SUSTAINABILITY REPORT 2023

CMP

UNA EMPRESA DEL GRUPO CAP

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EDITORIAL

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GROWING TOGETHER:
A JOURNEY THROUGH CMP'S SUSTAINABILITY

Vicente Irarrázaval Llona,
Company Director
Minera del Pacífico

“A mining project that fills us with pride”

(GRI 2-22)

I am proud to present Compañía Minera del Pacífico’s 2023 Sustainability Report as Chairman of its Board of Directors. This report reflects the results of our journey over recent years under the Process Risk Management (PRM) model. This approach has allowed us to manage all the company’s activities and tasks, identify and evaluate risks for people, processes, and assets, and generate the controls needed to maximize their mitigation and reduce business variability.

2023 stood out with concrete achievements and historically successful results for the company, such as a record of 17 million metric tons of production. This achievement has consolidated the company as one of the leading logistics operators in the country, which aligns with the region’s sustainable development.

We have set a clear target that allows us to visualize the next 40 years of our mining business. At CMP, sustainability is a core aspect of all our actions. We have committed to reducing direct emissions by 40% by 2030 and cutting more than 3,000 tons of CO_2 annually by incorporating an all-electric fleet to transport staff. We are moving consciously and confidently towards the future and are prepared to face global and local challenges.

We have a team of over 9,000 workers, technology, and mining reserves of the highest-quality iron. This combination gives us the confidence to project CMP’s future optimistically.

We are working to ensure operational continuity, constantly evaluating new projects that are in tune with the regions. We keep our operations stable, optimize processes, and continuously look for growth opportunities, aware that the mining business will remain viable for many more years.

Our strategic objectives aim to maximize the business's value sustainably, lead the market of high-quality products thanks to our raw materials, and maximize the value of the region in which we operate. In 2024, we will continue to move forward with our strategic vision, working from the heart of our regions.

Best regards,

Vicente Irarrázaval Llona,

CMP Director.

Francisco Carvajal Palacios,
CEO Compañía
Minera del Pacífico

"We mine from the region"

(GRI 2-22)

CMP is a different mining operation, conducted from the heart of its processes and hand-in-hand with a region with which we have grown together.

What characterizes CMP today?

We have made profound changes in our organization, creating new, diverse work teams based on a perspective of gender, ethnicity, age, professions, and experience. This diversity, engaged in the processes, makes us a mining operation with sound risk management in people, processes, and assets and prepares us to face business challenges successfully.

Thanks to this new approach, we have achieved historic results over the last four years, with an Executive Committee that cohesively works together to meet the goals of our strategy. They live in our operations area, as do 98% of the people who work in this company, which naturally conditions us to seek optimal development and engagement with our surroundings.

What have been the stand-out achievements in CMP's sustainability and environmental management in 2023?

In 2023, CMP marked a crucial year in sustainability and environmental management. We have increased the use of renewable energies to 30%, intending to reach 100% by 2027. We have reduced particulate matter by 30% compared to 2022 through infrastructure investments of over 40 million dollars in the last three years to improve our processes and mitigate their impact. We have significantly optimized our water consumption, with our efficiency and the implementation of solutions such as desalinated water in the Copiapó Valley standing out. In addition, our Magnetite Plant is at the forefront of the circular economy, and we have taken significant steps towards electromobility, implementing a 100% electric fleet to transport our staff. In our ties with the local community, we are proud to mention that we use local services much more than the industry average, reaching 40%, and that we will increase this further with different production promotion and development programs.

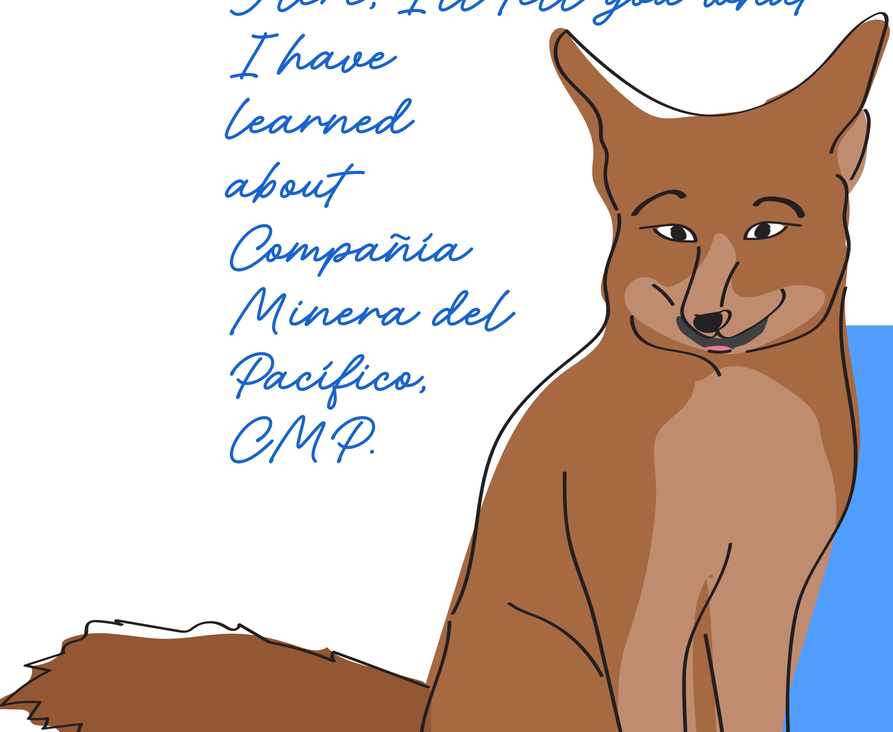
What makes CMP different in its relationship with the region?

As I mentioned before, we are part of the community and personally get involved with conviction. This proximity builds mutual trust and ensures that the benefits of our work are directly translated into improvements for communities, thus driving joint growth. Our commitment to local development will continue to be perfected, opening doors to generate shared value.

CMP IN THE EYES OF A WITNESS

I'm the desert fox. I wander around confidently, and after walking so long, I came close and got used to man.

Here, I'll tell you what I have learned about Compañía Minera del Pacífico, CMP.



As a witness of the region, I have witnessed the movement and noise alien to the sounds of the desert for decades. From afar, I have observed the earthworks, the construction, and the endless coming and going of trucks, materials, and workers, often without fully understanding what was happening.

Like a silent movie, with just images flying by over the years, a story was being built, of which I have been a passive witness.

Today, I understand better, thanks to dialog and the opening of doors to see inside what I observed from afar with a certain distrust. Today, I understand that I have been involved in this and, in one way or another, have changed the physiognomy of this region, of which we are all part.

CMP is Chile's leading iron mining company, producing 99% of national output and 98% of exports to more than seven countries.

It also stands out as the leading producer of iron ore and pellets on the American Pacific Coast.

It has deposits and production plants where different steel products are manufactured.

"**From the heart of our processes,** we create a different mining for the sustainable development of the region and its people."

THE HISTORY OF CMP

Minas El Romeral began operations in 1956, originally under Bethlehem Chile Iron Mines Co. In 1971, CAP acquired the site and began expanding to increase production. In 1981, Compañía Minera del Pacífico S.A. was created after CAP's restructuring, becoming the owner and operator.

Reviewing history and remembering is an exercise that must be done at least once a year. Knowing a business's origin and story allows us to visualize the future on sound foundations.

1914

Bethlehem Chile Iron Mines Company started operating at El Tofo mine (La Higuera). The iron deposit would become the most important in South America with the operation of the first electric railway for cargo transportation in the region to take cargo from the mine to the Cruz Grande Port.

1956

Bethlehem Chile Iron Mines Co. owns El Romeral Mines (La Serena), where iron ore extraction and processing operations begin.

1960

Start of operations of Minas El Algarrobo (Vallenar).

1963

El Romeral Mines increased its production from approximately 1 million tons of lump ore per year to 3 million tons of lump ore and fines.

1971

The site was acquired by CAP, which implemented an expansion stage that allowed granulated iron ore and fines production to increase to 4 million tons per year.

1974

Closure of the El Tofo mine, the Cruz Grande Port, and the railway

1978

Pellet Plant opened (Huasco).

1981
Operations become part of CMP.

1998
Start of operations of Mina Los Colorados (Huasco).

Minera Huasco (CMH) - a joint venture between CMP and Mitsubishi.

2003
Expansion of Minas El Romeral Pellet Feed Plant (La Serena).

2007
Inauguration of Magnetite Plant (Tierra Amarilla).

2010
Mitsubishi Corporation takes a 25% shareholding in CMP. Absorption of CMH by CMP.

2012
Start of operations at Cerro Negro Norte Mine (Copiapó).

2014
Expansion of Huasco Valley production.

2023
Production record of more than 17 million tons.

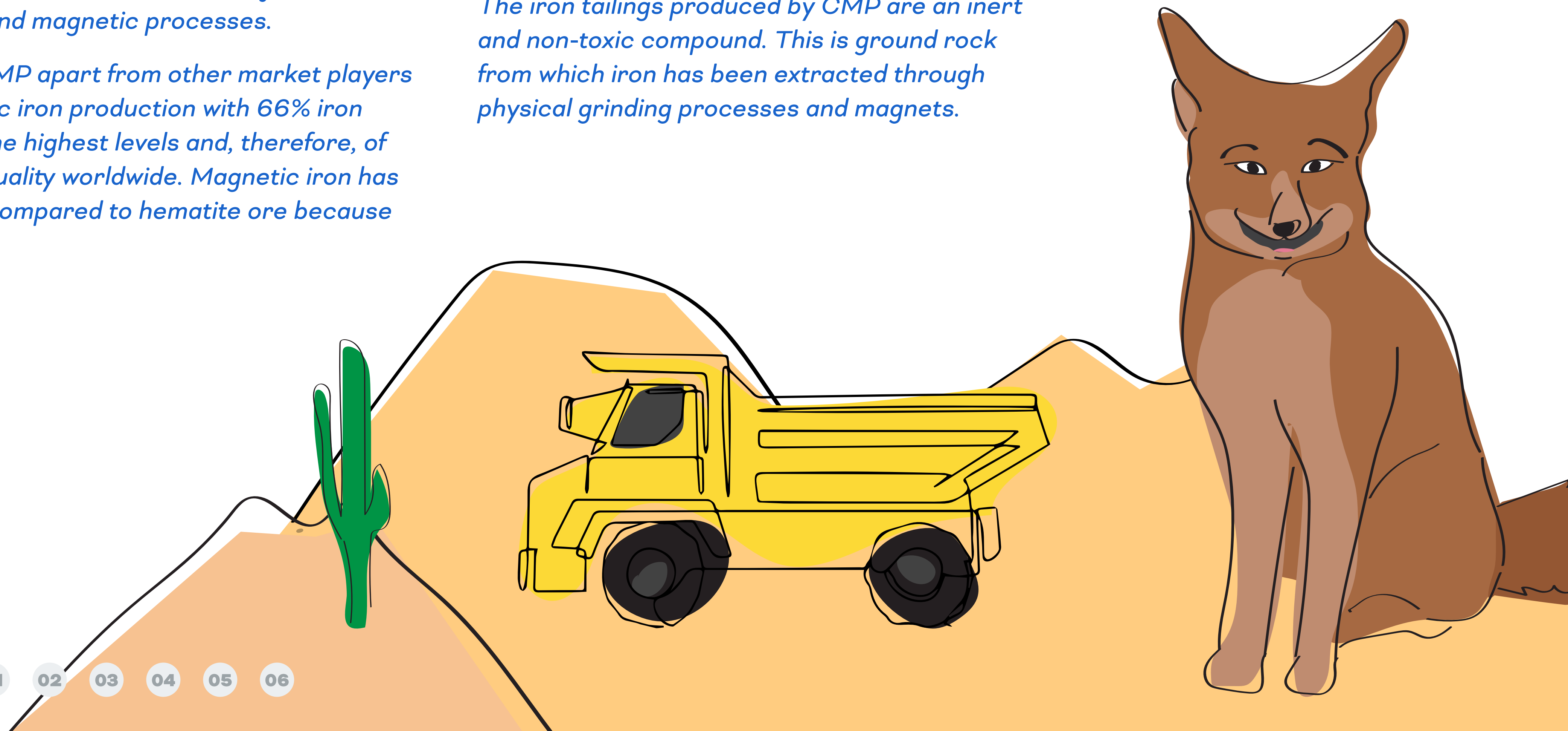
LET'S START BY GETTING TO KNOW WHAT CMP DOES

(GRI 2-6)

CMP extracts and processes iron in Chile. The mineral is recovered from the rock without using chemicals or toxic elements and subjected to mechanical and magnetic processes.

What sets CMP apart from other market players is its magnetic iron production with 66% iron (Fe), one of the highest levels and, therefore, of the highest quality worldwide. Magnetic iron has advantages compared to hematite ore because it contributes to the sustainability of the steel process.

The iron tailings produced by CMP are an inert and non-toxic compound. This is ground rock from which iron has been extracted through physical grinding processes and magnets.



Iron mining, when done properly and using technology, is safe and compatible with other productive activities such as agriculture, artisanal fishing, and tourism.

How does it contribute to generating less impact on steel production?

The excellent quality of the material CMP produces allows the steel manufacturing process to use fewer raw materials and less energy.

Due to its high iron content, the environmental impact and transportation costs are lower, as a smaller cargo volume needs to be moved.

CMP

Did you know that?

98% of the just over 10,000 people who work directly or indirectly at CMP live in the Atacama and Coquimbo regions.

40% of the suppliers are local. We're trying to make sure we all grow together.

CMP is the first private mining company in the country to have a fleet of 100% electric buses.

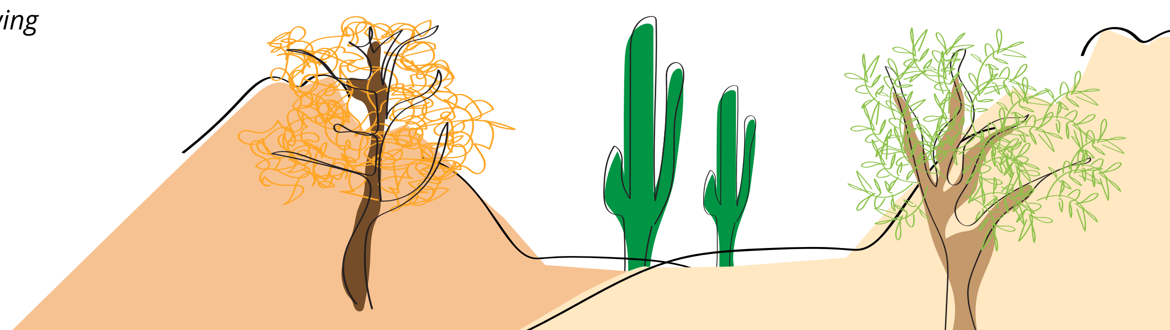
In 2023, CMP signed an agreement with Guacolda SpA to end its coal-based contract early, in December 2025. They are now reviewing renewable energy options.

The company allied with Caldera's Fishing Associations, especially supporting female-led groups.

Speaking of inclusion, you will be pleased to know that our Executive Committee now includes 60% women and people from diverse professions.

To take care of our seas, hydroacoustic buoys have been installed in Chungungo to protect marine life.

With pioneering technology, CMP launched the Filtered Tailings Deposit and a landscape restoration program in Huasco.



Water is relatively scarce, so CMP has set out to reduce freshwater consumption by 30% by 2024.

The Copiapó Valley has already taken a big step. It uses 100% desalinated and recycled water, so it doesn't extract water from rivers or wells.

In the Elqui Valley, we also want to stop using surface and groundwater. Our goal is not to depend on continental water at all.

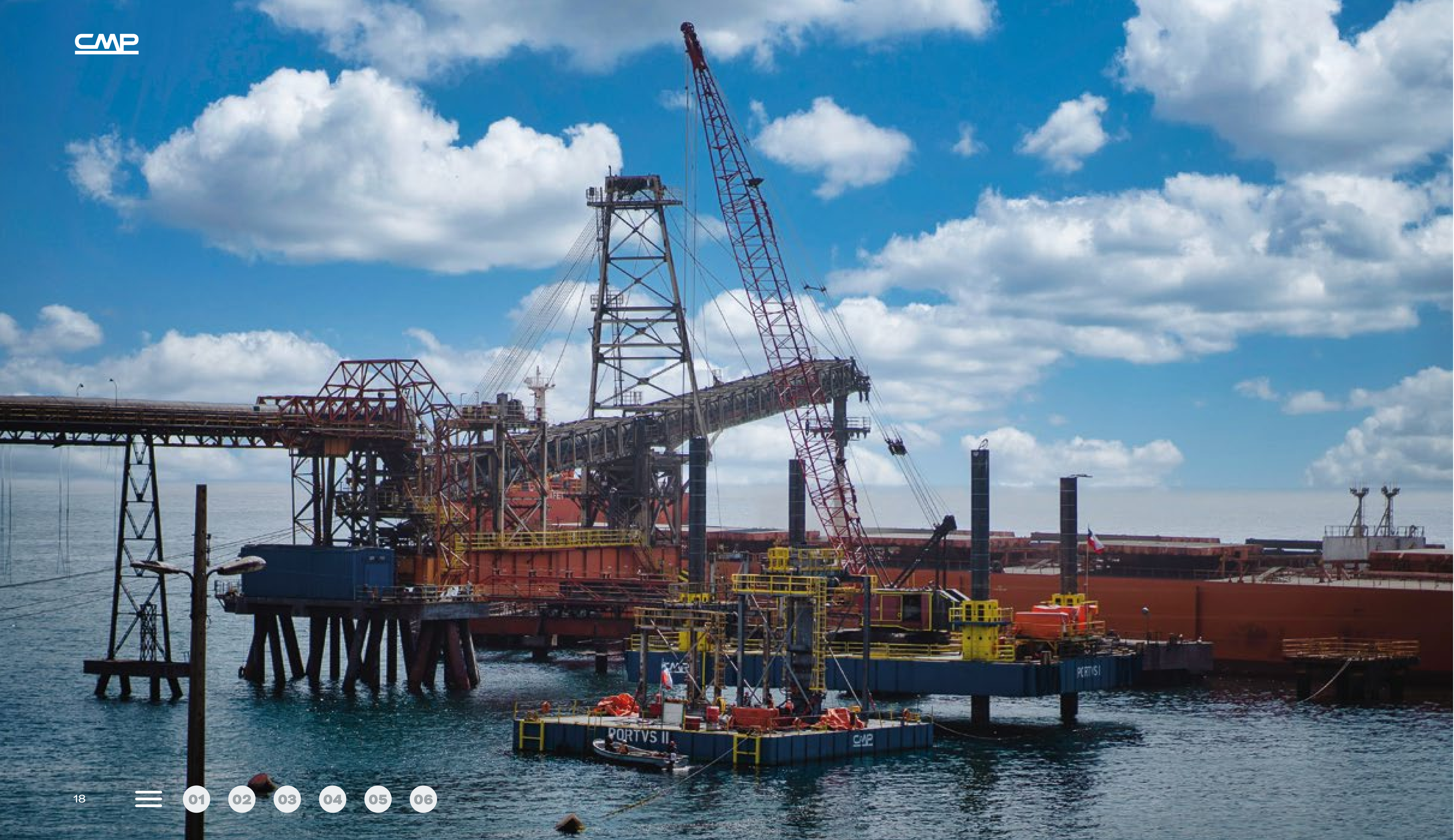
We are also exploring using greywater to become even more sustainable.

Oh, and I can't help but mention that CMP closed the year with a record iron production of more than 17 million tons!

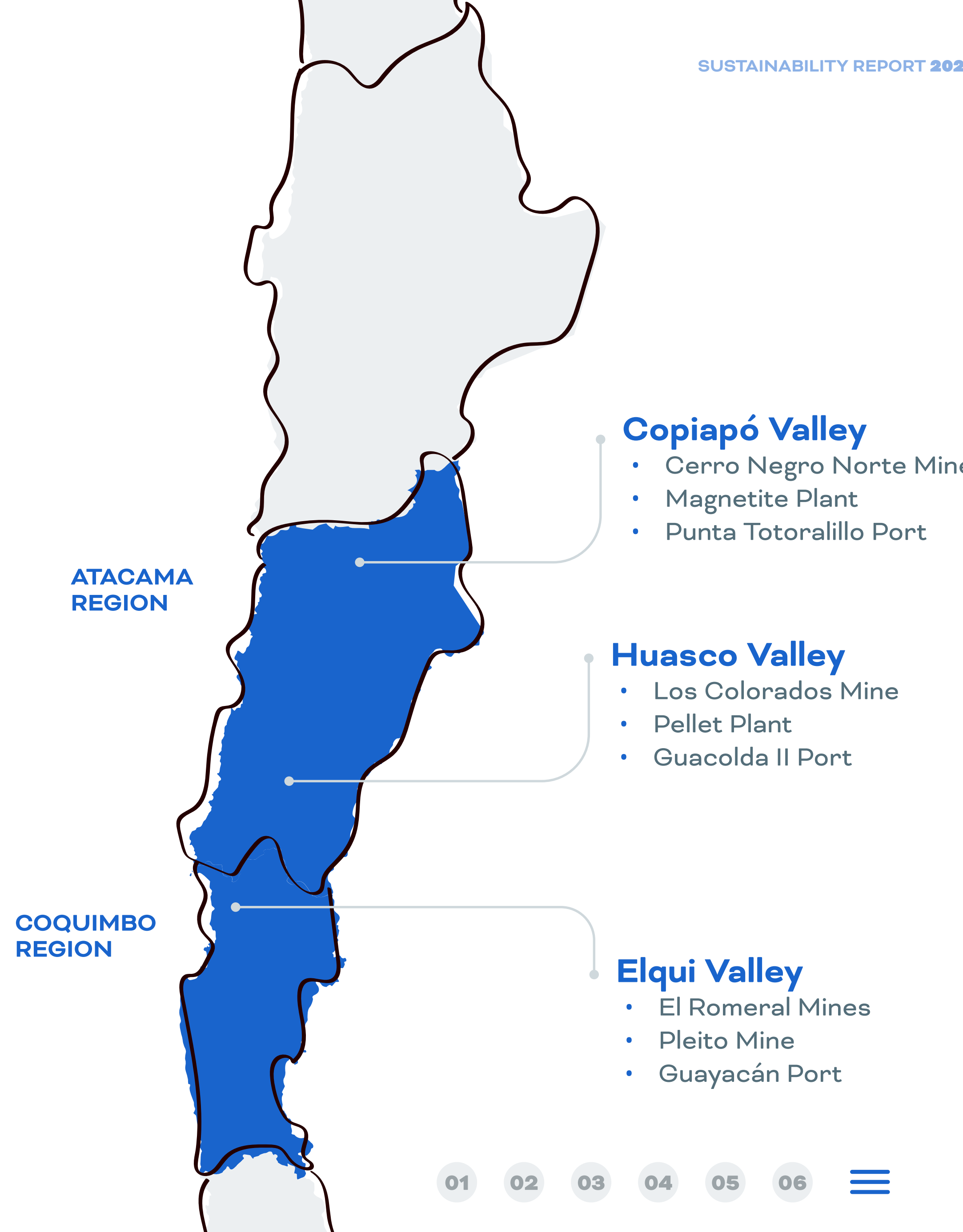
Moreover, this year, CMP ranked first in Chile's Payers Ranking. We are working hard to be productive and a company you can trust and feel proud of.

It is vital that we all know how CMP works.

Thanks for taking the time to listen to me!


PORTVS II

Where are CMP's operations



Copiapó Valley

Cerro Negro Norte Mine:

In operation since 2012, it is located 32 km north of Copiapó and 42 km east of Caldera. The site comprises a mine-plant complex where open-pit mining and processing are carried out.

Magnetite Plant:

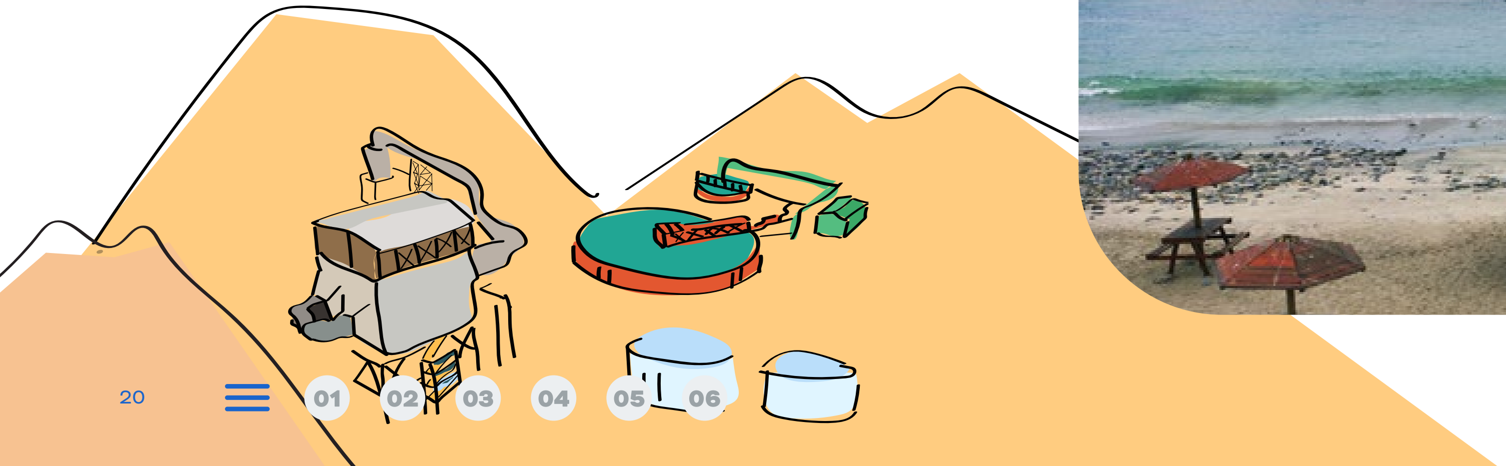
Located in Tierra Amarilla, it is a production site of iron concentrate (pellet feed) from industrial mining waste, which recovers the ore through several concentration processes. It is one of the largest circular economy processes worldwide.

Punta Totoralillo Port:

Located 25 km north of Caldera, it receives material from the different plants to complete the shipment process to its final destination.


Magnetite Plant


Punta Totoralillo Port



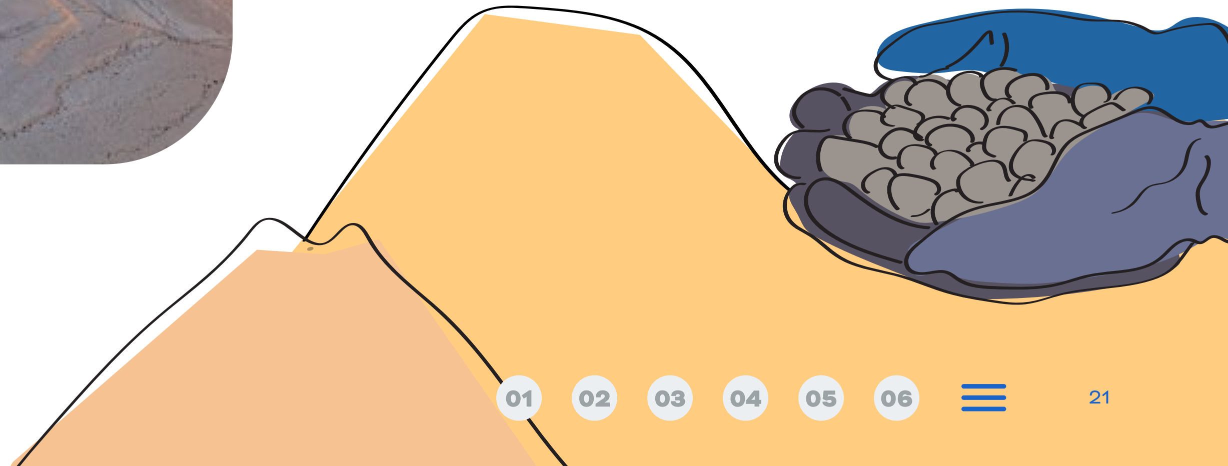

Los Colorados Mine

Huasco Valley

Los Colorados Mine:
Located about 30 km northwest of Vallenar, its main objective is to supply iron preconcentrate and Sinter Feed to the Pellet Plant located in Huasco.

Pellet Plant:
Located 5 kilometers from the port of Huasco, the ore feeding the process comes from Los Colorados Mine. There, it is subjected to different crushing, grinding, and dry-wet magnetic concentration stages, obtaining the product called Pellet pre-concentrate.

Guacolda II Port:
The facilities are next to the Pellet Plant, south of Santa Barbara Bay, 4 km south of Huasco Port. They can receive ships with a capacity of up to 260,000 MT.



Elqui Valley

El Romeral Mines:

They have been in operation since 1956 and are located 22 km northeast of La Serena. The products obtained from the ore processing are Granulated Iron Ore, Fines, and Pellet Feed.

El Romeral Mines

Visit to El Romeral Mines

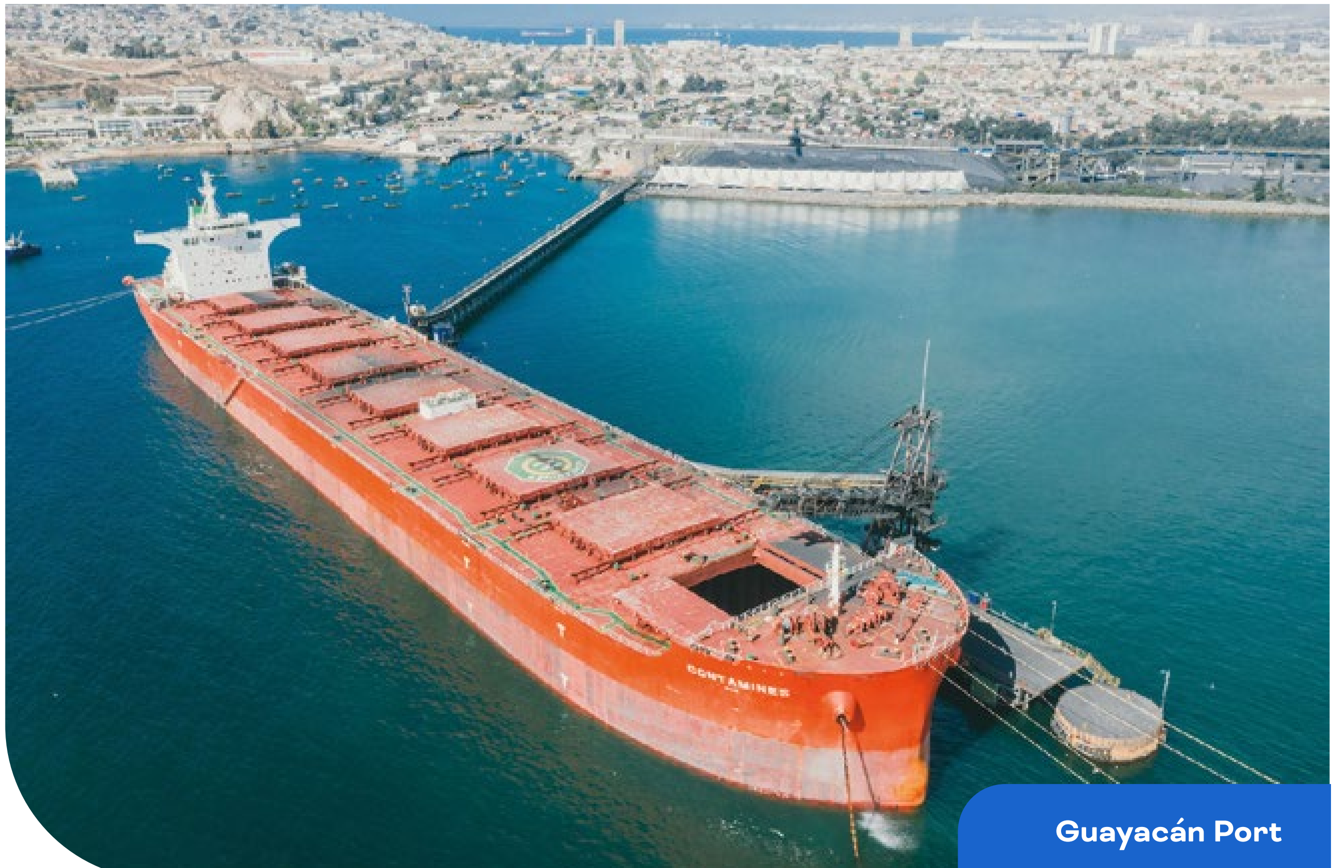
"It was a nice experience visiting the mine, and I was able to fulfill a dream of getting on a truck"

Scan the QR to watch the video or click

El Romeral Mines

Guayacán Port:

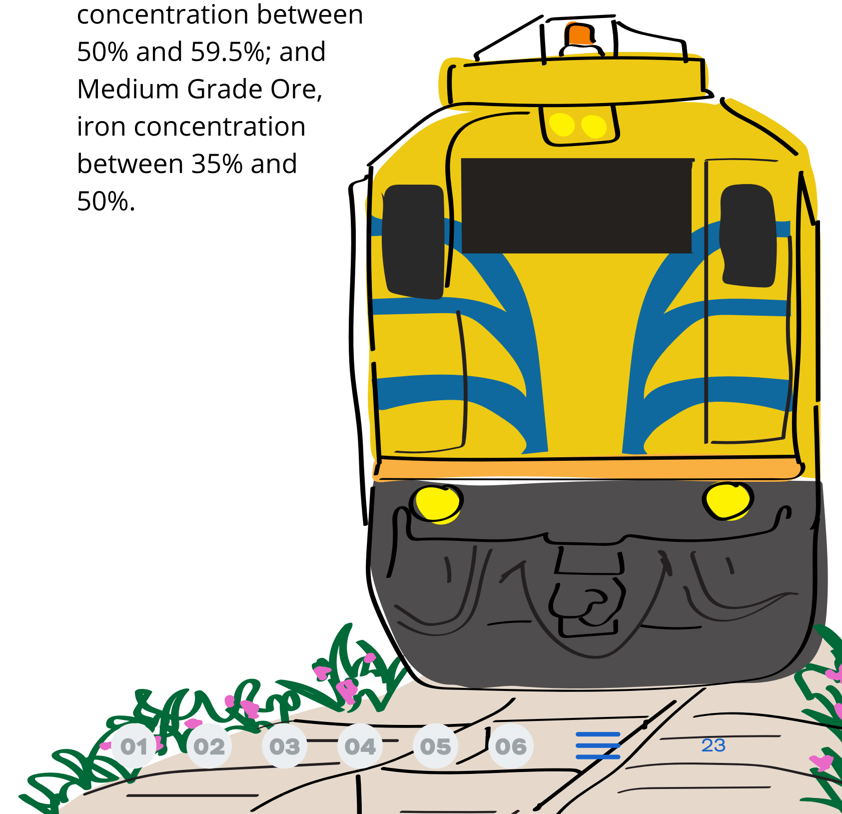
Located northeast of the mouth of La Herradura Bay and south of the Port of Coquimbo. In the facilities, the iron is received from El Romeral, transported by train directly from the mine, along 38 km of railway track.



Guayacán Port

Pleito Mine:

The mobile plant comprises a feeding box, a Grizzly screen, a jaw crusher, a cone crusher, a banana screen, a magnetic concentration module for fines, two magnetic concentration modules for granulated iron ore, and nine conveyor belts, in addition to minor belts and transfer boxes. This process is directly linked to the ore's iron grade, so there are three processing layouts: High Grade 1 Ore, minerals with an iron concentration greater than or equal to 59.5%; High Grade 2 ore, iron concentration between 50% and 59.5%; and Medium Grade Ore, iron concentration between 35% and 50%.




PELIGRO
Nº 31

What products does CMP make and what is their use for the world?

Products

High-grade magnetic iron and pellets with very few impurities for the steel industry. Pellet Feed, Pellet (granulated iron ore), Sinter feed, and Granulated Iron Ore (calibrated iron ore).

Markets

In Chile, the leading customer is the Huachipato Steel Company, part of the CAP group.

The most relevant countries for export are China, Bahrain, South Korea, Japan, and the United States.

We invite you to learn more about CMP's 2023 sustainability management in greater detail.

01

THE MINING BUSINESS

Iron is the most important mineral worldwide, with an annual production of about 1.7 billion tons. It far exceeds the output of other minerals, such as copper, which reaches 22 million tons annually.

Despite its low global share—0.7% in production—CMP stands out for its contribution to the supply of high-quality iron. Its output of high-grade magnetic iron and pellets with low impurities positions it as a valuable option in the production chain, especially in steel mills, where its product significantly reduces the carbon footprint.

CMP's supply drives global development in infrastructure, housing, machinery, renewable energy, and technology. At a domestic level, it is part of the CAP Group, the only mining conglomerate that covers everything from extraction to the industrialization of end products.

1.1. BUSINESS AREAS

(GRI 3.3)

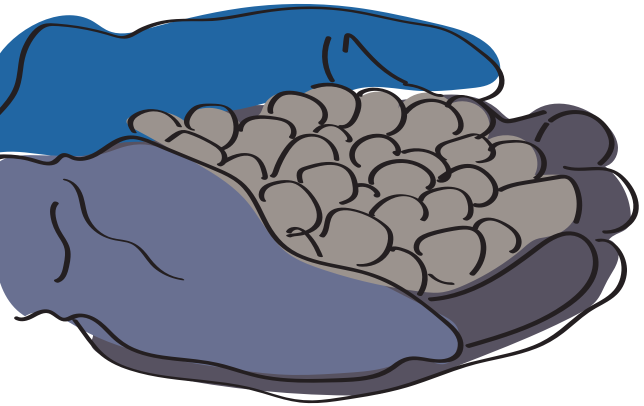
CMP is the leading producer of iron ore and pellets on the American Pacific Coast. Its various products are made from mining sites and plants and exported through its ports to be used as raw materials in steel manufacturing. We are responsible for 99% of Chile's iron exports.

More sustainable and higher-quality iron

CMP is unique because it produces magnetic iron with 66% iron (Fe), which is of the highest level and, therefore, of the highest quality worldwide. Magnetite contributes to the sustainability of the steel-making process by requiring fewer raw materials and less energy in steel production, resulting in lower emissions.

Our products

CMP's best-selling product is Pellet Feed, followed by Sinter Feed and Self-Reducing Pellets, which represent **98%** of the company's orders.

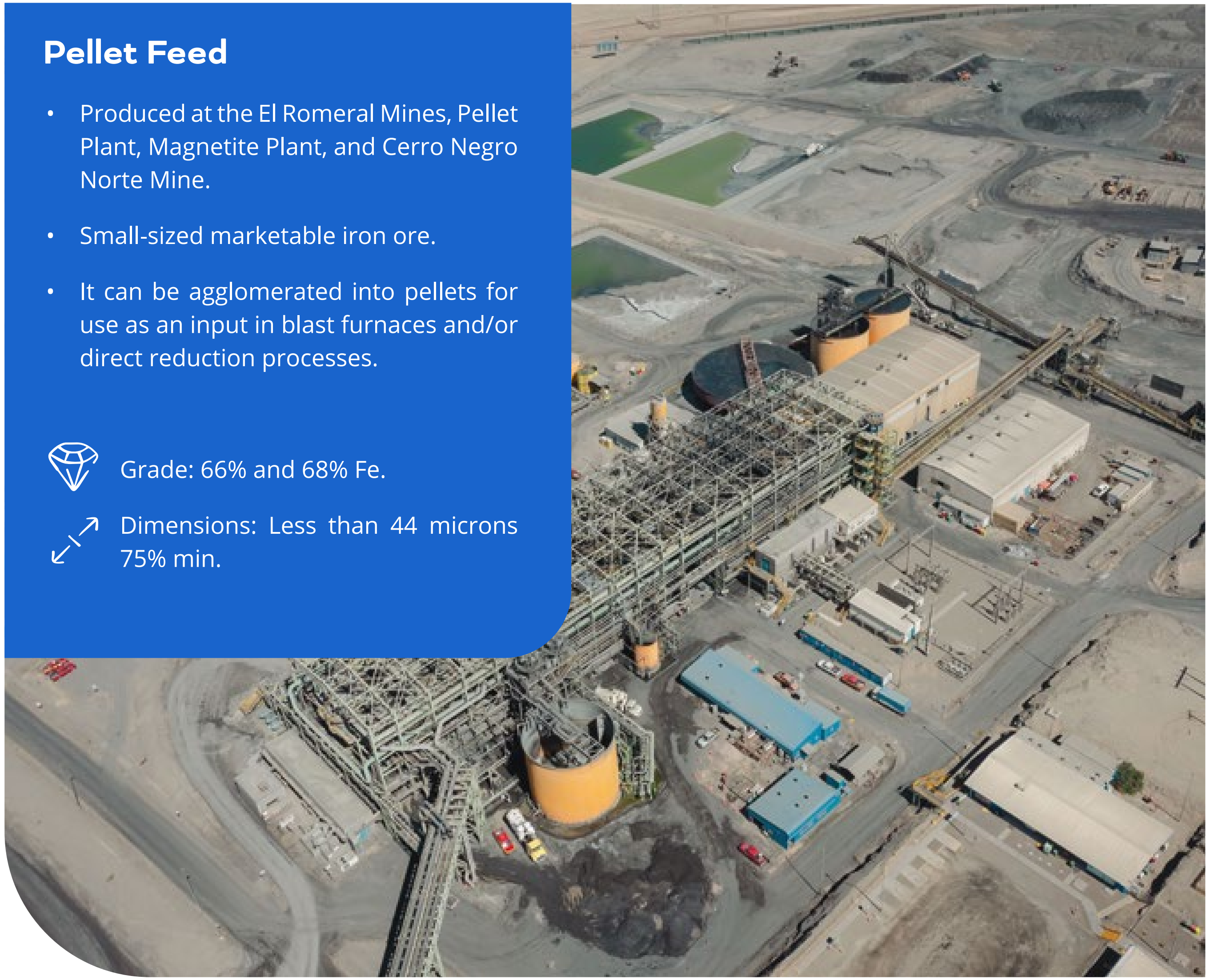


Pellet Feed

- Produced at the El Romeral Mines, Pellet Plant, Magnetite Plant, and Cerro Negro Norte Mine.
- Small-sized marketable iron ore.
- It can be agglomerated into pellets for use as an input in blast furnaces and/or direct reduction processes.

Grade: 66% and 68% Fe.

Dimensions: Less than 44 microns 75% min.



Iron ore pellet

Produced in the Pellet Plant.

1. Basic or Self-reducing Pellets

- Agglomerated iron ore in the form of nodules.
- Manufactured with a special alkali additive such as limestone or dolomite.
- Used in direct loading in blast furnaces for pig iron production.

Grade: 65% Fe.

Dimensions: 9 to 16 mm. 85% min.

2. Direct Reduction Pellet

- Agglomerated iron ore as pellets.
- Used in steel-making processes by direct reduction method.

Grade: 66.4% and 67.5% Fe.

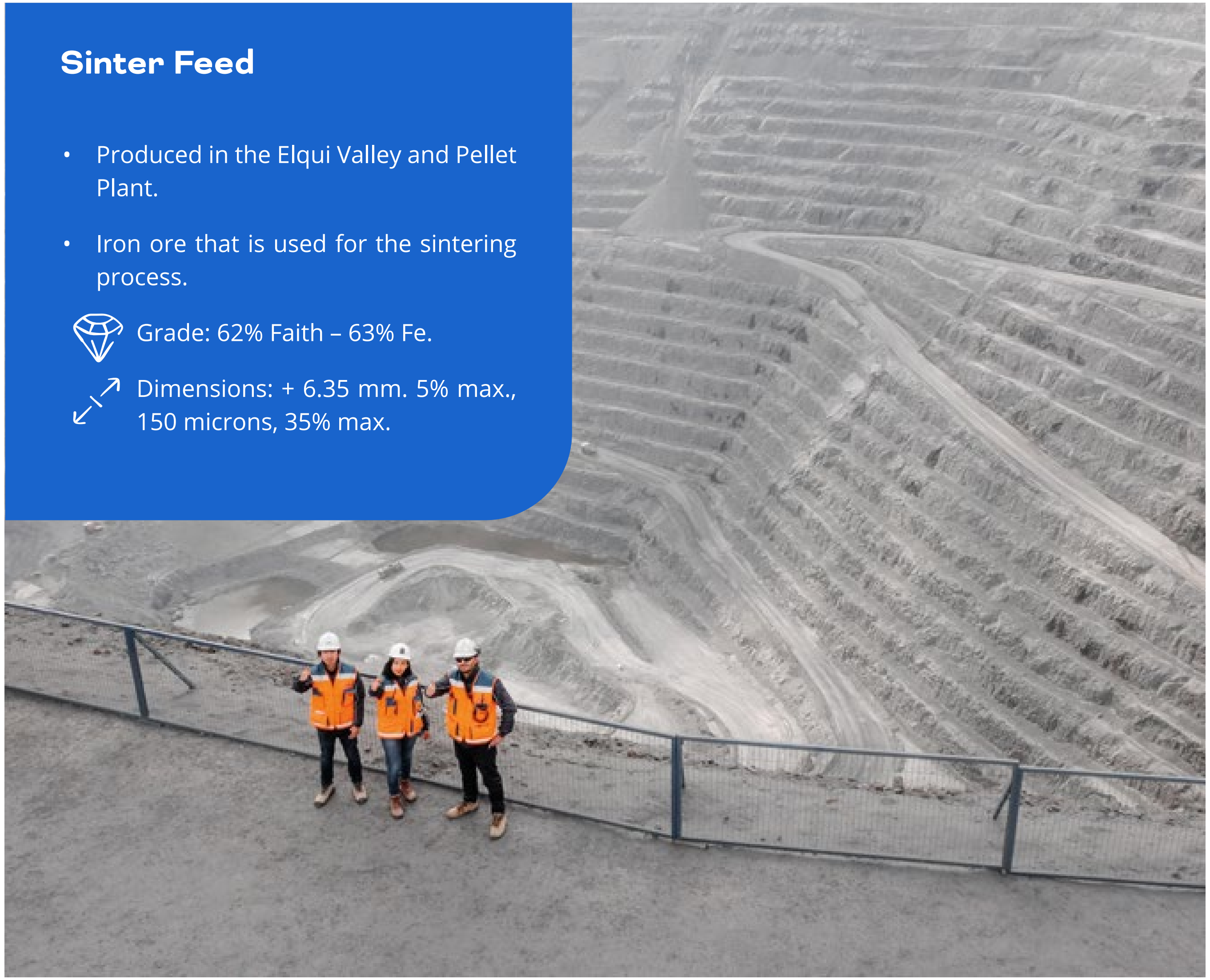
Dimensions: 9 to 16 mm. 85% min.

3. Pellet Chip

- A by-product generated in pellet production, which has been broken in its production process.
- Mainly used in sintering processes to increase the grade of iron (Fe), coal, and sludge formation.

Grade: 65% Fe.

Dimensions: + 8 mm. 4% max., - 1 mm. 30% max.



Sinter Feed

- Produced in the Elqui Valley and Pellet Plant.
- Iron ore that is used for the sintering process.

Grade: 62% Faith – 63% Fe.

Dimensions: + 6.35 mm. 5% max., 150 microns, 35% max.

Granulated Iron Ore

- Produced in the Elqui Valley.
- Treated to separate it from the tailings and increase its iron grade.
- Used in direct loading for pig iron production.

Grade: 58% Fe.

Dimensions: + 6 mm. 80% max.

Customer Relations

(GRI 3.3)

CMP continues to strengthen its business relationships with its customers. In 2023, relationships with steel-makers in the Middle East were developed further, and direct sales to end users increased, focusing on expanding long-term contracts. In addition, the marketing area was reinforced to understand market trends in-depth and support the sales team in pricing, technical marketing, and the company's business strategy.

Sales by market in millions of tons

China	13,467,790
South Korea	1,375,317
Chile	1,116,399
Bahrain	479,081
Japan	455,232
USA	121,000

Sales by product in millions of tons

Pellet Feed	11,663,311
Sinter Feed	3,185,782
Granulated Iron Ore	1,861,396
Self-reducing Pellet	175,997
Pellet Chip	128,333

Customer management highlights

- Increase in direct sales to end users, reducing dependence on intermediaries.
- Continued effort to secure more long-term contracts and increase presence in the Middle East continues, decreasing the focus on the Chinese market.
- Strengthening the marketing area to analyze market trends, support price definition, and implement commercial strategies.

95%

Customer satisfaction

(CMP 1)

CMP evaluates its customers' satisfaction every two years using the SSINDEX methodology. A new assessment is due in 2024, after having been applied in 2022 when the company obtained **95%** satisfaction from its customers

Our concessions

CMP's operational structure is based on several strategic concessions, which facilitate the responsible development of its mining activities and the efficient operation of its infrastructure.

CMP has very high-quality mines and high ore reserves in Chile. This leaves the company in an excellent position to grow in the Huasco and Elqui Valleys projects, while production in Atacama and Coquimbo is expected to double by 2040.

Mining Concessions

- 23 exploration concessions covering an area of 8,300 hectares.
- 1,927 exploitation concessions covering 437,691 hectares.
- 13 exploitation concessions being set up covering 2,175 hectares.

Maritime Concessions

CMP has maritime concessions that allow the operation of three key ports:

- Totoralillo Port
- Guacolda II Port
- Guayacán Port

Concessions for Railway lines and adjoining land

We have railway concessions and ownership rights over the adjoining land, as appropriate, which enable efficient transportation between mining sites and the ports.

1.2. INDUSTRIAL FACILITIES

(GRI 201-1)

Elqui Valley (Coquimbo Region)

“El Romeral” wet magnetic crushing and concentration plant

- Capacity: **4 million metric tons** of concentrates per year.

“El Romeral” wet magnetic grinding and concentration plant

- Capacity: **2 million metric tons** of pellet feed per year.

Guayacan mechanized port in Coquimbo

- Vessel handling capacity:
  - Length: Up to 300 m.
  - Draft: 20.60 m.
  - Beam: 50 m.

Railways

- **38 km** line that connects “El Romeral” Mine with Guayacán Mechanized Port.

Huasco Valley (Atacama Region)

"El Algarrobito" dry magnetic crushing and concentration plant

- **Capacity: 1.2 million metric tons** of ore per year.

Huasco wet magnetic grinding and concentration plant

- **Capacity: 6.4 million metric tons** of ore per year.

"Los Colorados" dry magnetic crushing and concentration plant

- **Capacity: 11.2 million metric tons** of ore per year.
- **Producción de preconcentrados: 9,1 millones de toneladas** métricas al año.

"Fourth Line - APVH" Huasco wet magnetic grinding and concentration plant

- **Capacity: 2.2 million metric tons** of ore per year.
- **Total production** (including lines 1, 2, and 3)**: 7.3 million metric tons** per year.

"Paralela APVH" dry magnetic crushing and concentration plant

- **Capacity: 4 million metric tons** of concentrates per year.
- **Pre-concentrate production: 9.1 million metric tons** per year.

Guacolda II mechanized port in Huasco

- **Vessel handling capacity:**
  Length: Up to 300 m.
  Draft: 20.60 m.
  Beam: 50 m

Railways

- **86 km** line from El Algarrobo Mine to Huasco Pellet Plant.
- **14 km** line from Los Colorados Mine to km. 765 of the Northern Longitudinal Network of FERRONOR S.A.

Copiapó Valley (Atacama Region)

"Magnetite Plant" floating and wet magnetic grinding and concentration plant

- **Capacity:** Processing of **25 million metric tons** of low-grade tailings per year.

"Cerro Negro Norte" wet magnetic crushing, grinding, and concentration plant

- **Capacity:** Processing of **11.5 million metric tons** of concentrates per year.

Filtration plant in Punta Totoralillo Port (pellet feed from Magnetite Plant)

- **Capacity:** **3.0 million tons** per year.

Filtration plant in Punta Totoralillo Port (pellet feed from Cerro Negro Norte Mine)

- **Capacity:** **4.0 million tons** per year.

Punta Totoralillo mechanized port in the Municipality of Caldera

- **Vessel handling capacity:**
  - Length: Up to 327 m.
  - Draft: 18.6 m.
  - Beam: 56.6 m.

Aqueduct

- **Transport system**
  - Diameter: 18".
  - Length: 79 km.
  - Connection: CAP Water Desalination Plant with Cerro Negro Norte Mine.

Oreducts

- **Transport system**
  - Diameter: 10".
  - Length: 120 km.
  - Connection: Magnetite Plant with Punta Totoralillo Port.
- **Transport system**
  - Diameter: 12".
  - Length: 82 km.
  - Connection: Cerro Negro Norte Mine with Punta Totoralillo Port.

