



# Sustainability Report 2023







### **Safety and Health**

Safety and health are critical aspects of our culture. We commit to protecting the physical safety of our employees, partners and communities through stringent measures and a firm commitment to a safe and healthy work environment.



### **Environment**

Appropriate environmental management is essential in all our activities. We are guided by practices that protect and conserve the environment, with a strong commitment to fighting climate change.





### **Social Management**

Regional sustainability and the well-being of the communities located near our operations are very important to us. Our actions focus on generating long-lasting and positive benefits for the region and the country.



### **Human Resources**

To promote growth, efficiency and responsible management, we develop Human Resources initiatives that reflect our corporate values and Las Bambas' identity by optimising processes and continuously strengthening our team.



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# About This Report

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

This report presents how we managed the environmental, social and governance aspects of Las Bambas from 1 January to 31 December 2023. It is based on the Global Reporting Initiative (GRI) Standards and uses as reference the guidelines of the International Council on Mining and Metals (ICMM) and the U.N. 2030 Agenda for Sustainable Development.

In 2023 the sustainability management of Las Bambas focussed on 17 material topics identified after analysing the national mining sector and the strategic priorities of the company. We also took into account the topics proposed and concerns expressed by our stakeholders through our consultation and participation tools.

We will use various communication methods to share our 2023 report, and we will again pay attention to the feedback from our readers as we continue to optimise our future sustainability reports.



This report is available online at:  
[www.lasbambas.com/publicaciones](http://www.lasbambas.com/publicaciones)



# Material Topics

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

Material Topic	Scope	Page Reference
<b>We Are Las Bambas</b>		16
<b>Business ethics and transparency</b>	The methods we use to manage corporate governance, ethics and transparency in our operations to ensure appropriate stakeholder engagement.	25
<b>The ores we mine</b>	The commodities we mine, considering the growing demand for technology, infrastructure and agriculture, and given the increased use of clean technologies and the zero emissions by 2050 target.	30
<b>Operational excellence, digitalisation and cybersecurity</b>	Continuous improvement processes for optimal production, incorporation of cutting-edge technology, innovation and digital transformation projects to generate operational efficiencies and protect our information from cyber threats.	60
<b>The Way We Work</b>		40
<b>Zero harm safety culture</b>	Assessment and management of the occupational health and safety of our employees and contractors, in addition to the creation of a strong safety culture that permeates all of our processes and includes physical and mental health and well-being.	43
<b>Value proposition for our employees</b>	Investment in the engagement, development and training of our employees, in addition to providing a workplace that respects human rights.	33
<b>Diversity and inclusion</b>	Creation of a diverse and inclusive work culture and promoting respect, regardless of gender, place of origin, labour flexibility or other relevant factors.	57
<b>Respect for local communities and indigenous peoples</b>	Engagement with our local communities and collaboration in the planning of their sustainable development throughout the mine's lifecycle, including our human rights commitments and incorporation of the Voluntary Principles on Security and Human Rights (VPSHR).	67
<b>Environmental Management</b>		68
<b>Climate change impact</b>	Management of the aspects of our business associated with risks linked to climate change, to ensure the resilience of our operations, build appropriate infrastructure and support the local communities.	91
<b>Transition to a low-carbon economy</b>	Contribution of our business to a low-carbon future and conversion of processes to reduce greenhouse gas (GHG) emissions and the energy intensity of our production.	91
<b>Biodiversity and land management</b>	Minimisation of environmental impact on the land we mine and the biodiversity that surrounds our operations, with full awareness of the importance of the role we play.	84



Material Topic	Scope	Page Reference
<b>Responsible water consumption</b>	The acknowledgment that water is a strategic resource for social, economic and environmental life, which demands efficient and responsible management of consumption, withdrawal and discharge.	74
<b>Mine closure impact</b>	Management of mine closure, rehabilitation processes and the adaptation of operations during this stage. We include exploration opportunities and the use of post-mine closure infrastructure.	85
<b>Handling of tailings and waste</b>	Safe handling of our tailings and waste, including the processes and associated infrastructure to minimise impact on the environment and people. This includes using new technologies to minimise our waste, designing infrastructure with knowledge of the involved risks, developing critical controls and external audits.	86
<b>We Mine for Progress</b>		94
<b>Sustainable value chain</b>	Our contractors' management and the environmental, social and human rights standards to which they adhere, including activities from the beginning of the process to shipping of our products. Also, promotion of best practices in small and medium enterprises that are part of our supply chain.	111
<b>Supply chain resilience</b>	Responsibility for the resources we extract, process and consume, and for our roles in circular economy. This also includes the need to develop innovative processes to reduce our impact across the entire value chain.	111
<b>Local and regional development</b>	Contribution to the socioeconomic development of the local communities from our area of influence through social investment, education, employment, procurement and other initiatives aimed at supporting people's livelihoods.	105
<b>Challenges in Operational Continuity</b>		113
<b>Mutual trust between our company and our stakeholders, and risks to operational continuity</b>	Description of 2023 events that had an impact on the normal development of our operations, and our position on the importance of reaching common agreements among the government, Las Bambas and our area of influence. Compliance and reformulation of commitments, given the current situation. Development of solutions to reduce the tensions that have arisen and to maintain ongoing dialogue regarding disputes with stakeholders.	97



If you have any questions about the information presented in this report, please contact our Communications team at: [Comunicaciones.LasBambas@MMG.COM](mailto:Comunicaciones.LasBambas@MMG.COM)



## Message from MMG's CEO



**Liang Cao**

Chief Executive Officer MMG Limited



Dear MMG Shareholders,

I am pleased to present our 2023 Sustainability Report, my first as CEO of MMG.

## Safety

At MMG, our first value is safety.

In a tragic start to 2023, two people employed through Barmingo, our former mining services contractor at the Dugald River mine, lost their lives after a light vehicle they were travelling in fell into a stope on 15 February. The loss of Dylan Langridge and Trevor Davis has profoundly impacted all of us. Our united focus remains on doing everything we can to reduce harm and promote a safe workplace culture.

MMG's total recordable injury frequency (TRIF) rate was 1.97 for the full year 2023, which is higher than the full year 2022 result of 1.25. We recognise there is still room for improvement and, during the fourth quarter, we saw a significant improvement in our overall TRIF rate, with all sites demonstrating better safety controls. Across the business, we must work together, look out for each other and think about safety first.

## Commitment to sustainability

I am proud that the minerals we produce are essential for our global transition to a more sustainable future. MMG plays a key role in bringing these metals to our customers as the building blocks for innovative technologies poised to replace our fossil fuel dependence.

Consistent with achieving our net zero goal, we have set an interim 2030 target of reducing Scope 1 and Scope 2 operational greenhouse gas emissions from our operated assets by 40 per cent from a 2020 baseline. This interim target aligns with sciencebased methodologies to help reduce global warming to 1.5°C, in line with Paris Agreement ambitions. Growing our assets, while maintaining an unwavering commitment to sustainable development, is what drives our business.

## Delivering growth

In 2023, a major milestone was achieved through our acquisition of the Khoemacau Mine, a large, longlife copper deposit located in northwest Botswana, in the highly prospective Kalahari Copperbelt. The tenement hosts the tenth largest African copper mineral resource by total contained copper metal. It is among the world's largest copper sedimentary systems outside the Central African Copperbelt.

## Partnering with our communities

Our Las Bambas operation continued to face social conflict and rising community expectations. To mitigate potential people, production and logistics challenges, we continue to engage in active dialogue with the Government of Peru and community members. Our dialogue is transparent and constructive. I am pleased to see that ongoing Huanacuire community discussions advanced several contracts with locally based community companies that have commenced early works at Chalcobamba.

Pleasingly, Las Bambas concentrate transport has been stable since the removal of roadblocks in March 2023, assisted by Government support. Our longterm strategy is focused on sharing our operational success with host communities. As a result, development projects are continuing at Kinsevere and Las Bambas.

At our Rosebery mine, we are evaluating options to extend an 85-year operation that supports 530 local jobs while assessing the best location for a future tailings' solution in a region of high biodiversity.

## Future focus

Looking ahead to 2024, we are focused on securing the next stage of our business growth.

We remain confident in the medium to longterm outlook for copper, zinc and cobalt and the transitional role they play as the world shifts to renewable energy sources.

At Las Bambas, this means working closely with the Huanacuire community to progress the Chalcobamba development. We are also advancing the Kinsevere Development Project and the integration of Khoemacau.

I extend my thanks to our employees, shareholders and host communities for their continued support. Notably, our people are acknowledged and valued for driving our sustainability performance.

I look forward to continuing to support our people, operations and communities as we mine for progress.

**Liang Cao**  
**Chief Executive Officer**  
**MMG Limited**

## Message from MMG's Executive General Manager, Operations - Americas



**Ivo Zhao**

Executive General Manager,  
Operations - Americas



Dear Readers:

We are pleased to present our 2023 Sustainability Report, the 16<sup>th</sup> since Las Bambas commenced operations. This report reflects our unwavering commitment to transparency and our enduring contributions to the sustainable development of the Apurímac region and Peru.

This year posed significant challenges to our country. Peru's gross domestic product contracted by 0.55% as a result of adverse weather conditions and social unrest. These factors hurt business confidence, reduced investments and dampened economic expectations.

Las Bambas demonstrated resilience amidst these difficulties. Our operations not only maintained stability but grew over the prior year. We increased our production, maintained ongoing transport of concentrate, and increased sales volumes. We also reached a historic milestone with US \$111.13 million in contractual royalties and have paid more than US \$625 million in royalties to the Apurímac region since 2016, which has directly benefitted the region.

Our commitment to social development resulted in an investment of more than US \$29.45 million in 2023 in initiatives focussed on education, local health, reforestation, agriculture and development of local business.

Although this report focusses on 2023, it is worth highlighting that in the first half of 2024 we opened the Kutuctay Bridge, critical infrastructure that connects roads in southern Peru. With an investment of nearly US \$11.7 million under the Works in Exchange of Taxes method, this new bridge reduces the travel time from Cotabambas province to Cusco by half — from eight to four hours — which benefits agricultural and livestock producers in both areas and boosts the economy of the region.

2023 also marked the beginning of the design stage for the Heart of Las Bambas Program, a strategic initiative to strengthen our social management in the medium and long term. This program comprises eight key projects aimed at improving our engagement model, social investment and value chain, along with financial optimisation and development of community leaders.

As part of our cultural evolution, we launched Las Bambas DNA, which is based on five distinct traits: safety, efficiency, digital transformation, diversity and inclusion, and sustainability. As part of our digital transformation, we began implementation of the Smart Mine Research, Evaluation and Future Plan project in collaboration with the University of Science and Technology Beijing (USTB), with the ambitious goal of becoming a full-fledged smart mine by 2030.

Safety is not only an inherent trait; it is also our first value. Our management system is based on the Deming Cycle, which allows us to identify risks and opportunities, take measures to continuously improve our performance, and minimise significant events. As a result of these actions, we did not record any fatalities in 2023. In 2024, we will continue to reinforce our safety culture among our employees and contractors, to ensure the safe development of our operations.

I am also proud to announce that our company ranked second in the mining sector in the Merco Companies 2023 Ranking and placed 66<sup>th</sup> in the general company ranking; we ranked second best in the Merco Talent Ranking 2023 and placed 24<sup>th</sup> in the general talent ranking. This recognition validates our strategic course and is the result of the effort, commitment and resilience of each member of our great Las Bambas family.

I invite you to explore this report, through which you will get to know in detail how we manage the five fundamental pillars that support achieving our goal of mining for progress.

Sincerely,

**Ivo Zhao**  
**Executive General Manager, Operations - Americas**

# Performance Summary

## Our Performance Against 2023 Goals

### Safety and Health

●	Exercise visible leadership that translates into $\geq 93\%$ of managers taking action.
●	Maintain 2022 target All-Injury Frequency Rate (AIFR) $\leq 1.75$ (max. 29 injuries).
●	Maintain 2022 target Total Recordable Injury Frequency Rate (TRIFR) $\leq 0.60$ .
●	Review the calculation method for Las Bambas' Significant Incidents with Energy Exchange (Significant Incidents Frequency Rate (SIFR) = 0.18); target SIFR $\leq 0.62$ (max. 4 events).
●	Reduce incidents with damage to property and reduce the material loss index by 20% compared to 2022, to $\leq 5.02$ (max. 85 incidents).
●	Attain $\geq 88\%$ continuous improvement in the effectiveness of the safety management system.
●	Improve contractor management to $\geq 93\%$ .
●	Complete 100% implementation of the Integrated Management System.
●	Digitalise $\geq 60\%$ of the Integrated Management System.

### Environment

●	Meet our environmental commitments to surveillance plan monitoring activities.
●	Ensure alignment with ICMM's principles and position statements.
●	Define a roadmap for the decarbonisation process.
●	Implement the Environmental Management System in accordance with ISO 14001.



## Social Management

- Implement two projects in the education and agricultural and livestock farming areas in accordance with established commitments and regional socioeconomic development priorities.
- Implement the Las Bambas Development Association to promote the execution of our social projects.
- Promote training and hiring of local labour in compliance with established commitments.
- Strengthen a capacity-building program for local entrepreneurs that creates connections to various markets.
- Facilitate a 3% increase in local purchases compared to 2022.
- Establish a program with long-term vision for regional development in coordination with the Corporate Affairs Department, and with participation of local, regional and national agents.

## Human Resources

- Increase the total number of female employees at our company by 15%.
- Increase women in leadership positions to 8%.
- Increase local hiring and participation to 35%.
- Increase our employee engagement rate to 70%.
- Perform 45% of the process to identify internal talent and succession plans, to ensure the continuity of the business.

● Goal met or substantially met

● Made progress

● Goal not met





# 2024 Goals

## Goals to be Achieved During 2024

<b>Safety and Health</b>	<ul style="list-style-type: none"> <li>• Increase reporting of near misses by 30% over 2023.</li> <li>• Reduce the SIFR by 10% over 2023.</li> <li>• Increase compliance with leadership matrix items (Field Task Observations - FTOs - Planned Task Observations - PTOs - Inspections and Critical Control Verifications - CCVs) by 5% over 2023.</li> </ul>
<b>Human Resources</b>	<ul style="list-style-type: none"> <li>• Achieve 70% average coverage for the two organisational climate surveys and obtain a 72% employee engagement rate.</li> <li>• Increase the total number of female employees by 15%.</li> </ul>
<b>Social Management</b>	<ul style="list-style-type: none"> <li>• Ensure commencement of Chalcobamba's operations is socially viable and ensure sustainability (commencement of operations in Q1 and maintaining operations for the remainder of the year).</li> <li>• Maintain social viability of Ferrobamba's production operations and transport of concentrate).</li> <li>• Reinforce communication methods that accompany the social management processes and strengthen Las Bambas' positioning and reputation.</li> <li>• Prepare and implement the supplementary services management plan: accommodations, transport, restaurants and laundry.</li> <li>• Prioritise the timely transfer of project execution (commitments and initiatives) to the Las Bambas Development Association - LBDA (transfer of 11 projects that include at least 70 commitments to be executed by the LBDA).</li> </ul>
<b>Environment</b>	<ul style="list-style-type: none"> <li>• Extend the life of the mine until 2039 through the approval of EISA 4 in December 2024.</li> <li>• Manage waste handling with at least one local company in the Chalcobamba project.</li> <li>• Develop a citizen participation workshop for the Environmental Impact Statement research project for the exploration of geotechnical and hydrogeological drilling in the Tambo sub-basin.</li> <li>• Complete the environmental baseline for exploration studies in the Cocha sector.</li> <li>• Promote the creation of participatory monitoring committees in the Pumamarca and Pamputa sub-basins.</li> </ul>





# We Are Las Bambas

(GRI 2-1)

**Our company, Minera Las Bambas S.A. (hereinafter Las Bambas), is part of a joint venture comprising MMG (62.5%), a subsidiary owned by Guoxin International Investment Co. Ltd (22.5%) and CITIC Metal Co. Ltd (15%); MMG being the operator of Las Bambas.**

We have three deposits: Ferrobamba, which we are currently mining; Chalcobamba, which started preliminary activities in January 2024; and Sulfobamba, which will start activities in the medium term.

We are one of the largest private investments in Peru, with US \$12.6 billion invested since Las Bambas entered the country and started exploration activities in 2004. Our economic contribution accounts for 1% of the gross domestic product (GDP) of the country, 72% of Apurímac region's GDP and 9% of the national mining GDP. These contributions reflect our role as a catalyst for local development as well as national and regional economic growth.



