



ANTOFAGASTA
MINERALS



Social Impact Report

Measuring our
contribution to
the wellbeing
of our neighbouring
communities

In this document, the terms “Company,” “Group,” “we,” “us,” and “our” refer to Antofagasta Minerals and, unless otherwise indicated, to its subsidiaries. These terms may be used as collective expressions to refer to the Group’s companies in general and/or when not referring specifically to one or more companies in particular.

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1. FCAB not included.

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Executive Summary

Antofagasta Minerals presents its first Social Impact Report, where we share the methods used to quantify the contribution and positive effects generated by our projects and programmes related to the social wellbeing of the residents in the areas where our mining companies operate.

This report addresses the steps taken by the Group to strengthen its social performance through the deployment of the Ecosystem of Impact and its different tools (Theory of Change, SROI, Local Human Wellbeing Matrix, Contribution to the SDGs), its main results, and the lessons learned during the last five years of measuring its net positive impact.

It also provides a breakdown of the processes and results obtained by measuring the Company's strategic programmes and processes. Such is the case of the "Turnos Relevos Mina" programme (in English, Mine Relief Shifts) carried out by Minera Antucoya in the town of María Elena; the Community Development Fund (FDC) in Caimanes, and "APRoxima Salamanca" by Minera Los Pelambres; in addition to the scholarships given by the Minera Los Pelambres Foundation to students at the Pascual Baburizza Agricultural Institute (IAPB).

Key results disclosed in this Report

Local Human Wellbeing Matrix (MBHT), Choapa Province

OVERALL WELLBEING

2012 - 2022:

7,500 → 11,900
people with high wellbeing

28,400 → 31,800
people with very high wellbeing



GREEN AREAS

Improvements to the access to green areas across all towns, both urban and rural in **Salamanca**: **17** initiatives benefiting 90% of the city's residents leading to a 64% increase in wellbeing.



SOCIAL COHESION

360% improvement to the accessibility of spaces promoting social interaction in Caimanes (Rayuela sports club, community centres, senior citizens club, neighbourhood associations, sporting club, among others).



Measurement of Social Impact

A total of **18** strategic social management programmes and processes have been measured and improved, in areas such as employment, local economic development, production incentives, education, cultural heritage, sports and quality of life, healthcare, water management, and community relations.

2023 Management of Sustainable Development Goals

100%

renewable energy contracts across all operations.

7 AFFORDABLE AND CLEAN ENERGY



1,352

students benefiting from our education programmes.

4 QUALITY EDUCATION



23.7%

participation of women at the Group level.

5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



85%

recirculation of water used in operations.

6 CLEAN WATER AND SANITATION



100%

use of raw sea water at Minera Centinela and Antucoya.

6 CLEAN WATER AND SANITATION



Local employment in the Antofagasta and Coquimbo Regions

54% Minera Los Pelambres

60% Minera Centinela

67% Minera Antucoya

70% Minera Zaldívar

Chapter 1

Introduction



Message from the CEO



Iván Arriagada

CEO

Our Commitment to a Net Positive Impact

At Antofagasta Minerals, sustainability is at the core of our business and an essential component of our strategy. We are committed to developing responsible mining operations, to promote better future for all.

For this reason, I am pleased to present to you our first Social Impact Report. This document is part of a series of publications on social value and community relations we have developed in recent years, aimed at creating transparency and evaluating how we manage our social performance. This is our opportunity to share our strategy, regulatory framework, model, and different programmes and projects we are implementing across the different regions where we operate.

This report offers an in-depth look at one specific dimension of our Social Management Model: the impact measurement of our projects and programmes and shares the different methods we use to quantify their contribution to social wellbeing.

This is all within the context of our “impact ecosystem,” a unique space we have designed to integrate the different measurement methodologies that allow us to not only assess the initiatives developed across different communities but also to improve and strengthen our programmes and projects based on concrete evidence and results. This also helps us to carry out conversations aimed at strengthening alliances with the public world, to achieve greater synergies and consolidate a collaborative perspective on local development.

These assessments allow us to identify lessons learned that we can then use to project a future outlook and give us the tools to anticipate the key challenges that we might face in coexisting with our operations and local residents. In this way, we can direct our actions and the way we hope to interact with neighbouring communities.

We believe in the power of collaborative work and in playing an active role in helping generate sustainable, positive impacts based on strong alliances with academia, civil society, and the Government in order to develop joint solutions and address the common issues that affect us all.

This document highlights the key results and lessons learned over the years. We are open to receiving your comments, in the spirit of generating spaces for conversation and debate on the implementation of these tools in order to continue to improve and progress towards our shared objectives of sustainability and social wellbeing.

Message from the VP of Corporate Affairs and Sustainability



René Aguilar

VP of Corporate Affairs
and Sustainability

At Antofagasta Minerals, our purpose is to develop mining for a better future, which means not only producing the copper needed for the energy transition in the face of climate change but also contributing to the sustainability and advancement of the people and communities in the areas where we operate. In this regard, we have a Sustainability Policy, a Social Management Model with its standards aimed at creating value by contributing to the region's sustainable development and the wellbeing of its residents.

In line with the above, we are working to continuously improve community projects and programmes, intending to achieve a net positive social impact from our presence in the area. This approach implies the development and execution of strategic actions that provide substantial and long-lasting results, increasing the quantifiable benefits for the surrounding communities. The goal is to achieve a balance that favours progress towards sustainable development and a better quality of life for the communities where we operate.

The continuous improvement of our programmes is based on a formal process and measurable objectives, allowing us to collect enough information on the performance of our projects and programmes to modify them when necessary and maximise their net positive impact in response to the expectations of different stakeholders and our Group's strategic development goals.

Over the last five years, we have developed an Impact Ecosystem, based on which we measure the value created and obtain meaningful information to improve our initiatives, dialogue, and relations with neighbouring communities.

The integrated approach that incorporates different tools and methodologies, such as the Theory of Change (TOC), Social Return on Investment (SROI), the Local Human Wellbeing Matrix (MBHT), and the analysis of our company's contribution to the United Nations Sustainable Development Goals (SDGs), has been fundamental to strengthening our social management model.

Integrating the social impact measurement in a business context has been a great learning opportunity. Although the measurement of social impact is nothing new within the academic and public spheres, the level of maturity and experience in a business context is still in the early stages.

This document aims to share our perspective and experience regarding the social impact measurement processes carried out, the methods use, the key lessons learned, and the adaptations we have made. We hope it contributes to the analysis and discussion of the creation and measurement of social value created through our businesses.

¹ The Local Human Wellbeing Matrix (MBHT), developed by the Territorial Intelligence Centre (CIT) at Universidad Adolfo Ibáñez in Santiago, is a tool we use to measure social impact. We adjusted its implementation to the unique characteristics of the lands where we operate, allowing us to understand our impact and creation of value in the communities with which we interact.

What We Do and Where We Operate

Antofagasta Minerals is a key player in the Chilean copper mining industry and one of the top ten copper producers in the world.

We have three major operations in the Antofagasta Region of northern Chile:

- › **Centinela**, with a 70% interest, produces copper cathodes and concentrates, including gold, silver, and molybdenum. It is located in Sierra Gorda, a municipality with a population of just over 10,000¹.
- › **Antucoya**, where we hold a 70% interest, located in the municipality of María Elena, with a population of around 6,500.
- › **Zaldívar**, where we hold a 50% interest, has no neighbouring communities, although we interact with some of the Salar de Atacama communities near our water extraction points, 100km from the mining operation. This company, along with Antucoya, produces primarily copper cathodes.

Our social investment in these territories, carried out in partnership with municipal governments and community organizations, has implemented over 440 initiatives between 2016 and 2023, with close to 145,000 beneficiaries².

The Choapa Province, Region of Coquimbo, is home to Los Pelambres:

- › **Los Pelambres**, with a 60% interest. This company mostly produces copper concentrate and contributes 1% of the national GDP. The operation is significant to the local economy, generating around 7,700 jobs, of which 54% are from the region, making for close ties to the daily lives of over 90,000 residents¹ from Canela, Salamanca, Los Vilos, and Illapel.

Through our social investment, we have implemented 640 initiatives between 2015 and 2023, with nearly 220,000 beneficiaries² in this area.

Between 2015 and 2023, Antofagasta Minerals' social investment has totalled US\$329.5 million.

We are proud to drive the socioeconomic dynamism and actively promote the sustainable development of our neighbouring communities.

¹ According to the 2017 Census performed by INE (Chilean National Institute of Statistics).
² Community members may benefit from more than one initiative or programme.



Chapter 2

Ecosystem of Impact



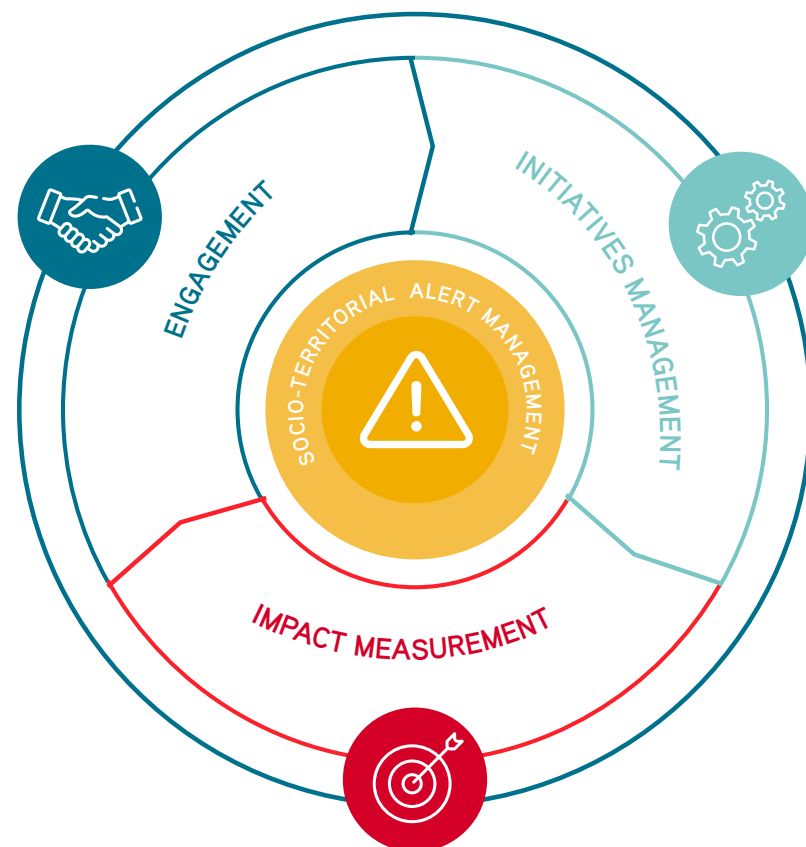
Social Management Model

Our Social Management Model is the tool for monitoring and verifying the deployment of our social management strategy in the areas where our companies operate. It comprises four modules, each with its standard that defines the principles, methods, and practices for executing social management: Community Relations, Initiative Management, Impact Measurement, and Social-Territorial Risk Management.

