

Sustainability  
Report

2023





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# 1 Codelco Identity



# 1.1 Message from our CEO

■ GRI 2-22

We are Codelco, the largest copper producer on the planet. We take our commitment seriously to provide the critical minerals necessary for the global energy transition. Our mission is to be a “pillar of sustainable development in Chile and the world” and this purpose resonates today amongst all those who proudly make up this great company.

This guiding principle is particularly needed for challenging periods such as was the case for 2023. We are going through a period in which the age of our ore deposits (and the fall in ore grades) carries a consequent impact resulting in decreased production and a decreased return to the State Treasury. Sustaining a deep understanding of the role we play in the energy transition, while working daily with excellence and maintaining a focus on the progressive startups of our structural projects, will allow us to reverse this scenario.

In 2023, we worked on a renewed charter of values that declares that “We build the future with sustainability” and “We are responsible for social and environmental

impact”. For the purpose of consistency in the construction of Codelco’s next 50 years we seek to improve our way of mining, because we know that it is imperative that the mining industry regain trust and social legitimacy. Our obligation is to trigger a profound break so that we become a sustainable industry that cares about the environment, has internationally certified and accountable production standards and contributes to the communities in the territories where we operate.

This is the only path to be credible in the public eye and to be part of the fight against climate change.

Our Sustainability Policy promotes care for the environment, climate change mitigation and adaptation, innovation in project site closures and guarantees responsible production. It also commits to unrestricted respect for human rights, the creation of social value in territories where we are present and the recognition and support for the development of Indigenous peoples.







This policy lays out the short, medium and long-term commitments and objectives that guide our efforts, among which we may emphasise the reduction of our carbon and water footprints, the incorporation and enhancement of the circular economy in our processes, world-class standards for the operation of our tailings dams, reductions in the emission of particulate matter and territorial development with shared value.

Other 2023 milestones related to these commitments is the assured 80% of the energy matrix coming from renewable sources by 2026. We are also beginning the construction of a desalination plant south of Tocopilla that will be operational in 2026 and are making headway in the design stages of the works to recirculate water from tailings ponds at the Pampa Austral, Ovejería and Carén TSFs.

Moreover, Codelco has created a Climate Action Department and a Social Management Department and has initiated an annual action plan of best practices in these areas within our divisions. At the El Teniente Division we initiated a program to recycle and create value for 6,400 tons of out-of-service tires in 5 years. In terms of tailings, we have developed a program (in collaboration with other mining companies and with Fundación Chile) aimed at establishing safety measures for the community and are implementing a platform and instruments that will allow us to retrieve online data from our monitoring systems.

After adopting the best practices and technologies available, our tailings deposits attained the Global Industry Standard on Tailings Management.

Likewise, this year we reached a milestone that we value deeply - we received The Copper Mark certification for all our mines, smelters and refineries. This is an assurance framework that promotes responsible practices in the global mining industry and is aligned with, among other international standards, the United Nations Sustainable Development Goals (SDG).

What is more, Codelco was the first mining producer to obtain The Copper Mark's 'Chain of Custody' seal. This seal assesses the existence of a transparent and traceable control system for products that contain copper and that move along a supply chain. The Radomiro Tomic and Gabriela Mistral divisions, with the support of the Vice Presidency of Sales, were the first mines in the world to attain this standard after a long process that involved multiple work teams, both at the corporate and divisional levels.

Our clients are increasingly demanding traceability and transparency from the products they buy. That is why we have made solid progress in our sustainability strategy by reporting on environmental, social and governance (ESG) issues that concern our stakeholders, starting with our clients.

This report presents the progress made from our sustainability strategy. In its preparation we followed the recommendations of the International Council on Mining and Metals (ICMM) and the Global Reporting Initiative (GRI). Therefore, this account has been conducted with the utmost rigor and transparency.

Climate change is one of the greatest challenges facing humanity in the 21st century and Codelco, being a key player in the global mining ecosystem, is no stranger to this problem. We want to serve as a benchmark in terms of sustainable development and we will continue to work hard to build the future of this company.

**Rubén Alvarado Vigar**  
Chief Executive Officer, CEO



## 2 Our profile

■ GRI 2-7, 2-8, SASB EM-MM-000.A, EM-MM-000.B

At Codelco, we manage all levels of our operations, from the corporate to the technical level, and review our impact on the different dimensions that contribute to sustainability. This is a summary of the key indicators for the reporting period

### ECONOMIC <sup>1</sup>



**1,324,554 fmt\***  
in Codelco production

**1,423,785 fmt\***  
in total copper production

\* Includes stake in El Abra and Anglo American Sur.

**17,254 fmt**  
in molybdenum production



**US\$ 4,184 million**  
in Ebitda

**US\$ 46,876 million**  
in assets

**US\$ 11,047 million**  
in land/property



**2,989** national  
suppliers

**US\$ 263 million**  
in purchases from local suppliers

### SOCIAL



**15,673** in-house workers  
(to December 31, 2023)

**55,961** average annual  
no. of contractor workers\*

\* Includes contractor service, operations and investment workers (Including VP)



**83.4%** male staff



**16.6%** female staf



**US\$ 14,734,217**  
in community investment



**193** social investment  
agreements

**1,003<sup>4</sup>** local suppliers

### ENVIRONMENTAL



**US\$ 397.052**  
in environmental investment



**3,454 kt\***  
in CO2 emissions and scope  
1 and 2 during the year.

\* Kilotons



**279 thousand tons<sup>5</sup>**  
of waste generated

**100%** of our tailings facilities  
compliant with the Global  
Industry Standard on Tailings  
Management.



**45<sup>6</sup>** pieces of electrical  
equipment incorporated



**47.8%<sup>7</sup>** of all waste  
generated from operations  
were upcycled



**0,50<sup>2</sup>** accident  
frequency rate

**119<sup>3</sup>** severity  
rate

**1. Tons of copper and molybdenum in "fmt"** (Fine or finished metric tons). This corresponds to the metal content in the mineral after removal of other accompanying minerals and residues. **2. Frequency rate:** Number of injured per million hours worked by all personnel during the 2023 period. **3. Severity rate:** Number of days of absence from work for injury, per million hours worked, by all personnel during the 2023 period. **4. Local suppliers:** Suppliers domiciled in areas where we operate. **5.** Bulk mining waste is excluded. **6.** 45 pieces of electrical equipment incorporated at the Chuquicamata Division (41 are buses). This is in addition to the 109 pieces of electrically powered equipment already in use. **7.** Figure excludes mine process waste



## Our contribution to Chile and the world

### ■ GRI 2-6

The Corporación Nacional del Cobre, Codelco, has played a fundamental role in the Chilean economy for more than 50 years, contributing to a significant part of the national budget which, in turn, contributes to the well-being of all Chileans.

Our objective is to explore, develop and exploit mineral resources, and to provide the process for the production of refined copper and its by-products. These goods are then sold to clients across the globe.

Our purpose is to be a pillar of sustainable development in Chile and the world. Therefore, in 2023 we worked together with our different stakeholders to achieve the objectives and goals set for that period.

During the year, Codelco contributed US\$ 1,426 million to the State treasury, with a total production of 1,423,785 tons of copper. Moreover, we produced 17,254 tons of molybdenum.

Our Business and Development Plan is based on a long-term perspective, which considers sustainable development, business ethics, the rapid adoption of technology, the promotion of innovation and a commitment to occupational health and safety for our workers, who are the key facilitators of our company.

Copper is crucial for the energy transition and the fight against climate change. In 2023 we declared the importance of strengthening the sustainable production of copper as an essential element for the decarbonization of the planet.

### What do we produce?

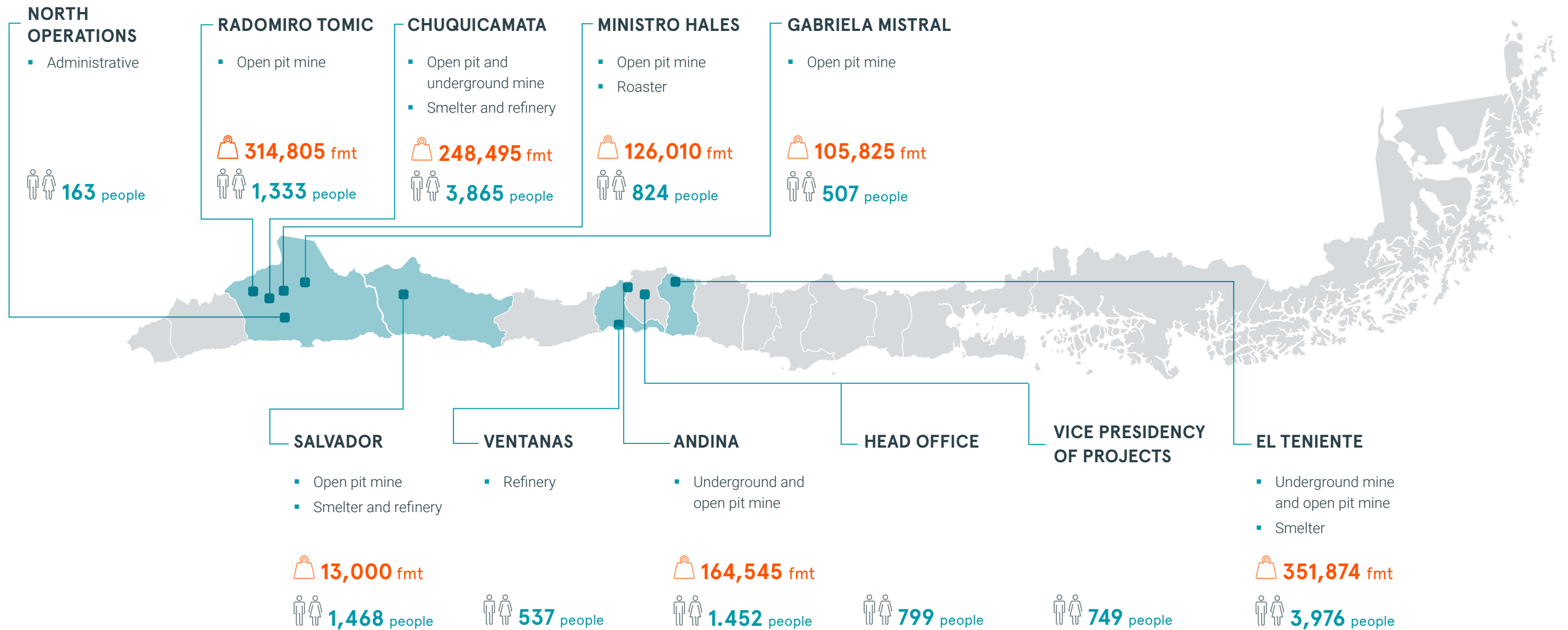
<b>Refined copper</b>	<ul style="list-style-type: none"> <li>▪ Copper cathodes with 99.99% purity</li> </ul>
<b>Unrefined copper</b>	<ul style="list-style-type: none"> <li>▪ Copper concentrates</li> <li>▪ Anodes</li> <li>▪ Blisters</li> </ul>
<b>Copper by-products</b>	<ul style="list-style-type: none"> <li>▪ Molybdenum</li> <li>▪ Silver</li> <li>▪ Gold</li> <li>▪ Rhenium</li> <li>▪ Sulfuric acid</li> </ul>





# Our operations

To achieve our strategic objectives, Codelco is spread across different geographical areas of our country. We currently have seven divisions, a refinery, a corporate center and a Vice Presidency of Projects.





## Milestones and acknowledgements

### MARCH



#### FIRST FEMALE OPERATIONS MANAGER

The appointment of Claudia Dominguez at the Andina Division aligns with the commitment of our board of directors and administration to increase female talent in decision-making positions.



#### COPPER MARK CERTIFICATION FOR EL TENIENTE DIVISION MINES AND SMELTERS

Codelco obtained the mark of responsible production in the copper industry at its mines and smelters in the El Teniente Division, O'Higgins Region, thereby complying with one of the highest standards for sustainability and responsible production.



#### APPOINTMENT OF THREE NEW DIRECTORS

Isabel Marshall, Eduardo Bitran and Ricardo Álvarez, were appointed by the President of the Republic, Gabriel Boric, from a shortlist proposed by the Council of Senior Public Management.

### APRIL



#### RENEWAL OF CLEAN ENERGY CONTRACT WITH PAMPA ELVIRA

We extended the contract to supply thermal and solar energy to the Gabriela Mistral Division, thereby contributing to an emissions reduction and demonstrating our ongoing commitment to sustainable practices.

### MAY



#### VENTANAS SMELTER CLOSURE

After 58 years, we disengaged the smelter furnaces as part of the actions that seek to contribute to the well-being of the surrounding communities.



#### INNOVATION AGREEMENT SIGNED BETWEEN CODELCO AND BHP

With the objective of strengthening research and advances in sustainability, we entered into this collaborative commitment that will address common R&D challenges.



#### CODELCO CREATES TWO SUBSIDIARIES DEDICATED TO LITHIUM

Salares de Chile and Minera Tarar are the two new companies created to explore and exploit lithium. These efforts will articulate our role in the National Lithium Strategy announced by the current government.





JULY



**COMPLIANCE WITH THE GLOBAL INDUSTRY STANDARD ON TAILINGS MANAGEMENT**

Based on internal and external reviews, we received recognition of conformity for our tailings storage facilities, which operate under the Global Industry Standard on Tailings Management.

AUGUST



**LAUNCH OF THE FIRST CODELCO WOMEN'S NETWORK**

With the presence of the Minister of Women's Affairs and Gender Equality, Antonia Orellana, we formally kicked off this initiative that arose from the women of the company themselves, and that seeks the promotion of female talent within Codelco.



**CODELCO CONSOLIDATES ITSELF AS ONE OF THE MOST ATTRACTIVE COMPANIES TO WORK FOR**

For the eighth time, Codelco leads the Merco Talento Chile ranking, which identifies the 200 leading companies in attracting and retaining talent at the national level.

OCTOBER



**GABRIELA MISTRAL DIVISION RECEIVES ENVIRONMENTAL APPROVAL TO MAKE ITS PRODUCTION VIABLE**

With this favorable rating, Codelco was authorized to increase its throughput which ensures production levels committed by the Gabriela Mistral Division located in Sierra Gorda, in the Antofagasta Region.



**AGREEMENT TO ACQUIRE LITHIUM POWER INTERNATIONAL (LPI)**

With the purchase of this company that owns a project in the Maricunga salt flats, Codelco ensures the viability of a world-class initiative and secures critical resources for the energy transition.

NOVEMBER



**CODELCO AND RIO TINTO FORMALIZE THEIR STRATEGIC PARTNERSHIP IN NUEVO COBRE**

This agreement seeks to explore and develop a new copper project in the Atacama Region and highlights the international collaboration between two significant players in mining.



**FIRST ORE EXTRACTED FROM RAJO INCA**

We initiated actions that seek to optimize and prepare Codelco for the startup of this project, with a focus on efficiency and advanced technologies.



## DECEMBER



### AGREEMENT REACHED FROM TRIPARTITE TALKS WITH INDIGENOUS COMMUNITIES FOR LITHIUM

With a commitment to establish a direct dialogue, representatives of Indigenous communities and the Consejo de Pueblos Atacameños, in addition to SQM and Codelco, we agreed to create a tripartite round table to guarantee the sustainability of the ecosystem in the territory, within the framework of the announcement of the National Lithium Strategy.



### CODELCO ACHIEVES THE COPPER MARK CERTIFICATION FOR 100% OF ITS MINES, SMELTERS AND REFINERIES

This demonstrates Codelco's compliance with the highest standards for sustainability and responsible production.



### CODELCO OBTAINS CHAIN OF CUSTODY CERTIFICATION FROM THE COPPER MARK FOR COPPER CATHODES MARKETED BY THE RADOMIRO TOMIC AND GABRIELA MISTRAL DIVISIONS

Transforming these work centers into the first two mine sites in the world to obtain this recognition.





## 2023 awards and achievements

AWARDED BY	NAME	DETAILS
<b>Monitor Empresarial de Reputación Corporativa (MERCOC)</b>	Merco Talento	We were chosen as the most attractive entity to work at in Chile. The evaluation considers three key values that influence the job attractiveness for women. 200 companies were reviewed on aspects of employer brand, job quality and internal reputation.
<b>Universidad Católica de Santa María in Peru and Consultores en Planificación (Coplan)</b>	2023 Youth Initiative	Codelco was recognized for the work we do in promoting the inclusion and preparation of women in the field of mining through the "School of Women Leaders".
<b>Bolsa de Productos de Chile (BPC) and the Asociación de Emprendedores de Chile (ASECh)</b>	Top Paying Companies	We were recognized for being one of the 34 best companies in Chile, in the relationship with our SME suppliers.

### Key 2023 milestone

## The Copper Mark certifies 100% of our mines, smelters and refineries

The verification process for The Copper Mark began with a letter signed in 2022, through which we committed El Teniente Division for entry into the program review process. In March 2023, after going through the complete accreditation procedure, our southernmost work center was the first to obtain this seal. We then initiated the certification process for the other seven operations, a process that was successfully completed at the end of the year.

In December, this world-renowned responsible production program confirmed that Codelco's eight divisions use production processes that meet high sustainability standards. To grant accreditation, The Copper Mark evaluated 32 criteria grouped into categories such as ethics, transparency and business integrity, governance, environment, human rights, community, and labour conditions.





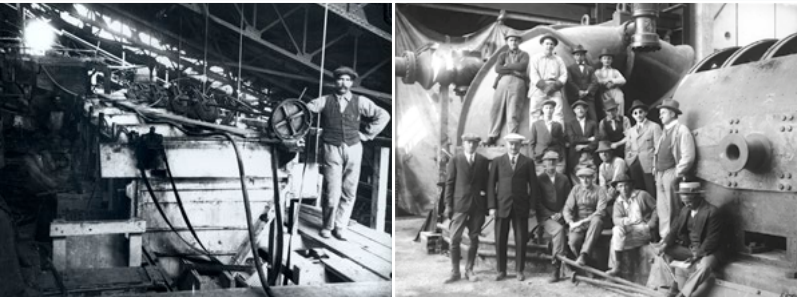
# Our history

Codelco is part of Chile's history. Since the early twentieth century we have evolved as a company and organization, always taking into account the economic and social benefit we generate for Chile.

## BIRTH OF EL TENIENTE

Using the cutting-edge technology of its time, US firm Braden Copper Co. commences ore extraction at El Teniente mine, marking the start of our operations.

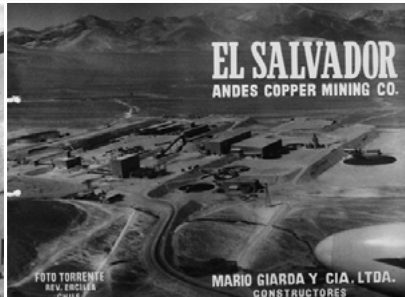
1905



## SALVADOR

The Andes Copper Mining company discovers a new ore deposit at Indio Muerto hill in the Region of Atacama. This area is now our Salvador Division.

1959



## NATIONALIZATION

Congress unanimously approves State expropriation of the assets and facilities of foreign companies exploiting ore deposits at Chuquicamata, Exótica, Salvador and El Teniente. The management of these assets becomes our responsibility.

1971



## RADOMIRO TOMIC

Operations begin at the Radomiro Tomic Division. This is to be first mine designed and built entirely by Chilean engineers.

1998



1915

## CHUQUICAMATA

Our operations begin in Chuquicamata with the open-pit mining method. This process was originally executed by engineers from the United States employed by the Chile Exploration Company, belonging to the Guggenheim family.

1966

## CHILENIZACIÓN

The Chilean State becomes the owner of a 51% share of Chuquicamata, El Teniente and Salvador. The Copper Corporation is created to manage production and sale of copper.

1976

## BIRTH OF CODELCO

On April 1, 1976 the Corporación de Cobre was divided into the Comisión Chilena del Cobre (Cochilco) a technical and advisory service agency; and Codelco, as a production business (by decree Law No. 1.349).

2005

## VENTANAS

The Ventanas Division is incorporated after the State instructed Codelco to acquire the smelter and refinery, previously owned by the Empresa Nacional de Minería (Enami).







**GABRIELA MISTRAL**

In May, what was known as Project Gaby kicked off operations at the Gabriela Mistral mine. In 2010 Gabriela Mistral became a division of Codelco and the first to operate completely with autonomous trucks.

**MINISTRO HALES**

The Ministro Hales Division begins operations. This project was previously known as Mansa Mina due to the significant reserves in its deposits.

**RAJO INCA**

Codelco begins the construction of the Rajo Inca project, which will come into operation in 2024 and will ensure the continuity of the Salvador Division for the next 47 years.

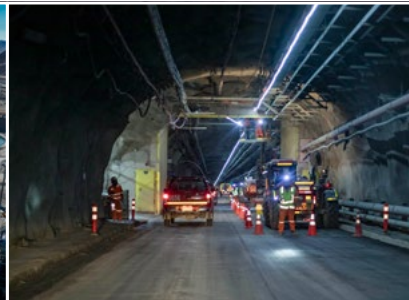
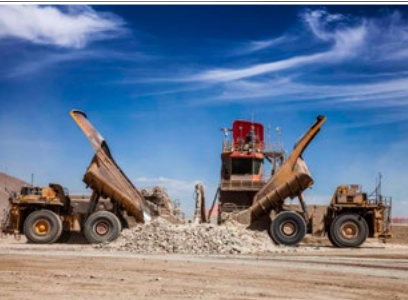
**ASSOCIATION FOR THE DEVELOPMENT OF LITHIUM**

Codelco became the state representative within a public-private agreement with SQM to develop lithium production and business activities in the Salar de Atacama.

**CLOSURE OF VENTANAS SMELTING OPERATIONS**

After 58 years of operation, Codelco closed operations at the Ventanas smelter and began with the refinery modernization project with a sustainable approach.

2008



2013

2021

2023

2009

2019

2022

**CORPORATE GOVERNANCE LAW**

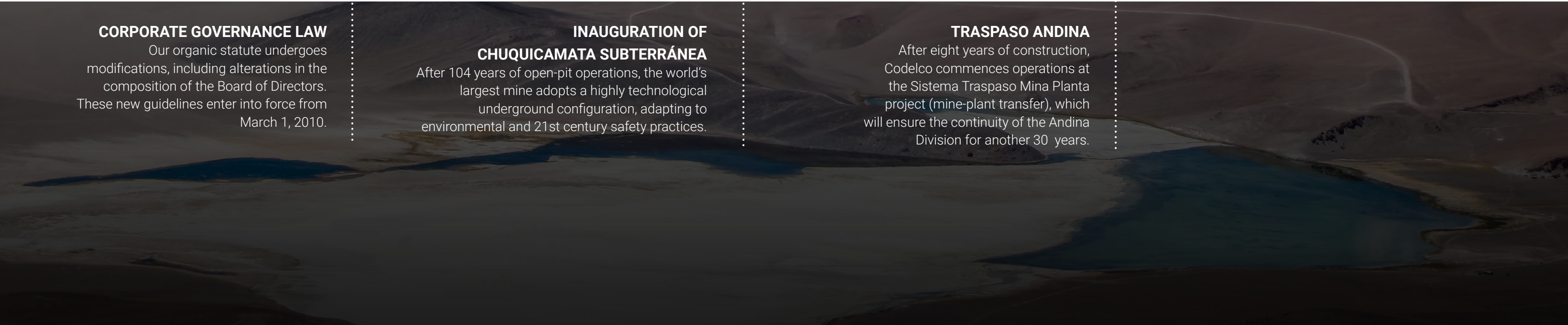
Our organic statute undergoes modifications, including alterations in the composition of the Board of Directors. These new guidelines enter into force from March 1, 2010.

**INAUGURATION OF CHUQUICAMATA SUBTERRÁNEA**

After 104 years of open-pit operations, the world's largest mine adopts a highly technological underground configuration, adapting to environmental and 21st century safety practices.

**TRASPASO ANDINA**

After eight years of construction, Codelco commences operations at the Sistema Traspaso Mina Planta project (mine-plant transfer), which will ensure the continuity of the Andina Division for another 30 years.





# 1.2 Sustainable outlook

■ GRI 2-22

## Our sustainable vision

At Codelco we have set out to contribute to local and national development and to be active agents in the construction of a more sustainable world.

Through this comprehensive approach, we reaffirm our responsibility towards global development and participation in shaping a future with more well-being for humanity and the planet as a whole.

Therefore, Codelco has established a Corporate Sustainability Policy that provides seven cross-cutting commitments to all our activities and defines a governance system to oversee its implementation. This is managed through our Sustainability Strategy and Tactical Implementation Plans for each of the divisions.

This policy is presented in depth in the chapter on Corporate Governance.

Our Sustainability Strategy establishes specific commitments and objectives to reduce our carbon footprint including reductions to the unit consumption of inland waters (make-up), adopting practices and developing the circular economy, managing tailings facilities with the highest standards, developing territories with social value and reducing emissions of particulate matter.

These initiatives reflect our commitment to comprehensive sustainability and environmental and social responsibility.

### COMMITMENTS OF OUR CORPORATE SUSTAINABILITY POLICY



“Codelco’s mission is to be a pillar of sustainable development in Chile and the world. Our copper will be a key driver in improvements to electromobility and technologies that have an impact decreasing the planet’s carbon footprint. Social, environmental and economic feasibility must be integrated into the operation and design of the projects. The respective impact must be extended to collaborating suppliers who share our mission. Our scope of impact is global, we are world leaders in production”.

**Rubén Alvarado Vigar,**  
CEO of Codelco



## Progress on structural projects with responsible investment

### COD 3, COD 4, COD 5

We are working to contribute to Chile's commitment to become a carbon neutral country by 2050. Copper production is crucial for this goal energy transition to tackle climate change challenges. Maintaining current production levels poses significant challenges, such as the drop in ore grades and the consequent deepening of ore deposits.

Our structural projects are critical to ensure operational continuity and to sustainably address emerging challenges and efficient resource management. All out projects are designed and executed under the guidance of rigorous safety and sustainability standards.

DIVISION	MAIN STRUCTURAL PROJECTS
<b>Chuquicamata Division</b>	<ul style="list-style-type: none"> <li>We progressed to 51% in the level 1 continuity phase of Chuquicamata Subterránea and continued the process of defining its redesign. The pre-feasibility study for the exploitation of Level 2 achieved 60% progress.</li> </ul>
<b>El Teniente Division</b>	<ul style="list-style-type: none"> <li>Progress at the El Teniente Project Portfolio (which includes Andes Norte, Diamante and Andesita projects) continues development. Andes Norte achieved 61% cumulative progress and met the energization milestone for the Teniente 9 Substation, the heart of the electrical system that will power the project. We also managed to break through the Pilar La Junta - Caletones, achieving 7.5 km of the continuous belt tunnel. Excavations concluded at Diamante and fortifications were executed at four transfer shafts, while Andesita initiated hydrofracturing efforts. The start of our operation (blasting of the first panning area) at the Andes Norte and Andesita sites will be completed in 2024.</li> </ul>
<b>Salvador Division</b>	<ul style="list-style-type: none"> <li>At Rajo Inca we continue the pre-stripping works and optimizations for the concentrator plants and the Pampa Austral tailings deposit. We reached key milestones such as the construction of the C-163 crossing overpass in addition to the completion of bulk backfills for the new walls at Pampa Austral for a total volume of 1,850,000 m3 of compacted backfill.</li> </ul>
<b>North District desalination plant</b>	<ul style="list-style-type: none"> <li>In 2023 we began construction of this site that is crucial for the sustainability of our mining operations in northern Chile. This process has reached 24% progress..</li> </ul>
<b>Andina Division</b>	<ul style="list-style-type: none"> <li>In Traspaso Andina we reached 99% progress. This project seeks to replace the current primary crushing and ore transport system due to changes in the orientation of the mine pit.</li> </ul>
<b>Radomiro Tomic Division</b>	<ul style="list-style-type: none"> <li>For our RT Oxides Project (optimization of mine infrastructure for exploitation of the zone at the northeast sector of the pit) we completed the transfer path of the sulfides crusher. This change will be finalized in 2024, together with the start-up of the sulfide and oxide ore crusher.</li> </ul>

“We are working on building projects that will ensure **the future of Codelco for the next 50 years”**





# Sustainable development strategy

■ GRI 2-23, GRI 2-24

Our Sustainable Development Strategy is manifested through six key commitments, with objectives that we aim to achieve by 2030. This strategic approach includes initiatives and timelines to accomplish these objectives.

REDUCED  
CARBON  
FOOTPRINT



REDUCED  
WATER  
FOOTPRINT



PROMOTE  
CIRCULAR  
ECONOMY



NEW STANDARD  
FOR TAILINGS  
STORAGE  
FACILITIES



TERRITORIAL  
DEVELOPMENT  
WITH SOCIAL  
VALUE



DECREASE IN  
PARTICULATE  
MATTER






## PROGRESS ON COMMITMENTS IN 2023<sup>8</sup>

	<p><b>1. Reduce carbon footprint: Codelco will reduce its greenhouse gas emissions by 70%</b></p>	<p><b>100% electromobility in underground mines</b></p> <ul style="list-style-type: none"> <li>Implementation of 45 electric buses for personnel transport in the Chuquicamata Division; this, in addition to the 43 buses at the El Teniente Division and 4 others at the Andina Division.</li> <li>We are moving towards carbon neutrality in 2050 by piloting the first 100% electric underground loader in Codelco at the El Teniente Division. This avoids the consumption of 160 thousand liters of diesel per year, which translates into 433 tons less greenhouse gases (GHG) released into the atmosphere.</li> </ul>
<p>REDUCED CARBON FOOTPRINT</p> 	<ul style="list-style-type: none"> <li>Enable a 100% clean energy matrix. We will innovate to replace underground and pit mine production and logistics equipment with electrical equipment and actively seek out new renewable energy sources such as green hydrogen.</li> </ul>	<p><b>10% emission reduction in high tonnage extraction trucks</b></p> <ul style="list-style-type: none"> <li>Pilot exploration of trolleys at the Radomiro Tomic Division to evaluate different future technological scenarios. This research will allow us to implement the necessary changes towards a cleaner operation.</li> </ul>
<p><b>Drivers</b></p>	<p><b>2023 progress</b></p>	<p><b>Participation in local industrial development and local green hydrogen capabilities in mining</b></p> <ul style="list-style-type: none"> <li>We participated in H2Chile, which seeks to promote the use of green hydrogen in mining.</li> </ul>
<p><b>100% clean electrical matrix</b></p>	<ul style="list-style-type: none"> <li>New pre purchase agreements (PPA) with AES Andes will allow us to achieve 70% decarbonization of our electricity matrix by 2026.</li> <li>Contract extension with Pampa Elvira Solar. This will allow us to maintain the supply of thermal energy for operations at the Gabriela Mistral Division for another 10 years.</li> </ul>	

8. For further details on progress please see chapters 5, 6, and 7 of this report.



 		<h2>2. Reduce water footprint: Codelco will reduce unit consumption of inland (make up) water by 60%</h2>
<p>REDUCED WATER FOOTPRINT</p> 	<ul style="list-style-type: none"> <li>Reduce the use of inland make-up water (use of fresh resources in the operation process) by means of a more efficient process. Codelco will incorporate a desalination plant for the Northern District and, implementing innovative solutions, reuse water from our tailings dams.</li> </ul>	
Drivers	2023 progress	
<p><b>Process efficiency to reduce inland water use by 15%</b></p>	<ul style="list-style-type: none"> <li>At the Andina Division we implemented a project to reuse effluents from the molybdenum and copper filtration plant. This water will be used in the production and slurry reprocessing processes at the Piuquenes dam, contributing to its closure and eliminating the discharge of industrial liquid waste.</li> <li>We initiated the heavy tailings project at the Talabre tailings deposit, which will come into operation in 2027. We seek to address the mine wastes from the Chuquicamata, Ministro Hales and Radomiro Tomic divisions, with greater thickening to recover more water..</li> <li>We optimized the water thickener at División El Teniente.</li> <li>We built a new thickener at the Salvador Division, which will allow more water to be recovered from process.</li> </ul>	
<p><b>Incorporation of desalinated water to reduce the use of inland resources by 27%.</b></p>	<ul style="list-style-type: none"> <li>We started construction of a desalination plant for the North District. This plant will operate by reverse osmosis and have an initial flow capacity of 840 litres per second. Startup is scheduled for 2026. Potential to expand to a maximum capacity of 1,956 litres per second.</li> </ul>	
<p><b>Use of waters from tailings deposits to reduce the use of inland water resources by 18%</b></p>	<ul style="list-style-type: none"> <li>The Talabre site implemented advanced tailings storage management techniques with the aim of reducing evaporation and maximizing water recovery, thereby increasing the percentage of water recovered to 32%.</li> <li>The prefeasibility study was approved by our Board of Directors and the feasibility study at the Andina Division for a recirculated water system project began, which will achieve 135 l/s of tailings pond water recirculation by 2030.</li> </ul>	

		<h2>3. Circular economy: We will recycle 65% of our industrial waste</h2>
<p>PROMOTE CIRCULAR ECONOMY</p> 	<ul style="list-style-type: none"> <li>Recycle 65% of our non-hazardous solid industrial waste from our operations and projects. This waste includes steel, wood, packaging materials, organic waste and scrap metal and 100% recovery of our mine tires and inventory reduction.</li> </ul>	
Drivers	2023 progress	
<p><b>Recycle 65% of our non-hazardous waste</b></p>	<ul style="list-style-type: none"> <li><b>Recover grinding balls at the Chuquicamata Division:</b> This will allow us to optimize operational efficiency and extend the useful life of this supply. We recovered 717,000 kg of grinding balls during 2023.</li> <li><b>Recover liners at El Teniente:</b> We implemented an innovative pilot project in collaboration with METSO to recover steel-rubber liners, considered highly complex waste for recovery. This project achieved the successful recovery of 750 tons of material from the SAG mills and Mill 511 at El Teniente, contributing to their reuse in the manufacture of new liners. Moreover, at the Ministro Hales Division we recovered more than 1,800 tons of chromium and molybdenum liners in collaboration with the company Elecmetal, making Ministro Hales the leading mine site in the recovery of this type of material with the supplier.</li> <li><b>Organics pilot – Andina:</b> Through the installation of an anaerobic digester, the Andina Division initiated a pilot project focused on reducing the generation of organic waste, which constitutes a significant proportion of total corporate waste.</li> <li><b>Pilot reduction of wood pallets – Ventanas Division:</b> This pilot project at the Ventanas Division seeks to gradually replace wood pallets with plastic pallets manufactured from waste from the salmon farming industry and beach litter.</li> </ul>	





### 3. Circular economy: We will recycle 65% of our industrial waste

Recycle 65% of our non-hazardous waste.

- **Circular economy contracts in northern district divisions:** We incorporated the concept of circular economy into the waste management contracts at the Radomiro Tomic, Gabriela Mistral and Ministro Hales divisions.
- **Microfiltration initiative in waste oils at Ministro Hales Division:** Through the microfiltration of waste oils generated by the maintenance of mining equipment (especially hydraulic oil) the Superintendency of Supplies and Productive Services of the division implemented an initiative that seeks to reduce the costs of new oils, using circular economy and reducing our carbon footprint.



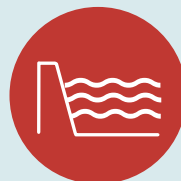
100% of mining tires recycled and a 30% inventory reduction.





- **Out-of-service tire pneumatic retreads:** With the support of the Bailac company, we retreaded more than 200 mining tires in 2023. This process, which involves removing the worn tread and replacing it with a new one, not only maintains the quality and safety standards of mining tires, but also prevents the generation of 480,000 kilograms of waste.

In the El Teniente Division, we began recycling 6,400 tons of out of service tires through a pyrolysis process where steel, black carbon and biodiesel were obtained, which were put into use once again.





 		<h3>4. New standard in tailings storage facilities: 100% tailings storage facilities adhering to global standard</h3>	
<p><b>NEW STANDARD FOR TAILINGS STORAGE FACILITIES</b></p> 		<ul style="list-style-type: none"> <li>Through the Global Industry Standard on Tailings Management we seek to achieve the ultimate goal of zero harm to people and the environment, with zero tolerance to human fatality.</li> </ul>	
<b>Drivers</b>		<b>2023 progress</b>	
<p><b>Online monitoring of physical and chemical stability of tailings facilities and application of seepage control systems</b></p>		<ul style="list-style-type: none"> <li>We implemented an infiltration system control plan that is complemented by the monitoring platform and current national regulations.</li> </ul>	
<p><b>Control of seepage / infiltration in 100% of the tailings storage facilities.</b></p>		<ul style="list-style-type: none"> <li>Achieved compliance with the Global Industry Standard on Tailings Management (GISTM), which ensures that the implementation of our tailings management system is world class.</li> </ul>	
<p><b>Sulfate abatement at the Carén liquid industrial waste facility.</b></p>		<ul style="list-style-type: none"> <li>During 2023, we completed the evaluation of new technologies to reduce sulfate levels. We conducted pilot tests and evaluated the technical and economic aspects with water from the Carén waste facility and also with mine water from the Andina and El Teniente divisions.</li> </ul>	

  		<h3>5. Territorial development with social value: Codelco will broaden the supply of goods and services provided by local suppliers by 60% and increase the use of the local workforce</h3>	
<p><b>TERRITORIAL DEVELOPMENT WITH SOCIAL VALUE</b></p> 		<ul style="list-style-type: none"> <li>Implementar una nueva estrategia de integración al territorio con foco en generar valor social, impulsando la mano de obra local, fortaleciendo la educación minera e incrementando la sustentabilidad territorial.</li> </ul>	
<b>Drivers</b>		<b>2023 progress</b>	
<p><b>Small local supplier attraction program.</b></p>		<ul style="list-style-type: none"> <li>We continued the "Juntos Emprendemos de Local" local supplier program that closed its local purchases at US\$ 263 million in 2023.</li> <li>61 local vendors graduated from our training designed to close business management gaps.</li> <li>Seven face-to-face meetings were held with local suppliers.</li> </ul>	
<p><b>Water project 'Juntos desarrollamos agua local'.</b></p>		<ul style="list-style-type: none"> <li>In 2023 we generated 12 water projects that benefited 14 communities, 296 families and 2,242 people within the area of influence.</li> </ul>	
<p><b>Codelco Ambassadors</b></p>		<ul style="list-style-type: none"> <li>The Ambassador Program promoted by the Ventanas Division in 2023 provided for the support of communities in Quintero and Puchuncaví by the workers from Codelco's operations.</li> </ul>	
<p><b>Local hire program 'Juntos jugamos de local'</b></p>		<ul style="list-style-type: none"> <li>In 2023, we deepened the training and labor intermediation program 'Juntos jugamos de local'. Local contracting is an important issue for Codelco. We have established this preference explicitly in the contracts for new investment projects.</li> </ul>	





## 6. Decrease in particulate matter. We will reduce our emissions of respirable particulate matter (MP10) by 25%

DECREASE IN  
PARTICULATE  
MATTER



- Reduce MP10 particulate matter by 20% at north operations by 2027, incorporating new dust suppression technologies. Improve our system for detecting adverse weather conditions - with 100% of the air quality measurement stations having an annual MP10 average of less than 40 µg per m3 (micrograms of MP10 per cubic meter of air) in neighboring locations by 2027.

### Drivers

### 2023 progress

**20% reduction in emissions in the north district.**

- Codelco seeks out solutions and executes industrial pilots for the control of emissions from activities involving loading and unloading of material, blasting and stockpile activity. We also continue progress on the execution of projects for the control of particulate matter emissions at the crushing plants in the Ministro Hales and Radomiro Tomic divisions.

### 90% efficiency in emission control on mine pit roads

- We executed industrial a pilot for high-efficiency suppressors at the Chuquicamata and Radomiro Tomic divisions, and implemented road management systems at Ministro Hales and Radomiro Tomic.
- We carried out Tactical Implementation Plans in the divisions to increase road control efficiency and achieve the proposed goal of 90% efficiency by the end of 2024.
- During 2023, we initiated the implementation of the corporate model that allows standardization of measurements of particulate material abatement efficiency on mine pit roads in our operations.

### 100% of air quality stations under MP10 latency condition

- We started a pilot plan for street sweepers in Calama to control the local emissions of particulate matter from the urban road network. We also finalized the preparation of a detailed emissions inventory for the city and an air quality model involving Radomiro Tomic, Chuquicamata and Minister Hales and the Talabre facility, in addition to the city of Calama and its surroundings. This tool prioritizes control measures to be executed in operations and in the city itself to improve air quality levels.
- The corporate guideline was prepared to standardize the management of particulate matter emissions across divisions (with an operational focus) and air quality in neighboring communities.





## Affiliations, memberships and partnerships

■ GRI 2-28

### Codelco memberships in 2023

In 2023, we adhered to commitments from external initiatives both nationally and internationally. These initiatives are key to our industrial activity and seek to improve upon all areas of sustainability.

- International Copper Association
- International Molybdenum Association
- International Council on Mining and Metals
- Mining Council
- Amira International Limited
- Corporate Social Responsibility Action
- Corporación de Desarrollo Regional Pro O'Higgins

- Corporación de Desarrollo de la Provincia de El Loa
- Grupo Líderes Empresariales contra el Cambio Climático
- Global Pact
- National Security Council
- Club de Innovación
- Global Mining Guidelines Group
- H2 Chile – Asociación Chilena de Hidrógeno Verde

- Fundación Generación Empresarial
- Compliance in Mining Network
- Trace International
- Asociación de Clientes Eléctricos No Regulados (ACENOR)
- Chilean Chinese Chamber of Commerce
- Asociación de Empresas de la Quinta Región
- Comité Nacional Chileno de Grandes Represas

- Corporación para el Desarrollo de la Región de Atacama
- Asociación de Industriales de Antofagasta
- Fundación para la Sustentabilidad del Gaviotín Chico
- Corporación Pro Aconcagua

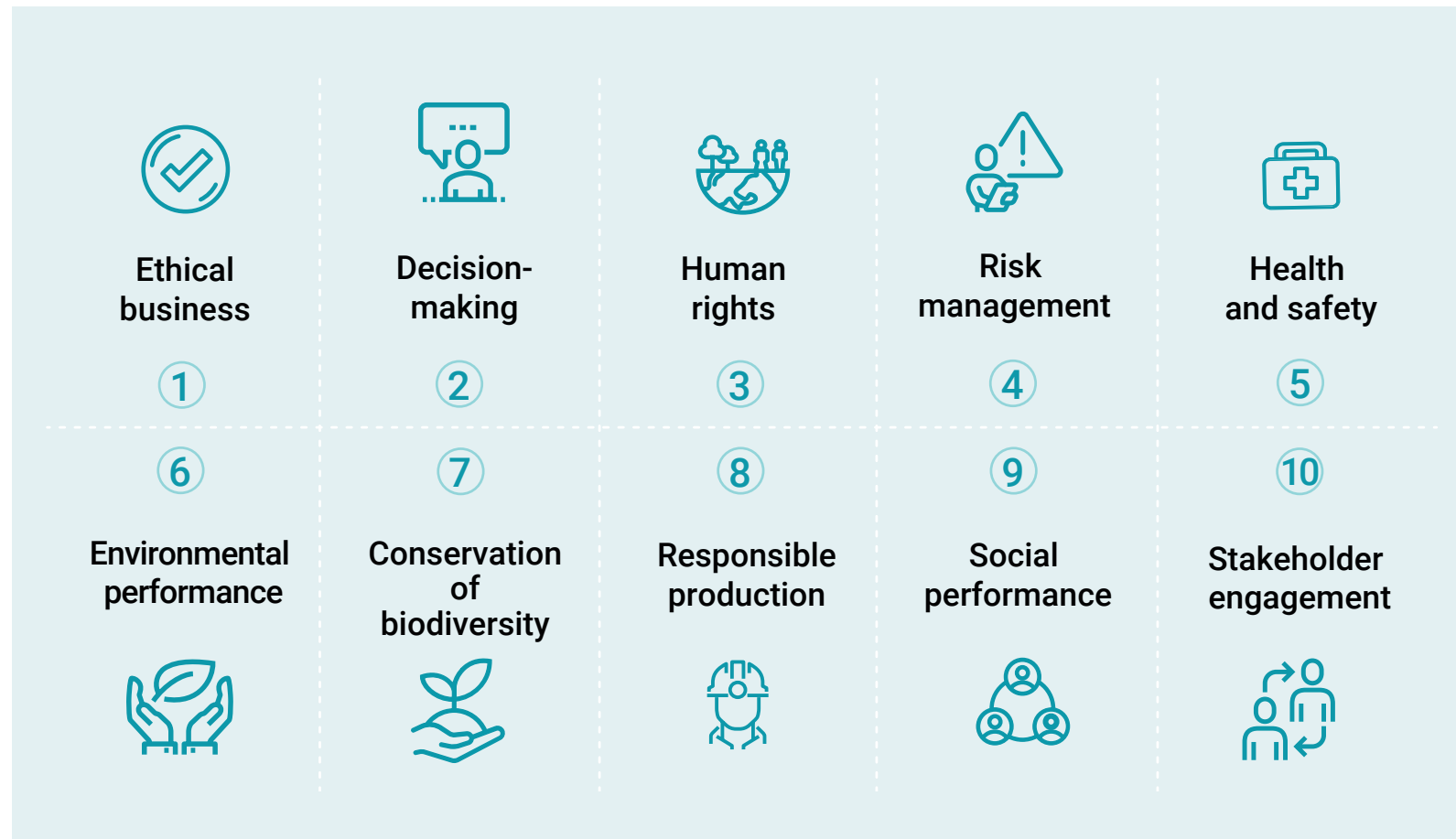




## 10 Principles of International Council on Mining and Metals

The International Council of Mining and Metals (ICMM) recognizes that economic growth must not be generated at the expense of people or the planet. In 2003, ICMM published its 10 Principles for Sustainable Development to establish a standard of ethical performance for each of its members.