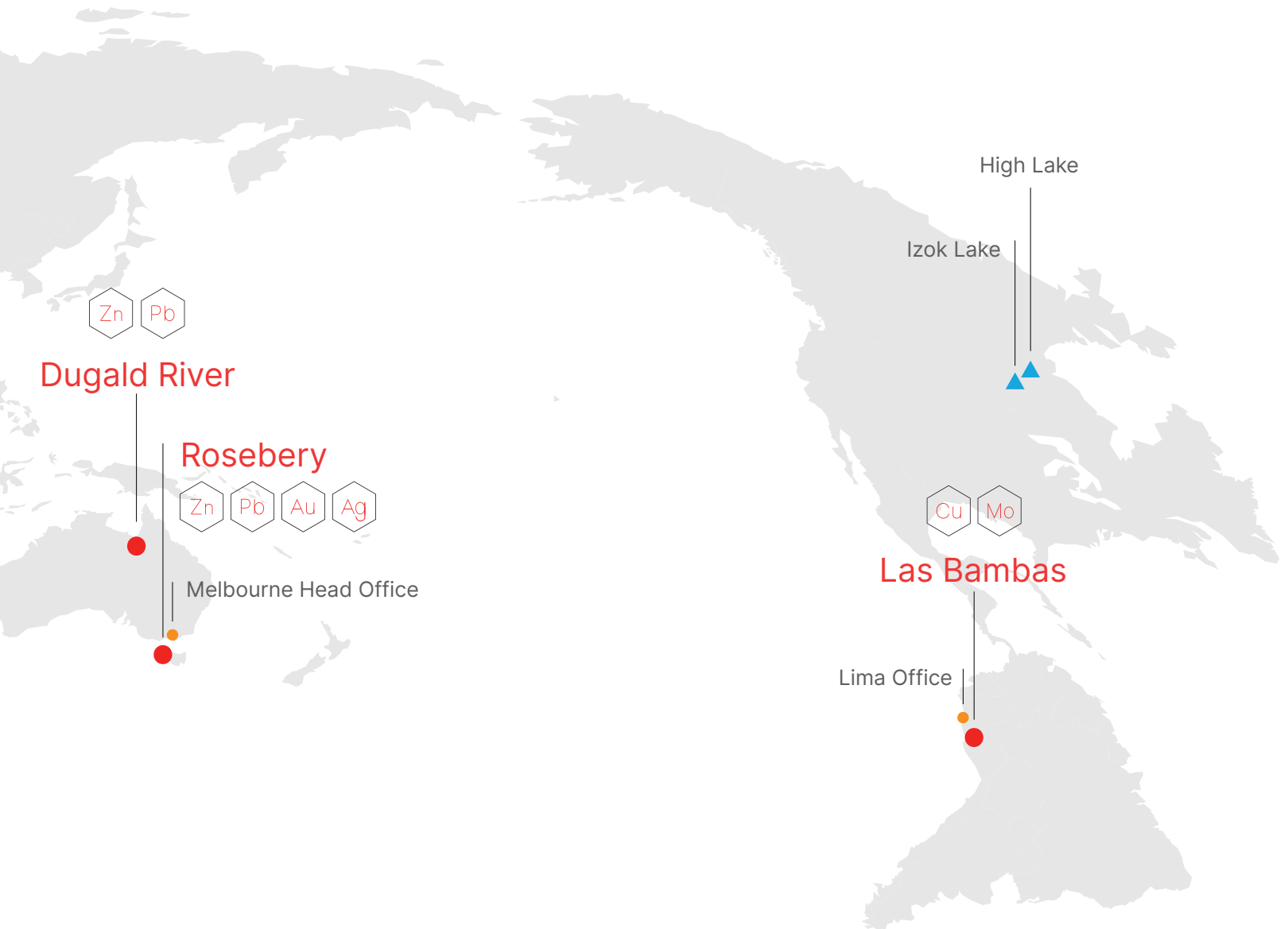


# Our Operator, MMG

(GRI 2-7) (GRI 405-1)







MMG Limited (MMG), our parent company, is a mid-tier global producer of base metals, headquartered in Melbourne, Australia, and Beijing, China. In addition to Las Bambas in Peru, it has copper, zinc and other base metals operations and projects in Australia, the Democratic Republic of the Congo and Botswana, where it has recently acquired the Khoemacau Copper Mine.



For more information on MMG, read the annual Sustainability Report at: [www.mmg.com/sustainability/sustainability-reports/](http://www.mmg.com/sustainability/sustainability-reports/)

MMG in figures:

Corporate office

(Melbourne, Beijing, Hong Kong and Vientiane offices)

**Workforce** 188

**Female** 47%

Australia

(Dugald River, Rosebery and the Australia operations office)



Production

Tonnes of zinc in zinc concentrate	203,470
Tonnes of lead in lead concentrate	39,055
Tonnes of copper in copper concentrate	1,163

Workforce

Total	1,491
Female	13%
National	90%

Economic contribution (US \$ '000)

Total taxes (including royalties)	114,478
Total wages and benefits	133,624
Total capital investment	138,241
Local supply chain spend	442,376
Social development spend	344



## Democratic Republic of the Congo

(Lubumbashi, Johannesburg and Kinsevere offices)



### Production

Tonnes of copper cathode **44,068**

### Workforce

Total	<b>4,771</b>
Female	<b>14%</b>
National	<b>91.8%</b>

### Economic contribution (US \$ '000)

Total taxes (including royalties)	<b>112,423</b>
Total wages and benefits	<b>58,016</b>
Total capital investment	<b>287,853</b>
Local supply chain spend	<b>414,649</b>
Social development spend	<b>2,061</b>

## Peru

(Las Bambas and Lima office)



### Production

Tonnes of copper in copper concentrate **302,033**

Tonnes of molybdenum in concentrate **3,810**

### Workforce

Total	<b>8,273</b>
Female	<b>13%</b>
National	<b>98.4%</b>

### Economic contribution (US \$ '000)

Total taxes (including royalties)	<b>227,751</b>
Total wages and benefits	<b>158,182</b>
Total capital investment	<b>336,062</b>
Local supply chain spend	<b>1,465,474</b>
Social development spend	<b>29,444</b>

By applying these [MMG's corporate governance] standards, we can enjoy a competitive advantage and achieve organisational efficiency while complying with current legal regulations and external obligations.





# Corporate Governance

(GRI 2-9) (GRI 2-10) (GRI 2-11) (GRI 202-2)

We adhere to MMG's high standards of corporate governance, which are focussed on strong risk management and internal critical controls, transparency and accountability to shareholders. These standards follow the principles established in the Corporate Governance Code of the Hong Kong Stock Exchange Listing Rules, on which the company lists its shares (HKEX:1208), and are aligned with the principles of the ICMM, of which it is an active member company.

To comply with the standards, we have an assurance process to ensure we follow the pertinent policies, frameworks and norms, and to facilitate understanding of our responsibilities, so we focus our efforts on preventing material risks. As part of the assurance process, we conduct assessments to determine our level of compliance with MMG's standards. We identify gaps and implement action plans, verification reviews and audits to address any breaches and identify improvement areas to minimise material risks.

By applying these standards, we can enjoy a competitive advantage and achieve organisational efficiency while complying with current legal regulations and external obligations.

We have implemented a Risk Management Procedure based on ISO 31000:2009, which establishes the steps to identify, analyse, control and assess risks. Risks are assessed against consequence criteria, which enable us to determine the maximum foreseeable losses that would arise in the absence of appropriate controls or practices.

In addition, we adopt the Three Lines of Defence assurance approach:

## First Line of Defence

Implementation of business standards at all our operations and development of routine testing and follow-up on the effectiveness of our critical controls for material risks.









## Second Line of Defence

Ongoing validation of the controls established by our standards. This validation is conducted by various Group functions.

## Third Line of Defence

Implementation of our internal audit program, which validates the design and efficiency of our standards and controls of material risks, in addition to strengthening the effectiveness of the first and second lines of defence. Identification of improvement opportunities and best practices for our processes. Audit process managed by MMG's Audit, Risk and Assurance team.

# MMG's Strategic Approach

<b>Purpose</b>	We mine for progress.
<b>Vision</b>	To create a leading international mining company for a low-carbon future.
<b>Mission</b>	We mine to create wealth for our people, host communities and shareholders.
<b>Ambition</b>	Grow and diversify our resource, production and value, by leveraging Chinese and international expertise.
<b>Strategic drivers</b>	<div>China Champion</div> <div>Business miner</div> <div>Delivering progress</div> <div>Federation of MMG</div>
<b>Our values</b>	<div>  <p>We think safety first</p> </div> <div>  <p>We respect each other</p> </div> <div>  <p>We work together</p> </div> <div>  <p>We do what we say</p> </div> <div>  <p>We want to be better</p> </div>
	Producer of copper and zinc: products essential to a low-carbon economy.
	Our commitment to international standards and maintaining strong relationships with stakeholders are critical to enabling our growth ambitions.
	Support from major shareholder China Minmetals Corporation (CMC) is critical to our success and positioning as China's premier international growth platform.



# Ethics and Transparency

(GRI 2-16) (GRI 205-3)

MMG's Code of Conduct, the Employee Manual and the Supplier Code of Conduct are our pillars for management of ethics and transparency. They ensure we properly respond to potential conflicts of interest, fraud, corruption and legal breaches. These documents also govern the actions of our employees, suppliers, contractors and subcontractors regarding labour practice standards. We always prioritise integrity as one of the values that guides stakeholder engagement.

During 2023 all of our leaders and employees received information related to our anti-corruption policies and procedures, and we shared our Anti-corruption Framework (ACF) with all contractors.

Our ethics and transparency initiatives include online training that all employees must take each year to strengthen their knowledge of anti-corruption issues. This training follows the provisions stated in MMG's ACF, and compliance with the framework is mandatory for all employees and strategic partners. In 2023 we provided specific additional training for the Community Relations team, the company's contract owners and our strategic partners.

To manage our risks related to corrupt acts, all employees sign a sworn statement of politically exposed person, declaring they are not related to politicians or public officials.

It is important to note that there were no cases of corruption in 2023.



## Whistleblower Hotline - Ethics line to report irregularities

We have a confidential corporate whistleblowing system managed by an independent third party. The Whistleblower Hotline is available to our employees and contractors. This system is used to receive confidential reports on any potential or actual irregularities, and to evaluate and address unethical behaviours.

This system is available to all MMG employees in their local language and enables them to report any behaviour they think contradicts our corporate values or MMG's Code of Conduct.



To report irregularities through this confidential line, visit  
[www.mmg.deloitte.com.au](http://www.mmg.deloitte.com.au)

# Our Production Process

(GRI 2-2) (GRI 2-6)

Our operations are located in Challhuahuacho, Tambobamba, Coyllurqui (Cotabambas province) and Progreso (Grau province) districts, Apurímac region, between 3,800 and 4,600 metres above sea level. These operations are located 74 km southwest of the city of Cusco and approximately 700 km from the Port of Matarani in Arequipa region.

Our process starts with the extraction of ore from the Ferrobamba pit by open pit mining. The material is then crushed and transported on a conveyor over 5 km to the facilities where the copper concentrate and molybdenum concentrate are produced, and where a conventional flotation circuit is carried out.

Freshwater obtained from the Challhuahuacho River is stored in a reservoir during the dry season. This resource is used in the tailings and concentrate thickeners and in the tailings dam, and it is reused in the production process.

We use a bimodal system to transport our concentrate. We start the 438-km route trucking the concentrate in closed containers from the mining unit to the transfer station, located between kilometres 138 and 139 of subdivision 4 of the Arequipa-Puno railway. From that point, the ore is transported by rail to the Port of Matarani in Arequipa.

Since 2016 we have carried out micro-paving and road watering processes that contribute to the maintenance of the roads along this route, to mitigate potential environmental impact resulting from the transport.

## The way Las Bambas operates



### Mining trucks

We remove up to 400,000 tonnes of material each day using appropriate machinery.

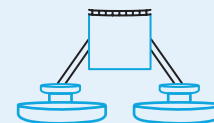
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### Crushing

We reduce the size of the ore to a maximum of 7 inches.

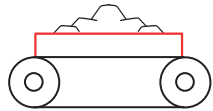
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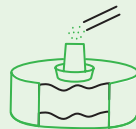
### Filtration

We filter the copper concentrate and store the resulting product.



**Overland conveyor**

We transport the material 5.2 kilometres to the concentrator plant.

**2****Grinding**

At the concentrator plant, we reduce the size of the crushed rock to 0.18 millimetres.

**Thickeners**

1. We separate and recover water from the concentrate.
2. We separate the tailings from water so water can be reused.

**3****Flotation**

We separate the copper sulphides from the molybdenum and other elements.

**5****Transport**

We transport the copper concentrate by truck and rail to the Port of Matarani for export.

**Concentrate warehouse**

We have the capacity to store up to 200,000 tonnes of copper concentrate.

# Milestone Timeline

**2004**

Xstrata Copper acquired the right to **explore Las Bambas** through an international public tender.



**2009**

Completed **Feasibility Study**.

**2011**

The government approved the **EIS** after a thorough citizen participation process.

Communicated a **10% increase in the Las Bambas** mineral resource, equivalent to 1.71 billion tonnes at a grade of 0.6% copper.

**2013**

Glencore became owner of **Las Bambas** as part of its acquisition of Xstrata.

Made **65% progress on pioneering roads**, 40% on concentrator plant, and 95% on improvement of the road.

**2008**

Completed exploration of **306,908 accumulated drilled metres**.

**2010**

Held public hearing for the **Environmental Impact Study (EIS)** in Challhuahuacho.

Signed contract with the government to transfer the Las Bambas mining concessions titles, with an **investment of US \$4.2 billion**.

**2012**

Engineered roads and main components for the **operational start-up**.

Began improvement of **Las Bambas - Espinar Road**.

Allocated more than **60%** of the investment for construction.

**2014**

**EIS Amendment 2 (EISA 2)** submitted and approved to allow ground transport of copper concentrate.

The joint venture of MMG Limited, Guoxin International Investment Co. Ltd. and CITIC Metal Co. Ltd. **purchased Las Bambas**.

**Started physical resettlement** of Fuerabamba community.





## 2015

**Obtained first production of copper concentrate** as part of commissioning activities.

**Developed commissioning** and commenced ramp-up to full production.

## 2017

Achieved first complete year of **commercial production**.

Production exceeded **450 kt of copper in concentrate**.

Submitted EISA 3.

## 2019

Created **space for dialogue and compliance** with commitments for development of Cotabambas province and Grau district, department of Apurímac.

## 2021

Income **tax payment started**.

Prepared the social environmental **baseline for EISA 4**, with 80% completed by year end.

## 2023

Huancuire community business (Corhuan) started to carry out preparation work for **the Chalcobamba pit operation**.

Reduction in the copper concentrate inventory as a result of work stoppage April 2022-March 2023.

## 2020

**Started Stage 2** of operational development.

Started EISA 4.

The operation sustained itself in the midst of the COVID-19 pandemic, with **zero days of interruption**.

## 2022

Apurímac received the **first mining canon contribution**.

Production was interrupted for 57 days due to invasion of land owned **by Las Bambas**.

## 2018

EISA 3 approved.

**Commenced exploration studies** in the west area of concession.



## 2016

**First shipment of copper concentrate** at the Port of Matarani.

Commenced commercial production.



# Our Results

(GRI 2-2)(GRI 2-6)

Currently, the ore reserves of our mining unit total 4.9 million tonnes of copper and mineral resources total 7.6 million tonnes of copper. Based on this information, we estimate that the lifecycle of the mine is approximately 15 years, although we have exploration projects that could extend this timeframe.

Las Bambas produced 302,033 tonnes of copper in 2023, which was 47,197 tonnes (19%) more than 2022. This was largely due to uninterrupted operations that allowed more ore to be processed compared to the previous year, when a shutdown of more than 50 days in the second quarter of 2022 impacted production.

## Las Bambas production, 2021-2023<sup>1</sup>

Category	2021	2022	2023
Cu concentrate grade (%)	33.61	33.79	34.40
Recovery (%)	87.10	85.30	85.92
Cu produced (t)	290,097	254,836	302,033
Mo produced (t)	4,985	3,532	3,810

Source: Production data collected by Las Bambas.

## Gross income, EBITDA, net profit and capital investment, 2021-2023 (in US \$ millions)

Year	Gross income	EBITDA	Net profit	Capital investment
2021	2,965.2	2,047.3	492.1	452.3
2022	2,086.8	1,121.9	7.3	367.3
2023	3,417.3	1,396.7	73.6	336.1

<sup>1</sup>As of the end of 2023.





Las Bambas' earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to approximately US \$1.4 billion in 2023 (24% above 2022). This was due to a 69% increase in copper sales volume compared to 2022, when the transport of concentrate was interrupted by social conflicts for 173 days. Logistics have stabilised since March 2023.

Copper concentrate sales of 1.1 million tonnes (equivalent to 374,743 tonnes of payable metal) in 2023 are the second highest since the mine commenced operations.

As a result, our inventory of copper concentrate at the site decreased to approximately 1,000 tonnes at the end of 2023. The sales increase was spurred by the decrease in the price of copper and the increase in operating costs resulting from greater volumes of extracted and ground material, higher than that recorded in 2022.

### Awards and recognition

- Ranked 2<sup>nd</sup> in the mining sector in the Merco Companies 2023 Ranking and placed 66<sup>th</sup> in the general ranking.
- Ranked 2<sup>nd</sup> in the mining sector in the Merco Talent Ranking 2023 and placed 24<sup>th</sup> in the general ranking.
- Recognised as a Harassment-free Workspace (ELSA\*) Company for the second consecutive year.

\*ELSA is a digital tool created by GenderLab that uses artificial intelligence as an innovative strategy to promote a culture of prevention and learning that contributes to harassment-free workspaces.

It is crucial to create a favourable environment that facilitates professional development and fosters growth in capabilities and skills. People are at the heart of our organisation.





# Our Talent

(GRI 2-7) (GRI 2-30) (GRI 401-1) (GRI 404-2) (GRI 405-1)

Our talented people are the reason for our achievements and results, so it is crucial to create a favourable environment that facilitates professional development and fosters growth in capabilities and skills. People are at the heart of our organisation.

Las Bambas is governed by the guidelines established in MMG's People Standard, which addresses various employment-related practices and provides clear rules to effectively manage labour issues globally. This standard also establishes labour quality requirements, and the processes and systems that ensure compliance with global and local regulations. It covers matters such as compensation, working hours, recruitment, promotions and dismissals.

In 2023 we had a total workforce of 8,273 people: 13% are women, 87% are men, 31% are permanent employees and 69% are temporary employees. Thirty-five per cent of our total workforce comes from Apurímac region.

Finally, it is worth noting that almost 63% of our senior executives are Peruvian nationals.

## Total workforce by type of employment, 2023

<b>No. of permanent employees</b>	2,578
<b>% of permanent employees</b>	31.16
<b>No. of temporary employees</b>	5,695
<b>% of temporary employees</b>	68.84
<b>Total workforce</b>	<b>8,273</b>

## Permanent workforce by gender, 2023



# 339

Women



# 2,239

Men



## Senior executives nationwide, 2023

Level	Other Latin American countries	Peru	Total
Level 3 Manager	10	21	31
Level 4 General Manager	2	1	3
Level 5/6 Executive General Manager	1	0	1
<b>Total</b>	<b>13</b>	<b>22</b>	<b>35</b>

## Gender and age group breakdown by job level, 2023

Job Level	Number of employees	Male %	Female %	Under 30 years %	30-50 years %	Over 50 years %
Level 1 Frontline/Team Leadership	2,422	87	13	11	77	12
Level 2 Superintendent	119	86	14	1	71	28
Level 3 Manager	32	94	6	0	34	66
Level 4 General Manager	4	100	0	0	25	75
Level 5/6 Executive General Manager	1	100	0	0	0	100
<b>Total Workforce</b>	<b>2,578</b>	<b>87</b>	<b>13</b>	<b>10</b>	<b>77</b>	<b>13</b>

Our permanent workforce is mainly composed of employees between 30 and 50 years of age, and 76% in that age range hold frontline positions. Thirteen per cent are over 50 years old and most in that age range perform management functions.

