



CAP



**I N T E G R A T E D
R E P O R T
2 0 2 3**



WE CREATE
SHARED
WELLBEING AND
PROGRESS,
**TRANSFORMING
RESOURCES
WITH CHILE
AND THE WORLD.**

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01

2023 Highlights



Letter from the Chairman

Juan Enrique Rassmuss

Sustainable growth: Our vision for the future



To all our stakeholders,

On behalf of the entire CAP Board of Directors, I present to you our 2023 Integrated Report. On a personal level, it is very significant for me to be able to address you as CAP Chairman for the first time, at a moment when, as a company, we are seeking to be part of a vision of the future that positions science and the application of new technologies at the service of Chile's development.

Currently, we have a lot of work to do to achieve the Chile we all want: there are great challenges in education, security, health and access to housing, where dialogue will be key to advance towards the future. Today we have great tools to help us achieve the mission for a more sustainable country, such as artificial intelligence, robotization, industrialized housing, and the great advances that allow us to take full advantage of science and technology.

From this unique conglomerate of companies that make up CAP Group, we are contributing to achieving the Chile we all want by means of the creation of shared value and innovative projects that mitigate environmental impact, encourage the use of clean energies, and bolster access to housing and the progress of the communities we engage with. We thus express our enthusiastic willingness to participate in public and private efforts to make Chile a successful country, one where people enjoy a better quality of life, where there is social justice and where everyone has opportunities to grow and develop.

You will appreciate this vision of the future as we report in these pages on how we have advanced - and how we hope to advance - in the realization of our 2030 Strategy, together with the definition of the role that each of the CAP Group companies plays in it.

Chile has all the materials for decarbonization, among them: iron, which has the potential to be green steel; copper, lithium, cobalt, rare earths, and solutions to generate clean energy. CAP's mission is to promote Chile, not only to become exporters, but in order to become a solutions manufacturing hub at a global level. This roadmap drives us to be a leader in the global decarbonization materials market, delivering high quality employment options for the country through an integrated business portfolio and the development of innovative and sustainable products and solutions. And, certainly, the companies that make up CAP Group strengthened their alignment with this strategy during the year, each one from its own context and circumstances. In the following paragraphs I will briefly summarize how each of our segments advanced towards our purpose of creating well-being and shared progress, transforming resources with Chile and the world.

“ CAP's mission is to promote Chile, not only to become exporters, but in order to become a solutions manufacturing hub at a global level. ”

While this fills us with satisfaction, at the time of writing this letter we find ourselves living a very painful moment, because despite the great efforts from Compañía Siderúrgica Huachipato (CSH) and each of its workers, this was not enough to ensure its present and future.

Despite many years of negative results due to the impact of price distortions caused by steel imports from China, we made every effort to give the company continuity. Proof of this is that in 2023 we subscribed to a capital increase of almost US\$300 million, clear evidence of our commitment to the company and its context, and of our unequivocal intention to continue generating value from CSH.

Siderúrgica Huachipato had managed to become a center of activity and development in the Biobío Region, generating more than 20,000 direct and indirect jobs thanks to a virtuous productive chain and its close work with more than 1,000 SMEs. We are striving to mitigate as best we can the consequences of the decision to suspend CSH operations indefinitely, and we will continue to make every effort to do so.

In terms of our mining activity, Compañía Minera del Pacífico (CMP) strengthened its production of high-grade iron with low impurities. It is worth noting that the company achieved a historic production record, exceeding 17 million tons of iron ore. At the same time, the operations improved their environmental profile during the year, where we can highlight the commissioning of the In-Land Tailings Deposit - with pioneering technology in Chile -, and the increased use of renewable energy and progress in electromobility. Unfortunately, despite these positive milestones and our constant efforts in health and safety, at the end of 2023 we suffered a fatal accident that affected a collaborator from a CMP contractor company. This motivated a thorough inquiry to take actions to prevent this and any other type of incidents.

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We are aligning all of CAP Group’s endeavors with our sustainable growth strategy, including investment decisions, capital allotment, human capital development and the promotion of new businesses and projects, creating a portfolio that leverages horizontal and vertical opportunities.
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In the steel solutions business, Cintac Group’s strategy aims to meet the sustainable housing needs in Chile and Peru through modular steel solutions for fast, clean and efficient construction. In turn, TASA in Argentina seeks to position itself as a key supplier in the developing industrial sector in that country. Our Infrastructure area, meanwhile, continued to look out for new opportunities regarding sustainable water supply, energy supply and port operation services.

This way, we are aligning all of CAP Group’s endeavors with our sustainable growth strategy, including investment decisions, capital allotment, human capital development and the promotion of new businesses and projects, creating a portfolio that leverages horizontal and vertical opportunities.

Leading all this progress are the people who make up CAP, and I would like to acknowledge and thank the efforts that our collaborators make every day in pursuit of these objectives. It should be noted that it is not enough for the company to be successful and for its employees to be proud and committed. At CAP we seek to create shared value in the territories where we operate, creating a cross-cutting effect in terms of our companies’ impact on the communities where they are located. Its excellent position in the SME

payers ranking, agreements with regional universities, the creation of scientific value and the participation of our companies in a series of local education programs are only a few examples of CAP’s ongoing involvement with local progress. The market is recognizing this, proof being that in 2023 we climbed to third place in our sector worldwide in the prestigious Dow Jones Sustainability Index ranking, our best position to date.

I would like to end this message by thanking each of our employees, shareholders, investors, customers, suppliers and all our stakeholders for the trust they have placed in CAP S.A. I invite all of you to look to the future of CAP Group with renewed optimism. As you will see in the following pages, the operational performance and strategic adjustments made during the year leave us in a very good position to face new challenges and project ourselves towards our 80th anniversary and beyond, in order to continue growing, creating value in sustainably, with wellbeing and shared progress.

Juan Enrique Rassmuss
CAP S.A. Board Chairman



Letter from the CEO

Nicolás Burr García de la Huerta

To all our stakeholders,

I am pleased to present our Integrated Report for the 2023 financial year, a document that shows financial, environmental, social and governance indicators, and reports on the main activities carried out during the period.

I would like to start by highlighting that during the year we took important steps in our Sustainable Growth Strategy, and common strategic focuses for the whole of CAP Group, with the aim of being leaders in the global market of materials for decarbonization, through an integrated business portfolio and the development of innovative and sustainable products and solutions, always at the service of our purpose of creating wellbeing and shared progress, transforming resources with Chile and the world. We do this with our communities, from the heart of the Copiapó, Elquí and Huasco valleys, through central and southern Chile with Cintac's operations in Santiago, Huachipato in the Biobío region and Magallanes in Isla Guarello, even reaching the province of Buenos Aires with TASA's operations and the vicinity of Lima, Peru, with our steel solutions operations.

With more than 75 years of history, CAP Group companies have demonstrated their ability to continually reinvent themselves, innovating and adapting to the environment. However, in this first quarter of 2024 we had to face a painful decision: to announce the suspension of steel production operations of Compañía Siderúrgica Huachipato (CSH), due to price distortions that made this activity unfeasible in our country. While we appreciate that the Anti-Distortion Commission has identified significant irregularities in imports from China, it has decided to apply lower rates than those required by CSH to compete on a level playing field.

**Steady towards
decarbonization**



These rates also makes distinctions for producers or exporters from the Asian country, which, in this case, fails to remove significant market distortions.

Based on the resilience that has distinguished us as a group for more than 70 years, we designed a robust plan to ensure the viability of Huachipato's steel business. Among its most relevant aspects, it included a cost reduction with a target of over US\$60 million per year by 2024, together with decisions on relevant operational changes, such as the cessation of the operations of the Talcahuano Bar Rolling Mill.

I would like to use this space to thank for the fight given by the company and to each and every one of its over 2,800 workers for exhausting all possibilities trying to give continuity to the Huachipato steel business. Despite all our efforts, and the transversal support that had been achieved, the necessary anti-distortion measures were not implemented to allow fair competition and equal conditions, making the operation unfeasible. We consider the suspension of Huachipato's steel activity to be an invaluable loss for Chilean industry. CSH is not only the largest steel supplier to the mining industry, its impact on social development and the regional economy is even more significant. More than 90% of its collaborators are local residents and this reinforced the historical ties it has maintained with the community through various joint plans. Likewise, more than 1,000 SMEs in the Biobío region benefit from its production chain. Our focus will be to manage the suspension in the best possible way, ensuring the welfare and safety of all those who will be directly or indirectly affected.

Despite this bitter moment, we are focused on the future and our unwavering commitment to Chile and Biobío. We want to continue to be strategic partners for mining and other industries through the future production of green steel in our pilot plant, with the implementation of innovative technologies for the direct reduction of the mineral. In addition, we aspire to the development of new partnerships that will allow us to use all Huachipato's know-how to continue producing critical materials for the development of electromobility, renewable energies and, in short, for the

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Our route map towards 2030 considers the rise in production and margins in the high-grade iron ore mining business, together with the development of steel solutions in the construction of industrial housing.

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global decarbonization strategy. We will also continue to operate some non-steel businesses, such as port and logistics activities, and others that are currently under evaluation.

Our route map towards 2030 considers the rise in production and margins in the high-grade iron ore mining business, together with the development of steel solutions in the construction of industrial housing. To achieve these objectives, we have robust investment plans for continuity, optimization and future development in all of the companies in the group. In our mining segment alone, Compañía Minera del Pacífico (CMP), in 2023, allocated an amount close to US\$300 million in six projects, including the commissioning of the Filtered Tailings Deposit (DRF in Spanish) in the Pellet Plant, in Huasco, the first industrial plant of its size to allow greater recirculation and reuse of water, setting a new standard for local mining activity.

We can also highlight the projection of our Infrastructure business, with studies for a desalination plant in another location in Atacama, through Aguas CAP, a new crane and pier for the Port of Las Losas, and the generation of transmission options for photovoltaic plants, in the case of Tecnocap, which are aligned with securing critical resources for our current operations.

When we look at results, this year we faced consolidated figures that were affected by the US\$ 149 million provision for impairment of assets applied to Compañía Siderúrgica Huachipato, as well as by the fluctuations in the international price of iron and steel, added to a real estate and construction market that is not growing, among other factors. To these we should also add the Chinese steel imports and the strong distortions they cause in the market.

In this context, our revenues at the end of 2023 totaled US\$2,965 million, representing a year-on-year decrease of 1.4%. Gross profit for the period was US\$ 691.4 million, 9.3% lower than in 2022. On the other hand, the accumulated net result as of December 2023 was a loss of US\$7.0 million, comparable to a net income of US\$226 million in 2022. The EBITDA, meanwhile, reached US\$842 million in 2023, a year-on-year decrease of 7.5%.

It is a source of satisfaction to tell you that Compañía Minera del Pacífico's (CMP) iron ore production closed 2023 with an all-time record of more than 17 million tons, and at the same time we began plans to increase production by an additional 2 million tons by 2028. In the year under review, CMP achieved a gross profit of US\$ 707 million, 6.9% less than the previous year. Meanwhile, its EBITDA decreased by 3.65% to US\$ 906.6 million and the net income of the mining segment reached US\$ 400.4 million in 2023, lower than the US\$ 479.6 million obtained at the end of 2022. Revenues grew by 3.4% over the previous year, reaching US\$1,896 million.

Considering the impairment provision and the continued decline in international steel prices, Huachipato recorded a net loss of US\$-385.5 million at the end of 2023 versus a net loss of US\$-122.4 million in the same period of the previous year. Likewise, CSH reported a negative gross margin in 2023 of US\$

-133.2 million versus US\$ -83.1 million in 2022), an EBITDA of US\$ -155.7 million versus US\$ -91.0 million

in 2022. Total revenues at CSH were US\$ 583.0 million, which represents a 14.5% decrease with respect to 2022.

In the Steel Solutions segment - composed of Cintac in Chile, Tupemesa, Calaminon and Sehover in Peru; TASA in Argentina; and also Promet in Chile and Peru - revenues amounted to US\$522.0 million, representing a reduction of 7.3%, due to an 8.0% decrease in steel product shipments, mainly as a result of lower activity in the construction sector, especially in Chile. However, the EBITDA increased 958.2%, to US\$42.2 million, due to higher margins as a result of the normalization of costs at Cintac during 2023, after a 2022 that was affected by the high cost of steel inventories. As a result, this segment recorded a net loss of US\$30.5 million in 2023, compared to a loss of US\$35.9 million in 2022.

Finally, in CAP Infrastructure, an activity that includes the desalinated water producer and distributor Aguas CAP, the electricity transmission company Tecnocap and the multipurpose port terminal Puerto Las Losas, revenues reached US\$ 107.0 million at the end of 2023, reflecting an increase of 4.4% over the previous year. EBITDA and net income were US\$57.6 million (versus US\$59.3 million in 2022) and US\$21.7 million (versus US\$24.5 million in 2022), respectively.

With an eye on the future in the execution of our 2030 strategy, at CAP we promote innovation in our current operations while developing new business lines that will allow us to widen the group's integrated portfolio in order to achieve our medium-term strategic goals. Specifically, in 2023, we have prioritized a portfolio of initiatives leading to the transition to renewable energy, energy efficiency in industrialized housing solutions, the development of the green steel pilot plant and the study of future businesses for the development of other critical materials for decarbonization.

In this context, we are delighted to announce our recent alliance with Aclara Resources, formalizing CAP's incorporation in the rare earths market, which is a key milestone for our company's operations. This association formalizes the possibility of creating a new company to generate products with added value based on iron alloys and rare earths, which are used as raw materials for the final manufacture of permanent magnets. The first step of this alliance is to develop the Modulo Penco project in the Biobío Region, in order to

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With an eye on the future in the execution of our 2030 strategy, at CAP we promote innovation in our current operations while developing new business lines that will allow us to widen the group's integrated portfolio in order to achieve our medium-term strategic goals.

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subsequently grow in initiatives that allow us to offer the market added-value solutions based on the use of rare earths, critical materials for electromobility, renewable energies and, in short, to take Chile a step further in the industrialization it needs.

The 2030 Strategy shows us a clear path, which through disciplined governance and a group culture, will enable us to leverage the core competencies of our companies and thus take a relevant role in the materials space for decarbonization. We have the opportunity to be leaders in these solutions, taking advantage of the synergies of an integrated portfolio, where the extraction and processing of minerals in future processes allow us to supply our customers with key inputs for the new sustainable industrialization.

Engagement with the territories is particularly important to us, considering we are a conglomerate of eminently regional companies. More than 90% of our companies' collaborators are local residents, which reinforces the historical ties that Grupo CAP has maintained with the community. The use of local resources and jobs in CMP's activities this year reached 40%, well above the industry average, while in CSH more than 1,000 SMEs in the Biobío region have benefitted from its production chain.

Our progress in diversity has also been relevant, the clearest example being CAP's Board of Directors, 43% of whom are women and professionals with different backgrounds who contribute with a broad and innovative

perspective. Likewise, the presence of women on CMP's executive committee reached 60% in 2023, something unprecedented in the mining industry. Cintac Group also stands out in this area, as 43% of its Board of Directors is made up of women.

The contribution of the group's companies to the fight against climate change has also increased this year. Among other initiatives, CMP has strengthened its commitment to emission reduction, becoming the first private mining company in the country to have a 100% electric bus fleet. An additional measure this year was the consolidation of the operation of Electric Shovels at Los Colorados Mine, a project that means a reduction of approximately 10,000 tCO₂eq (tons of carbon dioxide equivalent) per year. Likewise, CMP continued with the decarbonization project of its Pellet Plant, carrying out an analysis of the different fuel alternatives available, deciding on the use of natural gas by 2026. In the same line of action, Siderúrgica Huachipato already uses 100% renewable energy in its processes.

In the context of the water shortage affecting the country, at CAP Group we are committed to recycling and reducing our water consumption. To this end, we produce and use desalinated seawater at the Aguas CAP plant in Caldera, supplying this element to all CMP's operations in the Copiapó Valley and, more importantly, we also supply desalinated water to the plants that supply drinking water to the communities of Caldera and Chañaral. Also contributing to the care of water resources in the Atacama and Coquimbo

regions, after ceasing dumping from the Pellet Plant at Chapaco, as of September 2023 CMP does not generate effluents, since the water resulting from the tailings of the processes is recirculated. Moreover, this year our mining company submitted several files to the Dirección General de Aguas (DGA) for the use of water at Minas El Romeral, Mina Los Colorados, Mina Cerro Negro Norte and Minas El Algarrobo.

All these contributions have been recognized internationally. The renowned Dow Jones Sustainability Index (DJSI) ranked CAP Group as the third most sustainable company in the world in the Steel sector in 2023. Therefore, we moved up one position from last year's fourth place in the category. This is the seventh consecutive year that we have ranked among the industry's top performers in the DJSI. Additionally, CAP Group was included, also for the seventh consecutive year, in the Dow Jones Sustainability MILA Pacific Alliance Index, which acknowledges companies in Chile, Colombia, Peru and Mexico.

Before concluding, I would like to express my heartfelt appreciation to the more than 13,000 people who, with their daily work, enthusiasm, and firm commitment, contribute to the achievements we have outlined in this report. Special thanks also to all employees of Huachipato for their support and efforts regarding the measures to protect, care for and make possible the steel activity of Huachipato, a historic activity for the country, which undoubtedly leaves a legacy among all of us and especially in the Biobío Region.

All the progress made during 2023 positions us as a leading company in critical materials for decarbonization, integrating innovative and sustainable solutions for our customers. As I end this message, I urge you to continue trusting CAP Group, whose purpose inspires us to continue contributing to the sustainable development of Chile.

“
The renowned
Dow Jones
Sustainability
Index (DJSI)
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as the third
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company in the
world in the Steel
sector in 2023.

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Nicolás Burr García de la Huerta
CEO of CAP S.A.

2023 in brief

→ Main results

During 2023, CAP Group took important steps to implement and align itself around its sustainable growth strategy aimed at energy transition and decarbonization, under the fresh eyes of its Board of Directors and the new members of corporate management.

This common culture, whose purpose is to create wellbeing and shared progress, has led CAP Group to report the following results at the end of the 2023 fiscal year:

THUS\$ 2,964,899

Consolidated revenues

THUS\$ 841,756

Consolidated EBITDA

17,015,000

Tons of iron ore shipped

THUS\$ 691,391

Gross profit

270,236

Tons of steel solutions shipped

691,517

Tons of steel shipped

-THUS\$ 6,987

Consolidated net income





→ The year's milestones

Sustainable Growth Strategy ESG 2030 Goals

- Reduction of **24% to 30%** in Scope 1 and 2 **CO₂ emissions**.
- **100% use of renewable energy** in all new projects.
- Reduction of freshwater withdrawal by **35%** for current projects and operations.
- **35% of women** in leadership positions.

Sustainability and ESG

- **CAP S.A.** Board of Directors committed to diversity: **43% of the Board is composed of women and professionals with different backgrounds**.
- **CAP, Cintac Group** and Déficit Cero sign an agreement to **reduce the housing deficit in Chile to zero**.
- Alliance with the Chilean Association of Municipalities (ACHM) to **broadcast mental health content from the Sana Mente TV program** - co-produced by CAP, CNN Chile and Rassmuss Foundations - in local medical centers throughout the country.

/ CMP

- Compañía Minera del Pacífico (CMP) hired **100% local workers and 40% local contractors**, well above the industry average.
- Reinforcing its commitment to reducing emissions, CMP became the **first private mining company in the country to have a fleet of 100% electric buses**.
- CMP commissioned its **Filtered Tailings Deposit**, with a pioneering technology even outside of Chile.
- CMP initiated the project of **4 hydroacoustic buoys** in the sea off the Chungungo locality to monitor and map underwater noise, and thus **understand and safeguard marine wildlife**.

/ AGUAS CAP

- Aguas CAP's contribution to Caldera's water supply reached **60% of the drinkable water** consumed by the community during the high season.
- Aguas CAP **initiated its decarbonization plan** through the early termination of an energy contract.

/ CSH

- The **accident frequency rate at CSH decreased by 60%**: from 3.8 in 2022 to 1.2 in 2023.

Performance



/ CMP

→ Compañía Minera del Pacífico's (CMP) iron ore production closed 2023 with a **record of more than 17 million tons**.

/ CSH

→ Despite the complex economic scenario, during 2023 Huachipato managed to increase its sales by 14% with respect to 2022.

/ CAP INFRASTRUCTURE

→ (Puerto Las Losas, Aguas CAP and Tecnocap) recorded **zero accidents** during the entire 2023 fiscal year.

/ CINTAC GROUP

→ Cintac Group advanced in its strategy of developing **industrialized solutions and sustainable materials to address the housing deficit** in Chile and Peru.

→ The Promet Plant (Cintac Group) **was certified as "Industrializing Enterprise"** by the Housing and Urban Planning Ministry **to develop social housing**.

Acknowledgements and awards



The globally renowned **Dow Jones Sustainability Index (DJSI)** ranked **CAP Group** as the third most sustainable company in the world in the Steel sector in 2023.



Compañía Siderúrgica Huachipato (CSH) obtained the **Huella Chile seal** from the Ministry of the Environment, which certifies the **legitimacy of the company's carbon footprint calculation**.



CSH received recognition from occupational social security entity **IST** for its **outstanding Health & Safety Management**.



Puerto Las Losas received the 2023 **Tucapel González García award for Workplace Safety and Health Management**, bestowed by the Social Security Superintendence.



CMP received **first place in the Chilean Payers Ranking** conducted by the Chilean Commodities Exchange and the Chilean Entrepreneurs Association.



02

Sustainable Growth Strategy

History

Throughout its 77 years of history, CAP Group has demonstrated its ability to continually reinvent itself in its iron ore mining, steelmaking and steel processing activities, always innovating and adapting to market conditions and the demands of the environment and its stakeholders

1946

Compañía de Aceros de Pacífico S.A. is created.

1950

The Huachipato Steel Plant is inaugurated and commissioned in the bay of San Vicente, region of Biobío.

1959

Mining activities begin with the acquisition of “El Algarrobo”, iron ore site in the region of Atacama.

1971

“El Romeral” iron ore mine, located in the region of Coquimbo, is acquired.

1978

Inauguration of the Pellet Plant in Huasco.

1981

The company is reorganized, forming CAP Enterprises Group. Creation of Compañía Siderúrgica Huachipato S.A., Compañía Minera del Pacífico S.A. and Abastecimientos CAP S.A.

1995

CAP signs a joint venture contract with MC Inversiones, subsidiary of Mitsubishi Corporation, to develop the expansion of Los Colorados mine together.

2000

CAP acquires 26% of Cintac, entering the steel processing business.

2010

The incorporation of Mitsubishi Corporation into Compañía Minera del Pacífico is materialized, with a 25% of shares.

2013

Reorganization of Compañía Siderúrgica Huachipato's productive activities, focusing on the manufacture of long products and suspending the manufacture of flat products.

2014

Inauguration of Compañía Minera del Pacífico's Cerro Negro Norte mine. The area of Infrastructure is created with the commissioning of a desalinating plant in Caldera and a power transmission line.

2018

Cintac consolidates its presence in the Peruvian market, mainly through the acquisition of Calaminon, with activities in the modular construction solutions sector

2020

The development of Phase V Norte in Compañía Minera del Pacífico's El Romeral Mines is approved. Cintac acquires 60% of Promet Servicios, leading company in mining modular construction solutions.

2021

Grupo CAP achieves outstanding results, issues a bond for US\$300 million in the United States and refinances Aguas CAP's desalinating plant project finance with a green loan of US\$152 million. Inauguration of the new bulk material transfer system in Puerto Las Losas, Atacama. 100% of the energy used by Compañía Siderúrgica Huachipato is renewable.

2022

CAP signs agreement with CORFO, receiving US\$3.6 million in funds to finance a green hydrogen pilot project. CAP receives 2022 Business of the Year award. Siderúrgica Huachipato incorporates a workers' representative in its Board of Directors.

2023

Definition of the 2030 Strategy with a focus on growth and sustainability. CAP achieves historic production record of more than 17 million tons of iron ore. CAP Group is recognized as the third most sustainable company in the world in its sector by the global Dow Jones Sustainability Index (DJSI).





The company and its ownership

CAP is an open limited company, registered in the Financial Market Committee (CMF). The legal framework that regulates CAP, due to its legal form, are laws N°18,045 on the Securities Market and N°18,046 on Limited Companies.

In 2023, there were no changes to its tax ID, company name, legal nature, or any other important modifications in CAP's ownership.

Name

CAP S.A.

Tax ID

91.297.000-0

Address

**Gertrudis Echeñique N°220,
Las Condes, Santiago, Chile.**

Countries of operation

Chile, Peru and Argentina.

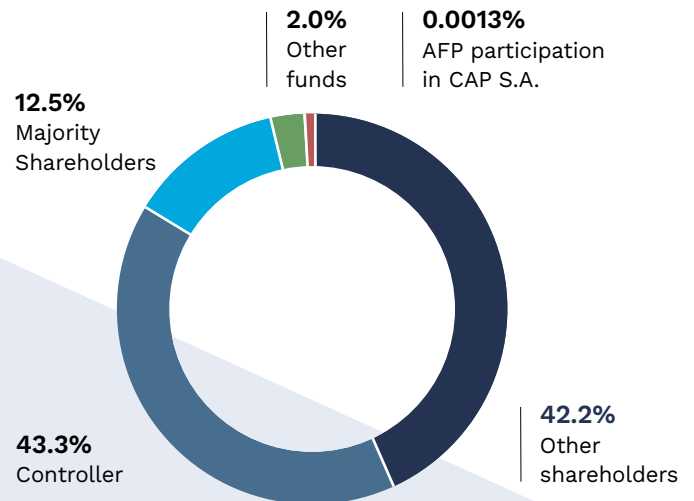
→ Major Shareholders

CAP has two main shareholders, the controller¹, with 43.31% of shares, is the open limited company Invercap S.A. (tax ID N° 96.708.470-0), and M.C. Inversiones Ltda., (tax ID N° 79.866.800- 5), a subsidiary of Mitsubishi Corporation, holds 12.5% of shares.

Invercap S.A. is controlled by Inversiones Hierro Viejo SpA, tax ID N° 76.051.930-8, with 34.55% of its shares, and which is, in turn, controlled by Mr. Juan Enrique Rassmuss Raier, ID N° 7.410.905-5.

M.C. Inversiones Ltda., majority shareholder, has the faculty to appoint a member of CAP's Board of Directors.

The remaining 44.2% of the shares belong to other shareholders and funds.



149,448,112

Number of shares²

3,737

Number of shareholders
Share price Santiago Stock Exchange

1. Members of the controller have no joint action agreements.
/ 2. All shares have voting rights and the company only has one series of shares.

The twelve largest shareholders of CAP S.A. as of December 31st 2023, classified by number of shares and percentage of holdings, are the following:

Name	Tax ID	Number of shares	(%) Equity participation	Type of shareholder
Invercap S.A.	96.708.470-0	64,731,088	43.31%	Controller
M.C. Inversiones Ltda.	79.866.800-5	18,681,015	12.50%	Majority shareholder
Banchile Corredores de Bolsa S.A.	96.571.220-8	8,469,790	5.67%	Other
Banco de Chile on behalf of State Street Bank	97.004.000-5	6,598,663	4.42%	Other
BCI Corredores de Bolsa S.A	96.519.800-8	3,663,721	2.45%	Other
Larraín Vial S.A. Corredora de Bolsa	80.537.000-9	3,489,535	2.33%	Other
Banco Santander on behalf of foreign investors	97.036.000-K	3,375,661	2.26%	Other
Fundación CAP	71.493.900-9	3,299,497	2.21%	Other
South Pacific Investments S.A.	96.627.480-8	2,877,970	1.93%	Other
Santander Corredores de Bolsa Ltda.	96.683.200-2	2,348,855	1.57%	Other
Itau Corredores de Bolsa Ltda.	96.665.450-3	1,918,403	1.28%	Other
Consorcio Corredores de Bolsa	96.772.490-4	1,898,574	1.27%	Other

/ SHAREHOLDER REGISTRY

The Company's Shareholders Registry is administered through the company DCV Registros S.A. ("DCV Registros"), subsidiary of Depósito Central de Valores S.A. DCV Registros is a company whose exclusive business activity and sole function is the administration of Shareholders and Contributors Registries. DCV Registros has 21 years of experience and manages more than 600 limited liability companies and investment funds, servicing more than 285,000 shareholders and contributors.

/ REMOTE SHAREHOLDER CUSTOMER SERVICE

+562 2393 9003

atencionaccionistas@dcv.cl

Monday to Thursday from 9:00am to 5:00pm.

Friday from 9:00am to 4:00pm.

/ DCV REGISTROS CONTACT CHANNELS

Customer service office

Av. Los Conquistadores 1730, piso 24, Providencia.

Opening hours: Monday to Thursday from 9:30am to 5:00pm, Friday and holiday eves from 9:30am to 4:00pm.

By appointment only. Bookings can be done via email on reservas@dcv.cl or phone number +562 2393 9003.

→ Dividend Policy

The Company's dividend policy, approved in the 2023 Ordinary Shareholders Meeting, considers distributing as definite dividend 50% of the distributable net profits of each financial period.

Notwithstanding, the Company's Board of Directors has the legal prerogative to agree on provisional dividends for the current period, which, if it were to happen, will be deducted from the definite dividend. Said provisional dividends will be agreed upon and eventually paid out in August and December, based on the accumulated results up to June and September, respectively.

In the case of the August provisional dividend, this will amount to 20% of the distributable net profit accumulated up to June, and the December provisional dividend will consist in the additional necessary amount to complete 30% of distributable net profits accumulated as of September, whichever the case.

The decision of paying out a provisional dividend will also take into consideration the expected profits for the whole period, macroeconomic and business conditions, as well as the company's and its subsidiaries' investment plans and financing policies. Based on general market conditions and Company-specific conditions, the Company's Board of Directors will be able to assess and propose the distribution of additional or eventual dividends to shareholders, especially in periods in which the Company has had very favorable results -and always keeping as a base condition the preservation of a robust balance that ensures resources for future capital needs, as well as allowing it to better face potential negative business cycles.

The dividend policy is part of the company's approved Capital Allocation Framework. It provides a wide strategic and financial structure,

which guides our decisions regarding dividend distribution and reflects our commitment to an efficient and sustainable capital allocation.

Paid out dividends based on the year's profits

Profits	Dividend quality	Amounts (Thousands of US\$)
From the period	Provisional	0
	Definite	52,530
Accumulated in previous periods	Provisional	0
	Definite	0
Total		52,530

Paid out dividends per share

Dividend Nº	Type of Dividend	Date payment	US\$ per Share
132	Provisional	November 3, 2020	0.1283
133	Provisional	December 22, 2020	0.2043
134	Definite	April 26, 2021	0.6927
135	Eventual	April 26, 2021	1.0037
136	Provisional	August 26, 2021	0.75
137	Definite	April 25, 2022	2.2547
138	Provisional	August 29, 2022	0.2933
139	Provisional	December 23, 2022	0.1355
140	Definite	April 25, 2023	0.351491

Transactions in the Santiago Stock Exchange

Period	Average price per share (CLP)	Equity ratio	Volume in thousands of shares	Amount (Thousands of CLP)
Year				
2022	8,549	100%	78,818	673,788,087
2023	6,242	100%	52,810	329,651,048
2023 Quarters				
1st Quarter	6,972	100%	10,208	71,166,390
2nd Quarter	6,063	100%	13,636	82,678,500
3rd Quarter	6,099	100%	14,851	90,568,947
4th Quarter	5,782	100%	14,116	81,616,125



/ OTHER SECURITIES

Regarding other securities issued by the entity, different from its shares, the Company issued an international bond under SEC Rule 144A, in the United States, dated September 18th 2006 and valid until September 15th 2036. As of December 31st 2023, its balance is at US\$40.8 million. It also issued an international bond under SEC Rule 144A in the United States, dated April 27th 2021 and valid until April 27th 2031, for a total amount of US\$ 300 million.

For 8 years, CAP
S.A.'s Ordinary
Shareholders Meeting
has been available
via streaming

/ INFORMATION FOR INVESTORS

The company provides answers to various concerns from investors and other stakeholders. It has a Corporate Finance Management, which includes an Investor Relations area within its structure, for this purpose; while the Corporate Affairs and Sustainability Management focuses on engaging with all interested parties.

The Company's Corporate Governance Good Practices Manual includes a mechanism to detect and implement improvement opportunities in the process of elaboration and communication of the information from the Group to the market, which considers the employment of an external company to analyze the situation annually based on a benchmark.

For shareholders, all relevant information for the Shareholders Meeting is published on the Group's corporate website, including that related to Director candidates when appropriate. By the same token, it is worth noting that CAP has enabled a remote voting system so that shareholders can exercise their right to vote.

→ Investor Relations

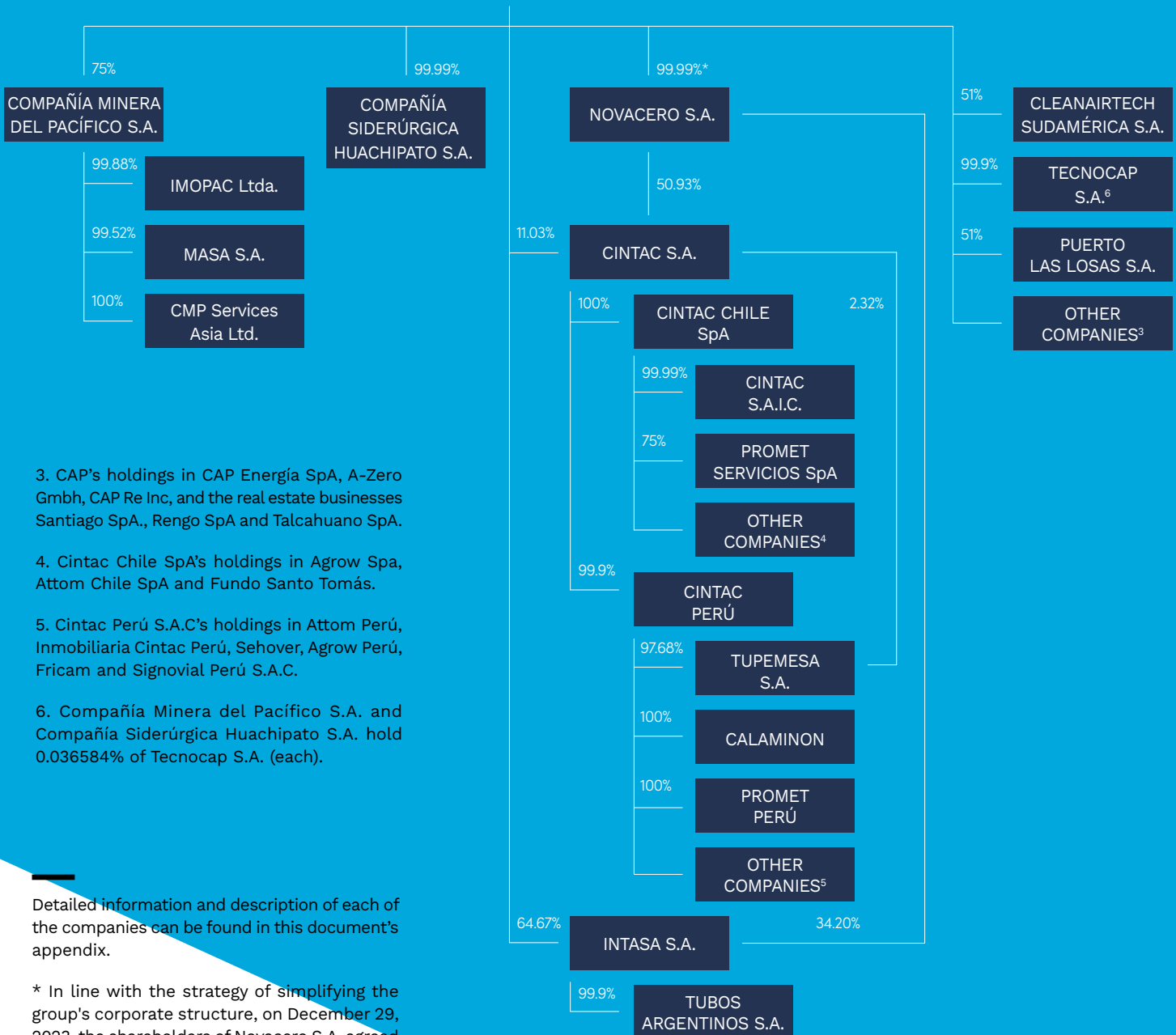
Eduardo Valech
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Deputy Relations
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Javiera Mercado
Finance Manager
(562) 2818 6150
jmercado@cap.cl



Corporate Structure

Below are the companies that make up CAP Group.



3. CAP's holdings in CAP Energía SpA, A-Zero GmbH, CAP Re Inc, and the real estate businesses Santiago SpA., Rengo SpA and Talcahuano SpA.

4. Cintac Chile SpA's holdings in Agrow Spa, Attom Chile SpA and Fundo Santo Tomás.

5. Cintac Perú S.A.C.'s holdings in Attom Perú, Inmobiliaria Cintac Perú, Sehover, Agrow Perú, Fricam and Signovial Perú S.A.C.

6. Compañía Minera del Pacífico S.A. and Compañía Siderúrgica Huachipato S.A. hold 0.036584% of Tecnocap S.A. (each).

Detailed information and description of each of the companies can be found in this document's appendix.

* In line with the strategy of simplifying the group's corporate structure, on December 29, 2023, the shareholders of Novacero S.A. agreed to dissolve it, assuming a new corporate name: Novacero S.A., in liquidation.



Activities and businesses

CAP Group is today one of the most complete industrial conglomerates and with the greatest contribution to the development of the country, through its operations in mining, specialty steelmaking and steel solutions. It is also active in the port industry, water desalination services and energy transmission.



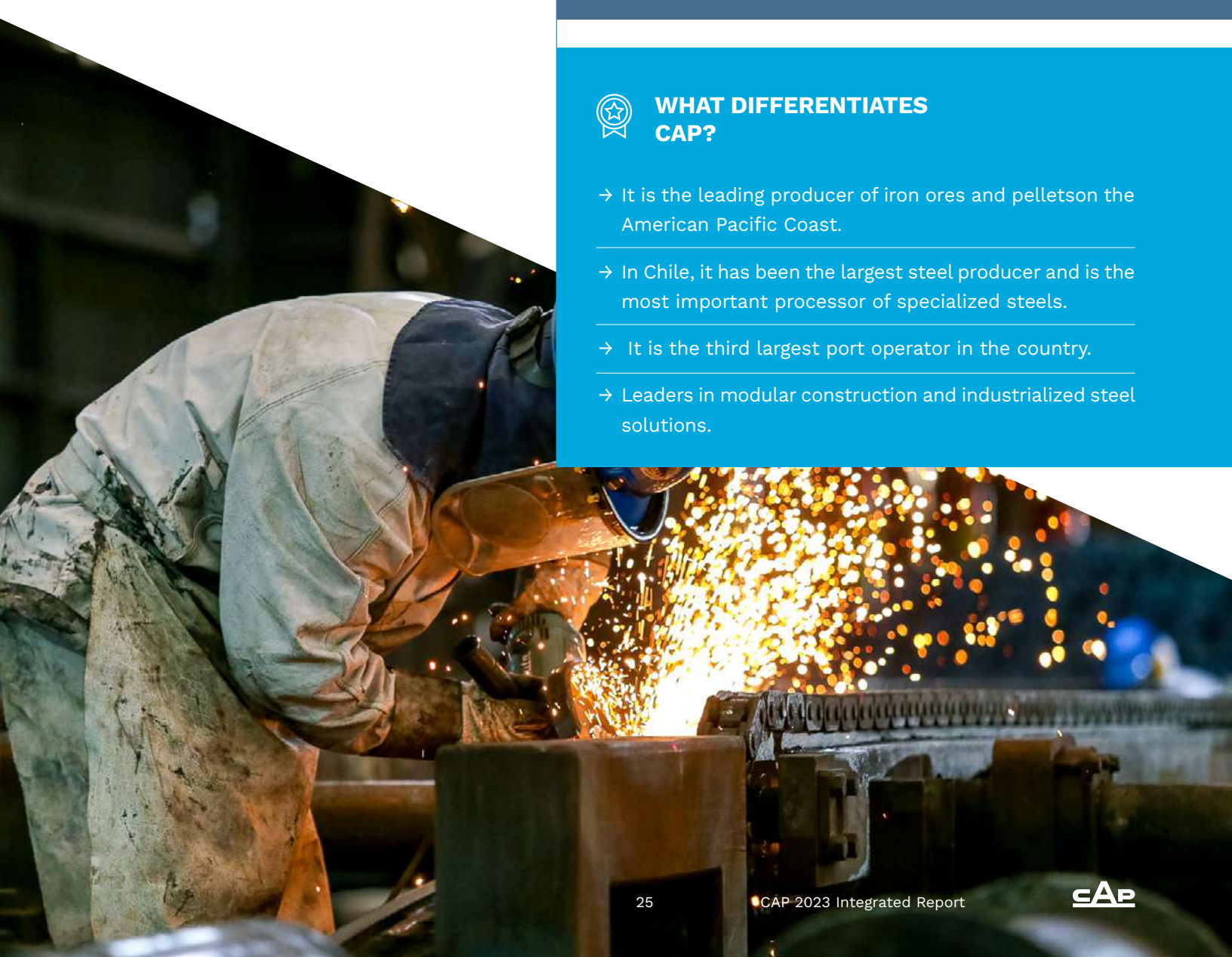
GLOBAL PRESENCE

CAP Group is present in Chile, Peru and Argentina, with mining and industrial operations. In commercial terms, its products are distributed in multiple countries in the Americas, Asia and Oceania.



WHAT DIFFERENTIATES CAP?

- It is the leading producer of iron ores and pellets on the American Pacific Coast.
- In Chile, it has been the largest steel producer and is the most important processor of specialized steels.
- It is the third largest port operator in the country.
- Leaders in modular construction and industrialized steel solutions.





Mining

Compañía Minera del Pacífico (CMP)

It is the main producer of iron ores and pellets on the American Pacific coast. From its mining deposits and plants located in the Atacama and Coquimbo regions, CMP produces different products that are exported and used as raw material to manufacture steel. The company produces 99% of the iron exported by Chile.

→ Main products

1. Chippings: granulated iron ore, produced at Minas El Romeral's facilities
2. Pellet: from iron ore produced at the Pellet Plant
3. Sinter Feed: Iron fines, raw material for Sinter production
4. Pellet Feed: Iron ore concentrates used in the production of pellets for blast furnaces or direct reduction

→ Quality and sustainability

What makes CMP unique is that it produces magnetic iron with up to 69% iron (Fe), which is one of the highest levels and therefore of the highest quality in the world. Magnetic iron contributes to the sustainability of the steelmaking process by requiring less raw materials and energy in the production of steel, resulting in lower emissions into the environment.

/ CMP'S MINING FACILITIES

Cerro Negro Norte Mine

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

Los Colorados Mine

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

El Romeral Mines

In operation since 1956, it is located 22 km northeast of La Serena. The products obtained from ore processing are pellets, fines and pellet feed.

/ PROCESSING PLANTS

Magnetite Plant

Located in Tierra Amarilla, it produces iron concentrate (Pellet Feed) from industrial mining waste, recovering the mineral through various concentration processes. It is one of the largest circular economy processes worldwide.

Pellet Plant

Located 5 kilometers from the port of Huasco, the ore fed to the process comes from Los Colorados Mine, where it is subjected to various stages of crushing and dry magnetic concentration, obtaining the product known as pre-concentrate.

/ PORTS

Punta Totoralillo

Located 25 km north of Caldera, it receives the material sent from the different plants in order to complete the shipping process to its final destination. In 2023, 6.8 million tons were shipped from Puerto Punta Totoralillo.

Puerto Guacolda II

Near the Pellet Plant, south of Santa Barbara Bay, 4 km south of Puerto Huasco. In 2023, 8.1 million tons were shipped from Puerto Guacolda II.

Puerto Guayacán

Located northeast of the mouth of the Herradura Bay and south of the Port of Coquimbo. The facilities receive iron from Minas El Romeral, transported by train directly from the mine, thanks to the 38-kilometer railroad. During 2023, 2.1 million tons were shipped from Puerto Guayacán.



Steelworks

Compañía Siderúrgica Huachipato (CSH)

The only integrated steel company in the country. For more than 70 years, it has produced long steel products from iron, coal and limestone, guaranteeing high purity and quality, to supply companies that reprocess and deliver them to the mining, metal-mechanic and construction industries.

→ Virtuous Circle

A large part of steel production in Chile originates in CMP's iron ore, to become a strategic input in the production of grinding media for copper mining and return to domestic steel production as scrap (CSH), thus being a circular economy chain that contributes to the development of the communities in which its activities are carried out.



→ Products

CSH manufactures carbon steel, medium and low alloy steel, semi-finished and finished products in the following forms:

1. Bars for mineral grinding media
2. Reinforcing bars for concrete and straight bars
3. Helical bars and bolts
4. Special steels

/ CSH'S MINING FACILITIES

Limestone mine

Located in Isla Guarello (Magallanes Region), it is the southernmost mine in the world where limestone, one of the raw materials for steel production, is extracted.

/ PROCESSING PLANTS

Steel Plant: Huachipato

CSH is an integrated steel industry, as it produces pig iron by reducing iron ore at the Blast Furnaces. It then transforms this pig iron into liquid steel at the Conox Steel Mill, from which billets are produced in the Continuous Casting unit. After that, the billets are rolled to deliver higher value-added end products to the market.

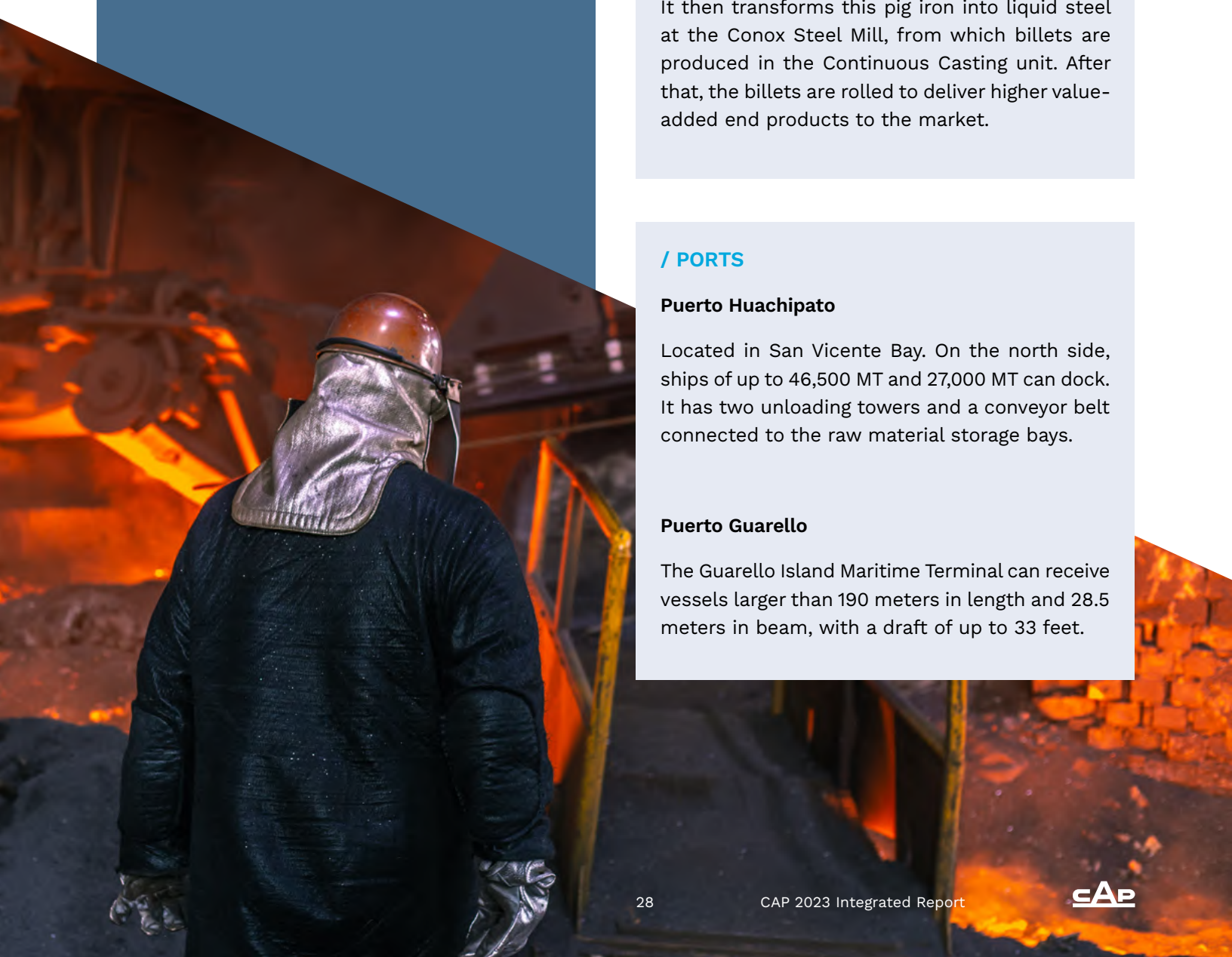
/ PORTS

Puerto Huachipato

Located in San Vicente Bay. On the north side, ships of up to 46,500 MT and 27,000 MT can dock. It has two unloading towers and a conveyor belt connected to the raw material storage bays.

Puerto Guarello

The Guarello Island Maritime Terminal can receive vessels larger than 190 meters in length and 28.5 meters in beam, with a draft of up to 33 feet.





Steel Solutions Cintac Group

Cintac Group is an organization of companies that participates in the Chilean and Peruvian markets, providing innovative solutions in the sectors of modular construction for mining, agriculture, energy and housing construction.

→ Sustainable construction

In addition to offering a varied product line that includes tubes, profiles, pipes, sheets, roofing, cladding, insulating panels, structural and infrastructure elements, Cintac Group aims to lead the industrialized and modular housing construction in Chile and Peru.

/ CHILE

It is composed of Cintac SAIC, Promet Servicios, Attom and Agrow, which manufacture and commercialize their entire product mix in the domestic market and export abroad, operating through manufacturing facilities and sales offices.

/ PERU

It is comprised of the operating companies Tupemesa, Calaminon, Corporación Sehover and Promet Perú, which manufacture and trade their entire product mix, solutions and services in the Peruvian domestic market and export abroad, operating through manufacturing facilities and sales offices.

→ Main products and services

They are related to the construction, building solutions, modular solutions for mining, agricultural and energy markets.

→ Main products and services

Oriented towards the construction, modular and mining markets.



Steel Solutions Tubos Argentinos S.A. (TASA)

Argentine company focused on the production of construction systems and integral solutions through the transformation of steel, as well as providing logistics and innovation services.

/ OPERATIONS

TASA operates in two plants, located in the provinces of Buenos Aires and San Luis.

→ Main products

Manufacture of steel pipes and tubes with seams, rolled profiles, profiles for dry construction and road defenses.



CAP Infrastructure

The objective of this business unit is to promote and develop initiatives that add value through the creation of competitive advantages that make these companies the best service alternative for CAP's mining and steel business units and other potential customers located in the areas of operation

/ PUERTO LAS LOSAS S.A.

It is the main multipurpose port terminal in the Atacama Region dedicated to the transfer of bulk minerals, project cargo and general cargo. It offers 29 hectares enabled as a primary customs zone, facilitating foreign trade operations.

/ CLEANAIRTECH SUDAMÉRICA S.A. (AGUAS CAP)

Cleanairtech Sudamérica S.A. (Aguas CAP) owns a desalination plant located in Caldera (Atacama Region), supplying desalinated water to CMP's operations in the Copiapó valley and to other customers in the area.

/ TECNOCAP S.A.

Tecnocap S.A. manages its own power transmission line and substations, satisfying the energy demand of CMP's Cerro Negro Norte mine and Aguas CAP's desalination plant.



Vision for the Future

During the 2023 fiscal year, CAP Group worked on a shared vision of the future among its companies, based on its competitive advantages and considering global megatrends that provide unique opportunities for differentiation in the creation of wellbeing and shared progress through the transformation of resources with Chile and the world.

CAP Groups seeks to be a leader in the global market for decarbonization materials, through an integrated business portfolio and the development of innovative and sustainable products and solutions.