1.3. BUSINESS RESULTS

(GRI 3.3)

We had good financial results in 2023 thanks to our focus on Internal Process Risk Management (PRM), a method we have implemented at CMP. With PRM, everyone in the company, from any position, helps to make our work more efficient, safer, sustainable, and productive. Thanks to this joint effort, we had the largest production in history, with more than 17 million tons.

The biggest challenge was the change in the prices of the supplies we needed to produce. That is why controlling expenses became vital in 2023. We created plans to spend less and be more efficient, called “Cost PRM.” Thanks to this, we saved more than 45 million dollars and stuck to the budget better in the second half of the year.

CMP achieved its highest ever production, exceeding 17 million tons.

Sales channels and products

CMP’s strategy combines direct sales to steel mills with sales to traders (intermediaries). The main products sold include Pellet Feed, Pellets, Sinter Feed, and Granulated Iron Ore, which are mainly destined for international markets. The company operates within a regulatory framework with close ties to the mining industry, ensuring compliance with the relevant standards and regulations.

Competition

CMP faces competition from leading companies in the global mining sector. Vale, Cleveland-Cliffs Inc., IOC, Rio Tinto, BHP, Fortescue Metals Group, Anglo American, and LKAB are among its main rivals. This competitive environment drives CMP to focus on continuous improvement and operational efficiency to maintain its outstanding market position.

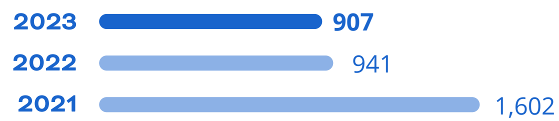
Summary of 2023 results

(GRI 201-1)

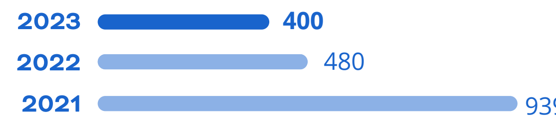
Main economic results in millions of dollars

Consolidated Revenues

Consolidated EBITDA



Net profit



Main business figures in thousands of metric tons

Total shipped

Total sales

Total production and purchases

Total production

Procurement

Market and business projection

The global iron market is experiencing a significant boost from decarbonization in the steel industry. This highlights the importance of products with a reduced carbon footprint, for example, those that CMP sells, such as high-quality magnetic pellet feed (>68% Fe) and Pellets (RD >67% Fe).

CMP prioritizes the search for growth opportunities to meet the growing international demand for direct reduction pellets with a low carbon footprint. This includes short—and long-term plans to increase production organically, take advantage of current assets, and develop new deposits in the future.

We seek to move towards high-quality iron products to contribute to the decarbonization of the steel industry.

Relevant investments

CMP's investment plan seeks to keep operations running, lower costs, and become more sustainable. It is organized in three stages:

MPG Base
Investments to keep operating smoothly for the next five years.

MPG Development
Investments in projects that still need environmental studies and approval.

MPG Potential
Investments in new projects to grow.

In 2023, CMP invested about US$300 million in six projects, including the Filtered Tailings Deposit in Huasco, which improves water reuse and sets a new standard for local mining.

- The year's stand-out short-term investment is the **"Filtered Tailings Deposit."** This project was designed to fulfill the commitment made with the environmental authority to stop discharging tailings to the sea in Huasco's Chapaco Inlet by September 2023. This milestone was fulfilled on the agreed date.
- In the Copiapó Valley, the study known as **"CNN Operational Improvements"** aims to increase production and optimize current processes.
- At the same time, the studies in the Elqui and Huasco Valleys stand out regarding long-term investments. These studies are part of CMP's growth strategy. They include developing potential business cases for new mining activities, such as the Elqui Norte Valley with Tofo Sur and Tofo Norte, and the continuation and potential growth in the Huasco Valley, Brownfield case, where Los Colorados Mine is currently in operation with an MPG in force until 2034.
- Finally, an **optimization program** for CMP has been made. This program identifies investments that will begin to be made in 2024.

At the end of 2023, CMP has ongoing projects totaling an investment of **US$450 million.**

Investments per year in millions of dollars

2017	60,641
2018	100,385
2019	198,050
2020	216,808
2021	353,946
2022	425,049
2023	439,725

Distribution of the investment by Valley in millions of dollars

Elqui Valley	33.2
Huasco Valley	280.8
Copiapó Valley	37.0
Transversal	88.6

02

TERRITORIAL **MANAGEMENT**

2.1. GROWING WITH THE REGIONS

(GRI 3.3)

Chile's rich soils have been the basis for the growth of mining. Iron's more than 100 years of existence have tied us closely to the earth and its communities.

At CMP, we recognize the challenge of sustainable growth and are forging relationships with communities based on mutual respect, constructive dialog, and a shared commitment to sustainability.

We seek to harmoniously integrate our mining activity with the environment, which is possible thanks to technological advances that allow us to operate more cleanly and efficiently. Our goal is responsible mining, focusing on reducing pollution and our carbon footprint and making more efficient use of water.

We follow Grupo CAP's Social Investment Policy guidelines, prioritizing initiatives that allow the business and the localities where it operates to develop. We want to have strong and mutually beneficial relationships.

2.2 WE ARE A REGIONAL COMPANY

(GRI 202-2)

CMP has prioritized recruiting local residents in its recruitment processes, achieving real participation in the region's daily activities and better quality by reducing the difficulties of transferring people.

98%

of the workers reside in the same commune where they work

All 11 of CMP's managers reside in the operations areas

2.3. **LOCAL SUPPLIERS**

(GRI 3.3) (GRI 204-1)

CMP has launched several initiatives to promote local procurement and entrepreneurship and strengthen relationships with suppliers in the regions where it has a presence. Through these actions, we seek to promote economic development, productive activities, and innovation in the communities:

- We prioritize the selection and hiring of local suppliers.
- We prequalify local suppliers to include them in bidding processes.
- We participate in bidding processes for services in different specialties with local suppliers.
- We encourage the purchase of local MySME suppliers using the SENEGOCIA platform.
- We participate in business meetings with Coquimbo's Regional Mining Council.
- We work with the Atacama Region Development Corporation and have local suppliers.

40%

of the resources we use in our operations come from local suppliers in nearby communities, an approximate total of $441 million dollars.

CMP came first in the Chilean Payers Ranking made by the Product Exchange and the Entrepreneurs Association with **96% satisfaction.**

When we buy from small businesses, we make sure to pay in just 17 days.

Supplier Sustainability

(GRI 414-2)

We evaluate suppliers under sustainability criteria, especially regarding social and environmental impacts. To identify potential risks in the supply chain, we use the Process Risk Management (PRM) model that controls, among others, the following aspects:

- Environmental risks in local iron ore producers.
- Ensure compliance with all authorized permits and fees.
- Control dust emissions in plants and during transport on public roads.
- Follow the rules and commitments of the Environmental Qualification Resolution (EQR) to manage environmental risks when unloading, transporting, and storing coal.
- Monitor the quality of coal to minimize harmful gas emissions.

CMP's sustainability criteria to prioritize suppliers

- Location of the company and local workforce in Atacama and Coquimbo.
- Female participation.
- Re-hiring of workers.
- Involvement with local communities.
- Procurement and subcontracting to regional SMEs.
- Environmental and waste management plans, focused on the circular economy.

Supplier management evaluation

CMP follows Grupo CAP's (commercial) Partner Management Policy and Guide for reviewing suppliers. These rules help choose suppliers by examining how they manage their company and the environmental and social aspects of their workers or communities. All this is checked with a tool called Compliance Tracker.

Main aspects evaluated

Environment

- Promote energy and water saving.
- Properly manage waste.
- Report environmental incidents.
- Monitor environmental performance.
- Comply with agreements with local communities.

Social aspects

- Rejection of workplace harassment, sexual harassment, and discrimination.
- Strictly abide by labor laws, including contracts, salaries, schedules, and social security.
- Offer safe working conditions to reduce risks.
- Promptly report any safety incident.

Business ethics

- Comply with the laws, including Law N°20.393.
- Promote integrity daily.
- Establish ethical standards for the team.
- Prevent conflicts of interest.
- Support fair competition.
- Provide truthful information and protect confidentiality.

128
new suppliers evaluated, the equivalent of 5% of the suppliers

2,638
Suppliers in CMP

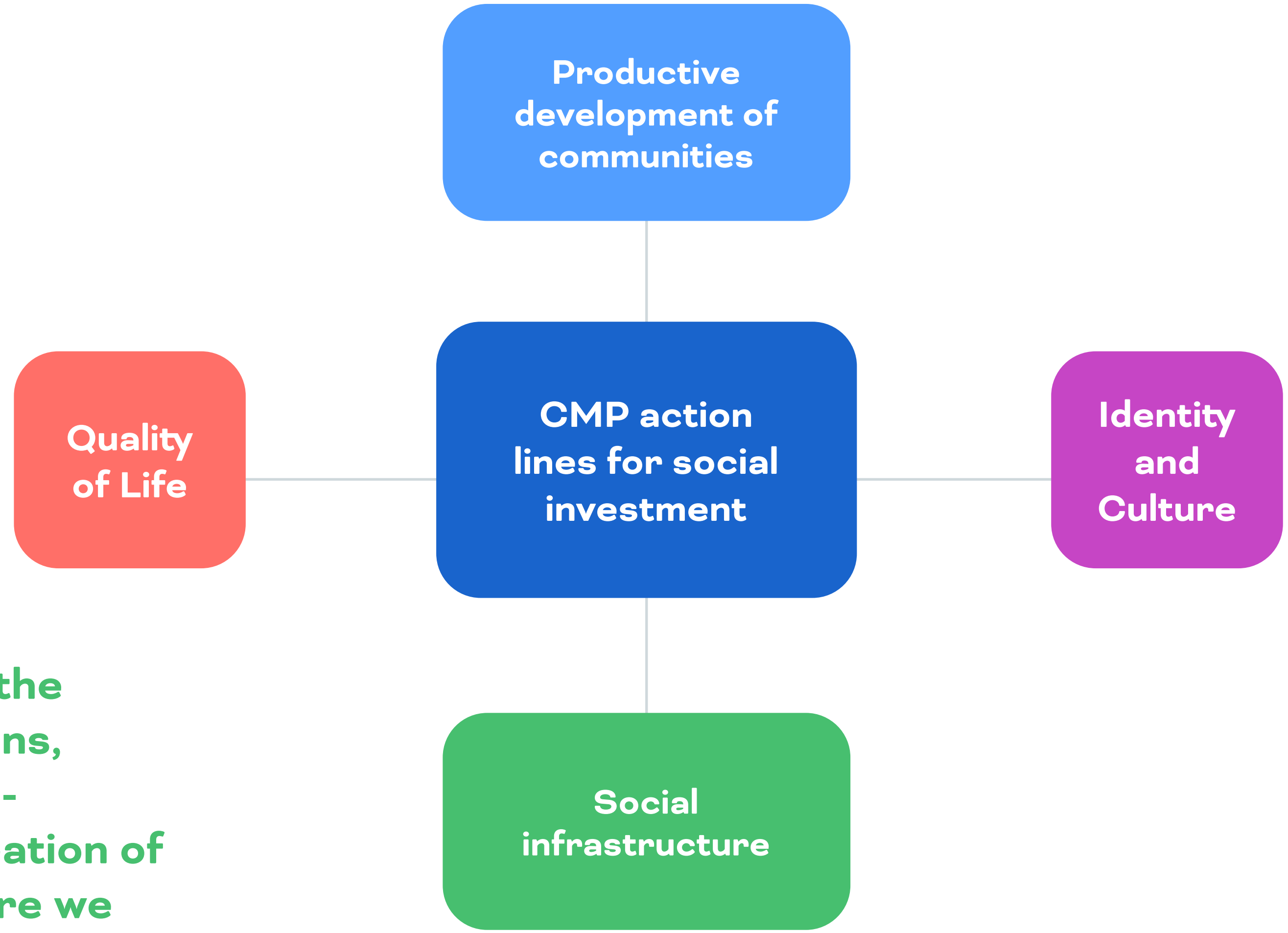
1,048
suppliers are local

We conduct training on the ESG model and the master sustainability plan for all employees and third parties every year.

2.4. **SOCIAL INVESTMENT**

(GRI 2-29) (GRI 203-1) (GRI 203-2)

$2.9 million dollars were set aside to develop programs in the regions.



"Our main objective is to maximize the positive impact of CMP in the regions, hand in hand with sustainable socio-economic development and the creation of shared value in the communes where we operate", Yasmina Cortés, CMP Territorial Management Superintendent.

Production development of communities

Collaboration agreement between artisanal fishers of Caldera and CMP

Objective of the Instrument

- Promote actions in the socio-productive value chain.
- Consolidate the integral development of entities.
- Permanent and long-term relationship.

Beneficiaries

- 1,300 members belonging to 30 unions and cooperatives.
- Artisanal fishers.
- Shellfish divers.
- Shore collectors.
- Seiner crew members.
- Boat skippers.
- Participants of related activities.

Investment and Scope

- Total investment: $4.9 million.
- Duration of the agreement: 4 years.
- Benefits to more than 5,000 people (including immediate family members).

The agreement considers the First Union of Female Fishers from the Atacama Region.

"We value this agreement and that CMP dignifies the work of fishing and that they have taken the time to take a snapshot and analyze our needs through the panels. Our objectives for the coming years will be focused on production diversification, sale, and other issues, such as health, for example", Miguel Ávalos, President of Caldera's Fisher's Corporation and the Faluchero Union.

Caldera Impulsa III

Participants:

- CMP
- Aguas CAP
- Illustrious Municipality of Caldera
- Desafío Levantemos Chile

Beneficiaries:

- 24 community entrepreneurs

Support Provided:

- Provision of food carts

Duration of the Program:

- Six months

Training and Consulting:

- Business formalization
- Finance
- Use of social networks
- Personalized consulting

Inclusion in Mining

- **Collaborators:** CMP and Women in Mining Chile
- **Agreement:** To promote inclusion and gender equality in mining
- **Actions:** Business and internship opportunities for women

Training and Education

Jaime Charles Scholarships 2023

- **Organizer:** CMP.
- **Beneficiaries:** 69 students from Atacama and Coquimbo (Copiapó, Huasco, and Elqui Valleys).
- **Since 2012:** 200 young people benefited.
- **Support:** Scholarships for higher education studies at recognized institutions.

Professional Internships VÍNCULO Program

- **Beneficiaries:** 89 for technical high schools and 44 for university.
- **Location:** CMP operations in Copiapó, Huasco, Elqui.

Social Pre-University at UCN Coquimbo

- **Collaboration:** Universidad Católica del Norte and CMP.
- **Beneficiaries:** 50 young people from Coquimbo.
- **Objective:** Free preparation for the PAES (University entrance exam) and motivational talks.

STEM: Robotics for 7th and 8th Grade Girls

- **Collaboration:** CMP and Finning.
- **Beneficiaries:** Girls from 7th and 8th grade in Huasco and Elqui.
- **Objective:** To foster skills in science, technology, engineering, and mathematics.

Fiber Optics in Huasco's Schools

- **Implementer:** CMP and Entel.
- **Beneficiaries:** Liceo Japón and Escuela José Miguel Carrera (schools).
- **Capacity:** Connection for up to 380 users per school.

Scan the QR to watch the video or click

Scan the QR to watch the video or click

Job offer in the region through the Vínculo program

Hydroacoustic Buoys in 2023

- **Collaboration:** CMP and Acústica Marina.
- **Features:** Acoustic immersion room for scientific and educational purposes.
- **Objective:** Determine, monitor, and protect marine fauna.
- **Methods:** Underwater noise mapping and using new technologies for sustainability.
- **Location:** Chungungo, Coquimbo region.
- **Technology:** Advanced solutions in R+D+i.
- **Purpose:** Detailed analysis of marine fauna and vessels.
- **System:** Monitoring, Control, and Surveillance (MCV Hydroacoustic).
- **Features:** Real-time alerts focused on marine conservation.
- **Benefits:** Passive acoustic monitoring: Does not produce noise pollution.
- **Energy:** 100% solar operation with solar panels on each buoy.

Scan the QR to watch the video or click

Identity and culture

Hydroacoustic Observatory in Coquimbo

- **Collaborators:** Acústica Marina and CMP
- **Objective:** To raise awareness about the conservation of the marine ecosystem.
- **Beneficiaries:** Students, families, and entrepreneurs of Chungungo.
- **Activities:** Training for artisanal fishers and tourist tours.

CMP culture fund

- **Localities:** Incahuasi, Cachiyuyo, Domeyko in Vallenar.
- **Event:** Presentation of projects of the Culture Fund 2023.
- **Creations:** Embroidery, crafts, handicrafts, weaving, and local gastronomy.

Interactive visit to Fray Jorge Park

- **Organizer:** CMP
- **Occasion:** Environment Month.
- **Participants:** Three rural La Serena schools and collaborating companies' families.
- **Activity:** Interactive visit to the Fray Jorge Forest National Park.
- **Experience:** Exploration of the hydrophilic forest to get to know the research with professionals from the University of La Serena.

Quality of life

Huasco Triathlon

- **Location:** Huasco.
- **Participants:** More than 55 athletes from different parts of the country.
- **Organizer:** CMP's Guacolda Sports and Cultural Club.

Social infrastructure

Support for Caldera's Firefighters

- **Beneficiaries:** Fire Department's GERSA Group.
- **Support Received:** Zodiac boat with an outboard motor for water rescue.
- **Objective:** Improve response to maritime emergencies.
- **Collaboration:** Alliance with Aguas CAP.

Social and Community Leaders

- **Objective:** Training of social and community leaders.
- **Activities:**
  - Digital literacy courses.
  - SENCE Certificate Course in Social Skills, Leadership, and Communication.
- **Collaboration:** UCSC and SENCE.

"Atacama Helps the South" Campaign

- **Context:** Fires in southern Chile, summer 2023.
- **Participants:** Regional Government, Presidential Delegation, Local Authorities, CMP, and other companies.
- **Achievement:** Collect and ship more than 100 tons of aid to Quillon, Ñuble.

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CMP

2.5. TERRITORIAL MANAGEMENT STRATEGY

CMP has a collaborative relationship model with three fundamental pillars

1

Facilitating access to information for local communities

2

Promotion of community participation and its influence on the development of processes.

3

Promoting the growth of communities, understanding that progress is viable when they have access to opportunities for growth and well-being.

Territorial management by Valley

In the **Elqui Valley**, territorial management focuses on the railway line that crosses the city from Romeral to Guayacán, creating a wide area of influence along Route 5. The port's location, sandwiched between the city and the railway, poses challenges for safe and efficient coexistence.

In the **Huasco Valley**, we are addressing an opportunity to strengthen our relationships with local communities. We are committed to improving infrastructure to ensure everyone can access essential services such as clean water and education. This poses a significant challenge for us, but we are determined to overcome it and contribute to the well-being of the rural population.

The main challenge in the **Copiapó Valley** is promoting sustainable development, especially in Tierra Amarilla, where enhancing growth while respecting the environment and the community's needs is the goal.

In Caldera, we have made progress with a collaboration agreement with artisanal fishers.

Consultation mechanisms

Citizen consultations: CMP values sharing information as part of its plan to work well with communities. The company follows the suggestions of the Environmental Assessment Service (SEA, in Spanish) and always includes the community from the beginning of its projects to avoid problems or disagreements.

General consultations: The CMP Territorial Management team has direct ways of talking to communities, such as offices in each valley where people can ask questions, complain, or give their ideas, and the company has to respond.

Indigenous peoples

CMP's indigenous people's policy is an approach that respects and recognizes these communities, highlighting their territorial rights and appreciating their identity and culture.

The Indigenous People's policy establishes continuous collaboration with 45 certified Indigenous communities, recognizing each one's uniqueness since they represent different peoples with unique cultures. In addition, CMP maintains its commitment to open inclusion, as evidenced by a people such as the Chango, which are currently in the process of being officially recognized and added to this group of collaborating communities.

Activities with indigenous peoples

Identification of relevant actors in indigenous communities	**Identification and management of the mining operation's impacts**	**Resettlement identification and management**	**Community complaints channels and mechanisms**

CMP bases its approach on respect for Chilean laws related to indigenous peoples and the international treaties that Chile has signed, including the United Nations Universal Declaration of Human Rights and the International Labor Organization (ILO) Convention No. 169 on Indigenous and Tribal Peoples.

The most relevant involvements in associations

(GRI 2-28)

Atacama Region Development Corporation

CORPROA prepares, promotes, executes, and supports sustainable regional development strategies that seek to improve the population's quality of life levels.

CMP is part of the Corporation's Board of Directors.

Coquimbo Region Regional Mining Council - CORMINCO

CORMINCO heads several key actions directly linked to the mining industry and its influence in the Coquimbo region. It has established significant partnerships with public and private entities, focusing on the academic field.

Mining Council

The Mining Council is a trade association that brings together the leading mining companies operating in Chile. Its main objective is to promote the country's competitive and sustainable mining development, which will contribute to national welfare.

Industrial Corporation for Regional Development - CIDERE Coquimbo

CIDERE promotes the progress of the Coquimbo Region, focusing on people's development through education and job creation. It collaborates closely with other institutions that share the same purpose.

SSINDEX

The Stakeholders Sustainability Index (SSIndex) provides information that allows anticipating risks. An evaluation of the organization's ESG performance is carried out considering the diverse stakeholders (neighbors and local actors) with the company's risk management and sustainability variables, which considers a questionnaire that varies according to the stakeholder and incorporates cross-sectional questions associated with:

- **Environment:** Company's environmental culture and management.
- **Internal Social Impact:** Employee commitment and people management dimensions.
- **External Social Impact:** Relationship with the community, suppliers, and customers.
- **Corporate Governance:** Ethics, integrity, and corruption variables.

69% satisfaction was obtained from the neighbor's evaluation; for the social actors, it was 84%.

Indicator	Stakeholders					
	Neighbors - Huasco Valley	Neighbors - Copiapó Valley	Neighbors - Elqui Valley	Local actors Huasco Valley	Local actors Copiapó Valley	Local actors Elqui Valley
Number surveyed	541/541	278/278	238/238	20/20	10/10	19/20
Response rate	100%	100%	100%	100%	100%	95%
Trust percentage	95%	95%	95%	95%	95%	95%

Neighbors

Categories	Percentage	Variance compared to 2022
Environment	66%	+26
Internal social	66%	+30
External social	75%	+24
Corporate governance	60%	+8

69% +24

Local actors

Categories	Percentage	Variance compared to 2022
Environment	71%	+6
Internal social	78%	+5
External social	89%	+6
Corporate governance	85%	+6

84% +4

Evolution of Focuses 2022

Progress in key areas such as health, communication, and collaboration with local actors is fundamental for any organization's sustainable progress. These areas offer significant opportunities to improve people's quality of life, strengthen relationships with the community, and promote greater social impact. By focusing our efforts on improving public health, developing effective communication, and establishing solid partnerships with local actors, we can drive positive and lasting change in our society.

Name	Dimension	Stakeholders	2022	2023	Diff.
Environmental and health impact	Environmental culture	Neighbors	40%	66%	+26
		Local actors	65%	71%	+6
	Health	Neighbors	42%	54%	+12
		Local actors	70%	63%	-7
	Safety	Neighbors	33%	70%	+37
		Local actors	42%	84%	+42
	Communication	Neighbors	33%	74%	+41
		Local actors	91%	88%	-3
Social role and support	Communication	Neighbors	33%	74%	+41
		Local actors	91%	88%	-3
	Social impact	Neighbors	38%	80%	+42
		Local actors	87%	98%	+11
	Local businesses	Neighbors	55%	74%	+19
		Local actors	81%	82%	+1
	Local work	Neighbors	60%	75%	+15
		Local actors	81%	90%	+9
Ethics and integrity	Integrity	Neighbors	57%	64%	+7
		Local actors	94%	84%	-10
	Anti-corruption	Neighbors	46%	57%	+11
		Local actors	88%	86%	-2

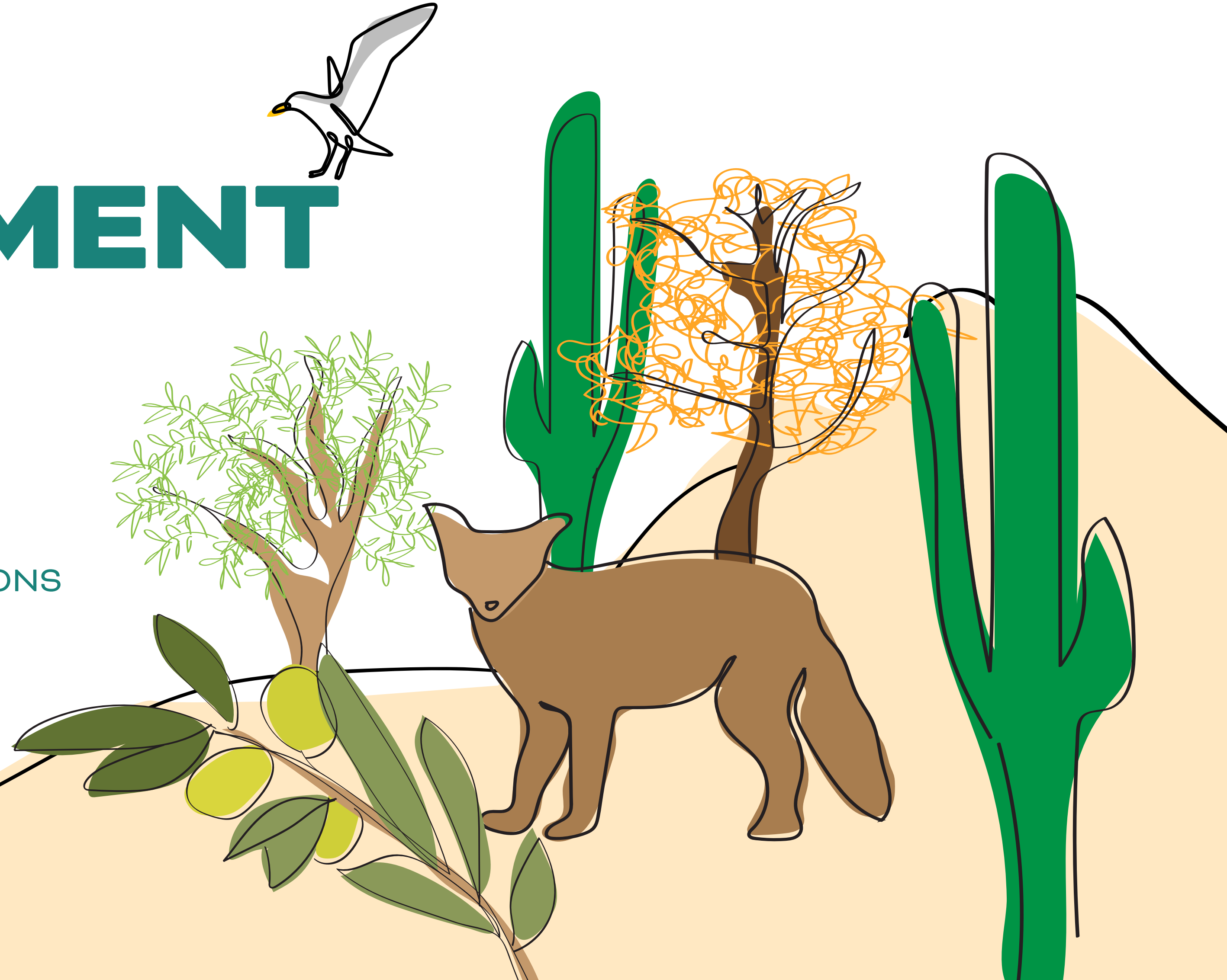
Conclusions

1. Dialogue and social engagement: Effective communication is valued in the different valleys, thanks to interaction with community leaders, roundtable meetings, and community offices. In addition, social support initiatives such as competitive funds, scholarships, and projects with entrepreneurs and fishers are highlighted.

2. Responsible use of the region: the progress in environmental care in the three valleys is valued through initiatives such as recycling and cleaning. However, dust contamination persists due to plant residues, blasting, and the passing of the train, generating concern about its effect on neighbors' health.

3. Image and transparency: CMP is considered a good neighbor who contributes to the community in several ways. A company of high ethics and integrity is also pointed out without any known acts of corruption.

03 ENVIRONMENT



3.1. **SUSTAINABLE OPERATION**

(GRI 3.3)

CMP runs a sustainable mining operation. Proof of this is the deployment of actions around worksites that seek to reduce particulate matter emissions in the transport and handling of iron, reducing the carbon footprint. It has also worried about efficient water use by desalinating the water used in the Copiapó Valley. In Huasco, emissions reductions reached 98%, an effort reflected in the environmental status reports prepared by the Ministry. The reports show an improvement in air quality in recent years, although it remains below the national standard.

Another aspect to highlight is that the iron CMP extracts and processes in Chile is subjected to physical, mechanical, and magnetic processes to recover the mineral from the rock without using chemicals or toxic elements.

The iron Chile has is of high quality and is magnetic. Through the process, it reaches 66% iron. This has advantages in creating greener steel, as it helps reduce the amount of raw materials and energy used in the steel-making process, resulting in lower emissions.

Without iron, there is no steel, which has become fundamental for renewable energies and electromobility.

In addition, this high iron content results in lower transport costs, given the smaller volume of cargo that must be mobilized for the same iron content.

Thanks to implementing innovative processes, we can ensure that the iron tailings produced by CMP are an inert and non-toxic compound. These tailings are ground rock from which iron has been extracted through physical grinding processes and magnets.

Iron mining, with the application of technology and proper management, carried out in the operations in the Atacama and Coquimbo regions, is a safe activity that is perfectly compatible with the typical productive activities that occur in the territories, such as agriculture, artisanal fishing, and tourism.

3.2. NEW OPERATIONAL STANDARD

An example of the statement above is the experimental smallholding in Huasco, where olive trees are grown completely safely and sustainably.

A crucial step taken by CMP is the incorporation of sustainability in all its operations.

Sustainable iron mining is possible by using technology and properly managing operations.

Iron production is compatible with other economic activities in CMP's regions. This is the case of agriculture in the Huasco area and artisanal fishing in Caldera, Huasco, and Guayacán.

CMP implements projects aligned with sustainable growth and the care of the environment of the worksites and the regions where they are present. Its environmental improvement plan to reduce CO2 includes decarbonization, an electrostatic precipitator in the two chimneys of the pellet plant, electromobility, measures on the train, and sustainable disposal of tailings.

As of November 1st, 2023, CMP has undergone an organizational change. This change aims to comply with the legal regulations established in the law on economic and environmental crimes, which implies creating the Inspection area. This area comprises the Legal Affairs and Compliance unit. The Legal Service Superintendency has, as its objective, the prevention, detention, and management of crimes while the Compliance Superintendency's objective is to anticipate crimes and generate corrective actions following current legislation.

Program 1:

CMP closely monitors its environmental responsibilities, reviewing them internally monthly and annually with external support. These responsibilities are classified by their importance and the likelihood of being reviewed. With the environmental crimes law, more attention is given to the most critical situations. Each responsibility has a team in charge of reviewing weekly, especially if there are problems, to solve them quickly. In 2023, it was ensured that these responsibilities were included in the work plans of all CMP areas, and risks were identified to prevent problems. By 2024, a digital system, SAP EHS, will be used to make this tracking easier and more efficient, starting in the first quarter of the year.

Program 2:

In the Huasco Valley Compliance Program, CMP achieved a vital breakthrough by halting discharges on September 26th, 2023. This fulfills one of the important commitments of the Huasco plan, which was to end discharges of the Chapaco outfall. In October, CMP sent SMA a report detailing all the work done on the program since its inception, including relevant reports and data. Now, CMP is waiting for the authorities' final decision on this matter.

Program 3:

After reviewing its plan for 2023, the company set itself the goal of better-controlling emissions and following environmental rules, seeking to be more sustainable. A special group was created with leaders from different company areas to focus on reducing noise, dust, vibrations, and debris, always thinking about preventing and reducing these problems. In addition, with the new environmental crimes law that came into force in 2023, more attention was paid to ensuring that all the company's work complied with it. Every week, teams from different specialties meet to discuss how to lower emissions, avoid community complaints, inform stakeholders, improve how the equipment is handled, think about the environment, and follow all the applicable environmental rules.

The Environment and Climate Change Area was created in 2023, with different specialized areas responsible for monitoring and controlling environmental permits and compliance.

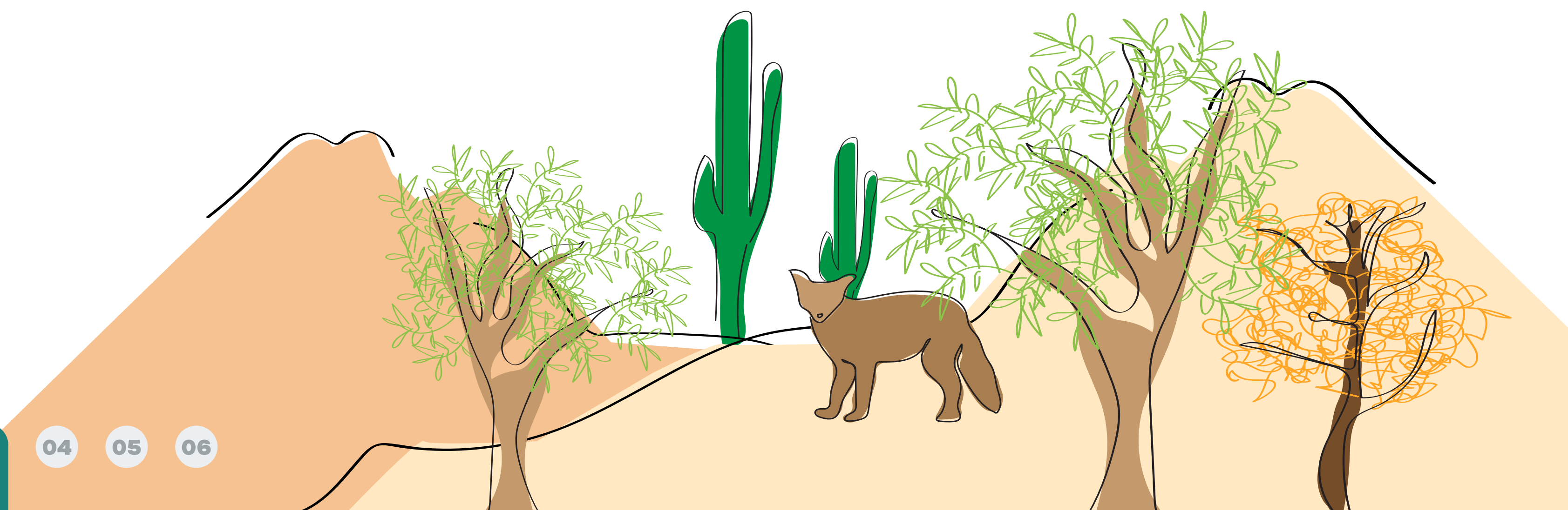
This was reinforced through the strategic emissions control and compliance initiative, which involves incorporating the environmental aspect into all the company's processes. In terms of processes, the incorporation of environmental obligations as an activity or task within the company's different process maps began in 2023, a process where areas validated that the obligations were executed through a master plan, raising the risks associated with non-compliance with a task and therefore with the obligation.

Environmental controls are incorporated into the operational standards disseminated throughout 2023. Assets that control emissions and are part of an environmental obligation as critical assets were determined to make them visible and generate greater control of them.

Additionally, emissions reduction, efficiency projects, water consumption reduction, permits within mining planning, and competencies in environmental matters were defined to reinforce the reliability of sustainability-related positions, establishing KPIs associated with processes and positions where environmental and compliance performance is evaluated.

In October, an official letter was issued to the SMA summarizing the entire compliance program process from its inception to the present. The letter contains all the reports, records, and associated data.

For 2024, the company will continue to monitor the authority's approval regarding this process.



3.3. DECARBONIZATION: ZERO EMISSIONS

(GRI 3.3)

In 2022, the company complemented its long-term plan with sustainability, generating milestones and emission reduction goals through the Sustainability MPG (Pellet Plant Decarbonization Project). A medium- and short-term roadmap was established to reduce Scope 1 and 2 emissions by 40% by 2030. Complementary to this, the short-term strategy is to incorporate climate change into the processes, seeking and authorizing actions and projects that leverage emissions reduction. In the medium and long term, sustainability should be incorporated into engineering early so that projects have processes with low GHG emissions. CMP's goal is to reduce direct emissions by 40% by 2030. The National Mining Policy requires that we become carbon neutral by 2040; for this, CMP will conduct studies based on natural solutions, for example, conducive to achieving this goal.

Emissions have decreased by approximately 5% compared to the base year, mainly associated with improved energy consumption.

In addition, the company set in motion its electromobility initiative, where it migrated from fuel-consuming personnel buses to electric ones, avoiding 3,343 annual direct tons of CO_2 emissions.

45 buses were deployed in all CMP's valleys, in addition to the battery-based mining cargo transport trucks with a 55-ton capacity.

As of 2023, CMP has strengthened emissions control by implementing an internal monitoring network. This network indicates preventive alerts to avoid exceeding internally defined limits. This measure applies to both our personnel and those of contractor companies, allowing mills to reduce energy consumption by approximately 10%.

Emission mitigation projects such as covers, road improvements, pipe encapsulation, and silencers have been introduced.

Monitoring and validation of CEMS measurements have also been carried out in the Pellet Plant precipitators, and an electromobility program has been implemented in stages, migrating from traditional to electric buses in the Huasco, Elqui, and Copiapó Valleys.

An important measure is the consolidation of Electric Shovels in MLC (Mina Los Colorados).

Air quality

CMP has implemented plans to improve air quality in Huasco and Guayacán. It is introducing technology to reduce CO_2 emissions by 40% by 2030, and action plans to minimize suspended dust entering the community.

Carbon footprint

GeoInvest, one of the companies authorized under the Huella Chile Program, verified the 2022 carbon footprint. In addition, in 2023, a corporate application was made to the Huella Chile program for the quantification and reduction seals to obtain the 2022 certification. The results of the applications are expected in 2024.

Strengthening the Monitoring Network

As part of a strategic initiative, CMP has **strengthened emissions control by implementing an internal monitoring network**. The objective is to detect preventive warnings to avoid exceeding the internal limits established by a standard. This measure applies to both the collaborating companies and our staff, and it has allowed us to reduce the mills' energy consumption by approximately 10%.

Huella Chile Seal

CMP MOVES TOWARDS A ZERO-EMISSIONS MINING OPERATION

Permanently reducing its carbon footprint and operating with high sustainability standards is the environmental goal that Compañía Minera del Pacífico (CMP) has set for itself in the coming years. With this vision, the company was recognized for the second consecutive year with the HuellaChile Seal, an official initiative of the Ministry of the Environment that distinguishes organizations that have made efforts to quantify, reduce, or neutralize greenhouse gas (GHG) emissions in the country.

"At CMP, we are committed to a different kind of mining that contributes to the development of the regions and their people. Therefore, we are implementing different actions to achieve operational excellence. An important aspect is to make progress in emissions control and reduce the carbon footprint according to our short- and long-term planning with clear goals. Receiving this important certification encourages us to continue working to fulfill our commitment to a more sustainable and environmentally friendly country", Paulina Andreoli, CMP's Environment and Climate Change Manager.

Decarbonization in Pellets Plant

Replacing coal with natural gas as a fuel, looking to reduce particulate matter emissions by 98%.

Progress in 2023 and expectations for 2024: CMP continues with its commitment to decarbonization, and during 2023, progress was made in the design alternatives and analysis. Within the following steps, it is planning to present an Environmental Impact Statement (EIS) to the Environmental Impact Assessment Service (SEIA) and thus have the authorization for its construction and the supply of the infrastructure needed to fulfill the commitment.

Natural gas extraction trucks at Los Colorados Mine

They will allow reducing CO_2 emissions by between 20 and 25% and PM emissions by more than 30%. This project is promoted together with Engie.

This measure is in addition to the adoption of two electric shovels at Los Colorados Mine located in Huasco, Atacama Region, which will increase operational efficiency with lower emissions and costs per ton of material moved.

On the other hand, the company celebrated the arrival of the first electric mining truck built by Yutong for its Filtered Tailings Deposit in Huasco. This is the first of four that CMP will incorporate, each capable of transporting 55 tons of cargo.

Other emissions mitigation measures

Several emissions mitigation projects have been carried out, including the implementation of covers, road improvements, chute encapsulation, and silencer fitting. CEMS measurements have also been monitored and validated for the Pellet Plant's precipitators.

Hybrid vessel

CMP received the first hybrid vessel powered by natural gas and fuel, an example of energy efficiency and marine ecosystem protection. Mount Ita is a bulk carrier-type vessel and was launched in 2023. Its main innovation is its double-feeding system which reduces CO_2 emissions by 43% compared to traditional vessels, thus bringing forward the recommendations of the International Maritime Organization's agenda for 2030.

The use of this vessel reduces CO_2 emissions by **43%**, which further strengthens the company's decarbonization roadmap

"In this way, CMP is moving towards iron mining that has the best of our processes and encourages us to permanently continue innovating and incorporating new technology", Paulina Andreoli.


LNG
HIMALAYA SHIPPING
MOUNT ITA
TUG
CMP

3.4. **WATER**

(GRI 3.3)

Aware of the importance of the water issue in the Atacama and Coquimbo regions for people's quality of life and development, all future projects aim to operate with 100% desalinated and recirculated water.

So far, 46% of the water used comes from desalination. In the Copiapó Valley, where the Magnetite Plant is located, all the water supply is obtained from the Pacific Ocean.

Cerro Negro Norte Mine uses **100%** desalinated water in its processes.

The company has proposed **reducing freshwater consumption by 30%** by 2024.

(GRI 303-1)

Its water resources management standard prioritizes minimizing consumption, finding alternatives to reducing the use of continental water, and meeting established reduction goals.

It also has three plants that are located in areas of water scarcity, namely El Romeral, Los Colorados Mine, and the Pellet Plant. To use water efficiently, CMP uses information from flow meters installed in the plants. This instrumentation is online and enables systematic tracking and mapping of water use.

The water CMP uses comes from different sources, such as rivers, wells, and desalinated water.

These have the corresponding environmental and sectoral authorizations.

The worksites in the Copiapó Valley use desalinated water for their processes. This water is extracted from the Aguas CAP Desalination Plant, located 25 kilometers north of the city of Caldera. This source of supply constitutes an important contribution to process sustainability. In addition, the Magnetite Plant recycles the water extracted from the reprocessed tailings of Minera Candelaria.

Reduction of water consumption

(GRI 303-2)

In 2023, CMP focused on the Pellet Plant's "Filtered Tailings Deposit" project, which has reduced freshwater consumption from the Huasco River by 28% since its activation.

This project's start-up is estimated for 2024, maintaining the company's projection of fulfilling its goal of reducing continental water consumption by 30%.

In addition, the CMP freshwater makeup, which is the m^3 of freshwater consumed per ton processed, has achieved a 29% reduction compared to 2020, while maintaining desalinated and recirculated water consumption in all processes of the Copiapó Valley.

All Environmental Qualification Resolutions include the consumption and authorized source for the water supply in the different processes. These environmental authorizations govern our operations. For the sectoral authorizations, we comply with the Water Rights resolutions approved by the General Directorate of Water (DGA) and the operational consumption approved in the projects' Environmental Qualification Resolutions.

In 2023, due to a change in the Water Code, CMP managed to present several files to the DGA of the Atacama and Coquimbo regions for the use of water for El Romeral, Los Colorados, Cerro Negro Norte, and El Algarrobo Mines. This is complemented by a hydrological study that describes the use of this water in mining processes, ensuring that it will not affect the surrounding community or environmental variables.

Since September 26th, 2023, the discharge of the Chapaco outfall at the Pellet Plant has ceased, and CMP has not generated effluents since the water generated from the processes' tailings is recirculated to it. Prior to that date, the effluent from the Pellet Plant was in compliance with Supreme Decree No. 90, which regulates the discharge of pollutants into marine and inland surface water courses and sets maximum permissible limits for the discharge of liquid waste.


Papel y Cartón
RESITER

3.5. CIRCULAR ECONOMY AND WASTE

Waste Management

(GRI 306-3)

During the first half of 2023, a plan for standardizing storage sites and segregation at transitional points was generated. A dissemination plan aimed at collaborators and contractor companies was also activated, emphasizing the message of eliminating single-use plastic in cafeterias. It is worth highlighting the support received from food suppliers through the implementation of olive oil bottles, the elimination of plastic cutlery, and the company's provision of reusable bottles.

REP Law's management plan was successfully implemented in 2023, complying with current regulations and receiving recognition from Bridgestone. Compared to 2022, the company has made progress in the correct segregation and reduction of waste.

In 2024, it is planned to increase recycling and recovery rates, encouraging obtaining by-products from these processes. The source's waste generation rate is also expected to decrease gradually over time, promoting the circular economy of CMP products.

Valuation of historical non-hazardous liabilities

CMP dealt with an important part of its historical not-for-use tires (NFU) by reusing 35,480 kg and recycling 42,330. These tires will have a new life by being transformed into rubber mats to be installed in CMP's gyms.

Regulatory compliance will continue in 2024, and it is planned to make progress on initiatives that allow the by-products generated by the valorization of NFU to return to the company's processes.

Responsible waste management initiatives

1. **Reuse of Corporate Clothing**
2. **Revalorization of Electronic Waste**
3. **Recycling of Plastic Bottles**
4. **Tire recycling**

Mining tailings

Tailings are materials left over from the mining production process.

In 2023, a GISTM adherence study of the four tailings deposits (including an offline deposit) was carried out. Incorporation of the IDR (Delfing), SMA Water Instructional Compliance (Res. 31), Compliance with Supreme Decree No. 248, End of tailings discharge to the sea from the Pellets Plant (September 2023).

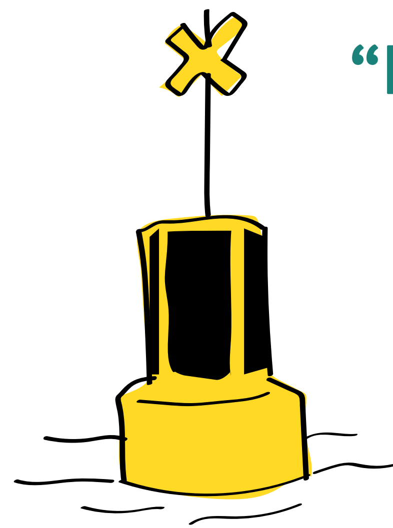
In 2024, the following is expected: increasing the GISTM adherence percentage, ITRB, Implementation of instrumentation, Geotechnical Characterization, Closure Plan for El Romeral, Hydrogeological model, MOMV, Emergency plan, Monitoring and Reportability, and DRF start-up.

3.6. BIODIVERSITY

(GRI 3.3)

Hydroacoustic buoys

In February 2023, on Chungungo beach, in the commune of La Higuera, CMP, together with the company Acústica Marina, installed the first two hydroacoustic buoys in Chile, which aim to monitor and map underwater noise: fauna and boats, and in this way, safeguard life in the ocean. This project has become the first port-mining initiative worldwide to focus on the marine ecosystem. Through this technological solution, it will be possible to monitor, control, and monitor marine fauna and vessels, generating, in the future, real-time warnings with a focus on the study and conservation of marine life and ecosystems. This initiative aligns with the United Nations Sustainable Development Goals (SDGs), so work on the detection and monitoring system will continue in 2024.



"Four smart buoys have already been installed in Chungungo".

Wetlands

Within the certification framework of the Vallenar Urban Wetland in 2023, CMP actively participated in seminars and workshops set up by the Illustrious Municipality of Vallenar to promote tourism in the wetland, develop hydrological models, apply to an environmental protection fund, and plan wetland cleaning instances.

On September 1st, 2023, the Council of Ministers of Sustainability and Climate Change unanimously approved the Puerto Cruz Grande Nature Sanctuary, a milestone that reflects CMP's commitment to environmental conservation.

This initiative, in line with current legislation and the objectives of the Environment Ministry, protects 487 hectares of biodiversity, promoting the natural evolution of ecosystems and preserving their unique interactions.

Partnerships for biodiversity

The company is preparing for the entry into force of Law No. 21,600/2023 of the Ministry of the Environment. This will create the Biodiversity and Protected Areas Service, which will be operational in September 2024. The Biodiversity Information System Platform, on species inventories, geographical information, ecosystem services, degraded areas, and priority sites, among others, will also come online to conserve biological diversity and protect the country's natural heritage through preservation, restoration, and use of sustainability of genes, species, and ecosystems.

Restored areas

Based on the species recovery plan linked to the Biodiversity and Protected Areas Service Law and in line with the Ministry of the Environment's (MMA) strategic objective, on September 1st, 2023, the Council of Ministers of Sustainability and Climate Change unanimously approved the **Cruz Grande Nature Sanctuary**, a private Protection Area submitted by CMP in January 2020 to the Ministry of the Environment. This proposal covers 487 hectares, and its main objective is the protection of relevant conservation objects by preserving their habitat to allow the natural evolution of ecosystems and ecological interactions between the different species they comprise, raising protected areas in the Coquimbo Region from 0.37% to 2.5%. This aligns with the conservation of the objects associated with the flora component, specifically the endemic species lucumillo. Currently, the species nursery process is being maintained, and we are waiting for the Ministry of Environment's ruling to prepare the management plan for the area.

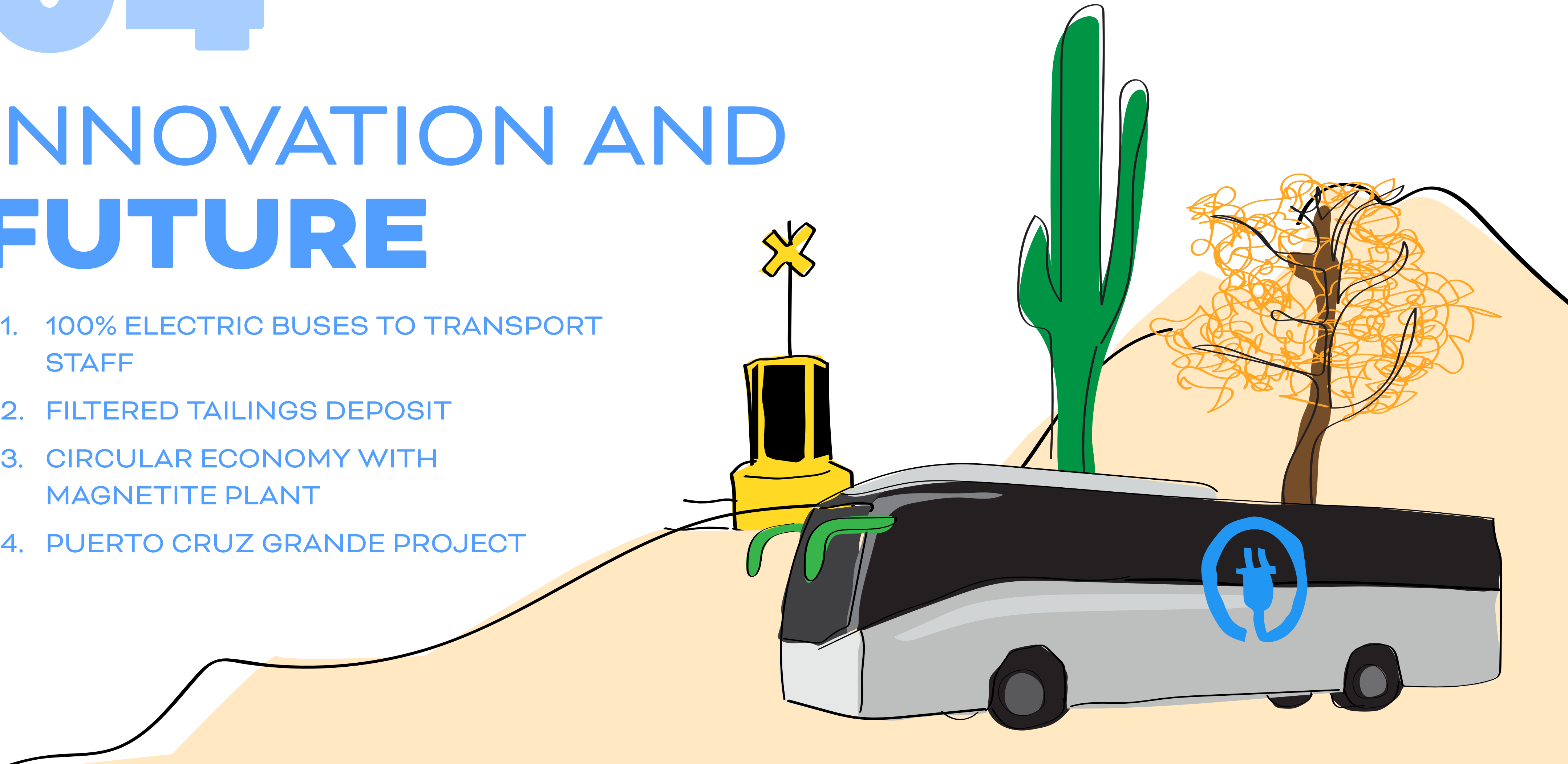
Puerto Cruz Grande Private Protection Area (PPA)

CMP is developing management plans for sensitive areas and implementing a geographic information system that consolidates all the biodiversity information of its operations. One of the main challenges for 2024 will be managing the Puerto Cruz Grande Private Protection Area.