Our turnover rate by gender is 0.57% for women and 3.5% for men. The turnover rate is highest among those 31 to 50 years old, which is typical in the industry.



## Year-over-year turnover by gender, 2022-2023

Male			Female		
Total	Variance %	% 2022-2023	Total	Variance %	% 2022-2023
92	3.50	29.58	15	0.57	0.00

## Turnover by age group, 2023

<30 Years		31-50 Years		>50 Years	
Total	%	Total	%	Total	%
8	0.30	88	3.35	11	0.42

## Employees covered by collective bargaining agreements, 2023



# 2,578

Total Permanent Headcount



# 1,022

Number under Collective Agreements

## Employees covered by collective bargaining agreements, 2021-2023

2021	2022	2023
42.1%	45.58%	39.81%





### **Labour relations: Freedom of association and collective bargaining**

We have three unions, which account for about 40% of the total permanent workforce at Las Bambas:

- Single Workers Union of Empresa Minera Las Bambas - Apurímac (SUTEM-LBA)
- Single Workers Union of Empresa Minera Las Bambas MMG (SUTEMLB)
- Single Workers Union of Minera Las Bambas (SITEM)

In November 2023 SUTEMLB called a 3-day strike that the Labour Authority declared inadmissible. Regardless, we tried to create dialogue to identify mutually beneficial solutions, showing respect for labour rights and with the goal to reach consensus.

## Training and Development

(GRI 404-1) (GRI 404-2)

We foster the growth and professional development of our employees, and we offer training to boost their capacities. This results in increased productivity, higher engagement and optimal performance.

During 2023 we continued to implement our training programs focussed on environmental compliance and occupational safety and health, totalling 146,657 person-hours of training, an average of 57.8 hours per employee.

### Training hours and participation by labour category, 2023

Job Level	Training Hours Completed	Participants
<b>Level 1</b> Frontline/Team Leadership	137,694	2,385
<b>Level 2</b> Superintendent	7,044	119
<b>Level 3</b> Manager	1,688	32
<b>Level 4</b> General Manager	231	3
<b>Level 5/6</b> Executive General Manager	0	0
<b>Total</b>	<b>146,657</b>	<b>2,539</b>

During  
**2023**

**we continued to implement our training programs focussed on environmental compliance and occupational safety and health.**

We also launched voluntary training programs that address various topics to build leadership, soft skills and management proficiency, and to strengthen certain technical competencies in accordance with the requirements of each role and our gap analysis of training needs. In addition to developing soft skills, we addressed the following technical topics in 2023:

- Value chain processes
- Management system implementation
- Updating management processes
- Compliance with international standards



We focus on promoting the excellence and growth of our employees. For this purpose, all senior and executive managers are subject to regular performance and career reviews.

**Employees subject to regular performance and career reviews, 2023**

Level	Workforce
<b>Level 1</b> Professionals	33%
<b>Level 2</b> Superintendents/ Leads	98%
<b>Level 3</b> Managers	91%
<b>Level 4</b> Sr Managers/ Heads	100%
<b>Level 5</b> Executive Managers	100%

This year we recorded a 13% increase in the number of people who took parental leave, and 75% of them were men.

All personnel who used this benefit returned to work at the end of the granted period of leave.



**Parental leave participation, 2021-2023**

(GRI 401-3)

	Men	Women	Total
2021	39	18	57
2022	49	25	74
2023	63	21	84

## Employees who returned after 12 months of parental leave, 2021-2023

(GRI 401-3)

	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
No. of employees who returned to work after taking parental leave	39	18	57	49	25	74	63	21	84
No. of employees who continued to work after 12 months of leave	39	16	55	48	21	69	61	18	79



### Integrándonos+ (Integrating Ourselves More)

*Integrándonos+* (Integrating Ourselves More) is the internal social network designed to transform our communication with each other. This tool has succeeded in connecting teams across the operation and helps establish an environment where every employee can feel appreciated and heard. *Integrándonos+* plays an important role in the company's internal communication and serves as an essential tool to foster a collaborative and unified culture.



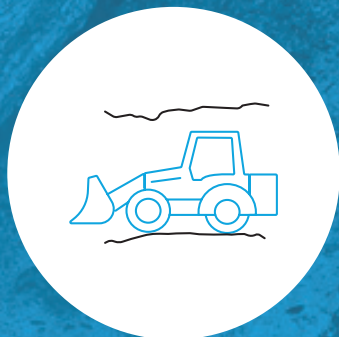
### Vamos, Liderando con el Ejemplo (Let's Go, Leading by Example)

We have implemented a leadership program called *Vamos, Liderando con el Ejemplo* (Let's Go, Leading by Example) to drive organisational success. This program not only strengthens our internal culture, but also plays a crucial role in how Las Bambas achieves organisational goals.

By developing leaders, we are not only boosting their technical and management skills, but also their emotional intelligence and the capacity to inspire their teams by example. When we invest in the development of leaders, we are directly contributing to the strategic progress of the organisation, in addition to driving innovation and adaptation to a dynamic business environment.

The program includes the creation of a competency dictionary and a 360-degree assessment. It also enables us to assess alignment with our leadership profile, which is based on MMG's Senior Leadership Framework.





# The Way We Work

**We strive to develop impactful initiatives aligned with our corporate policies and values, and to optimise processes that support our team to ensure efficient and responsible management.**

We acknowledge that our actions have a direct impact on the profitability of the operation, and we are committed to promoting practices that create value for all stakeholders.









We have developed an Occupational Safety and Health Management System based on the best practices of the mining industry, in full compliance with the laws of our country.

# Las Bambas' DNA

Las Bambas' DNA is the essence that identifies and differentiates us and determines who we are and how we work. We define our culture by these five traits: safety, efficiency, digital transformation, diversity and inclusion, and sustainability.

## Occupational Safety and Health

(GRI 3-3) (GRI 403-3) (GRI 403-6) (GRI 403-8) (GRI 403-9) (GRI 403-10)

Our Occupational Safety and Health Management System is governed by Law No. 29783, Occupational Safety and Health Law, and by Executive Decree (D.S.) No. 024-2016-EM, that approves the Occupational Safety and Health Regulation in Mining, and its amendments, such as D.S. No. 023-2017-EM. This system also incorporates our corporate guidelines, such as the Safe Task Management Standard and the Fatal Risk Standards, and ISO 45001:2018 requirements, and follows the steps of the ICMM's Health and Safety Critical Control Management: Good Practice Guide and Implementation Guide.

Our Occupational Safety and Health Management System encompasses the extraction of the ore to the shipping of copper (Cu) and molybdenum (Mo) concentrate, including their support processes.

### Occupational Safety

(GRI 403-7)

Workplace safety is one of the most important pillars in our operations, because we think safety first and we consider employees our top priority.



We have developed an Occupational Safety and Health Management System based on the best practices of the mining industry, in full compliance with the laws of our country.

Our leaders are strongly committed to the management system, and this is reflected in their actions and efforts to ensure safe and healthy working conditions for everyone. We firmly believe that all fatalities and injuries can be prevented if we collaborate in a responsible manner and ensure a safe and healthy work environment.

The management system at Las Bambas is based on the Deming Cycle, which involves a planning stage using various management tools to assess risks and opportunities. We set objectives and follow processes that help us achieve our goals, and we prevent undesired events by verifying our activities, measuring our performance, sharing the results and taking action to continuously improve Las Bambas' safety and health performance.

In 2023, we continued to make efforts to physically safeguard our employees, strategic partners and stakeholders, and to prevent events that could cause accidents or irreparable losses.



The main actions we implemented include:

## 1 Field Task Observation (FTO) Program



We maintained our training in safe tasks for work teams and frontline supervisors, with the participation of specific leaders as part of our field verification and coaching processes.

## 2 Recognition Program



We highlighted the behaviour and compliance of our employees and strategic partners in acting safely, both individually and as a group.

## 3 Safety Culture Initiatives



We implemented various initiatives to promote the safety of our employees and the safe development of our operations, including awareness-raising activities on safety topics (e.g., use of vehicles and mobile equipment, and electrical circuits). We also launched a campaign to promote the 3Ws cards<sup>2</sup> containing three questions that help our employees identify risks and hazards before, during or when finishing their work.

## 4 Planned Task Observation (PTO) Program



We focussed on ensuring that tasks are properly carried out through field verification, quality assurance and appropriate compliance with Written Safe Work Procedures (WSWPs), and we also ensured the continuous improvement of those WSWPs. The PTO is carried out by senior supervisors and/or supervisors.

<sup>2</sup> The three questions are: What should I do and why? What could go wrong? What should I do about this?

# 5 Emergency Preparedness and Response



We think that an adaptable, informed and proactive plan allows for fast, effective and coordinated response to emergencies, reducing the impact on safety and health. Hence, we have established the Emergency Preparedness and Response Plan (PI-SHE-PL-0002) that includes the following: organisation and communication of the response by levels of emergency and crisis, response protocols to potential emergency situations, training and instruction, drills and continuous improvement methods.

## Level 3

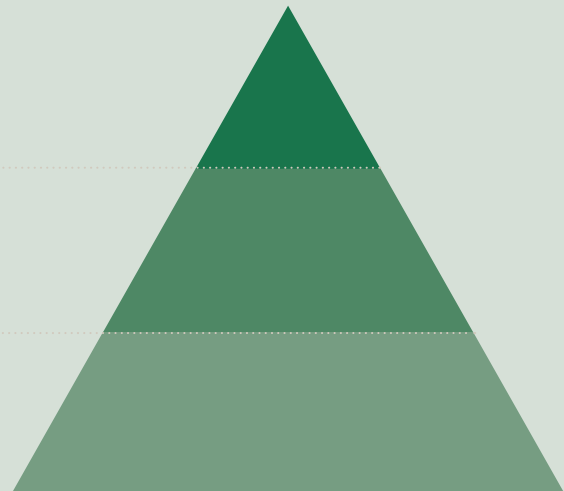
- Crisis Management team (CMT)
- Emergency Management team (EMT)
- Emergency Response team (ERT) (Incident Command)

## Level 2

- Emergency Management team (EMT)
- Emergency Response team (ERT) (Incident Command)

## Level 1

- Emergency Response Team (ERT) (Incident Command)



During 2023 we recorded more than 19 million working hours with a 1.15 TRIFR for our direct employees and a 1.54 TRIFR for our contractors. Most notably, we did not record any fatalities during this period.

**Total recordable injury frequency rate (TRIFR), 2021-2023**

(GRI 403-9)

Indicator	2021		2022		2023	
No. of hours worked	16,967,689		17,018,091		19,482,832	
	Injuries	Rate*	Injuries	Rate*	Injuries	Rate*
Employees	1	0.21	2	0.39	6	1.15
Contractors	8	0.66	8	0.67	22	1.55

\*The TRIFR indicator measures the frequency of accidents for hours worked (sum of lost time, restricted work events and other injuries requiring medical treatment, divided by the total number of person-hours worked multiplied by 1 million).

**Safety Program Based on Example to Control and Reduce Significant Events<sup>3</sup>**

Because the mining activity we carry out entails various risks that can have significant repercussions, in September 2023 we implemented the Safety Program Based on Example to Control and Reduce Significant Events, which focusses on:

- analysing the causes of significant events with energy exchange and identifying similar basic causes with participation of line managers.
- establishing eight strategies led by frontline leaders. Each strategy includes activities that are monitored on a weekly basis.

During 2024 we will continue to implement this program to reinforce the participation of leaders in reporting and analysis of significant events.



<sup>3</sup>Significant event: Any event, including critical control failures, that generated or has the potential to generate Level 4 or higher consequences, based on MMG's Consequence Criteria classification.





## Occupational Safety and Health Central Committee

(GRI 403-4)

We acknowledge the importance of involving and consulting with our employees, to ensure we include their input in the development, planning, implementation, performance assessment and improvement of the Occupational Safety and Health Management System.

For that purpose, we have management standard GGO-SHE-PG-0010, Consultation and Participation, which details employee consultation and participation methods. We also have standard management procedures, good practices and visual means of communication that encourage participation and consultation with employees, such as:

- Virtual suggestion boxes
- Surveys
- Occupational Safety and Health (OSH) Central Committee meetings
- Alignment meetings with strategic partners
- Monthly area meetings, which address employee comments and questions to identify opportunities that contribute to good decision-making and improvement in OSH performance.
- Standard management procedure GGO-SHE-PG-0014, Occupational Safety and Health Central Committee. This procedure establishes the process for convening, electing and holding the first meeting of the Joint Committee, and the roles and responsibilities of the committee, which has the power to:
  - Schedule the regular monthly meetings of the Occupational Safety and Health Central Committee.
  - Analyse the causes of and statistics related to incidents, hazardous incidents, work-related accidents and occupational diseases on a monthly basis, and make appropriate recommendations.
  - Inspect the facilities each month, and record recommendations in the safety book with deadlines for implementation; verify compliance.
  - Define agreements and commitments based on input from employees and their representatives.
  - Approve annual safety and health programs, and other documents related to the Occupational Safety and Health Management System, as applicable.

Our main goal is to create safe and healthy work environments that protect the safety and quality of life of our employees.



## Occupational Health and Hygiene

(GRI 403-3)

Our occupational health and hygiene management focusses on promoting and maintaining the physical, mental and social well-being of our employees at work. This includes identifying, assessing and controlling labour risks to prevent work-related diseases and injuries.

The main goal is to create safe and healthy work environments that protect the safety and quality of life of our employees. We focus our attention on:

- Ongoing monitoring of compliance with the Annual Occupational Health and Hygiene Plan of our operation and those of our strategic partners
- Ongoing assessment and identification of occupational risks in the organisation
- Training and instruction to strengthen the prevention culture
- Using occupational health software to prevent labour risks
- Auditing standardised occupational clinics and occupational medical exams
- Updating documents and records
- Conducting Occupational Safety and Health Central Committee meetings

As a result of promoting occupational health plans and systems and raising awareness of their importance among our employees, we did not record any cases of workplace-related disease during 2023.

In 2023 we implemented improvements related to our infrastructure, occupational medical monitoring and occupational hygiene management, including:

### Improved equipment

We purchased equipment for the laboratory, rehabilitation area and fatigue and occupational hygiene services (noise dose meter, radiation meter, particle generator, thermal stress sensor, combined therapy equipment, respiratory polygraphs and hematology analyser). This equipment has helped us reduce response times and improve person-hour productivity.

### Medical units

We added two medical support units in the XP and Chalcobamba camps to provide timely emergency medical care for our employees and strategic partners.

### Occupational health management

We certified the Anta Wasi Medical Centre through Administrative Resolution No. 020-2023-DE-DESA-DIRESA-APU, issued by the Apurímac Regional Health Bureau to provide occupational health services under the guidelines established by the Ministry of Health (MINSA).

### Fatigue and drowsiness management

During 2023, we implemented and then reinforced our fatigue and drowsiness management strategy using five layers of defence, which enable us to assess site-specific fatigue risks, while considering the safety of all personnel who work within our facilities. Some of our key actions include implementing the five layers of defence and establishing the Fatigue and Drowsiness Committee; purchasing medical equipment such as respiratory polygraphs to identify certain respiratory and sleep-related diseases; and creating a multidisciplinary medical team for nutrition, psychology, rehabilitation and fatigue management.





### Musculoskeletal injury prevention program

Based on similar exposure groups (SEGs), we identify employees exposed to dysergonomic risks, and they enter a program to prevent musculoskeletal injuries. The program includes training, informational talks, health campaigns, workshops, active breaks, recognition of dysergonomic risks, on-the-job inspections, medical monitoring, rehabilitation, musculoskeletal assessment and job relocation, if applicable.



### Respiratory protection program

Based on SEGs, we identify employees exposed to physical and chemical hazards, and they enter a program to protect against respiratory illness. The program includes control functional capacity tests and corresponding monitoring, awareness campaigns on the prevention of occupational respiratory diseases, occupational medical monitoring, proper use of respiratory personal protective equipment (PPE), fit tests, and monitoring for exposure to chemical and physical agents.



### Hearing preservation program

Based on SEGs, we identify employees at risk for hearing loss. We have incorporated audiometry controls in the pre-employment medical test, and we conduct an annual test and semi-annual controls, as applicable. We have also developed hearing protection awareness-raising campaigns and conducted noise dosimetry monitoring activities in various areas with the support of the Hygiene area.



### Carcinogen control program

To prevent the risk of occupational cancer, we have established control measures in the work areas where there is exposure to and use of carcinogens. The program includes:

- Evaluation of results from monitoring chemical agents in work environments where carcinogens and hazardous energies have been identified.
- Review of the hygiene risk matrix, which includes the creation of SEGs at Las Bambas for the identification of health hazards.
- Review of chemicals and product components (Material Safety Data Sheets - MSDS).
- Scheduling of medical tests, including ancillary tests, imaging and biological markers.



### Infectious disease prevention program

We conduct preventive monitoring through testing to detect infectious diseases among those exposed to biological hazards. We have developed primary preventive strategies including educational campaigns and the identification of associated risk factors and likely cases.



## COVID-19 Actions

The World Health Organisation welcomed the recommendation to declare the end of the international public health emergency caused by COVID-19, proposed by the Emergency Committee on 5 May 2023.

In Peru, the State of Health Emergency extended by D.S. No. 003-2023-SA ended on 25 May 2023.