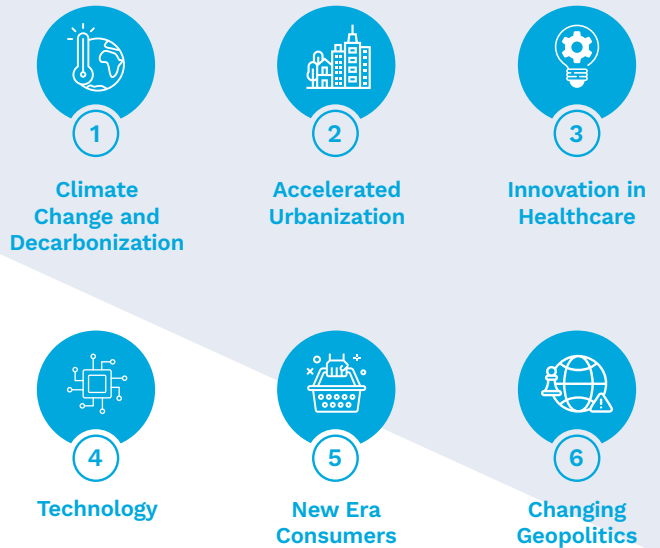
In order to achieve this future development strategy, CAP Group is driven by its competitive advantages, among which the following stand out:

- Extensive mineral exploration reserves for new opportunities
- Critical infrastructure and resources in ports, desalinated water and energy
- Unique integrated value chain in the country and the region
- Experience in hard rock mining, mining metallurgy, industrial mining and construction
- License to operate
- Engagement and commitments with communities and territories

/ MEGATRENDS POSITIONING CAP GROUP

In addition to these competitive advantages, the company's future is fueled by the identification of potential structural changes, which are long-term and should be considered as key factors in investment decisions. These changes have far-reaching consequences on the world around us and are therefore referred to as "megatrends".

At CAP Group we observe six megatrends that are defining our future, modifying life patterns and the business environment.



Given the characteristics of our current operations, the projects in our investment portfolio, and our competitive advantages, the Group has concluded that it is significantly aligned with two of these major transformations: (1) Climate Change and Decarbonization and (2) Accelerated Urbanization.



Strategic Direction

Since the declaration of CAP Group's Purpose in March 2022, during the 2023 period the companies that shape it have been working in a participatory and collaborative manner on the Group's strategy. It is based on three pillars: strategic alignment among the group companies; the continuous improvement of corporate governance, defining functions of greater addition of value from the corporate center to ensure the creation of value in the companies; and a group culture based on the incorporation of the values of excellence, innovation, collaboration and integrity.

/ PURPOSE

We create wellbeing and shared progress, transforming resources with Chile and the world

→ Sustainable growth strategy

To be a leader in the global market for decarbonization materials, through an integrated business portfolio and the development of innovative and sustainable products and solutions.

→ Definitions of CAP Group's new values

Collaboration: Sharing knowledge, experience and leadership to achieve objectives.

Excellence: We seek continuous improvement in all our processes, products and services, applying high standards of quality, simplicity, integrity and safety.

Innovation: We encourage creativity, critical thinking and the exploration of new ideas.

Integrity: We act correctly and transparently, not only complying with the law but also with the spirit of the law.

→ Strategic Focuses and Alignment

As we have already mentioned, the strengthening of the Sustainable Growth Strategy has entailed a process of improving integration and strategic alignment among CAP Group companies. This Strategic Alignment Framework establishes three approaches to prioritize value opportunities across companies.



01

Operational continuity

To ensure business stability, continuity and efficiency in terms of:

- Accidentability
- Production levels
- Financial stability and profitability
- Competitive position
- Community engagement
- Environmental impact

02

Strengthening Current Businesses

→ To enhance current businesses with growth initiatives and drive differentiation with products and services that have a lower carbon footprint and that reduce the consumption of the planet's water resources.

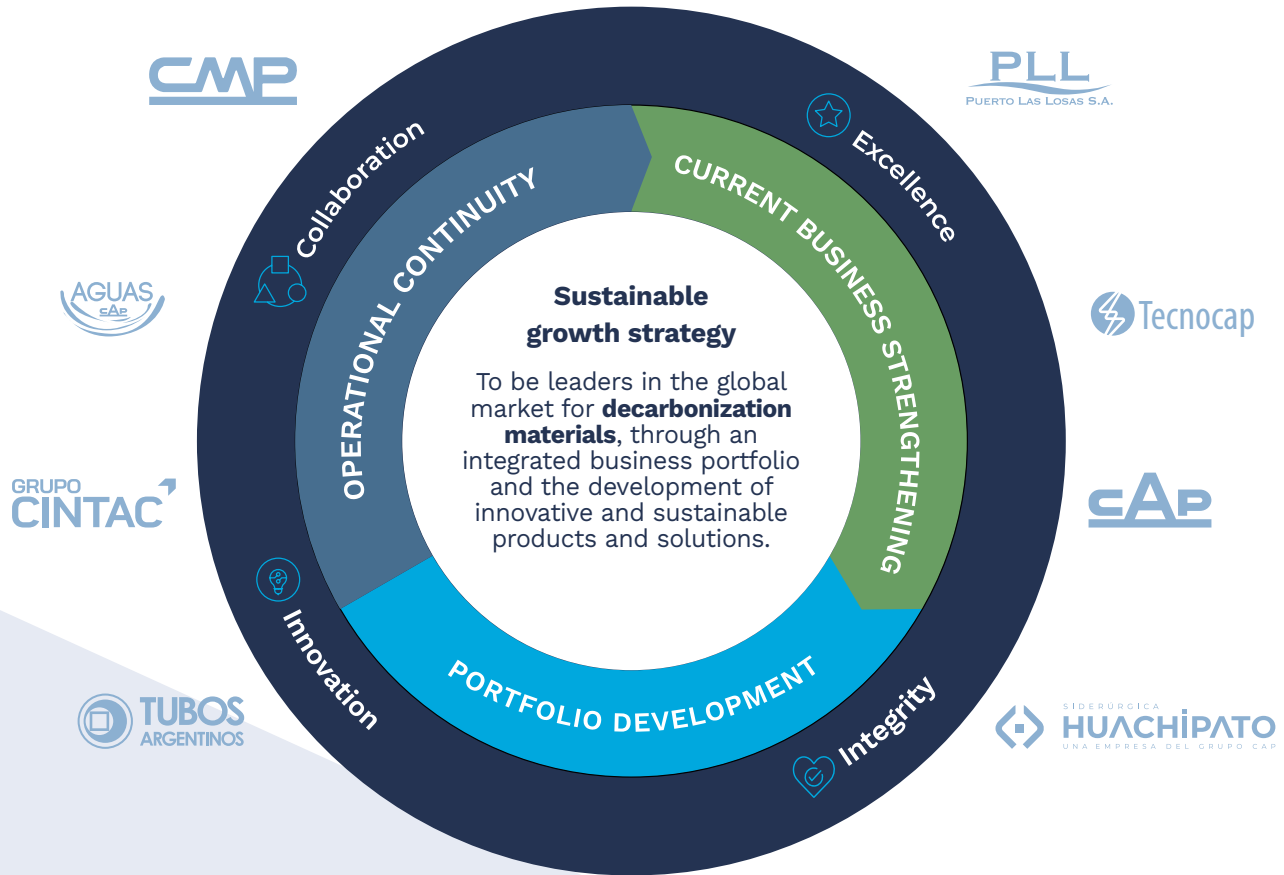
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Portfolio Development

→ To develop portfolio composition with businesses that have synergies with the iron value chain or are in line with decarbonization and the reduction of consumption of the planet's water resources.



→ CAP Group's Strategic Map



“We generate wellbeing and shared progress, transforming resources with Chile and the world”

CAP Group's Strategic Map covers all the key elements to define our Strategy

Thanks to its competitive advantages, CAP is in an attractive position to be a leader in the global market for decarbonization materials, through an integrated business portfolio and the development of innovative and sustainable products and solutions. In this regard, we seek to strengthen the iron and steel value chains, prioritizing the development of key materials for the decarbonization

of these industries, developing, for example, green steel, HBI and vanadium. In addition, we recognize the importance of other essential materials for a decarbonized world, such as copper, lithium, rare earths, nickel, among others, which also represent attractive opportunities in economically sound markets, where our competitive advantages would allow us to be successful.



To ensure the success of our strategy, we have defined strategy drivers, which have a detailed action plan for 2024, and thus ensure rigorous monitoring through our Strategic Plan.

→ Strategy drivers

- Strategic Alignment
- Governance
- Culture and Leadership
- Sustainability
- Access to capital
- Technology

→ Alignment of companies with CAP Group's Strategy

In order to develop their business portfolios and facilitate the success of the strategic focuses, the action plans of each of the Group's companies are aligned with the purpose and the 2030 Strategy.

/ CMP

To move towards high-quality iron products in pursuit of the decarbonization of the steel industry.

/ CSH

High performance steel grinding media bars that contribute to the reduction of Scope 3 emissions in mining.

/ CINTAC GROUP

Modular steel solutions that are energy efficient to industrialize construction.

/ TASA

Steel solutions for the development of the industrial sector in Argentina.

/ CAP INFRASTRUCTURE

Sustainable water, port and energy services, allowing access to strategic resources.



Potentially exceptional volume growth, life extension and product quality, factors that enable CMP to become a world leader in high-grade iron ore products.

/ PROJECT PORTFOLIO IN CMP

To extend the life of mines and increase production

- Growth projects at pre-feasibility-study stage
- Potential to nearly double current production levels by 2040
- High ore grade allowing for superior quality products: target of Pellet Feed with 68% Fe (iron)

Development of Huasco Valley

- Potential increase of 5 thousand million tons per year
- Los Colorados Life of Mine (LOM) to 2050
- Algarrobo and Alcaparra satellite deposits

Development of Elqui Valley

- High quality: 68-69% Fe
- Potential increase of 9 thousand million tons per year
- El Tofo LOM: 25 years.



/ PROJECT PORTFOLIO AT HUACHIPATO

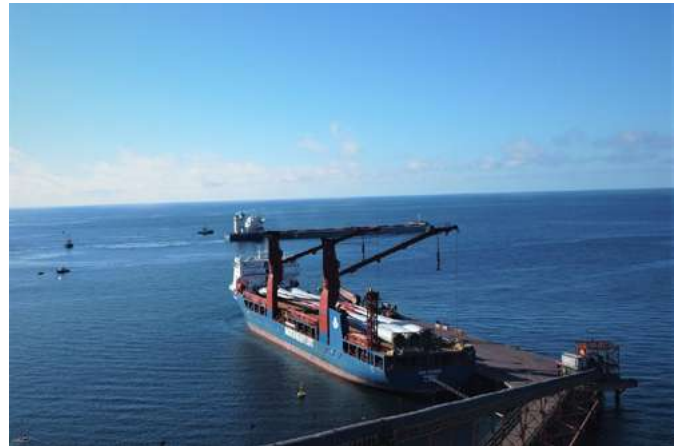
Implementing operational excellence

- Workplace safety frequency rate decreased by 60%, from 3.8 in 2022 to 1.3 in 2023.
- Optimizations in Blast Furnace 2 to achieve efficiencies in steel production.
- Differentiation processes for the production of specialized steels.

Huachipato's commercial strategy in 2023

- Differentiated value proposition for mining through a Product as Service approach:
 - Performance based on anti-wear recipe.
 - Reliable local supply.
 - Products with higher value-added margin.
- Partnership with SMS, a world leader in metallurgical engineering and technology, for the development of a green steel Pilot Plant.

CAP Group is one of the major suppliers to copper mining, a material that is one of the main electro-conductors in a world that is moving decisively towards electrification.



/PROJECT PORTFOLIO IN CAP INFRASTRUCTURE

Puerto Las Losas (PLL), Aguas CAP and Tecnocap

Leveraging the full potential of existing assets

- Improve the profitability of existing assets with new contracts that expand the commercial customer base.
- Maintain high standards of service by increasing asset reliability.
- ESG development plan: community and environmental standards.

Increase utilization of existing assets

- **Aguas CAP:** +200 l/s of desalination capacity in the short term and double actual capacity in the medium and long term.
- **Puerto Las Losas:** New mobile crane and complementary infrastructure for bulk cargo.
- **Tecnocap:** Potential for connection of solar photovoltaic plants.

Experience, diversification and clean energy

- Generate solar energy options with potential capacity of 400 MW.
- Feasibility studies for a new water desalination plant in Huasco by 2024.
- Possible expansion of PLL for a second terminal for iron ore and other bulk cargoes.

/ PROJECT PORTFOLIO AT CINTAC GROUP

Transforming construction and driving growth

- To promote thermally efficient industrialized housing through external structures and modular solutions.
- To become a leading partner to customers in digitized construction through early integration with Construction and Design Information Management tools for Fabrication and Assembly.
- Consolidate regional markets, with the objective of strengthening and growing the EBITDA.

/ PROJECT PORTFOLIO AT TUBOS ARGENTINOS (TASA)

To develop products for the development of the industrial sector in Argentina and other export markets.



Sustainable Value

At CAP Group, sustainability is not a mere declaration of intent, but it is found at the core of its corporate activity and of all its companies, being inherent to the global strategy and the decision-making process. This has been possible because CAP has clear governance in each of its component companies.



CAP Board of Directors: The Sustainable Growth Strategy was approved by CAP's Board of Directors, with Board members participating in its definition.

CAP's Strategy, Sustainability and Talent Committee: Composed of 3 representatives of CAP's Board of Directors, it deals with the most relevant matters related to the implementation of the Sustainable Growth Strategy.

Corporate Affairs and Sustainability Management: It leads the implementation of the 2030 ESG Road Map, aligned with the Sustainable Growth Strategy, which is executed by the companies that make up the Group.

Corporate Affairs and Sustainability Committee: In charge of communicating the guidelines from the Corporate Affairs and Sustainability Management to the respective management units that lead strategic projects in the Group's companies.

→ Contribution to SDGs

CAP Group is part of the Global Compact Network in Chile and subscribes to the United Nations' Sustainable Development Goals (SDG), which provide guidelines for contributing to sustainable development in the territories and communities in which the Group's operations take place. The information in this Integrated Report constitutes the annual Communication on Progress

(CoP) of the Global Compact, an initiative by the UN to examine critical issues related to sustainability in the world.

The Group has focused its efforts on promoting eleven of the seventeen SDGs as strategic priorities, specifically those that are most relevant to contributing to the wellbeing of its stakeholders and the environment.

Featured Actions related to SDGs

3 GOOD HEALTH AND WELL-BEING



Mental health care is one of CAP Group's priorities. Not only for its workers, but for society in general.

Success stories: Promotion of mental health care through the co-production of the **TV Program Sana Mente**.

4 QUALITY EDUCATION



Supporting local education has been a long-standing commitment among the Group's companies.

Success stories: Development of specific programs such as **Alfadeca, Educación Dual and support to municipal high schools**. Work experience programs from different universities and technical training centers.

5 GENDER EQUALITY



Policies and actions that encourage the incorporation of women on the companies' boards of directors, and in management, executive and operational positions in the organization.

Success stories: CAP S.A. has a board of directors composed of **43% women**.

In addition, **60%** of CMP's Executive Committee is **made up of women**.

6 CLEAN WATER AND SANITATION



Supply and sustainable use of water through Aguas CAP's desalination plant.

Success stories: Aguas CAP's contribution to Caldera's water supply system represents **60% of drinkable water consumption** during the high season.

8 DECENT WORK AND ECONOMIC GROWTH



Development of the territories through the creation of quality labor options and partnerships with local suppliers and associations.

Success stories: CAP Group has **87% local workers and 51% local contractors**.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Investment plans for its projects and operating sites, with an unrestricted commitment to safety and sustainability.

Success stories: Cintac Group **presented Casa Vita**, its first two-dimensional industrialized social housing unit, built without the use of water and entirely of steel.



At CAP Group, we celebrate our success stories regarding Sustainable Development Goals (SDGs), demonstrating that a strong commitment to sustainability can positively transform our world for the next generations.

11 SUSTAINABLE CITIES AND COMMUNITIES



Territorial management plan with a constant strengthening of the work with its stakeholders.

Success stories: Support for the **Coya indigenous community** through Aguas CAP, a company that supplies water to their agricultural plantations.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Circular economy in waste reuse and recycling processes.

Success stories: **CMP's Magnetite Plant in Tierra Amarilla**, which recovers iron from tailings.

13 CLIMATE ACTION



Sustainable growth strategy based on decarbonization, with innovative initiatives.

Success stories: Portfolio of projects for extraction of **materials for decarbonization**.

14 LIFE BELOW WATER



CAP Group continues to make efforts to protect biodiversity and marine life in the areas where its companies operate.

Success stories: CMP **installed four hydroacoustic buoys** in La Higuera to monitor and map underwater noise and thus safeguard ocean wildlife.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



CAP Group has policies, structures and programs that promote and extend the responsibility to ensure respect for the standards and principles to all the people who make up its companies.



Success stories: During 2023 CAP executed a **recertification process for its Compliance Program** through an external audit.

/ 2030 ESG ROAD MAP

Sustainability and ESG management during 2023 focused on strengthening governance between the Corporate Center and the Group's companies. Thanks to this constant alignment exercise, the Group has redefined the way in which it will manage sustainability in the short, medium and long term.

To this end, in 2023 the Group was able to define its priorities in this area, in line with the various issues that were prioritized during the materiality process carried out⁷:

/ SUSTAINABILITY STRATEGY AND ESG MANAGEMENT








 <h3>Environmental</h3> <ul style="list-style-type: none"> → CO₂ emissions (in Scopes 1, 2 and 3) → Use of renewable energies → Energy intensity → Atmospheric emissions → Production water use and water efficiency → Revenues from sustainable products and solutions → Tailings Management → Environmental Compliance 	 <h3>Social</h3> <ul style="list-style-type: none"> → Local Purchases → Local Suppliers → SME payments within 30 days → Local Workers → Community perception → Commitment from Workers → Women in labor force and in leadership positions → Gender Pay Gap → Safety 	 <h3>Governance</h3> <ul style="list-style-type: none"> → Risk Management → Cybersecurity → Ethical Compliance
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All of CAP Group companies' strategic projects are in line with the ESG commitments it has assumed -another example of the way in which sustainability is at the core of the Group's activities, business plans and development projects.

Currently, the Group has set ambitious ESG Goals, which set the tone for the development of new investments, improvements in current operations, and the strengthening of powerful sustainability initiatives, which are already showing excellent results in environmental, social and governance matters.

⁷ For more information on material topics and the materiality process, please see the Materiality subsection in the Appendix chapter.

ESG 2030 Roadmap

ESG Aspect	KPI	2030 Target	Associated SDG
CO ₂ emissions (in Scopes 1, 2 and 3)	CO ₂ tons per period	24 - 30% reduction in Scope 1 and 2 ⁸ CO ₂ emissions.	
Use of renewable energies	% use of renewable energies during the period	100% use of renewable energy in all new projects, starting in 2030.	
Production water use and water efficiency	% of seawater used during the period	Reduction of freshwater withdrawal (from inland sources) by 35% ⁹ .	
Mental health	Number of initiatives to promote mental health care	Increase to 3 initiatives between 2025 and 2030, at least one for each of the following stakeholders: → Society in general → Communities → Workforce	
Local workers	% Local workers during the period	Maintain 85% of local workers	
Commitment from workers	% commitment measured through SSINDEX Employees	Maintaining values above 85% for each period between 2025 and 2030	
Female leadership	% of leadership positions occupied by women	35% of women in leadership positions	

8. Based on the 2020 baseline in Scope 1 and 2. / 9. Considering the 2020 Baseline of fresh water withdrawal.

03

A photograph of four business professionals in a modern office setting. They are gathered around a small table, engaged in a meeting. The room features large floor-to-ceiling windows that offer a view of a sunset or sunrise, with the sun low on the horizon. The office furniture includes red chairs and a glass table. The scene is silhouetted against the bright light from the window.

Governance and Strategic Alignment



Governance Framework

CAP's governance framework comprises the structure and practices that facilitate the proper functioning of the company's corporate governance.

→ **Handbook of Good Corporate Governance Practices**

This document, updated and approved by the Board of Directors in 2022, defines and gathers the main guidelines and practices in this area, and aims to be a guide on governance, both for directors and executives, as well as for shareholders, investors, employees, and other stakeholders.



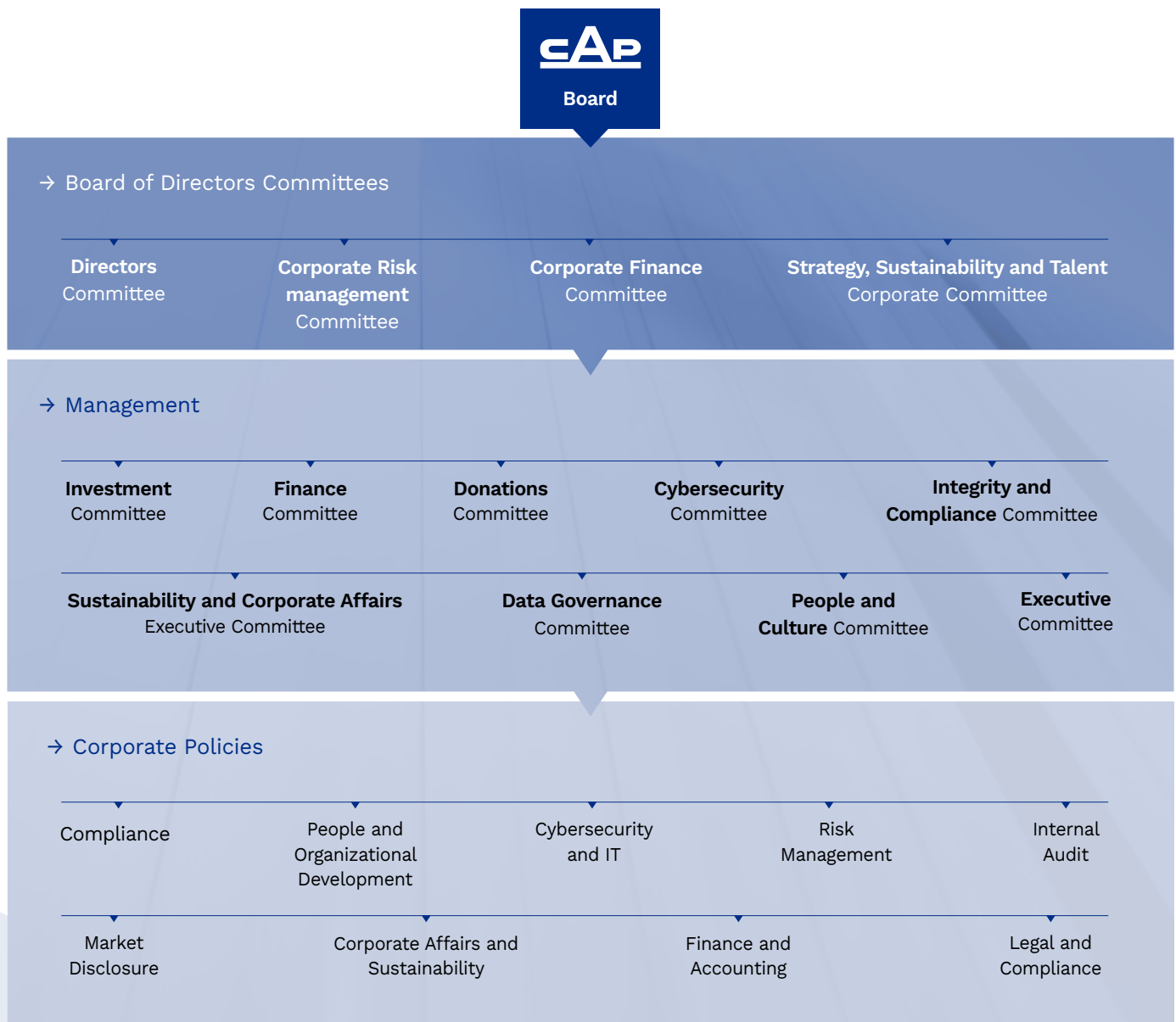
[See Handbook](#)



→ Functioning of Corporate Governance

With the aim of achieving its purpose of creating wellbeing and shared progress by transforming resources with Chile and the world, CAP structures its Corporate Governance, where there is interaction between the Board of Directors, Directors Committees, Management and Management Committees.

These governance bodies are governed by the policies, guidelines, codes, handbooks and programs presented in the following diagram of CAP's governance framework.



→ Board of Directors

/ COMPOSITION OF THE BOARD OF DIRECTORS

It is composed of seven members elected at the Shareholders' Meeting for a three-year term, with the possibility of reelection, including delegates part of the company's management to the Chief Executive Officer. In addition, it relies on the directors' committees to carry out its functions.

The current Board of Directors is composed of four men and three women - six of whom were elected by the Ordinary Shareholders' Meeting held on April 15, 2021. Director Carolina Schmidt Zaldívar was appointed as replacement director upon the resignation of Director María Olivia Recart, which took place on May 4, 2023. In accordance with Law No. 18,046 on Limited Liability Companies, director Carolina Schmidt is defined as an independent director. In terms of DJSI criteria, 100% of the directority is independent according to this standard.



JUAN ENRIQUE RASSMUSS
Chairman
7.410.905-5
Civil Industrial Engineer, Pontificia Universidad Católica de Chile (PUC) Chilean
Appointment: April 15 2021



CAROLINA SCHMIDT
Independent Director
7.052.890-8
Commercial Engineer, PUC Chilean
Replacement: May 4 202



PATRICIA NÚÑEZ
Director
9.761.676-0
Lawyer, Universidad de Chile and Master in Law from Yale University Chilean
Appointment: April 15 2021



CLAUDIA MANUELA SÁNCHEZ
Director
9.306.718-5
Commercial Engineer, Universidad Adolfo Ibañez (UAI) and MBA from Harvard. Chilean
Appointment: April 15 2021



JORGE SALVATIERRA
Director
6.557.615-5
Civil Industrial Engineer, PUC; MBA, Saint Louis University Chilean
Appointment: April 15 2021



ROBERTO DE ANDRACA
Director
7.040.854-6
Commercial Engineer, Universidad de Santiago de Chile, MBA from Universidad Adolfo Ibañez. Chilean
Appointment: April 15 2021



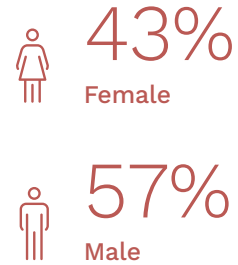
TADASHI MIZUNO
Vice Chairman
27.453.031-6
Chilean
B.A. in Economics, Rikkyo (Saint Paul's) University, Japan Japanese
Appointment: April 15 2021

/ DIVERSITY OF THE BOARD¹⁰

CAP's Board of Directors has approved the Recommendation Guidelines for the Nomination and Election of Board Members, which allows its shareholders to consider the diversity of knowledge, abilities, conditions and values,

perspectives and experiences, which are convenient for its members to have in order to better carry out their functions, both individually and collectively, and thus better safeguard the group's social interest.

Gender diversity:

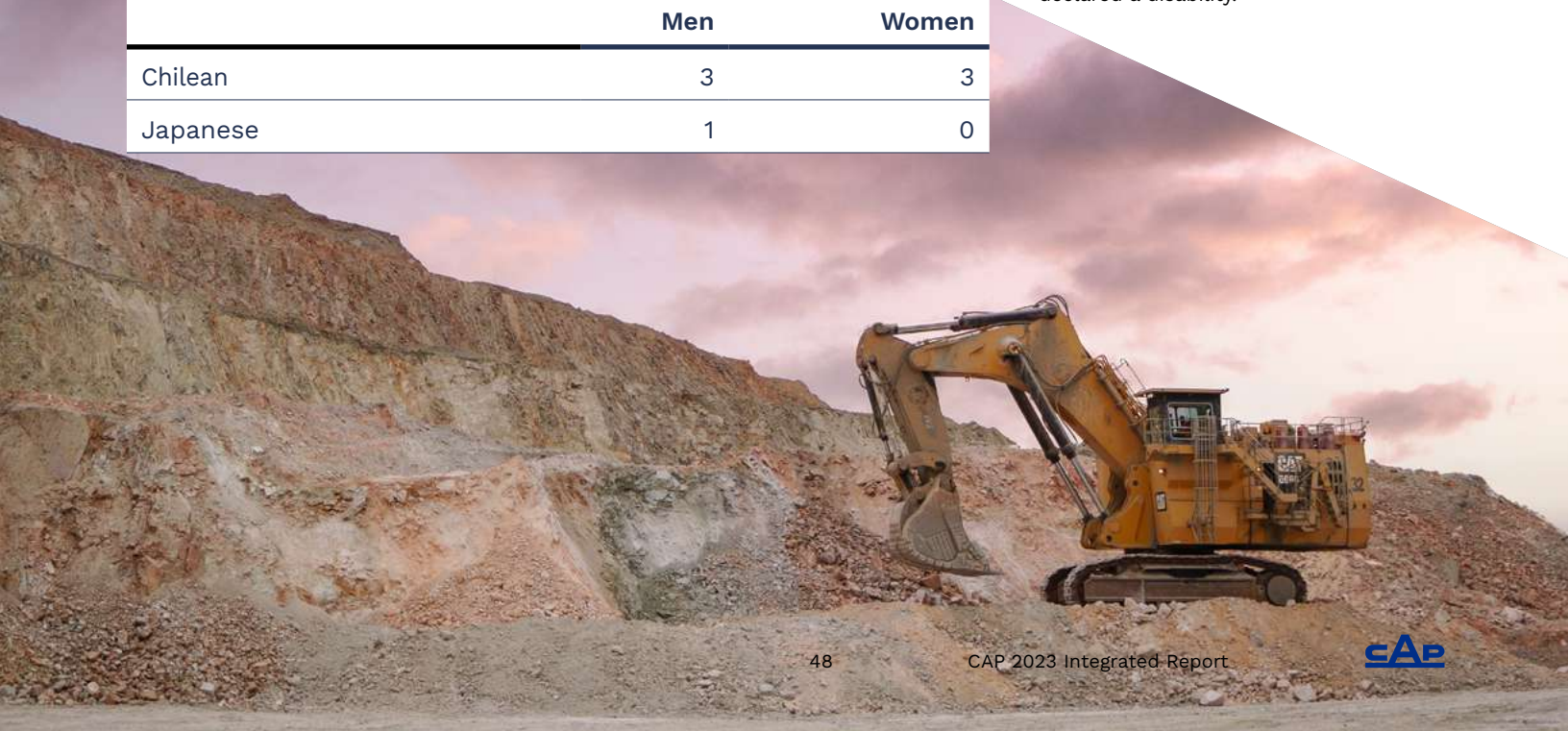


Years of service in the Organization	N° of Directors	
	Men	Women
Less than 3 years	1	3
More than 6 and less than 9	3	0

By age group	N° of Directors	
	Men	Women
Between 51 and 60 years	3	3
Between 61 and 70 years of age	1	0

Nationality	N° of Directors	
	Men	Women
Chilean	3	3
Japanese	1	0

10. No directors have declared a disability.



/ INDUCTION

CAP's Board of Directors has approved an induction procedure for its new directors, including the relevant matters that it has determined they should know and understand about the company and its businesses. Induction of new directors is aimed at achieving a rapid and complete incorporation into their new role.

Induction begins within 30 days of acceptance of the position as CAP Director. The presentations are prepared by CAP's senior executives, with the collaboration of the legal department.



→ **Subjects covered in presentations from management units and legal department**

- Regulatory
- Financial
- Accounting
- Taxes
- Technological
- Strategic
- Operational
- People
- Sustainability

The induction process includes visits to the main sites of the group's companies within six months of taking up the position, in order to become familiar with CAP Group's main activities in the field.



/ TRAINING

Training for the Board of Directors is carried out through meetings, presentations and courses, at the proposal of the Chairman of the Board of Directors, analyzing present and future challenges of the organization. At least once a year, the members of the Board of Directors attend to a program or seminar given by an internationally recognized academic institution, with the objective of identifying best practices implemented in the international market, relevant to the group's strategy. The participation of the directors must be in person in at least one of the courses they attend.

The subjects covered by the training curriculum for directors include legal, corporate governance and strategic issues, such as new regulations, financial and accounting topics, taxation, use of new technologies, strategic and operational megatrends, effective governance, people management practices, and ESG.

/ CONSULTING

Any of its members may request CAP's Board of Directors to hire experts to provide advice on regulatory, financial and accounting, tax, technological, strategic and operational, people, and sustainability matters, or any other that may be necessary.

During 2023, the Board of Directors requested advisories mainly in the area of specialized mining consulting, for a total of approximately CLP 46,000,000.

→ Training activities in 2023

- During the year, directors participated in training programs on ESG, effective governance, corporate responses to megatrends, scenario planning, artificial intelligence, and legal issues, among others.
- All directors have participated and/or are currently participating in a program that will train them on
 1. R1. Legal Requirements and Standards for Board of Directors and
 2. Complementary Knowledge.
- In 2023, shared attendance was also encouraged, with managers attending a program together to create learning communities to reflect together, draw lessons and share them with the rest of the group. These activities were carried out during the program and post-program discussion with other directors was encouraged.
- In addition, training was provided for directors and executives on the new Economic Crimes Law.

→ Skills Matrix

We created a skills matrix for the selection and development of competencies of CAP Group directors.

The model is based on international standards such as the Institute of Directors (UK) and strategic leadership models, complemented with the national vision and strategic requirements.

The pillars in the profile have to do with what the director should know, their know-how and their mindset.

KNOWLEDGE (KNOWING)

- 1. Corporate governance and regulation compliance:** In-depth understanding of corporate governance principles, as well as applicable laws and regulations, to ensure that the company complies with all legal and ethical requirements.
- 2. Financial literacy:** Proficient in the interpretation of financial statements, accounting and finance fundamentals, including strategic financial planning and investment analysis to guide the financial health of the company.
- 3. Knowledge of the steel, mining and metalworking industries:** Broad understanding of these industrial sectors, including their specific processes, technologies, markets and challenges, in order to make informed strategic decisions.

SKILLS (DOING)

- 4. Strategic vision:** Ability to identify future trends, growth opportunities and develop long-term strategies that position the company for future success.
- 5. Risk management:** Competency to anticipate, evaluate and mitigate financial, operational, reputational and strategic risks that could impact the organization.
- 6. Orientation towards innovation and technology:** Ability to lead the adoption of new technologies and foster a culture of innovation that improves the company's competitiveness.
- 7. Strategic communications management:** Ability to design and execute high-level communications strategies that enhance the company's reputation and strengthen relationships with key stakeholders such as shareholders, boards of directors and strategic partners.
- 8. Corporate governance leadership:** Ability to effectively lead the company's governance structure, ensuring transparency, accountability and alignment with the best interests of shareholders and other stakeholders.
- 9. Strategic leadership and stakeholder management:** Ability to lead the organization towards its strategic objectives, influence and negotiate with key stakeholders, and make decisions that balance the interests of all involved.

MINDSET

- 10. Self-knowledge:** Ability to deeply understand one's own emotions, strengths, weaknesses, motivations and the effect of these on others. A director with a high level of self-awareness promotes a culture of transparency and continuous improvement within the board, thus contributing to shared wellbeing and progress by personally aligning his or her actions with the mission of transforming resources responsibly.
- 11. Critical Thinking:** The ability to analyze information objectively, evaluating different perspectives and evidence before making decisions. Robust critical thinking is crucial for solving complex problems and making strategic decisions that impact CAP's trajectory, ensuring sustainability and ethics in the transformation of resources for the common good.
- 12. Ethics:** The unwavering commitment to moral and professional principles, guiding all actions and decisions with integrity. An ethical director strengthens CAP's reputation and fosters trusting relationships with stakeholders.
- 13. High Performance Orientation:** The determination to set and achieve ambitious goals, driving excellence and innovation within the organization. This orientation not only reflects the pursuit of outstanding financial results, but also CAP's commitment to sustainable development and the generation of a positive impact on society.
- 14. Conviction and Commitment to Health and Sustainability:** A firm belief in the importance of preserving the environment and promoting the wellbeing of communities, integrating sustainable practices into CAP's strategy and operations. This commitment reflects CAP's responsibility to future generations and its role in building a legacy of progress and shared wellbeing.





/ COMPETENCIES OF THE BOARD (SCALE FROM 1 TO 4)

During 2023, in order to prepare the Board of Directors' skills matrix, we carried out an exercise comparing the competencies of the Board qualitatively and quantitatively. This makes it possible to achieve a higher level of demand regarding each director's competencies,

promoting continuous development and complementarity of skills. By 2024, an external evaluation of the Board of Directors will be carried out, maintaining the framework of competencies described above.

The following graph shows the competencies possessed by CAP directors, both quantitatively and qualitatively.

Directors	Competences									
	Corporate governance	Financial knowledge	Industry knowledge	Strategic vision	Risk management	Innovation and technology	Strategic communications	Leadership in governance	Leadership and stakeholder management	
Director A	4	3	2	3	4	3	3	4	4	4,00
Director B	3	2	3	4	2	4	4	4	3	3,75
Director C	4	4	4	3	3	4	4	4	4	3,50
Director D	3	2	2	3	4	3	4	4	3	3,25
Director E	2	3	4	4	2	3	4	2	2	3,00
Director F	3	3	3	2	4	3	3	3	4	2,75
Director G	4	4	3	4	2	3	4	4	4	2,50
										2,25
										2,00

Scale Value

- 0 - 1: Low
- 1 - 2: Medium
- 2 - 3: High
- 3 - 4: Outstanding

We recognize the importance of continuous personal and professional growth. Each director has an evolving personalized development plan, which reflects our commitment to excellence and continuous improvement. This approach not only enriches our directors but also ensures the evolution and adaptability of our organization in today's dynamic and complex business environment.

→ Board of Directors' Work and Sessions

CAP Board of Directors' main role is to supervise compliance with the Group's strategic direction, as well as that of all its operating companies, monitor the correct implementation of policies and plans, together with the monthly review of relevant transversal activities that materialize strategic commitments and initiatives, in addition to supervising compliance with the year's strategic plan and the most relevant indicators of the Sustainability Strategy.

/ MEETINGS HELD IN 2023

The Board of Directors reviewed, on a quarterly basis, relevant matters under the responsibility of the Corporate Affairs and Sustainability Management. Mainly:

- Progress in the implementation of the Corporate Affairs and Sustainability Committees.
- Update of initiatives and projects included in the Group's Sustainability Strategy.
- Approval of specific policies, such as:
 - Corporate Sustainability Policy
 - Corporate Environmental Management Policy
 - Corporate Social Investment Policy
 - Corporate Communications Policy and Update of the Corporate Crisis Management Handbook

CAP executives or external advisors can attend meetings with different CAP areas as well as meetings with external auditors, as determined by the Board of Directors.

Moreover, the Board of Directors received reports from both the Risk Management Corporate Committee and the company's risk area, in order to analyze and review the risk matrices and dimensions at the level of CAP S.A. and the Group's companies defined in social, financial sustainability and environmental and climate change matters. Regarding Compliance, the Board of Directors was informed about the respective reports on this matter, which according to current regulations must be made twice a year.

The Board of Directors did not meet with Internal Audit this year, since

the reports by that department were made to the Directors' Committee on a quarterly basis, and the Chairwoman of the Directors' Committee presented a summary to the Board in each meeting after that.

/ BOARD MEETINGS AND ATTENDANCE

CAP's Board members commit to 90% attendance to Board meetings, based on 12 regular meetings per year. In addition, the directors have agreed to establish a minimum dedication to their duties of 12 hours per month.

Meetings in 2023

	Ordinary meetings	Extraordinary meetings	Total
Number of meetings	13	3	16
% attendance	98	95	97

CAP's Board of Directors, together with the Chief Executive Officer and other executives, also meet with the external audit firm in charge of the company's financial statements at least four times a year.



/ FIELD VISITS

CAP's directors make annual visits to the most relevant facilities and installations of the group and its companies to keep up to date on their condition and operation,

as well as the main functions and concerns of their employees and the recommendations and improvements that should be made, in the opinion of those responsible for these units and facilities.

Visits carried out in 2023

Visit to facilities in Peru Cintac Group companies

March 2023

> Reason for visit:

Cintac Board of Directors

> Members of the Board

of Directors: Juan Enrique Rasmuss, Roberto de Andraca, Claudia Manuela Sánchez

Instalaciones in Copiapó Aguas CAP

March 2023

> Reason for visit:

Meeting of Risk Management Committee Chairs.

> Members of the Board of

Directors: Patricia Núñez

Instalaciones in Huasco Puerto Las Losas

June 2023

> Reason for visit:

Meeting of Risk Management Committee Chairs.

> Members of the Board of

Directors: Patricia Núñez

Instalaciones in CMP La Serena

August 2023

> Reason for visit:

Meetings with employees and executives to get updates on the company's new businesses and the operation of the facilities.

> Members of the Board

of Directors: Juan Enrique Rasmuss, Roberto de Andraca, Claudia Manuela Sánchez, Carolina Schmidt.

Instalaciones in CSH Talcahuano

August 2023

> Reason for visit:

Meetings with executive collaborators to get updates on the company's strategy and operation of the facilities.

> Members of the Board of

Directors: Tadashi Mizuno and Carolina Schmidt.

Instalaciones in CSH Talcahuano

September 2023

> Reason for visit:

Meetings with employees and members of the Board of Directors to get updates on the company's strategy and operation of the facilities.

> Members of the Board

of Directors: Juan Enrique Rasmuss and Carolina Schmidt.

Instalaciones in TASA Argentina

September 2023

> Reason for visit:

Participation in TASA's Board of Directors.

> Members of the Board

of Directors: Roberto De Andraca

Instalaciones in CMP Valle del Huasco

October 2023

> Reason for visit:

Meeting of Risk Management Committee Chairs.

> Members of the Board of

Directors: Patricia Núñez





/ INFORMATION SYSTEM AND DOCUMENTS

The Board of Directors has an information system that allows its members to have secure, remote and permanent access to the necessary documentation to prepare for each meeting, including the agenda indicating all the matters to be discussed, five working days prior to each meeting.

This system also allows the members of the highest governance body to access the draft minutes of the Board of Directors' meeting within 10 working days of the session. Once the draft minutes have been received, the directors have the opportunity to include their comments and thus generate the final version that will be approved at the following session and then uploaded to the platform.

The information system allows CAP's Board members to access all minutes and documents viewed for each Board meeting within the last 3 years.

In addition, the company's Integrity Channel allows Board members to securely, remotely and permanently access all content related to the group-wide reports received.

→ Evaluation of the Board of Directors and Committees

CAP has a formal procedure for the evaluation of its Board of Directors' performance and functioning and that of its committees. The results allow to implement improvements in its organization and continuously better both at the level of individual member performance and at the level of the Board of Directors and its committees.

This evaluation process is carried out the year following the renewal of the Board of Directors by means of a resolution adopted at the Shareholders' Meeting.

The evaluation considers the advice of a third-party expert, who implements an evaluation process that may consider:

- Conducting interviews with each of the members of the Board of Directors.
- Participation in the meetings of the Board of Directors and its committees.
- Analysis of competencies according to the defined matrix.

This is followed by a diagnosis of the effectiveness of the functioning of these governance bodies.

→ What does the Board of Directors evaluation enable CAP to do?

To detect those areas in which its members can train, strengthen and continue to improve themselves, and thus identify the subjects that are considered most relevant for the purpose of continually updating their knowledge.

→ Evaluation in 2022 and 2023

The evaluation process focused on an analysis of the skills, qualities and experience of the members of the Board of Directors, to define their suitability to face the company's challenges.

By 2024, the evaluation will be updated, focusing also on the profile required per director in order to focus training, selection and performance standards efforts.

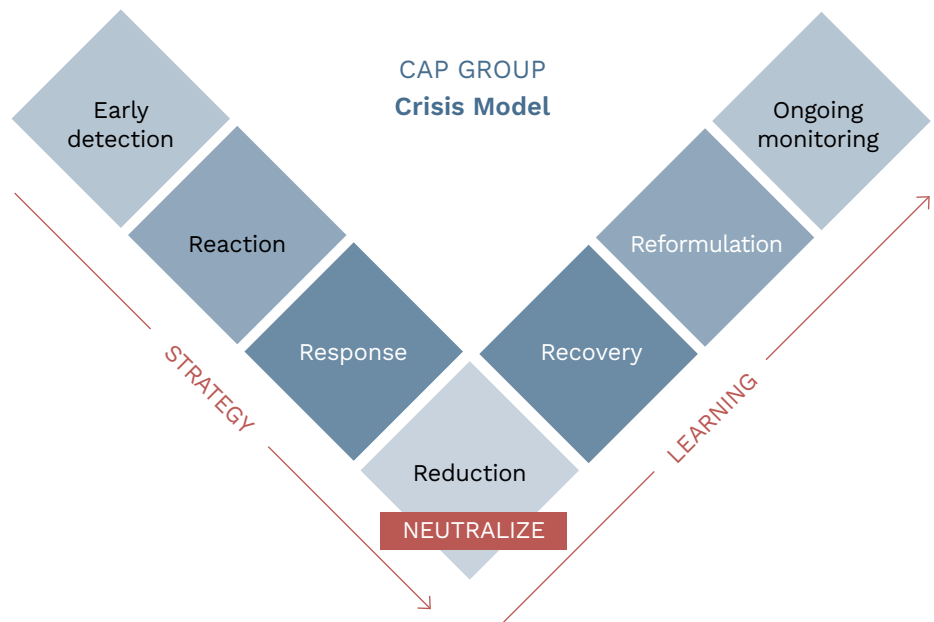
- Functioning of the Board of Directors
- Evaluation, succession and compensation of senior executives
- Definition, implementation and supervision of internal control and risk management policies and procedures
- Corporate strategy and efficiency of the Board of Directors and its Chairman
- Relationship with shareholders and the market
- Relationship between the company and group companies

As part of this process, the combination of skills, qualities and experience of the Board members was evaluated to define their suitability to face the company's challenges.

→ Critical situation management plan

CAP Group has a Crisis Management Plant (PMC in Spanish), which considers the participation of the CEO and both the Board of CAP as well as that of its companies, with the purpose of facing critical emergency situations, safeguarding the staff's physical integrity and health, protecting the environment, the continuity of the business and corporate reputation, and complying with the laws and regulations in each country where it operates.

The PMC enumerates the steps the Company must follow during a crisis, with the aim of guaranteeing that the appropriate measures are adopted



01

Immediate response

Generation of the description of the situation, timely report of the event, information of the status of the event, whether it is controlled, not controlled, or contained, and account for critical infrastructure to activate emergency protocols and the first operational and communications definitions.

02

Crisis containment

Activation of operational and activity continuity plans for the involved companies. It is initiated 24 hours after the incident. The crisis response strategy and plan is communicated internally and externally, through the establishment of contact with stakeholders, authorities, community representatives and other groups as appropriate.

03

Resolution and search for recovery of operative capacity and trust

Based on the premise that the crisis does not end with the crisis, work continues to be done to show transparency and be accountable for any consequences of the situation. Always maintaining an engagement strategy with stakeholders to inform them of the measures to be taken in order to avoid a recurrence of the event.

/ STRUCTURE: CAP CORPORATE CRISIS COMMITTEE

The PMC defines the structure of CAP Group’s Corporate Crisis Committee, which will lead and coordinate the strategic actions in matters of communications and operations to address the emergencies. In the event

that the crisis originates in an operating company, each company’s Crisis Committee will activate, communicating the fact to the Group’s Corporate Crisis Committee.



The Manager (leader) from the operating company (OC) is added

→ Board of Directors Remuneration

As agreed in the 2023 Ordinary Shareholders' Meeting, Board members jointly receive 0.75% of distributable net profits from the period, with the Chairman receiving double than other directors in said distribution.

Additionally, an allowance of 70 Tax Reference Units (UTM) is established for each director, whatever the number of Board meetings carried out in the month, and the quantity of 20 Tax Reference Units (UTM) per month for each director for representation expenditures,

with the Chairman receiving double in both instances. The amounts paid for this concept will be charged to the amounts that result for each director as equity in the profits according to the previous paragraph, so that they will only have a right to the excess for this concept. If the profit equity is inferior, the mentioned paid-out amounts will stay as each director’s definitive remuneration.

Board of Directors Remuneration

Board members	Remunerations (thousand US\$)									
	2022					2023				
	Fixed		Variable	Total		Fixed		Variable	Total	
	Allowance for work in the Board	Allowance for work in Directors' Committee				Allowance for work in the Board	Allowance for work in Directors' Committee			
Juan Enrique Rassmuss	551	0	16	567	104	0	174	278		
Carolina Schmidt	0	0	0	0	41	13	12	66		
Patricia Núñez	532	19	16	567	63	21	167	251		
Claudia Manuela Sánchez	551	0	16	567	63	0	167	230		
Jorge Salvatierra	1,102	0	32	1,134	85	0	322	407		
Roberto De Andraca	532	19	16	567	63	21	167	251		
Tadashi Mizuno	551	0	16	567	63	0	167	230		
María Olivia Recart	532	19	16	567	22	7	155	184		

Board of Directors Wage Gap

102
Average

103
Median

CAP does not have specific requirements on share ownership for its Board members. In compliance with Law N° 18,045 about the Securities Market, it has Market Interest Information Management Handbook, which establishes blocking periods for the purchase of shares and declaration requirements of directors and main executives.

Regarding Board of Directors shareholding in the organization, Mr. Roberto de Andraca holds CAP shares through companies South Pacific Investment S.A. and Ko Investment Ltda. South Pacific Investment S.A owns 2,877,970 CAP shares, and Mr. Roberto de Andraca owns 40.77% of that company directly and indirectly. Ko Investment Ltda. owns 7,110 CAP shares, and Mr. Roberto de Andraca holds 90.09% of this company.

→ Directors' Committees

The Board of Directors delegates part of the company's management to the Chief Executive Officer. Likewise, it has four committees, which, among their main functions and activities, deal with topics related to the definition of strategic focuses, climate change management and the incorporation of ESG factors in the corporate strategy, financial impact management in the organization, risk identification and control, as well as the review and analysis of topics related to organizational development.

→ Strengthening of the structure

In view of the need to make the discussions and instances in which the directors meet more efficient, we analyzed the functionality and number of Corporate Committees, which resulted in the design of a proposal to merge the committees and optimize the frequency of their meetings, so that there is no administrative overload or repetition in the review of issues.

Likewise, we encouraged greater participation of CAP executives in committees and other corporate governance bodies in the group's companies.

/ DIRECTORS' COMMITTEE

Frequency: Monthly

2022 Members: María Olivia Recart (Chair), Patricia Núñez and Roberto de Andraca

2023 Members: Carolina Schmidt (Chair), Patricia Núñez and Roberto de Andraca

Role and main functions

To supervise and monitor the functioning of the Company's control structures (financial and non-financial), in the context of the legal mandate from Law N° 18,046, reporting monthly to the Board of Directors.

Main activities in 2023

- To review the annual and quarterly balance sheet and financial statements, together with the external audit firm, and recommend their approval to the Board of Directors.
- To review the external auditors' reports, through quarterly meetings with them and recommend their approval to the Board of Directors.
- To propose names for external auditors and private risk classifiers.
- To evaluate transactions between related parties, in accordance with the corresponding policy.
- To review the company's remuneration systems and compensation plans for senior executives and employees.
- To review major litigation cases, through the semi-annual presentation by the legal department.
- To follow up on the annual internal and external audit plan, and the compliance plan, through periodic reports from these areas.



/ FINANCE CORPORATE COMMITTEE

Frequency: Quarterly

2022 Members: Claudia Manuela Sánchez, Juan Enrique Rassmuss and Tadashi Mizuno

2023 Members: Claudia Manuela Sánchez, Roberto de Andraca and Tadashi Mizuno

Role and main functions

To analyze CAP Group's financial situation. To review current account statements and the organization's capital and cash requirements. To analyze insurance matters, investment portfolio composition, price curve evolution, hedging strategies, investor relations and policy review.

Main activities in 2023

- Development of projections and preparation of budget baselines
- Financing plan
- Proposed interim dividend distribution
- Development of an investor relations plan
- Insurance program strategy
- Financial position of group companies
- Economic and financial parameters for the five-year plan

/ STRATEGY, TALENT AND SUSTAINABILITY CORPORATE COMMITTEE

Frequency: Quarterly

2022 Members: Juan Enrique Rassmuss, Claudia Manuela Sánchez, Roberto de Andraca and Tadashi Mizuno

2023 Members: Juan Enrique Rassmuss, Claudia Manuela Sánchez, Roberto de Andraca and Jorge Salvatierra

Role and main functions

Its mission is to define and follow up on the Strategic Plan for the year and the Group's strategic focuses. To that end, it reviews the feasibility of CAP's investment projects and those of the operating companies, ensuring their consistency with the corporate strategy, and reviews progress on sustainability and talent issues at Group level.