The social management strategy considers public-private collaboration and the logic of strategic partnerships as a key pillar for its work.

The Group's social investment projects are the result of extensive, open, and inclusive dialogue processes aimed at collectively defining the installation of capacities and development of public assets. In this regard, our "Somos Choapa" programme in the Coquimbo Region and the "Diálogos para el Desarrollo" programme in the Antofagasta Region are how we deploy our social management strategy in the areas where we operate. The Social Management Model's strategic objective is to construct positive social impact by creating real spaces for communities to participate in decision-making, to incorporate local knowledge to identify problems and their solutions, and to work with expert institutions to execute the initiatives and programmes collectively defined.

Social Management Model



Community relations principles

Dialogue: maintain open and ongoing dialogue with stakeholders to incorporate different perspectives, opinions, and interests, ensuring overarching participation and social legitimacy of the agreements made.

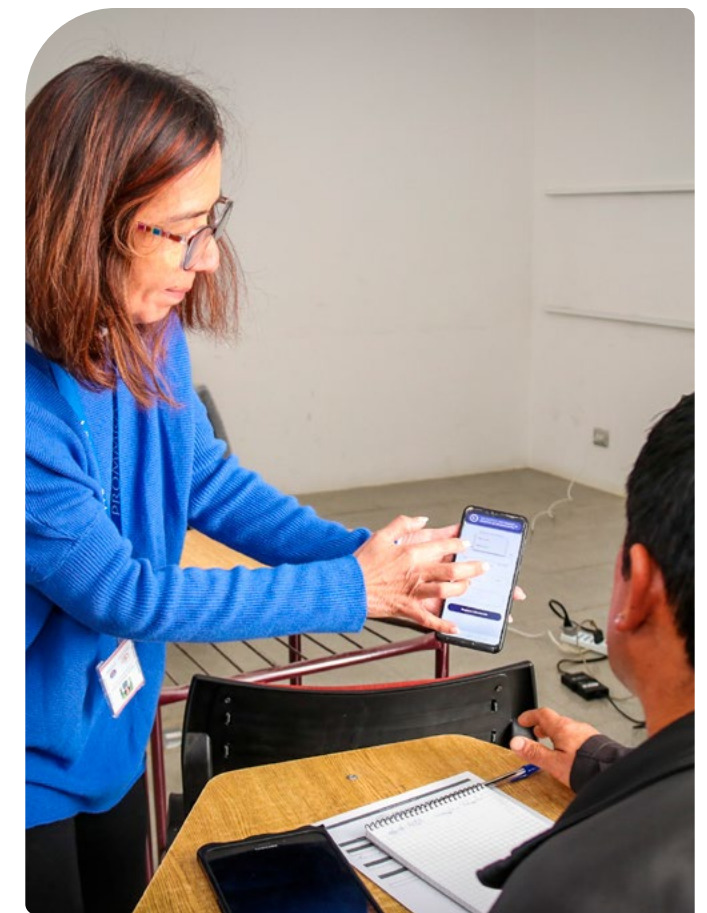
Collaboration: working with different stakeholders to form alliances, in order to design initiatives that offer synergies with public policies and are supported by specialised third-party knowledge.

Traceability: setting up the mechanisms to monitor the commitments that consider key aspects, such as quality management and the initiatives' effects on communities.

Excellence: fostering excellence throughout the process, defining commitments that are feasible, pertinent, and significant.

Transparency: reporting on decisions, management, and the results of programmes and projects, in order to allow for accountability and timely access to information.

The "Somos Choapa" and "Diálogos para el Desarrollo" programmes¹ include a large portfolio of initiatives to address different topics such as water resource management, employment, development of the local economy, education and cultural heritage, healthcare, community wellbeing, and improvements to sporting infrastructure.



"APOXIMA EN RED" PROGRAMME

¹ In English, "We are Choapa" and "Dialogues for Development." For a more in-depth understanding of the projects and programmes, and to see the tangible impact that both these programmes have had, we suggest looking at the [Social Value Report](#).

Ecosystem of Impact

Over the last five years, we have implemented and improved what we here at Antofagasta Minerals call the “Impact Ecosystem”. It is designed to measure the benefits and contributions of social programmes and initiatives by integrating different methods to strengthen our social performance.

To date, the social impact assessment has covered 18 of the most important social programmes we manage. These measurements have helped us understand and verify that the programmes deployed across the different areas have produced the significant effects and changes they aim to make. They have also allowed us to identify areas of improvement, which we have implemented as a crucial part of the process.

The Impact Ecosystem integrates different methodologies to identify and analyse information and data associated with our social contribution. It is currently comprised of three lines of work:

Local Human Wellbeing Matrix (MBHT)

Information system that measures the company’s contribution to the wellbeing of neighbouring communities

Contribution to the Sustainable Development Goals (SDGs)

Analysis of the alignment and contribution made by the company’s different lines of business with respect to the United Nations SDGs.

Social impact assessment

It consists of measuring the impacts of our social projects and programmes, through the application of the Theory of Change and the calculation of the Social Return on Investment (SROI).

Objectives related to the Impact Ecosystem



To enrich our relations with key players with information on results, impacts, and evidence-based contributions.



To improve the decision-making process based on evidence and shared criteria.



To report on our contribution to the wellbeing and sustainable development of the areas where we operate.



BENEFICIARY OF THE “WE ARE CHOAPA” PROGRAMME

Local Human Wellbeing Matrix (MBHT)

The Local Human Wellbeing Matrix (MBHT) is a tool designed by the Centre for Territorial Intelligence (CIT) at the Universidad Adolfo Ibáñez (UAI) that, within the framework of the “National Programme to Strengthen Regional Capabilities,” is currently used by regional governments to measure and understand the level of wellbeing achieved in Chile’s cities and provinces. This tool is an information system that integrates public data related to each local territory.

The information collected is analysed to understand the conditions of the urban and rural areas, allowing for territorial comparisons and simulations while also identifying gaps, challenges, and opportunities available in the local territories.

The application of the Local Human Wellbeing Matrix helps us understand if our interventions, when compared to public data, contribute to and complement the State’s actions to improve the wellbeing of the residents of the areas where we operate, with respect to the indicators defined in the Matrix, at the urban and rural levels.

At Minera Los Pelambres (MLP), the first assessment was performed using this tool in 2017. This process allowed us to visualise the company’s contribution to the wellbeing of the Choapa Province, thanks to social management initiatives implemented in the area considering a baseline scenario of no investment by Los Pelambres versus a scenario of intervention.

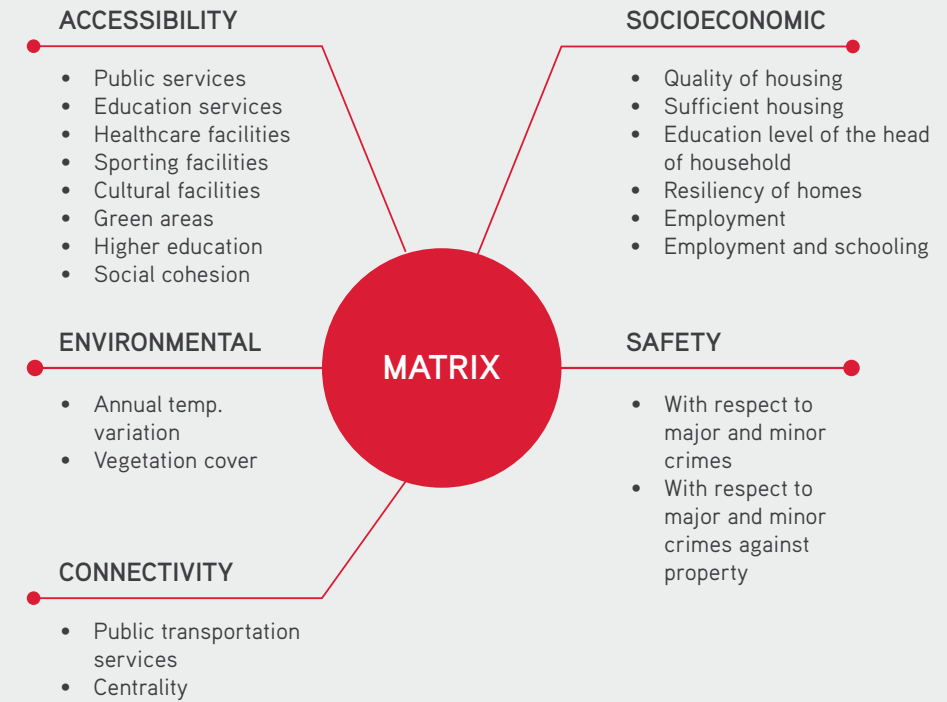
The scenarios were constructed based on the presence and absence of the company’s financial contributions to the area. This was done by first identifying all facilities and services where the company had contributed, in terms of improvements or total construction, to see how much the population’s access to services such as green areas, sports facilities, and healthcare facilities varied. In general terms, this initial measurement showed a significant impact of MLP’s investments in improving the accessibility indicators included within the Local Wellbeing Index, some of which increased tenfold.