At Codelco, we are members of the ICMM and therefore we adhere to these 10 mining principles, which allow us to act more sustainably throughout our value chain.



## Adherence to international initiatives

Codelco adheres to the following conventions, principles and standards

Conventions 87, 98, 100, 111, and 138 of the International Labor Organization. 1974-1999 since the ratification of Chile.

Business Charter for Sustainable Development of the International Chamber of Commerce. Since 2000.

The United Nations Universal Declaration of Human Rights Since 2003.

UN International Convention on Children's Rights. Since 2003.

Precautionary Principle, Article 15 of the Rio Declaration on Environment and Development Since 2003.

Partnering Against Corruption Initiative (PACI) of the World Economic Forum. Since 2005.

Convention 169 of the International Labor Organization on Indigenous and Tribal Peoples in Independent Countries. Since 2008

The International Council on Mining and Metals Toronto Declaration. Readmission in 2011

Principles of the Extractive Industry Transparency Initiative, since 2011

United Nations Guiding Principles on Human Rights and Business. Since 2012

UN Global Compact Principles. Since 2016

United Nations Sustainable Development Goals (SDG). Since 2016


The Copper Mark Since 2022




# Stakeholders

■ GRI 2-29

The relationships we maintain with our stakeholders are very important to our company. We are aware of the impacts of our activities and recognize that collaborative ties strengthen both the present and future of Codelco.

STAKEHOLDERS	ENGAGEMENT MECHANISM	FREQUENCY OF ENGAGEMENT	RESPONSIBLE AREA OR UNIT	IMPACT
 <b>Direct workers</b>	Steering committees	Monthly	<b>Vice Presidency of Human Resources</b>	<ul style="list-style-type: none"> <li>Ensure compliance with health and safety standards and leverage the improvement of employability and the working environment</li> </ul>
	Development programs	Annual	<b>Vice Presidency of Human Resources</b>	<ul style="list-style-type: none"> <li>Ensure knowledge and skills towards helping the development of current and future roles of our people.</li> </ul>
	Opinion polls	Annual	<b>Vice Presidency of Human Resources</b>	<ul style="list-style-type: none"> <li>Ensure compliance with health and safety standards and leverage the improvement of employability and the working environment for workers.</li> </ul>

STAKEHOLDERS	ENGAGEMENT MECHANISM	FREQUENCY OF ENGAGEMENT	RESPONSIBLE AREA OR UNIT	IMPACT
 <b>Contractor companies</b>	Systemic bonus control	Ongoing	<b>Vice Presidency of Supply Chain</b>	<ul style="list-style-type: none"> <li>Enforce contractor companies' compliance with the Framework Agreement with their workers. Agreement signed by Contractor Trade Union Organizations and labour organization Asociación Gremial de Empresas para la Minería y Rubros Asociados (AGEMA).</li> </ul>
	Process for first homebuyer benefits and education scholarships	Annual		<ul style="list-style-type: none"> <li>Benefit for contractor workers up to 2.5 billion dollars of SENCE funds (National Training and Employment Service).</li> </ul>



STAKEHOLDERS	ENGAGEMENT MECHANISM	FREQUENCY OF ENGAGEMENT	RESPONSIBLE AREA OR UNIT	IMPACT
<p><b>Contractor companies</b></p>	Systemic applicability	Ongoing	<b>Vice Presidency of Supply Chain</b>	<ul style="list-style-type: none"> <li>Standardization of courses and inductions at the corporate level, processing consolidated into a single system. Reduction in contract mobilization times.</li> </ul>
	Systemic oversight of health and life insurance	Ongoing		<ul style="list-style-type: none"> <li>Simplification and automation of processes to produce direct savings in material and human resources of suppliers.</li> </ul>
	Skills training and certification programs	Annual		<ul style="list-style-type: none"> <li>Fulfill contractual and labour commitments. Build shared value and road encourage dialogue.</li> </ul>
	E-learning inductions	Ongoing		<ul style="list-style-type: none"> <li>Standardization of courses and inductions at the corporate level, process consolidated into a single system. Decrease in contract mobilization times.</li> </ul>






STAKEHOLDERS	ENGAGEMENT MECHANISM	FREQUENCY OF ENGAGEMENT	RESPONSIBLE AREA OR UNIT	IMPACT
	Systemized and standardized labour control and accreditation	Ongoing		<ul style="list-style-type: none"> <li>Simplification and autimization of the process, providing direct savings in material and human resources for suppliers.</li> </ul>
<p>Union organizations</p>	Work agendas with workers' and supervisors' trade union organisations (FTC, Fesuc and AnSCO)	Annual	<b>Vice Presidency of Human Resources</b>	<ul style="list-style-type: none"> <li>Fulfill contractual and labour commitments; build shared value and encourage dialogue.</li> </ul>
	Work agendas with rank-and-file unions at the divisional level	Monthly		
	Collective bargaining process with grassroots unions	As per contractual calendar		
	Strategic Pact for Chile	Monthly		

STAKEHOLDERS	ENGAGEMENT MECHANISM	FREQUENCY OF ENGAGEMENT	RESPONSIBLE AREA OR UNIT	IMPACT
<p>National community</p>	Press releases	Ongoing	<b>Vice Presidency of Corporate Affairs &amp; Sustainability</b>	<ul style="list-style-type: none"> <li>Report in a timely and transparent manner to all audiences Codelco's main events, our financial performance and strategic plans.</li> </ul>
	Website and social media			
	Seminars, events and job fairs			
	Annual report and sustainability report	Annual		
<p>Auditors</p>	Cochilco	Ongoing	<b>Internal Auditing, Vice Presidency of Projects and other reporting areas</b>	<ul style="list-style-type: none"> <li>Respond in a timely manner to the requirements of the Commission and report on projects and investments (that it is legally bound to control) for the Commission's review and authorization.</li> </ul>
	Financial statements	Quarterly - annually	<b>Vice Presidency of Finance</b>	<ul style="list-style-type: none"> <li>Report in a timely manner the financial performance of the company, providing certainty and transparency.</li> </ul>





STAKEHOLDERS	ENGAGEMENT MECHANISM	FREQUENCY OF ENGAGEMENT	RESPONSIBLE AREA OR UNIT	IMPACT
 <b>National authorities</b>	Work groups, seminars and meetings	Ongoing	<b>Vice Presidency of Corporate Affairs &amp; Sustainability</b>	<ul style="list-style-type: none"> <li>Create and maintain collaborative spaces with public and private institutions that are part of Codelco's social, political or economic environment. Report in a timely and transparent manner the status of the company and its strategic plans. Account for the potential impact that certain management decisions or public policies may have on Codelco's operation and business.</li> </ul>
	Strategic presentations, participation in the formation processes for new regulations			
	Cooperative agreements			<ul style="list-style-type: none"> <li>Enter into collaborative agreements with State agencies to strengthen Codelco's positioning and enable the development of the business.</li> </ul>



STAKEHOLDERS	ENGAGEMENT MECHANISM	FREQUENCY OF ENGAGEMENT	RESPONSIBLE AREA OR UNIT	IMPACT
<b>Media</b>	Press releases, interviews, corporate and divisional publications, social media, website and press conferences	Ongoing	<b>Vice Presidency of Corporate Affairs &amp; Sustainability</b>	<ul style="list-style-type: none"> <li>Report on Codelco's financial performance in a timely and transparent manner, strategic plans and account for the potential impact on the corporation that certain public policy decisions may have.</li> </ul>
	Delivery of economic and financial statements	Quarterly		
	Site visits	As per schedule		

STAKEHOLDERS	ENGAGEMENT MECHANISM	FREQUENCY OF ENGAGEMENT	RESPONSIBLE AREA OR UNIT	IMPACT
<b>Neighboring communities</b>	Compliance with mandatory and voluntary commitments	Annual	<b>Vice Presidency of Corporate Affairs &amp; Sustainability</b>	<ul style="list-style-type: none"> <li>Identify and manage the risks and socio-territorial impact related to the location of our operations - work in which we detail the community, social, economic, cultural dynamic and its interaction with our projects and operations. Establish plans to comply with mandatory and voluntary commitments. Create instances of dialogue, communication and rapprochement and design and execute different social investment projects to preserve the value of the territory, manage possible impact on the quality of life of the people and claims for possible interventions in their activities; this, in order to add value to the communities and the environment.</li> </ul>
	Claims management and socio-environmental suggestions system	Ongoing		
	Division community engagement / district teams, information, visits	Ongoing		
	Dialogue meetings (open houses, door to door, visits to divisions)	As per schedule		
	Capital projects, community and collaboration agreements	Annual		
	Perception studies	Annual		



STAKEHOLDERS	ENGAGEMENT MECHANISM	FREQUENCY OF ENGAGEMENT	RESPONSIBLE AREA OR UNIT	IMPACT
<p><b>Clients</b></p>	Seminars and industry meetings	Ongoing	Vice Presidency of Sales	<ul style="list-style-type: none"> <li>Know and share different trends and important events that impact sales of the Codelco products.</li> </ul>
	Meetings with clients			<ul style="list-style-type: none"> <li>Review information relevant to the business relationship</li> </ul>
	Business and technical visits through agents located in different subsidiaries	Minimum twice a year		<ul style="list-style-type: none"> <li>Updates to provide information on production and Codelco's current and future projects. Market information concerning global supply and demand Local economic situation and that of major world economies. Strengthening of the business relationship, with an emphasis on environmental, social and governance issues as defined in the strategy.</li> </ul>

STAKEHOLDERS	ENGAGEMENT MECHANISM	FREQUENCY OF ENGAGEMENT	RESPONSIBLE AREA OR UNIT	IMPACT
<p><b>Financers or investors</b></p>	Meetings with capital market analysts and risk classifiers	Ongoing	Vice Presidency of Finance	<ul style="list-style-type: none"> <li>Review key data such as interest rates on bonds issued by Codelco, ratings of classifiers that also impact the interest rates of Codelco bonds.</li> </ul>
	Press releases			<ul style="list-style-type: none"> <li>Issue key information from Codelco.</li> </ul>
	Delivery of income statements and financial statements			<ul style="list-style-type: none"> <li>Report in a timely manner the financial performance of the company, providing certainty and transparency.</li> </ul>



STAKEHOLDERS	ENGAGEMENT MECHANISM	FREQUENCY OF ENGAGEMENT	RESPONSIBLE AREA OR UNIT	IMPACT
<p>Suppliers</p>	Digital Business Relationship Platforms (CCS)	Ongoing	Vice Presidency of Supply Chain	<ul style="list-style-type: none"> <li>Optimize the supplier portfolio to meet business objectives, through the implementation of a Supplier Management Model. This model focuses on the creation of a Supplier Segmentation Model that extends invitations to tender only to suppliers with complete data and who are satisfactorily classified.</li> </ul>
	Supplier portal and purchasing portal (Ariba, SAP)			<ul style="list-style-type: none"> <li>Improve collaboration between our suppliers and sourcing processes through technology and digital transformation, seeking higher standards of transparency throughout the entire supply chain.</li> </ul>







# 2 Corporate governance

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## 2.1 Governance framework

Our corporate governance is governed by Decree Law No. 1.350, our articles of association and by the regulations applicable to open public limited companies and common law.

Codelco is public company that is related to the government through the Ministry of Mining. The President of the Republic must exercise the respective powers and functions pursuant to Law No. 18.046 conferred on shareholders and shareholders' meetings. All our governance mechanisms and practices respond to international standards, through which we ensure a transparent and reliable operation. Therefore, Codelco has established a Corporate Governance Code that has defined the relationships and practices of the company in this area since 2010.

### Legal framework

- GRI 2-10, GRI 2-11

At Codelco, the appointment of members to the board of directors is made by the sitting President of the Republic and is conducted through an established process.

The directors fulfill a mandate of four years, with the possibility of renewal. At Codelco we do not have

alternate directors and the chairman of our board of directors does not exercise any executive position.

Our board appoints the CEO, who is responsible for executing the board's agreements and overseeing all productive, administrative and financial activities of the company in the manner established by law.

The CEO also exercises the powers delegated by the board and the functions determined by the board.

### Communication of critical concerns

- GRI 2-16

In case of critical situations, we work in close collaboration with the Communications Legal, General Secretariat and Auditing department, in addition to the areas that are considered relevant.

Likewise, claims management developments are also reported to the board.

#### 1. Council of Senior Public Management.

Four directors are selected from shortlists proposed by this council.

#### 2. Representatives of workers and professionals

Two board directors represent Codelco workers and professionals.

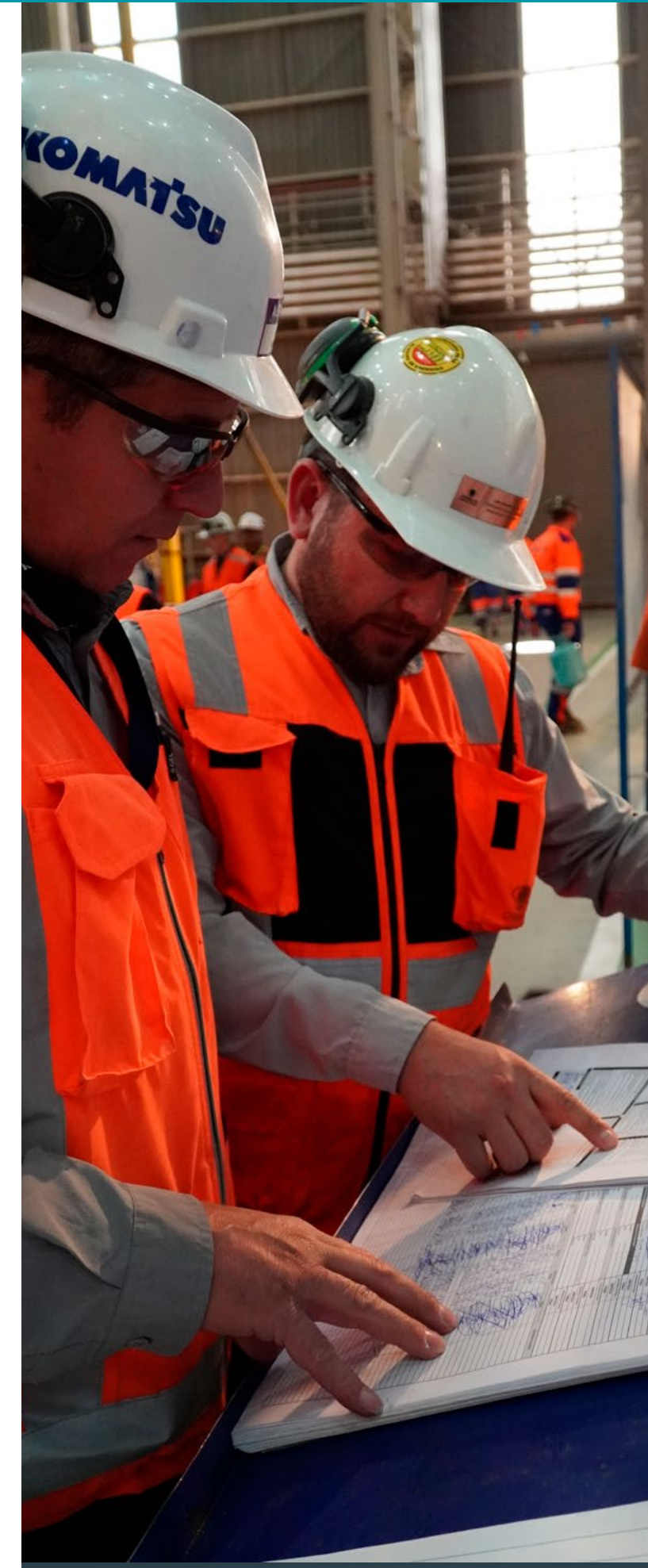
- The first is designated from a 5-candidate list submitted by the Federation of Copper Workers.
- The second is nominated from a list proposed by the National Association of Copper Supervisors (AnSCO) together with the Federation of Copper Supervisors (Fesuc).

#### 3. Direct appointments by the President of the Republic

Three board members are appointed directly by the President of the Republic.

#### 4. Chairman of the Board of Directors

Chosen by the President of the Republic, from among the nine directors.





# Corporate guidelines

## Board of directors' structure

The composition of the senior governing body provides for an effective, transparent and accountable administration. These are key elements for compliance with the goals and objectives set by our corporation.

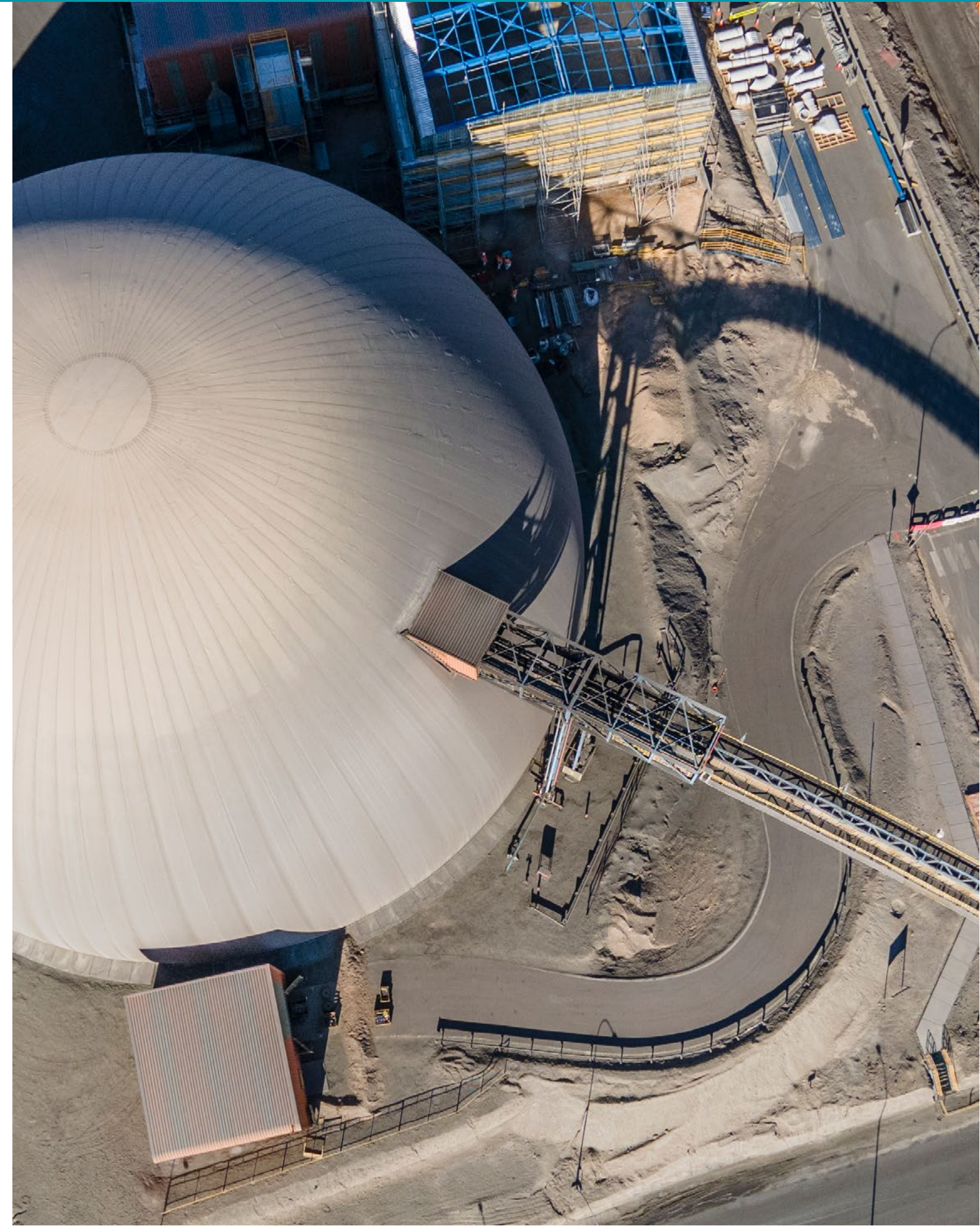
At Codelco, all our directors hold the status of member, and there is no alternate position nor

the position of Vice Chairman of the Board of Directors, as established by Decree Law No. 1.350 that regulates this matter.

On December 31, 2023 our board consisted of eight (8) members. Of these, 5 are male and 3 are female. All are Chilean nationals and none have a disability.

### ROLE OF THE BOARD

DUE DILIGENCE		APPROVES, SUPERVISES, AND EVALUATES THE IMPLEMENTATION OF DUE DILIGENCE PROCESSES IN ALL COMPANY OPERATIONS
PROCESSES TO IDENTIFY AND ADDRESS IMPACT	Economics	Approves, supervises, and evaluates the implementation of processes to identify and address economic impacts across all company operations.
	Environment	Guides, supervises and evaluates the formulation of processes to identify and address environmental impacts, ensuring their alignment with the SDGs
	Workers	Participate in the definition and review of processes to identify and address social impacts, ensuring ethical work practices and community relations.





# Board of directors

■ GRI 2-9, 2-11

## MEMBERS OF THE BOARD OF DIRECTORS

### MÁXIMO PACHECO MATTE

**Chairman**

**Rut:** 6.371.887-4

**Appointment:** 03/30/2022

**Profession / degree:** Business Administration, Universidad de Chile

Upon Chile's ret democracy, Máximo Pacheco Matte served as the first Executive Vice President of Operations at Codelco between 1990 and 1994. He was also Chile's Minister of Energy between 2014 and 2016 and served as a board member for the national broadcaster Televisión Nacional de Chile (TVN) between 2018 and 2019.

In the private sector, Mr. Pacheco was Executive Vice President of Carter Holt Harvey for Latin America and was Senior Vice President at International Paper (where he held the position of president for Latin America) and later as president for Europe, the middle east, Africa and Russia. Moreover, Mr. Pacheco has been at the helm of several private companies in Chile, Europe, Russia and New Zealand.

He has served on the boards of the Confederation of European Paper Industries (CEPI), was on the board of the North American Chamber of Commerce (AmCham) in Belgium and was board Vice President at the Asociación Brasileña de Celulosa y Papel (Bracelpa).

In recent years Mr. Pacheco has served in an academic role at the Escuela de Gobierno de la Pontificia Universidad Católica de Chile, has been a board member for the Teatro Municipal de Santiago and Fundación Súmate and maintained a council position at Chile's World Wildlife Foundation





## RICARDO ÁLVAREZ FUENTES

**Director (Independent)**

**Rut:** 6.689.778-8

**Appointment:** 05/11/2023

**Profession / degree:** Civil Mining Engineer from the Universidad de Chile, postgraduate degree in mining and geology from the Instituto National Polytechnique de Lorraine

From 2014 to 2023, Ricardo Álvarez Fuentes was Executive Vice President of Mitsui Mineral, a company he joined in 2013 as a technical manager. Since 2014 he has also served as alternate director of the Compañía Minera Doña Inés de Collahuasi, on behalf of Mitsui & Co., and since 2016 as Director of Mitsui Mineral and as Alternate Director at Inversiones Acrux SpA.

Between 1974 and 2013 Mr. Fuentes developed his professional career at Codelco in different positions, starting with different responsibilities at the Salvador (1974-1985) and Andina (1985-1990) divisions, where he assumed the role of Development and Project Manager (1990-1994) and then as Operations Manager (1994-2000).

In 2000 he was appointed Mine-Concentrator Manager at the El Teniente division, a position he held until 2002, when he was appointed Development and Mineral Resources manager in the same division, wherein he became General Manager between 2004 and 2010.

During 2010 and 2011 Ricardo Álvarez Fuentes was Vice President of South Centre Operations, responsible for the Andina, El Teniente, Salvador and Ventanas divisions. In 2011 he took over as deputy Vice President of the Executive Presidency of Codelco, and also served as Director of the technology subsidiaries and Chairman of the Board of Biosigma, a position he held until 2013. In 2018, he received the Medal of Merit from the Instituto de Ingenieros de Minas de Chile.



## ISABEL MARSHALL LAGARRIGUE

**Director (Independent)**

**Rut:** 7.051.188-6

**Appointment:** 05/13/2023

**Profession / degree:** Sociologist and Economist from Pontificia Universidad Católica de Chile. Master's degree in economics from Pontificia Universidad Católica

Ms. Lagarrigue has been director of the Compañía Sudamericana de Vapores (2016-2019), Endesa Chile (2014-2016), the Centro de Estudios del Cobre y la Minería - CESCO (2011-2016), and the Empresa Portuaria de Antofagasta (2009-2010).

She has been a partner of Mardones and Marshall Consultores (Mymco) since 2010, a firm through which she provides consultancy on sustainability matters (environment, occupational health and safety, and community relations). Along these same lines, between 2008 and 2010, Isabel Marshall Lagarrigue served as partner and general manager for GS3 Consultores, where she advised companies such as BHP, LuminaCopper Chile, Anglo American Chile and Fluor Chile Ingeniería on issues of sustainability, occupational health and safety, and the environment.

Between 2001 and 2008 she worked at Codelco in different positions, including as Corporate Vice President of Finance, Promotion and

Sustainability (2006-2008), Corporate Vice President of Operational Excellence, Promotion and Sustainability (2002-2006) and Vice President of Markets and Sustainability (2001-2002).

Previously, she was Corporate Manager of Planning and Management Control at Antofagasta Minerals, and at Codelco she served as Deputy Director of Planning (1990-1992), Director of Planning (1992-1994) and Studies and Strategic Management Manager (1994-1998).

Isabel Marshall Lagarrigue was also a senior economist in the Department of Studies and an advisor to the vice president of the Chilean Copper Commission between 1977 and 1985, an associate researcher at Cieplan between 1984 and 1985, and at Flacso between 1984 and 1985. Between 1976 and 1977, Ms. Lagarrigue was a professor and researcher at the Institute of Economics of Universidad Católica de Chile.





## JOSEFINA MONTENEGRO ARANEDA

### Director

**Rut:** 10.780.138-3

**Appointment:** 05/12/2022

**Profession / degree:** Attorney from Pontificia Universidad Católica de Chile, Master of Laws from New York University School of Law and a Business Certificate from the Stern School of Business.

Ms. Montenegro has extensive experience in corporate governance. She studied in the United States and received a master's degree in law from New York University School of Law and a certificate from the Stern School of Business, at the same university. She is currently Chairman of the Board of Directors for the Caja de Compensación La Araucana, Director and Advisor for the Chamber of Commerce of Santiago, Director at Sky Airline and Director at Invercap.

Ms. Montenegro served as Superintendent of Bankruptcy / Insolvency between 2010 and 2015, was Legal and External Affairs Manager for British Tobacco between 2015 and 2017. Between 2018 and 2019 she was President of the Empresa Portuaria Puerto Montt in the public companies system. She was also president of the Board of the Association of Isapres of Chile between 2019 and 2020.

Ms. Montenegro Josefina has also served as a member of the Capital Market Advisory Board of the Ministry of Finance since November 2022.

In the academic field, she has been a professor at the Faculty of Law of the Alberto Hurtado University, and founder of the Infocap Legal Clinic. As a practicing attorney she was part of law firms Claro & Cia. (Chile) and Cleary, Gottlieb, Steen & Hamilton (United States).

In 2014, 2015, 2017, 2019 and 2023 Josefina was chosen among the top 100 women leaders of Chile by El Mercurio newspaper. Since 2016 she has been a mentor in WoomUp, a program that attracts, retains, enhances and makes visible female talent. He is currently a columnist for the business supplement El Pulse in the newspaper La Tercera.



## EDUARDO BITRAN COLODRO

### Director (Independent)

**Rut:** 7.950.535-8

**Appointment:** 05/11/2023

**Profession / degree:** Civil Industrial Engineer from the Universidad de Chile. Doctorate in economics from Boston University

Mr. Colodro has been President of the technology transfer hub APTA since 2022 and President of the Innovation Club since 2018. Previously, he served on the boards of Ripley Corp, Inmobiliaria RDI, SalcoBrand, Transelec, and Enami, among others.

Between 2014 and 2018 he was Executive Vice President of the Corporación de Fomento de la Producción (Corfo). Between 2008 and 2010 he was Chairman of the Consejo Nacional de Innovación para la Competitividad, and between 2006 and 2008 he served as Minister of Public Works. Between 1997 and 2006 Eduardo Bitran Colodro was General Director of Fundación Chile, after serving between 1994 and 1997 as General Manager of the Corporación de Fomento de la Producción (Corfo).

He is currently a scholar at the Faculty of Engineering of the Universidad Adolfo Ibáñez and previously worked in the Department of Civil Industrial Engineering at the Universidad de Chile.

In addition, Mr. Colodro has provided international consultancy on competitiveness, innovation and infrastructure policy in Colombia, Guatemala, the Dominican Republic, Mexico, Peru, El Salvador, Paraguay and Uruguay, and has advised on financial, pension and fisheries regulation reform in Mexico, Paraguay, Argentina, Venezuela and Bolivia. He has published several features on topics such as water policy, the regulatory and business role of the state, innovation, fishing, public works concessions and public-private partnerships, among other topics.





## ALEJANDRA WOOD HUIDOBRO

**Director**

**Rut:** 7.204.368-5

**Appointment:** 05/23/2022

**Profession / degree:** Degree in History from the Pontificia Universidad Católica de Chile.

Alejandra Wood Huidobro has more than two decades of experience in strategic planning and management, corporate communications, public affairs crisis and ESG management.

She currently sits on the board of directors for the Fundación Ciudad Emergente and Atex Resources and is a member of the board of directors for Comunidad Mujer.

Ms. Huidobro was head of Communications and Public Affairs at Minera Escondida, and Manager of Public Affairs at BHP Billiton Base Metals. Between 2015 and 2022 she was Executive Director of the

Center for Estudios del Copper, Cesco, and also director of The Copper Mark. He was responsible for the start-up of the Gabriela Mistral Center, GAM.

In 2007 and 2010 Ms. Huidobro was chosen among the top 100 women leaders of Chile by El Mercurio. In 2010 she was the Person of the Year according to the ranking prepared by La Segunda newspaper and in 2011 she received the Energía Mujer award, from Enersis. Alejandra Wood Huidobro was recently recognized as being among the top 100 women in the Chilean mining industry.



## PEDRO PABLO ERRÁZURIZ DOMÍNGUEZ

**Director (Independent)**

**Rut:** 7.051.188-6

**Appointment:** 05/13/2021

**Profession / degree:** Civil Engineer from Pontificia Universidad Católica de Chile, Master of Science in Engineering, from Pontificia Universidad Católica de Chile, and a master's degree in Management Science/Operational Research/ Finance from the London School of Economics

Mr. Dominguez has extensive experience in the public sector and in the extractive, technology and telecommunications areas. He served as Minister of Transport and Telecommunications from 2011 to 2014 and as Chairman of the Board of Directors of the state railway company Empresa de Ferrocarriles del Estado (EFE).

Mr. Hernandez has been president of the Sociedad Austral de Electricidad Sociedad Anónima (Saesa) and subsidiaries, Essbio, Esval, Aguas del Valle, Educational Establishments Manager, Civil Aeronautics Board (JAC), Conaset and Telecommunications Development Fund (FDT), as well as director of the Chilean Public Companies System and Derco S.A., among others. In addition, Mr. Dominguez has been an advisor to Sofofa, Acción RSE and Andess.

He is currently President of NTT Data and Director of Kaufmann, Divemotor, Volta and Inmobiliaria Galilea. In 2014 he joined the National Council of Urban Development, and has received several distinctions, such as the Marcos Orrego Puelma National Award of the Institute of Engineers of Chile and the National Award of Hydraulic Engineering of the Chilean Society of Hydraulic Engineering





## NELSON CÁCERES HERNÁNDEZ

**Director**

**Rut:** 14.379.277-3

**Appointment:** 05/23/2022

**Profesión:** Human Resources  
Engineer, Instituto Profesional IACC

Mr. Hernández has 14 years experience as a trade union leader. Since 2020, he has served as President of the Board of Directors of the Sindicato Industrial de Integración Laboral at the Andina division. In his role as union leader, Mr. Hernández has participated in five collective bargaining processes - in the Divisional Sustainability Roundtable and in the first Gender Roundtable talks in Codelco, among other activities. Mr. Caceres has also spoken before the Senate Mining Commission during the proceedings for Chile's Glaciers Act.

Nelson Hernandez joined the Andina Division in 2000, where he has served as Production Operator at the underground mine and as an open pit specialist operator. Mr. Hernandez previously worked at Mendes Junior Chile as a contractor on the Los Pelambres project.

Mr. Hernandez has completed diplomas in Human Resource Management, Strategic Human Capital Management and Trade Union Management for Changing Times.





## Committees

■ GRI 2-9, 2-12, 2-13, 2-14

Integrating sustainability into our operations is key. In terms of governance, this is reflected in the board committees. Board committees play a crucial role in overseeing and guiding operations to ensure they meet high standards of environmental, social and economic sustainability.

Codelco's board of directors establishes and approves the guidelines, strategies and objectives related to economic and environmental impacts and social aspects of the company. In parallel, at the different administrative levels there are teams in charge of leading and ensuring compliance with all these components.

We report monthly to the Sustainability Committee on socio-environmental issues. The Sustainability Committee discusses and proposes strategic decisions to the board.

Another of its functions is to supervise the effectiveness of our policies and management systems. The committee also approves the content of the Sustainability Report.

### AUDITING COMPENSATION AND ETHICS COMMITTEE ("CACE")

Responsible for ensuring the fulfillment of the responsibilities established for the committee of directors, according to Codelco's Code of Corporate Governance Law and the Corporations Act.

<b>MILESTONES</b>	During 2023, the Auditing, Compliance, and Ethics Committee (known locally by its acronym in Spanish "CACE") conducted a thorough review of internal audit reports, financial statements and the management of critical risks. This committee evaluated the methodological framework for risk management, monitored the Internal Control Charter, and proposed reorganizing Compliance Management to optimize its effectiveness. Additionally, the committee oversaw the Crime Prevention Model and compliance with commitments made from previous audits. Finally, the CACE analyzed the results of the 2022 Performance Agreement and made proposals for the 2023 Performance Agreement.
<b>CHAIRMAN</b>	<b>Isabel Marshall</b>
<b>VICE-CHAIRMAN</b>	<b>Ricardo Álvarez</b>
<b>MEMBERS</b>	<b>Eduardo Bitran, Pedro Pablo Errázuriz</b>





## PROJECTS AND INVESTMENT FINANCING COMMITTEE (CPFI)

Responsible for ensuring the fulfillment of the responsibilities established for the committee of directors, according to Codelco's Code of Corporate Governance Law and the Corporations Act.

### ACTIONS

In 2023, the CPFI focused on the supervision of our investment portfolio, paying special attention to structural projects, key alerts, budget allocation and progress on key plans. In addition, the CPFI reviewed monitoring and control reports for projects carried out by independent entities. Based on this analysis, the CPFI recommended the approval of financing for infrastructure investment projects, mining development and investment vehicles.

### CHAIRMAN

Ricardo Álvarez

### VICE CHAIR

Eduardo Bitran

### MEMBERS

Isabel Marshall, Pedro Pablo Errázuriz, Nelson Cáceres

## MANAGEMENT COMMITTEE

The Management Committee is responsible for controlling divisional management in key processes such as occupational health and safety, business, business management, human resources, and diversity and inclusion. It also oversees and reviews monthly reports to ensure compliance with corporate plans and budgets. The Management Committee analyzes safety management and evaluates corporate performance in this area. It also examines the business portfolio of subsidiaries and associates, providing guidelines for their corporate governance. In addition, it monitors the effectiveness of corporate policies and management systems.

### ACTIONS

Throughout the year, the Management Committee was dedicated to reviewing the monthly management reports to ensure their alignment with the plans and budgets established by the company. The committee focused on the evaluation of safety management systems, using both quantitative and qualitative indicators, and examined Codelco's safety performance. In addition, the committee reviewed the performance of the business portfolio through subsidiaries and associates and provided guidelines for updating the Corporate Governance Manual. The committee also assessed the relevance of the KPIs, suggesting a review of their approach. Lastly, the Management Committee oversaw the effectiveness of trade policies and management systems.

### CHAIRMAN

Pedro Pablo Errázuriz Domínguez

### VICE CHAIR

Josefina Montenegro

### MEMBERS

Ricardo Álvarez, Alejandra Wood, Nelson Cáceres





## SCIENCE, TECHNOLOGY AND INNOVATION COMMITTEE (CCTI)

The CCTI is responsible for ensuring the proper functioning of the Innovation Management System (IMS), monitoring the results of innovation activities and fostering a corporate culture in this area. The CCTI periodically approves and analyzes the portfolio of innovation and technology projects.

### ACTIONS

In 2023, the CCTI conducted regular reviews of our innovation portfolio and oversaw the implementation and operation of the Innovation Management System across all divisions and the corporation. This committee was responsible for authorizing the signing of new agreements related to innovation and reviewed progress on initiatives that contribute to water efficiency and the decarbonization of our operations. It also reviewed developments and studies in key areas such as electromobility, chlorinated sulphide leaching and in-situ leaching.

### CHAIRMAN

**Eduardo Bitran**

### VICE CHAIR

**Josefina Montenegro**

### MEMBERS

**Alejandra Wood, Pedro Pablo Errázuriz, Nelson Cáceres**

## SUSTAINABILITY COMMITTEE (CSUS)

The CSUS ensures the progress of our short and long-term sustainability objectives and commitments as well as the effectiveness of corporate policies and systems to manage impacts on the environment and society (health, safety and community); monitoring compliance with the regulatory framework in these matters; publication of the sustainability report and the definition of guidelines on Codelco's socio-community impact. The CSUS is the entity responsible for approving the contents of the Sustainability Report.

### ACTIONS

During the year, the CSUS conducted periodic reviews to ensure compliance with the commitments made in the Environmental Qualification Resolutions (RCA). It evaluated the corporation's sustainability policy and goals, analyzing their impact and effectiveness along with the environmental management systems. Additionally, this committee examined community development strategies and water efficiency management. Also, the CSUS reviewed the tailings and TSF management systems, which are critical elements of our operations, to ensure their safety and sustainability.

### CHAIRMAN

**Alejandra Wood**

### VICE CHAIR

**Nelson Cáceres**

### MEMBERS

**Isabel Marshall, Josefina Montenegro, Pedro Pablo Errázuriz**







## Remuneration of the board of directors

### ■ GRI 2-19, 2-20

Decree Law 1.350 of 1976 regulates the right to remuneration of our directors and Decree No.233/2022, of the Ministry of Finance sets forth the remuneration of Codelco's directors.

In the case of directors who must sit on the Directors' Committee (at Codelco, the Compensation and Ethics Audit Committee, CACE) or other committees other than those established

by Codelco's statutes, receive the additional monthly lump sum of \$1,471,022 - regardless of the number of committees in which they participate. Finally, whoever chairs a directors' committee receives a fixed monthly remuneration for committee participation of \$2,942,047. On our board of directors, there are no gender differences in relation to member allowances.

POSITION	REMUNERATION (ATTENDANCE ON THE BOARD OF DIRECTORS)
Directors	\$4,413,071
Chairman of the Board of Directors (*)	\$8,826,140

(\*) Sole remuneration

## Board performance assessment

### ■ GRI 2-17, 2-18

Our Code of Corporate Governance establishes a procedure to evaluate and continuously improve the board in all its aspects including economic, environmental and social. This process may be executed by a third party, or as a self-assessment arrangement. It is carried out every year and

expert advisory may be sought to implement improvements. At the end of 2023, a tender was conducted to provide external council to strengthen the functioning of the board of directors.

This service is to be provided during 2024.

Further information regarding the set of skills, knowledge and experience required can be found in the [2023 Corporate Report](#).



## Organizational structure at Codelco

To ensure the optimal functioning of the company, Codelco is governed by an organizational chart designed to promote efficiency and quality in all our activities. Law 1.350, updated in 2009, establishes Codelco's Corporate Governance guidelines, outlining the role structure ranging from senior management to professional and technical positions. This law specifies the roles and responsibilities within our organization, ensuring a clear and consistent framework for decision making and management at all levels of the company.

The board of directors is responsible for appointing the chairman and his responsible for implementing the agreements that emanate from this entity to

the company. In addition, the chairman must oversee all productive, financial and administrative activities. Without prejudice to the foregoing, the chairman has the powers delegated by the board and the responsibilities determined by the board.

## SENIOR MANAGEMENT<sup>1</sup>

### Rubén Alvarado President and CEO

**Profession / degree:** Civil Chemical Engineer from the Universidad de Chile and MBA graduate from Universidad de Chile and Tulane University, New Orleans, USA

**Appointment:** 09/01/2023

### Oliver Hernández Vice President of Administration and Finance (i)

**Profession / degree:** Civil Industrial Engineer with a major in computer sciences from Pontificia Universidad Católica de Chile, a Master's in Engineering Sciences from Pontificia Universidad Católica de Chile and an MBA from the Universidad Adolfo Ibáñez

**Appointment:** 11/04/2023

### José Sanhueza Assistant Vice President

**Profession / degree:** Civil Engineer in Metallurgy, Universidad de Concepción

**Appointment:** 11/01/2023

### Macarena Vargas Vice President of Legal Affairs

**Profession / degree:** Lawyer from Pontificia Universidad Católica de Chile; Master in Law (LL.M), University of Chicago, and Senior Business Management Program graduate from ESE Business School

**Appointment:** 05/02/2023

### Mauricio Barraza Vice President of Operations

**Profession / degree:** Civil Engineer in Mining from the University of La Serena. Master of Science in Mining Engineering from the University of Utah, USA

**Appointment:** 11/01/2023

### Mary Carmen Llanos Vice President of Human Resources

**Profession / degree:** Psychologist from the Universidad de la Frontera and master's degree in Strategic Human Resource Management and Organizational Behavior from the Pontificia Universidad Católica de Chile and an executive MBA from Pontificia Universidad Católica de Chile

**Appointment:** 10/01/2022

### Julio Cuevas Vice President of Projects

**Profession / degree:** Civil Engineer, University of Chile, and MBA from the Pontificia Universidad Católica de Chile

**Appointment:** 12/12/2022

### Cristóbal Fuenzalida Vice President of Sales (i)

**Profession / degree:** Public Accountant from the Universidad de Santiago de Chile. Bachelor of Global Business Program, International Business, Management, Finance and Cross Cultural, FH Joanneum University of Applied Sciences, and Master of Finance from The London School of Economics and Political Science (LSE)

**Appointment:** 12/01/2023

### Patricia Provoste Vice President of Corporate Affairs and Sustainability (i)

**Profession / Degree:** Bachelor of Social Communication from the Universidad de Chile and master's degree in Strategic Communication from the Universidad Adolfo Ibáñez

**Appointment:** 11/03/2023

### Mauricio Acuña Vice President of Supply Chain

**Profession / degree:** Civil Industrial Engineer from the University of Santiago de Chile. MBA graduate from the Pontificia Universidad Católica de Chile

**Appointment:** 04/05/2021

### Nicolás Rivera Vice President of Mining Resources & Development

**Profession / degree:** Civil Mining Engineer and Civil Industrial Engineer, Universidad de Chile

**Appointment:** 11/01/2023

### Raúl Puerto General Auditor

**Profession / Degree:** Industrial Engineer from the Pontificia Universidad Javeriana of Colombia.

**Appointment:** 03/11/2021

1. Senior Management to December 31, 2023



**Christian Caviedes**

General Manager, Chuquicamata Division

Profession / degree: Civil-Mining Engineer, Universidad de Chile

Appointment: 10/01/2022

**Julio Díaz**

General Manager, Radomiro Tomic Division

Profession / degree: Civil-Mining Engineer, Universidad de Chile

Appointment: 10/01/2022

**Claudia Cabrera**

General Manager, Gabriela Mistral Division

Profession / degree: Civil Chemical Engineer from the Universidad de Concepción. MBA in Mining Management, Universidad de Chile

Appointment: 06/01/2023

**Gonzalo Lara**

General Manager, Ministro Hales Division

Profession / degree: Civil Mining Engineer from the Universidad de Chile. MBA, University of South Australia

Appointment: 06/01/2023

**Christian Toutin**

General Manager Salvador Division

Profession: Mining Engineer and Civil Engineer in Mining from the Universidad de Atacama, Copiapó. Advanced MBA from the Universidad Adolfo Ibáñez

Appointment: 10/01/2022

**Lindor Quiroga**

General Manager, Andina Division

Profession: Civil Mining Engineer from the Universidad de Atacama. Executive MBA, Universidad Adolfo Ibáñez

Appointment: 10/01/2022

**Andrés Music**

General Manager, El Teniente Division

Profession / degree: Civil-Mining Engineer, Universidad de Chile

Appointment: 09/01/2019

**Ricardo Weishaupt**

General Manager, Ventanas Division

Profession / degree: Civil Chemical Engineer from the Universidad de Chile and master of science degree in Mineral Economics, Curtin University of Technology

Appointment: 11/01/2020

## Diversity in governance entities

■ GRI 405-1

	2022		2023	
	NUMBER	%	NUMBER	%
Male	145	86%	141	82%
Female	22	13%	29	17%
Under 30	0	0%	0	0%
Between 30 and 50	105	62%	106	62%
Over 50	62	37%	64	37%
Nationals	162	97%	164	96%
Foreign	6	3%	6	3%

The classification provided by the CMF is used to approve the Annual Report, where government bodies correspond to senior management and management. Data to December 31, 2023



## Salaries and remuneration of the executive team

### ■ GRI 2-19, 2-20

Remuneration and compensation for those who make up our group of executives are detailed in Codelco's Manual of Remuneration and Benefits for the Executive Branch.