Main activities in 2023

- Definition of CAP Group's strategic plan
- Identification and monitoring of the progress of projects for the Group's investment portfolio, ensuring their alignment with the strategy and economic, technical, legal, environmental, territorial feasibilities and others
- Functioning of corporate governance
- Group ESG goals and monitoring of ESG reportability (Integrated Reports and Dow Jones Sustainability Index application)
- Design and review of CAP Group's climate change strategy
- Corporate affairs and communications strategy
Monitoring the development the CAP Group's culture and values
- Follow-up on the implementation of organizational development plans: Critical Positions, Succession, Development, among others.

/ CORPORATE RISK MANAGEMENT COMMITTEE

Frequency: Quarterly

2022 Members: Patricia Núñez, María Olivia Recart and Jorge Salvatierra

2023 Members: Patricia Núñez, Carolina Schmidt and Jorge Salvatierra

Role and main functions

To identify, control and mitigate the risks of the company and its operating companies. It also works to strengthen the corporate risk management policy and framework, including the implementation of a risk management methodology to identify, prioritize and manage operational and strategic risks that could affect the achievement of the Group's objectives, as well as to standardize the risk management practices of the Group's companies.

Main activities in 2023

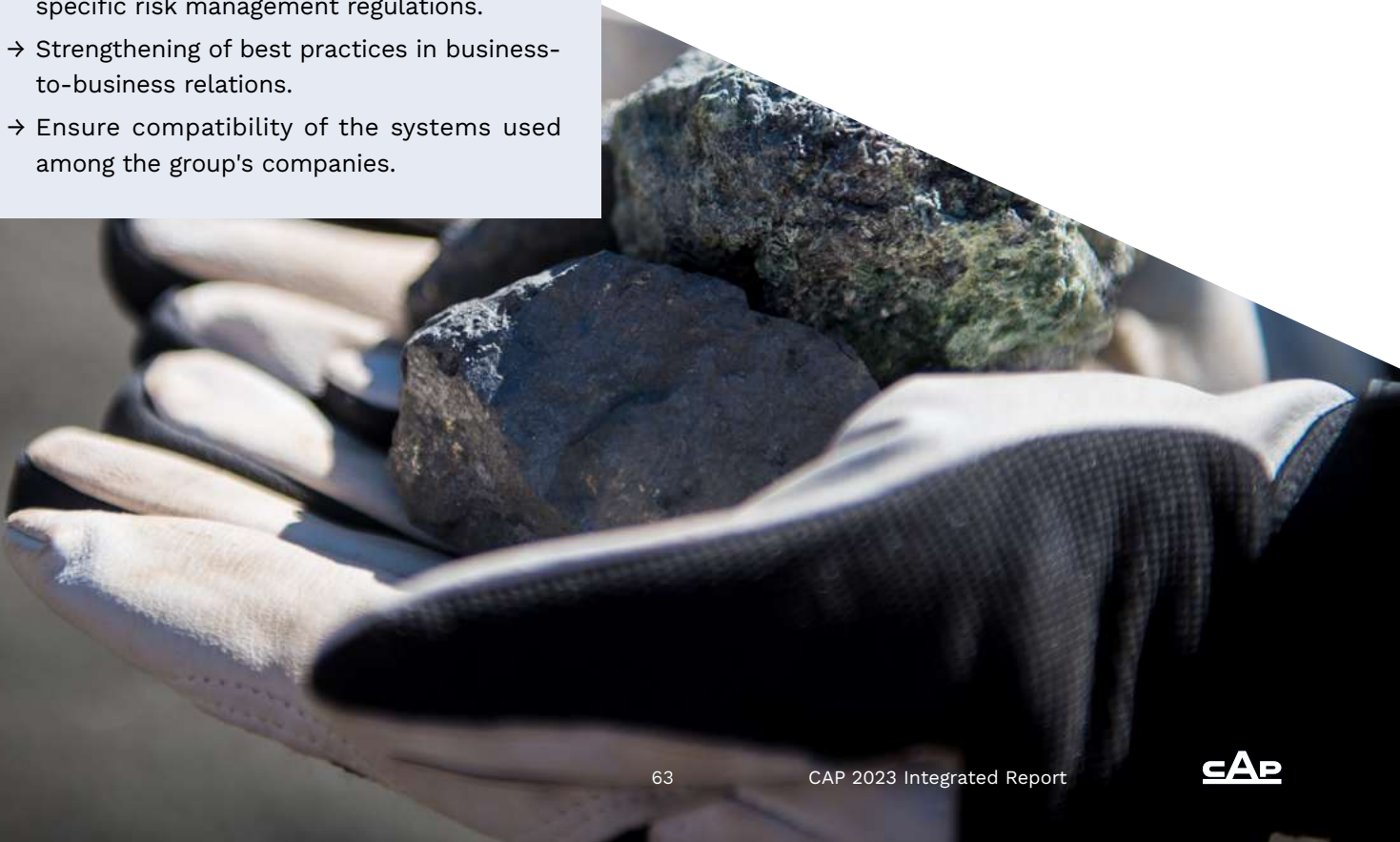
- Analysis and definition of risk matrixes and strategic risks in the group's companies.
- Survey of Action Plans.
- o instruct on training related to risks and specific risk management regulations.
- Strengthening of best practices in business-to-business relations.
- Ensure compatibility of the systems used among the group's companies.

Monitoring the implications of the new Economic Crimes Law

The company's Compliance area carried out preventive training and awareness-raising work on the provisions contained therein since the bill was being processed in Congress. In addition, given the relevance of the new risks identified, the Corporate Risk Management Committee decided that CAP S.A.'s compliance officer should present to the Committee on a monthly basis, and that the latter should be in charge of knowing the risks classified as high and their evaluation so that the Board is aware of them.

/ COMMENTS AND PROPOSALS FROM THE DIRECTORS' COMMITTEE AND SHAREHOLDERS

There were no comments or proposals from Shareholders or the Directors' Committee in accordance to section 3°, article 74, from Law N° 18,046.



Main executives

CAP S.A.



NICOLÁS BURR
Chief Executive Officer
13.039.622-4
Civil Industrial Engineer
Date of appointment:
September 1 2022



JORGE LAGOS
Corporate Affairs and
Sustainability Manager
10.502.232-8
Biologist
Date of appointment:
August 1 2023



ALEJANDRO SANHUEZA¹¹
Corporate Chief Financial
Officer
14.147.194-5
Commercial Engineer
Date of appointment:
July 3 2023



**RAIMUNDO GUENEAU DE
MUSSY**
Development Manager
16.767.580-8
Civil Industrial Engineer
Date of appointment:
April 1 2023



DANIEL CARVALLO
Deputy General Counsel
15.695.861-1
Lawyer
Date of appointment:
March 1 2018



TOMÁS VERGARA
Deputy Manager of
Organizational Development
15.640.594-9
Psychologist
Date of appointment:
August 1 2020



JOAQUÍN PÉREZ
Audit Manager
8.725.100-4
Public Accountant, Auditor
and Commercial Engineer
Date of appointment:
February 17 2020

Operating Companies



FRANCISCO CARVAJAL
Chief Executive Officer
Compañía Minera del Pacífico S.A.
9.047.354-9
Civil Mining Engineer
Date of appointment:
November 1 2019



PATRICIO MERELLO
Chief Executive Officer
Cintac S.A.
10.653.986-5
Civil Industrial Engineer
Date of appointment:
November 1 2021



CÉSAR GARRIDO
Chief Executive Officer Compañía
Siderúrgica Huachipato S.A.
10.740.232-2
Civil Electronic Engineer
Date of appointment: March 1 2023



PATRICIA LÓPEZ
Infrastructure Manager
12.488.429-2
Civil Industrial Engineer
Date of appointment:
May 14 2020



CHRISTIAN SCHMIDT¹²
Chief Executive Officer Intasa S.A
12.720.565-5
Commercial Engineer
Date of appointment:
February 25 2022

11. He left the post on January 31 2024. / 12. He left the position on August 31 2023, and the role was temporarily assumed internally by CAP Chief Financial Officer Alejandro Sanhueza.

→ Succession Planning and Talent Development

CAP Group’s senior management has a succession and talent development plan whose aim is:

1. To have internal and external replacements for critical roles. This can be achieved through four steps:

- Identification of critical roles.
- Successor nominations from nomination of talents.
- Profile evaluation for both cases.
- Gap bridging development, if necessary, for those who occupy critical roles, and development of future skills in the Group’s talent map.

1. To have a procedure in case of a sudden exit in executive and critical roles. CAP and its operating companies monitor the risk of critical role vacancies (including that of its main executives) and existing talent, and prepare contingency plans for each case, including:

- Successor preparation and validation by the Directors’ Committee.
- Contingent successor nomination.
- Information management processes (policies and procedures) in each case.

In turn, the company's power structure establishes that, in the absence of the Chief Executive Officer, their replacement will be the Chief Financial Officer or whoever the Board deems appropriate.



→ Senior executive remunerations

The compensation structure for senior management is composed by a monthly fixed salary and a variable remuneration for target achievement per company and individual on the previous period and long term, for the achievement of financial, strategic and price goals, for all executives in the Group. ¹³

/ NEW SHORT- AND LONG-TERM INCENTIVE POLICY

In January 2023, this policy was approved for the first time in CAP Group. It aims to:

1. Commit employees to the company's objectives.
2. Identify key metrics to impact strategy from both the what (e.g. financial, operational) and the how (leadership, ESG).
3. Align group companies with common long-term objectives that contribute to the group's aspiration.

13. Regarding the shareholdings of CAP's senior executives, at the time of leaving the company in 2023, Francisco Lepeley owned 1,540 shares, Stefan Franken 10,510 shares and Christian Schmidt 894 shares directly and indirectly. Alejandro Sanhueza owns 2,593 CAP shares.

Short-term incentives

The short-term incentive system is divided into:

- **Company objectives:** Relevant dimensions measured by indicators related to financial, production and operational excellence, safety and ESG projects.
- **Individual objectives:** Composed of goals (what each role must achieve) and by competencies (how it is achieved). The goals are established by the CEO and are associated with the organization's strategy and the implementation of critical projects. While competencies we consider the following dimensions: strategic vision, leadership, teamwork and collaboration with operating companies.

These objectives are variable and depend on what is considered relevant for the development of the operation in a particular year. In addition, health benefits such as life insurance and professional development benefits such as training and certifications are provided.

Long-Term Incentives

As part of CAP's Compensation Policy, a review of the compensation system is carried out every two years, with the help of an external consultant. For operating companies this is done with the option to measure themselves against the standard or industry according to the sector to which they belong. With this external advice, it ensures compliance with the criteria of competitiveness, internal equity and at the same time eliminates the possibility of discretion in the payment of fixed and variable income. The Board of Directors reviews the salary policy and the compensation and indemnification policies of the Chief Executive Officer and senior executives through an external advisory process on an annual basis.

CAP Group's compensation plans and benefits do not consider payments based on company shares.

CAP Group's long-term incentives are aimed at aligning the Group's vision and that of its top executives. Specifically, the policy seeks to:

- Align and define effective short- and long-term performance evaluation criteria for the group's executives.
- Retain professionals for a minimum of 3 years.
- Integrate ESG criteria in the evaluation of executives.

The system, which is being updated as proposed by the Directors' Committee, consists of a bonus that seeks to link compensation to company results in the short and long term, get executives to think like owners, attract and retain executive talent, increase knowledge of the business, and focus on activities that create value for the strategy over time. This long-term incentive is paid when the following objectives are achieved:

- **1° Organizational performance:** attain pre-established goals in the Return on Capital Employed (ROCE) pillar and progress in Strategic Projects for the entire group.
- **2° Company value appreciation:** taking the price of the share value as a reference between year 1 and year 3.

Combined compensation for senior executives (CLP)

Component	2022 Amount	2023 Amount
Fixed	\$1,179,417,406	\$1,353,241,432
Variable	\$508,322,177	\$457,196,118
Total	\$1,687,739,583	\$1,810,437,550



Corporate Risk Management Policy

CAP Group has a Corporate Risk Management Policy, which in turn is part of the Corporate Risk Management Framework, reviewed in 2023 and approved by CAP S.A. Board of Directors. No changes were made to the one in force the previous year.

/ MCAP GROUP CORPORATE RISK MANAGEMENT FRAMEWORK

- It provides the main guidelines on methodologies, roles and responsibilities for risk management in each of the companies.
- It defines the risk dimensions that group companies take as a basis for raising their own strategic risks, defining controls and action plans. These risk dimensions are reviewed annually by the Corporate Risk Management Committee.
- Each company's directors participate in ensuring adequate risk management.

This corporate framework was also reviewed and approved by the Boards of Directors of the group companies in the process of formalizing policies, corporate frameworks and procedures carried out throughout CAP. These companies adopted the policy guidelines as their own and created their own manuals and procedures to comply with this corporate guideline.

→ **Risk Management Cycle**

CAP Group's approach to risk management is based on the COSO ERM and ISO 31000 standards and consists of the following steps:

1. Identify and prioritize risks

Each group company's management must carry out an annual survey of its risks and present them to their Board or Risk Committee, who will assess the list of risks to be managed.

2. Evaluate inherent risks

The risk manager will evaluate the expected impact and its occurrence probability, i.e., the theoretical risk level that any identified risk has without considering existing internal controls.

3. Identify controls and evaluate residual risks

The risk manager must survey existing internal controls to contribute to the mitigation of risks and assess the expected impact and occurrence probability.

4. Define action plans and evaluate objective risks

The risk manager, together with each risk dimension sponsor, must propose action plans that contribute to risk mitigation, evaluate impact and occurrence probability of the target risk, i.e., once the company's action plans are implemented.

5. Compare objective risk with risk appetite accepted by the Board of Directors

Finally, management will present its risk matrixes to directors, in order to compare the level of objective risk to the risk appetite agreed by the Board and, thus, evaluate additional action plans required to take each risk to an acceptable level.



/ TRANSFER OF BEST PRACTICES

This year, the Audit Manager, the Finance Manager and the Chief Risk Officer of CAP S.A. participated as listeners in the different company committees in order to identify good practices in terms of risk management and transfer them to other companies of the group or to the management of the corporate center. This also seeks to report in a more centralized way on the main developments in all group companies.

→ Risk management responsibility

Currently, the most senior person dedicated to risk management in CAP group is the Corporate Finance Manager. In addition, each operating company has a risk manager responsible for managing, monitoring and reporting risks to both the Board of Directors and the CAP Risk Committee.

The position responsible for risk management depends on the organizational structure of each group company. The positions of the main people in charge are:

- **CMP:** Risk and OHS Manager (Stephanie Wilhelm).
- **CSH:** Environmental, Safety and Occupational Safety Manager (Swindy Kopp).
- **Cintac Group:** Risk and Internal Control Manager (Carlos Ávalos).

All of them report directly to the CEO of their respective companies and committees composed by their respective CEO and part of their Board of Directors, who meet periodically to analyze risk management definitions and progress.

This management plans, executes and reports on its work based on the strategic risks that the companies evaluate, and designs its work programs to challenge those controls and action plans that the companies' management considers key to their mitigation.

For this, it has a Corporate Internal Audit Policy and a Handbook that implements it, both approved by CAP's Board and the Directors' Committee, respectively. It also allows it to align its work with the International Internal Audit Professional Practices Framework and the 3 Lines of Defense Model, which establishes principles and organizational responsibilities for risk management and control.

In accordance with the structure approved by the Board of Directors for fiscal year 2023, this Department is now composed of 13 professionals distributed in 3 sub-areas:

- Process audits (Assurance/Advising).
- Continuous Auditing (based on data analytics).
- Compliance Audit (Compliance, integrity, good practices).



Complementary to the Risk Management Cycle, CAP has an Internal Audit Management, which reports to the Board of Directors through the Directors' Committee, in charge of verifying the effectiveness and compliance with the policies, procedures, controls and codes implemented for risk management.



→ Risk dimensions

CAP Board of Directors approved the modifications proposed by the Risk Management Corporate Committee regarding risk dimensions, to update them according to the challenges of 2023. This definition, adopted in 2022, will be reviewed in July 2024 in a workshop that shall be carried out jointly with all group companies.

The Risk Management Committee considered modifying two dimensions. The first consisted in changing the concept of “economic sustainability” to “financial sustainability” to better address the definition considered in the organization’s corporate framework. The second modification was to change “social license” to “social”, with the purpose of covering communities as well as collaborators.

Finally, the “environment and climate change” dimension was added, given the risks regarding physical climate manifestations

that could affect the companies’ operations. In 2024, and as established in the policy, a joint workshop will be held with the directors of all Group companies and CAP to review the existing risk dimensions, as well as to evaluate emerging risks. This exercise is established on a biannual basis.

Each of the 10 strategic risk dimensions is reviewed at least once during the course of the year, measuring their exposure in terms of probability and impact and considering both the controls in place and the action plans. These reviews are carried out individually during the group’s Risk Committee meetings - in which a distribution throughout the year is agreed - and are presented annually on a consolidated basis to the Board of Directors, in their respective impact-residual probability and objective matrixes. The latter are approved by the Board, as well as the action plans, upon the Committee’s recommendation.

/ HOW ARE RELEVANT RISKS TO THE GROUP IDENTIFIED?

Risks are detected through executive instances (workshops) and instances with Directors (Risk Committee). Each dimension has a sponsor -for example, financial sustainability and competitive position risks are assigned to the CFO. The sponsor, together with their work team, must identify possible risks in their areas, as well as identify controls and present and/or propose action plans to mitigate them. Once this is done, based on the action plans, the target risk matrix for the year is defined. Progress on these action plans is reported on a quarterly basis.

/ DIMENSIONS FOR 2023

1. Alignment of Group companies
2. Talent
3. Financial sustainability
4. Competitive position
5. Operational continuity
6. Social
7. Reputation
8. Regulation
9. Information security
10. Environment and climate change

Project Risks

This year, the group's operating companies incorporated risk monitoring in their projects, which makes it necessary in every analysis to include a section related to each project's specific risks.



→ Promotion of a Risk Culture

In 2023, we standardized risk management criteria in the group's different companies. On the one hand, progress was made in the approval of the corporate risk policy by the companies' boards and also in joint instances in the field that allow for the exchange of good practices.

Sponsors -roles performed by first-line executives- were defined for each of the aforementioned dimensions, adjusting their job profiles to ensure that their responsibilities included ensuring adequate risk management.

/ TRAINING

During the year, training was provided to all Directors, both at the corporate center and in the group's companies. It was conducted in parallel with training on the new Economic Crimes Law.

This was also provided to the executive team, through three workshops that included all managers and deputy managers and to the leadership roles related to strategic risk management, which corresponds to approximately 40% of the total number of leadership positions.

Training in this area was also carried out in CAP companies and in many cases was conducted in conjunction with workshops on the Economic Crimes Act.



Integrity and Compliance

CAP Group has policies, structures and programs that promote and extend the responsibility to ensure respect for the standards and principles to all the people who make up its companies.

/ REGULATORY FRAMEWORK

- Crime Prevention Handbook
- Program for compliance with free competition regulations
- Conflict of Interest Policy
- Integrity Code
- Integrity and Compliance Policy
- Business partner management policy
- Donations, sponsorships and memberships policy
- Manual market interest information
- General policy on related-party transactions and general policy on habituality
- Reporting and Investigations Procedure
- User guides that include relationships with public officials, conflicts of interest and due diligence, among others

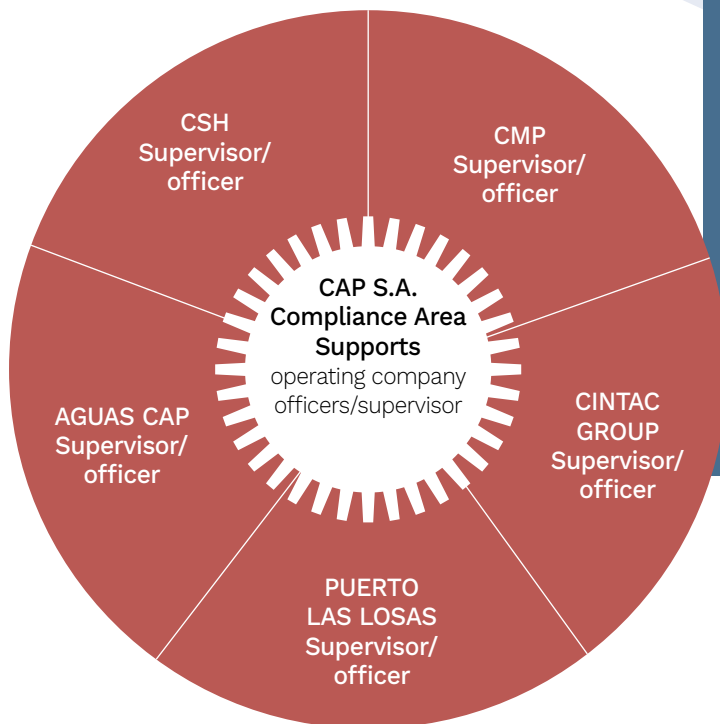


→ Integrity Code

Due to this year's update of CAP Group's values - Collaboration, Excellence, Innovation and Integrity - as part of the process of the definition of the 2030 Strategy, the Integrity Code was updated and its new document was approved by the Board of Directors on January 30, 2024.

The Integrity Code is a tool that has the necessary guidelines for business decision-making, establishing criteria and common elements for a good development of internal activities. Its objective is for the Group to act consciously, transparently and responsibly to create solid and long-term relationships with the environment and its stakeholders.

The Code applies to all the Group's companies and to 100% of its collaborators, suppliers, contractors and subsidiaries. Once our collaborators are hired, they are asked for written or digital acknowledgement of their reading and understanding of the document. This is part of the hiring process of all new staff, to ensure that everyone knows and complies with its directives.



→ Training

CAP promotes periodic training to reinforce these contents in the group's companies.

- CSH conducted the Compliance Induction for 96 workers hired during 2023. This training included the Whistleblower Channel and the Integrity Code.
- In Aguas CAP, PLL and Tecnocap, an e-learning course was again offered for those workers who had not taken it previously.

→ The Integrity Code specifically includes aspects related to:

- Corruption and bribery
- Discrimination
- Confidentiality of information
- Conflicts of interest
- Anti-monopoly/anti-competitive practices
- Money laundering and influence peddling
- Environment
- Health and safety
- Whistle-blowing
- Human Rights

→ Conflicts of Interest

CAP Group has a Conflict-of-Interest Policy that considers the mandatory declaration of conflicts of interest for directors, executives and all employees, which is carried out and managed through an online tool called Compliance Registration System.

The policy’s goal is to stipulate principles and obligatory procedures in all the situations in which directors, executives and workers at CAP Group, in relation to their role, functions or position, can participate, decide or influence on matters in any of the businesses in CAP Group, where they have an invested personal interest.

There is a platform that works with public data and which allows to check partnership matrixes and final beneficiaries (in case said information is public).

→ Training in 2023

CAP promotes periodic training to reinforce these contents in the group’s companies.

- At the CAP Group level, e-learning training was conducted on conflict-of-interest management and due diligence of business partners.
- At Cintac, the capsules were focused on the crime prevention model.
- At CAP S.A., Infrastructure companies and CSH, practical face-to-face workshops were held on various subjects (conflicts of interest, legislative changes, relations with public officials).

→ Free Competition¹⁴

CAP Group has a Compliance with Free Competition Regulation Program that is focused on promoting and keeping the commitment the Group has made to wholly respect norms that defend free competition and contemplates documentation related to guild associations, concentration operations, handling of sensitive information, among others.

/ PROGRAM OBJECTIVES

1. To materialize CAP Group’s global policy on free competition into specific actions destined for the prevention of infractions contained in the 1973 DL 211 by the Ministry of Economy.
2. To allow the efficient and early detection of risk zones in the Group.
3. To guide collaborators on how to avoid contravening said regulations.
4. To have adequate plans to internally and externally manage potential non-compliance situations.

In practice, meetings with competitors must be reported through the compliance records system.

14. No legal actions or sanctions for anti-competitive practices have been received during 2023.



→ Corruption, money laundering and financing of terrorism¹⁵

During 2023 we worked on updating the Crime Prevention Handbook, in accordance with the Economic and Environmental Crimes Act, a document that was approved by the Board of Directors at the end of January 2024.

The Objective of the Crime Prevention Handbook is to establish the necessary activities and procedures for the effective implementation and operation of a Crime Prevention Model (CPM).

/ WHAT IS THE PURPOSE OF OUR CRIME PREVENTION MODEL (CPM)?

- It is a mechanism for the detection, evaluation, prevention and mitigation of crime risks to which CAP and its operating companies are exposed.
- It establishes the activities to be carried out by the Crime Prevention Officer in compliance with the functions of implementing the Model and complies with legal requirements.
- The scope of the Handbook is communicated and extended to all those who provide services to the CAP Group, either directly or indirectly.

→ Integrity and Compliance Program

This initiative seeks to promote a transparency and integrity culture, encouraging employees, suppliers, contractors and other stakeholders to actively participate in the development of an integrity culture by means of embodying our values, principles and compliance with the dispositions in the Integrity Code and other internal regulations.

As we have mentioned, CAP Group adheres to the United Nations' Global Compact and, for it, materializes and promotes its commitment with the respect and advocacy for human rights in all its operations.

/ ELEMENTS OF THE COMPLIANCE PROGRAM

The crime prevention handbook's goal is to establish the necessary activities and procedures for the effective implementation and operation of a Crime Prevention Model (CPM), which comprehends:

Policies and systems

The crime prevention handbook's goal is to establish the necessary activities and procedures for the effective implementation and operation of a Crime Prevention Model (CPM), which comprehends:

- Business partner management policy, which seeks to regulate the third-party due diligence process.
- Online registration system for conflicts of interest, donations and hospitality, as well as meetings with public servants.

15. During 2023 no legal actions or sanctions have been received for non-compliance with Law 20.393.



Compliance website:
<https://Compliance.cap.cl>

Program monitoring and audit

During 2023, the recertification process was carried out by the certifier BH Compliance. It included a diagnostic stage and a compliance stage that resulted in an external audit of the controls associated with the different processes where there are risks of committing the crimes contemplated by the law currently in force.

Currently, the compliance stage for the group regarding corruption and other economic crimes is in its closing phase, and will subsequently move on to certification in CAP, Aguas CAP, Puerto Las Losas, CSH and CMP.

Currently, the compliance stage for the group regarding corruption and other economic crimes is in its closing phase, and will subsequently move on to certification in CAP, Aguas CAP, Puerto Las Losas, CSH and CMP.

Compliance Officer

The implementation of the program is under the charge of Sofía Ocaranza, who holds the position of Head of CAP Corporate Compliance and is in charge of crime prevention, and has also been appointed for Puerto Las Losas and Aguas CAP.

Corporate compliance officers

- CMP: Francisco Izquierdo, Compliance Officer.
- CSH: Eduardo Carrasco, People and Corporate Affairs Manager.
- CINTAC Group: Marcia Varas, Compliance Officer.

Main functions

- Lead the implementation of the Compliance Program
- Manage compliance risk management
- Develop and implement a promotion and training plan
- Investigate allegations towards CAP staff and those qualified as highly serious in group companies

Risk assessment

In the 2023 exercise, this evaluation was replaced by a Process Survey in the different companies, in order to subsequently check which of the new crimes included in the Economic and Environmental Crimes Act are likely to occur in each of these processes.

With the information gathered, during the first half of 2024 we will evaluate those risks that have a probability of occurrence and, therefore, are related to the company's processes.





/ SUPPLIER MANAGEMENT

In 2023, we implemented the automation of the Supplier Due Diligence (SAP in Spanish). From now on, when suppliers are created in SAP, the information is sent by the system to Compliance Tracker, so that the check is done automatically.

If matches are found in the anti-money laundering database, the creation of the supplier is blocked until authorization is given by the Compliance Officer, if applicable, through the same SAP system.

→ **CMP compliance**

On November 1, 2023, the Legal Service Superintendency and the Compliance Superintendency were created at CMP.

- Legal Service Superintendence: Its objective is to provide legal advice to CMP, as well as preventive management, regulatory changes, legal defense and asset management (surface property, mining concessions, maritime, railroad and easements).
- Compliance Superintendence: It has the objective of establishing and managing a robust crime prevention model for all areas of the company, visualizing risks, generating prevention, mitigation and due diligence plans, as well as following up on them to verify their effective implementation, thus minimizing the risk of incurring in situations that could be considered crimes, in accordance with current legislation.

→ Integrity Channel

The integrity (or whistleblowing) channel is available to all collaborators and the general public on the intranet and CAP's and its operating companies' websites. This tool allows to submit anonymous reports, assigning a code and password to whistleblowers so that they can do the appropriate follow-up.

Additionally, CAP promotes the option of going directly to the Compliance Officer about any doubts related to these issues, as well as the email:

 canaldeintegridad@cap.cl

No reports or complaints were received at CAP S.A. in 2023.



/ TRAINING

Every year, training activities about the integrity channel are carried out so that all employees are aware of how it works.

In addition, the company's Integrity Channel allows Board members to securely, remotely and permanently access the content of all complaints received across the group.

→ Anti-corruption training

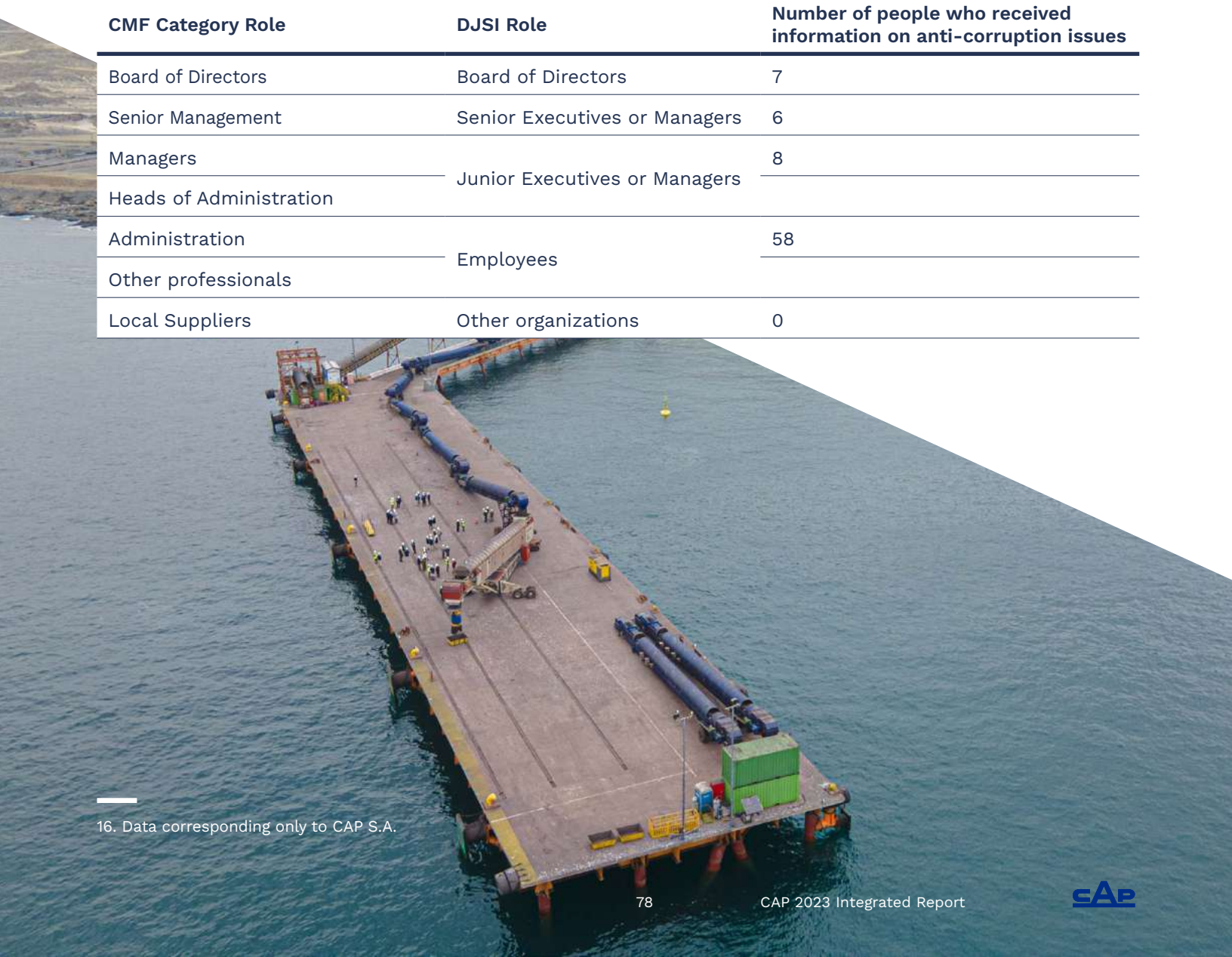
In 2023, e-learning training was provided on free competition and an updated crime prevention module in accordance with the legislative modification of the new Law on Economic and Environmental Crimes.

In addition, in-person workshops were held with the different risk areas in order to review and evaluate the new risks associated with the new offenses included in the aforementioned law.

Outreach on anti-corruption issues¹⁶

CMF Category Role	DJSI Role	Number of people who received information on anti-corruption issues
Board of Directors	Board of Directors	7
Senior Management	Senior Executives or Managers	6
Managers	Junior Executives or Managers	8
Heads of Administration		
Administration	Employees	58
Other professionals		
Local Suppliers	Other organizations	0

16. Data corresponding only to CAP S.A.





→ Compliance Management

CAP Group continually reinforces its compliance management, in the spirit of always being one step ahead of current regulations. The main aim is to advance into an organizational culture focused on transparency, governance and respect.

The organization has different procedures to prevent and detect regulation breaches. Among them are:

Clients: The integrity code applies to all clients and, though it does not have a specific procedure regarding the consumer, we seek to comply with current legislation by means of internal processes.

Suppliers: In addition to the Code of Integrity, which also applies to suppliers, the company has a Code of Conduct for Suppliers and Contractors, which establishes the applicable compliance guidelines.

Workers: The company has an Internal Hygiene, Order and Safety Internal Rulebook, which establishes directives related to workers' rights protection. Any violation against these rights may be reported in accordance to the provisions contained in the Complaints and Investigation Procedure.

The company has not been subject to legal action related to labor matters.

Free competition: Compliance with Free Competition Regulations Program.

Criminal liability of legal entities and other violations to legislation (Law 20.393): The Company has a certified Crime Prevention Model in accordance with Law 20.393. The Model includes a Crime Prevention Handbook and other Policies and Procedures aimed at preventing crimes covered by said law.





/ ENVIRONMENTAL COMPLIANCE

The Corporate Environmental Management Policy provides the general framework for management in this area for all CAP Group companies. In this context, these companies prioritize maintaining auditable environmental management systems, appropriate to the nature of their respective businesses and operations, within a framework of preventive action and continuous improvement.

→ CMP

The mining company has a compliance standard in which the different environmental obligations derived from the permits are determined and complemented with matrices of legal requirements. Monitoring is performed internally once a month and externally once a year. In addition, the environmental liabilities are classified according to their criticality.

/ NEW INITIATIVES

Environmental obligations were incorporated into each process map of all CMP management areas, ensuring that the obligation exists within each process. On the other hand, the risks of potential non-compliance of these activities are incorporated in order to be able to carry out preventive controls.

For 2024, we plan to monitor compliance using SAP's monitoring tool, SAP EHS, which is expected to be operational in the first quarter of that year. In this way, the monitoring and control of both regulatory obligations and permits will be systematized and digitized.

→ CSH

Huachipato has an electronic platform that identifies the applicable legal requirements and the means of verification to prove compliance.



→ Labor and Sexual Harassment

CAP Group has a Diversity and Inclusion Policy to prevent and deal with labor and sexual harassment in its operations. Moreover, the Integrity Code provides guidelines about fair treatment, declaring zero tolerance for conduct related to discrimination, bullying, harassment and threats, among others. In the same line of action, the internal regulations contain a protocol for the prevention and punishment of sexual and workplace harassment.

/ TRAINING ON DISCRIMINATION AND HARASSMENT IN THE WORKPLACE

The company offers training on these matters. Traditionally, sessions were held every other year and as of 2024 they will be held annually. This training is conducted by a specialized external provider in order not to leave out any relevant element and, at the same time, participation and passing score of 100% is required.

/ SEXUAL HARASSMENT TRAINING

It is important to point out that CAP periodically holds meetings with women working in different areas to understand the challenges that exist in terms of harassment and to develop the necessary policies and actions so that they feel they are in a work environment that allows them to develop personally and professionally.

/ POLICY UPDATES

The organization's policies are updated annually based on 1-on-1 meetings with teams, monthly breakfasts with the general manager, and analysis of culture surveys.

The organization's **Integrity Channel** can be used to file labor and sexual harassment complaints. This message is always reinforced in the policy, quarterly organizational communications and in the new induction process.



Cybersecurity

Cybersecurity was declared this year as one of the 10 strategic risks for CAP Group, as a cyberattack could have a significant impact on the company's operations

In the current context, cyber-attackers are not only concerned with IT environments, but are also targeting industrial environments and their operational technologies. This is because the impacts of a cyberattack in an industrial environment can be highly significant:

- Causing interruption of operations
- Loss of confidential data
- In extreme cases, causing physical damage to facilities

In Chile, the legislation on cybersecurity has advanced at an accelerated pace in recent years. Therefore, CAP is committed to complying with this legislation and implementing the best practices in cybersecurity in its operations.

CAP has worked hard to implement, through various initiatives, a cybersecurity baseline that extends to all production systems. This will allow the entire organization to gradually transition to advanced cybersecurity controls.

ethical phishing campaigns and mandatory courses for people who failed the tests.

- In addition, 2 general courses were given to all employees.

/ ACTIONS TO STRENGTHEN A CYBERSECURITY CULTURE

Training and awareness of employees:

- In 2023, 5 awareness talks were held on the topic of cybersecurity.
- The culture in this area was actively monitored through the awareness platform, with 6

Improvements in technology:

- The e-mail protection systems were enhanced by improving Microsoft licensing, which allows for the identification of user behavior and automatic protection actions.
- Phishing reporting was implemented for users to notify in case of receiving malicious emails.



→ **Cybersecurity Governance**

Through the Cybersecurity Committee, which has met month after month without interruption, we have been able to implement and follow up on different initiatives that are included in the annual cybersecurity plans for each group company. This committee reports to the Group's Risk Committee and in special cases also to CAP's Board of Directors.

At CMP, specifically, 3 cybersecurity policies were approved: Data Privacy, Information Assets and the Cybersecurity Policy. Regular meetings were held with the Control and Automation Superintendence to exchange best practices.

/ **ANNUAL AUDIT PLAN**

During 2023, several ethical hacking audits were conducted, all by specialized cybersecurity companies. The scope considered assets accessible from the Internet as well as from CAP's own internal network.

The Corporate Internal Audit Management has also implemented different continuous audit tools, which has expedited the identification of risks associated with critical systems

→ **CYBERSECURITY ATTACKS OR INCIDENTS.**

During the year, 3 minor cybersecurity incidents were reported. None of them had any impact on the operation or the loss or disclosure of information of the company or its customers. The attack vectors were email with spear phishing attempts¹⁷.

17. Attack targeting a specific individual or group of individuals within an organization, attempting to trick them into divulging confidential information.



Human Rights

→ Commitments

By adhering to these principles, CAP Group has established 10 commitments in the area of Human Rights.

1. To support and respect internationally recognized fundamental human rights within its sphere of influence.
2. To promote freedom of affiliation and the effective recognition of collective bargaining.
3. To eliminate all forms of forced or coerced labor, as well as any form of human trafficking.
4. To decidedly support the eradication of child labor.
5. To advance in the abolition of discriminatory practices in employment and occupation and the promotion of equal pay.
6. To maintain a preventive approach that favors the environment.
7. To promote initiatives that encourage greater environmental responsibility.
8. To seek innovation, development and promotion of technologies that respect the environment.
9. To work actively against all forms of corruption, including extortion and bribery.
10. To ensure that collaborators, suppliers and trading partners adhere to these commitments and assume them as their own.

CAP Group has an Integrity Code in which it declares its support for the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights and the fundamental conventions of the International Labor Organization (ILO).



Compliance with these commitments is monitored in 3 scopes:



→ Due Diligence

In 2021, CAP began its Human Rights due diligence process, which included interviews with company executives and an assessment of documents and internal processes.

In 2022, we assessed the potential risks associated with our own employees, contractors, migrants, children, indigenous peoples and local communities through a participatory approach that considered our own workers and contractors. The result, presented to the Board of Directors, was a Human Rights risk matrix established in accordance with the Corporate Risk Management Framework, which, according to international recommendations, must be evaluated and updated every two years, with a new evaluation due in 2024.

→ Latest developments

At the end of 2022, the Human Rights Due Diligence process was initiated in the infrastructure companies, Aguas CAP, Tecnocap and Puerto Las Losas. Currently, the risk identification and assessment process is being finalized at Aguas CAP and is underway at the other two companies.



Stakeholders

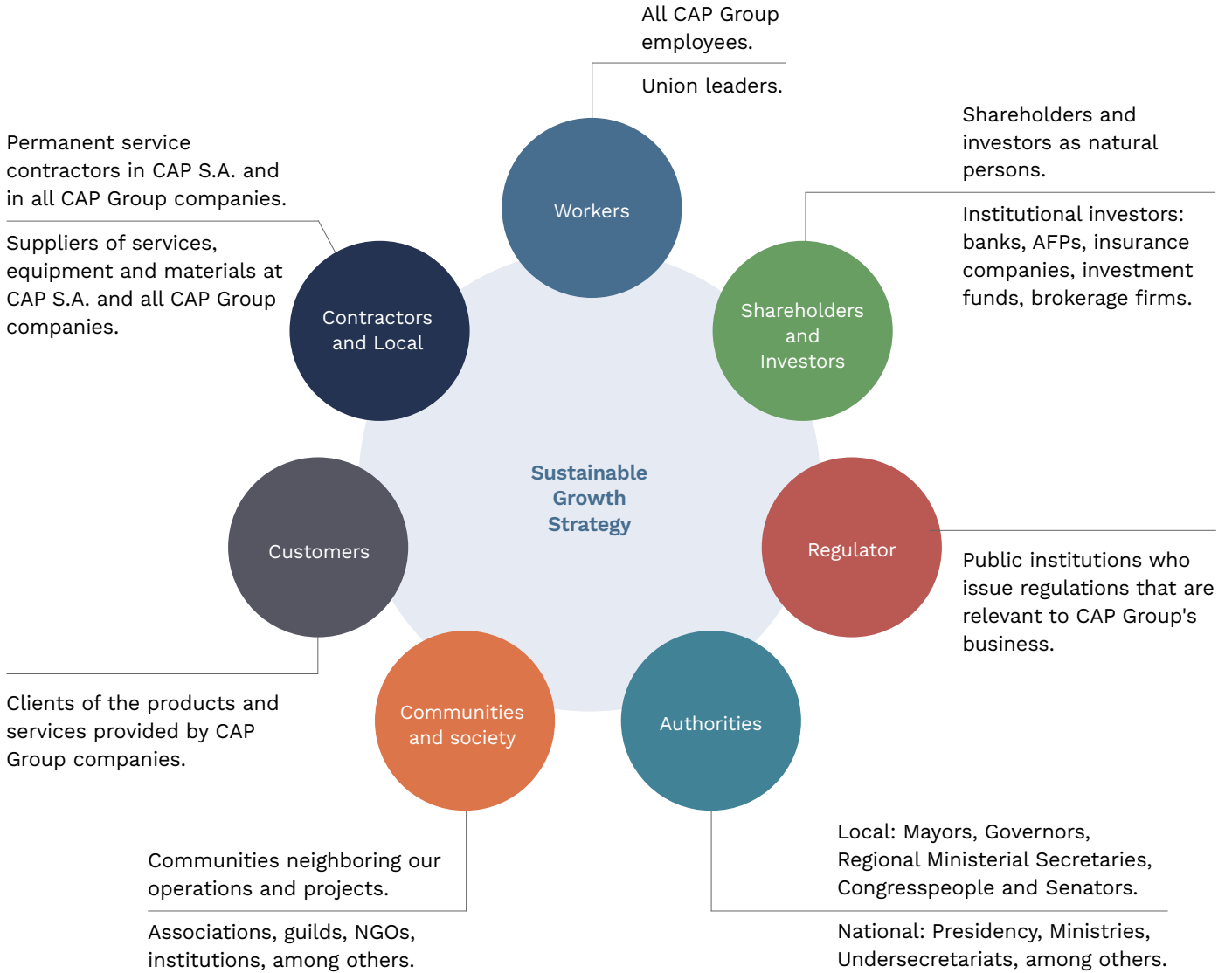
CAP Group understands that the insertion, relationship, collaboration and permanent communication with its stakeholders is a fundamental part of its business performance. For this reason, it has proposed to develop a framework of action that contributes to the generation of greater credibility, trust and acceptance of the company both in society as a whole and in the territories in which it operates and those who benefit from its work.

→ Relationship with Stakeholders

CAP Group has a Corporate Affairs and Sustainability Management, which is in charge of corporate communications, public affairs and ESG management. The Group also has an Investor Relations area, responsible for publishing quarterly result reports and presentations, participating in market conferences, monitoring analyst coverage, and responding to investor enquiries. This department continuously monitors communication with the market, with the support of an external advisor specialized in investor relations consulting, who oversees issuing analysis reports in this area on a semi-annual basis, and sometimes on an individual basis, focusing on events or instances of greater scope and relevance.



Stakeholder Map



Stakeholder relations

Stakeholders	Area in charge of leading communications and associated management	Communication Channels	Frequency
Workers	CAP S.A. (Corporate Center): Organizational Development Vice Management CAP Group companies: Human Resources Management.	→ Periodic meetings	Permanent
		→ Intranet → Conectados Platform → E-mail	
Shareholders and investors	CAP S.A.: Corporate Finance Management, Investor Relations Area.	→ Perception Studies, such as SSINDEX for Workers	Annual
		→ Newsletter	Monthly
		→ Presentations of results	Quarterly
		→ Participation in conferences with investors	Bimonthly
		→ Integrated Report	Annual
Regulator	CAP S.A.: CAP S.A.: Finance Management, as well as the Corporate Affairs and Sustainability Management.	→ Shareholders' Meetings	Annual
		→ Capital Markets Day	Annual
Regulator	CAP S.A.: CAP S.A.: Finance Management, as well as the Corporate Affairs and Sustainability Management.	→ Integrated Report	Annual
		→ Periodic meetings	On demand
Authorities	CAP S.A.: Corporate Affairs and Sustainability Management. CAP Group companies: Corporate Affairs Managements and Counsels.	→ Specific meetings requested through	On demand
		→ Lobbying Law, depending on the subject under analysis	
		→ E-mail	
Authorities	CAP S.A.: Corporate Affairs and Sustainability Management. CAP Group companies: Corporate Affairs Managements and Counsels.	→ Perception Studies, such as SSINDEX for Relevant Actors.	Annual
		→ Periodic meetings	On demand
Communities and society	CAP S.A.: Corporate Affairs and Sustainability Management. CAP Group companies: Corporate Affairs, Community Relations, Sustainability and Environmental Managements.	→ E-mail	On demand
		→ Perception Studies, such as SSINDEX for Communities.	
Customers	CAP S.A.: Management Business Development. CAP Group Companies: Commercial Managements.	→ Periodic meetings	Permanent
		→ E-mail	
Customers	CAP S.A.: Management Business Development. CAP Group Companies: Commercial Managements.	→ Perception Studies, such as SSINDEX for Clients.	Annual
		→ Periodic meetings	Permanent
Contractors suppliers	CAP Group Companies: Commercial Managements. CAP S.A.: Finance Management, Accounting Area. CAP Group Companies: Procurement, Purchasing and Contracts Managements.	→ E-mail	
		→ Perception Studies, such as SSINDEX for Suppliers.	
		→ Perception Studies, such as SSINDEX for Suppliers.	

→ Associations and Memberships

Through our participation in different association instances, CAP Group seeks to promote better practices and promote a regulatory environment that favors integral socioeconomic development.

CAP Group has decided that the contributions provided must always be framed according to the purpose of being leaders in the global market of materials for decarbonization, through an integrated business portfolio and the development of innovative and sustainable products and solutions.

The group's guiding principles are the following:

- CAP Group's participation in guilds and associations must be linked to the fulfillment of the key elements of the Sustainable Growth Strategy.
- Any incorporation in new associations or guilds must be justified considering their link with the elements of the Sustainable Growth Strategy.

The following is a list of the main guilds and associations in which we participate, and the objectives we pursue.

/ GUILDS

ASIMET (Association of Metallurgical and Metal-mechanic Industries)

To promote the development of the metallurgical and metal-mechanic sector in Chile, representing it before national and international public and private entities.

Link to the organization: Jorge Lagos, Corporate Affairs and Sustainability Manager, is a Director. Participation in public policy working circles, events and seminars.

Mining Council

Guild association that groups large mining companies based in Chile. It seeks to promote competitive and sustainable development in mining, contributing to the country's wellbeing. Moreover, it aims to share the reality of the mining sector, its challenges and its contribution to the development of all Chileans.

Link to the organization: Francisco Carvajal, CEO of CMP, is a Director. Nicolás Burr, CEO of CAP, is an Alternate Director.

SOFOPA (Industry Development Society)

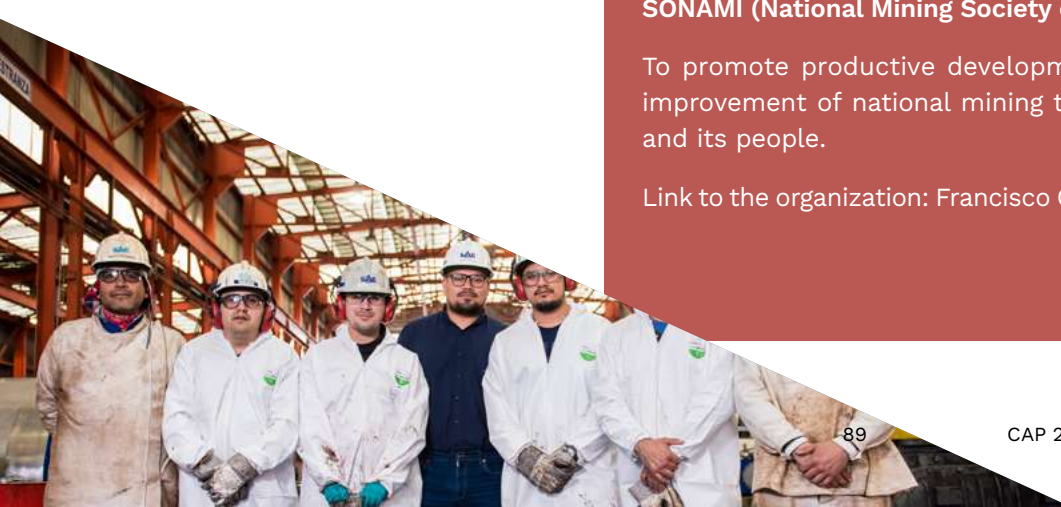
To promote the industrial sector's sustainable development and the country's economic growth, endorsing public policies that promote investment, entrepreneurship, permanent people training, job generation and the adequate insertion of private activity.

Link to the organization: Nicolás Burr (CEO of CAP) and Patricia López (Infrastructure Manager) are Elective Board Members. Participation in public policy working circles, events and seminars.

SONAMI (National Mining Society of Chile)

To promote productive development and institutional and legal improvement of national mining to build better realities for Chile and its people.

Link to the organization: Francisco Carvajal, CEO of CMP, is a Director.





US\$ 1.1
million

was the total amount contributed
by CAP Group in Associations and
Memberships in 2023

ALADYR (Latin American Water Desalinization and Reuse Association)

It is a non-profit guild association, highest referent in Latin America regarding water and effluent desalinization, reuse and treatment.

Link with the organization: Hernán Aravena, CEO of Aguas CAP.

/ ASSOCIATIONS

United Nations Global Compact

To encourage and promote the ten principles of the Global Compact and the UN's 17 Sustainable Development Goals (SDG) with the goal that the organizations operating in Chile include them in their strategic guidelines.

Link to the organization: Participation in groups of leading companies in SDG 13 Climate Action. Participation of executives in institutional events.

ALACERO (Latin American Steel Association)

Institution that represents the steel industry in Latin America to promote sustainability due to its importance for the development of the region.

Link to the organization: CAP's CEO, Nicolás Burr, is a Director. Participation of executives in Markets, Sustainability, People and Communications Committees.

AHK Chile (Chilean-German Chamber of Commerce and Industry)

It is an important platform for commercial exchange and the transfer of technology and know-how between Germany and Chile.

Link to the organization: Patricia López, Infrastructure Manager, is a member of the Board of Directors.



Acción Empresas

To make companies aware and mobilize them to manage their businesses in a way that is socially responsible, supporting their leaders and employees to install sustainable development in their strategy.