In 2022, the measurement method was updated to include new indicators in the dimensions of accessibility and connectivity. This meant integrating factors such as higher education, social cohesion, and the inclusion of public transportation services and centrality¹.

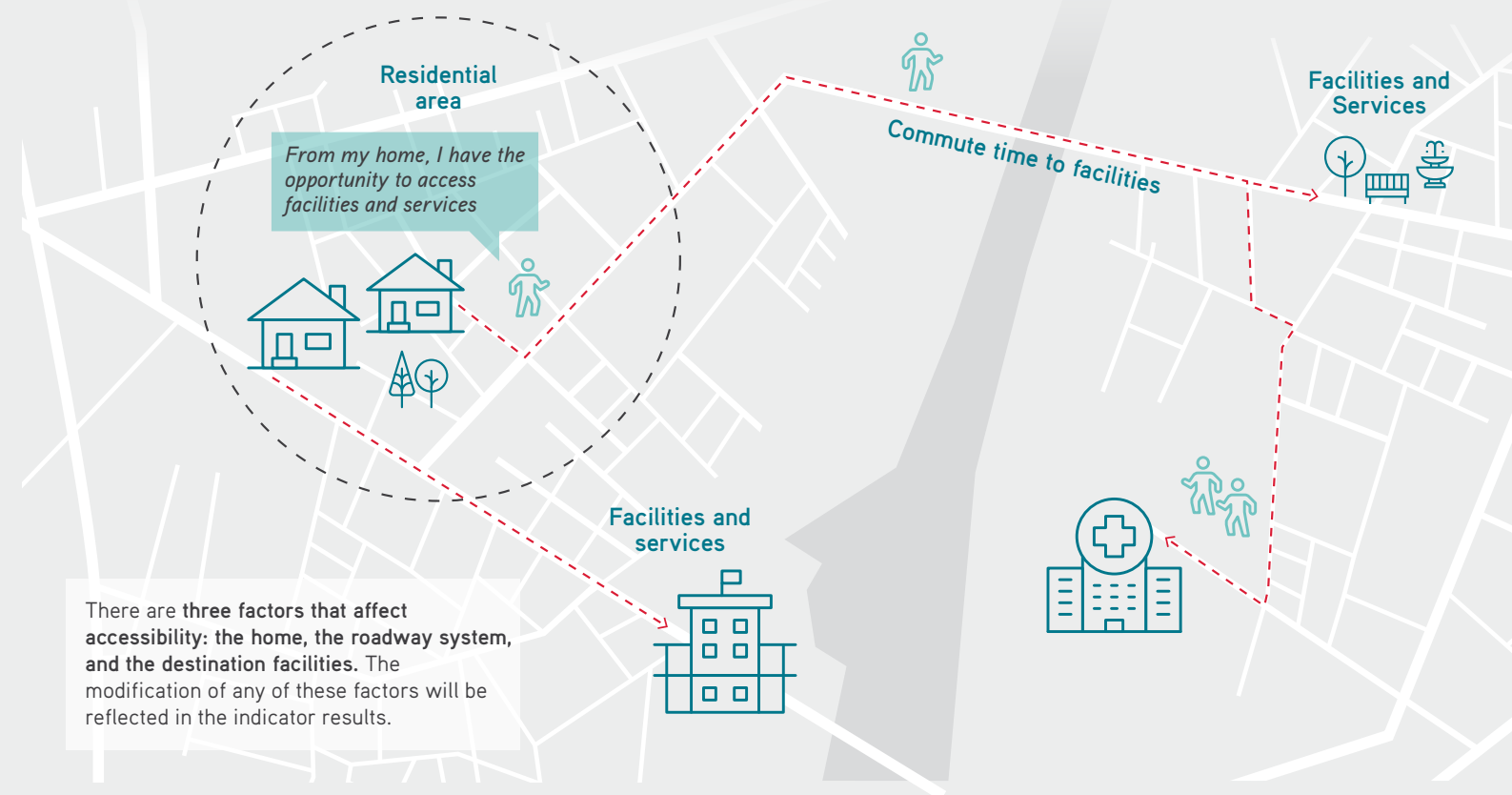
The measurement and indicators for the accessibility variable are based on three elements: the availability of abundant facilities for a particular service, the roadway system that connects it, and the population density of the territories under analysis. A variation in any of these three elements results in an increase or decrease in accessibility for a given territorial unit.

¹ Centrality: The Centrality Indicator (ICEN) aims to represent the level of connectivity between the different sections of the province’s roadway system.

Structure of the MBHT



HOW DO WE MEASURE ACCESSIBILITY?



SDGs: Our Commitment to Sustainable Development

Since 2018, Antofagasta Minerals has identified how its operational and territorial management contributes to the Sustainable Development Goals. This first meant performing a diagnostic assessment of our contributions in Minera Los Pelambres' areas of influence, then moving towards constructing indicators and collecting results across the entire Mining Group.

After completing the diagnostic, an SDG prioritization process was carried out with the main areas involved to define the most important goals to consider, according to the following criteria:

> **Relevance**

Does the topic apply to the territory / operation?

> **Issue**

Does it have significant scope within the territory / operation?

> **Applicability**

Does Antofagasta Minerals have influence over this aspect?

As a result, 13 sustainable development goals were prioritised by Antofagasta Minerals. The systematisation and contribution for each SDG is structured as follows:

- > **Conceptual framework** on the relevance of the SDG prioritised by the company, its operations, and the territories.
- > **Identification of corporate guidelines**, including policies, standards, goals, or commitments concerning the specific SDG topic addressed.
- > **Evolution and monitoring** of the performance of the SDGs over the last three years.
- > **Initiatives and their results** that directly support the SDGs.



“EMPRENDE” PROGRAMME BENEFICIARY, ILLAPEL

Assessment of Net Positive Social Impact

A net positive impact occurs when a project improves the wellbeing of interest groups 1, with a positive impact exceeding any negative aspect associated with it. The term “net” highlights that the analysis considers the total sum of positive and negative effects.

At Antofagasta Minerals, we perform an annual impact measurement process that considers three activities performed in sequence: assessing the social impact of the initiatives selected for the period, formulating improvement plans based on this assessment, and executing and monitoring improvement plans derived from last year’s assessment.

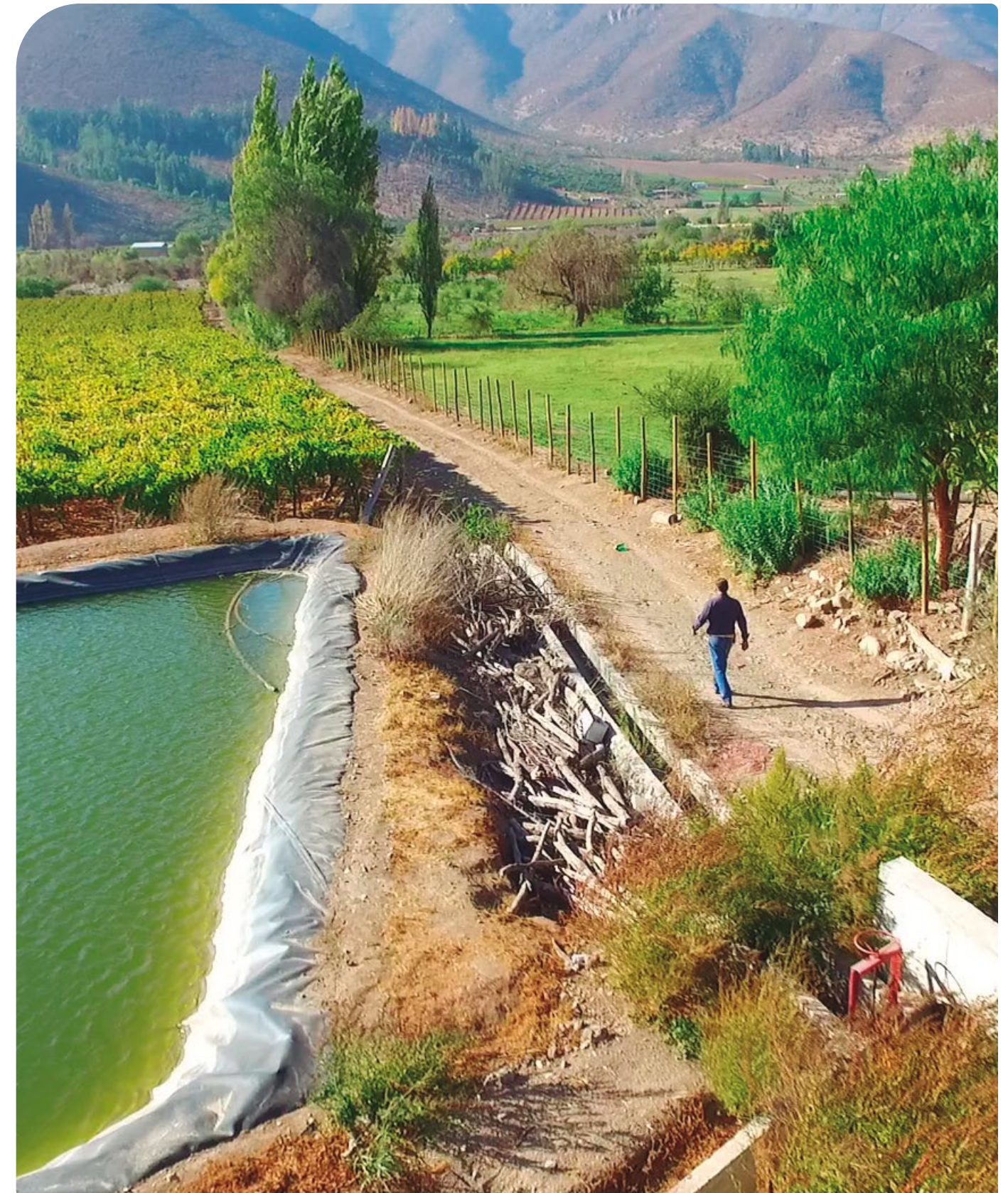
The impact measurement considers two methods: Theory of Change (TOC) and Social Return on Investment (SROI). The annual process consists of two key milestones: the first Impact Committee meeting of the year, where we define the initiatives and programmes to be measured based on the Group’s strategic challenges, and the annual closing meeting of the Impact Committee led by the VP of Corporate Affairs and Sustainability, where the results and impacts obtained in the measurement are presented and discussed, along with the gaps identified, followed by the approval of the improvement plans.