CMP leads Public-Private initiatives for Biodiversity, including a Biological Management Plan at Los Colorados Mine, internal training, biodiversity controls at the Magnetite Plant in collaboration with the Desierto Florido National Park, environmental fairs, guided tours to parks and wetlands, and an agreement with the University of La Serena for the reforestation of native species and research activities.

04

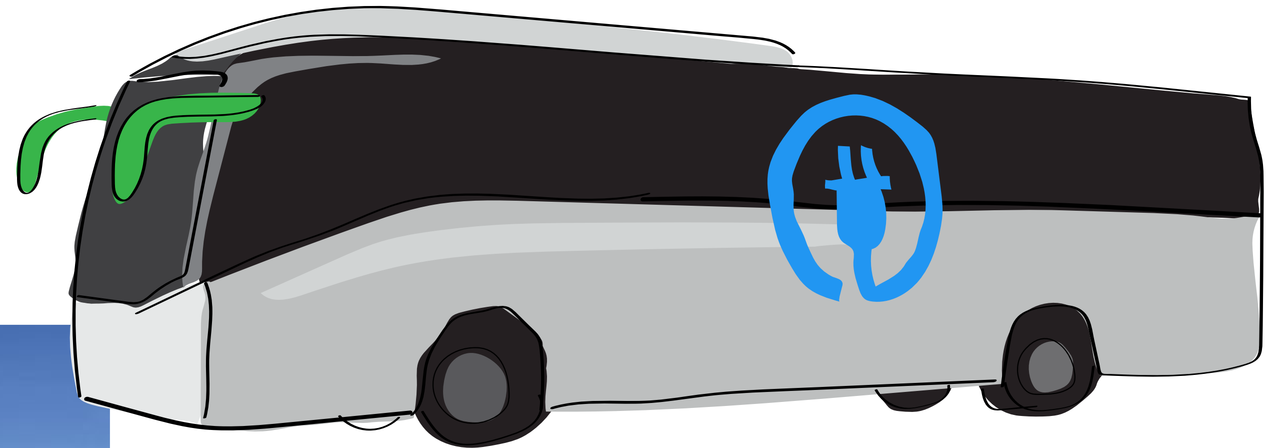
INNOVATION AND **FUTURE**



4.1. **100% ELECTRIC BUSES TO TRANSPORT STAFF**

(CMP 2)

In September 2023, CMP became Chile's first private mining company to switch its buses to electric, powered by renewable energies. In partnership with Verschae, Flex, and Enel X, a fleet was implemented that will reduce more than 3,000 tons of CO_2 per year and save 50% in operating costs compared to diesel buses while generating no noise.



The key innovation of electric buses is their dual power supply system, which **reduces CO_2 emissions by 43%** compared to traditional vehicles.


DESARROLLO
SOSTENIBLE
BUS 100%
ELÉCTRICO
flex
CMP

Pilot of natural gas extraction trucks

In an effort to reduce emissions, CMP, in collaboration with ENGIE Chile, launched an innovative pilot project in October 2023 that uses a "dual fuel" system in its extraction trucks. This project, which started in 2022, seeks to optimize performance and sustainability and is currently in the operational adjustment phase. An LNG refueling station was installed as part of the process, and a truck was adapted for testing.

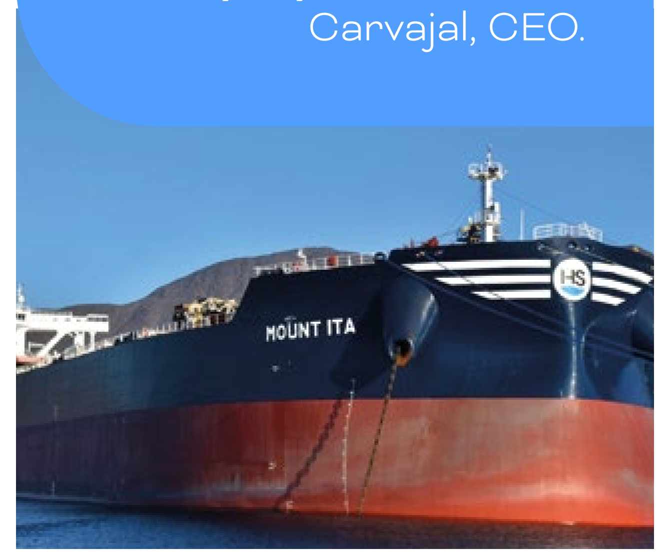
The "dual fuel" system mixes natural gas with traditional fuel, lowering CO_2 emissions by 20% to 25% and particle emissions by more than 30% without affecting performance.
It also has economic savings for mining.

Arrival of the first dual-system vessel

In May 2023, CMP received the first vessel with a dual natural gas and conventional fuel system for maritime transport. Mount Ita's arrival achieved this. The vessel's main innovation is its dual power supply system, which allows it to reduce CO_2 emissions by 43% compared to traditional ships.

By receiving the dual-system vessel, CMP brought forward the International Maritime Organization's **emission reduction targets for 2030**, moving towards its goal of reducing Scope 3 emissions related to the transportation of its products to other continents.

"The arrival of Mount Ita aligns with CMP's strategy of promoting sustainable mining for the development of the region and its people", Francisco Carvajal, CEO.



Mount Ita in Compañía Minera del Pacífico's Guacolda II Port of, the first hybrid natural gas and diesel vessel to arrive in Chile.

CMP has made significant progress in projects aimed at promoting innovation and the integration of advanced technologies. These projects focus on the transition to cleaner fuels and the implementation of renewable energies in its operations.

4.2. FILTERED TAILINGS DEPOSIT (FTD) AND LANDSCAPE REHABILITATION PROJECT

(GRI 3.3)

The filtered tailings deposit is part of a project that seeks to provide a sustainable solution for the final disposal of tailings generated at the pellet plant in Huasco. This project uses electric trucks to transport tailings from the discharge building to their final disposal in the Filtered Tailings Deposit (FTD), which is about to enter operation.

The process consists of building a reservoir that will be filled using terraces as it progresses and covered with sand and native plant species thanks to an ecological restoration project with the universities of Santiago, Católica de Santiago, and Católica de Valparaíso.

The filtered tailings are a solid material, easy to handle, and low in moisture, facilitating their transport and reducing environmental impact.

The FTD was fully built in 2023, and the operational lines were managed to comply with Chilean environmental resolutions, sectoral permits, and regulations (Supreme Decree No. 248 and Instruction No. 31 SMA). Currently, the FTD is undergoing adjustments to reach optimal operating capacity, allowing Huasco Valley's operational continuity under the commitment acquired with the approval of the Environmental Compliance Program.

Creating an innovative and scientific solution led InnovaChile-CORFO to fully certify the **investment of more than $1.6 billion** in this initiative under the R&D Tax Incentive Law.

This is the largest project of its kind in Atacama and one of the largest in Chile so far.

Disposal

The tailings will be deposited on five terraces, each 10 meters in height, to maximize their stability in an environmentally sustainable layout and following domestic and international standards.

Location

The deposit is located 1.5 kilometers south of the Pellet Plant, on CMP's land.

Mining Tailings Landscape Rehabilitation Project

With the support of CORFO, the Landscape Rehabilitation project aims to develop a method to revitalize the landscape of the Pellet Plant's Filtered Tailings Deposit in Huasco by planting native flora.

This progress is feasible because the tailings produced by CMP, obtained after pressing and filtering the rock during iron extraction without using chemicals, are inert. This allows them to be covered with granular material and sand, creating an environment conducive to plant growth.

The project represents a sustainable strategy to manage tailings, applying phytotechnology to solve environmental problems through this innovative approach in Chile. This will contribute valuable scientific knowledge in a still emerging field, offering a long-term solution that is less invasive and has significant benefits from the second year of operation.

Approximately 2,900 plants of five local species have been grown at the Los Olivos nursery, and four additional species are planned to be incorporated by 2024. The experiments have been conducted in the laboratories of the Department of Biology of USACH in Santiago and CMP's nursery in Huasco, where nine species have been successfully reproduced.

The third phase will begin with the operation of the Filtered Tailings Deposit, implementing a pilot program with the first tailings disposed of. The fourth and final stage will include elaborating a methodological guide based on the project's findings.

Circular Economy Project

Work is underway to incorporate circular economy principles into the design of the tailings deposit based on pilot studies. Phase three of this project is underway, and the experimental pilot is expected to be ready at the FTD in 2024.

This collaborative effort involves the University of Santiago de Chile, the Catholic University of Valparaíso, and the Pontifical Catholic University of Chile.

Archaeological findings during the works

Archaeological findings were made in constructing the Filtered Tailings Deposit (FTD) project, whose recovery was authorized by the National Monuments Council (CMN, in Spanish).

According to the protocol, the work in the sector was suspended, and a permanent inspection of the area by an archaeologist and a specialized team was implemented.

In addition, talks are held for personnel who carry out earthworks and excavations, given the importance of preserving Huasco's archaeological and cultural heritage.

Cybersecurity

The IT team has strengthened and improved its digital security measures, which has allowed it to prevent major problems and protect systems and information. In 2023, there were no incidents with customers' personal information. Data security and privacy are very serious concerns for CMP, and the company follows all relevant standards and the best strategies in the sector. The policies and methods for handling personal data guarantee the greatest care and protection of customer information, preventing access or improper use by third parties.

In 2023, CMP faced no IT security problems thanks to our firm commitment to IT security and investment in advanced technology.

4.3. CIRCULAR ECONOMY WITH MAGNETITE PLANT

(GRI 3.3) (GRI 306-1) (GRI 306-2)

At CMP, we have focused on promoting recycling and reducing waste generation in our value chain.

We promote reuse or recycling by guaranteeing an environmentally safe final waste disposal through different programs.

Our main circular economy project is the Magnetite Plant, which is world-renowned for its mining waste reprocessing capacity.

In this plant located in Tierra Amarilla, Atacama, iron ore is extracted from copper tailings from Minera Candelaria. Simply put, what was considered waste is transformed into high-value raw material through non-polluting processes to convert it into Pellet Feed, a product for export.

The Magnetite Plant constitutes the largest mining recycling project in the country and one of the largest worldwide, being an example of circular economy and sustainable operation. In 2023, an additional 25% of reuse was achieved compared to 2020. Tailings are considered environmental liabilities. They are waste from mining processes, comprising water and ground rock fragments, in which many unused minerals may be present.

From this mining waste, an iron concentrate (or Pellet Feed) is produced at this plant for export. This confirms that the circular economy is a sustainable business and contributes to the environment by using environmental liabilities, such as tailings, to give them a second productive opportunity.

The Magnetite Plant started operating in 2008, and a significant milestone was the approval of an Environmental Impact Statement in 2022, particularly for the operational adjustments' initiative.

This plant is also sustainable, using water recovered from the tailings and desalinated water.

One of the magnetite plant's great values is that it reduces an environmental liability in a saturated area. "Thanks to Magnetite, we can do mining that is considered *sustainable development for the region and its people. A very noble process is achieved at the plant because it is done considering the magnetic concentration. Using magnets, we recover iron from the tailings",* Paulina Andreoli, CMP Environment and Climate Change Manager.

Project:
Tire recycling

Progress in 2023

- Implementation of Supreme Decree No. 8, which establishes goals for collection, recovery, and other obligations for tires.
- CMP is committed to collecting and valorizing 25% of the not-for-use (NFU) Grade A and B tires purchased in 2022 in collaboration with Bridgestone company.
- Valorization of 224,826 kg of NFU in 2023, meeting the goals established by law and receiving recognition from Bridgestone for exceptional compliance.
- 35,480 kg of historical NFU were reused, and 42,330 kg were recycled, transforming them into rubber mats for CMP's gyms.

Expectations for 2024

- Continue to comply with the established regulations.
- Make progress with initiatives to reintegrate the by-products generated by the valorization of NFU into CMP's processes.

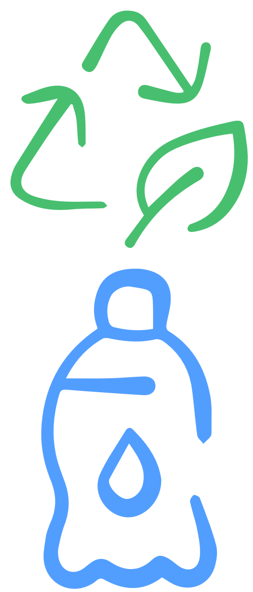
Project:
Plastic bottle recycling

Progress in 2023

- Start campaigns to reduce and eliminate the use of plastic bottles in our facilities.
- Implementation of pilot initiatives that included the delivery of reusable water bottles to all workers.
- Installation of water dispensers at all work points to encourage using reusable bottles.
- Installation of purified water dispensers in schools, sports centers, and venues for community use.

Expectations for 2024

- An expected 60% reduction in the generation of PET plastic by continuing and expanding the initiatives implemented in 2023.



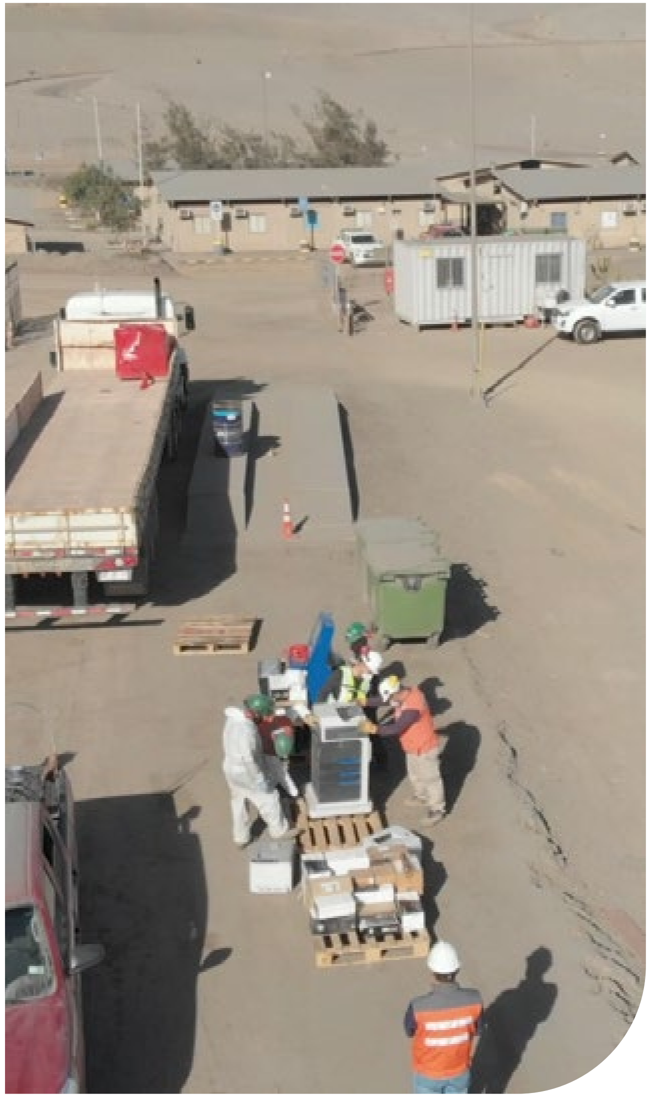
Project: Electronic waste revalorization

Achievements in 2023

- Valorization of 2,318 kg of electronic waste.
- Preparation for the reconditioning of waste in 2024.
- Planning of donations to schools and fisher's organizations.

Expectations for 2024

- Reconditioning of electronic waste.
- Planned donations to Fisher's colleges and organizations as part of our social and environmental responsibility efforts.



Project: Reuse of corporate clothing

Initiatives in 2023

- Installation of containers in the 9 worksites to collect corporate clothing.
- Launch of a dissemination campaign about the project.
- Preparations for the first shipment of clothes for recycling and reuse were scheduled for March 2024.
- Carried out with authorized suppliers, ensuring compliance with legal requirements for operation.

Expectations for 2024

- Receiving by-products from recycling, such as threads.
- Using threads in community workshops.
- Restoring clothing suitable for reuse, handing it over to local communities.

4.4. PUERTO CRUZ GRANDE PROJECT

What is the Puerto Cruz Grande project?

This consists of a port for the shipment of mining bulk, with the capacity for cargo ships of up to 250,000 metric tons.

It is located in the Coquimbo Region, La Higuera commune, in the Chungungo Cove, 30 kilometers south of the Humboldt Archipelago, almost opposite Pájaros Islet.

Its initial objective is to provide reception, collection, and shipment services for 13.5 million tons of minerals annually.

The project consists of maritime facilities, such as a pier with an access bridge, pivot platform, quadrant platform for the loader, ship loader, and elements for docking maneuvers.

Onsite facilities such as a collection yard, recovery system, and conveyor belts are also included. In addition, there is an administrative building, a control room, and a maintenance workshop, and basic service facilities.

As part of CMP's plan, the Puerto Cruz Grande project included defining a work plan with the community and identifying key areas to contribute to the economic development of La Higuera and Chungungo beyond creating jobs for port operations.

Surface area of the project

31
hectares.

Tourism development plan

Through Puerto Cruz Grande, CMP set out to confirm its purpose of creating a different mining that contributes to the region and its people. The Chungungo Tourist and Historical Development Plan emerges from this, highlighting the area's cultural, mining, and gastronomic heritage, becoming an important showcase for entrepreneurs in the sector.

15 lines have been developed: branding, Chungungo space, tourist office, emergency brigade, Chungungo Expo, historical positioning of the El Tofo mine, training, competitive funds, positioning within local tourism, kitchens, signs and signage, agro-apiculture project, diving school, viewpoint, and entrepreneurial route.

Thanks to this tourism development project, more than 50 initiatives have been developed for the community, many with their respective training. More than 30 suppliers and entrepreneurs have also been formalized, generating employment and economic development in the area.

"Without a doubt, this initiative will produce very positive results for entrepreneurs, who value this activity as part of the Tourist, Local, and Historical Development Plan that CMP supports. This seeks to promote tourism in the locality and promote the development opportunities for the residents of Chungungo", Claudia Monreal, CMP Assistant Development Manager.

CMP

Some projects to highlight

Tourist routes led by entrepreneurs

Bicycle and/or hiking tours, the Lucumillo (endemic shrub) Route, a coastal route characterized by native plants such as Lucumillo and other types of endemic species and shrubs. It starts at the Plaza de Chungungo and heads towards the coastal sector, a route where you can enjoy postcard views of Cruz Grande Beach and see Damas, Choros, Chañaral, and Chungungo Islands.

Historical Chungungo

It is the perfect route to appreciate the mining vestiges of past decades, the old pier, and the El Francés Ruins, ending with the great view from the Wharf.

Expo Chungungo

40 versions and 18 formalized entrepreneurs, mainly dedicated to local crafts and gastronomy. One of the great milestones was the Fiesta del Churrasco Marino, which was held in February 2023 and attracted 4,000 visitors.

Beekeeping Project

This is a novel initiative for honey production using desalinated water. A nursery was installed 500 meters from the sea, and 15 entrepreneurs from the area were trained. Currently, the nursery has 3 beehives, each with 20,000 specimens.

"This is a wonderful project, which we love because we have worked hard moving earth, stones, and planting. We have brought bees from La Serena, a hive, with queen bee eggs and experimented with this, feeding them with desalinated water." Ericka Araya, Beekeeping partner at Entre Costas y Nieblas

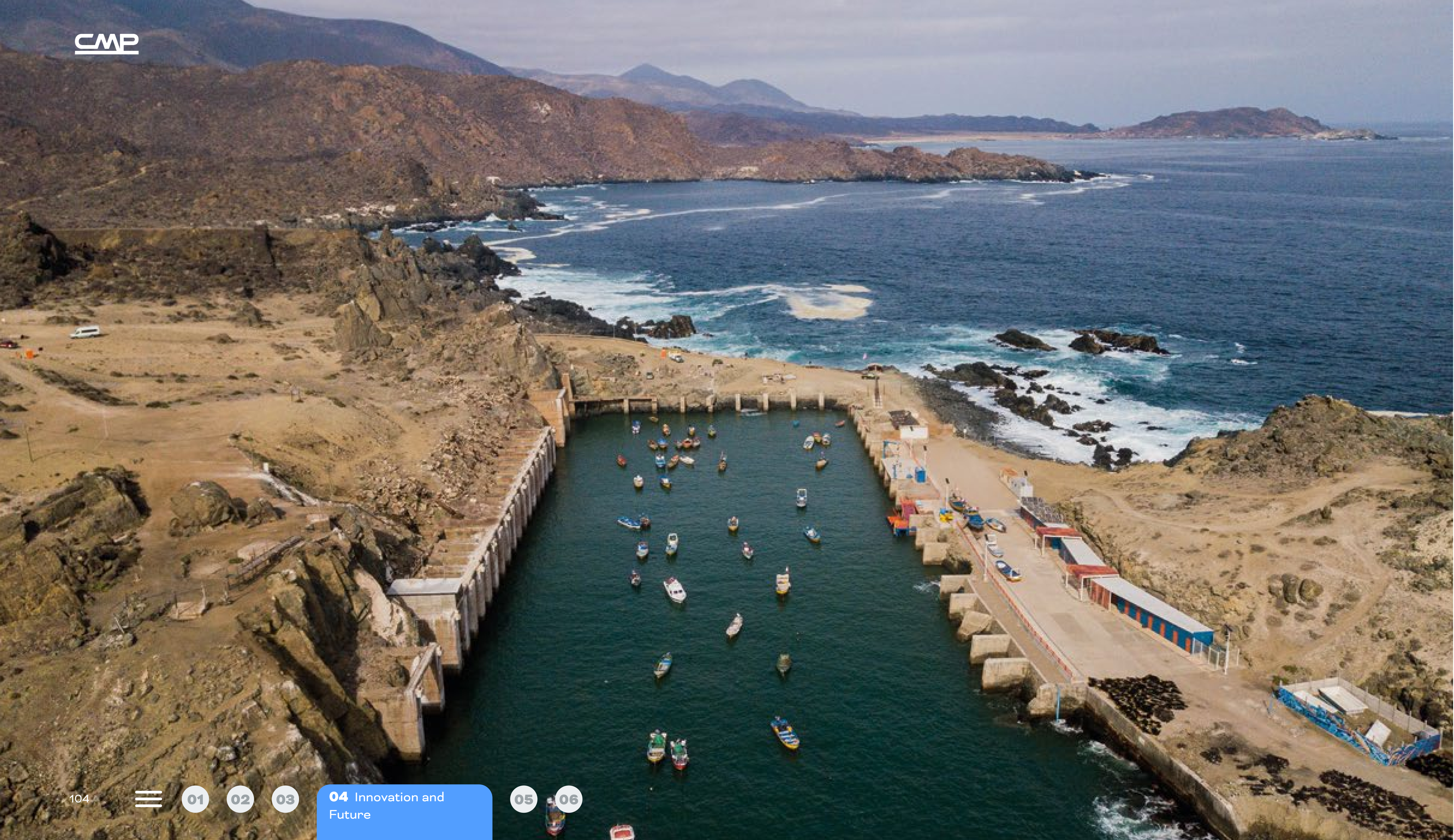
This innovative agro-beekeeping project in Chungungo looks to promote tourism in the commune and, mainly, the care and protection of the environment, as it is developed close to native plants such as quillay, peumos, litres, lucumillo, and aromatic plants such as chamomile, mint, and rue. Of these, 600 are fragrant, 45 from large native trees, and 45 are shrubs.

"It is an exciting project. We think that in the long run, it will bring great benefits for the commune and region. In addition, it is a method that can be implemented by other sectors or regions so that we can all contribute and adapt to climate change, which is hitting harder and harder. The benefit that bees bring to our ecosystem is very relevant, and these opportunities that benefit the development of life and the care of the environment cannot be missed", Claudia Monreal, CMP Assistant Development Manager.

Community Aid Brigade:

Conducting workshops for neighbors to act in an orderly manner in emergencies such as earthquakes, fires, or tsunami warnings. The National Disaster Prevention and Response Service, SENAPRED (former ONEMI) carried out the training.

"We are delighted with the formation of the community response brigade in Chungungo. It will allow us to attend to different requirements and emergencies that occur in the sector thanks to the voluntary interest of neighbors who now have essential knowledge in the matter, being able to participate in or request help, for example, from the Police, the municipality, or Firefighters, more quickly in a given situation on being residents. We are grateful for the training given by ONEMI, a relevant actor in the entire process, and to CMP for sponsoring and promoting initiatives of this kind, which are replicable in other sectors of the commune", the Mayor of La Higuera, Yerko Galleguillos, pointed out.



05

PEOPLE WITH **DIVERSITY**

5.1. APPROACH

People development at CMP focuses on cultivating an inclusive, productive, and sustainable work environment where employees' well-being and professional development are priorities. Our commitment aims at:

Promoting diversity and inclusion: Creating a workspace where everyone feels valued and respected, regardless of their gender, origin, age, or any other differences

Development and training: The company offers permanent learning and professional growth opportunities so all employees can reach their maximum potential.

Collaborator well-being: CMP implements wellness programs that address employees' physical, emotional, and financial needs, promoting a healthy work-life balance.

Open communication: We always seek to promote open and transparent communication to foster the trust and commitment of all organization members.

Occupational health and safety: The objective is to prioritize occupational health and safety, ensure a safe working environment, and promote healthy practices.

Recognition: To value and recognize individual and team contributions, motivating our employees to maintain high performance.

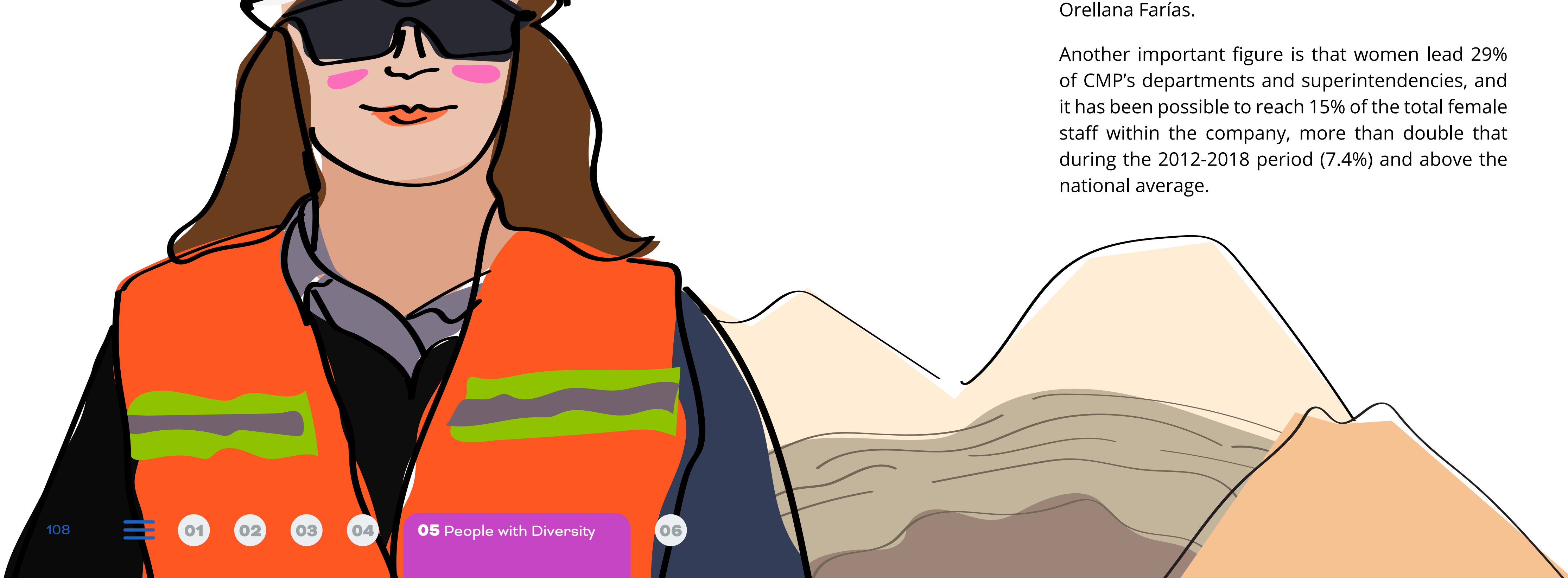
Social and environmental responsibility: To encourage the participation of our employees in initiatives that contribute to the sustainable development and well-being of the communities in which the company operates.

Our goal is to be an employer of choice where talent is attracted, developed, and engaged, thus contributing to CMP's continued success.


CMP

5.2. DIVERSITY AND INCLUSION

(GRI 3.3)



CMP continuously works to promote a greater integration of women in the company. In 2023, 47% of new hires were women, raising female participation to 14%.

In addition, the executive committee is **60% female**, which demonstrates a commitment to diversity and gender equity at all levels of leadership.

Executive Committee

In 2023, CMP consolidated itself as the first mining company to have an executive committee with an equal number of male and female managers. Another milestone was the appointment of the first woman in Chilean mining history to assume the direction of the company's operations: Makarina Orellana Farías.

Another important figure is that women lead 29% of CMP's departments and superintendencies, and it has been possible to reach 15% of the total female staff within the company, more than double that during the 2012-2018 period (7.4%) and above the national average.

1) Executive Committee: The following management positions of the CMP Executive Committee are held by women:

Planning and Development Manager
Claudia Monreal.

Occupational Health and Safety Manager
Stephanie Wilhelm

Relationship and Shared Value Manager
Macarena Herrera.

People Manager
Carolina Lomuscio

Operations Manager
Makarina Orellana

Environment and Climate Change Manager
Paulina Andreoli

Promotion of STEM careers in school girls

Compañía Minera del Pacífico (CMP), in collaboration with Finning, launched the Educational Robotics Workshop aimed at girls in 7th and 8th grade to promote education as a key tool for regional development. The workshops were held by the Catholic University of the North, benefiting a total of 42 students aged between 12 and 14 from schools in Huasco, Freirina, Vallenar, Domeyko, and Coquimbo, who showed a lot of interest when learning to program the movements of a robot.

The dynamic aimed to enhance skills and knowledge in science, technology, engineering, and mathematics (STEM) so that children, from an early age, consider new areas of professional development in the country's primary productive industries without gender bias.

"From CMP, we consider education a fundamental pillar of progress in this direction. Through our skill-building program, in collaboration with the Alfadeca project, the Local Public Education Service, and the Vínculo project, we bring science, engineering, technology, and mathematics closer to the next generation.
We want this experience to be memorable and open the way for more women to join STEM specialties and incorporate them into their lives to achieve academic and professional development in the future." Carolina Lomuscio, CMP's People Manager.

Agreement with Women In Mining Chile (WIM)

"We are happy to sign this vital collaboration agreement with WIM, which will allow us to further reaffirm our commitment to women in mining. From CMP, we are aware of the value that they provide both for our company and for the industry, and that is why we have a sound gender equity strategy that seeks to increase women's participation in the sector and promote their leadership", Francisco Carvajal, CMP's CEO.

Through this agreement, the company commits to promoting WIM's activities and projects within its organization and making women's participation in the mining sector visible. It will also facilitate WIM's role in events, seminars, and discussion panels organized by the company to highlight female leadership and experience at an industry level.

The commitment also involves generating business opportunities for WIM business partners and providing internships to the students involved, thus contributing to their academic and professional development. CMP is committed to actively incorporating the entity in its recruitment processes, especially in programs aimed at young graduate professionals and trainees.

Wage gap

CMP's commitment is oriented to an employment value proposal with competitive, equitable, differentiating, and mobilizing compensation for those who work in the company, according to their different roles, performance, and experiences. This proposal contributes to the well-being, economic security, and integral development of all workers, framed within the process of risk management, based on the region, and closely linked or aligned to the Company's strategy.

Total compensation is one of the strongest communication and motivation tools between workers and the Company, so it must follow the values of CMP.

This involves conducting salary reviews with employees in non-competitive salary zones, making attractive offer letters to attract the best talent with an attractive total compensation proposal, positioning current staff according to the role and experience in the position, developing and maximizing the performance of all workers through goals that connect with the business, and managing compensation from a defined structure for the different levels.

CMP has a "workplace and sexual harassment and violence management and prevention policy."

Reporting channel: An online reporting channel allows anyone who has experienced or witnessed harassment to file a report anonymously or by identifying themselves. These reports are channeled to the Labor Order Unit of the People Area's Superintendency, responsible for conducting investigations following the company's Internal Health and Safety Regulations (RIOHS) provisions. This year, 12 complaints related to workplace and one of sexual harassment were received and investigated through this mechanism.

Dissemination channels have been established for all the company's employees.

Plans made

- The Compensation and Benefits policy established the generation of a competitive employment value offer for employees, positioning us in the 50th percentile at 100% of the Midpoint of the Annualized Total Compensation of the defined reference market.
- We were invited to participate in the Willis Towers Watson (WTW) 2023 Salary Market Survey, evaluate its application, which will be implemented in the first quarter of 2024, and update our competitiveness position.
- The aim is to implement a salary structure for managers, PDPs, and special staff in the Compensation Administration with 12 levels or categories, using the Global Grading System methodology: GGS20 to GGS9. This methodology is the most widely used by the mining industry worldwide and provides competitiveness and equity analysis according to the reference market.
- The single CMP Scale is established for general staff employees. The minimum Base Salary (BS) is set at $556,500, which is 20.98% above the guaranteed MMW in Chile.

- Preparing a monthly compensation base allows for analysis, focusing on executive and professional positions that have lost competitiveness.

Plans for 2024

- The definition and holding of WTW's Position Structure Study will allow CMP to have an updated organizational structure based on the grading positions. (For example, the definition of grade and structure for positions that meet more than one General Staff - PDP classification).
- Certify CMF's wage gap.
- Cases to be normalized following the monthly compensation base must be normalized using each case's salary review, subject to the approved budget.
- Implement digital systems for compensation management, such as Encode and SSFF Compensations Module.

CMP is committed to an employment value proposition that protects competitive, equitable, differentiating, and mobilizing compensation for employees according to their positions, performances, and experiences. It contributes to all workers' well-being, economic security, and integral development. It is framed within the risk management process, based on the region, and closely linked or aligned to the company's strategy.

The total compensation will constitute one of the strongest communication and motivation instruments between employees and the company, so it must respond to CMP's values, which are based on four components:

- **Equity and competitiveness**
- **Benefits and quality of life**
- **Development opportunities**
- **Connection between CMP and personal purpose**

Parental Leave

(GRI 3.3)

CMP seeks to focus on maternity and co-parenting protection.

Co-responsibility is relevant for CMP so that parents can exercise it with a flexibility of up to two months. Likewise, men have been granted one more week of parental leave compared to what is legally established.

A collective agreement allows a 6-week adjustment period when returning to work after parental leave ends.

There is also a policy on maternity protection, child nutrition, and family formation. Among its objectives is the incentive for parental co-responsibility.

Regarding the parental leave incentive, cultural communication campaigns are carried out with CMP's people, both men and women.

Labor inclusion

(GRI 405-1)

CMP has an agreement with the Best Buddies Chile Foundation to promote the labor, social, and educational participation of people with intellectual disabilities and developmental disorders. To this end, the Labor, Social Inclusion, and Leadership Program develops socio-labor skills.

Our company has **12 people** in a situation of disability, **1%** of the staff.

5.3. OCCUPATIONAL HEALTH AND SAFETY

(GRI 3.3) (GRI 403-1)

How CMP manages health and safety in its operations

CMP has defined the minimum requirements to generate, implement, and promote healthy behaviors and lifestyles for workers, including monitoring health cases that require it, avoiding the occurrence of secondary work accidents due to decompensation of pathologies (hypertension, type 2 diabetes mellitus, dyslipidemia or high cholesterol, overweight and obesity) measures that have contributed to raising the quality of life of CMP collaborators.

Health team

- Performs investigations of risk factors and altered examinations (using medical tests and controls).
- Applies the referral program to health promotion, treatment, and rehabilitation activities.
- Accompanies the specific health promotion program (food and physical activity) by groups of pathologies in search of compensation for diseases and health promotion programs for healthy people to keep them healthy.
- Carries out comprehensive health surveillance and monitoring of the promotion program's activities for each patient and reports on the follow-up once a month to each collaborator. For people without pathologies, it does this quarterly.
- Promotes the inclusion of the family, if the collaborator allows, to improve adherence to health promotion activities so that they do these accompanied and motivated.
- Search for continuous improvement based on the satisfaction of the care and each employee's health status.
- Design plans to continuously improve the employee's quality of life by promoting healthy lifestyles in five areas: Food, physical activity, tobacco and drug prevention, environmental health, and mental health.

The employee must:

- Participate in quality of life and health promotion programs organized by CMP.
- Do the physical activity recommended in their health checks by the CMP medical team.
- Immediately report to their supervision any medical contraindications detected in their health assessments that may restrict their performance of usual duties.
- Know the expiration dates of their health assessments.

The Labor Order Unit carries out regulated procedures in the company's RIOHS. Of the workplace harassment complaints filed, three were credited. The worker was dismissed in one, and in the other two, they were sent an official warning. In none of these cases was a lawsuit filed for Labor Protection.

In the case of sexual harassment, this conduct was not accredited.

These processes were all done before the analysis of each case's PRM.

One tool for collecting this information is the "exit survey" requested from people who resign from the company. There is also a reporting channel.

Mental health

CMP has a mental health plan that targets people at risk, characterized by being overweight, with psychosocial factors, and decompensation diseases. This consists of three phases:

1. **Diagnosis of initial mental health**
2. **Intervention to improve happiness levels**
3. **Accompaniment and follow-up of the improvements obtained.**

It also includes the fatigue and drowsiness program and the work-home connection, among others.

Communication campaigns and quality-of-life initiatives accompany it.

Reports of workplace and sexual harassment have been investigated and resolved.

Workplace and sexual harassment issues have mainly been presented by women.

Main indicators of the period

(GRI 3.3) (GRI 403-1)

In 2023, CMP managed to reduce the number of incidents involving people by almost 50%. However, the challenge is that their severity rose. This is due to the rise from 2 LTA accidents in 2022 to 5 in 2023. As a mitigation measure, CMP has strengthened the organization's PRM and internal communication, focusing on boxes 1 and 2.

OSHA and NIOSH standards have been incorporated into the risk management and health and safety programs.

The annual risk management and occupational health and safety plan is designed to comply with the health and safety protocols established by the Ministry of Health. It also includes the scheduling of periodic monitoring to ensure continuous adherence to these regulations.

Reports of workplace and sexual harassment have been investigated and resolved.

Workplace and sexual harassment issues have mainly been presented by women.

The Occupational Health and Safety Area outlines a yearly management plan defining the following year's specific objectives. The goals for 2023 are to achieve a frequency index of 0.30, a severity index of 10, and a TRIF of 3.5.

Analysis and investigation methodology

This analysis, investigation, and reporting methodology focuses on quickly identifying the causes of incidents. Within 12 hours, a team comprising 4 to 6 specialists is formed, and up to six concrete and verifiable corrective actions, half of which must be permanent solutions, are implemented.

Currently, Occupational Health and Safety (OHS) criteria are not applied in the selection of suppliers or services.

5.4. TALENT DEVELOPMENT

Progress in competence development strategy projects

The CMP collaborators' training processes aim to reduce competence gaps. There are training plans with numbers and statistical evidence regarding MH, use of tax exemptions, training processes, technical competencies, and other types of competencies, such as the BIT and more business-related ones.

The search is first established by a grade. That grade establishes the profiles and competencies, and a gap assessment is made on those competencies. And that is where it is closely connected to the succession program or plan. Then strategies are established to level out those technical gaps, and it is likely that the people detected take training courses, practical training, etc. In the case of being related more to management or softer skills or competencies, they can go through other types of activities, such as coaching, for example. So, this is not very different anymore, but we can measure how much we have spent and how many people have participated. I think that is also important. We can get these numbers there, such as how many MH there are, tax exemptions, etc.

Areas and scope of training

The life cycle of the grade:

From the collaborator's entry, CMP is concerned about providing support with their new roles through coaching and strengthening the skills required according to the grade, both in their onboarding stage and in the relevance of their roles, which leads to a shorter onboarding time.

Number of program participants: **142**

Development plans:

These are workplace activities carried out based on opportunities detected through an evaluation that align with the skills required by the grade and those that must be strengthened. Here, the skills of the workers from the Trainee programs, the PDP groups, and the Successors are developed, which reduces readiness.

Number of program participants: **125**

Learning plans:

The annual training plan focuses on four key areas: legal, job competencies, grade skills, and a CMP transversal approach. This comprehensive approach ensures that employees acquire specific knowledge, develop skills relevant to their roles, and benefit from training that covers diverse aspects of professional growth. This leads to the Percentage of legal compliance and compliance with the Training Index.

Number of program participants: **The entire company**

Training

The annual training plan considers all of CMP, addressing critical aspects such as sustainability, digital transformation, regulatory compliance, GRP operational model, and safety standards. For the operational area, the focus specifically targets the position's technical competencies. Our company allocates 51,341 hours in educational and professional development for our employees during the year.

Performance management system

"At CMP, there is a company-wide performance assessment system. There are different levels/grades from the worker, the mechanical operator, the-site, the boss, the process lead, superintendent, executive committee, and the CEO. The level depends on the grade. In some cases, there are 360 evaluations, in others, a goal is set. For example, this year, we incorporated an intermediate talks process to assess progress and establish commitments", said Ignacio Hernández, Superintendent of People Services.

Although all CMP workers are part of the Performance Management Process, the Executive Committee (CEO's direct reports) and the Managers (Middle Managers and Superintendents) have a 360° evaluation. This evaluation comprises direct boss evaluation (50% weighting), evaluation of two peers (25% weighting), and evaluation of two subordinates (25% weighting).

The multidimensional aspects assessed are Transversal Behaviors and PRM Behaviors, which are called SER Evaluation (Grade Evaluation System).

The rest of the CMP staff—special staff, Professional staff, and General staff—only have a 90° evaluation.

The performance assessment is annual, within the Performance Management Process that takes place between December of the evaluated year and part of January of the following year, where the assessments must be closed with a respective performance grade on a scale of:

2: Lower than expected

3: As expected

4: Higher than expected

The annual training plan is for everyone and addresses key aspects such as sustainability, digital transformation, regulatory compliance, the PRM operational model, and safety standards. For the operational area, the focus is specifically directed to the position's technical competencies.

Quality of life

Progress in projects associated with the socio-emotional well-being, quality of life, and mental health guidelines.

Corporate policy for organizational development and people.

SSINDEX: job satisfaction

Industrial relations

CMP is a set of worksites and, therefore, with different unions with which there is a duty to interact. An important milestone is anticipated collective negotiations and permanent work agendas implemented with the unions.

Outsourcing policy

1. Accreditation Standard: A rigorous accreditation process is established for individuals, companies, and assets, verifying compliance with predefined standards. Documentation must be uploaded to access the worksites, and non-compliance with these requirements will result in access being denied.

2. Special Regulation for Contractors or Subcontractors: A specific regulation is implemented that details the procedures for paying invoices and generating payment balances, among other things. Failure to comply with these standards will result in the withholding of payments until the deficiencies identified are corrected.

3. Central Employee Training Data Entry: Training is offered in managing the SAP module dedicated to central employees, where the information of all contractor companies is stored. The fulfillment of staffing levels and other requirements stipulated in the contracts with the principal is verified.

4. Central Employee Training—Overview: The contracting companies will be notified in case of non-compliance with the checks and on-site controls (VCT) and issued non-compliance letters. The repetition of such incidents may lead to evaluation and possible termination of services.

5. Central Employee Training—User Manual: Detailed training on using the Central Employee module is provided to ensure that users understand and follow the established procedures. Failure to comply with these guidelines may result in corrective and disciplinary actions, as necessary.

06
ORGANIZATIONAL MANAGEMENT **FOR SUSTAINABILITY**

6.1. CMP AND ITS APPROACH TO SUSTAINABILITY

(GRI 2.22)

CMP has a firm corporate commitment to sustainability, reflected in its vision in **environmental, social, and governance (ESG) matters** that align with the Grupo CAP strategy. All the group's operating companies share this approach to sustainable development and growth.

PURPOSE

A foundational element that conveys the purpose of the organization. It motivates and invites us to be part of a shared dream.

We create a different mining model at the heart of our processes, aiming for the region's and its people's sustainable development.

BUSINESS OBJECTIVES

The objectives are the business results the organization commits to, to align with the purpose.

To sustainably maximize the value of the business.

To lead the market for high-quality products.

To maximize the value of the region in which we operate.

STRATEGIC PRIORITIES

These are priorities that the organization must achieve and overcome to consolidate itself over time.

- **Ensuring operational continuity**
- **Stabilizing the operation**
- **Optimizing the operation**
- **Looking for growth opportunities**

SUSTAINABILITY FOCUS

Strategic issues that create value for the organization and that must be developed by the strategy.

Ensuring operational continuity

Challenge: Forge a proactive and collaborative relationship with stakeholders.

Challenge: Comply with current regulations, commitments, and operational performance standards.

Stabilizing the operation

Challenge: Incorporate sustainability into all permitted processes to reduce their impact.

Optimizing the operation

Challenge: Ensure that the processes are sustainable autonomously.

Looking for growth opportunities

Challenge: Concretely achieve the concept of shared growth.

Commitment to the SDGs

(GRI 2.23) (GRI 2.24)

The United Nations Sustainable Development Goals (SDGs) are a guide to making our planet and our relationships more sustainable. To comply with these goals, we have prioritized the fulfillment of seven of them.

4 QUALITY EDUCATION

We have a long tradition of education programs in the regions where we operate.

- Specific programs such as Alfadeca, Dual Education, and support for municipal high schools.
- Internship programs from different universities and technical training centers.

6 CLEAN WATER AND SANITATION

- 47% of the water we use is desalinated.
- Thanks to recirculation and loss control, water consumption is 33% lower than the industrial average.
- The goals are to reduce water consumption by 15% by 2024 and 20% by 2028. Reduce continental water use by 30% by 2024 and reach 0% by 2035.

5 GENDER EQUALITY

We are aware of the value women deliver for our company and the industry, and that is why we have a sound gender equity strategy that seeks to increase women's participation in the sector and promote their leadership.

- 60% of the members of the Executive Committee are women.

8 DECENT WORK AND ECONOMIC GROWTH

We are committed to developing the regions through creating quality job options, and joint alliances with local suppliers and links with institutions.

- 98% of the people who work at CMP reside in the same commune where they work.
- 40% of the resources we use in our operations come from purchases from local suppliers in nearby communities, totaling approximately 441 million dollars.
- One line of action in territorial management is the productive development of the communities.

We have established a Territorial Management Plan focusing strategically on information, participation, and growth.

- We have professional teams on the ground to implement the Territorial Management Plan and communication mechanisms with the communities in the three valleys in which we operate.
- We participate in local and mining sector associations.
- The Indigenous Peoples policy establishes a continuous collaboration with 45 certified Indigenous communities

We apply a circular economy in waste reuse and recycling processes.

- At the Tierra Amarilla Magnetite Plant, iron is recovered from mining tailings.

We have a sustainable growth strategy:

- Our goal for 2030 is to reduce our CO_2 emissions by 40%.

We work taking care of biodiversity and underwater fauna in the areas where we have operations.

- We installed two hydroacoustic buoys in the commune of La Higuera to monitor and map underwater noise and thus safeguard ocean fauna.

Grupo CAP has policies, structures, and programs that promote and extend to all the people in its companies the responsibility of ensuring respect for the rules and principles.

- We have the Manual of Best Corporate Governance Practices.

Governance and sustainability

(GRI 2.12) (GRI 2.14) (GRI 2.16)

Commitment to sustainability is a priority in CMP's management. The Board supervises, controls, approves the strategy, and ensures its compliance through regular management reports.

Key activities and mechanisms related to sustainability

Participation of the executive committee

- The Executive Committee actively participates in the weekly meetings of the Sustainability Committee.
- These meetings address issues related to the fulfillment of environmental commitments.
- Those responsible for these commitments present the actions carried out in these matters.
- Participants: Superintendents, area heads, and other relevant positions.
- The Board of Directors entrusts the executive committee with the preparation of the Sustainability Report and then approves it in regular sessions.

Integration into the Strategic Plan

- Sustainability is one of the four strategic focuses defined in the company's plan.
- Action plans are developed to achieve the sustainability objectives.
- These plans are presented in quarterly strategic planning exercises.
- Participants: Senior management executives, superintendents, area heads, and other relevant positions.

Performance Incentives

- In the performance management system, expected behaviors related to sustainability are evaluated.
- These behaviors include the integration of the sustainability strategy into the processes of each executive.
- The assurance of the comprehensive risk assessment (people, environment, assets, and production) is also assessed.
- This approach strengthens the implementation of sustainability in the company.

6.2. CORPORATE GOVERNANCE

As part of Grupo CAP, CMP adheres to the Manual of Best Corporate Governance Practices, which establishes and compiles the fundamental guidelines in this area. This manual aims to serve as a guide on governance not only for directors and executives but also for shareholders, investors, collaborators, and other stakeholders. In addition, it complies with the regulatory provisions related to best corporate governance practices.

Governance structure

(GRI 2.10) (GRI 2.12)

CMP's main Corporate Governance body is its Board of Directors, which comprises seven full members and their respective alternates. The members are elected at the Ordinary Shareholders' Meeting for a three-year term with the option of re-election.

The Board of Directors' role is to supervise and control the Company's running and establish incentives and performance measures for its management.

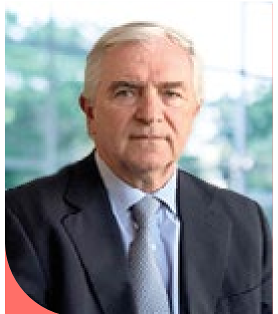
The Board delegates the company's management to the CEO and has committees to carry out its roles, following a structure that includes three Directors Committees.

In the vacancy of an incumbent and their deputy, the Board of Directors must be renewed, and a replacement must be appointed. In addition, the total renewal must be carried out at the next Ordinary Shareholders' Meeting, as stipulated in Article 32 of Law No. 18,046 on Public Limited Companies.

The Board of Directors, both incumbent and alternate, was renewed on April 10th, 2023, the date on which all the Directors were appointed. It comprises seven members, with one woman and six men.

Composition of the Board of Directors

(GRI 2.9) (GRI 2.11)



Vicente Irarrázabal Llona

6.359.355-9

Chairman

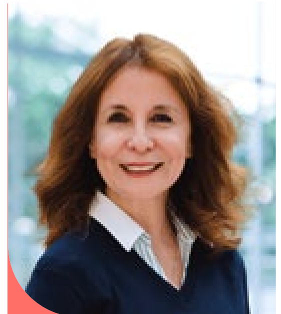
Chilean
Geologist

Juan Enrique Rassmuss

7.410.905-5

Director

Chilean
Civil Industrial Eng.



Patricia Núñez Figueroa

9.761.676-0

Director

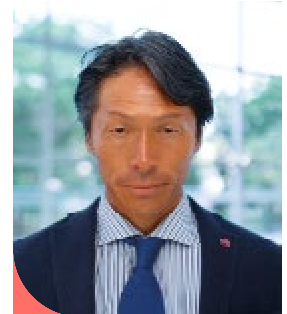
Chilean
Lawyer

Hernán Menares Day

6.910.928-4

Director

Chilean
Civil Mining Eng.