The following criteria are used to determine the respective amounts:

- Reference market, for that position level.
- Annual market orientation, based on a proposal from the Auditing, Compensation and Ethics Committee of the Board of Directors.
- The basis for annual bonus payments depends on the fulfillment of specific goals and the financial performance of the company.

In 2023, total executive remuneration amounted to \$58,432,895,785, including performance bonuses. All of this information is available on Codelco's corporate website, demonstrating transparency and alignment with sustainable governance practices.

## Organizational ethics

### ■ SASB EM-MM-510a.1

To comply with the ethical standard required by our company, we are governed by the Charter of Values and the Code of Business Conduct. These documents

define Codelco's principles, values and purpose as well as obligations and responsibilities Codelco has with different stakeholders. The Code of Conduct establishes a mandatory regulatory framework that guides the behavior of all individuals and organizations associated with Codelco. Codelco has created an Auditing, Compensation and Ethics Committee (known

for its acronym CACE in Spanish) whose purpose is to promote the principles of the Charter of Values and the Codelco Code of Conduct, as well as to ensure the implementation, interpretation and consistent and harmonious application of its regulations. The CACE ensures the implementation and application of the standards.

### NEW CHARTER OF VALUES

- 1** *We look for*  
**ONE ANOTHER**

I look after myself and the lives of everyone else
- 2** *We live with*  
**RESPECT**

We value all relationships without distinction
- 3** *We meet our goals*  
**WITH EXCELLENCE  
AND INNOVATION**

We commit to comply with objectives and innovate to improve business performance
- 4** *We value*  
**COLLABORATION**

We work together as a team towards our common purpose
- 5** *We build a*  
**SUSTAINABLE  
FUTURE**

We are responsible for our socio-environmental impact and work with ethics and honesty towards a sustainable future.





## Complaints and grievances hotline

### ■ GRI 2-26, 205-3

Codelco has established a complaints and grievances hotline operated through the EthicsPoint platform. This communicative channel allows individuals to report (anonymously or otherwise) any conduct that violates or may violate our Code of Business Conduct or other corporate policies. Engagement with this line can be through a computer or mobile phone.

Complaints may also be filed by telephone at **800-914-478**.

The Internal Auditing team manages these channels and operates independently. Moreover, this team report grievances directly to the board of directors, ensuring their confidentiality and anonymity. During the investigation process, contact is maintained with the claimant to report on the progress and conclusion of the reported case review..

## Complaints and grievances hotline results

In 2021, 2022 and 2023, we had no confirmed complaints regarding corruption offences under Law No. 20.393. Accordingly, investigations between 2021,

2022 and 2023 found six cases of serious deviations with evidence of lack of integrity.





## Anti-corruption

### ■ GRI 205-1 SASB EM-MM-510a.1

Codelco evaluated 10 operations for risk related to corruption in 2023, representing 100% of operations under evaluation. Among the most relevant operations evaluated were:

1. Contract administration and supply chain processes.
2. Human resources management and labour relations
3. Business operations
4. Sales operations
5. Agreements and cooperation agreements with third parties
6. Financial operations and accounting and tax management
7. Institutional relations and public affairs

Significant risks related to corruption to which we are exposed can be accommodated in the aforementioned processes, and are detailed in our Crime Commission Risk Matrix, in accordance with Law 20.393.

## Compliance with laws & regulations

### ■ GRI 2-27, 419-1

Our Compliance Management Model includes standards, systems, processes and organizational structures to manage different compliance risks to which our operations, businesses and investments are exposed.

In 2023, 69 cases of complaints were identified that resulted in fines amounting to a total of \$85,166,628.

## Prevention of corruption and bribery

### ■ SASB EM-MM-510a.1 GRI 205-2

At Codelco, we are committed to promoting high ethical standards. We reject all unlawful behavior and practices, in any form they takes, given that corruption undermines trust in business and society and is incompatible with our values.

Codelco has tools in place that contribute to the prevention, detection and response to unethical conduct. Moreover, we constantly review our standards to maintain a positive workplace that fosters trust in our stakeholders.

With respect to our board members, in 2023 one hundred percent of them have been informed and received training on the organization's anti-corruption policies and procedures.

During the same period, total of 3.782<sup>2</sup> workers were informed and trained on anti-corruption policies and procedures.

The selection criteria of the number of employees who are given training on our anti-corruption procedures are based on international best practices. These state that those compliance programs in which greater attention

and resources are dedicated to higher risk activities (and in which a level of due diligence is demonstrated in accordance with the size and risk of the operation) will be valued more.

Moreover, 100% of our suppliers and clients have also been part of the communication we carry out on anti-corruption policies and procedures<sup>3</sup>.

During this period Codelco disclosed the respective lessons learned through communication campaigns throughout the entire corporation. These lessons were derived from complaint investigation processes and aided us in strengthening corporate knowledge and awareness in this area. Using the same methodology, we implemented a QR code to facilitate access to the EthicsPoint platform.

WORK CENTRES	2023
Total number of work centres	10
Number of work centres that underwent a corruption risk evaluation	10
Percentage of work centres that underwent a corruption risk evaluation	100

<sup>2</sup> Workers classified with the highest exposure to risks of this type.

<sup>3</sup> 150 clients and 3,234 suppliers



## Conflicts of interest management

### ■ SASB-EM-MM-510A.1, GRI 2-15

At Codelco we have created an environment of zero tolerance for conflicts of interest and we strive to prevent and rigorously manage any such conflicts. The organization has a Corporate Policy on Conflicts of Interest that addresses situations, whether real, potential or apparent. This provides a comprehensive framework for handling this important matter.

We have additional tools and controls to effectively identify and address conflict of interest, including:

1. **Personnel statements:** A process that allows all workers to duly report situations that may represent a conflict of interest in the exercise of their role
2. **Counterpart due diligence:** A process to analyze information related to persons, whether natural or legal, to identify possible risks of conflicts of interest in the stages prior to the materialization of business pacts, agreements or contracts.

The Corporate Policy on Conflicts of Interest, as well as the tools and controls implemented, reaffirm Codelco's commitment to protecting its integrity and credibility by addressing conflicts of interest proactively and effectively, thus ensuring transparency and ethics in its operations.







## Crime prevention model

■ SASB EM-MM-510a.1 GRI 205-2

Codelco's Crime Prevention Model (CPM) is a system that facilitates the prevention of crimes defined in Law No. 20.393. The CPM operates along the following three lines of action:

**99.8%** of our target staff<sup>2</sup> were trained in anti-corruption procedures.

2. This figure corresponds to 3,782 workers

CRIME PREVENTION MODEL (CPM)	Governance	Definition and formal implementation of policy, structure, roles and responsibilities in crime prevention.
	Process	Formal and continuous implementation of the prevention system, ensuring the identification, evaluation, response, oversight and reporting of the risks of crimes being committed.
	Verification of compliance / fulfilment	Oversight and certification of the CPM. The CPM currently has certification until 2024.

In August 2023, our board created the Compliance Department, as part of its search for leadership in ethics and integrity.



## 2.2 Risk management

### Risk management framework

Codelco's strategic transformation in risk management is oriented towards sustainability and resilience, in a context of global and local socio-environmental challenges. This process seeks to mitigate the uncertainty of the business, anticipating situations that may threaten the proper functioning of our company.

Risk management is based both on the correct implementation of management systems and on the strengthening of an organizational culture that appeals to individual and collective responsibility.

#### RISK COMPONENTS AND PROCESSES

<b>RISK GOVERNANCE</b>	Risk governance seeks a greater involvement of the board of directors and senior management, and the strengthening of the corporate risk committee for effective management.
<b>CODELCO'S OBJECTIVE AND CHALLENGE</b>	Our aim is to deepen the risk management, which is essential for the effective implementation of the corporate strategy and the strengthening of anticipation and resilience.
<b>COMPREHENSIVE AND STRATEGIC MANAGEMENT OF RISK</b>	Promotes the adoption of international standards and a strategic approach to management of those risks which can affect the business model over the medium and long term, with a focus on its evaluation and response.
<b>KNOWLEDGE MANAGEMENT</b>	Encourages the capture and publication of risk knowledge for cross-cutting organizational learning, sharing lessons learned and best practices.
<b>OVERSIGHT AND MONITORING OF EMERGING RISKS</b>	Formal and continuous implementation of the prevention system, ensuring the identification, evaluation, response and monitoring.
<b>PREDISPOSITION TO RISK AND SCOPE</b>	Corporate decisions incorporate Codelco's risk readiness and reflect Codelco's willingness to take risks to achieve objectives.





## THREE LINES OF DEFENSE MODEL

<b>Line 1</b>	Includes workers at all levels in charge of managing risks and controls in their work
<b>Line 2</b>	Consists of the risk areas and specialized areas offering support and defining the respective standards
<b>Line 3</b>	Involves internal and external auditors, providing an objective and independent perspective on our risk management effectiveness.

At Codelco, we establish clear roles in risk management, through the application of a Three Lines of Defense Model, which involves workers, specialized areas and auditors.

This model addresses specific topics such as:

- Corporate governance
- Ethics & integrity
- Legal affairs
- Environmental compliance
- Active transparency

In each of these areas we identify, prevent and monitor the respective associated compliance risks, in accordance with our Comprehensive Risk and Control Management System, which guarantees criteria to address the main risks to which the Codelco is exposed.

## Corporate level risks

We have a risk classification that considers the level and nature of exposure, with a global and consolidated view of corporate risks.

- Exposure level: very high, high, medium or low. The given exposure level will determine how the risk is handled.
- With respect to risk nature and areas of risk impact we consider economic, occupational health and safety, environmental, community, reputational and legal factors.

During 2023 the Board of Directors reviewed Codelco's strategic risks together with top executives. This review concluded with an adjustment to our risk strategy, giving greater focus to personal health and safety as Codelco's primary focus.

At the business level, the strategic risk priority was given to safety, sustainability, project opportunity and efficient water use in our operations, promoting instances of deepening and improving the handling of these aspects from 2024 onwards.





## Physical risk and climate change transition risk

### ■ GRI 201-2

In 2023 Codelco came into alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Accordingly, we performed a detailed analysis on climate-related financial disclosures. We also identified risks and opportunities arising from climate change, categorising them into physical and transition risks, including political, legal, technological and market aspects, as well as acute and chronic physical risks.

Likewise, we recognized opportunities in resource efficiency, energy, products, services, markets and resilience.

Among the key aspects of our alignment with TCFD are the following:

- Implementation of a clear path for the management of greenhouse gas (GHG) emissions and other climate targets.
- Disclosure of physical and transitional climate-related risks and opportunities
- Integration of climate issues in our materiality analysis for the sustainability report.
- Development and communication of robust

governance for the management of sustainability and climate change.

- Presentation of our climate change strategy, focused on mitigation and adaptation measures.
- Disclosure of the Comprehensive Risk and Control Management System, ensuring effective management of climate risks.

In 2023, we developed a roadmap to address the gaps detected in the 11 TCFD recommendations, which includes aspects pertaining to the four dimensions of this task force

## 2.3 Policies and practices

### Strategic development and practices

#### ■ GRI 2-24

Copper is crucial to ensure access to energy, improve energy efficiency, and facilitate the growth of renewable energy sources across a wide variety of applications designed to help meet the planet's decarbonization goals.

Furthermore, copper is key in the construction of the cities and infrastructure required for the sustainable urbanization of the world.

Our strategy is structured around the following five areas of aspiration, which lay out the issues in which we need to make significant progress to overcome the current challenges:

- **1**  
**People:** Offer safe and fatality-free work environments, achieve a high-performance culture, develop full human potential and foster working relationships that help drive transformation.
- **2**  
**Sustainability:** Proceed towards responsible mining, position Codelco among the leading mining

producers in the creation of environmental and social value.

- **3**  
**Projects:** Deliver structural projects on time and on budget, ensuring promises of their value.
- **4**  
**Competitiveness:** Improve the performance of current operations, repositioning Codelco in the group of producers with the lowest costs in the industry while ensuring the profitability of the business over the long term.
- **5**  
**Future:** Add new copper resources to the mining base to extend the life of our company and increase its value, while transforming Codelco into a key player in the lithium industry.



Through the initiatives that support these aspirations, Codelco strives to maximize its contribution of economic, environmental and social value, taking charge of its main challenges and taking advantage of its opportunities:

- Close existing management gaps in operations
- Compensate for the progressive depletion of our deposits
- Stabilize levels of incurred debt to finance our business plan
- Expand our business lines by venturing into new minerals
- Deploy a mining model that responds to current and future demands in terms of economic, social and environmental sustainability.

This will allow us to fulfill our purpose of **being a pillar of sustainable development in Chile and across the world**, a motivating factor for all those who work at Codelco on a daily basis. This purpose guides the fundamental roles that Codelco has as the world's leading copper producer, in two dimensions:

- The global dimension: Face the phenomena of the energy transition and the race towards carbon-neutrality and key minerals to improve the quality of life of all people around the world.
- The local dimension: Face the needs of growth and well-being of our country, contributing in a sustained and responsible manner to the economic and social development of Chile and all its inhabitants.





## Commitments and policies

### ■ GRI 2-23

Codelco promotes responsible business conduct, and to this end aligns its policies with intergovernmental instruments, such as the Guiding Principles on Human Rights and Business (since 2012), UN Sustainable Development Goals (SDG) (since 2016), United Nations Universal Declaration of Human Rights (since 2003), the United Nations Convention on the Rights of the Child (since 2003) and others.

We are unrestrictedly committed to respecting human rights, as well as respecting the fundamental principles and rights at work established in the international treaties that Chile has ratified. This implies the incorporation of such provisions as corporate guidelines that translate into everyday practices (e.g. all people have the right to be treated with respect and dignity, regardless of their nationality, place of residence, sex, ethnic origin, colour, religion, language or any other condition, whether they are members of our corporation or external to it).

### Specific commitments to human rights

As Codelco, we are committed to respecting internationally recognized human rights that encompass fundamental aspects such as non-discrimination and the right to fair working conditions.

We pay attention to stakeholders, including those in situations of risk or vulnerability, focusing efforts on ensuring respect for human rights for employees, local communities and other stakeholders. This approach extends particularly to the most vulnerable groups, ensuring that their rights are protected and respected in all company activities.

Regarding human rights risks, due diligence process was completed in 2023 at all divisions of the corporation in adherence to international standards, particularly, in accordance with the United Nations Guiding Principles on Business and Human Rights and the OECD due diligence guide, which made it possible to identify gaps and initiate the process of generating rectification plans.

Since 2022, we have been in the process of installing a new risk management system that seeks to promote an integrated risk management vision. In this process the key milestones involve the dissemination of the organization's risks in each of the divisions and promotion of a risk-based culture with training and dissemination in the field.

## Mechanisms for seeking advisory support

### ■ GRI 2-26

When necessary we may request consultancy support on the application of company policies and practices through the following means:

- Access to the Code of Business Conduct.
- Participation in ongoing training programs, including ethics and integrity issues.
- Conduct training activities such as workshops and interviews to review and clarify doubts about related persons' statements and compliance model controls.







## 2.4 Ethics, integrity and compliance

Ethics and integrity management is executed through the Compliance Management Model, which aims to establish and conduct actions necessary to ensure the integrity and care of Codelco's reputation. This is based on the Crime Prevention Model and translates into rigorous governance and the application of a regulatory framework, in line with board-driven requirements.

Among the main advances in 2023 is our awareness process regarding modifications to the legal framework, in particular Law 20.393, through Law 21.595. These modifications were reported to senior management and to the areas of the business with the greatest exposure and divisional executive committees.

In addition to the above, in August our board of directors created the Compliance Department as part of its strategy to position itself as a leader in this area. The Compliance Department will be responsible for ensuring the effective implementation of the new crime prevention program, which must focus on promoting and maintaining the highest standards of ethics, integrity and transparency in all our operations and business practices.

### Contribution to political parties

■ GRI 415-1

As a company we do not make contributions to parties and / or political representatives stipulates that Codelco

is one hundred percent owned by the Chilean State and must deliver its profits to the treasury coffers, except for situations where specific agreements allow for reinvestments of a certain percentage of these profits for Codelco to finance its projects. Codelco is governed by modern and auditable corporate governance with stringent regulations on transparency, integrity and good corporate governance.

In this context, Codelco shares the ongoing effort of the - Extractive Industries Transparency Initiative (EITI) for tending to generate frameworks for greater transparency regarding the final or real beneficiaries, tax systems, and all other matters that provide a greater scope of awareness and knowledge to the owners and controllers of the entities.

### Unfair competition

■ GRI 206-1

In 2023 there were no enforceable penalties for monetary losses as a result of judicial proceedings related to rules of unfair competition.



## Tax approach

### ■ GRI 207-1

At Codelco, we are committed to fully comply with the tax legislation of the countries where we operate, paying due taxes in accordance with the current legal framework of each country.

We act collaboratively and transparently with the tax authorities. We seek to minimize tax risk, using procedures and control mechanisms.

As a state company, it is important for Codelco to maintain constructive relationships through fluid and transparent communication with the tax

authorities. We recognize that a prompt resolution of disputes is favorable to both Codelco and the authorities.

Our fiscal approach reflects a combination of financial responsibility and commitments to the Chile's sustainable development, in full compliance with all our obligations as taxpayers.

## Fiscal oversight, control and management

### ■ GRI 207-2, 207-3, 207-4

At Codelco, we actively seek to identify and minimize tax risk and we have procedures and control mechanisms dedicated to this purpose. To ensure that the Codelco's actions are compatible with the legislation in both Chile and in other countries where we maintain subsidiaries, we have a dedicated and qualified internal staff, in addition to external professional advisory support.

Through the Accounting and Tax Department, we supervise tax matters at the different levels of the corporation and remain close to the tax authority for a rapid resolution of doubts related to the correct application of the law.

The Corporate Complaints Hotline is our primary mechanism for raising concerns related to Codelco's internal business conduct and fiscal integrity.

Codelco submits its audited financial statements to the Financial Market Commission (FMC) on a quarterly basis, and we publish an annual report following the guidelines of this body. The annual financial statements explain in detail the situation and composition of taxes, the reconciliation of the effective tax rate and the composition of current and deferred taxes.

<b>Contribution to the treasury</b>	<ul style="list-style-type: none"> <li>▪ Codelco's revenues to the treasury represent a portion of Chile's GDP. In 2023, Codelco's contributions to the treasury reached US \$1,426 million, fulfilling the commitment to the Treasury of US \$1,411 million established in the budget decree of November 2022.</li> </ul>
<b>Copper Reserve Law No. 13.196</b>	<ul style="list-style-type: none"> <li>▪ Pursuant to Law No. 13.196, returns in foreign currency for Codelco's foreign sales (real income) of copper production, including by-products, is taxed 10%.</li> </ul>

### 2023 FISCAL GOVERNANCE DETAILS (EXPRESSED IN MILLIONS OF US\$<sup>5</sup>)

<b>Income from third-party sales</b>	16,393
<b>Results due to Law No. 13.196 tax</b>	1,256
<b>Loss before taxes</b>	757
<b>Tangible assets other than cash and cash equivalents</b>	37,574
<b>Taxes paid</b>	144
<b>Results from taxes</b>	166

5. Codelco is obliged to present the country-by-country report to the Chilean tax authority. This report will be submitted within the legal deadlines set at the end of June 2024





# 3 Sustainable value chain

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## 3.1 Financial statements

### ■ GRI 201-1, 201-4

In 2023, the total amounts received from sales of goods and services was US\$ 16,753 million, while the economic value distributed was US\$

19,271 million and the economic value retained was US\$ -2,517 million.

### ECONOMIC VALUE GENERATED AND DISTRIBUTED IN 2023

CATEGORIES	MILLIONS OF US\$
<b>a) Proceeds from the sales of goods and services</b>	<b>16,753</b>
<b>b) Total economic value distributed</b>	<b>-19,271</b>
Payments to suppliers for the provision of goods and services	-11,804
Payments to employees	-1,657
Purchase of property, facilities and equipment	-4,369
Contributions to the Chilean Treasury	-1,426
Community investment	-14,7

### ■ GRI 201-4

In 2023 we used tax credits for training expenses and mining patents amounting to US\$ 7.7 million.

## Industrial sector: Business context

Copper has properties that make it a key input for technologies that contribute to decarbonization and tackle climate change challenges. Given its ability to conduct electricity, it aids in the generation of energy from renewable sources that allow the energy transition and the technological development required to support electromobility. This has placed the mining industry in the market for sustainable solutions, anticipating continued growth in demand for refined copper.

Our value chain ranges from extracting ore from deposits to obtaining high purity metals, copper concentrates and by-products that are primarily sold to manufacturers of semi-finished goods, who then transform these materials into a wide range of products such as cable, pipe and machine parts, among other items.

In the copper market we compete with leading mining companies in Australia, Africa and the Americas, with Codelco being the largest producer of copper in the world.

There are three key international markets where copper is traded:

- London Metal Exchange (LME)
- Chicago Mercantile Exchange (CME)
- Shanghai Metal Exchange (SHFE)

The price of metals is set daily in these markets. Codelco takes the LME price as a price reference.

To sell our products we have different marketing channels including offices, subsidiaries and sales representatives within the main consumer centers. We maintain business offices in the United States, China, the United Kingdom and, since 2021, in Singapore.

As for the distribution of our products and by-products, we use land, air and sea transport, backed by efficient customs logistics management.



## Business results

### ■ SASB EM-MM-000.A

In 2023, our production levels were 1,324,554 tons of our own copper and 1,423,785 tons of total copper, including the 99,231-ton stake in El Abra and Anglo American Sur.

In comparison to 2022, Codelco's own production figure shows a decrease of 8.4%. This is explained by the following:

- Greater feed from the stockpile, which affected the levels of copper obtained at Ministro Hales.
- Postponement in the preparation of the ore in El Teniente, due to the climatic events involving rains and winds in June - then the earthquake in July, all of which reduced the ore processing capacity in said division.
- Recorded depletion of the Chuquicamata pit mine, which was partially compensated by a contribution of production from the underground mine.
- Lag in the startup of the Rajo Inca operation affecting Salvador Division's production capacity.
- Discontinuities in the operation of the concentrator, as well as climatic events, negatively impacted the production at Andina.
- Direct costs (C1) reached 203.1 cents per pound (c/lb), up 22.8% compared to 2022, mainly due to lower production of copper and by-product sales, in addition to higher operating costs.

- Meanwhile, during 2023 the net cost to cathode (C3) reached 335.1 c/lb, which represents an increase of 18.6% compared to the previous year.

This is due to the same reasons indicated for C1 in addition to higher financial costs.

As of December 2023, our consolidated Ebitda (and before the contribution pertaining to Law No. 13.196) amounted to US\$ 4,184 million, down 26% compared to 2022, when it reached US\$ 5,656 million. This variation is mainly due to lower sales of copper and by-products, derived from lower production and higher costs.

In 2023, our contribution to the treasury was US\$ 1,426 million, fulfilling the commitment to the Ministry of Finance for US\$ 1,411 million as established in the budget decree of November 2022.

## Primary investments

Our investment program will allow us to extend the life of our deposits by approximately 50 years. This program is composed of a portfolio of stable investments supported on the basis of our main divisions. We also have a Business and Development Plan (BDP), which establishes the priority projects and the estimate of investments for the next 25 years.

Planning has three time outlooks:

- Short term (annual), which includes the annual budget of investments and authorized projects currently in execution
- Medium term (5 to 10 years), as defined of our BDP
- Long term (25 years), including projects and investment expenditure projections for the next 25 years, according to the time limit established in our BDP

The long-term outlook is our most likely business scenario, defining a portfolio of projects and investment projection for the next 25 years. Given the foregoing, we estimate a total investment of US\$ 46 billion for projects and US\$ 22 billion in development expenditures.

In 2023, the investment corresponding to the approved-for-investment (AFI) portfolio amounted to US\$ 2,722 million, while the investment in the approved-for-deferred-expenses (AFDE) portfolio amounted to US\$ 1,463 million. Reaching a total funding of US\$ 4,185 million (up US\$ 757 million compared to 2022).

The investment of the Chuquicamata Subterránea, Teniente Project Portfolio, Traspaso Andina and Rajo Inca projects amounted to US\$ 1,523 million in 2023, representing 61% of the total API portfolio for the year.

The annual investment budget reports the balance at the end of the year and includes the investment associated with structural projects at our operations in Chile, together with its key achievements.

This budget is updated annually with the information available at the end of the previous year, marking the investment control baseline<sup>1</sup> for the current year.

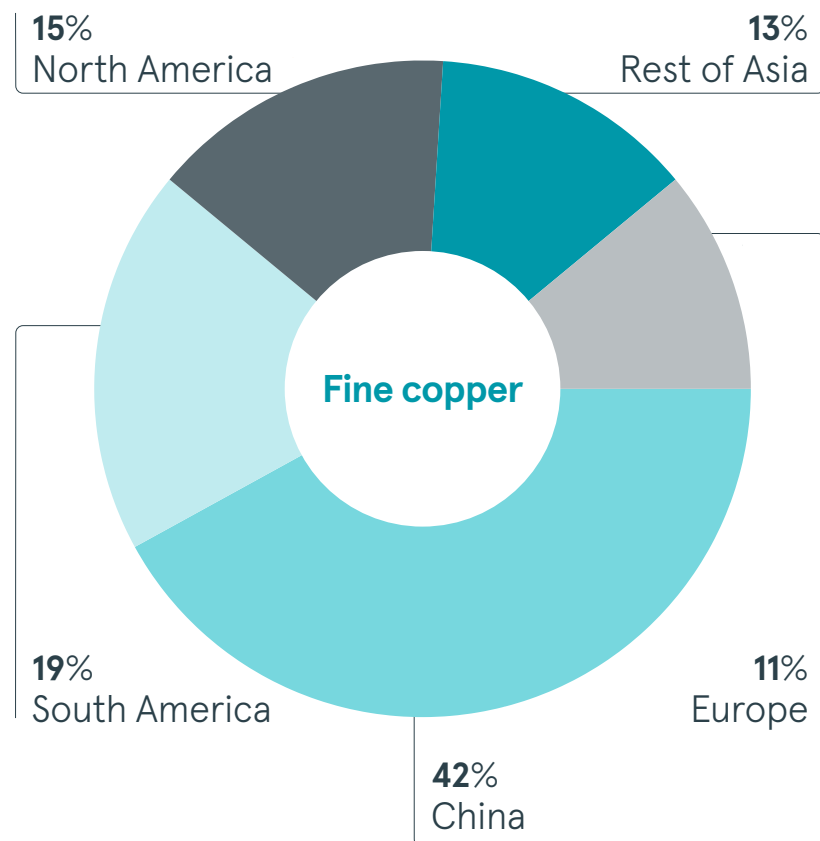
The fine copper from our divisions represents **24.9% of national production** (without considering our stake in Minera El Abra and Anglo American Sur).

<sup>1</sup> For further details on our economic performance, please see the [2023 Annual Report](#).

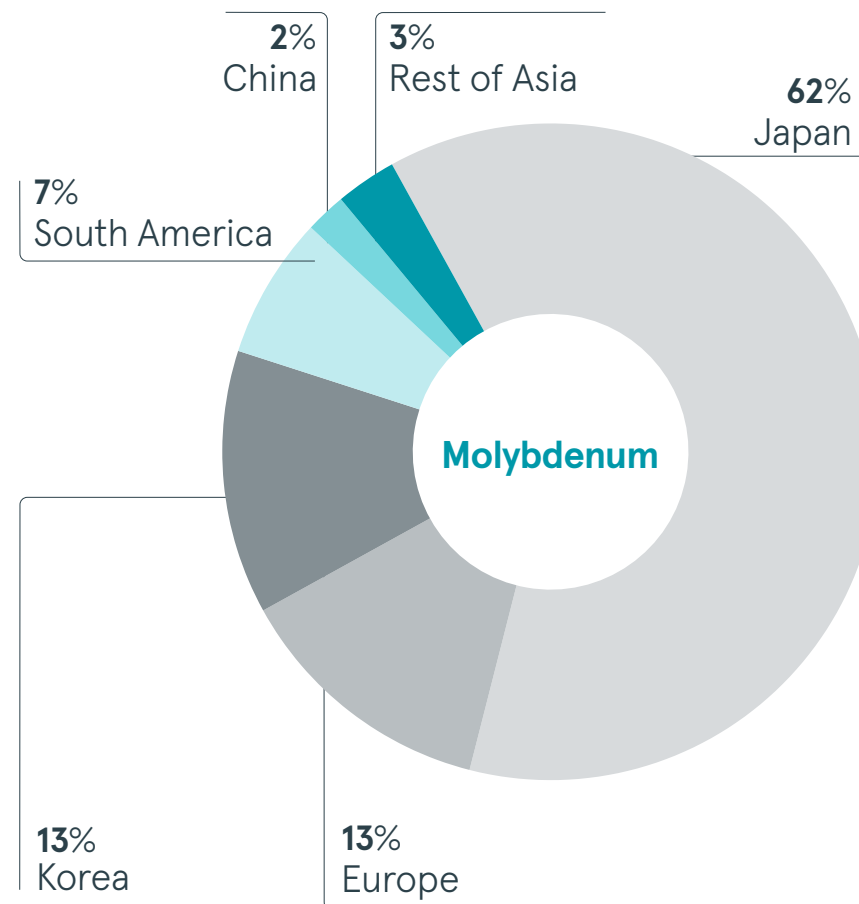


## 2023 copper and molybdenum sales

Geographical distribution of copper sales by region



Geographical distribution of molybdenum sales by region



Currently, **6.4% of the refined copper used in the world** comes from sales by Codelco







## 3.2 Responsible production

### Due diligence in the mineral supply chain

■ GRI 308-2, SASB EM-MM-510a.1 , 510a.2, 414-2

At Codelco, we are committed to responsible production. During 2023 all our operations received The Copper Mark certification. This recognition demonstrates copper industry contributions to sustainable development through a complete analysis and verification for copper producers. Therefore, at all of our operations we develop a mineral supply chain management system within the framework of the due diligence guideline of the Organization for Economic Co-operation and Development. This system seeks to identify, evaluate and manage risks associated with significant impacts on human rights and financial crimes, such as corruption, money laundering, bribery and terrorist or armed group financing.

The effectiveness of the due diligence process in the mineral supply chain management system is based on the following aspects:

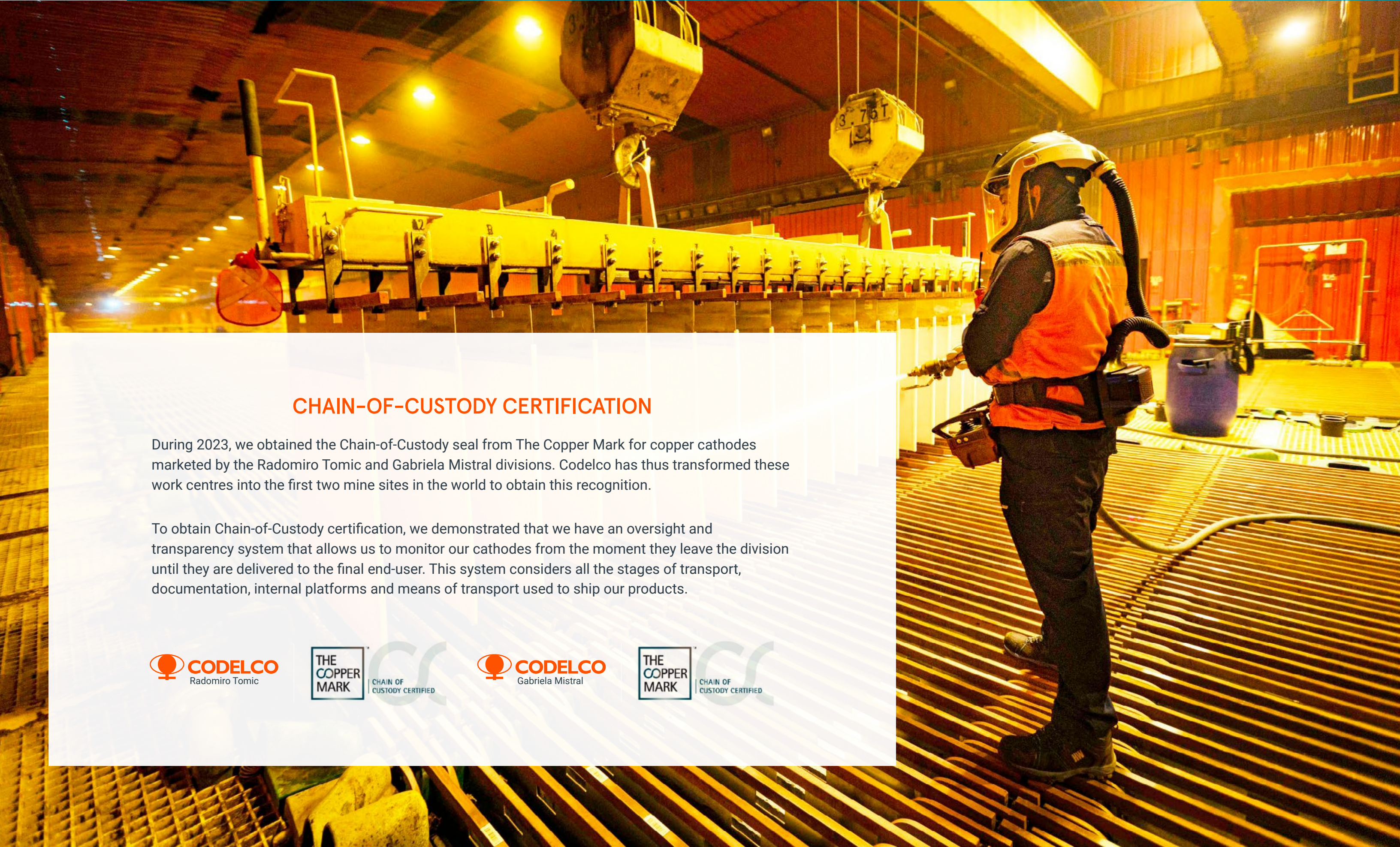
- The training of people who work in mineral supply processes.
- The performance of the Due Diligence Committee, which is tasked with reviewing the implementation of the procedure, validating risk management plans (when alarm signals are detected), recommending audit plans and approving the content of the

implementation report and results of the procedure for the purchase and evaluation of mineral suppliers.

- The identification of warning signs in the evaluation of mineral suppliers, using a form with which we obtain information on aspects related to governance, safety and environmental management systems, due diligence in the mineral supply chain, legal compliance and others associated with sustainability. This information is credited from evidence provided by the supplier.
- The risk assessment of our mineral suppliers is conducted based on the collected information, including information on the country of origin and the transport of materials before delivery to the company. The identification of warning signs involves traceability from the origin, identifying locations that may present areas of conflict and high risk. Moreover, legal performance and socio-environmental data and implemented management systems implemented by suppliers are also included. The assessment of the identified risks is conducted by Codelco.

Codelco does not have production in those countries that rank among the 20 lowest positions in Transparency International's Corruption Perceptions Index.





## CHAIN-OF-CUSTODY CERTIFICATION

During 2023, we obtained the Chain-of-Custody seal from The Copper Mark for copper cathodes marketed by the Radomiro Tomic and Gabriela Mistral divisions. Codelco has thus transformed these work centres into the first two mine sites in the world to obtain this recognition.

To obtain Chain-of-Custody certification, we demonstrated that we have an oversight and transparency system that allows us to monitor our cathodes from the moment they leave the division until they are delivered to the final end-user. This system considers all the stages of transport, documentation, internal platforms and means of transport used to ship our products.





## 3.3 Supplier engagement

Since 2012 Codelco has had a Contracting Policy that promotes the search for synergies and mutual value optimization with our suppliers and contractor companies. This policy seeks to develop our suppliers with the aim of enhancing their base and performance. In addition, we encourage competitiveness in the tender processes, through the participation of national and international suppliers in each supply area

Business ethics is the foundation of every business relationship, guided by the following fundamental principles:

- Respect and value of people and the environment
- Integrity and transparency in business
- Trust oriented towards joint success
- Operational excellence to achieve the highest industry standards and practices
- Productivity based on risk reduction and cost effectiveness, ensuring efficiency in our operations

The Vice Presidency of Supply Chain is in charge of conducting the attraction, registration and training of suppliers. These actions seek to expand the availability

of certified companies in business categories, expand the market and encourage greater competition in the bidding processes. We also provide suppliers the knowledge necessary to effectively integrate into our supply chain.

To meet these objectives, we participate in fairs and events related to the mining industry, we also organize specific events that facilitate rapprochement between Codelco and its contractors. Furthermore, we develop multiple training alternatives for suppliers in order to address their concerns and support them in the process of supplying our company.

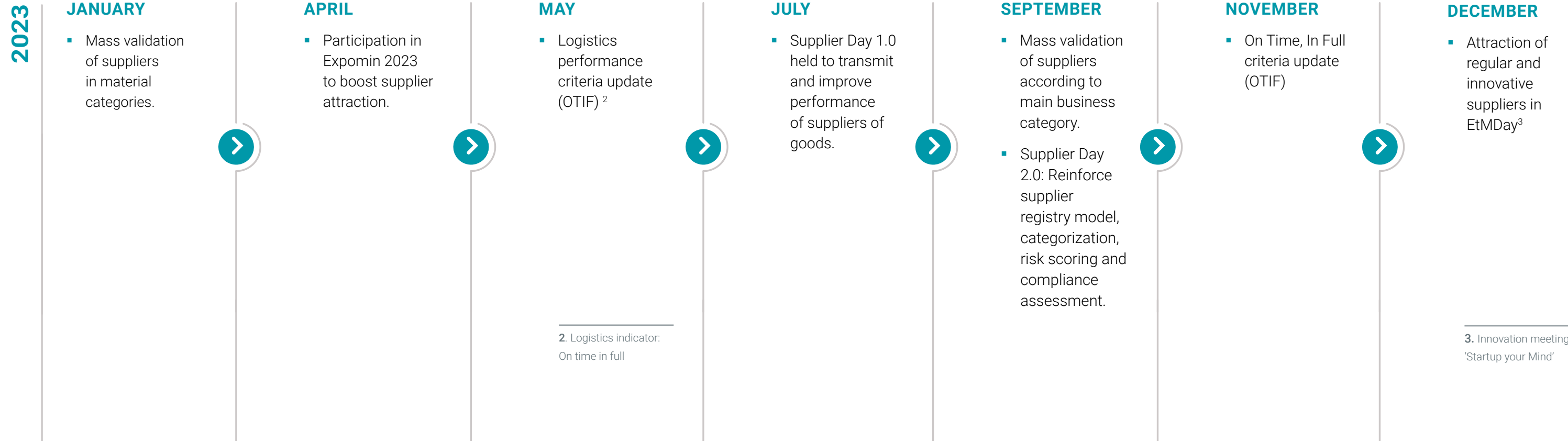
We seek to establish strong and mutually beneficial relationships with our suppliers, to strengthen the supply chain, promote innovation, foster competitiveness in the national mining industry and comply with the highest standards in safety.



For further details on our contracting principles, please see our [Contracting Policy](#).



## KEY SUPPLIER DEVELOPMENT MILESTONES



## KEY SUPPLIER FIGURES FOR 2023:

2023



8

Webinars in divisions with Local MSME suppliers



17

Sanction committees (10 penalties and 119 reprimands)



10

Sanctions raised



9

Sanctions committee related to safety (7 sanctions and 2 reprimands)



7

Webinars with suppliers with the support of Red Negocios category segmentation and validation)



4

In-person events with Local MSME suppliers at divisions



## Supplier management

In the General Administrative Terms and Conditions, we establish the considerations on Codelco's contractual relationship with suppliers and contractor companies (as well as labor issues, when applicable).

There are three lines of supplier categorization:

- **General:** Generic suppliers
- **Local MSMEs:** Micro, small and medium-sized enterprises with headquarters in the regions of Antofagasta, Atacama, Valparaíso and O'Higgins
- **Innovation:** Suppliers willing to propose technology-based solutions

We also have suppliers that we categorize as critical. During the period of analysis, these suppliers have had a valid contract in the energy, maintenance service and procurement departments for mining equipment and / or inputs. Also included are those suppliers that deliver transversal services in the areas of food and transport.

Codelco conducted business with **3,214 new suppliers in 2023. 93%** of these **suppliers were national – 52% belonging to the small and medium-sized enterprise category.**

### 2023 SUPPLIERS WITH NEW CONTRACTS BY TYPE

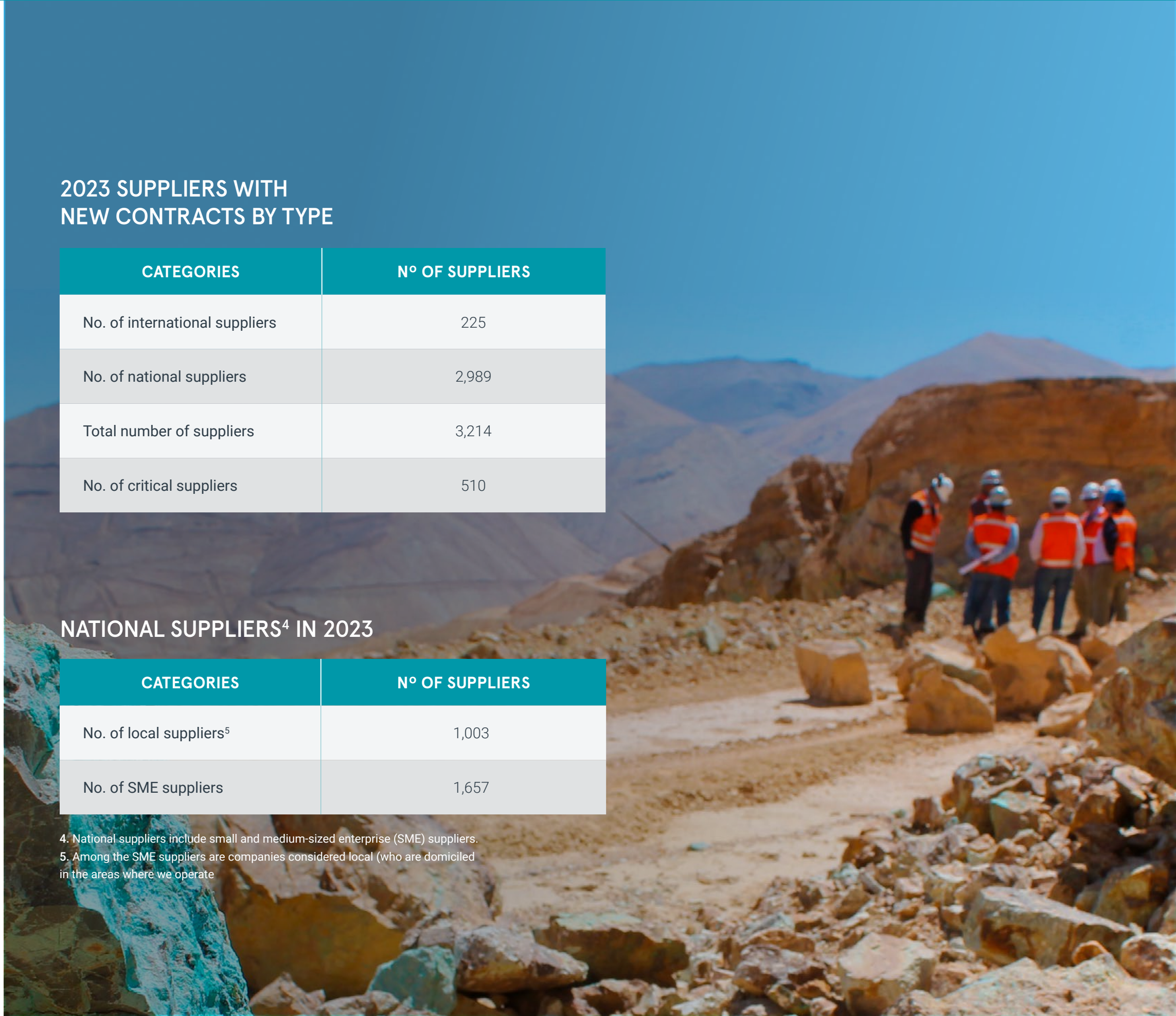
CATEGORIES	Nº OF SUPPLIERS
No. of international suppliers	225
No. of national suppliers	2,989
Total number of suppliers	3,214
No. of critical suppliers	510

### NATIONAL SUPPLIERS<sup>4</sup> IN 2023

CATEGORIES	Nº OF SUPPLIERS
No. of local suppliers <sup>5</sup>	1,003
No. of SME suppliers	1,657

4. National suppliers include small and medium-sized enterprise (SME) suppliers.

5. Among the SME suppliers are companies considered local (who are domiciled in the areas where we operate)





## Contracting local suppliers

### ■ GRI 204-1

Codelco strengthens skills in local contractors belonging to the small to medium-size industry. Such efforts align with our strategy for territory development with social value, as well as with part of our sustainability commitments that promote equitable and long-term economic development in the areas where we operate.

Local suppliers are those whose headquarters is located in the districts, provinces and / or regions in which Codelco's operations and investment projects (divisional and structural) are located. Within this group are those considered micro, small and medium enterprises (MSE), according to the definition provided by the Ministry of Economy. MSEs are fundamental for the economic and social development of the territories.

- **Generation of local employment and collaboration with other local suppliers:** Local suppliers hire labor from their own community and promote the generation of employment in the surrounding area. In addition, they foster partnerships and collaborations with other local suppliers, generating a regional business network.

- **Commitment to community development:** These providers participate in community development initiatives. Their contribution goes beyond commercial activity given that they seek to positively impact the environment, support projects and undertake actions that benefit the local community.

The El Teniente Division led in the process of onboarding local suppliers, completing purchases for US\$ 109.3 million. The Andina Division followed this lead and reached US\$ 38.7 million. For its part, Radomiro Tomic contributed US \$15.3 million in local procurement.