Theory of Change

- › This theory is used to understand the programme’s design based on needs and expected changes (causal hypotheses)
- › It allows us to identify the significant potential changes generated by our initiatives in a specific audience and determine whether these can later be translated into monetary terms in an SROI calculation.
- › It guides decision-making when managing initiatives by providing a roadmap of the necessary changes to address the problem or needs detected.

Several aspects must be considered when applying the Theory of Change. First, it analyses assumptions, that is, the conditions that must be met for the theory to operate correctly. It also evaluates both monetary and non-monetary investments in the initiative. This allows us to value the resources and actions needed to reach the goals and objectives of the social initiative.

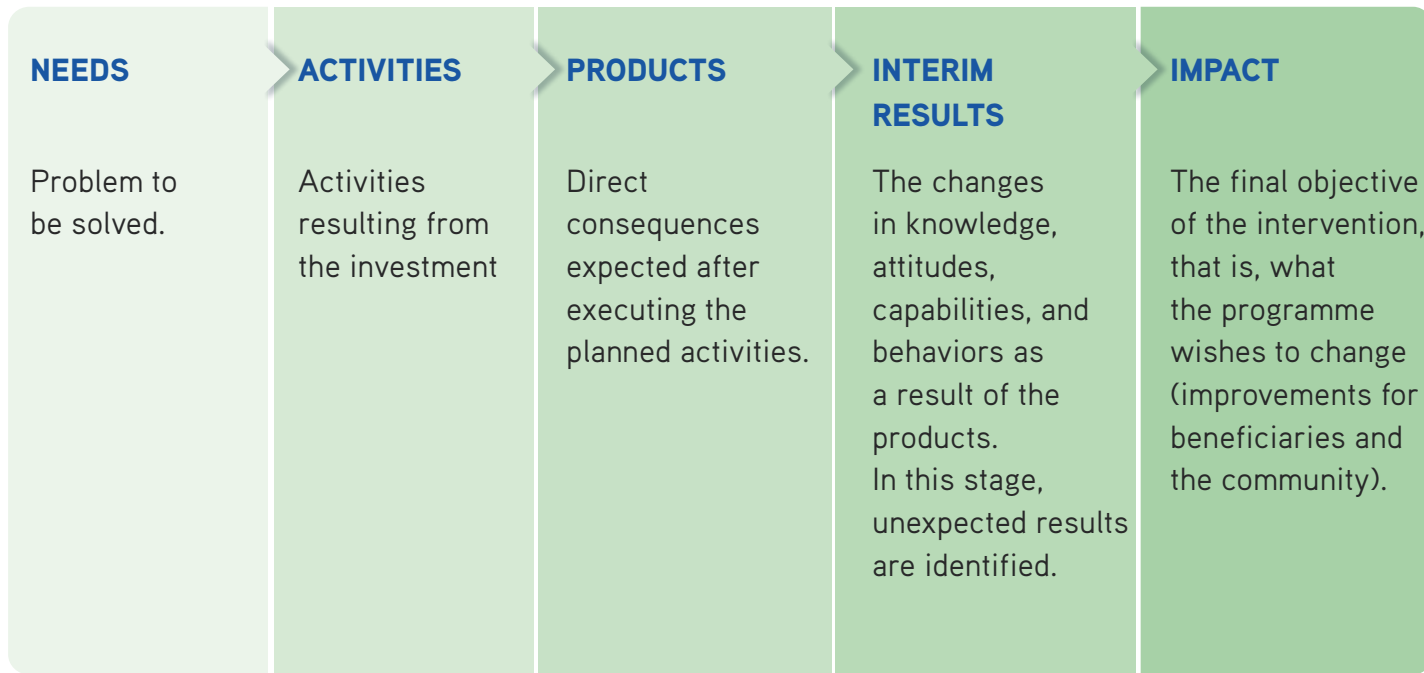
This methodology identifies all tangible transformations that occur in communities or individuals as a result of implementing a project or programme, including interim and final results. These results may be expected or unexpected in the project or programme’s original design.



CHOAPA VALLEY SECTOR BENEFITING FROM THE WATER MANAGEMENT PROGRAMME, “CONFLUYE”

¹ Entire companies can also have a net positive impact. More information at (Paul Polman, 2022)

Stages of the Theory of Change



BEE FARMER IN THE "COSECHA" PROGRAMME, CARRIED OUT BY THE MINERA LOS PELAMBRES FOUNDATION

The SROI methodology process

The SROI methodology aims to measure the value of \$1 invested by the company in a given initiative to society. This is done by assigning market values to the benefits obtained and complementing it with the Theory of Change (e.g. changes in productivity, cost savings, etc.), which translates into social value.

The SROI results reveal the value that people perceive from the social investment initiatives and help guide decision-making related to the programmes. This is done through financial proxies¹ of the social benefits value in relation to the costs incurred to achieve such benefits.

When analysing the values obtained through the SROI method, any result greater than or equal to 1 indicates that the initiative has reported a positive return and has successfully implemented its initial objectives.

After measuring the impact of the initiatives with TOC and SROI, an improvement plan is prepared to bridge the gaps detected and optimise the impact of social programmes.

1. Goals and scope

Define the scope of SROI measurement, identifying the goals, indicators, beneficiaries, and measurement period.



2. Inputs

Financial resources and time invested in the intervention, and any other non-monetary contributions.

3. Outputs

Quantifiable results from the activities executed in the interventions.



4. Outcomes

Changes experienced by interest groups resulting from the activities.

5. SROI Ratio

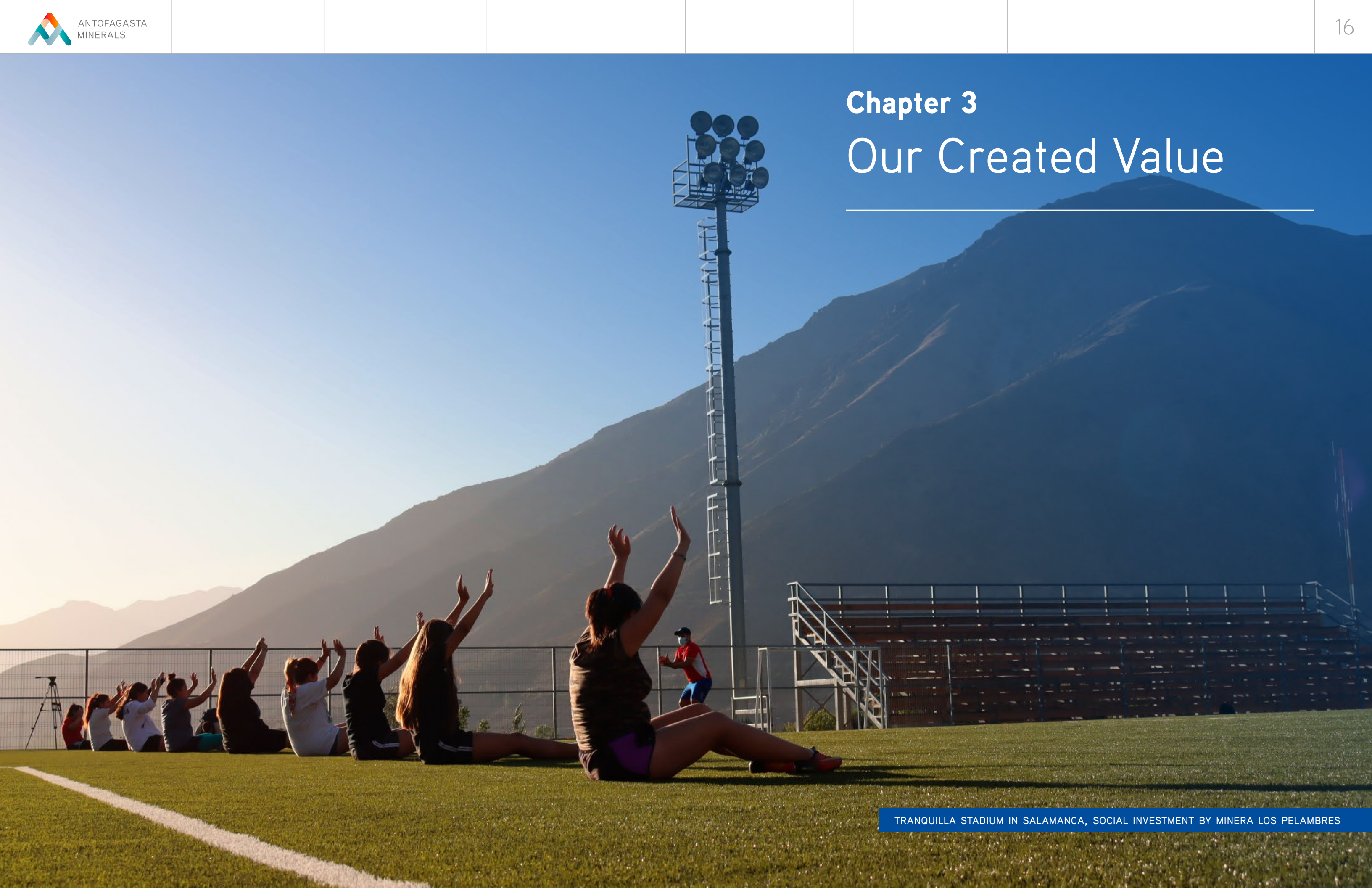
Social Valuation - Cost index, which reflects the social return generated by each monetary unit invested.