Link with the organization: Participation of executives in institutional events.

CLG Chile

Group of companies with a significant presence in the country, with a public commitment to climate change issues.

Link to the organization: CAP Group is a member of the Steering Committee.

Chilean-Argentinean Chamber of Commerce

Through the organization of different activities, it promotes trading links between both countries, fulfilling a fundamental role in orienting and guiding Chilean and Argentinean companies in materializing bilateral deals.

Link to the organization: Cecilia Facetti, Chair of INTASA's Board of Directors, is 2nd Vice President.

ICARE (Chilean Institute of Rational Business Administration)

Private non-profit corporation, independent from guild and political interests, which groups companies from different economic sectors with the purpose of promoting business excellence.

Link to the organization: CAP Director, Patricia Núñez, is a Director and Vice President of the Legal Circle. CAP's CEO, Nicolás Burr, is a participant in the CEO Circle. Participation of other executives in Specialty Circles, events and seminars.

CANCHAM (Chilean-Canadian Chamber of Commerce)

Representative of Canadian industry in Chile, it currently constitutes a commercial bridge between both countries.

Link to the organization: CAP's Director, Patricia Núñez, is President.

Contributed amount in 2023: \$921,413

/ FOUNDATIONS

Fundación Chilena del Pacífico

Link to the organization: Juan Enrique Rassmuss, Chairman of CAP's Board of Directors, is 1st Vice-Chairman.

Think Tanks

Centro de Estudios Públicos (CEP)

Link to the organization: Nicolás Burr, CEO of CAP, is a Director. Preparation of studies and analyses in technology research and innovation, as support for the group's strategic decisions.

Contributions to guilds and associations

Component	Contributions in 2023 (CLP)
Lobbying or interest representation organizations	0
Political campaigns / political candidate campaigns	0
Trade associations or non-profit organizations (related to trade matters)	996,641,198
Other expenses on political activities	0

04

2023 Operational Performance



Drivers of operational performance in 2023

As detailed in the *Sustainable Growth Strategy* chapter, in order to develop the business portfolio, the strategies of each of the companies are aligned with the purpose, the 2030 Strategy and the strategic focuses of CAP Group, which are as follows:

1. **Operational continuity:** The first focus is to ensure the stability, continuity and efficiency of the current business in terms of accident rate, production levels, financial stability and profitability, competitive position, relationship with the communities and environmental impact.
2. **Strengthening current businesses:** The second focus is to strengthen current businesses with growth initiatives and promote differentiation with products and services that have a lower carbon footprint and reduce water consumption.

3. **Portfolio development:** To develop businesses that have synergies with the iron value chain and/or are in line with decarbonization and the reduction of consumption of the planet's water resources.

Each year, CAP Group allocates significant resources to investment projects that are aligned with these focuses. In this line, CAP is developing three robust frameworks for effective capital management:

- Strategic alignment
- Investment appraisal
- Capital allocation

Compliance with these corporate guidelines will allow the group to be rigorous in the implementation of its 2030 Strategy¹⁸.

In 2023, CAP Group's revenues reached US\$ 2,964.9 million, which represents a decrease of 1.4% with respect to 2022. Gross profit for the period was US\$ 691.4 million, 9.3% lower than that accumulated the year before. On the other hand, the accumulated net income as of December 2023 was US\$ -7.0 million, compared to a net income of US\$ 226.0 million in the same period of 2022. EBITDA, meanwhile, decreased 7.5% from US\$ 910.1 million at the end of 2022 to US\$ 841.8 million in the same period of 2023.

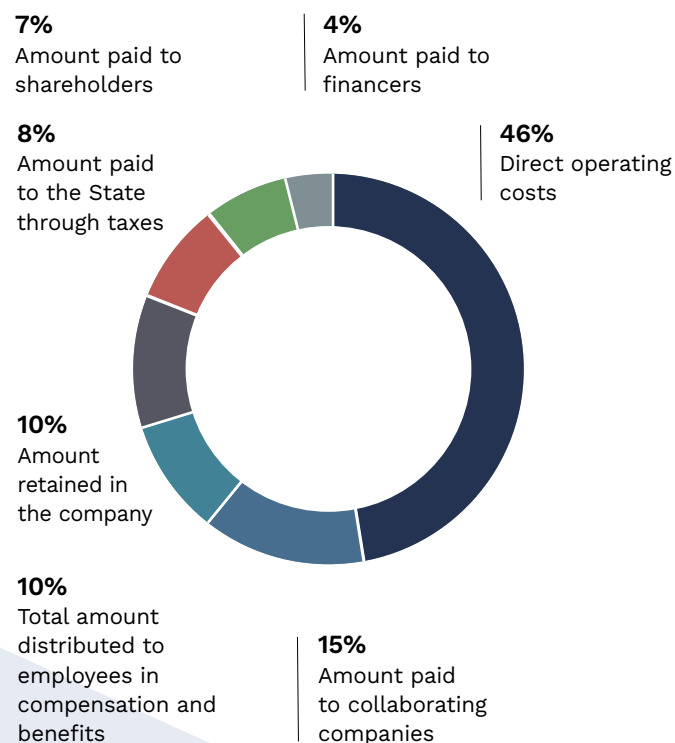
These lower results in 2023 are mainly explained by the performance of the steel production segment, which was impacted by lower prices, thus generating a lower margin. To the above we must add an impairment provision of US\$ -149.1 million on property, plant and equipment in the second quarter of the year, applied as a consequence of the recognition of a present value of future cash flows lower than the book value of its assets employed.

18. The time horizons considered in investment planning are divided into short, medium and long term. The first refers to projects equal to or less than 3 years, the second to projects of 4 to 9 years and the third to projects of 10 years or more.

Economic Value Generated and Distributed

Economic Value Generated and Distributed (KUS\$)	2021	2022	2023
Consolidated revenues	3,676,883	3,006,046	2,964,899
EBITDA	1,813,801	910,107	841,756
Direct operating costs	645,351	908,359	1,365,797
Total amount distributed to employees in compensation and benefits	245,933	233,342	287,551
Amount paid to collaborating companies	480,683	417,229	457,754
Amount paid to the State through taxes	423,675	489,070	229,179
Amount paid to shareholders	462,258	602,992	218,989
Amount paid to financiers	63,358	80,693	117,821
Amount retained in the company	1,355,625	274,361	287,808

Type of taxes paid (KUS\$)	2021	2022	2023
Income taxes	344,611	431,715	171,898
Mining-specific taxes	63,062	34,261	37,218
Taxes on municipal patents	1,733	756	1,381
Other taxes ¹⁹	5,955	6,498	13,643
Total taxes paid in Chile	415,361	473,230	224,140
Total taxes paid in Argentina	5,744	7,332	3,833
Total taxes paid in Peru	2,570	8,508	1,206
Total taxes paid in other countries	8,314	15,840	5,039
Total annual taxes paid	423,675	489,070	229,179



19. Other taxes include: real estate taxes, maritime concessions, fuel, unrecovered VAT, among others.



Mining

To move towards high-quality iron products in pursuit of the decarbonization of the steel industry

In the case of CMP, its strategic planning is aligned with the company's integral planning cycle. The strategic update is the first input of this cycle and is generated in January each year, through the Strategy 1 Workshop, with the participation of the mining company's Executive Committee. This is connected to CAP workshops, through the transfer of the main message by the CEO and CMP executives who participate in those instances.

→ Strategic Objectives

CMP's purpose is fulfilled through the advancement of initiatives that seek to achieve its strategic objectives. Annually, we evaluate which projects to incorporate, update and/or eliminate in order to achieve this. During 2023, seven initiatives were generated that aim to achieve the three goals set in this area.



CMP'S PURPOSE

From the heart of our processes, we create a different kind of mining for the sustainable development of the territory and its people.

/ STRATEGIC INITIATIVES 2023

- Reliability of the role
- Consolidation of the territorial strategy
- Environmental compliance and emission control
- Filtered Tailings Deposit (DRF)
- Cost GRP
- Optimization
- Marketing, new business and growth plan

CMP has differentiating core competencies, such as the proven quality of its deposits, and an important base of reserves and mining resources at the national level, in addition to 2,068 exploitation concessions and 23 exploration concessions, totaling 461,808 hectares.

However, the company is in an excellent position to develop growth projects that have the potential to double current production levels by 2040 with its projects in the Huasco and Elqui Valleys in the Atacama and Coquimbo regions, respectively.



These projects are the following:

1. CONTINUITY OF HUASCO VALLEY

Brownfield project in pre-feasibility stage (FEL 2^a) that seeks to extend the life of Los Colorados20 mine beyond 2050 as well as the exploitation of the Algarrobo and Alcaparra satellite deposits.

2. DEVELOPMENT OF ELQUI VALLEY

Greenfield project, also in the pre-feasibility stage, which develops new deposits in Valle de Elqui Norte. Based on the results of the profile study (FEL 1), these deposits correspond to Tofo Norte and Tofo Sur.

This project includes, in an early stage, the Puerto Cruz Grande initiative, a facility that will make feasible a series of mining deposits in its vicinity, allowing for the future creation of a high-grade iron ore production district-with 68-69% Fe grades and lower costs due to the infrastructure being nearby.

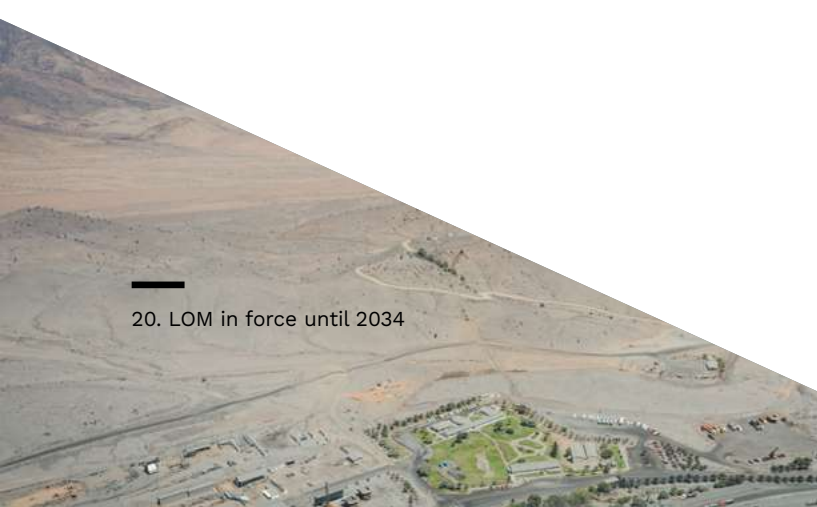
3. OPTIMIZATION

Finally, an Optimization Program was prepared for the company, where investments were identified, which will begin its development during the 2024 fiscal year.

These strategic projects are committed to the sustainability pathway along which CAP Group companies are advancing, including projections to achieve the decarbonization goals, deepening the development of circular economy in the mining segment, and advancing in diversity, with a focus on gender equity.

→ **CMP's main concessions are:**

- **Mining concessions** (23 exploration concessions, covering 8,300 hectares; 2,055 exploitation concessions, covering 451,333 hectares; and 13 exploitation concessions in the process of being established, covering 2,175 hectares).
- **Maritime concessions** that enable it to operate its 3 ports (Puerto Totoralillo, Puerto Guacolda II and Puerto Guayacán).
- **Railroad concessions or property concessions over strips**, as the case may be, which allow it to operate railroads between mining sites and port.



20. LOM in force until 2034

/ RESOURCES AND RESERVES

In 2022, CMP decided to adopt the JORC code standards (2012) for its future reporting of mineral resources and reserves. This decision represents an important step forward, as it is a code that is mandatory for companies listed on the Australian and New Zealand stock exchanges, and has been voluntarily adopted by many other companies worldwide to ensure access to capital markets in different global stock exchanges.

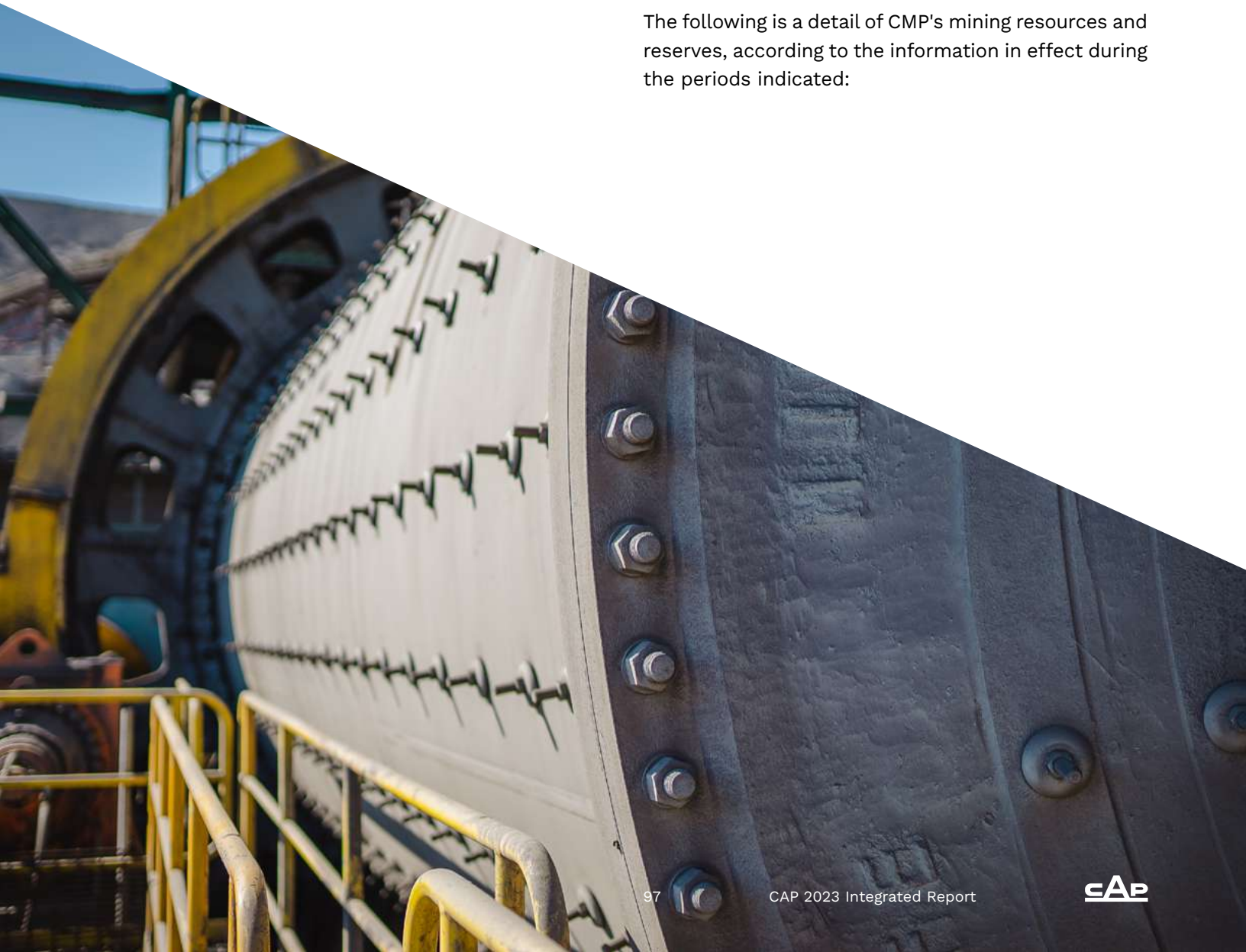
This process of adopting the JORC standard is a gradual process. Certification of reserves has already been completed for its main operations, for a total of 622 million tons, and it will continue during 2024

with the certification of the continuity and growth projects, seeking to include, at least partially in the next declaration, the reserves, previously quantified at 1,823 million tons.

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

In this way, CMP will continue to advance on the path of providing the capital markets with accurate and verifiable information, generating technical reports with sufficient support to be in line with industry best practices, especially given the adoption of the JORC code and its guidelines.

The following is a detail of CMP's mining resources and reserves, according to the information in effect during the periods indicated:



Resources

In relation to resources, the main difference with respect to the information provided in 2022 is the standardization of Candelaria's resources, which are limited to the resources in the contract in force until 2030.

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

©

The reserves stated are certified in accordance with Law 20,235 by Competent Persons (CP) validly registered with the Competence Qualification Committee in Mining Resources and Reserves (Mining Commission) and do not work at CMP or any related companies.

The competent person that carried out the certification is Mr. Marco Alfaro S., whose registration number in the Mining Committee is 218.

©*

The reserves stated are certified in accordance with JORC by Competent Persons (CP) validly registered with the Competence Qualification Committee in Mining Resources and Reserves (Mining Commission) and NI 403, and do not work at CMP or any related companies.

The competent person who performed the certification is Mr. Marcelo Arancibia, whose registration number with the Mining Commission is 048, and Mr. Clayton Deutsch QP, AUSMMIN and CIM.

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

©

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The competent person who performed the certification is Mr. Marcelo Arancibia, whose registration number with the Mining Commission is 048, and Mr. Clayton Deutsch QP, AUSMMIN and CIM.



Deposit reserves in operation

Site		December 2023 Reserves								
Name	Location	Type of Mining	Date	Proven	% Iron	Probable	% % Iron	Total	% Iron	
El Iaco	Antofagasta									
Cerro Negro Norte	Copiapó	OP	31.12.23	122	34.7	142	31.7	264	33.1	
Candelaria	Copiapó	Relave	31.12.23			171	12.5	171	12.5	
Los Colorados	Vallenar	OP	31.12.23	105	43.3	41	42.1	147	43.0	
Los Colorados Phase 5 y Phase 6, Stockpiles	Vallenar	OP	31.12.23	81	42.8	37	41.5	119	42.4	
Los Colorados Phase 7		OP	31.12.23			28	45.2	28	45.2	
El Algarrobo	Vallenar									
Algarrobo										
Stockpiles										
El Algarrobo Distrito	Vallenar									
Alcaparra D										
Pleito (Tofo Norte)	La Serena	OP	31.12.23	12	41.1	3	38.4	15	40.6	
Pleito (Tofo Norte)										
Pleito		OP	31.12.23	3	41.2	0	37.5	3.3	40.9	
Bronce		OP	31.12.23	9	41.1	2	38.5	11.0	40.6	
Chupete (todo Sur)										
Romeral mine	La Serena	OP		19	24.9	6	31.4	25	26.5	
Low Grade Stockpiles		Desmonte	31.12.23	5	23.8			5	19.4	
Romeral Fase V Norte		OP	31.12.23	14	22.3	6	31.4	20	28.1	
Romeral Fase V										
Total								622	29.7	

The reserves in the table above, which show total proven and probable reserves of 622Mt@29.7%FeT corresponding to four mining operations as of December 31, 2023, are the result of a mine planning process called LOM, which is part of the annual mine planning cycle of Compañía Minera del Pacífico (CMP).

As mentioned above, in 2022, Compañía Minera del Pacífico decided to adopt the standards for reporting its resources and reserves according to the JORC code (2012). The process of converting resources to reserves was validated in the audit performed by the external entity "WSP Golder" recorded in the document "Audit of Mineral Reserves - CMP, Los Colorados - Cerro Negro Norte - Romeral - Pleito/ Bronze" dated August 2023 based on the 2022 LOM.

Note: the information and data related to Mining Reserves have been reviewed and analyzed by the Member of the Qualifying Commission of Competence in Mining Resources and Reserves of Chile, Mr. José Gajardo Carrasco. (Competent Person in the "Mining" specialty, Registration No. 389). The aforementioned person has sufficient experience and relevant knowledge on mineralization, the deposit under consideration and the type of activity developed, which allows him to provide adequate support to the statement of Mineral Reserves of Compañía Minera del Pacífico (CMP).



The 2023 Resources and Reserves in the table above will be certified by public report to the Chilean Resources and Reserves Commission in April 2024. Said document will be prepared Competent Persons in CMP Mining Resources and Reserves.

Candelaria, a site not considered in the Certification Process, corresponds to a third-party Cu deposit, from whose fresh tailings CMP

obtains Fe concentrates at its Magnetite Plant facilities under a contractual agreement.

The contract commences in December 2023 and is valid until December 31, 2030. The indicated value corresponds to the tonnages of Fresh Tailings generated according to the Long-Term Plan reported by Candelaria until the year 2030.

Project site reserves

Regarding reserves in a project phase, these are summarized in the following table:

Site				Reserves to be Certified as of December 2024					
Name	Location	Mining Type	Date	Proven	% Fe	Probable	% Fe	Total	% Fe
Los Colorados LOM Potential (Fel2)	Vallenar	OP	Aug 24					323	31.3
El Algarrobo	Vallenar							77	49.4
Algarrobo		SUBT	Aug 24					72	50.2
Stockpiles		Desmonte	Aug 24					5	38.6
El Algarrobo Distrito	Vallenar							118	35.5
Alcaparra D		OP	Aug 24					118	35.5
Pleito (Tofo Norte)	La Serena							1,305	28.8
Pleito (Tofo Norte)		OP	Aug 24					895	25.4
Pleito									
Bronce									
Chupete (todo Sur)		SUBT	Aug 24					410	36.3
Total								1,823	30.6

- El Laco Site: Project in PEA (Preliminary Economic Assessment) stage, so it does not constitute Reserves according to the new standardization of reserves declaration adopted by CMP through the JORC code.
- El Algarrobo Site and El Algarrobo District: Projects in "Fel 1" stages according to the Front-end-loading (FEL) Methodology, which means a stage of opportunity identification phase. Its inclusion should be reviewed only as resources since it does not comply as reserves (without categorization of proven and probable in the report).

- Pleito TN Site: Projects in "Fel 1" stages according to the Front-end-loading (FEL) Methodology, which means a stage of opportunity identification phase. It should be reviewed for inclusion as a resource only since it does not comply with reserve definition.
- Romeral Fase V: project with RCA approved, however, economically unfeasible given the price and cost conditions of the Minas El Romeral (MER) site.

→ Economic Performance

The 2023 fiscal year was a challenging period in terms of costs for the group's mining branch, but it had good financial results. The positive performance is due to the consolidation of Internal Process Risk Management (IPRM), an operational model developed by CMP, which seeks to connect people to the company's processes from their role, making the activities - both administrative and operational - more efficient, safe, sustainable

and productive. The PRM (or GRP in Spanish) helps to identify hazards, assess and control existing risks, as well as to minimize or eliminate process variability and uncertainty in execution along the entire value chain. It seeks to effectively protect all workers and productive activity in all areas.

/ COST MANAGEMENT

The volatility of product prices and critical process inputs impacted the business, which required positioning cost management as one of the strategic initiatives in 2023.

The company developed strategies and plans aimed at efficiency and savings, which it called "Cost PRM". This initiative included the review of mining plans, seeking to maximize production, in addition to working on the optimization of operational and support services. This is in addition to efforts to make adjustments in consumption and fees associated with strategic inputs, as well as training and strengthening the role of contract operators. As a result, we were able to reduce spending by more than US\$45 million and improved adherence to budget in the second half of the year.

During the year, CMP achieved the company's highest historical production, exceeding 17 million tons.

/ COMPARATIVE ADVANTAGES

The global iron market is being driven by the decarbonization of the steel industry, bringing products with a lower carbon footprint to the fore. This is the case of the products marketed by CMP: Fines for high grade magnetic pellets (>68% Fe) and direct reduction pellets (RD >67% Fe).

Main business figures in thousands of metric tons

Indicator	2021	2022	2023
Total shipments	16,152	16,312	17,015
Total production	15,979	16,082	16,829
Purchases	334	455	529
Total production and purchases	16,312	16,537	17,358

→ Customers

During 2023, CMP deepened the guidelines started in the previous year, in terms of reducing dependence on China and advancing in the diversification of markets, increasing, for example, relations with steel companies in the Middle East to introduce the pellet product.

/ FEATURED ACTIONS IN THIS AREA:

- Increase in direct sales to end users, and reduce exposure to intermediaries.
- Continued efforts to increase long-term contracts.
- Reinforcement of the Marketing area, with the objective of deepening market trends.
- Deepening of the company's commercial strategy, with a focus on pricing and technical marketing.

→ Innovation and technology

In the context of the initiatives prioritized by CAP Group in 2023 to promote innovation and the incorporation of new technologies in its companies, CMP made progress in initiatives that promote the transition to cleaner fuels and the adoption of renewable energies.

/ FIRST PILOT OF NATURAL GAS-POWERED EXTRACTION TRUCKS

As part of the alliance that CMP signed with ENGIE Chile to contribute to the decarbonization of mining in 2022, in October 2023 the mining company and the energy company conducted the first tests of the "dual fuel" system for extraction trucks (CAEX). Currently, the project is being piloted for equipment operational adjustments.

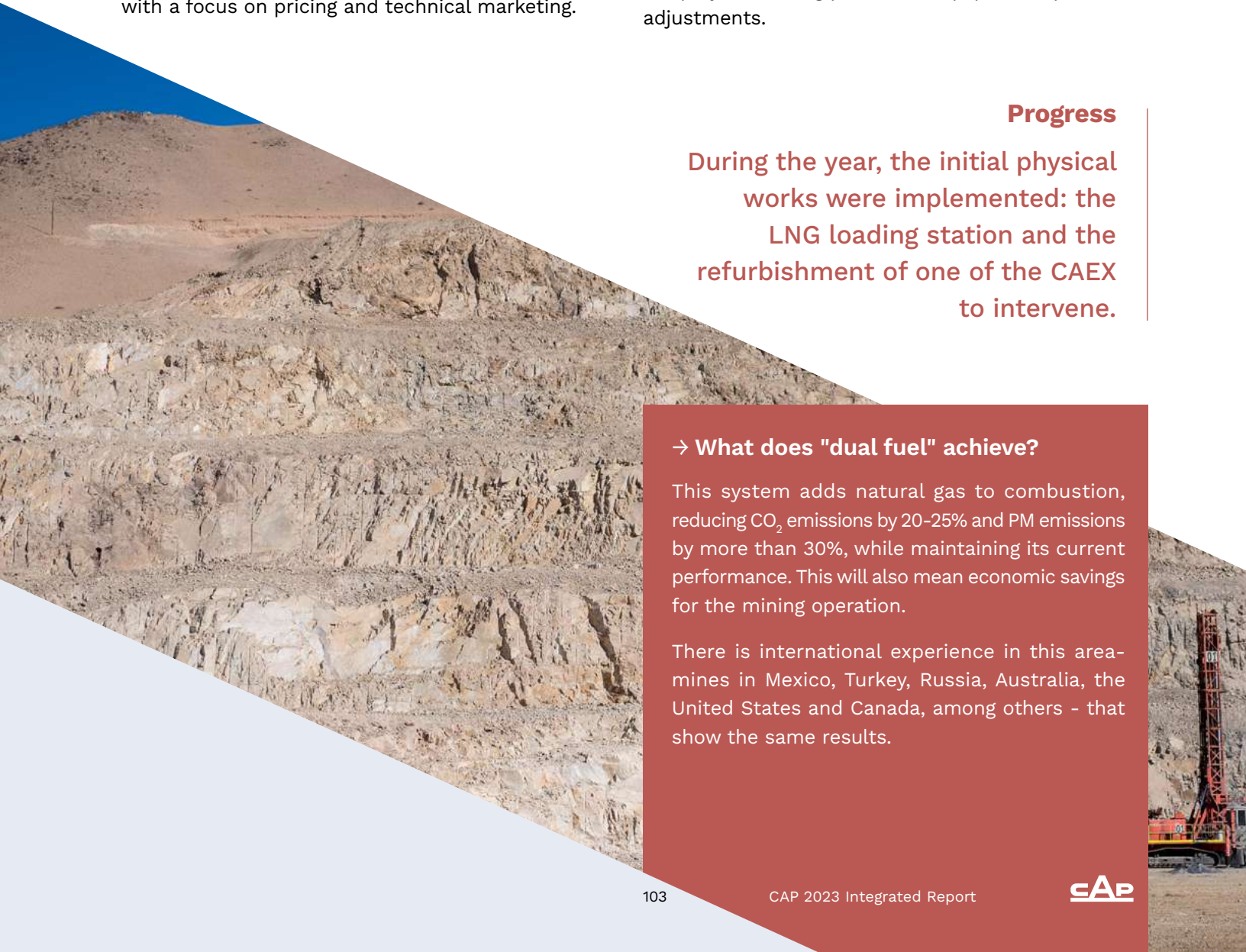
Progress

During the year, the initial physical works were implemented: the LNG loading station and the refurbishment of one of the CAEX to intervene.

→ What does "dual fuel" achieve?

This system adds natural gas to combustion, reducing CO₂ emissions by 20-25% and PM emissions by more than 30%, while maintaining its current performance. This will also mean economic savings for the mining operation.

There is international experience in this area - mines in Mexico, Turkey, Russia, Australia, the United States and Canada, among others - that show the same results.



/ RECEPTION OF THE FIRST “DUAL SYSTEM” VESSEL

Mount Ita, a ship that uses natural gas and conventional fuel to power its engines, arrived in May 2023. Its main innovation is its dual combustion system, which allows it to reduce CO₂ emissions by 43% compared to traditional vessels.

With the reception of "dual" vessels, CMP is ahead of the International Maritime Organization's agenda for reducing emissions by 2030 and brings the company closer to its goal of reducing Scope 3 emissions, those produced in the resources used to transport its product to other continents. This means further strengthening the mining company's path towards decarbonization.

/ FIRST PRIVATE MINING COMPANY TO USE 100% ELECTRIC BUSES FOR PASSENGER TRANSPORTATION

In September, in association with companies Verschae, Flex and Enel X, CMP became the first private mining company in the country to change its fleet of conventional buses for 100% electric vehicles in its three valleys. They are powered by energy from renewable sources, significantly reducing emissions at its various sites. This initiative involved an investment of approximately US\$60 million.

Advantages of electromobility:

- Electric buses make it possible to reduce more than 3,000 tons of CO₂ emitted to the environment per year.
- They do not produce noise pollution in cities.
- They generate operational savings of around 50% compared to diesel combustion buses.
- The contract is for 8 years and it contemplates the use of 45 electric buses and the hiring of 100% local labor and 100% renewable energy.



→ Investments in continuity, strengthening and development

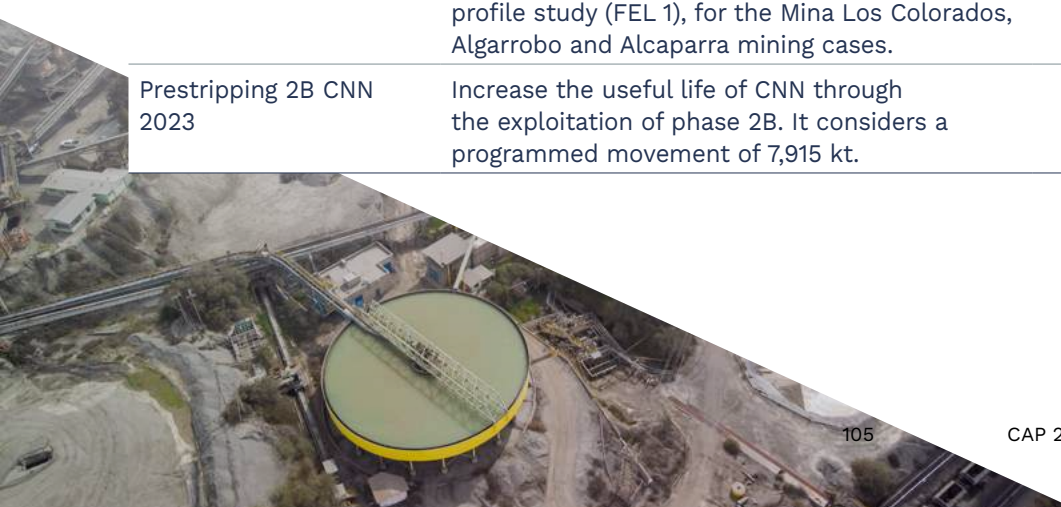
CMP's most significant investment during the year was the Filtered Tailings Deposit, which was commissioned in September 2023.

In the Copiapó Valley, the standout is the study entitled "CNN Operational Improvements", aimed at increasing production and optimizing the current processes of the Cerro Negro Norte mine, which is currently at the FEL 2A stage.

At the end of 2023, CMP has six projects underway with a total investment of US\$450 million.

Investments executed in 2023

Significant Investment	Description	Total investment (ThUS\$)	Amount invested in 2023 (ThUS\$)
Filtered Tailings Deposit	Implementation of a permanent and sustainable solution for tailings disposal on land during the remaining useful life of the Huasco Pellet Plant.	210,735	94,247
Prestripping Phase 6 MLC 2023	Increase the useful life of Los Colorados Mine through the exploitation of phase 6, in the N, NE and S sectors of the pit. It considers a programmed movement of 61,525 kT.	128,190	126,026
Major Maintenance at CMP in 2023	Carrying out activities, contracting of services and purchase of major components associated with the existing matrix plan for all CMP plants and ports.	39,515	36,800
FEL 2A Valle Elqui Norte (Tofo)	Select the best future development alternative for the Elqui Valley, based on the results of the FEL 1 study, for the Tofo Norte and Tofo Sur exploitation cases.	22,579	10,309
FEL 2A Operational Continuity Huasco	Select the best future development alternative for the Huasco Valley, based on the results of the profile study (FEL 1), for the Mina Los Colorados, Algarrobo and Alcaparra mining cases.	31,600	13,437
Prestripping 2B CNN 2023	Increase the useful life of CNN through the exploitation of phase 2B. It considers a programmed movement of 7,915 kt.	17,399	16,984



**/ FILTERED TAILINGS DEPOSIT (DRF):
PIONEERING AND ENVIRONMENTALLY FRIENDLY TECHNOLOGY**

In September 2023, CMP commissions the Pellet Plant Filtered Tailings Deposit. At the close of this Integrated Report, the DRF is in the adjustment stage to achieve its optimum operating capacity.

This project is carried out jointly with Universidad de Santiago de Chile, Universidad Católica de Valparaíso and Pontificia Universidad Católica of Chile.

This project has the best available technology, a pioneer in the country, such as the incorporation of a tubular belt that moves, which avoids the pollution normally generated by this type of facilities in the mining industry. These advances, which introduce a new standard in Chilean mining, make the DRF the first industrial plant of its size in Chile, allowing greater recirculation and reuse of water, together with lower emissions of particulate matter into the atmosphere.

Thus, in the context of the development of the DRF, the company will continue to carry out R&D projects for the environmental rehabilitation of the area and to achieve circular economy objectives.

→ Rehabilitation and landscape integration of mine tailings, applying phytotechnology and circular engineering. Approved by CORFO, this initiative aims to develop and implement an environmental landscape rehabilitation model for the DRF, including a phytotechnological program. The current Los Olivos nursery already has a vegetative production of approximately 2,900 plants, corresponding to 5 species endemic to the area, and by 2024 it is estimated to have four additional species.

→ → In addition, the design seeks to integrate the circular economy component into the deposit infrastructure, based on pilot tailings studies. This project is now entering phase three (of a total of four). During 2024, the experimental pilot will be built at the DRF.





Steelworks



This Integrated Report was published on March 25, 2024. It should be noted that only 5 days before that date, CAP S.A. announced the indefinite suspension of CSH's steelmaking activity. This announcement generated multiple reactions among the company's stakeholders, and any subsequent events or decisions are not reflected in this publication. However, this document contains the progress and actions taken by CSH during 2023 to make its operation viable, as a testimony to the efforts of its workers, executives, directors, suppliers, and all those who in one way or another are related to CSH.

Between May and August 2023, Siderúrgica Huachipato (CSH) developed a series of collaborative workshops with the members of the Executive Committee (Managers and Assistant Managers). Two objectives and 8 strategic initiatives to be implemented were reformulated and defined.



CSH'S PURPOSE

To contribute to a more sustainable world through intelligent steel solutions.



CSH'S VISION

To transform steel into one of the foundations of a sustainable industrial ecosystem.

→ Strategic Objectives

The objective defined for 2023 was to recover competitiveness by being efficient in the use of assets and costs, minimizing process variability, reducing risks and increasing labor productivity. To achieve this, we are working on the following strategic initiatives:

- **Cultura A-Cero and Digital Transformation:** Initiatives to work on processes and culture.
- **Implementation of IBP²¹:** This approach integrates strategic, operational and financial planning within the company, seeking to collaborate among business units to achieve strategic objectives.
- **Cost efficiency:** Contingency plan and Purchase plan by category.

/ CSH STRATEGY

During 2023 the company worked on a value proposition that sought to link its products and/or services (mainly mining companies) with the end consumer.

This includes 3 mutually synergistic initiatives:

- **Service model:** Defines a value proposition for the company's products and/or services, based on improved performance of steels within the mill.
- **Marketing, Commercial and Public Relations Plan:** Position the brand by working with public opinion and mining clients.
- **Development of ferroalloys:** Increase product quality through improvements in the manufacturing process.

→ Economic Performance

The 2023 scenario for CSH was very challenging in terms of demand, both in the case of Chile and for the regional context. Poor growth coupled with economic and political uncertainty helped to deepen the market declines observed since the 2022 period. In addition, the impact of competition from lower-priced imported steel has severely affected the industry's profitability.

The steel company's value proposition, based on high-strength steels and services for the construction sector, partially offset the aforementioned declines.

/ SALES GROWTH

Despite this complex scenario, during 2023 Huachipato managed to increase its sales by 14% compared to 2022.

Main business figures in tons

Indicators	2021	2022	2023
Liquid steel production	832,618	701,191	714,986
Finished steel production	791,936	602,497	706,677
Domestic Market Shipments	541,371	379,221	444,509
External Market Shipments	271,480	274,258	247,008
Total shipments	812,851	653,479	691,517

21. IBP: Integrated business planning.



→ Customers

Coinciding with its strategic focuses, during 2023, CSH aimed its efforts to connect in a different way with its main consumers, who are companies in the mining sector.

Actions executed in 2023:

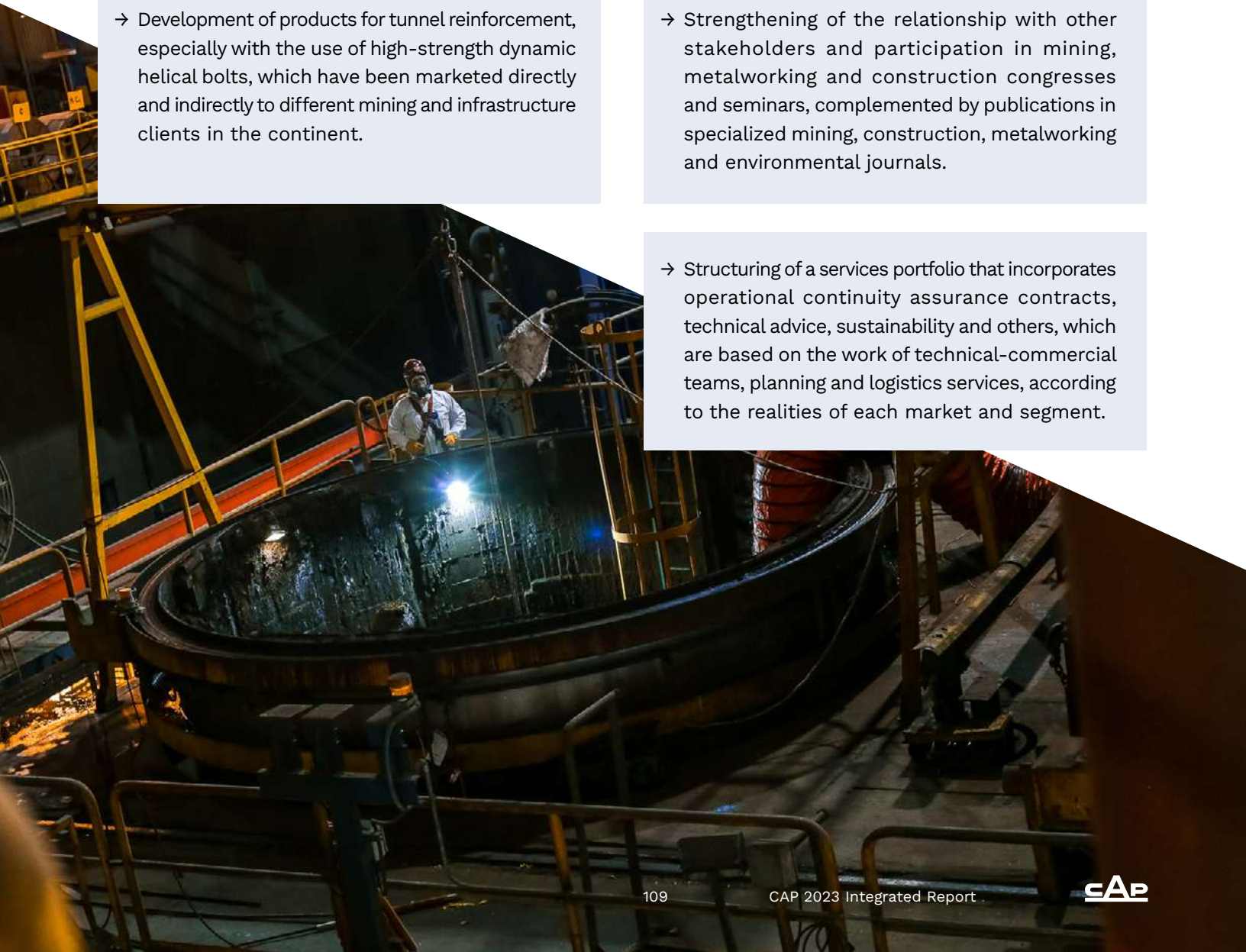
→ It continued its offer to mining grinding media manufacturing costumers, increasing participation in their purchasing needs.

→ Validation and certification processes to supply special steels for the automotive industry in the Latin American region.

→ Development of products for tunnel reinforcement, especially with the use of high-strength dynamic helical bolts, which have been marketed directly and indirectly to different mining and infrastructure clients in the continent.

→ Strengthening of the relationship with other stakeholders and participation in mining, metalworking and construction congresses and seminars, complemented by publications in specialized mining, construction, metalworking and environmental journals.

→ Structuring of a services portfolio that incorporates operational continuity assurance contracts, technical advice, sustainability and others, which are based on the work of technical-commercial teams, planning and logistics services, according to the realities of each market and segment.



→ Innovation and Digitalization

During 2023, CSH worked on the following initiatives in innovation and digitalization.

/ SOLUTIONS PROTOTYPES

CSH developed a route for prototypes of solutions for the reduction of steel consumption in mining milling, through the intelligent use of anti-wear alloys, customized to each client's specific requirements.

/ SPECIAL STEELS FOR CONSTRUCTION

During 2023, CSH worked on the production of high-strength steels for construction, which could reduce the consumption of this material in infrastructure projects and other industries by 20% to 23%.

/ DIGITAL TRACEABILITY PLATFORM

This digital tool is designed to allow mining customers to obtain recycling certificates based on Huachipato's receipt of mining scrap.

→ This traceability system was certified by Circulartec (Circular Economy Technology Center for the Northern Macrozone).

During 2023, CSH invested in the following initiatives:

Significant Investment	Description	Total investment amount (KUS\$)	Amount invested in 2023 (KUS\$)
BLT Blast Furnace 2	Implementing a bell-less buffer system in Blast Furnace 2, to improve performance and reduce fuel consumption.	16,400	12,163
Intermediate repair Blast Furnace 2	Intermediate repair to extend service life.	17,619	15,567
Secondary Uptake thrust Coke Plant	System for capturing and abating particulate material during thrust.	11,327	6,979
Blast Furnace 2 Automation	Implement level 2 expert system and new instrumentation for process control.	5,950	1,922





→ Operational Adjustments

In 2023, CSH successfully executed the scheduled transition of operations between the two blast furnaces.

At the end of July, operation of Blast Furnace 1 (AH1) began, allowing the controlled shutdown of Blast Furnace 2 (AH2) at the beginning of August. This marked the beginning of the on-site execution of the AH2 repairs and its technological and environmental improvements:

- Refractory replacement
- Bell-less top
- Expert control system
- Secondary collection of emissions in the castings yard

→ Steel price distortion: Efforts to "level the playing field"

During 2023 and after more than a decade of adverse results due to price distortions caused by steel imports from China, CAP Group and CSH undertook a series of actions to make steelmaking viable.

/ Actions undertaken by CAP Group and CSH:

CAP's subscription to a US\$300 million capital increase of CSH to improve the financial position and strengthen CSH's equity.

- Closure of operations of the Talcahuano Bar Rolling Mill, which produces wire rod, starting in the first quarter of 2024.
- Request on October 31 to the Anti-distortion Commission to initiate an inquiry into the markets for steel bars and grinding media, in order to correct the price distortion caused by subsidies and other forms of government intervention in China that allow Chinese exporters to sell their products in Chile below their production costs.

/ Results of these measures as of this report's date of publication:

There has been wide support from the public and local, regional and national authorities on the need to "level the playing field" to boost Huachipato's sustainability.

- The commitment and support of the steel company's workers, represented by their unions, has demonstrated that this is a cross-cutting problem that affects the company as a whole.
- In early December 2023, the Antidistortion Commission announced its decision to investigate ex officio the rebar market and the grinding media market, which is a very important step to speed up the current process.
- In March 2024, the Anti-Distortion Commission resolved to apply interim measures for conventional forged grinding steel ball bars and conventional forged grinding steel balls.

Through these efforts, CAP Group has never sought subsidies or protection, but rather to correct the market distortions that currently exist, promoting fair competition and the sustainability of the industry in order to develop efficiently and generate shared value for society as a whole.

Steel solutions

Cintac Group

/ ENERGY-EFFICIENT MODULAR STEEL SOLUTIONS TO INDUSTRIALIZE CONSTRUCTION

During the year under review, Cintac Group worked on a redefinition of the corporate strategy through various discussion forums where an exhaustive review of all its businesses and the strategic variables that affect them was carried out. As a result, in December we completed the design of the corporate strategy with pillars, focuses and key enablers. In addition, the corporate purpose and values were validated.

In addition, and in conjunction with CAP Group's other companies, Cintac participated in the different strategic alignment instances between these companies and the corporate center. This is where sustainability strategy for CAP Group and its companies was co-created.



CINTAC GROUP'S PURPOSE

We realize solutions that inspire a better future



CINTAC GROUP VALUES:

- Safety
- Innovation
- Excellence

→ Strategic pillars

1. INDUSTRIALIZATION OF CONSTRUCTION

To transform the construction sector through industrialized solutions and modular construction.

2. ENVIRONMENTAL IMPACT

To lead the transition towards sustainable construction models, with products and solutions that have and enable a lower environmental impact.

3. HOUSING SHORTAGE

To be a key player in the ecosystem that will address the housing deficit through our industrialized solutions.

Cintac Group leads this evolution in Latin America thanks to its integrated value chain, optimizing the interaction between components and promoting sustainability and energy efficiency.

- **Core businesses and future growth drivers:** Building solutions, modular solutions and industrialized housing.
- **Differentiators:** customer experience, digital construction, engagement and awareness, and technical specifications.
- **Enablers:** safety, processes, culture and talent.



→ Economic Performance

In terms of volume, the group's main subsidiaries recorded a 6.8% drop in tons compared to the previous year. This drop is mainly due to the deceleration in economic activity in Chile and Peru and the lack of competitive prices, as a result of the fall in steel prices.

At the beginning of 2024, Cintac S.A. shareholders approved a capital increase of US\$80 million at an Extraordinary Shareholders' Meeting. Half of these resources will be used to implement the new business strategy in its three pillars, while the other half will be used to meet the group's financial obligations, thereby reducing expenses and improving the capital structure.



In 2023, Cintac Group completed the organizational restructuring of its teams, applied synergy and value capture among its subsidiaries, and focused on asset profitability. This allowed us to achieve better results than in 2022, despite a complex year from the construction sector's point of view.

→ Customers

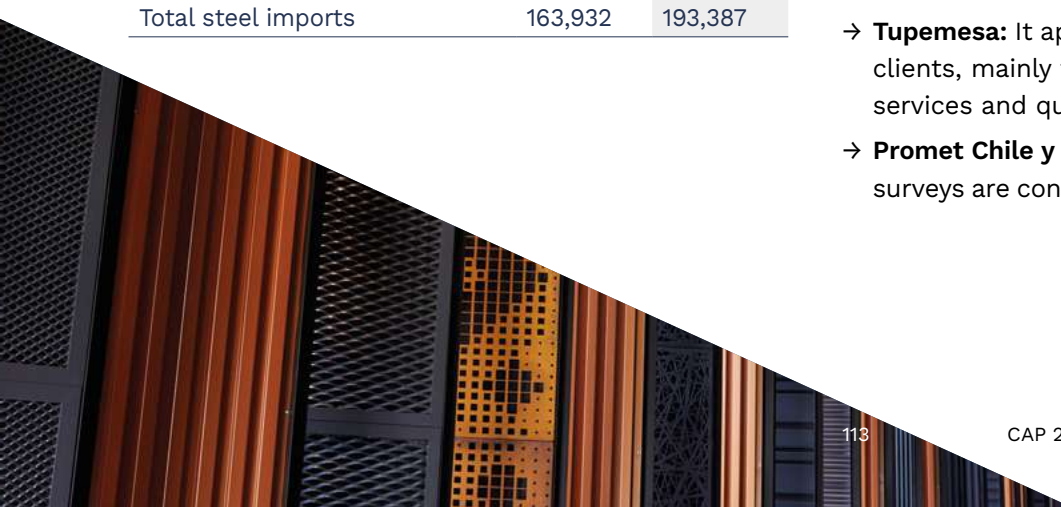
Each Cintac Group company seeks to maintain transparent and collaborative relationships with its customers in order to understand their needs and provide them with solutions and services that enhance their own growth. In this sense, the relationship with customers and their level of satisfaction is each subsidiary's responsibility, considering that they are the ones who have the most knowledge about their customers, services and needs.

Production volumes (tons)

	2022	2023
Total shipments	239,342	223,189
Steel imports in Chile	114,172	125,282
Steel imports in Peru	49,760	68,106
Total steel imports	163,932	193,387

/ SATISFACTION SURVEYS

- **Cintac SAIC:** It applies a quarterly telephone survey, with refined methodologies for the application of the Net Promoter Score (NPS) survey, in order to measure emotional loyalty, willingness to recommend and to know the attributes valued by customers.
- **Tupemesa:** It applies an annual telephone survey to clients, mainly to inquire about deadlines, advisory services and quality.
- **Promet Chile y Promet Perú:** Customer satisfaction surveys are conducted upon completion of projects.



→ Innovation and Digitalization

Innovation is declared in Cintac Group as the main tool to fulfill the strategic focuses and generate a greater impact on the business in the long term, thus allowing to advance in products and solutions to meet each client's specific needs.

/ INCORPORATION OF INNOVATION IN SUBSIDIARIES IN PERU

In 2023, the methodology and governance for corporate innovation was extended to the Calaminon and Promet subsidiaries, through the definition of a local team in charge of promoting the prioritized projects and taking the first steps in the development of the local ecosystem.

Actions carried out:

- **Incorporation of Cintac Group to the innovation hub La Mezcladora**, which promotes technological solutions to increase access to safer and quality housing. It is part of UTEC Ventures (business accelerator of Universidad de Ingeniería y Tecnología), with the participation of 9 organizations that are driving technological innovation in Peru.
- **Signing of a collaboration agreement with Habitat for Humanity**, a non-profit organization that seeks to promote access to housing in Peru.
- **Second version of SPARK**, a corporate innovation program in Peru, where 4 teams participated in a 3-month training process led by La Mezcladora Academy.



/ INNOVATION STRUCTURE

During the year, innovation management continued being developed from the Strategy, Digital Transformation & Sustainability Department, which is responsible for the Digital Transformation and Innovation Department, which governs the innovation process in the subsidiaries and collaborates in the management of cross-departmental projects. On the other hand, the Technical and Sustainable Development Sub-Management is responsible for promoting and managing research and development initiatives, mainly related to new materials and the generation of technical data for new products.

Actions carried out:

- A great deal of work was carried out in the configuration of each subsidiary's innovation teams, seeking to incorporate the best practices in each one. In this way, progress was made in the configuration of the Innovation and Development teams in Cintac SAIC, in Promet Peru/Calaminon and in Promet Chile, which work in coordination with the Corporate team.
- It was decided to maintain the structure of the R&D&I Committee in each subsidiary, meeting every 2 months, allowing the materialization of priority projects for Chile and Peru.
- In total, the functional structure of innovation is composed of 4 people in Cintac Corporate, 3 people in Cintac SAIC and 2 people in Calaminon/Promet Peru.