Furthermore, during the year we amended our processes, modified revenue criteria and aligned with the Santiago Chamber of Commerce. We also created a new evaluation methodology process that makes prospective suppliers to be more likely from certain business sectors and incorporated a new plan for local suppliers in RedNegocios of the Chamber of Commerce of Santiago.

In 2023, we recorded payments of **US\$ 263 million** to local suppliers. The percentage of the increase in local MiPyme purchasing has been 24% since the comparative base year (2019).

## IMPACT ON THE COMMUNITY

Among the activities conducted by the Vice Presidency of Supply Chain in 2023, a committee was established that sanctions suppliers and / or contractors who have violated Codelco's regulation and have caused a negative impact on the communities.

Depending on the type of breach, we ask suppliers to submit a plan of action. Once the committee is duly informed, it evaluates and defines the sanction to be applied.

During 2023, 17 sanctions and 121 reprimands were imposed, of which 7% were related to safety factors.







## Environmental and social evaluation of suppliers

■ GRI 308-1, 414-1

### Supplier qualification

To become a Codelco supplier, our Contracting Policy requires strict compliance with legal and regulatory frameworks both for national and international standards. We use digital business engagement platforms with our suppliers ('Registro de Proveedores') whose impact is to optimize the supplier portfolio (Supplier Master) to meet business objectives. This is achieved through the implementation of a Supplier Management Model. This model focuses on the application of a supplier segmentation model that extends invitations to tender to prequalified and satisfactorily classified suppliers. The registration in the supplier registry involves validations of online sources and documentation checks allow companies to be evaluated on six criteria:

1. Operational sustainability
2. Size
3. Financial matters
4. Occupational health and safety alignment
5. Environment
6. Innovation and development

In 2023, we rated 2,603 suppliers. Of these, 1,455 (56%) represent 70% of the year's purchases.

CATEGORIES	QUALIFIED SUPPLIERS	% OF LOCAL PURCHASES
International suppliers	38	0.5%
Domestic suppliers	1,417	69.8%
<b>Total</b>	<b>1,455</b>	<b>70.3%</b>

### New suppliers evaluated and percentage of purchases

In 2022, we initiated the consideration of measuring the carbon footprints of our suppliers and in 2023 we continued to refine our tool to apply a mining footprint calculator that is standardized, transversal and easily accessible.







# Activities conducted in 2023

## COD8

Codelco holds events to publicize opportunities we provide to our suppliers. These activities seek to strengthen the commitment to our supply chain, to promote local development and the ongoing search for innovation as a driver of progress in the mining industry.

### 2023 EVENTS FOR SUPPLIERS IN WHICH WE PARTICIPATE AS CODELCO

EXPOMIN INTERNATIONAL CONGRESS 2023	SUPPLIER DAY 1.0 AND 2.0	WEBINARS	EMT DAY FAIR	LOCAL MSME SUPPLIERS
<p>Codeclo took part in Expomin, the most important mining expo in South America, where we received about 3,500 visitors. At the event we held rotating talks led by professionals from several areas, providing insights on topics such as the vendor segmentation model, collaboration with the innovation ecosystem and projects to meet our sustainable development commitments.</p> <p>In addition, for the first time, we organized talks on how to become a Codelco supplier, presentations on technological advances and how to strengthen the relationship with the innovation ecosystem, seeking a more dynamic interaction.</p> <p>In addition to this, our executives participated on panels to discuss sustainability trends, sustainable sourcing, technology and automation, human development, gender equality, exploration and cybersecurity.</p>	<p>Supplier Days are events designed to foster dialogue between suppliers and address relevant issues between our corporation and contractor companies. 115 suppliers of goods and services participated in the 2023 events, along with executives and business managers of the corporation.</p> 	<p>We developed seven online webinars in collaboration with the Business Network of the Chamber of Commerce of Santiago. All virtual meetings covered topics such as segmentation and validation of categories, as well as the review of performance indicators in the delivery of goods, providing guidance and training to stakeholders.</p> 	<p>We participate in this fair by promoting collaboration with entrepreneurs and innovative companies interested in being part of the Codelco's supplier registry. This approach to innovation not only seeks to improve internal processes, but also to open up opportunities for new players in the mining industry.</p> 	<p>We developed four face-to-face events and eight online webinars exclusively for local suppliers and MSMEs in each region where we are present. These initiatives allowed us to establish contact with more than 300 local companies, spreading our commitment to economic and social development of the communities where we operate.</p> 



## 3.4 Innovation and technology process

### ■ COD 5

Innovation, digital transformation and technology applied to production processes are pillars that contribute to implementing Codelco's medium and long-term strategy.

During the year, we developed a roadmap for decarbonization based on innovation with goals for 2050. We also worked on the decarbonization of the fleet for personnel transportation and underground operations, evidenced by the testing of an electric shovel in El Teniente.

With respect to digital transformation, we intensively deployed automation and advanced analytics in production processes, to reduce or eliminate the exposure of personnel to risks and maximize productivity and efficiency.

Through applied technology we identified opportunities to attain progress on sustainability challenges such as the control and prediction of particulate matter in mining operations through artificial intelligence. In addition, we seek to optimize processes such as those related to irrigation and efficient water consumption.

We also use artificial intelligence and digital tools to automate processes such as measuring the environmental impact of our operations.



### CHANGES IN ORGANIZATIONAL STRUCTURE TO ENCOURAGE INNOVATION

In September 2023, we began a transformation process through the merger of the areas of Innovation and Technology & Automation at the corporate level. The objective of this merger is to address these issues in an efficient and concrete way.



## Foci for innovation at Codelco

The Corporate Department of Innovation and Technology aims to capture early value from several innovation initiatives during the next 50 years of our company. To achieve this, we have developed a strategy based on an open and collaborative model that involves creating an ecosystem of external stakeholders for the exchange of knowledge, technologies and best practices

This strategy is based on 5 lines of strategic action:

- 1 Deep underground mining
- 2 Metallurgical and waste processes
- 3 Decarbonization and electromobility
- 4 Technology and digitalization
- 5 Incremental and open innovation





## FOCI OF INNOVATION PROCESSES IN OPERATIONS

### 1. DEEP UNDERGROUND MINING

#### FOCUS OF WORK:

- Applied knowledge for in-depth studies, addressing the challenges presented by underground mining efforts in complex geotechnical environments (i.e. high loads, deformations and sink rates).
- Fostering innovation in mining designs. This provides for increased profitability in the exploitation method, challenges the production method on future projects and increases the competitiveness and continuity of current operations, with a focus on occupational health, safety and sustainability

#### MAIN PROJECTS:

- Development and exploration of new mining techniques and methods
- Preconditioning optimization
- TBM tunneling test (Komatsu technology)
- Injection of resins into rock mass
- Validation of mining development equipment in continuous mining (alternatives to drilling and blasting)
- Semi-autonomous explosives loading project, to detect and remove non-crushable material
- Underground mining piloting centre.

#### WORKING WITH THE ECOSYSTEM:

Collaboration agreements with global underground mining partners such as Newmont, Freeport, Rio Tinto, LKAB, and development agreements with technological development partners such as Komatsu, Orica, ENAEX, Norm et, MIRS.

### 2. METALLURGICAL PROCESSES AND WASTE

#### FOCUS OF WORK:

- Ensure the search for technologies and materialization of a primary sulphide leaching process that guarantees the continuity of our copper cathode production rates. This allows us to take advantage of the capacity of existing leaching plants and the search for technologies to stabilize arsenic throughout the different stages of Codelco's production processes.

#### MAIN PROJECTS:

- In-situ leaching
- Transformation of the Radomiro Tomic Division to a sulphide leaching plant in chlorinated media,
- Industrial testing of this technology in conjunction with Freeport,
- Search for other challenging technologies for sulphide leaching in collaboration with technological suppliers and universities.
- Stabilization of arsenic from acid plant effluents from Codelco smelters and roaster, together with Ecometales.

#### MAIN PROJECTS:

Agreements with institutions such as Freeport, Ecometales, Ceibo and the Pontificia Universidad Católica de Chile, among others.

### 3. DECARBONIZATION AND ELECTROMOBILITY

#### FOCUS OF WORK:

- Decarbonize operations by 2050
- Support our decarbonisation strategy
- Ensure the technological maturation of the decarbonization strategy in both underground mining and open pit operations.

#### MAIN PROJECTS:

- Program for piloting battery powered electrical equipment for underground mining such as load-Haul-Dump (LHD) equipment and trucks. We have validated the first battery-powered electrical equipment in Latin America and will move forward with the validation of unmanned (autonomous) battery-powered electrical equipment.
- Technological validation plan for open pit operations that include technologies such as battery-powered trucks, hybrids, dynamic loading systems such as trolleys and other technologies.

#### MAIN PROJECTS:

Collaborative agreements with original equipment manufacturers (OEMs) such as Komatsu, Epiroc, First Mode and others. Collaboration with other mining companies such as BHP and AMSA. Leadership in the International Council of Mining and Metals (ICMM), where we chair the work group on greenhouse gases.





## 4. TECHNOLOGY AND DIGITALISATION

### FOCUS OF WORK:

- Intensive deployment of automation and technology applied in the production processes (open pit mine, underground mine, concentrator and water plants, smelters and refineries), with an impact on the productivity and human safety.
- Process optimization through data integration between different systems and advanced mine to concentrator (MinCo) analytics, predictive maintenance, scans, and human safety.

### ADVANCED ANALYTICS AND DIGITALISATION

- Predictive maintenance on transporter conveyor belts at the Radomiro Tomic and Chuquicamata Subterránea divisions.
- Predictive maintenance in secondary and tertiary crushing at Chuquicamata and in SAG mills at El Teniente.
- Publication of analytical video on critical risks in El Teniente and Chuquicamata.
- Predictive Pollution Model (PM10) at the Ministro Hales Division.
- Maintenance and deepening of the continuous improvement and optimization of recommender models based on advanced analytics at the Chuquicamata and El Teniente concentrators.

### UNDERGROUND AND OPEN PIT MINING

- Interflow upgrade for the Teniente 8 and Esmeralda railways (automated) to ensure operational continuity of the existing trains and reduce their hours unavailable due to communication failures.
- Installation of a new long term evolution (LTE) communications system in underground mining for mine railways.
- Autonomous underground trucks, consisting of four pieces of equipment plus an additional (facilitated by the Andes Norte project, operating in the layout).
- Automation of three drill rigs in production at the Radomiro Tomic mine pit, with Flanders.
- Study of the extraction truck autonomy project in a hybrid environment (manned and autonomous gearboxes in the same ecosystem).

### CONCENTRATOR AND WATER PLANTS, SMELTER AND REFINERY:

- Advanced control systems at the Chuquicamata and Ministro Hales concentrators to optimise the production process and improve its performance;
- Distributed Control Systems (DCS) at the Andina concentrator plant, incorporating virtualization.

- Migration of the control system of the Chuquicamata thickeners and integration with the central control system of the concentrator.
- Update of the control system of the Ministro Hales concentrator (including its virtualization)
- Start-up of the centralised Caletones control room in El Teniente.
- Closure and formalization of the start-up of the spreader's remote control at Radomiro Tomic.

### WORKING WITH THE ECOSYSTEM:

Agreement with the Integrated Mining Technology Center (AMTC) in the evaluation of the autonomy of extraction trucks, CAEX, with world-class companies such as Honeywell, Schneider, Hardline (rock drills), Flanders (drill rigs), Alstom (TTE8), among others, and with strategic suppliers such as EY, Option and Accenture.

## 5. INCREMENTAL INNOVATION AND OPEN INNOVATION

### FOCUS:

- Promote a culture of innovation, structuring incremental innovation and with the participation of operations.
- Deepen the relationship model based on open innovation to confront challenges and foster collaboration, while developing capacities and culture throughout the innovation cycle.

### MAIN PROJECTS:

Portfolio of incremental projects that seek to generate value over the short term. This work is articulated together with the divisions and is based on tools such as Open Codelco (allowing the global ecosystem to be connected through a single window with our company).

### WORKING WITH THE ECOSYSTEM:

Engagement with different actors in the ecosystem.



## Featured project: Open Codelco

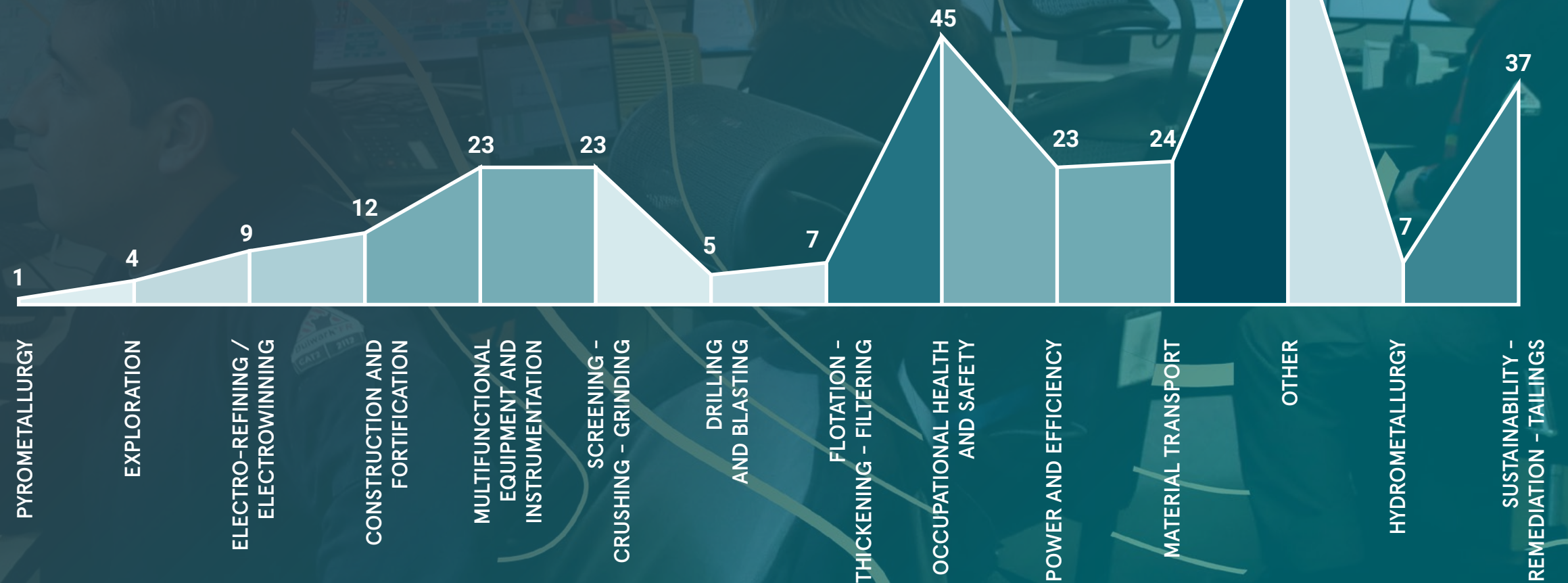
Since November 2022, we have had a systematic process to welcome proposals from players in the ecosystem of innovative technological solutions (Technology Push). This platform received more than 290 initiatives, 40% of which are identified as innovative for Codelco's processes.

The stakeholders are from research, development and innovation centres, mining or non-mining suppliers, inventors and startups, among others. This meant interactions with more than 71 countries.

Currently, we have **14 priority proposals** evaluated as potential innovation initiatives.”

## INITIATIVES RECEIVED IN OPEN CODELCO, BY TYPE OF PROCESS

■ COD1





## Primary agreements in innovation

### COD2

The core of the Corporate Innovation and Technology Management strategy is to facilitate Codelco with innovation and technology capabilities from the ecosystem. To achieve this, we have entered into agreements that allow us to collaborate with players in the national ecosystem and to integrate science and technology.



## AGREEMENTS BETWEEN CODELCO AND PLAYERS IN THE NATIONAL TECHNOLOGICAL ECOSYSTEM

**Collaborative agreement with the Innovation Centre of the Pontificia Universidad Católica de Chile.** The objective of this agreement is to find innovative solutions to Codelco's problems in areas such as sustainability and electromobility.

**Memorandum of understanding with Aurubis,** a world leader in non-ferrous metals and one of the world's largest copper refiners and recyclers. This agreement involves cooperating on a more sustainable and responsible copper value chain, especially focused on smelters and circular economy projects in Chile.

**Collaborative agreement between Codelco and BHP,** for which work groups have been established to address tailings management (stability, control), electrification of mining activities, ore treatment (concentration and flotation) and research and development of technologies related to pollution management (air quality, transport and process).

**Collaborative agreement between Codelco and AMSA,** entered into in December 2023, is in the process of governance implementation to establish points of focus.

**Agreement with the Universidad de Concepción** focused on the development of solutions for smelters, refineries and impurities.

**Collaborative agreement with the Advanced Mining Technology Center (AMTC) of the Universidad de Chile.** The focus of this agreement is on exploration, mining, concentrator plants and leaching.

**Technology validation agreement through the design of tests, monitoring and performance analysis for technologies with the Centro Nacional de Pilotaje (CNP) and with Ciptemin.**

**Framework agreement with Fundación Chile,** which makes all its capabilities available to us in an integrated way. This arrangement supports transformation with a view to a sustainable mining of the future with social value, incorporating technological innovations in its processes.

We are part of the Institute of Clean Technologies for the development of innovative and sustainable projects. This institute, in the Antofagasta Region, is expected to be a pillar of progress towards a cleaner and more sustainable economy. It receives the collaboration of leading companies, trade associations and educational institutions from all over the country and also has government support.

Among the participants include Antofagasta Minerals (AMSA) and Minera Escondida from BHP, in addition to eleven higher learning institutions including the Universidad de Chile, Universidad Católica, U. Católica de Valparaíso, U. Adolfo Ibáñez, Universidad del Norte, U. de Antofagasta, U. de Concepción, U. de Santiago, U. Federico Santa María; the Asociación de Industriales Antofagasta, Corporación Alta Ley and centres of investigation such as the Fundación Fraunhofer Chile and the Fundación Leitat Chile.





# 4 Our people



# 4.1 Team of collaborators

■ GRI 2-7, EM-MM-000.B

Our workforce is made up of 15,673 in-house workers, which includes staff with indefinite and fixed-term contracts. In addition, 61,670 contractor workers make up our contractor workforce. Everyone works with commitment to the daily management and transformation of Codelco.

The human resources management strategy of the company is oriented towards the transformation of the organizational culture and the development of the skills of our work teams. It also provides relevance to operations and projects that maximize the economic value of the company and its sustainability.

## 2023 STAFF

	<b>15,673 people</b> total in-house workers
	<b>83.4% male</b> of total in-house workers
	<b>16.6% female</b> of total in-house workers
	<b>96.85%</b> of Codelco workers are unionized. Not including executive positions
	<b>79.74%</b> contracted personnel to December 31 2023
	<b>88%</b> of total in-house workers

Staff figures to December 2023

## STRATEGIC PILLARS ANALYSIS OF PERSONNEL MANAGEMENT

<p><b>Our purpose</b></p> <p><b>Our purpose is to be a pillar of sustainable development for Chile and the world</b></p>	<p>Maximize personnel and organization's capabilities and to augment Codelco's economic, environmental and social value, ensuring sustainability over the long term.</p>
<p><b>The best place to work</b></p>	<p>Culture focused on values, leadership and empowerment of people, to enable Codelco's sustainable development and position us at the forefront in Chile and the world.</p>
<p><b>Optimal value for people and for business</b></p>	<p>People trained and challenged to develop in their work cycle at Codelco, achieving productivity and sustainability that the business</p>
<p><b>Labour relations with shared values</b></p>	<p>Engagement that builds challenges personal development and in turn drive future and current strategies.</p>

## KEY ENABLERS



1 Labour relations



2 IT systems



3 Corporate governance, human resources and organizational management for health care institutions

**In 2023, we dedicated our efforts to strengthening each of these pillars and enablers** towards a cultural transformation, while identifying and fostering the development of strategic talent and promoting the Seal of Leadership among all our employees.



## 4.2 Human resources management

■ GRI 2-7

CodeLco’s head office has defined hierarchal structure in which each person contributes their technical and professional skills to the concretion of each stage that makes up our value chain.

The following classification for our workers responds to the classification requested by the Financial Market Commission (CMF).

### NUMBER OF PEOPLE PER WORKPLACE AND GENDER

WORK CENTRE	MALE	FEMALE	TOTAL
Head office	500	299	799
North operations	118	45	163
Andina Division	1,320	132	1,452
Chuquicamata Division	3,282	583	3,865
El Salvador Division	1,248	220	1,468
El Teniente Division	3,420	556	3,976
Gabriela Mistral Division	379	128	507
Minister Hales Division	663	161	824
Radomiro Tomic Division	1,065	268	1,333
Ventanas Division	482	55	537
Vice Presidency of Projects	589	160	749
<b>Total</b>	<b>13,066</b>	<b>2,607</b>	<b>15,673</b>





## NUMBER OF PEOPLE BY GENDER AND POSITION

POSITION	MALE	FEMALE	TOTAL
Senior management	15	3	18
Managers	126	26	152
Department heads	1,778	316	2,094
Operators	8,563	1,123	9,686
Sales force	27	18	45
Administrative personnel	728	200	928
Assistants / helpers	0	0	0
Other professionals	1,768	769	2,537
Other technicians	61	152	213
<b>Total</b>	<b>13,066</b>	<b>2,607</b>	<b>15,673</b>
<b>Total percentage</b>	<b>83.4%</b>	<b>16.6%</b>	

## CONTRACTOR COMPANY STAFF TO DECEMBER 31, 2023

■ SASB EM-MM-000.B, GRI 2-8



## LABOUR ARRANGEMENT

POSITION	MALE	FEMALE	TOTAL
Permanent (indefinite) contract	12,839	2,060	14,899
Fixed-term contract	227	547	774
<b>Total</b>	<b>13,066</b>	<b>2,607</b>	<b>15,673</b>





## Wage gap

### ■ GRI 405-2

Since 2021, Codelco has had a Corporate Diversity and Inclusion (D&I) Policy and a Diversity and Inclusion Strategy in place. The latter has been in force from 2020 to 2024. Both are managed through a governance system that coordinates their actions at both the corporate and divisional levels.

In 2022, we communicated our goals in this area, including the aspiration attain 35% female staff by 2027.

To achieve this goal, we defined key enablers such as attraction, development and retention for the purpose of positioning Codelco as the preferred employer for women in Chile. These enablers also aim to promote and deepen the transformation towards a more inclusive

culture and work environment, plus the adaptation of workplaces in terms of hygiene and infrastructure.

In 2023, we completed the process of redesigning and redefining the position maps at Codelco. This allows us to compare (with methodological support) the remuneration associated with workers according to their responsibilities, thereby improving on indicators related to gender gap, internal equality and external competitiveness.

The main pay gaps observed are mainly explained by the late participation of women at the global level in Codelco, seniority both in Codelco and in specific positions, and the individual merit of the workers.

### RATIO OF BASE SALARY AND REMUNERATION OF WOMEN COMPARED TO MEN

20% ratio



**Female**  
**4,826,459,427**  
Base salary total  
(monthly)

**Male**  
**24,138,538,149**  
Base salary total  
(monthly)

**Of those hired in 2023, 57.5% were women,** which contributed to the growing female proportion in our staffing numbers reaching 16.6%. Our goal is to maintain an annual hiring rate of at least 50% for women.







### AVERAGE GROSS SALARY BY GENDER AND POSITION (IN CHILEAN PESOS PER HOUR)

JOB CATEGORIES*	MALE	FEMALE	TOTAL
Senior management	239,795	206,054	234,171
Managers	128,118	102,956	123,814
Department heads	44,812	45,788	44,957
Operators	18,744	15,716	18,519
Sales force	34,684	27,206	31,693
Administrative personnel	20,720	18,205	20,215
Other professionals	42,515	35,865	40,602
Other technicians	17,891	16,658	17,026
<b>Total</b>	<b>27,051</b>	<b>28,907</b>	<b>27,308</b>

- To calculate hourly value 180 monthly work hours are considered.
- Calculation does not include people from the Graduates and Apprentices programs nor people with a temporary (fixed term) contract.
- Gross salary includes annual guaranteed fixed remuneration and an annual incentive bonus. Both are issued on a monthly basis.

### AVERAGE PAY GAP, BY POSITION

JOB CATEGORIES*	%
Senior management (vice presidents) (f)	86%
Managers (f)	80%
Department heads (f)	102%
Operators (f)	84%
Sales force (f)	78%
Admin personnel (f)	88%
Other professionals (f)	84%
Other technicians (f)	93%
<b>Total</b>	<b>107%</b>

The gap is measured as the percentage that the gross salary of women represents with respect to the gross salary of men.

■ GRI 2-21

Average total annual compensation for all employees of the company, not including the highest paid individual:

**\$46,433,556**

Annual total compensation ratio

**120%**



## Work culture and personnel development

Our company is characterized by offering working and salary conditions in accordance with what is provided in the mining market, in addition to bonuses. This allows us to keep our teams of employees motivated and engaged at work with the company.

Workplace climate management is assessed using the Codelco Transformation Index (known locally as the ITC),

a tool designed to measure progress in this process of cultural change. This tool allows us to advance the goal of deploying business strategy and enable a model of operational excellence.

The Codelco Transformation Index Survey carried out in 2023 was executed through a call that included everyone with an indefinite contract. It also included participants of

the Graduate and Apprentice Program. Participation was 87%, which resulted in 12,599 surveys answered.

In terms of benefits for full-time employees, Codelco provides special contributions in terms of education and health, which are extended to families of employees. These allow us to create favorable conditions for the integral development of our workers.

### ITC EVOLUTION

2021	2022	2023
66	65	64

### THE SIX FOCAL POINTS OF MANAGEMENT:

<b>1. Challenger-type leadership</b>	Encourage taking on difficult challenges and doing more than is thought possible.
<b>2. Shared vision</b>	Urge the sharing Codelco's strategy at all levels and roles.
<b>3. Personal responsibility</b>	Promote a sense of ownership and awareness of personally engaged challenges and outcomes.
<b>4. Openness and trust</b>	Encourages honesty, transparency and open and sincere dialogue to address the issues that affect us.
<b>5. Talent development</b>	Develop the knowledge and skills of workers to be effective in their work.
<b>6. Recognition and awards</b>	Offer non-financial rewards and recognition to encourage high performance.





## Benefits

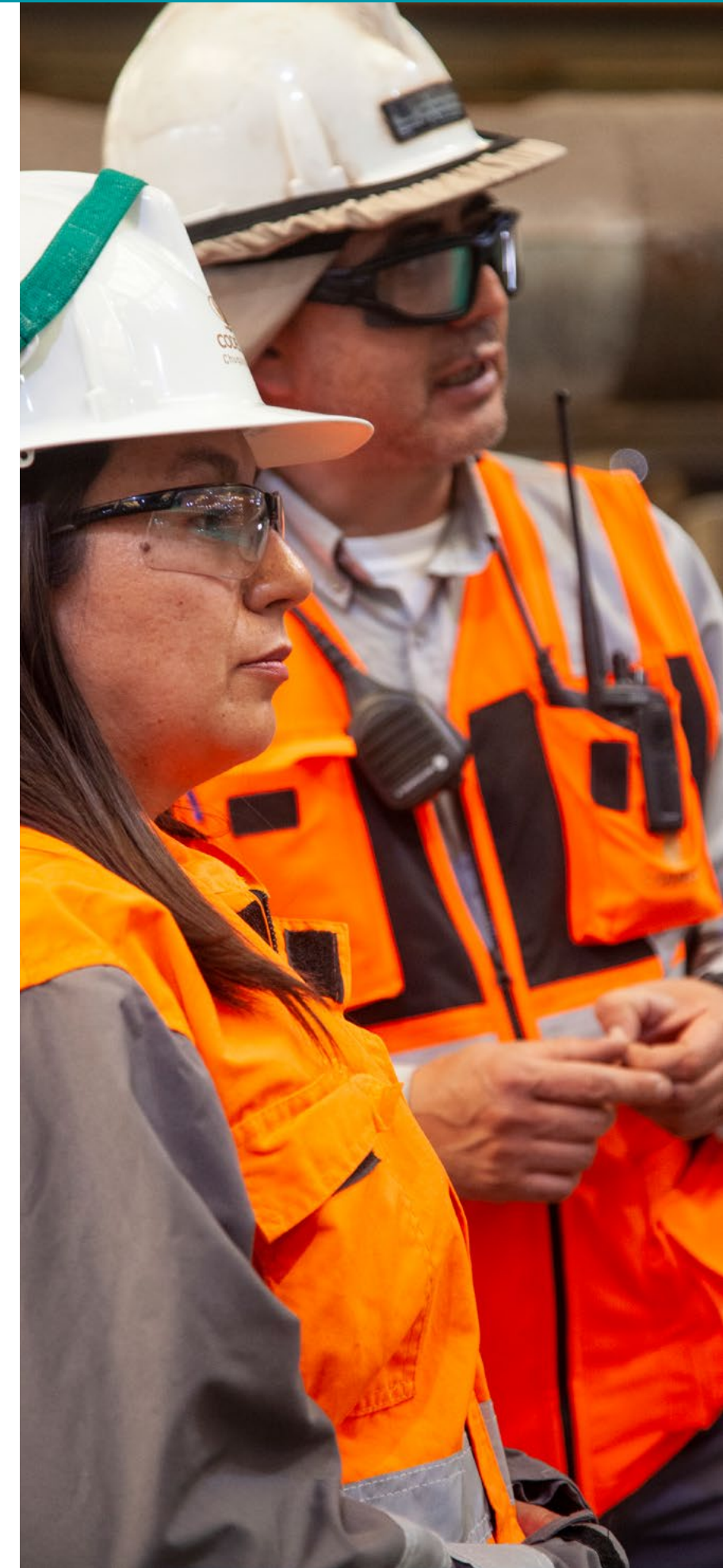
■ GRI 401-2

### EDUCATION

BENEFIT	DESCRIPTION	LABOUR RELATIONSHIP	NUMBER OF BENEFICIARIES
Scholarships for children of workers at preschool, elementary and college age.	We award different scholarships, as established by the collective agreements in place for each workplace and the level of education to which your child belongs. Such levels include preschool, kindergarten, basic, secondary, higher education in a technical training center, vocational institute and / or university. In 2023, the average benefit awarded was \$1,209,963.	Workers with permanent contract.	12,684

### HEALTH

BENEFIT	DESCRIPTION	LABOUR RELATIONSHIP	NUMBER OF BENEFICIARIES
Market healthcare benefit	Contribution in UF (Chile's 'Unit of Account'), as per agreements established in each division and according to family composition, towards financing a better Isapre (Chile's private healthcare providers) plan and / or complementary insurance plan. Additional benefits according to division	Worker who has private market insurance with a permanent contract	7,621
Closed system healthcare benefit (traditional)	Total health coverage without caps or restrictions, including medication coverage, for the holder and their dependants at 7% of the legal contribution.	Workers with Isalud coverage (Codelco's own Isapre) and a permanent contract.	6,368
Closed system healthcare benefit (others)	Access to a healthcare plan in Codelco's Isapre with coverage between 70% and 90% for the holder and their dependants, at the expense of 7% of the legal contribution, plus complimentary insurance.	Worker with Isalud coverage (Codelco's own Isapre) and a permanent contract.	788
Passive healthcare benefit	Healthcare plans for holder and dependants with caps and restrictions as agreed within the respective division at the expense of 7% or agreed price.	For former workers with Isalud health insurance	10,271







## New talent at Codelco

Attracting and developing young talent is a challenge we address to meet the challenges of productivity, sustainability and innovation. We ensure that processes and their results are inclusive and gender responsive.

Some of the initiatives that seek to impact this search are:

### NEW HIRE RATE

■ GRI 401-1

AGE RANGE	MALE	FEMALE	TOTAL
Under 30	0.7%	1.8%	2.5%
Between 30 and 50	2.6%	3.0%	5.7%
Over 50	0.1%	0.1%	0.2%
<b>Total</b>	<b>3.4%</b>	<b>4.9%</b>	<b>8.4%</b>

### GRADUATES

With several years of application and successful results, InspiraCodelco focuses on attracting and retaining young professionals, both men and women, with high growth potential. It is expected that these young professionals will be able to apply the skills of the Codelco Leadership Seal.

During 2023, we attracted 86 graduates, of which 77% were women. The selection of these professionals included the evaluation of potential and their ability to successfully integrate into the company's Succession System.

### INSPIRACODELCO

In its 5th edition, this early attraction initiative was aimed at female students in careers linked to mining and attracted more than 200 applicants. The program is based on direct mentoring between professionals in our company and students and is complemented by professional growth workshops designed to strengthen network building and increase knowledge about Codelco and the mining industry in general.

**17 participants of the InspiraCodelco program** are currently part of the Graduate Program. 29 others have completed their internships in the company.



# Training

■ GRI 404-1

Every year we strengthen UCodeLco with the purpose of improving the quality of the training offer within our corporation. In parallel we seek to standardize and unify training formats and influence business performance, while strengthening the strategic skills of our employees.

This internal training program is made up of ten specialized academies, each dedicated to specific areas of professional development. This approach guarantees comprehensive training adapted to the particular needs of our teams.

## KEY TRAINING FIGURES

	<b>831,298 hours</b> Total number of hours of training and development to workers		<b>2,485</b> female workers were trained
	<b>13,804 workers</b> received training during 2023		<b>81%</b> percentage of people trained, with respect to the total 2023 staff
	<b>11,319</b> number of male workers trained		<b>\$10,599,226 USD</b> total amount spent on training and development of workers

## AVERAGE ANNUAL HOURS OF TRAINING ON 2023 HISTORICAL STAFFING OF IN-HOUSE EMPLOYEES

POSITION	MALE	FEMALE	AVERAGE
Senior management	24.21	14.5	22.65
Managers	31.24	46.22	33.60
Department heads	27.35	33.93	28.36
Operators	31.60	257.31	59.85
Administrative personnel	16.92	131.03	43.14
Sales force	16.29	23.14	18.95
Other professionals	27.44	36.03	30.06
Other technicians	0.55	2.42	1.86

**The courses and training provided in 2023** addressed issues pertaining to occupational safety and health, mining operations, operational excellence, leadership, risk control, digital transformation and sourcing.





## 2023 training packages

■ GRI 404-2

NAME	DESCRIPTION	PEOPLE TRAINED
<b>Leadership Academy</b>	At Codelco we promote leadership through courses tied to corporate strategy and The Leadership Seal.	4,147
<b>C+ Academy</b>	From the Operational Excellence Academy we train all levels of the organization in the area of Operational Excellence. This training aims to sustainably capture value and offer a wide variety of training activities in different areas including the C+ Management system, LEAN tools, mindsets and behaviors, and in strategy and operating systems.	1,583
<b>Maintenance Academy</b>	Codelco seeks to provide the best industry standards when it comes to mining equipment maintenance	2,483
<b>Sustainability Academy</b>	The purpose of the Sustainability Academy is to support the development of the skills required to meet our environmental and social goals, achieving a virtuous transformation of the territories where our deposits are located.	2,944
<b>Occupational Health and Safety Academy</b>	The purpose of this academy is to develop all the necessary skills to support the implementation of the new safety strategy at Codelco, while ensuring compliance with the execution of all the regulatory and mandatory resources that are necessary to work at Codelco.	10,914







NAME	DESCRIPTION	PEOPLE TRAINED
<b>Sourcing Academy</b>	We seek to develop the necessary skills to support the implementation of Codelco's new safety strategy, as well as to ensure compliance with the respective regulations. The Sustainability Academy, meanwhile, aims to develop the skills required to meet our environmental and social goals, achieving positive impacts in the territories where our deposits are located.	1,024
<b>Support Academy</b>	We strive to ensure that the teams that provide cross-cutting support have the necessary skills to support the achievement of strategic objectives, while also deploying corporate programs from these areas to the rest of the company. This academy addresses issues of leadership, ethics, risk management and certifications in management systems.	6,059
<b>Operations / Smelters and Refineries Academy (FuRe)</b>	We develop and leverage skills in our operations, knowledge management, identification of opportunities for improvement and the generation of initiatives to optimize competitiveness and productivity at FuRe areas.	3,767
<b>Digital Academy</b>	This academy aims to develop digital skills through a training offering that closes gaps, develops new skills and incorporates methodologies such as advanced analytics, data value chain and cybersecurity tools, among others.	2,276
<b>Projects Academy</b>	This academy seeks to deliver critical knowledge and standards in project management, in the search to highlight the value of excellence, and thus incorporate best practices worldwide to be at the forefront of these challenges, ensuring the promise of value at Codelco.	1,131



## Performance assessment, onboarding and turnover

■ GRI 401-1, GRI 404-3

The Performance Management System (PMS) is a comprehensive process designed to align our individual behavior with goals and objectives as expected within Codelco. This process, which is carried out on an annual basis, consists of four fundamental stages: planning, monitoring, evaluation and feedback.

The PMS applies to all workers who have completed at least three months of work and have an indefinite (permanent) contract in the company. This system allows us to ensure that all members of the organization are aligned with the goals and contribute effectively to the success and growth of the company

### PERFORMANCE APPRAISAL ASSOCIATED WITH THE PERFORMANCE MANAGEMENT SYSTEM (PMS)

	2023		
	MALE	FEMALE	TOTAL
Total workers	13,039	2,343	15,382
Evaluated workers	11,025	1,613	12,638
Percentage (In relation to the total number of workers)	85%	69%	82%
Executives with PMS applied	165	39	204
Professionals with PMS applied	2,937	867	3,804
Operatives with PMS applied	7,923	707	8,630
<b>Total</b>	<b>11,025</b>	<b>1,613</b>	<b>12,638</b>



Behaviors evaluated in the PMS are defined in The Codelco Leadership Seal





## 4.3 Occupational Health & Safety

### Management model and strategy

■ GRI 403-1

**D** Codelco has developed an Occupational Health and Safety (OHS) Strategy based on a thorough analysis of incidents, gaps and evaluation of performance. Its main objective is to eradicate fatalities in the workplace, for which we have established four fundamental pillars:

- ① — CRITICAL RISK CONTROL
- ② — LEADERSHIP IN THE FIELD
- ③ — PROMOTION OF LEARNING
- ④ — CULTURE OF EXCELLENCE

To implement this strategy we focused on managing critical controls to prevent any fatalities, through on-site verifications. We recognize the crucial role of leaders in modeling safe behaviors and verifying the effectiveness of controls in place to prevent accidents with serious or fatal consequences.

Accordingly, Codelco has implemented several routines, in accordance with our OHS management system, which allow us to achieve this purpose. We also maintain an ongoing communication campaign focused on raising awareness of key risks and promoting a culture of safety throughout the organization.





## OHS training

■ GRI 403-5, GRI 410-1, SASB EM-MM-320a.1

In accordance with Codelco's OHS strategy and with the aim of eradicating fatal accidents in our processes, we provide comprehensive training to supervisors and workers.

For supervisors specifically, we developed a special program that includes responsibilities and routines for deploying critical risk management.

Through the OHS Academy (UCodelco), 8 modules are taught for a total of 8.5 hours of training, via streaming.

At all divisions and projects within the Vice Presidency of Projects, courses from our portfolio were provided for a total of 285,050 training hours (an average of 18 hours<sup>1</sup> per person).

As of first half of last year, all our security teams have been trained in the application of our facility security policy, all in accordance with the Universal Declaration of Human Rights, the Voluntary Principles on Security and Human Rights, the United Nations Code of Conduct for Law Enforcement Officials and the United Nations Convention on the Rights of the Child.

Total training hours totaled 422,885 for all of our workers and contractors.



1. Average calculated considering total number of people exposed to the risk

## Safety in our operations

■ GRI 403-8

Both Codelco workers and those who provide services through contractors are governed by the Occupational Health and Safety Management System (OHSMS) which is compliant with all the provisions established by Chilean law on labor claims and occupational illness (Law No. 16.744, DS 40, DS 54, DS 132, among others).

In 2023, we maintained ISO certification 45.001/2018 for our management system after completing a follow-up audit.

### Workers covered under the health and safety system

	2023	
	NUMBER <sup>2</sup>	% OF TOTAL
Covered under the health and safety system	15,484	100%
Covered by the health and safety system, subject to internal audit	15,484	100%
Covered under the health and safety system, subject to third party audit or certification	15,484	100%

2. Corresponds to the total number of employees exposed to the risk up to December 31, 2023

### Workers who are not employees, but whose work or workplace is controlled by the company

	2023	
	NUMBER <sup>2</sup>	% OF TOTAL
Covered under the health and safety system	78,399	100%
Covered by the health and safety system, subject to internal audit	78,399	100%
Covered under the health and safety system, subject to third party audit or certification	78,399	100%



## Work-related accidents

■ GRI 403-2, 403-9, 403-10, SASB EM-MM-320a.1

In 2023, we lament the passing of two workers who provided services, through contractor companies, in the El Teniente Division and the Vice Presidency of Projects in the Andes Norte, Frank Olguín and Osvaldo Bustamante, respectively. Both accidents reinforce the importance of further strengthening the Health and Safety Strategy, increasing preventive controls and strengthening compliance to eliminate fatality risks.

The main risks associated with health are exposure to harmful agents such as silica, arsenic, different metals, noise, ultraviolet radiation, in addition to musculoskeletal risk factors and psychosocial risks.

We evaluate these risks through the Occupational Hygiene area and execute occupational medical oversight programs based on the legal regulations permanently in force at Codelco.

To mitigate and eliminate associated hazards, Codelco has implemented preventive controls that include engineering, administrative and personal protection measures, for which periodic monitoring is maintained at all sites.

### UNDERSTANDING OHS RATES

#### Accident rate

Number of accidents  
per 100 workers

#### Fatality rate

Number of fatalities / hours  
worked x 1,000,000

#### Occupational illness rate

Number of occupational illness  
/ accidents per 100 workers

#### Average days lost due to accidents

Days lost due to accidents divided  
by number of accidents at work.

**In 2023, we achieved** the frequency rate (0.50) and severity rate (119) values recorded in Codelco's trajectory.







**DIRECT WORKERS OHS**

■ GRI 403-9, SASB EM-MM 320a.1

<b>0.347</b>	occupational illness rate per 100 workers hired
<b>0.084</b>	accident rate
<b>0.00</b>	fatality rate
<b>93</b>	average days lost due to accidents

**CONTRACTOR WORKERS OHS**

■ GRI 403-9, SASB EM-MM 320a.1

<b>0.094</b>	accident rate
<b>0.015</b>	fatality rate
<b>54.3</b>	average days lost due to accidents

**In 2023 there were no fatal accidents of Codelco workers,** which means a fatality rate of 0. Regarding accidents with disabling injuries, 13 were recorded, registering a frequency rate of 0.42. This was calculated per one million hours of exposure to risk.

**PERMANENT DISABILITY RULINGS DUE TO OCCUPATIONAL ILLNESS**

**0 fatalities** resulting from occupational disease or illness

**54 cases** of recordable occupational ailments and illnesses



# 4.4 Human rights

## Diversity and inclusion

■ GRI 405-1

Our Diversity and Inclusion Policy aims to promote a more diverse and inclusive organization with the purpose of contributing to equality. This policy materialized through a management model that allows us to reduce gaps with respect to the associated issues.

Codelco also has a Governance Model that promotes and monitors the challenges we face in this area: gender equality, inclusion of people with disabilities, sexual and gender diversity, inclusion of culture of origin and talent generation.

### Diversity among workers\*

	2022		2023	
	NUMBER	%	NUMBER	%
<b>Male</b>	13,683	85.66	13,066	83,37%
<b>Female</b>	2,290	14.34	2,607	16,63%
<b>Under 30</b>	913	5.72	885	5,65%
<b>Between 30 and 50</b>	10,191	63.8	10,160	64,82%
<b>Over 50</b>	4,869	30.48	4,628	29,53%
<b>National</b>	15,855	99.26	15,535	99,12%
<b>Foreign</b>	118	0.74	138	0,88%
<b>Persons with disabilities<sup>3</sup></b>	160	1.0	163	1,04%

\* Codelco in-house workers to December 31, 2023

3. To protect confidentiality, the number of people with disabilities is reported only in the total number of workers

## Gender equality

As part of our interest in strengthening a culture of respect and equality between men and women, we adhere to principles of diversity that allow us to make inclusion effective.

Among the most important guidelines in this area are:

- Strengthening a diverse and inclusive culture
- Work on the different areas of D&I
- Lead from top management on down for sustainable change
- Promote awareness and training on these issues
- Promote actions that generate results and enhance continuous improvement
- Promote positive actions to close gaps
- Include D&I in all processes involving people
- Foster a good work environment

One of Codelco's objectives since 2022 is to achieve a 35% female staff. For this purpose the key enablers of attraction, development and retention were defined. This helps make Codelco a company where Chilean

women want to work. It also promotes and deepens the transformation for a culture and work environment for the highest integration of women and adapts workplaces in terms of hygiene and infrastructure in the face of an increased female representation.

Of the people hired in 2023, 57.5% were women, this helped us bring the female workforce up to 16.6%.



ENABLERS THAT STRENGTHEN GENDER EQUALITY

- 1 Attraction, development and retention, so that Codelco is the company where Chilean women want to work
- 2 Promote and deepen the transformation for a culture and work environment according to greater female integration.
- 3 Adapt workplaces in terms of hygiene and infrastructure in the face of an increased female representation.

In 2023, we significantly increased the incorporation of women through mass hiring processes such as the Graduates program. In addition, we generated opportunities in the labor market through the apprenticeship program.

Moreover, we worked on the retention of women in the company through the approach of cultural, hygiene facilities and leadership issues, focusing on cultural transformation from a leadership perspective. Today, we have a network of women supporting this process.