To ensure safe and healthy environments for our employees, we continued to implement certain guidelines established by the national health regulations. We also updated the following measures:

- COVID-19 health team made up of six people (including physicians, nurses and technicians), fully focussed on management of this disease.
- COVID-19 testing for any suspected case at the mining unit.
- Monitoring of positive and suspected cases until medical discharge.
- Installation of hand wash stations (sink, tap with potable water connection, liquid soap or antibacterial soap and paper towels), and provision of hand sanitiser at different points of the operation, to be used by employees and/or contractors.
- Signage throughout the workplace (distancing, hand washing, proper use of face masks, facility capacity limits, etc.).
- Monitoring of CO<sub>2</sub> in closed facilities with little ventilation.
- Onsite temporary isolation areas for employees showing moderate and positive respiratory symptoms of COVID-19.
- Implementation of COVID-19 immunisation campaigns for people to complete their immunisations, including the updated booster dose (5<sup>th</sup> dose).





With regard to occupational hygiene, in 2023 we reinforced our collaborative and participatory approach in the operational areas to ensure a healthy work environment. The occupational hygiene work plan includes monitoring occupational agents, management of occupational exposure, communication of results, control of carcinogens, management of critical hygiene risks (CHRs) and prevention campaigns. The purpose of these initiatives is to promote and reinforce compliance with MMG's corporate standards (Safety, Security, Health and Environment - SSHE Performance and Fatal Risks), ICMG's requirements, international standards and the best health and hygiene practices in mining. All the implemented programs adhered to these standards.

We also strengthened, promoted and disseminated our occupational management and operational standards/procedures. Those guidelines provide support and guide the entire operation and our strategic partners.

Finally, it is important to highlight the following key actions:

- In 2023 we re-evaluated and defined the five main CHRs by operational area through re-evaluation of occupational monitoring activities.
- We conducted fit tests through campaigns launched among employees.

In  
**2023**

**we reinforced our collaborative and participatory approach in the operational areas to ensure healthy work environments.**

- We completed the second phase of the ergonomics 2023 evaluation program, which included the baseline evaluation of the 55 main SEGs.
- We strengthened the elimination and/or justification for the controlled use of hazardous materials (HAZMAT) with carcinogen characteristics, based on critical control and reduced exposure to those materials.
- We launched a campaign to promote awareness of carcinogen control during the Fatal Risk Fair, with participation of employees and strategic partners.
- We ensured compliance with the requirements of the main occupational hygiene procedures: confined spaces, radiation protection, PPE, occupational exposure management, carcinogen control and management of CHRs.
- We evaluated and delivered PPE that offers greater comfort and protection to employees.
- We conducted hygiene-health inspections in local contractors to reinforce proper health conditions in restaurants and prevent the transmission of diseases through food or events that could affect the health of the diners.
- We reinforced the management of critical hygiene risks (CHRs) in the operational areas of the site. We began to conduct quantitative fit tests with SEGs identified as critical through campaigns aimed at the employees of the concentrate warehouse.
- We promoted managing the identification of ergonomic hazards, the design of a system to evaluate ergonomic risks, standardisation of processes, awareness of ergonomics among employees and using operational controls in the areas to prevent medical conditions related to ergonomic issues.

## Mental Health and Well-being

We try to build work environments that promote the comprehensive well-being of our employees based on the recommendations of the World Health Organisation. We recognise that workplace well-being helps to develop capabilities, productivity and skills to manage stress. For that reason, our employees enjoy the following benefits:

- Mental health support: via phone or face-to-face interactions at the mine.

- Workout areas where they can exercise and are encouraged to take active breaks as a way to prevent musculoskeletal injuries.
- Customised nutrition programs and promotion of physical activities: overseen by specialists, as well as periodic follow-up on nutrition-related topics.
- Health and immunisation campaigns.

### (GRI 403-10)

With respect to the occupational health of our employees and contractors, it is important to mention that we did not record any cases of occupational diseases or work-related deaths in 2023.

### Mental Health Program in Nueva Fuerabamba

We implemented a program in Nueva Fuerabamba to foster the mental health of employees at Las Bambas, establish healthy relationships, develop psychological interventions to prevent mental health problems and mitigate the stigma associated with seeking mental health assistance. We prepared an agenda with 16 practical tips that help minimise the typical barriers and create a collaborative space that results in a healthier work environment.



### Safe Families

We developed a program to integrate the families of employees to turn them into our partners in prevention topics. This program focusses on raising awareness among the families and informing them of the risks to which their loved ones are exposed every day, and to foster and replicate the behaviours learned and reinforced among our employees regarding their physical and emotional health.

We developed the annual agenda with nine sessions and 27 topics to promote good habits among employees and to reinforce them through their closest support network: their families. The program is based on three pillars of knowledge: physical health, emotional health and safety to prevent common accidents.



# Efficiency

In 2023 we were affected by inflation, which increased the prices of certain key supplies such as fuel, explosives and energy. In addition, the road blockade that lasted several months in 2022 and the sociopolitical situation in the south of the country in the first quarter of 2023 also had a significant impact. These conditions demanded that we implement efficiencies at all levels, such as the introduction of the Rethink program to reconsider the added value of each company process and reinforce a culture of efficiency. The program includes the following aspects:

## Added Value

We reviewed all our processes to rethink how to carry them out without adversely affecting safety and by taking new avenues to reduce fixed costs and change the slope of variable costs. We addressed the processes from end to end: operations, support, supply and finance.

## Culture

We reinforced efficiency in our culture by aligning the goals from our business plan and by implementing one-on-one discussions on the concept of efficiency and incorporating the efficiency trait in the company's DNA.

## Total Involvement

Dedicated internal teams spent two months involving all personnel. We used the Sprint methodology<sup>4</sup> and captured all employee ideas.



The results of this program exceeded our expectations by achieving 140% of the budgeted operating spend (OPEX) savings target.

<sup>4</sup> Methodology created by Jake Knapp that helps teams work together to resolve a specific problem and provide solutions that will be tested with users.





We continued to offer training to all our employees, to share our approach to diversity and inclusion and incorporate it into our organisational culture.

# Diversity and Inclusion

(GRI 3-3) (GRI 405-1)

Since 2016 we have had a Diversity and Inclusion Committee that strives to implement initiatives that foster inclusion and equity of all people without distinction, and that recognise the wealth of differences.

The courses of action include:

<b>Mainstreaming the diversity and inclusion culture</b>	<p>We continued to offer training to all our employees, to share our approach to diversity and inclusion and incorporate it into our organisational culture. We maintained our consulting partnership with Aequales and addressed topics such as the value of equity, breaking down gender stereotypes, awareness of unconscious biases, inclusive and empathetic leadership, and family co-responsibility.</p>
<b>Training of ambassadors</b>	<p>We maintained our diversity and inclusion ambassadors program, whose members represent us in events and organisations such as the Peruvian Association of Human Resources, the Peruvian Institute of Mining Engineers, and Women in Mining, among others.</p>
<b>Reinforcing female representation in the organisation</b>	<p>We are committed to strengthening and highlighting the role of women at our company. To achieve this, we work in close collaboration with our contractors, who have also undertaken this commitment. In 2023 the percentage of new hires who were female was 35%, which is 11% higher than in 2022.</p>
<b>Creation of a harassment-free work environment</b>	<p>Training on the internal workplace sexual harassment policy and reinforcement of whistleblowing methods, and special training for the members of the Intervention Committee against Sexual Harassment and the Human Resources team.</p> <p>Capacity-building with our leaders, Human Resources representatives and the Intervention Committee against Sexual Harassment to address these situations.</p> <p>Implementation of a communications campaign against harassment, accompanied by training at all levels in the company, including contractors, and dissemination of the main whistleblowing methods.</p>
<b>Inclusion of people with disabilities</b>	<p>During 2023 we maintained our commitment to hire people with disabilities at our company; therefore, we shared our job postings on the portal of the Ministry of Labour and Employment Promotion and provided internal training to foster respect for diversity and highlight the importance of diverse teams, including people with disabilities.</p>



In 2023 we increased female talent in our operations by 13% over the previous year. In 2024 we will continue with our efforts to increase the presence of women at various levels. The majority of our workforce is in the 31-50 age range.

In addition to the Diversity and Inclusion Committee, we have a Joint Intervention Committee against Sexual Harassment that was re-established in 2021 and remains in force for two years. Since 2021 we have been conducting annual analyses to measure our employees' knowledge about sexual harassment and their level of tolerance.

This new committee is being trained in methodologies for case resolution, and it has started to work on measures to continue reinforcing the company's system for preventing sexual harassment.

The other function of the committee is to ensure compliance with the Prevention and Discipline Policy for Sexual Harassment: recording complaints and reports of employees and contractors, protecting victims, investigating, issuing pertinent recommendations or disciplinary actions, and adopting preventive measures.

In February 2024 we were recognised once again by the Harassment-free Workspaces (ELSA, in Spanish) platform as one of the companies that maintained its commitment to the fight against violence expressed through sexual harassment behaviours. For 2024 we plan to implement communication campaigns about our annual reports on sexual harassment and train team leaders at all levels so they will share the reports with their teams and increase the level of trust in our prevention system.

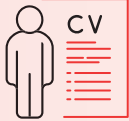
**Breakdown of employees by gender and age, 2023**

Gender		Age group		
Men	Women	30 years and younger	Between 31 and 50 years	51 years and older
86.85%	13.15%	10.40%	76.14%	13.46%





## Outstanding diversity projects



### Blind resumes

The idea behind using blind resumes is to evaluate a candidate for their professional qualifications without including personal information such as gender and age. With this strategy we aim to increase direct and indirect hiring of female personnel by 15% over 2022 at all levels. More specifically, we aspire to achieve 8% female employment in leadership positions.



### Employability workshops

More than 2,000 talented young people have participated in these workshops, the purpose of which is to provide guidance and tools to boost the employability of young professionals who have recently graduated and are receiving training.



### Diversity survey

Through this anonymous survey, we collect employee opinions about diversity in the workplace and implement specific actions to promote safe and inclusive spaces for everyone.



### Circles of trust

These onsite and virtual meetings intend to foster the personal and professional growth of women at our operation. We specifically work on unconscious biases, on the development of soft skills and on the creation of powerful connections. Forty-six women participated in 2023.



### EPS health care plans for all

Since June 2023, the same-sex partners of our employees can access health care benefits through provider companies (EPS). This is how we foster and respect diversity and inclusion for our employees and their families.

# Digital Transformation

Because we face an ever-changing environment, we promote innovative ways of working boosted by latest-generation technologies, to ensure the agility and productivity of our employees. We aspire to become a smart mine and to lead the digital revolution in the mining industry.

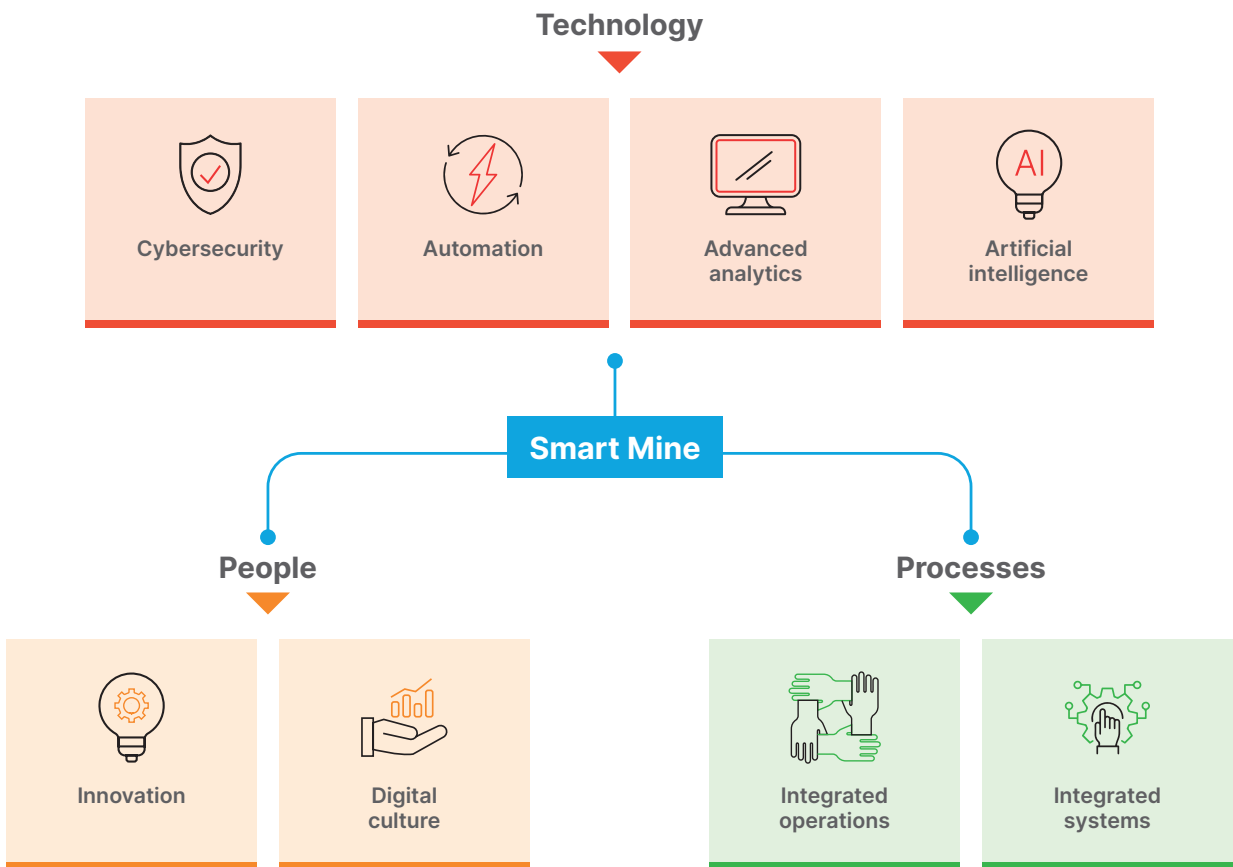
We have embarked on a journey of change and innovation, and we strive to promote new ways of working enabled by technology, to ensure productivity and become a smart mine.

Our goal for 2030 is to become a full-fledged smart mine. To achieve this, our digital transformation process is being renewed to enable the integration of people, processes and technologies, and the main partnering technologies

to fulfil this goal will be automation, robotics and artificial intelligence. We expect a significant improvement in our business results in terms of lower costs, more production volume and more efficient processes.

We have developed a technology roadmap through 2025 to prioritise certain actions and effectively allocate our investment. Our plan includes the Digital Transformation Program, which involves the entire organisation in optimising project management processes, from conception to continuous improvement. This allows us to identify improvement opportunities via idea generation processes.

We defined three main components (Technology, People and Processes) to achieve this:





## Smart Mine Evaluation

In January 2023 we began implementation of the Smart Mine Research, Evaluation and Future Plan project in collaboration with the University of Science and Technology Beijing and the Changsha Institute of Mining and Metallurgical Research in China. The purpose of this project is to:

- Present a detailed analysis of the current level of development of the smart mine at our operation.
- Identify and evaluate key technologies and the impact of implementing them.
- Evaluate results, with participation of mining industry experts.
- Apply for the Chinese Mining Association Award.

As part of collecting information, we identified 74 representative technologies and completed the last phase of preparation for a technology roadmap that reinforces our plan to adjust the strategies in the future to become a smart mine by 2030.



These are some of the main developments of the Mining Digital Transformation (DMX) Program:

### Transformers

We held a session on leaders who anticipate future needs, and we provided updated information on all our DMX projects to our managers.

### DMX agents training

In April, July and September we held three training sessions with our DMX Agents, covering topics such as cutting-edge digital transformation, identifying cultural challenges and discovering process problems.

### Digital collaborator program

We started to develop content for the digital collaborator program, the purpose of which is to show employees that technology is a tool for accomplishing their daily work. We also intend to prepare our employees for the challenges that arise from the transformation of the business in an era of constant technological progress, so they can suggest initiatives and make proposals for improvement in this area.

### Digital leaders

With the help of our Communications and Human Resources areas, in 2023 we also provided training in how to use LinkedIn to all our digital leaders, so they can post information that improves our company image on this social network.

### Digital skills training

We also implemented a training plan to develop proficiency in using technology tools, based on competency assessment. We included three types of sessions based on the identified needs: Technoclasses, Technosessions and Technoshots. The section on Change Management provides more details.

Thanks to our DMX Program, we anticipated operational needs and ensured that we had all the necessary technology tools, including private LTE, P25 radio system, and high-accuracy GPS system, among others, from day 1 at Chalcobamba.



## Project office

We supervise and coordinate all the technology projects for our organisation through the Technology Project Management Office.

## Advanced analytics

Advanced analytics involves the use of advanced data analysis technologies and techniques to extract valuable information and generate perspectives that can improve operational efficiency, safety, sustainability and profitability, in addition to creating value in all the stages of the mining cycle.

## Cybersecurity

We implemented a strategy focussed on managing digital vulnerabilities, and we established a methodology to identify, analyse and prioritise reducing vulnerabilities in all our assets. This helped us reduce our analysis time from 40 to 10 business days. We also remediated 16,791 critical and high vulnerabilities (72%) of the 23,193 vulnerabilities identified in 86 high-value assets.

Our main initiatives included:

- We started implementing a new backup system in 2023.
- We implemented a new firewall policy audit tool.
- We completed the implementation of the OT dedicated firewall in Q4 2023.
- We increased the scope of the web application firewall (WAF) in internet-facing applications in the Americas region.
- We conducted a cybersecurity audit and implemented remediation measures for corporate websites and apps.
- We tested traffic encryption.
- We continued to manage vulnerabilities including more assets in the organisation.
- We implemented timely actions for each finding made by the cyber intelligence services.



## Ethical hacking

In 2023 we developed an ethical hacking service to detect and explore the vulnerabilities of our systems in a planned manner. We focussed on identifying vulnerabilities in networks that could be leveraged by cybercriminals. We evaluated eight applications that store personal data and are accessible via the internet. We corrected 72% (18 out of 22) of the critical and high vulnerabilities identified in these applications.