¹ Financial proxies are monetary estimates that value social or environmental benefits that do not have a direct market price. They facilitate the comparison and assessment of the social return on investments.

Chapter 3

Our Created Value



Assessment and Analysis of Antofagasta Minerals' Contributions to the Choapa Province, Using the Local Human Wellbeing Matrix¹

The Local Human Wellbeing Matrix (MBHT) is a key tool for evaluating and measuring the scope of our social investment initiatives in the Choapa Province. The MBHT addresses five critical dimensions: accessibility, environment, connectivity, socioeconomics, and safety. The last assessment, performed in 2022, measured the impact of 74 initiatives. Of these, 65 were facility and services projects funded by Antofagasta Minerals, including 11 partially and 54 fully funded projects. This report will take the example of the dimension associated with access to goods and services.

The Accessibility Indicator evaluates the proximity and availability of services and facilities to communities, covering sectors such as education, healthcare, green areas, social cohesion, culture, and sport. This indicator measures the ease with which residents can access these resources, considering their availability and demand among the population.

The following describes the results of the MBHT implementation concerning improved access to services due to Minera Los Pelambres' social investment initiatives in the Choapa Province, comparing the analysis done in 2017 with that performed in 2022.



¹ The Local Human Wellbeing Matrix (MBHT), developed by the Territorial Intelligence Centre (CIT) at Universidad Adolfo Ibáñez in Santiago, is a tool we use to measure social impact. We adjusted its implementation to the unique characteristics of the lands where we operate, allowing us to understand our impact and creation of value in the communities with which we interact.

Accessibility of Green Areas (IAV)

MLP's investment in the area is reflected through better access to green areas in all communities' urban and rural sectors.

The most significant increase is seen in the town of Salamanca, with 17 initiatives associated with green areas, which together represent a total of 37,988 m² of additional green areas **benefiting more than 26,000 people (90% local residents), generating a 64% rise in the wellbeing indicator**, over the baseline scenario (2012), and increasing from 2.35 to 3.86 m² per resident.

To a lesser degree, the inclusion of 11 green area initiatives in Los Vilos implied a 7.4% increase in the town's average indicator, going from 6.58 to 7.07 m² per resident. Meanwhile, Canela and Illapel also considerably reduced their gaps in terms of green areas.

Social Cohesion (ICS)

The social projects performed by the company have allowed for better accessibility to key services and facilities aimed atfor strengthening community ties. In particular, we can highlight the impact on Caimanes (in the municipalitytown of Los Vilos) and the rural areas of Illapel. **The community of Caimanes saw the most significant increase in this indicator at 366.6% for every 1,000 residents.**

The projects considered include the *Rayuela* club, community centres, senior citizens club, neighbourhood associations, sporting club, and other spaces to promote social interaction.

Accessibility to Sporting Facilities (IDEP)

This indicator shows significant changes in the towns of Illapel, Los Vilos, and Salamanca, with the latter reflecting the highest concentration of sports initiatives, **aincreasing accessibility to sports by 69.1% with the addition of 73,882 m² in facilities**, prompting the indicator to rise from 3.72 to 6.29 m² per resident.



LA AGUADA, COMMUNITY SPORTS CENTRE, ILLAPEL

Accessibility to Healthcare Facilities (ISAL)

This assesses the availability and total surface area of healthcare facilities such as hospitals, medical centres, and rural clinics in relation to the population of a specific area, helping to understand how these services are distributed around the province and their accessibility for residents.

With the implementation of the rural clinic in the Limáhuida sector of Illapel, **the indicator for surrounding rural areas increased up to 4.1 m² per resident, representing a 3.5% rise over the baseline scenario.**

Accessibility to Higher Education (ISES)

La construcción y equipamiento del Instituto Profesional CEDUC, el único equipamiento de esta naturaleza en el área, aporta cambios relevantes a la escala regional, con una influencia principal en la comuna de Los Vilos, generando un incremento notorio en la accesibilidad educativa. **Con 658 matrículas, este establecimiento propicia una accesibilidad a educación superior en la provincia que no existía en dicha comuna.**



CEDUC UCN PROFESSIONAL INSTITUTE, CHOAPA CAMPUS, LOS VILOS

The accessibility to services and facilities analysis in the Choapa Province between 2012 and 2022 reflects an improvement to the Local Human Wellbeing Matrix, thanks to the contribution made by MLP's social investment. The following offers a visual of the investment scenarios for this indicator.

Minera Los Pelambres has improved the wellbeing and human development across the Choapa Province

Transformation from 2012 to 2022



New benefits for residents



PERCENTAGE OF THE POPULATION BENEFITING, BY TOWN

Town	Green areas	Cultural facilities	Social Cohesion facilities	Sporting facilities	Healthcare facilities	Higher Education establishment	Education services
CANELA	61%	41%	-	-	-	-	55%
ILLAPEL	88%	-	7%	93%	5%	-	80%
LOS VILOS	70%	65%	9%	94%	65%	66%	5%
SALAMANCA	92%	-	71%	90%	-	-	72%

The MLP measurement process shows an increase in the number of residents with a high and very high level of wellbeing in the Choapa Province, increasing from 7,453 to 11,875 and 28,372 to 31,772 individuals, respectively. In terms of the perceived benefits, we can mention, for example, that the 35 green areas initiatives benefit 92% of the population of Salamanca. We can also demonstrate the provision of educational services, cultural, sporting, and healthcare facilities, as well as a higher education establishment. The influence of these improvements extended to the communities of Illapel, Los Vilos, and Canela, showing increases in social cohesion and access to fundamental services, thus contributing to the province's development.¹

¹ For more information on our initiatives and the Matrix results, we suggest visiting the [Universidad Adolfo Ibáñez CIT website](#) where you can find updated final reports and additional resources with more in-depth information on the projects and their impact on the community.

Starting in 2024, this Matrix (MBHT) will be implemented in the operations located in the Region of Antofagasta, looking to replicate and adapt best practices and lessons learned to improve the process to measure our contribution in this region.



LA AGUADA, COMMUNITY SPORTS CENTRE IN ILLAPEL

Contribution to SDGs

We conducted an internal process to identify focal points for our contribution, ultimately defining 13 SDGs along with the respective compliance indicators to be monitored over time.

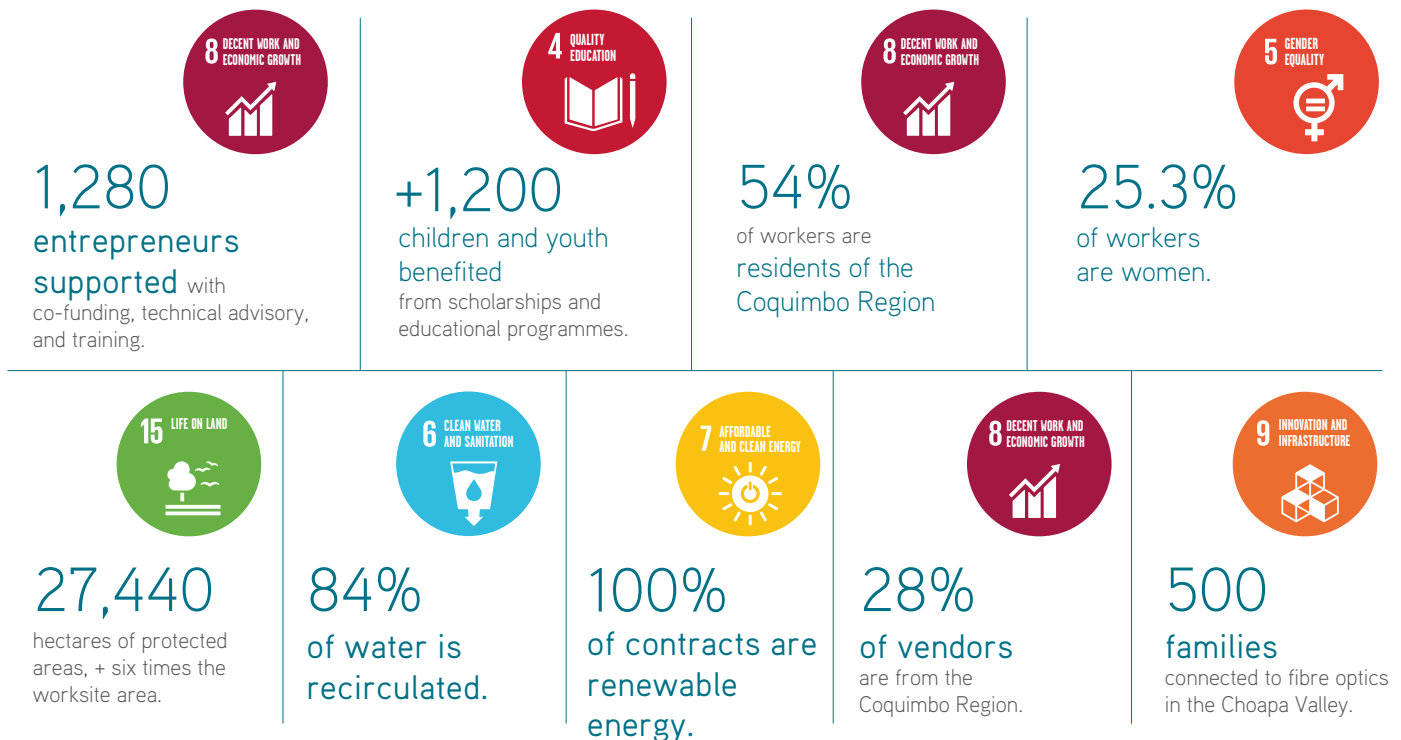
13 SDGs where Antofagasta Minerals is focusing its contribution to the 2030 Agenda.