/ INNOVATION PROCESS

During the year the projects were advanced in the steps that users perform on the web, a prioritization process was carried out, highlighting the following projects in the Cintac subsidiary, assigning equipment and resources to each one of them:

- **Casa Vita**
- **Industrialized Facades**
- **Industrialized Housing Challenge**
- **Elementary Industrialization Project**
- **Modhabitar Antofagasta.**

/ INNOVATION AWARDS IN 2023

- **Presidency of Construir Innovando Ventures**, assumed by Ariel Vidal, Deputy Manager of Corporate Digital Transformation and Innovation, who was elected by all participating companies.
- **Cintac Group won the Industrialized Housing Challenge of the Chilean Construction Chamber**, with its DS49 social housing development for small condominiums, an unprecedented open innovation competition, in which more than 50 companies participated in 18 consortiums.
- **Construction of the Acero Lab housing prototype in Antofagasta.** It won the competition in 2022 and construction began in November 2023.
- **2nd place in the MIC for the industrial category**, climbing two positions with respect to 2022 and **4th place in the holding category**, which supports all the progress that the group and its subsidiaries have made in terms of innovation.

/ PROGRESS IN INNOVATIVE PROJECTS

During fiscal year 2023, a total of 6 projects were developed between Chile and Peru with an annual expenditure of CLP \$283 million.

1. Implementation of BIM methodology: Promet Chile set a 2023 target of developing all modular projects of new units under a BIM methodology and 3D modeling in the Revit platform, integrated in the Autodesk Construction Cloud. In this platform, the different specialties work in parallel and in a coordinated manner.

Developed projects:

- Dormitory buildings (7) camp for Codelco - Radomiro Tomic
- Engie - Faena Libélula Facilities
- Codelco - Faena Lascar Facilities
- Codelco Andina – Hilton Hyatt
- In addition, we worked on a standardization of modular units in order to develop standard and flexible solutions for different segments, such as Colegio San Agustín and modules such as offices, bathrooms, ticket booths, etc. Models of housing solutions were also developed, focusing on the DS49 segment, industrialized housing type format.
- This initiative will continue in 2024, with a focus on expanding the BIM culture to other areas such as the Chacabuco Plant, Supply and Operations.

2. Industrialized Facades Project: Progress was made in the design of this type of solutions, determining three types: confined facades, curtain wall facades and prefabricated balconies. All these elements have a galvanized steel structure, which are not designed to support building loads, but are designed for wind loads. In addition, progress was made in a balcony pilot project with Inmobiliaria y Constructora Eurocorp, which resulted in a reduction in installation times.

→ Investments in continuity, strengthening and development

Investments in CINTAC Group during 2023 were focused on projects that sought to consolidate the acquired businesses, maintain the strategy oriented towards conquering new market segments and, in turn, consolidate

production efficiencies. The time horizons considered by the company for its investments are short term (1 year), medium term (2 to 3 years) and long term (over 3 years).

Relevant investments in 2023

Project	Description
La Chutana - Chilca Plant (Calaminon and Promet Peru)	Completion of the construction of the new plant in La Chutana-Chilca, in response to the need to move the operational headquarters from the leased premises in Lurin. Improvements were made to the initial investment based on safety and sustaining, which were completed in November 2023.
Plant Upgrades (Cintac SAIC)	The Maipú and Lonquén plants are being upgraded to improve production (POL plant and continuous tile line speed) and energy efficiency (water recirculation system).
Productive Concentration Project (Tupemesa, Lima, Peru)	Completion of the installation of the EPS plant and assembly of Single Skin lines, in order to increase productivity, reduce wastage and stoppages, which will translate into competitive operating costs. The EPS (POL) plant was commissioned in March 2023 and the Single Skin plant in November 2022.
Improvement in hotel business and growth of I+C camp (Promet Chile)	<p>MImprovements at hotels in Requinoa, Coya, Calama and Mejillones, focusing on the implementation of recreational spaces to provide better service to guests.</p> <p>In addition, development of a modular camp for Radomiro Tomic.</p>

Note: Total amount of investments executed in 2023: US\$ 16.7 million.



/ ADVANTAGES OF INDUSTRIALIZED HOUSING

As mentioned above, one of Cintac Group's strategic pillars is to be a key player in the ecosystem that will address the housing deficit in Chile and Peru through its industrialized solutions. Through the industrialization of construction, this technique improves times and costs, and also reduces the environmental impact due to a decrease in waste.



What reality does an industrialized housing solution seek to change?

- In Chile and Peru, more than 10% of people live in overcrowded conditions.
- Non-standard self-construction becomes a solution to social housing in peripheral areas.
- Housing deficit exceeds 700,000 units in Chile and 1,500,000 in Peru.
- 69% of people in conditions of overcrowding or staying with others do not want to move.

Group progress in industrialized housing by 2023

- **Manufacture of the first Casa Vita Prototype**, the first industrialized social housing in 2 dimensions, without the use of water and completely made of steel. The prototype was manufactured in 3 weeks and assembled in 5 days.
- **First Modular Housing DS 49 Prototype**, allowing Promet to take the first steps in modular social housing construction for small condominiums.
- **Launch of the Casa PRO+ prototype in Peru, by Calaminon and Promet Peru**, the first modular housing prototype.

Industrialized high-rise social housing

- **Cintac** is developing solutions for the use of Metalcon at height, still in the initial phase.
- **Promet** is working on a 5-story modular solution of 2 apartments for every 3 modules + stairs in different configurations.



Tubos Argentinos S.A. (TASA)

/ STEEL SOLUTIONS

At the end of 2023, the company operating in Argentina maintained the good results of previous years. The Argentine market developed in a context of product scarcity, a trend that allowed for significant margins. In terms of financial expenses, the company paid off more than US\$8 million in bank debt, which represented a significant improvement in financial costs. Moreover, payment terms were shortened, which generated an increase in liquidity, resources that were invested in conservative options that yielded positive results. As for the impact of the devaluation and inflation, with the change of government and new economic policies, devaluation surpassed 350% and inflation levels reached 180%.

Main Business Figures

	2021	2022	2023
Total shipments (tons)	50,672	54,541	47,047

/ INVESTMENTS IN TASA

The investment projects focused on the optimization of production processes and initiatives that will enable the company to access new market niches that are growing quickly in Argentina. In addition, with a view to incorporating women into the production process, the Buenos Aires plant is renovating and expanding the dining room and dressing rooms.

Relevant investments in 2023

Project	Description	Amount of investment (KUS\$)
Safety improvements in Buenos Aires plant	In 2023, two robots were installed at the outlet of two pipelines to avoid product handling by operators.	700
Improvements in productive infrastructure	Improvements in machines related to API certification and the roofs of several production halls were replaced.	555
San Luis Plant	End of construction of the production hall's expansion allowing for better storage of finished product stock. The administrative and maintenance offices were also remodeled.	400



Infrastructure

**Sustainable water,
port and energy
services, allowing
access to strategic
resources**

During 2023, Puerto las Losas (PLL), Aguas CAP and Tecnocap, companies that operate under CAP's Infrastructure Management, were part of the team that developed and presented the 2030 Strategy, which seeks to ensure strategic alignment, progress in development, portfolio integration and the strengthening of key corporate capabilities.

→ Strategic Objectives

/ INFRASTRUCTURE AREA GROWTH

The three companies that make up the segment have set a strategic ambition to grow their current businesses by 50% within five years. Expansion and growth projects are being designed for this.

/ DIVERSIFICATION PROJECTS

In the longer term, over a 10-year horizon, plans are being designed for new port and water infrastructure for future operations:

- Study of a desalination plant in the Atacama region for multiple purposes that can supply communities and industrial sectors.
- Study of a new port terminal in the Atacama region that can provide services for the shipment of minerals such as iron and copper.
- Support from the Infrastructure area to the Green Hydrogen pilot project of Compañía Siderúrgica Huachipato.
- Development of solar parks in the Atacama region, with a 5 to 10 year operation start-up horizon.
- Study of water, energy and port supply infrastructure projects that make the green hydrogen industry and its derivatives viable.



→ Economic Performance

Infrastructure companies ended 2023 5-7% below budget. This result is due to the fact that each of the subsidiaries had to face different challenges.

/ AGUAS CAP

During the year, Aguas CAP's operational continuity complied with the availability indicators defined for the operation, in accordance with current contracts with customers. Plant stoppages were properly coordinated and executed in a timely manner.

	2022	2023
Desalinated water (million m ³)	7.8	7.9

/ TECNOCAP

It faced a deficit because part of the transmission line had been contemplated to be zonal, which did not materialize during the year due to the new CGE substation plant, with which a section of the line was to be connected.

	2022	2023
Electricity transmission (GWh)	247.3	253.0

/ PLL

It recorded a year of around 30% lower volumes, both of spot loads (projects) and current customers.

	2022	2023
Tons of iron ore shipped (Tm)	566,012	471,090

→ Customers

/ AGUAS CAP: FUNDAMENTAL ROLE IN THE COPIAPÓ VALLEY

This company plays a fundamental role in the Copiapó Valley, since its supply of desalinated water makes the operations of Compañía Minera del Pacifico and Minera Caserones, two of the largest mining operators in the Atacama Region, viable.

For CMP: water is delivered for its mining operations at Cerro Negro Norte (CNN) and Magnetite Plant. water is delivered for its mining operations at Cerro Negro Norte (CNN) and Magnetite Plant.

For Minera Caserones: water is delivered to the City of Caldera and the Mal Paso Irrigation Canal in Tierra Amarilla, with a final use for human consumption and irrigation, respectively. Moreover, by the end of 2023, a new desalinated water delivery point was completed, which in its final use will be delivered by the water company to the city of Chañaral.

During 2023, Aguas CAP held regular meetings with its customers to ensure operational continuity and delivery of the volumes required in each of the operations. In addition, maintenance periods and joint resolution of any contingency were coordinated.

/ PLL: FOCUS ON IRON ORE AND COPPER, AND PROJECT CARGOES

Puerto Las Losas developed its commercial management with iron ore and copper customers to increase cargoes with long-term contracts that provide sustainability to the company. For the above, it was necessary to complement the existing environmental permits, considering the development of a new Environmental Impact Statement (EIS), in order to have operational flexibility for the different activities of minerals and other cargoes.

- **Development of the contract with Siderúrgica Huachipato** for the shipment of pellets for the coasting operation to its port in Region of El Maule.
- **Port services** for coal unloading and project cargoes.
- **Nordex customers - Atacama Wind Farm Project:** project completed in 2023 with the last components shipped from PLL.
- **PLL's participation in the Seatrade Global Cruises 2023** fair in Miami (USA) engaging in meetings with cruise lines.

/ TECNOCAP: BOOSTING NEW ELECTRICITY PROJECTS

During 2023, this company continued with the development of the business plan with its current customers and new projects that could be executed in the area, and which will require electric transmission services.

Tecnocap's facilities are a strategic asset for CAP Group's operations in the Copiapó Valley.

- With its 142 km transmission line, it supplies electricity to CMP's CNN mine at the substation of the same name and in Substation Totoralillo to the Aguas CAP desalination plant and CMP's Punta Totoralillo Port facilities.
- Additionally, it allows the injection of Amanecer Solar's generation into the National Electric System (SEN).

Tecnocap not only focuses on complying with electrical regulations and ensuring continuity of supply, but also maintains constant communication with its clients' teams and ongoing coordination during maintenance periods.



→ Innovation and Digitalization

/ AGUAS CAP

- Management Indicators for **Operations**
- Management Indicators for **Occupational Health and Safety and Environment**
- Progress was made on an innovation project to update the **Control System**



/ TECNOCAP

- **Implementation of a SCADA system**, which allows monitoring the status of the facilities remotely and also, in case of works or contingencies, it is possible to remotely operate the main equipment in the substations, thus achieving improvements in response times, continuity of supply and cost savings.

/ PUERTO LAS LOSAS

- **Pre-feasibility engineering study for the future construction of a second port terminal for capesize vessels.** During the year, the entire engineering process was carried out at FEL1 level with the aim of identifying the feasibility of developing the project, as well as optimizing the use of the port terminal and its back-up areas.

→ Investments in continuity, strengthening and development

/ AGUAS CAP

Pre-feasibility studies for desalination plant expansion

Conducted during 2023, the result of these studies has allowed Aguas CAP to strengthen its commercial strategy by having more accurate cost estimates for ongoing negotiations with potential new offtakers.

/ TECNOCAP

Project for 2 solar farms with a capacity of 200 MW each

The objective is to provide renewable energy for future CAP Group projects in the Copiapó Valley. Both projects are in different engineering stages and the feasibility of incorporating partners in the future is being studied with the prospect of offering supply to third parties.





/ WATER RESOURCES FOR THE BENEFIT OF THE COMMUNITY

In 2023, Aguas CAP produced a total of 7,951,300 m³ of desalinated water for the group's operations and to sell to third parties. In this last area, the desalination plant plays a fundamental role for the municipalities of Caldera and Chañaral, providing desalinated water, which is made drinkable through the regional sanitation system and delivered for human consumption, generating value in the territory.

The agreement for Caldera stipulates that the delivery is for a discharge volume of 50 l/s. It is worth noting that at the close of this Report, approximately 140,611 cubic meters have been supplied to the company

Nueva Atacama, so that it is purified and distributed to the community.

Aguas CAP's contribution to the community of Caldera represents 60% of the potable water consumption in high season, while in low demand periods it reaches 100% of the resource.

Regarding the delivery of desalinated water to the city of Chañaral, through the client Caserones, the supply began on November 1 of this year, with a volume of 10 to 15 l/s, as required by the Nueva Atacama sanitary client.

Aguas CAP expects to deliver 40 l/s in the first months of 2024 for distribution to Chañaral.

/ INNOVATION AND DIGITALIZATION

CAP Group considers innovation as an essential element for the success of its strategy and consequent contribution to the global market of materials for decarbonization. This commitment is deeply rooted in the organizational culture, manifesting itself in all our executives' leadership profiles.

Given the strategic importance of innovation, it is addressed in a transversal and integral manner in all areas and operating companies of CAP Group. Consequently, although there is no generic budget, there are several Research and Development projects with budgets allocated for the five-year period. Some of these initiatives are in line with the transition to alternative fuels with lower emissions, energy-efficient modular housing solutions and hydrogen and green steel production.

In parallel, as part of our adaptation to artificial intelligence, we have mapped out a digital roadmap to boost productivity and efficiency in our operational processes. This comprehensive approach to innovation reinforces CAP Group's position as a leader in the global decarbonization materials market.

→ Initiatives prioritized in 2023:

- Transition to alternative fuels
- Adoption of renewable energies
- Energy efficiency in housing
- Processes that enable green steel production
- Diversification into other materials for decarbonization



05

Commitment to the Environment



Policy and Governance

Environmental

In line with the Corporate Strategy for Sustainable Growth, CAP Group recognizes its responsibility towards the environment and is committed to being a benchmark in environmental management. To this end, it has a Sustainability and ESG Policy, and to establish specific guidelines, the Group has an Environmental Management Policy that establishes the principles and commitments in relation to the environment, which guide decisions in its operations, projects and new investments.

→ Environmental Management Commitments

Environmental Management Systems

To maintain auditable environmental management systems appropriate to the nature of the business and operations, within a framework of preventive action and continuous improvement.

Customer involvement

To provide clear and transparent information on the environmental impact of our products and services.

Due diligence

In the event of possible mergers or acquisitions, to evaluate the possible significant impacts on the environment, as well as the occurrence of the standards or commitments addressed in this policy.

Environmental education and awareness raising

To implement environmental education and training programs for workers to raise awareness of the importance of environmental protection.

Continuous improvement

To establish measurable environmental goals and objectives, and periodically identify, evaluate and control the environmental aspects of activities, products and services.

Environmental management in the supply chain

To establish environmental management guidelines for our suppliers and contractors, promoting sustainable practices throughout the supply chain.

Environmental objectives

To define objectives in line with the Group's Sustainable Growth Strategy, Aspiration and Purpose.

Regulatory and legal compliance

Comply with all applicable environmental regulations in the locations where the Group's companies operate and maintain a culture of compliance throughout the organization.

Conservation and environmental protection

To conserve and protect natural resources and biodiversity in all our operations. To implement measures to prevent pollution, reduce the consumption of natural resources and promote the efficient use of energy. To adopt clean technologies and sustainable practices in our activities, always seeking to minimize their environmental impact.





→ Environmental Governance

CAP Group's Environmental Management Governance includes the following instances:



CAP Board of Directors: The Environmental Management Policy is an integral part of the Sustainable Growth Strategy and was approved by CAP's Board of Directors.

Corporate Strategy, Sustainability and Talent Committee: Formed by 3 representatives of CAP's Board of Directors, it deals with the most relevant matters related to the Group's Environmental Management.

Corporate Affairs and Sustainability Management: It leads the implementation of the Environmental Management Policy, which is executed by the companies that make up the group.

Corporate Affairs and Sustainability Executive Committee: It delivers guidelines from the Corporate Affairs and Sustainability Management to the respective managing departments that lead environmental matters in the Group's companies.

01

CAP Group is committed to continuously reviewing and improving its environmental management policy, establishing measurable goals and objectives, and transparently reporting progress.

02

It seeks to work collaboratively with its employees, business partners, suppliers and other stakeholders to drive positive change and contribute to sustainable development.

03

The group establishes the necessary resources for its compliance and periodic review, in order to ensure its validity and effectiveness.

At the Board level, CAP Group has a Corporate Strategy, Sustainability and Talent Committee, through which the highest body of Corporate Governance oversees issues related to the environment and climate change. This committee is presided by the Chairman of CAP's Board of Directors, Mr. Juan Enrique Rassmuss.

/ CMP

New Environmental and Climate Change Management

In 2023, the mining company created the new Environment and Climate Change Management, composed of different specialized areas in charge of monitoring and controlling environmental permits and compliance.

Strengthening actions:

- Through the Emissions Control and Compliance strategic initiative, different tasks associated with the incorporation of the environmental attribute in all the company's processes were reinforced.
- In terms of processes, we began to incorporate environmental obligations as an activity or task within the company's different process maps.
- Environmental controls are incorporated within the operational standards that were communicated throughout the year.
- Assets that control emissions and are part of an environmental obligation were identified as critical assets, in order to make them visible and generate greater control.
- The reduction of emissions, efficiency projects, reduction of water consumption and permits are within the mining planning and environmental competencies were defined to reinforce the reliability of the sustainable role, including KPIs that are associated to processes and also to roles, where environmental and compliance performance is evaluated.

→ Environmental compliance

Environmental compliance is a central element of the Sustainability Model, as it allows us to sustain the license to operate and provide continuity to the business.

The operating companies have environmental management systems (EMS, or SGA in Spanish), and in the case of CSH, TASA, Aguas CAP, PLL and CINTAC's most relevant subsidiaries, they were certified by an external certifier in accordance with the requirements of the ISO 14001 standard. In turn, CMP has an EMS based on Process Risk Management (PRM), which identifies hazards, evaluates and controls existing risks, thus allowing for efficient compliance with environmental obligations. Each year the operating companies commission internal audits with specialists to verify and evaluate the level of compliance with the environmental management system, as well as external follow-up and recertification audits.

Environmental management systems allow us to monitor compliance with environmental legislation, eliminate or minimize environmental impacts, and promote environmental training and protection among employees and contractors. Operating companies manage their environmental impacts differently depending on the size and type of their operations.

During 2023, CMP continued to monitor the Huasco Valley compliance program, which fulfilled the commitment to cease discharge from the Pellet Plant's Chapaco outfall. By 2024, the company will continue to follow up on the authority's approval regarding completion of this process.

In the case of Aguas CAP, in 2023, the Superintendency of the Environment (SMA) filed a charge against the company, initiating a sanctioning process that is still open, given that the corresponding defense was presented in accordance with the deadlines and scope established in the current regulations.



CMP is in the process of a sanctioning process associated with the Magnetite Plant for two findings associated with the plant's power transmission line. CMP proposed a Compliance Program, which is in process of being approved by the authority.²²

Environmental sanctions and fines	2023
Number of sanctions	1 ²³
Total amount of fines (CLP)	2,896,554
Total amount of fines accrued (CLP)	0

Climate Change

The Environmental Management Policy establishes specific goals and actions to reduce greenhouse gas emissions. CAP Group seeks to implement technologies and practices that contribute to mitigating and adapting to climate change, in addition to publicly stating its position on policies related to this phenomenon, in line with the provisions of the Paris Agreement.

The Paris Agreement is an international treaty that entered into force in November 2016 and establishes a global framework to avoid climate change by keeping global warming below 2°C. Its aim is to limit the temperature increase to below 2°C compared to the pre-industrial era, and ideally to limit this increase to a maximum of 1.5°C. Chile ratified this agreement in February 2017.

22. The Group's companies have not presented or executed environmental damage remediation plans. / 23. Sehover, a Cintac Group subsidiary, was fined by the Peruvian National Water Authority.

→ Management in line with TCFD recommendations

CAP Group has recognized the challenge of managing the risks and opportunities posed by climate change. In 2021, the group's companies transversally incorporated the recommendations of the Task Force On Climate-Related Financial Disclosures (TCFD). In the current fiscal year, progress was made in the four pillars of the TCFD: Governance, Strategy, Risk Management, and Metrics and Targets.

- **Governance:** we formalized the aforementioned Environmental Management Policy, which establishes specific goals and actions to reduce greenhouse gas emissions. Likewise, at the climate management governance level, the Strategy, Sustainability and Talent Committee is the senior management body where matters related to climate change are discussed every six months.
- **Strategy:** In line with the Group's Sustainable Growth Strategy, which establishes decarbonization as the focus of current business and potential investments in the coming years, the Group has incorporated carbon pricing as part of the factors that influence project evaluations. In addition, climate risks are incorporated into the management of the business, facilitating its operation and opportunities towards a low-carbon transition.

During 2023, the incorporation of Carbon Pricing in CAP began as an additional factor in investment decisions for new projects. The 2023 exercise consisted of establishing shadow prices associated with different climate scenarios.

- **Objective:** To navigate GHG regulations and drive low-carbon investment.
- **Type of internal carbon price used:** Shadow price, with values ranging from US\$5/ton CO₂eq to US\$30/tonCO₂eq, depending on the project analysis to be performed.

- **Risk Management:** In accordance with the challenges of 2023, the dimension of "environment and climate change" was added given the risks regarding physical climatic manifestations that could affect the companies' operations.
- **Metrics and Targets:** Currently, the Sustainability Strategy has a dashboard that allows monitoring and following up on the indicators that have been defined. In the case of climate change, the carbon footprint (scopes 1, 2 and 3) and water consumption are monitored on an annual basis.

- Based on the measurement of its 2020 carbon footprint baseline, CAP Group has defined a goal of reducing its Scope 1 and 2 emissions by 25% to 30% by 2030.
- In 2022, we joined the small group of companies in Chile that have performed carbon footprint calculations incorporating all Scope 3 categories.
- During 2023, the Group continued with the study and definition of new projects, which will not only allow us to advance in our own decarbonization, but also to support the decarbonization of other sectors.

The company's executives and employees have a short- and long-term incentive system that considers targets associated with ESG projects, specifically decarbonization initiatives.

/ CMP

Diagnostics and measures to address climate risks

A qualitative climate risk assessment applicable to all CMP sites was completed in December 2023. The objective was to establish action plans through mitigation and adaptation measures, both for those sites where there may be vulnerabilities, as well as those where the company can generate an impact.

In addition, the following measures were carried out at the mining company:

- The operations' emergency and contingency plans were updated, incorporating the attribute of climate change.
- Incorporation of climate risks within operational activities (winds, tidal waves, drought, erosion and millennial rains, among others) with the objective of implementing controls associated with the aforementioned risks. This started in the last quarter of 2023 and will be incorporated throughout 2024.

- During 2023, we actively participated in launches and citizen consultations on national and regional policies on climate change, as well as in the regional sessions of the Biodiversity and Protected Areas Service Law (SBAP) and the Just Socio-Ecological Transition for Chile (TSEJ) public policy.
- By 2024, we plan to have a climate risk buffer at the territorial level using the ArcGis tool, which aims to better visualize climate risks and the company's infrastructure. This will allow CMP to develop controls to ensure the operational continuity of its current and future assets.

/ INFRASTRUCTURE

Risks identified in Puerto Las Losas, Tecnocap and Aguas CAP

Based on the analysis conducted during 2022, the Infrastructure companies implemented various actions in the fiscal year. In a first phase, training was provided to line and senior management regarding the results derived from the identification

of physical risks. These findings were then integrated into the risk management framework of each of the companies to ensure the operational continuity of its current and future assets.

Main physical risks in infrastructure

Aguas CAP	PLL	Tecnocap
→ Tidal waves	→ Tidal waves	→ Increase in average temperature
→ Increase in sea temperature	→ Extreme winds	→ Heat waves
→ Extreme precipitation		→ Extreme winds



/ CINTAC GROUP

First analysis of physical risks in the steel solutions segment

In 2023, Cintac Group conducted its first physical risk analysis according to TCFD recommendations, through climate risk matrixes for the group's different operations and geographic locations. The horizon used for the analysis was 2050 and it was carried out under the RCP8.5 climate scenario.

The most relevant threats are heat waves and rising temperatures, which could affect the subsidiaries in both Chile and Peru. Some subsidiaries may also be affected by drought, fires (urban and/or forest) and floods. In the case of field work, such as the installation of modules or other services, they may be affected by extreme winds and precipitation that hinder the work and require momentary stoppages of operations to avoid accidents.

Mitigation Measures

In addition to the climate risk assessment and understanding the carbon footprint as an indicator of vulnerability to the eventual risks involved in a transition to a low-carbon economy, there is a need to make progress in reducing the organization's GHG emissions. For this reason, CAP Group has begun to develop capabilities within the companies to develop and evaluate mitigation measures that are in line with the established internal goals.



→ Sustainable value chain

Seeking to offer sustainable products, this year CAP Group continued with the feasibility studies for the production of HBI iron (sponge iron) or green iron at CMP, in addition to completing the measurement of all GHG Scope 3 emission categories in the mining company according to the GHG Protocol. On the other hand, CSH started the laboratory execution of the green hydrogen pilot for the production of green steel.



Emissions and Air Quality

CAP Group's Sustainable Growth Strategy is based on the decarbonization of both its processes and the Industries that use its products. Therefore, understanding the cycle of influence of its operating companies on the carbon footprint is fundamental to identify GHG reduction opportunities.

/ CONSOLIDATED CARBON FOOTPRINT MEASUREMENT²⁴

Since 2021, CAP Group began working on the consolidation of its carbon footprint to homogenize the calculation methodology in all its operating companies, with 2020 as the baseline year.

CAP Group's carbon footprint calculation methodology takes as a reference the most widely used international standard for greenhouse gas inventories, The Greenhouse Gas (GHG) Protocol, in its three scopes (Scope 1, 2 and 3). In the case of Scope 3, it used as a guide the supplement for the supply chain (Corporate Value Chain Scope 3 Accounting and Reporting Standard).



Greenhouse gas emissions (ktCO₂e)

Scope		2021	2022	2023
Scope 1	Scope 1 Ton CO ₂ eq	1,838	1,871	1,829
	Scope 1 (%)	6.5%	7.1%	6.2%
Scope 2	Scope 2 (market based)	428	618	484
	Scope 2 (%)	1.5%	2.4%	1.6%
Scope 3	Scope 3	25,797	23,783	27,257
	Scope 3 (%)	91.9%	90.5%	92.2%
Total emissions	Total emissions (location market based)	28,063	26,272	29,571

24. The increase in the Carbon Footprint is due to the fact that the calculation each year considers greater input elements in each scope. In particular, the greatest increase in the number of categories considered is in Scope 3.

/ CAP GROUP'S CARBON FOOTPRINT

→ Scope 1



Emissions from stationary sources
102 ktCO₂e



Refrigeration gas losses
2 ktCO₂e



Company vehicles
161 ktCO₂e



Atmospheric stationary sources
1,565 ktCO₂e

→ Scope 2



Electricity
484 ktCO₂e

→ Scope 3



Third-party transportation
4 ktCO₂e



Workers' commute
4520 ktCO₂e



Acq. of goods, capital goods
1238 KtCO₂e



Waste
6 tCO₂e



Product processing
20.793 ktCO₂e



Other energy-related emissions
167 KtCO₂e



Atmospheric stationary sources
0.03 tCO₂e



Use and end of life of sold products
350 KtCO₂e

/ MAJOR ADVANCES IN CMP

Starting in 2022, the company complemented its long-term plan with the sustainability attribute, generating milestones and emission reduction goals through the Sustainable Life of Mine (LOM) (Pellet Plant decarbonization project). A medium and short-term roadmap was then established to reduce Scope 1 and 2 emissions by 40% by 2030.

Short term: It incorporates the climate change attribute in the processes, in order to seek and enable actions and projects that leverage the reduction of emissions.

Medium and long term: They incorporate the attribute in engineering at an early stage, so that projects have processes with low GHG emissions.

CMP's goal is to reduce direct emissions by 40% by 2030, compared to the baseline year of 2020 (665,918 tCO₂eq). The national mining policy requires companies in the sector to be carbon neutral by 2040. To this end, CMP will conduct studies based on nature's solutions to achieve this goal.

CMP is one of the few mining companies worldwide that calculates Scope 3 of its Carbon Footprint, considering the 15 categories of the GHG Protocol.

/ MAJOR MILESTONES AND INVESTMENTS IN EMISSIONS REDUCTION

/ CMP

Energy transformation pilot

During 2023, we carried out implementation of the physical works for the conversion of two 220-ton mining trucks (CAEX) to operate with a dual fuel system that will run mostly on natural gas was. Progress was made on the loading station (oil + truck loading bilge) and one of the CAEXs to be intervened was modified. In the first quarter of 2024, a re-engineering of the Dual Kit will be carried out, reviewing new positions for the installation, in addition to the study of a decrease in the size of the ponds in order to be able to increase the pilot's performance.

Electromobility initiatives

An important measure is the consolidation of the Electric Shovels operation at Mina Los Colorados, a project that implies the reduction of approximately 10,000 tCO₂eq (tons of carbon dioxide equivalent) per year.

In addition, the company completed its electromobility initiative, in which it migrated from fuel-consuming staff transportation buses to electric buses, avoiding 3,343 tons of direct annual CO₂ emissions. Forty-five buses were implemented in all of CMP's valleys, in addition to the battery-powered mining cargo trucks, which have a capacity of 55 tons.



/ CSH

"Bell-less top" project

The project allows for a significant improvement in the distribution of the charge "layers" in the furnace, with impacts on the stability and efficiency of the process. This reduces coke consumption and marginally increases production.

Energy management in steel processes

Management of energy consumption based on the reuse of gases generated as by-products of the steel production process and electricity supplied by Engie, which is produced from 100% renewable sources. This allows maximizing the use of internal fuels to reduce the consumption of external fuels.



/ OTHER ATMOSPHERIC EMISSIONS



/ CMP

Monitoring network

Through a strategic initiative, CMP reinforced emissions control, implementing an internal monitoring network with the objective of indicating preventive alerts so as not to exceed internal limits defined by a standard. This applies to both collaborating companies and our own personnel, allowing us to reduce energy consumption by approximately 10% for the mills.

Other emission mitigation measures

Emission mitigation projects have been generated, such as implementation of covers, road improvement, chute encapsulation, implementation of silencers.

In addition, monitoring and validation of CEMS measurements in the pellet plant precipitators has been carried out.

/ CSH

Channeling of emissions

Significant progress was made in the projects for channeling emissions from the Coke Plant and Altos Hornos at CSH. Likewise, in other facilities, innovative initiatives have been implemented, such as maintaining a humidification system in the ore pads, sweeping and vacuuming of roads and belts, closed loading system and compensation areas.

Atmospheric emissions

Type of emissions/ Tons	2022	2023
Direct NOx emissions	674	651
Direct SOx emissions	1,226	1,166
Direct CO emissions	85,541	86,729
Direct emissions of PM10	662	812
Direct MnO emissions	0	0
Direct lead emissions	0	0
Direct mercury emissions	0	0
Direct VOCs emissions	0	0
Direct PAHs emissions	0	0

Energy

The Environmental Management Policy establishes the following specific commitments in this area:

- **Energy efficiency:** To implement measures to improve energy efficiency in facilities and processes. To reduce energy consumption through the optimization of equipment, the implementation of more efficient technologies and the promotion of responsible energy use practices.
- **Use of renewable energy sources:** To encourage the use of renewable energy sources in operations. To seek opportunities to use energy from clean and sustainable sources, such as solar, wind or other forms of renewable energy generation.

Energy Consumed (GJ)

	2022	2023
Total electricity consumed	4,166,056	4,114,039
Electricity consumed from the grid	2,973,743	2,490,138
Renewable electricity consumed ²⁵	1,192,314	1,623,900
Total fuel consumed	21,012,798	19,170,606
Coal	17,542,450	16,003,605
Natural Gas	132,346	244,573
Diesel	2,703,747	2,458,434
Gasoline	656	864
Liquefied gas	4,540	5,404
Oil	679,786	457,726
Other	4,487	0
Total energy sold	0	1,605
Total energy consumption	25,257,155	23,284,645
Number of facilities	41	53
Energy intensity ratio (consumption/facilities)	616,028	439,333

23,284,645

GJ of energy consumed in 2023

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

/ ENERGY EFFICIENCY PROJECTS

/ CMP

The group's mining company has a roadmap of initiatives to reduce CO2 emissions and a Sustainability Master Plan, which includes an electromobility pilot, an electronic waste management plan, an electrical efficiency and fuel switching program, as well as the decarbonization of the Pellet Plant, among others.

Electromobility Pilot Project

CMP presented the first fleet of 100% electric buses for mining in the country in 2023 and inaugurated the first electro-terminal in the Atacama Region. The initiative included the incorporation of 45 new electric buses supplied by renewable energy and the construction of four modern electroterminals, which group 17 charging points for simultaneous supply in the valleys of Huasco, Elqui and Copiapó.

The electric buses have an average range of 280 kilometers and travel from the cities of Caldera, Tierra Amarilla, Copiapó, Huasco, Freirina, Vallenar, La Serena and Coquimbo to CMP's mining sites in the Copiapó, Huasco and Elqui valleys.



With this launch, the company is 12 years ahead of the target set by the national electromobility strategy for 2035 for public transportation and 22 years ahead of the interurban buses target, category that includes our staff transportation buses.

The new standard for electric buses allows for a reduction of over 3,000 tons of CO₂ emissions per year. In addition, the fleet does not generate noise pollution in cities and generates operational savings of around 50% compared to diesel combustion buses.

Pellet Plant Decarbonization

CMP continued its commitment to the decarbonization pathway and during 2023 executed the fuel alternatives analysis stage for the project, where the different options available were reviewed, including: Hydrogen, Electricity, Green Ammonia, Intermediate Fuel Oil (IFO), Diesel, Natural Gas (NG) and Liquefied Gas.

Following this analysis, the alternative selected by the company is the use of NG (natural gas) starting in 2026. To materialize the use of NG as the main fuel, CMP will file an Environmental Impact Statement (EIS) with the Environmental Impact Assessment Service (SEIA) in the near future, according to the project schedule.

During 2024, the design stage of the project will be carried out, during which the engineering required for future commissioning will be developed.

In the meantime, CMP has decided to carry out an intermediate strategy to reduce CO2 emissions by operating with IFO - a fuel that generates less CO2 emissions than coal, but more than NG - as a sign of its commitment to reduce emissions.

/ CSH

Usage and consumption predictive program

During 2023, collaboration continued with the German SMS Group GmbH, who began installing and implementing the Viridis Dispatch predictive software. This program is an aid for the dispatch operator in the supply area and uses Machine Learning techniques to predict energy uses and consumptions in the plant.

Viridis Dispatch consists of 4 stages, 2 of which were operational at the end of 2023, corresponding to the Coke Gas and Natural Gas model. The Blast Furnace Gas and Blended Gas models are still under development.

New Oxygen Plant N°4

During 2023, the plant, which reduces electricity consumption for the production of oxygen required in the steelmaking process, came into operation, improving its energy performance.

In addition, adjustments were made between oxygen consumption and production of plants 3 and 4 to reduce venting (oxygen losses).

Air compressor replacement

The replacement of the old compressors with Atlas Copco's modular compressor banks made it possible, as of January 2023, to make the plant's consumption areas independent in order to ensure the supply of compressed air to the processes and reduce the specific consumption of electrical energy per m³ of air produced.

The contract with Atlas Copco was fulfilled (Specific Consumption = 0.115 kwh/m³).





Water Resource

The Environmental Management Policy establishes the following specific commitments in this area:

- **Water conservation:** To implement measures to optimize water use in operations. To promote water efficiency, including the implementation of technologies and practices that reduce water consumption and avoid waste.
- **Protection of water bodies:** The group is committed to protecting bodies of water near its operations. To avoid pollution and minimize the negative impact of activities on aquatic ecosystems. Likewise, to implement actions to conserve and restore natural water sources as much as possible.

14,412 thousand

cubic meters is the total water consumption in 2023, where 44% (6,386 thousand m³) of the group's water consumption is in water-scarce areas.

26. It includes third-party tailings managed by CMP

/ WATER WITHDRAWAL (THOUSANDS OF M³)

45,200 thousand

cubic meters, the total amount of fresh water withdrawn, directly or through third parties.

Water withdrawal summary table

Aspect	Unit	2022	2023
Total water withdrawn ²⁵	thousand m ³	86,320	86,257
Surface Water	thousand m ³	46,742	42,580
Groundwater	thousand m ³	2,408	2,399
Sea Water	thousand m ³	18,622	18,110
Municipal water/water supplied by third parties ²⁶	thousand m ³	18,548	23,168
% of freshwater withdrawn in water-scarce areas	%	57%	52%

/ WATER CONSUMPTION (THOUSANDS OF M³)

Water consumption summary table

Aspect	Unit	2022	2023
Total water withdrawn	thousand m ³	86,320	86,257
Total water returned to third parties	thousand m ³	18,339	22,946
Total water discharged	thousand m ³	53,470	48,899
Total water consumed (Extraction-Return-Discharge)	thousand m ³	14,512	14,412
Consumption in areas without water scarcity	thousand m ³	7,903	8,026
Consumption in water-scarce areas	thousand m ³	6,609	6,386
% of water consumed in water-scarce % areas	%	46%	44%



/ WATER EFFICIENCY INITIATIVES

The following projects have been implemented to ensure efficient use of water resources and to reduce their use in the group's companies.

/ CMP

Filtered Tailings Deposit (DRF)

During 2023, the company was focused on the development of the Pellet Plant DRF, which to date has allowed a 28% reduction in freshwater consumption from the Huasco River since the beginning of the project, compared to the previous year. On September 26, we reached the milestone of the cessation of the Chapaco outfall discharge at the Pellet Plant. This represents an improvement in terms of water management in the operation, as it eliminates the generation of effluents, allowing the water contained in the tailings to be recirculated.

This project is scheduled to begin in 2024, maintaining the future projection of meeting the company's goal of reducing continental water consumption by 30%.

Additionally, CMP's fresh water make up, which corresponds to m³ of fresh water consumed per ton processed, has achieved a 29% reduction compared to 2020.

The consumption of desalinated and recirculated water in all processes in the Copiapó Valley is maintained during 2023.

/ CSH

Measurements and consumption reduction

During 2023, there was a reduction in water consumption due to the shutdown of AH1 (Blast Furnace) and the commissioning of AH2.

CSH's main source of water supply has been the Biobío River. This process is carried out in a sector that has not been declared a Water Scarcity Zone.

59.7% of the water used by CSH was recirculated in 2023.

/ INFRASTRUCTURE

Aguas CAP produces 7,951,300 m³ of desalinated water for the group's operations and sales to third parties, including the supply of drinkable water to the plants that serve the municipalities of Caldera and Chañaral.

Puerto Las Losas has implemented significant improvements in the irrigation system for green areas through various repairs and the addition of sprinklers. During 2023, the schedules and times for wetting materials in operations have been maintained as part of a strategy to reduce water consumption.

/ CINTAC GROUP

Cintac SAIC

The Maipú Plant has reduced municipal water consumption by 11.53% and 72.51% in the case of groundwater, thanks to the operation of the water recirculation system. In addition, a system for recovering water generated by air compressor equipments was implemented, which has eliminated the disposal of 52.5 m³/year of contaminated water. At the Lonquén Plant, liquid waste is recirculated once it has been treated, as well as the rinse water from the demineralization columns.

Tupemesa (Perú)

A system was established to take advantage of treated water by using this source for irrigation in all the green areas in its facilities.

Promet Chile

The Mining Hotels network has water treatment plants. After the water is treated, it is used for road irrigation or returned to natural water courses.



Circular Economy and Waste

The Environmental Management Policy establishes the following specific commitments in this area:

→ **Waste reduction:** To implement measures to reduce waste generation in operations. To promote circular economy practices, such as reusing and recycling, to minimize the amount of waste sent to final disposal.

→ **Responsible waste management:** To implement adequate management systems for handling the waste generated. To guarantee its classification, storage, transportation and final disposal in accordance with current environmental regulations.

Steel is one of the most recyclable products on the planet and can be reused an infinite number of times when made from iron ore. Because of this, CAP Group is permanently seeking circular economy projects, both with internally generated waste as well as those of our clients that can be useful in other processes.



/ WASTE MANAGEMENT

314,528

tons of waste generated

1%

of hazardous waste

99%

of non-hazardous waste

298,417

tons of waste recovered

95%

of recovered waste

49%

of recycled waste

Type of extraction source		2022		2023 ²⁷	
		Hazardous	No hazardous	Hazardous	No hazardous
Waste directed for disposal	Incineration	0	0	0	0
	Transfer to landfill	1,558	22,300	2,035	8,858
	Other disposal operations	1,002	3,260	1,035	4,210
	Total	2,560	25,560	3,070	13,068
Recovered waste (diverted from disposal)	Recycling	944	287,460	737	154,481
	Reuse	389	56	306	142,672
	Recovery (including energy recovery)	271	40	194	0
	On-site storage	0	51,482	0	0
	Other types of recovery	0	2,304	0	0
	Total	1,604	341,342	1,237	297,153
Total waste generated			371,066		314,528

27. It includes third-party tailings managed by CMP

/ WASTE REDUCTION OR RECOVERY PROJECTS

To ensure responsible waste management and reduce waste generation, the companies have adopted the following initiatives.

/ CMP

Tire Recycling Project

The implementation of D.S. No. 8 began, which establishes collection, recovery and other obligations associated with tires. CMP has the goal of collecting and recovering 25% of the class A and B end-of-life tires acquired during 2022. To achieve this, the company formed an alliance with Bridgestone, which picks up the tires from the sites and transports them to the Kal Tire recycling plant in Antofagasta. By 2024 we will continue to comply with regulations and plan to advance in initiatives that will allow the by-products generated by the recovery of end-of-life tires to return to the CMP processes.

During 2023, 224,826 kg of end-of-life tires were recovered, meeting the goal established by the Extended Producer Responsibility Law (REP in Spanish), which led to recognition of CMP by Bridgestone for its exceptional compliance with the regulations.

In addition, the company took over part of its historical end-of-life tires, reusing 35,480 kg of tires and recycling 42,330, which will have a new life by being transformed into rubber tiles that will be installed in CMP's sports gyms.

Corporate Clothing Reuse Project

This initiative consists of recycling and reusing corporate clothing of CMP personnel and contractors. It was created in 2023 with the objective of anticipating and managing this apparel, after incorporating textiles as a priority product in the REP Law. To this end, during the year, containers were installed at the nine sites of the mining company for the collection of clothes, and a publicity campaign was launched. The first shipment for recycling and reuse of the textiles is expected to take place in the first quarter of 2024.

CMP opted to receive the recycled yarns, which are expected to be used during 2024 in workshops with the communities within their territories. Clothing suitable for reuse will be refurbished and given to the communities for their use.



Plastic Bottle Recycling Project

During the year, several campaigns were launched at work sites to reduce and eventually eliminate the use of plastic bottles. Pilot initiatives began in which reusable water bottles were given to all employees, and reusable water dispensers were installed at all work centers. Purified water dispensers for community use were also installed in schools, sports centers and social venues.

By 2024, PET plastic generation is expected to be reduced by 60%.

/ CINTAC GROUP

Cintac SAIC

While in 2022, 48.25 tons of EPS (Expanded PolyStyrene) were disposed of, during 2023 the company's management disposed of 8.5 tons, leading to an 8.2% decrease.

Tupemesa

During 2023, priority has been given to recycling initiatives with authorized operator. As a result, 63% of the waste generated was recycled, while the rest represents hazardous and non-usable waste sent to safety and sanitary landfills, respectively.

Electronic Waste Recovery Project

In 2023, 2,318 kg of electronic waste were recovered, which will be reconditioned in 2024 and subsequently donated to schools and fishermen's organizations.



Biodiversity

The Environmental Management Policy establishes the following specific commitments in this area:

→ **Biodiversity conservation:** CAP Group is committed to protecting and conserving biodiversity in all its operations. To avoid and minimize impact on natural ecosystems, including areas of high biodiversity. To implement measures to preserve and restore local flora and fauna, respecting natural ecosystems and promoting sustainable practices.

→ **Impact assessment and management:** To conduct periodic assessments of the impacts of operations on biodiversity. To implement measures to prevent, mitigate and compensate for significant negative impacts.



/ BIODIVERSITY PROTECTION INITIATIVES



/ CMP

Cruz Grande Nature Sanctuary Approval

Based on the species recovery plan linked to the Biodiversity and Protected Areas Service Law, and in line with the strategic objective of the Ministry of the Environment (MMA) to protect and restore biodiversity and its ecosystem services, on September 1, 2023 the Council of Ministers for Sustainability and Climate Change unanimously approved the Cruz Grande Nature Sanctuary, a Private Protected Area (APP in Spanish) presented by CMP in January 2020 to the MMA.

This proposal covers 487 ha, and its main objective is to protect the relevant conservation targets by preserving their habitat, in order to allow the natural evolution of the ecosystems and the ecological interactions between the various species that compose them.

Over a period of 10 years, it intends to achieve the reestablishment of the Lucumillo species, a shrub endemic to the Coquimbo Region, which is currently in the process of being planted in a nursery.

This APP allowed the total number of protected areas in the Coquimbo Region to increase from only 0.37% to 2.5%.

Hydroacoustic Buoy Network Project

Throughout 2023, the first 4 hydroacoustic buoys were installed on Chungungo beach, La Higuera, together with Acústica Marina, to monitor and map underwater noise in order to safeguard the ocean fauna. Through this technological solution, it will be possible to monitor, control and watch over marine wildlife and vessels, generating in the future real-time alerts focused on the study and conservation of marine life and ecosystems. It is important to note that this initiative is aligned with the United Nations Sustainable Development Goals and in 2024 work will continue with the detection and monitoring system.



CMP's participation in public-private initiatives in favor of biodiversity

- Development of a **Biological Management Plan** associated with the conservation of a tree and shrub species Repopulation Program at Mina Los Colorados.
- **Internal training opportunities for CMP workers** on the protection of biodiversity near work areas.
- **Additional biodiversity controls at Planta Magnetita** associated with the Desierto Florido National Park.
- **Environmental Fairs** in company mines, plants and ports with the aim of commemorating Environment Month (June), where the environmental attribute was reinforced in all CMP processes.
- **Guided visits with schools and CMP employees** to parks and wetlands in the Atacama and Coquimbo regions to raise awareness about environmental care and how to protect the environment. Visits to the Bosque Fray Jorge National Park, the Huasco Wetland Observatory and the Llanos de Challe National Park were among the most important.
- **Agreement with Universidad de La Serena (ULS)**, which consists of **reforesting native species in the Romeral experimental plot on CMP land**. The plot is used for monitoring the plantations, maintenance and repairs of the plot, monitoring of shrub populations and collection of seeds for nursery. In addition, the university provides environmental training to CMP staff, extending the invitation to local communities, with the objective of informing them of the activities carried out and teaching them about species with conservation problems. Moreover, research is going on associated with the long-term study of the ecophysiology of native shrubs and a scholarship is granted for a thesis student of the PhD program in Biology and Ecology at ULS.
- **Progress of the Phytotechnology Program**, which will launch its experimental pilot in 2024. The current Los Olivos nursery already has a vegetative production of approximately 2,900 specimens, amounting to 5 endemic species, and it is expected to widen its

number of specimens and species during the following year.

- In addition, CMP is about to launch a **book on biodiversity in the Copiapó Valley**, which has been two years in the making and included the participation of specialists from the Atacama and Coquimbo regions, seeking to complement and document the specific characteristics of biodiversity from the mountains to the sea.



/ CSH

On-site wetland conservation

The steelworks protects and conserves wetlands comprised of two ponds that house nearly 20 species, including birds, fish, amphibians and mammals. To protect this area, access is restricted and there is permanent environmental surveillance. Huachipato is also part of the Environmental Governance Working Group of the Municipality of Talcahuano for the protection of these areas. The company performs biannual monitoring of water quality, sediment and species counts, among others. This monitoring was reported to the Environmental Superintendency (SMA) through the Environmental Monitoring System (SSA).

During 2023, the guided visits of neighbors to the wetland were resumed, and getting to know the wetland was part of the induction program for new hires, both in the environmental induction talk and with a field tour. Academia del Acero participants also visited the site.

An agreement was maintained with the Agriculture and Livestock Service (SAG) and the environmental NGO Comité Nacional Pro-Defensa de la Flora y Fauna (Codeff), under which a coypu was received after a veterinary treatment.

/ CAP INFRASTRUCTURE

Protection zone: Land adjacent to Punta Totalillo desalination plant: 7.5 hectares.

Aguas CAP safeguards and protects the ecosystems linked to its plant. On an adjacent plot of land, the organization carries out monitoring activities associated with the Xerophytic Formations Work Plan, which were relocated and reforested by an external professional. A major milestone was achieved in the percentage of species establishment during 3 consecutive monitoring periods. The six species distributed in seven planting zones have adapted positively and remain vigorous. All species recorded survivals above 75% in all zones.

In addition, Aguas CAP monitors the marine ecosystem adjacent to the sector where effluent is discharged independently of the requirements of the authority. During the last six years, the ecological niches of the species that inhabit the 1,800 square meters near the plant have been monitored every six months by means of underwater filming.

Protected area: Puerto Las Losas Educational Garden

During 2023, PLL maintained its commitment to follow up on the rescued and relocated flora of 6 individuals and 2 species committed to in the Flora and Vegetation Biological Management Plan.

In this same area, PLL maintains the Marine Environment Monitoring Plan, in which, on a biannual basis and through 9 "sampling stations and areas", physical and chemical parameters of the water column and marine sediments are characterized, as well as community parameters, marine biological communities and natural banks of hydrobiological resources present in the coastal ecosystem and adjacent areas.





→ Tailings Commitment

Based on the requirements of Chilean environmental regulations, CMP has the following tailings commitments for its operations:

- Implementation of the global industry standard for tailings management (GISTM), considering CMP's internal timelines.
- To minimize impacts and risks through responsible selection, design and construction of operations.
- Adherence to the main international standards and best practices for tailings dam management, based on Chilean regulations and the GISTM.
- To avoid riverine/submarine tailings disposal in our projects.

/ PROGRESS IN 2023

- GISTM adherence study of the 4 tailings deposits (includes tailings deposit out of operation)
- Incorporation of the IDR (Delfing).
- Compliance with SMA Water Instructions (Res. 31)
- Compliance with Supreme Decree No. 248
- Closure of tailings discharge to the sea from the pellet plant (September 2023)

PROJECTS FOR 2024

- Increase the % of adherence to GISTM
- Instrument implementation
- Geotechnical characterization
- Closure plan for El Romeral Mine
- Hydrogeological model
- Emergency plan
- Monitoring and reportability
- DRF commissioning



/ TAILINGS MANAGEMENT

Regarding tailings management, and in accordance with the requirements of Chilean environmental regulations, CMP has the following aspects for its own operations:

- To have the support of an engineer of record, with technical competencies aligned with the magnitude of his responsibility, maintaining direct communication with the executive area of the company.
- Development of tailings storage facility plans throughout the life of mine, based on requirements of the National Geology and Mining Service.
- Implementation of surveillance and monitoring systems for risk management at all stages of the life cycle of tailings dams/deposits, in accordance with the requirements of the Servicio Nacional de Geología y Minería (National Geology and Mining Service).

- Emergency preparedness and response plans.
- Procedures for dismantling and closure of tailings facilities, as required by the National Geology and Mining Service.
- Independent audits and assessments of tailings facility management, involving annual audits that may be required by environmental authorities.
- Tailings dam failure report, as part of the quarterly information provided to the National Geology and Mining Service.

/ MAGNETITE PLANT

This plant extracts iron ore from the copper tailings (with high iron content) from the Candelaria Mine and is the largest mining recycling project in the country and one of the largest in the world, being an example of circular economy and sustainable operation.