## Cybersurveillance

We are managing our online vulnerabilities to reinforce our cybersecurity strategy. The management service we use monitors the dark web, the deep web and other sources to detect and provide early warning about threats or incidents that may affect our reputation.

## Change Management

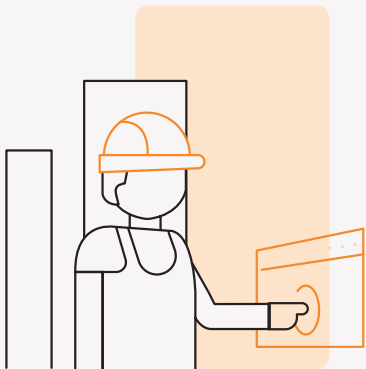
As part of our digital transformation strategy, we are driving change management that enables us to embrace this evolution and promote “the new way of doing things.” We have provided tools, training and support to employees, along with ongoing communication to further facilitate the transformation. Key projects include:

### Change in Action program

This is a monthly program focussed on **change management and its impact on organisations**. It offers micro-learning opportunities through the corporate social network supplemented with *La Trivia del Cambio* (The Change Trivia) that addresses questions related to our published videos.

### Integrated Remote Operation Centre (IROC)

Change management is crucial to **efficiently leverage the new technologies of the IROC**, and to build our competencies across the organisation in managing existing technologies. We have provided the necessary support to launch an integrated operation centre that will add more value to our operations. This change requires developing new competencies across the organisation.



### Digital HIRAC

In 2023 the Mine Operations Department **implemented Phase II of the Digital HIRAC** project, a solution that incorporates tablets to facilitate recording, review, and remote and digital control of work clearance forms (HIRAC and pre-start verification lists) used by the operators. This phase included the operators and supervisors of ancillary equipment and shovels, who participated in analysis, discussion and training sessions to get acquainted with the benefits of this new digital solution and learn to use the pre-start digital forms.



### MMG ChatGPT

We sent communications in Spanish and Chinese to inform the organisation **about the use of MMG ChatGPT**, and we presented a guide on how to anchor the ChatGPT icon as a favourite in Microsoft Teams.

### Technology training plan 2023

We focussed on **continuously improving the digital skills of our employees**. Based on results of the Digital Skills survey, we implemented a strategic plan that includes three types of training: Technoshots, Technosessions and Technoclasses.

### ReadiWatch for personnel transport businesses

Our strategic partners play a crucial role in implementing technologies. The transport businesses that provide services in the Personnel Transport area are modernising their fatigue and drowsiness measurement system. Two hundred drivers will receive a device called ReadWatch that monitors the quality of sleep to ensure they are in optimal condition to drive. The team has worked in close collaboration with these businesses in the analysis and discussion, training and adoption phases of this new technological solution.





### Integrándonos + social network

Under the leadership of the Communications team, **we launched Viva Engage, our corporate social network** inspired by platforms such as Facebook. This resource promotes open and effective communication and offers personnel a space to share topics of interest, access official information, receive updates in real time and collaborate in specialised groups.

### Predictive Environmental Telemetry project

Change management has also been fundamental for the **Predictive Environmental Telemetry** project, led by the Environment Department. This project includes the implementation of technology systems to analyse and predict possible deviations in environmental parameters, and video systems at 12 environmental stations for the forensic recording of events along the transport route (Ferrobamba operation and Pillones station).

Currently, we are focussing on the implementation of the training plan in the forensic video system.

Together with the Environment and Concentrate Transport Logistics teams, we coordinated with providers Sol del Pacífico and SERVOSA to place stickers on their units to facilitate identification of technology system components.



### Tooth loss

This tool **detects the loss of shovel and loader bucket teeth** in real time and warns the cab operator through video analysis. We held training in the field to get shovel/loader operators and the Mine and Maintenance team acquainted with the use of the software.

### Personnel attendance records

This tool **automates personnel attendance records** using time clocks located at different points around the mine. We also hung posters with motivational phrases in collaboration with each user area.

### Digital skill evaluation

This evaluation **identifies where the improvements in technology skills should be focussed** and helps close digital gaps at our operation, so we can all achieve our smart mine by 2030.

### ReadiWatch for mine operations

We are piloting the Fatigue and Drowsiness project:

- Training supervisors of all four shifts, so they learn to use the ReadiSupervise management tool
- Training in PackReadi (Readi case, ReadiWatch, keychain, card, dice and charging cable) for guiding operators of all four shifts



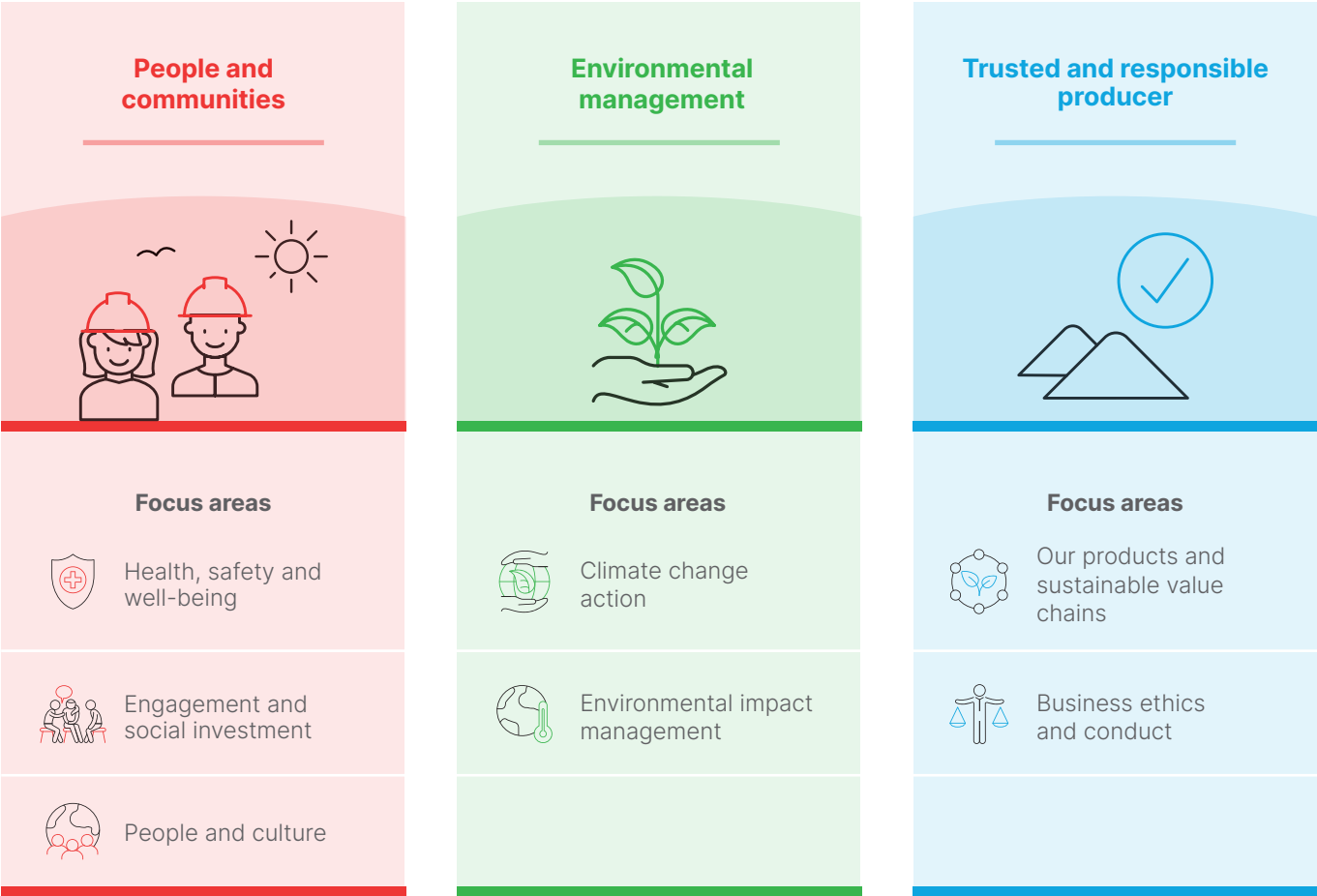
### Job justification application

**We launched the new job justification application** in collaboration with the Human Resources area. This application automates personnel applications in an efficient and simple way. We held six training sessions: two for initiators (supervisors and superintendents) and two for approvers (managers). These sessions were fundamental to getting acquainted with the tool and answering questions.

# Sustainability

We are committed to complying with MMG's Sustainability Framework, which was developed using the best practices and standards in the sector, and whose purpose is to help manage the expectations of employees, the communities and investors.

This framework is supported by three pillars and includes seven focus areas and material topics adapted to the internal priorities of the corporation and to the requirements for disclosing information.



These material topics are communicated by leader cascade and associated with the key performance indicators established in the annual Business Plan. They are also included in the processes of our Strategic Development Plan to promote the priorities of the corporation.

As of 2023 we also have guidelines to record and report commitments and actions linked to the sustainability topics indicated by our parent company in a document called Work Quality Requirements – Sustainability Disclosures. These guidelines are meant to ensure the quality of the information on progress made in material topic areas, and to report them in accordance with the standards to which we adhere.



Our sustainability management also includes the following business policies, found here: <https://www.mmg.com/sustainability/esg-and-compliance/>

- Corporate Governance Policy
- Information Technology Policy
- Human Rights Policy
- People Policy
- Safety, Security, Health, Environment and Community (SSHEC) Policy
- Shareholder Communication Policy

In 2023 we made efforts to reinforce the governance of our material topics by nominating champions, committees or work groups, as applicable, to ensure appropriate and timely management and to identify risks and opportunities, in addition to creating and improving the conditions that allow for stakeholder involvement. Currently, we are preparing work plans for our Diversity and Inclusion Committee, Human Rights Committee and Champion, Work Group on Voluntary Principles and Human Rights, and Water Management Champion.

## Human Rights

(GRI 3-3) (GRI 410-1)

In 2023 we created the Human Rights Committee, with representation from nine areas, to promote a culture of respect for human rights in the organisation, and to ensure full compliance with the commitments established in MMG's Human Rights Policy and in the pertinent internal and external standards. The committee is also responsible for ensuring that our risk management properly incorporates due diligence on human rights. In 2024 we will implement the first phase of the due diligence and human rights training sessions at our operation, to facilitate understanding, execute preventive actions and implement continuous improvements.

We also have a formal system that promptly handles any queries and complaints about any human rights topic related to our activities.

Additionally, our company is an active member of the Human Rights Committee of Peru's National Society of Mining, Petroleum and Energy, and we have a work group on Voluntary Principles and Human Rights that aligns our actions with the aforementioned principles.

During 2023 we did not record any fatalities related to our activities in the community; we did not receive any grievances or complaints about human rights violations of indigenous peoples or local communities; and no disputes arose with regard to land use.

**We have a formal system that promptly handles any queries and complaints about any human rights topic related to our activities.**





# Environmental Management

(GRI 3-3)

At Las Bambas we are committed to minimising our environmental footprint. This leads us to improve and maintain efficient operational processes and, whenever possible, to adopt advanced technology to prevent or reduce our environmental impact, optimise the use of natural resources, manage waste responsibly, effectively manage the waste lifecycle, and establish management measures to mitigate environmental impact.







We have the environmental management documents needed to operate in accordance with the requirements established by the National Environmental Impact Assessment System.





Our environmental impact management practices are governed by the specific regulations of our sector and incorporate the commitments established in our environmental management documents; MMG's Safety, Security, Health, Environment and Community (SSHEC) Policy; Sustainability Framework; and the applicable standards of Safety, Security, Health and Environment (SSHE) Performance. These practices also adhere to ICMC's principles applicable to the environment.

## Environmental Management Documents

We have the environmental management documents needed to operate in accordance with the requirements established by the National Environmental Impact Assessment System.

In July 2023 Las Bambas submitted EISA 4, which includes a thorough citizen participation process involving workshops and hearings. This document is being assessed by the appropriate authority.

We communicated the EISA 4 citizen participation process to the people from farming communities and private properties included in the area of direct social influence (ADSI), as well as the area of indirect social influence. This participation involved applying an intercultural approach among the stakeholders. The National Environmental Certification Service for Sustainable Investments (SENACE, in Spanish) sent us the input, comments and observations it received from the people, which help enhance this study.

In 2023 our efforts focussed on developing the EISA 4:

- From May to July 2023 we carried out the citizen participation process during the preparation of the EISA. This consisted of 14 workshops for 18 farming communities from the ADSI and more than 1,000 people attended.



- We submitted EISA 4 on 12 July 2023, together with a proposal for the Citizen Participation Plan that included holding two hearings, implementing PIOs, and giving access to the studies. The appropriate authority approved that plan in November.
- The Citizen Participation Plan was implemented in November 2023: We delivered a copy of the EISA 4 document to each community in the ADSI and the district and regional authorities, and we plan to hold two public hearings in Quechua and Spanish. We also distributed more than 2,000 leaflets; produced two radio programs totalling 12 hours of time in Quechua and Spanish; and collected more than 80 questions and comments from the people through various forms of communication.
- On 5 January 2024 we held two public hearings in the Qqello and Queuña communities, and more than 1,000 people attended.

We will continue to obtain the environmental certifications that allow us to ensure the continuity and expansion of our operation.

# Environmental Monitoring

We have an Environmental Monitoring Plan that evaluates the performance of our operation related to compliance with our environmental obligations and commitments. This allows us to continuously assess our operations; identify problems and solutions; detect possible unforeseen impacts; verify execution of proposed preventive or corrective environmental measures and their level of effectiveness; and monitor compliance

with the standards established in the regulatory framework to ensure that we are not causing adverse environmental effects. The plan includes monitoring air, noise, vibration, sediments, surface water, industrial wastewater, groundwater, soil and non-ionising radiation components. We have a total of 150 monitoring stations located in the Pamputa, Pumamarca, Tambo, Ferrobamba, Challhuahuacho and Chichina sub-basins.

Frequency of environmental monitoring activities and number of stations

Component	Frequency	Stations
Surface water	Monthly	17
Springs	Monthly	10
Industrial wastewater	Monthly	2
Air	Quarterly	10
Noise	Quarterly	3
Groundwater	Quarterly	20
Rescued flora and fauna	Quarterly/Semi-annually	13
Vibration	Semi-annually	6
Sediments	Semi-annually	12
Non-ionising radiation	Semi-annually	3
Biodiversity (terrestrial and aquatic flora and fauna)	Semi-annually	26
Soil	Annually	28

Each quarter we submit the results of our environmental monitoring activities for water, air, noise, vibration and sediments to the appropriate environmental authority. We also conduct semi-annual biodiversity monitoring activities and submit the results to the appropriate authority each year.

As part of our environmental monitoring program, we urge local residents to participate in monitoring activities and communication of outcomes, so the communities can have a close look at the collection of samples and see the results of our performance. During the monitoring activities, people can make queries about our processes, express their concerns and provide input. In addition to addressing these concerns, we use these opportunities to assuage doubts about our operation and counteract any misinformation about the company.

During 2023 we scheduled 40 participatory environmental monitoring activities (PEMAs), 30 of which were

successfully carried out. In the remaining 10 cases, the communities did not grant the required authorisation to enter their land and collect the respective samples. For that reason, in 2024 we will focus on starting a dialogue and legitimising the PEMAs to achieve greater openness and credibility with the communities.

The PEMAs mainly focussed on water and air quality in the Record, Tambo and Pumamarca river basins and 224 people attended (approximately 47% women) from Pamputa, Pumamarca, Antuyo, Manuel Seoane Corrales, Record Cconccacca, Chuicuni, and the Chuicuni private property, as well as authorities from Challhuahuacho district.

As part of this process, we delivered 43 reports on the results of the PEMAs to the corresponding authorities. We also held 12 workshops to present the results and help the communities understand the findings and provide us with feedback.

### Environmental Education in the Communities

In 2023 we organised two competitions aimed at raising environmental awareness among the students of the Las Bambas School Reinforcement Program (PREB, in Spanish). These competitions were created for the specific purpose of promoting responsible citizenship through reuse and recycling of materials, during events called My Musical Eco-art, which involved making musical instruments using recyclable waste. The events attracted more than 600 children and their families, which helped us extend awareness among community residents.





# Water Management

(GRI 3-3) (GRI 303-1) (GRI 303-2) (GRI 303-3) (GRI 303-5)

Since their conception, the design of the production system and the water management system has included strategies to optimise water use. Those strategies focus on water management that guarantees the availability of the resource for our production process and contributes to the water security of the basin.

For the production process, we withdraw water from the Challhuahuacho River and store it in the Chuspiri Dam. The average demand for freshwater accounts for 5% of overall demand at the operation. We also have a recirculation system that allows us to reuse a large amount of the water from our production process; i.e., the discharge of process water to the environment is zero. Our water management system includes infrastructure (crown ditches and perimeter channels, sediment dams, clarification dam, check dams, and silt fence, among others) to handle the rainwater that runs through disturbed and undisturbed soil in various mining components, such as the Ferrobamba waste rock dump and Ferrobamba pit. The rainwater is directly conveyed to the watercourse of Las Bambas' operations.

All rainwater that comes in contact with the waste rock dump and the pit is channelled through the contact water handling system using an intermediate sediment dam and the final clarification dam, and is discharged to the environment in accordance with the maximum allowable limits (MALs) established in the regulatory framework (D.S. 010-2010.MINAM).

**We implemented ongoing monitoring activities that help us characterise surface water in all the basins where we conduct mining activity.**

The water that is fit for human consumption comes from groundwater wells and goes through water treatment plants to supply the camps that host our employees and contractors.

As part of our strategy, we implemented ongoing monitoring activities that help us characterise surface water in all the basins where we conduct mining activity. We also collect samples quarterly using piezometers located upstream and downstream of the tailings dam, in the Ferrobamba pit and in the areas surrounding the project.

We assess the trends of metal concentration in total and dissolved fractions, physical-chemical parameters and other chemical elements relevant to the discharge, and this allows us to verify compliance with the MALs applicable to the industry and control the quality of the water. With respect to the receiving body, we comply with the regulations of the Environmental Quality Standard for Water (EQS for Water) – Category 3 of the Ministry of the Environment (MINAM).