Ratio of women’s wages to men’s wages

■ 405-2

JOB CATEGORY	AVERAGE BASE SALARY FOR MEN	AVERAGE BASE SALARY FOR WOMEN	RATIO
Senior Management	239,795	206,054	86%
Managers	128,118	102,956	80%
Department heads	44,860	45,788	102%
Operators	18,769	15,716	84%
Sales force	34,315	27,206	79%
Administrative	20,720	18,205	88%
Other professionals	42,515	35,826	84%
Other technicians	17,891	16,658	93%
<b>Total</b>	<b>27,073</b>	<b>28,894</b>	<b>107%</b>

**In 2023 we recorded the highest growth in female representation** in Codelco’s history, reaching 16.6%. This represents 40% of the mining workforce in Chile.





## Parental leave

### ■ 401-3

As part of our commitments to equality, we promote the use of rights to female and male postnatal leave and promote parity in the roles of mothers and fathers.

As for use of parental leave, we respect and comply with current regulations in each of our workplaces. During 2023, all men and women who had the right to postnatal leave used this legal provision.

### NUMBER AND PERCENTAGE OF PEOPLE WHO USED POSTNATAL LEAVE

POSITION	MEN ENTITLED TO POSTNATAL LEAVE	MEN WHO USED POSTNATAL LEAVE	PERCENTAGE OF MEN WHO USED POSTNATAL LEAVE	WOMEN ENTITLED TO POSTNATAL LEAVE	WOMEN WHO USED POSTNATAL LEAVE	% OF WOMEN WHO USED POSTNATAL LEAVE
Senior Management	0	0	0	0	0	0
Managers	3	3	100%	0	0	0
Department heads	26	26	100%	12	12	100%
Operators	102	102	100%	31	31	100%
Sales force	1	1	100%	1	1	100%
Administrative personnel	4	4	100%	3	3	100%
Assistants / helpers	0	0	0	0	0	0
Other professionals*	33	33	100%	37	37	100%
Other technicians	1	1	100%	3	3	100%
<b>Total</b>	<b>170</b>	<b>170</b>	<b>100%</b>	<b>87</b>	<b>87</b>	<b>100%</b>

\*There were two cases of postnatal leave used by female workers. First case: 23 days in 2023 to a male worker who holds an 'other technicians' position. The second case: 7 days in 2023 to a male worker who occupies a 'department head' position.





### AVERAGE NUMBER OF DAYS USED DURING THE YEAR FOR POSTNATAL LEAVE ACCORDING TO JOB CATEGORY

POSITION	MALE	FEMALE	TOTAL
Senior Management	0	0	0
Managers	7	0	7
Department heads	7.1	88.8	95.9
Operators	6.6	112.7	119.3
Sales force	1	145	146
Administrative personnel	4.8	104	108.8
Assistants / helpers	0	0	0
Other professionals*	8.7	129.6	138.3
Other technicians	23	152.7	175.7
<b>Total</b>	<b>7.1</b>	<b>118</b>	<b>125.1</b>

\*There were two cases of postnatal leave used by female workers. First case: 23 days in 2023 to a male worker who holds an 'other technicians' position. The second case: 7 days in 2023 to a male worker who occupies a 'department head' position.

### NUMBER OF WORKERS WHO RETURNED FROM POSTNATAL LEAVE TO THEIR DUTIES WITHIN THE ORGANIZATION

POSITION	MALE	FEMALE	TOTAL
Senior Management	0	0	0
Managers	3	0	3
Department heads	26	9	35
Operators	101	17	118
Sales force	1	1	2
Administrative personnel	4	3	7
Assistants / helpers	0	0	0
Other professionals*	33	26	59
Other technicians	1	2	3
<b>Total</b>	<b>169</b>	<b>58</b>	<b>227</b>

\*There were two cases of postnatal leave used by female workers. First case: 23 days in 2023 to a male worker who holds an 'other technicians' position. The second case: 7 days in 2023 to a male worker who occupies a 'department head' position.





## Prevention of workplace sexual harassment and abuse

Our corporate policies contain explicit definitions designed to prevent and detect sexual harassment and abuse in the workplace. These definitions are detailed in the following documents and available on our intranet platform:

- Code of Business Conduct
- Diversity and Inclusion Policy
- Corporate Guideline for the Prevention of Sexual Harassment, Workplace and Domestic Violence Behaviours
- Internal regulations for work centres

In these documents we specify the procedures to follow to report situations of discrimination or harassment. We are currently working on a new corporate guideline for the investigation of these types of complaints.

### COMPLAINTS OF WORKPLACE AND SEXUAL HARASSMENT 2023



**192 reports of workplace harassment** filed with the company



**15 sexual harassment complaints** filed with the company

**207 in total**

### STATUS OF COMPLAINT INVESTIGATIONS

	WORKPLACE HARASSMENT	SEXUAL HARASSMENT	TOTAL
Harassment confirmed	4	1	5
Dismissed (Lack of information or harassment not proven)	105	10	115
Investigation underway	83	4	87
<b>Total</b>	<b>192</b>	<b>15</b>	<b>207</b>



## 4.5 Labour relations

### Provisions covered by collective agreements

■ GRI 2-30, 402-1, SASB EM-MM-310a.1, EM-MM-310a.2

In 2023, we held conversations with trade union organizations at various levels and defined a joint path to move forward. During this period, we were able to successfully close six collective bargaining negotiations. In the reported period there were no labour strikes.

Minimum notice periods for operational changes vary from workplace to workplace.

96.85% of our active workforce is covered by collective bargaining agreements. Of that total, 99.24% are national workers and 0.76% are foreigners.

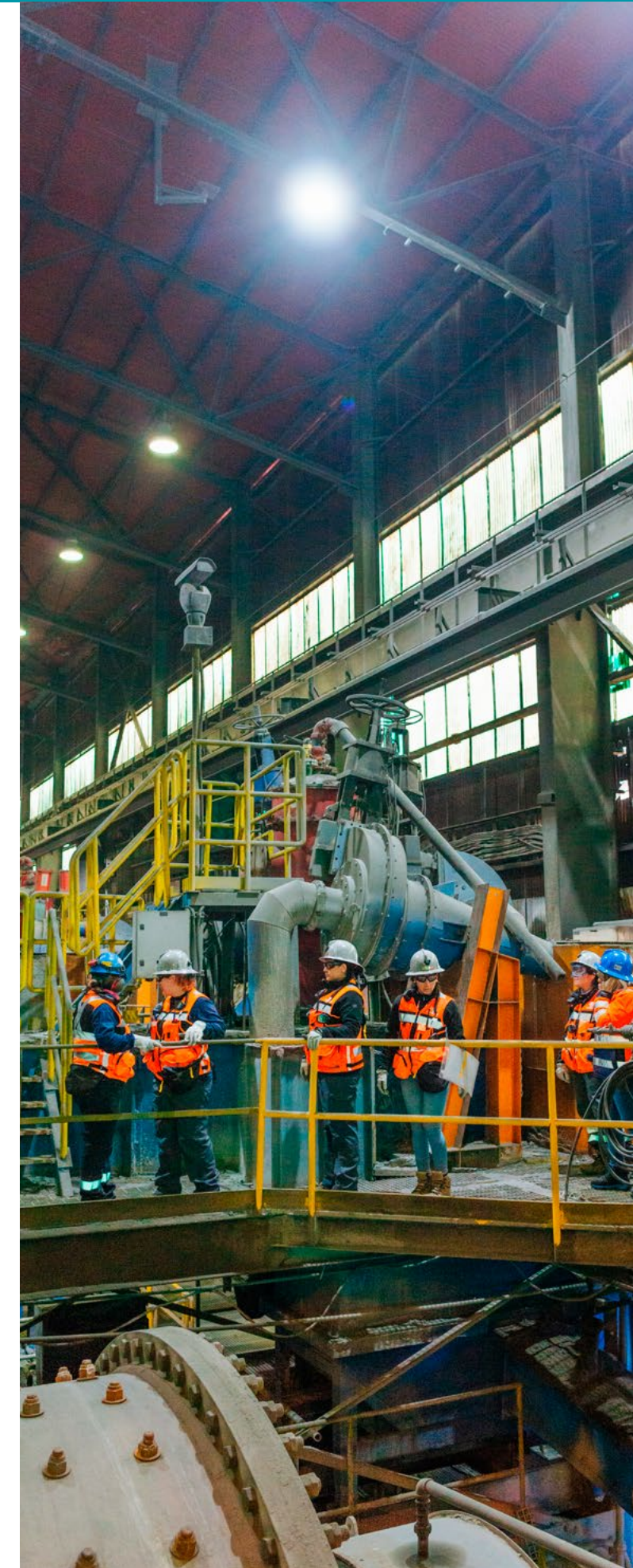
**In 2023 there were no strikes nor lockouts.**

#### COLLECTIVE AGREEMENT FIGURES

COLLECTIVE AGREEMENTS	2022	2023
Number of unionised workers	13.323	14.112
Number of workers with union membership	1.638	1067
Percentage of unionized staff	89,1%	96,85%
Number of workers covered by collective agreements	14.961	15.179
Number of agreements signed	33	33

#### EVOLUTION OF UNIONIZATION AND AGREEMENTS

	2021	2022	2023
Number of unionised workers	13.427	13.323	14.112
Number of workers with union membership	1.057	1.638	1.067
Percentage of unionized staff	92,70%	89,10%	93,00%
Number of workers covered by collective agreements	14.484	14.961	15.179
Number of agreements signed	33	33	33







# 5 Territories, Communities and Social Value

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# 5.1 Stakeholder management within territories

## Territory with social value strategy programs

Our community management approach considers challenges proposed for 2030:



We have a strategy for territorial development with social value, a corporate framework designed so that each division comprehensively addresses local needs. With this approach we are able to respond to the objectives

for territory sustainability and development that we have set for ourselves and community expectations regarding our performance. Our strategy is defined in four areas:



### Territorial development with social value:

We will increase goods and services supplied by local suppliers by 60% and increase local labour participation

#### Scope

We will implement a new integration strategy with the territory focused on people and respect for human rights, generate social value, boost local labor, strengthen mining education and promote territorial sustainability.

### Governance

**Community management platform (GECO)**

#### Board sustainability committee:

Ensures the progress of our sustainability objectives and commitments over the short and long term

At Codelco, we reaffirm our commitment to respect human rights for those involved with our work.

## TERRITORIAL DEVELOPMENT WITH SOCIAL VALUE WE BUILD THE FUTURE WITH SUSTAINABILITY





Our community management ensures a sequence of actions that includes analysis, planning, execution, and evaluation, which is updated annually. In 2023,

we strengthened the coherence of the divisional community plans, which were aligned with four lines of action:

Line 1	LOCAL ECONOMY Strengthen local economies
<p><b>A. LOCAL SUPPLIERS</b></p>	<p><b>Local Suppliers: 'Juntos Emprendemos de Local' program</b></p> <p>During 2023 we continued development of the local suppliers program, "Juntos Emprendemos de Local", which responds to one of Codelco's commitments in its sustainability challenges for 2030.</p> <p>This program aims to promote the contracting of goods and services supplied by local suppliers at 60% by 2030, through training initiatives and intermediation stages. Taking into account the launch date of the program, the percentage of the increase in local MiPyme (MSE) purchasing has been 24% to date.</p> <p>As for local purchase figures, <b>in 2023 we reached US\$ 263 million - with the El Teniente Division having the highest levels of local purchases (US\$ 109.3 million), followed by Andina (US\$ 38.7 million) and Radomiro Tomic (US \$15.3 million).</b></p> <p>In 2023, we created opportunities for small and medium-sized entrepreneurs to train and offer quality goods and services to the supply chain teams of the divisions. Of these efforts we highlight the following achievements:</p> <ol style="list-style-type: none"> <li>1. Graduations: 61 local vendors from Codelco's areas of influence graduated from our training program designed to close knowledge and business management gaps.</li> <li>2. Dissemination <i>webinars</i>: We held nine webinars to broadcast the program to more than 540 local suppliers.</li> <li>3. Meetings with suppliers: We developed seven face-to-face meetings for local suppliers in the regions of Antofagasta (2), Atacama (1), Valparaíso (2) and O'Higgins (2), in order to promote ties with the supply chain teams and their subsequent registration in the Red Negocios platform.</li> <li>4. Communicative coverage: Regional media helped publicize the program and the positioning of Codelco around this subject.</li> <li>5. High registration in the Red Negocios platform and competitiveness: We contacted more than 225 local suppliers to regulate their registration in Red Negocios. Therefore, we increased competition in suppliers' preferential categories of purchase.</li> </ol>

<p><b>A. LOCAL SUPPLIERS</b></p>	<p><b>6. Learning Capsules:</b> In order to facilitate and publicize the registration process, we produced five audiovisual "capsules" that we published on Codelco's local supplier portal. In addition, at the close of this Report, there were three such AV capsules in production.</p> <p>Furthermore, before the announcement of the closure of the Ventanas smelter, we strengthened the support of this division to local suppliers. This helped them redefine their business strategy and / or relocate their services. This approach differs from the rest of the program, since it does not focus on attracting new local suppliers but rather on ensuring the continuity of their business.</p>
<p><b>B. LOCAL LABOUR</b></p>	<p><b>Local hiring: 'Juntos Jugamos de Local' program.</b></p> <p>In 2023, we deepened the training and labour intermediation program Juntos Jugamos de Local, through which we contributed to one of Codelco's commitments in relation to the sustainability challenges for 2030.</p> <p>This initiative aims to increase the hiring of local labour by Codelco's contractor companies. Thus people from different locations within our area of influence have the possibility of accessing employment within their region, where work opportunities in service companies and support for the operation are connected, according to the labour supply at the local level. <b>The current goal is to increase up to 63%<sup>1</sup> the hiring of local workers by 2030, reaching 59% this year.</b> For achieve this we hold training sessions, conduct worker data collection, job fairs, curriculum vitae improvements for applicants among other efforts.</p> <p>Local contracting is an important issue for Codelco. We have established this preference explicitly in the contracts for new investment projects. We also conducted field campaigns at five divisions to attract young women and / or housewives to the Apprentices Program, with the aim of providing training that would allow them to join our company.</p> <p>Likewise, we established solid ties with the Municipal Labor Intermediation Offices (known locally as "OMIL") to attract personnel on a constant basis, considering variables such as ethnicity, domicile and gender, which is automated through the Workmate platform.</p> <p>Since the program began in 2021, a total of 1,350 people have been hired: 816 in Operations North (60%), 362 in Andina (27%) and 172 in El Teniente (13%). Among the major milestones are the following:</p> <ol style="list-style-type: none"> <li>1. 207 companies have participated in the Juntos Jugamos de Local program, hiring at least 1 person</li> <li>2. 13.003 people registered on the internal Talento Local platform</li> <li>3. During 2023, 434 people were trained in trade programs</li> </ol>

1. Baseline year - 2020



Line 2

EDUCATION AND SOCIAL CAPITAL



Education. **“Juntos Aprendemos de Local” program** – Enseña Chile.

Through an alliance that we maintain with the foundation Enseña Chile, we contribute to the Juntos Aprendemos de Local program. This program promotes the development of leadership skills in management and teaching teams at 12 schools and technical high schools within our area of influence. We do this through the application of data usage systems to foster a culture of learning in educational communities and to achieve better academic performance in middle school students.

**The scope of the work impacted 7,053 students, 419 teachers and 98 management teams in a total of 12 technical high schools in the area of influence.**

Additionally, the divisions took on sponsorship of high schools to hold lectures and masters classes, made visits and incorporated professional internship programs, among other initiatives, to prepare future professionals to face the challenges of the mining industry.

The efforts from last year with student communities helped us reach important milestones, among which include:

1. 74% of teachers implemented strategies to improve their pedagogical practices in the classroom and 25% passed a complete learning cycle.
2. Expanded leadership teams began triangulating evidence through hands-on workshops that allowed them to make decisions to put their plans together
3. 66% of teachers say they have increased their percentage of favourable answers in the areas they set out to work on.
4. 94% of leaders believe that what they learn in workshops can have an impact on student learning and development.

Line 3

ENVIRONMENTAL SUSTAINABILITY



Potable water services. **‘Juntos Desarrollamos Agua Local’** program

Chile is among the 30 countries with the highest levels of water stress worldwide and seven of our five divisions are located in areas that have been decreed as having a water scarcity.

The Juntos Desarrollamos Agua Local program adds to Codelco’s commitment to develop plans related to the management and improvement of rural drinking water services.

The objective of this initiative is to establish, improve and manage solutions for rural drinking water access in neighboring areas that do not have this service. The purpose is to ensure that innovative ideas and the use of new technologies are applied to drinking water projects, as well as the development of new infrastructures in localities not prioritized by public funds.

**In the last year, we reported a total expenditure of \$579,843,113 pesos, distributed across 12 water projects that benefited 14 communities, 296 families and 2,242 people within the area of influence.**

In addition to this, the consultancy Maas Ecología developed a report aimed at three divisions: Salvador, Andina and El Teniente. Here, Maas Ecología detected deficiencies in areas such as water quality, lossless distribution, wells and backup pumps, current documentation, and others. The above mentioned divisions are working on closing gaps on the basis of said report with short and long-term plans.





Line 4

COMMUNITY RELATIONS MODEL

Volunteer program

'Embajadores Sociales' program at the Ventanas Division

The social ambassador program, developed by the Ventanas Division, allowed Codelco to support the communities of Quintero and Puchuncaví through workers from Codelco's operations.

This initiative is a voluntary contribution in which the workers of the division provide knowledge and experience to our neighbors within the area of influence in key areas including pedagogical, territorial, emergency support, labor and local suppliers.

Last year the program had two important milestones:

1. Professionals from the Superintendency of Maintenance solved the technical problems regarding installed security cameras, after a field inspection to the neighborhood committee of El Estuche, in the town of Loncura, Quintero.
2. Support for the organization Techo Chile, with whom we participated in the construction of 33 homes for families in the municipality of Quintero and surrounding areas.





Below is a breakdown of each of the rural drinking water projects by division and location, as mentioned in the Juntos Desarrollamos Agua Local program.

### Rural drinking water projects and services by division

■ GRI 203-1

PROJECT	DIVISION	LOCALITY OR DISTRICT	EXPENDITURE (CLP)	BENEFICIARIES
Feasibility study for rural potable water system in Quillagua	NO	Quillagua	\$165,959,340	187 inhabitants Aymara community of Quillagua
Feasibility study for rural potable water system in Santiago de Río Grande	NO	Río Grande	\$49,787,802	70 families Atacameña Indigenous Community of Santiago de Río Grande
Feasibility study for rural potable water system in the village of Caspana	NO	Caspana	\$48,743,172	65 families Caspana indigenous community
Feasibility study for rural potable water system in the village of Toconce	NO	Toconce	\$48,743,172	55 families Toconce indigenous community
Improvement, regulation and supply of potable water network in the village of San Francisco de Chiu Chiu	NO	Chiu Chiu	\$64,813,207	472 partners Chiu Chiu rural potable water committee
Study of rural potable water solutions for the Cupo community	NO	Cupo	\$19,126,035	14 families Atacameña de Cupo community
Study of rural potable water solutions for the village of San Pedro	NO	San Pedro	\$41,066,935	22 families Indigenous Community of Pueblo de San Pedro
Study of rural potable water solutions for the Atacameña community of Ayquina-Turi	NO	Ayquina-Turi	\$41,066,935	70 families Ayquina and Turi community
Provision of potable water to the Indigenous Colla Communities ("CIC") of Diego de Almagro, Geoxcultuxial and Chiyagua	SALD	Diego de Almagro	\$35,000,000	50 people CIC Diego de Almagro, CIC Geoxcultuxial and CIC Chiyagua
Improving and expanding the extraction and delivery of water resources with the rural potable water point Renacer	VEND	Santa Adela	\$12,149,900	250 people. Small farmers and neighbors of the Santa Adela sector
Supporting smallholder farmers in Doñihue in times of water scarcity	ETD	Doñihue	\$39,011,415	63 people. Doñihue small farmers
Contributing to the continuity and care of the supply of potable water in the cove of Doñihue	ETD	Doñihue	\$14,375,200	1,220 people Neighbors in Doñihue sector

NO: North Operations





## 5.2 Due diligence in human rights

### ■ SASB EM-MM-210a.3, EM-MM-210b.1

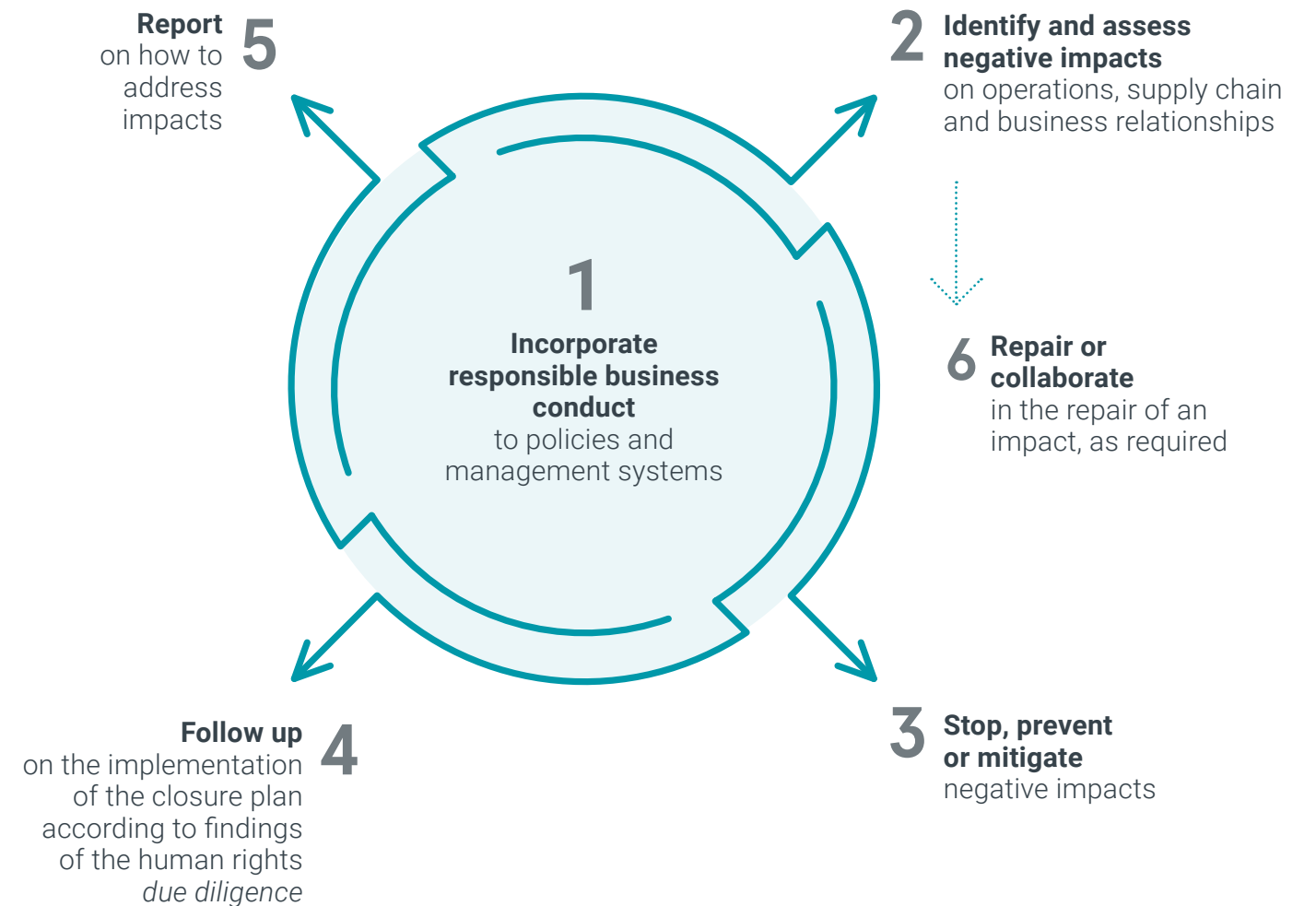
At Codelco, we are committed to developing our business within the framework of respect for human rights recognized in the different international publications. We seek to respect the rights of all those involved in our work; not to discriminate on the basis of race, gender, nationality, religious beliefs, or political affiliations, not to employ workers below the legal age, or resort to forced labor practices, and respect the right to association and collective bargaining. We will respect the rights of local communities, avoiding any type of discrimination and giving due respect to their identity, culture, traditions, values and way of life, while also promoting compliance with human rights in our supply chain.

Following this evaluation, we identified controls and unaddressed aspects that require multidisciplinary attention and generated action plans to be rectified, with measurable division-specific results.

Likewise, in 2023, the human rights due diligence process was continued at the Salvador and Ventanas divisions. Accordingly, we conducted visits to divisions, workers, contractors, communities,

authorities and the territories in general. Codelco has conducted respective studies which led to a risk matrix. This matrix presents a series of gaps to be addressed by each division. This approach involves

the creation of a procedure that guarantees the implementation, evaluation and monitoring of actions related to the remedy of possible impact from a human rights perspective.





## Indigenous peoples

### ■ SASB EM-MM-210a.3, EM-MM-210b.1

We maintain a close and constant relationship with the communities that inhabit the territories in which we operate, with whom we maintain contact through their representatives, through work meetings, visits, training workshops and the implementation of participatory and associative social projects. This approach reflects our commitment to building respectful and collaborative relations with Indigenous peoples in the areas where we conduct our operations.

Starting in 2021, our eight divisions initiated due diligence on human rights. These processes were conducted by the Centro Vincular of the Catholic University of Valparaíso and ENACT (a Swedish

consultant specializing in sustainability strategies) to detect possible gaps for improvement throughout the entire supply chain.

This process alerted us to the risks and impacts on HR that could affect third parties, collecting data, both through interviews and observation in the field, and through the assessment of risk by the divisions using the corporate methodology.

Our commitment is to maintain a constant relationship with the communities and groups belonging to Indigenous peoples present in the areas of influence of our operations. In view of the foregoing, ongoing work

groups are held with groups of Indigenous peoples and the communities are informed in advance of the presentation of different projects from the System of Environmental Assessment, allowing questions to be addressed and adjustments to be made beforehand.

The following projects were presented at the Salvador Division during the year:

- Declaration of Environmental Impact (DIA) for the "Construction and adaptation of ponds and warehouses at the Salvador Division" project.
- DIA of the "Closure of ice water drain" project within the framework of the Pedernales salt flats between Codelco and the State Defense Council

During 2023, talks were held regarding the socio-environmental commitments established in the environmental qualification ruling for the RT Sulfuros project at the Radomiro Tomic Division. This involved different indigenous communities, achieving a high levels of participation amongst members.





DIVISION	ADJACENT INDIGENOUS COMMUNITIES OR TERRITORIES	FORMAL AGREEMENTS ESTABLISHED
Salvador	<ul style="list-style-type: none"> <li>▪ CIC Geoxcultuxial</li> <li>▪ CIC Chiyagua CIC Quebrada El Jardín and its tributaries.</li> <li>▪ CIC Runa Urka</li> </ul>	<p>Agreements associated with the environmental qualification ruling RCA No. 19/2020</p> <p>Rajo Inca and Indigenous Consultation Process for the Rajo Inca project.</p>
North operations	<ul style="list-style-type: none"> <li>▪ CIC municipal district of Diego de Almagro</li> <li>▪ Indigenous Community Atacameña of Toconce</li> <li>▪ Indigenous Community Atacameña of Valle Lasana</li> <li>▪ Indigenous Community Atacameña of Coyo</li> <li>▪ Indigenous Community Atacameña of Socaire</li> <li>▪ Indigenous Community Atacameña of Machuca Hortilola</li> <li>▪ Women’s Association of Toconce Ninchies Lickau-Cota</li> <li>▪ Atacameña Association of Irrigators and Farmers of Celeste</li> <li>▪ Association Eco-Etno Turismo Pozo 3</li> <li>▪ Indigenous Community Atacameña of Cupo</li> <li>▪ Association Hijos de Chela</li> <li>▪ Indigenous Community Atacameña of Toconce</li> <li>▪ Indigenous Community Atacameña of Caspana</li> <li>▪ Community of Chunchuri</li> <li>▪ Indigenous Association of Cultivators, Artisans and Tourism Ruraq Maki</li> <li>▪ Atacameña Community of Ayquina Turi</li> <li>▪ Village community of San Pedro</li> <li>▪ Atacameña community of Cupo</li> <li>▪ Indigenous Community of Pueblo de San Pedro</li> <li>▪ Aymara community of Quillagua</li> <li>▪ Indigenous Community Atacameña of Taira</li> <li>▪ Indigenous Community Atacameña of Toconce</li> <li>▪ Women’s Association of Toconce Ninchies Lickau-Cota</li> <li>▪ Indigenous Community Atacameña of Valle Lasana</li> <li>▪ Neighborhood Council No. 24 of Chiu-Chiu</li> <li>▪ Asociación Indígena de Agricultores y de Chiu-Chiu (ASACHI)</li> </ul>	<p>Community investment agreements for implementation of commitments incorporated in Protocols for the Indigenous Consultation Agreement within the framework of the RT Sulfides Project approved by environmental qualification ruling RCA 022/2016</p>

■ SASB EM-MM-210a.2

None of our extraction zones are located in or within 5 km of Indigenous territories.







## Heritage

We conducted two heritage conservation projects during 2023.

### Conservation of Sewell

The following projects were executed during 2023 by the Sewell Foundation<sup>2</sup> at the El Teniente mining property.

2. <https://www.fundacionsewell.org/>

### EXECUTED PROJECTS 2023

#### Central stairway maintenance

#### Revitalization of public space and Sewell's main thoroughfare stairway.

These works were carried out with resources from the 2020 World Heritage Sites Social Programme and support from the El Teniente Division.



#### Rehabilitation of the outdoor area

#### Enabled the square and hopscotch court in front of building 37.

These works were carried out with resources from the 2021 World Heritage Sites Social Programme Subsidy.



#### Rehabilitation of the square and interior rooms of the Sewell Theatre

#### Rehabilitation of Sewell theatre square and recreation of Sewell library.

A room was set up to pay tribute to 20th century cinema. These works were carried out with resources from the 2020 Cultural Heritage Fund.



#### Enabled outdoor areas, church atrium and northeast side of building 105, Sewell camp.

#### Enhancement road pavement and public areas of the church atrium and the exterior of building No. 105.

Replaced exterior slabs, installed lights, benches and planters.







In order to report projects implemented and invite the community to different activities, informative bulletins were employed such as this one shown below:

**EDIFICIO**  
**41**

Año de Construcción /  
Year of construction:  
1944

Superficie /  
Area:  
1.350 m<sup>2</sup>

Uso original /  
Original use:  
Vivienda  
Houseliving

DESCRIPCIÓN	DESCRIPTION		
<p>Corresponde a la tipología "Departamento", destinados a familias de empleados y empleadas, segmento socio laboral de nivel medio. En cada piso existen 4 departamentos, los que tienen estar-comedor, dos dormitorios, baño y cocina.</p> <p>El edificio está dividido en sectores norte y sur, que tienen entradas independientes desde un corredor exterior en el primer piso que une ambos accesos. En la década de los 80' el edificio fue habilitado como dormitorio para contratistas.</p>	<p>This building houses apartments which were used by the families of the employees of a medium social level. On each floor there are 4 apartments containing: a living-dining room, two bedrooms, a bathroom and a kitchen.</p> <p>The building is split up into north and south sections, each with their own independent entrances from an exterior corridor on the ground floor that joins up both entrances. During the eighties the building was used as a dormitory for contractors' workers.</p>		
TIPOLOGÍA	DETAILS		
<p>Edificio longitudinal de 4 pisos, su eje de simetría oriente - poniente define dos áreas de igual conformación. La circulación vertical se resuelve mediante 2 escaleras interiores para cada área.</p>	<p>A lengthwise building on 4 floors. Its east-west orientation defines two areas that have an identical makeup. Reaching the upper floors is done by means of 2 interior staircases in each area.</p>		
TIPOLOGÍA	MATERIALIDAD	ITEM	MATERIALS
- Estructura:	Madera	- Structure:	Wood
- Cubierta:	Plancha acero ondulado	- Covering:	Corrugated steel plates
- Revestimiento Exterior:	Estuco sobre malla	- Exterior Covering:	Stucco netting
- Revestimiento Interior:	Estuco yeso	- Interior Covering:	Plaster stucco
- Puertas / ventanas:	Madera	- Door / Windows:	Wood
- Pavimentos:	Entablado	- Paving:	Timber planks
- Cielos:	Entablado y latón	- Ceilings:	Boards and brass

SEGUNDO PISO / SECOND FLOOR

### Community visits:

2023 VISITS	PEOPLE
Community, education and Sewell family and worker visits (as part of the 'Conectándonos con Nuestro Patrimonio' heritage program).	4,516
Protocol and business visits to the operation	851
Visits from schools, sports clubs and seniors clubs to sports facilities at El Teniente (Stadium program and quality of community life program in Coya)	13,050
Sightseeing in Sewell	2,303
<b>Total</b>	<b>20,720</b>



## Revitalization of the Potrerillos camp

Potrerillos, a former mining camp located at an altitude of 2,800 meters in the foothills of the Atacama Region, is 47 kilometers from Salvador. Its history dates back to 1918, when it emerged as a camp for the smelter and refinery of Mina Vieja, housing more than 5,000 residents. In 1928, the arrival of the railroad from Chañaral added a new impetus to its social and cultural life, sponsored by Andes Copper Mining.

Currently, the Salvador Division smelter and refinery operates at this location, which is open to the community during annual religious festivities such as those held on July 16 and November 1. This work center has been collaborating with authorities and the communities of Potrerillos to preserve the heritage of this historic mine camp. Among the principal efforts undertaken are:

- Establishment of a working group with authorities and communities of Potrerillanos to advance on having the area declared a typical heritage zone.

- Transfer and restoration of locomotive No. 2 from El Salvador to the Plaza de Potrerillos thus meeting the desire of the community.
- Production of a documentary that recounts the transfer of locomotive No. 2 and part of its history in Potrerillos.
- Installation of heritage totems with QR codes, offering videos highlighting the history of iconic buildings.
- Restoration of the old business district of Potrerillos with its original colours.

- Beautification of Plaza Vicente "Potrerillos" Salinas with the installation of the historic pergolas.

These actions reflect the commitment of the Salvador Division to the conservation of the historical and cultural heritage of Potrerillos, as well as its active collaboration with the local community and authorities to revitalize this important historical site.





# 5.3 Community management

■ GRI 2-25, SASB EM-MM-210b.1

For all division teams at Codelco, we have a series of tools that allow us to monitor the planning, execution, and reporting of community relations that are developed annually in the territory of the area of influence of mining operations and/or projects. Currently, we have 14 transversal tools that are divided into three segments:



## Community tools

### 1 Management Tools

These include the identification of the area of influence, the monitoring of our stakeholders, the assessment of needs and opportunities in our territories, community plans, and participatory evaluations of these plans.

- |                                     |                     |   |                 |   |
|-------------------------------------|---------------------|---|-----------------|---|
| 1.                                  | 2.                  | 3.  | 4.              | 5.                                      |
| Identification of zone of influence | Stakeholder mapping | Responding to needs and opportunities on site | Community plans | Participative community plan evaluation |

### 2 Community Engagement Tools

These encompass the management processes within the divisions' territories and the engagement with stakeholders. They are defined as dialogue tables, community forums, technical visits, and participatory monitoring.

- |       |                                 |                  |                          |
|-------|---------------------------------|------------------|--------------------------|
| 6.    | 7.                              | 8.               | 9.                       |
| Talks | Town halls / community meetings | Technical visits | Participative monitoring |

### 3 Tools for Reporting

These segment all the information, publication, and dissemination regarding the progress and processes of territorial development. For this task, we utilize tools such as Open House / Door-to-Door, the publication of an annual community report, a community newsletter in newspapers and on the radio, and community social media channels.

- |                           |                         |                          |                       |                          |
|---------------------------|-------------------------|--------------------------|-----------------------|--------------------------|
| 10.                       | 11.                     | 12.                      | 13.                   | 14.                      |
| Open house / door-to-door | Annual community review | Regular community report | Local community radio | Community social network |



Community development is specified in the Corporate Standard NCC 39 for Social Management. This standard outlines the phases, tools, and mechanisms designed to ensure compliance with the Sustainability Policy, guaranteeing the operational continuity of the divisions and the viability of our business plans.

This NCC 39 standard is applicable to the entire corporation within the national territory.

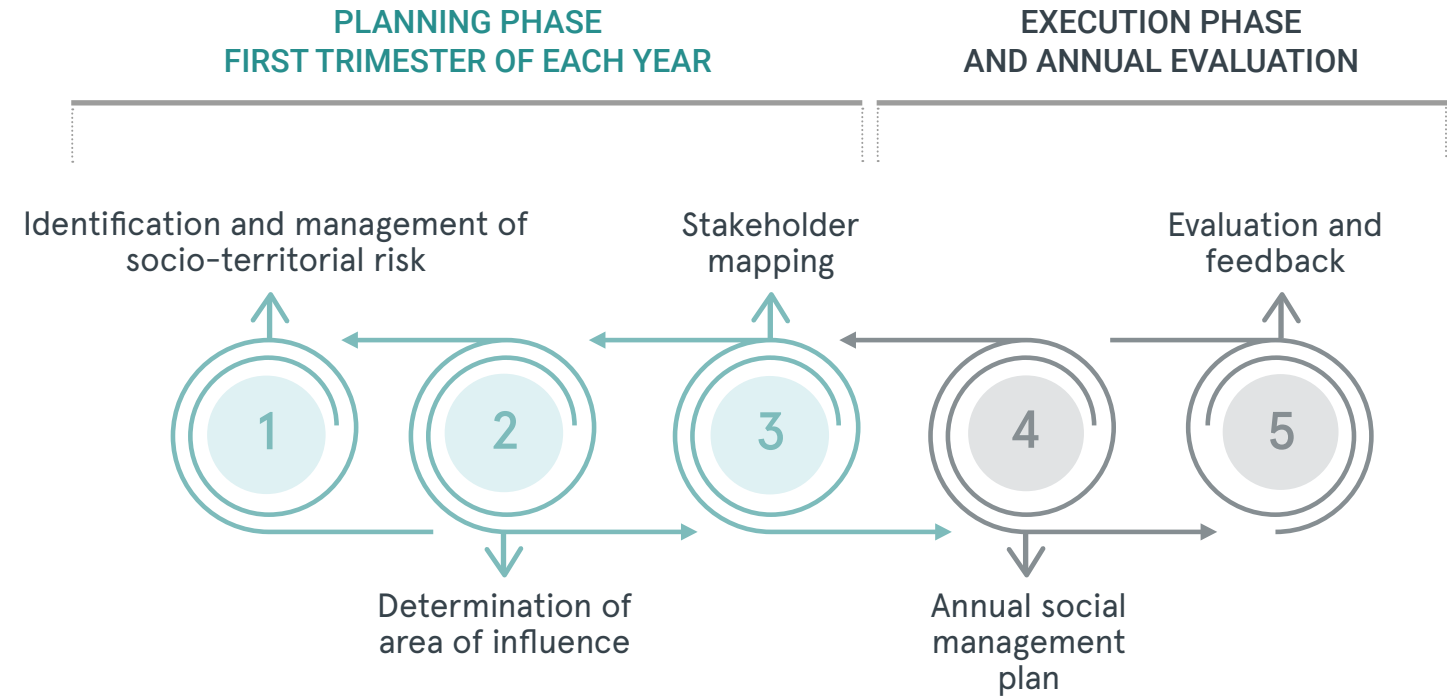
To facilitate the comprehensive management of activities in our divisions, we utilize the digital platform GECO, which is designed for community management.

### Annual cycle of the community management system



#### ■ SASB EM-MM- 210a.1

None of our mining sites are located in conflict zones with communities nor within 5 km of such zones.



#### ■ SASB EM-MM-210b.2

It is important to highlight that, thanks to our commitment to our neighboring communities,

there were no operational delays due to issues with communities in any of the divisions during 2023.



## Community investment

### ■ GRI 413-2, COD6

In 2023, we implemented 193 community investment agreements in several areas of influence of our operations. The amount invested totalled CLP\$ 12,509,351,556 (equivalent to US\$ 14,734,217). Of this amount, 55.34% corresponded to the execution of voluntary agreements.

#### Total voluntary community investment agreements in 2023:

DIVISION	NUMBER OF COMMUNITY INVESTMENT AGREEMENTS	2023 AMOUNT (CLP)	2023 AMOUNT (USD)
North operations	56	3,250,511,964	3,828,636
Salvador	7	69,355,200	81,690
Andina	23	2,221,379,926	2,616,466
Ventanas	28	571,583,461	673,243
El Teniente	23	810,399,506	954,534
<b>General total</b>	<b>137</b>	<b>6,923,230,057</b>	<b>8,154,569</b>

#### Total community investment agreements associated with environmental qualification resolutions

DIVISION	NUMBER OF COMMUNITY INVESTMENT AGREEMENTS	2023 AMOUNT (CLP)	2023 AMOUNT (USD)
North operations	36	2,605,952,388	3,069,437
Andina	17	2,527,180,583	2,976,656
El Teniente	3	452,988,528	533,555
<b>General total</b>	<b>56</b>	<b>5,586,121,499</b>	<b>6,579,648</b>

### 2023 featured initiatives

#### ■ GRI 413-1, SASB EM-MM 210b.1

#### NORTH OPERATIONS

##### INITIATIVE:

**Strengthen the livestock and agricultural development of the communities in Calama, San Pedro de Atacama and Ollagüe.**

##### DESCRIPTION:

Strengthen the development of the livestock and agricultural base of the indigenous communities and associations of the Calama, San Pedro de Atacama and Ollagüe districts through the supply of feed. This permits breeders to safeguard their livestock base. Support to the Cupo y Toconce communities was provided through improvements to corrals.



##### INITIATIVE:

**Procurement, installation and startup of generator sets for the rural potable water treatment plant for the San Pedro de Atacama Indigenous Community.**

##### DESCRIPTION:

Ensure the operational continuity of the rural potable water plant of San Pedro de Atacama, through the startup of two generator sets at the CAPRA facilities. This guarantees permanent and efficient operation for the provision of potable water in said locality.







SALVADOR

**INITIATIVE:**  
Install solar panels at El Salado

**DESCRIPTION:**  
More than two thousand residents of El Salado benefited from the installation of 10 solar panels and an emergency cell phone charging post. These initiatives materialized after the project was signed between Codelco Salvador and the Nueva Esperanza neighborhood committee for an investment of 10 million pesos.



VENTANAS

**INITIATIVE:**  
'Ventanas Ilumina' program

**DESCRIPTION:**  
This initiative aims to install public lighting fixtures powered by solar energy in sectors within the 22 localities of the municipality of Puchuncaví. The plan was executed by Codelco in partnership with the municipality and the Unión Comunal de Juntas de Vecinos.



ANDINA

**INITIATIVE:**  
Boost the local economy

**DESCRIPTION:**  
During the year 2023 we promoted local entrepreneurship and held entrepreneurship fairs in Saladillo. These fairs were attended by entrepreneurs from the Camino Internacional to sell their products. To enhance the local workforce, Codelco also implemented the Collaborator Company Strategy that primarily seeks to hire people who reside in communities within our area of influence.



EL TENIENTE

**INITIATIVE:**  
Education support for Doñihue schools

**DESCRIPTION:**  
In the schools La Isla and República de Doñihue, works were carried out to improve educational and sport and recreation areas. The new infrastructure will improve the safety and education conditions and promote the comprehensive development of children in these establishments.





## Training

■ GRI 203-2

During 2023, we deepened the capacity-building plan aimed at strengthening the development of local human capital, aligned with the specific job opportunities in each territory. We made an investment of one billion pesos to finance 41 training courses, which were held in five regions of the country and benefited 1,435 people directly.

In the courses conducted, we covered two fundamental aspects: training in trades related to mining and the provision of tools or community development.

The surplus funds from the National Training and Employment Service (Sence) were allocated through Intermediate Technical Training Organizations (OTIC) specialized in their respective areas, in compliance with current legislation.

The training plan aimed at communities, implemented by Codelco in 2023, allowed us to promote the development of local skills and contribute to strengthening the communities linked to our operations.

### Local investment per division / operations:

DIVISION / OPERATIONS	AMOUNT (CLP)	NUMBER OF COURSES	BENEFICIARIES
North operations	\$350,000,000	9	315
Salvador	\$80,000,000	7	245
Andina	\$200,000,000	8	280
Ventanas*	\$120,000,000	9	315
El Teniente	\$250,000,000	8	280
<b>Total</b>	<b>\$1,000,000,000</b>	<b>41</b>	<b>1,435</b>

\*The Ventanas Division was strengthened this year due to the smelter closure process.

## Complaints and suggestions system

■ GRI 413-1, 2-25

We have a socio-environmental complaints and suggestions system open to our communities and the general public. During 2023, we recorded 72 requests in Codelco's socio-environmental complaints and suggestions system, across all divisions.

From this record, 61 were classified as complaints and 11 as inquiries or suggestions.

100% of the inquiries, complaints, and suggestions were addressed throughout the year.

### Tickets issued by division and type:

YEAR	TYPE	CHD	MHD	RTD	GMD	SALD	ANDD	VEN	ETD	HO	TOTAL
2023	Complaint	9	6	2		5	24		11	4	61
	Consultation or suggestion						3		4	4	11
	Emergency										0
<b>Total</b>	<b>All types</b>	<b>9</b>	<b>6</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>27</b>	<b>0</b>	<b>15</b>	<b>8</b>	<b>72</b>

The following contact details are used for this system:



Email  
[contactosocioambiental@codelco.cl](mailto:contactosocioambiental@codelco.cl)



Toll-free phone number  
**800 222 600**





## Emblematic event: Closure of the Ventanas smelter

After 58 years of operation, Codelco closed operations at the Ventanas smelter. This process, mandated a year earlier by Codelco's board of directors, was executed in accordance with current regulations. The process considered environmental, labor, financial, legal and reputational variables, with the aim of preserving the continuity of the electrolytic refinery operations, maintaining responsible production and consolidating Codelco's position in the market as a world-class industry.