From these mining waste, the plant produces an iron concentrate (or Pellet Feed) for export, confirming that the circular economy is a sustainable business that contributes to the environment by using environmental liabilities like tailings to give them a second productive

opportunity. In addition, this plant is also sustainable by using reclaimed water from the same tailings and desalinated water, instead of using continental water sources.

During 2023, the Magnetite Plant achieved an additional 25% reuse compared to 2022.

	2021	2022	2023
Quantity of sterile rock generated (metric tons)	86,605,531	88,986,489	90,045,000
Amount of tailings generated (metric tons)	4,329,332	4,789,414	4,734,479
Quantity of mineral waste reused (metric tons) ²⁸	19,134,406	16,966,755	23,468,969

28. This reports tailings feed values from Candelaria. CMP does not reuse its own tailings.



06



Commitment to People



People

5,870

CAP Group's own employees

988

Women

4,882

Men

Its companies employ

12,034

workers of contractors' companies

Figures as of December 31, 2023

CAP Group's Corporate Policy on People and Organizational Development seeks to achieve alignment between the social, organizational and individual objectives of all its companies' employees, promoting personal well-being, organizational success and social development as a consequence. The ultimate goal is to attract, train and retain the talent that the Group's companies need to achieve their strategic objectives.

CAP Group's Sustainable Growth Strategy requires practices that encourage the attraction of new talent together with the development and commitment of all the employees who are currently part of the Group. The guiding principles of our policies include diversity, inclusion, parental co-responsibility, wellbeing and mental health, and professional development, among others.

→ **Cross-cutting principles**

This policy applies to CAP S.A. and to all group companies in which it holds, directly or indirectly, more than 50% of the ownership, or control of financial and operational decisions, and to all levels, boards, management, areas, processes, sub-processes and/or activities that integrate them, and that are related to people management and/or organizational development.

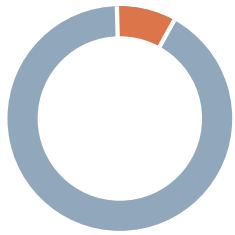
→ Progress and Implementation

To ensure the effective implementation of these policies, CAP Group has established monitoring and periodic review mechanisms.

- **The Chief Executive Office and its line managers** are responsible for ensuring knowledge of and compliance with these policies at all levels of the organization.
- **The Organizational Development Sub-Management at CAP S.A.** has the role of communicating and controlling the application of the policy in each of the group's companies.
- **Corporate Internal Audit** must perform process reviews of people management to verify the level of implementation.



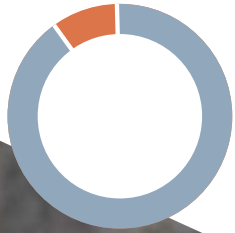
Total number of CAP Group employees



/ CSH

8% Women
92% Men

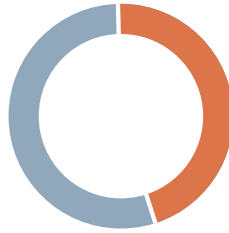
1,299 Total workers



/ PUERTO LAS LOSAS

10% Women
90% Men

31 Total workers

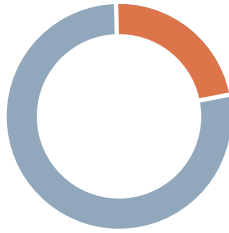


/ CAP S.A.

46% Women

54% Men

72 Total workers



/ CINTAC GROUP

23% Women

77% Men

2,290 Total workers

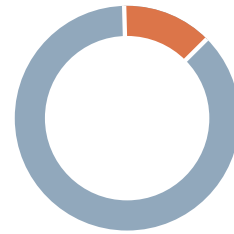


/ AGUAS CAP

36% Women

64% Men

22 Total workers

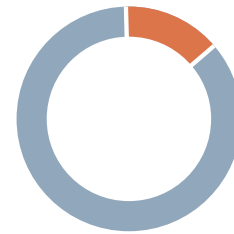


/ CMP

14% Women

86% Men

1,972 Total workers



/ TASA

15% Women

85% Men

182 Total workers



/ TECNOCAP

0% Women

100% Men

2 Total workers





→ Contractors and Subcontracting Policy

CAP Group establishes guidelines on the hiring of subcontractors, within the framework of the provisions of the Labor Code. This is carried out in conjunction with a process for which the respective people managers of the Group's companies are responsible.

The verification of the aforementioned compliance standards and guidelines is done through internal audit processes.

As of 2023, these guidelines are included in the training and induction process.



Health and safety

Approved by the Board of Directors, CAP Group has designed and validated a new policy aligned with international standards regarding Occupational Health and Safety (OHS), together with a management system that facilitates its implementation throughout the group. This decision implies that the group of companies is committed to comply with relevant international Occupational Health and Safety (OHS) standards and regulations and actively participates in voluntary OHS programs and/or collective bargaining agreements.

→ OHS Management Model

Adherence to global principles in this area is established in the corporate policy and implemented through the OHS Management Model, which allows for a safe and healthy work environment, aligned with the highest international standards in this area.

→ Internal Regulations on Order, Hygiene and Safety (RIOHS)

It is a fundamental pillar in OHS management, as it provides clarity on the practical application of the rights, obligations and prohibitions in terms of order, hygiene and safety for all employees.

→ Priority: Physical, emotional and psychological well-being

The search for the physical, emotional and psychological well-being of employees and their families is a priority for CAP Group. This is reflected in the guidelines established in the respective corporate policies.

→ Health and safety that extends to contractors

Occupational health and safety criteria are systematically incorporated into CAP Group's procurement processes and contractual requirements with suppliers and contractors, ensuring that all business partners comply with OHS standards.

→ Commitment that is part of risk management

Concern for occupational health and safety extends to risk management, which is managed through matrices differentiated by company, where risks are rated and prioritized in terms of probability and impact. This methodology facilitates the integration of action plans with quantified targets, enabling the group to effectively address the risks identified in the workplace.

→ Involvement of collaborators

Quarterly surveys and individual interviews are conducted with employees to gain an in-depth understanding of their experience in key areas such as culture, leadership and occupational health and safety.

The group's commitment to occupational health and safety can be exemplified by a Containment Plan with a focus on mental health that CSH incorporated this year, due to the climate of uncertainty that affected the steel plant. The objective of this initiative has been to avoid situations of inattention that could trigger accidents, for which a constant review of the processes was carried out in order to guarantee safety in the workplace.



Main health and safety indicators²⁹

Occupational safety indicators (NCG 461 5.6, SASB EM-IS-320a.1, CSA 3.5)						
	2021		2022		2023	
	Own	Contractors	Own	Contractors	Own	Contractors
Number of workers	6,944	10,205	6,649	10,951	5,870	12,034
Number of workplace accidents	54	156	115	143	123	77
Accident rate (SASB / NCG 461)³⁰	0.78	1.53	1.73	1.31	2.10	0.64
Total accident rate (TRIFR)³¹	3.88	8.28	7.88	7.19	8.54	3.70
Number of fatalities due to workplace accidents	1	0	0	0	0	0 ³⁴
Accident rate (SASB / NCG 461)³²	14.40	0.00	0.00	0.00	0.00	0.00
Number of lost time accidents	37	24	45	28	31	11
Total Lost Time Injury Rate (LTIFR)³³	2.66	1.27	3.08	1.41	2.15	0.53
Near-miss incidents or near-miss events	128	101	17	24	180	113
Near miss rate (SASB)³⁴	1.84	1.07	0.23	0.24	2.50	1.09
Number of professional illnesses	3	0	2	0	0	0
Occupational illness rate (NCG 461)³⁵	0.04	0.00	0.03	0.00	0.00	0.00
Days lost due to workplace accidents	7,346	1,350	1,365	1,010	788	208
Average number of lost days per accident (NCG 461)³⁶	136.04	8.65	11.87	7.06	6.41	2.70
Total hours worked	13,914,510	18,834,412	14,602,072	19,883,232	14,404,824	20,787,095

29. Following CMP's appeal, SERNAGEOMIN, dated February 13, 2024, has reclassified the incident of December 18, 2023 in FERRONOR as not mining-related. Consequently, the fatal accident should not be recorded in the company's statistics

30. Accident rate: (number of workplace accidents / number of workers) x 100

31. TRIFR: (number of total accidents / total hours worked) x 1,000,000

32. Fatality rate: (number of fatalities due to workplace accidents / number of workers) x 100,000

33. TRIFR: (number of lost time accidents / total hours worked) x 1,000,000

34. Near miss rate: (number of near misses / total hours worked) x 200,000

35. Professional illness rate: (number of professional illnesses / number of workers) x 100

36. Average days lost due to accidents: days lost due to accidents / number of work-related accidents

→ Improvement targets in metrics

CAP Group has set quantitative targets, as part of its short and long-term executive incentives, to improve its OSH performance metrics, including improving the overall employee experience index in the SSIndex and reducing the group's accident rate. These objectives are part of a comprehensive strategy to promote health and safety in the workplace.

→ Health and safety achievements in 2023

68%

drop in safety frequency rate

in CSH: from 3.8 in 2022 to 1.2 in 2023.

Puerto Las Losas received the 2023 **Tucapel González García award** for Workplace Safety and Health Management, bestowed by the Social Security Superintendence.

CAP Infraestructura (Puerto Las Losas, Aguas CAP and Tecnocap) recorded zero lost time accidents during the entire fiscal year 2023.



Diversity and inclusion

CAP has a Corporate Policy on People and Organizational Development, which through legal standards, sustainability and best practices, aims to achieve the group's corporate strategy by promoting alignment between the social, organizational and individual impact of all its member companies' employees: including diversity and inclusion in all its people management processes. The policy groups all the principles that allow CAP S.A. and all the group companies to define their policies under the principles established by CAP Group.

→ A non-discrimination organization

Through the People and Organizational Development Policy, which establishes guidelines for diversity and inclusion, CAP Group declares having an affirmative stance on the principle of non-discrimination, recognizing that the diversity of the company's employees is the wealth of competitiveness and innovation in the market.

The company's focus on these issues is on empowering its leaders to reduce bias from recruitment to evaluation, through training and education of all its employees and the commitment to generate high standard processes in each of its stages of the people management cycle.

The guidelines of the aforementioned Policy, in terms of diversity and quality of life, establish the necessary mechanisms to detect and reduce organizational, social or cultural barriers that could inhibit the diversity of capabilities, conditions, experiences and visions necessary for the organic growth of the company.



→ ESG criteria in people management

01

Attraction and Selection without discrimination

- Definition of talent and positions based on job profiles (competencies), prohibiting the inclusion of universities, gender and other personal variables that do not relate to their capabilities in the job requirements in the analysis.
- Predictive processes, such as standardized interviews, use of cases, multiple interviewers and group hiring decision making, where people management acts as a gatekeeper (anti-bias) at every stage.

02

Fair and equitable training and evaluation

- Diversity trainings and incorporation of these issues into performance management processes, training them on common biases in performance appraisals, feedback and mental health.
- Calibration and review of assessments where employees feel that an objective assessment has not been made, ensuring that no bias has been incurred, and if detected, a correction is allowed upon approval of its calibration committee and chief executive office.

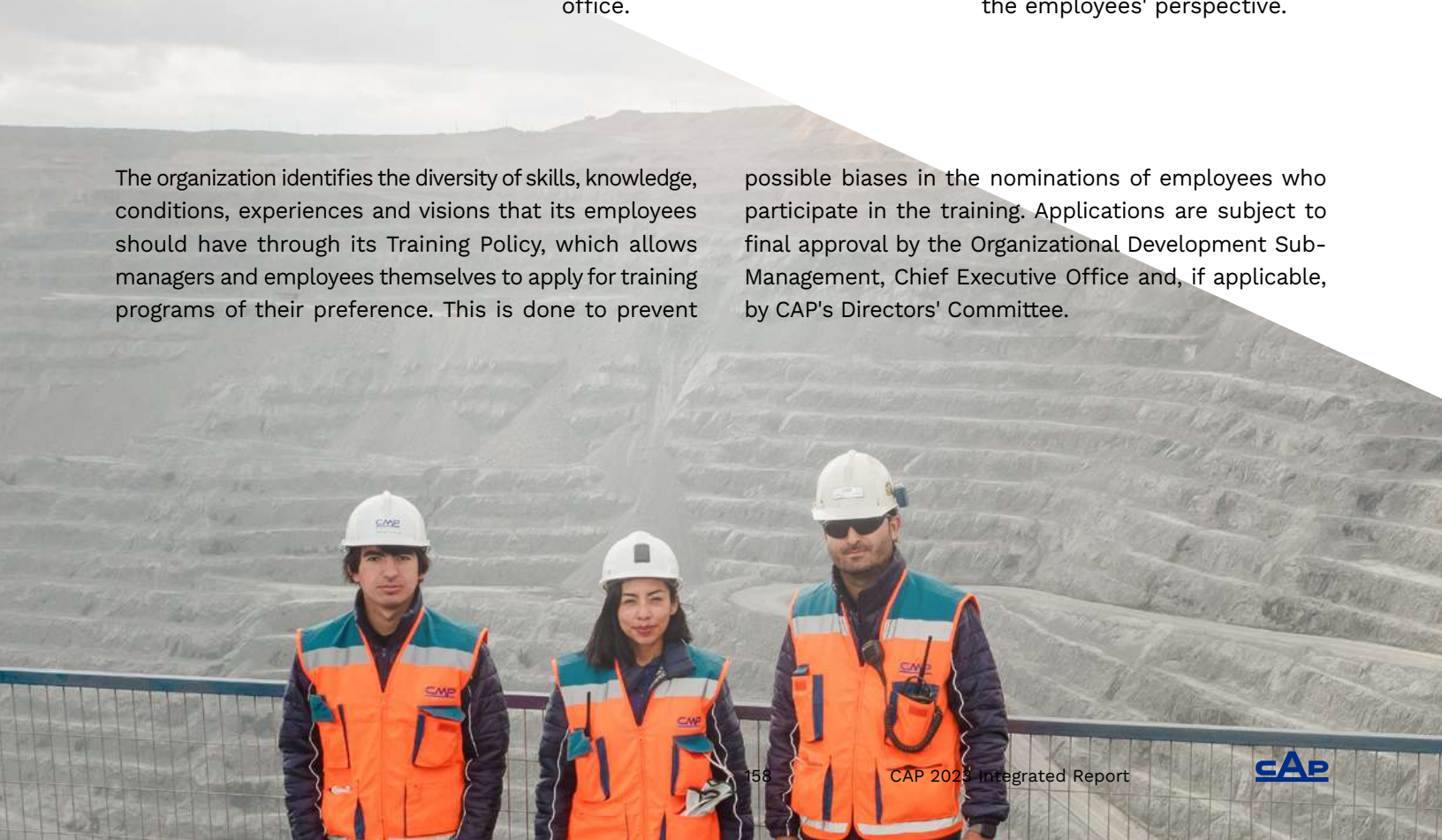
03

Constant listening process by HR

- Each employee has a formal meeting, at least quarterly, with Organizational Development Sub-Management to convey their vision of the organization and other relevant topics.
- Meetings are held with collaborators at least twice a year. In this instance, they have the opportunity to present their vision of the Company and listen to their views regarding barriers and facilitators of the desired culture. This allows us to update policies and procedures to include the employees' perspective.

The organization identifies the diversity of skills, knowledge, conditions, experiences and visions that its employees should have through its Training Policy, which allows managers and employees themselves to apply for training programs of their preference. This is done to prevent

possible biases in the nominations of employees who participate in the training. Applications are subject to final approval by the Organizational Development Sub-Management, Chief Executive Office and, if applicable, by CAP's Directors' Committee.





→ Capability-focused selection

In order to achieve the proposed goals in terms of inclusion, the Corporate Policy on People and Organizational Development has an impact on human resources management processes and promotes an unbiased selection process focused on the applicants' capabilities. This organizational guideline includes:

1. Recruitment and selection processes that are focused on competency profiles.
2. Establishment of gender-balanced shortlists for each role.
3. Gender-balanced talent pool for organizational succession planning.
4. Selection principles with a focus on communities, women and/or historically excluded groups as a guiding principle.
5. Master's degree training programs focused on female talent, promoting internal succession for executive and leadership positions.

CAP Group companies reinforce the importance of equal opportunities and non-discrimination and seek to promote awareness of the value of diversity. The Group provided training to its teams and measured the satisfaction of its employees in this area through the SSIndex survey.

→ Diversity and Inclusion Management

16.8%

Women

4.5%

Over 60 years old

23%

Other nationalities

20.6%

More than 12 years in the company

/ PROGRESS IN CMP

En línea con sus continuos esfuerzos para promover una mayor integración de mujeres en la compañía minera, durante 2023 se lograron importantes hitos:

- **47%** of new hires were women, raising female participation in the company to **14%**.
- The executive committee is **60%** women, demonstrating CMP's commitment to diversity and gender equity at all levels of leadership.

The main initiatives aimed at the inclusion of women in the organization are:

1. Gender balance in the Executive Committee:

The following management positions on CMP's Executive Committee are held by women:

- Planning and Development Management: Claudia Monreal.
- Occupational Health and Safety Management: Stephanie Wilhelm.
- Engagement and Shared Value Management: Macarena Herrera.
- People Management: Carolina Lomuscio.
- Operations Management: Makarina Orellana.
- Environment and Climate Change Management: Paulina Andreoli.

2. Sence Apprentice Program: 14 female participants

3. Trainee Program: 7 female participants.



/ PROGRESS IN CSH

During 2023, work continued in relation to the #HechasDeAcero program, which promotes the incorporation and training of female talent in the organization. This year's results were mainly the incorporation of women in operational positions, such as:

- 5 female pig iron and steel crane operators joined the Steel Mill and Continuous Casting, becoming the first female crane operators at Huachipato.
- 1 Shift manager in finishing processes.
- 1 Shift manager in coke plant.
- 1 Head of planning in long products.

During the year, the female headcount reached 8%, advancing towards the goal of having 12% female presence by 2025:

- 22 total new female hires at the plant.
- 10 new female hires in operations positions.

→ Mentoring Program

In 2023, CSH implemented a program aimed at developing the potential of its female employees through the transmission of experience and knowledge of a senior professional, who focuses on supporting and enhancing the skills of another employee. An important feature is that this initiative expanded its scope within the Group, since not only Huachipato workers participated, but also CMP and Cintac Group. The mentees and mentors, as appropriate, were:

- Karina Santos (Time and Systems Management Leader, CSH) - María José Rodríguez (People Manager, Cintac).
- Anny Uranga (Shift Manager, CSH) - Cecilia Urzúa (Pellet Plant Superintendent, CMP).
- Angélica Cárcamo (Head of Process Engineering, CSH) - Marisol Montaña (Superintendent of Energy and Supplies, and Director of CSH).
- Evelyn Pereira (Product Specialist, CSH) - Swindy Kopp (Environment, Safety and Occupational Health Manager, CSH)

/ PROGRESS IN CINTAC GROUP

Female labor inclusion program in the steel processing group:

Promet Chile has encouraged the hiring of female labor in all business units, which allows it to maintain an outstanding average share of participation in the industry: **28.9%** in 2023. This figure is boosted by the hotel service line, which represents more than **40%** of the company's permanent staff.

At **Calaminon-Promet Perú**, the company has promoted training through specific programs to train women as welders, which empowers women in a sector traditionally dominated by men.

/ PROGRESS IN INFRASTRUCTURE

Aguas CAP continued to strengthen its diversity and inclusion culture, reaching 20% female participation in the total workforce by 2023. It is worth mentioning that 25% of the company's managers are women.

/ PROGRESS IN TASA

During the last two years, TASA initiated discussions with the Argentine National Union to work on the incorporation of women in the company's operating positions. The implementation of these measures is intended to be applied as of fiscal year 2025.



→ Remuneration and Wage Gap

CAP Group has defined specific plans and goals to address and reduce inequities within its organizational structure, following principles of diversity, inclusion, parental co-responsibility, wellness, mental health, and professional development. These efforts apply to CAP S.A. and all the companies under its scope, promoting practices that encourage the attraction of new talent and the development and commitment of all employees.

Best practices implemented to reduce inequities:

Fair Recruitment and Selection

01

Implementation of processes based on fairness, equity, transparency and merit, offering opportunities to all types of professionals and promoting diversity in the workplace.

Training and Development

02

Design of training programs that respond to strategic needs and promote all employees' professional development, including those at risk of automation or close to retirement age.

Parental Co-responsibility

03

Encouraging practices that promote parental co-responsibility, such as extended postnatal leave and flexible working hours for fathers and mothers, contributing to a balance between work and family life.

Health and wellbeing

04

Benefits offer aimed at promoting physical, emotional and cognitive health, as well as the general employee well-being.

Equal Opportunity

05

Ensuring equal opportunity and treatment, facilitating diversity and inclusion as a source of engagement and talent attraction.

Equitable Compensation and Incentives

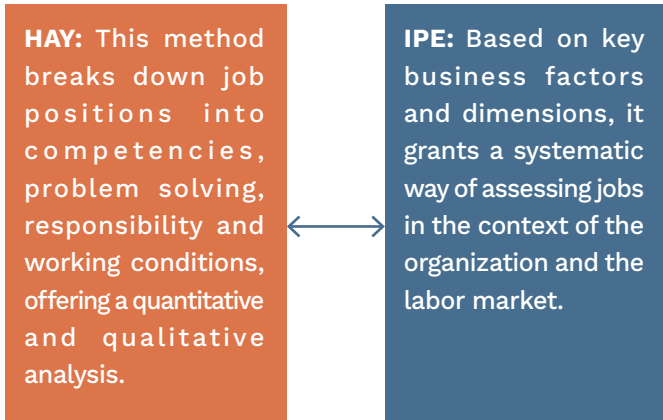
06

Establishment of compensation and incentive systems that are fair, competitive and aligned with strategic objectives, including the integration of ESG (Environmental, Social and Governance) criteria in the evaluation.

These policies and practices are designed to be reviewed and updated regularly, ensuring that they remain effective and relevant to changes in the organization or operations. Through these actions, the company is committed to reducing inequalities and fostering an inclusive and equitable work environment.

/ STANDARDIZATION AND VALUATION OF POSITIONS

CAP Group has implemented a corporate policy that standardizes pay methodologies for each role within the organization, addressing and correcting potential salary gaps. Every two years, a job evaluation is carried out using HAY and IPE methodologies, which are complementary and are used to standardize and evaluate jobs.



The results of these assessments are presented to the directors' committees to define salary bands, identifying the each employee's position with respect to these bands and proposing necessary adjustments to maintain internal equity and external competitiveness.

→ **Success case** - CAP S.A. Executive Committee

/ PAY EQUITY GOALS

CAP Group has set specific goals for advancing towards a greater wage equity:

- **Evaluation of Positions by External Experts:** To use objective criteria and external experts to evaluate positions, ensuring that the evaluation is impartial and in line with market trends.
- **Alignment with Market Median:** To move all charges towards the market median, ensuring that compensation is competitive and fair.
- **Zero Pay Gap between Bands:** To achieve a zero pay gap between market bands for the same position, promoting total equity in compensation.

In 2023, the group companies remain committed to continue monitoring and reporting this information by tier and level of position to all the group's directors' committees. This transparency and commitment to equity reflect CAP Group's effort to remain at the forefront of people management practices, promoting a fair and equitable work environment that is aligned with its purpose of creating well-being and shared progress.

Gender Wage Gap

Role	Wage gap	2023 ³⁷
	Average Gap	Median Gap
Senior Management	56%	34%
Managers	100%	47%
Leadership	124%	97%
Operator	77%	157%
Sales team	93%	73%
Administrator	80%	93%
Assistant	76%	174%
Other professionals	89%	78%
Other technicians	79%	102%

37. To calculate these figures, the average and median monthly gross salaries per hour for each of the positions shown in 2023 were used, dividing these salaries for women by those for men and multiplying by 100.

→ Promoting Parental Co-responsibility

CAP Group encourages co-parental responsibility, recognizing the importance of both parents in the care and early development of their newborn children or children integrated into the family through guardianship or adoption. For men, the use of extended postnatal leave is actively promoted, sending a clear message about the value the company places on equal participation in family responsibilities. This approach is complemented by the possibility of returning to work with flexible hours for up to two months, facilitating a smooth and adaptable transition to the needs of each family.

→ Extended Postnatal Leave

Our policy goes beyond what is legally established, granting an additional week of postnatal leave to parents, in addition to the period legally in force.

Integration with Corporate Organizational Development Policies

These postnatal leave and parental co-responsibility practices are harmoniously integrated with the general principles of the Corporate Policy on People and Organizational Development, which promotes fairness, equity, transparency and professional development. The group is also committed to continually reviewing and updating its policies to reflect best practices and respond to the emerging needs of its employees.

Postnatal leave indicators

Role	People entitled to postnatal leave in 2023 (number)			People who made use of postnatal postnatal in 2023 (number)		
	Men	Women	Total	Men	Women	Total
Senior Management	1	0	1	0	0	0
Managers	0	5	5	0	5	5
Leadership	10	4	14	10	4	14
Operator	29	0	29	29	0	29
Sales team	0	3	3	0	3	3
Administrator	0	3	3	0	3	3
Assistant	3	2	5	3	2	5
Other professionals	2	10	12	2	10	12
Other technicians	2	7	9	2	7	9

Education and Training

The group of companies includes in its Training Policy a four-level training model that aligns strategic needs with employees' training preferences.

/ DETECTION AND EVALUATION OF TRAINING IMPACT

Through Kirkpatrick's 4-Level Model, the training needs detection process establishes the following:

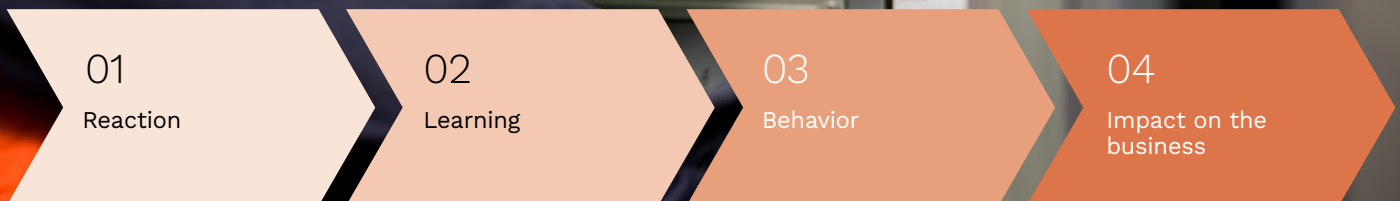
First, the training topics are determined based on the definition of strategic priorities for CAP Group.

Based on these strategic themes, we then define the required competencies to be enhanced within the workplace.

At a third level, the knowledge needed to develop and implement these competencies is determined.

Finally, we determine which course will be the most appropriate to develop this knowledge.

In this way, defining objectives by levels makes it possible to measure and evaluate the impact of the training provided:



/ PROGRESS IN 2023

Four training curricula were consolidated during the year:

- Group directors
- Executives
- Heads/Analysts
- Administrative team

Each curriculum is structured in terms of the group's strategy, performance assessment results (feedback regarding needs) and professional development preferences.

More than
80%

of the corporate team undertook some type of training in 2023.

/ ORGANIZATIONAL DEVELOPMENT AND LEADERSHIP ROLES

The areas in charge of the optimal application of the training processes are the Organizational Development Sub-Management, which annually proposes and agrees on, together with the Heads of each unit, career plans, the training needs of critical positions and the development of competencies of potential successors. All this is done according to the strategy defined by the organization.

In 2023, CAP Group invested **US\$ 1,736,551³⁸** in employee training, which translates into **126,371** hours of total training and **8,651** employees trained³⁹.

Main topics addressed in training courses

1. Leadership: Training of new managers
2. Female leadership
3. Strategic leadership
4. Successor program and high potential: skills needed to progress in role.
5. ESG Strategy
6. Management of complex projects
7. Future of work
8. Change management
9. Technical tools for labor reconversion (Administrative team).
10. Director training program

Average Annual Hours of Proprietary Staff Training in 2023

Role	Men	Women
Senior Management	20.3	16
Managers	19.8	26.5
Leadership	29.5	91.9
Operator	38.1	108.9
Sales team	9.5	16.9
Administrator	4.8	8.5
Assistant	17	31.8
Other professionals	13.2	17.1
Other technicians	1.2	4.2

Preparing for Future Changes

Special attention is paid to preparing employees for automation and retirement, promoting their well-being and adaptability.

Support for Advanced Training

A financial support scheme is offered for master's degree or equivalent programs, as well as coverage for competence development programs, with special emphasis on the transfer of acquired knowledge.

38. Representing 0.06% of CAP S.A.'s total revenues. / 39. The total number of trained employees exceeds 100% of the staff at the end of 2023 due to workers who were trained and left the company during the year.

→ Hiring and Turnover

CAP Group defines a hiring priority order for positions that have open vacancies in the organization, giving priority to candidates according to the following order:

1. Internal successor
2. Member of communities
3. External applicant

→ Incorporation of women

During 2023, new hires were focused on increasing the number of female employees, which was materialized in the selection processes with gender-balanced shortlists. In this way, communication processes were implemented with the different stakeholders of the organization.

As for the total turnover rate for CAP Group, it reached 4.3% in 2023, while the voluntary turnover rate was 2.2%⁴⁰.

Worker turnover in 2023

Age range	Men	Women
Under 30 years	10	3
Between 30 and 40 years	39	21
Between 41 and 50 years	29	11
Between 51 and 60 years	33	8
Over 60 years	97	2

40. These indicators do not include data from Cintac Group, due to the nature of its companies' projects, which involve the dismissal and subsequent hiring of workers.

Quality of Life

CAP Group offers benefits to its employees with the aim of improving the quality of work life, social-emotional wellbeing, and mental health. Each company in the group offers specific benefits to its employees, according to the type of business and location of its facilities.

- At the corporate level, the main benefits are:
- Flexible hours
 - Flexibility to work from home
 - Childcare facilities or contributions
 - Sick leave payments

→ Workplace Climate

Workplace climate measurements are done randomly within the group to determine the current state of the organization with respect to its culture, leadership and mental health. In addition, the People area meets at least once a year with each employee to learn about their well-being, review policies and develop career development strategies.

The workplace climate evaluation adopts a holistic and multidimensional approach, aimed at understanding and improving employee well-being and satisfaction. The group is based on ESG Compass' SSIndex measurement, along with additional chapters specifically designed to address critical aspects of workplace well-being, ensuring a deep and comprehensive understanding of the work environment in the organization.

/ BASIC DIMENSIONS OF THE SSINDEX

The evaluation includes several dimensions that reflect the fundamental pillars of well-being at work and employee satisfaction, such as:

Job Satisfaction: It evaluates employees' overall satisfaction with their jobs, including aspects such as interest in tasks, recognition received and professional development opportunities.

Commitment to the Company: It measures the degree of commitment and emotional connection of employees to the organization, its mission and values.

Interpersonal Relations: It examines the quality of relationships between co-workers and between employees and supervisors, focusing on communication, mutual respect and support.

Working Conditions: It evaluates the physical conditions and resources available to perform the job, as well as the perception of fairness and job security.

Work-Life Balance: It considers how people perceive their ability to balance their work responsibilities with their personal and family life.



/ EXPANDED FOCUS ON SSINDEX

To complement these dimensions and address critical areas of occupational well-being, the group incorporated three additional chapters into the SSIndex measurement:

Mental Health: Based on an adapted WHO questionnaire, this chapter focuses on the mental health of employees, seeking to identify and proactively address any need for support or intervention.

Leadership: Inspired by best practices worldwide, it evaluates the effectiveness of leadership within the organization, with the objective of submitting to a higher standard and promoting a positive and motivating work environment.

Open Questions: They allow people to express recognition, gratitude and pride for the work done, encouraging reflection on positive experiences and strengthening the organizational culture from a perspective of positivity and gratitude.

The workplace climate evaluation at CAP Group is designed to capture a complete picture of employee well-being, addressing not only areas for improvement, but also recognizing and building on the the team's strengths and positive experiences. This comprehensive approach allows us to identify opportunities to improve the quality of life at work, foster a positive work environment and support the personal and professional development of each employee.

Employee satisfaction per year

Category	2022	2023
SSIndex	78%	79%

/ ACTION PLANS

Based on these diagnoses, action plans were drawn up to promote employee well-being and thus meet the corporate objective of keeping everyone aligned, in communication and in a socio-emotional state that allows them to face the challenges of the year.

Monthly activities for team meetings and well-being (karting, extended lunches, trips to the mountains, among others).

Extended benefit for death of a direct or related family member: 7 working days, renewable up to a maximum of 1 month, subject to validation by Human Resources Management or equivalent.

Suggested blocked hours, free of meetings between 13:00 and 15:00 hours.

Hybrid work policy (3x2) in addition to other flexible working hours conditions agreed upon by the appropriate manager.



→ Performance Evaluation

/ COMPREHENSIVE AND MULTIDIMENSIONAL APPROACH

In the organization, performance evaluation is characterized by its comprehensive and multidimensional approach, emphasizing both individual development and team strengthening.

Through a 360-degree feedback system implemented in the first quarter of each year, we seek to promote a formative rather than an evaluative spirit. This approach allows the CAP (Commitment, Adaptability and Proactivity) Leadership profile to be developed throughout the year and a personalized career plan to be established.

→ 360-Degree Feedback: Training and Development

This system is used to foster the development of leadership skills, teamwork, integrity and strategic vision. This training approach allows employees and the corresponding management to identify areas for improvement and strengths, contributing to continuous training and professional development.

The information gathered serves as an additional input for managers, allowing them to justify and complement their performance evaluations, taking into consideration aspects of behavior and performance.

→ Objectives and Criteria

Performance evaluation is based on clear and objective criteria, both individual and team-wide, reflecting the company's values and strategic goals. Behaviors that demonstrate leadership, teamwork, integrity and strategic vision are evaluated.

These criteria are assessed directly by management, which uses the information from the 360-degree feedback to enrich its perspective and make a fairer and more complete evaluation.

→ Participation and Calibration

CAP Group encourages the employee's active participation in this process, allowing them to request a calibration of their evaluation if they consider it necessary to review additional information.

This mechanism ensures transparency and fairness, allowing for adjustments based on a complete understanding of the employee's performance and contributions.

The group's approach to performance evaluation emphasizes the importance of integral development, promoting a work environment based on respect, integrity and excellence. By integrating 360-degree feedback and performance-based team evaluations, it ensures that talent management practices are aligned with the strategic vision and commitment to employees' personal and professional growth.





/ ANNUAL EVALUATION WITH A THREE-STAGE PROCESS

The approach to performance evaluation is characterized by its annual implementation, structured in a comprehensive process comprising three essential stages: objective setting, feedback and final performance evaluation. This annual cycle is designed to ensure performance management that is both reflective and proactive, promoting continuous growth and strategic alignment throughout the year.

1° Objective Setting

The first stage involves the clear definition of objectives, both individually and collectively. This initial step is fundamental to establish the expectations and goals that

will guide performance throughout the year. We provide specific training to managers and teams on techniques for setting effective objectives, ensuring alignment with organizational strategy and professional development.

2° Feedback

One week a year is allocated to focus exclusively on feedback, a crucial time to share constructive observations, progress and areas for improvement. This dedicated space facilitates open dialog and joint reflection between management and employees, strengthening trust and commitment to personal and professional growth. As in the setting of objectives, training is provided to optimize this process, improving its reliability, alignment and fairness.

3° Final Performance Evaluation

The final performance evaluation culminates the annual cycle, providing a comprehensive review of progress against established objectives. This stage allows a fair and objective assessment of performance, recognizing achievements and identifying opportunities for development.

3,837

Collaborators received performance evaluations in 2023.

→ Adaptability and Strategic Alignment

At each stage of the process, flexibility is considered key to allow adjustment of objectives in response to contextual changes or emerging strategic needs. This approach ensures that objectives remain relevant and aligned with corporate strategy, professional development and the promotion of organizational culture.

By implementing this three-stage process, accompanied by continuous training for managers and teams, CAP Group ensures a highly reliable, aligned and fair implementation, contributing significantly to the development of its employees and the achievement of its strategic goals.





→ Freedom of association

CAP Group and its operating companies seek to maintain good relations with all its collaborators and existing unions. Hence, the collective negotiation processes carried out constitute important milestones that project the work and permanent dialog that exists with union leaders.

→ Adaptability and Strategic Alignment

In 2023, a collective negotiation agreement was concluded through talks prior to the formal process, reflecting the good relationship between management and unions. The framework used to reach an agreement involves:

1. Comprehensive wellness and employee needs
2. Company results
3. Historical increases granted by the company
4. Good industry practices

68%

of CAP Group collaborators were represented by a union or covered by collective negotiation agreements.

The benefits of the collective negotiation agreements extend to all group employees and there are benefits outside the agreements that extend to the unionized group.

07

Commitment to Society





Sana Mente

committed to mental health, wellness, neuroscience and the quality of people's working life

With the participation of different authorities and representatives of civil society, the event "Collaborate to Heal" was held in November 2023 at La Moneda Cultural Center. It was organized by Sana Mente, the first television program dedicated to mental health, neuroscience and wellness, co-produced by CAP Group, Rassmuss Foundations and CNN Chile.

On the occasion, Juan Enrique Rassmuss, Board Chairman of CAP Group and Fundaciones Rassmuss, emphasized that there is no way to address the issue of mental health "if it is not in collaboration between the public and private sectors, academia and civil society. In our world, the company, we have the challenge of integrating this dimension, creating empathetic work environments, oriented to well-being. In that sense, we are working on the leadership we need to achieve those objectives."

In addition, the Superintendent of Social Security, Pamela Gana, referred

to mental health in the workplace, emphasizing that one third of sick leaves correspond to this area and that, in 2022, 67% of the total number of professional illnesses corresponded to mental health. Emphasizing the importance of prevention, the head of Suseso highlighted the application of the Questionnaire for the Evaluation of Workplace Environments in Mental Health (CEAL-SM) as the main instrument. "It is mandatory for all employing entities to assess risk as part of a company's strategic management, because in addition to the welfare of workers, it has an economic effect for them and, therefore, it must also be assumed," she said.

The event ended with a presentation by María Martín-Torres, physician, paleoanthropologist and director of the Centro Nacional de Investigación sobre la Evolución Humana (CENIEH) from Spain. From an evolutionary point of view, she referred to the importance

of social relations and community life for the mental development of human beings.

As part of its purpose of educating about mental health and bringing the subject closer to the population, the institutions behind Sana Mente have established different alliances with public and private entities, such as the Chilean Association of Municipalities (ACHM), the Ministry of Education, the Consortium of Universities of the State of Chile, Belén Educa, University of Chile, Arturo López Pérez Foundation (FALP), Psiconecta Foundation, Sistema B, among others. It consists in the donation of the content of all the seasons of the program to be shown or shared with their internal or external audience.



Video of the event

Social management at CAP Group

There are few companies in Chile with the level of integration and industrialization of CAP Group, but there are also few companies operating in different segments - mining, steel production, steel solutions and infrastructure - in five regions of the country. This characteristic makes this conglomerate a key player in promoting the economic and social development of the communities where it operates.

Policies guiding CAP Group's Commitment to Society

- Social Investment Policy and Corporate Social Management Framework
- Sustainability Policy
- Recruitment, Selection and Induction Policy
- Donations, sponsorships and memberships policy

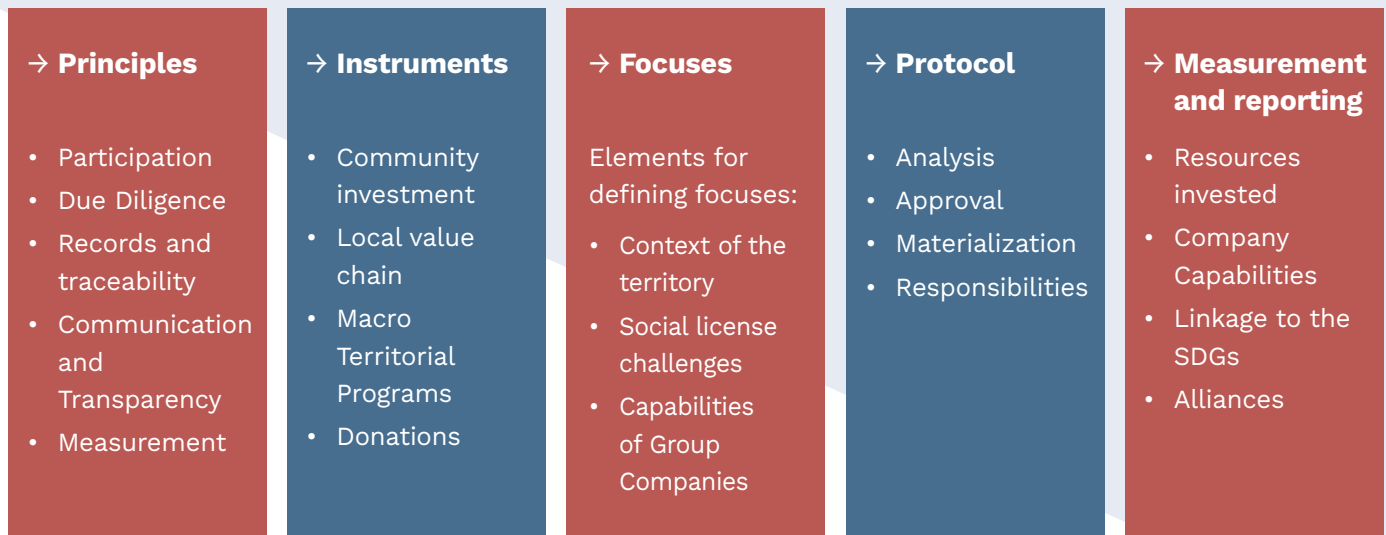


→ Social Investment Policy

At CAP Group, in line with our Sustainable Growth Strategy, we define social investment as those contributions in resources, money or in kind, that are aligned with our purpose, support our business objectives and are aimed at promoting sustainable development and benefiting society, especially the communities located in our areas of operation and projects.

The Social Investment Policy pursues the following objectives:

- To positively impact the well-being of people and/or communities located in areas of direct or indirect influence of operations and projects.
- To obtain or maintain the social license.
- To contribute to the continuous improvement of reputation.
- To contribute to the achievement of the United Nations Sustainable Development Goals both in the country and in the territories where it has operations and projects.



We prioritize social investment initiatives, aligned with our business and the development needs and priorities of our stakeholders, helping to establish solid and mutually beneficial relationships between them and CAP Group, contributing to creating an environment conducive to private investment.

In this context, we apply social investment instruments through the following actions:

- Incorporation of local workers and inclusion of local companies in our supply chain, materializing programs that continuously improve local participation in the different administrative and productive activities of the business.
- Contributions to initiatives focused on improving the quality of life of the communities surrounding our operations, with a long-term vision and a continuous positive impact, promoting the creation of alliances with public and private organizations.



We materialize social investment through the execution of one or more of the following actions presented in order of prioritization:

→ **Creation of a Local Value Chain**

Contributions that are aligned with the company's goals and needs, in accordance with the development priorities of the communities.

→ **Community Investment**

Resources allocated to invest in the community and/or in community activities, with the aim of generating a return in terms of development and sustainability of communities located in the areas of influence of the Group's operations and projects.

→ **Macro-territorial programs**

Contributions to programs of national scope or in a territory larger than the area of influence of an operating company, whose objective is to contribute to the strategic axes of CAP Group's Sustainability Strategy.

→ **Donations**

Philanthropic contributions of resources to cover short-term, specific or contingent requests made by Chilean social organizations or local communities, as long as they are aligned with the Group's Sustainable Growth Strategy.

/ WHAT IS THE CORPORATE SOCIAL MANAGEMENT FRAMEWORK?

The Corporate Social Management Framework is the document that defines the guidelines, minimum requirements, responsibilities and standard terminology that make up the social management process for the Group's companies in each of the territories where there are operations and projects

/ WHAT IS THE PURPOSE OF THE CORPORATE SOCIAL MANAGEMENT FRAMEWORK?

To describe the minimum and necessary processes to implement social management in the communities surrounding the operations of the group's companies in order to align this management with the company's business and sustainability strategy.

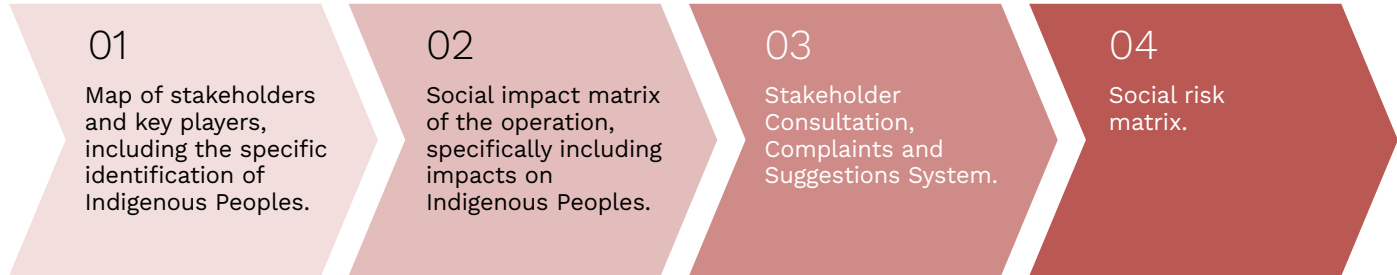


/ SOCIAL MANAGEMENT IN CAP IS DEFINED BY SEVEN MAIN PROCESSES:

- 1. Stakeholders and Key Stakeholders Management
- 2. Social Impact Management
- 3. Social Risk Management
- 4. Social Investment Management
- 5. Management of Inquiries, Complaints and Suggestions
- 6. Social Management of Communication and Transparency
- 7. Indigenous Peoples Management

Each of the processes are interrelated and have specific means and activities to carry them out. In addition, the processes must be documented in each operating company's Social Management Plan.

In order to achieve excellent social management, it is essential to keep updating the tools that contribute to the analysis for the identification, characterization and management of stakeholders, risks and social impacts for the facilities. These tools are the following:



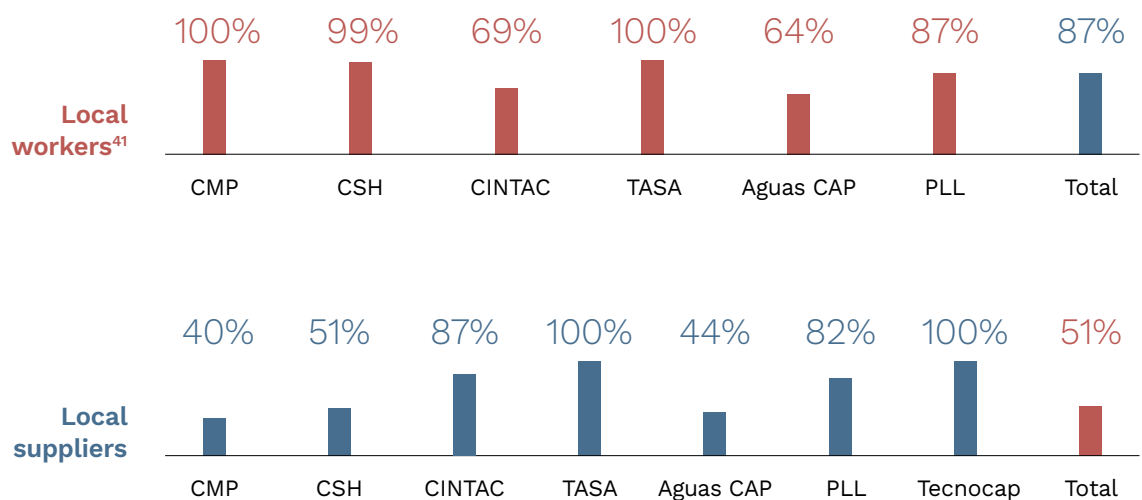
Local Development

In its seven decades of contribution to the country, CAP Group has prioritized the hiring of inhabitants of the territories where it operates and has strongly supported local industries and entrepreneurs when acquiring goods and services.

This conduct was reinforced with the Social Investment Policy, which establishes that CAP Group prioritizes initiatives in this area in line with its business, the needs and development priorities of stakeholders, contributing to establish solid and mutually beneficial relationships between them and CAP Group, helping create an environment conducive to private investment.

Categories	CAPS.A.	CMP	CSH	Cintac Group	TASA	Aguas Cap	PLL	Tecnocap	Total
Local management positions	6	11	37	19	6	1	0	0	80
Total management positions	7	11	42	46	6	1	1	1	115
% of local management positions	86%	100%	88%	41%	100%	100%	0%	0%	70%

→ Percentage of local workers and contractors



41. Tecnocap only has 2 employees, who do not reside in the company's territory of operation.



→ Main local employment initiatives

/ MINING

CMP has established as a priority in its recruitment processes to hire people who are local residents, achieving a low regional commuting rate. As a result, 100% of CMP's workers are local, either from the Coquimbo or Atacama region.

In the case of contractors, there is also an incentive in the tender process to preferably use employ local staff. As a result, 40% of local contractors live in the areas where CMP operates.

/ STEEL PRODUCTION

CSH has maintained a dual internship and practicum program with industrial technical education. During this year and thanks to the dialogs with nearby communities, the company's emphasis and involvement with education and community training was reinforced.

In 2023, courses and training programs were developed with SENCE Code articulated by the OTICs (Intermediary Technical Bodies for Training) of the construction and metalworking guilds (CChC and ASIMET), which impacted hundreds of people of Talcahuano

Over

90%

of CMP and CSH collaborators are local residents, which reinforces the historical ties they have maintained with the community.

/ STEEL SOLUTIONS

Cintac Group complies with the purpose of hiring local labor in all the places where it operates. This is possible by means of permanent engaging with municipalities (through the Municipal Labor Intermediation Office), labor fairs and technical and professional training centers, among others.

48%

of new hires in 2023 live within the region where they work.

At Promet Chile

40%

of open vacancies were filled with local labor in 2023.

/ TASA

Within its hiring guidelines, it favors local staffing in its operations: 100% of its own employees and external workers reside in the same region where they work.

/ INFRASTRUCTURE

The three companies managed by CAP's Infrastructure Management - Puerto Las Losas, Tecnocap and Aguas CAP - which operate in the regions of Atacama and Coquimbo, have set the goal of achieving a local hiring rate of over 90% starting this year

→ Local supplier development

Through its companies, CAP Group has implemented different initiatives to promote local purchases and entrepreneurship, as well as to maintain close ties with local suppliers in the regions where it operates. In this way, development, productive activities and innovation are promoted.

Categories	CAP S.A.	CMP	CSH	Cintac Group	TASA	Aguas Cap	PLL	Tecnocap	Total
Local suppliers	315 ⁴²	1,048	407	2,904	774	72	12	1	5,533
Total suppliers	347	2,638	1,123	3,157	783	200	221	36	8,505
% of local suppliers	90%	40%	36%	92%	99%	36%	5%	3%	65%

42. Defined as national suppliers since the corporate center is global and focused on Santiago.



/ MINING

CMP prioritizes the selection and hiring of local suppliers, pre-qualifying them and involving them in the tender processes for services in various specialties. Along the same lines, the purchase of local MSME suppliers is encouraged through the SENEGOCIA platform.

In addition, the company has participated in business rounds and the registration of local suppliers with the Coquimbo Regional Mining Council and the Atacama Region Development Corporation.

This year, CMP reached

40%

of use of local resources in its activities, corresponding to purchases of goods and services to suppliers in the surrounding communities.

/ STEEL PRODUCTION

The steel company has maintained a development strategy for its suppliers, under the MAS Huachipato seal, a program that seeks to standardize management and sustainability processes for SMEs. Throughout its history, the company has been a hub of activity and development in the Biobío Region, generating more than 20,000 direct and indirect jobs thanks to a virtuous productive chain and its close work with more than 1,000 small and medium-sized companies.

CSH had a total of

407

local suppliers in 2023 -all from the Biobío Region- which represents approximately 36% of the total of the assigned contracts.

US\$ 95

million was the spending on local suppliers during 2023 in CSH.

/ STEEL SOLUTIONS

Some of the Cintac Group companies maintain internal programs that promote the hiring of local suppliers.

92%

was the representation of local suppliers during 2023 in Cintac Group companies.

US\$ 96

million was Cintac Group's spending on local suppliers in 2023.

/ INFRASTRUCTURE

Puerto Las Losas: As part of its commitment to sustainable development, PLL prioritizes local sourcing in the procurement of its products or services. This strategy reflects not only the search for talent in the region, but also the desire to contribute to the economic and social growth of the territory.

Aguas CAP: During the year, the group's desalination plant increased its preference for local suppliers in its purchases of goods and services by 12% compared to the previous year.



Supplier Management

CAP Group's integrity code establishes its commitment to maintaining a fair and responsible relationship with suppliers, thus complementing the global principles to which it adheres, seeking relationships that are consistent with the vision of sustainability and paying special attention to the social and environmental impacts of its activities.