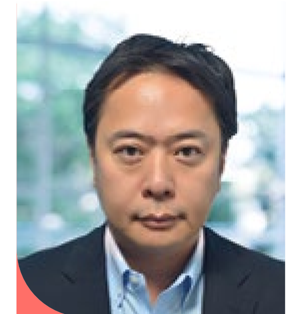


Tadashi Mizuno

27.453.031-6

Director

Japanese
Economist

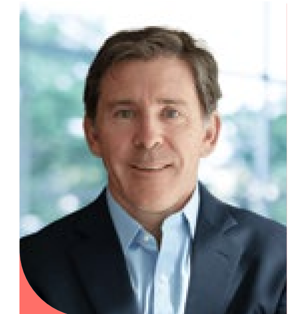


Takedi Doi

21.394.472-K

Director

Japanese
Business Administrator



Nicolás Burr García de la Huerta

13.039.622-4

Director

Chilean
Civil Industrial Eng.

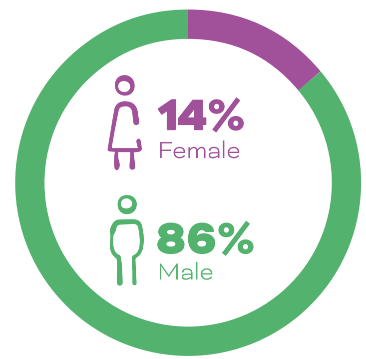
Note: Neither the Chair nor the directors perform executive roles in the company.

Tadashi Mizuno and Takeaki Doi are representatives of MCI.

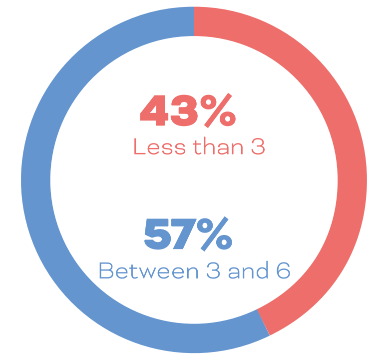
Alternate directors

- Roberto de Andraca Adriasola
- Álvaro Castellón Peña
- Stefan Franken Osorio
- Jorge Salvatierra Pacheco
- Patricia López Manieu
- Ryuichi Paaku
- Jaime Andrés González Wenzel

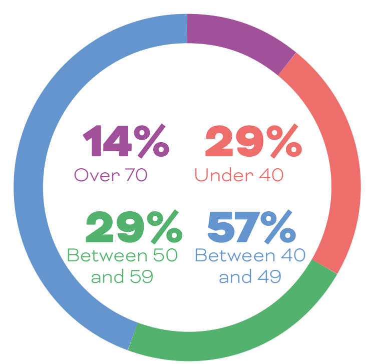
Diversity of the Board



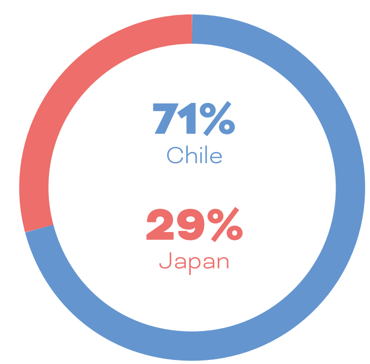
Board by gender



Directory by seniority (years)



Board by age group (years)



Board by nationality

Board of Directors Committees

STRATEGY, TALENT, AND CULTURE COMMITTEE

5 sessions

Its task is to evaluate growth options, oversee the strategic plan, establish budgetary criteria, and ensure the availability of talent and succession plans for executives.

Juan Enrique Rassmuss
Vicente Irarrázaval
Tadashi Mizuno

AUDIT AND RISK COMMITTEE

5 sessions

Its role is to ensure compliance with strategic objectives, supervise the audit plan, and analyze internal and external factors that may affect the core business.

Patricia Núñez
Nicolas Burr
Takeaki Doi

PROJECTS AND CONTRACTS COMMITTEE

6 sessions

Its role includes prioritizing the company's project portfolio over US$3 million, reviewing investments in equipment and assets, and agreeing on the execution of relevant contracts.

Hernán Menares
Nicolas Burr
Takeaki Doi

Remuneration of the Board of Directors

(Miles de US$)

(GRI 2-19) (GRI 2-20)

At the shareholders' meeting, an annual allowance equivalent to 0.5% of the distributable liquid profit for the year was set, capped at US$200,000 each and with a fixed minimum of 110 UF per month. The chair was allotted twice that allowance.

In addition, Directors who chair a Directors' committee are entitled to a fixed additional daily allowance of 35 UF per month.

Board Member	2021	2022	2023
Victoria Vásquez	58,198	134,339	144,975
Jorge Salvatierra	-	29,444	158,909
Vicente Irarrázaval	52,101	211,715	380,729
Juan Rassmuss	146,820	244,461	144,987
Patricia Núñez	-	-	48,507
Hernán Menares	-	-	44,260
Takeaki Doi	-	34,040	191,657
Tadashi Mizuno	30,253	177,733	191,657

Board procedures that increase knowledge

(GRI 2.17)

CMP does not have specific procedures for the Board of Directors. However, it subscribes to Grupo CAP's Best Corporate Governance Practices Manual.

Induction of directors:

- According to the Best Corporate Governance Practices Manual, new directors are given an induction.
- It includes training on relevant topics about the Company, such as regulatory, financial, technological, and sustainability issues.

Training of the Board:

- The training is carried out through meetings, presentations, and courses proposed by the Chairperson of the Board.

Advisory Services:

- Members of the Board may request advice in different areas.
- Experts can be hired in regulatory, financial, technological, strategic, and sustainability issues, among others.

Handling of critical situations

CMP has a Corporate Crisis Management Manual to deal with emergencies effectively.

- **Objective:** Provide tools and guidelines to respond to critical situations and mitigate their impacts effectively.
- **Scope:** This includes facilities operated by CMP, facilities external to CMP, and administrative, financial, legal, reputational, and environmental situations.
- **Key elements:**

1. **Mitigate impacts on people, the environment, material, and economic assets.**
2. **Assist affected workers, families, and communities.**
3. **Inform clients, community, authorities, and media with communication strategy.**
4. **Maintain or restore operational continuity.**
5. **Restore the trust and image of the organization using the crisis as an opportunity.**

- **Reportability:** The CEO informs the Board once the Crisis Committee has been activated.

Main executives

(GRI 2.18)

Francisco Carvajal Palacios
CEO

Paulina Andreoli Celis
Environment and Climate Change Manager

Carlos Gómez Vega
Projects Manager

Macarena Herrera Sandoval
Relationship and Shared Value Manager

Carolina Lomuscio Zamorano
People Manager

Jhon Patrick McNab
Legal

Claudia Monreal López
Planning and Development Manager

Makarina Orellana Farías
Operations Manager

Carlos Sepúlveda Vélez
CFO

Patricio Venegas Troncoso
Commercial Manager

Stephanie Wilhelm Nuñez
Occupational Health and Safety Manager

The Executive Committee offers a remuneration outline with fixed and variable compensations and an annual incentive that evaluates individual performance and the fulfillment of short-term goals. In addition, staff receive compensation for years of service that is greater than required by law.

Regulatory Framework

Rules of the Chilean legal system that affect CMP

- Mining law regulations
- Water regulations
- Railway regulations
- Maritime regulations
- Environmental regulations
- Labor and union regulations
- Tax regulations
- Compliance rules

Entities that have supervisory powers over CMP

- Sernageomin
- Labour Inspectorate
- Health Service
- Directorate-General for Water
- Labor Directorate
- Internal Revenue Service
- Ministry of Transport
- Maritime Authority
- Superintendency of the Environment

Mining, water, rail, maritime, and environmental regulations have a significant impact due to the nature of CMP's operations, which include mining sites and ports and the transportation of minerals by rail.

Compliance with these rules is essential to allow the operation of productive tasks.

The company seeks to guarantee and evaluate the proper operation of its corporate governance through internal and external audits and commitment monitoring tools such as Board minutes.

6.3. RISK MANAGEMENT

(GRI 2.13) (GRI 2.25)

CMP has implemented Process Risk Management (PRM) as its working model where all employees are committed to meeting high standards at individual and team levels. This approach promotes an active risk management culture, where the most relevant risks are regularly recorded, prioritized, aligned, and managed based on the company's strategic and operational objectives. This model is based on the ISO 31.000:2018 and COSO ERM standards.

Sustainability approach in risk management

CMP integrates a sustainable approach in its operations, considering environmental, social, and human rights criteria in its evaluation processes and strategic decisions. These aspects are integrated from the initial planning and align with the MPG (Mining Planning Guideline) framework.

We use the Bow-Tie tool to analyze strategic risks, identifying causes, consequences, and controls in collaboration with the corresponding areas. We then present the analyses to the Executive Committee and the Board of Directors to assess financial and non-financial risks.

We analyze the risk exposure annually according to the Comprehensive Risk Management Policy.

Internal audits

Annual internal audits are carried out to review processes related to strategic risks.

These seek to ensure the best practices and proper operation of the risk management process, providing recommendations and action plans. Although the causes and consequences of climate change are considered, the risks associated with human rights have not been specifically assessed.

The main identified risks

Social license

Loss of social license due to poor management of regional, reputational, environmental, and regulatory risks, which affects business operability and development, jeopardizing the positioning as an operation with high standards and sustainable development.

Governance

Maturation process that affects strategic decision-making.

Risk of inadequate control of investment costs.

PRM competences and positions

Risk associated with the lack of people's competencies and lack of clarification of PRM roles for an excellent performance.

Mining planning

Related to the risk of a disintegrated mining planning of the "mine to market" value chain, without focus on the end customer and product quality, not following the highest industry standards.

Accidents, incidents, or emergencies

Accidents, incidents, or emergencies of low probability and high impact that affect own workers, contractors, or with negative externalities.

Variability of processes

Risk of process variability that impacts the production and fulfillment of the company's results, with low asset reliability and timely and efficient investment to improve and maintain structures/equipment.

National context

Associated risks due to the inability to anticipate or apply regulatory changes or interpretation of the law at the time that threaten the continuity of the processes.

Process optimization

Impact on the optimization of processes and productivity due to delays in digital transformation processes and/or violation of computer systems.

Climate risks

In 2023, we diagnosed climate risks and established action plans to mitigate and adapt to possible impacts of climate change in all CMP operations.

The emergency and contingency plans were updated, incorporating the climate factor.

We participate in citizen consultations on national and regional climate change policies and sessions on environmental legislation and socio-ecological transition.

Anticipating impacts due to environmental risk

For 2024, it is planned to implement a geospatial information system to have climate risk information at a regional level and develop controls to ensure the operational continuity of current and future assets. This will be done using the ArcGIS platform, which the ARCLIM System complements for diagnosing physical risks required by the environmental authority.

Mining planning

CMP progressed in integrating a sustainability perspective into the processes, considering the incorporation of a strategic sustainability plan in mining planning, and defining KPIs, goals, and key objectives that allow meeting the highest standards.

6.4. ETHICS AND COMPLIANCE

(GRI 2.15) (GRI 2.25) (GRI 2.26)

CMP has a Code of Integrity that establishes the principles for relations with stakeholders, applicable to directors, employees, suppliers, contractors, and business partners, with clear guidelines.

CMP has a Crime Prevention Model designed to identify, evaluate, prevent, and mitigate the risks of crimes to which the company may be exposed. This model establishes the responsibilities of the Crime Prevention Officer and complies with the requirements of Law 20.393.

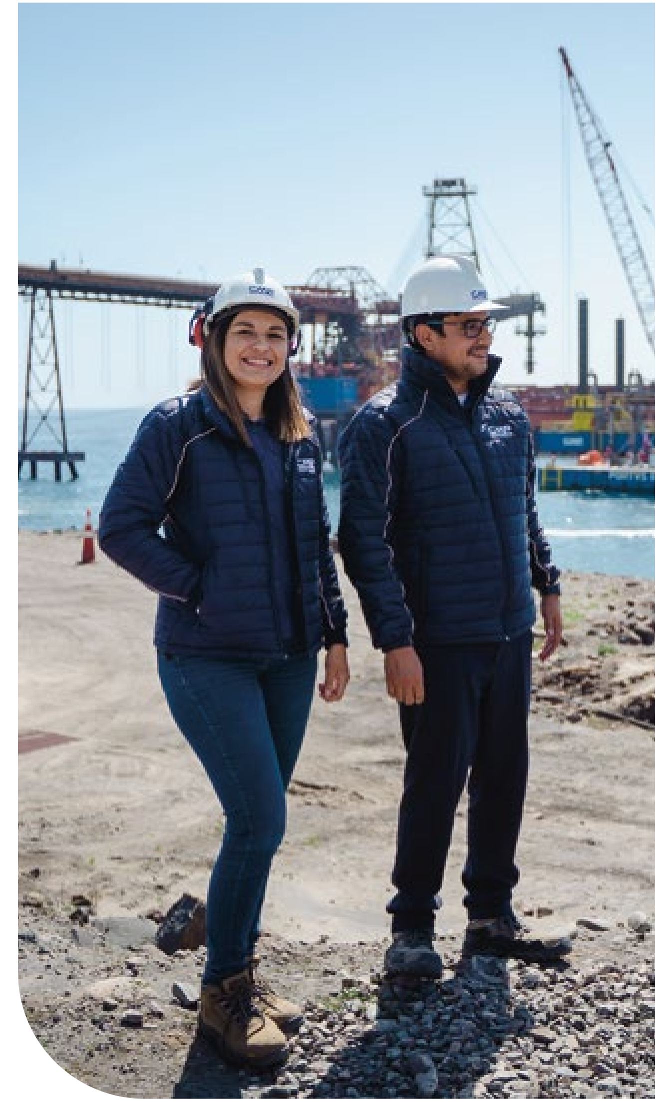
As for conflicts of interest, each employee annually makes a declaration, ensuring their non-participation in activities that may affect the company.

Training is given on the Code of Integrity, the Reporting Channel, and the Crime Prevention Model. In addition, we collaborate with the communications and technology area to promote the effective use of these instruments.

Assessment of risks related to corruption

Compliance Tracker (CT) assesses the risks related to corruption in areas such as staff recruitment, suppliers and contractors (SIC&C and GDP), and donations.

- Due diligence compliance for new suppliers authorized for procurement was 72.8%.
- Of the total, 98% of the procurement documents were awarded to suppliers verified in CT.
- This is 99.96% (KUSD 1,359.63) of the total procurement documents.
- Regarding clients, due diligence compliance was 53.8%.



Progress in ethics and compliance

In 2023, the Inspection Area was created to comply with the legal regulations on economic and environmental crimes. It comprises the Legal Service and Compliance superintendencies.

Integrity Channel

(GRI 2.26)

CMP has an Integrity Channel where inquiries and complaints can be made confidentially and anonymously. This channel is available on the company's corporate website. The reports received are investigated, and their status is reported biannually to the

Reports 2023

Type of Request	Quantity
Consultations	5
Reports	41

Area	Quantity
Conflict of interest	9
Inappropriate treatment Contractors	4
Inappropriate treatment CMP	10
Occupational health and safety	6
Labor breach	2
Other matters	10

Status	Quantity
Completed reports	38
Reports under investigation	8

Reports

CMP has a Report Investigation System Procedure, which states that if there is a sanction, we must refer to the company's RIOHS, and the punishments contained in said regulation, individual employment contract, or the Labor Code may be applied. Namely, verbal reprimand, written reprimand, written reprimand with a copy to the worker's file, fine, or dismissal.

The Compliance Tracker (CT) evaluates the hiring of personnel, suppliers, contractors (SIC&C and GDP), and creditors: all are reviewed, as are all donations. The due diligence compliance for new suppliers authorized for procurement was 72.8% (based on CT searches using the Taxpayer N°). From this percentage, 98% of the procurement documents were awarded to suppliers checked in CT, 99.96% (KUSD 1,359.63) of the total documents. For clients, the due diligence compliance was 53.8%.

According to the following details, 46 requests have been received in the reporting or integrity channel: 5 inquiries and 41 reports. Of the latter, 9 were for conflict of interest, 4 for inadequate treatment of contractors, 10 for inadequate treatment of CMP workers, 6 for occupational health and safety, 2 for labor breach, and 10 on other matters, highlighting non-payment to suppliers, non-payment of rental, among others. Of all the reports, 38 have been completed promptly, and only 8 are under investigation.

In 2023, training was held on using the reporting channel through the connected platform, and a brochure informing workers about its proper use was prepared to be disseminated before the start of their shift.

1. The Environmental Contingency and Emergency Prevention Plans are modified for the risk of operational shutdowns due to storm surges.
2. The pure risk assessment regarding the Boarding process and the port's operational continuity is checked since an increase in the probability of storm surges affecting the process has been seen. Lines of action are defined to evaluate controls against increased storm surges and increased downtime in ports.
3. In 2023, different certifications associated with Climate Change were applied for using data from 2022, applying for the HuellaChile Quantification Seal, HuellaChile Reduction Seal, and Blue Certificate Level 1 - Water Footprint, from the Ministry of Environment's Sustainability and Climate Change Agency

APPENDIX

01

THE MINING **BUSINESS**

ADDITIONAL INFORMATION

1. Main production figures

Main production figures

Millions of tons

	2022	2023
Cerro Negro Norte Mine (filtered pellet feed production)	3.87	4.19
Los Colorados Mine (production of preconcentrate +Sinter Feed)	9.87	9.92
El Romeral Mine (pre-concentrate production)	1.23	1.04
Magnetite plant (filtered pellet feed production)	1.82	2.21
Pellet Plant (pellet production)	2.64	1.93
Punta Totoralillo (shipments)	6.57	6.84
Guacolda II (shipments)	7.61	8.06
Guayacán (shipments)	2.13	2.10
Guayacán (production of granulated iron ore. fines. and PF)	2.22	2.10

Main Concessions Figures

Millions of tons

	Quantity		Hectares	
	2022	**2023**	**2022**	**2023**
Total operating concessions	2,060	2,068	447,679	453,508
Operating concessions constituted	2,047	2,055	446,528	451,333
Operating concessions in the process of being constituted	13	13	1,151	2,175
Total operating concessions	23	23	8,300	8,300
Operating concessions constituted	23	23	8,300	8,300
Operating concessions in the process of being constituted	0	0	0	0

2. Main investments made in 2023

Relevant Investment	Description	Total investment amount (US$)	Amount invested in 2023 (US$)
Filtered Tailings Tank	Implement a permanent and sustainable solution for onshore tailings disposal during the remaining useful life of the Huasco Pellet Plant.	210,735	94,247
Pre-stripping Phase 6 MLC 2023	To increase the useful life of Los Colorados Mine by exploiting Phase 6 in sectors N, NE, and S of the mine shaft. Considers scheduled moving of 61,525 kT.	273,8	126,026
Major Maintenance CMP 2023	Carrying out activities, contracting services, and purchasing major components associated with the existing master plan for all CMP plants and ports.	39,515	36,800
Pre-feasibility Elqui Valley Norte (Tofo)	To choose the best alternative for future development for the Elqui Valley, based on the results of the FEL 1 study, for the cases of Tofo Norte and Tofo Sur operations.	22,579	10,309
FEL 2A Operational Continuity Huasco	To choose the best alternative for the future development of the Huasco Valley, based on the results of the profile study (FEL 1), for the operation of Los Colorados Mine, Algarrobo, and Alcaparra.	31,600	13,437
Pre-stripping 2B CNN 2023	To increase the useful life of CNN through the operation of Phase 2B. Considers scheduled moving of 7,915 kt.	17,399	16,984

3. Resources and reserves

In 2022, CMP adopted the JORC code (2012) standards for future reporting of mining resources and reserves. This decision represents a significant step forward. The code is mandatory for companies listed on the Australian and New Zealand stock exchanges and has been voluntarily adopted by many other companies worldwide to guarantee access to capital markets on different global exchanges due to its quality.

This process of adopting the JORC standard is a gradual process that has already completed the certification of the reserves of the primary operations, for a total of 622 million tons, and that will continue in 2024 with the certification of the continuity and growth projects, seeking to include, at least partially in the next declaration, the reserves, previously quantified at 1,823 million tons.

It is worth remembering that in 2022, all the company's resources had already been certified in the JORC standard, which has remained intact since the declaration in the 2023 annual report.

In this way, CMP will continue to progress toward providing the capital market with accurate and verifiable information, generating technical reports with sufficient support to align with the industry's best practices, especially given the adoption of the JORC code and its guidelines.

The following is the detail on CMP mining resources and reserves, according to the current information in the indicated periods:

Recursos

Regarding resources, the main difference between the information provided in 2022 and the current one is the standardization of Candelaria's resources, which are limited to those in the contract in force until 2030.

Pit		Resources December 2022 (Million tons)								
Name	Location	Measured	% Iron	Indicated	% Iron	Inferred	% Iron	Total	% Iron	
El Laco	Antofagasta							733.9	49.2	*
Cerro Negro Norte	Copiapó	164.0	32.8	349.8	28.4	122.9	27.4	636.7	29.3	©*
Candelaria	Copiapó							589.0	11.4	n/c
Los Colorados	Vallenar	247.7	36.5	493.2	30.0	185.9	27.0	926.8	31.1	©*
Los Colorados District	Vallenar							26.0	43.3	*
El Algarrobo	Vallenar							141.7	44.7	
Algarrobo		116.2	46.4	8.5	40.1	1.6	41.8	126.4	46.0	
Stockpile		5.8	36.1	6.3	33.6	3.2	32.7	15.3	34.4	
El Algarrobo District	Vallenar							1,120.4	30.3	
Alcaparra D		92.4	32.6	234.3	29.7			326.7	30.5	©
Alcaparra A		67.4	28.6	181.5	29.1	383.8	31.9	632.7	30.7	©
Domeyko II								107.0	28.0	*
Charaña								42.0	27.5	
Ojos de Agua								12.0	34.5	*
Cristales	Vallenar							149.0	32.8	
Tofo	La Serena							3,143.5	27.0	
Pleito (Tofo Norte)		934.2	24.9	452.8	23.8	189.7	22.5	1,576.7	24.3	©
Sierra Tofo		188.4	22.6	199.7	22.3	44.6	23.2	432.8	22.5	©
Pleito Este		187.5	24.7	232.8	23.7	90.5	22.6	510.8	23.9	©
Chupete		156.8	34.5	253.4	37.4	213.1	45.5	623.2	39.4	©
Romeral	La Serena							608.4	29.0	
Low Grade Piles								1.6	20.3	
Romeral		162.9	33.4	306.6	29.1	137.3	23.9	606.8	29.1	©*
Total								**8,075.4**	**29.6**	

©

The indicated Resources are certified according to Law 20.235 by Competent Persons (CP) registered with the current registration in the Qualification Commission of Competencies in Mining Resources and Reserves (Mining Commission) and do not work in CMP or any of its related companies.

The competent person who carried out the certification is Mr. Marco Alfaro S., whose registration number with the Mining Commission is 218.

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The indicated Resources are certified according to JORC, Competent Persons (CP) registered with current registration in the Qualification Commission of Competencies in Mining Resources and Reserves (Mining Commission) and No 403, and they do not work in CMP or any of its related companies.

The competent persons who carried out the certification are Mr. Marcelo Arancibia, whose registration number with the Mining Commission is 048, and Mr. Clayton Deusth QP, AUSMMIN, and CIM.

Pit.		Resources December 2023 (Million tons)								
Nombre	Location	Measured	% Iron	Indicated	% Iron	Inferred	% Iron	Total	% Iron	
El Laco	Antofagasta							733.9	49.2 *	*
Cerro Negro Norte	Copiapó	159.2	32.8	349.8	28.4	122.9	27.4	631.7	29.3 ©*	©*
Candelaria	Copiapó							171.0	12.5 n/c	n/c
Los Colorados	Vallenar	234.1	36.0	485.7	30.0	186.7	27.0	906.5	31.1 ©*	©*
Los Colorados District	Vallenar							26.0	43.3 *	*
El Algarrobo	Vallenar					1.6	41.8	141.7	44.7	
Algarrobo		116.2	46.4	8.5	40.1			124.7	46.0 ©	
Stockpiles		5.8	36.1	6.3	33.6	3.2	32.7	15.3	34.4	
El Algarrobo District	Vallenar							1,120.4	30.3	
Alcaparra D		92.4	32.6	234.3	29.7			326.7	30.5 ©	©
Alcaparra A		67.4	28.6	181.5	29.1	383.8	31.9	632.7	30.7 ©	©
Domeyko II								107.0	28.0 *	*
Charaña								42.0	27.5	
Ojos de Agua								12.0	34.5 *	*
Cristales	Vallenar							149.0	32.8	
Tofo	La Serena							3,139.5	27.0	
Pleito (Tofo Norte)		932.5	23.8	452.0	21.3	188.8	22.5	1,573.3	23.1 ©	©
Sierra Tofo		188.4	22.6	199.7	22.3	44.6	23.2	432.7	22.5 ©	©
Pleito Este		187.0	24.7	232.8	23.7	90.5	22.6	510.3	23.9 ©	©
Chupete		156.8	34.5	253.4	37.4	213.1	45.5	623.2	39.4 ©	©
Romeral	La Serena							605.3	29.0	
Low-Grade Piles								1.6	20.3	
Romeral		160.7	33.4	305.7	29.1	137.3	23.9	603.7	29.1 ©*	©*
Total								**7,625.1**	**29.6**	

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The competent persons who carried out the certification are Mr. Marcelo Arancibia, whose registration number with the Mining Commission is 048, and Mr. Clayton Deusth QP, AUSMMIN, and CIM.

Reserves of deposits in operation

Field		Resources December 2023 (Million tons)							
Nombre	**Ubicación**	**Measured**	**% Iron**	**Indicated**	**% Iron**	**Inferred**	**% Iron**	**Total**	**% Iron**
El Laco	Antofagasta								
Cerro Negro Norte	Copiapó	OP	31.12.23	122	34.7	142	31.7	264	33.1
Candelaria	Copiapó	Tailings	31.12.23			171	12.5	171	12.5
Los Colorados	Vallenar	OP	31.12.23	105	43.3	41	42.1	147	43.0
Los Colorados Phase 5 and Phase 6, Stockpiles	Vallenar	OP	31.12.23	81	42.8	37	41.5	119	42.4
Los Colorados Phas 7		OP	31.12.23			28	45.2	28	45.2
El Algarrobo	Vallenar								
Algarrobo									
Acopios									
El Algarrobo District	Vallenar								
Alcaparra D									
Pleito (Tofo Norte)	La Serena	OP	31.12.23	12	41.1	3	38.4	15	40.6
Pleito (Tofo Norte)									
Pleito		OP	31.12.23	3	41.2	0	37.5	3.3	40.9
Bronce		OP	31.12.23	9	41.1	2	38.5	11.0	40.6
Chupete (todo Sur)									
Romeral	La Serena	OP		19	24.9	6	31.4	25	26.5
Low-Grade Piles		Dismantling	31.12.23	5	23.8			5	19.4
Romeral Fase V North		OP	31.12.23	14	22.3	6	31.4	20	28.1
Romeral Fase V									
Total								**622**	**29.7**

The reserves in the table above, showing a total of probable and probable reserves of 622Mt@29.7%FeT, which are for the four mining operations as of December 31, 2023, have their origin in a mining planning process called MPG, which is part of the annual mining planning cycle of Compañía Minera del Pacifico (CMP).

As mentioned above, in 2022, Compañía Minera del Pacifico decided to adopt the standards for declaring its resources and reserves under the JORC code (2012). The conversion process of resources to reserves was validated in the audit carried out by the external "WSP Golder" registered in the document "Audit of Mineral Reserves CMP, Los Colorados - Cerro Negro Norte - Romeral - Pleito/ Bronce" carried out in August 2023 based on MPG 2022.

Note: the information and data related to Mining Reserves have been reviewed and analyzed by the Member of the Qualification Commission of Competencies in Mining Resources and Reserves of Chile, Mr. José Gajardo Carrasco. (Competent person in the specialty "Mining" Registration No. 389). The aforementioned person has sufficient experience and relevant knowledge of the mineralization, the deposit under consideration, and the type of activity, which allows him to grant the appropriate support to the declaration of Mineral Reserves of Compañía Minera del Pacifico (CMP).

The Resources and Reserves 2023 of the above table will be certified by a public report before the Chilean Commission of Resources and Reserves in April 2024. This document will be made by People Competent in CMP Mining Resources and Reserves.

With respect to Candelaria, a deposit not considered to be in the Certification Process, this is a third-party Cu deposit, from whose fresh tailings, CMP obtains Fe concentrates at its Magnetite Plant facilities under a contractual agreement.

The contract starts in December 2023 and is valid until December 31st, 2030. The indicated value is the tonnage of Fresh Tailings generated under the Long-term Plan reported by Candelaria until 2030.

Reserves of deposits in projects

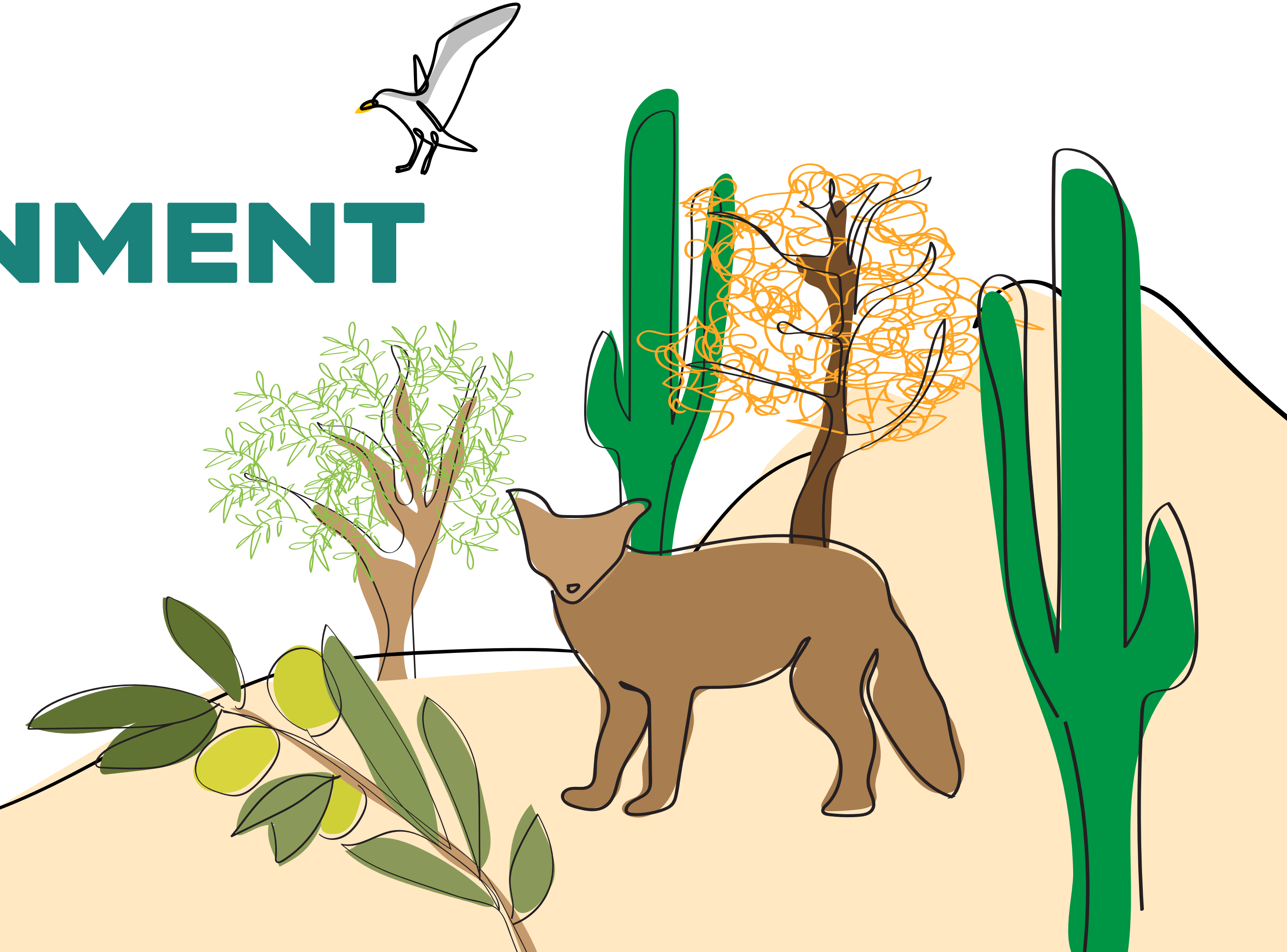
Concerning the reserves in Projects, these are summarized in the following table:

Field		Reserves to be certified by December 2024							
Name	**Location**	**Type of Mining**	**Date**	**Proven**	**% Iron**	**Probable**	**% Iron**	**Total**	**% Iron**
Los Colorados LOM Potential (Fel2)	Vallenar	OP	Ago 24	323	31.3				
El Algarrobo	Vallenar			77	49.4	142	31.7	264	33.1
Algarrobo		SUBT	Ago 24	72	50.2	171	12.5	171	12.5
Stockpiles		Desmonte	Ago 24	5	38.6	41	42.1	147	43.0
El Algarrobo District	Vallenar			118	35.5	37	41.5	119	42.4
Alcaparra D		OP	Ago 24	118	35.5	28	45.2	28	45.2
Pleito (Tofo Norte)	La Serena			1,305	28.8				
Pleito (Tofo Norte)		OP	Ago 24	895	25.4				
Pleito									
Bronce									
Chupete (entire south)		SUBT	Ago 24	410	36.3				
Total								**1,823**	**30.6**

- **El Laco site:** The project is in the PEA (Preliminary Economic Assessment) stage, so it does not constitute reserves according to the new reserve standardization declaration adopted by CMP through the JORC code.
- **El Algarrobo Deposit and El Algarrobo District:** Projects in "Fel 1" stages according to the front-end-loading (FEL) Methodology, which means an opportunity identification phase stage. Their inclusion only as resources must be reviewed as they do not comply as reserves (without proven and probable categorization in the report).
- **Pleito TN Field:** Projects in "Fel 1" stages according to the front-end-loading (FEL) Methodology, which means an opportunity identification phase stage. Their inclusion should be reviewed only as resources since they do not comply as reserves.
- **Romeral Phase V:** Project with approved EQR. However, it is economically unfeasible given the price and cost conditions of the El Romeral (MER) mine site.

03 ENVIRONMENT

ADDITIONAL INFORMATION



1. Water

(GRI 303-3) (GRI 303-4) (GRI 303-5)

	2022	2023
Total water extracted (m^3)	7,356,000	6,924,096
Total freshwater extracted in water-stressed regions**	7,356,000	6,924,096
Total water extracted in regions with high or extremely high initial water stress* (m^3)	7,356,000	6,924,096
Total water taken from municipal water supplies (or other water services) (m^3)	3,154,000	3,227,474
Total freshwater extracted from surface sources (lakes, rivers, etc.) (m^3)	3,635,000	2,023,534
Total freshwater extracted from underground sources (m^3)	567,000	2,077,794
Total water discharged (m^3)	949,084	695,752
Total water consumed (extraction - discharge) (m^3)	11,925,450	6,924,096
Total water consumed in regions with high or extremely high initial water stress* (m^3)	11,925,450	6,924,096
Total freshwater consumed in water-stressed regions**	7,356,520	6,924,096

2. Emissions: Carbon Footprint

(GRI 305-1) (GRI 305-2) (GRI 305-3) (GRI 305-5)

	2021	2022	2023
Scope 1 gross global emissions (metric tons of CO_2(e)	357,245	473,358	371,876
The company's Scope 1 emissions that are covered by some emission limitation regulation (tCO_2(e)	0	0	0
Indirect greenhouse gas emissions from purchased energy (Scope 2) - market-based method (tCO_2(e)	345,347	559,512	425,493
Indirect greenhouse gas emissions from purchased energy (Scope 2) - location-based method (tCO_2(e)	256,896	215,307	169,552
Total indirect greenhouse gas emissions of its value chain (scope 3) (tCO_2(e)	25,115,403	24,198,930	25,514,682
Scope 3 emissions: Purchased goods and services	54,607	79,616	62,300
Scope 3 emissions: Capital goods	Not measured	15,622	67,442
Scope 3 emissions: Other energy-related activities	Not measured	119,290	94,117
Scope 3 emissions: Upstream cargo transportation	3,966,204	10,195	5,681
Scope 3 emissions: Waste treatment and disposal	2,155	4,303	2,733
Scope 3 emissions: Business travel	4	88	216
Scope 3 emissions: People mobilization	2,040	183	2,873

	2021	2022	2023
Scope 3 issues: Upstream leased assets	Not measured	Not measured	Not measured
Scope 3 emissions: Downstream cargo transportation	Not measured	4,050,697	4,232,627
Scope 3 emissions: Processing of products sold	21,090,393	19,689,144	20,860,633
Scope 3 Emissions: Use of products sold	Not measured	Not measured	Not measured
Scope 3 Emissions: End of life of products sold	Not measured	229,792	186,061
Scope 3 issues: Downstream leased assets	Not measured	Not measured	Not measured
Scope 3 Issues: Franchises	Not measured	Not measured	Not measured
Scope 3 Emissions: Investments	Not measured	Not measured	Not measured

3. Atmospheric emissions: other emissions in metric tons

(GRI 305-7)

Emissions	2021	2022	2023
Carbon monoxide (CO)	NAP	NAP	NAP
NOx	137,639	296	214
NOx (excluding N2O)	NAP	NAP	NAP
SOx	59,122	89	84
Particles (PM10)	26,716	37	28
Manganese oxide (MnO)	NAP	NAP	NAP
Lead (Pb)	NAP	NAP	NAP
Volatile organic compounds (VOCs)	NAP	NAP	NAP
Mercury (Hg)	NAP	NAP	NAP
Polycyclic aromatic hydrocarbons (PAH)	NAP	NAP	NAP

4. Energy consumption

(GRI 302-1)

	2022	2023
Total electricity consumed (GJ)	2,592,258	2,516,038
Total electricity consumed from the grid (GJ)	2,592,258	2157524,08
Total renewable electricity consumed (GJ)*	0	358,508
Total fuel consumed (GJ)	0	0
Total fuel by source: coal (GJ)	1,183,385	744,156
Total fuel by source: natural gas (GJ)	0	0
Total fuel by source: diesel (GJ)	2,634,585	2,389,597
Total fuel by source: IFO Petroleum (GJ)	511,254	457,726
Total fuel by source: renewable fuel (GJ)	0	0
Total energy sold (GJ)	0	0

* The scope of renewable electricity includes renewable energy produced directly by the entity and renewable energy purchased by the entity.

5. Mining reserves in or near (within 5 km) natural conservation areas and/or habitats of threatened species 2023

(GRI 304-1)

Proven mining reserves within or near natural conservation areas and/or habitats of threatened species	**Number of reserves:** 13
	Area (ha) of reserves: 1,524
Total mining reserves	**Number of reserves:** 13
	Area (ha) of reserves: 1,524

6. Biodiversity Exhibition and Assessment 2023

(GRI 304-3)

Total number and total area own operational sites	**Number of sites:** 8
	Area (ha): 5,929.24
Biodiversity impact assessments for own operational sites	**Number of sites:** 6
	Area (ha): 6,374.94
Own sites identified with significant impact	**Number of sites:** 2
	Area (ha): 2,827.94
Own sites identified with significant impact that have a biodiversity management plan	**Number of sites:** 2
	Area (ha): 110.04

7. Non-mining waste management

(GRI 306-3) (GRI 306-4) (GRI 306-5)

	2021	2022	2023
Amount of waste generated	10,479	12,583	10,133
Amount of hazardous waste generated	1,885	1,974	2,027
Amount of non-hazardous waste generated	8,595	10,609	7,848
Amount of recycled waste		4,265	4,941
Amount of hazardous waste recycled		600	706
Amount of non-hazardous waste recycled		3,664	4,227
Total amount of reused waste (composting included)		298	277
Amount of reused hazardous waste		294	239
Amount of non-hazardous waste reused		4	38
Total amount of waste sent to landfill (metric tons)		3,956	0
Amount of hazardous waste sent to landfill		291	0
Amount of non-hazardous waste sent to landfill		3,665	0
Total amount of waste incinerated with energy recovery			0

	2021	2022	2023
Amount of hazardous waste incinerated with energy recovery			0
Amount of non-hazardous waste incinerated with energy recovery			0
Total amount of waste incinerated without energy recovery			0
Amount of hazardous waste incinerated without energy recovery			0
Amount of non-hazardous waste incinerated without energy recovery			0
Total amount of waste otherwise disposed of			5,217
Amount of hazardous waste otherwise disposed of			1,052
Amount of non-hazardous waste otherwise disposed of			4,165
The total amount of waste disposed of in an unknown way		4,049	0
Amount of hazardous waste disposed of in an unknown way		789	0
Amount of non-hazardous waste disposed of in an unknown way		3,260	0

8. Inventory of Tailings Deposits

	Tailings Deposit 1	Tailings Deposit 2	Tailings Deposit 3	Tailings Deposit 4
Name of Facility	Los Corralillos	DRF	El Trigo	El Romeral
Geographical Location	Copiapó - Faena Cerro Negro Norte	Huasco - Planta de Pellets	La Serena - Faena El Romeral	La Serena - Faena El Romeral
Property status (own, rented, etc.)	Own	Own	Own	Own
Operational status (active, inactive)	Active	Active	Active	Active
Construction method according to ICMM (upstream, downstream, or centreline)	Centreline	N/A	Dowstream	Dowstream
Current quantity of tailings deposited (metric tons)	3,179,929	163,102*	728,854	-
Maximum quantity of tailings that can be deposited (metric tons)	110,000,000	13,000,000	44,000,000	14,210,000**
Consequence classification according to GISTM	Significant	Significant	Extreme	Extreme
Date of most recently completed independent technical assessment	Oct/2023***	Oct/2023***	Oct/2023***	oct/2023***

(*) deposited since October in DRF, 925,243 [ton] total tailings in the Pellet Plant, including discharge to Chapaco Bay until September.
(**) The permit considered 4.9 [Mm^3] of total capacity and a density of 2.9 [ton/m3] was considered to estimate the value presented.
(***) On this date, the GISTM Adherence analysis of the IDI of each tailings deposit was received.

05

PEOPLE WITH **DIVERSITY**

ADDITIONAL INFORMATION

1. Workplace and sexual harassment

Indicator of workplace and sexual harassment	2021	2022	2023
Total number of staff trained in workplace and sexual harassment matters	no information	no information	0

Indicator of workplace and sexual harassment	2022		2023	
Number of reports of sexual harassment (Law ° 20.005)	3	1	2	0
Number of reports of workplace harassment (Law No. 20,607)	6	0	10	2

2. Training and Benefits

Resources for training	2022	2023
Monetary resources destined for education and professional development for the people who work in the entity (USD)		1,037,400 (785,891,786 CLP)
Total number of trained employees	1,715	1,972
Total number of employees	1,868	1,997

Average Annual Number of Hours of Personnel Training	2023	
	Men	Women
Senior Management	5	10
Managers	13	17
Bosses	23	13
Operator	28	21

Annual Total of Personnel Training Hours	2023	
	Men	Women
Senior Management	48	62
Managers	603	308
Bosses	2,693	660
Operator	42,385	4,582

3. Staff and Diversity

(GRI 405-1) (GRI 2.7) (GRI 2.8)

Work safety indicators	2021		2022		2023	
	Own	Contractors	Own	Contractors	Own	Contractors
Number of employees	2,019	7,609	1,954	8,446	1,972	8,424

Gender indicators	2023	
	Men	Women
Senior Management	1	-
Managers	9	6
Bosses	47	18
Administrative	155	74
Other professionals	381	124
Other technicians	1,102	55
TOTAL	1,695	277

Gender indicators	2023	
Managerial positions in income-generating areas	5	6
STEM positions: associated with areas related to science, technology, mathematics, and engineering	69	28

Indicators by nationality	Senior Management		Managers		Bosses		Administrative		Other professionals		Other technicians	
Breakdown by nationality	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Brazil										1		1
Chile	1		9	6	47	17	151	74	379	119	1,098	52
Colombia										1		
Peru											2	
Venezuela							4		2	1	1	
Cuba										1		1
Spain										1		1
Japan											1	
United Kingdom						1						
TOTAL	1	0	9	6	47	18	155	74	381	124	1,102	55

Indicators by job seniority	Senior Management		Managers		Bosses		Administrative		Other professionals		Other technicians	
Breakdown of job seniority	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Less than 3 years			5	5	20	14	16	8	124	79	128	32
Between 3 and 6	1		1		11		12	18	54	15	179	7
More than 6 and less than 9								4	8	2	22	1
Between 9 and 12			1	1	4	2	52	23	91	21	437	15
Over 12 years			2		12	2	75	21	104	7	336	
TOTAL	1	0	9	6	47	18	155	74	381	124	1,102	55

(GRI 2.7)

4. Formality and Adaptability Own Workers

Labor Formality	2023	
Labor formality	Men	Women
Indefinite contract	1,695	277

Labor Formality	2023	
Job adaptability	Men	Women
Ordinary working day	401	187
Extraordinary shift (4X4)	1,294	90

5. People Management

New hires by age group and gender	2022		2023	
Age range	Men	Women	Men	Women
Under 30	13	12	8	20
Between 30 and 40	43	13	40	36
Between 41 and 50	6	15	22	9
Between 51 and 60	9	2	6	1
Over 60	1	0		

Recruitment	2022	2023
Number of vacancies filled by internal candidates in the year	94	112
Total number of vacancies filled in the year	269	254
Total hiring costs (USD)		53,250
Total number of employees at the end of each year		1,972

Rotation by age group (departures)	2022		2023	
Total number of people who left the organization (by age range and gender)	Men	Women	Men	Women
Under 30	13	12	3	3
Between 30 and 40	43	13	14	9
Between 41 and 50	6	15	7	7
Between 51 and 60	9	2	4	2
Over 60	1	0	1	

Voluntary outgoings	2023
Number of employees who choose to leave the organization (by resignation, retirement, early retirement, etc.)	53

86.5% of employees work in the same region of operations.

Employee satisfaction	2023
Number of employees with the highest level of engagement, satisfaction, or well-being	958
Number of employees who answered the survey (SSIndex)	1,052

Performance assessments	2023
Number of employees who received performance assessments during the year	1,907

(GRI 401-3)

6. Postnatal Leave

Indicators of Postnatal Leave	People entitled to postnatal leave in Chile for 2023 (number)		People who made use of postnatal leave in Chile for 2023 (number)	
Position	Men	Women	Men	Women
Senior Management				
Managers		2		2
Bosses				
Operator				
Salesforce				
Administrative				
Auxiliary				
Other professionals		4		4
Other technicians	1	7	1	7

(GRI 401-3)

Average number of postnatal days used	Men		Women
Position	5-day leave	6 weeks leave (or less)	
Senior Management		0	0
Managers		4	4
Bosses		0	0
Operator		0	0
Salesforce		0	0
Administrative		0	0
Auxiliary		0	0
Other professionals		8	8
Other technicians		16	14
TOTAL		28	26

7. Equity and Wage Gap Policy

(GRI 405-2)

Gender Pay Gap	2023			
	Average monthly gross salary (USD)		Average Monthly Bonus (USD)	
Position	Men	Women	Men	Women
Senior Management	57,928	42,816	9,576	7,539
Managers	25,011	29,957	4,068	5,702
Bosses	11,955	11,024	2,660	2,342
Operator				
Salesforce				
Administrative	4,022	3,667	1,266	1,060
Auxiliary	-	6,950		
Other professionals	6,950	6,106	2,131	1,822
Other technicians	3,835	3,207	1,492	1,230

8. Work Safety

(GRI 403-9)

Work safety goals	2021		2022		2023		Definitions
	Goals for collaborators	Goals for contractors	Goals for collaborators	Goals for contractors	Goals for collaborators	Goals for contractors	
Number of work accidents	5	59	14	39	8	27	Considers CTP and STP incidents.
Number of fatalities due to work accidents	0	0	0	0	0	0	In December 2023, the accident of Ferronor with fatal consequences is under review by SNGM to determine whether to classify it as railway or mining.
Accident rate (per 100 workers)	0.29	0.78	0.72	0.46	0.41	0.32	
Fatality rate (per 100,000 employees)	0	0	0	0	0	0	

Work safety goals	2021		2022		2023		Definitions
Rate of occupational diseases (per 100 workers)	0.15	N/A	0.10	N/A	0.00	N/A	
Days lost due to accidents	27	567	0	36	3	153	
Average number of days lost per accident	0.04	0.01	0.00	0.06	0.33	0.03	

Work safety indicators	2021		2022		2023	
	Own	Contractors	Own	Contractors	Own	Contractors
Number of work accidents	5	59	14	39	8	27
Number of fatalities due to work accidents	0	0	0	0	0	0

Work safety indicators	2021		2022		2023	
Number of accidents with lost time	1	4	0	2	1	4
Number of accidents with no lost time	4	55	14	37	7	23
Near-miss or near-accident events	115	92	9	14	134	70
Number of occupational diseases	3	N/A	2	N/A	0	N/A
Days lost due to work accidents	27	567	0	36	3	153
Total hours worked	4,013,229	11,382,440	3,839,588	12,881,297	3,372,874	13,342,544

9. Trade Unions and Collective Bargaining

(GRI 2.30)

Freedom of Association (CSA 3.1.5)	2023
Number of employees represented by an independent union or covered by collective bargaining agreements by subsidiary	
Union N°1 Pellet Plant	134
Union N°1 Romeral	283
Union N°2 Pellet Plant	154
Union N°5 Pellet Plant	53
Union Punta Totoralillo Port	74
Workers Union - Mina Los Colorados N°1	168
Workers Union - Mina Los Colorados N°2	247
Workers Union - N°2 Magnetite Plant	88
PDP Union	355
Trade Union CNN	260

Legal and Regulatory Compliance (GCN 461 8.1.2)	2022	2023
Number of sanctions enforced regarding regulatory breaches related to workers' rights	0	2
Amount (CLP) that these sanctions represented	0	0
Number of employment protection actions	0	0

Conflicts with Trade Unions (SASB EM-MM-310b.2)	2023
Number of strikes and shutdowns of operations by workers	0
Total length of strikes and closures of operations by workers	0

ABOUT THIS REPORT

ABOUT THIS REPORT

(GRI 2-2) (GRI 2-3) (GRI 2-4) (GRI 2-5) (GRI 2-14)

It is a pleasure to present our Annual Sustainability Report, which provides a detailed overview of our environmental, social, and governance (ESG) performance, together with our Financial Statements for the period from January 1st to December 31st, 2023.

This report complies with the standards established by the Global Reporting Initiative (GRI). We have relied on the Integrated Reporting Framework (IR), integrated into the International Financial Reporting Standards (IFRS), to define the information's contents and structure.

The report's structure follows our organization's strategic Sustainability priorities, reflecting our firm commitment to corporate responsibility and transparency.

This report, approved by our company's Board of Directors and Executive Committee, represents our commitment to accountability and continuous improvement in sustainability.

If you have any questions or suggestions about this document, do not hesitate to contact the Relationship and Shared Value Area:

Name:
Macarena Herrera Sandoval

Position:
Relationship and Shared Value Manager

Mail:
mcherrera@cmp.cl

Stakeholders

CMP establishes connections with its stakeholders through various methods and platforms, adapted according to the nature of the relationship and the breadth of the topics addressed. Thus, the following participatory instances are distinguished:

People

Stakeholders: Collaborators, Unions, and Contractors.

Effective communication between the organization and people is based on establishing transparent relationships based on trust and mutual respect, which facilitates monitoring and compliance with agreed-upon commitments. This continuous communication is carried out through diverse activities such as periodic working environment evaluations, field visits, and collaborative and roundtable meetings with the unions, among other initiatives.

Authorities

Stakeholders: Local, regional, and national authorities, as well as regulatory entities.

Authorities and regulators have the responsibility to develop, implement, and evaluate the regulatory framework that guides the organization's operations, thus becoming a crucial stakeholder in the continuity of its activities. The handling of these relationships follows the corporate strategy. It is carried out by the Communications and Corporate Affairs area in strict compliance with national regulations and the guidelines established by the company's Executive Committee.

Commercial environment

Stakeholders: Suppliers and Customers.

Strengthening its connection with the territory, CMP diversifies its procurement among suppliers of different sizes and capacities, with particular attention to those located in the Atacama and Coquimbo regions. It also maintains transparent and collaborative relationships with its clients nationally and internationally.

In the case of customers, the interaction is constant through various channels and the company's employees. Customers can express their concerns in writing via email, the most common channel because more than 95% are in another country. In addition, direct contacts are established through face-to-face meetings.

Regarding suppliers, meetings are held with all collaborating companies in the extended Supplier Relations Groups (SRG), where guidance and information on relevant security cases are provided.