Likewise, we guaranteed a fair labor transition for workers affected by the cessation of operations and alongside the communities of Quintero and Puchuncaví.

A transition plan was worked on that covered the main socio-economic impacts of the closure. One of the actions developed was the accompaniment, through a transformation plan, for all workers.

Moreover, we implemented a publication plan aimed at neighbors, social leaders and local authorities, with the purpose of explaining the scope of the process, clarifying doubts and communicating the transformation challenge that the division will face in the coming years.

**"The main focus of the mandate of the board to move towards the closure of the smelter is to put people at the center, primarily its own workers and collaborators, as well as the local community.** There was also a highly expectative environment in terms of public opinion, due to the environmental sensitivity that characterizes this territory. Therefore, it was essential to conduct this process with operational, safety and environmental excellence - and in a participatory manner with trade union organizations. Furthermore, this processes required transparency and ongoing communication with the authorities and the public".

**Ricardo Weishaupt Hidalgo,  
General Manager of Ventanas Division.**





# 6 Climate ambition





## 6.1 Climate change

One of the main challenges we face, globally and as a corporation, is the implementation of actions that help us become leaders in the production of metals required for the energy transition. To achieve this we have a long-term vision that integrates the impact of our greenhouse gas (GHG) emissions, inland water consumption and waste generation, considering the risks associated with the climate crisis to which Codelco is exposed.

In our climate change strategy, we identify and plan actions that address actions aimed at preparing Codelco to face the climate change mitigation and adaptation challenges required for operational continuity and to enable the business for the long term. Addressing these two aspects to face the climate crisis requires a series of internal and external efforts, actions, projects and participation in collaborative spaces.

Such undertakings will allow us to draw a path towards the reduction of our greenhouse gas emissions in our operations and in the mining ecosystem. They will also strengthen the resilience of our mining business for the development of our future projects to supply the future demand for copper - copper that is necessary for the energy transition and electromobility, enabling future decarbonized economies.

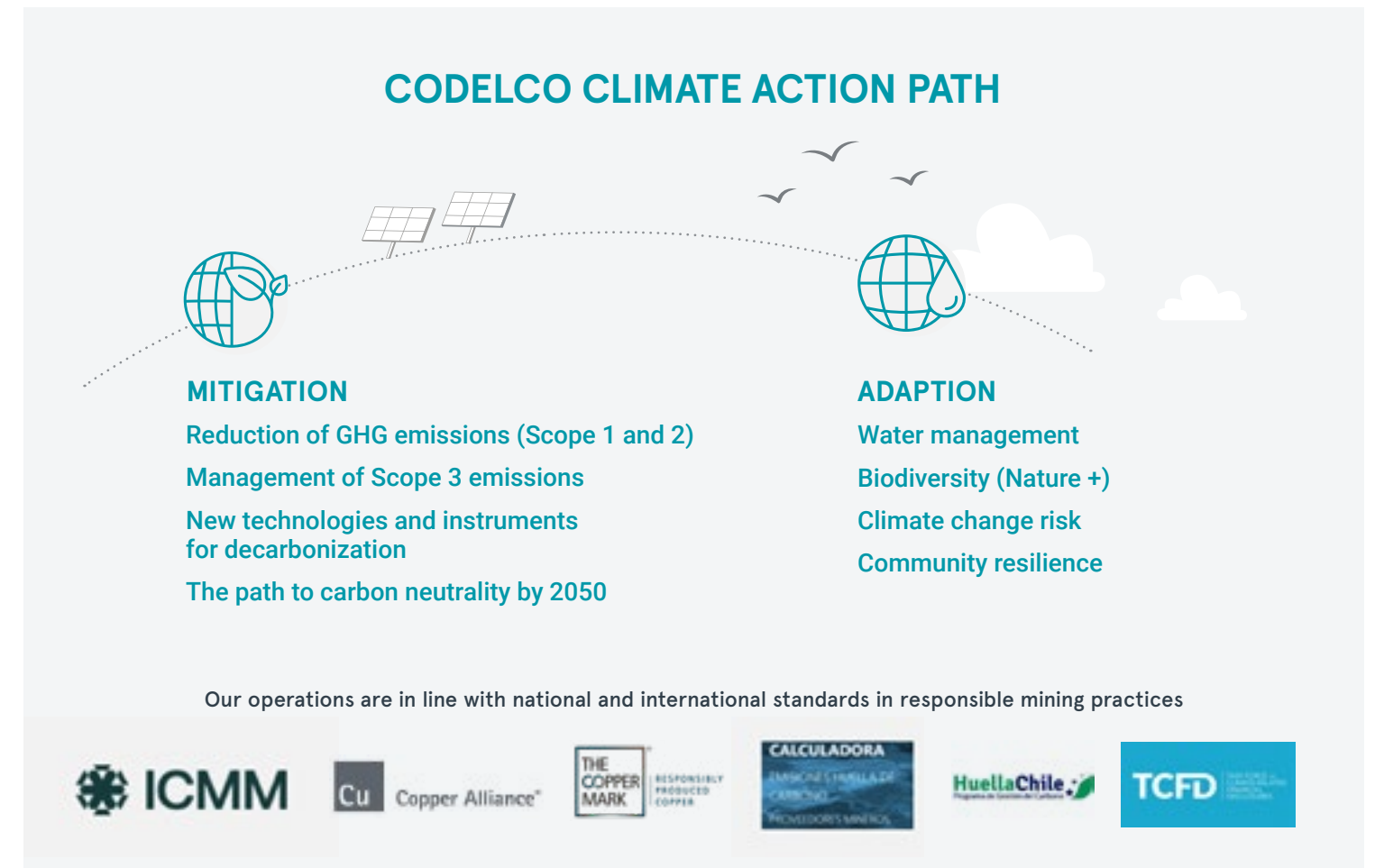
## Climate action strategy

To face the challenges associated with climate change, Codelco has a strategy that provides us with targets,

goals and actions to address this issue, in which mitigation and adaptation are the key components.

## Codelco climate action path

At Codelco we have a climate action path as one of our key aspects of strategic sustainability





In the mitigation aspect of our strategy, we work to reduce Scope 1, 2 and 3 emissions.

During this reporting period, our decarbonization agenda recorded significant progress through actions that included the implementation of a fleet of electric buses. We also worked closely with our suppliers, inviting them to use the carbon footprint calculator for mining suppliers, a tool that we developed and released for public and free use.

This resource, unique in Chile, allows us to obtain information on Scope 3 GHG emissions and to be then applied to our company's management, in accordance with our goals. In 2023, we moved into Phase II of this

project, which we made available to other companies as part of the 'Huella Chile' program of the Ministry of the Environment.

With respect to the key aspect of adaptation, Codelco aims to reduce its water footprint, which is also integrated into our Business and Development Plan (BDP). We also work to protect biodiversity through the management of our operations in areas of high natural value and seek risk management on climate change matters both in our operations and in the mining business. Finally, we set out to strengthen the resilience of the communities, thanks to joint efforts in several contexts.

## A NEW CLIMATE CONSCIOUS GENERATION



In August 2023, we created the Climate Action department, which aims to identify and implement initiatives promoting sustainable development at Codelco. All actions that this department promotes must be in line with our strategic objectives, best practices in national and international markets and the expectations of customers and investors.

The Climate Action department is particularly responsible for managing climate action issues (adaptation and mitigation), circular economy and responsible production, seeking to strengthen skills that enable progress towards fulfilling the company's Sustainability Policy

## 2030 sustainability challenges with a focus on climate ambition

Our sustainability strategy has six challenges for 2030, four of which correspond to climate ambition issues.



### REDUCTION OF THE CARBON FOOTPRINT

We will reduce our GHG emissions by 70%.

We will replace all production and logistics equipment from underground for electrical equipment, and actively participate in the search for new clean energy sources such as green hydrogen in order to achieve a 100% clean energy mix.



### REDUCTION OF WATER FOOTPRINT

We will reduce unit inland water consumption by 60% (make up water)

We will reduce the use of freshwater with process efficiency. We will also incorporate a desalination plant for the North Operations and, through innovative solutions, we will reuse the water from our tailings deposits.



### CIRCULAR ECONOMY

We will recycle 65% of our non-hazardous industrial waste.

Recycle 65% of our non-hazardous solid industrial waste from our operations and projects such (i.e. steel, wood, packing materials, organic waste and scrap metal), recovery of 100% of our mine tires plus sharp tire inventory reductions.



### SUSTAINABLE TAILINGS DEPOSITS

100% of our TSFs will employ world-class sustainability and safety measures.

Using cutting-edge systems, Codelco will conduct in-line monitoring of physical and chemical stability of the tailings facilities and implement seepage control systems.



## Climate-related Financial Disclosures Report

### ■ GRI 201-2

In 2022, we began a diagnostic and planning process for our first climate report, which details how we integrate climate considerations into our operations, in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Our goal is to provide clear and up-to-date information to all our stakeholders on the climate risks we face and our mitigation strategies, a process that concluded in 2023.

The report covers the four pillars recommended by TCFD: Governance, strategy, risk management, and metrics and objectives. With this step, we align ourselves with international standards, reinforcing our commitment to practices and responsible climate actions. In addition, Codelco improved communication on our commitments and results in sustainability, thereby complementing our corporate strategy.

## 6.2 Climate change mitigation

We work to reduce greenhouse gas emissions both in our processes and in those of our suppliers, through the development of initiatives, technologies and strategies, which are effective and cost-efficient. Moreover, we anticipate and adapt our infrastructure and project design to the challenges caused by climate change.

implementing changes to operations. In this way we contribute to the global challenge of reaching net<sup>1</sup> zero carbon, in alignment with the ICMM. This is an ambitious goal that integrates actions to decrease the carbon footprint itself, through emission reductions, and to offset initiatives for carbon absorption, as well as to contribute to the global effort to keep global warming below 1.5° C by 2050.

As a company, we take an approach where we reduce our carbon emissions when

### Among the most important results of the diagnosis of the Task Force on Climate-related Financial Disclosures are:

Codelco's public disclosures range from the basic level for certain topics to leadership level on other topics. Most aspects evaluated are concentrated at the second level.

The activities in the roadmap focus on deepening risk management and climate opportunities.

Based on the results of the diagnosis and roadmap, it is recommended that Codelco define a plan of action that includes the proposed elements and establishes activities, responsibilities and deadlines.

Over the short term, the roadmap focuses on developing scenario analyses and reporting results of the climate risk analyses already carried out in the first TCFD report.

In the long term Codelco proposes to develop physical risk scenario analyses and transition across the rest of our value chain and quantify the financial impacts of the risks and opportunities identified.



1. Net-zero carbon emissions seek to reduce greenhouse gas emissions until we are as close to zero emissions as possible.



## Carbon footprint

To achieve carbon neutrality by 2050, it is also essential to make progress on the scalability of electrical equipment and on the energy transition of our fleets

and facilities. We are committed to achieving this goal, in line with the goals of the International Council of Mining and Metals, an organization to which we belong.

To do this, we have established a commitment for 2030 that is articulated around three strategic actions.

## Decarbonization challenge: Reduce greenhouse gas emissions by 70%

### STRATEGIC ACTION 1

Achieve a 100% clean energy mix, reducing the carbon footprint by replacing all electricity supply contracts for renewable source contracts.

In January, we renewed our contract with AES Andes for the Ministro Hales and Radomiro Tomic divisions, committing to supply up to 1.6 TWh / year of renewable energy between 2026 and 2040, thus ensuring that 70% of our energy supply comes from clean sources by 2026.

### STRATEGIC ACTION 2

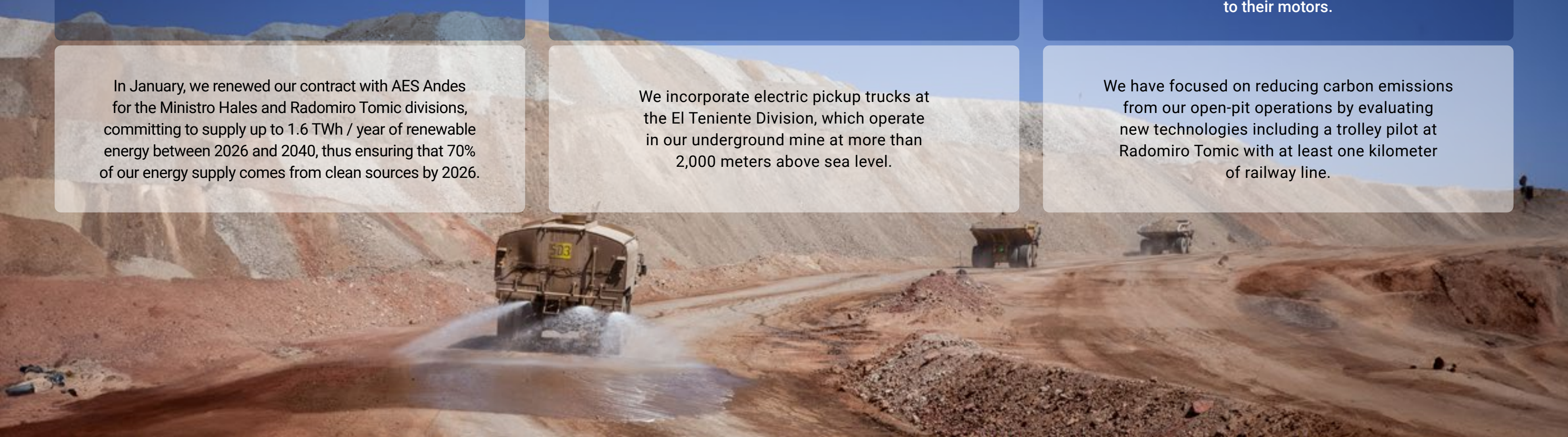
Achieve 100% electromobility in underground mines, incorporating emission-free technologies for haul vehicles.

We incorporate electric pickup trucks at the El Teniente Division, which operate in our underground mine at more than 2,000 meters above sea level.

### STRATEGIC ACTION 3

Achieve a 10% emission reduction in high tonnage extraction trucks (CAEX) resulting from technological improvements to their motors.

We have focused on reducing carbon emissions from our open-pit operations by evaluating new technologies including a trolley pilot at Radomiro Tomic with at least one kilometer of railway line.







## KEY MILESTONES

### Renewal of clean energy contract with Pampa Elvira

We extended the contract to supply thermal energy using renewable technology, thereby contributing to an emissions reduction and reaffirming our commitment to sustainability.

### Pilot project using trolley system to evaluate different future technological scenarios.

In the context of mining and heavy transport, trolleys are electrification systems for large trucks that operate on specific routes.

### Chuquicamata Division launches fleet of electric buses

In May, we implemented a fleet of electric buses to transport personnel. These buses help us reduce emissions and demonstrate leadership in the adoption of sustainability technologies in mining operations.

### First 100% electric underground charger in the mining industry

We are moving towards carbon neutrality in 2050, with industrial testing of this equipment. It is estimated that this loader will avoid consumption of 160 thousand liters of diesel per year of operation, translating into 433 tons less GHG released into the atmosphere.



## Greenhouse gas emissions

■ GRI 305-1, 305-2, 305-3, 305-4;  
SASB EM-MM-110a.1

One of the key factors when managing our impact on climate change is to measure the scope that provides a clear picture on the carbon footprint of our organization. To achieve this we measure scopes 1, 2 and 3.

SCOPE MEASUREMENT AT CODELCO	
WHAT IS GHG SCOPE?	¿CÓMO MEDIMOS LOS ALCANCES EN CODELCO?
<p><b>SCOPE 1</b></p> <p>These are “direct” emissions, which means those emissions caused by a company as a result of the operation of the assets it owns or controls</p>	<p>We use operational control of real fuel consumption in operations to measure Scope 1 and electrical consumption from the grid to measure Scope 2. To calculate emission factors from the Intergovernmental Panel on Climate Change (IPCC) are used for the quantification of emissions and are based on the average monthly emission factors of the SEN issued by the national electrical coordinator (known locally as “CEN”).</p> <p><b>Sources of emission factors and global warming potential (GWP) rates used are:</b></p> <ul style="list-style-type: none"> <li>▪ The emission factors used are those indicated by the IPCC version 2006 (updated in 2019), with the Global Warming Potential (GWP) of AR6. GHG Protocol and ISO 14065.</li> <li>▪ Emission factor of the electricity grid removed from the SEN following a location based approach for the quantification of Scope 2 emissions.</li> <li>▪ Methane (CH4) carbon dioxide equivalent (CO2eq) according to fuel use.</li> <li>▪ Nitrous oxide (N2O): equivalent carbon dioxide (CO2eq) according to use and fuel.</li> </ul> <p>The consolidation approach corresponds to the operational control of real consumption of fuels in operations for Scope 1 and electrical consumption from the grid for Scope 2.</p> <p>The methodologies and standards used correspond to the quantification of Scope 1 emissions under international emission factors established by the IPCC. The emissions generated by the consumption of electrical energy were prepared using the average monthly emission factor established by the national electric system from the electrical coordinator. We measure the direct emissions from the use of fuel at all our operations. Indirect emissions identified and monitored are those that originate from the power generation systems that provide electricity to our divisions.</p> <p>The Scope 3 estimate is conducted following the guidelines of the Corporate Value Chain (Scope 3) Standard of the GHG Protocol and the guidelines of the ICMM and its guide launched at the end of 2023 - Scope 3 Emissions Accounting and Reporting Guidance.</p>
<p><b>SCOPE 2</b></p> <p>These are the “indirect” emissions created by the production of energy that an organization purchases. In the case of Codelco, Scope 2 emissions corresponds to the electrical energy draw from the national electrical grid (known locally as the “SEN”) for its operations.</p>	
<p><b>SCOPE 3</b></p> <p>These are indirect emissions which differ from Scope 2 because they correspond to emissions generated by clients using our company’s products or emissions caused by the suppliers that manufacture the products used by the company.</p> <p>International</p>	



In 2023, we recorded a total of 1,797 ktCO<sub>2e</sub>\* in Scope 1 emissions, and 1,657 ktCO<sub>2e</sub> equivalent in Scope 2 emissions, corresponding to the acquisition of electricity.

Updated Scope 3 inventory, incorporating all categories that are applicable to Codelco's business. In addition,

category 7 was incorporated (mobilization of workers), category 9 (downstream transport and distribution), category 10 (processing of products sold) and category 10 (investments). We estimated a total of 9,786 ktCO<sub>2e</sub> indirect emissions, corresponding to Codelco's entire value chain, equivalent to 64.71% of the total inventory.

GHG EMISSIONS	SCOPE 1	SCOPE 2	TOTAL
2021	2,900 ktCO <sub>2e</sub>	2,848 ktCO <sub>2e</sub>	<b>5,748 ktCO<sub>2e</sub></b>
2022	1,907 ktCO <sub>2e</sub>	2,160 ktCO <sub>2e</sub>	<b>4,067 ktCO<sub>2e</sub></b>
2023	1,797 ktCO <sub>2e</sub>	1,657 ktCO <sub>2e</sub>	<b>3,454 ktCO<sub>2e</sub></b>

EMISIONES GEI	SCOPE 3
2021	52 ktCO <sub>2e</sub>
2022	1,277 ktCO <sub>2e</sub>
2023	6,333 ktCO <sub>2e</sub>

SCOPE 3	GHG EMISSIONS
Procured goods and services	600 ktCO <sub>2e</sub>
Activities related to fuel and energy	491 ktCO <sub>2e</sub>
Upstream transport and distribution	1316 ktCO <sub>2e</sub>
Waste treatment and disposal	85 ktCO <sub>2e</sub>
Business travel	8 ktCO <sub>2e</sub>
Mobilization of workers	105 ktCO <sub>2e</sub>
Downstream transport and distribution	100 ktCO <sub>2e</sub>
Processing of sold products	3387 ktCO <sub>2e</sub>
Investments	241 ktCO <sub>2e</sub>
<b>Total</b>	<b>6333 ktCO<sub>2e</sub></b>

(\*) Unit of measurement - kilotons of Co2 equivalent



When considering Scope 1 and 2 emissions, we found a 15.1% reduction compared to 2022.

This is mainly a result of the decrease in the emission factor of the SEN.

We optimize GHG management through controls and monitoring, using indicators such as the intensity of

Scope 1 and Scope 2 emissions, regarding our fine copper production.

SCOPE 1 DIRECT EMISSIONS AND SCOPE 2 INDIRECT EMISSIONS (ktCO <sub>2e</sub> )		
Direct emissions	1,797	52,02%
Indirect emissions	1,657	47,98%

INTENSITY OF GHG EMISSIONS	2022	2023
Total emissions (ktCO <sub>2e</sub> )	4,067	3,453
Intensity (tCO <sub>2e</sub> / de tmf)	2.75	2.62

### SCOPE 1

- Mobile combustion source
- Stationary combustion source

### SCOPE 2

- Procured electricity

### SCOPE 3

- Procured goods and services
- Activities related to fuel and energy
- Upstream transport and distribution
- Waste treatment and disposal
- Business travel and mobilization of workers
- Downstream transport and distribution
- Processing of sold products
- Investments





## GHG emissions reduction

■ SASB EM-MM-110a.2; GRI 305-5

### GHG MITIGATION INITIATIVES

#### New electrical supply contract with AES Andes

This agreement will allow Codelco to achieve 70% decarbonization of the electrical mix by 2026.

#### ISO 50001 certification

We implement and certify ourselves under the ISO 50001 standard for energy efficiency in all divisions.

#### First 100% electric underground charger in the mining industry in South America (El Teniente)

We are moving towards carbon neutrality in 2050 and industrial testing of this equipment is currently underway. We estimate that this charger will allow us to circumvent the consumption of 160 thousand liters of diesel per year of operation, translating into 433 tons less GHG released into the atmosphere.

#### We created capabilities in carbon footprint measurement for the mining industry through a Scope 3 supplier calculator.

In 2022, we signed an agreement with the Ministry of the Environment - Huella Chile and Corporación Alta Ley to hand over this footprint calculator ([www.huellaminera.cl](http://www.huellaminera.cl)), for the Ministry of the Environment's official GHG emissions quantification program Huella Chile.

#### Benefits

1. Third party data verification.
2. Customer service and support from the Ministry of the Environment.
3. Methodology adherent to NCh-ISO 14067.
4. Aligned with International Copper Association (ICA) Carbon Neutrality Roadmap and ICMM Scope 3 Emissions Guide.

Huella Chile will implement a new label in its recognition system and will quantify product emissions.

The program began in 2023 and includes training for the main mining suppliers. Participating companies are suppliers of steel milling balls, lime, explosives, reagents, fuels, lubricants, coatings, steel, ground transportation and sulfuric acid. Upon completion of the program, they will be able to verify product footprint with an independent third party.

Likewise, the project contemplates the development of the product footprint quantification module on the Huella Chile platform in the single platform window of the Ministry of the Environment.



# Energy efficiency

## Energy management

■ GRI 302-1, 302-3, 302-5; SASB EM-MM- 130a.1

To decarbonize the energy mix the focus of the strategy is based on the renegotiation of electricity contracts, tenders for new renewable supplies and

the update of the energy management system, whose objective is the search for the efficient use of energy in processes.

CATEGORIES	2022	2023
Direct consumption of oil and its derivatives, natural gas and coal	26.00 PJ	25.97 PJ
Indirect electricity consumption from the country's interconnected system (*)	25.86 PJ	24.65 PJ
Consumption of sources provided by third parties (*)	51.87 PJ	50.62 PJ
Consumption of renewable sources (**)	0.24 PJ	0.16 PJ
<b>Total</b>	<b>52.11 PJ</b>	<b>50.78 PJ</b>
Energy use intensity (GJ/fmt)	35.88	38.34

(\*) Does not include self-generation. Electrical energy consumption corresponds to 49% of the total energy consumption. (\*\*) Considers only self-generation.

## Implementation of ISO 50001

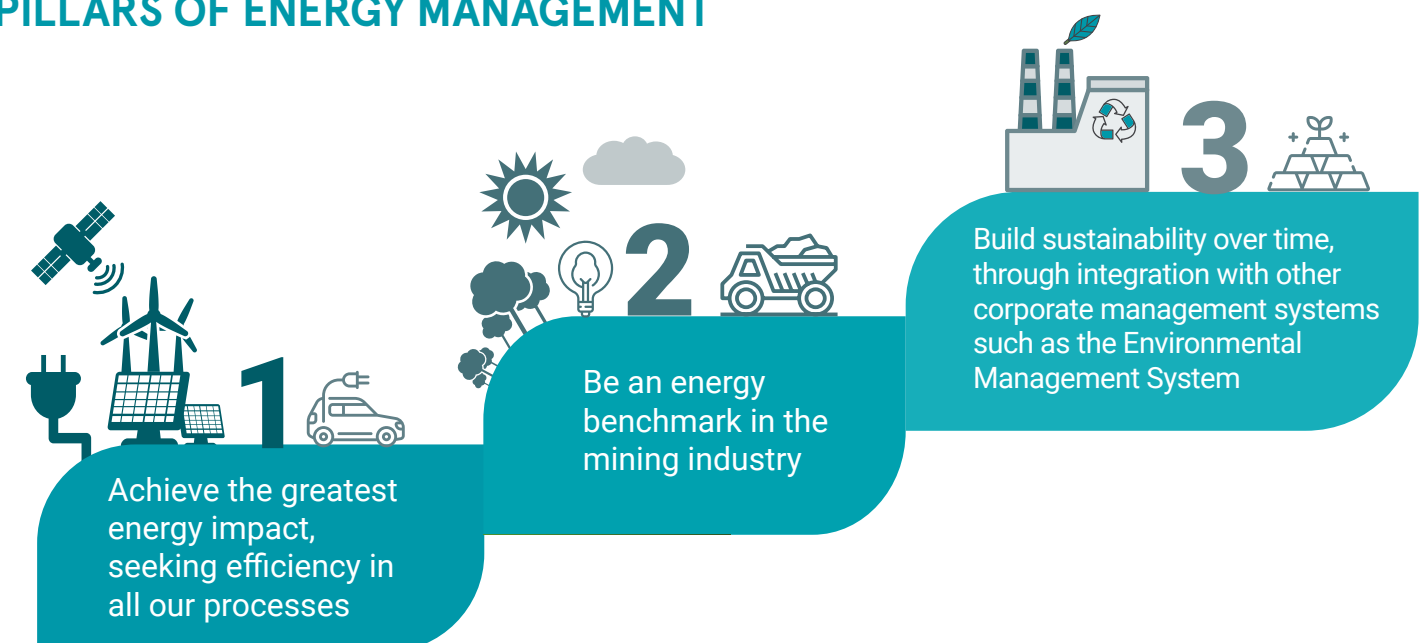
As part of our commitment to energy management and compliance with Law 21.305, we certified the Corporate Energy Management System (EMS) in accordance with the ISO 50001 standard. The main feature of the EMS is its multi-site nature, which establishes a common methodology and indicators across our eight divisions, covering 100% of our energy.

This system involved the creation of committees and the appointment of energy managers at our divisions,

focused on optimizing their use, identify improvement opportunities and reduce operational costs. Codelco became the first mining company certified under this standard at the corporate level, which was integrated into our Sustainability Policy and updated to highlight the most significant energy aspects.

In 2023, we implemented and verified energy efficiency measures through initiatives that are in the process of implementation at different divisions, which will be reported during the forthcoming reporting periods.

## PILLARS OF ENERGY MANAGEMENT





# CIRCULAR ECONOMY

At Codelco, we recognize the benefits and challenges of incorporating circular economy criteria into our operations. This theme is linked to the development of new and innovative business models and solutions. We

commit to incorporating circular practices into our processes, including reducing waste generation and increasing resource recovery.

## Circular economy oversight

### GRI 306-2

We are aware of the challenges involved in adopting the circular economy in mining and we firmly believe that overcoming them will allow us to generate new business cases together with our suppliers.

In addition, during 2023 (and to preparedly face the respective challenges), we expanded our oversight

structure by creating the Directorate of Circular Economy and Responsible Production, within the Climate Action Department.

In 2023, we identified initiatives and procedures together with the corporate Sourcing and Maintenance areas, to reduce the generation of waste and prolong the useful life of our assets. In addition, we are working on developing a new procedure for purchasing inputs and products, which integrate the principles of the circular economy.



### CIRCULAR ECONOMY CHALLENGE

We pledge to recycle **65%** of our non-hazardous industrial waste by 2030.

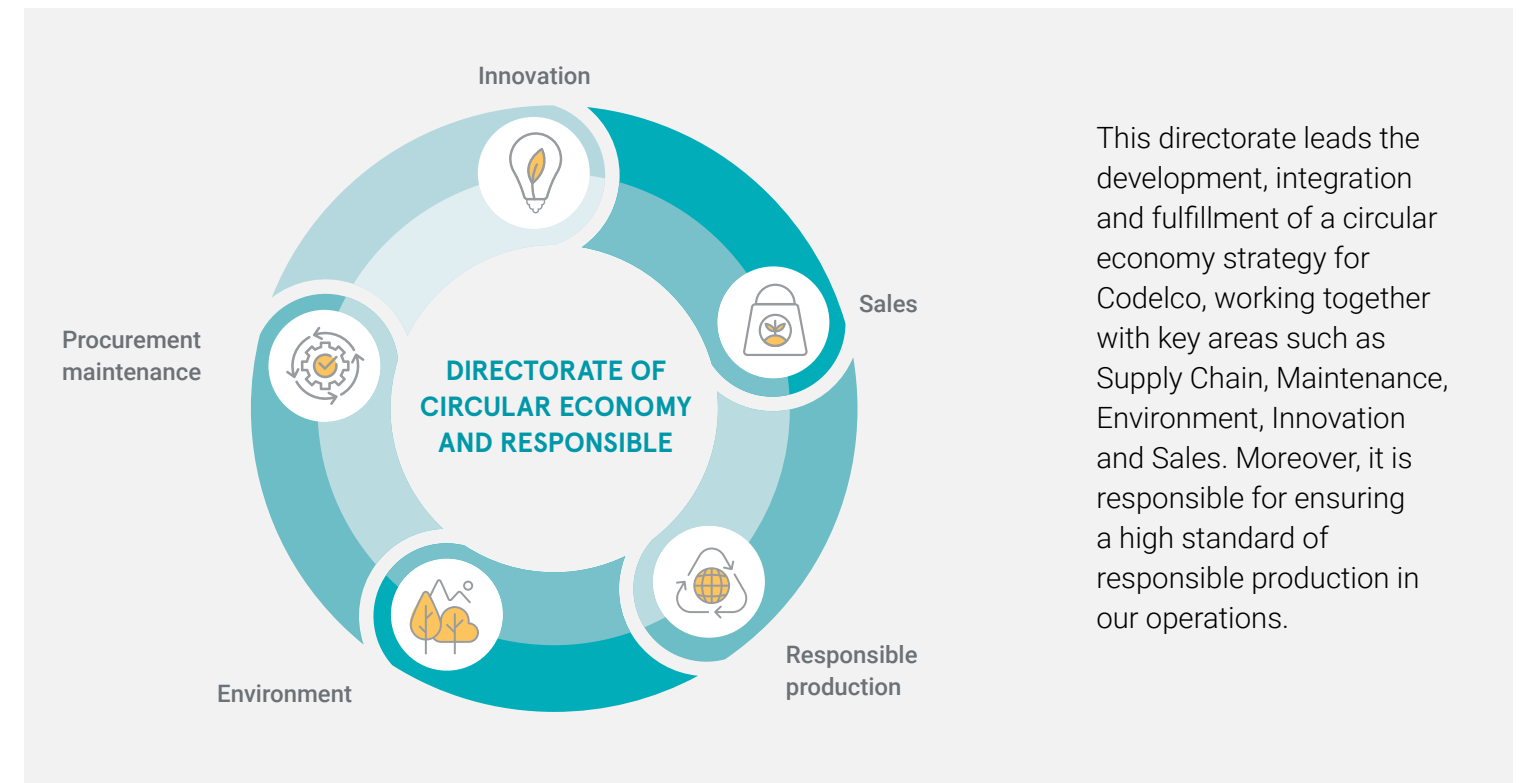
To achieve this, we set two objectives with a focus on the following:

#### 1. DECREASE THE GENERATION OF OUR WASTE

Through process optimization and collaboration with suppliers to innovate and extend the life of our assets and through seeking out more sustainable reduction and reuse practices.

#### 2. INCREASE THE VALUE OF OUR WASTE

To reclaim the intrinsic value of materials we will generate a productive chain and seek opportunities associated with circular economy alternatives such as remanufacturing and recycling.



This directorate leads the development, integration and fulfillment of a circular economy strategy for Codelco, working together with key areas such as Supply Chain, Maintenance, Environment, Innovation and Sales. Moreover, it is responsible for ensuring a high standard of responsible production in our operations.



Every year we execute an action plan for circular economy best practices at each division, with the aim of reaching our corporate goal by 2030. We developed these plans through the internal Solid Industrial Waste Management procedure, which is part of the Environmental Management System and contributes to establishing compliance objectives for traceability and reportability, recycling and external recovery of waste.

Codelco promotes the circular economy in Chile by participating in the Committee on Circular Economy for Mining, an instance of the Sociedad de Fomento Fabril (Sofofa), in alliance with the Center for Copper and Mining Studies (CESCO), the Ministry of Mining and three other firms in the sector.

Moreover, during the reporting period we led Sofofa's off-the-road tire subcommittee and with the participation of other miners we developed the open innovation off-the-road tire challenge (OTR Tire Circular Challenge) to support the recovery of new uses and value for mining OTR tires. This challenge culminated in a demo day where six national and international initiatives were presented, out of a total of 30 participants.





## KEY MILESTONES

### Recovery of grinding balls

We optimize the recovery of grinding balls in Chuquicamata, El Teniente and Andina, with the aim of extending the useful life of these inputs. The Chuquicamata Division recovered 717,000 kilograms, generated savings of US\$ 650,000 and reduced greenhouse gas emissions by 5,280 kg. This was a direct result of effective management of the Superintendence of Grinding and Flotation at Chuquicamata.

### Corporate tender for the purchase of grinding balls

In our corporate tender for grinding balls we explored the circular economy by recovering scrap (grinding ball waste) to make new balls, applicable from 5% to 10% of overall use. This approach converts a discarded material into a source of income, thereby promoting sustainability with our suppliers and economic efficiency in workshops and divisions.

### Liner recovery

In 2023, we launched a project with Metso to recycle steel-rubber liners from SAG mills and Mill 511 at El Teniente, recovering 750 tons of highly complex waste and transforming it into new liners. Simultaneously at Ministro Hales, and in collaboration with Elecmetal, we recovered more than 1,800 tons of chromium molybdenum liners. This mining site was the leader in the recovery of this type of material.

### Tire recycling and recovery initiative

The El Teniente Division initiated a program to recycle and recover 6,400 tons of out-of-use tires (NFU) in 5 years. These tires are sent to the Arrigoni company in San Francisco de Mostazal for sustainable processing thanks to the management of this division's Circular Economy Unit. In 2024, the Andina Division will join this initiative.

### OTR pneumatic retreads

In 2023, with the collaboration of the Bailac company, we retreaded more than 200 mining tires, maintaining their quality, safety while circumventing the generation of 480,000 kilograms of waste.

### Circular economy contracts in our divisions

During 2023, all our divisions showed significant progress in the implementation of practices related to the circular economy. In particular we highlight efforts at the Radomiro Tomic, Gabriela Mistral and Ministro Hales divisions that integrated circular economy principles by defining new business models and revenues for waste recovery. Radomiro Tomic added more than US\$ 2 million in revenue for this concept.

In addition, El Teniente managed to recover more than 32,000 tons of waste, while the Ventanas Division achieved an outstanding recovery rate of 90% of its waste.

### Microfiltration initiative for waste oil residues at the Ministro Hales Division

We implemented microfiltration for used oils from mining equipment to reduce the purchase of new oils and thereby reduce the generation of hazardous industrial waste and our carbon footprint. This process cleans the oil of contaminating particles and leaves it in conditions for reuse. The process saved Codelco US\$ 1.31 per litre and reduces 3.1 KgCo2eq per litre, with an estimated annual savings of US\$ 315,204.

### Wood pallet reduction pilot, Ventanas Division

The Directorate of Environment and Territories initiated a pilot project that seeks to gradually replace the use of wooden pallets at different areas of the Electrolytic Refinery. These pallets will be replaced by polypropylene co-polymer (PP) pallets that contain a high percentage of recycled material from plastics recovered from beach cleaning and the salmon industry, generating greater durability and thus reducing generated waste.

This pilot made it possible to improve productivity by decreasing the time needed for repairs and spare parts. It also helped us improve safety both in terms of labour and continuity in the delivery of our products by substantially reducing the risk of breakage of 'Maxisacos'.



To determine the amount of waste generated, we rely mainly on Sindrep and Sinader records, in addition

to other internal complimentary platforms such as Minimize<sup>2</sup> and data provided by waste handlers.

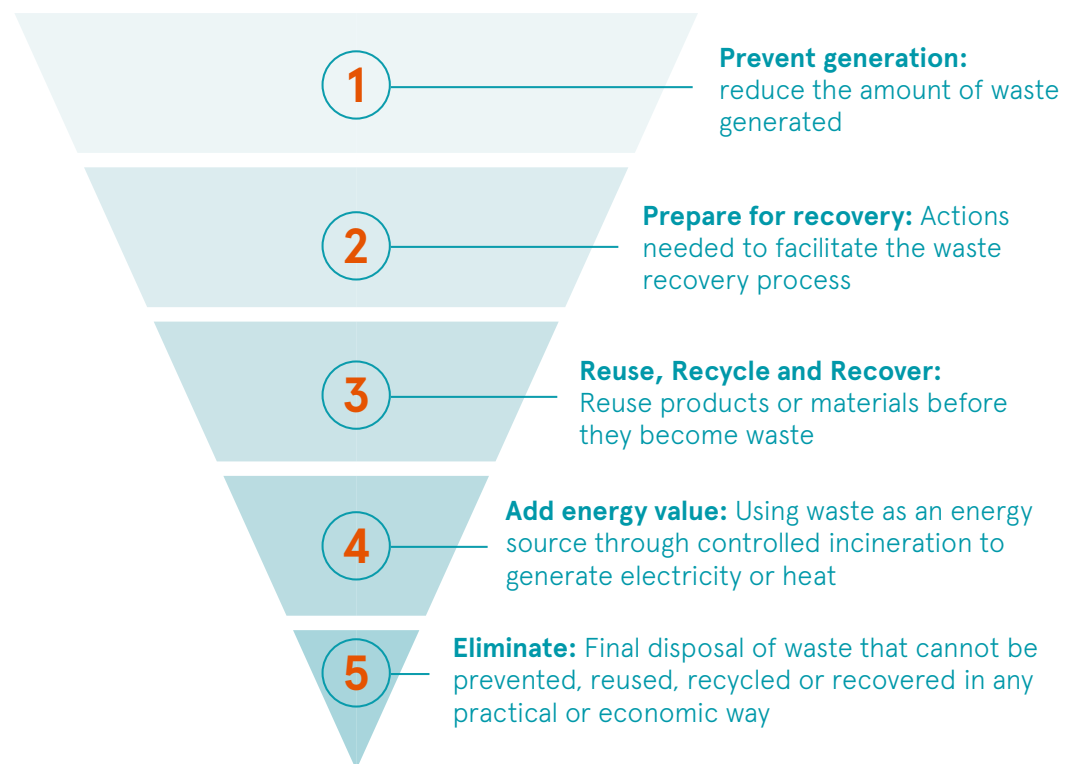
## Waste management

■ GRI 306-1, 306-2, 306-3, 306-4, 306-5; SASB EM-MM-150a.1, EM-MM-150a.2

As part of our commitment to waste management and in line with regulations, Codelco has conducted a classification of our waste for subsequently proper disposal. Our focus is always on the waste hierarchy, where our main goal is preventing the generation and reduce as much as possible the waste that goes to disposal (final disposal).

To determine the amount of waste generated, we rely mainly on Sindrep and Sinader records, in addition to other complementary internal platforms such as Minimize and data provided by waste handlers.

### WASTE HIERARCHY



2. Internal waste management platform

### Non-hazardous waste (tons)

TYPE OF WASTE	2023	TREATMENT
Steel and other metals	6,617	Reuse, recycle
Debris	38,938	Temporary disposal
Similar to domestic	14,971	Final disposal
Tires and rubber	7,526	Reuse, recycle / temporary disposal
Wood	6,668	Reuse, recycle / energy recovery
Sludge and organic material	422	Reuse, recycle / final disposal
HDPE - LDPE	466	Reuse, recycle / temporary
Scrap	34,445	Reuse, recycle / temporary disposal
Industrial cuttings	18,846	Final disposal
Misc.	13,603	Final disposal / temporary disposal
Plastic bottles	6	Recovery
Cables	54	Recovery / stockpile
Transporter belts	14	Recovery / stockpile
Refractory bricks	8,240	Recovery
Organic waste	1,478	Recovery / final disposal
Misc. plastics	415	Recovery / stockpile / final disposal
Papers and cardboard	351	Recovery / stockpile / final disposal
<b>Total</b>	<b>153,059</b>	



### Hazardous Waste (tons)

	2023	TREATMENT
Oils, fats and hydrocarbons	7,106	Reuse, recycle / energy recovery
Batteries	253	Reuse, recycle
Electrical waste	43	Reuse, recycle
Misc.	118,968	Final disposal
<b>Total</b>	<b>126,370</b>	

### Bulk mine waste (tons)

■ SASB EM-MM-150a.2

MINING PROCESS WASTE (T)	QUANTITY OF WASTE GENERATED
Tailings	164,338,713



### Waste recovery<sup>3</sup>

#### Waste recovered, by waste category

RECOVERY (t)	2023
Hazardous waste recovered	80,430
Non-hazardous waste recovered	53,143
<b>Total</b>	<b>133,573</b>

#### Hazardous and non-hazardous waste broken down by recovery category (tons)

RECOVERY CATEGORY	RECOVERED NON-HAZARDOUS WASTE (t)	HAZARDOUS WASTE RECOVERED (t)
Recycle	39,177	75,471
Reuse	2,728	NA
Retread	472	NA
Energy recovery	2,405	4,959
Compost	112	NA
Pre-treatment	8,249	NA
<b>Total</b>	<b>53,143</b>	<b>80,430</b>

**We achieve 34,7% recycling of our non-hazardous waste.**

With this figure, we are moving towards our circular economy goal to reach 65% for this item.

In 2023 **we recovered 47.8%\* of the total waste** generated in our operations

<sup>3</sup>. Recovery may include processes such as recycling, reuse, retreading, energy recovery, composting and pretreatment.

\* Includes hazardous and non-hazardous waste.



## Tailings management

Codelco has a new standard for tailings storage facilities that seeks to fully comply with world-class sustainability and safety measures.

We manage our tailings systems responsibly and safely, aligning our operations with national regulations and international practices throughout their entire life, including their closure. This commitment involves a continuous review of our facilities and our procedures to ensure an optimal safety standard. Our Corporate Policy on Tailings Management sets out roles, responsibilities and controls, in addition to having

a specific regulatory body for the operation, maintenance and emergencies in each division, based on a culture of risk control.

We are committed to continuous improvement in tailings management, in line with the Global Industry Standard on Tailings Management (GISTM), in order to prevent harm to people or the environment. This implies a strengthening of our tailings management system with the use of best practices in planning, control, design, construction, operation, maintenance, closure and post-closure monitoring.

### Tailings management oversight

Tailings management oversight focuses on a proactive approach to risk mitigation, with defined procedures and roles to minimize environmental impacts and increase safety. This includes reviews and controls with experts, integration of sustainable practices in planning and a cultural change regarding risk management. Engineering services, risk analysis, safety reviews, divisional committees and a committee that encompasses cross-cutting

and strategic aspects, promoting transparency and collaboration in global initiatives.

Accordingly, Codelco has established forums dedicated to internal collaboration and the review of best practices in tailings management, including:

1. **TSF Hydrogeology Committee**
2. **TSF Geotechnical Committee**
3. **Divisional and Corporate Tailings Committees**

These committees allow for the exchange of knowledge and data updates at the corporate and international level on specific subjects. They also facilitate training programs aimed at supervisors, operators and personnel from various areas in each division and strengthen and support the primary roles defined in the Tailings Management System.



### Challenge

Achieve 100% of our warehouses with sustainability measures and world-class security



## ADVANCES IN SUSTAINABLE TSF MANAGEMENT

### STRATEGIC ACTION

1

**Online monitoring of physical and chemical stability at 100% of the active tailings storage facilities.**

- Codelco made progress on the collaboration program with other mining companies, authorities and Fundación Chile in the search for one single platform for monitoring tailings deposit stability.
- We have standardized the control and monitoring for physical and chemical stability for all active TSFs at Codelco.
- We advanced the installation of physical and chemical stability measurement and monitoring systems for each TSF.
- We have developed emergency plans and conduct drills at our main tailings storage facilities with personnel from the operations, communities and authorities. We aim to complete the drills at all TSFs during the first semester of 2025.

### STRATEGIC ACTION

2

**Control of seepage / infiltration in 100% of the storage facilities.**

- We comply with the commitments associated with the regulations General Instruction for Environmental Oversight of the Water Component in Tailings Deposits.
- Codelco has developed studies for specific definitions of seepage control systems.
- We defined investment projects for control and monitoring measures for seepage.