Summary of Our Contribution to SDGs 2023 - Northern Zone



Summary of Our Contribution to SDGs 2023 - Minera Los Pelambres



Results of the Social Impact Assessment

Antofagasta Minerals' social investment stands out for executing local development projects and programmes that result from community dialogue and participation. The most significant of these have been part of the social impact assessment, yielding positive results in all measurements.

During the last six years, we have measured the impact of 18 programmes and community relations processes implemented across the areas where we operate (including water management, employment stimulus, local economic development, production promotion, education, cultural heritage, sport, quality of life, healthcare, and community relations), which has allowed us to design and implement improvement plans for each one. Our goal is to align the execution of these initiatives with our social management strategy to improve the wellbeing of our neighbouring communities.

The following outlines the measurement processes of four initiatives and programmes: Turnos Relevos Mina Antucoya (in English, Mine Relief Shifts); the Caimanes Community Development Fund; APRoxima Salamanca; and Scholarships offered by the Minera Los Pelambres Foundation (FMLP).

The APRoxima and Scholarship initiatives presented herein were subject to a prior impact measurement cycle that included measurement (2020), definition and execution of improvement plans, and subsequent measurement (2023) to evaluate the effectiveness of the interventions implemented, which allowed us to close out the entire measurement cycle for the first time. This process is an integral part of the impact measurement methodology, which allows for quantifying results and implementing strategic, evidence-based adjustments.

Thus, the “measure, improve and measure again” cycle reflects the progress and continuous improvement of the programmes over time.



ACTIVITY WITHIN THE “SOMOS CHOAPA” PROGRAMME, MINERA LOS PELAMBRES

Antucoya Mine Relief Shifts



PARTICIPANTS IN THE “TURNOS RELEVOS MINA” PROGRAMME

The areas of Operations, Personnel and Organization, and Public Affairs at Minera Antucoya promoted the “Turnos Relevos Mina” initiative. This programme, dedicated to training mine truck operators in Maria Elena, is aimed at improving operational efficiency, guaranteeing operational continuity during rest times, and benefiting the local community by increasing employability, with a particular focus on the inclusion of women in mining.

The assessment of this programme’s social impact used the Theory of Change and Social Return on Investment (SROI) methods. The process began by getting the different interest groups involved through interviews and focus groups, where operators had a chance to share their perspectives regarding the workplace and the programme’s impact on their personal and professional lives.

From the point of view of the programme participants, the improvements reported in employability have been significant. In particular, 80% of beneficiaries noted greater job stability thanks to securing a permanent contract and a salary increase.

This positive trend extends to job and specialization expectations, where beneficiaries have unanimous optimism regarding professional growth. This figure includes those who have continued their career track within the company and those who chose other professional paths, demonstrating the initiative’s contribution to its beneficiaries. This overall perception reflects a change in how they see their current opportunities and future ambitions.

The impact is just as significant on a personal level. Thanks to the programme, 60% of participants recognised an increase in their job specialisation, self-esteem, and self-efficacy, which are crucial to their overall development.

Results of the Impact Measurement

NEEDS

To train mine truck operators to improve operational efficiency, to guarantee operational continuity during rest times, and to benefit the local community.

PRODUCTS

- Two months of theoretical training.
- Five months of mine training (simulator, field, dual) with a tutor.
- Six-month accreditation of truck operation skills.



The results obtained through the SROI methodology indicate that the “Turnos Relevos Mina Antucoya” initiative generated a positive social return. This SROI is calculated by dividing the programme’s total impact by the total cost of investment.

This initiative has proven to be a driver not only for mine operation efficiency but also for socioeconomic progress and the personal and professional development of its beneficiaries. Likewise, it highlights our goal of advancing towards gender equality within the company.

Actions implemented because of the impact measurement



- › Using the results presented above, an action plan was implemented based on the programme findings to increase the positive impact on participants. In this regard, an evaluation was conducted with the workers at the beginning and end of the training period to measure the impact on their self-esteem, and they were interviewed on their previous employment situation and contractual stability. Additionally, we tracked participants' progress toward obtaining permanent contracts, a key indicator of the programme's effectiveness. These actions formed the structure of our monitoring plan, designed to report on the continuous improvement of the programme, reinforce the success already achieved, and expand personal and professional development opportunities for the beneficiaries from the María Elena community.

“It’s life-changing. They open up doors to the future for us and pay us to be taught. It’s great. I feel like I’ve made it. I’m driving a truck, lifting cargo. It’s a great responsibility, both to myself and others, and I do it gladly.”

Fernanda Cortes, María Elena.

“Honestly, I’ve felt really proud of myself for getting to this point. Personally, because I started with no knowledge, and I’ve learned so much. It’s been a huge shift for me in little time, and professionally as well. I feel really good because I’m trying to do things as best as I can. I’m listening to my instructors, my teachers, my guides. They are teaching me every day, and I’m also improving. Every day I learn something new, something I didn’t know before. So, professionally, I think I’ve learned a lot and have evolved nicely.”

Karina Codocedo, María Elena.



Caimanes Community Development Fund



3D LETTERS PROGRAMME, CAIMANES

Since the signing of the “Reciprocal Cooperation and Understanding Framework Agreement” in May 2016, the community of Caimanes, located in the municipality of Los Vilos, Coquimbo Region, has had access to the Caimanes Community Development Fund. The purpose of this Fund is to finance and develop community initiatives defined by the community itself. It aims to improve the quality of life in Caimanes, fortify public infrastructure, enhance social cohesion, promote citizen participation in decision-making, and strengthen ties between the community and Minera Los Pelambres.

The Community Development Fund Committee, comprised of representatives from the community and Minera Los Pelambres, aims to improve the quality of life and promote development in Caimanes. It is responsible for identifying and

addressing the community’s needs, ensuring that the Fund’s benefits are distributed equally among all sectors.

Its focus is on collective wellbeing, ensuring no group is excluded, representing neighbours and local organizations to transform community challenges into collaborative solutions that help reach their maximum potential. To date, 61 initiatives have been conducted, including constructing, improving, and enabling public and community infrastructure and providing facilities for social groups, benefiting more than 1,000 residents.

To illustrate the diversity and scope of the projects backed by the Community Development Fund Committee, we can highlight the initiatives performed between 2017 and 2023 as clear evidence of investment in vital community development sectors.

Caimanes Community Development Fund 2017 - 2023

Areas covered	Nº Iniciativas ejecutadas
Public and community spaces	12
Healthcare and sport	8
Community facilities	10
Community life/social fabric	5
Better quality of life	2
Heritage and identity	2
Safety	7
Education	8
Culture	4
Environment	3
TOTAL	61

The impact assessment for the Caimanes Community Development Fund (FDC) applied the Theory of Change and SROI methods to the period between 2017 and 2022.

The Theory of Change method identified improvements across several areas: 84% of participants reported advancements in public infrastructure, while 72% noted a greater representation in the Fund’s decision-making processes. Additionally, 66% of those interviewed recognised improvements to the community’s quality of life, and 64% saw increased trust and transparency in the Fund process. On the other hand, 60% of participants pointed to improvements in the quality of their individual lives.

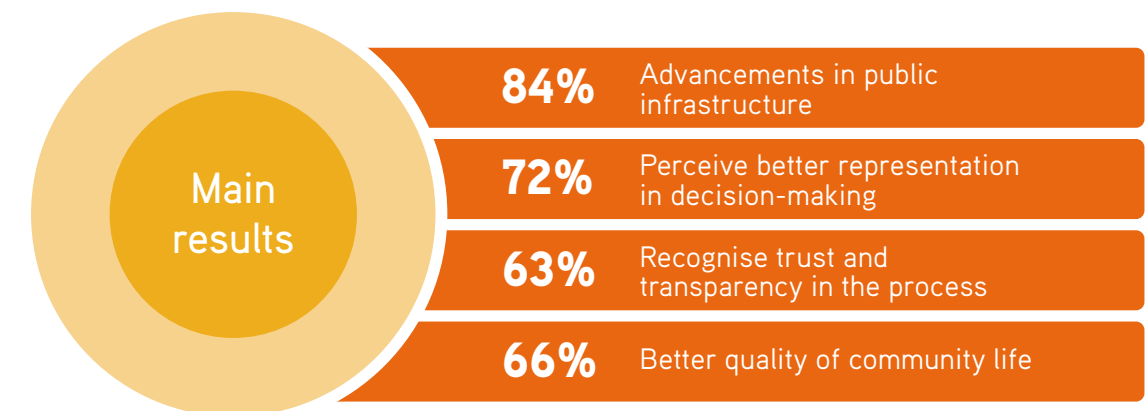
Results of the Impact Measurement

NEEDS

To address local needs while simultaneously promoting social cohesion and citizen participation.

PRODUCTS

- Infrastructure projects and initiatives identified by the community.
- More than 12,000 m2 designed.
- Over 40 virtual meetings during the pandemic.



Other improvements identified include the strengthening of constructive dialogue among the community's different members, which has also generated a cooperative alliance between the community and Minera Los Pelambres.

"I think the topic of modernisation of the town has been important, because we are living a revolution that is more urban than ever before, and it's going to bring us a lot of connectivity to the outside world. It's important to continue creating spaces so that the same townspeople can evolve in different ways, both culturally and socially."

Samuel González, Caimanes.