→ Supplier characterization

8,505

Total suppliers

3,168

MSME suppliers

7,895

National suppliers

5,533

Locales suppliers

Policies guiding supplier management at CAP Group

- Integrity Code
- Code of Conduct for suppliers and contractors
- Business partner management policy
- Business Partner Due Diligence Guidance

Suppliers that accounted for at least 10% of each segment's purchases in 2023⁴³

Segment	N° of Suppliers
Mining	1
Steelworks	2
Steel Solutions	2
Infrastructure	1

43. Notwithstanding CAP Group's intercompany operations.



→ Supplier payments

Although CAP Group does not have a group-wide supplier payment policy, each of its operating companies has its own procedures that are adjusted to the contextual reality of the activity and the country in which they operate. In many cases, companies have been recognized for their good practices in this area, demonstrating a transversal commitment to the subject.

Supplier payments

[NCG 461 7:1]

Categories	National			International		
	Less than 30 days	Between 31 and 60 days	More than 60 days	Less than 30 days	Between 31 and 60 days	More than 60 days
N° Invoices paid	103,632	41,875	15,915	509	83	293
Total Amount (US\$)	1,517,471,279	309,239,667	52,031,325	52,753,113	2,689,759	66,494,974
Total amount Interest on late payment of invoices (US\$)	3,744	0	0	0	0	46,855
No. of suppliers to which invoices correspond	14,084	4,424	2,521	174	27	80
No. of agreements registered in the Register of Agreements with Exceptional Payment Periods kept by the Ministry of Economy	0	0	0	0	0	0

In the second quarter of 2023, CMP was once again recognized as one of the best payers at the national level, with a **96%** ranking, specifically in terms of payment terms, as it only takes **17 days** to pay the SMEs that supply goods or services to them.

→ Supplier Due Diligence

The Group has a Partner Management Policy and a Business Partner Due Diligence Guide, which are intended as a guide in the evaluation of the Group's suppliers.

Supplier evaluation includes the review of corporate governance criteria and risk management in terms of corruption practices and financial risks, social risks in terms of the companies that provide subcontracting services - which is measured through the Compliance Tracker platform - and, finally, the management of legal risks associated with pending lawsuits or reputational risks that may exist.

Categories	CMP	CSH	Cintac	PLL
Suppliers evaluated ⁴⁴	128	37	519	37
National suppliers evaluated	128	37	503	37
Total suppliers 2023	2,638	1,123	3,157	221
Percentage of suppliers evaluated	5%	3%	16%	17%
Percentage of purchases representing evaluated suppliers	41%	3%	6%	13%

→ Sustainability in suppliers

CAP Group evaluates and identifies ESG variables in its suppliers in order to prevent associated risks, mainly in those that provide services in the operations of the Group's companies.

44. This due diligence evaluation of suppliers is performed only on new suppliers.



01

Environmental standards

It must comply with the environmental regulations applicable to its operation, always striving to minimize the impact of its activities.

- To promote energy savings and the appropriate use of water.
- To ensure adequate waste management.
- To report any incidents that may have an environmental impact.
- To implement environmental performance monitoring practices.
- To respect the agreements reached with the communities in which they operate.

02

Social standards

They must ensure respect for human dignity, freedom of association, the right to privacy and the right to enjoy fair and favorable working conditions.

- Prohibition of child labor.
- Prohibition of any type of forced labor and human trafficking.
- Condemnation of any conduct constituting labor or sexual harassment and discriminatory conduct.
- Unrestricted compliance with labor regulations, especially in matters of hiring and dismissals, wages, working hours and social security.
- To provide the elements and safety conditions to develop the corresponding tasks, reducing associated risks.
- To report in a timely manner any incident that may involve a risk to people's safety.

03

Corporate governance and ethics standards

Businesses should not tolerate any form of corruption and should be committed to integrity in all activities of their value chain and their relationships with third parties.

- To respect current regulations, especially those set forth in Law No. 20,393.
- To promote integrity as a value on a daily basis.
- To define and implement measures to establish an ethical behavior framework for its employees.
- To avoid any type of conflict of interest.
- To promote free competition.
- To provide reliable information and to keep classified information confidential.



/ SPECIFIC EVALUATIONS IN MINING AND STEEL PRODUCTION SEGMENTS

/ MINING

At CMP the model for identifying potential risks in the supply chain continues to be the Process Risk Management (PRM). From the suppliers' perspective, the model has had to consider an extension of lead times due to world contingencies - pandemics and armed conflicts, among others - and planning parameters have had to be adjusted to provide the coverage required by the production processes and avoid stock-outs.

Specifically, through PRM, controls and verifications are established for the following risks:

- Environmental risks of local iron ore producers.
- Compliance with permits and authorized fees.
- Control of dust emissions in its plants and in transport on public roads.
- Environmental risks in the unloading, transportation and stockpiling of coal, complying with regulations and RCA commitments.
- Risk in coal quality for noxious gas emission control.

In addition, CMP evaluates bids through Sustainability Forms, which include aspects such as:

- Labor and location of the company's headquarters, if they are based in the Atacama and Coquimbo regions, where CMP's operations are located.
- Female participation
- Re-employment of workers
- Involvement plan with the territories
- Purchases and subcontracting to regional SMEs
- Environmental management plan
- Waste management plan, promoting circular economy.

After the evaluation, according to the scope of the tender, the suppliers with the best evaluation in the ESG aspects indicated above are prioritized.

/ STEEL PRODUCTION

At CSH, two deferred evaluations are performed according to the criteria established by the Supply Unit:

Standard annual evaluation of a pool of suppliers active at the date of the study, where the level of service and quality is measured.

Periodic and dynamic ESG-type evaluation, carried out on the entire pool of suppliers defined by Procurement (forging, smelting and scrap) where aspects such as: safety and environment, planning systems, equipment, quality control and management systems are measured.





Specific evaluations in the Mining and Steel Production segments

Concept	N° of suppliers
Number of suppliers evaluated	2,757
Number of significant/critical suppliers evaluated	162
Number of suppliers evaluated with actual/potential substantial negative impacts.	35
Number of suppliers with actual/potential substantial negative impacts that have an agreed corrective action/improvement plan.	14
Number of suppliers with actual/potential substantial negative impacts with whom commercial relations were terminated.	5
Number of suppliers supported in the implementation of corrective action plans.	11
Number of suppliers evaluated with actual/potential substantial negative impacts supported in the implementation of corrective action plans.	5
Total number of suppliers in capacity building programs.	17
Number of significant/critical suppliers in capacity strengthening programs.	2

Relationship with Communities

Social Investment Management is one of the seven main processes that define the Social Management of CAP Group companies, which have formed a relationship of permanent trust over time with their neighboring communities, based on history and shared value in the territories, contributing to sustainable development, care for people and the environment.

Within this framework of action, the group's companies apply social investment instruments by making contributions to initiatives focused on improving the quality of life of the communities surrounding their operations, with a long-term vision and a continuous positive impact, promoting the creation of partnerships with public and private organizations.

Policies guiding Social Investment at CAP Group

- Donations, sponsorships and memberships policy
- Social Investment Policy and Corporate Social Management Framework

Social investment (US\$)

Categories	2023
Cash contributions	1,771,710
Donations in kind	1,367,402
Total	3,139,113

CAP Group seeks to foster best practices and promote an environment that favors the integral socioeconomic development of its territories. The Group's Donations, Sponsorships and Memberships Policy is the document that establishes the general guidelines, from the perspective of compliance with the law and internal regulations, for the commitment of CAP Group companies to their environment through donations, sponsorships and/or memberships. This policy defines that the contributions provided must always be framed within the following axes:

- Environment protection.
- Social and/or cultural interest.
- Business development.
- Sustainable development of the environment and the communities with which it interacts.



→ Territorial management in group companies

Although the Corporate Social Management Framework defines the guidelines, minimum requirements and responsibilities that make up the social management process for CAP Group companies, each company may apply

their own methodologies, policies and procedures to implement their social management, as long as they comply with the minimum standards set forth in said corporate document.

/ MINING

Approach based on three pillars: CMP's community management has a territorial approach based on the location of operations, on which it seeks to have a continuous, consistent and trusting relationship with all relevant stakeholders in the territory.

1. Access to information by the communities.
2. Community participation and advocacy in the development of processes.
3. Shared growth in the territories in which it operates, since it is considered that development is only possible if people have access to greater and better opportunities for growth and wellbeing, contributing with new installed capacities, entrepreneurship and permanent jobs.

Citizen consultation: Since information is one of the main pillars of CMP's land management strategy, the company takes a preventive approach to citizen participation processes, in accordance with the recommendations of the Environmental Assessment Service (SEA), including early citizen participation activities in all its projects to detect possible impacts or incompatibilities in the territory.



In the case of general inquiries to the company, the Territorial Management Superintendence team maintains direct communication channels with the communities, such as a Communities Office in each valley, where it receives queries, complaints and suggestions that are answered by the company.



/ STEEL PRODUCTION

CSH has developed a strategy of Territorial Engagement and Community Affairs that is based on the capacity of involvement and engagement to articulate diverse actors of the local ecosystem with the objective of generating shared value. CSH's dialogue with its stakeholders is guided by CAP Group's aforementioned Corporate Social Management Framework, however, the company focuses especially on the ring of influence closest to the industrial operation.

Somos Comunidad Program: The communities of Libertad and Gaete, San Vicente and Los Cerros are the ones with whom the Company interacts directly through its social investment policy in its Somos Comunidad program. The company also participates permanently in the Tripartite Environmental Commissions in these sectors together with the Municipality of Talcahuano.

The CSH Somos Comunidad (We are Community) program is the materialization of CAP Group's social investment policy in this company. This annual program has four investment pillars:

- 1. Education and Employability,** where activities are developed together with high schools, schools and also training and entrepreneurship workshops.
- 2. Community and environment,** where the company joins community activities like protecting and cleaning beaches, wetlands, green areas, and planting trees.
- 3. Strengthening of Social and Community Organizations** where we work together with civil society organizations and institutions such as neighborhood committees, firefighters, foundations and NGOs.
- 4. Quality of Life,** in which it develops and collaborates with sports, recreational, leisure, art and cultural activities in Talcahuano..

Direct interaction: The social identity map of the internal and external communities developed in 2022 in conjunction with Corporación Industrial para el Desarrollo Regional del Biobío (CIDERE), allowed CSH to fine-tune investment strategies and participation activities that foster direct encounters between neighbors and employees.

During 2023, pilot activities were developed where CSH employees and neighbors of the plant were able to interact directly.



/ STEEL SOLUTIONS

Although Cintac Group's greatest contribution to society comes from the constructive solutions that help to reduce the housing deficit in both Chile and Peru, the subsidiaries that have a closer relationship with the community, given the nature of their processes or projects, have policies or a specific approach to interact with the community.

Calaminon and Promet, in Peru, have a Social Responsibility Policy that seeks to strengthen and promote corporate values of transparency, creativity, respect, integrity and commitment, ensuring a generation of positive impacts to its stakeholders, being responsible with the environment where they operate.

In the case of **Sehover**, also in Perú, they abide by the environmental instrument known as DIA (Environmental Impact Declaration), which guides them to minimize environmental and social problems.

Promet Chile has decided to promote and strengthen the following lines of work:

- Contribution to local entrepreneurs for the development of their business in their facilities, such as the management of kiosks in hotels.
- Social contributions or contributions to the urban environment: Donations to neighborhood committees, firefighters, hospitals, among others.

/ INFRASTRUCTURE

Tecnocap: During 2023, the Board of Directors approved the community engagement policy, and an associated engagement plan was developed to comply with the policy. This plan will be implemented in 2024.

Aguas CAP: The objective of this company's community relations strategy is to manage the social risks that the company identifies in advance, through the creation and strengthening of relationships with the most relevant stakeholders and to develop investment actions in the areas of influence that are aligned with the interests of the territory.

- During 2023, the program of visits by different community groups to the Desalination Plant was maintained.
- Territorial diagnoses of indigenous and artisanal fishing communities were carried out.
- Presentation meetings with leaders of the various fishermen's unions to present the new structure of the Communities and Communications team and the focus of the work to be carried out during 2024.
- New stakeholder groups settled in the territory were identified, such as neighbours.



Puerto Las Losas: Initiatives are being developed to strengthen ties with the community, in harmony with the citizen participation processes carried out in the environmental assessment processes. These actions seek to study and analyze the feasibility of potential projects, as well as to effectively manage complaints and claims from the surrounding communities prior to their execution.



As part of SOFOFA's Open Companies initiative, PLL opened its doors so that its neighbors could learn more about their processes and role as a relevant actor in the region's external trade. About 80 people attended, who toured and got to know a little more about the main multipurpose port in the Atacama region.

→ Relations with indigenous communities

CAP Group's Corporate Social Management Framework, in the Indigenous Peoples Management section, recognizes that companies or projects may be located in territories inhabited by indigenous peoples. Due to their distinctive way of life and often vulnerable position in society, it is increasingly necessary for companies to recognize and respect the social, economic, environmental and cultural interests of indigenous peoples.

CAP Group builds upon its respect for the national legislation that refers to Indigenous Peoples and international treaties signed by the State of Chile, such as the United Nations Universal Declaration of Human Rights and Convention No. 169 of the International Labor Organization (ILO) on Indigenous and Tribal Peoples.

In accordance with the above, the group considers that an adequate management of the relationship with the indigenous peoples located in the company's or a project's area of influence implies, as a minimum, the following activities:

- a. Identification of stakeholders for the relationship through the preparation of a specific Stakeholder Map, which includes the communities, associations and indigenous leaders that are part of the area of influence.



b. Identification and management of impacts in the event that the operation or project is near indigenous lands, communities, associations or other traditional organizations, provided that the following situations occur:

- The activity affects the way of life and customs of indigenous human groups.
- The activity affects productive activities dependent on the extraction and/or use of natural resources by indigenous communities (gathering, grazing or herding, fishing, agriculture, etc.) or interrupts grazing circuits (transhumance).
- The activity affects or interrupts rites, religious festivities, manifestations or practices of indigenous cultures.

- The activity affects or could affect indigenous archaeological heritage.
- The activity is inserted within an Indigenous Peoples' Marine Coastal Space (ECMPO).
- The activity could hinder or terminate access to collecting medicinal herbs or food.

c. Identification and management of resettlement, determining whether as a result of the operation or project it has been or will be necessary to resettle indigenous communities. In the event that should occur, there has to be a plan that complies with national regulations and international agreements signed by the country, which must be traceable for a potential audit.

d. Mechanism for complaints, queries and suggestions, which should include a way to identify and report specifically when a complaint is made by a member of a native people.

/ INFRASTRUCTURE

Aguas CAP: This year the company continued working with the Inti Wañuy community of the Colla ethnic group, though delivery of desalinated water was suspended because hydroponic cultivation was stopped. Therefore, on December 19, the agreement to deliver industrial water to supply irrigation was terminated.

As a new initiative, in 2023 a lighting project was implemented for the community's headquarters with the delivery of a photovoltaic kit and 30 solar LED bulbs, with the aim of improving their activities as an organization



→ Social Investment Programs in 2023

/ DIMENSIONS ADDRESSED BY CAP GROUP'S SOCIAL INVESTMENT STRATEGY





/ PRODUCTIVE DEVELOPMENT

Artisanal fishing development

CMP signed a collaboration agreement with 30 unions and cooperatives of artisanal fishermen, shellfish divers, shore harvesters, purse seine crew members, boat skippers and participants in related activities to promote the growth of the artisanal fishing sector. The agreement, which renews work that has been ongoing since 2007, will directly benefit close to 1,300 members, with a total investment of US\$4.9 million



Caldera Impulsa III

CMP, Aguas CAP, the Municipality of Caldera and Desafío Levantemos Chile delivered food carts to 24 community entrepreneurs as part of the "Caldera Impulsa III" initiative. The program lasted six months, during which the entrepreneurs received training in formalization, finance, social networks and personalized counseling.

/ EDUCATION AND EMPLOYABILITY

Jaime Charles Scholarships 2023

CMP awarded 69 new scholarships this year to promote education for students in the Atacama and Coquimbo regions, specifically in the Copiapó, Huasco and Elqui valleys. Since the implementation of the scholarship program in 2012, a total of 200 young people have benefited, who, as a reward for their efforts, are granted support to pursue higher education studies, professional or technical, in institutions recognized by the Ministry of Education.



Professional practicums for 133 students

In 2023, CMP's traditional process benefited 89 students from professional technical high schools and 44 university students in the country, who began their placements at CMP's operations in its various valleys, Copiapó, Huasco and Elqui.



UCN Coquimbo's Social Pre-university courses

A collaboration agreement between the Coquimbo campus Universidad Católica del Norte and CMP benefited 50 young people from that city, who are eligible for a free pre-university course. It began in 2017 at the initiative of the students of that institution in order to prepare for the Higher Education Access Test (PAES). The students are also accompanied in the process by motivational talks given by professionals from the company.



STEM: Robotics for 7th and 8th grade girls

In collaboration with the company Finning, CMP launched the Educational Robotics Workshop aimed at 7th and 8th grade girls in the provinces of Huasco and Elqui. Its aim was to strengthen skills and knowledge in the fields of science, technology, engineering and mathematics (STEM), so that from an early age they can consider new areas of professional development in the main productive industries of the country, without gender bias.



Fiber optics in Huasco schools

In order to strengthen the educational processes of the territory's future young talents, CMP installed fiber optic connectivity and access points at Liceo Japón and José Miguel Carrera School in Huasco. The installation, executed by Entel, allows the connection of up to 380 users per site.



Metalcon training and products

In 2023, Cintac continued to provide technical training on Metalcon and value-added products to sales teams of retail customers. Training courses on Metalcon and industrialized construction were also held for students from Duoc UC and Inacap, as well as workshops on industrialized solutions for CChC members at the



Antofagasta, Rancagua and Osorno offices.

/ ENVIRONMENT AND SURROUNDINGS

Arborization in Talcahuano

Within the context of the Tripartite Commissions of Libertad and Gaete, San Vicente and Los Cerros, CSH participated this year in an urban tree planting event in Libertad and Gaete, where native trees were planted together with the Rayito de Sol Environmental Committee of Gaete and a group of workers from the Coke plant as part of a corporate volunteer program.



Hydroacoustic Observatory in Coquimbo

In order to raise awareness of the importance of conserving the marine ecosystem, the company Acústica Marina, together with CMP, launched a Hydroacoustic Observatory so that students, families and entrepreneurs in the town of Chungungo can value the marine species that surround them. The initiative includes training for artisanal fishermen in the area to do tourist tours as a new way of boosting the local economy.



Interactive visit to Fray Jorge Park

As part of the activities to commemorate Environment Month, in June CMP made a visit to the Fray Jorge Forest National Park with three rural schools in La Serena (El Romeral, Punta de Teatinos and El Chacay), as well as families from CMP's collaborating companies.

During the visit, the students had the opportunity to explore the hydrophilic forest trail in an interactive way and learn about the research that is being done at



the site, with the collaboration of professionals from Universidad de La Serena.

/ CULTURE AND HERITAGE

Quality of life, sports and recreation

This development pillar in CSH is articulated with the Huachipato Sports Club and the Artistas del Acero Cultural Corporation. In 2023, the company collaborated in various initiatives related to sports, recreational and





leisure activities, festivals, artistic presentations focusing on children and senior citizens. These activities can be attended by the people in the town.

CMP Culture Fund

Various groups from three localities of the city of Vallenar - Incahuasi, Cachiyuyo and Domeyko - finished their projects supported by CMP's Culture Fund 2023, exhibiting their creations and products, including embroidery, handicrafts, handicrafts and weavings, all accompanied by a sample of local gastronomy.



Successful Triathlon in Huasco

On Saturday, May 27, a great sports festival was held in the port city, where more than 55 athletes from

various parts of the country gathered to give life to the 'Huasco Triathlon 2023', successfully organized by CMP's Guacolda Sports and Cultural Club.

/ URBAN DEVELOPMENT

Strengthening public-private cooperation

After the end of the Quiero Mi Barrio Libertad Program, in 2023, CSH articulated support in various activities and programs of the following local public agencies in Talcahuano: SENDA, OPD Mejor Niñez, OMIL Talcahuano, Municipal Entrepreneurship Office, SENAPRED, CONAF, Carabineros, Firefighters, Municipal Public Security Office, Municipal Community Development Office and Municipal Environment Office.

Support to Caldera Firefighters

The GERSA group of the city's fire brigade received a zodiac boat with an engine to combat maritime accidents, incorporating water rescue techniques, which will allow them to attend and effectively respond to this type of





emergencies. The above is found within the context of the public-private alliance that is being executed with the company Aguas CAP.

/ CONTINGENCIES

"Atacama Helps the South" Campaign

Following the fires that occurred in the southern part of the country in the summer of 2023, the Regional Government, the Presidential Delegation and the various departments and other agencies of the Atacama Region joined in a campaign to support the disaster area. With them, CMP and other companies in the area were able to collect more than 100 tons of aid, distributed in seven trucks sent to the city of Quillón, in the Ñuble region.

/ SOCIAL SKILLS

Inclusion in mining

CMP and Women In Mining Chile signed an agreement to promote inclusion and gender equality in mining. Through this agreement, the mining company is committed to contribute and support WIM in generating and promoting the participation and professional development of women in the industry. The company will also offer business opportunities to WIM business partners and provide internships to student members, thus contributing to their academic and professional development.



Social and community leaders

The training of social and community leaders who interact with the company's Community Relations area was a fundamental pillar of development during 2023. This work took place in two instances: digital literacy courses for social leaders, in articulation with the engineering department of UCSC, and a course with SENCE certification on Social Skills, Leadership and Communication for neighbourhood and social leaders.





08

Appendix



Report elaboration process

**This Integrated Report
was published on
March 25, 2024.**

→ Methodology

The Integrated Report is made in compliance with the requirements from Global Reporting Initiative (GRI) and its latest updated indicators.

It also complies with the contents established by the Financial Market Commission (CMF) in General Regulation (NCG) 461. Additionally, SASB guides are used, going deeper into specific indicators for the industrial sector it operates in: iron ore and steel production.

The Integrated Report also incorporates public indicators from the Dow Jones Sustainability Index which assess the organization's commitment levels to sustainability. Likewise, it includes the Group's internal management indicators, which allow it to continue and evaluate the efforts and progress regarding sustainability over time.

On the other hand, this document addresses the Climate Change Management recommendations by the Task Force on Climate-related Financial Disclosures (TCFD), with a focus on its four pillars: Governance, Strategy, Risk Management, and Metrics and Objectives. In turn, it constitutes the annual Communication on Progress (CoP) of the Global Compact.

CAP Group's Integrated Report incorporates information from January 1 to December 31, 2023, for the entity's businesses in Chile, Argentina and Peru; CAP and its operating companies Compañía Minera del Pacífico, Compañía Siderúrgica Huachipato, Grupo CINTAC, Aguas CAP, Puerto Las Losas, Tecnocap and Tubos Argentinos (TASA).

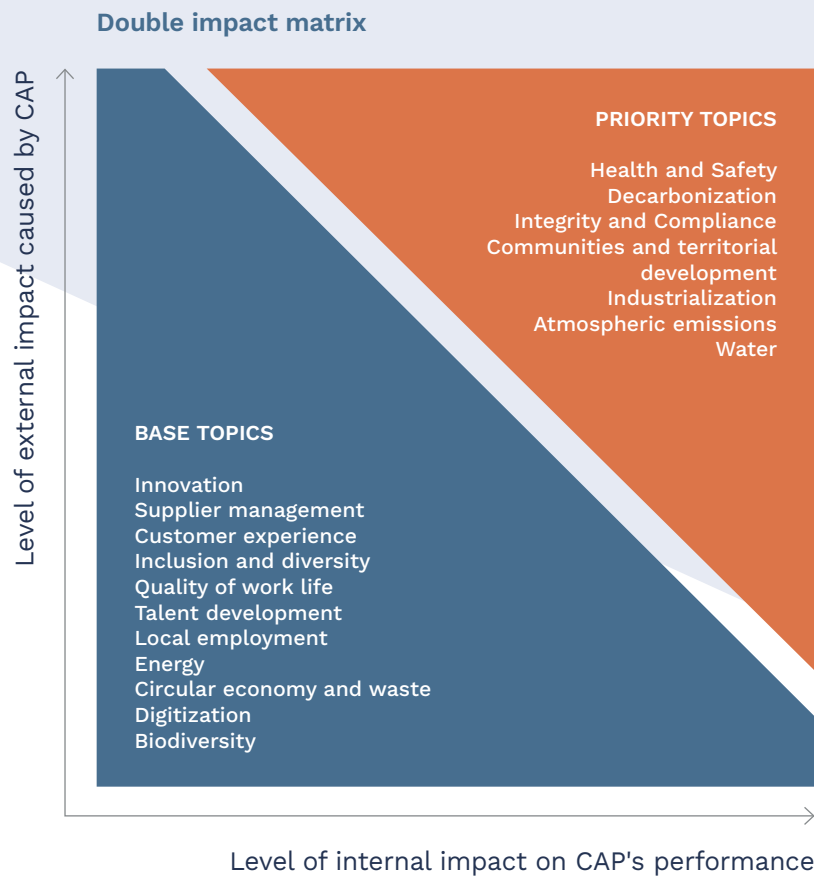
The contents of this Report were verified by the external auditors Deloitte. All information regarding methodological changes is duly stated with footnotes on each indicator for a better understanding of the information.



→ Material topics

In 2023, CAP Group conducted a review and update of the material topics identified during the materiality process in 2022. During a working session, the topics and their impacts were adjusted and classified into two categories: Priority

Topics and Base Topics, according to their relevance for the company's activities and its environment. Health and Safety, Decarbonization and Integrity and Compliance are highlighted as key aspects of the CAP Group Strategy.





/ PRIORITY MATERIAL TOPICS

Material topic	Description	Type of internal impact	Description of the impact on the business (internal)	Where does the external impact originate?	Whom does it affect?	Description of the impact on society and planet (External)
Health and safety	Establish and preserve a workplace environment free of professional accidents and illnesses, maintaining the most rigorous health and safety standards, both for employees as well as for contractors.	Risks	To pr a culture of health and safety allows our work teams to have workplace that is free of occupational incidents, minimizing interruptions to the operation, and also affecting organizational climate and commitment. At the same time, this improves the company's reputation, which also has an impact on talent attraction and retention	Operations	Society: workers' families, Communities	A safe working environment provides workers' families with the peace of mind that their loved ones will be less exposed to workplace accidents, protecting their livelihoods and their physical and mental well-being; with a "multiplying" effect on local communities.
Decarbonization	Decarbonization To evolve the business portfolio, products and services, aligning them to the path to decarbonization and favoring the offering of materials and products that facilitate the transition towards a low-carbon economy.	Revenues	Integrating decarbonization into the business strategy contributes to the company's stability, resilience and growth, satisfying current customer expectations and opening up new markets with great potential.	Products and services	Clients, Environment	For our customers, to have low-carbon products, or with inputs that enable them to reduce their footprint, means an impact in their business and in the demand for their products and services. In addition, this ultimately contributes to the mitigation of climate change and its effects on the environment.
Integrity and compliance	To support and lead in the company's management with a high-standard corporate governance and an organizational culture based on ethics and compliance with the relevant laws and codes of conduct.	Costs, Revenues	Adequate management of this issue is a relevant variable for capital providers, as it affects our efficient access to financing. On the other hand, it is also a relevant topic for our customers and may influence the demand for our products and services. It also allows us to avoid possible costs and/or delays due to fines and/or non-compliance, thus affecting our reputation.	Operations	Society, Customers	A high-standard corporate governance and an ethical organizational culture contribute to the promotion of responsible and transparent business practices, which generates trust among stakeholders and the general public, influencing opinion regarding the industry in general and favoring the development of investments and new projects, benefiting society as a whole.



Communities and territory relationship with the development communities and generate	<p>Nurture a close relationship with the communities and a positive impact to contribute to the development of the territories, creating social and environmental value and boosting local connection and collaboration.</p>	Risks	<p>Fostering positive relations and the development of the territories near the company's operations not only grants us with our "social license" which reduces the probability of conflicts that may affect business continuity, but also influences talent attraction and retention, strengthening the offer of professionals and technicians capable and willing to work in our companies. It also contributes to improving employee morale and satisfaction, as they feel they work for a company that is socially responsible and committed with its environment.</p>	Operations; Value Chain	Communities	<p>The development of territories and the execution of projects and initiatives at a local level influence the quality of life of the people from the surrounding areas, by creating jobs, improving infrastructure, boosting education, and providing access to better opportunities in health, education, recreation, etc.</p>
Industrialization	<p>Promote local value chains in areas such as mining, infrastructure and housing, since, in this context, our companies can provide inputs and raw materials that are key for better efficiency and lower environmental impact, contributing to a greater added value nationally and solving relevant challenges, such as housing deficit.</p>	Revenues	<p>Ensure and/or increase and the demand for the products and services provided by CAP Group companies, widening our customer base and differentiating ourselves from international commodities</p>	Products services	Customers, Society, Environment	<p>The optimization of milling processes in the copper industry, and faster and more economical house construction, are two examples of value chains in which our clients play a key part, providing solutions to market and people's needs, and which have multiplying effects that impact society and the environment.</p>
Atmospheric emissions	<p>Manage and monitor the emissions of elements that impact on air quality, such as PM, NOX, SOX and COV, ensuring that the established limits are complied with and making an effort to reduce them even further than the norm.</p>	Risks	<p>Compliance with the established limits allows to ensure operational continuity and avoid fines or sanctioning processes which could affect the operation of facilities. Moreover, in the long term, it helps the company's growth by generating more favorable conditions for approval from the public for new projects.</p>	Operations	Communities, Environment	<p>Emissions of elements released into the atmosphere may immediately and tangibly impact the health, well-being and quality of life of the people living in nearby communities, as well as the quality of the ecosystems that support the diversity of flora and fauna in the territory.</p>



Water	Strategic management water considering its scarcity and the increase in the demand, by means of efficiency and innovation measures, also ensuring the quality of the resource.	Risks	Water management is essential for optimize the efficiency of operational processes in the company and represents an important measure to increase its resilience in the face of changes in water availability related with climate change, as well as the possible regulatory changes that may affect the group's businesses in the future. On the other hand, the care for and safeguarding of the quality of the water around the operations can avoid sanctions or incidents that affect the business or the company's reputation.	Operations.	Communities, Environment	Responsible water of water by the company translates into water availability for the surrounding communities, with the appropriate quantity and quality, which impacts in their quality of life, health and survival means, as well as enabling the protection of the surrounding ecosystems.
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/ MATERIALITY 2022 VS 2023

Material topics 2022	Material topics 2023
Integrity and Compliance	Integrity and compliance
Regulatory compliance	Supplier management
Supplier development	Innovation
Economic sustainability	Digitization
Innovation and digitalization	Customer Experience
Customer experience	Local employment
Local employment	Talent development
Community	Quality of working life
Talent development	Inclusion and diversity
Quality of working life	Health and safety
Inclusion and diversity	Communities and territorial development
Health and safety	Industrialization
Housing development	Energy
Energy	Atmospheric emissions
Atmospheric	Decarbonization
Water	Water
Circular Economy and Waste	Circular economy and waste
Biodiversity	Biodiversity



External verification

letter



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March 25, 2024.

To: The Board of Directors of
CAP S.A.

Of our consideration:

We have performed a limited assurance engagement review of consistency of the indicators included in the 2023 Annual Report, in accordance with the Global Reporting Initiative (GRI) Standard of CAP S.A. (hereinafter “The Company”).

Scope

Limited assurance review of the contents and indicators of the Sustainability Report 2023, in accordance with the Global Reporting Initiative (GRI) Standards regarding the profile of the organization and material indicators arising from materiality process performed by the company regarding to the criteria established by the Global Reporting Initiative (GRI), associated with the Economic, Social and Environmental.

Standards and verification processes

We have performed our task in accordance with the guidelines of the International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), issued by the International Auditing and Assurance Standard Board (IAASB).

Our review included inquiring process to different units and management areas, involved in the process of developing the Report, as well as the application of certain procedures such as analytical and testing the evidence, which are described below:

- Meeting with the team that led the process of preparing the Annual Report 2023.
- Requirement and review of evidence, for the indicators detailed in this letter, as a result of the materiality process, with the areas participating in the preparation of the Annual Report 2023.
- Analysis of the adaptation of the contents of the Annual Report 2023 to the GRI Standard, and verification of the indicators verified and included in this letter, are based on the protocols established by this guide.
- Verification, through tests of quantitative and qualitative information, corresponding to the GRI Standards indicators included in the Annual Report 2023, and its adequate gathering from the data provided by the Company information sources.

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March 25, 2024.
 CAP S.A.
 Page 2

Conclusion

The limited assurance process was based on the indicators established in the materiality process performed by the Company. The indicators reviewed and verified are detailed below:
 Indicators GRI general and specific:

2-1	2-2	2-3	2-4	2-5	2-6	2-7	2-8	2-9	2-22	2-23	2-24
2-27	2-28	2-29	2-30	3-1	3-2	3-3	203-2	204-1	205-1	205-2	205-3
206-1	302-1	303-1	303-3	303-5	304-1	304-3	305-3	305-4	305-7	306-2	403-1
403-3	403-9	403-10	405-1	405-2	415-1	401-1	302-4				

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that these indicators incorporated in the Sustainability Report 2023 of CAP S.A. is not prepared, in all material respects, in accordance with the applicable criteria.

Management and Deloitte Responsibilities

- The preparation of the Annual Report 2023, as well as its content are under the Company responsibility, management is responsible to maintain the internal control systems where the information is obtained.
- Our responsibility is to issue an independent letter, based on the procedures performed.
- This report has been prepared exclusively by the Company request, in accordance with the terms established in the services proposed.
- We have developed our work accordance to the standards of Independence established in the Code of Ethics of the IFAC
- The conclusions of the verification made by Deloitte apply to the latest version of the Annual Report 2023 received on March 24, 2024.
- The scope of a limited assurance engagement is essentially inferior to a reasonable assurance engagement thus, we are not hereby providing about the 2023 Annual Report the Company's.

Deloitte.

Sincerely,



General information

→ Legal information of the Entity

CAP S.A. was established by Public Deed on April 27th, 1946, before Notary Public Mr. Pedro Cuevas, in the city of Santiago. Its existence and corporate statutes were authorized by Treasury Decree N° 2,004, on May 3rd, 1946. The extracts of the public deed and the decree were registered in the Commercial Registry of the Santiago Real Estate Registry for the year 1946, on pages 1,356 and 1,358, No. 983 and 984, respectively, and published in the Official Newspaper on May 20 of the same year. Treasury Decree N° 3.418 from May 24, 1946, declares the Company as legally established. Since its establishment, CAP S.A.'s corporate statutes have gone through several modifications, which are reflected in the consolidated Company statutes available on its website.

/ COMPANY OBJECTIVE

The Company has as main objective to invest its capitals in any type of intangible property, such as shares, bonds, debentures, savings and capitalization plans, shares or rights in companies or mutual funds, and any other type of titles or transferable securities, as well as managing said investments.

In addition, the Company has the following specific objectives:

- a. To promote, organize and establish companies of any kind and purpose, and buy and sell shares and rights.
- b. To provide management, financial and legal consulting, audit and other necessary services for the best possible development of the companies of which it is shareholder or associate, or third-party companies.
- c. To coordinate the management of the companies of which it is shareholder or associate, in order to obtain the best productivity and profitability possible. The paid-in capital of Compañía Minera del Pacífico S.A. as of December 31, 2023 amounts to US\$ 887,220,369.40 divided into 4,694,836 shares.



→ Subsidiaries, associates and investments in other companies⁴⁵

1. COMPAÑÍA MINERA DEL PACIFICO S.A.⁴⁶

Type of entity: **closed limited company.**

Address: **Pedro Pablo Muñoz 675, La Serena.**

CAP share ownership: **75%**

It was incorporated by means of a public deed dated December 15, 1981, executed before the Notary Public of Santiago, Mr. Félix Jara Cadot. The extract was registered on page 294 No. 145 in the 1981 Commercial Registry of the Real Estate Registry of La Serena and published in the Official Newspaper on December 21, 1981.

/ Subscribed and paid-in capital:

The capital stock agreed at the Extraordinary Shareholders' Meeting held on April 27, 2010, amounts to US\$ 887,223,521.40, legal currency of the United States of America, and is divided into 4,694,836 shares without par value, 74.99979% of which are owned by CAP S.A. and 25.00021% by MC Inversiones Ltda.

The paid-in capital of Compañía Minera del Pacífico S.A. as of December 31, 2023 amounts to US\$ 887,220,369.40 divided into 4,694,836 shares.

/ Company objective:

- a. To exploit own or third-party mining sites for any substance conceived by law.
- b. To explore, acknowledge, formulate requests, manifest, measure, constitute mining properties and rights, over all types of mineral substances and, in general, acquire any mining site titles, dispose of them, hire them to or from others, or any other type of use; acquire, dispose of, import or export minerals, all individually or jointly with other people, natural or legal.
- c. To acquire, build, exploit, take and lease to any titles benefit plants, foundries, and annex ports and facilities.
- d. To trade and sell minerals in any state, be it or not their own production, directly or indirectly.

- e. To acquire, install and exploit complementary, derived, secondary industries, suppliers of raw materials, supplies or related services, directly and indirectly with the previous objectives.
- f. To supply geological and mining research, engineering, mechanic maintenance, industrial, construction and earth movement services.
- g. To form, constitute, participate and manage any type of company for the realization of the previous objectives and coordinate their management.

/ Company management:

Directors

- Vicente Irrázaval Llona, Chair
- Juan Enrique Rassmuss Raier, Director
- Nicolás Burr García de la Huerta, Director
- Patricia Núñez Figueroa, Director
- Hernán Menares Day, Director
- Tadashi Mizuno, Director
- Takeaki Doi, Director

Alternate directors

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

Main executives

- Francisco Carvajal Palacios, CEO
- Carlos Sepúlveda Vélez, Administration and Finance Manager
- Makarina Orellana Farias, Operations Manager
- Patricio Venegas Troncoso, Commercial Manager
- Carlos Gomez Vega, Project Development Manager
- Claudia Monreal López, Planning and Development Manager
- Macarena Herrera Sandoval, Engagement and Shared Value Manager
- Stephanie Wilhelm Núñez, Occupational Health and Safety Manager
- Carolina Lomuscio Zamorano, People Manager
- John Patrick McNab Martín, Sustainability Manager
- Paulina Andreoli Celis, Environment Manager

45. CAP Group does not have investments in companies that represent more than 20% of the total assets of that entity and that are not subsidiaries or associates. / 46. Information on the subsidiaries of CMP S.A. is contained in its annual report, available on its website.

2. COMPAÑÍA SIDERÚRGICA HUACHIPATO S.A.

Type of entity: **closed limited company.**

Address: **Avenida Gran Bretaña 2910, Talcahuano.**

CAP share ownership: **99,99%**

Incorporated by public deed dated December 15, 1981, executed at the Santiago notary's office of Mr. Eduardo González Abbott. The extract was recorded on page 199 No. 101 in the Commercial Registry of the Real Estate Registry of Talcahuano for 1981 and published in the Official Newspaper on December 21 of the same year.

/ Subscribed and paid-in capital:

The initial capital was US\$ 166,000,000, divided into 6,640,000 shares of US\$ 25 par value each. Since its incorporation, its statutes have been amended several times.

The Company's capital as of December 31, 2023 amounts to US\$ 825,266,277 and 92 cents, legal currency of the United States of America, divided into 34,583,162 registered shares, all of a single series, without par value, which are subscribed and paid. CAP S.A., is the owner of 34,583,151 issued shares.

/ Company objective:

- a. To produce iron ore in bars and laminated steel.
- b. To acquire, build and exploit, to any title, powerhouses, steelworks and metallurgical plants in general.
- c. To acquire, install and exploit complementary, transformative, secondary industries, raw material suppliers or related directly or indirectly with the steelworks or the metallurgical plant, and,
- d. To serve as an agent or commissioner, representative or intermediate in all types of business related to the Company's goals.

/ Company management:

Board

- Julio Bertrand Planella, Chair
- Catalina Mertz Kaisser, Vice Chair
- Jorge Salvatierra Pacheco, Director
- Alejandro Figueroa Álvarez, Director
- Roberto de Andraca Adriasola, Director
- Marisol Montaña Soto, Director
- Nicolás Burr García de la Huerta, Director

Executives

- César Garrido Quintana, CEO
- Eduardo Carrasco Buvinic, People and Corporate Affairs Manager
- Juan Carlos Ponti Cisternas, Operations Manager
- Andrés Solís Figueroa, Administration and Finance Manager
- Swindy Kopp Gormaz, Environment, Safety and Occupational Health Manager
- Jean Paul Saure Roeckel, Project and Development Manager
- Alvaro Alarcón Fuentes, Commercial and Services Manager

3. NOVACERO S.A., IN LIQUIDATION

Type of entity: **closed limited company.**

Address: **Gertrudis Echeñique N° 220, Las Condes, Santiago.**

CAP share ownership: **99,9%**

/ Subscribed and paid-in capital:

As of December 31, 2023, the subscribed and paid-in capital of this company amounts to US\$57,229,769.68 divided into 273,693,075 registered shares with no par value.

On December 29, 2023, an Extraordinary Shareholders' Meeting of Novacero S.A. was held, at which it was agreed to dissolve the company.

/ Company objective:

The company's objective is to carry out all manner of movable and immovable investments, be it in shares, debenture bonds, loans, rights, commerce effects, real estate or parts of them, being able to buy, sell, keep or administrate its investments, take interest or participate as partner in businesses or societies of any kind; create, finance, promote and manage any type of business of its own or from third parties; receive or invest the yields of the investment; buy, sell, manufacture, elaborate, export, by its own accord or of a third party, all manner of movable goods, articles, products or raw materials; assume representations, agencies, commissions or mandates of any kind.

/ Company management

Liquidation Commission

- Daniel Carvallo Montes, Chair
- Richard Tapia Araya
- Patricia Torres Silva

4. CINTAC S.A.

Type of entity: **open stock company.**

Address: **Gertrudis Echeñique N° 220, Las Condes, Santiago.**

Direct CAP ownership percentage: **11.03%**

Indirect ownership via Novacero S.A., in liquidation: **50.93%**

An industrial open stock corporation incorporated by public deed on December 3, 1965 at the Santiago Notary Office of Mr. Javier Echeverría, it was registered in the Commercial Registry of the Santiago Property Registry for the year 1965, on page 8,311, No. 4,021, and recorded in the Securities Registry of the Financial Market Commission under number 438.

/ Subscribed and paid-in capital:

The subscribed and paid-in capital as of December 31, 2023 amounts to US\$ 57,119,766 divided into 439,817,195 shares without par value.

/ Company objective:

Cintac S.A., as stated in its statutes, has the following main objectives:

- The manufacture of all kinds of metallurgical and steel products, and its later trading. It can also incorporate imported or representation products.
- The execution of civil and other works that use products manufactured by Cintac S.A.
- The exportation, importation and trading of products and raw materials related to the preceding activities.
- The exploitation of agricultural, fishing or forestry activities in any form.
- The performance of all kinds of industrial, commercial and mining activities and businesses.
- The import, export, distribution and marketing of all kinds of products and the performance of all kinds of industrial or commercial services.
- The investment of capital in any kind of real estate and tangible or intangible personal property.

/ Company management:

Board of Directors

- Claudia Bobadilla Ferrer, Chair
- Abel Bouchon Silva, Vice Chair
- Susana Torres Vera, Director
- Claudia Manuela Sánchez Muñoz, Director
- Roberto de Andraca Adriasola, Director
- Nicolás Burr García de la Huerta, Director
- Fernando Rioseco Zorn,

Directors' Committees

- Directors' Committee
- Strategy and Investment Committee
- Risk Committee
- Finance Committee

Executives

- Patricio Merello Hitschfeld, CEO
- Rodrigo Aviles Dorlhiac, Corporate Administration and Finance Manager
- Javier Urrutia Pinto, Corporate Legal Manager
- Juan Fonseca González, Safety, Projects and Supply Chain Manager
- Carlos Avalos Eguiguren, Risk and Internal Control Manager
- Rafael Valenzuela Musura, Digital Transformation and Strategy Manager
- María José Rodríguez, Talent and Communications Manager

5. INTASA S.A.

Type of entity: **closed limited company.**

Address: **Gertrudis Echeñique N° 220, Las Condes, Santiago.**

CAP share ownership: **64.67%**

Percentage of indirect participation through Novacero S.A., in liquidation: **34.20%**

/ Subscribed and paid-in capital:

As of December 31, 2023, the subscribed and paid-in capital stock of this company amounts to US\$12,307,837.90, divided into 522,442,720 registered shares with no par value

/ Company objective:

The corporate purpose of the company as stated in its statutes is:

- The manufacture, distribution, trading, representation, importation and exportation of all kinds of steel and metallurgical products; the execution of civil works, housing construction and making of specialties that use products manufactured by the Company; the organization of means of transport that complement the Company's objective; the trading, importation and exportation of all manner of movable goods that can complement the company's activities for the achievement of the previous objective. The Company will be able to act on its own or a third party's behalf.
- The execution of all manner of industrial, commercial and mining activities and businesses, including research, exploration, extraction, exploitation, production, benefit, trade and distribution, on its own or a third party's behalf, of all kinds of products, stock and ores; and the production

and elaboration, transformation, trade and transport of raw materials, supplies, substances and elements of any class or nature.

- The import, export, distribution and commercialization, realization and rendering in any form, of all kinds of products and services of industry or commerce.
- The investment of capital in any kind of real estate and tangible or intangible personal property, such as shares, debentures, savings and capitalization plans, quotas or rights in companies and any kind of securities with the power to manage such investments. The Company may also, in order to better and adequately fulfill its corporate purpose, establish, acquire, integrate as an associate or otherwise, directly or with third parties or with subsidiaries, institutions, foundations, corporations or associations of any kind or nature, both in Chile and abroad.

/ Company management:

Board

- María Cecilia Facetti, Chair.
- Alejandro Sanhueza Díaz, Director
- Alejandro Figueroa, Director
- José Ignacio Giraudó, Director
- Adrian Lerer, Director

Executives

- Christian Schmidt Almarza, CEO

6. TECNOCAP S.A.

Type of entity: **closed limited company.**

Address: **Gertrudis Echeñique N° 220, Las Condes, Santiago.**

CAP share ownership: **99,9%**

Incorporated by public deed dated September 26, 2005, executed before the Notary Public of Santiago, Mr. Félix Jara Cadot. The extract was registered on page 35,922 No. 25,629 in the Commercial Registry of the Santiago Real Estate Registry, corresponding to the year 2005, and published in the Official Newspaper of September 29 of the same year.

/ Subscribed and paid-in capital:

The paid-in capital of this Company as of December 31, 2022 amounts to US\$ 21,539,438.8, divided into 10,933,705 shares as follows: Compañía Minera del Pacífico S.A. with 0.036584%, Compañía Siderúrgica Huachipato S.A. with 0.036584% and CAP S.A. with the remaining 99.926832%.

/ Company objective:

- a. The investment, development, manufacture and trading of materials or elements of a technological nature, necessary or related to the steel, metallurgical or mining activity; of engineering projects and works and the rendering of all kinds of consultancy or services related to this purpose.
- b. The investment in all kinds of companies, or their incorporation, whatever their nature or origin, in communities or associations of any title, form or modality, related to the aforementioned purposes, and to manage these investments.
- c. For the attainment of the purposes set forth in the two preceding paragraphs, the Company may execute or enter into all types of legal acts, whether for administration or disposition.

/ Company management:

Board

- Patricia López Manieu, Chair
- Alejandro Sanhueza Díaz, Director
- Raimundo Gueneau de Mussy del Solar, Director

Directors' Committees

- Risk Management Committee
- Andrés Sepúlveda Alcaíno, CEO

7. CAP ENERGÍA SPA

Type of entity: **company limited by shares.**

Address: **Gertrudis Echeñique N° 220, Las Condes.**

CAP share ownership: **100%**

/ Subscribed and paid-in capital:

US \$2,000,000 divided into 10,000 ordinary registered shares of the same series and no par value.

/ Company objective:

- a. Investment in all kinds of companies, or their constitution, whatever its nature or origin, in communities or association in any title, form or modality, related to any electrical and/or technological element, of any type, power and/ or nature, necessary for or related to industrial activity, especially related to the steel, metallurgical or mining industries; and manage these investments.
- b. The design, engineering, development, manufacture, financing, construction, acquisition, operation and commercialization of elements related to the afore-

mentioned ends; as well as engineering projects and works and the provision of all types of consultancy or services related to this objective.

- c. The execution of all commercial or industrial activities that may be complementary or annexed to the main purpose. For the effects of the ends mentioned in the preceding points, the Company can execute or celebrate all types of legal acts, for administration or disposition.

/ Administradores

- Andres Sepúlveda Alcaino
- Alvaro Castellón Peña
- Alejandro Sanhueza Díaz
- Daniel Carvallo Montes
- Javiera Mercado Campero
- Paula Salinas Sobarzo
- Eduardo Rivadeneira Carrizo

8. INVERSIONES CANDELARIA SOLAR SPA

Type of entity: **company limited by shares.**

Address: **Gertrudis Echeñique N° 220, Las Condes.**

Percentage of indirect participation through Tecnocap S.A.: **100%.**

/ Subscribed and paid-in capital:

CLP 5,000,000 divided into 5,000,000 registered shares, all of the same series and without par value.

/ Company objective:

- a. The design, development, management, financing, construction and operation of centers to produce non-conventional renewable energies, of any type, power and/or nature they may be.
- b. The execution of investments, purchase, sales, importation and exportation, on all kinds of goods, corporeal or incorporeal, movable or immovable, acquisition of shares or rights in any kind of company, civil or commercial, debentures, bonds, commerce effects and all kinds of movable securities and investment instruments and the administration of these investments and its yields:
- c. The investment in all kinds of movable and immovable goods, corporeal or incorporeal, establishment of commerce, industries, products or supplies, the administration of these investments and the perception of its yields;

- d. The acquisition of any title, disposal, use, benefit, administration, lease, and disposition of urban or rural properties, real estate management and architecture, being able to divide, subdivide, urbanize, rent out, build any kind of civil work such as houses, buildings, roads, etc., and exploit them, on its own or a third party's behalf, also being able to participate and contribute them in all kinds of company, community and associations;
- e. The provision of professional and technical consultancies to any type of person, natural or legal, national or foreign, public or private, on its own behalf or a third party's, on financial, economic, project feasibility, investment architecture, design and construction, and engineering matters, or any other kind agreed on by the Shareholders;
- f. Constitute all types of companies, foundations, corporations and legal persons in general, be them public-private, for or not for profit; and
- g. In general, the development of all manner of business agreed on related to the company's business and the ends deemed convenient for it.

/ Administrators

- Andres Sepúlveda Alcaino
- Alvaro Castellón Peña
- Alejandro Sanhueza Díaz
- Daniel Carvallo Montes
- Javiera Mercado Campero
- Paula Salinas Sobarzo
- Eduardo Rivadeneira Carrizo

9. PUERTO LAS LOSAS S.A.

Type of entity: **closed limited company.**

Address: **Puerto Las Losas S/N, Huasco, CHILE.**

CAP share ownership: **51%**

Incorporated by public deed dated February 3, 2006, executed before the Notary Public of Santiago, Mr. Fernando Alzate Claro, recorded on page 4 No. 3 in the Commercial Registry of the Real Estate Registry of Freirina, corresponding to the year 2006.

/ Subscribed and paid-in capital:

As of December 31, 2023, the paid-in capital of this company composition: CAP S.A. with 51% and Agrocomercial AS Ltda. with the remaining 49%.

/ Company objective:

Its main objective is the expansion, improvement, administration, exploitation, development and conservation of Puerto Las Losas located in Bahía Guacolda, region of Atacama, all included in the inherent activities and services to the operation of the port.

/ Company management:

Board of Directors

- Patricia López Manieu, Chair
- Luis Felipe Fuenzalida Bascuñán, Vice Chair
- Alvaro Castellón, Director
- Alejandro Montes Ortúzar, Director
- Alejandro Sanhueza Díaz, Director

Executives

- Rodrigo Pommiez Aravena, CEO

10. CLEANAIRTECH SUDAMÉRICA S.A.

Type of entity: **closed limited company.**

Address: **Bahía Totoralillo, Ruta 5 Norte, K906, Caldera.**

CAP share ownership: **51%**

Incorporated by public deed dated October 26, 2005, executed at the Santiago Notary Office of Mr. Alvaro Bianchi Rosas, registered at page 40963, No. 29128 in the Commercial Registry of the Santiago Real Estate Registry, corresponding to the year 2005.