### STRATEGIC ACTION

3

**Sulfate abatement at the Carén liquid industrial waste facility.**

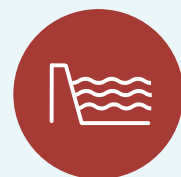
In 2023 we complemented the evaluation of new technologies for reducing sulfate. We conducted pilot tests and evaluated technical and economic aspects with water from the Carén waste facility and also with mine water from the Andina and El Teniente divisions. The results of these tests confirmed that a technology known as zero liquid discharges (ZLD) works well. This technology produces water with low sulfate content (less than 1000 ppm) and a solid, hydrated gypsum (calcium sulfate) that meets safety regulations. This work is a significant advance towards the possibility of having a technological alternative to manage sulfate in the future, which will also comply with stricter regulations.

## Tailings management model

The goal of our tailings management model is to prevent catastrophic failure, establish clear roles, functions and responsibilities and processes of safe management of tailings systems. Our model approach includes the integration of technical and management aspects such as procedures, policies and standards, under a framework of continuous improvement for the efficient TSF management.

The model also identifies comprehensive management of physical and chemical risks, health and safety, environmental, social, business, economic and regulatory impacts, implementing adequate controls for effective management.





### GISTM STANDARD

Codelco focuses on adopting the best practices and technologies available, in alignment with the Global Industry Standard on Tailings Management (GISTM).

Based on the results obtained in July 2023, all Codelco's tailings storage facilities are in accordance with said, whose primary objective is to meet the final zero-harm target for people and the environment, in addition to zero human fatalities. This is accomplished through the strengthening of existing practices in the mining industry and by integrating social-environmental, technical and local economic factors.

## Tailings location and classification (in millions of cubic meters)

### ■ SASB EM-MM-150a.3

TAILINGS	DISTRICT	CLASSIFICATION (*)	TAILINGS STORED UP TO DECEMBER 2023	NEIGHBORING COMMUNITIES
Talabre	Calama	Type C	2,184 Mm <sup>3</sup>	Yes
Pampa Austral	Diego de Almagro	Type C	339 Mm <sup>3</sup>	Yes
Potreros I	Diego de Almagro	**	1.9 Mm <sup>3</sup>	No
Potreros II	Diego de Almagro	**	0.3 Mm <sup>3</sup>	No
Ovejera	Tiltil	Type C	615 Mm <sup>3</sup>	Yes
Los Leones	Los Andes	Type C	125 Mm <sup>3</sup>	Yes
Piuquenes	Los Andes	Type C	33 Mm <sup>3</sup>	Yes
Carén	Alhué	Type C	1,602 Mm <sup>3</sup>	Yes
Barahona	Machalí	Type C	71.9 Mm <sup>3</sup>	Yes
Cauquenes	Requinoa	Type C	228 Mm <sup>3</sup>	Yes
Colihues	Requinoa	Type C	227 Mm <sup>3</sup>	Yes

\*Classification made according to the provisions of Supreme Decree No. 50 of the General Water Board (known nationally as the DGA). Category C corresponds to a maximum wall height of 30 meters or more, or with a capacity of 60,000,000 m<sup>3</sup> or more. \*\*Given that it is a filtered TSF it is not classified according to Decree No. 50 of the DGA.



## 6.3 Adaptation to climate change

### Water resources and water footprint

■ GRI 303-1

Codelco implemented a Corporate Water Strategy whose purpose is the socially equitable, environmentally sustainable and economically beneficial use of water.

Our plan is to significantly decrease freshwater use by 2035, limiting extraction from in basins with high water stress such as those of the Northern Operations. The goal is to extract this of type of water only from specific sources such as the mine water<sup>4</sup>, and using resources stored in reservoirs. We plan to increase our

water efficiency adding seawater and reusing third-party water, avoiding negative impacts on other users, communities and the environment.

In the face of global water scarcity, Codelco is committed to efficient and collaborative water management, while addressing the challenges that this implies.

This year we commenced reporting our water practices in accordance with the commitments of the ICMM water management declaration to:

- Implement solid and transparent water oversight.
- Effectively manage water in our operations.
- Collaborate on the responsible and sustainable use of water.

Our information management approach is based on the ICMM best practice guide for water reporting. Adopting this framework has strengthened oversight

and improved our understanding of processes and their interactions, through diagrams and simulations that allow precise water balance estimates.

Data on water flow are classified by division, following the quality and process criteria established by said guide.

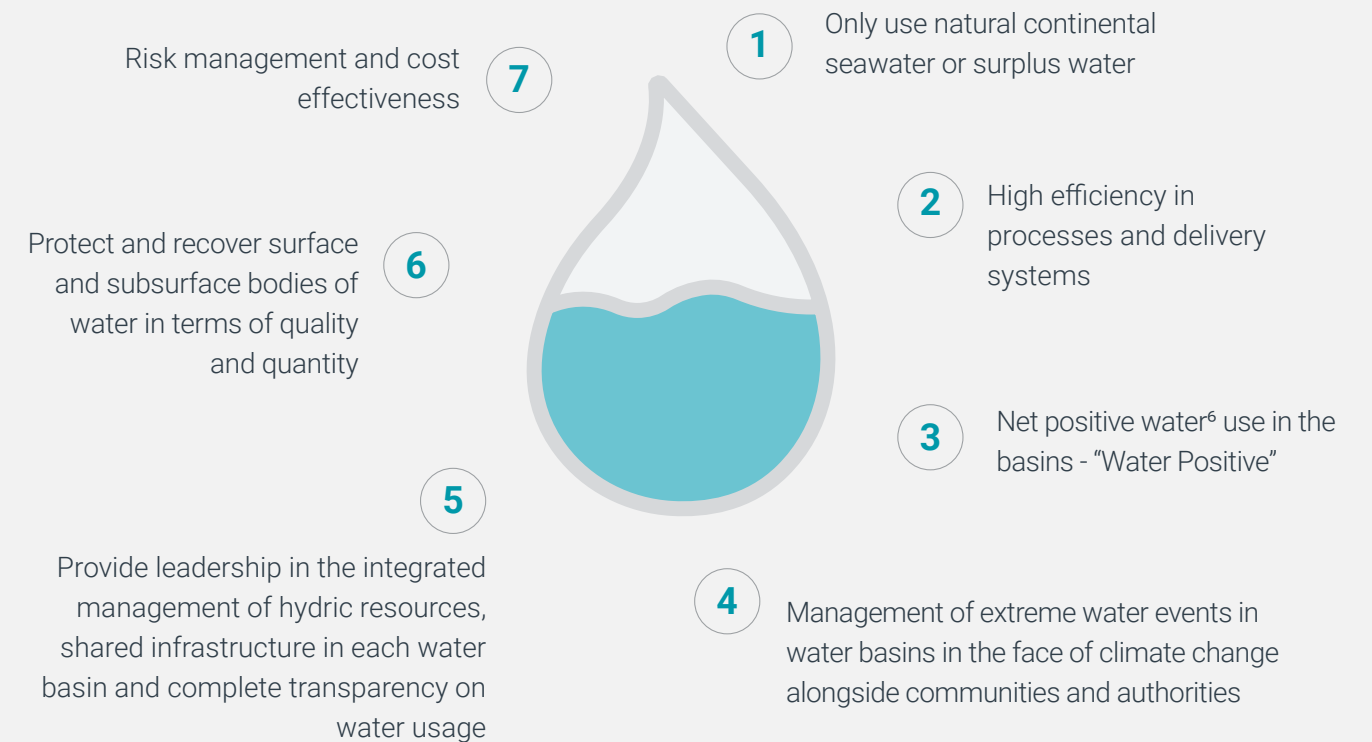
**Codelco is committed to reducing unit inland water consumption (make up<sup>5</sup>) by 60%.**

4. Water found within underground mines filtered through mine excavations.

5. Basis of comparison is the use of inland water in concentrator plants up until 2019.

6. Achieve the generation of an amount of clean water or water available for use that exceeds the amount of water consumed or removed from the environment.

#### GUIDING PRINCIPLES FOR THE USE OF WATER RESOURCES



The guiding principle is our long-term goal for our water management.





## ADVANCES IN SUSTAINABLE WATER MANAGEMENT

<p>STRATEGIC ACTION</p> <p><b>1</b></p>	<p><b>Water efficiency in each process to reduce the use of inland water by 15% by 2030.</b></p>	<p>We are in the process of implementing the Andina Division project to reuse the effluent from the molybdenum and copper filtering plant in the repulping process, and to reuse water from the Piuquenes tailings pond, thereby contributing to its closure and eliminating the discharge of industrial liquid waste. Codelco will kick off the thickened tailings project at the Talabre tailings deposit in 2027. This project aims to treat waste from Chuquicamata, Ministro Hales and Radomiro Tomic by increasing thickening to recover more water before its disposal.</p>
<p>STRATEGIC ACTION</p> <p><b>2</b></p>	<p><b>Incorporation of desalinated water in North Operations (phase 1 and 2 construction of the plant), to reduce by 27% the use of inland water.</b></p>	<p>We awarded the construction of a desalination plant in Caleta Viuda, Tocopilla, to supply industrial water to Chuquicamata, Ministro Hales and Radomiro Tomic. Using reverse osmosis technology, this plant will have a capacity of 840 litres per second. This flow rate will be expandable to 1,956 litres per second and will begin operating in 2026.</p>
<p>STRATEGIC ACTION</p> <p><b>3</b></p>	<p><b>Recirculation of water from TSFs to reduce the use of inland water resources by 18%.</b></p>	<p>We are making progress in the design stages for works necessary to recirculate water from the clearwater ponds in the Pampa Austral, Ovejería and Carén tailings storage facilities, thus optimizing the use of water resources. We have completed the prefeasibility phase of the water recirculation project in the Ovejería deposit, with the aim of reducing our inland water consumption to 600 litres per second.</p>



## KEY MILESTONES

### Construction of a desalinated water plant began to reduce the use of inland resources.

During 2023, we began construction on the desalination plant south of Tocopilla to supply water to the Chuquicamata, Ministro Hales and Radomiro Tomic divisions. The plant will operate with a reverse osmosis system with an initial capacity of 840 litres per second.

The plant is expected to be launched by 2026 and will have the potential for expansion to a maximum capacity of 1,956 litres per second. By December 2023, the plant's progress was 24%.

### Board of Directors approves water strategy.

With this recent approval, Codelco reaffirms its commitment to significantly minimize the use of inland waters in areas undergoing high water stress. This will be achieved through the launch of a number of additional projects focused on seawater supply and reuse.

These projects were scheduled to begin operating between 2035 and 2045 and will reduce inland water use to 12%.

### Annual report according to ICMM standard.

For the first time, Codelco has implemented the annual report on water use, in accordance with the standard of the International Council on Mining and Metals. This progress represents a commitment to transparency in the management of this critical natural resource, highlighting its value to communities and its environmental relevance.

## Water extraction and consumption

### ■ GRI 303-3, 303-5; SASB EM-MM-140a.1

Most of the water used in our divisions comes from surface and underground sources, mainly in water-stressed areas, where we prioritise recirculation to optimise its use. Faced with the risk of decline of this vital resource due to climate change and droughts, we have established controls and plans of action focused

on effluent efficiency, recirculation and reuse. The legislation provides guidelines to mitigate impacts on water, prioritize human consumption and environmental conservation. It also establishes frameworks for the use and discharge of water in our operations.

### Types of extraction sources (thousands of m<sup>3</sup>)

SOURCE	2022	2023
Surface water	99,887	89,740
Subsurface water	50,404	48,747
Mine water	13,855	16,327
Seawater	0	0
Produced / dammed water	-845	-5,747
Water from third parties	16,599	13,019
<b>Total extraction</b>	<b>179,900</b>	<b>162,087</b>



Between 2019 and 2023 we managed to reduce unit water consumption by 3% and the collection of fresh inland water by 102 l/s. The main actions that permitted this decrease were:

- Increase in water recirculation from the Talabre TSF from 30.7% to 32%.
- Reduction in the consumption of fresh water used to wash Ministro Hales flotation sprayers, thereby saving 16 l/s.
- Decrease in evaporation in our ponds (with a rate reached 3 l/s), an initiative that is being studied at other divisions.

Codelco identified high water stress in water basins under certain conditions. When the General Water Board classifies a basin as “depleted” of its surface water, the respective aquifer is placed in the restricted or prohibited category to grant new rights for groundwater use. There have been frequent decrees of scarcity in recent years.

Although mining consumes approximately 4% of the country’s total water from inland sources, we expect the next decade’s main source of water for mining will be the sea.

**Water extraction in areas of water stress\* (in thousands of m<sup>3</sup>)**

**SASB EM-MM- 140a.1**

	2022	2023
<b>Total extracted water</b>	179,900	162,087
<b>Total water extracted in water-stressed areas</b>	120,979	104,163
<b>Proportion of water extracted in water-stressed areas relative to total water extracted</b>	67%	64%
<b>Proportion of water consumed in water-stressed areas relative to total water extracted</b>	63%	67%

\*Divisions considered in areas of water stress: Chuquicamata, Ministro Hales, Gabriela Mistral, Radomiro Tomic, Salvador, Andina and Ventanas.

**We monitored the extraction and availability of water in water-stressed areas,** supporting communities and farmers to mitigate the impact of drought and favoring environmental preservation in affected areas. These areas include the Alto Loa River, the Mariposas aquifer, the Pedernales aquifer, and the Aconcagua River.





## Liquid waste discharge

### ■ GRI 303-4

Discharge into surface waters are executed only at the Salvador, Andina, El Teniente and Ventanas divisions, under strict adherence to monitoring rulings to meet parameters and limits established by the authorities.

It should be noted that our discharge of liquid industrial waste<sup>9</sup> complies with the applicable regulation (DS No.90/2000). In 2023 Codelco did not present cases of non-conformity related to water quality permits, standards or regulations.



9. Liquid industrial wastes

### Liquid waste discharge (thousands of m<sup>3</sup>)

DESTINATION TYPE	2022	2023
Surface water	23,650	34,549
Subsurface water	0	0
Seawater	104	11
Produced water	0	0
Water from third parties	0	0
<b>Total</b>	<b>23,754</b>	<b>34,560</b>

### Liquid waste discharges in areas of water stress (thousands of m<sup>3</sup>)

DESTINATION TYPE	2022	2023
Surface water	20,726	34,303.5
Subsurface water	0	0
Ocean	10.8	0
Water from third parties	0	0



Water consumption (thousands of m<sup>3</sup>)

■ GRI 303-5, SASB EM-MM-140a.1

	2023
<b>Total water consumption</b>	<b>155,919</b>

Water consumption in water stressed zones (thousands of m<sup>3</sup>)

■ GRI 303-5, SASB EM-MM-140a.1

WATER STRESS ZONES	VALUE
Chuquicamata Division	41,173
Ministro Hales Division	15,452
Radomiro Tomic Division	9,412
Gabriela Mistral Division	6,880
Gabriela Mistral Division	3,309
Andina Division	27,096
Ventanas Division	664
<b>Total</b>	<b>103,987</b>

Discharge of liquid industrial waste

■ GRI 303-4

	NO. OF DISCHARGE POINTS WITH MONITORING PROGRAMS	DISCHARGE POINTS	DISCHARGE VOLUME (THOUSANDS OF M <sup>3</sup> )	DESTINATION
Salvador	3	<ul style="list-style-type: none"> <li>Planta Fundición Potrerillo.</li> <li>Quebrada Norte Potrerillos.</li> <li>Tranque Pampa Austral</li> </ul>	0	Surface water, Quebrada Norte Potrerillos
Andina	4	<ul style="list-style-type: none"> <li>Mixed process effluent</li> <li>Los Leones Drain 14</li> <li>Thickener reclaim water</li> <li>Ovejería dam</li> </ul>	245 (Mixed effluent from process)	Surface water Rio Blanco
Ventanas	1	<ul style="list-style-type: none"> <li>Liquid industrial waste treatment plant</li> </ul>	11	Sea water, Quintero Bay
El Teniente	1	<ul style="list-style-type: none"> <li>Carén reservoir</li> </ul>	34,303	Surface water Alhué estuary
<b>Total</b>	<b>9</b>		<b>34,560</b>	





## Biodiversity in protected areas

■ GRI 304-1, 304-2, 304-3;  
SASB EM-MM-160a.1, EM-MM-160a.3

Within the framework of our operations, biodiversity protection in our areas of influence is a crucial component of our environmental impact strategy. This priority is reflected in our Corporate Sustainability Policy where we declare our commitment to environmental care, which includes preventative management of air, water and soil pollution and minimization of any impact on biodiversity.

Codelco's biodiversity impact management approach is centered on two key lines of action 1) detailed risk characterization, assessment and monitoring of land and sea environments and 2) the development and implementation of management plans and oversight programs adapted to each phase of our projects, thereby ensuring effective biodiversity protection in our zones of influence.

### Biodiversity impact and conservation

Our operations at Andina and El Teniente are within the proximity of highly biodiverse areas. Therefore, these divisions have implemented updated comprehensive management plans in accordance with the needs of the territory. Furthermore, Ventanas and Salvador participate in the conservation of the Campiche wetlands and the Pedernales salt flat (respectively), which demonstrates our active commitment to biodiversity protection.







## Biodiversity management

### North Operations

In collaboration with the municipality of Calama and the Ministry of the Environment, Codelco contributed to the creation of the Quebrada Ojo de Opache nature sanctuary. This sanctuary encompasses 351 hectares outside Codelco property and is highly valued for its rich biodiversity, aqualogical, paleontological importance and beauty. The sanctuary stands out for being home to endangered species such as the Pejerrey del Loa, in addition to having sites of archaeological and paleontological significance.

In Chuquicamata, the San Pedro de Inacaliri ravine is an area where water is extracted for our operations. This extraction is governed by DGA Resolution No. 87/2006, which protects aquifers that feed meadows and wetlands. Nearby is the priority site of the Tatio geysers, also owned by Codelco, integrated into the Regional Biodiversity Strategy due to its ecological importance. Moreover, the Ministro Hales Division operates in part of Las Vegas Sapunta, on Codelco land, protected under the same DGA resolution.

### Chuquicamata Division

We signed a community investment agreement between Codelco and the Indigenous Community of San Francisco de Chiu Chiu for the creation of a tree barrier located between the community of this town and the Talabre tailings dam. The objective of the tree barrier is to create a natural protection for the control of particulate material in the town of Chiu-Chiu.

Currently, efforts are being made to create the Loa Biodiversity and Conservation Center, the first of its kind in northern Chile, focused on the preservation of local endemic fauna in the endangered category. Specifically, preservation will be oriented towards a first preliminary breeding, reproduction and preservation stage for the Loa frog (*Telmatobius dankoi*). Therefore, permits are currently being processed with government authorities such as the Agricultural and Livestock Service (SAG) and strategic alliances were established with Parquemet (Metropolitan Zoo) and the Calama Culture and Tourism Corporation for the start-up and operation of this centre.

With the aim of contributing to the conservation of the Yellow-billed tern (*Sternula superciliaris*), we continue to be part of the Fundación para la Sustentabilidad del Gaviotín Chico, allowing industrial development of Mejillones in the territory to be compatible with the nesting areas of this species. Through this foundation Codelco is able to develop research capacities, implement technical measures and provide environmental education for local communities.

### Ministro Hales Division

Currently, in Pampa Puno (specifically, in Vega Sapunta) we are conducting a wide range of activities aimed at restoring a species characteristic of Andean vegetation, the Andean Oxychloe.

We implemented a management plan aimed at restoring basal vegetation cover in Vega Sapunta, which includes nursery assays, planting cuttings, surface water flow management and optimization, among other activities.





## Salvador Division

At the Salvador Division, located in the Atacama Region, we made important commitments to the Chilean State for the protection of the water and vegetation resources at the Pedernales salt flats, located 40 km away from the mine camp. The salt flats are situated at an altitude of 3,370 meters above sea level (masl) and has a surface area of 466 km<sup>2</sup>. At this location Codelco is implementing a plan to recover and monitor ecosystem characteristics of 60 hectares of high Andean plains and add value to 175 hectares. This area includes the freshwater azonal vegetation systems of the Pedernales, Piedra Parada and Laguna salt flats, surrounding ravines and the southern headwaters of the La Ola River.

In addition, within the framework of compliance with the Environmental Qualification Resolutions, the Salvador Division implemented annual monitoring plans for the presence of guanacos and vicuñas in the Pampa Austral sector, plus environmental monitoring of the nesting and protection sites of the sea swallow species Oceanodroma Hornbyi.

## Andina Division

In the vicinity of the Andina Division are the Castro and Barriga areas, belonging to Codelco, and subject to management and conservation plans. Moreover, the Juncal Andean Park, privately owned and without the presence of our operations, is recognized as a Ramsar site.\* We have a commitment to its conservation and thus have a management and conservation plan in place to protect this valuable international wetland.

In the Valparaíso Region is the Río Blanco National Reserve, a protected ecosystem, of which we own approximately 25.5% (or 11.8 km<sup>2</sup>). In addition, we manage the Rinconada de Huechún property, which, although not officially a protected area, includes a conservation area of 26 km<sup>2</sup>. This conservation area is protected under a management and conservation plan jointly agreed with the authorities, where our operational activity extends over 7.3 km<sup>2</sup>. In 2023, we continued our Natural Resources Conservation Management Plan that includes a flora and fauna monitoring program to identify possible impacts, which are regularly reported to the authorities.

During the year, this division signed an agreement with the Centro de los Bosques Nativos Forecos foundation, whose objective, among others, is the conservation of biodiversity with a special emphasis on the ecosystems of high Andean plains. The aim of this agreement is the effective right to conservation that implies the perpetual conservation of these ecosystems. Different conservation programs are carried out in these areas and include repair of meadows, monitoring and follow-up of flora and fauna, and management of introduced fauna.

\* Designated wetland of importance



## El Teniente Division

Our operation is located near the Roblería del Cobre de Loncha National Reserve, a state conservation area of 5,870 hectares. This area was handed over by the El Teniente Division in commodatum for 30 years (1996-2026) to the National Forestry Corporation (CONAF) for its management.

We implemented a Regional Wildlife Monitoring System, executed in conjunction with Universidad de O'Higgins and the Servicio Agrícola y Ganadero (SAG). The El Teniente Division facilitated the installation of 40 trail cameras equipped with infrared motion sensors, which allow a diagnosis of the presence of wild species such as foxes, guinea cats, guanacos, pumas and vizcachas and others. The data and information collected from this initiative are used to generate protection and conservation strategies that contribute to the care of the natural heritage of the O'Higgins Region.

In the context of biodiversity management, the division operates the Mediterranean Ecosystems Research Center (CEIEM) in concert with CONAF. At CEIEM, plants of different native species (in the conservation category) are planted in accordance with forest compensation commitments.

Another activity we carried out in 2023 was the management of 120 specimens of kestrels (*Echinopsis Chilensis* ssp. *Chilensis*). The objective of these efforts was to induce flowering and obtain seeds to protect germplasm in the Seed Base Bank, which is the most important off-site genetic resource conservation center in Chile. This seed bank is located in Vicuña and depends on the Instituto de Investigaciones Agropecuarias (INIA) Intihuasi. Subsequently, they will be relocated to Hacienda Loncha (Carén).

The third biodiversity activity corresponds to the production of Lletilla (*Laretia acaulis*) plants, specimens that will be planted in the Andean mountain range zone.

### ■ SASB EM-MM-160a.3

We do not have verified and probable reserves<sup>7</sup> at or near sites with protected conservation status.

### One of our seven operations<sup>8</sup>

with verified and probable reserves is at or near sites with endangered species habitats

### ■ GRI 304-2

Within the framework of the Environmental Management System, we pre-emptively identify and evaluate all significant risks, the potential impacts of which could affect the environment in general. These impacts include emissions, spills, seepage, restrictions on the use of water sources and impact on territories pertaining to elements of biodiversity, highly vulnerable ecosystems, fires and non-compliance with forestry plans agreed to with the authorities. Codelco has established controls and plans to manage risks.

Regarding the risks of potential direct and indirect impacts on biodiversity,

we identified five that relate to the transformation of habitats:

- Impact on native flora and fauna, possibly generating direct or indirect alterations to the production process
- Impact on highly vulnerable ecosystems and archaeological sites not susceptible to repair
- Non-compliance with forestry plans associated with compensation commitments
- Fire generation

<sup>7</sup>. Active exploitation sites are taken into account.

<sup>8</sup>. The El Teniente Division is responsible for 14.3% of the area of our operations.



In 2023, there were no significant direct or indirect impacts on elements of biodiversity or protected sites. Six specific impacts occurred on individuals of a species of lesser concern. In all cases we conducted a root cause assessment and have put measures in place to prevent recurrence.

Our Environmental Management System has four strategic foci: 1) ensure regulatory compliance 2) efficiently manage our risks, 3) meet our sustainability objectives and 4) prevent operational incidents with environmental consequences.

One of the priorities regarding the focus on environmental regulatory compliance is corporate identification and monitoring of the commitments of each Environmental Qualification Resolution in our operations. These documents contain requirements pertaining to the prevention of impacts on components of biodiversity and ecosystems, in addition to the application of mitigation and compensation measures.

The environmental risk management process considers the identification and assessment of

impacts on biodiversity elements, the establishment of controls and action plans in accordance with resulting risk level. We recognise the lessons learned in the investigation of each incident with environmental consequences and implement measures to avoid repetition and potential impacts.

Annually, Codelco's divisions and the Vice Presidency of Projects formulate environmental management plans with goals and responsibilities in each strategic focus area and in those matters identified as priorities, which are followed up on and verified at the corporate level.







# 7 Environmental management

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## 7.1 Environmental compliance

In the framework of Codelco's commitment to the transformation and implementation of international standards, in 2023 we maintained certifications for all our divisions in the Environmental Management System of the ISO-14001 standard and the Occupational Health and Safety Management

### Legal compliance

In accordance with ISO 14001 certification, our corporate EMS is governed by a Corporate Sustainability Policy. This obliges us to adopt preventive management measures for environmental risks in all our activities and projects. The goal is to ensure compliance with environmental legislation, prevent pollution in all its forms, and minimize impact on biodiversity and cultural heritage. Therefore, to ensure adherence to this guideline, Codelco conducts regular reviews through internal check systems through our corporate environmental compliance platform.

Each area is essential in the development of the annual Environmental Management Plan for each division, which establish specific goals and receive the approval of General Management and the Corporate Environmental Department.

System and the Operational Risk Management System of the ISO-45001 standard. This makes it possible to standardize and streamline the way in which these issues are managed in each of Codelco's projects and divisions.

### Functions of the Environmental Management System

1. Ensure compliance with current environmental law
2. Proactively manage environmental risks
3. Fulfill our commitments and goals for 2030
4. Prevent operational incidents that may carry environmental impacts

### Cases of fines and sanctions in 2023

■ GRI 2-27, 307-1, 419-1

During the reported period, we did not receive monetary or non-monetary sanctions from the Superintendency of the Environment.

There are two open processes initiated by the aforementioned authority from years prior to 2023.

These cases are not legally closed and are undergoing different stages of review.

In terms of compliance with sectoral environmental regulations, we paid three fines for a total of \$2,119,942 associated with specific infractions in solid waste management.

Meanwhile, we received an unpaid penalty during the period related to water management, and two non-monetary penalties after audits on our solid waste management.



## 7.2 Air quality

### ■ GRI 305-7, SASB EM-MM-120a.1

Our sustainable development strategy incorporates a commitment that focuses on the reduction of particulate material emissions from our operations. This allows us to improve air quality in the communities near our divisions.

We have established an air quality office dedicated to managing this issue. This office monitors compliance with PM101 reduction commitments and initiatives that improve air quality management at our facilities.

2023 progress on our strategic actions included the following:

<p>STRATEGIC ACCION</p> <p>1</p>	<p><b>Reduce PM10 emissions by 20% in our North operations</b></p>	<ul style="list-style-type: none"> <li>Through the Metallurgical Process and Innovation department we are gradually implementing and technological oversight that allows us to pilot dust suppressors on mine roads and on other areas that do not have controls.</li> <li>We include the identification and application of innovative solutions, and the execution of industrial pilots designed to control emissions generated during material loading and unloading, blasting and stockpile activities.</li> <li>We also continue progress on the execution of projects for the control of particulate matter emissions at the crushing plants at the Ministro Hales and Radomiro Tomic divisions.</li> </ul>
<p>STRATEGIC ACCION</p> <p>2</p>	<p><b>Achieve 90% efficiency in emission control on open pit mine roads.</b></p>	<ul style="list-style-type: none"> <li>We initiated industrial pilot road management tests that allow us to automatically monitor (in real time) dust emissions on the mine pit road network at Chuquicamata and Radomiro Tomic divisions, while implementing a road management system at the Radomiro Tomic and Ministro Hales divisions.</li> <li>We executed action plans throughout the North and South Central Operations' divisions to increase efficiency in the control of dust emissions on roads. Accordingly, we deployed a corporate standard that allows us to regularize methodology for measuring the efficiency of particulate material abatement on mine pit roads throughout our operations.</li> </ul>
<p>STRATEGIC ACCION</p> <p>3</p>	<p><b>100% of air quality stations must maintain an annual average PM10 below the latency limit (40 ug/m3) in Codelco's areas of influence.</b></p>	<ul style="list-style-type: none"> <li>In Calama, we started a pilot plan for street sweepers. This initiative aims to control local emissions of particulate matter in the city coming from the urban road network. We also prepared a detailed emissions inventory for the city and an air quality model whose scope includes the Radomiro Tomic, Chuquicamata and Ministro Hales divisions (in addition to the Talabre dam and the City of Calama and surroundings). This tool prioritizes control measures to be executed in operations and in the city itself to improve PM10 air quality levels.</li> <li>We prepared corporate guideline to standardize the management of particulate matter emissions across our divisions (with an operational focus) and air quality in neighboring communities. This will be implemented in 2024 and includes emission control measures, air quality monitoring in neighboring operations and communities, setting alert levels with operational response, forecasting models, and internal and community communications, among other aspects.</li> </ul>

1. PM10: Particulate matter with aerodynamic diameter of less than or equal to 10 microns (µm)





**Commitment to sustainable development:**



**Decrease particulate matter:**

Reduce PM101 particulate matter emissions in North Operations by 25% to 202

We will reduce PM10 emissions at our North Operations by 20%, increase dust capture efficiency in our open pit mines through dust suppression technologies and emission forecasting and prevention systems. We are also aiming to reduce PM10 emissions at locations neighboring our operations.

**Industrial pilots to increase emission reductions**

Codelco commenced the search for solutions and industrial pilots to control emissions from loading, unloading, blasting and stockpiling activities. Furthermore, we continued piloting technologies for dust suppression on open pit mine roads in northern Chile and standardized air quality management in the areas of our operations



## Smelter emissions

■ GRI 305-7, SASB EM-MM-120a.1

The emissions standard provided for in Supreme Decree DS No. 28 establishes an annual limit for emissions from the smelters at Chuquicamata, Potrerillos, and Caletones. The management and supervision of these operations is the responsibility of the Vice Presidency of Operations, which reports directly to Codelco's CEO.

During 2023, none of our smelters exceeded the maximum emission limits established under current law.

### Smelter emissions (kt/year\*)

SMELTER	EMISSION TYPE	2022 (KT/YEAR)	2023 (KT/YEAR)	ANNUAL LIMIT**
<b>Chuquicamata</b> (Chuquicamata Division)	SO <sub>2</sub> (Sulfur dioxide)	17.8	22.3	49.7
	As (Arsenic)	0.2	0.1	0.5
<b>Potrerillos</b> (Salvador Division)	SO <sub>2</sub> (Sulfur dioxide)	10.3	8.8	24.4
	As (Arsenic)	0.0	0.0	0.2
<b>Ventanas</b> (Ventanas Division) <sup>2</sup>	SO <sub>2</sub> (Sulfur dioxide)	4.8	3.3	9.5
	As (Arsenic)	0.0	0.0	0.1
<b>Caletones</b> (El Teniente Division)	SO <sub>2</sub> (Sulfur dioxide)	24.8	25.9	47.7
	As (Arsenic)	0.1	0.1	0.1
<b>Total</b>	<b>SO<sub>2</sub> (Sulfur dioxide)</b>	<b>57.6</b>	<b>60.3</b>	
	<b>As (Arsenic)</b>	<b>0.4</b>	<b>0.2</b>	

2. Closed since May 31, 2023

\* Thousand tons / year \*\*Limits according to Supreme Decree No. 28 of the Ministry of the Environment for SO<sub>2</sub> and As. For SO<sub>2</sub> emissions from Ventanas Division, Decree No. 105/2018 is considered more stringent than Decree No. 28.



Capturas de emisiones desde fundiciones (%)

SMELTER	2022		2023	
	ARSENIC (%)	SULPHUR (%)	ARSENIC (%)	SULPHUR (%)
<b>Chuquicamata</b> (Chuquicamata Division)	96.5	96	98,5	95.1
<b>Potrerillos</b> (Salvador Division)	97.2	95.1	98,8	96.5
<b>Ventanas</b> (Ventanas Division) <sup>2</sup>	96.1	96.8	95.1	96.1
<b>Caletones</b> (El Teniente Division)	95.1	96.2	95,8	96.2
<b>Average</b>	<b>96.2</b>	<b>96.0</b>	<b>97.1</b>	<b>96.0</b>
<b>DS28 (regulatory compliance)<sup>3</sup></b>	95.0	95.0	95.0	95.0

3. DS No. 28 requires 95% of gas emissions to be captured. Codelco exceeds this demand.

## 7.3 Jobsite closure

Our site closure plans are based on compliance with legal and internal regulations, including Law No. 20.551 and its respective regulations, in addition to national standard NCC 46 Closure and Post Closure of Mine Sites and Facilities, Manual SIC-M-013 for Closure Projects for Mine Sites and Facilities, and the Guideline for the Development of Profile Studies for Closure Projects for Mine Sites and IFC No. 098 Provisions for Mine Site Closure.

The objective of all these documents is to prevent, control, minimize and mitigate the environmental impact of facility closure and to ensure the costs of the respective process.

We have achieved significant milestones including the start of the tire plant closure at the Salvador Division. This sets a benchmark in progressive closures during the life of a jobsite and the historic closure of the Ventanas smelter.

### Historic closure of the Ventanas smelter

As part of our commitments to the community, on May 31 2023 we closed the Ventanas smelter in the municipality of Puchuncaví, Valparaíso Region. That day we powered down the furnaces and boilers of this work centre after 58 years of historic operation.

Among the key impacts that Ventanas had on our stakeholders was the creation of quality jobs, community development and social initiatives in Quintero and Puchuncaví.

The Ventanas facility will continue housing an electrolytic refinery to produce copper cathodes of 99.99% purity under strict environmental standards. These cathodes will travel to different parts of the globe to support the energy transition.

**18 million tons** of copper anodes were produced in the Ventanas smelter during its 58-years history.



Cost of approved closure plans (up to December 31, 2023)

■ COD9

DIVISION WITH CLOSURE PLAN	SERNAGEOMIN RESOLUTION	NOMINAL CLOSURE COSTS	
		UF	MILLIONS OF USD
Chuquicamata	N° 2327/2019	17,936,584	722
Radomiro Tomic	N° 131/2023	17,583,380	708
Ministro Hales	N° 842/2021, replaced by External Resolution. 1848/2022	7,789,950	314
Gabriela Mistral	N° 841/2021	4,602,775	185
Salvador	N° 2655/2022	24,938,440	1,004
Ventanas	N° 2570/2019	5,225,689	210
Andina	N° 169/2022	58,429,832	2,352
El Teniente	N° 1330/2023	50,876,165	2,048
<b>Total</b>		<b>187,382,815</b>	<b>7,543</b>

## Preparation for site closures

Our oversight model for this type of action seeks to align operations with corporate standards and industry best practices to manage mine site and facility closure

and post-closure. This applies to both new projects and existing operations.

### Corporate guidelines

1. NCC 46 Closure and post-closure of mine sites and facilities.
2. SIC-M-013, Manual for closure projects.
3. Guidelines for development of profile studies for closure projects.
4. IFC No. 98, addresses provisions for closure of mining sites.
5. Law No. 20.551, which seeks to mitigate environmental impacts in the mining industry.
6. Procedure VACS-GMA-P-001, social costs of site closures.





## Projects submitted to the environmental impact assessment system (EIAS)

After the respective entry into the EIAS, we obtained approval for two projects that received favourable Environmental Qualification Resolutions.

### Environmental Qualification Resolutions

	TOTAL
Approved (obtained)	2
Executed (started)	3
Closed	2

Additionally, we submitted five new projects for EIAS processing:

1. Environmental Impact Study for 'Future Ministro Hales Division Development' project.
2. Environmental Impact Statement for 'Transfer and Replacement of Chamy Electrical Substation' project at the Radomiro Tomic Division.
3. Environmental Impact Statement for the 'Optimization of Southern Pit Exploitation' project at the El Teniente Division.
4. Environmental Impact Statement for the 'Iced Water Drain Closure' project. Division Salvador (not qualified).
5. Environmental Impact Statement for the 'Complementary Works and Operational Adjustments for the Chuquicamata Subterránea Mine' project (withdrawn in November 2023 and re-entered in January 2024).



## Management of operational incidents with environmental consequences

### SASB EM-MM-140a.2, COD7

In 2023, we recorded 55 incidents with environmental consequences. It is important to note that, although we had a decrease of 9.8% compared to the previous year, we regret the occurrence of three severe incidents and three serious incidents.

The severe incidents correspond to the event associated with the tailings spill at the Andina Division, which did not reach any water courses. The two others were associated with contact water overflows at the Andina

and El Teniente divisions, which partly reached water courses. These occurred after unusual episodes of snowfall and subsequent temperature rises and thaws.

The three serious incidents recorded correspond to minor overflows of contact water that reached surface waters. We conducted the respective investigations and identified improvements for which we started a process of risk management standardization associated with contact water management.

### Operational incidents with environmental consequences

CATEGORIES	2022	2023
Minor	56	49
Serious	4	3
Severe	1	3
Very severe	0	0
<b>Total</b>	<b>61</b>	<b>55</b>

None of the 2023 incidents affected water quality or were associated with non-compliance with the EQR requirements.





# 8 About the report



## 8.1 Scope

■ GRI 2-2, 2-3, 2-4

This report consists of the annual publication of the Sustainability Report<sup>1</sup> of the Corporación Nacional del Cobre de Chile. In this report provides a comprehensive overview of how we manage the economic, environmental and social impacts of our operations, as well as other issues of importance to our stakeholders.

The information provided covers the period from January 1 to December 31, 2023, including all of our operations and activities. Decisions on the content of this document were based on the most recent version of the Global Reporting Initiative (GRI) Standards, and those of the Sustainability Accounting Standards Board (SASB); in conjunction with the reporting recommendations issued by the International Council on Mining and Metals (ICMM).

During the reporting period there were no reformulations of contents with respect to what had been previously reported. Likewise, there were no changes in the scope or method of calculation of the information presented. This report was prepared in compliance with GRI, drafted in accordance with the principles thereof and is compliant with the nine steps established for the preparation of sustainability reports.

The accuracy of the information was subjected to an external audit by the firm PwC Chile (PricewaterhouseCoopers). The PwC Chile assessment is detailed in the Verification Letter provided at the end of this chapter.

## 8.2 Materiality

■ GRI 3-1

In 2022 we conducted a materiality analysis that allowed us to identify the most significant impacts of our operations and the topics of greater importance to our stakeholders and the corporate agenda.

To determine our materiality and GRI contents we relied on the Global Reporting Initiative (GRI) methodology, which consists of three steps or stages:

STEP 1	STEP 2	STEP 3
Understand the context of the organisation	Identify real and potential impacts	Evaluate the importance of the impact

For this materiality process, we reviewed the frameworks and principles to which we adhere and the international sustainability and reportability standards such as the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), Global Compact, International Council on Mining and Metals (ICMM), The Copper Mark, Carbon Disclosure Project (CDP), Task Force on Climate-Related Financial Disclosures (TCFD).

This analysis allowed us to define a preliminary list of 24 significant issues for our industry related to the impacts generated by mining companies.

This stage included observation of documents and articles published by organizations and consultancies worldwide, in which the primary trends for the global copper mining industry are analyzed, annual press / media analysis, review of sustainability reports by other mining companies with a global presence and the review of internal documentation to identify real and potential impacts and to assess their importance.

To deepen these impacts and their management, we carried out a focused consultation and review of Codelco's internal documentation. This review covered both internal policies and practices and the detailed recording of interactions with our stakeholders.

<sup>1</sup>. Codelco Sustainability Report number 18



These activities were organized to address the following stages:

### 1.

**Identification of impacts and key concerns and issues:**

secondary material from internal and external sources was exhaustively reviewed, with the aim of identifying those issues that marked the industry’s agenda and that raised concern for both Codelco and our stakeholders. This review included an analysis of internal documents, an examination of media coverage, an analysis of international trends in sustainability within the mining industry and a comparison of best practices in terms of reportability.

### 2.

**Prioritization of topics:** using the list of material topics from 2022, this year we updated and prioritized the topics identified in the documentation review. These topics were then submitted for consultation with members of the corporation.

### 3.

**Validation of material topics for 2023:** After interviews with 15 executives, we confirmed that the topics defined as material were still relevant for Codelco.

## Material topics

■ GRI 3-2

31 prioritized topics emerged from our analysis. These topics were then subdivided into the economic, social, environmental and governance categories, which allowed us to update the materiality process.

ECONOMIC	SOCIAL	ENVIRONMENTAL	GOVERNANCE
Innovation	Occupational health and safety	Mitigation and adaptation to climate change	Transparency and disclosure
New projects	Organizational transformation	Water footprint	Legal compliance
Economic development	Human resource management	GHG emissions	Ethics and integrity
Efficiency improvements	Labour relations	Environmental risk management	Stakeholder engagement
Digitalization and automation	Gender equality	Air pollution	
Generation of local employment and skills strengthening	Community relations	Tailings management	
	Management of environmental impact in the community	Circular economy	
	Human rights	Waste management	
	Diversity and inclusion	Environmental compliance	
	Due diligence in the supply chain	Biodiversity in protected areas	
		Jobsite closure	



# 8.3 Verification letter

GRI 2-5



INDEPENDENT LIMITED ASSURANCE REPORT OVER THE IDENTIFIED SUSTAINABILITY INFORMATION REPORTED IN CODELCO'S SUSTAINABILITY REPORT

(A free translation from the original in Spanish)

Santiago, June 3rd, 2024

Mr. Pablo Contretas Silva  
Gerente de Acción Climática  
Corporación Nacional del Cobre - CODELCO

*Scope*

We have undertaken a limited assurance engagement in respect of the selected sustainability information listed below in CODELCO's sustainability report for the year ended 31 December 2023 ('the 2023 sustainability report') (the 'Identified Sustainability Information'). This engagement was conducted by a multidisciplinary team including assurance practitioners and engineers.

*Identified Sustainability Information*

The Identified Sustainability Information for the year ended 31 December 2023 refers to both social and environmental indicators and is specified in the table below:

Reporting standard	Reference code	Indicator topic
SASB	EM-MM-110a.1	Greenhouse gas emissions
SASB	EM-MM-130a.1	Energy management
SASB	EM-MM-140a.1	Water management
SASB	EM-MM-140a.2	Water management
SASB	EM-MM-150a.2	Waste & hazardous materials management
SASB	EM-MM-150a.3	Waste & hazardous materials management



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SASB	EM-MM-160a.1	Biodiversity impact
SASB	EM-MM-160a.3	Biodiversity impact
SASB	EM-MM-210a.1	Security, human rights & rights of indigenous peoples
SASB	EM-MM-210a.2	Security, human rights & rights of indigenous peoples
SASB	EM-MM-210a.3	Security, human rights & rights of indigenous peoples
SASB	EM-MM-210b.1	Community relations
SASB	EM-MM-210b.2	Community relations
SASB	EM-MM-310a.1	Labor relations
SASB	EM-MM-310a.2	Labor relations
SASB	EM-MM-320a.1	Workforce health & safety
SASB	EM-MM-510a.1	Business ethics & transparency
SASB	EM-MM-510a.2	Business ethics & transparency
SASB	EM-MM-000.A	Activity metrics
SASB	EM-MM-000.B	Activity metrics
GRI	GRI 201-4	Financial assistance received from government
GRI	GRI 205-2	Communication and training about anti-corruption policies and procedures
GRI	GRI 302-1	Energy consumption within the organization
GRI	GRI 303-5	Water consumption
GRI	GRI 304-2	Significant impacts of activities, products and services on biodiversity





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GRI	GRI 305-1	Direct (Scope 1) GHG emissions
GRI	GRI 305-2	Energy indirect (Scope 2) GHG emissions
GRI	GRI 403-8	Workers covered by an occupational health and safety management system
GRI	GRI 404-1	Average hours of training per year per employee
GRI	GRI 405-1	Diversity of governance bodies and employees
GRI	GRI 413-1	Operations with local community engagement, impact assessments, and development programs
GRI	GRI 3-2	List of material topics
GRI	GRI 415-1	Political contributions

Our assurance was with respect to the year ended 31 December 2023 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the 2023 sustainability report and, therefore, do not express any conclusion thereon.

*Criteria*

The criteria used by CODELCO to prepare the Identified Sustainability Information is set out in index "8. About the Report" of section "8.1 Scope" of page 153 of the 2023 sustainability report (the 'Criteria'), which have considered the Global Reporting Initiative (GRI) standards and the Sustainability Accounting Standards Board (SASB).



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*CODELCO's Responsibility for the Identified Sustainability Information*

CODELCO's management is responsible for the preparation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Identified Sustainability Information that is free from material misstatement, whether due to fraud or error.

*Inherent limitations*

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics.

*Our Independence and Quality Control*

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.