"Thanks to the Fund, we have completed several significant projects for Caimanes, including the creation of parks, playgrounds, and a multisensory room for children on the autism spectrum. We can also mention the implementation of solar panels for families, including specific projects for 6 families from Hijuela and La Peste. We've also managed to repair the school and preschool, renovate the stadium and the neighborhood association building, along with the implementation of a community centre."

Patricio Herrera, Caimanes.



PLAYGROUND, CAIMANES

APRoxima Salamanca



BENEFICIARIES OF THE "APPROXIMA" PROGRAMME

The Choapa Province is an area dedicated primarily to agriculture that has sustained an extended period of drought. To help the community offset the adverse effects of this phenomenon and the challenges associated with climate change, Los Pelambres has implemented several water management initiatives since 2011 aimed at improving water efficiency for irrigation and ensuring the quality, quantity, and continuity of the potable water supply in the province's rural areas.

In line with this, the APRoxima programme, executed through the Minera Los Pelambres Foundation (FMLP), is centred around supporting the province's Rural Water and Sanitation Services (SSR, for its initials in Spanish, formerly APR), which are responsible for the potable water supply in rural sectors. The programme aims to strengthen the skills of the SSR operators, administrative staff, and leaders through specialised training and investment in infrastructure and/or facilities. As part

of this approach, it prioritises preventive visits twice a year to ensure the efficient maintenance of the SSR while also committed to promptly responding to 100% of all emergencies reported. The collaboration with the SSR Community Union to generate data is also one of the programme's core pillars.

The APRoxima Salamanca programme was first assessed in 2020 and yielded particularly good results, noting a high recognition of the value of training and the emergency unit, as well as an increase in the daily water supply and short duration of water outages.

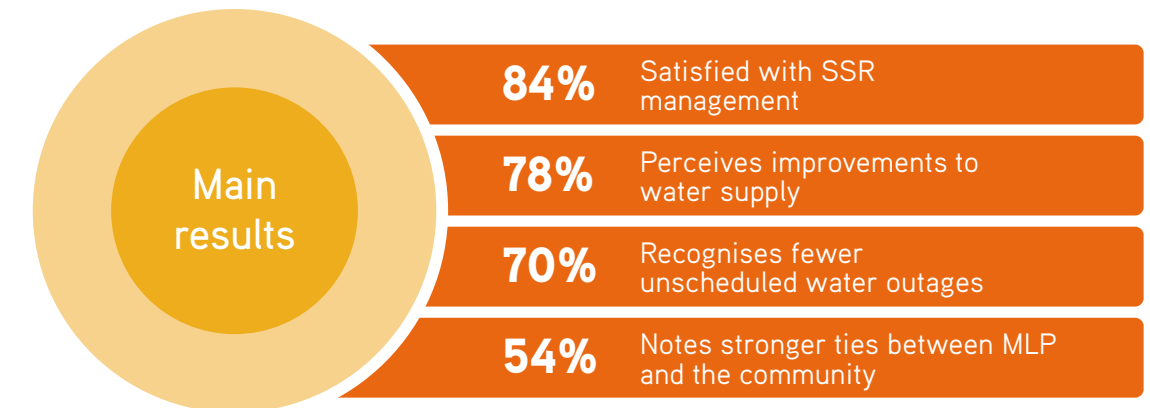
Results of the Impact Measurement

NEEDS

Assistance in solving SSR System problems and a lack of guarantee regarding the water supply quality, quantity, and continuity.

PRODUCTS

- Training in Salamanca.
- 26 preventive visits and 50% resolution of emergencies.
- Platforms to monitor SSR operations (since 2021) and telemetry design.



As part of this first process, specific opportunities for improvement were detected for the programme, which led to the development and execution of the initiative's Plan for Improvement. In line with this, and to reassess the efficiency of the plans implemented, the program was measured again in 2023 to close out the first Impact Measurement cycle planned.

In this second measurement process, the Theory of Change was once again applied, identifying impacts related to the reinforcement of human capital and the incorporation of innovation and technology in rural water and sanitation management. Specifically, the measurement found that the programme improved 84% of SSR's operations, which reduced water outages and improved the community's quality of life, increasing the perception of quality and continuity of the potable water supply in 78% of cases.

The programme's total impact, reflected by significant improvements to the SSR management and strengthening of the water infrastructure, was valued in monetary terms using financial proxies. This considered the economic value of the training offered and the investment in the generation of water infrastructure designs and

public and private resource management. It also quantified the contribution of these efforts to the increase in the quality, quantity, and continuity of the water supply and to the improved data collection, which is vital to making informed decisions and programme governance.

"We appreciate that they come to the valley because otherwise we would have higher costs, and we used to each have to pay for it out of pocket. We are really grateful for their support, especially those who have taken their holidays and weekends (to come here)."

Luis Cortés, Salamanca

Actions implemented because of the impact measurement



- › With the goal of intensifying the impact of the APRoxima Salamanca programme, the strategies outlined are centred around the continuous improvement of SSR operations. The focus is still on effective communication and reinforcing technical competencies, with initiatives such as advanced staff training to optimise preventive visits and emergency responses.



Minera Los Pelambres Scholarships to the Pascual Baburizza Agricultural Institute



PASCUAL BABURIZZA AGRICULTURAL INSTITUTE

The scholarship initiative for the Pascual Baburizza Agricultural Institute (IAPB, for its initials in Spanish) students provides a comprehensive solution for its beneficiaries, covering not only full tuition to study at IAPB, but also offering transportation assistance throughout the school year.

In 2020, we performed outreach to the Department for Municipal Education Administration (DAEM, for its initials in Spanish) across the Choapa Province to help spread information about the Scholarship among schools and facilitate online applications. In 2021, we continued to share information in-person, opening up interviews and school visits for applicants. This has allowed for a broad selection of beneficiaries from 18 educational establishments and created a line of communication with the DAEM, where students can submit their applications.

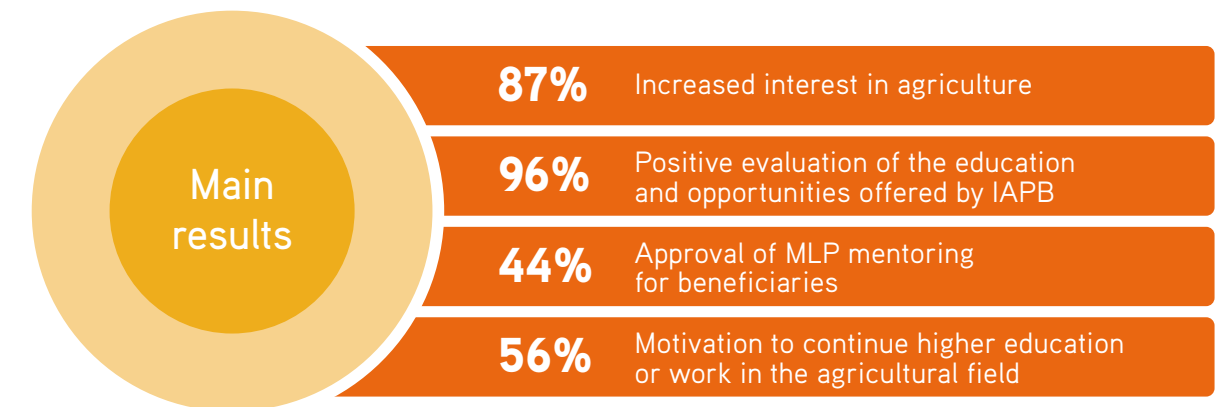
Results of the Impact Measurement

NEEDS

Low interest in agricultural careers, which are not considered very attractive.

PRODUCTS

- Extensive dissemination of the programme among public schools, selecting 20 scholarship recipients from 18 establishments.
- Meetings with all DAEMs to report on the process. Between 1 and 3 students from each establishment submit their applications every semester.



The MLP Scholarship programme, like the “APRoxima Salamanca” programme, was first assessed in 2020 and yielded very good results, highlighting an increase in future opportunities as a result of the scholarship and the positive evaluation of the Institute in terms of practical learning and support for scholarship recipients. As part of this first process, specific opportunities for improvement were detected for the programme, which led to the development and execution of the initiative’s Plan for Improvement. In line with this, and to reassess the efficiency of the plans implemented, the new measurement of the MLP Scholarships in 2023 brought the planned Impact Measurement cycle to a close and generated proposals for improvement aimed at expanding its scope and efficacy.

The results of this new application of the Theory of Change in the reassessment process reflected both expected and unexpected impacts, which include significant effects on social and geographic mobility thanks to the Scholarship initiative. 60% of beneficiaries, including current students and alumni, see themselves taking advantage of opportunities to complete their studies in provinces or regions outside their hometowns. This suggests that the scholarship is perceived as a means for personal development through education and as an instrument for social mobility that opens up opportunities across several towns.

The measurement of scholarships resulted in proposals for improvement



- > With the goal of continuing to strengthen the scholarship program, a plan for improvement was developed for implementation during 2024. This includes actions such as comprehensive support for students and parents during the first-year adjustment process, the possibility of including new academic tracks beyond the agricultural field, and better traceability of programme graduates in order to provide continuous feedback to the programme and its results over time.

"The fact that my son was a scholarship recipient was a huge support. He grew up and was educated at the Institute. The scholarship is really good, everything was excellent."

Jacqueline Díaz (Parent), Limahuida

"This scholarship provides a great amount of assistance. Everything costs a lot, and that's why I'm grateful I was accepted for the scholarship."