In addition, CMP's website offers a reporting channel and an SSIndex survey for supplier companies.

Alliances and collaborations

Stakeholders: Guilds and R+D+i centers.

CMP actively participates in various associations and guilds, which allows for sharing its experience and contributes to discussions on public policies, national development, and industry sustainability. In addition, it collaborates in promoting knowledge and innovation through alliances with research, development, and innovation centers. These collaborations include job placement programs, training, and research aimed at improving processes and enriching the perspective with the valuable knowledge and experience of other groups.

Communication environment

Stakeholders: Media.

The media and the press play a crucial role in disseminating CMP's activities, operational progress, and projects. They focus primarily on sustainability and its relationship with the communities in which it operates. This relationship is managed through the Communications and Corporate Affairs area, which guarantees consistency in the transmission of messages to different CMP stakeholders using various technological tools in digital and physical environments.

Social and educational environment

Stakeholders: Groups of the fishing sector, Indigenous peoples, environmental groups, sports clubs, gastronomic representatives of the area, transportation companies, and educational centers.

The company strives to maintain an open and transparent relationship with the communities in which it operates. Collaboration with neighbors, community groups, and organizations is fundamental to building lasting, collaborative long-term relationships.

This relationship is built through the territorial management area, which establishes community relations policies, implements social programs, facilitates roundtable meetings, and promotes collaborative instances. In addition, through SSIndex, an indicator that evaluates stakeholders' perceptions, the organization can assess the depth and quality of these relationships.

Financial setting

Stakeholders: Shareholders and Investors.

Investors and shareholders constantly request and evaluate information about the company's strategy, processes, performance, and decision-making process.

Definition of materiality

(GRI 2-12) (GRI 3-1) (GRI 3-2) (GRI 3-3)

At CMP, we recognize the importance of attending to our client's needs as a cornerstone for evaluating our performance. Our direct interaction with those who use our services gives us the valuable opportunity to design and make decisions to improve their experience and build a solid relationship of trust.

In our eagerness to stand out, we are constantly exploring new development practices that allow us to offer personalized experiences to our customers. This constant search has become one of our main competitive advantages, ensuring we are at the forefront of customer satisfaction.

1. Identification

Before discussing the essential aspects of our Sustainability Report, we analyzed the industry at a national level to contextualize and evaluate our sector's general state of reportability. We also made a benchmark with five international companies, from which we rescued the pillars and their material themes and compared them.

In addition, we exhaustively reviewed studies, documentation, media coverage, and internal communication to identify the year's most relevant milestones and management issues. Based on all the data collected, we prepared a preliminary list for 2023 that included the topics identified during the comparative analysis and the review of secondary documents. Subsequently, we refined this list to propose a final selection of priority topics to be addressed.

2. Prioritization

Based on this prioritization, the final list of 13 material topics for 2023 that make up this Sustainability Report was built.

3. Validation and definition of material issues

The Environment and Sustainability directorate supervised the validation of the materiality study update process for 2023, maintaining a continuous commitment to progress in ESG (Environmental, Social, and Governance) management.

Environmental	Water
Environmental	Biodiversity
Environmental	Circular economy and waste
Environmental	Emissions
Environmental	Energy
Social	Inclusion and diversity
Social	Health and safety
Social	Talent development
Social	Quality of working life
Social	Community
Social	Supplier development
Social	Local employment
Governance and economic	Innovation and technology
Governance and economic	Customer experience
Governance and economic	Customer sustainability
Governance and economic	Regulatory compliance
Governance and economic	Integrity and compliance

Identification of the company

Full name of the company: Compañía Minera del Pacífico S.A.

Fantasy name: CMP

Unique Taxpayer Number: 94.638.000-8

Legal Address: Pedro Pablo Muñoz 675, La Serena, Coquimbo

Tel: (51) 266 8000

Preparation and General Organization: Relationship and Shared Value Area.
Content Development: Soul Consultores.

Design: Motif Diseño Integral

FINANCIAL
STATEMENTS

Consolidated Financial Statements

COMPAÑIA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES

As of December 31, 2023 and 2022

(GRI 2.1)

EY
Building a better working world

EY Chile
Avda. Presidente
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Las Condes, Santiago

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Informe del Auditor Independiente

Señores
Accionistas y Directores
Compañía Minera del Pacífico S.A. y filiales

Opinión

Hemos efectuado una auditoría a los estados financieros consolidados de Compañía Minera del Pacífico S.A. y filiales, que comprenden los estados de situación financiera consolidados al 31 de diciembre de 2023 y 2022 y los correspondientes estados consolidados de resultados integrales, de cambios en el patrimonio y de flujos de efectivo por los años terminados en esas fechas y las correspondientes notas a los estados financieros consolidados.

En nuestra opinión, los estados financieros consolidados adjuntos presentan razonablemente, en todos sus aspectos significativos, la situación financiera de Compañía Minera del Pacífico S.A. y filiales, al 31 de diciembre de 2023 y 2022 y los resultados de sus operaciones y sus flujos de efectivo por los años terminados en esas fechas de acuerdo con Normas Internacionales de Información Financiera.

Base para la opinión

Efectuamos nuestras auditorías de acuerdo con Normas de Auditoría Generalmente Aceptadas en Chile. Nuestras responsabilidades de acuerdo a tales normas se describen, posteriormente, en los párrafos bajo la sección “Responsabilidades del auditor por la auditoría de los estados financieros consolidados” del presente informe. De acuerdo a los requerimientos éticos pertinentes para nuestras auditorías de los estados financieros consolidados se nos requiere ser independientes de Compañía Minera del Pacífico S.A. y filiales, y cumplir con las demás responsabilidades éticas de acuerdo a tales requerimientos. Consideramos que la evidencia de auditoría que hemos obtenido es suficiente y apropiada para proporcionarnos una base para nuestra opinión de auditoría.

Responsabilidades de la Administración por los estados financieros consolidados

La Administración es responsable por la preparación y presentación razonable de los estados financieros consolidados de acuerdo con Normas Internacionales de Información Financiera. Esta responsabilidad incluye el diseño, implementación y mantención de un control interno pertinente para la preparación y presentación razonable de estados financieros consolidados que estén exentos de representaciones incorrectas significativas, ya sea debido a fraude o error.

Building a better working world

Al preparar los estados financieros consolidados, la Administración es requerida que evalúe si existen hechos o circunstancias, que considerados como un todo, originen una duda sustancial acerca de la capacidad de Compañía Minera del Pacífico S.A. y filiales, para continuar como una empresa en marcha al menos por los doce meses siguientes a partir del final del período sobre el que se informa, sin limitarse a dicho período.

Responsabilidades del auditor por la auditoría de los estados financieros consolidados

Nuestros objetivos son obtener una seguridad razonable de que los estados financieros consolidados, como un todo, están exentos de representaciones incorrectas significativas, debido a fraude o error, y emitir un informe del auditor que incluya nuestra opinión. Una seguridad razonable es un alto, pero no absoluto, nivel de seguridad y, por lo tanto, no garantiza que una auditoría realizada de acuerdo con Normas de Auditoría Generalmente Aceptadas en Chile siempre detectará una representación incorrecta significativa cuando ésta exista. El riesgo de no detectar una representación incorrecta significativa debido a fraude es mayor que el riesgo de no detectar una representación incorrecta significativa debido a un error, ya que el fraude puede involucrar colusión, falsificación, omisiones intencionales, ocultamiento, representaciones inadecuadas o hacer caso omiso de los controles por parte de la Administración. Una representación incorrecta se considera significativa sí, individualmente, o en su sumatoria, éstas podrían influir el juicio que un usuario razonable realiza a base de estos estados financieros consolidados.

Como parte de una auditoría realizada de acuerdo con Normas de Auditoría Generalmente Aceptadas en Chile, nosotros:

- Ejercemos nuestro juicio profesional y mantenemos nuestro escepticismo profesional durante toda la auditoría.

- Identificamos y evaluamos los riesgos de representaciones incorrectas significativas de los estados financieros consolidados, ya sea, debido a fraude o error, diseñamos y realizamos procedimientos de auditoría en respuesta a tales riesgos. Tales procedimientos incluyen el examen, a base de pruebas, de la evidencia con respecto a los montos y revelaciones en los estados financieros consolidados.

- Obtenemos un entendimiento del control interno pertinente para una auditoría con el objeto de diseñar procedimientos de auditoría que sean apropiados en las circunstancias, pero sin el propósito de expresar una opinión sobre la efectividad del control interno de Compañía Minera del Pacífico S.A. y filiales. En consecuencia, no expresamos tal tipo de opinión.

- Evaluamos lo apropiado que son las políticas de contabilidad utilizadas y la razonabilidad de las estimaciones contables significativas efectuadas por la Administración, así como evaluamos lo apropiado de la presentación general de los estados financieros consolidados.

Building a better working world

- Concluimos si a nuestro juicio existen hechos o circunstancias, que considerados como un todo, originen una duda sustancial acerca de la capacidad de Compañía Minera del Pacífico S.A. y filiales, para continuar como una empresa en marcha por un período de tiempo razonable.

Se nos requiere comunicar a los responsables del Gobierno Corporativo, entre otros asuntos, la oportunidad y el alcance planificados de la auditoría y los hallazgos significativos de la auditoría, incluyendo, cualquier deficiencia significativa y debilidad importante del control interno que identificamos durante nuestra auditoría.

Oscar Gálvez R.
EY Audit Ltda.

Santiago, 02 de febrero de 2024

COMPAÑÍA MINERA DEL PACIFICO S.A.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 2023 AND 2022
IN THOUSANDS OF US DOLLARS

This document consists of 2 sections:

- **Consolidated Financial Statements**
- **Notes to the Consolidated Financial Statements**

COMPAÑÍA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES CLASSIFIED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023 AND 2022
(IN THOUSANDS OF US DOLLARS (THUS$))

Assets	Note	12.31.2023 ThUS$	12.31.2022 ThUS$
Current assets			
Cash and cash equivalents	6	75,366	61,327
Other non.financial assets, current	11	54,200	41,341
Trade and other accounts receivable, current	7	278,708	278,870
Accounts receivable from related entities, current	8	24,238	17,205
Inventory	9	346,094	287,114
Current tax assets	10	39,061	14,086
Total Current Assets		**817,667**	**699,943**
Non-Current Assets			
Other non-financial assets, non-current	11	60,895	5,777
Accounts receivable, non-current	7	9,311	5,209
Accounts receivable from related entities, non-current	8	17,473	19,616
Investments accounted for using the equity method	13	558	658
Intangible assets other than goodwill	14	557,136	582,453
Property, plant and equipment	15	3,096,280	2,867,683
Assets for right of use	18	68,063	76,437
Deferred tax assets	16	2,713	2,120
Total non-current assets		**3,812,429**	**3,559,953**
Total assets		**4,630,096**	**4,259,896**

The accompanying notes form an integral part of these consolidated financial statements

COMPAÑÍA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES
CLASSIFIED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023 AND 2022
(IN THOUSANDS OF US DOLLARS (ThUS$))

Liabilities and Equity	Note	12.31.2023 ThUS$	12.31.2022 ThUS$
Liabilities			
Current Liabilities			
Other financial liabilities, current	17	385,280	243,000
Lease liabilities, current	18	13,587	12,860
Trade and other accounts payable	19	266,217	303,844
Accounts payable to related entities, current	8	57,539	373,784
Other short-term provisions	20	6,883	5,933
Current tax liabilities	10	350	-
Employee benefit provisions, current	22	18,879	18,141
Other non-financial current liabilities		-	68
Total current liabilities		**748,735**	**957,630**
Non-current liabilities			
Other financial liabilities, non-current	17	459,141	-
Lease liabilities, non-current	18	39,213	47,487
Other long-term provisions	20	278,471	264,436
Deferred tax liabilities	16	323,168	305,769
Employee benefit provisions, non-current	22	57,345	48,027
Other non-financial liabilities, non-current	21	8	8
Total non-current liabilities		**1,157,346**	**665,727**
Total liabilities		**1,906,081**	**1,623,357**
Equity			
Issued capital		887,221	887,221
Retained earnings (losses)		1,425,349	1,332,218
Other reserves	24	411,429	417,082
Equity atributtable to owners of the parent company		**2,723,999**	**2,636,521**
Non-controlling interests	25	16	18
Total equity		**2,724,015**	**2,636,539**
Total liabilities and equity		**4,630,096**	**4,259,896**

The accompanying notes form an integral part of these consolidated financial statements

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COMPAÑÍA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(IN THOUSANDS OF US DOLLARS (THUS$))

Income statement	Note	01.01.2023 12.31.2023	01.01.2022 12.31.2022
Profit (loss)			
Revenue	26	1,895,798	1,832,592
Cost of sales		(1,188,833)	(1,072,949)
Gross profit		**706,965**	**759,643**
Other revenue, by function	28	13,731	27,819
Administrative expenses	27	(66,706)	(51,775)
Other expenses, by function	28	(31,907)	(40,477)
Profits (losses) from operating activities		**622,083**	**695,210**
Finance income	29	3,182	2,526
Finance costs	29	(28,967)	(15,831)
Share in profits (losses) of associates and joint ventures accounted for using the equity method	13	(97)	(72)
Foreign currency exchange effect	37	1,848	8,860
Profit (loss), before taxes		**598,049**	**690,693**
Income tax expense	16	(197,660)	(211,101)
Profit (loss) from continuing operations		**400,389**	**479,592**
Profit (loss) from discontinued operations		-	-
Profit (loss)		**400,389**	**479,592**
Profit (loss), attributable to			
Profit (loss), attributable to owners of the parent		400,391	479,595
Profit (loss), attributable to non-controlling interests		(2)	(3)
Profit (loss)		**400,389**	**479,592**
Earnings per share			
Basic earnings per share		US$	US$
Basic earnings (loss) per share from continuing operations		85,28	102,15
Basic profit (loss) per share from discontinued operations		-	-
Basic earnings (loss) per share		**85,28**	**102,15**

The accompanying notes form an integral part of these consolidated financial statements

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COMPAÑÍA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME BY FUNCTION FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022
(IN THOUSANDS OF US DOLLARS (THUS$))

Comprehensive Income Statement	01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Profit (loss)	**400,389**	**479,592**
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to income for the period, before taxes		
Other comprehensive income, before taxes, actuarial profits (losses) on defined benefit plans	**(8,169)**	**(7,646)**
Other comprehensive income that will not be reclassified to Income for the period, before taxes	**(8,169)**	**(7,646)**
Cash flow hedges		
Profits (losses) on cash flow hedges, before taxes	-	-
Other comprehensive income, before taxes, cash flow hedges	-	-
Other comprehensive income that will be reclassified to income for the period, before taxes		
Other components of other comprehensive income, before taxes	**(8,169)**	**(7,646)**
Income taxes related to components of other comprehensive income that will not be reclassified to income for the period		
Income taxes related to actuarial profits (losses) on defined benefit plans	**2,516**	**2,355**
Income taxes related to components of other comprehensive income that will not be reclassified to income for the period	**2,516**	**2.355**
Income taxes related to other comprehensive income from associates and joint ventures accounted for using the equity method that will be reclassified to Income for the period	-	-
Other comprehensive income	**(5,653)**	**(5,291)**
Comprehensive (loss) income	**394,736**	**474,301**
Comprehensive income attributable to		
Comprehensive (loss) income attributable to owners of the parent	394,738	474,304
Comprehensive income attributable to non-controlling interest	(2)	(3)
Total comprehensive income	**394,736**	**474,301**

The accompanying notes form an integral part of these consolidated financial statements

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COMPAÑÍA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (DIRECT METHOD)
FOR YEAR DECEMBER, 2023 AND 2022.
(IN THOUSANDS OF US DOLLARS (THUS$))

Statement of Cash Flows – Direct Method	Note	01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Cash flows provided by (used in) operating activities			
Types of proceeds from operating activities			
Proceeds from sale of goods and providing of services		1.953.745	1,777,864
Proceeds from premiums and benefits, annuities and other benefits of subscribed policies		-	12,831
Other proceeds for activity of operating		273,641	-
Types of pays			
Payments to suppliers for supplying goods and services		(1,257,989)	(914,128)
Payments to and on account of employees		(189,915)	(165,881)
Payments to premiums and benefits, annuities and other obligations derived from the		(29,034)	(35,522)
Interest received, classified as operating activities		910	731
Income taxes (paid) reimbursed, classified as operating activities		(226,033)	(440,534)
Net cash flows provided by (used in) operating activities		529,325	235,361
Cash flows provided by (used in) investing activities			
Loans to related entities		-	(2,217)
Additions to property, plant and equipment, classified as investing activities		(443,431)	(349,233)
Charges to related entities		2,143	2,143
Dividends paid		3	-
Interest paid		1,451	665
Net cash flows provided by (used in) investing activities		(439,834)	(348,642)
Cash flows provided by (used in) financing activities			
Proceeds from loans, classified as financing activities			
Proceeds from long-term loans		459,141	-
Proceeds from short-term loans		1,079,009	315,000
Loan repayments		(951,000)	(75,000)
Payment of finance lease liabilities, classified as financing activities		(11,666)	-
Dividends paid		(627,003)	(710,941)
Interest paid, classified as financing activities		(23,933)	(3,902)
Net cash flows provided by (used in) financing activities		(75,452)	(474,843)
Net increase (decrease) in cash and cash equivalents, before the effect of changes in the exchange rate		14,039	(588,124)
Effects of changes in the exchange rate on cash and cash equivalents			
Net increase (decrease) in cash and cash equivalents		14,039	(588,124)
Cash and cash equivalents at beginning of year		61,327	649,451
Cash and cash equivalents at end of year		75,366	61,327

The accompanying notes form an integral part of these consolidated financial statements

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COMPAÑÍA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF NET CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022
(IN THOUSANDS OF US DOLLARS (THUS$))

As of December 31, 2023

	Note No.	Issued capital	Defined employee benefits plan profit or loss reserve	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to owners of the parent	Nc contr inte
Equity at beginning of year 01.01.2023	24	**887,221**	**(13,090)**	**430,172**	**417,082**	**1,332,218**	**2,636,521**	
Changes in equity								
Comprehensive income								
Profit (loss)		-	-	-	-	400,391	400,391	
Other comprehensive income		-	(5,653)	-	(5,653)	-	(5,653)	
Comprehensive income		-	-	-	-	-	394,738	
Dividends	**24**	**-**	-	-	-	(307,260)	(307,260)	
Increase (decrease) in equity		**-**	**(5,653)**	**-**	**(5,653)**	**93.131**	**87,478**	
Equity as of December 31, 2023	**24**	**887,221**	**(18,743)**	**430,172**	**411,429**	**1,425,349**	**2,723,999**	

As of December 31, 2022

	Note No.	Issued capital	Defined employee benefits plan profit or loss reserve	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to owners of the parent	Nc contr inte
Equity at beginning of year 01.01.2022	**24**	**887,221**	**(7,999)**	**430,172**	**422,373**	**1,219,260**	**2,528,854**	
Changes in equity								
Comprehensive income								
Profit (loss)		-	-	-	-	479,595	479,595	
Other comprehensive income		-	(5,291)	-	(5,291)	-	(5,291)	
Comprehensive income		-	-	-	-	-	474,304	
Dividends	**24**	**-**	-	-	-	(366,637)	(366,637)	
Increase (decrease) in equity		**-**	**(5,291)**	**-**	**(5,291)**	**112,958**	**107,667**	
Equity as of December 31, 2022	**24**	**887,221**	**(13,090)**	**430,172**	**417,082**	**1,332,218**	**2,636,521**	

The accompanying notes form an integral part of these consolidated financial statements

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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1. GENERAL INFORMATION

Compañía Minera del Pacífico S.A. (the Company or CMP S.A.), subsidiary of CAP S.A. is a closed corporation and parent company of the group referred to in these consolidated financial statements.

CMP S.A.'s main shareholder is CAP S.A., with 75.00% of CMP's stock capital, with which the company is in the position of exercising control over investments as it is exposed and has the rights to the variable returns. Accordingly, CAP exercises control over CMP. For the purposes of the definition given in title XV of law No. 18,045, CAP S.A. is CMP S.A.'s controller. CAP S.A. is registered with the Financial Market Commission (CMF) and therefore regularly reports the consolidated financial statements of the CAP group.

At a meeting held on February 10, 2010, the Company's Board of Directors agreed to approve the merger of the CMP S.A. and Compañía Minera Huasco S.A. The latter is a subsidiary of CMP S.A. and MC Inversiones Limitada, with an equal number of shares. As a result, Compañía Minera Huasco S.A. was absorbed by CMP. Subsequently, a capital increase was approved for the Company, which was paid for by MC Inversiones Limitada.

As a result of the merger by absorption of Compañía Minera Huasco S.A. and CMP S.A., MC Inversiones Limitada received 15.9% of CMP S.A. shares. Subsequently, MC Inversiones Limitada increased its interest in the Company through a capital increase for MUS$ 401, which was fully paid in cash. As a result, MC Inversiones Limitada's interest in the Company increased to 25%.

The Company's Extraordinary Shareholders' Meeting held on April 27, 2010, approved: (1) the merger of Compañía Minera Huasco S.A. and CMP S.A.; (2) the aforementioned capital increase of the merged company; and (3) the modification and the new consolidated text of the Company's bylaws.

After the approved merger, the main shareholders of the Company, CAP S.A. (75.00%) and MC Inversiones Limitada (25.00%) signed a Shareholders' Agreement to establish the terms of their relationship and their rights and obligations in respect to the Company.

2. BUSINESS DESCRIPTION

The main corporate purpose of the Company is to evaluate, develop and exploit mining sites; process and market mineral products; develop and exploit complementary, derived or secondary industries that support or supply raw materials, inputs and services; providegeological and mining research, as well as engineering, earthmoving, construction, andindustrial maintenance services; and to create and incorporate any kind of companies for these purposes.

The Company is the largest producer of iron ore and pellets along the Pacific coast. It owns extensive resources and reserves, which are growing constantly. This will guarantee the continuity of operations for many decades.

In terms of its management, the Company is organized into four main units:

- Huasco Valley: Which includes the Pellet Plant, Los Colorados (Ex - Compañía Minera Huasco S.A., see Note 1) and El Algarrobo mining sites and Guacolda II Port.
- Elqui Valley: Which includes El Romeral mines and Guayacán Port.
- Copiapó Valley: Which includes the Magnetite Plant, the Cerro Negro Norte mine and the Punta Totoralillo Port.

The Company is the parent of the following subsidiaries:

Direct subsidiaries:

- Sociedad de Ingeniería y Movimientos de Tierra del Pacífico Limitada (IMOPAC)
- Manganesos Atacama S.A. (MASA)
- CMP Services Asia Limited

The main corporate purpose of IMOPAC is to exploit its own or third parties' mining sites; execute all kinds of civil engineering and earthmoving works, as well as engineering, geological and mining projects; as well as providing advisory and consultancy in the described matters and any other related activity in the domestic and foreign markets.

The main objective of MASA is to participate in the mining and ferroalloy industry, preferably with manganese, and exploit and commercialize related products. As indicated in Note 12, this subsidiary does not currently have any operating activities.

The main objective of CMP Services Asia Limited is to support the trading and sales management area of Compañía Minera del Pacífico S.A. in Asia.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Accounting principles

These consolidated financial statements are presented in thousands of United States dollars (ThUS$) and have been prepared using the accounting records maintained by Compañía Minera del Pacifico S.A. and its subsidiaries. The consolidated financial statements for ended December 31, 2023 and 2022, have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34, issued by the International Accounting Standards Board (hereinafter the "IASB").

These consolidated financial statements faithfully reflect the financial position of the consolidated Group as of December 31, 2023 and 2022, the results of periods, the changes in net equity and cash flows for the period, and which were approved by the board of Directors in a session held on January 27, 2023.

The preparation of consolidated financial statements in accordance with International Financial Reporting Standards requires the use of estimates and assumptions by the Group's Management. These estimates are based on the best knowledge of Management regarding the reported amounts, events or actions. The most significant accounting estimates and criteria are detailed in Note 5.

The Board of Compañía Minera del Pacífico S.A. has become aware of the information contained in these consolidated financial statements and states that it is responsible for the veracity of the information herein as of December 31, 2023, and that it has applied the principles and criteria stated in the International Financial Reporting Standards.

In preparing these Consolidated Financial Statements, certain estimates have been made by the Company's Management to quantify certain assets, liabilities, revenue, expenses and commitments recorded therein. These estimates refer to:

- The assumptions used in the actuarial calculation of liabilities and obligations with employees.
- The useful life of property, plant and equipment and intangible assets.
- Asset impairment.
- The useful life of mining reserves and production plans.
- The assumptions used to calculate inventory obsolescence estimates.
- The probability of occurrence and the amount of uncertain or contingent liabilities.

Although these estimates were made based on the best information available at the date of issuance of these Consolidated Financial Statements, it is possible that events that take place in the future may require adjustments (upwards or downwards) in the coming periods, which would be done prospectively, recognizing the effects of any changes in estimates in the relevant future Consolidated Financial Statements.

The main accounting policies adopted in the preparation of these Consolidated Financial Statements are detailed as follows.

For the convenience of the reader, the financial statements and their accompanying notes have been translated from Spanish to English

a. Period covered: These Consolidated Financial Statements cover the following periods:

- Classified Consolidated Financial Statements as of December 31, 2023 and 2022.
- Consolidated Comprehensive Income Statements as of December 31, 2023 and 2022, respectively.
- Consolidated Statements of Changes in Equity as of December 31, 2023 and 2022, respectively.
- Consolidated Statements of Cash Flows – Direct Method as of December 31, 2023 and 2022, respectively.

b. The basis for preparation: These Consolidated Financial Statements have been prepared, based on the historical cost model. In general, the historical cost model is based on the fair value of the consideration received for goods and services provided. The fair value is the price for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date, regardless of whether this price is observable or estimated, using another valuation technique. The Company considers the characteristics of assets and liabilities if the market participants consider them when setting the price of the asset or liability on the measurement date. For measurement and/or disclosure purposes, fair value in these financial statements is determined in that manner, except for measurements that are similar to market value, but which are not fair value, such as the net realizable value of IAS 2 or value in use of IAS 36.

These consolidated financial statements faithfully reflect the financial position of Compañía Minera del Pacífico S.A. and subsidiaries as of December 31, 2023 and 2022, changes in net equity and their cash flows for the periods then ended in nine ending on those dates.

c. Basis of consolidation: These Consolidated Financial Statements comprise the financial statements of Compañía Minera del Pacífico S.A. ("the Company") and its Subsidiaries ("the Group" as a whole), which includes the Company and its Subsidiaries' assets, liabilities, income and cash flows. Control exists when the Company has:

- power over the investee;
- the exposure, or rights, to variable returns from involvement with the investee; and,
- the ability to use power over the investee to affect the amount of those returns.

The Company carried out its evaluation of its controls by considering all the facts and circumstances. Its conclusions will be reevaluated if there is any indication of changes to at least one of the aforementioned requirements.

When the Company does not have majority voting rights in an investee, it seeks to obtain control by acquiring sufficient voting rights to direct the relevant activities of the investee. The Company considers all the facts and circumstances when evaluating whether its voting rights in an investee are sufficient to give it power, including:

- The size of the Company's voting rights in comparison with the relative size and dispersion of other vote holders.
- Potential voting rights held by the Company, other vote holders or other parties.
- Right from other contractual arrangements.
- Any additional facts or circumstances that indicate whether or not the Company has the ability to direct relevant activities when decisions need to be made, including voting behavior patterns in previous shareholders meetings.

The consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ends when the Company loses such control. Specifically, revenue and expenses from a subsidiary acquired or sold during the year are included in the Statement of Comprehensive Income from the date on which the Company obtains control until the date when the Company no longer exercises control over the subsidiary.

Income and each component of Other Comprehensive Income are attributed to the owners of the Company and non-controlling interests. The total Comprehensive Income of the subsidiaries is attributed to the owners of the Company and non-controlling interests even if this results in a negative balance for the non-controlling interests.

All significant intercompany balances and transactions have been eliminated upon consolidation. Non-controlling interests, which correspond to the ownership percentage of third parties in the subsidiaries have also been recognized separately in the consolidated equity of CMP S.A.

i. **Subsidiaries:** A subsidiary is an entity over which the Company exercises direct or indirect control, as defined above. The consolidation method includes entities whose activities are carried out for the benefit of the Company, despite not being controlled by it, which are exposed to all the risks and benefits of the parent company.

When evaluating whether the Company controls another entity, the existence and effect of all potential voting rights that are currently exercised are considered. Subsidiaries are consolidated from the date on which control is transferred to the Group and they are excluded from consolidation on the date when such control ceases.

The Group owns certain organizations related to sports clubs, and health and education services, which are controlled by the Company. However, these organizations have not been consolidated as they do not have any material effect on the Group's Consolidated Financial Statements.

The subsidiaries consolidated by the CMP Group are detailed as follows:

Tax No.	Company	Country	Relation	Percentage of share interest 12.31.2023 Direct	Indirect	Total	12.31.2022 Total
79.807.570-5	Sociedad de Ingeniería y Movimientos de Tierra del Pacífico Ltda.	Chile	Direct subsidiary	99.878	0.121	99.998	99.998
90.915.000-0	Manganesos Atacama S.A.	Chile	Direct subsidiary	99.519	0.000	99.519	99.519
60938841	CMP Services Asia Ltd.	Honk Kong	Direct subsidiary	100.000	0.000	100.000	100.000

Non-controlling interests: A controlling entity will present non-controlling interests in its Consolidated Statement of Financial Position, specifically in Equity, but separately from equity attributable to owners of the parent.

Changes to the Company's interest in a subsidiary that do not result in the loss of control over the subsidiary are accounted for as equity transactions. The carrying amounts of the Company's interest and controlling interests in a subsidiary are adjusted to reflect anychanges to their relative interests therein. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration that is paid or received is recognized directly in Equity and attributed to the owners of the Company.

ii. **Associates and joint ventures:** An associate is an entity over which the Company exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but not to exercise control or joint control over such policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Income, assets and liabilities of associates and joint ventures are incorporated in these Financial Statements through the equity method, except when the investment is classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for the Sale and Discontinued Operations*. Under the equity method, investments in associates and/or joint ventures are initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the net assets of the investee after the date of acquisition, less any impairment in value.

If the Company's share of losses of an associate or joint venture exceeds its interest in the associate or joint venture, the entity will no longer recognize its share of further losses. The interest in an associate or joint venture is the carrying amount of the investment in the associate or joint venture under the equity method together with any long-term interests that, in substance, form part of the entity's net investment in the associate or joint venture.

An investment in an associate and/or joint venture is accounted for through the equity method, from the date on which it becomes an associate or joint venture. On acquisition of the investment in an associate and/or joint venture any difference between the cost of the investment and the Company's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill and included in the carrying amount of the investment. After conducting a reevaluation, any excess of the entity's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment willbe immediately recogized in Comprehensive Income for the period in which the investment is acquired.

As of December 31, 2023 and 2022 the Company does not have any jointly controlled companies.

The Company's associates are detailed as follows:

Company	Ownership % 12.31.2023	12.31.2022
Tecnocap S.A.	0.03658	0.03658
Soc. Minera El Águila SpA.	20.00	20.00

iii. **Business combinations:** Business combinations are accounted for by using the acquisition method, which involves recognizing identifiable assets (including previously unrecognized intangible assets) and liabilities (including contingent liabilities and excluding future restructuring) of the business acquired at fair value. If these business combinations involve acquiring control of an investee over which the Company had significant influence or joint control, this prior interest is recognized at fair value through profit or loss.

d. Currency: The functional currency of each entity of the Group has been determined as the currency of the main economic environment in which they operate. Transactions performed in currencies other than the entity's functional currency will be translated at the exchange rate in force on the transaction date. Monetary assets and liabilities expressed in currencies other than the entity's functional currency will be also translated at the closing exchange rates. Gains and losses arising from any exchange differences will be recognized innet income for the year in other financial items.

The Group's presentation currency and the Company's functional currency is the US Dollar. During the consolidation process, items of the Statement of Income from entities whose functional currency is not the US dollar will be translated into US Dollars using the average exchange rates. Balance sheet items will be translated at closing exchange rates. Any exchange differences arising from the translation of the net assets of these entities will be recognized in equity in a separate translation reserve.

e. Translation bases: Transactions performed in currencies other than an entity's functional currency are considered "foreign currency transactions" and are translated into the entity's functional currency using the exchange rate in force on the transaction date. Assets and liabilities denominated in Chilean Pesos and Indexed Units (UF) are translated into US Dollars using the exchange rates in force on the closing date of the Financial Statements, as detailed as follows:

	12.31.2023	**12.31.2022**
Chilean pesos (CLP)	877,12	855.86
Unidad de fomento (UF)	36,789.36	35,110.98

f. Offsetting balances and transactions: As a general rule, neither assets and liabilities nor revenue and expenses are offset in the Financial Statements, except for those cases in which offset is required or allowed by a certain standard and the presentation is a reflection of the substance of the transaction.

Revenue or expenses originating from transactions that either contractually or by legal regulation contemplate the possibility of offsetting and the Company has the intention of settling for their net amount or of realizing the asset and paying the liability in a simultaneous manner, are presented net in the income statement account.

g. Property, plant and equipment: Property, plant and equipment assets are recognized at cost, excluding periodic maintenance costs, less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment elements comprises their acquisition cost plus all costs directly related to the location of the asset and getting it to operating conditions as intended by management and an initial estimate of any decommissioning and removal cost for the elements or for rehabilitation of the physical location where they are placed.

In addition, the cost of property, plant and equipment includes any financing interest costs directly attributable to the acquisition or construction of assets that require a substantial period of time before being ready for use or sale.

In the case of works in progress that generate income during their start-up stage, the positive or negative margin is included in their cost, as appropriate.

Any repair and maintenance costs of PP&E assets are credited to Income for the year in which they are incurred. It should be noted that some of the assets of the Group's property, plant and equipment require periodic reviews. Any replaced items are recognized separately and disaggregated at a level that allows them to be amortized over the term between the current period and the next repair.

Any costs of enlargements, modernization or improvements that involve an increase in productivity or efficiency or the useful life of the relevant assets are capitalized by increasing the carrying amount of the assets.

Likewise, the item property, plant and equipment includes assets acquired under leasing with a purchase option that meets the requirements for finance leases. These assets are not legally owned by the Company until the purchase option is exercised.

Spare parts associated with PP&E assets with a turnover greater than 12 months are classified as separate PP&E assets and credited to Income for the period in which they are installed.

The profit or loss resulting from the sale or withdrawal of a PP&E asset is calculated as the difference between the sales price and the carrying amount of the asset. This profit or loss is recognized in Income for the year.

h. Depreciation – For certain assets with useful lives equal to that of the production site, the Company uses production units and for others it uses the straight-line method.

The main items of property, plant and equipment and their useful lives are detailed as follows:

	Minimum useful life (years)	Maximum useful life (years)	Weighted average useful life (years)
Buildings	20	61	36
Plant and equipment	2	61	29
IT equipment	1	5	3
Motor vehicles	3	6	4
Other property, plant and equipment	1	8	6
Mine development	14	16	15

The useful items of property, plant and equipment are reviewed annually. The depreciation of PP&E begins when the assets are ready to use.

Plots of land are recognized independently of the buildings or facilities that may have been constructed upon them. Plots of land have an indefinite useful life. Therefore, they are not subject to depreciation.

At the closing date or whenever there is any indication that PP&E assets may be impaired, the Group evaluates the value of the assets. Any difference or reversal in the value of an item arising from this evaluation is recognized with a credit or debit to Income, as appropriate.

i. Mine Development: Initial costs incurred during the development stage of a mining project (start-up costs) are capitalized and amortized over the future mining production. These costs include earthmoving and extraction of sterile soil, infrastructure construction andworks prior to operation.

The accounting policy of the Company relates to the treatment of projects and includes Exploration and Evaluation of mineral resources. As defined by the Policy, Exploration means a set of activities carried out in order to locate, measure and study mineral resources. Exploration is divided in the following stages:

- Basic exploration: initial exploration of areas previously classified as potential resource deposits.
- Advanced exploration: studies of areas where minerals have already been detected through drilling activities.

Mining exploration is comprised of a set of activities intended for the search and discovery of resources that result useful for commercial exploration, including concepts, such as:

- Historical exploitation data research and analysis in a specific area.
- Conduction of topographical, geological, geochemical and geophysical surveys.
- Exploratory drilling activities.
- Trenching and digging.
- Sample collection and analysis.
- Conceptual assessment of results before feasibility (activities related to the assessment of technical feasibility and commercial viability of extracting mineral resources).

According to the foregoing definition, exploration expenses are recorded in the statement of income under the accounting item "Other expenses by function." Exploration and evaluation expenses are accounted for in the statement of income the period they are incurred since there is no certainty that future economic benefits will be triggered.

When a mining project is deemed commercially viable (this typically occurs when theproject feasibility stage has started) all other directly attributable preproduction expenses are capitalized. In contrast to the foregoing, in particular profile, conceptual studies and project prefeasibility studies are recorded in the statement of income under the accounting item "Other expenses by function."

j. Earthmoving costs: Costs related to earthmoving and extraction of sterile soil in open pit deposits during the production stage that are incurred to access mineral deposits are recognized in the item Property, Plant and Equipment, provided that they meet the following IFRIC 20 criteria:

- It is likely that future economic benefits associated with these earthmoving activities will flow to the Company.
- It is possible to identify the minerals being accessed.
- The cost associated with these earthmoving activities can be estimated reliably.

The amounts recognized in property, plant and equipment are amortized, based on the production units within the mining sites where the specific earthmoving activities werecarried out.

k. Investment property: This includes buildings and plots of land used to obtain income from a lease or a surplus from their sale. The Group recognizes investment property usingthe cost method, under the same criteria as for items of property, plant and equipment. As of December 31,2023 and 31,2022, there are no assets classified as investment properties.

l. Intangible assets other than goodwill: Upon initial recognition, intangible assets with finite useful lives that were acquired separately are measured at cost. After initial recognition, intangible assets are recognized at cost less any accumulated amortization and any accumulated impairment losses.

m. Assets available for sale and discontinued operations: Non-current assets whose carrying amount is recovered through their sale and not through continuous use are classified as assets available for sale and discontinued operations. This condition is only considered to have been fulfilled when the sale is highly likely and the asset is available for immediate sale in its current condition. The sale should be completed within one year from the date of classification. These assets are valued at their carrying amount or the fair value less cost of sale, whichever is lower.

As of December 31, 2023 and 2022, there are no assets classified as available-for-sale or discontinued operations.

n. Impairment of non-financial assets: Assets subject to amortization are tested for impairment whenever there is objective evidence that their carrying amount will not be recoverable as a result of one or more events occurred after initial recognition.

In order to evaluate impairment losses, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is recognized for the excess of the carrying amount of the asset over its recoverable amount. The recoverable amount is the fair value of an asset less the cost of sale or its value in use, whichever is greater. When measuring the fair value, the estimated future cash flows are discounted up to the present value using a pre-tax discount rate that reflects the current market measurements of the time value of money and the specific risks of the asset, for which no future cash flow estimates have been adjusted.

If the recoverable amount of an assets or cash-generating unit is estimated to be lower than their carrying amount, the carrying amount is reduced to the recoverable amount and an impairment loss is immediately recognized as additional depreciation. If any impairment loss is subsequently reversed, the carrying amount will be increased to the revised estimate of the recoverable amount but only to the extent that it does not exceed the carrying amount that would have been determined if no impairment loss had been previously recognized. In such a case, a reversal is immediately recognized as a decrease in depreciation.

Non-financial assets other than badwill that have experienced an impairment loss are reviewed on each date of the Statement of Financial Position to verify the possibility of any reversals.

In the case of mining property, estimates of future cash flows are based on estimates of the amounts of proven and probable ore reserves and assumptions regarding future production levels, future prices of basic products, future production costs and investment projects. IAS 36 “Impairment of Assets” includes several restrictions regarding future cash flows that may be recognized in connection with future expenditure restructuring and improvements. When calculating the value in use, calculations must also be based on the exchange rates in force at the time of measurement. As of December 31, 2023, impairment tests indicated that there was no observable impairment.

ñ. Economic useful life of assets and estimated ore reserves

i. Economic useful life of assets: The economic useful life of items of property, plant and equipment is used to calculate depreciation and is determined based on technical studies prepared by internal specialists. These studies are also used for new acquisitions of property, plant and equipment and to determine when the useful lives of the assets must be modified.

Some of the factors considered to determine the useful life of certain assets are:

- The expectations of production units or volume;
- The quality of inputs on the production process; and
- The extraction and processing method.

ii. Iron ore reserves: Ore reserve estimates are based on Management's estimates of the amount of mineral resources that could be mined and sold at prices that exceed the total extraction and processing costs. Ore reserve estimates are calculated internally using standard methods commonly used in the mining industry, which are supported by Management's historical experience and assumptions regarding production costs and market prices.

Management applies professional judgment when determining probable resources to be exploited. Consequently, potential changes to estimates could significantly impact the Company’s net income as a result of changes to the useful lives of certain assets and the recognition of certain dismantling and restoration costs that may need to be reassessed.

o. Financial instruments: Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual clauses of the instrument. Financial assets and financial liabilities are initially measured at fair value. Upon initial recognition, transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or reduced from their fair value, as appropriate. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are immediately recognized in Income.

o.1 Financial assets: All agreed purchases or sales of financial assets are recognized (or derecognized) on the date of the agreement. Agreed purchases or sales of financial assets are purchases or sales under a contract whose clauses stipulate the delivery of the asset during a term that is generally agreed upon between the parties or has been previously established by the market. All recognized financial assets are subsequently measured either at amortized cost or at fair value, depending on their classification.

(i) Financial asset classification: Financial assets that meet the following conditions are subsequently measured at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets to collect their contractual cash flows; and
- The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through profit or loss (FVTPL):

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and sell financial assets.
- The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset are measured at fair value through profit or loss (FVTPL).

Notwithstanding the foregoing, upon initial recognition of a financial asset the Company may opt for any of the following irrevocable elections:

- The Company may make an irrevocable election to present in other comprehensiveincome subsequent changes in the fair value of an investment in an equity instrument that would otherwise be measured at fair value through profit or loss.
- The Company may irrevocably designate a financial asset at fair value through profit or loss even when that asset meets the criteria to be measured at amortized cost or at fair value through other comprehensive income if in doing so, it eliminates or significantly reduces a measurement or recognition inconsistency.

(ii) Amortized cost and effective interest method: The effective interest method is a method that is used in the calculation of the amortized cost of a financial asset and in the allocation and recognition of the interest revenue over the relevant period.

For purchased or issued financial instruments other than credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including fees, interest points paid or received between parties to the contract, transaction costs and other premiums and discounts; and excluding expected credit losses) to the gross carrying amount of the financial asset through its expected life (or a shorter period, when appropriate) upon initial recognition of the financial asset. For purchased or issued credit- impaired financial assets, an effective interest rate adjusted according to credit quality is calculated by discounting the estimated cash flows and including expected credit losses, which is applied to the amortized cost upon initial recognition of the financial asset.

The amortized cost of a financial asset is the amount at which the financial assets was initially recognized using the effective interest method, less principal repayments, plus accumulated amortization of any difference between the initial amount reconized and the amount at maturity, plus any impairment loss adjustments. On the other hand, the gross carrying amount of a financial asset is the amortized cost of the financial asset before any impairment loss adjustments.

For financial assets at amortized cost and at fair value through other comprehensive, interest revenue shall be calculated by using the effective interest method. For financial instruments that are not purchased or originated credit-impaired financial assets, interest revenue is calculated by applying the effective interest rate to the gross carrying amount of the financial asset, except for financial assets that have subsequently become credit-impaired financial assets. For financial assets that have subsequently become credit-impaired financial assets, interest revenue is recognized by applying the effective interest rate to the amortized cost of the financial asset. If in subsequent reporting periods, the credit risk on the financial instrument improves so that the financial asset is no longer credit-impaired, interest revenue will be recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognizes interest revenue by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition. This calculation does not revert the gross basis even if the credit risk on the financial asset improves so that the financial asset is no longer credit-impaired.

Interest revenue is recognized in the item “Financial Income” of the Statement of Income.

(iii) Financial assets at fair value through other comprehensive income (FVTOCI): Financial assets at fair value through other comprehensive income are initially measured at fair value plus transaction costs. Subsequently, any changes to the carrying amount of these financial instruments as a result of gains and losses arising from exchange differences, impairment gains and losses and interest revenue calculated using the effective interestmethod are recognized in Income. The amounts recognized in Income are the same as those that would have been recognized if these financial instruments had been measured at amortized cost. Any other changes to the carrying amount of these financial instruments are recognized in other comprehensive income and accumulated in Equity, specifically in the “Reserve of gains and losses from financial assets measured at fair value through other comprehensive income”. When these financial instruments are derecognized, any accumulated gains or losses previously recognized in other comprehensive income are reclassified to Income.

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(iv) Equity instruments designated to be measured at FVTOCI: Upon initial recognition, the Company may make an irrevocable election to designate equity instruments as measured at FVTOCI. This designation must be made on an instrument-by-instrument basis and is not permitted if the equity instrument is held for trading or if it is a contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies.

A financial asset is held for trading if:

- is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- on initial recognition is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments measured at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value by recognizing any gains and losses from changes to the fair value in other comprehensive income and accumulated in Equity, specifically in the “Reserve of gains and losses from financial assets measured at fair value through other comprehensive income”. The accumulated gain or loss will not be reclassified to Income upon the sale of the equity instruments, rather, they will be carried to Retained Earnings.

Dividends on these investments in equity instruments are recognized in Income when: the Company’s right to receive payment of the dividend is established; it is probable that the economic benefits associated with the dividend will flow to the Company; and theamount of the dividend can be measured reliably, unless that dividend clearly represents a recovery of part of the investment cost. Dividends are recognized in the item “Financial Income” of the Statement on Income.

As of December 31, 2023 the Group has no financial assets to be designated as investments in equity instruments to be measured at FVTOCI.

(v) Financial instruments measured at fair value through profit or loss (FVTPL): Financial assets that do not meet the criteria to be measured at amortized cost or at FVTOCI, are measured at FVTPL. Specifically:

- At initial recognition, investment in equity instruments that are classified at FVTPL, provided that they are neither held for trading nor contingent consideration recognized by an acquirer in a business combination (which are measured at FVTOCI).
- Financial assets that have been irrevocably designated as at fair value through profit or loss at initial recognition when, in doing so, the Company eliminates or significantly reducesa measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any financial instrument to be measured at FVTPL.

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Financial assets designated as at FVTPL are measured at fair value at the end of each reporting period, and their gains or losses are recognized at fair value in Income to the extent that they are not part of a hedging relationship. The net gain or loss recognized in Income includes any dividend or interest earned on the financial asset and is recognized in the item "Financial Income". As of December 31, 2023 the Group does not have financial assets designated as FVTPL.

(vi) Gains and losses arising from exchange differences: The carrying amount of financial assets denominated in a foreign currency is determined in that currency and are translated at the closing exchange rate of each reporting period. Specifically:

- For financial assets measured at amortized cost that are not part of a hedging relationship, exchange differences are recognized in Income, in the item "Exchange Differences";
- For financial assets measured at FVTOCI that are not part of a hedging relationship, any exchange differences to the amortized cost of the financial instrument will be recognized in Income, in the item "Exchange Differences". Other exchange differences are recognized in other comprehensive income, in the "Reserve of gains and losses on financial assets measured at fair value through other comprehensive income";
- For financial assets measured at FVTPL that are not part of a hedging relationship, exchange differences are recognized in Income, in the item "Exchange Differences". For equity instruments measured at FVTOCI, exchange differences are recognized in other comprehensive income, in the "Reserve of gains and losses on financial assets measured at fair value through other comprehensive income"

o.2. Impairment of financial assets: The Group recognizes a correction in value from expected credit losses ("ECL") on financial assets that are measured at amortized cost or at FVTOCI, accounts receivable from leases, amounts owed by clients under construction contracts, as well as debt obligations and financial guarantee contracts. No impairment loss is recognized for investments in equity instruments. The amount of expected credit losses is updated on each reporting date to reflect any changes to credit risk since the initial recognition of the financial asset.

The Group always recognizes ECLs during the expected life of trade receivables. Expected credit losses from these financial assets are estimated using a provision matrix based on the Company's historical experience of credit losses, adjusted according to specific factors regarding the borrowers, general economic conditions and an evaluation of the current and estimated direction of credit conditions as of the reporting date. The time value of money is also considered when appropriate.

For all remaining financial instruments, the Company recognizes ECLs over the expected life of the assets when credit risk has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company shall measure the loss allowance for that financial instrument at an amount equalto 12-month expected credit losses. At each reporting date, an entity shall assess whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, an entity shall use the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses.

ECLs represent credit losses that will result from all expected default events during the expected life of a financial instrument. On the other hand, the 12-month expected credit losses represent the portion of lifetime expected credit losses that are expected to result from default events on a financial instrument that are possible within the 12 months after the reporting date.

(i) Determining significant increases in credit risk: When assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as of the reporting date and the risk of a default occurring on the financial instrument as of the date of initial recognition. In order to make this assessment, the Company considers reasonable and supportable quantitative and qualitative information, including historical experience and forward-looking information, that is available without undue cost or effort. Forward-looking information includes future prospects of the industries in which the Company's borrowers operate, which is obtained from reports from economic experts, financial analysts, government agencies, relevant expert groups, and other similar organizations, as well as fromdifferent external sources of current and forecasted economic information related to the Company's target industries, namely, leisure goods, electronic equipment, residential property and IT software.

In particular, the following information is taken into consideration when evaluating whether credit risk has increased significantly since initial recognition:

- an actual or expected significant change in the financial instrument's internal or external (if available) credit rating;
- significant changes in external market indicators of credit risk for a particular financial instrument, for instance, the credit spread; the credit default swap prices for the borrower; or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations;
- an actual or expected significant change in the operating results of the borrower.
- significant increases in credit risk on other financial instruments of the same borrower; and

- an actual or expected significant adverse change in the regulatory, economic or technological environment of the borrower that results in a significant change in the borrower's ability to meet its debt obligations.

Regardless of the results of the aforementioned assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonableand supportable information to rebut this presumption.

Notwithstanding the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. The credit risk on a financial instrument is considered low if: (i) the financial instrument hasa low risk of default; (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditionsin the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil itscontractual cash flow obligations. The Company considers that a financial asset has low credit risk when it has internal or external credit risk ratings that are consistent with a globally understood definition of low credit risk, suchs as internal or external rating of 'investment grade'.

For loan commitments and financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment shall be considered to be the date of initial recognition for the purposes of applying the impairment requirements. When assessing whether the credit risk on a loan commitment has increased significantly since initial recognition, the Company considers changes in the risk of a default occurring on the loan to which a loan commitment relates. For financial guarantee contracts, an entity considers the changes in the risk that the specified debtor will default on the contract.

The Company monitors the effectiveness of the criteria used to identify whether credit risk has increased significantly on a regular basis and makes the appropriate modifications to ensure that these criteria will identify any significant increase in credit risk before therelevant amount becomes overdue.

(ii) Definition of default: For the purposes of internal credit risk management, the Group has established two indicators of a default event. The Company's experience on accounts receivable shows that those that meet any of the following criteria are generally non-recoverable:

- When there is a breach of the financial restrictions on the part of the counterparty (borrower).
- When there is internally developed information or information obtained from external resources that indicates that it is unlikely that the borrower will pay its creditors, including the Company (without taking into account collateral held by the Company).

(iii) Credit-impaired financial assets: A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includeobservable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for that financial asset because of financial difficulties;

o.3. Write-off policy: The Company writes off a financial asset when there is information that indicates that the counterparty is in severe financial difficulties and there is no realistic prospect of recovery. For example, when the counterparty has been liquidated or has filed for bankruptcy, or when trade receivables are more than two years past due, whichever comes first.

Financial assets that have been written off may still be subject to recovery after collection procedures, including legal advice when appropriate. Any recovery is recognized in income.

o.4 Recognition and measurement of expected credit losses: The measurement of expected credit losses is carried out according to the probability of default, the magnitude of the credit loss in the case of a default event and exposure to default. The probability of default and the magnitude assessment are based on historically adjusted data based on future information, as described above. The default exposure of a financial asset is represented by the gross carrying amount of the asset on the reporting date. For loan commitments and financial guarantee contracts, the exposure includes the amount that will be disbursed in the future on the determined default date based on historical data, the Company's understanding of the specific future financial needs of the debtor, and other relevant future information.