A laboratory certified by the National Quality Institute conducts the monitoring by applying certified testing methods. We have 10 hydrometric stations installed at the operation and in the surrounding rivers to measure flow and water volume. We report all this information to the Ministry of Energy and Mines (MINEM), the Environmental Assessment and Oversight Agency (OEFA, in Spanish) and the National Water Authority on a quarterly basis.

We manage our historical environmental monitoring database using specialised software programs such as the EQWin application, Loggernet and digital reports on the Power BI platforms.

In 2023 we prepared a comprehensive water balance study, and this allowed us to identify improvement opportunities and promote transparency and accountability. This standardised version of the balance enables us to make updates in a timely manner.

Below is a general description of our water balance study:

### Water use, 2021-2023 (in ML)

Water Type	2021	2022	2023
Water - Consumption - Entrainment	13,126.00	11,457.00	13,679.00
Water - Consumption - Evaporation	1,640.00	2,261.00	3,041.00
Water - Consumption - Other	1,192.00	1,506.00	1,776.00
Water - Discharge - Ground	0.00	0.00	0.00
Water - Discharge - Third Party	0.00	0.00	139.00
Water - Input - Entrainment	2,306.00	1,759.00	2,601.00
Water - Input - Ground	2,381.00	1,729.00	2,972.00
Water - Input - Surface	21,035.00	20,987.00	25,819.00
Water - Input - Third Party	0.00	0.00	0.00
Water - Inventory	7,537.06	5,958.96	7,898.64
Other managed water - Discharge - Surface	10,456.00	10,903.00	10,520.00
Other managed water - Withdrawal - Other	0.00	0.00	0.00
Other managed water - Withdrawal - Surface	0.00	0.00	0.00
<b>Total</b>	<b>59,673.06</b>	<b>56,560.96</b>	<b>68,445.64</b>

During 2023 we used 18,496 megalitres (ML) of water, 21.49% more than in the prior year. It is important to highlight that the increase between 2021 and 2023 reflects a trend toward recovery in production (and, consequently, in water consumption) to normal pre-pandemic levels and years with uninterrupted production. We reused 111,813.43 ML, and this allowed us to reduce our freshwater demand to the minimum volume required for the production process.

The volume of used water (18,496 ML) was withdrawn from the Apurímac basin, which has a low-medium water stress level, based on data from the Aqueduct - Water Risk Atlas<sup>5</sup> of the World Resources Institute (WRI). Nevertheless, it is worth highlighting that the basin does not present a water deficit.

#### Water consumption by source, 2021-2023 (in ML)

Water Source	2021	2022	2023
Freshwater	1,360.00	1,690.00	2,007.00
Other water	14,598.00	13,534.00	16,489.00
<b>Total</b>	<b>15,958.00</b>	<b>15,224.00</b>	<b>18,496.00</b>

#### Water consumption by water stress area, 2021-2023 (in ML)

Water Stress Area	2021	2022	2023
Low (0-1)			
Low - Medium (1-2)	15,958.00	15,224.00	18,496.00
Medium - High (2-3)			

#### Water consumption intensity - Las Bambas Operations, 2021-2023 (in ML/'000 tonnes milled)

2021	2022	2023
0.329188	0.345661	0.349828

<sup>5</sup> [https://www.wri.org/applications/aqueduct/water-riskatlas/#/?advanced=false&basemap=hydro&geoStore=7bdf6220ed417919f8d0958e9314e979&indicator=w\\_awr\\_def\\_tot\\_cat&lat=56.65622649350222&lng=5.625&mapMode=analysis&month=1&opacity=0.5&ponderation=DEF&predefined=false&projection=absolute&scenario=optimistic&scope=baseline&threshold&timeScale=annual&year=baseline&zoom=2](https://www.wri.org/applications/aqueduct/water-riskatlas/#/?advanced=false&basemap=hydro&geoStore=7bdf6220ed417919f8d0958e9314e979&indicator=w_awr_def_tot_cat&lat=56.65622649350222&lng=5.625&mapMode=analysis&month=1&opacity=0.5&ponderation=DEF&predefined=false&projection=absolute&scenario=optimistic&scope=baseline&threshold&timeScale=annual&year=baseline&zoom=2)





Our water consumption intensity indicator experienced a slight increase of 1.21% compared to 2022, which means that the volume of water used per tonne of ore milled was 0.349828 ML/000 tonnes milled. This variation in the ratio with respect to the prior year is within the expected variability and does not indicate a significant upward trend in water consumption.

In 2023 we recorded 10,659 ML of discharged water, 10,520 ML of which correspond to treated surface

water discharged from the final clarification dam to the Ferrobamba River, a volume that is below our authorised discharge of 14,000 ML; and 139 ML to third-party water, which corresponds to treated domestic wastewater.

The total water withdrawn corresponds to the dewatering of the Ferrobamba pit; therefore, the groundwater volume is used to guarantee the stability of the pit and maintain a safe operation. Most groundwater withdrawn is returned to the natural environment through the final clarification dam.



#### Water discharges, 2021-2023 (in ML)

Discharges	2021	2022	2023
	Volume	Volume	Volume
<b>Total water - Ground</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Groundwater - Other water	0.00	0.00	0.00
<b>Total water - Surface</b>	<b>10,456.00</b>	<b>10,903.00</b>	<b>10,520.00</b>
Surface water - Freshwater	0.00	0.00	0.00
Surface water - Other water	10,456.00	10,903.00	10,520.00
<b>Total water - Third party</b>	<b>0.00</b>	<b>0.00</b>	<b>139.00</b>
Third-party water - Freshwater	0.00	0.00	139.00
<b>Total</b>	<b>10,456.00</b>	<b>10,903.00</b>	<b>10,659.00</b>

**Water withdrawal, 2021-2023 (in ML)**

	2021	2022	2023
	Volume	Volume	Volume
<b>Total water - Ground</b>	<b>4,687.00</b>	<b>3,488.00</b>	<b>5,573.00</b>
Groundwater - Freshwater	2,381.00	1,729.00	2,972.00
Groundwater - Other water	2,306.00	1,759.00	2,601.00
<b>Total water - Surface</b>	<b>21,035.00</b>	<b>20,987.00</b>	<b>25,819.00</b>
Surface water - Freshwater	2,001.00	1,320.00	3,448.00
Surface water - Other water	19,034.00	19,667.00	22,371.00
<b>Total water - Third party</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Third-party water - Other water	0.00	0.00	0.00
<b>Total</b>	<b>25,722.00</b>	<b>24,475.00</b>	<b>31,392.00</b>

**Currently, we are progressively aligning our standards with ICMM's Water Stewardship Framework.**

From the total water withdrawn (31,392 ML) in 2023, we withdrew 25,819 ML from authorised surface water sources, accounting for a 23.02% increase over the prior year.

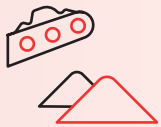
Overall, the presented water indicators reflect our commitment to responsible mining practices. We acknowledge there are aspects we can improve; to this end, we will focus our efforts on analysing the risks and opportunities at the basin level, to optimise our water indicators. We have conducted an analysis based on water models and balances using data collected in previous years (2018-2021). This analysis provides us with a basis to assess the possible scenarios in the long-term management plan. Currently, we are progressively aligning our standards with ICMM's Water Stewardship Framework.





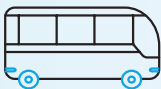
# Air Quality Management

At Las Bambas we implemented efficient controls to mitigate the dust generated at the operations and along the concentrate transport route.



## At the operation

- We watered the roads used by our operations using large tanker trucks and giant sprinklers.
- We have an operational 11-km-long sprinkler system in the pit and in the waste rock dump.
- We reused 1,500,000 m<sup>3</sup> of water for dust mitigation between the tanker trucks and the sprinkler irrigation system.
- We used the Raring automated system with sprays for the primary crusher to create fog and dew drops that capture dust particles.
- We have installed a system of filters at our crushing plant to capture the ore fines generated by the primary crushing process.
- Our conveyor has an ore moistening system on the two transfer towers and at the discharge of ore on the stockpile.
- We have an airtight concentrate warehouse with negative pressure.



## Along the concentrate transport route

- We watered the transport roads using tanker trucks on more than 200 km of unpaved road.
- We installed 19 air quality monitoring stations.
- We monitored the drivers using a system of video cameras installed inside the cabins of the trucks that record their behaviours and actions throughout the route.
- We applied micro-paving on some sections of the public access road.
- We regulated vehicle speed on roads near the towns by requiring speed limits that are stricter than those established by the Ministry of Transport and Communications (MTC).
- We monitored speed using GPS. This activity complies with the provisions required by the MTC.
- Our vehicles only operate in the daytime.
- We established driving shifts that do not exceed nine consecutive days. The standardised working hours are nine days of work with five of rest, plus one day of commuting time.

# Air Quality Measurement in our Operations

We have established an Environmental Surveillance Plan (ESP) with 10 monitoring stations inside the operation and in neighbouring communities within the environmental ADI.

These monitoring activities are conducted on a quarterly basis with the active participation of community representatives. The historical results indicate that all the stations in the ESP meet the criteria of the EQS for Air with regard to the parameters for particles (PM10 and PM2.5) and nitrous and sulphurous gases (NO<sub>x</sub> and SO<sub>x</sub>). The results show a trend similar to previous years and meet the EQS for Air, as shown in the chart below. The monitoring stations are located in the communities.

## Monitoring station results by location (in ug/m³)

Station	Location	PM10	PM2.5	NO <sub>2</sub>	H <sub>2</sub> S	SO <sub>2</sub>	CO-1hr	CO-8hrs
CA-CHAL-01	Challhuahuacho Town	98	25	53	4	10	1,131	833
CA-ANTU-01	Antuyo Town	19	11	122	5	4	6,766	4,708
CA-PUMA-01	Pumamarca Community	19	6	27	4	19	6,658	2,786
CA-CHIC-01	Chicñahui Town	36	12	126	4	10	7,310	1,978
CA-CHUI-02	Chuicuni Community	29	8	19	6	8	1,753	666
CA-CHUI-01	Chuicuni Bajo Community	69	13	33	4	3	1,119	819
CA-MSCO-01	Manuel Seoane Corrales Community	39	9	51	7	4	1,788	827
CA-UMBA-01	Anta Wasi Camp	81	26	42	7	9	1,133	816
EQS for Air		100	50	200	150	250	30,000	10,000

Note: Highest results for particles and gases obtained in 2023.



## Air quality measurement along the concentrate transport route

We have installed 19 automatic air quality (particles and gases), noise and weather monitoring stations in various communities along the concentrate transport route (Antuyo, Chumille, Mara, Pitic, Sayhua, 8 de Agosto, Ccapacmarca, Pumapuquio, Huiniquiri, Wincho, Huallpamayo, Tuntuma, Patacsillo Velille, Velille, Coporaque, Espinar, Condoroma, Imata and the Pillones station). The measuring methods of the equipment were certified by the National Quality Institute, which provided us with the official results.

It is worth highlighting that 75% of the data we obtained for our reports from the monitoring stations had 95% validity, as established by the MINAM air quality monitoring protocol. We also met all the criteria to issue official reports.

Air quality, gas, noise and weather data were transmitted to our servers, which processed more than 30,000 results daily on the Power BI platform and other specialised platforms.



### Air emissions, 2021-2023 (in tonnes)

	2021	2022	2023
Nitrogen oxides (NO <sub>x</sub> )	23,862.97	16,271.07	17,804.30
Sulphur oxides (SO <sub>x</sub> )	33.29	25.76	21.68
Particulate matter (PM10)	4,598.37	3,605.55	2,932.21
Volatile organic compounds (VOCs)	1,170.89	791.12	864.39
<b>Total</b>	<b>29,665.52</b>	<b>20,693.50</b>	<b>21,622.59</b>

# Biodiversity Management

(GRI 304-1) (GRI 304-3)

In 2023 we conducted semi-annual monitoring activities of the local terrestrial and aquatic flora and fauna. We also monitored the rescued flora and fauna located inside and outside of our mining unit on a quarterly basis but with variable frequency. These activities are part of the commitments established in our environmental management documents. The results provide us with updated data and help ensure the effectiveness of our long-term environmental planning.

Although our operation is not in a protected natural area, we have rescue areas within the property for key species in a conservation category, in accordance with national and international laws.

Our environmental management strategy, derived from adhering to the guidelines in our management documents, includes a specific ESP for managing biodiversity with

an ecosystemic and adaptive approach. In our EISA 2 and EISA 3 we identified the environmental impact on biodiversity using the quantitative weighting method based on the Regulation of the Environmental Impact Assessment System of the MINAM, and we adapted the Conesa methodology to determine its value and extent of importance. Our Environmental Offset Plan approved in EISA 2 was confirmed in EISA 3 and includes environmental offset for the impact caused on water resources and biological and hydrobiological resources. Currently, we are in full compliance with commitments in the Environmental Offset Plan.

The ESP includes Before-After-Control-Impact (BACI) monitoring activities that help detect variations in the environment. These activities are done to identify if the changes that occurred in direct monitoring areas are



the result of the project's intrinsic activities or of global changes or natural processes, which would also affect the control areas, due to the dynamic nature of ecosystems. These monitoring activities also allow us to keep an updated list of species of interest for conservation, which is included in the annual biological reports, along with the results of our environmental monitoring activities.

In 2023 we produced a guide of the various species present in our area of environmental influence and shared it inside the organisation. We selected the species featured in the guide based on their conservation status (International Union for Conservation of Nature), endemism and local familiarity.

To help our employees identify and learn about these plants and animals, this guide includes descriptions of 50 flora species, 25 bird species, nine mammal species, four amphibian species, three fish species and two reptile species.

In 2024 we plan to distribute this guide to our stakeholders and contribute to their knowledge and protection of local biodiversity.

## Land Management and Rehabilitation

In compliance with our environmental commitments, after using land, we must commit to carrying out remediation, rehabilitation and soil erosion control work to restore the area. To do so, we have an Erosion and Sediment Control Standard and a Revegetation and Afforestation Procedure.

As part of the commitments outlined in our environmental management documents, we have carried out rehabilitation work that consisted of placing organic soil in the excess material deposit, platform, access roads and quarries, followed by revegetation processes.

The percentage of disturbed areas in 2023 was 0.08% higher than in 2022. In our report on rehabilitated land, we documented a significant 9.95% increase.

We continued to implement our organic soil recovery procedure with the support of our internal departments and strategic partners. The recovered soil is placed in approved organic matter deposits at the mining unit, and this enables us to adopt care and protection measures for organic soil that will subsequently be used in the work we do for rehabilitation and mine closure.

### Disturbed and rehabilitated land, 2021-2023 (in ha)

	2021	2022	2023
Total mine land lease area	7,781.09	7,781.09	7,894.45
Total land disturbed	2,504.92	2,526.12	2,538.50
Total land rehabilitated	102.17	104.17	114.53
Total land disturbed but not yet rehabilitated	2,402.75	2,421.95	2,423.97
Total land disturbed once again in the reporting period	14.00	21.20	12.40
Total land rehabilitated once again in the reporting period	0.67	2.00	10.36
Total area of land rehabilitated and disturbed once again	0.00	0.00	0.00



# Waste Management

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

As in most operations, we generate waste and effluents at the end of our production process, and mining activity specifically generates tailings. We manage them in alignment with the environmental regulations and established MALs, the requirements of our parent company and international standards.

We have a waste management procedure that details the activities that we carry out: generation, separation at source, internal collection, temporary storage, treatment, value assessment and final disposal.

For the comprehensive management of solid waste, we contracted a solid waste operator (EO-RS, in Spanish) duly authorised by the MINAM, whose personnel have received training to safely handle the hazardous materials and waste generated at the site. The operator also has an emergency response area in the event of an incident.

During 2023 we tried to reduce the amount of waste in our landfill and adapted areas for the usable waste. We also purchased compaction and crushing equipment to maximise the assessed value.

In 2023 we did not record any environmental incidents related to the handling and disposal of waste.

## Mining Waste

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

Our activities generate tailings from the concentrator plant and non-acid-forming waste rock from the Ferrobamba pit. Tailings are disposed of at a tailings dam built to the standards of the National Australian Committee on Large Dams (ANCOLD), the Canadian Dam Association and the Canadian Mining Association. For non-acid-forming waste, we work with the Ferrobamba Waste Rock Dump and the TSF, which have an engineering slope design and geochemical control of discharge materials to ensure their physical and chemical stability.

Mining waste is disposed of and distributed between the Huancarane Waste Rock Dump (122.9 million tonnes) and the TSF (52.1 million tonnes), based on geotechnical and mineralogical characteristics.

### Mining waste, 2021-2023 (in tonnes)

Indicator	2021	2022	2023
Mineralised - Non-Acid-Forming Waste Rock Mined	135,003,376	116,206,593	138,261,092
Mineralised - Tailings Generated	47,527,243	43,280,192	52,139,765
<b>Total</b>	<b>182,530,619</b>	<b>159,486,785</b>	<b>190,400,857</b>

## Non-Mining Waste

Non-mining waste includes domestic, industrial or other types of waste that can be divided into hazardous, nonhazardous and special waste (waste electrical and electronic equipment - WEEE and end-of-life tyres - ELTs). A large part of this waste can be reused with appropriate management.

Following are the actions implemented for this waste:

### Domestic Waste

Recyclable domestic waste is temporarily stored in our temporary waste yard, for its subsequent compaction and sale through a duly authorised EO-RS. Non-usable waste is safely disposed to our landfill.

### Industrial Waste

Recyclable waste (paper, cardboard, plastic or scrap metal, rubber and residual oil) is sold through an authorised EO-RS, while non-recyclable waste is sent to an authorised offsite landfill.

### Special Waste

With regard to WEEE, we delivered 67.8 tonnes to the ALMI collective system to assess its value. Since we do not have a system to meet the demand of our mining operation for ELTs, we continue to store them in authorised areas within our facilities.