Ivania Wilson (Graduate), Illapel



Chapter 4

Lessons Learned



Lessons Learned

Upon analysis of the measurement cycles, we have identified the lessons learned that have allowed us to improve our impact measurement process:

- › To achieve more precise measurements, the initiatives must achieve an adequate degree of maturity in terms of implementation and development. In this sense, maturity is understood as when the initiative has been implemented for at least a year and has produced sufficient information and a consolidated and updated traceability of data.
- › The impact measurement instruments have allowed us to make decisions based on evidence in order to strengthen the deployment of programmes and projects and manage findings where we have detected gaps and opportunities for improvement.
- › The impact measurement cycle closes with the delivery of results to the beneficiaries of the initiatives assessed, along with the local authorities and strategic partners who support us in their implementation. This reinforces the principle of transparency of our strategy and the objective of building social legitimacy in the areas where we operate.
- › Community participation from the beginning of our impact measurement to the preparation and implementation of improvement plans ensures that the process is inclusive and that the strategies developed respond to the community's specific needs.
- › Working with measurement tools that converse with the outside world -SDGs, MBHT- allows us to construct a dialogue with the State based on data and evidence and, with it, find joint solutions and collaborative synergies to address complex issues that the State, the communities, or the company could not manage to solve on their own.

Points to consider in the impact measurement process



Define the minimum information requirements necessary to assess impact, considering the level of maturity of the interventions, the quality and sufficiency of information, and the traceability of available data.



Identify those initiatives, programmes, and community relations processes that are strategic for the company and align with our long-term vision.



Obtain enough information early on to assess the performance of projects and programmes and make adjustments, when necessary, to maximise the impact and satisfy the expectations of interest groups.



Ensure that the process results are communicated effectively to all stakeholder groups.

Chapter 5 Governance



SOLAR PANEL PROJECT BENEFICIARIES, LA PESTE, CAIMANES

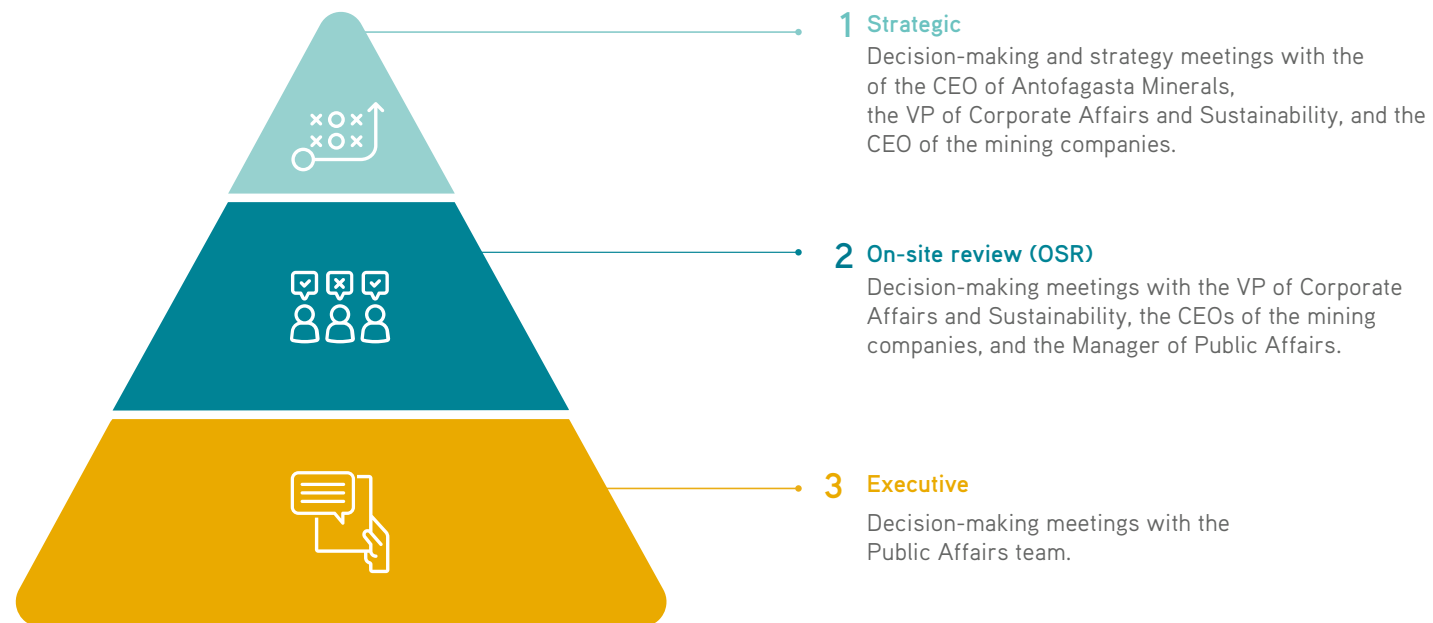
Governance

The Board of Directors of Antofagasta Minerals is the ultimate responsible body and oversees the Group's social management, a role it exercises through the Sustainability and Stakeholder Management Committee and the Audit and Risk Committee.

Among its duties, the Sustainability and Stakeholder Management Committee supervises social matters, including impact measurement, and advises on how the Group should reflect the perspectives and expectations of its various stakeholders.

Social management is led by the Vice Presidency of Corporate Affairs and Sustainability, which reports to the relevant board committee. In turn, the Public Affairs Management of Antofagasta Minerals leads the Impact Committee, which meets three times a year to validate the impact plan for the current year. The committee reviews the progress and preliminary results of the implemented methodologies (Theory of Change and SROI) and presents the final results and improvement plans to be validated by the Impact Committee for execution the following year.

The Minera Los Pelambres Foundation serves as the technical team supporting the measurement process, with the aim of ensuring its quality and monitoring the implementation of improvement plans with local teams.

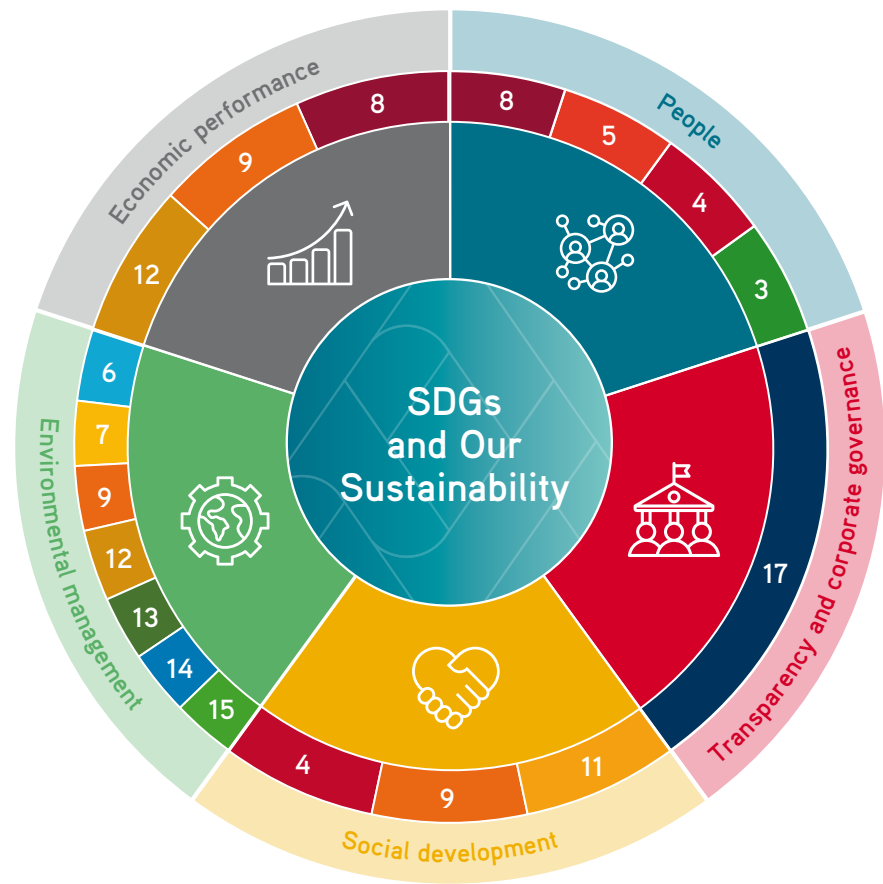


CONCHALÍ LAGOON, COQUIMBO REGION

Social Management Standards and Frameworks of Reference

The adoption of internationally recognised standards and frameworks of reference is a key element in the continuous improvement of our Group's corporate sustainability practices. These standards help establish uniform assessment criteria, which allows us to measure and communicate our progress in a clear and transparent manner.

At Antofagasta Minerals, we have adopted a long-term vision under the framework of the United Nations Guiding Principles on Business and Human Rights, aimed at promoting sustainable development and the respect for Human Rights across all our operations. Moreover, the integration of the UN Sustainable Development Goals within our management is direct towards making quantifiable, positive impacts that help address the global challenges between now and 2030.



Promote a more efficient, sustainable, and inclusive mining industry



CHOAPA VALLEY, REGION OF COQUIMBO

As a member of the International Council on Mining and Metals (ICMM), we follow a set of principles that promote best practices in the mining industry, focusing on safety, environmental care, and effective community contribution. Our Social Management Model has been established as a framework to systematically monitor, assess, and improve the social value of our operations, with the purpose of generating shared and sustainable benefits.

Interaction with indigenous peoples is a key aspect of our community engagement approach. We recognise and respect their rights, culture, and traditions and are guided by ILO Convention 169 on Indigenous and Tribal Peoples and the ICMM's Good Practice Guide. We maintain a relationship based on principles of good faith, equality, informed consent, and respect for self-determination, which facilitates meaningful dialogue and participation of Indigenous communities.

Our model is based on our Sustainability Policy. We are committed to complying with national and international laws, such as the UK Anti-Bribery Act and the UK Modern Slavery Act.

All our social contributions align with our Code of Ethics, Compliance Model, and the Group's Crime Prevention Manual, which dictate how we conduct our actions and operations responsibly, honestly, and with transparency. Through this, we aim to ensure sustainable practices and corporate social responsibility, demonstrating our commitment to creating a positive legacy for communities and future generations.



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