For financial assets, the expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

For a financial guarantee contract, the entity is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, cash shortfalls are the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Company expects to receive from the holder, the debtor or any other party.

The Company recognizes an impairment gain or loss in Income for all financial instruments as an adjustment to their carrying amount in a value correction account for losses, except for financial instruments measured at FVTOCI, whose value correction is recognized in other comprehensive income and accumulated in the "Reserve of gains and losses on financial assets measured at fair value through other comprehensive income". The Company does not reduce the carrying amount of the financial asset in the Statement of Financial Position.

o.5 Derecognition of financial assets: The Company derecognizes a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially transfer all the risks and rewards of ownership of the financial asset to a third party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership of a transferred financial asset, and retains control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. The Company will also recognize a liability associated with the amounts that they could have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company shall continue to recognize the financial asset and also recognizes a loan guaranteed by the amountsreceived.

On derecognition of a financial asset measured at amortized cost, the difference between the carrying amount and the consideration received and receivable is recognized in Income. On derecognition of an investment in a debt instrument classified at FVTOCI, the accumulated gain or loss previously recognized in the "Reserve of gains and losses on financial assets measured at fair value through other comprehensive income" is reclassified to Income. On derecognition of an investment in an equity instrument that the Company has designated as at FVTOCI upon initial recognition, the accumulated gain or loss previously recognized in the "Reserve of gains and losses on financial assets measured at fair value through other comprehensive income" is not reclassified to Income, but transferred to Retained Earnings.

o.6. Financial liabilities and equity instruments:

Classification of financial instruments as debt or equity instruments: Debt and equity instruments issued by a Company's entity are classified as financial liabilities or equity in accordance with the substance of the contractual agreement and the definitions of financial liabilities and equity instruments.

(i) Equity instruments: An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issuedby a Company's entity are recognized by the amounts received, net of direct costs ofissuance.

The repurchasing of the Company's own equity instruments is directly recognized in and deducted from Equity.

No gain or loss is recognized in Income on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(ii) Financial liabilities: All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, as well as financial guarantee contracts and commitments to provide a loan at a below-market interest rate, are measured in accordance with the specific accounting policies established below.

a) Financial liabilities measured at fair value through profit or loss (FVTPL): Financial liabilities are classified at FVTPL when the financial liability is (i) a contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies; (ii) held for trading; or (iii) is designated as at FVTPL.

A financial liability is classified as held for trading if it:

- is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- on initial recognition is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or a contingent consideration recognized by an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability is part of a group of financial liabilities (or financial assets and financial liabilities), which is managed and evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the group of financial assets and financial liabilities is provided internally on that basis to the Company's key Management personnel; or
- the financial liability is part of a contract that includes one or more embedded derivatives and IFRS 9 enables the entire contract to be designated as at FVTPL.

Financial liabilities measured at FVTPL are recognized at fair value and any gain or loss arising from changes in that fair value is recognized in the Statement of Income to the extent that they are not part of a hedging relationship. The net gain or loss recognized in Income includes any interest earned on the financial liability and is included under the item "Financial income/costs", in the Statement of Income.

However, for financial liabilities designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability shall be presented in other comprehensive income, unless the treatment of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in Income. The remaining amount of change in the fair value of the liability shall be presented in Income. Changes in the fair value of a financial liability attributable to changes in the credit risk of that financial liability that have been recognized in other comprehensive income are not subsequently reclassified to Income; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts or loan commitments issued by the Company that have been designated as at FVTPL are recognized in Income.

Fair value is determined according to the method described in Note 15 c.iii.

(iii) Financial liabilities subsequently measured at amortized cost: Financial liabilities that are not (1) a contingent consideration of an acquirer in a business combination; (2) held for trading; or (3) designated as at FVTPL, are subsequently measured at amortized cost using the effective interest rate method.

The effective interest method is a method that is used in the calculation of the amortized cost of a financial liability and in the allocation and recognition of the interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including fees, interest points paid or received between parties to the contract, transaction costs and other premiums and discounts) to the amortized cost of a financial liability through its expected life (or a shorter period, when appropriate) upon initialrecognition of the financial liability.

Financial guarantee contracts: A financial guarantee contract is a contract that requires the issuer to make specific payments to reimburse the holder for the loss incurred when a specific debtor defaults on its payment obligation at maturity, in accordance with the original or modified conditions of a debt instrument.

Financial guarantee contracts issued by a Company's entity are initially measured at fair value and, if they are not designated al FVTPL and do not originate from the transfer of a financial asset, they are subsequently measured at:

- The determined amount of the loss value correction in accordance with IFRS 9 (see k.2.3); and
- The initially recognized amount less, when applicable, the accumulated amount of revenue recognized in accordance with the revenue recognition policies.

Foreign exchange gains or losses: For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, foreign exchange gains or losses are determined based on the amortized cost of the instruments. For financial liabilities that are not part of a hedging relationship, these gains or losses are recognized in Income, in the item "Exchange Differences".

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and is translated at the closing exchange rate of each reporting period. For financial liabilities measured at FVTPL that are not part of a hedging relationship, exchange differences are part of the gains or losses measured at fair value and are recognized in Income.

Derecognition of financial liabilities: The Company derecognizes a financial liability when, and only when, it is extinguished (settled or discharged), cancelled or expires. The difference between the carrying amount of the derecognized financial liability and the considerationpaid or payable, including any non-cash assets transferred or liabilities assumed, shall be recognized in Income.

o.7 Derivative financial instruments

As of December 31, 2023 and 2022, the Company has no derivative financial instruments.

Embedded derivatives: As of the presentation date of these Financial Statements, the Company has not identified any embedded derivatives that must be valued independently of the main contract.

p. Inventory: Inventory is valued at cost using the following methods:

- **Finished products and products in process:** These are measured at the monthly average cost of production, which includes the depreciation of PP&E assets and the amortization of mining property.
- **Raw materials, and consumable materials and spare parts:** These are measured at average acquisition cost.
- **Ex Works minerals:** These are measured at the monthly average extraction cost or the recoverable amount, whichever is lower.
- **Raw materials and materials in transit:** These are measured at acquisition cost.

The cost of the Company's inventory does not exceed its net realizable value.

The total cost includes labor, direct material costs and, where appropriate, indirect costs incurred when transforming raw materials into finished products, as well as general expenses incurred when moving inventories to their current location and conditions.

The net realizable value represents the estimate of the sales price less all the estimated costs of completion and the costs that will be incurred in marketing, selling and distributing the products.

q. Statement of cash flows: For the purposes of preparing the Statement of Cash Flows, the Group has considered the following:

Cash and cash equivalents: Which include cash on hand and term deposits, as well as highly-liquid, short-term investments in financial institutions with an original maturity of six months or less. In the Statement of cash flows, bank overdrafts are classified as external resources, under the item “Current Liabilities”.

Operating activities: Activities that constitute the main source of revenue of the Company and Subsidiaries, well as other activities that may not be classified as investing or financing activities.

Investing activities: Activities related to the acquisition, sale or disposal by any other means of non-current assets and other investments not included in cash and cash equivalents.

Financing activities: Activities that change the size and composition of net equity and liabilities of a financial nature.

r. Income tax: The Company and its subsidiaries in Chile determine the taxable base and calculate income tax in accordance with applicable current legislation. The Company’s subsidiary abroad applies the respective legislation.

Deferred taxes arising from temporary differences and other events that create differences between the accounting tax bases of assets and liabilities and their carrying amounts are recognized in accordance with IAS 12 "Income Taxes".

Likewise, the Company recognizes temporary differences that result from the determination of the Taxable Operating Income (RIO for its Spanish acronym) for the purposes of the specific tax on mining.

Corporate income tax is recognized in the Consolidated Statement of Income or net equity accounts of the Consolidated Statement of Financial Position, depending on where thetaxable gains or losses have been recorded. Temporary differences between the carrying amount of assets and liabilities and the tax bases thereof give rise to deferred tax asset or liability balances that are calculated using the tax rates expected to be efective when the assets and liabilities are realized.

Changes to deferred tax assets or liabilities during the year are recognized in the item “Income tax expense” of the Statement of Comprehensive Income or directly in the equity accounts of the Statement of Financial Position, as appropriate.

Deferred tax assets are recognized only when sufficient future tax profits are expected to be available to recover temporary difference deductions.

s. Employee benefits: The Company’s employment conditions stipulate a severance payment based on an employee’s number of years of service. Normally, this benefit corresponds to the salary of one month per year of service. The severance payment has been defined as a non-current employee benefit.

The Company has included an “all events” severance payment for all collective work agreements with employees of the Elqui and Huasco Valley divisions. For employees of the Copiapó Valley division, this benefit only applies when employees retire.

On the other hand, the Company has agreed upon a seniority bonus with employees, which is an incremental percentage of their salary paid in accordance with a defined table. The seniority bonus has been defined as a non-current benefit.

Provisions for severance payments and seniority bonuses are calculated and periodically updated by an independent actuary using the projected unit credit method. Their re-measurement, which includes actuarial gains and losses, is immediately reflected in the Statement of Financial Position with a credit or debit in Other Comprehensive Income for the period in which the remeasurement is carried out. A remeasurement recognized in Other Comprehensive Income is immediately reflected in Retained Earnings and must not be reclassified to Income for the year. Past service cost is recognized in Income for the period in which the defined benefit plan is amended. Net interest is calculated by multiplying the discount rate at the beginning of the period by the net asset or liability that arises from the defined benefits. Defined benefit costs are classified as follows:

- Service costs (including current service cost and past service cost, well as gains and losses on curtailments and settlements);
- Net interest revenue or expense
- Remeasurements

Employee benefit costs related to the services provided by employees during the year are credited to comprehensive income for the relevant period.

Management uses assumptions to determine the best estimate of these benefits. These assumptions are established along with an external actuary. The assumptions include an annual discount rate, expected increases in employee wages and future permanence, among other factors.

The amount of net actuarial liabilities accrued at the end of each period is presented in the Consolidated Statement of Financial Position under the item “Employee benefit provisions, current and non-current”.

t. Provisions: Provisions are recognized when the Company has a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

The amount recognized as a provision is the best estimate of the disbursement which would be needed in order to settle the present obligation at the end of the reporting period by taking into account the risks and uncertainties related to the obligation. When a provision is measured using the estimated cash flow to settle the present obligation, its carrying amount represents the present value of these cash flows (when the effect of the time value of money is significant).

When the recovery of some or all of the economic benefits required to settle a provision is expected from a third party, an account receivable is recognized as an asset if it is fairly likely that the disbursement will be recovered and the amount of the account receivable can be measured reliably.

u. Contingent liabilities: Contingent liabilities correspond to obligations arising from past events that are beyond the control of the Company or present obligations arising from past events that cannot be reliably measured or are unlikely to be paid.

The Company does not recognize contingent assets or liabilities, except for those arising from onerous contracts, which are recorded as provisions and are reviewed and adjusted to reflect the best estimate of the amount of the contingent asset or liability as of the date ofeach Statement of Financial Position.

v. Provision for dismantling and restoration costs: When an alteration caused by the ongoing development or production of mining property occurs in the environment, this gives rise to the obligation to incur dismantling and restoration costs. These costs are estimated based on mine closure planning and are subject to formal review.

Dismantling and restoration costs arising from the construction of a plant or other initial works on site are discounted at their net present value and are provisioned for and capitalizedat the beginning of each project or as soon as the obligation to incur them arises. Dismantlingcosts are debited to Income over the life of the mine through the depreciation of the asset andthe amortization or discount of the provision. Depreciation is included in operating costs, while amortization is included in financing costs.

Restoration costs incurred when repairing on-site damages that took place during the life of the mine are provisioned at the current net value and are debited to Income for each year during the productive life of the mine.

Dismantling, restoration and environmental provisions are measured at the present value when the related obligation arises. Environmental costs are estimated with the help ofexternal and/or internal experts. Management applies its judgment and experience to amortize these estimated costs over the useful life of the mine.

w. Revenue recognition: The Company recognizes revenue from the sale of iron ore.

Revenue is measured based on the consideration established in a contract with a customer. The Company recognizes revenue when it transfers control of a product or service to a customer.

Contracts with customers for the sale of minerals include a performance obligation for delivery of the goods, including transport to the place of delivery agreed upon with customers. The Company recognizes revenue when the control of the assets is transferred to the customer in accordance the shipping of the products and in conformity with the contractual terms, and they are subject to variations related to the content and sales price at the moment of the sale. The selling price of minerals is a variable price based on a pricing formula. The Company's main pricing sources are Platts (62%) and Fe CFR China (65%), which are published by "Daily Platts", a commonly used international publication in the iron and steel industry. The pricing formula is applied over a period of time called the Settlement Period (SP). The SP is negotiable and can be extended a certain number of months after shipment. At the closing date of each Financial Statement, the Company uses information on future prices of the products it sells to quantify the potential differences between the provisional and the final pricing. This information is used to make adjustments to revenues and trade receivables.

Sales contracts include provisional pricing as of the date of shipment. Final pricing is based on the spot price as of the date of settlement. In the majority of cases, revenue recognition from the sale of iron is based on the spot price as of the date of shipment. This price is subsequently adjusted and disclosed in the item "Revenue". Therefore, there is a provisional price set in the sales contracts and the sales price is based on spot prices prevailing on a specified future date after shipping to the client (the "quotation period"). Thus, the final pricethat will be fixed on future dates, which is also established in the contracts. Adjustments to the selling price are based on variations in quoted market prices as of the date of the final settlement. The period between the provisional billing and the final settlement can vary between one and five months.

Changes to fair value during the period between the listing pricing and the final settlement are determined in accordance with market prices for iron. Revenue from the sale of ore is recognized at a specific point in time.

x. Earnings per share: Basic earnings per share is a financial ratio, which divides the net profit (or loss) for the period by the weighted average number of common shares of the Company during that period without considering the average number of outstanding shares held in a subsidiary, if any. The Group has not carried out any operations that could lead to diluted earnings per share.

y. Dividends: The distribution of dividends to shareholders is recognized as a liability in the Financial Statements at the end of each period. Dividend distribution is based on the dividend policy agreed by the Company's General Shareholders' Meeting (75% of the distributable net profit). The net profit to be distributed is presented in Note 24c.

z. Leases

i. As a lessee: As a lessee, the Company recognizes an asset at the beginning of its lease term if it has the right to use the underlying asset during the lease term (a right-of-use asset) and a liability for lease payments to be incurred (lease liability). Non-renewable leases whose term is less than 12 months can be excluded from this recognition, as well as leases whose value of the underlying asset is insignificant. The Company recognizes the interest expense on the lease liability and the amortization expense on the right-of-use asset separately. When depreciating a right-of-use asset, lessees must apply the depreciation requirements under IAS 16 *Property, Plant and Equipment.*

Classification: All leases are classified as finance leases. Lessees must recognize a right-of-use asset and a lease liability at the beginning of the lease.

ii. As a lessor: Under IFRS 16, the lessor's accounting is essentially the same as under IAS 17. Lessors will continue to classify leases as operating or finance leases at the beginning of the lease agreement based on the nature of the transaction. Leases in which substantially all risks and benefits inherent to ownership of the underlying asset are transferred are classified as finance leases. For operating leases, the installments are recognized as an expense in the case of the lessee, and as revenue in case of the lessor, using the straight-line method over the term of the lease, unless another systematic basis of distribution is more representative.

aa. Classification of balances as current and non-current: In the attached Consolidated Statement of Financial Position, balances are classified, based on their maturity. For example, those maturing within twelve months are considered to be current and those maturing over a greater period are non-current. In the case of obligations whose maturity is less than twelve months but whose long-term refinancing is secured at the Company's discretion through unconditionally available credit contracts with long-term maturities, these obligations may be classified as long-term liabilities.

ab. Environment: The Company and Subsidiaries adhere to Sustainable Development principle, meaning that all economic development is compatible with environment, safety and health care.

The Company and Subsidiaries are aware that these principles are key to the well-being of all employees, the environment and the achievement of its operating goals.

3.2 New accounting pronouncements

The Company applied certain standards, interpretations and amendments for the first time, which are effective for annual periods beginning on or after January 1, 2023. The Company has not opted for the early adoption of any standard, interpretation or amendment that has been issued but not yet gone into effect.

a) Standards, amendments and interpretations that have been issued but whose date of application is not yet effective:

News IFRS	Date of mandatory application
IFRS 17, *Insurance Contracts*	January 1, 2023
IAS 8, *Definition of Accounting Estimates*	January 1, 2023
IAS 1, *Disclosure of Accounting Policies*	January 1, 2023
IAS 12, *Deferred Taxes Related to Assets and Liabilities Arising from a Single Transaction*	January 1, 2023
IAS12, *International Tax Reform - Pillar Two Model Rules*	January 1, 2023

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a new accounting standard specific to insurance contracts covering recognition, measurement, presentation and disclosure. Once it comes into force it will replace IFRS 4 Insurance Contracts issued in 2005. The new standard applies to all types of insurance contracts, regardless of the type of entity issuing them, as well as to certain guarantees and financial instruments with certain discretionary participation features.

Some exceptions within the scope may apply.

In December 2021, the IASB amended IFRS 17 to add a transition option for "classification overlay" to address potential accounting asymmetries between financial assets and insurance contract liabilities in the comparative information presented on initial application of IFRS 17.

If an entity chooses to apply classification overlay, it may only do so for comparative periods to which it applies IFRS 17 (i.e., from the date of transition to the date of initial application of IFRS 17).

IFRS 17 requires comparative figures in its application.

The standard is applicable for the first time in 2023, however it does not have an impact on the entity's financial statements.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8, in which it introduced a new definition of "accounting estimates". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and correction of errors. In addition, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amended standard clarifies that the effects on an accounting estimate, resulting from a change in an input or a change in a measurement technique are changes in accounting estimates, provided that they do not result from the correction of errors from prior periods. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors.

The amendment is applicable for the first time in 2023, however, it does not have an impact on the entity's financial statements.

IAS 1 Presentation of Financial Statements - Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1 and to IFRS Practice Statement 2 Making Materiality Judgments, in which it provides guidance and examples to help entities apply judgment of relative importance to accounting policy disclosures.

The amendments are intended to assist entities in providing disclosures about accounting policies that are more useful for:

- Replacing the requirement for entities to disclose their "significant" accounting policies with a requirement to disclose their "material" accounting policies
- Including guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

When assessing the relative importance of information on accounting policies, entities must consider both the size of the transactions and other events or conditions and their nature.

The amendment is applicable for the first time in 2023, however, it does not have an impact on the entity's financial statements.

IAS 12 Deferred taxes related to assets and liabilities arising from a single transaction

In May 2021, the IASB issued amendments to IAS 12, which reduce the scope of the initial recognition exemption under IAS 12 so that it no longer applies to transactions that result in equal taxable and deductible temporary differences.

The amendments clarify that when payments that settle a liability are deductible for tax purposes, it is a matter of judgment (having considered the applicable tax legislation) whether such deductions, are attributable for tax purposes, to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgment is important in determining whether temporary differences exist on initial recognition of the asset and liability.

Also, according to the amendments issued, the initial recognition exception does not apply to transactions that, on initial recognition, result in equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and a lease liability (or a decommissioning liability and a component of the decommissioning asset) result in taxable and deductible temporary differences that are not the same. However, the resulting deferred tax assets and liabilities may not be equal (for example, if the entity cannot benefit from tax deductions or if different tax rates apply to taxable and deductible temporary differences). In such cases, an entity would need to account for the difference between the deferred tax asset and deferred tax liability in profit or loss.

The amendment is applicable for the first time in 2023, however, it does not have an impact on the entity's financial statements.

IAS 12 International Tax Reform - Pillar Two Model Rules

In May 2023, the Board issued amendments to IAS 12, introducing a mandatory exception regarding recognition and disclosure of deferred tax assets and liabilities related to income taxes from the Pillar Two Model Rules. The amendments clarify that IAS 12 applies to income taxes arising from tax laws enacted or substantially enacted to implement the Pillar Two Model Rules published by the Organization for Economic Co-operation and Development (OECD), including the tax law implementing qualified national minimum supplementary taxes. This tax law, and the income taxes derived from it, are called "Pillar Two legislation" and Pillar Two income taxes, respectively.

The amendments require an entity to disclose that it has applied the exemption to recognize and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. In this regard, an entity is required to disclose separately its current tax expense (benefit) related to Pillar Two income taxes, in the periods in which the legislation is in force.

The amendments also require, for periods in which Pillar Two legislation is (substantially) enacted but not yet effective, disclosure of known or reasonably estimable information that would assist users of financial statements to understand the entity's exposure arising from Pillar Two income taxes. To comply with these requirements, an entity is required to disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period.

The temporary exemption from recognition and disclosure of deferred tax information and the requirement to disclose the application of the exemption apply immediately and retrospectively to the issuance of the amendments.

Disclosure of current tax expense related to Pillar Two income taxes and disclosures in relation to periods prior to the enactment of the legislation is required for annual periods beginning on or after January 1, 2023, but are not required for any period ending on or before December 31, 2023.

The amendment is applicable for the first time in 2023, however, it does not have an impact on the entity's financial statements.

b) The standards and interpretations, and improvements and amendments to IFRS that have been issued, but have not yet come into effect as of the date of these financial statements, are detailed below. The Company has not applied these standards in advance:

Amendments	Date of mandatory application
IAS 1, *Classification of Liabilities as Current or Non-current.*	January 1, 2024
IFRS 16, *Lease Liabilities in a Sale and Leaseback*	January 1, 2024
IAS 7 & IFRS 7, *Disclosure of Supplier Finance Arrangements*	January 1, 2024
IAS 21	January 1, 2025
IFRS 10 & IAS 28, *Consolidated Financial Statements- Sale or Contribution of Assets Between and Investor and its Associate or Joint Venture.*	To be determined

IAS 1 Presentación of Financial Statements – Classification of Liabilities as Current or Non-current

In 2020 and 2022, the IASB issued amendments to IAS 1 to specify the requirements for classification of liabilities as current or non-current. The amendments clarify the following:

What is understood to be a right to defer settlement.
That there must be a right to defer at the end of the reporting period.
That classification is not affected by the probability that an entity exercises its right to defer.
That only if an embedded derivative in a convertible liability in itself is an equity instrument, the terms of a liability would not affect its classification.

The amendments are effective for periods beginning on or after January 1, 2024. The amendments must be applied prospectively. Early application is allowed and must be disclosed. However, an entity that applies the 2020 amendments in advance is also required to apply the 2022 amendments and vice versa.

The entity will assess the impact of the amendment once it comes into force.

IFRS 16 Lease Liabilities in a Sale and Leaseback

The amendment addresses the requirements that a seller-lessee uses to measure the lease liability resulting from a sale and leaseback transaction.

The amendment provides that after the commencement date of a sale and leaseback transaction, the seller-lessee applies paragraphs 29 to 35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 of IFRS 16 to the lease liability arising from the leaseback. In applying paragraphs 36 to 46 of IFRS 16, the seller-lessee determines the "lease payments" or "revised lease payments" in such a way that the seller-lessee would not recognize any profit or loss related to the right-of-use that it retains. The application of these requirements does not preclude the seller-lessee from recognizing, in profit or loss, any gain or loss related to the partial or total termination of a lease, as required by paragraph 46(a) of IFRS 16.

The amendment does not establish specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of lease liabilities arising from a leaseback may result in the seller-lessee determining "lease payments" that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee must develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8.

A seller-lessee applies the amendment to annual reporting periods beginning on or after January 1, 2024. Early application is permitted and that fact must be disclosed. A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application (i.e., the amendment does not apply to sale and leaseback transactions entered into before the date of initial application). The date of initial application is the beginning of the annual reporting period in which an entity first applied IFRS 16.

The entity will assess the impact of the amendment once it comes into force.

IAS 7 and IFRS 7 – Disclosures of Supplier Financing Arrangements

In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The amendments specify disclosure requirements to enhance the current requirements, which are intended to help users of financial statements understand the effects of supplier financing arrangements on an entity's liabilities, cash flows and liquidity risk exposure.

The amendments clarify the characteristics of supplier financing arrangements. In these arrangements, one or more financial services providers pay amounts that an entity owes to its suppliers. The entity agrees to settle those amounts with the financial service providers in accordance with the terms and conditions of the agreements, either on the same date or on date later that the date on which the financial service providers pay the entity's suppliers.

The amendments require that an entity provide information regarding the impact of supplier financing arrangements on liabilities and cash flows, including the terms and conditions of such arrangements, quantitative information about the liabilities related to those arrangements at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of these agreements. Information about those arrangements is required to be presented on an aggregate basis unless the individual arrangements have terms that are not similar to each other or are unique. In the context of quantitative liquidity risk disclosures required by IFRS 7, supplier financing agreements are included as an example of other factors that may be relevant to disclose.

The amendments will come into force for annual periods beginning on or after January 1, 2024. Early adoption is permitted, but must be disclosed. The amendments provide some transition relief with respect to comparative and quantitative information at the beginning of the annual reporting period and disclosures in financial information.

The entity will assess the impact of the amendment once it comes into force.

IAS 21 Effects of Changes in the Exchange Rate – Lack of Exchangeability

The amendments to IAS 21 Effects of Changes in Foreign Exchange Rates specify how an entity must assess whether a currency is exchangeable and how it must determine a spot foreign exchange rate when there is lack of exchangeability.

A currency is considered to be exchangeable for another currency when an entity can obtain the other currency within a normal administrative timeframe and through a foreign exchange market or mechanism where an exchange transaction would create enforceable rights and obligations.

If a currency is not exchangeable for another currency, an entity must estimate the spot foreign exchange rate on the date of measurement. The purpose of this estimate is to reflect the rate at which the foreign exchange transaction would take place as of the measurement date between market participants under prevailing economic conditions. The amendments state that an entity may use an observable foreign exchange rate with no adjustment or other estimating technique.

When an entity estimates a spot exchange rate because the currency is not exchangeable for another currency, it must disclose information that allows the users of its financial statements to understand how this fact affects, or is expected to affect, the financial performance, financial situation or cash flows of the entity.

The amendments will be effective for annual periods beginning as of January 1, 2025. Early application is allowed and must be disclosed. When applying the amendments an entity cannot restate comparative information.

The entity will assess the impact of the amendment once it comes into force.

IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures – Sale or Contribution of Assets Between and Investor and its Associate or Joint Venture

The amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) address a recognized inconsistency between the requirements of IFRS 10 and those of IAS 28 (2011) in the treatment of a sale or contribution of assets between an investor and its associate or joint venture.

The amendments issued in September 2014, state that when the transaction involves a business (whether it is in a subsidiary or not) the total profit or loss generated is recognized. A partial profit or loss is recognized when the transaction involves assets that do not constitute a business, even when the assets are in a subsidiary.

The mandatory application date of these amendments is yet to be determined because the IASB is awaiting the results of its research project on equity method accounting. These amendments must be applied retrospectively, and early adoption is permitted, and must be disclosed.

The entity will assess the impact of the amendment once it comes into force.

4. FINANCIAL RISK MANAGEMENT AND DEFINITION OF HEDGING

Global economic uncertainty, raw materials market volatility, oversupply in the steel market that would make the metal price go downwards, the introduction of new producers ofmagnetic iron ore in Australia, and the Company's sales great concentration in Asia, particularly in China, appear as the most important risks the Company will be faced with in the near future.

A sensitivity analysis shows the impact of variations in the price of iron on the financial instruments held by the Company as of the reporting date. A variation in the average price of iron of +/- 10% during the year 2023, would have had an effect of +/- ThUS$ 187,852 on Revenue, based on the Company's sales volume.

In the ordinary course of business and its financing activities, the Company is exposed to various financial risks that could significantly affect the economic value of its cash flows and assets and, as a consequence, its results. The Company's risk management policies are reviewed on a regular basis.

A definition and description of the risks to which the Company is exposed and an explanation of the mitigation measures that have been adopted are detailed as follows.

a. Market risk

Market risk is the possibility that market variable fluctuations, such as interest rates, exchange rates, and product prices etc. may lead to economic losses arising from the devaluation of cash flows or assets or the appreciation of liabilities, due to the impact of indexation on the aforementioned variables.

Market risk management policies established by the Company include specific strategies based on periodic analyses of exchange rate trends, interest rates and production curves.

i. Exchange rate risk

The Company is exposed to exchange rate risk given the nature of its operations, which includes transactions in currencies other than the US dollar, mainly in Chilean pesos.

The Company does not have US dollar to Chilean pesos cash flows hedging instruments as of December 31, 2023.

The sensitivity analysis outlined below shows the impact of a variation in the USD - CLP exchange rate on the Company's results. The effect on Income occurs as a consequence of the valuation of expenses in Chilean pesos, as well as the reconversion of monetary assets such as cash, trade receivables, etc.

If the US dollar had grown stronger by 10% in respect to the Chilean peso as an average during the third quarter of 2023, profit before taxes would have increased by ThUS$ 54,487. If the US dollar had grown weaker by 10% in respect to the Chilean peso on average during that period, profit before taxes would have decreased by ThUS$ 66,595.

b. Credit risk

This risk refers to the ability of third parties to meet their financial obligations with the Company. The items exposed to credit risk are classified into 2 categories:

i. Financial assets

Financial assets include cash balances, mutual funds and term deposits in general. The Company's ability to recover these funds at maturity depends on the creditworthiness of the bank in which they are deposited. Cash and cash equivalents are exposed to low credit risk, because of the high creditworthiness of the banks used by the Company, according to credit ratings issued by international risk rating agencies, and the limited amounts deposited, in accordance with the Company's current investment policy.

ii. Trade receivables

The Group's trade receivable uncollectability risk is low given that almost all local sales are performed with related companies. Regarding export sales, the quality of customers and their payment methods are high quality. As of the closing date of these Consolidated Financial Statements, the Company has no doubtful accounts.

c. Liquidity risk

Liquidity risk is associated with the Company's ability to amortize or refinance its financial obligations at reasonable market prices, as well as its ability to execute its business plan using stable financing sources.

The Company deems that the generation of cash flows to cover financial obligations is adequate, and it allow the distribution of dividends to its shareholders. On the other hand, the Company deems that the level of indebtedness is adequate for the requirements of its normal and investment operations, established in the 5-year plan.

d. Commodity price risk

The Company is exposed to variations in the price of commodities, mainly the price of coal and other inputs (oil, energy, chemical products, etc). These prices are determined by international market supply and demand.

e. Riesgo de tasa de interés

The financing structure of the Company and its subsidiaries considers a mix of funding sources subject to fixed and variable rates. The portion of financing subject to variable interest rates typically consists of floating rates like the 3 or 6-month LIBOR or SOFR rates plus a margin, exposing the Company to changes in its financial expenses in scenarios where these rates fluctuate.

Currently, the financial obligations correspond primarily to financial leasing and bank financing operations for exporters at fixed rates.

As of December 31 2023, there is no significant variation in the Company's income due to changes in the interest rate.

The current existing contracts for banking financing for exporters use the SOFR (Secured Overnight Funding Rate) in accordance with statements and policies endorsed and recommended due to the phase-out of the LIBOR rate.

f. Global COVID 19 Pandemic risk

With the appearance of the coronavirus disease (COVID 19), which massively spread at a worldwide level, and the declaration of Global Pandemic by the World Health Organization (on March 11, 2020), a series of public health and emergency measures have been put into place to combat the virus. It is still impossible to reliably estimate the duration and impact of COVID-19, or what impact the duration and gravity of these developments will have in future periods.

Considering that in May 2023, the Orgnización mundial de Salud (OMS) declared the end of the global health emergency due to COVID-19, the Company ended a series of measures adopted to control this health emergency. These measures encompassed both public health regulations and internal protocols aimed at minimizing risks for employees, the community, and ensuring the normal operation of facilities.

g. Riesgo Medioambientales

I. Climate Change: The Company identified a specific strategic risk related to climate change, which requires the management of aspects associated with regulatory changes and physical risks. It has promoted actions in governance, strategy, risk management, metrics, and objectives in order to address the risk of climate change. These actions include defining measures aimed at improving energy efficiency and reducing water and carbon footprints.

ii. Greenhouse Gas Emissions (GGE): According to the carbon footprint baseline, the Company has set a goal to reduce Scope 1 and Scope 2 emissions by 40% by the year 2030 compared to the 2020 baseline.

iii. Water Footprint: The Company conducted an assessment of its water footprint baseline and, based on these results, calculated the WiiX (Water Impact Index) and WSF (Water Scarcity Footprint) of its production facilities.

5. DISCLOSURES OF ESTIMATES AND ASSUMPTIONS MADE BY MANAGEMENT WHEN APPLYING THE ENTITY'S ACCOUNTING POLICIES.

The application of International Financial Reporting Standards (IFRS) requires the use of estimates and assumptions that will affect the amounts of assets and liabilities to be reported as of the date of the Consolidated Financial Statements, as well as the amounts of revenue and expenses to be recognized during the reporting period. The Group's Management must apply their professional judgment and make accounting estimates that will have a significant effect on the figures presented in the Consolidated Financial Statements prepared according to IFRS. Changes to these assumptions and estimates could also have a significant impact on the Consolidated Financial Statements.

As indicated, Management necessarily carries out judgements and estimates that have a significant effect on the amounts presented in the financial statements. The most critical accounting estimates and judgments relate to:

a. Economic useful life of assets and estimated ore reserves: The useful lives of assets of property, plant and equipment used for the purposes of depreciation calculation are determined based on technical studies made by internal and external specialists.

The Company's ore reserves were estimated based on the useful life of the mines, according to a model based on the mine's respective useful life, which is the production unit method regarding proven and probable ore reserves. The assumptions used to determine a certain ore reserve may change if new information becomes available.

The depreciation of assets directly involved in production could be affected by an extended production under conditions other than those established in the current production budget, which is based on current estimates of proven and probable ore reserves. This could occur if there are any significant changes to the factors or assumptions used when estimating ore reserves.

These factors may include:

- Expectations of production units or columns;
- Quality of inputs on the production process;
- Extraction and processing method.

b. Impairment of assets: The Company reviews the carrying amount of its tangible and intangible assets in order to determine if there is any indication that these assets could be impaired. In the impairment assessment, assets that do not generate independent cash flows are grouped in an appropriate cash-generating unit ("CGU"). The recoverable amount of these assets and CGUs is measured at fair value (using the discounted future cash flow methodology) or by considering their carrying amount, whichever is greater. As of December 31, 2023, the impairment tests that have been performed show no indication of impairment.

Management applies its professional judgment when grouping assets that do not generate independent cash flows, by estimating the periodicity and value of the underlying cash flows and calculating the interest rates to be used. Subsequent changes to asset grouping, the periodicity of cash flows and interest rates could impact the carrying amounts of the relevant assets.

Impairment of financial assets: In the case of purchased financial assets, the Company has defined a policy to account for impairment provisions based on the risk of expected credit losses.

c. Provisions for dismantling, restoration and environmental costs: Provisions for dismantling, restoration and environmental costs are measured at present value as soon as the related obligation arises. Dismantling costs associated with each project are capitalized and credited to comprehensive income over the useful life of the mine through the depreciation of the asset and/or the amortization or discount of the related provision. Subsequent restoration costs are measured at present value and credited to comprehensive income in proportion to the damage caused by ore extraction. Environmental costs are estimated with the help of internal or external experts. Management applies its professional judgment and experience to provide and amortize these estimated costs over the useful life of the mine.

d. Doubtful account estimate: The Group has estimated the recoverability risk of accounts receivable since initial recognition and has established, among other measures, percentual provisions per maturity tranche discounted from credit insurance taken out, considering expected credit losses for each customer and any changes to the credit risk of accounts receivable.

e. Provisions for unfinished invoicing: As mentioned in Note 3.w. "Revenue recognition", the Company carries out provisional invoicing upon delivery of the goods sold based on provisional pricing. Subsequently, the Company uses information on future iron prices to carry out adjustments to revenue and trade receivable balances. These adjustments are updated monthly.

f. Employee Benefit provisions: Estimated costs of severance payments and other long-term employee benefits are credited to Income for the period. Any actuarial gain or loss, which may arise from differences between actual and expected results from changes to actuarial assumptions, are directly recognized in Other Comprehensive Income.

The assumptions referred to expected costs of employee benefits are established with the help of an external actuary. These assumptions include demographic data, discount rates and expected increases in wages, among others. Although Management believes that the assumptions used are appropriate, any change to these could significantly impact the Company's results.

g. Fair value of derivatives and other financial instruments: As described in Note 4, Management applies its professional judgment when selecting an appropriate valuation technique for financial instruments that are not quoted in an active market. Other valuation techniques that are commonly used by market professionals are applied. In the case of derivative financial instruments, assumptions are made based on market interest rates which are adjusted according to specific characteristics of the derivatives. Other financial instruments are valued using analyses of cash flows updated based on assumptions supportedby observable market prices or interest rates, when possible.

h. Lawsuits and contingencies: The Company periodically evaluates the probability of losses and contingencies arising from current litigation, based on its legal counsels' opinion. In those cases where Management and the Company's lawyers believe that there will be a favorable outcome, where the outcome is uncertain, or for lawsuits pending decision no provisions have been made.

i. Obsolescence: The Company has evaluated inventory obsolescence risk based on status, turnover and net realizable value.

j. Revenue recognition: The Company determines the most appropriate revenue recognition method by analyzing the type, terms and conditions of each contract with customers.

As part of the aforementioned analysis, Management applies professional judgment on whether a contract is legally enforceable and whether the contract includes separate performance obligations. In addition, in-order estimates are required to allocate the total transaction price to each performance obligation, based on the estimated relative selling prices of the promised goods or services underlying each performance obligation.

6. CASH AND CASH EQUIVALENTS

As of December 31, 2023 and 2022, cash and cash equivalents are detailed as follows:

	Cash and cash equivalents	
	12.31.2023	12.31.2022
	ThUS$	ThUS$
Cash on hand and in banks	1,252	17,859
Term deposits	40,018	32,011
Mutual funds	34,096	11,457
Total	75,366	61,327

Term deposits and interest earned are classified as cash and cash equivalents when maturing in less than six months from the acquisition date and earn market interest. These are investments are detailed as follows:

Bank	12.31.2023	12.31.2022
	ThUS$	ThUS$
BCI	-	12,005
The Bank of Nova Scotia	10,004	-
BNP Paribas	15,007	-
SMBC - NY	15,007	10,004
BBVA - NY	-	10,002
Total	40,018	32,011

Mutual Funds correspond to fixed income funds in Chilean pesos and US dollars, which are recorded at the value of the respective unit as of the closing date of these consolidated financial statements. The fair value of these investments corresponds to the product of the number of units invested and the last value of the unit publicly informed to the market, for each of the mutual funds invested, which in turn also corresponds to the redemption value of this investment. Changes in the fair value of other financial assets at fair value through profit or loss are accounted for in "Finance Income" in the consolidated comprehensive income statements.
The cash and cash equivalent don't have restriction of disponibility

Bank	12.31.2023	12.31.2022
	ThUS$	ThUS$
Scotiabank	11,407	3,507
BCI	22,689	7,950
Total	34,096	11,457

The Company does not have financial assets at fair value through profit or loss.

7. TRADE AND OTHER ACCOUNTS RECEIVABLE

	Trade and other accounts receivable, current		Trade and other accounts receivable, Non-current	
Item	**12.31.2023**	**12.31.2022**	**12.31.2023**	**12.31.2022**
	ThUS$	**ThUS$**	**ThUS$**	**ThUS$**
Trade receivables (domestic)	1,856	2,194	-	-
Trade receivables (export)	143,105	158,441	-	-
Mark to market	99,234	96,313	-	-
Advances payments	22,333	10,139	-	-
Staff debt	8,378	9,560	9,311	5,209
Other accounts receivable	3,802	2,223	-	-
Estimate of bad debtors	-	-	-	-
Total	278,708	278,870	9,311	5,209

Considering the solvency of the Company's customers and the collection term of the invoices, the Company has estimated that there are no doubtful accounts at the end of each reporting period.

Provisions for unfinished invoicing

The Company uses information on future iron prices to carry out adjustments to revenue and trade receivable balances. The Company also establishes a provision for unfinished sales invoices.

When the future price of iron is lower or higher than the price provisionally invoiced, a provision is recognized in Current Assets, decreasing or increasing (as appropriate) the balances owed by these customers and the counter entry recognized in revenue.

A classification of trade receivables, pre and post provision, is detailed as follows:

12.31.2023	**Total current**			**Total non-current**		
Trade and other accounts receivable	Assets before provisions	Trade receivable provisions	Trade receivables net assets	Assets before provisions	Trade receivable provisions	Trade receivables net assets
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Accounts receivable from credit operations	143,105	-	143,105	-	-	-
Mark to Market (MtM)	99,234	-	99,234	-	-	-
Miscellaneous receivables	3,802	-	3,802	-	-	-
Trade receivable subtotal	246,141	-	246,141	-	-	-
Advances payments	22,333	-	22,333	-	-	-
Other accounts receivable	10,234	-	10,234	9,311	-	9,311
Total	278,708	-	278,708	9,311	-	9,311

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12.31.2022	**Total current**			**Total non-current**		
Trade and other accounts receivable	Assets before provisions	Trade receivable provisions	Trade receivables net assets	Assets before provisions	Trade receivable provisions	Trade receivables net assets
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Accounts receivable from credit operations	158,411	-	158,411	-	-	-
Mark to Market (MtM)	96,313	-	96,313	-	-	-
Miscellaneous receivables	2,223	-	2,223	-	-	-
Trade receivable subtotal	256,977	-	256,977	-	-	-
Advances payments	10,139	-	10,139	-	-	-
Other accounts receivable	11,754	-	11,754	5,209	-	5,209
Total	278,870	-	278,870	5,209	-	5,209

12.31.2023							
Aging of accounts receivable	**Not due**	**Overdues from 1 to 30 days**	**Overdue from 31 to 60 days**	**Overdue from 61 to 90 days**	**Overdue more than 91 days**	**Total current**	**Total non-current**
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Trade receivables, gross	246,141	-	-	-	-	246,141	-
Gross trade accounts receivable	10,234	-	-	-	-	10,234	9,311
Advances payments	22,333	-	-	-	-	22,333	-
Total	**278,708**	**-**	**-**	**-**	**-**	**278,708**	**9,311**

12.31.2022							
Aging of accounts receivable	**Not due**	**Overdues from 1 to 30 days**	**Overdue from 31 to 60 days**	**Overdue from 61 to 90 days**	**Overdue more than 91 days**	**Total current**	**Total non-current**
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Trade receivables, gross	256,977	-	-	-	-	256,977	-
Gross trade accounts receivable	11,754					11,754	5,209
Advances payments	10,139	-	-	-	-	10,139	-
Total	**278,870**	**-**	**-**	**-**	**-**	**278,870**	**5,209**

12.31.2023	**Non-renegotiated portfolio**		**Renegotiated portfolio**		**Total portfolio, gross**	
Aging of accounts receivable, by type of portfolio	Number of customers	Gross amount	Number of customers	Gross amount	Number of customers	Gross amount
Not overdue	347	278,708	-	-	347	278,708
Overdue from 1 to 30 days	-	-	-	-	-	-
Overdue from 31 to 60 days	-	-	-	-	-	-
Overdue from 61 to 90 days	-	-	-	-	-	-
Overdue from 91 to 120 days	-	-	-	-	-	-
Overdue from 121 to 150 days	-	-	-	-	-	-
Overdue from 151 to 180 days	-	-	-	-	-	-
Overdue more than 180 days	-	-	-	-	-	-
Total	**347**	**278,708**	**-**	**-**	**347**	**278,708**

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12.31.2022

Aging of accounts receivable, by type of portfolio	Non-renegotiated portfolio: Number of customers	Non-renegotiated portfolio: Gross amount	Renegotiated portfolio: Number of customers	Renegotiated portfolio: Gross amount	Total portfolio, gross: Number of customers	Total portfolio, gross: Gross amount
Not overdue	162	278,870	-	-	162	278,870
Overdue from 1 to 30 days	-	-	-	-	-	-
Overdue from 31 to 60 days	-	-	-	-	-	-
Overdue from 61 to 90 days	-	-	-	-	-	-
Overdue from 91 to 120 days	-	-	-	-	-	-
Overdue from 121 to 150 days	-	-	-	-	-	-
Overdue from 151 to 180 days	-	-	-	-	-	-
Overdue more than 180 days	-	-	-	-	-	-
Total	**162**	**278,870**	**-**	**-**	**162**	**278,870**

Trade receivable fair values do not significantly differ from invoicing values.

As of December 31, 2023 and 2022 the Company and its subsidiaries have no overdue debt.

8. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a. Shareholders: As of December 31, 2023 the Company's majority shareholders are detailed as follows:

Shareholder	Number of Shares	Ownership %
CAP S.A.	3,521,117	75.00%
MC.Inversiones Ltda.	1,173,710	25.00%
Other shareholders	9	0.00%
Total	4,694,836	100.00%

b. Accounts receivable

12.31.2023

Company	Taxpayer ID	Type of Relation	Currency	Country of Origin	Current: Less than 90 days	Current: 90 days up to 1 year	Current: Total Current	No-Current: One to Three yeas	No-Current: Three to Five yeas	No-Current: More than Five yeas	No-Current: Total Non-Current
Cía. Siderurgica Huachipato S.A.	94.637.000-2	Shareholding	US$	Chile	1,030	-	1,030	-	-	-	-
Puerto Las Losas S.A.	76.498.850-7	Shareholding	US$	Chile	50	-	50	-	-	-	-
Cleanairtech S.A.	76.399.400-7	Shareholding	US$	Chile	2,759	-	2,759	6,429	4,286	6,758	17,473
Mitsubishi Corporation RTM	O-E	Shareholding	US$	Singapore	20,399	-	20,399	-	-	-	-
Total					24,328	-	24,238	6,429	4,286	6,758	17,473

12.31.2022

Company	Taxpayer ID	Type of Relation	Currency	Country of Origin	Current: Less than 90 days	Current: 90 days up to 1 year	Current: Total Current	No-Current: One to Three yeas	No-Current: Three to Five yeas	No-Current: More than Five yeas	No-Current: Total Non-Current
Cía. Siderurgica Huachipato S.A.	94.637.000-2	Shareholding	US$	Chile	9,604	-	9,604	-	-	-	-
Puerto Las Losas S.A.	76.498.850-7	Shareholding	US$	Chile	35	-	35	-	-	-	-
Cleanairtech S.A.	76.399.400-7	Shareholding	US$	Chile	-	-	-	6,429	4,286	8,901	19,616
Mitsubishi Corporation RTM	O-E	Shareholding	US$	Singapore	7,566	-	7,566	-	-	-	-
Total					17,205	-	17,205	6,429	4,286	8,901	19,616

b.1 Accounts payable

12.31.2023

Company	Tax N°	Type of relationship	Type of Currency	Country of origin	Current: Less than 90 days	Current: 90 days to 1 year	Current: Total
CAP S.A.	91.297.000-0	Parent Co.	US$	Chile	595	35,169	35,764
Tecnocap S.A.	76.369.130-6	Shareholding	US$	Chile	316	-	316
Cleanairtech S.A.	76.399.400-7	Shareholding	US$	Chile	9,236	-	9,236
Mitsubishi Corporation	O-E	Shareholding	US$	Japan	500	-	500
Puerto Las Losas S.A.	76.498.850-7	Shareholding	US$	Chile	-	-	-
M.C.Inversiones Ltda.	79.866.800-5	Shareholder	US$	Chile	-	11,723	11,723
Total					10,647	46,892	57,539

12.31.2022

Company	Tax N°	Type of relationship	Type of Currency	Country of origin	Current: Less than 90 days	Current: 90 days to 1 year	Current: Total Current
CAP S.A.	91.297.000-0	Parent Co.	US$	Chile	524	274,977	275,501
Tecnocap S.A.	76.369.130-6	Shareholding	US$	Chile	453	-	453
Cleanairtech S.A.	76.399.400-7	Shareholding	US$	Chile	5,642	-	5,642
Mitsubishi Corporation	O-E	Shareholding	US$	Japan	470	-	470
Puerto Las Losas S.A.	76.498.850-7	Shareholding	US$	Chile	59		59
M.C.Inversiones Ltda.	79.866.800-5	Shareholder	US$	Chile	-	91,659	91,659
Total					7,148	366,636	373,784

b2. Balances and transactions with related entities

a) The Company is a subsidiary of CAP S.A. Balances receivable from and payable to the parent company, the shareholder MC Inversiones Limitada and other related entities are detailed in the tables included in this Note.

b) The short-term account that is payable to Tecnocap S.A. arises from services provided and does not bear interest and is due monthly.

c) The short-term account receivable from Mitsubishi Corporation RtM arises mainly from ore sales and does not bear interest and is due monthly.

d) The balance payable to MC Inversiones Ltda. as of December 31, 2023 and 2022, corresponds to a dividends provision in the amount of ThUS$ 11,723 and ThUS$ 91,659.

e) The balance payable to the parent CAP S.A. as of December 31, 2023, corresponds to a dividends provision in the amount of ThUS$ 35,169 , and services in the amount of ThUS$ 595. As of December 31, 2022, it corresponds to a dividends provision in the amount of ThUS$274,977 and services in the amount of ThUS$524.

f) The account payable to Puerto Las Losas S.A. arises from services provided, does not bear interest and is due monthly.

g) The balance receivable from Cleanairtech S.A. as of December 31, 2023, corresponds to netted services in the amount of ThUS$ 6,477 the next due date is in February 2024.

h) The account receivable from CSH S.A. arises from operating activities, does not bear interest and is due monthly.

i) Balances receivable from and payable to related companies are denominated in US Dollars.

j) Transactions with related companies:

The table below includes all transactions with related companies.

Sales to related companies are carried out at market prices. Total sales to those companies represent 12.08% in the year 2023 and 13.69% from 2022, in respect to the Company's total sales.

k) Stock transactions

As of December 31, 2023 and 2022, neither the majority shareholders nor the Directors or Managers carried out Company share transactions.

b.3 Most significant transactions and their effect on Income

		Accumulated as of 12.31.2023		Accumulated as of 12.31.2022	
Company	Transaction description	Amount ThUS$	Effect on income (credit) debit ThUS$	Amount ThUS$	Effect on income (credit) debit ThUS$
CAP S.A.	Administrative and sales expenses	7,136	(5,997)	6,282	(5,997)
	Services	15	(15)	-	-
	Recoverable Expenses	10	-	-	-
	Dividends paid	470,252	-	533,204	-
	Dividends provisioned	35,169	-	274,977	-
Compañía Siderurgica Huachipato S.A.	Demurrage	39	(39)	29	(25)
	Other income	178	(149)	-	-
	Sales	-	-	977	977
	Sale of Minerals	86,040	72,303	125,747	105,670
Mitsubishi Corporation RtM	Sales	129,636	129,636	118,956	118,956
	Demurrage	396	(396)	716	(716)
	Services Sold	2	(2)	3	(3)
	Services	7	7	-	-
Mitsubishi Corporation	Services Sold	2,000	(2,000)	2,000	(2.000)
MC Inversiones Ltda.	Dividends paid	156,751	-	177,735	-
	Dividends provisioned	11,723	-	91,956	-
Puerto Las Losas S.A.	Purchased Services	689	(579)	565	(475)
	Services (Imopac)	443	372	415	349
	Service	181	152	159	134
	Recoverable Expenses	7	-	-	-
Tecnocap S.A.	Services Sold	962	542	646	543
	Purchased Services	6,048	(5,452)	6,238	(5,242)
Cleanairtech Sudamerica S.A.	Services Sold	25,074	69	17,613	767
	Purchased Services	75,105	(55,955)	68,613	(53,097)
	Interests	1,574	1,574	944	944
	Loans	3,594	-	2,217	-

In October 2012, the Company entered into a contract for the purchase and sale of desalinated water with Cleanairtech Sudamérica S.A. according to which the latter undertakes to produce, sell and deliver a maximum of 200 lt./sec. of desalinated water to Cerro Negro Norte. The contract term is 20 years (extendable) from the first delivery date (2014).

In September 2013, the Company entered into a contract with Tecnocap S.A. to acquire electricity transmission services from Cardones substation to the Cerro Negro Norte and Punta Totoralillo substations, including operating and maintenance services for the Company's electricity transmission line.

In November 2013, the Company signed a contract with Cleanairtech Sudamérica S.A. for the purpose of conducting the desalinated water acquired from the same company for that purpose, to the Magnetite Plant. The contract is for a 20-year term from the date it is put into service, notwithstanding that this term can be extended based on the needs of both parties. This contract began operating in 2014.

