural heritage; and develop and implement an Indigenous Peoples’ engagement plan.</p> <p>The Codelco corporate sustainability policy pledges to recognize and support indigenous peoples, further committing to contribute to the development of each indigenous community in the area near their operating sites, respecting and recognizing culture, identity, forms of organization.</p> <p>Documentation witnessed indicates that no IP populations occur within the DGM area of direct influence. The assessment team did not identify any</p> |

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| | | <p>current or planned projects that would require an FPIC process.</p> <p>This was confirmed through interviews with management; interviews with representatives of indigenous peoples' communities; and a review of documents including the list of community investments, images of the northern district population, commitments of corporate sustainability policy, and the SOP on relationships between stakeholders.</p> |
| 29. Land Acquisition and Resettlement | Not applicable | <p>The assessment confirmed that none of the northern division operations have any forecasts, development plans, exploration or other activities that would entail acquisition of land beyond existing mine property boundaries, and that there is no human habitation or use of lands within existing mining boundaries, legal or otherwise, that will be impacted by company operations.</p> |
| 30. Cultural Heritage | Fully meets | <p>DGM has a system to identify cultural heritage sites and to establish a process based on consultation with stakeholders to avoid, minimize, reduce and compensate for adverse impacts on cultural heritage.</p> <p>There is a policy to minimize impacts to cultural heritage and a corresponding procedure directed at operational incidents with "environmental consequences" including archaeological, paleontological, historic, or any other type of cultural heritage. Preventative measures around cultural heritage are also governed by national legislation guiding assessment, mitigation, management of potential impacts during early stages of a project.</p> <p>DGM contributes to the Calama Natural History Museum which has a focus on cultural resources conservation.</p> <p>This was confirmed through interviews with management; interviews with stakeholders; site observation to the museum; and a review of documents</p> |

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| | | | including the corporate standard on community management, reports on archaeological investigations and findings, and an analysis on risk of impact to cultural resources. |
| 31. Due Diligence in Mineral Supply Chains | | Fully meets | <p>Codelco has implemented a due diligence system aligned with the OECD framework applicable to all sites.</p> <p>No upstream minerals are processed through DGM.</p> |
| | 31.a. Management System | Fully meets | <p>Codelco at the corporate level has a policy underpinned by executive support.</p> <p>A governance structure has been established with defined responsibilities from a corporate team down to each division. This includes a Responsible Sourcing Due Diligence Committee which provides oversight. The Director of Commercial Operations, compliance officer, and strategy and marketing teams report to the Responsible Sourcing Due Diligence Committee on related topics.</p> <p>This is complemented by adequate resources, senior level responsibility, training to relevant personnel, data management, and supplier engagement.</p> |
| | 31.b. Red Flag Identification Process | Fully meets | <p>Policies and procedures are in place for both mineral supply chain and company know-your-counterparty due diligence processes.</p> <p>Codelco has a CAHRA determination process and documentation to identify conflict-affected and high-risk areas, in which Chile is not considered a CAHRA.</p> <p>No red flags were identified.</p> |
| | 31.c. Risk Assessment Process | Not applicable | Because there were no confirmed red flags, this criterion is not applicable. |
| | 31.d. Risk Management Process | Not applicable | Because there were no confirmed red flags, this criterion is not applicable. |

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| | 31.e. Public Reporting | Fully meets | Codelco has a Step 5 report that reflects the evidence reviewed during the assessment and includes site-level information. The report is available here . |
| | 32. Transparency and Disclosure | Partially meets | <p>The primary instrument for disclosure of performance for Codelco is their annual 'Memoria 2022' document, which is an integrated report on financial, production and sustainability matters for the public. It has been third-party assured in accordance with GRI.</p> <p>The following gap was identified:</p> <ul style="list-style-type: none"> The verified report has not been made public. |
| Chain of Custody Standard | | | |
| | 1. Management Systems for Material Control | Fully meets | <p>DGM utilizes the Codelco Chain of Custody (CoC) management system, which is integrated into the existing minerals supply chain management framework under the leadership of the Vice President's Office for Marketing. It is defined in the "Copper Mark Chain of Custody Procedure."</p> <p>DGM mines and processes only copper from within its own operations so that the cathodes produced are 100% copper from DGM.</p> <p>Material accounting for each site follows a strict electronically tracked monitoring and documentation regime, from source to final client.</p> <p>This was confirmed through interviews with management; and a review of documents including the chain of custody procedure, copper metallic control process, neutral re-weighing procedure, and management of customer complain handling procedure.</p> |
| | 2. Eligible Copper | Fully meets | The Codelco Chain of Custody Procedure defines what material is considered "eligible" in line with the standard. DGM mines and processes copper only from its own operation, |

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| | | meaning that as of this report, 100% of the material is eligible. |
| 3. Material Accounting System | Fully meets | As part of the management system for material controls, there is documentation in place that demonstrates that only eligible copper is recorded as Chain of Custody. The system uses the Separation model, which is explained in the procedure. |
| 4. CoC Transfer Record | Fully meets | DGM and Codelco use the invoice template as the chain of custody transfer record. The invoice is a key link document in the material control and accounting system document trail. Codelco has modified the template in the SAP system, so it contains all information to comply with the CoC transfer record content requirements. The invoice also includes a coded “timbre electronico” which is used throughout the documentation as a unique identifier of each consignment. The invoice can be linked to the physical cathode bundle through a bar code. |

Conclusions

| Statement of conformance | |
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| 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 29/11/2024. | <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 | <input type="checkbox"/> |

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| site has committed to continuous improvement to fully meet all applicable Copper Mark Criteria by 29/11/2024. | |
| 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: | |
| Additional comments: | |

Award

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| The Copper Mark | <input checked="" type="checkbox"/> |
| The Molybdenum Mark | <input type="checkbox"/> |
| The Nickel Mark | <input type="checkbox"/> |
| The Zinc Mark | <input type="checkbox"/> |
| Chain of Custody | <input checked="" type="checkbox"/> |

This Summary Report is prepared using data from the independent accountant's assurance report and the independent assessor report. The Copper Mark confirms the assessors' opinion and awards the relevant metal Mark(s) as follows:

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| Date The Copper Mark and Chain of Custody is awarded | 28 November 2023 |
| Expiry Date of The Copper Mark and Chain of Custody | 27 November 2026 |