The following chart shows the total amount of hazardous and nonhazardous nonmineral waste produced during our activities in 2023:

#### Total hazardous and nonhazardous nonmineral waste, 2021-2023 (in tonnes)

Waste	2021	2022	2023
Nonhazardous waste	31,624.15	10,938.30	14,031.59
Hazardous waste	2,076.00	2,022.00	2,590.38

During this period the nonhazardous waste at Las Bambas increased by 28.28%, and the hazardous waste by 6.86%. As for hazardous waste, generation of oil increased by 53.27%.

Overall, the increase in hazardous and nonhazardous waste is due to the progressive normalisation of our production activities, compared to 2022.

In 2023 we disposed of 6,781.72 tonnes of waste to landfills, with more than 98% of nonhazardous waste (5,426.70 tonnes) to onsite landfills and the remaining percentage of nonhazardous waste to offsite landfills.

#### Total nonmineral waste generated, 2021-2023 (in tonnes)

Waste Grouping	2021	2022	2023
Waste - hazardous - oil	701.00	806.00	1,235.36
Waste - hazardous - other	1,375.00	1,216.00	1,355.02
Waste general	31,624.15	10,938.30	14,031.59
<b>Total</b>	<b>33,700.15</b>	<b>12,960.30</b>	<b>16,621.97</b>

#### Waste for disposal, 2021-2023 (in tonnes)

Waste Group	2021	2022	2023
General waste disposed to landfill - onsite	4,326.00	3,848.30	5,426.70
General waste incinerated	0.00	0.00	0.00
Hazardous waste (oil) disposed to landfill	0.00	0.00	0.00
Hazardous waste (other) disposed to landfill - offsite	1,375.00	1,216.00	1,355.02
<b>Total</b>	<b>5,701.00</b>	<b>5,064.30</b>	<b>6,781.72</b>



### Total hazardous and nonhazardous waste for disposal, 2021-2023 (in tonnes)

Waste	Groups	2021	2022	2023
Hazardous	Disposed to landfill - offsite	1,375.00	1,216.00	1,355.02
	Disposed to landfill - onsite	0.00	0.00	0.00
	<b>Total</b>	<b>1,375.00</b>	<b>1,216.00</b>	<b>1,355.02</b>
Nonhazardous	Disposed to landfill - offsite	0.00	57.30	75.56
	Disposed to landfill - onsite	4,326.00	3,791.00	5,351.14
	Incinerated onsite and offsite	0.00	0.00	0.00
	<b>Total</b>	<b>4,326.00</b>	<b>3,848.30</b>	<b>5,426.70</b>

### Transforming WEEE into Smiles

In early 2023 we signed an agreement with Sistema ALMI, AMBIPAR ENVIRONMENT PERÚ and ANIQUEM, to assess the value of waste electrical and electronic equipment (WEEE) and use the funds from the sale of that waste to support the rehabilitation of paediatric burn victims.

We launched the EcoWEEE campaign to raise awareness among employees and strategic partners about the importance of appropriate management of e-waste generated by our operation. The campaign helped us collect more than seven tonnes of waste that was stored and subsequently assessed.

In accordance with the regulation on the special system for WEEE, during 2023 we delivered 67.78 tonnes of WEEE generated by our operation to Sistema Colectivo ALMI, to finance the treatment of 14 burned children.



# Tailings Management

At Las Bambas we are aware of the challenges and complexities involved in tailings management, and we devote our efforts to supervising and managing our tailings storage infrastructure, placing emphasis on critical controls and assessing the risk of possible catastrophic failures. We conduct thorough review processes of design and operation that rigorously address the social, environmental and safety aspects of tailings management. These risks are subject to ongoing surveillance, and we maintain close collaboration with our local communities, government authorities, regulatory bodies and other stakeholders.

In 2023 we generated a total of 52,139,765.48 tonnes of tailings, which account for a 20.47% increase over the prior year.

In its capacity as member company of the ICMM, MMG aligns the management of its tailings with the Global Industry Standard on Tailings Management - GISTM, as part of our commitment to the best practices in the mining industry and to prevent any damage to people and the environment. During 2023 at Las Bambas, we conducted a self-assessment on our application of 77 requirements and 219 criteria of the standard and developed an action plan to ensure compliance.



1	Type (ground, valley, mountain or other)	Valley
2	Dam raising type	Downstream
3	ANCOLD dam failure consequence rating	Extreme
4	Total designed height	220 m
5	Total design capacity	780 Mm <sup>3</sup>
6	Came into service	2016
7	End of service	2032
8	Most recent expert review date	Oct-22

# Management of GHG Emissions

(GRI 3-3) (GRI 302-1) (GRI 302-2) (GRI 302-3) (GRI 302-4) (GRI 302-5)

Since 2020 MMG has been committed to reducing our greenhouse gas (GHG) emissions by 40% by 2030 and reaching zero direct and indirect emissions by 2050. For this purpose, we have committed to work with our key partners and suppliers in all the stages of our value chain to contribute to the transition to a low-carbon economy. We will also protect our assets and strive to improve adaptation and resilience of the neighbouring communities to guard against the potential impact of climate change.

## Greenhouse gas emissions

Our GHG emissions increased by 18.43% in 2023 over 2022, due to greater hauling of material and an increase in the distance to where material was hauled.

The chart below shows the breakdown of our emissions in CO<sub>2</sub>-equivalent tonnes.

### GHG emissions, 2021-2023 (in CO<sub>2</sub>-equivalent tonnes)

Type of emission	2021	2022	2023
Direct GHG emissions	464,699	416,473	477,686
Indirect GHG emissions	201,213	206,580	260,205
<b>Total</b>	<b>665,912</b>	<b>623,053</b>	<b>737,891</b>





Our direct GHG emissions also increased due to the progressive normalisation of our operations. The increase in indirect emissions is related to the operation of our third ball mill.

Direct and indirect energy consumption also increased by 16.74% and 27.26%, respectively, compared to 2022. The chart below details the direct and indirect energy consumption:

Direct and indirect energy consumption, 2021-2023 (in GJ)

Type of consumption	2021	2022	2023
Direct energy consumption	6,843,516.27	6,154,605.72	7,184,942.99
Indirect energy consumption	4,165,265.80	3,708,381.40	4,719,188.35



As for the sources of energy used in 2023, we verified an increase over 2022, mainly due to the normalisation of activities within our operations and fewer days of production interruption due to social conflicts, compared to 2022.

As part of our decarbonisation strategy, in 2024 we will continue to evaluate and analyse the emission reduction alternatives available in the market, to comply with the reduction goals we have set.

#### Direct energy consumption, 2021-2023 (in kWh)

Energy - Fuel Grouping	Material	2021	2022	2023
Acetylene	<b>Total</b>	<b>55,238.33</b>	<b>4,799.92</b>	<b>26,003.50</b>
	Acetylene	55,238.33	41,799.92	26,003.50
Diesel	<b>Total</b>	<b>1,818,135,055.54</b>	<b>1,640,564,333.33</b>	<b>1,917,693,247.77</b>
	Diesel - Electricity Generation	26,451,751.99	29,464,919.14	40,139,174.18
	Diesel - Non-Transport	1,781,829,580.53	1,600,827,441.17	1,867,404,525.08
	Diesel - Transport	9,853,723.02	10,271,973.03	10,149,548.51
Grease - Stationary	<b>Total</b>	<b>1,972,333.33</b>	<b>1,627,444.44</b>	<b>2,061,357.78</b>
	Grease - Stationary	1,972,333.33	1,627,444.44	2,061,357.78
LPG	<b>Total</b>	<b>1,657,225.38</b>	<b>1,612,767.81</b>	<b>1,807,610.14</b>
	LPG - Non-Transport	1,657,225.38	1,612,767.81	1,807,610.14
Oil	<b>Total</b>	<b>79,156,888.89</b>	<b>65,766,355.56</b>	<b>74,229,277.78</b>
	Mineral Oil - Explosives	56,502,000.00	44,167,688.89	48,071,611.11
	Oil - Stationary	22,654,888.89	21,598,666.67	26,157,666.67
<b>Total</b>		<b>1,900,976,741.47</b>	<b>1,709,612,701.05</b>	<b>1,995,817,496.97</b>





# We Mine for Progress

**In our operation, we constantly work on building and strengthening respectful and sustainable engagement with our stakeholders.**

We proactively seek opportunities that contribute to improving people's quality of life. We maintain our commitment to the sustainability of the region, the country at large and to the local communities where we operate. This is how we honour our motto: **We Mine for Progress.**







# Economic Impact on the Region and the Country

(GRI 201-3) (GRI 203-2) (GRI 204-1)

We contribute to social development mainly through positive financial performance, which results in a higher injection of money in local communities through mining canon payments and royalties.

Since the beginning of our operations, we have made significant economic contributions and social investment. We paid more than US \$1.7 billion in taxes between 2014 and 2023, including royalties. The royalties alone represented a disbursement of US \$587 million between

2016 and 2023. Between 2010 and 2023 we invested US \$477 million in the social development of our areas of influence.

Between 2016 and 2023 our value chain contributed to the creation of more than 83,000 jobs. Thirty-five per cent of these employees come from Apurímac and 20% from Cusco. In the same period we also encouraged the revitalisation of the local economy with purchases for more than US \$133.26 million in Apurímac and Cusco.



**Direct economic impact, 2021-2023 (in US \$ millions)**

Indicator	2021	2022	2023
Investments in construction and development	225.4*	207.3	232.3
Total salaries paid	128.4	154	158.2
Domestic and international purchases	1,320.9	1,663.4	1,717.2
Taxes and other payments to the government	247.7	324.3	227.8
Social investment**	31.5	28.3	29.4

\*This figure refers to sustaining capital expenditure (CAPEX); total CAPEX amounts to US \$452 million.

\*\*Does not include compensation.

**Tax management**

Our fiscal strategy is governed by the Peruvian regulatory framework and the requirements established in MMG's Tax Standard. We mainly focus on paying the taxes demanded by the law, reducing risks to a minimum and creating value for our shareholders. During the financial year 2023 we set a historic record in the payments of royalties, which are related to income, while income tax payments, which are related to profitability, were at a historic minimum.

**Tax payments, 2022-2023 (in US \$ '000)**

Tax Type	2022	2023
Employment-related taxes	50,663	54,241
Income Tax	165,526	2,862
Other Taxes	30,030	41,065
Royalties	64,179	111,133
Withholding tax	13,988	18,450
<b>Total</b>	<b>324,386</b>	<b>227,751</b>

**Dialogue with Stakeholders**

We focus on strengthening engagement with our stakeholders so we can work better together in the long term and have valuable impact on society. To this end, we promote the creation of dialogue forums that enable us to interact and build trust with our identified and prioritised stakeholders.

The criteria we use to define our prioritised stakeholders include the impact of our activities on them and vice versa, and a shared vision for the development of the area of influence around our operations.

We acknowledge the importance of making sustainable business decisions that include local, regional and national development plans, and the expectations of the community, in addition to working in coordination with the government, so that it conscientiously invests the funds generated by mining.

Our engagement strategies are aligned with the ICMC's Mining Principles for Sustainable Development.







## Engagement Approach

We employ an engagement strategy that sees social agents as agents of their own development; i.e., the beneficiaries of our programs and projects are able to actively participate in the planning and construction of the future of their communities. This makes us partners in this process and takes away any indication of paternalism. Because we are responsible for contributing to the sustainability of the communities, we intend to build healthy relationships that foster autonomy rather than creating dependence on Las Bambas.

In 2023 our area of influence covered four provinces, 14 districts and more than 80 communities and towns. We continued to apply two priority tools to manage community relations: the 10-year Integrated Site Strategy and the Social Management Master Plan. Given the local and national sociopolitical situation, we intensified our engagement actions aimed at continuing to build respect, dialogue and trust among the parties.

### Memberships - MMG

- International Zinc Association
- Minerals Council of Australia
- Mining Progress Initiative of the Democratic Republic of the Congo
- Extractive Industries Transparency Initiative

**We intend to build healthy relationships that foster autonomy rather than creating dependence.**

### Memberships - Las Bambas

- National Society of Mining, Petroleum and Energy
- Peruvian Copper Promotion Centre (PROCOBRE, in Spanish)
- Peruvian-Australian Chamber of Commerce
- Peruvian-Chinese Chamber of Commerce
- Apurímac Chamber of Commerce

We continued to participate in local dialogue forums, in addition to those established by government authorities. We are always attentive to the invitations we receive, and we ensure our active participation in these forums.

One of the most important aspects of our engagement with people includes respect for our previous commitments and agreements, implementation of social development initiatives, and promotion of local culture and customs by participating in community festivals and cultural activities.

The principles that govern our engagement strategy include:

### **Transparent and Inclusive Communication**

A broad, inclusive invitation to the largest number of social agents in a territory.

### **Leverage**

Each agent contributes its own resources (time, work, capital, land, etc.).

### **Co-Responsibility**

Each agent takes on a key role.







## ***Programa Corazón (The Heart of Las Bambas Program)***

In 2023 we started designing the Heart of Las Bambas Program to strengthen our social management strategy. This fundamental program for the sustainability of our business aims to reinforce our capabilities for engaging with social, institutional and government agents to rebuild relationships of collaboration and promote the reciprocity of our presence in the area.

This comprehensive initiative recognises that the communities are the fundamental driving force of the operation and emphasises the importance of promoting an understanding among the parties to ensure progress and mutual development.

A cross-functional internal team and an external consultant participated in the design of the program. The head office supervises the ongoing alignment among MMG's systems, processes and international best practices. We attentively listen and respond to the aspirations of the local communities regarding development.

We defined the following eight strategic projects that focus on various aspects of the Las Bambas social management strategy:

1. Development of a new engagement model
2. Development of a social investment model
3. Strengthening of shared value chain
4. Development of a land access strategy
5. Design and optimisation of financial approval processes as support for social investment projects
6. Increased community leadership capabilities
7. Strengthening of social management governance
8. Addressing challenges and finding alternatives for logistics transport

The Heart Program is demonstrating that Las Bambas' growth and production goals can coexist with regional development. These strategic projects aim to improve the livelihoods of our neighbours and those who live along the ore transport routes by providing them with better access to education, medical care and more ability to purchase goods and services in the country.

## Land Access, Acquisition and Resettlement

We have improved our land access protocol, which now includes a land access guide prepared as part of Project 4 of the Heart Program. This guide includes key strategic components, as well as the ICMC's and the International Finance Corporation's guidelines, and gives a detailed description of the land access procedure.

In 2023 we updated our land access portfolio, which was validated by MMG's Land Committee. The processes were updated based on the Strategic Development Plan and the Asset Business Plan.

Detailed below are some of the actions we implemented in 2023:

- We held nine Las Bambas Land Access Committee sessions.
- We implemented the effective possession plan of the released area adjacent to the Socorro property, and we installed 2.4 km of fixed mesh on the boundaries.
- We installed 4 km of fixed mesh on the boundaries of the area purchased from the Choquecca Antio and Antuyo communities (Antuyo buffer zone, 82 ha). We also honoured 16 commitments undertaken with both communities.
- We installed 6.4 km of fixed mesh in the area adjacent to the Manuel Seoane Corrales and Chicñahui communities, and with the Marcapuchungo and Chuicuni private properties. We installed a total of 12.5 km of fixed mesh on the boundaries of the property.
- We updated a social feasibility study in the area of tailings dam 2, and we prepared an action framework for resettlement in Chicñahui and Chuicuni.
- We hired the services of a company that will evaluate the resettlement process of Fuerabamba farming community residents.





## Query and Complaint Method

(GRI 2-25)

We strive to manage the queries and complaints of the people in an efficient and accurate manner. To do this effectively, we use proactive communication methods. We receive information from more than 80 farming communities, 19 districts and six provinces from Apurímac and Cusco. These queries and complaints cover both the activities of our company and those of our contractors and suppliers.

To be closer to the people, we have established Permanent Information Offices (PIOs) available to the residents from our area of influence. These PIOs are located in Abancay, Challhuahuacho and Tambobamba. We also have three liaison offices in Ccapacmarca, Velille and Espinar to offer supplementary guidance.

In 2023 we recorded a total of 224 new cases, which accounts for a 27% increase compared to the prior period. These cases are mainly related to local supply and

damages to private property. During 2023 we recorded an average of 55 days to close cases and closed 62% of cases, a 6% improvement over the prior year.

### Queries and complaints, 2021-2023

Year	Number
2021	188
2022	176
2023	224
<b>Total</b>	<b>588</b>



## Queries and complaints received by case type, 2021-2023

Case type	2021	2022	2023
Community health and safety	0	1	0
Compensation and economic benefits	0	0	0
Damages to private property	43	33	24
Economic - local employment	9	5	9
Economic - local supply	132	133	177
Environment	4	4	13
Infrastructure and services	-	0	0
Operating impact	0	0	0
Social investments and commitments	0	0	1
<b>Total</b>	<b>188</b>	<b>176</b>	<b>224</b>

Note: Some figures from Sustainability Report 2022 were adjusted based on updated results.

## Average query and complaint resolution time, 2021-2023

	2021	2022	2023
Average resolution time (in days)	135.7	90.7	55.1
YoY Var %	-34.95	-33.16	-39.19

## Queries and complaints closed within 60 days, 2021-2023

	2021	2022	2023
Closed %	64.36	58.86	63.78
YoY Variance %	141.71	-8.55	+6.08

# Social Investment

(GRI 203-1) (GRI 413-1)

In 2023 we invested more than US \$29.45 million in social initiatives and projects. Most of this was allocated to promote local education and health, reforestation and agricultural initiatives, and the development of local businesses.

The communities also received support for their long-term development plans (to 2030).

As shown in the chart below, our investment had an impact on six Sustainable Development Goals (SDGs), with special emphasis on SDG 1: No poverty.