In May 2014, the Company entered into a contract with Tecnocap S.A. to provide the Company's electricity transmission line and substations with operating, management and maintenance services.

In November 2019, the Company agreed to grant a loan ("*mutuo*") to related company, Cleanairtech Sudamérica S.A., for the amount of US$ 30 million at a rate of 180 days LIBOR plus 2.5% payable in 28 equal semiannual installments starting in August 2020, with the favorable vote of 99.999808% of the share issued by the Company.

Starting from the semi-annual installment for August 2023 to February 2024, the LIBOR rate has been replaced by the 6-month SOFR (Secured Overnight Financing Rate) published in international media, as agreed upon by the parties. The spread remains at 2.5%.

c. Management and Senior Management

Neither the members of senior management nor other individuals that assume the Company's management, including the general management, shareholders or the individuals or legal entities that they represent, have participated in the Company's non-habitual or relevant transactions in 2023 and 2022.

The Company is managed by a Board of Directors made up of 7 members, who remain in office for a 3-year period (and can be re-elected).

The Company's General Shareholders' Meeting for 2023 was held on April 10, 2023, where the shareholders mainly adopted the following agreements:

i. approval of the Annual Report, balance sheet and Financial Statements and Report of Independent Auditors of CMP for year 2022
ii. renewal of the Board that is composed of Mr.Juan Enrique Rassmuss Raier, Mr. Vicente Irarrázaval Llona, Mrs.Victoria Vásquez García, Julio Bertrand Planella, Mr. Jorge Salvatierra Pacheco, Mr. Tadashi Mizuno, Mr. Takeaki Doi and Francisco Lepeley Contesse, Mr. Roberto de Andraca Adriasola, Mrs. Patricia López Manieu, Mr. Stefan Franken Osorio, Mr. Álvaro Castellón Peña, Mr. Taira Shimizu and Mr. Jaime Andrés González Wenzel.
iii. CMP dividend policy keeps the percentage of profits for distribution unaltered, that is, 75%;
iv. the distribution of a final dividend of 75% of net distributable profits, that is to say, US$ 366,637,092.36;
v. the appointment of EY as Independent Auditors; and
vi. directors' remuneration setting.

d. Remuneration and other benefits

In accordance with the provisions of article 33 of Law No. 18,046 on Public Limited Companies, the Annual Shareholders' Meeting sets the remuneration of the CMP S.A. Board of Directors. In April 2023, the Board set the remuneration of the Board of Directors for the period May from 2023 to April 2024 in 0.5% of the net profits distributable for the year 2023 with a maximum limit of US$200,000 for each director, corresponding to the president in that distribution double what corresponds to each director:

Name	Position	12.31.2023		12.31.2022	
		CMP board of directors MUS$	Board of directors of subsidiaries MUS$	CMP board of directors MUS$	Board of directors of subsidiaries MUS$
Vicente irarrazaval Llona	Chairman	391	-	212	-
Juan Rassmuss Rainer	Director	149	-	244	-
Patricia Nuñez F (7)	Director	49	-	-	-
Hernan Menares D (7)	Director	44	-	-	-
Victoria Vásquez Garcia (6)	Director	145	-	178	-
Jorge Salvatierra Pacheco (3)	Director	159	-	29	-
Nicolás Burr Garcia (5)	Director	-	-	-	-
Tadashi Mizuno	Director	192	-	178	-
Takeaki Doi (3)	Director	192	-	34	-
Marcelo Awad Awad (2)	Director	-	-	134	-
Julio Bertrand Planella (1-4)	Director	-	-	-	-
Angel Milano Rodriguez (2)	Director	-	-	144	-
Total		1,321	-	1,153	-

(1) As of December 31, 2022, and 2021, the directors waived the aforementioned remuneration.
(2) His term as director ceased on April 11, 2022.
(3) His start as director on April 11, 2022.
(4) His term as director ceased on July 05, 2022
(5) Begins as Director on September 20, 2022 waives receiving the adorementioned allowance
(6) His term as director ceased on April 10, 2023
(7) His start as director on April 10, 2023.

The remuneration of key management employees amounted to ThUS$ 3,938 and ThUS$ 3,575 for the periods ended December 31, 2023 and 2022, respectively. The Company does not have any other incentive plans for Directors or key executives. However, Management can grant benefits to some key executives based on profits for the year on a discretionary basis.

For the 2023, the positions included in the calculation of the amounts referred to in the previous paragraph correspond to 11 Managers, 6 Assistant Managers and 1 Branch Manager. For the year 2022, the amount corresponded to 9 Managers, 6 Assistant Managers and 1 Branch manager.

9. INVENTORY

a. Inventory is detailed as follows:

	Total current	
	12.31.12023	12.31.2022
	ThUS$	ThUS$
Mining products	61,516	43,701
Raw Materials	183,135	153,404
Materials	134,977	123,448
Provision of obsolescence	(33,534)	(33,439)
Total	346,094	287,114

The Company and Subsidiaries' Management estimate that inventory will be realized within one year.

b. Inventory cost recognized in Income

Inventory items recognized as an operating cost expense during the periods ended December 31, 2023 and, 2022, respectively, are detailed as follows:

	Accumulated	
	01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Finished products	1,046,104	988,217
Total	1,046,104	988,217

Inventory cost includes depreciation for the year.

10. CURRENT TAX ASSETS AND LIABILITIES

Current tax assets and liabilities as of December 31, 2023 and 2022, are detailed as follows:

Assets

	Current	
	12.31.2023	12.31.2022
	ThUS$	ThUS$
VAT credit and other recoverable taxes	38,226	13,946
Remaining fical credit subsidiaries	835	-
Income tax from subsidiaries	-	140
Total	39,061	14,086

Liabilities:

	Current	
	12.31.2023	12.31.2022
	ThUS$	ThUS$
Income tax	339	-
Income tax from subsidiaries	11	-
Total	350	-

11. OTHER NON-FINANCIAL ASSETS, CURRENT AND NON-CURRENT

As of December 31, 2023 and 2022, other current and non-current non-financial assets are detailed as follows:

	Total current		Total No current	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
	ThUS$	ThUS$	ThUS$	ThUS$
Remaining tax credit	18,436	25,260	-	-
Insurance	6,237	6,039	-	-
Employee bonuses	6,432	7,570	10,214	5,777
Other prepaid expenses	6,374	2,472	518	-
Electrical Contract	16,721	-	50,163	-
Total	54,200	41,341	60,895	5,777

12. INVESTMENTS IN SUBSIDIARIES

a. On May 25, 2009, the productive activities of the subsidiary Manganesos Atacama S.A. were halted. In 2023, a decision will be made regarding the future of this subsidiary. The value of its assets represents the historical cost as of the date of stoppage, which does not exceed the recoverable amount of the assets.

b. These Consolidated Financial Statements include the Financial Statements of the Company and its subsidiaries. As of December 31, 2023 and 2022, information for subsidiaries is detailed as follows.

Company	12.31.2023 Current assets ThUS$	Non-current assets ThUS$	Current liabilities ThUS$	Non-current liabilities ThUS$	Revenue ThUS$	Net profit (loss) ThUS$
Imopac Ltda.	7,821	14,664	7,110	713	29,397	4,256
CMP Services Asia Ltd.	562	-	140	-	767	337
Manganesos Atacama S.A.	1,129	5,638	969	2,402	-	(465)
	9,512	20,302	8,219	3,115	30,164	4,128

Company	12.31.2022 Current assets ThUS$	Non-current assets ThUS$	Current liabilities ThUS$	Non-current liabilities ThUS$	Revenue ThUS$	Net profit (loss) ThUS$
Imopac Ltda.	6,570	10,957	3,781	-	27,300	3,242
CMP Services Asia Ltd.	148	-	63	-	892	36
Manganesos Atacama S.A.	1,014	5,642	430	2,418	-	(645)
	7,732	16,599	4,274	2,418	28,192	2,633

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Company	Number of shares	Ownership % 12.31.2023	Balace as of 01.01.2023 ThUS$	Additions ThUS$	Derecognition ThUS$	Profit share for the year ThUS$	Dividends ThUS$	Equity reserve ThUS$	Total as of 12.31.2023 ThUS$
Tecnocap S.A.	4,000	0.03658	15	-	-	2	-	-	17
Soc. Minera El Aguila SpA	877,678	20.00	640	-	-	(99)	-	-	541
		Total	**655**	-	-	**(97)**	-	-	**558**

As of December 31, 2023 and 2022, the main investments in associates accounted for using the equity method are detailed as follows:

Company	Number of shares	Ownership % 12.31.2022	Balace as of 01.01.2022 ThUS$	Additions ThUS$	Derecognition ThUS$	Profit share for the year ThUS$	Dividends ThUS$	Equity reserve ThUS$	Total as of 12.31.2022 ThUS$
Tecnocap S.A.	4,000	0.03658	16	-	-	2	-	-	18
Soc. Minera El Aguila SpA	877,678	20.00	714	-	-	(74)	-	-	640
		Total	**730**	-	-	**(72)**	-	-	**658**

On May 20, 2015, CMP Productora SpA was incorporated. Its main corporate purposes are the exploration and development of mining projects, mining operations, ore processing, smelting and refining, and the purchase and sale of mining-related assets. The sole shareholder of CMP Productora SpA is Compañía Minera del Pacífico S.A. (100.00% of stock capital), which exercises administrative and financial control of this company.

The Extraordinary Shareholders Meeting of CMP Productora SpA held on August 27, 2015, approved its merger by absorption with Sociedad Minera El Aguila SpA. As a result, CMP Productora SpA was dissolved. Compañía Minera del Pacífico S.A. acquired 17.5% of the stock capital of Sociedad Minera El Aguila SpA under a stock exchange agreement.

In 2016, the Company acquired additional shares of Sociedad Minera El Aguila SpA for ThUS$ 1,500, equivalent to 2.5% of its total stock capital.

14. INTANGIBLE ASSETS

a. Intangible assets other than goodwill are detailed as follows:

	12.31.2023				
	Owner	Residual Term	Gross value	Accumulated amortization/ impairment	Net value
			ThUS$	ThUS$	ThUS$
Mining rights	CMP S.A.	12-2042	957,255	(402,595)	554,660
Water rights	CMP S.A.	12-2030	2,681	(528)	2,153
Software license	CMP S.A.	04-2023	456	(456)	-
Easements	CMP S.A.	12-2030	1,041	(718)	323
Total			961,433	(404,297)	557,136

	12.31.2022				
	Owner	Residual Term	Gross value	Accumulated amortization/ impairment	Net value
			ThUS$	ThUS$	ThUS$
Mining rights	CMP S.A.	12-2042	957,255	(377,363)	579,892
Water rights	CMP S.A.	12-2030	2,681	(490)	2,191
Software license	CMP S.A.	04-2023	456	(456)	-
Easements	CMP S.A.	12-2030	1,041	(671)	370
Total			961,433	(378,980)	582,453

In 2010, there was an addition in the amount of ThUS$957,255 which corresponded mainly to the incorporation of mining properties that belonged to Compañía Minera Huasco S.A. and which as indicated in Note 1, were acquired by the Company through its merger with Compañía Minera Huasco S.A. The values were obtained from the fair value determination report of Compañía Minera Huasco S.A. as of April 30, 2010, prepared by Jorge Quiroz C. Consultores Asociados S.A.

- A monthly amortization of mining property is carried out based on the monthly supply of ore delivered to the processing Plant. Under the current production estimates, the aforementioned monthly delivery will last until the year 2042.
- The amortization of water rights and easements is carried out in equal monthly quotas, calculated on the basis of the useful life of the assets they supply until 2030.

The Company does not have any restrictions or guarantees on its intangible assets, neither has it assumed any commitments for the acquisition of new intangibles. As of December 31, 2023, and 2022 there are no fully amortized intangible asset that are still in use.

15. PROPERTY, PLANT AND EQUIPMENT

a. Composition:

As of December 31, 2023 and 2022 of each period, the composition of property, plant and equipment, at net and gross values is detailed as follows:

Property, plant and equipment, net	**12.31.2023**	**12.31.2022**
	ThUS$	**ThUS$**
Work in progress	980,347	828,033
Plots of land	33,758	33,758
Constructions and infrastructure	144,378	152,446
Plant, machinery and equipment	1,408,570	1,400,011
Mine development	363,753	383,727
Motor vehicles	783	803
Other property, plant and equipment	164,691	68,905
Total property, plant and equipment	**3,096,280**	**2,867,683**

Property, plant and equipment, gross	**12.31.2023**	**12.31.2022**
	ThUS$	**ThUS$**
Work in progress	980,347	828,033
Plots of land	33,758	33,758
Constructions and infrastructure	467,956	467,956
Plant, machinery and equipment	2,565,651	2,420,276
Furniture and office machines	11	11

Mine development	781,583	772,796
Motor vehicles	2,856	2,856
Other property, plant and equipment	414,435	264,368
Total property, plant and equipment	**5,246.597**	**4,790,054**

Capitalized interest costs for the year ended December 31, 2023 amounted to ThUS$14,178 and the annual capitalization rate was of 3,22%

As of December 31, 2023 and 2022, accumulated depreciation, at net and gross values is detailed as follows:

Accumulated depreciation	**12.31.2023**	**12.31.2022**
	ThUS$	**ThUS$**
Constructions and infrastructure	323,578	315,510
Plant, machinery and equipment	1,157,081	1,020,265
Furniture and office machines	11	11
Mine development	417,830	389,069
Motor vehicles	2,073	2,053
Other property, plant and equipment	249,744	195,463
Total property, plant and equipment	**2,150,317**	**1,922,371**

b. Accounting changes

As of December 31, 2023 and 2022, the accounting movements of net property, plant and equipment are detailed as follows:

As of December 31, 2023

	Constructions in progress ThUS$	Plots of land ThUS$	Constructions and infrastructure ThUS$	Plant, machinery and equipment ThUS$	Motor vehicles ThUS$	Mining properties ThUS$	Other ThUS$	Total ThUS$
Beginning balance as of 01.01.2023	828,033	33,758	152,446	1,400,011	803	383,727	68,905	2,867,683
Additions (derecognitions)	152,314	-	-	174,624	-	8,787	123,795	459,520
Depreciation	-	-	(8,068)	(138,830)	(20)	(28,761)	(52,267)	(227,946)
Other increase (decrease)	-	-	-	(27,235)	-	-	24,258	(2,977)
Ending balance as of 12.31.2023	**980,347**	**33,758**	**144,378**	**1,408,570**	**783**	**363,753**	**164,691**	**3,096,280**

As of December 31, 2022

	Constructions in progress ThUS$	Plots of land ThUS$	Constructions and infrastructure ThUS$	Plant, machinery and equipment ThUS$	Motor vehicles ThUS$	Mining properties ThUS$	Other ThUS$	Total ThUS$
Beginning balance as of 01.01.2022	569,713	31,737	160,514	1,380,025	838	394,108	115,382	2,652,317
Additions (derecognitions)	258,320	2,021	-	125,609	-	16,454	1,991	404,395
Decrease			-	(552)	-	-	-	(552)
Depreciation	-	-	(8,068)	(97,573)	(35)	(26,835)	(46,722)	(179,233)
Other increase (decrease)	-	-		(7,498)	-	-	(1,746)	(9,244)
Ending balance as of 12.31.2022	**828,033**	**33,758**	**152,446**	**1,400,011**	**803**	**383,727**	**68,905**	**2,867,683**

c. Additional Information

i. Property and buildings measured at fair value

As part of the process of first-time adoption of IFRS, the Group decided to measure certain land assets at fair value as attributed cost as of the date of transition, January 1, 2009. Land fair values amounted to ThUS$30,772. Those values were determined by an external specialist in the industry in which the Group operates.

ii. Works in progress

As of December 31, 2023 and 2022, construction in progress amounts to ThUS$ 980,347 and ThUS$ 828,033, respectively, and these amounts are directly associated with the Company's operating activities, among others, acquisition of equipment and buildings.

iii. Dismantling and restoration costing policy

- An obligation to incur dismantling and restoration costs arises when an alteration caused by site preparation and/or work is being carried out which affects the environment. These costs are estimated at the beginning of a project based on mine closure planning and are subject to formal review on a regular basis.

- Estimated dismantling and restoration costs are updated at present value andincorporated into Property, Plant and Equipment as a provision. Dismantling costs and depreciation are debited to Income during the life of the work as part of operating costs. The provision for dismantling costs is used at the time of dismantling.

- Restoration costs are estimated at present value at the beginning of the work. A provision for restoration costs is credited to Income and used when restoration expenses are incurred.

Provision updates that are due to the effect of time passing or the discount rate are recognized as financial expenses.

Management's professional judgment and experience are used when estimating dismantling and restoration costs, with the help of external and internal experts.

As of December 31, 2023, all the closing plans of sites that are in operation have been approved by the National Department of Geology and Mining (*Servicio Nacional de Geología y Minería*", in compliance with the provisions of Law No. 20.551 dated 2011, which regulates Closure of Mining Sites and Facilities.

iv. Insurance

The Company has taken out insurance to adequately cover the risks to which items of Property, Plant and Equipment are subject, as well as general liability insurance, and said policies sufficiently covers the risk to which they are submitted.

v. Mine development

The item "Mine Development" includes costs related to earthmoving and the extraction of sterile soil incurred during the development stage of a mining project, prior to exploitation. Its depreciation is calculated based on the monthly supply of ore delivered to the processing Plants.

vi. Depreciation cost

Until December 31, 2018, depreciation was calculated on a straight-line basis over the useful lives of the assets. As explained in Note 3, on January 1, 2019, the depreciation calculation method for certain PP&E assets was changed to one based on productive units.

The useful lives of PP&E assets have been determined based on expected natural impairment, technical or commercial obsolescence derived from changes and/or improvements to production and changes to market demand of the products obtained from the operation of these PP&E assets.

The estimated useful lives, by type of PP&E asset, are detailed as follows:

	Minimum useful life (years)	Maximum useful life (years)	Weighted average useful life (years)
Buildings	20	61	36
Plant and equipment	2	61	29
IT equipment	1	5	3
Motor vehicles	3	6	4
Other property, plant and equipment	1	8	6
Mine development	14	16	15

The residual value and useful life of the assets are reviewed and adjusted, if necessary, at each closing date of the Financial Statements.

Depreciation of PP&E credited to Income, which are included in Operating Costs and Administrative Expenses, are detailed as follows:

Depreciation recognized in the Statement of Comprehensive Income

	Accumulated	
	01.01.2023 12.31.2023 ThUS$	**01.01.2022 12.31.2022 ThUS$**
In Operating costs	222,368	173,967
In Administrative and sales expenses	2,598	3,424
In Other expenses by function	2,980	1,842
Total	227,946	179,233

Regarding the "Mine Development" item, its amortization is determined based on the proportion of monthly mineral provided to the Plants. As of December 31, 2023, and 2022, operating costs of ThUS$ 28,761 and ThUS$ 26,835 have been recorded in the income statement for this concept, respectively. The recognized amounts are recorded under operating costs in the amortization expense account.

16. INCOME TAX AND DEFERRED TAXES

a. In the periods ended December 31, 2023 and 2022, income taxes recognized in income are detailed as follows.

	Accumulated	
	01.01.2023 12.31.2023 ThUS$	**01.01.2022 12.31.2022** ThUS$
Current tax income (expense)	(150,548)	(188,129)
Specific tax on mining	(29,522)	(34,261)
Other current tax income (expenses)	(622)	(540)
Total current tax income (expense), net	(180,692)	(222,930)
Income (expense) from deferred taxes		
Income (expense) from deferred taxes relating to the creation and reversal of temporary differences	-	-
Income (expense) from deferred taxes arising from the PP&E temporary difference	(16,968)	11,829
Total income (expense) from deferred taxes, net	(16,968)	11,829
Total income (expense) from income tax	(197,660)	(211,101)

b. Reconciliation of accounting income and tax income

A reconciliation of the statutory tax rate in force in Chile and the effective tax rate is detailed as follows:

	Accumulated	
	01.01.2023 12.31.2023 ThUS$	**01.01.2022 12.31.2022 ThUS$**
Profite (loss) for the year before taxes	598,049	690,693
Legal tax rate	27.0%	27.0%
Tax Benefit (expense) using the legal rate	(161,473)	(186,487)
Share in profito f associates accounted for using the equity method	26	19
Effect of mining tax	(29,522)	(34,261)
Effect to temporary difference of mining tax	(11,514)	1,411
Provisional payments earnings	-	-
Other increase (decrease) in legal tax charge	4.823	8,217
Total adjustment to tax expense usin the legal rate	(36,187)	(24,614)
Tax benefit (expense) using the effective rate	(197,660)	(211,101)
Legal tax rate	27.0	27.0
Effect og non-deductible tax expenses on tax rate (%)	4.9	5.0
Other increase (decrease) in legal tax carge %	1.1	(1.4)
Total adjustment to the legal tax rate (%)	6.0	3.6
Effective tax rate (%)	33.0	30.6

The tax rate used for reconciliation as of December 31, 2023, is the corporate tax rate of 27%, which entities must pay on their taxable income under current tax legislation. The specific mining tax applied as of December 31, 2023, was 5.00%.
Regarding the increase in the specific mining tax provided for in Law No. 20.469, which establishes that Chilean companies such as the Company can apply a system of tax invariability similar to that of DL600 on Foreign Investment statutes. The Company decided not to opt for the Tax invariability system permitted by the mentioned law.

c. Deferred taxes

As of December 31, 2023 and 2022, accumulated balances of deferred tax assets and liabilities are detailed as follows:

Recognized deferred tax assets related to:	**12.31.2023 ThUS$**	**12.31.2022 ThUS$**
Vacation provision	6,533	5,345
Provision for seniority premium	1,336	1,402
Provisions	90,660	84,809
Others	-	-
Total deferred tax assets	98,529	91,556

Recognized deferred tax liabilities related to:

	12.31.2023 ThUS$	12.31.2022 ThUS$
Intangible assets	169,815	177,531
Manufacturing expenses	1,594	1,129
Depreciation of PP&E	235,182	201,288
Leased assets	4,151	7,684
Prepaid expenses	5,787	4,097
Others	2,455	3,476
Total deferred tax liabilities	418,984	395,205
Total net	(320,455)	(303,649)
Deferred taxes are presented in the balance sheet as follows:		
In Non-current assets	2,713	2,120
In Non-current liabilities	(323,168)	(305,769)
Net	(320,455)	(303,649)

d. Changes in deferred taxes

Deferred tax assets (liabilities) have experienced the following changes:

Changes in deferred tax liabilities

	12.31.2023 ThUS$	12.31.2022 ThUS$
Deferred tax assets (liabilities), beginning balance	(303,649)	(317,833)
Effect on Profit (loss)	(16,806)	14,184
Effect on Other comprehensive income	-	-
Total changes in deferred tax assets (liabilities)	(16,806)	14,184
Deferred tax assets (liabilities), final balance	(320,455)	(303,649)

17. OTHER FINANCIAL LIABILITIES

As of December 31, 2023 and 2022, other financial liabilities are detailed as follows:

a) Obligations with financial entities:

	12.31.2023 ThUS$	12.31.2022 ThUS$
Current		
Loans from financial institutions	358,280	243,000
Total	358,280	243,000

	12.31.2023 ThUS$	12.31.2022 ThUS$
Non-Current		
Loans from financial institutions	459,141	-
Total	459,141	-
Total	744,421	243,000

b. Obligations with financial entities, maturities and currency

i. The currency and maturities of bank loans and finance lease obligations are detailed asfollows:

As of December 31,2023

Current Period

												12.31.2023									
												Currente			No-current						
Debtor Company`s Taxpayer ID No.	Debtor Company	Country	Creditor Entity`s Taxpayer ID No.	Creditor Entity	Country	Currency	Nominal Interest Rate	Type of Int. Rate	Effective Interest Rate	Method of payment		Less than 90 days	More than 90 day	Total Current	More than 1 year up to 2 years	More than 2 year up to 3 years	More than 3 year up to 4 years	More than 4 year up to 5 years	More than 5 year up	Total non-current	
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	6.88%	Fixed	6.88%	Annual		30.785	-	30.785	-	-	-	-	-	-	
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	6.09%	Fixed	6.09%	Annual		51.345	-	51.345	-	-	-	-	-	-	
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	6.45%	Fixed	6.45%	Annual		41.018	-	41.018	-	-	-	-	-	-	
94.638.000-8	CMP	Chile	76.645.030-k	Itau	Chile	USD	6.66%	Fixed	6.66%	Annual		40.548	-	40.548	-	-	-	-	-	-	
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	6.78%	Fixed	6.78%	Annual		35.725	-	35.725	-	-	-	-	-	-	
94.638.000-8	CMP	Chile	96.836.390-5	Estado	Chile	USD	6.92%	Fixed	6.92%	Annual		30.628	-	30.628	-	-	-	-	-	-	
94.638.000-8	CMP	Chile	76.645.030-k	Itau	Chile	USD	6.71%	Fixed	6.71%	Annual		-	10.147	10.147	-	-	-	-	-	-	
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	6.47%	Fixed	6.47%	Annual		-	20.913	20.913	-	-	-	-	-	-	
94.638.000-8	CMP	Chile	97.004.000-5	Banco de Chile	Chile	USD	6.85%	Fixed	6.85%	Annual		-	50.704	50.704	-	-	-	-	-	-	
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	6.40%	Fixed	6.40%	Annual		-	50.418	50.418	-	-	-	-	-	-	
94.638.000-8	CMP	Chile	97.004.000-5	Banco de Chile	Chile	USD	6.67%	Fixed	6.67%	Annual		-	20.137	20.137	-	-	-	-	-	-	
94.638.000-8	IMOP	Chile	97.006.000-6	BCI	Chile	CLP	11.26%	Fixed	11.26%	Annual		-	1.046	1.046	-	-	-	-	-	-	
94.638.000-8	IMOP	Chile	97.006.000-6	BCI	Chile	CLP	11.88%	Fixed	11.88%	Annual		1.023	-	1.023	-	-	-	-	-	-	
94.638.000-8	IMOP	Chile	97.006.000-6	BCI	Chile	CLP	11.64%	Fixed	11.64%	Annual		-	843	843	-	-	-	-	-	-	
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.21%	Fixed	7.21%	Biannual		-	-	-	70.028	-	-	-	-	70.028	
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.45%	Fixed	7.45%	Biannual		-	-	-	-	134.250	-	-	-	134.250	
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.49%	Fixed	7.49%	Biannual		-	-	-	-	76.171	-	-	-	76.171	
94.638.000-8	CMP	Chile	O-E	BCI Miami	USA	USD	7.46%	Fixed	7.46%	Biannual		-	-	-	2.781	4.900	4.900	4.900	-	17.481	
94.638.000-8	CMP	Chile	O-E	BLADEX	Panama	USD	6.91%	Fixed	6.91%	Biannual		-	-	-	50.720	-	-	-	-	50.720	
94.638.000-8	CMP	Chile	O-E	SuMi Trust	USA	USD	6.84%	Fixed	6.84%	Biannual		-	-	-	-	30.427				30.427	
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.22%	Fixed	7.22%	Biannual		-	-	-	-	80.064				80.064	
										Total		**231.072**	**154.208**	**385.280**	**123.529**	**325.812**	**4.900**	**4.900**	-	**459.141**	

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As of December 31, 2022

Prior Period

Debtor Company`s Taxpayer ID No.	Debtor Company	Country	Creditor Entity`s Taxpayer ID No.	Creditor Entity	Country	Currency	Nominal Interest Rate	Type of Int. Rate	Effective Interest Rate	Method of payment	12.31.2022 Currente: Less than 90 days	Currente: More than 90 day	Currente: Total Current	No-current: More than 1 year up to 2 years	No-current: More than 2 year up to 3 years	No-current: More than 3 year up to 4 years	No-current: More than 4 year up to 5 years	No-current: More than 5 year up	Total non-current
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	3.52%	Fixed	3.52%	Annual	50.743	-	50.743	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-K	Banco Chile	Chile	USD	3.81%	Fixed	3.81%	Annual	50.804	-	50.804	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.030.007-7	Banco Estado	Chile	USD	4.56%	Fixed	4.56%	Annual	30.365	-	30.365	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.004.000-5	Banco Chile	Chile	USD	5.07%	Fixed	5.07%	Annual	-	50.472	50.472	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	5.81%	Fixed	5.81%	Annual	-	20.216	20.216	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-K	Itaú	Chile	USD	5.37%	Fixed	5.37%	Annual	-	40.400	40.400	-	-	-	-	-	-
										Total	101.547	111.088	243.000	-	-	-	-	-	-

ii. The undiscounted amounts owed (or estimated future cash flows to be disbursed by theGroup) from obligations with financial entities are detailed as follows:

As of December 31,2023

Current Period

Debtor Company`s Taxpayer ID No.	Debtor Company	Country	Creditor Entity`s Taxpayer ID No.	Creditor Entity	Country	Currency	Nominal Interest Rate	Type of Int. Rate	Effective Interest Rate	Method of payment	12.31.2023 Currente: Less than 90 days	Currente: More than 90 day	Currente: Total Current	No-current: More than 1 year up to 2 years	No-current: More than 2 year up to 3 years	No-current: More than 3 year up to 4 years	No-current: More than 4 year up to 5 years	No-current: More than 5 year up	Total non-current
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	6.88%	Fixed	6.88%	Annual	30.785	-	30.785	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	6.09%	Fixed	6.09%	Annual	51.345	-	51.345	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	6.45%	Fixed	6.45%	Annual	41.290	-	41.290	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-k	Itau	Chile	USD	6.66%	Fixed	6.66%	Annual	40.888	-	40.888	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	6.78%	Fixed	6.78%	Annual	36.173	-	36.173	-	-	-	-	-	-
94.638.000-8	CMP	Chile	96.836.390-5	Estado	Chile	USD	6.92%	Fixed	6.92%	Annual	31.038	-	31.038	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-k	Itau	Chile	USD	6.71%	Fixed	6.71%	Annual	-	10.336	10.336	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	6.47%	Fixed	6.47%	Annual	-	21.294	21.294	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.004.000-5	Banco de Chile	Chile	USD	6.85%	Fixed	6.85%	Annual	-	51.713	51.713	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	6.40%	Fixed	6.40%	Annual	-	51.582	51.582	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.004.000-5	Banco de Chile	Chile	USD	6.67%	Fixed	6.67%	Annual	-	20.667	20.667	-	-	-	-	-	-
94.638.000-8	IMOP	Chile	97.006.000-6	BCI	Chile	CLP	11.26%	Fixed	11.26%	Annual	-	1.021	1.021	-	-	-	-	-	-
94.638.000-8	IMOP	Chile	97.006.000-6	BCI	Chile	CLP	11.88%	Fixed	11.88%	Annual	1.044	-	1.044	-	-	-	-	-	-
94.638.000-8	IMOP	Chile	97.006.000-6	BCI	Chile	CLP	11.64%	Fixed	11.64%	Annual	-	843	843	-	-	-	-	-	-
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.21%	Fixed	7.21%	Biannual	-	-	-	72.552	-	-	-	-	72.552
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.45%	Fixed	7.45%	Biannual	-	-	-	-	139.819	-	-	-	139.819
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.49%	Fixed	7.49%	Biannual	-	-	-	-	77.857	-	-	-	77.857
94.638.000-8	CMP	Chile	O-E	BCI Miami	USA	USD	7.46%	Fixed	7.46%	Biannual	-	-	-	2.780	6.951	6.951	6.951	-	23.633
94.638.000-8	CMP	Chile	O-E	BLADEX	Panama	USD	6.91%	Fixed	6.91%	Biannual	-	-	-	51.709	-	-	-	-	51.709
94.638.000-8	CMP	Chile	O-E	SuMi Trust	USA	USD	6.84%	Fixed	6.84%	Biannual	-	-	-	-	31.009				31.009
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.22%	Fixed	7.22%	Biannual	-	-	-	-	82.934				82.934
										Total	232.563	157.456	390.019	127.041	338.570	6.951	6.951	-	479.513

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As of December 31, 2022

Prior Period

											12.31.2022								
										Currente			No-current					
Debtor Company`s Taxpayer ID No.	Debtor Company	Countr	Creditor Entity`s Taxpayer ID No.	Creditor Entity	Countr	Curren	Nomina Interest Rate	Type of Int. Rat	Effectiv Interest Rate	Method of payment	Less than 90 days	More than 90 day	Total Current	More than 1 year up to 2 years	More than 2 year up to 3 years	More than 3 year up to 4 years	More than 4 year up to 5 years	More than 5 year up	Total non-current
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	3.52%	Fixed	3.52%	Annual	50.875	-	50.875	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-K	Banco Chile	Chile	USD	3.81%	Fixed	3.81%	Annual	50.963	-	50.963	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.030.007-7	Banco Estado	Chile	USD	4.56%	Fixed	4.56%	Annual	30.680	-	30.680	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.004.000-5	Banco Chile	Chile	USD	5.07%	Fixed	5.07%	Annual	-	51.253	51.253	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	5.81%	Fixed	5.81%	Annual	-	20.575	20.575	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-K	Itaú	Chile	USD	5.37%	Fixed	5.37%	Annual	-	41.063	41.063	-	-	-	-	-	-
										Total	**132.518**	**112.891**	**245.409**	-	-	-	-	-	-

c. Additional information regarding bank loans

The company had an open bank financing line (Syndicated Loan) led by MUFG Bank, Ltd., New York, which was not utilized during the first half of the year 2022.

On September 15, 2022, the same original bank financing line with MUFG Bank Ltd was modified and a new Syndicated Loan entered into force with Sumitomo Mitsui Banking Corporation (as Agent Bank), HSBC Bank USA, National Association, MUFG Bank Ltd., Banco Santander, S.A., Bank of China Limited (Panama Branch), BNP Paribas, Export Development Canada, Banco Latinoamericano de Comercio Exterior S.A., and China Construction Bank, Agency in Chile.

This new syndicated loan is aimed at funding working capital, investments, and exports, and is not secured. The maturity date is September 14, 2026, and the credit line is committed for up to ThUS$ 375,000.

d) Changes to financial liabilities

The following table shows the movement of current and non-current financial liabilities:

As of December 31, 2023

Liabilities arising from financing activities	Balance as of 1/1/2023	Financing cash flows			Changes that do not represent cash flows						Balance as of 12/31/2023
		Arising from	Used	Total	Adquisition of subsidiaries	Sales of subsidiaries	Changes in fair value	Exchange difference	New finance leases	Other changes	
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Bank loans (Note 18)	243,000	1,538,150	(951,000)	587,150	-	-	-	-	-	14,271	844,421
Financial lease liabilities	39,722	-	(8,863)	(8,863)	-	-	-	-	-	-	30,859
Total	**282,722**	1,538,150	**(959,863)**	**578,287**	**-**	**-**	**-**	**-**	**-**	**14,271**	**875,280**

As of December 31, 2022:

Liabilities arising from financing activities	Balance as of 1/1/2022	Financing cash flows			Changes that do not represent cash flows						Balance as of 12/31/2022
		Arising from	Used	Total	Acquisition of subsidiaries	Sales of subsidiaries	Changes in fair value	Exchange difference	New finance leases	Other changes	
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Bank loans (Note 18)	44,206	240,000	-	240,000	-	-	-	-	(44,206)	3,000	243,000
Total	**44,206**	**240,000**	**-**	**240,000**	**-**	**-**	**-**	**-**	**(44,206)**	**3,000**	**243.000**

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18. RIGHT OF USE ASSETS AND LEASE LIABILITIES

As lessee, the Company recognizes right of use assets associated to service agreements with the purpose of developing the activities of our business, which are classified as Right of use assets; it also recognizes the lease liability.

Rights of use

Reconciliation of changes in right of use assets as of December 31, 2023, net value	Plant, machinery & equipment	Total
	ThUS$	ThUS$
Beginning balance as of 01.01.2023	76,437	76,437
Aditions	4,698	4,698
Amortization expense	(13,072)	(13,072)
Ending balance as of 12.31.2023	**68,063**	**68,063**

Reconciliation of changes in right of use assets as of December 31, 2022, net value	Plant, machinery & equipment	Total
	ThUS$	ThUS$
Beginning balance as of 01.01.2022	58,743	58,743
Aditions	46,266	46,266
Amortization expense	(28,572)	(28,572)
Ending balance as of 12.31.2022	**76,437**	**76,437**

Lease liabilities, current and non-current

	Current		Non-Current	
	12.31.2023	**12.31.2022**	**12.31.2023**	**12.31.2022**
	ThUS$	**ThUS$**	**ThUS$**	**ThUS$**
Finance lease	9,666	9,666	21,193	30,056
Other lease liabilities	3,921	3,194	18,020	17,431
Total	**13,587**	**12,860**	**39,213**	**47,487**

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LEASES, ACCOUNTING VALUE MATURITIES

As of December 31,2023

Current Period

											12.31.2023								
										Currente			No-current					
Debtor Company`s Taxpayer ID No.	Debtor Company	Countr	Creditor Entity`s Taxpayer ID No.	Creditor Entity	Countr	Curren	Nomina Interest Rate	Type of Int. Rat	Effecti Interest Rate	Method of payment	Less th 90 days	More than 90 day	Total Current	More than 1 year up to 2 years	More than 2 year up to 3 years	More than 3 year up to 4 years	More than 4 year up to 5 years	More than 5 year up	Total non-current
94.638.000-8	CMP	Chile	96.545.600-7	Empresa de Transporte Ferroviario	Chile	USD	2.90%	Fixed	2.90%	Monthly	787	2.360	3.147	2.839	2.839	2.839	2.839	2.839	14.195
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	3.18%	Fixed	3.18%	Monthly	1.211	3.634	4.845	4.265	4.265	1.421	-	-	9.951
94.638.000-8	CMP	Chile	97.006.000-6	Banco Itaú	Chile	USD	2.10%	Fixed	2.10%	Monthly	1.205	3.616	4.821	4.497	4.497	2.248	-	-	11.242
94.638.000-8	CMP	Chile	77.035.862-0	Las Gaviotas SpA	Chile	USD	0,58%	Fixed	0,58%	Monthly	194	580	774	546	546	546	546	1.641	3.825
										Total	3.397	10.190	13.587	12.147	12.147	7.054	3.385	4.480	39.213

As of December 31, 2022

Prior Period

											12.31.2022								
										Currente			No-current					
Debtor Company`s Taxpayer ID No.	Debtor Company	Countr	Creditor Entity`s Taxpayer ID No.	Creditor Entity	Countr	Curren	Nomina Interest Rate	Type of Int. Rat	Effecti Interest Rate	Method of payment	Less th 90 days	More than 90 day	Total Current	More than 1 year up to 2 years	More than 2 year up to 3 years	More than 3 year up to 4 years	More than 4 year up to 5 years	More than 5 year up	Total non-current
94.638.000-8	CMP	Chile	96.545.600-7	Empresa de Transporte Ferroviario	Chile	USD	2.90%	Fixed	3.76%	Monthy	726	2.235	2.961	2.851	2.851	2.851	2.851	6.027	17.431
94.638.000-8	CMP	Chile	76.038.566-2	Soc. Rent a Car Copiapo Ltda.	Chile	USD	2.90%	Fixed	14.30%	Monthy	233	-	233	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.006.000-6	Banco BCI	Chile	USD	3.18%	Fixed	3.18%	Monthy	1.211	3.634	4.845	3.850	3.850	3.850	2.777	-	14.327
94.638.000-8	CMP	Chile	97.006.000-6	Banco Itaú	Chile	UF	2.10%	Fixed	3.18%	Monthy	1.209	3.612	4.821	4.209	4.209	4.209	3.102	-	15.729
										Total	3.379	9.481	12.860	10.910	10.910	10.910	8.730	6.027	47.487

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19. TRADE PAYABLES AND OTHER ACCOUNTS PAYABLE

As of December 31, 2023 and 2022, trade and other accounts payable are detailed as follows:

	Current		Non- Current	
	12.31.2023 ThUS$	12.31.2022 ThUS$	12.31.2023 ThUS$	12.31.2022 ThUS$
Trade receivables	260,552	298,179	-	-
Miscellaneous receivables	5,665	5,665	-	-
Advance payments on sale of minerals	-	-	-	-
			-	-
Total	266,217	303,844		

The average payment term of accounts payable to suppliers is 30 days. Therefore, the fair value of trade payables does not significantly differ from their carrying amount.

Trade payables mainly include operating accounts payable and obligations associated with investment projects developed by the Company.

The Company's main creditors and their the total trade payable percentage are detailed as follows:

Current period
12.31.2023

Creditor	Creditor's tax No	Debtor	%	ThUS$
Cia. Contrac. Minera Candelaria	85.272.800-0	CMP	6.78%	17,654
Guacolda Energía S.A.	76.418.918-3	CMP	6.76%	17,603
Promet Montajes Spa	76.543.046-1	CMP	2.55%	6.637
Consorcio Montec-Bueno S.A.	77.044.792-5	CMP	2.19%	5,707
Cía Petróleos de Chile Copec S.A.	99.520.000-7	CMP	1.93%	5,025
Amanecer Solar Spa	76.273.559-8	CMP	1.83%	4,773
Enaex Servicios S.A.	76.041.871-4	CMP	1.24%	3,222
Serv. Explot. Minera Depetris Ltda.	76.963.200-K	CMP	0.86%	2,231
Transelec S.A.	75.555.400-4	CMP	0.81%	2.105
Others		CMP	75.05%	195,595
			100%	260,552

Previous period
12.31.2022

Creditor	Creditor's tax No	Debtor	%	ThUS$
Guacolda Energía S.A.	76.418.918-3	CMP	8.04%	23,970
Enaex Servicios S.A.	76.041.871-4	CMP	1.97%	5,860
Amanecer Solar SpA	76.273.559-8	CMP	0.92%	2,757
CIA.Contract.Minera Candelaria	85.272.800-0	CMP	0.92%	2,743
IP Proyectos Industriales SPA.	76.780.551-9	CMP	0.53%	1,595
LLorente Industrial SA	81.426.700-8	CMP	0.47%	1,389
Soc.Const. y Serv. Dorgambide Ltda	78.962.750-9	CMP	0.44%	1,306
Finning Chile S.A.	91.489.000-4	CMP	0.42%	1,240
Cruz Dávila Ingeniería y Construcción	88.359.600-5	CMP	0.31%	912
Others		CMP	85.98%	256,407
			100%	298,179

Current trade payables, by maturity, are detailed as follows:

Current period

	12.31.2023 ThUS$			
	Goods	Services	Others	Total
Up to 30 days	35,962	17,022	207,568	260,552
Between 31 and 60 days	-	-	-	-
Between 61 and 90 days	-	-	-	-
Between 91 and 120 days	-	-	-	-
Between 121 and 365 days	-	-	-	-
More than 365 days	-	-	-	-
Total	**35,962**	**17,022**	**207,568**	**260,552**

Previous period

	12.31.2022 ThUS$			
	Goods	Services	Others	Total
Up to 30 days	38,747	9,160	250,772	298,179
Between 31 and 60 days	-	-	-	-
Between 61 and 90 days	-	-	-	-
Between 91 and 120 days	-	-	-	-
Between 121 and 365 days	-	-	-	-
More than 365 days	-	-	-	-
Total	**38,747**	**9,160**	**250,772**	**298,179**

20. OTHER PROVISIONS

a. Other provisions are detailed as follows:

Other provisions	Current		Non-current	
	12.31.2023 ThUS$	12.31.2022 ThUS$	12.31.2023 ThUS$	12.31.2022 ThUS$
Provision for restoration and dismantling of PP&E assets	-	-	278,471	264,436
Green tax	1,000	-	-	-
Other provision	5,883	5,933	-	-
Total	6,883	5,933	278,471	264,436

The provision for dismantling and restoration of PP&E assets (ThUS$ 278,471) correspondsto the updated valuation of all mine closure plans for mine sites in operation, which have been approved by the National Geology and Mining Service and comply with the provisions of Law No. 20,551 from 2011.

b. The provision cash-flow schedule is detailed as follows:

Provisions	2024 ThUS$	2025 ThUS$	2026	2027 onwards ThUS$	Total ThUS$
Provision for restoration and dismantling of PP&E assets	-	-	-	278,471	278,471
Other provisions	6,883	-	-	-	6,883
Total	6.883	-	-	278,471	285,354

c. Changes in provisions are detailed as follows:

As of December 31, 2023:

Current	Provision for restoration ThUS$	PP&E asset dismantling ThUS$	Other provisions ThUS$
Beginning balance as of 01.01.2023	-	-	5,933
Additional provisions	-	-	5,751
Provision used	-	-	(5,340)
Increase (decrease) due to foreign exchange	-	-	539
Other increase (decrease)	-	-	-
Final balance as of 12.31.2023	-	-	6,883

Non-current	Provision for restoration ThUS$	PP&E asset dismantling ThUS$	Other provisions ThUS$
Beginning balance as of 01.01.2023	15,113	249,323	-
Additional provisions	200	33,471	-
Provision used	-	(19,636)	-
Increase (decrease) due to foreign exchange	-	-	-
Other increase (decrease)	-	-	-
Final balance as of 12.31.2023	15,313	263,158	-

As of December 31, 2022:

Current	Provision for restoration ThUS$	PP&E asset dismantling ThUS$	Other provisions ThUS$
Beginning balance as of 01.01.2022	-	-	6,784
Additional provisions	-	-	4,992
Provision used	-	-	(5,843)
Increase (decrease) due to foreign exchange	-	-	-
Other increase (decrease)	-	-	-
Final balance as of 12.31.2022	-	-	5,933

Non-current	Provision for restoration ThUS$	PP&E asset dismantling ThUS$	Other provisions ThUS$
Beginning balance as of 01.01.2022	15,063	224,945	-
Additional provisions	50	24,378	-
Provision used	-	-	-
Increase (decrease) due to foreign exchange	-	-	-
Other increase (decrease)	-	-	-
Final balance as of 12.31.2022	15,113	249,323	-

21. OTHER NON-FINANCIAL LIABILITIES, NON-CURRENT

As of December 31, 2023 and 2022, other non-financial liabilities are detailed as follows:

	Non-current	
	12.31.2023 ThUS$	12.31.2022 ThUS$
Others	8	8
Total	8	8

22. EMPLOYEE BENEFIT PROVISIONS

As of December 31, 2023 and 2022, the concepts included in the provision for employee benefits are detailed as follows:

	Current		Non-current	
	12.31.2023 ThUS$	12.31.2022 ThUS$	12.31.2023 ThUS$	12.31.2022 ThUS$
Vacation provision	4,547	4,520	15,372	13,736
Provision for seniority premium	386	306	38,214	30,349
Statutory bonus provision	627	658	3,759	3,942
Other personnel provisions	13,319	12,657	-	-
Total	**18,879**	**18,141**	**57,345**	**48,027**

Changes in employee benefit provisions:

Current	**Vacation provision ThUS$**	**Provision for seniority premium ThUS$**	**Statutory bonus provision ThUS$**	**Other personnel provisions ThUS$**
Beginning balance as of 01.01.2023	4,520	306	658	12,657
Additional provisions	15,052	2,366	176	27,745
Provision used	(12,928)	(4,022)	(822)	(28,570)
Transfer from the long-term	(1.592)	(1,525)	1,124	-
Increase (decrease) in foreign exchange rate	(505)	3,261	(509)	1,487
Ending balance as of December 31, 2023	**4,547**	**386**	**627**	**13,319**

Non-current	**Vacation provision ThUS$**	**Benefit plan (defined) ThUS$**	**Provision for seniority premium ThUS$**	**Other personnel provisions ThUS$**
Beginning balance as of 01.01.2023	13,736	30,349	3,942	-
Additional provisions	115	-	-	-
Provision used	-	-	-	-
Transfer from the long-term	1,592	1.525	(1,124)	-
Increase (decrease) in foreign exchange rate	(71)	6.340	941	-
Other increase (decrement)	-	-	-	
Ending balance as of December 31, 2023	**15,372**	**38,214**	**3,759**	**-**

Current	**Vacation provision ThUS$**	**Provision for seniority premium ThUS$**	**Statutory bonus provision ThUS$**	**Other personnel provisions ThUS$**
Beginning balance as of 01.01.2022	3,096	237	531	15,322
Additional provisions	5,793	1,188	194	21,775
Provision used	(4,363)	(906)	(307)	(23,460)
Transfer from the long-term	(570)	(405)	84	(876)
Increase (decrease) in foreign exchange rate	564	192	156	(104)
Ending balance as of December 31, 2022	**4,520**	**306**	**658**	**12,657**

Non-current	**Vacation provision ThUS$**	**Benefit plan (defined) ThUS$**	**Provision for seniority premium ThUS$**	**Other personnel provisions ThUS$**
Beginning balance as of 01.01.2022	10,804	23,421	3,179	-
Additional provisions	2,311	5,230	1,079	-
Provision used	-	-	-	-
Transfer from the long-term	570	1,281	(84)	-
Increase (decrease) in foreign exchange rate	51	417	(232)	-
Ending balance as of December 31, 2022	**13,736**	**30,349**	**3,942**	**-**

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The main assumptions used for actuarial calculation purposes are as follows:

Actuarial bases used	**December 2022**	**December 2023**
Discount rate	2.30% (Average BCU bond 20 years)	2.44% (Average BCU bond 20 years)
Expected rate of wage increase	1.00%	1.14%
Inflation	3.00%	3.00%
Rotation rate-r voluntary	According to agreement	According to agreement
Rotation rate- dismissal	According to agreement	According to agreement
Retirement Age (1)		
Men	65 age	65 age
Women	60 age	60 age
Disability rate	30% Table Mort 2014	30% Tabla Mort 2020
Mortality Table	CB 2014 / RV 2014	CB 2014 / RV 2014

The actuarial study was prepared by Deloitte Auditores y Consultores Ltda., based on the assumptions provided by the administration.

(1) In the case of mining operations, the estimated closing dates of the projects.

he following is the reconciliation of benefit provision balances post employment:

Movimientos	**01.01.2023 12.31.2023**	
	Indemnity for years of service ThUS$	**Seniority Award ThUS$**
Initial balance	**30,655**	**4,600**
Cost of service	3,284	154
Financial expenditure	1,585	238
Contributions paid	(4,022)	(822)
Exchange rate differences	(743)	(112)
Subtotal	***30,759***	***4,058***
Actuarial variation	7.841	328
Total	**38,600**	**4,386**

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On the other hand, the effects it would have on the provisions of compensation benefits for years of service (IAS) and for seniority award (PANT) as of December 31, 2023 a change in the discount rate by one percentage point, shows in the following table:

Awareness discount rate in ThUS$						
Year	January – December 2023					
Discount rate	1.44%			3.44%		
Concept	*IAS*	*PANT*	*Total*	*IAS*	*PANT*	*Total*
Obligation at the beginning of the year	30,655	4,600	35,255	30,655	4,600	35,255
Total cost of the result period	3,563	162	3,725	3,041	147	3,188
Benefits paid	(4,022)	(822)	(4,844)	(4,022)	(822)	(4,844)
Financial cost	1,585	518	1,823	1,585	238	1,823
Total Actuarial Variation to Comprehensive Results	10,544	518	11,062	5,486	154	5,640
Financial cost to expenses for change to UF a USD	(743)	(112)	(855)	(743)	(112)	(855)
Obligation at the end of the year	41,582	4,584	46,166	36,002	4,205	40,207

23. FINANCIAL INSTRUMENTS

a) Financial instruments by category, financial assets

The Company's accounting policies related to financial instruments have been applied to the items detailed as follows:

As of 12.31.2023	**Amortized Cost ThUS$**	**Fair value through profit or loss ThUS$**	**Total ThUS$**
Trade and other accounts receivable	288,019	-	288,019
Accounts receivable from related entities	41,711	-	41,711
Cash and cash equivalents	**75,366**	**-**	**75,366**
Cash on hand and in banks	1,252	-	1,252
Term deposits	40,018	-	40,018
Mutual funds	34,096	-	34,096
Total financial assets	405,096	-	405,096

As of 12.31.2022	**Amortized Cost ThUS$**	**Fair value through profit or loss ThUS$**	**Total ThUS$**
Trade and other accounts receivable	284,079	-	284,079
Accounts receivable from related entities	36,821	-	36,821
Cash and cash equivalents	**61,327**	**-**	**61,327**
Cash on hand and in banks	17,859	-	17,859
Term deposits	32,011	-	32,011
Mutual funds	11,457	-	11,457
Total financial assets	382,227		382,227

b) Interest rate and currency risks

The exposure of the Company's financial assets to interest rate and currency risks is detailed as follows:

As of 12.31.2023

	Financial assets					**Financial asset fixed rate**	
	Total ThUS$	**Variable rate ThUS$**	**Fixed rate ThUS$**	**Equity investments ThUS$**	**Interest free ThUS$**	**Average rate %**	**Average term (years)**
USD	374,012	-	71,336	-	302,676	5.33	-
Chilean pesos	31,084	-	-	-	31,084	0,63	-
Total financial assets	405,096	-	71,336	-	333,760		

As of 12.31.2022

	Financial assets					**Financial asset fixed rate**	
	Total ThUS$	**Variable rate ThUS$**	**Fixed rate ThUS$**	**Equity investments ThUS$**	**Interest free ThUS$**	**Average rate %**	**Average term (years)**
USD	338,282	-	51,332	-	286,950	2.59	
Chilean pesos	43,945	-	7,946	-	35,999	0.89	
Total financial assets	382,227	-	59,278	-	322,949		

c) Financial instruments by category, financial liabilities

The Company's accounting policies related to financial instruments have been applied to the items detailed as follows:

Balances as of 12.31.2023	**Amortized Cost ThUS$**	**Total ThUS$**
Trade and other accounts payable	266,217	266,217
Accounts payable to related entities	57,539	57,539
Other financial liabilities	844,421	844,421
Lease liabilities	52,800	52,800

	Amortized Cost	Total
Total financial liabilities	**1,220,977**	**1,220,977**

Balances as of 12.31.2022	**Amortized Cost** ThUS$	**Total** ThUS$
Trade and other accounts payable	303,844	303,844
Accounts payable to related entities	373,784	373,784
Other financial liabilities	243,000	243,000
Lease liabilities	60,347	60,347
Total financial liabilities	**980,975**	**980,975**

d) Fair value of assets and liabilities measured at fair value on a regular basis

As of December 31, 2023 and 2022, the Company does not have any financial assets and liabilities measured at fair value.