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*Our Responsibility*

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of CODELCO use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Made inquiries of the persons responsible for the Identified Sustainability Information.
- Obtained an understanding of the process for collecting and reporting the Identified Sustainability Information;
- Performed limited substantive testing on a selective basis of the Identified Sustainability Information at corporate head office to check that data had been appropriately measured, recorded, collated and reported; and is consistent with its supporting documents and/or comes from sources that have verifiable supports;

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable



Santiago, June 3rd, 2024  
CODELCO  
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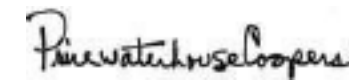
assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether CODELCO Identified Sustainability Information has been prepared, in all material respects, in accordance with the Criteria.

*Conclusion*

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that CODELCO's Identified Sustainability Information for the year ended December 31, 2023 is not prepared, in all material respects, in accordance with the Criteria.

DocuSigned by:  
  
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Gonzalo Riederer H.  
RUT: 13.757.157-9









## GENERAL INFORMATION

■ 2-1, 2-3

NAME: **CORPORACIÓN NACIONAL DEL COBRE DE CHILE (CODELCO)**

DOMICILE: **HEAD OFFICE, HUÉRFANOS 1270, SANTIAGO DE CHILE**

TELEPHONE: **(56 2) 2690 30 00**

OWNERSHIP AND LEGAL STATUS: **PUBLIC COMPANY, PROPERTY OF THE CHILEAN STATE. CREATED ON APRIL 1, 1976 BY DECREE LAW 1.350. REGISTERED IN THE SECURITIES REGISTRY OF THE SUPERINTENDENCY OF SECURITIES AND INSURANCE, IN ITS CAPACITY AS ISSUER OF BONDS TO THE PUBLIC. AUDITED BY THE COMISIÓN PARA EL MERCADO FINANCIERO, THE COMISIÓN CHILENA DEL COBRE (COCHILCO) AND, INDIRECTLY, BY THE COMPTROLLER GENERAL OF THE REPUBLIC (THROUGH COCHILCO). YEAR: 2023 SUSTAINABILITY REPORT**

REPORTING CYCLE: **ANNUAL**

POINT OF CONTACT: **PLEASE CONTACT CODELCO FOR QUESTIONS OR COMMENTS REGARDING THIS REPORT.**





# Exhibits





# 1. Approaches to managing material issues

## ■ GRI 3-3

Our materiality matrix is composed of 31 topics, divided into three pillars: economic, socio-environmental and governance.

In accordance with the GRI 2021 methodology, below we provide the positive and negative impacts on the economy, environment and people, including human rights, resulting from managing or not managing these topics.

We also provide an account of our management through indicators and narrative of policies and procedures within the different chapters of this Sustainability Report, in addition to progress made during 2023.



ECONOMIC

**TOPIC:  
INNOVATION** | **CHAPTER 3**

**POSITIVE IMPACT:**

Improvement in occupational health and safety conditions in our operations by minimizing the exposure of our workers to hazardous working conditions.

Reduction of risk in decision making to transform mining resources into reserves and add value through improved operational efficiency, operational continuity, increased productivity and cost reduction.

Greater momentum for technologies and new processes that optimize and progressively reduce resource consumption, reducing water use and carbon footprint, minimizing the environmental impact of our copper in our communities.

Greater control of risks associated with technological change to enable value for Codelco and for Chile.

**NEGATIVE IMPACT:**

Any development process and technological advancement in strategic areas such as deep underground mining, ore and impurity processing, decarbonization of operations and incremental innovation will require transformations and involve risks and potential interferences with current processes, while seeking greater benefit and business sustainability.

To achieve this, we must make significant efforts in research and development, from generating opportunities to scaling our operations.

This value capture process requires investment, uptake of knowhow, consistency and focus over the medium and long term.

If we do not innovate and adopt new technologies, we may expose ourselves to unforeseen safety risks or environmental impacts.

**OBJECTIVES:**

Identify, adapt, transfer and develop technologies that directly impact the challenges of our business plan, improve efficiency, increase productivity and reduce the environmental impact of our mining operations and improve the safety of the people who work in our operations.

**TOPIC:  
NEW PROJECTS** | **CHAPTER 1**

**POSITIVE IMPACT:**

Maintenance and extension of the life of our operations by incorporating new mineral reserves into production plans.

Direct and indirect employment opportunities that benefit local communities and contribute to the economic development of the regions in which we operate.

Boost to innovation and technological development in the mining industry, positioning our company as a leader in the field and improving its long-term competitiveness.

**NEGATIVE IMPACT:**

Our new projects involve significant investments and entail risks associated with the business they cultivate (metals price, construction and operating cost volatility) and are also exposed to changes in environmental and labour regulations over time.

If not managed properly, new projects may create differences with communities due to concerns about environmental impact, public health, and the distribution of economic benefits.

**OBJECTIVES:**

Maximize the value of our assets by investing in development and sustainability projects that allow us to maintain and improve the competitiveness of our operations.

**TOPIC:  
ECONOMIC DEVELOPMENT** | **CHAPTER 3**

**POSITIVE IMPACT:**

Contribution to the Chilean treasury through the payment of taxes and transfer of profits, which are crucial to finance projects in infrastructure, education, health and other public services.

Strengthened economy in the territory by demanding national and local goods and services, thereby generating greater opportunities for local suppliers.

Contribution to the creation of direct and indirect jobs that benefit local communities and strengthen the regional economy.

**NEGATIVE IMPACT:**

Volatility in metals prices and production costs may pose financial risks, affecting our profitability and ability to finance economic and social development projects.

In some communities where Codelco is the main source of employment and economic activity, there may be a high dependence on the company, which makes them vulnerable to changes in the mining industry and price for metals.

**OBJECTIVES:**

Maximize the economic value and contribution to the Chilean State through the mining of copper.

Stimulate the participation of local suppliers and contractors in Codelco's processes and value chain.



**TOPIC:  
EFFICIENCY  
IMPROVEMENTS**

**I CHAPTER 3**

**POSITIVE IMPACT:**

Reduction of operating costs, including those related to the consumption of energy, water and other resources, which improves profitability.

Increased productivity of mining operations and less use of resources. la productividad de las operaciones mineras y menor uso de recursos.

**NEGATIVE IMPACT:**

If efficiency improvements are not made, there could be operational, technological and financial risk that include interruptions to our production, initial investment costs and resistance to change on the part of workers.

Changes in working conditions may be observed, which often generate tensions and conflicts with workers and the company.

**OBJECTIVES:**

Optimize existing mining processes using quality management tools and continuous improvement methodologies to reduce negative external factors and increase productivity, thereby impacting technology, training and development of personnel, monitoring and evaluation of operations.

**TOPIC:  
DIGITIZATION AND  
AUTOMATION**

**I CHAPTER 3**

**POSITIVE IMPACT:**

Improvement in the working conditions of our workers involving the reduction of workers' exposure to hazardous environments through projects that make use of robotics, tele-operation or automation in our production processes.

Operational optimization and greater search for technical limits through technological updates, automation of production processes, critical and advanced instrumentation, advanced control systems and the incorporation of advanced analytical tools to allow increased productivity, greater profitability of our assets.

Improvements in the use of resources leads to the reduction of the consumption of natural resources and the generation of waste, greater optimization in the use of energy, which contribute to the mitigation of the environmental impact of our mining operations.

**NEGATIVE IMPACT:**

Technology often enables modifications to our working processes and goes hand in hand with major cultural changes. Such changes may generate a climate of instability for affected workers and different work teams.

The implementation of digital technologies and automated systems requires change management, training periods for workers. This in turn requires proactive planning in order to avoid impacts on implementation deadlines.

Process dependence on technology requires greater control and monitoring in order to avoid vulnerabilities and technical failures and cyberattacks, which could impact operational continuity and data security.

**TOPIC:  
DIGITIZATION AND  
AUTOMATION**

**I CHAPTER 3**

**OBJECTIVES:**

Implementation digital technologies in our mining operations, including remote monitoring systems, real-time data analysis and tools to improve efficiency and safety, perfecting the automation of key processes in mining operations.

Intensively deployment of automation and digitization of production processes with an impact on productivity and safety, while ensuring value capture.

Deployment of operational process optimization through integration between advanced control systems, advanced analytics - MinCo (Mine to Mill), predictive maintenance, automation of mine equipment fleets in a hybrid environment.

Deepening of safety (analytical video, presence detection systems, anti-collision systems)



**SOCIAL**

<p><b>TOPIC: GENERATION OF LOCAL EMPLOYMENT AND SKILLS STRENGTHENING</b></p>	<p><b>I CHAPTER 3 Y 5</b></p>
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**POSITIVE IMPACT:**

Strengthen the economy in the territories through local hiring and skills development in the communities near our mining operations.  
Increased training and employment that benefits local residents and improves their quality of life.

**NEGATIVE IMPACT:**

Shortage of local skills or competition for limited resources may promote the influx of people with the required skills from other regions.

**OBJECTIVES:**

Establish clear and achievable objectives related to the generation of local employment and capacity building, aligned with our principles of sustainability and responsibility. Strengthen continuous improvement of hiring, training and community development practices to maximize long-term benefits to local populations.

<p><b>TOPIC: OCCUPATIONAL HEALTH AND SAFETY</b></p>	<p><b>I CHAPTER 4</b></p>
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**POSITIVE IMPACT:**

Reduction of accidents, which translates into greater safety for workers.  
Increased efficiency and productivity.  
Greater promotion of safety culture among employees.

**NEGATIVE IMPACT:**

Failure to manage the creation and maintenance of healthy and safe work environments may generate accidents and occupational illness of personnel who work in our work centres. These incidents may also cause negative economic effects in terms of fines and stoppages in production processes.

**OBJECTIVES:**

Our main primary objective is to eradicate fatalities in our operations. Achieve continuous improvements to occupational health and safety in Codelco's operations, encourage the proactive prevention of accidents and occupational illness and promote the integral well-being of our teams.

<p><b>TOPIC: ORGANIZATIONAL TRANSFORMATION</b></p>	<p><b>I CHAPTER 4</b></p>
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**POSITIVE IMPACT:**

Improvements in the efficiency, productivity and competitiveness of our company to attract and retain talent.  
Development of internal talent, which has an effect on a greater commitment of workers.  
Continuous organizational transformation allows us to better adapt to market challenges and take advantage of new business opportunities.

**NEGATIVE IMPACT:**

The possible challenges or negative impacts associated with organizational transformation are linked to resistance to change on the part of workers, disruptions in operations or an increase in the skills gap.

**OBJECTIVES:**

Establish clear and measurable objectives related to continuous organizational transformation, aligned with Codelco's sustainability vision and strategy.



**TOPIC:  
HUMAN CAPITAL  
MANAGEMENT**

**I CHAPTER 4**

**POSITIVE IMPACT:**

Improvements in the quality of working life, well-being and satisfaction of our workers.

Increased productivity and innovation.

Reduction of work absenteeism and increase in the participation of workers.

**NEGATIVE IMPACT:**

If not managed properly, we may experience a shortage in specialized talent, high staff turnover or a lack of diversity in our workforce.

**OBJECTIVES:**

Human resources management with specific and measurable objectives that are aligned with Codelco's values and vision of sustainability.

Promote professional development, well-being and diversity in our workforce and ensure continuous improvement of human resources management practices.

**TOPIC:  
LABOUR RELATIONS**

**I CHAPTER 4**

**POSITIVE IMPACT:**

Harmonious and productive labour relations that promote open dialogue, the participation of workers and the constructive resolution of conflicts.

Improved working conditions, benefits and safety of workers.

**NEGATIVE IMPACT:**

Lack of management in labour relations may lead to conflicts such as work stoppages or lack of effective communication between management and workers. This may also reflect a reduction in the economic value and efficiency of the company due to conflicts or lack of listening to the needs of employees.

**OBJECTIVES:**

Promote labour relations in a work environment aligned with Codelco's principles of fairness, transparency and mutual respect. Strengthen effective conflict resolution to maintain strong and constructive working relationships.

**TOPIC:  
GENDER EQUALITY**

**I CHAPTER 4**

**POSITIVE IMPACT:**

Creation of an inclusive and respectful work environment, where all workers feel valued and empowered.

Strengthened work-life balance.

Increased productivity, innovation and reputation.

**NEGATIVE IMPACT:**

If we do not manage this issue correctly, we may see cases of gender discrimination, sexual harassment, and discouragement of female participation. Loss of female talent that would otherwise add value to our company and different business areas. Lack of cohesion and commitment of our work teams with the company and damage to our company's intangible assets such as reputation and brand.

**OBJECTIVES:**

Establish specific and measurable goals related to gender equality, aligned with Codelco's principles of human rights, diversity and inclusion. Eliminate gender barriers, promote equal opportunities and the empowerment of all people.



**TOPIC:  
COMMUNITY RELATIONS**

**I CHAPTER 5**

**POSITIVE IMPACT:**

Advances in educational improvements, support for entrepreneurs and local hiring.

Social and economic impact by improving the quality of life, reducing poverty and increasing access to basic services of the communities.

Improvements to local infrastructure (neighborhood committees, district offices, district unions, among others)

Recovery of public spaces and green areas.

**NEGATIVE IMPACT:**

Lack of community management may generate an increase in conflicts over the use of natural resources, environmental concerns due to the lack of transparency and effective communication in the territories where we operate. Weakening of our social license to operate and possibility of work stoppage. Effects on our productivity and financial efficiency in the short and long term.

**OBJECTIVES:**

Promote the socio-economic and environmental development of neighboring communities, as well as the construction of long-term relationships based on mutual respect and collaboration, maintaining the social license to operate in the territories where we are present.

**TOPIC:  
MANAGEMENT OF  
ENVIRONMENTAL IMPACT  
IN THE COMMUNITY**

**I CHAPTER 5**

**POSITIVE IMPACT:**

Contribution to the protection and preservation of the environment in neighboring communities and the restoration of ecosystems.

Reduction of the environmental footprint - which translates into benefits for local communities such as improvements to air and water quality, mitigation of environmental risks and increased access to natural resources.

**NEGATIVE IMPACT:**

Lack of management of environmental impact in the community may result in air, water or soil pollution, ecosystem degradation or impacts on human health.

The lack of control regarding this topic may generate long-term environmental and social conflicts in addition to the erosion of the economic value of the company.

**OBJECTIVES:**

Establish specific and measurable objectives related to the management of environmental impacts in the community, aligned with Codelco's principles of environmental conservation and sustainable development and the reduction of the environmental footprint at all levels.

**TOPIC:  
HUMAN RIGHTS**

**I CHAPTER  
3, 4 Y 5**

**POSITIVE IMPACT:**

Responsible production, putting people at the centre, operating with respect for human rights, preventing risks of HR violation, monitoring compliance and managing potential impacts.

Preventing HR violations and safeguarding the rights of people involved throughout our supply chain.

Improvement in the perception and generation of positive impacts in the territories where we operate.

**NEGATIVE IMPACT:**

Failure to manage human rights generates a potential risk of violations to the people, workers and communities within the territories where our operations are located.

Lack of human rights management, visibility and monitoring can potentially impact perceptions of our industry.

**OBJECTIVES:**

Strengthen commitments to responsible production, work for the protection and respect of people, promote safe, respectful and healthy work spaces.



**TOPIC:  
DIVERSITY AND INCLUSION**

**I CHAPTER 4**

**POSITIVE IMPACT:**

A diverse, inclusive and equitable work environment impacts the well-being of the people who work on our teams, as they feel they have a safe space to demonstrate their skills and abilities.

Improved creativity, innovation, decision-making and employee engagement.

**NEGATIVE IMPACT:**

When these topics are not managed, there may be situations such as discrimination, unconscious bias, lack of representation or exclusion of minority groups. There may also be a lack of a sense of belonging of our collaborators, impact on organizational culture and low results in innovation and productivity.

**OBJECTIVES:**

Promote a culture of diversity and inclusion, aligned with Codelco's principles of equality, equity and respect and the elimination of barriers to access and development, along with the creation of opportunities for all employees.

**TOPIC:  
DUE DILIGENCE IN THE  
SUPPLY CHAIN**

**I CHAPTER 3**

**POSITIVE IMPACT:**

Risk reduction and improvement in the quality of products and services. Improvements in the control and transparency of our products with a due diligence system in the mineral supply chain that monitors our cathodes from the moment they leave the division to the final customer.

**NEGATIVE IMPACT:**

Failure to manage this issue may lead to cases of ethical non-compliance, human or environmental rights, ruptures in the supply chain, or negative impacts on communities.

**OBJECTIVES:**

Establish specific and measurable objectives related to due diligence in the supply chain, aligned with the principles of transparency, ethics and sustainability, and compliance with international sustainability standards.

**ENVIRONMENTAL**

**TOPIC:  
MITIGATION AND ADAPTATION  
TO CLIMATE CHANGE**

**I CHAPTER 6**

**POSITIVE IMPACT:**

Reduction of greenhouse gas (GHG) emissions. Traction of the mining ecosystem for decarbonization (suppliers and customers). Increased energy efficiency and use of renewable energy sources. Increased resilience to extreme weather events, such as droughts, floods or changes in precipitation patterns.

**NEGATIVE IMPACT:**

Failure to manage climate change mitigation and adaptation could lead to increased company risks, higher GHG emissions, less access to markets, operational impacts, loss of biodiversity, or impact on the availability of water resources. Impact on the company's property and assets in addition to economic performance and its effect on the national budget. Damage to the reputation of our company and the Codelco brand.

**OBJECTIVES:**

Reduce GHG emissions, as well as build a more resilient business to the effects of climate change, through the promotion of clean technologies, the conservation of natural resources and the improvement of climate resilience in its operations.



**TOPIC: WATER FOOTPRINT**

**I CHAPTER 6**

**POSITIVE IMPACT:**

Reduction of inland water use through the use of seawater, optimization of water use, reuse of wastewater and implementation of more efficient technologies.

Water basin recovery.

Reduction of water consumption, improvements in the availability and quality of water and preservation of aquatic ecosystems.

**NEGATIVE IMPACT:**

Failure to manage the reduction of water use may lead to overexploitation of aquifers or competition for water with local communities or agriculture. Impact the water resource intended for people who use water in their daily lives. Producing negative effects on the health and quality of the surrounding communities or cities.

**OBJECTIVES:**

Achieve Codelco's water efficiency and responsibility through a continuous reduction of water use, the protection of water resources and the promotion of sustainable water management practices.

**TOPIC:  
GHG EMISSIONS**

**I CHAPTER 6**

**POSITIVE IMPACT:**

Reduction of the carbon footprint through renewable energy or carbon capture and storage projects that contribute to the mitigation of GHG emissions and the development of a low-carbon economy.

Greater statistical clarity on the positive impact of mitigation measures, in terms of emission reductions that allow efficient management of the processes/consumption that most contribute to a reduced footprint.

**NEGATIVE IMPACT:**

Failure to manage GHG emissions may produce their increase and contribute to global warming, increasing our negative impacts on the environment.

**OBJECTIVES:**

Reduce GHG emissions to align with international commitments and applicable environmental regulations. Accomplish this through the promotion of clean technologies and incorporation of the adaptation of our mining business.

**TOPIC:  
ENVIRONMENTAL RISK  
MANAGEMENT**

**I CHAPTER 7**

**POSITIVE IMPACT:**

Greater focus on risks for more effective strategic management.

Minimization of negative environmental impacts to the environment.

**NEGATIVE IMPACT:**

Lack of environmental risk management leads to exposure to environmental crises such as spills of toxic substances, water or soil pollution and impact on biodiversity. It also produces negative effects on our reputation, budgets and financial efficiency, due to the payment of fines associated with environmental regulations.

**OBJECTIVES:**

Consolidate continuous improvement of environmental performance in terms of incident prevention, risk reduction and promotion of transparency and public participation.



**TOPIC:  
AIR QUALITY**

**I CHAPTER 7**

**POSITIVE IMPACT:**

Identification and reduction of sources of air pollution, which translates into improvements in public health and environmental protection.  
Improvements in air quality for people suffering from respiratory diseases in our areas of operations.

**NEGATIVE IMPACT:**

Failure to manage air quality can result in impacts on people's health and the quality of ecosystems. It could also generate rejection from neighbors and communities, along with socio-environmental conflicts.

**OBJECTIVES:**

Comply with environmental standards and local and international regulations, impacting the continuous reduction of polluting emissions, the adoption of cleaner technologies and the promotion of a culture of environmental sustainability.

**TOPIC:  
TAILINGS MANAGEMENT**

**I CHAPTER 6**

**POSITIVE IMPACT:**

Visualization of critical risks for timely adoption of action plans.  
Alignment with international best practices on tailings storage management.  
Risk control and prevention by applying early warnings systems.  
Active incorporation with the communities in the areas of influence, in order to adopt inclusive measures on mitigation, prevention and risk control.  
Greater safety in surrounding communities.  
Eradication of potential sources of groundwater contamination.

**NEGATIVE IMPACT:**

Not managing the management of tailings may cause questions from the authorities and communities. International stakeholder questions and greater exposure to unwanted events.

**OBJECTIVES:**

Reduce environmental risks and promote responsible management of mining waste.

**TOPIC:  
CIRCULAR ECONOMY**

**I CHAPTER 6**

**POSITIVE IMPACT:**

Reduction of operating costs, creation of local employment, minimization of environmental impact and regeneration of territories.  
Reduction of waste, improvements in the efficiency in the use of certain natural resources and search for solutions to maintain or recover the value of materials within our production chain, contributing to a lower environmental and climate footprint.

**NEGATIVE IMPACT:**

When implementing the circular economy, we are exposed to the need for changes in internal procedures and regulations, logistical complexity and costs associated with compliance with circular economy environmental regulations.  
If we do not implement the circular economy in operations, we fall into misalignment with the industry and responsible production standards, as well as being in breach of associated regulations.

**OBJECTIVES:**

Encourage the reduction, reuse and recovery of materials and assets in operations and the integration of the circular economy in its operations and supply chains, in addition to the promotion of innovation and collaboration with external partners.



**TOPIC:  
WASTE MANAGEMENT**

**I CHAPTER 6**

**POSITIVE IMPACT:**

Reduction in the amount of waste sent to landfill while minimizing environmental impact

Savings in natural resources and improvements to the efficiency of production processes.

**NEGATIVE IMPACT:**

Lack of waste management may result in soil and water pollution, affecting human health and ecosystems. Loss of our social license to operate in places where there is socio-environmental conflict. Damage to our reputation as Codelco.

**OBJECTIVES:**

Increase the processes of reduction, reuse and recycling and the promotion of a culture of sustainability and environmental responsibility.

**TOPIC:  
ENVIRONMENTAL  
COMPLIANCE**

**I CHAPTER 7**

**POSITIVE IMPACT:**

Minimization of polluting emissions and restoration of areas affected by mining activity.

Improvements to air and water quality and protection of biodiversity.

Contribution to a legal compliance relationship with the authorities and the maintenance of the social license to operate, in addition to regulatory permits.

**NEGATIVE IMPACT:**

Lack of environmental compliance management may lead to a loss of trust with authorities, citizens and communities. It could also generate breaches and therefore fines or damage to the reputation of the company. Negative economic effects on our budget due to the payment of penalties.

**OBJECTIVES:**

Achieve positive results with respect to environmental performance, pollution prevention and the promotion of best environmental practices in all our operations. Maintain the company's environmental compliance with society and its customers.

**TOPIC:  
BIODIVERSITY AND  
PROTECTED AREAS**

**I CHAPTER 6**

**POSITIVE IMPACT:**

Creation of management, restoration and conservation plans, which incorporate mitigation hierarchies

Monitor species at risk, restoration of degraded habitats and help strengthen ecosystems that promote the maintenance and conservation of biodiversity.

Preservation of unique ecosystems and long-term maintenance of biodiversity.

**NEGATIVE IMPACT:**

Failure to properly manage biodiversity can lead to habitat fragmentation, loss of ecosystem value, and the risk of introduction of invasive species. Alterations in the development of the natural cycle and the balance of the environment due to the disappearance of species that maintain a food chain.

**OBJECTIVES:**

Conserve biodiversity and protected areas, aligned with national and international best practices and applicable environmental regulations, reduce negative impacts on biodiversity, create a culture and respect for flora and fauna and develop research projects for conservation.



GOVERNANCE

TOPIC:  
JOBSITE CLOSURE

I CHAPTER 7

**POSITIVE IMPACT:**

Contribution to the recovery of areas affected by mining activity and restoration of healthy ecosystems.

Maintenance of a standard of economic and social development for the subsistence of human groups.

**NEGATIVE IMPACT:**

Lack of proper management in the face of site closures would generate job losses, changes in local economic dynamics, and risks of residual pollution in abandoned areas. It could also have negative impacts due to the transition for workers and affected communities.

**OBJECTIVES:**

Achieve the implementation of comprehensive and participatory site closure plans, including environmental restoration measures, land rehabilitation and local socio-economic development.

TOPIC:  
TRANSPARENCY AND  
DISCLOSURE

I CHAPTER 2

**POSITIVE IMPACT:**

Contribution to strengthening Codelco's trust and reputation, as well as its commitment to stakeholders and the sustainability of the company.

Improvement in the public perception of the company, strengthening relationships with communities and regulators.

**NEGATIVE IMPACT:**

Not disclosing in a transparent manner hinders the fulfillment of our mission and purpose and weakens the relationship with our stakeholders.

**OBJECTIVES:**

Comply with the international standards for the disclosure of our work and thereby satisfy the legitimate expectations of information from our stakeholders. This makes it possible to build trusting and long-term relationships.

TOPIC:  
LEGAL COMPLIANCE

I CHAPTER 2

**POSITIVE IMPACT:**

Prevention of legal, reputational and financial risks, together with the strengthening of relationships with regulators, communities and other stakeholders.

Reduction of fines and sanctions, prevention of accidents and legal conflicts

Promotion of a culture of integrity and corporate responsibility.

**NEGATIVE IMPACT:**

There is a cost and complexity in complying with changing and increasingly demanding regulations.

Failure to comply with legal regulations may present legal and operational risks, which may in turn affect the financial performance, reputation and long-term sustainability of Codelco.

**OBJECTIVES:**

Ensure comprehensive compliance with the sectoral and social regulations and regulations that govern in Chile, in all Codelco operations and activities, in order to strengthen the company's sustainability in the national and international mining market.



**TOPIC:**  
**ETHICS AND INTEGRITY**

**I CHAPTER 2**

**POSITIVE IMPACT:**

Be recognized as a company that cares for people, that lives with integrity and develops activities in an ethical business environment.

Promotion of collaborative and trustworthy relationships with our stakeholders.

Acting ethically brings us closer to the fulfillment of our mission and purpose.

**NEGATIVE IMPACT:**

Without an adequate organizational culture that is an expression of the values of the organization, the Codelco's business strategy is greatly hindered and the trust of our stakeholders is weakened.

**OBJECTIVES:**

Comply with the principles of good corporate governance and international standards of business ethics, promoting a values-based organizational culture.

**TOPIC:**  
**STAKEHOLDER ENGAGEMENT**

**I CHAPTER 1**

**POSITIVE IMPACT:**

Identification of opportunities for improvement and prevention of social conflicts.

Increase in the trust and loyalty of our clients, greater alignment with stakeholder expectations and better financial and operational performance.

**NEGATIVE IMPACT:**

Not having a system of stakeholder participation may not allow us to manage the divergent expectations of different groups, resistance to change and we may also be exposed to criticism or legal actions. We may weaken trust due to economic, political and socio-environmental conflicts that have not been addressed.

**OBJECTIVES:**

Maintain an optimal level of engagement with stakeholders, aligned with their expectations and the principles of open and transparent dialogue. Promote diversity and inclusion in consultation and dialogue processes.

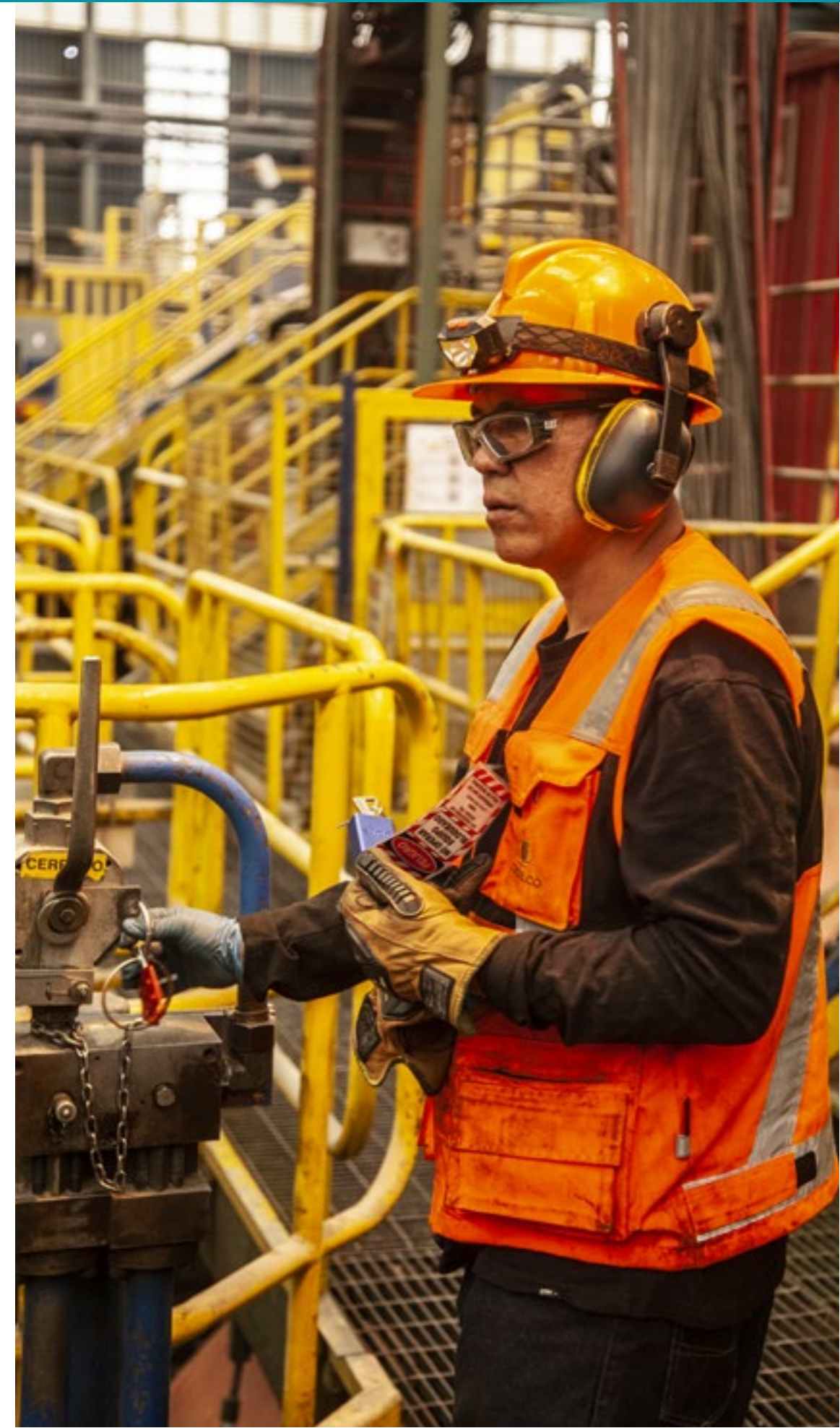




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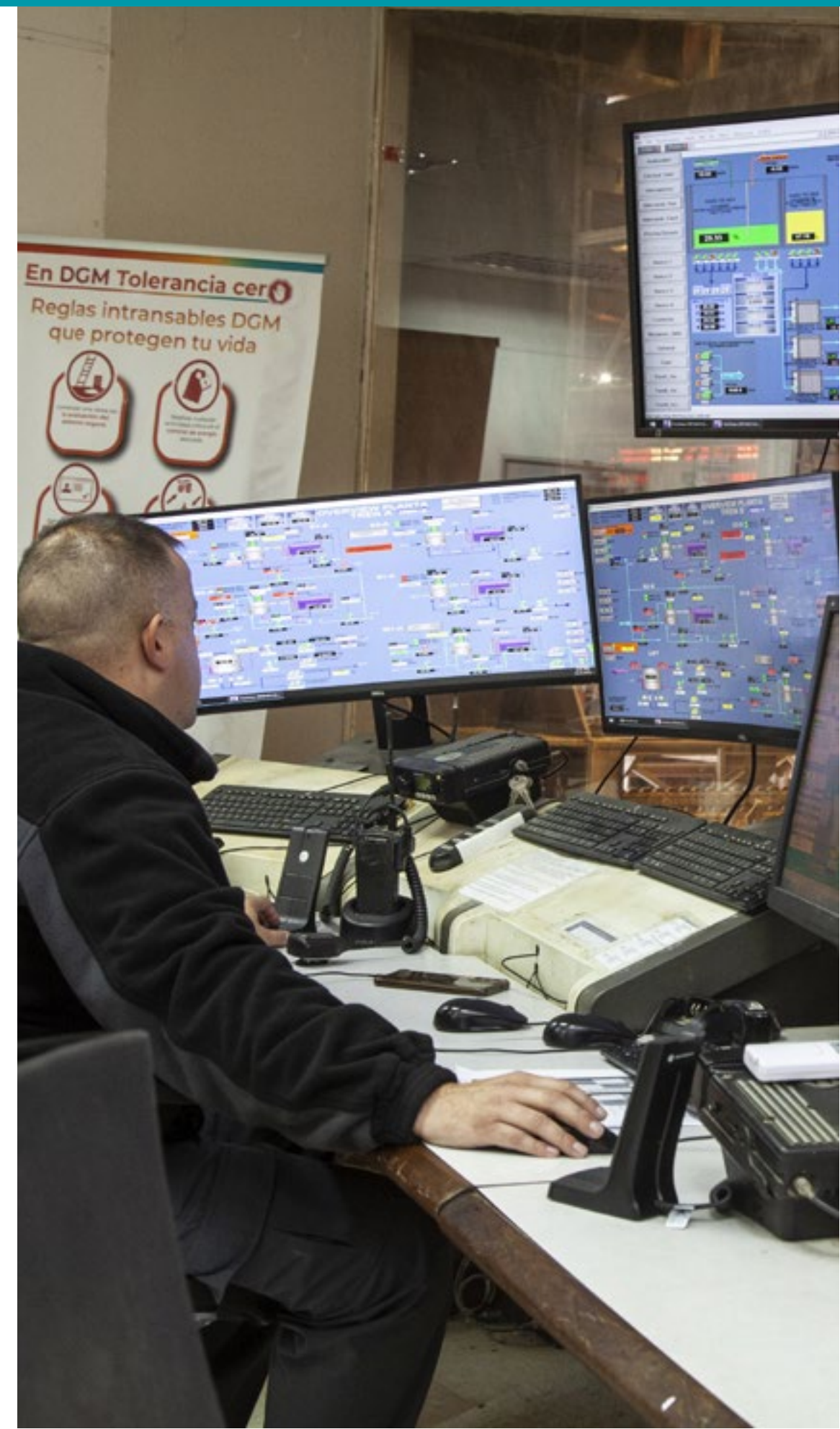
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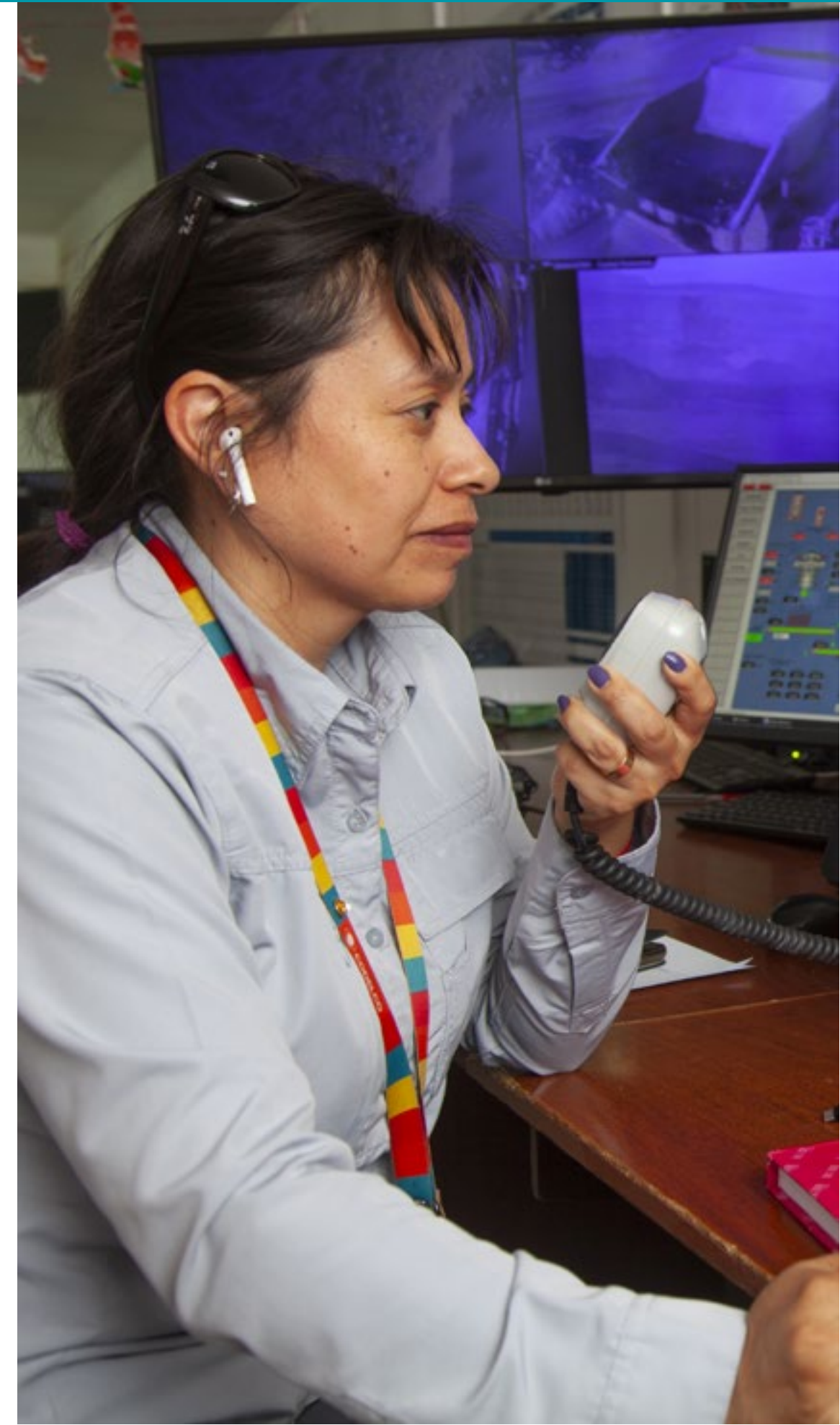
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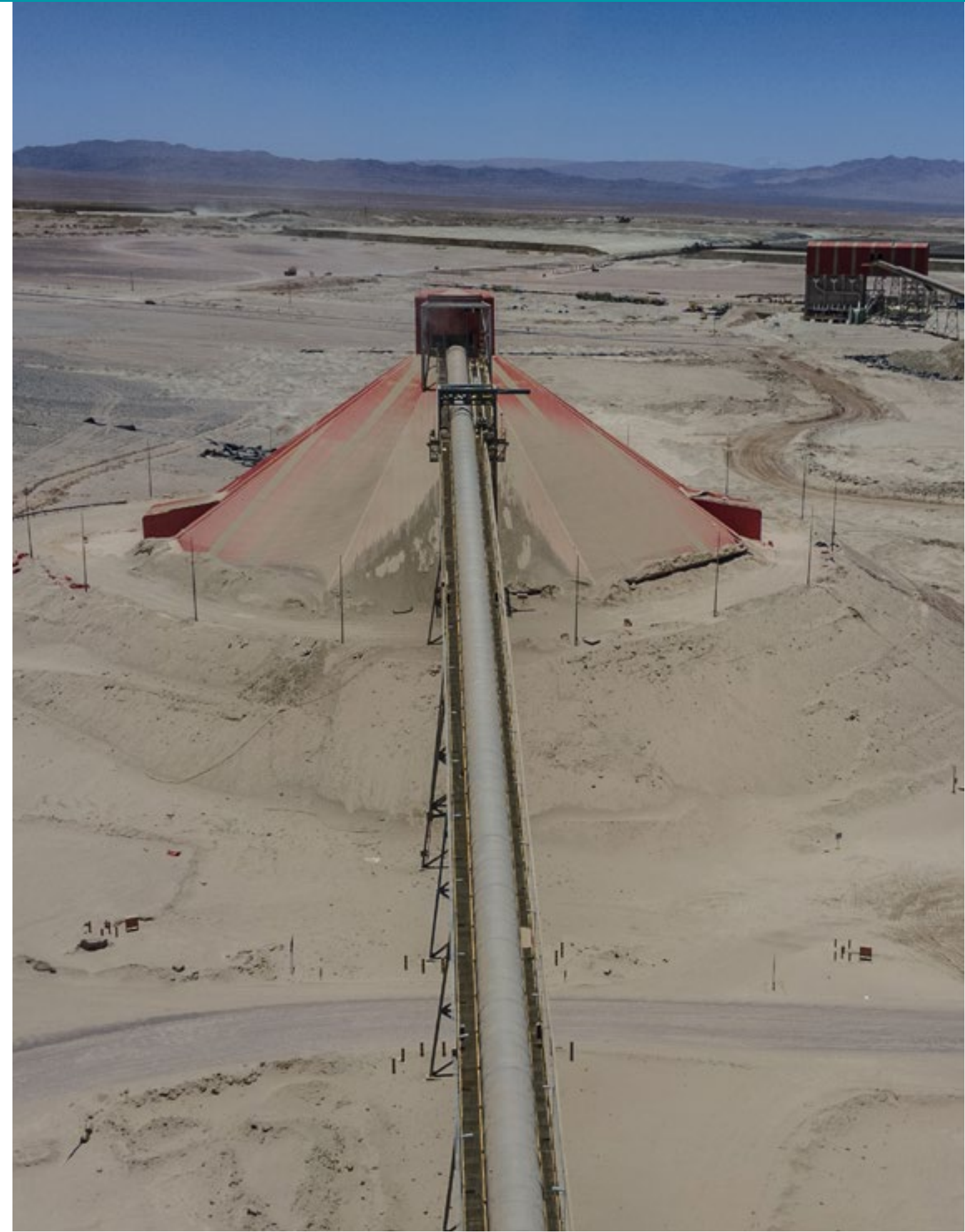
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PRINCIPLE	DESCRIPTION	PAGES
<b>Ethical business</b>	<ul style="list-style-type: none"> <li>Implement and maintain ethical business practices and sound systems of corporate governance and transparency to support sustainable development.</li> </ul>	<b>43-47</b>
<b>Decision-making</b>	<ul style="list-style-type: none"> <li>Incorporate sustainable development topics to the company's decision-making process and strategy.</li> </ul>	<b>15-19</b>
<b>Human rights</b>	<ul style="list-style-type: none"> <li>Uphold fundamental human rights and respect the culture, customs and values, in relations with employees and other groups affected by our activities.</li> </ul>	<b>90, 94, 102-104</b>
<b>Risk management</b>	<ul style="list-style-type: none"> <li>Implement risk management strategies based on valid information and a solid scientific basis that takes into account stakeholders' perceptions of risks.</li> </ul>	<b>48-51</b>
<b>Health and safety</b>	<ul style="list-style-type: none"> <li>Seek continuous improvement in our physical and psychological health and safety, with the ultimate goal of achieving total freedom from harm.</li> </ul>	<b>86-89</b>
<b>Environmental performance</b>	<ul style="list-style-type: none"> <li>Seek continuous improvement in our environmental performance, for example, in the area of water management, energy consumption and climate change.</li> </ul>	<b>115-143</b>
<b>Biodiversity conservation</b>	<ul style="list-style-type: none"> <li>Contribute to the conservation of biodiversity and integrated approaches of territorial planning.</li> </ul>	<b>139-143</b>





PRINCIPLE	DESCRIPTION	PAGES
<b>Responsible production</b>	<ul style="list-style-type: none"> <li>Facilitate and stimulate the design, use, reuse, recycling and responsible disposal of products containing metals and minerals.</li> </ul>	<b>125, 126</b>
<b>Social performance</b>	<ul style="list-style-type: none"> <li>Contribute to the social, economic, and institutional development of the communities existing in the areas where we operate.</li> </ul>	<b>97-112</b>
<b>Stakeholder engagement</b>	<ul style="list-style-type: none"> <li>Together with our stakeholders, implement information, communication and engagement mechanisms that are effective, transparent, and independently verifiable.</li> </ul>	<b>20, 22-27, 61</b>





## 5. The Copper Mark assurance process

In 2023, Codelco obtained The Copper Mark seal for all its mines, smelters and refineries. This confirms that the facilities meet high sustainability standards.

Below is the process for securing this seal, which consists of five stages:

### EVALUATION CYCLE

1. COMMITMENT	2. SELF-ASSESSMENT	3. EXTERNAL VERIFICATION	4. IMPROVEMENT PLAN	5. RE-EVALUATION
<ul style="list-style-type: none"> <li>Online application and commitment to the verification process.</li> </ul>	<ul style="list-style-type: none"> <li>Self-assessment according to The Copper Mark criteria, on an online platform and with supporting evidence.</li> <li>This must be completed within six months after the signing of the commitment.</li> </ul>	<ul style="list-style-type: none"> <li>Field assessment within 12 months of engagement.</li> <li>Those who meet all or part of the criteria receive The Copper Mark.</li> </ul>	<ul style="list-style-type: none"> <li>Gaps in practices identified during external verification are addressed.</li> <li>Participants must fully meet all criteria within 24 months.</li> </ul>	<ul style="list-style-type: none"> <li>Re-evaluation every three years and/or when there are changes in operations or significant incidents.</li> </ul>







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