## Social investment related to SDGs, 2021-2023 (in US \$)

SDG	2021	2022	2023
	19,366,522.00	15,38,357.00	15,387,871.10
	2,903,724.00	4,731,430.00	3,038,102.26
	4,640,652.00	3,036,215.00	3,506,081.91
	4,019,121.00	4,593,127.00	6,847,480.46
	83,105.00	158,235.00	501,582.78
	533,710.00	414,519.00	163,360.00
<b>Total</b>	<b>31,546,834.00</b>	<b>28,322,883.00</b>	<b>29,444,478.51</b>

## Education

Our goal is to improve the quality of school services.

### **Quien Estudia Triunfa (Whoever Studies Succeeds)**

We organised the *Quien Estudia Triunfa* (Whoever Studies Succeeds) contest among the schools in Cotabambas to promote education and capacity-building among students.

### **Access to higher education**

We promoted access to higher education through a partnership with Zegel IPAE business school. The beneficiaries of this initiative have the opportunity to study pharmacology and participate in an internship at the Inkafarma drugstore chain in their first term. Through this partnership and the funding we provide, we expect to finance the largest number of beneficiaries possible between 2023 and 2026, with participants receiving an economic subsidy until they complete their studies. Sixty-two students benefitted from this partnership in 2023.



### **Adult Literacy Program**

To improve the quality of life of senior citizens through education, we implemented the Adult Literacy Program in Fuerabamba community, with a total enrolment of 126 people. The program incorporates technology resources: participants work on tablets using the Focus application and use learning workbooks.

These studies are recognised by the Haquira and Tambobamba Alternative Basic Education Centre. Pursuant to the agreement reached with the Ministry of Education and the DISPURSE foundation, the Regional Bureau of Alternative Education and the Local Education Management Unit will actively monitor this program.



### **Vocational guidance in the communities**

With the support of the Occupational Health area, we implemented a vocational guidance strategy in the communities. As part of the activities, we held motivational talks and gave vocational guidance to the students of Pumamarca community and Gran Amauta School in Challhuahuacho. These talks provided the students with tools useful to them when selecting the career they want to pursue and will enable them to expand their vision to develop professionally, personally and socially in the future.

## Agricultural and livestock farming and forestry development

Our goal is to contribute to agricultural and livestock farming development, food security and improved family income.

The purpose of the *Sembrando la Tierra - Allpata Tarpuspa* (Sowing the Land) Agricultural and Livestock Farming Technical Enhancement program is to provide support to the rainfed sowing model used by the communities, since 80% of the arable land lacks storage and irrigation systems. For that purpose, we delivered agricultural tractors and semi-heavy machinery (backhoes) for the preparation of land and access roads, along with certified seeds and cattle mesh.





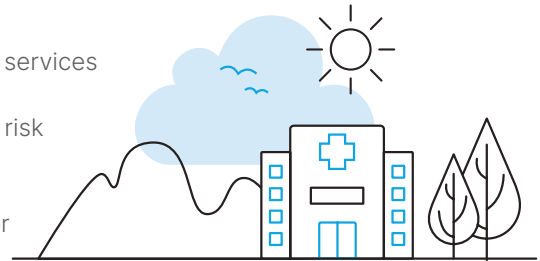
## Health

Our goal is to improve the health and nutrition of families, placing special emphasis on reducing chronic malnutrition and childhood anaemia.

Since 2020 we have implemented the Healthcare Access Program in the communities of our area of influence, to reinforce the availability of better-quality health services and contribute to continuity of care for the most vulnerable population groups. Through this program, we try to ensure that the residents of those communities gain access to good-quality health services.

Results to date:

- The program benefitted 22 communities and provided 13,000 medical services for more than 5,500 people.
- All children under five years of age who tested positive for anaemia or risk of anaemia started their treatment with polymaltose iron and received follow-up services.
- 12 health facilities benefitted from the renewal, purchase, repair and/or maintenance of equipment and materials.



### Inter-institutional cooperation to finance agricultural and livestock farming projects in the mining corridor

We reached an inter-institutional cooperation agreement with Agroideas to benefit production organisations from our host communities. The purpose of this agreement is to build the management capacities of people in the region, with the participation of municipalities and other entities. This enables 18 communities from the area of influence and 98 communities from the Apurímac-Cusco road corridor to access the funding they need to implement sustainable initiatives.

# Social Investment in the Southern Road Corridor

(GRI 203-1)

The Southern Road Corridor (SRC) is strategically important for Las Bambas because it is the route on which trucks transport our copper concentrate to Matarani. Engagement with the communities adjacent to this area is crucial for the development of our operations. In 2022 we defined a productive vision for this area, and we aspire to make it come true by implementing various initiatives.

## Productive vision for the Southern Road Corridor

- Value chain
- Resources and work plan
- Pilot projects
- Institutional architecture
- Private investment opportunities
- Physical and political constraints
- Regional vision
- Sector prioritisation

As a result of the social management strategies implemented during 2023, we have invested US \$3.24 million in partnership with the regional, provincial and district governments and various communities. These are the main financed and executed initiatives:

- Implementation of the Musuq Ruway Project, intended to promote inclusive agricultural and livestock farming development in 26 communities from seven districts in Chumbivilcas and Espinar provinces (Cusco).
- Preparation of development plans for eight communities: Huaylla Huaylla, Tincurca Lacaya, Ahuichancha Huisuray, Lacca Lacca Yamque, Huiniquiri, Cancahuani, Cruzpampa and Idiopa Ñaupá Japo Urinsaya (Chumbivilcas, Cusco).
- Financing of transport for schoolchildren in nine communities (four in Ccapacmarca and five in Mara).

## Investment projects in community infrastructure

- Installation of perimeter fence in the community hall of the Huaylla Huaylla farming community (Livitaca, Chumbivilcas, Cusco)
- Construction of community hall in Ccoyabamba (Ccapi, Paruro, Cusco - Route 5)
- Improvement and expansion of the cemetery in the Huascabamba farming community (Ccapacmarca, Chumbivilcas, Cusco)
- Improvement of the perimeter fence of the Belén cemetery in the Anansaya Ccollana farming community (Espinar, Cusco)
- Improvement of the Huaylla Huaylla chapel (Livitaca, Chumbivilcas, Cusco)
- Implementation of the Pomate synthetic field in the Hurinsayac Hanansayac Ccollana Ayllu community (Yaurisque, Paruro, Cusco - Route 5)
- Purchase of construction materials to improve the Yaurisque hot springs (Paruro, Cusco - Route 5)
- Comprehensive project of Secondary School No. 56261 in Huascabamba community (Ccapacmarca, Chumbivilcas, Cusco). This project is underway and will be completed in 2024.



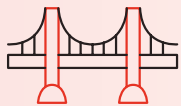
# Investment in Works in Exchange for Taxes (WxT)

The WxT method allows us to boost social investment in parts of our area of influence by carrying out priority infrastructure works for social development. In addition to contributing to local and regional development, this method strengthens the partnership between our company and the public sector to reduce social gaps.

In addition to closing gaps, this method is important because the financed projects boost the economy of our host communities. Execution of these projects involves hiring labour, providing training in civil works; contracting accommodations, food and laundry services; and renting machinery from local entrepreneurs.

In 2023 our total investment was more than US \$22.7 million. According to ProInversión,<sup>6</sup> this important contribution ranks us among the companies with the highest investment through this method in recent years.

Among our significant projects are:



## Construction of Kutuctay Bridge

Civil work ended in March 2024, and we are in the work acceptance process. Upon acceptance, we will make this important infrastructure available to the community. It will not only offer a new connecting road to Cotabambas province but will also enhance the value of community land along the route. This work is a milestone in the development of the province and is impactful for the community, as it reduces travel time to the city of Cusco by four hours.



## Reconstruction of schools

We have two comprehensive reconstruction projects in four schools of Cotabambas province, department of Apurímac: one secondary school in Mara district and three regular basic education schools in Pumamarca community, Tambobamba district. Both projects are in the technical specifications stage, and we expect to complete this process to start work as soon as possible. Through these projects we will create a positive impact on education in our areas of influence.

<sup>6</sup> Peru's Private Investment Promotion Agency.



## Local Employment

(GRI 401-1)

Our operations have prompted significant activity with economic impact at the local and regional levels, while creating direct and indirect jobs. Our employment efforts focus on people who come from the southern macro region, with particular emphasis on Apurímac region. As a result, **3,228 local residents from that region** (mostly from Cotabambas, Abancay and Andahuaylas) gained access to direct and indirect jobs at our operation.

To promote local hiring, Las Bambas is offering various educational programs to train and boost the competencies and skills of local residents. In 2023, we implemented the Local Talent Training Program in Fuerabamba community to train residents so they can apply to different jobs as maintenance technicians, upon completing the three-year training program. We used this process to select 26 community residents after assessing their competencies and skills.



# Responsible Supply Chain

(GRI 3-3) (GRI 204-1)

We acknowledge the importance of having goods and services suppliers aligned with our rigorous operational and sustainability standards, and with the best practices of the industry, since their work is essential for the appropriate operation of Las Bambas.

In 2023 the local purchases in Cotabambas and Grau, in our ADI, amounted to US \$101.6 million, 57% higher than our 2022 spend, while international purchases amounted to US \$251.8 million.

Our supply chain also involves contracting local businesses that provide us with various direct and indirect services. In 2023 we increased our spend by 57% over the previous year in contracting local businesses, through capacity-building and the other programs implemented for that purpose.

According to our records, 877 local businesses provided direct services to our company, accounting for a 28% increase over 2022.

## Purchases in Peru, 2021-2023 (in US \$ millions)

Category	2021	2022	2023
Local/district (Cotabambas and Grau)	62.9	64.6	101.5
Regional (Apurímac and Cusco)	83.7	95.4	31.7
National (Peru)	1,174.3	1,468.0	1,332.2
<b>Total (including international purchases)</b>	<b>1,320.9</b>	<b>1,663.4</b>	<b>1,717.2</b>

## Total spend on local suppliers, 2021-2023 (in US \$ millions)

2021	2022	2023
63,485,411	64,595,458	101,547,194

## Local direct and indirect businesses under contract, 2021-2023

Type of Contractor	2021	2022	2023
Direct (contracting with Las Bambas)	100	96	281
Indirect (through Las Bambas' contractors)	507	590	596
<b>Total</b>	<b>607</b>	<b>686</b>	<b>877</b>



### AICOR Group

We provided training to the AICOR group, a family business from Pisaccasa community composed of nine partners engaged in producing textile garments. We also focussed on connecting the company with six new customers through the execution of agreements. We advised the group on the preparation of a catalogue of products to be distributed among existing and new customers. In November 2023 we recognised the AICOR Group's outstanding participation and leadership in the Las Bambas Entrepreneurship Enrichment Program.

### Chila's Wankarumi Community Business

We currently have a contract with Chila's Wankarumi community business for the maintenance and construction of the drainage inside the mine. This business participated in the bidding process and was previously part of the Las Bambas Entrepreneurship Enrichment Program. It has 236 partners, 22 employees and monthly billing of US \$44,500.

### Huacri and Train Amistad Personnel Transport

We awarded part of our personnel transport service business (46 buses) to Huacri and Train Amistad. All transport service contracts have been awarded to local contractors, with a total spend of US \$46 million over five years. Since travel time on the 239-km Cusco-Las Bambas route is 8-9 hours, it is essential that we maintain the highest safety standards. For that reason, we are considering offering internships that allow participants to gain firsthand experience of the service at other large mining operations.



# Challenges in Operational Continuity

We consider ourselves one of the main partners for the comprehensive development of Apurímac region and the country. Since we started to contribute to the regional economy in 2016, some of our funds have allowed the regional government to invest in the 84 municipalities of Apurímac and the two public universities in the region that operate in Abancay and Andahuaylas provinces.

Despite this large capital injection in the area and the multiple social development projects resulting from the presence of mining, during 2023 we continued to experience a challenging atmosphere as a result of the high level of conflict in the Southern Road Corridor area and in the communities near our area of influence.



## Dialogue forums and conflict resolution

### Huancuire community

During 2023 we continued the dialogue process with Huancuire community. As a result, we established a set of rules for the sessions and an agenda of 14 items for discussion. In December we presented a proposal for the long-term comprehensive development of the community that integrates various social investment and development processes of the Chalcobamba Project, to promote social and economic development. The process resumed in March 2024 with sessions convened by the MINEM, which has acted as facilitator since then. The first educational agreements were reached during these sessions.

### Southern Road Corridor

In 2023 we participated in the dialogue tables convened by the national government with Ccapacmarca and Velille (Chumbivilcas province - Cusco) and Coporaque (Espinar province - Cusco) districts, as part of the Apurímac-Cusco-Arequipa Southern Road Corridor. The purpose of the tables was to establish inter-institutional cooperation agreements to guide social investment at the district level. In March 2024 we reached agreements with Ccapacmarca and Coporaque districts, which were formalised in contracts with an effective term of two years.

# Status of Our Commitments

Las Bambas honours the commitments inherited from the company that was awarded the mining concession in 2004. Following a number of dialogue processes such as public hearings, informational workshops and coordination, along with other smaller meetings, seven commitments were defined in favour of the sustainable

development of Apurímac region and were established in Annex K of the concession agreement.

Upon acquiring Las Bambas, MMG continued to carry out projects and initiatives within the framework of Annex K, and the progress of each is outlined below:

## Implementation of Environmental Impact Study to preserve the environment, flora, fauna and water resources

- In 2023 we conducted 30 participatory environmental monitoring activities with the collaboration of 124 people, 47% of whom were women and 53% men.
- We monitored water and air components within the framework of the EIS.
- We prepared 43 environmental reports that were delivered to 15 communities and five local authorities.

## Creation of job opportunities for professionals, technicians and labourers from Apurímac region and provinces as a priority

- During 2023 we provided training to 591 local residents in employability skills. Twenty local community residents benefitted from the *Talentos de Cobre* (Copper Talents) professional internship program, while 77 benefitted from the economic support program for the continuity of studies (47 for technical studies and 30 for university studies). We also offered training through suppliers of our administrative and customer care areas.
- Thirty-five per cent of our workforce comes from Apurímac region.



## Assisted resettlement of Fuerabamba community and payment of compensation

- In 2010, we signed an agreement with Fuerabamba farming community and established 171 agreements organised in 13 areas (Agreement Summary). We undertook 98 additional commitments with the community between 2014 and 2023.
- We implemented the mentoring program for vulnerable groups that served 130 senior citizens, 13 people with disabilities, and 14 single mothers and/or widows.
- We provided monthly support of US \$405 to each senior citizen, an amount that has increased by 400% since the agreement was executed in 2011.



### Land replacement for agriculture, livestock farming and housing

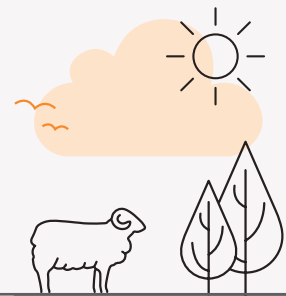
- Within the framework of the resettlement, we delivered land for housing and agricultural and livestock farming activities to Fuerabamba farming community.

### Respect for local culture and customs, especially human rights

- We participated in local cultural activities, mainly community and district anniversaries and celebrations (fairs, carnivals and other festivities). In 2023 we sponsored a total of 207 activities.

### Integration of mining development with agricultural and livestock farming activities

- We implemented the Andean Crops project in 17 communities to benefit 2,006 families each year. Through this initiative we planted 391 ha of crops that yielded 18 t/ha of potatoes, 1,800 kg/ha of quinoa, 1,400 kg/ha of barley and 25 t/ha of forage oats.
- We implemented the project to strengthen the production chain of bovines and sheep in 17 communities and with 1,099 families, resulting in the planting of 131 ha of forage oats to feed 56,000 sheep and 1,411 bovines.
- We continued to manage 22 tree nurseries, resulting in 450,320 pine seedlings per year, and we will have afforested 2,174 ha as of the closing date of this report.
- Between 2016 and 2023 we helped increase the annual gross income of local families from US \$2,298 to US \$6,287.



## Social and environmental responsibility and creation of positive relationships with communities

- We complied with the social and environmental initiatives established in our environmental management documents, which contribute to local social development, including participatory environmental monitoring that involves the people.
- From 2016 to 2023, we have carried out various projects intended to upgrade the quality of local education in the communities of the ADI. Thanks to our contribution, the students of Fuerabamba School scored satisfactory levels in reading comprehension (above 40%) and mathematics (20%)<sup>7</sup>. We also helped close the digital gaps in the schools in Huancuire, Fuerabamba, Pamputa and other parts of the ADI, with particular emphasis on connectivity and technology equipment. Through the Summer School project, we achieved 25% improvement in soft skills among compulsory education students from our ADI, who also recorded a 20% improvement in communication and mathematics.
- As of 2023, 196 young people (51% of them female) were pursuing technical and university studies with scholarships financed by our company. We also provided tutorial assistance to the scholarship holders in Lima, Arequipa, Cusco and Apurímac. As of December 2023, this project recorded a higher education completion rate of 15.6% (42 scholarship holders).
- In 2023 our professional community support program benefitted 96 young people from the ADI with financing to continue their higher university and/or technical education.
- With the *Aprendiendo en Comunidad* (Learning as a Community) project, 60 adults started the literacy process in Fuerabamba, 120 teachers from the schools of the ADI received teaching support, and eight schools obtained financing to implement educational innovations.
- In 2023 we launched two comprehensive medical campaigns in seven communities, benefitting 433 people (988 services in seven specialties).
- In 2023 we supported the Qali Warma National School Food Program, benefitting 470 students from Fuerabamba community and 89 students from Chuicuni community.
- In the Fuerabamba farming community we reduced chronic malnutrition among children under 5 years of age by 0.5 percentage points from 6.80% in 2022 to 6.3% in 2023, and anaemia among children under 36 months of age by 11 percentage points over three years, from 32.1% in 2020 to 21.1% in 2023.
- During 2023 the Nueva Fuerabamba Health Centre provided 18,180 health services.
- We also carried out 30 infrastructure projects and paid 42,880 daily wages for their execution.

<sup>7</sup> Census Evaluation of Students of the Ministry of Education.



# GRI Index

Statement of use		Las Bambas provided information related to the GRI Standards for January to December 2023	
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Sector standard used			
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<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	105	
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