IFRS 13 Fair value measurement

The Company has applied IFRS 13 *Fair Value Measurement*, which establishes a single guideline for fair value measurement and disclosures. The scope of IFRS 13 is broad. Fair value measurement requirements under IFRS 13 apply to both financial and non-financial instruments for which other IFRS require or allow fair value measurement and disclosures.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, on the main or most advantageous marker, at the measurement date. According to IFRS 13, fair value is a starting price, regardless of whether that price is directly observable or estimated using anothervaluation technique.

e) Interest rate and currency risks

The exposure of the Company's financial liabilities to interest rate and currency risks is detailed as follows:

12.31.2023	**Total**	**Variable rate** ThUS$	**Fixed rate** ThUS$	**Interest free** ThUS$	**Average Rate** ThUS$	**Average term** ThUS$
USD	934,228	-	858,009	76,219	6.81	-
Chilean pesos	286,749	-	21,941	264,808	3.30	-
Total Financial Liabilities	1,220,977	-	879,950	341,027		

12.31.2022	**Total**	**Variable rate** ThUS$	**Fixed rate** ThUS$	**Interest free** ThUS$	**Average Rate** ThUS$	**Average term** ThUS$
USD	736,360	-	282,765	453,595	4.26	-
Chilean pesos	244,615	-	20,625	223,990	1.25	-
Total Financial Liabilities	980,975	-	303,390	677,585		

24. NET EQUITY DISCLOSURE

a. Subscribed and paid-in stock capital and number of shares:

As of December 31, 2023 and 2022, the composition of the Company's capital is detailed as follows:

Number of shares	**Series**	**Number of subscribed shares**	**Number of paid-in shares**	**Number of voting shares**
	Single	4,694,840	4,694,836	4,694,836

Stock capital	**Series**	**Issued capital** ThUS$	**Paid-in capital** ThUS$
	Single	887,224	887,221

b. Dividend reserves

The Ordinary Shareholders´ Meeting of the Company was held on April 10, 2023 in wich the shareholders agreed to the following:

Maintain the dividends policy, i.e. distribute 75% of distributable profits.

On April 19, June 27 and October 18, 2023, payments of ThUS$ 138,000, ThUS$ 138,000 and ThUS$ 90,637, respectively, were made as part of the distributable net income for the 2022 business year, so the payment was fully materialized. At the same time, in board meeting No. 555 of October 2, 2023, the decision was made to advance the dividend payment resulting from applying the current policy in an estimated result for the year 2023, interim dividends 2023 that were paid on October 18 (ThUS$ 91,129) and December 27 (ThUS$ 169,239). At the close of the 2023 business year, the distributable profit will be determined and any difference, with respect to the final value and the interim dividends already paid, will be settled in April 2024.

c. Net distributable profits

On August 10, 2010, the Company's Board of Directors agreed to exclude the concepts outlined below from Income for the period in order to calculate net distribute profits in accordance with the provisions of the Financial Market Commission's Circular No. 1,983, dated July 30, 2010:

- Income from the fair value of assets and liabilities arising from 50% interest previously held in Compañía Minera Huasco S.A., which is unrealized due to the merger carried out between both companies (see Note 1).

- The effect of deferred taxes associated with the merger mentioned in the previous paragraph.

As of December 31, 2023 and 2022, as described in the previous paragraphs, distributable profits were detailed as follows:

Net distributable profits	12.31.2023 ThUS$	12.31.2022 ThUS$
Income for the period	400,391	479,595
Adjustment according to policy :		
Fair value realization	9,288	9,254
Net distributable profits	**409,679**	**488,849**

The fair value profit is realized through the amortization of mining property and the depreciation of PP&E assets remeasured at fair value.

According to the previous paragraph, profit pending realization from CMP's business combination with Compañía Minera Huasco S.A. is detailed as follows:

Non-distributable profit control	12.31.2022	12.31.2023	
	Effect of the merger CMP-CMH	Non-distributable profit realized during the period	Non-distributable profit to be realized
Non-distributable profit calculation	ThUS$	ThUS$	ThUS$
Profit from business combination	419,716	-	419,716
Fair value realization	(177,588)	(13,422)	(191,010)
Deferred taxes	6,096	4,134	10,230
Non-distributable profits	248,224	(9,288)	238,936

d. IFRS first-time adoption adjustments

The Company has ratified a policy of controlling IFRS first-time adoption adjustments separately from the remaining retained earnings and recognizing these adjustments in the item "Retained Earnings (Losses)" of the Statement of Changes to Equity. Thus, the Company controls the realized portion of retained earnings arising from IFRS first-time adoption adjustments.

		12.31.2022		12.31.2023	
	First-time adoption adjustments as of 01-01-2009 ThUS$	Cumulative realized amount ThUS$	Amount to be realized ThUS$	Amount realized during the year ThUS$	Amount to be realized ThUS$
Unrealized adjustments:					
Property, plant and equipment	2,666	(2,666)	-	-	-
Land appraisal (attributed cost)	27,507	-	27,507	-	27,507
Deferred tax	(5,129)	570	(4,559)	-	(4,559)
Total	25,044	(2,096)	22,948	-	22,948

e. Other reserves

Other reserves for each period are detailed as follows:

	12.31.2023 ThUS$	12.31.2022 ThUS$
Profit and loss reserves from defined benefit plans	(18,743)	(13,090)
Reserve resulting from an associate's capital increase (Note 14)	1,370	1,370
Translation reserve resulting from business combination	512,500	512,500
CMH's retained earning capitalization	(83,698)	(83,698)
Total	**411,429**	**417,082**

25. NON-CONTROLLING INTERESTS

As of December 31, 2023 and 2022, the effects arising from the participation of third parties in equity by company and the income of subsidiaries as of December 31, 2023 and 2022, are detailed as follows:

	Non-controlling interest		Non-controlling equity interest		Retained earnings share Accumulated	
Company	12.31.2023	12.31.2022	12.31.2023	12.31.2022	01.01.2023 12.31.2023	01.01.2022 12.31.2022
	%	%	ThUS$	ThUS$	ThUS$	ThUS$
Manganesos Atacama S.A.	0.48083	0.48083	16	18	(2)	(2)
Total			16	18	(2)	(2)

26. REVENUE

Revenue for the periods ended December 31, 2023 and 2022, is detailed as follows:

	Accumulated	
	01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Revenue from sale of ore	1,803,534	1,711,665
Revenue from sale of pellets	74,988	106,964
Other	17,276	13,963
Total	1,895,798	1,832,592

The breakdown of other income refers to ThUS$ 8,906 for storage and Cu shipment service performed in Puerto Punta Totoralillo, ThUS$ 4,779 associated to wharfage for using our ports and ThUS$ 3,594 associated to the drilling and boring service of the subsidiary IMOPAC.

Revenue recognition schedule

As of December 31, 2023 and 2022, revenue, as per the classification established in IFRS 15 is detailed as follows:

As of December 31, 2023

Recognition	Mining ThUS$	Imopac tda ThUS$	CMP Services Asia ThUS$	Magnesos Atacama S.A. ThUS$	Eliminations ThUS$	Total ThUS$
At a point in time	1,892,207	29,397	767	-	(26,573)	1,895,798
Total	**1,892,207**	**29,397**	**767**	**-**	**(26,573)**	**1,895,798**

As of December 31, 2022

Recognition	Mining ThUS$	Imopac tda ThUS$	CMP Services Asia ThUS$	Magnesos Atacama S.A. ThUS$	Eliminations ThUS$	Total ThUS$
At a point in time	1,831,267	27,300	892	-	(26,867)	1,832,592
Total	**1,831,267**	**27,300**	**892**	**-**	**(26,867)**	**1,832,592**

27. ADMINISTRATIVE EXPENSES

As of December 31, 2023 and 2022, respectively, administrative expenses are detailed as follows:

	Accumulated	
	01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Personnel expenses	26,453	15,638
Services	26,591	25,230
General expenses	11,064	7,483
Depreciation	2,598	3,424
Total	**66,706**	**51,775**

28. OTHER INCOME AND EXPENSES BY FUNCTION

As of December 31, 2023 and 2022, respectively other income and expenses by function are detailed as follows:

	Accumulated	
Other Income	01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Sale of services	3,564	4,579
Sale of materials.	6,501	3,597
Sale of assets	215	-
Dispatch soon	404	223
Isapre return	314	-
Return of insurance policy	214	-
Refund of non-claims bonus	-	370
Claims compensation CAEX CNN	-	1,127
Sale of land – lease of mining property	502	334
Other sale non operational	1,299	1,535
Guacolda claim indemnity	.	12,831
Newcrest Chile SPA Contract clause	-	293
Real vacation day values	-	1,474
Rail way lease	-	858
Supplier balance adjustment	-	244
Mining property rental	-	187
Demurrage on client port	-	167
Territorial tax treasury refund	718	-
Total	13,731	27,819

Expenses by Function	Accumulated 01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Non-operational expenses Mining Development	7,315	-
Non-operating expenses Operation Management	2,917	4,438
Obsolescence expenses	6,153	5,293
Demurrage	8,184	6,812
Prior year's adjustment expense	306	-
Adjustments for actual holiday values	-	8,538
Other settings Negatic cortrate Kunza	155	-
Mining patent expenses Loss Guacolda II	-	3,287
Mining Patents	2,116	1,746
Mining/metallurgical studies and projects	-	786
Form N° 22 AT 2022	138	-
Transelec	1,824	-
toll year 2016/2019	-	712
Assets written off	-	552
Reimbursement Soc. Minera El Águila	874	411
Industrial security and emergency expenses	462	-
Expenses P. Olivicola and P. Japanese	304	127
Geology	-	3,080
Exploration	-	884
Other expenses	40	545
Plant Algarrobo and Cristales	-	449
Mining properties	-	347
Project arbitration	-	345
Other expenses	1,119	2,125
Total	**31,907**	**40,477**

29. FINANCIAL INCOME AND FINANCIAL COSTS

As of December 31, 2023 and 2022, financial income and financial costs are detailed as follows:

Financial Income:

	Accumulated 01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Investments held to maturity (1)	1,608	1,582
Interest operations in Statement of Income do not Consolidate	1,574	944
Total	**3,182**	**2,526**

(1) "These are investments in mutual funds and term deposits"

	Accumulated 01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Investments in mutual funds and term deposits	1,608	1,582
Total	**1,608**	**1,582**

Financial costs:

	Accumulated 01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Bank Loan intesest cost	33,037	3,819
Activation of financial expenses in PEP	(14,178)	(1,754)
Financial expenses uddraw fee RCF Sumitomo	1,331	1,896
Financial expenses provision of closing plans	5,049	8,885
Financial expenses	614	245
Financial expenses for early discount letter of credit	463	-
Financial expenses mine closure guarantee policy	542	589
Financial costs IFRS 16 operational	684	785
Financial cost IFRS 16 financing	940	1,149
Financial costo syndicated credit	485	217
Other financial costs	2,127	981
Total	**28,967**	**15,831**

30. DEPRECIATION AND AMORTIZATION

As of December 31, 2023 and 2022, this item is detailed as follows:

	Accumulated 01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Depreciation	227,946	179,233
Amortization of Intangibles	25,317	25,263
Amortization of rights of use	13,072	28,572
Total	**266,335**	**233,068**

31. OPERATING SEGMENTS

As of December 31, 2023 and 2022, the following customers represent more than 10% of the Company's revenue:

As of 12.31.2023

Customer	Tax No.	Amount ThUS$	Segment revenue %
Prosperity Steel United Singapore	200305455G	247,158	13.10%

As of 12.31.2022

Customer	Tax No.	Amount ThUS$	Segment revenue %
Prosperity Steel United Singapore	200305455G	232,908	12.70%
POSCO, Corea del Sur	301-87-02315	185,214	11.90%

As of December 31, 2023 and 2022, sales by country are detailed as follows:

As of December 31, 2023

Amount MUS$

Local market	Revenue %
Chile	4.9%

Foreign market	Revenue %
China	74.7%
Corea	8.6%
Barhain	8.4%
Japan	2.7%
USA	0.7%

Local	Foreign
92,264	1,416,317
	163,692
	159,329
	51,170
	13,026

As of December 31, 2022

Local market	Revenue %
Chile	6.6%

Foreign market	Revenue %
China	71.7%
Corea	10.1%
Barhain	5.8%
Japon	2.7%
USA	1.5%
Enmirates	1.3%
Australia	0.3%

Local	Foreign
120,927	1,314,536
	185,214
	106,617
	49,379
	27,323
	23,942
	4,654

32. EMPLOYEE EXPENSES

As of December 31, 2023 and 2022, employee expenses are detailed as follows:

	Accumulated 01.01.2023 12.31.2023 ThUS$	Accumulated 01.01.2022 12.31.2022 ThUS$
Wages and salaries	112,715	87,243
Short-term employee benefits	28,700	31,594
Severance payment	8,254	8,520
Seniority bonus	(115)	74
Other employee expenses	42,925	42,965
Total	**192,479**	**170,396**

33. GUARANTEES COMMITTED WITH THRID PARTIES

a. Direct guarantees

In compliance with Law 20,551, dated 2011, which regulates the closure of mining sites and facilities and its regulation DS 41, dated 2012, on November 11, 2014, the Company presented to the SERNAGEOMIN (*Dirección Nacional del Servicio Nacional de Geología y Minería*) its proposal for valuation of closure activities for all mining facilities. During the second half of 2015, SERNAGEOMIN approved the mentioned closure plans, which must be guaranteed to SERNAGEOMIN in accordance with the procedures defined in the respective regulation.

In order to comply with the law, the Company provided Guarantee Bonds for a total of UF 5.397.672, equivalent to ThUS$ 226,397 valued as of December 31, 2023. Those instruments are included in Category A.1, and all were issued by banks and insurance companies domiciled in Chile.

As of December 31, 2023 the guarantees established are detailed as follows:

				Guarantees			Guarantee release		
Creditor of the guarantee	Guarantor	Date of issue	Maturity date	Type of guarantee	Currency	Carrying amount ThUS$	12.31.2023 ThUS$	2022 ThUS$	2023 and more ThUS$
Sernageomin	CMP S.A. Minas El Romeral y Puerto de Guayacan	01-09-2023	01-09-2024	Bill guarantee	UF	19,124	19,124	-	19,124
Sernageomin	CMP S.A. El Algarrobo	03-21-2023	02-21-2024	Bill guarantee	UF	17,496	17,496	-	17,496
Sernageomin	CMP S.A. Planta de Pellets	02-13-2023	02-13-2024	Bill guarantee	UF	29,677	29,677	-	29,677
Sernageomin	CMP S.A. Minas Los Colorados	01-31-2023	01-31-2024	Bill guarantee	UF	28,677	28,677	-	28,677
Sernageomin	CMP S.A Pleito	03-19-2023	03-19-2024	Bill guarantee	UF	576	576	-	576
Sernageomin	CMP S.A. Cerro Negro Los cristales	11-04-2022	11-04-2024	Bill guarantee	UF	1,455	1,455	-	1,455
Sernageomin	CMP S.A. Planta de Magnetita	02-13-2023	02-13-2024	Bill guarantee	UF	5,141	5,141	-	5,141
Sernageomin	CMP S.A. Cerro Negro Norte	01-31-2023	01-31-2024	Bill guarantee	UF	118,022	118,022	-	118,022
Sernageomin	CMP S.A. Puerto Punta Totoralillo	01-31-2023	01-31-2024	Bill guarantee	UF	6,016	6,016	-	6,016
Total						226,397	226,397	-	226,397

The documents provided by the Company are not subject to capital amortization, issue interest rate or purchase interest rate.

b. Indirect guarantees

	Debtor		Assets committed			Balances pending		Liberation of guarantee	
Guarantee creditor	Name	Relationship	Type of guarantee	Currency	Carrying amount ThUS$	12.31.2023 ThUS$	12.31.2022 ThUS$	2023 ThUS$	2023 and following ThUS$
International bond in US$	CAP S.A.	Parent	Solidarity	US$	40,858	40,858	40,858	-	40,858

Compañía Minera del Pacífico S.A. granted a joint and several guarantee to CAP S.A. (its parent company) to support the issuance and placement of an International Bond for ThUS$ 200,000. On September 15, 2011, this International Bond was prepaid but only 66.685% was settled. In 2016, partial recoveries of this Bond were obtained. In 2016, there were also partial redemptions of this Bond, leaving a balance of ThUS$ 40,858, including interest as of December 31, 2022.

On May 27, 2014, an Extraordinary Shareholders' Meeting of the Company agreed to grant a first-grade pledge on transferable securities and a promise of a first-degree pledge on transferable securities under Law 4,287, over the total number of the shares of Tecnocap S.A. held by the Company, in addition to a prohibition to encumber and dispose of those shares. These pledges are intended to guarantee obligations that Tecnocap S.A. will assume in connection with a bank financing agreement.

c) Guaranties obtained from third parties

	Accumulated 12.31.2023 ThUS$	Accumulated 12.31.2022 ThUS$
Securities and notes received from suppliers and contractors to guarantee work and advances	40,025	32,277
Mortgages of employees on mortgage loans and others	15	17
Total	**40,040**	**32,294**

Guarantors provided by third parties:

As of December 31, 2023 and 2022, the Company has no guarantors provided by third parties.

d. Lawsuits and contingencies

1. Lawsuit contingencies

The report below includes the following probability categories:

- Remote: there is a present obligation for which an outflow of resources is considered unlikely.

- Possible: there is a present obligation for which an outflow of resources is considered to be possible.
- Probable: there is a present obligation that is likely to require an outflow of resources.
- Certain: there is a present obligation that will require an outflow of resources.

Litigation against CMP and subsidiaries (Relevant litigation due to the amount (over ThUS$ 1), or due to the matter).

- CMP was sued by RGM Mining Services before the Third Civil Court of La Serena. The plaintiff requests damages for $743,321,884 for an alleged breach of contract. The trial is in the discussion stage. Payment probability: Remote.

- CMP was sued before the Arbitration and Mediation Center (CAM) of the Santiago Chamber of Commerce, by Consorcio Montec Bueno (CMB). During the development of Construction and Assembly Works in the Cerro Negro Norte Concentraduct Replacement Project on October 8, 2020, and after a series of previous letters in which CMP filed demands before the EPC contractor, Consorcio Montec Bueno, CMP demanded the replacement of 51 kilometers of interior liner that did not meet the contract specifications, without obtaining a satisfactory response; CMP communicated that it would proceed to make the required corrections via reversed charges, as stipulated in the contract. For this purpose, the Bank Guarantee Letters of the contract were presented for collection. On November 9, 2020, notification was received from the Arbitration and Mediation Center (CAM) of the Santiago Chamber of Commerce to proceed with the appointment of an arbitrator. The arbitrator appointed was Mr. Jorge Baraona González. The claim filed by Consorcio Montec Bueno amounts to UF578,820 and on Augist 22, 2023, a judgment was issued condemning CMP to pay UF 105.036 of wich UF 95.787 correspond to obligations recognized by CMP in court. Both parties filed Appeals against that judgment. Possibility of materialization: Possible.

  -In parallel, CMP filed an arbitration request to CAM to begin an arbitration process against Consorcio Montec Bueno and its guarantors for the payment of reversed charges and fines according to Contract. This request for arbitration began an arbitration process also led by Mr. Jorge Baraona González. The claim filed by CMP amounts to UF815,451 and on August 22nd, a judgment was issued condemning CMP and its guarantors to pay an amount of UF 155,722. The Nullity Appeal regulated by the international Commercial Arbitration Law is applicable against said judgment. Term of 3 months. Due to the fact that CMP is the plaintiff in this process, the possility of outflow of resources is not considered.

- Claim filed before the Arbitration and Mediation Center (CAM) of the Santiago Chamber of Commerce, by CONSTRUCTORA MAR CANTÁBRICO SPA., requesting a total of Ch$6,420,092,183. -, for fulfillment of Contract 4643003289, “EPC Celda Magnética y Tambores TAI” Project. This lawsuit is currently under discussion. Possibility of materialization: Possible

  Other contingencies (Potential litigations and/or administrative sanctions).

- On January 10, 2018, the Superintendency of the Environment (SMA) filed charges against CMP (Ex. Resolution No. 1/ID No. D-002-2018), including findings from 27 inspections that have verified certain non-compliances in operations related to the Los Colorados Mine, Pellets Plant and the railway linking both sites. Faced with this sanctioning procedure, CMP decided to present a Compliance Program, which was submitted to the SMA on January 31, 2018, and later, in response to various observations made by the SMA, a consolidated version was submitted on November 30, 2018. The Compliance Program was approved by Ex. Resolution 18/ID No. D-002-2018 of March 26, 2019, with which the sanctioning procedure was suspended. Possibility of materialization: Remote.

- On October 28, 2022, Compañía Contractual Minera Candelaria (CCMC), filed a formal claim against CMP for an alleged breach of the tailings purchase and sale agreement of September 5, 2005, fornot having purchased 100% of CCMC's Fresh Tailings, with preference to any other raw material option or alternative during the period from January 2021 to August 2022, CCMC failing to receive the payment equivalent to the production of approximately 1.5 MTS of final iron concentrate. The damages are valued by the plaintiff at US $42.3 million. The parties have complied with the dispute resolution procedure established in the contract, but were unable to resolve the matter, so it must be submitted to arbitration before the Arbitration and Mediation Center (CAM) of the Santiago Chamber of Commerce. As of the date of this report, there is no proof that CCMC has requested appointment of an arbitrator. Possibility of materialization: Finished..

- On June 2, 2023, and considering two environmental audit reports (2017 and 2022), as well as the RCAs of three projects related to Planta Magnetita, the Environmental Superintendency (SMA) formulated two charges against CMP. The first one corresponds to the location of the route of the Electrical Transmission Line (LTE) that would differ from the route presented in the Addendum of the "110 kV Cardones Magnetite Plant Electrical Line" project, authorized by RCA 109/2006 (serious charge); while the second one refers to the application of binder in dry sectors of the stockpile, which would not have been done with the appropriate frequency to ensure its effectiveness in controlling emissions of particulate matter (minor charge). In the face of this sanctioning procedure, CMP has the option of presenting discharges or a Compliance Program. Probability of materialization: Possible.

- On December 18, 2023, for reasons that are still under investigation, while the rail transport operator, Ferronor, was carrying out maneuvers to couple the convoy after the ore loading process at Mina Los Colorados, the worker of said company, Mr. Jorge Andrés Letelier Gonzalez (RIP), was trapped between the locomotive and the wagon, with lethal consequences. As a result of this accident, investigations were initiated by Sernageomin, the Public Prosecutor's Office, the Health Service and the Labor Inspection, which may lead to litigation, the amount and effects of which cannot yet be assessed due to the initial stage of development of these investigations.

2. Insurance taken out:

As of December 31, 2023, the Company has insurance on its property, plant and equipment and other business risks for an amount of approximately ThUS$ 4,342,444, whose maximum indemnity amount is approximately ThUS$ 531,617.

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In relation to the accident occurred at Puerto Guacolda II (November 21, 2018), the effective coverage can be determined once the results and conclusions of the technical analyses of the experts have been provided and the end of the work associated to the mentioned insurance. In this sense, the Company was notified on December 30, 2020, by email, that the Adjustment Report prepared by Crawford for Compañía de Seguros Mapfre had been issued. In clause 16 of that adjustment report, the Adjuster (Crawford) proposed to Mapfre Seguros Generales S.A., payment of an indemnity for the single and total sum of 42.8 million dollars. The Company is waiting for final acceptance from Mapfre Seguros Generales S.A.

In March 2021, the Company was indemnified in the amount of 30 million US dollars, for damages suffered due to the accident occurred on November 21, 2018, at Puerto Guacolda II. The balance of 12.8 million US dollars, which is part of the indemnity that the Adjuster (Crawford) issued its Adjustment Report, is being disputed by Mapfre Seguros Generales S.A., since the latter contested this amount of the Adjusters Report.

As of February, 2022, Mapre Seguros Generales S.A. paid the Company the retained Clp $12,8 million, therefore the total amount claimed with the insurance company for the incident at Guacolda II, occurred on November 21, 2018, was paid in full.

The Company has not recorded a provision for this item as it expects that the nature of contingent revenue is absolutely guaranteed under IAS 37.

3. Management Restrictions and Minimum Financial Ratios

3.1. The financing of the Syndicated Loan with Sumitomo Mitsui Banking Corporation in New York (SMBC-as the lead bank) for US$375,000 with maturity in September 2026, requires that the Company meet the following consolidated financial indicators, calculated for a moving period that considers the last twelve months (on the financial statements of CMP S.A.).

i) Hedge of Financial Expense: the ratio between EBITDA and the net financial expenses must be higher or equal to 2.5. The EBITDA is defined as gross profit less administrative and distribution expenses, plus depreciation and amortization expenses.
ii) Leverage Ratio- the ratio between the net financial debt to EBITDA must be equal og higher that 4.0. The net financial debt is the total of the financial liabilities less cash balances, term deposits and marketable securities in the amount over ThUS$5,000.
iii) Equity- the minimum equity level must be ThUS$ 1,500,000

34. COMMITMENTS

1. Purchase futures contracts:

On September 5, 2005, Compañía Minera del Pacífico S.A. entered into a purchase contract of tailings of Mina Candelaria, located en in the commune Tierra Amarilla, in the Third Region, with Compañía Contractual Minera Candelaria (CCMC) under which CCMC commits to sell enough fresh tailings to Compañía Minera del Pacífico S.A to reach an estimated annual production of 3,000,000 tons of iron concentrates until December 31, 2022.

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On March 9, 2011, an amendment to the aforementioned contract was signed wherein the Company was authorized to process iron ore fines at the Magnetite Plant.

On June 8, 2023 modification No. 03 of the tailings purchase and sale agreement between CMP SA and CCMC was signed, now modifying its expiration date to December 31, 2023.

On December 27, purchase and sale contract was signed, wich expires in December 2030.

2. Sales futures contracts:

Sales futures contracts entered into with domestic and foreign customers aim to secure future sales of ore products at the selling price in force at the end of each year. Prices are agreed upon with customers under FOB or CIF conditions, as appropriate, and are negotiated on an annual basis. The average term of these agreements is 3 years. There are no penalty clausesor fines for non-compliance as the parties can negotiate the final quantities of ore to be shipped per year.

Ore sales commitments based on the contracts signed amount to:

	Accumulated 12.31.2023	Accumulated 12.31.2022
Future sales up to one year	1,207,965	944,818
Future sales for more than one year	175,646	230,537
	1,383,611	**1,175,355**

3. Agreement between Compañía Minera del Pacífico S.A and Hot Chili Limited

On December 24, 2014, Compañía Minera del Pacífico S.A. (hereinafter CMP) entered into a Memorandum of Understanding (hereinafter MOU), with Hot Chili Limited (hereinafter HCHL) a company incorporated under Australian Law. This agreement is subject to the approval of CMP's Board of Directors and HCHL's shareholders, among other conditions.

HCHL and Kalgoorlie Auto Service Pty Ltda. (hereinafter KAS) own 99.9% and 0.1%, respectively, of Sociedad Minera El Corazón Limitada's stock capital (hereinafter El Corazón).

In turn, El Corazón and KAS are the only shareholders of Sociedad Minera El Águila SpA (hereinafter, SMEA) with 99.9995% and 0.00005%, respectively, and SMEA owns the "Producer" Project. On the other hand, CAP S.A. (CMP's parent company) holds 11.08% ownership of HCHL, through its subsidiary Port Finance Ltd. NV (hereinafter, Port).

According to the draft Letter of Intent called "Infrastructure for the Producer", SMEA will issue new shares representing 17.5% of its stock capital, which will be fully subscribed and paid by CMP S.A. As payment for such shares, CMP S.A. is obliged to provide SMEA with a series of rights, easements and mining right shares necessary to build the "Infrastructure for the Producer". In compliance with this contribution, CMP must:

- Transfer all rights, titles and interests to SMEA that are held under an option to purchase a share of mining rights which were acquired by CMP on October 5, 2009;
- Transfer the property called "Estancia Higuera de Las Minillas" to SMEA after making a property subdivisión; and
- Grant easements of land and mining rights to SMEA for the purposes of building an aqueduct between the "Producer" and the seashore.

While a Pre-Feasibility Study (hereinafter the PFE) for the Project is prepared, CMP'sinterest in the "Producer" will be considered as a free-carried interest. Upon completion ofthe EPF, CMP will also contribute to project expenses in proportion to its interest in SMEA.

CMP will be granted a stock purchase option for an additional 32.6% as part of the agreement, which will allow CMP to acquire up to 50.1% of the shares issued by SMEA. The price of this option will be US$ 1,500,000. If the purchase option is exercised by CMP, the price will be discounted from the price of these shares, as follows:

The aforementioned stock purchase option establishes two stages that will be exercised at different periods. The first stage consists of a 10% stake for ThUS $ 25,000 and the second a 22.6% stake for ThUS $ 55,000. The dates on which these two stages must be completed have been established in the option agreement. Additional economic information on the project must be available on these dates, which will be issued by an external specialist.

On the other hand, CMP and El Corazón will conclude a Shareholders Agreement regarding SMEA. The terms of this agreement have not yet been established. Neither have SMEA's bylaws been amended to allow CMP's increased interest.

Furthermore, if CMP and HCHL make the decision not to develop the "Producer" Project by the time the first or second stages must be completed, the "Capital Increase, Subscription and Payment of Shares and Others" contract will be resiliated. In this case, HCHL must refund any amounts paid by CMP for the share purchase option.

If HCHL decides to build a mine in the "Producer" Project through SMEA despite CMP's opposition, SMEA must pay CMP the following amount: (i) ThUS $ 42,900 or (ii) 17.5% of the value of the "Producer" Project, whichever is greater. SMEA may avoid the aforementioned payment by renouncing the assets contributed by CMP and resiliate the "Capital Increase, Subscription and Payment of Shares and Others" contract.

If HCHL decides to build a mine in the "Producer" Project through SMEA after CMP's payment of the first-stage option price and completion of the Feasibility Study, (despite CMP's opposition), CMP's acquired interest arising from payment of the first-stage option price will be:

- Subject to standard dissolution rules according to the expenses disbursed by HCHL;
- Put up for sale to third parties with the right of first refusal granted to HCHL; or
- If the selling price has not been fully paid or does not exist after 9 months from the notification to HCHL of CMP's decision not to build the mine, HCHL will pay CMP ThUS$ 20,000 for the shares acquired upon payment of the first-stage option price.

The aforementioned terms are subject to a series of additional conditions, including the approval of CMP's Board of Directors.

CMP is responsible for the use of the corporate name and the administration of the Company CMP, acting individually and separately, and shall have dispository and administrative powers, as well as the power to represent the Company in a judicial and non-judicial manner in respect of the Company's affairs, businesses, operations, actions, trials, acts, contracts related to its line of business or that are necessary or conducive to its objectives.

In order to formalize the foregoing, on May 20, 2015, a Company called CMP Productora SpA was created; its main objective is the exploration, exploitation and development of mining projects, mining operations, ore processing, ore melting and refining, purchase and sale of mining related assets. CMP Productora SPA has one shareholder, Compañía Minera del Pacífico S.A. that owns 100.00% interests in its share capital and has the administrative and financial control of the Company.

On August 27, 2015, the Extraordinary Shareholders Meeting of CMP Productora SpA agreed on a merger by absorption with Sociedad Minera El Aguila SpA. As a result, CMP Productora SpA. was dissolved and CMP acquired a 17.5% interest in Sociedad Minera El Aguila SpA.

At a meeting held on June 23, 2016, CMP's Board of Directors approved a purchase of shares equivalent to a 2.5% interest in Sociedad Minera El Aguila SpA for US$ 1,500,000. That purchase of shares was completed at the end of June 2016. The Board also agreed to start negotiations with HCHL in order to supplement background information regarding the Project and the Prefeasibility Study which had already been issued. The Board also authorized the commencement of negotiations in order to update the Project's valuation model and amend all existing contracts between the parties, as required.

The Company's Board of Directors agreed not to exercise the share purchase option of Sociedad Minera El Aguila SpA at a meeting held on November 28, 2016. The Board also authorized negotiations to be commenced with HCHL to establish the conditions under which a third party could be included in the agreement as a controller for the "Producer" Project

4. Advances on account of future sales

In 2011, the Company entered into a contract with Prosperity Steel United Singapore Pte. Ltd. for the sale and purchase of 500,000 tons per year of iron ore pellet feed for 10 years from April 1, 2013. The buyer agreed to pay the Company ThUS$ 37,500 upfront. As of June 30, 2013, the total advance has been received, of which ThUS$12,500 were received in 2013 and the rest in previous years.

In February 2013, the Company entered into a new contract with Prosperity Steel United Singapore Pte. Ltd for the sale and purchase of 500,000 tons per year of iron ore pellet feed for 10 years from April 1, 2014. The buyer agreed to pay the Company ThUS$ 37,500 upfront. This advance payment was received in full on June 10, 2013.

As of December 31, 2022, both contracts signed with Prosperity Steel United Singapore PTE are no longer relevant since all advance payments received were paid in full (within the first quarter of 2022).

5. Ore transport contract from Los Colorados to the Pellet Plant

In October 2011, the Company entered into a contract with Empresa de Transportes Ferroviario S.A. for ore transport from Los Colorados Mines to the Pellet Plant. The term of this contract is from July 1, 2011, to December 31, 2029.

The transport service provider promised to sell all the equipment and other goods necessary for the provision of the services to the Company if the contract ends before December 2028, for any reason attributable to the service provider.

6. Port services contract

In April 2011, the Company entered into a service provision agreement with Santa Fe Mining, under which the Company committed to receive, store, handle and ship the iron produced or owed by Santa Fe Mining at the Company's Mechanized Port of "Punta Totoralillo". As of June 30, 2019, this agreement was temporarily suspended by mutual agreement of the parties.

In November 2016, the Company signed a service provision agreement with SCM Minera Lumina Copper Chile (MLCC), under which the Company committed to receive, store, handle and ship copper concentrate produced by MLCC at the Company's Mechanized Port "Punta Totoralillo". For the provision of the aforementioned services, the Company developed the project "Modification of the Totoralillo Port", which was completed in February 2018. The total value of this project was ThUS $ 35,013.

In December 2017, the first shipments under this contract were carried out.

7. **Electric power and NCRE credit purchase contracts with Amanecer Solar SPA and Sunedison Chile Construction Limitada**

On January 28, 2013, the Company entered into a 20-year contract with Amanecer Solar SpA and Sunedison Chile Construction Limitada for the purchase of photovoltaic electric power. This electric power will be generated by a plant with a capacity of 100 MW per year. The contract will allow the Company to comply with legal regulations on the matter as it must prove the use of a percentage of Non-Conventional Renewable Energies (NCRE) from 2016 onwards. The photovoltaic electric power purchased will be used by Cerro Negro Norte from 2015 onwards.

8. **Electric power purchase and sale contract with Guacolda Energía S.A.**

In September 2012, the Company entered into an electric power purchase and slase contract with Guacolda Energía S.A., under which the latter undertakes to sell and deliver the electricity the Company requires for its mining-industrial facilities and operations located in the Atacama and Coquimbo Regions. The electric power supply will be carried out during theperiod between January 1, 2016, and December 31, 2027.

9. **Other commitments**

	Accumulated 12.31.2023	Accumulated 12.31.2022
Purchase orders placed	498,982	502,325
Consignment stock	3,030	4,040
	502,012	506,365

35. ENVIRONMENT

As of December 31, 2023, and 2022, expenses incurred for the concept of the environment are detailed as follows:

Amounts disbursed

Concept	01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Consulting and improvement projects	132,506	117,173
Total	**132,506**	**117,173**

The expenses to be disbursed in the period from January to December 2023 are detailed as follows:

Amounts to be disbursed

Consulting and improvement projects	53,616
Total	**53,616**

The expenses incurred and expenses to be disbursed for the concept of the environment are detailed as follows:

Acumulated expenses as of December 31, 2023

Company	Project name (spanish)	Project status	Concept	Active/Expense	Asset Item/Cost center	Account 01.01.2023 31.12.2023	Acumulated account	Amounts to be disbursed	Estimated date
CMP S.A.	Obras de Sustentabilidad y Protección Guayacan	In progress	Environment	Asset	Work in progress	53	382	155	2024
CMP S.A.	Manejo de Aguas PP	In progress	Environment	Asset	Work in progress	15.236	16.809	141	2024
CMP S.A.	Ingenieria, Inversional Descabonización VH	In progress	Environment	Asset	Work in progress	411	831	881	2024
CMP S.A.	Precepitador Electroestatico Planta Pellets	In progress	Environment	Asset	Work in progress	13	76.088	-	2024
CMP S.A.	Solución Relaves en tierra	In progress	Environment	Asset	Work in progress	56	59	9.398	2024
CMP S.A.	Adecuación DS43 Bodehas Sust. Peligrosas y Luminaria:	In progress	Environment	Asset	Work in progress	244	6.174	13	2024
CMP S.A.	Canal de Contorno Botaderos Norte (INV)	In progress	Environment	Asset	Work in progress	1.659	2.086	-	2024
CMP S.A.	Estudio Sistema Control de Polución VH	In progress	Environment	Asset	Work in progress	94	668	-	2024
CMP S.A.	Estudio Sistema de Transporte Agua	In progress	Environment	Asset	Work in progress	620	676	123	2024
CMP S.A.	Depósito Relave Filtrado VH (EP)	In progress	Environment	Asset	Work in progress	94.259	188.878	37.801	2024
CMP S.A.	Sustentabilidad PCG	In progress	Environment	Asset	Work in progress	495	1.848	76	2024
CMP S.A.	Inversiones Mina Los Colorados	In progress	Environment	Asset	Work in progress	1.016	1.529	367	2024
CMP S.A.	Inversiones Normalización Valles	In progress	Environment	Asset	Work in progress	2.416	3.267	4.632	2024
CMP S.A.	Normalización Condiciones CAO´H	In progress	Environment	Asset	Work in progress	443	443	29	2024
CMP S.A.	Adm. Medio Ambiente- Valle de Elqui	Planed	Environment	Expense	Cost	48	-	-	2023
CMP S.A.	Adm. Medio Ambiente- Valle de Huasco	Planed	Environment	Expense	Cost	18	-	-	2023
CMP S.A.	Adm. Medio Ambiente- Valle de Copiapo	Planed	Environment	Expense	Cost	28	-	-	2023
CMP S.A.	Proyectos ambientales	Planed	Environment	Expense	Cost	2.373	-	-	2023
CMP S.A.	Administración Sustentabilidad	Planed	Environment	Expense	Cost	1.379	-	-	2023
CMP S.A.	Programa de Cumplimiento	Planed	Environment	Expense	Cost	212	-	-	2023
CMP S.A.	Gestión Territorial-Valle de Elqui	Planed	Environment	Expense	Cost	786	-	-	2023
CMP S.A.	Gestión Territorial-Valle de Huasco	Planed	Environment	Expense	Cost	2.547	-	-	2023
CMP S.A.	Gestión Territorial-Valle de Copiapo	Planed	Environment	Expense	Cost	1.540	-	-	2023
CMP S.A.	Control ambiental- Romeral	Planed	Environment	Expense	Cost	507	-	-	2023
CMP S.A.	Control ambiental- Puerto Guayacan	Planed	Environment	Expense	Cost	264	-	-	2023
CMP S.A.	Control ambiental- Pleito	Planed	Environment	Expense	Cost	108	-	-	2023
CMP S.A.	Control ambiental- Planta Pellets	Planed	Environment	Expense	Cost	2.194	-	-	2023
CMP S.A.	Control ambiental- Puerto Guacolda II	Planed	Environment	Expense	Cost	341	-	-	2023
CMP S.A.	Control ambiental- Mina Los Colorados	Planed	Environment	Expense	Cost	1.205	-	-	2023
CMP S.A.	Control ambiental- Planta Magnetita	Planed	Environment	Expense	Cost	426	-	-	2023
CMP S.A.	Control ambiental- Cerro Negro Norte	Planed	Environment	Expense	Cost	1.112	-	-	2023
CMP S.A.	Control ambiental- Puerto Punta Totoralillo	Planed	Environment	Expense	Cost	403	-	-	2023
					Total	**132.506**	**299.738**	**53.616**	

Company	Project name	Project status	Concept	Active/Expense	Asset Item/Cost center	Account 01.01.2022 31.12.2022	Acumulated account	Amounts to be disbursed	Estimated date
CMP S.A.	Construcción obras hidraulicas Canalon MLC	In progress	Environment	Asset	Work in progress	103	6.117	-	2024
CMP S.A.	Cese descarga de relaves en PP	In progress	Environment	Asset	Work in progress	7.555	13.693	684	2022
CMP S.A.	Precipitador Electroestatico Planta de Pellets	In progress	Environment	Asset	Work in progress	13.591	76.175	-	2022
CMP S.A.	Solución Relaves en tierra (S/CMP-21-12)	In progress	Environment	Asset	Work in progress	214	16.588	-	2022
CMP S.A.	Adecuación DS43 Bodegas Sust. Peligrosas y Luminar	In progress	Environment	Asset	Work in progress	2.077	5.930	257	2022
CMP S.A.	Canal de Contorno Botadero Norte (INV)	In progress	Environment	Asset	Work in progress	427	427	631	2022
CMP S.A.	Estudio Sistema Control de Polución	In progress	Environment	Asset	Work in progress	507	1.017	-	2022
CMP S.A.	RRCC Plaza Comunitaria Guayacan (Continuidad)	In progress	Environment	Asset	Work in progress	407	407	26	2022
CMP S.A.	Depósito Relave Filtrado VH (EP)	In progress	Environment	Asset	Work in progress	70.036	78.031	132.704	2022
CMP S.A.	Sustentabilidad PCG	In progress	Environment	Asset	Work in progress	1.353	1.353	571	2022
CMP S.A.	Inversiones Minas El Romeral	Planed	Environment	Expense	Work in progress	-	-	10.763	2022
CMP S.A.	Inversiones Valle de Huasco	Planed	Environment	Expense	Work in progress	9.825	9.825	125.454	2022
CMP S.A.	Inversiones Valle de Copiapó	Planed	Environment	Expense	Cost	-	-	571	2022
CMP S.A.	Adm. Medio Ambiente- Valle de Elqui	Planed	Environment	Expense	Cost	56	-	-	2022
CMP S.A.	Adm. Medio Ambiente- Valle de Huasco	Planed	Environment	Expense	Cost	26	-	-	2022
CMP S.A.	Adm. Medio Ambiente- Valle de Cipiapó	Planed	Environment	Expense	Cost	22	-	-	2022
CMP S.A.	Proyectos Ambientales- Administración	Planed	Environment	Expense	Cost	2.436	-	-	2022
CMP S.A.	Control ambiental- Romeral	Planed	Environment	Expense	Cost	620	-	-	2022
CMP S.A.	Control ambiental-Guayacán	Planed	Environment	Expense	Cost	260	-	-	2022
CMP S.A.	Control ambiental-Puerto Cruz Grande	Planed	Environment	Expense	Cost	2	-	-	2022
CMP S.A.	Control ambiental-Pleito	Planed	Environment	Expense	Cost	108	-	-	2022
CMP S.A.	Control ambiental-Planta Pellets	Planed	Environment	Expense	Cost	1.969	-	-	2022
CMP S.A.	Control ambiental-Guacolda II	Planed	Environment	Expense	Cost	474	-	-	2022
CMP S.A.	Control ambiental-Mina Los Colorados	Planed	Environment	Expense	Cost	1.518	-	-	2022
CMP S.A.	Control ambiental-Planta Magnetita	Planed	Environment	Expense	Cost	469	-	-	2022
CMP S.A.	Control ambiental-Cerro Negro Norte	Planed	Environment	Expense	Cost	1.268	-	-	2022
CMP S.A.	Control ambiental- Puerto Punta Totoralillo	Planed	Environment	Expense	Cost	423	-	-	2022
CMP S.A.	Programa de Cumplimiento	Planed	Environment	Expense	Cost	203	-	-	2022
CMP S.A.	P.Cumplimiento descarga submarina de relaves	Planed	Environment	Expense	Cost	1	-	-	2022
CMP S.A.	Administración Sustentabilidad	Planed	Environment	Expense	Cost	1.223	-	-	2022
					Total	**117.173**	**209.563**	**271.661**	

36. FOREIGN CURRENCY

The Company's assets and liabilities denominated in foreign currency are detailed as follows:

As of December 31, 2023

IFRS Item	Currency ThUS$	12.31.2023 ThUS$	12.31.2022 ThUS$
Cash and Cash equivalent	Fixed	17,423	10,503
Cash and Cash equivalent	USD	57,943	50,824
Other financial assets Current	Fixed	54,200	41,341
Other financial assets Current	USD		
Trade and other accounts receivable, net Current	Fixed	21,065	26,465
Trade and other accounts receivable, net Current	USD	257,643	252,405
Account receivable from related entities, Current	Fixed		
Account receivable from related entities, Current	USD	24,238	17,205
Inventary	Fixed		
Inventary	USD	346,094	287,114
Current tax assets	Fixed	39,061	14,086
Current tax assets	USD	-	-
Other non-financial assets. Non-Current	Fixed	60,895	5,777
Other non-financial assets. Non-Current	USD	-	-
Receivable right, Non-Current	Fixed	9,311	5,209
Receivable right, Non-Current	USD	-	-
Accounts receivable from related entities, Non-Current	Fixed	-	-
Accounts receivable from related entities, Non-Current	USD	17,473	19,616
Investments accounted for using the equity method	Fixed	-	-
Investments accounted for using the equity method	USD	558	658
Intangible assets other that goodwill	Fixed	-	-
Intangible assets other that goodwill	USD	557,136	582,453
Propertu, plant and equipment, net	Fixed	-	-
Propertu, plant and equipment, net	USD	3,096,280	2,867,683
Assets for rights of use, net	Fixed	-	-
Assets for rights of use, net	USD	68,063	76,437
Deferred tax assets	Fixed	-	-
Deferred tax assets	USD	2,713	2,120
Total		**4,630,096**	**4,259,896**

Liabilities
As of December 31, 2023

IFRS Item	Currency	Up to 90 days	91 days to 1 year	1 to 3 years	3 to 5 years	5 to 10 years	More than 10 years
Other financial liabilities, Current	Fixed	-	-	-	-	-	-
Other financial liabilities, Current	USD	385,280	-	-	-	-	-
Lease liabilities, Current	Fixed	-	-	-	-	-	-
Lease liabilities, Current	USD	3,397	19,190	-	-	-	-
Trade and other accounts payable Fixed	Fixed	119,765	-	-	-	-	-
Trade and other accounts payable USD	USD	146,452	-	-	-	-	-
Accounts payable yo related entities, Current	Fixed						
Accounts payable yo related entities, Current	USD	57,539	-	-	-	-	-
Other short-term provisions	Fixed	6,883	-	-	-	-	-
Other short-term provisions	USD	-	-	-	-	-	-
Current tax libilities	Fixed	350	-	-	-	-	-
Current tax libilities							
Employee benefit provisions, Current	Fixed	14,159	4,720	-	-	-	-
Employee benefit provisions, Current	USD						
Non-current liabilities	Fixed	-	-	-	-	-	-
Non-current liabilities	USD	-	-	459,141	-	-	-
Lease liabilities, Non Current	Fixed	-	-	-	-	-	-
Lease liabilities, Non Current	USD	-	-	24,294	10,439	4,480	-
Other long-term provisions	Fixed	-	-	-	-	-	-
Other long-term provisions	USD	-	-	-	-	278,471	-
Deferred tax libialities	Fixed	-	-	-	-	-	-
Deferred tax libialities	USD	-	-	323,168	-	-	-
Employee benefit provisions, Non-current	Fixed	-	-	-	-	-	-
Employee benefit provisions, Non-current	USD	-	-	12,616	-	-	44,729
Other non-financial liabilities, Non-current	Fixed	-	-	-	-	-	-
Other non-financial liabilities, Non-current	USD	-	-	-	-	-	-
Total		**733,825**	**14,910**	**819,227**	**10,439**	**282,951**	**44,729**

Liabilities
As of December 31, 2022

IFRS Item	Currency	Up to 90 days	91 days to 1 year	1 to 3 years	3 to 5 years	5 to 10 years	More than 10 years
Other financial liabilities, Current	Fixed	-	-	-	-	-	-
Other financial liabilities, Current	USD	243,000	-	-	-	-	-
Lease liabilities, Current	Fixed	91,610	-	-	-	-	-
Lease liabilities, Current	USD	212,234	-	-	-	-	-
Trade and other accounts payable Fixed	Fixed	-		-	-	-	-
Trade and other accounts payable USD	USD	3,250	9,610	-	-	-	-
Accounts payable yo related entities, Current	Fixed						
Accounts payable yo related entities, Current	USD	373,784	-	-	-	-	-
Other short-term provisions	Fixed	5,933	-	-	-	-	-
Other short-term provisions	USD	-	-	-	-	-	-
Current tax libilities	Fixed	-	-				
Current tax libilities				-	-	-	-
Employee benefit provisions, Current	Fixed	18,141	-	-	-	-	-
Employee benefit provisions, Current	USD	-	-	-	-	-	-
Lease liabilities, Non Current	Fixed						
Lease liabilities, Non Current	USD	-	-	31,806	10,602	5,079	-
Other financial liabilities, Non-Current	Fixed	68	-	-	-	-	-
Other financial liabilities, Non-Current	USD	-	-	-	-	-	-
Other long-term provisions	Fixed	-	-	-	-	264,436	-
Other long-term provisions	USD	-	-	-	-	-	-
Deferred tax libialities	Fixed	-	-	-	-	-	-
Deferred tax libialities	USD	-	-	-	305,769	-	-
Employee benefit provisions, Non-current	Fixed	-	-	-	11,495	-	36,532
Employee benefit provisions, Non-current	USD	-	-	-	-	-	-
Other non-financial liabilities, Non-current	Fixed	-	-	-	8	-	-
Other non-financial liabilities, Non-current	USD	-	-	-	-	-	-
Total		**948,020**	**9,610**	**349,078**	**10,602**	**269,515**	**36,532**

37. EXCHANGE DIFFERENCE AND INDEXED UNITS

The effect of exchange differences and indexed units on Income for the period is detailed as follows:

Item	Currency	Accumulated 01.01.2023 12.31.2023 ThUS$	Accumulated 01.01.2022 12.31.2022 ThUS$
Current Assets	Fixed	(58,461)	(51,717)
Non-current Assets	Fixed	5,837	7,583
Total Assets		(52,624)	(44,134)
Current Liabilities	Fixed	56,265	54,139
Non-current Liabilities	Fixed	(1,793)	(1,145)
Total Liabilities		54,472	52,994
Total Exchange Difference		1,848	8,860

38. SUBSEQUENT EVENTS

In the period from December 31 to the date of issuance of these consolidated financial statements, there have been no significant events that may affect them.

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GRI
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