/ Subscribed and paid-in capital:

The paid-in capital as of December 31, 2023 of this company amounts to ThUS\$134,472, with the following ownership composition: CAP S.A with 51% and Mitsubishi Corporation with the remaining 49%.

/ Company objective:

Its objective is the purchase, lease, sale, exportation, importation, manufacture, commercialization or distribution, by itself or via third parties, and of any title or form, of all types of movable goods, raw materials, manufactured products, equipment, pieces and parts, for industrial and/or commercial use. The provision of all manner of consultancy services, the acquisition or investment in all types of shares or rights in a company, the development of the sea water desalinization business and the construction and exploitation of desalinating plants, the commercialization and sale of desalinated water and their supply to industrial or other types of customers, and the service of transport or conduction of water by any medium, on its own or a third party's behalf.

/ Company management:

Board of Directors

- Patricia López Manieu, Chair
- Rei Muto, Director
- Tatsuki Matsuda, Director
- Alejandro Sanhueza Díaz, Director
- Raimundo Gueneau de Mussy del Solar, Director

Executive:

- Hernán Aravena Noemi, CEO

11. INMOBILIARIA SANTIAGO SPA

Type of entity: **company limited by shares.**

Address: **Gertrudis Echeñique N° 220, Las Condes, Santiago.**

CAP share ownership: **99,99%**

/ Subscribed and paid-in capital:

The capital of the Company is the sum of US\$ 1,051,178, legal currency of the United States of America, divided into 7,012,018 nominative shares, all of a single series, without par value.

/ Company objective:

- a. To execute real estate businesses, for which it will be able to acquire, dispose of, negotiate and use in any form and with any real estate title, urban or rural, even furnished, being able to divide plots of land, urbanize, build constructions of any kind and sell them and/or exploit them on its own or a third party's behalf; rent and rent out, lease, sublet and give to others any property title, use and benefit; to administer these investments and receive their yields;
- b. The provision of consultancy services, especially in real estate matters;
- c. The execution of investments on all manner of goods, movable, corporeal or incorporeal, including the acquisition of shares and company rights, whether they are from people or capital, debentures, bonds, fixed-term deposit, fund quotas, commerce effects and all types of titles or movable securities and investment tools and the administration and commercialization of these investments and their yields; and
- d. In general, to execute all manner of investments. For the attainment of its objective, the society will be able to execute and celebrate all kinds of actions, even constituting other companies or incorporate into them.

/ Administrators

- Alvaro Castellón Peña
- Alejandro Sanhueza Díaz
- Daniel Carvallo Montes
- Javiera Mercado Campero
- Eduardo Rivadeneira Carrizo
- Paula Salinas Sobarzo

12. INMOBILIARIA RENGO SPA

Type of entity: **company limited by shares.**
 Address: **Gertrudis Echeñique N° 220, Las Condes, Santiago.**
 CAP share ownership: **99,99%**

/ Subscribed and paid-in capital:

The capital of the Company is the sum of US\$ 124,412, legal currency of the United States of America, divided into 7,012,018 registered shares, all of a single series, with no par value.

/ Company objective:

- a. To execute real estate businesses, for which it will be able to acquire, dispose of, negotiate and use in any form and with any real estate title, urban or rural, even furnished, being able to divide plots of land, urbanize, build constructions of any kind and sell them and/or exploit them on its own or a third party's behalf; rent and rent out, lease, sublet and give to others any property title, use and benefit; to administer these investments and receive their yields;
- b. The provision of consultancy services, especially in real estate matters;
- c. The execution of investments on all manner of goods, movable, corporeal or incorporeal, including the acquisition of shares and company rights, whether they are from people or capital, debentures, bonds, fixed-term deposit, fund quotas, commerce effects and all types of titles or movable securities and investment tools and the administration and commercialization of these investments and their yields; and
- d. In general, to execute all manner of investments. For the attainment of its objective, the society will be able to execute and celebrate all kinds of actions, even constituting other companies or incorporate into them.

/ Administrators:

- Alvaro Castellón Peña
- Alejandro Sanhueza Díaz
- Daniel Carvallo Montes
- Javiera Mercado Campero
- Eduardo Rivadeneira Carrizo
- Paula Salinas Sobarzo

13. INMOBILIARIA TALCAHUANO SPA

Type of entity: **company limited by shares.**
 Address: **Avenida Gran Bretaña N° 2910, Talcahuano, Bío Bío Region.**
 CAP share ownership: **99,99%**

/ Company objective:

- a. To execute real estate businesses, for which it will be able to acquire, dispose of, negotiate and use in any form and with any real estate title, urban or rural, even furnished, being able to divide plots of land, urbanize, build constructions of any kind and sell them and/or exploit them on its own or a third party's behalf; rent and rent out, lease, sublet and give to others any property title, use and benefit; to administer these investments and receive their yields;
- b. The provision of consultancy services, especially in real estate matters;
- c. The execution of investments on all manner of goods, movable, corporeal or incorporeal, including the acquisition of shares and company rights, whether they are from people or capital, debentures, bonds, fixed-term deposit, fund quotas, commerce effects and all types of titles or movable securities and investment tools and the administration and commercialization of these investments and their yields; and
- d. In general, to execute all manner of investments. For the attainment of its objective, the society will be able to execute and celebrate all kinds of actions, even constituting other companies or incorporate into them.

/ Subscribed and paid-in capital:

The capital of the Company is the sum of US\$147,911, legal currency of the United States of America, divided into 7,012,018 registered shares, all of a single series, with no par value.

/ Administrators:

- Alvaro Castellón Peña
- Alejandro Sanhueza Díaz
- Eduardo Carrasco Buvinic
- Daniel Carvallo Montes
- Javiera Mercado Campero
- Andrés Solis Figueroa



→ Additional subsidiary relationship information

Percentage representing investment in each subsidiary or associate over the total individual assets of the parent company.

Material topics 2022	Assets from investments in related companies (US\$ million)	% of parent company's ownership of subsidiaries	% investment in each subsidiary over the parent company's total individual assets
Compañía Minera del Pacífico S.A.	2,159	75%	64%
Compañía Siderúrgica Huachipato S.A.	136	100%	4%
Cleanairtech Sudamérica S.A.	81	51%	2%
Novacero S.A.	61	100%	2%
Tecnocap S.A.	41	100%	1%
Puerto Las Losas S.A.	24	51%	1%
Inmobiliaria Talcahuano S.A.	17	100%	1%
Cintac S.A.	11	62%	0%
Intasa S.A.	15	99%	0%
CAP Energía SpA	2	100%	0%
Inmobiliaria Santiago S.A.	1	100%	0%
Total assets CAP S.A.	3,395		

Directors and executives holding positions in subsidiaries or associates

Name	Position in CAP	Position in subsidiaries
Nicolás Burr García de la Huerta	Chief Executive	Director in Cintac S.A., Compañía Siderúrgica Huachipato S.A. and Compañía Minera del Pacífico S.A.
Alejandro Sanhueza Díaz	Chief Financial Officer	Director at Cleanairtech Sudamérica S.A., Tecnocap S.A., Puerto Las Losas S.A., Director at Intasa S.A.
Patricia López Manieu	Infrastructure Manager	Director at Cleanairtech Sudamérica S.A., Tecnocap S.A., Puerto Las Losas S.A., Alternate Director at CMP S.A.
Claudia Manuela Sánchez Muñoz	CAP Director	Cintac S.A. Director
Jorge Salvatierra Pacheco	CAP Director	Alternate Director Compañía Minera del Pacífico S.A., Director Compañía Siderúrgica Huachipato S.A.
Juan Enrique Rassmuss Raier	CAP Director	Director Compañía Minera del Pacífico S.A.
Roberto de Andraca Adriasola	CAP Director	Alternate Director CMP S.A., Director Compañía Siderúrgica Huachipato S.A., Director Cintac S.A.
Tadashi Mizuno	CAP Director	Director Compañía Minera del Pacífico

/ RELATIONS WITH SUBSIDIARIES AND ASSOCIATES

The Company has back office contracts with its operating companies, which are automatically renewed on an annual basis, and which provide for the rendering of various services from the parent company, including finance and accounting, legal, information technology, internal audit, sustainability, compliance and other services.

During 2023, no acts or contracts were entered into with the operating companies that significantly influence CAP's operations and results.

/ TRADEMARK

The main trademarks registered in the name of CAP S.A. are the following⁴⁵:

1. **"CAP"** which distinguishes industrial establishment for identifying practically all commodities; commercial establishment for the purchase and sale of practically all commodities; and, for distinguishing services related to mining, and importing, exporting and representing commodities class 06; it also includes radio or television broadcasting services; radio, television, or written, spoken or acted broadcasting programs; maritime port services; reception and dispatch of vessels, passengers and maritime cargoes; wharfage, towing and salvage; storage of products and merchandise; and includes services of customs agents, insurance agents; insurers; management and placement of capital and funds; credit studies; financing, bonds and sureties, mutual funds, banking and financial operations in general; in addition to mining, smelting, rolling, drawing, tempering, testing and, in general, the industrial processing of metals and minerals by any means, industrial processing of non-metallic minerals by any means, extraction and beneficiation of minerals; technical assistance services and legal, financial, administrative and any other kind of legal advice to companies, businesses and projects
2. **"CAP"**: identifies products such as metals, machinery and tools, oils and greases for industrial use, fuels and lighting materials; as well as services including import, export and representation of class 06 products; excavator and earth moving services, construction site supervision, and ship receiving and dispatching, wharfage, towing and salvage; warehousing of goods and merchandise.
3. **"CAP-75"**: to distinguish metal bars
4. **"DEL PACIFICO"**: to identify commercial establishments for the purchase and sale of all kinds of products in regions III, IV and XIII; to distinguish services of a mining, or iron and steel, or metallurgical company, or of supply for the industry or of commercialization on its own account or on behalf of others of products of all kinds; as well as services of extraction of minerals and commercialization of products, and to distinguish industrial establishment of extraction and benefit of minerals.
5. **"HUACHIPATO"**, to identify industrial establishment for the manufacture of metals and their alloys, metallic construction materials; transportable metal constructions; metal materials for railroads; non-electrical metal cables and wires; metal locksmith wares and hardware; metal tubes and pipes; safes; metalliferous minerals.
6. **"DUR-CAP"**, to distinguish anti-abrasive steel product.
7. **"ZINC-CAP"** to identify certain metals and their alloys, metallic construction materials, transportable metal constructions; metal railway track materials; non-electric metal cables and wires; metal locksmiths' wares and hardware; metal pipes and tubes; safes; metal products not included in other classes; metalliferous ores, and non-metallic building materials; non-metallic rigid pipes for construction; asphalt, pitch and bitumen; non-metallic transportable buildings; non-metallic monuments.
8. **"(.)"**, **"(..)"**, **"(...)"**, **"(....)"**: to identify metals and their alloys. It includes manufactured metal products, ironmongery, ironmongery, hardware, parts for metal constructions and metal cables, metal mouldings and pipes (class 6).
9. **"CAP-SOL"**: to identify steel bars.
10. **"COR-CAP"**: to identify products such as metals, alloys and metal compounds.

47. CAP S.A. does not own any patents.

11. **“CAP SOLUCIONES EN ACERO”**: to identify goods to be used in printed material in general, to identify services to be used in radio or television broadcasts; programs on the radio, television or written, spoken or acted.
12. **“CAP PROCESAMIENTO DE ACERO”**: to be used in companies all over the country, mining, steel or metallurgical or supplying for industry, or trading products or services of any nature for its own or another's behalf; to identify products to be used in metals, metallic alloys and mechanical materials.
13. **“PETROPAC”**: to identify oil and grease products, lighting materials; and to identify a commercial establishment for the purchase and sale of said products; distribution services for all types of products.
14. **“CMP”**: to identify mineral products; and services for extraction and processing of mineral substance and supply of mineral substances, and mining exploitation equipment.
15. **“TECNOCAP”**: to identify services for importation, exportation, distribution and commercialization of all types of industrial products and technology investment company, and related areas.
16. **“AZERO”**: to identify green hydrogen
17. **“AZERO”**: to identify energy production.



Additional information

tables

→ Financial information

/ RISK MANAGEMENT

Sensitivity analysis or stress testing in the identified risks

Financial risks: Sensitivity analyses are performed and updated on a quarterly basis after the closing of the financial statements, both for the cash of group companies and for the consolidated cash of CAP individually. These analyses consist of defining price, cost and investment scenarios - although other variables may be included at the discretion of the Risk Committee and/or the Finance Committee - and measuring the impact on cash flow in order to anticipate possible deficits resulting from adverse scenarios that may require changes in the financing strategy

Non-financial risks: In view of the entry into force of the new Economic Crimes Law as of 2024, this year we incorporated monitoring of exposure to possible non-compliance behavior. This was done through the appointment of a Compliance Officer in each of the group companies, who reports on a quarterly basis to each company's Risk Committee and must subsequently issue a consolidated report to CAP S.A.'s Risk Committee.

Strategic risks by relative importance

The main risks faced by CAP Group during 2023, weighted with the group's highest impact, have to do with competitive positioning and financial sustainability.

In terms of competitive positioning, this dimension is related to Compañía Siderúrgica Huachipato due to its exposure to the situation of the steel market worldwide and in Chile, in particular. From mid-2022 and throughout 2023, the price of steel decreased by more than 30%, due to an excess of low-priced Chinese steel production. This caused a very strong deterioration in the competitive position of the steel company, which produced below its variable cost, generating a difficult competitive position in the market. This led to the development of two action plans: (1) an anti-dumping strategy before the Antidistortion Commission, generating actions via corporate affairs to obtain a safeguard; and (2) a refocusing of the product mix towards higher value-added steels with a lower carbon footprint, in order to offer a differentiated value offer in the market.

Regarding financial sustainability, this risk has to do with facing a cash deficit that does not allow compliance with financial and operational obligations or investments. This was mitigated through: (1) the development of a long-term cash model, (2) redesigning the financial strategy: the adoption of a financial restructuring in Cintac Group, which has high financial expenses; as well as the improvement of financial conditions in CMP (both in terms of extension of terms and cost of financing).





/ DIMENSION: COMPETITIVE POSITION

Description:

- Loss of competitiveness in CMP due to a significant increase in production costs and/or failure to position itself as a supplier of high-quality iron products.
- Loss of competitiveness in CSH due to reduced basket margin or inadequate product mix (low margin).
- Loss of competitiveness in Cintac Group due to a significant increase in production costs due to an inadequate product portfolio and/or failure to position itself in high-margin markets.
- Lack of customers in Puerto Las Losas that can cover its fixed costs.

Mitigation Measures (Examples):

- Contingency Plan and Antidumping Category Management.
- Operational improvements at CNN and Romeral Mill 2 at CMP.
- Value addition plan in Cintac Group

/ DIMENSION: FINANCIAL SUSTAINABILITY

Description:

- Low cash generation capacity (e.g., drop in margins and unexpected losses affecting operational continuity).
- Very high levels of financial obligations that affect access to the capital markets.
- Inadequate prioritization of investments and their sources of financing.

Mitigation Measures (Examples):

- Corporate insurance tenders
- Investment procedure and committee
- Monitoring of critical economic and financial variables

/ DIMENSION: BUSINESS CONTINUITY

Description:

- Stoppage or interruption in the operation of CSH, with high impact on the value or reputation of CAP.
- Stoppage or interruption in the operation of CMP, with high impact on the value or reputation of CAP.
- Stoppage or interruption in the operation of Cintac Group, with a high impact on the value or reputation of CAP

Mitigation Measures (Examples):

- Maintenance plans and strategy.
- Strengthening of PRM pillars (focus on operational personnel, asset and process management).

- Automated incident detection and immediate reportability.
- Identification of potential failures through artificial intelligence.

/ DIMENSION: ALIGNMENT OF GROUP COMPANIES

Description:

- Failures in strategic planning and/or processes or governing bodies responsible for its implementation.
- Conflict between the corporate strategy and that of the group companies, or between the behaviors considered valid to achieve them.

Mitigation Measures (Examples):

- Communications work with directors nominated by CAP.
- Issuance of opinion memos on value generation matters (role of the corporate center).
- Definition of corporate policies.
- Synchronization of CAP management cycles and companies.
- Implementation of Executive Committees.

/ DIMENSION: SOCIAL

Description:

- Incorrect identification of stakeholders present in the locations where the companies are operating and map of stakeholders with incorrect calibration.
- Non-compliance with commitments and agreements with communities and other stakeholders (NGOs and foundations, among others).
- Inadequate management of community relations (including management of consultations and complaints) in the event of a possible suspension of steel activity at Huachipato.
- Inadequate negotiation management with communities and other stakeholders (NGOs, foundations, among others).
- Non-involvement of stakeholders in the development of investment projects

Mitigation Measures (Examples):

- Review of stakeholder map.
- Development and monitoring of social investment management indicators.



/ DIMENSION: REPUTATION

Description:

- Poor communication with stakeholders.
- Non-compliance with ESG commitments and greenwashing (misleading green marketing)
- Negative reputational impact on the industries to which the group belongs

Mitigation Measures (Examples):

- Relationship plan with target media and other stakeholders.
- Awareness raising instances of greenwashing prevention for teams.

/ DIMENSION: REGULATION

Description:

- Changes in government policies: New regulations that negatively impact the business, lack of anticipation of regulatory changes and trends.
- Non-compliance with requirements established in company operating permits.
- Incorrect identification of regulatory obligations.

Mitigation Measures (Examples):

- Plan for the adaptation of the Crime Prevention Model to the new Economic Crime Law.
- Training and awareness-raising in this regard.

/ DIMENSION: TALENT

Description:

- Accidentability (group companies).
- Selection process that does not evaluate the capabilities needed for the business in depth.
- Induction and training process that does not promote the development of critical capabilities for the position.
- Selection and recruitment policies, benefits, training and development not updated to new trends and interests of labor demand.
- Lack of clarity of objectives and roles.

Mitigation Measures (Examples):

- Long-term variable annuity policy for executives with common incentives.
- Joint training processes

/ DIMENSION: INFORMATION SECURITY

Description:

- Fortuitous events or deliberate attacks that violate the integrity, reliability and availability of the company's information assets.
- Immaturity of the importance and management of data governance..

Mitigation Measures (Examples):

- Implementation of baseline for group companies.
- → Information security follow-up audits.

/ DIMENSION: ENVIRONMENT AND CLIMATE CHANGE

Description:

- **Internal:** Environmental emergencies due to lack of operational control and/or equipment failures. Inadequate environmental management practices due to lack of awareness among operations personnel. Environmental gaps based on authorizations or regulatory framework. Processes or projects that promote biodiversity loss.
- **External:** Inadaptation to specific regulatory changes regarding adaptation and mitigation. Increase in extreme weather events. Scarcity of natural resources necessary for operations.

Mitigation Measures (Examples):

- Analysis of environmental compliance gaps in companies, risk assessment and action plan.
- Development of roadmap for decarbonization.



/ INCENTIVES

During 2023, each area's strategic objectives were aligned with the company's strategic risk management, reflected in financial indicators that represent a percentage of each manager's performance evaluation:

- The achievement of personal goals, depending on each department, is related to the different dimensions of strategic risks defined by CAP.
- The company's financial targets used are EBITDA and operational flow, which are directly linked to "Financial Sustainability" and/or "Operational Continuity" risks and reflect the company's adequate risk management. The results obtained in these objectives represent a percentage of the performance evaluation of CAP employees, and

within the weighting, the Chief Executive Officer and other first line managers have a higher percentage of evaluation of these indicators. Each risk has a sponsor manager, and that is in their job description.

- Operational objectives are defined according to the Group's strategy and their sustainable implementation. This implies including indicators related to costs, health and safety, and good ESG practices, among others, which are directly related to the management of the risks defined by the organization.

Emerging risks

	Is this a new risk? Why is the risk considered to have increased in importance recently?	Risk description	Risk impact (it must be significant, long term and from a source external to the company)	Mitigation actions
Emerging Risk 1: Technological change risks	The incorporation of new technologies and ways of working, such as Artificial Intelligence and new technological developments, is changing the way we work on a daily basis. This acceleration in technological change requires support from the company, both in terms of processes, culture and organization.	Inability to adapt to new ways of working due to technological advances	* Loss of competitiveness with respect to the rest of the industry due to the lack of adoption of new technologies, both in processes and organizational culture	Staff training and updates Technical advisory services Survey and improvement of optimizable processes

Customers who accounted for at least 10% of sales

CAP Group companies	Customers representing at least 10% of total sales
CMP	Notwithstanding CAP Group's intercompany operations, there is 1 customer that accounted for at least 10% of sales in the mining segment.
CSH	Notwithstanding CAP Group's intercompany operations, there are 2 customers that accounted for at least 10% of sales in the steel segment.
Grupo Cintac	Notwithstanding CAP Group's intercompany operations, there are 2 customers that accounted for at least 10% of the Cintac Group's sales.
TASA	Notwithstanding CAP Group's intercompany operations, TASA did not have customers that accounted for at least 10% of sales.
Infraestructura	Notwithstanding the CAP Group's intercompany operations, there are 6 clients that accounted for at least 10% of sales in the infrastructure segment.

Business and industry sectors

Group companies	Competition faced in its industrial sector	Regulatory entities and regulatory framework	Sales and distribution channels
CMP	The main competitors are Vale, Cleveland-Cliffs Inc, IOC, Rio Tinto, BHP, Fortescue Metals Group, Anglo American and LKAB.	Its regulatory framework is associated with the mining industry.	CMP sells to steelworks directly and through traders.
CSH	CSH's main competitor is AZA.	Chilean legislation for the specification and manufacture of steel is regulated by norms NCh204, NCh3334, norms ASTM A615, ASTM A706 for concrete, and ASTM A29 for wire rod and grinding bars	CSH sells its products to businesses that reprocess them and supply them to the mining, metal-mechanic and construction sectors. It also sells to its final customers through distributors.
Grupo Cintac	Imel, Viejos Hermanos (VH Aceros), Perfimet, Indama, Villalba, Cubiertas Nacionales, Metecno, Precor, Aceros Arequipa, IMELSA, Metecno, Inkatubos, Tecnofast, Atco Sabinco, Co-ol, Precor, Nexacom, Alquimodul.	Law N°18.046 on Corporations - Law N°18.045 on the Securities Market - General Rules of the Financial Market Commission (CMF) - Law N°19.496 on Consumer Protection - Law N°19.300 on the Environment - Law N°20.393 on criminal liability of legal entities • Law No. 21,595 on Economic and Environmental Crimes - Technical Construction Standards - respective Sector Standards	Direct sales, e-commerce, retail and participation in bids and tenders.

Main properties and facilities

Business Area	Properties	Ownership or type of contract	Location
CAP S.A.	Planta Refract Lt 40 Sector Industrial	Owned property	Talcahuano
CAP S.A.	Calle Nueva 2 500 Lta Sector Industrial	Owned property	Talcahuano
CAP S.A.	Calle Nueva 2 481 Lt 41 Sector Industrial	Owned property	Talcahuano
CAP S.A.	Bandera 840 Of. 311	Owned property	Santiago
CAP S.A.	Gertrudis Echenique 220	Owned property	Las Condes
CAP S.A.	Av. Desiderio García 909, Las Higueras	Owned property	Talcahuano
CAP S.A.	Cjón. Los Migueles 216-599	Owned property	Rengo
CAP S.A.	Callao 3775 LT 8 -C	Owned property	Las Condes
CSH - Industrial	Urban plot, where Siderúrgica Huachipato's main facilities are located	Owned property	Gran Bretaña 2910, Talcahuano, Rol: 7400-1
CSH - Transportation and telecommunications	Curved strip, part of the FFCC grid, not currently in use	Owned property	Avenida La Marina 697 Lt 5 San Vicente, Talcahuano, Rol: 7400-17
CSH - Others, not considered	Plot in Sector Infiernillo de San Vicente	Owned property	Gran Bretaña 2910 Lt 7, Talcahuano, Rol 7400-18
CSH - Empty plot	Plot located between Algarrobo, Rocoto Avenue and Camino a Lengua streets	Owned property	Gran Bretaña 2910 Lt 4, Talcahuano, Rol 7400-19
CSH - Pier CAP CSH concession cc mm DS 12 2004	National asset for public use, located on the coast, associated to a maritime concession given for the operation of the pier.	Owned property	Gran Bretaña S/N Muelle Ccmm Sch, Talcahuano, Rol 7400-29
CSH - Industrial	Easement in the extension of Av. Gran Bretaña	Owned property	Av.Gran Bretaña Prolongacion, Hualpen, Rol 7485-27
Promet Perú	Villa El Salvador	Owned property, leased to Promet Perú	Carretera Panamericana Sur Km 21,5 Urbanización San Marino Lote 3-A y Lote 3-B, Lima, Perú
Rented to third party	La Victoria	Owned property, leased to SCAceros	Av. México N° 1629 La Victoria, Lima, Perú
Unemployed	Chorrillos	Owned property	Calle Los Faisanes S/N. la Campiña. Chorrillos, Lima, Perú
Tupemesa	Planta Lurin	Owned property	Prolongación Av. Industrial Sub lote 4, Predio Almonte Las Praderas de Lurin, Lima, Perú
Promet Perú + Calaminon	Chilca	Owned property	Frente a la Av el Valle de la MZ H de la habilitacion urbana industrial comercial lomas Lote 07, 08, 09, Lima Perú
Promet Perú	Cañete	Owned property, in litigation	km 126 de la Panamericana Sur LOTE 1, 2, 3, Cerro Azul, Lima, Perú
Calaminon	Chilca	Owned property	Av La Chutana Centro Industrial La Chutana, Cañete, Chilca Lote 5, 6 y 7



Sehover	Taller Lurin	Owned property	Asociacion Prop vivienda Los Claveles MZ F-1 LOTE 13 y 20
Sehover	Sehover Offices	Lease	Av. Malecón Grau 1011, Chorillos, Lima Perú
CINTAC SAIC	Metalcon	Owned property	Santa Adela 8920, Maipú, Santiago, Chile
CINTAC SAIC	Maipú Plant	Owned property	Camino a Melipilla 8920, Maipú, Santiago, Chile
CINTAC SAIC	Lonquén Plant	Owned property	Camino a Lonquén 11001, Maipú, Santiago, Chile
CINTAC SAIC	CAC Estación Central	Owned property	Sepúlveda Leyton 3172, Estación Central, Santiago, Chile
CINTAC SAIC	CAC Chañarcillo	Lease	Chañarcillo 1201, Maipú, Santiago, Chile
CINTAC SAIC	CAC Antofagasta	Owned property	Acantatita 424, secto La Chimba, Antofagasta, Chile
CINTAC SAIC	Bodega Concepción	Lease	Camino a Coronel 5580, km 10, bodega 6-b Megacentro, San Pedro de la Paz, Chile
CINTAC SAIC	Instapanel Lab	Lease	Av. Las Condes 9765, Local 301, Las Condes, Santiago, Chile
Cintac Chile SpA	Fundo Santo Tomás	Owned property	Ruta F74-G Km 07, s/n Casablanca, Chile
Promet Chile	Planta Chacabuco	Owned property	G-115-E, s/n, Colina, Región Metropolitana
Promet Chile	Oficinas Huechuraba	Lease	del Valle Sur 650, Oficina 31, Ciudad Empresarial, Huechuraba, Santiago, Chile
Promet Chile	Hotel Coya	Lease	Ruta h 35 km 20.5, Requínoa, O´Higgins, Chile
Promet Chile	Hotel Mejillones	Lease	Av. Fertilizantes s/n, Mejillones, Antofagasta, Chile
Promet Chile	Hotel Huechún	Lease	Km 42, Autop. Los Libertadores, 9340000 Colina, Región Metropolitana, Chile
Promet Chile	Hotel Calama	Lease	Ruta 25, Sierra Gorda, Antofagasta, Chile
Promet Chile	Centro de Acopio Limón Verde	Lease	Entrada a Limón Verde s/n, Calama, Antofagasta, Chile
Tubos Argentinos	Buenos Aires Plant	Owned property	Marcos Sastre 698 – El Talar-Buenos Aires – Argentina
Tubos Argentinos	San Luis Plant	Owned property	Ruta 7 y Ruta 14 – Justo Daract – San Luis – Argentina
CMP - Mining Site	Cerro Negro Norte Mine	Mining Easement plot / property facilities	Km. 30 Ruta C-327, comuna Copiapó
CMP - Mineral Benefit Plant	Magnetita Plant	Lease of land/property facilities	Km 11 Ruta 397, comuna Tierra Amarilla
CMP- Port	Puerto Punta Totalillo	Owned property	Km. 906 Ruta 5 Norte, comuna Caldera



CMP - Mining Site	Los Colorados Mine	Owned property	Sector norte de la Estancia Chañar Quemado, comuna Huasco.
CMP - Mineral Benefit Plant	Pellets Plant	Owned property	Km 5 Ruta C-468, comuna Huasco
CMP - Port	Puerto Guacolda II	Owned property	Km 5 Ruta C-468, comuna Huasco
CMP - Mining Site	Pleito Mine	Owned property	Sector sur de la Estancia Higuera de las Minillas, comuna Vallenar.
CMP - Mining Site	El Romeral Mines	Owned property	Km. 11 Ruta D-165, comuna La Serena.
CMP - port	Puerto Guayacán	Owned property	Sector Noreste de Bahía La Herradura, comuna Coquimbo
CMP - Offices in La Serena	Offices	Owned property	Avda. Fco de Aguirre 350, La Serena, Coquimbo
CMP - Quinta Bernabé	Temporary Executive Residence	Owned property	Ochandía 1071, Vallenar, Atacama
CMP - Offices in Vallenar	Offices	Owned property	Brasil 1050, Vallenar, Atacama

Crude steel, iron ore and coking coal production

	Metric tons
Total crude steel production	714,986
Total crude steel production from basic oxygen furnaces	714,986
Total crude steel production from electric arc furnaces	0
Metallurgical coke production	351,990
Iron ore production	17,357,795

Note: Iron production is from CMP, while steel and coke production is from CSH.

→ Social information

Training programs

Program name and description	Description of the objective/program benefits	Quantitative impacts of benefits to the business (monetary or non-monetary)	Number of participants in the program
<p>CAP Leadership Program</p> <p>Integrated Vision of the Program: The CAP Leadership Program is conceived as a fundamental pillar in our sustainability strategy, aimed at cultivating a leadership ecosystem that is resilient and adaptable. It focuses on preparing leaders for internal succession, ensuring strategic continuity and strengthening our organization's capacity to face future challenges.</p>	<ol style="list-style-type: none"> 1. Preparing leaders for future roles, ensuring a smooth and sustainable transition in management. 2. Continuous development for leaders in critical positions, improving their ability to lead effectively in the current context, promoting innovation and adaptability. 3. Significant improvement in the quality of leadership, raising the perception of leadership throughout the company and fostering a more inclusive and motivating work environment. 	<p>Retention of 83.87% of participants until 2024 demonstrates the program's success in fostering loyalty and commitment, keys to talent sustainability.</p> <p>Improvements in communication and feedback, reflected in the significant increase in scores on the SSIndex survey (from 65% in 2018 to 87% in 2023), show remarkable progress in the quality of internal relations, which is essential for a sustainable corporate culture.</p>	<p>The participation of 28 leaders since 2021, and 12 in 2023, underscores the company's ongoing commitment to sustainable and responsible leadership development.</p>
<p>Professional Development Program</p> <p>Integrated Vision of the Program: The Professional Development Program is designed to align individual growth aspirations with the company's strategic objectives, promoting sustainable development by reinforcing competencies and skills.</p>	<ol style="list-style-type: none"> 1. The development of specific skills, aligned with the interests of employees, fosters an enriching work environment, increasing satisfaction and productivity. 2. Promoting retention and engagement strengthens our core business, ensuring a solid foundation for sustainable growth and innovation. 	<ol style="list-style-type: none"> 1. A retention rate of 87.50% through 2024 underscores the program's effectiveness in creating an attractive and sustainable work environment. 2. The continuous improvement in the perception of the contribution of training to job performance, with "Training and Development" scores increasing from 55% in 2018 to 80% in 2023, reflects a deep commitment to professional development as a pillar of sustainability 3. Increased organizational commitment, with an increase in the SSIndex score from 76% to 85% in 2023, underscores the success in creating a sense of belonging and shared purpose. 	<p>The active participation of 68 employees since 2021, with 19 new participants in 2023, evidences the scope and depth of the company's commitment to sustainable professional development.</p>



/ STAFF TABLES

Number of employees by gender

Role	Men	Women	Total
Senior Management	56	13	69
Managers	65	25	90
Leadership	454	101	555
Operator	1,677	48	1,725
Sales team	47	34	81
Administrator	258	195	453
Assistant	261	165	426
Other professionals	767	323	1,090
Other technicians	1,297	84	1,381
Total	4,882	988	5,870
Management positions in revenue-generating areas (i.e. management positions in departments such as sales, or that contribute directly to the production of products or services. It excludes support functions such as HR, FI, or Legal.	70	23	93
STEM positions: associated with areas related to science, technology, mathematics and engineering.	293	107	400

Note: DJSI classification considers Senior Management as executives or senior management, managers and leadership as management and junior managements and, finally, the other roles belong to the category of employees.



Number of employees by nationality

Pay grade	Senior Management		Managers		Leadership		Operator		Sales		Administrator		Assistant		Other professional		Other technicians		Total	
	H	M	H	M	H	M	H	M	H	M	H	M	H	M	H	M	H	M	H	M
Argentina	4	2	1	1	19	5	118	0	5	0	10	18	0	0	1	0	3	3	161	29
Bolivia	0	0	0	0	0	0	4	3	0	0	0	0	3	39	0	0	0	0	7	42
Brasil	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	1	0	3
Chile	42	9	60	21	349	77	1,153	38	21	18	191	129	85	106	655	233	1,254	77	3,810	708
Colombia	0	0	0	0	0	1	1	0	0	0	1	1	2	8	0	2	1	1	5	13
Ecuador	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1	0	0	0	2	0
Perú	10	2	4	2	78	16	0	4	21	16	50	42	164	11	99	78	33	0	459	171
Estados Unidos	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	0	0	2
Venezuela	0	0	0	0	7	1	29	3	0	0	6	3	7	1	11	6	5	0	65	14
Yugoslavia	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0
Costa Rica	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Cuba	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0	2
España	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0	2
Japón	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0
Reino Unido	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Total	56	13	65	25	454	101	1,677	48	47	34	258	195	261	165	767	323	1,297	84	4,882	988

Number of employees by age range

Pay grade	Senior Management		Managers		Leadership		Operator		Sales		Administrator		Assistant		Other professional		Other technicians		Total	
	H	M	H	M	H	M	H	M	H	M	H	M	H	M	H	M	H	M	H	M
Menos de 30 años	0	0	0	1	13	3	217	5	3	4	59	50	98	21	77	80	201	30	668	194
Entre 30 y 40 años	8	4	17	6	131	56	602	14	15	17	70	75	86	59	315	166	487	27	1,731	424
Entre 41 y 50 años	32	7	33	16	167	32	463	16	15	10	60	36	56	48	211	57	300	20	1,337	242
Entre 51 y 60 años	15	2	12	1	104	10	295	12	10	3	57	32	17	37	131	17	247	7	888	121
Entre 61 y 70 años	1	0	3	1	39	0	96	1	4	0	12	2	4	0	33	3	62	0	254	7
Más de 70 años	0	0	0	0	0	0	4	0	0	0	0	0	0	0	0	0	0	0	4	0
Total	56	13	65	25	454	101	1,677	48	47	34	258	195	261	165	767	323	1,297	84	4,882	988



Number of employees by seniority

Pay grade	Senior Management		Managers		Leadership		Operator		Sales		Administrator		Assistant		Other professional		Other technicians		Total	
	H	M	H	M	H	M	H	M	H	M	H	M	H	M	H	M	H	M	H	M
Menos de 3 años	37	10	32	13	179	61	1,209	43	19	17	26	83	207	161	355	220	230	45	2,294	653
Entre 3 y 6 años	6	1	9	2	63	15	107	2	16	10	25	40	28	1	105	51	197	14	556	136
Más de 6 y menos de 9	1	0	6	2	23	6	62	1	4	3	3	9	22	2	25	5	30	2	176	30
Entre 9 y 12 años	2	0	2	2	28	4	44	1	2	3	60	29	0	0	101	25	439	16	678	80
Más de 12 años	10	2	16	6	161	15	255	1	6	1	144	34	4	1	181	22	401	7	1,178	89
Total	56	13	65	25	454	101	1,677	48	47	34	258	195	261	165	767	323	1,297	84	4,882	988

Number of employees with disabilities

Pay grade	Senior Management		Managers		Leadership		Operator		Sales		Administrator		Assistant		Other professional		Other technicians		Total	
	H	M	H	M	H	M	H	M	H	M	H	M	H	M	H	M	H	M	H	M
Nómina en situación de discapacidad	0	0	1	0	2	0	3	0	1	0	7	0	1	3	5	2	10	0	30	5
Porcentaje de personas en situación de discapacidad	0.0%	0.0%	1.5%	0.0%	0.4%	0.0%	0.2%	0.0%	2.1%	0.0%	2.7%	0.0%	0.4%	1.8%	0.7%	0.6%	0.8%	0.0%	0.6%	0.5%

Number of employees by type of contract

	Number of people		Percentage	
	Men	Women	Men	Women
Permanent contract	3,992	796	68.0%	13.6%
Fixed-term contract	740	183	12.6%	3.1%
Contract by project or site	148	6	2.5%	0.1%
Casual	2	3	0%	0.1%
Total	4,882	988	83.2%	16.8%



Number of employees by type of working hours

	Number of people		Percentage	
	Men	Women	Men	Women
Ordinary shift	3,336	709	56.8%	12.1%
Extraordinary shift (4X4)	1,294	90	22.0%	1.5%
Part-time	1	0	0.0%	0.0%
With adaptability agreements for workers with family responsibilities	0	0	0.0%	0.0%
With adaptation agreements or remote work	251	189	4.3%	3.2%

Note: The type of extraordinary shift (4x4) corresponds only to CMP.

Number of complaints of labor and sexual harassment

Type	Complaints to the company	Complaints to the Labor Department
Number of complaints of sexual harassment (Law 20.005)	4	1
Number of complaints of workplace harassment (Law No. 20,607)	17	2

Nota 1: Las acusaciones de acoso sexual se distinguen en la Ley 20.005, y las de acoso laboral en la Ley 20.607, ambas correspondientes a las normativas chilenas. / Nota 2: Las denuncias se realizaron a las empresas operativas CMP, Grupo CINTAC, TASA y Puerto Las Losas.

Training on labor and sexual harassment

	Number	Percentage
Staff trained in labor and sexual harassment issues	145	2%



/ POSTNATAL LEAVE TABLES

Use of Postnatal Leave Chile

Role	Number of people entitled to postnatal leave in 2023			Number of people who used postnatal leave in 2023			Percentage of people who made use of postnatal leave in 2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Senior Management	1	0	1	0	0	0	0%	-	0%
Managers	0	5	5	0	5	5	-	100%	100%
Leadership	9	4	13	9	4	13	100%	100%	100%
Operator	24	0	24	24	0	24	100%	-	100%
Sales team	0	2	2	0	2	2	-	100%	100%
Administrator	0	1	1	0	1	1	-	100%	100%
Assistant	0	2	2	0	2	2	-	100%	100%
Other professionals	2	9	11	2	9	11	100%	100%	100%
Other technicians	2	7	9	2	7	9	100%	100%	100%

Use of Postnatal Leave Peru

Role	Number of people entitled to postnatal leave in 2023			Number of people who used postnatal leave in 2023			Percentage of people who made use of postnatal leave in 2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Senior Management	0	0	0	0	0	0	-	-	-
Managers	0	0	0	0	0	0	-	-	-
Leadership	0	0	0	0	0	0	-	-	-
Operator	3	0	3	3	0	3	100%	-	100%
Sales team	0	1	1	0	1	1	-	100%	100%
Administrator	0	1	1	0	1	1	-	100%	100%
Assistant	4	0	4	4	0	4	100%	-	100%
Other professionals	0	1	1	0	1	1	-	100%	100%
Other technicians	0	0	0	0	0	0	-	-	-



Use of Postnatal Leave Argentina

Role	Number of people entitled to postnatal leave in 2023			Number of people who used postnatal leave in 2023			Percentage of people who made use of postnatal leave in 2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Senior Management	0	0	0	0	0	0	-	-	-
Managers	0	0	0	0	0	0	-	-	-
Leadership	1	0	1	1	0	1	100%	-	100%
Operator	2	0	2	2	0	2	100%	-	100%
Sales team	0	0	0	0	0	0	-	-	-
Administrator	0	1	1	0	1	1	-	100%	100%
Assistant	0	0	0	0	0	0	-	-	-
Other professionals	0	0	0	0	0	0	-	-	-
Other technicians	0	0	0	0	0	0	-	-	-

Note: Information corresponds only to TASA.

Average number of postnatal days used

Role	Men		Women	
	5-day leave	Leave of 6 weeks (or less)	5-day leave	Leave of 6 weeks (or less)
Senior Management	-	-	-	-
Managers	-	-	-	104
Leadership	5	10	-	35
Operator	4	-	-	-
Sales team	-	-	-	27
Administrator	-	-	-	47
Assistant	4	-	-	-
Other professionals	5	10	-	61
Other technicians	5	35	-	84



Internal mobility table

New hires by age group and sex

Age range	Men	Women	Total
Under 30 years	1,379	234	1,613
Between 30 and 40 years	2,276	385	2,661
Between 41 and 50 years	1,522	185	1,707
Between 51 and 60 years	791	78	869
Over 60 years	344	2	346

Hires and voluntary departures

Breakdown	2023
Number of vacancies filled by internal candidates during the year	150
Total number of vacancies filled during the year	3,717
Total hiring costs (USD)	333,585
Total number of employees at the end of each year	5,839
Number of employees choosing to leave the organization (due to resignation, retirement, early retirement, etc.)	130

Turnover by age group

Age range	Men	Women	Total
Under 30 years	10	3	13
Between 30 and 40 years	39	20	59
Between 41 and 50 years	30	10	40
Between 51 and 60 years	34	7	41
Over 60 years	97	2	99

Employee satisfaction and performance evaluations

2023 Breakdown	Number	Percentage
Employees with the highest level of commitment, satisfaction or well-being	1,646	86%
Number of employees that answered the survey (SSIndex)	1,912	-
Number of employees who received performance evaluations during the year	2,622	45%
Total number of employees	5,870	-



Number and amount of enforced sanctions

Type	Sanctions	Amount (CLP)
Customers (Law 19,496)	0	0
-	2	0

Contractors staffing table

Inclusion of contractors in the company's health and safety management system

	Número
Total number of workers who are not employees of the company but whose work, or place of work, is controlled by the company	3,474
Total number of workers who are not employees of the company but whose work, or place of work, is controlled by the company and who are included in the company's occupational health and safety management system	3,552

Note: It considers information from CSH, CINTAC, TASA, Infrastructure.

→ Environmental Information

Aspect	Unit	2022	2023	%
Water withdrawal by source	thousand m³	86,320	86,257	100%
Direct	thousand m³	67,771	63,089	73%
Superficial	thousand m ³	46,742	42,580	49%
Underground	thousand m ³	2,408	2,399	3%
Sea	thousand m ³	18,622	18,110	21%
Produced (contained in raw materials)	thousand m ³	0	0	0%
Through third parties (mains supply, cisterns, others)	thousand m³	18,548	23,168	27%
Superficial ⁴⁸	thousand m ³	2	3	0%
Underground	thousand m ³	207	220	0%
Sea ⁴⁹	thousand m ³	0	0	0%
Produced (contained in raw materials)	thousand m ³	18,339	22,946	27%
Water withdrawal by basin	thousand m³	86,320	86,257	100%
Fresh water from areas without water scarcity	thousand m ³	108	107	0%
Fresh water from water-scarce areas	thousand m ³	49,251	45,093	52%
Sea water	thousand m ³	36,961	41,056	48%
Exits	thousand m³	86,320	86,257	100%
Discharge to water bodies	thousand m ³	53,470	48,899	57%
Tailings water return	thousand m ³	18,339	22,946	27%
Consumption (extraction - discharges)	thousand m ³	14,512	14,412	17%
Consumption	thousand m³	14,512	14,412	100%
Consumption in areas without water scarcity	thousand m ³	7,903	8,026	56%
Consumption in water-scarce areas	thousand m ³	6,609	6,386	44%
% seawater in the inlet	%	43%	48%	-

48. It does not consider water entering Puerto Las Losas that is transferred from the CMP. / 49. It does not consider water entering CMP that is transferred from Aguas CAP.



Aspect	Unit	2022	2023	%
Water withdrawal by company	thousand m³	89,475	89,485	100%
COMPAÑÍA SIDERÚRGICA HUACHIPATO (CSH)	thousand m ³	44,808	40,653	45%
COMPAÑÍA MINERA DEL PACÍFICO S.A. (CMP)	thousand m ³	25,744	30,409	34%
DESALINIZACIÓN DE AGUA (AGUAS CAP)	thousand m ³	18,622	18,110	20%
GRUPO CINTAC	thousand m ³	271	274	0,3%
TUBOS ARGENTINOS S.A. (TASA)	thousand m ³	14	12	0,0%
PUERTO LAS LOSAS S.A. (PLL)	thousand m ³	14	24	0,0%
TRANSMISIÓN ELÉCTRICA (TECNOCAP S.A.)	thousand m ³	1	1	0,0%
CAP SA (EDIFICIO CORPORATIVO)	thousand m ³	2	3	0,0%
Intercompany transfers	thousand m³	3,156	3,229	
Consolidated CAP SA	thousand m³	86,320	86,257	

Aspect	Unit	2022	2023	%
Water withdrawal by country	thousand m³	86,320	86,257	100%
Chile	thousand m ³	86,266	86,205	99,9%
Perú	thousand m ³	40	40	0,0%
Argentina	thousand m ³	14	12	0,0%



Biodiversity

Biodiversity Exposure and Assessment

	Number of sites	Total area (Hectares)
Operational sites	29	6,124
Biodiversity Impact Assessments for their own operational sites	7	6,405
Sites with a significant impact on biodiversity, or that are close to critical biodiversity	3	2,828
Sites that have a significant impact on biodiversity, or which are close to critical biodiversity, and have a biodiversity management plan	3	111

Surface area of protected areas

GRI 304-3

Total surface (hectares) of areas protected by the company in 2023	Description of the protected areas included in this total area
41 hectares	CSH protects and conserves a wetland composed of two lagoons that are home to about 20 species of birds, fish, amphibians and mammals. To protect this area, access is restricted and there is permanent environmental surveillance. It is important to remember that wetlands are key to the environment, since they purify water and filter pollutants. On the other hand, they have the function of storing abundant rainfall and become a source of water. The company is also part of Talcahuano Municipality's Environmental Governance Board for the protection of these areas.

SASB Mining Indicators

	2021	2022	2023
Number of significant incidents associated with hazardous materials and waste management (number)	0	0	0
	Total number of dams/ deposits	Number of dams/ deposits classified as high risk (extreme or very high according to	Percentage of dams/deposits
In active use (generating and storing tailings)	3	1	33%
Inactive (includes dams/deposits with maintenance activities or closed)	1	1	100%
Dams/deposits, planned or underway	N/A	N/A	N/A



Tailings deposit information for 2023	Tailings Deposit 1	Tailings Deposit 2	Tailings Deposit 3	Tailings Deposit 4
Facility name	Los Corralillos	DRF	El Trigo	El Romeral
Geographic Location	Copiapo - faena Cerro Negro Norte	Huasco - Pellets Plant	La Serena - El Romeral mine	La Serena - El Romeral mine
Ownership status (owned, leased, etc)	Own	Own	Own	Own
Operational status (active, inactive)	Active	Active	Active	Inactive
Construction method according to ICMM (upstream, downstream or centraline)	Centreline	N/A	Dowstream	Dowstream
Current amount of tailings deposited (metric tons)	3,179,929	163.102 ⁵⁰	728.854	-
Maximum amount of tailings that can be deposited (metric tons)	110,000,000	13,000,000	44,000,000	14,210,000 ⁵¹
Consequence classification according to GISTM	Significant	Significant	Extreme	Extreme
Date of latest independent technical evaluation	oct/2023 ⁵²	oct/2023 ⁵²	oct/2023 ⁵²	oct/2023 ⁵²
Were there material findings said technical evaluation?	Yes	Yes	Yes	Yes
Mitigation measures for those material findings	1. Bid for the services of incorporation of climate change in basic engineering, update of Design requirements 2. Bid for the ITRB service during 2024. 3. Bid for the creation, communication and training of OMV manual	1. Bid for the services of incorporation of climate change in basic engineering, update of Design requirements 2. Bid for the ITRB service during 2024. 3. Bid for the creation, communication and training of OMV manual	1. Bid for the services of incorporation of climate change in basic engineering, update of Design requirements 2. Bid for the ITRB service during 2024. 3. Bid for the creation, communication and training of OMV manual	1. Bid for the services of incorporation of climate change in basic engineering, update of Design requirements 2. Bid for the ITRB service during 2024. 3. Bid for the creation, communication and training of OMV manual
Does the installation have a specific Response Plan to Emergencies?	Part of the site's emergency plan -	Part of the site's emergency plan -	Part of the site's emergency plan -	Part of the site's emergency plan -

50. Deposited since October at DRF, 925,243 [ton] total tailings at the Pellet Plant, including discharge to Chapaco Bay until September.

51. The permit considered 4.9 [Mm³] of total capacity, and a density of 2.9 [ton/m³] was considered to estimate the value presented.

52. On this date the GISTM Adherence Analysis was received from the IDR for each tailings deposit



	Number of sites
Total number of sites (pits) where acid rock drainage is expected to occur (no ARD)	Not applicable
Total number of sites (pits) where acid rock drainage is actively mitigated (no ARD has occurred)	Not applicable
Total number of sites (pits) where acid rock drainage is actively remediated (ARD has already occurred)	Not applicable
Total number of sites (pits)	Not applicable

	2022	2023
Number of strikes and lockouts by workers	0	0
Total duration of strikes and lockouts by workers	0	0

	2023
Number of non-technical delays related to conflicts with communities	2
Total duration of non-technical delays related to conflicts with communities (N° of days)	2

	2021	2022	2023
Total number of hours of Health, Safety and Emergency Response training delivered (SASB EM-MM-320a.1) ⁵³	21,632	13,258	18,187

53. CMP did not provide health and safety training to its contractors.



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SASB / IRON AND STEEL PRODUCERS

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	EM-IS-110a.2	Analysis of the strategy or long- and short-term plan for managing scope 1 emissions, emission reduction targets and the analysis of results related to these targets	132-134
Atmospheric emissions	EM-IS-120a.1	Air emissions of the following pollutants: CO, NOx (excluding N2O), SOx, particles (PM10), manganese oxide (MnO), lead (Pb), volatile organic compounds (VOCs), and hazardous air pollutants (HAPs)	135
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Water management	EM-IS-140a.1	Total freshwater withdrawn, recycled percentage, percentage in regions with high or extremely high baseline water stress	139
Waste	EM-IS-150a.1	Amount of waste generated, hazardous percentage, recycled percentage	142
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Supply Chain Management	EM-IS-430a.1	Analysis of the process for managing risks in the supply of iron ore or coke derived from environmental or social matters	95-96
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SASB / METALS AND MINING

Topic	Code	Contents	Page
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	EM-MM-540a.1	Tailings storage facility inventory table: facility name, location, ownership status, operational status, construction method, maximum permitted storage capacity, current amount of tailings stored, consequence classification, date of most recent independent technical review, material findings, mitigation measures, site-specific EPRP	239
	EM-MM-540a.2	Summary of tailings management systems and governance structure used to monitor and maintain the stability of tailings storage facilities	149
	EM-MM-540a.3	Approach to development of Emergency Preparedness and Response Plans (EPRPs) for tailings storage facilities	149
	Activity metric	EM-MM-000.A	Production of metal ores and finished metal products
EM-MM-000.B		Total number of employees, percentage of contractors	152; 178



Essential facts

The Company informed the CMF of the following essential facts:

Date	Subject	Summary	Hyperlink
March 03 2023	Ordinary Shareholders' Meeting, summons, resolutions and proposals.	Informs notice and key topics for the Annual Shareholders' Meeting	
April 12 2023	Profit sharing (dividend pay-out)	Announces Resolutions of the Annual Shareholders' Meeting, including the payment of final dividend No. 140.	
April 19 2023	Profit sharing (dividend pay-out)	Informs the amount in Chilean pesos of the final dividend No. 140.	
May 04 2023	Changes in administration	Informs changes in the composition of the CAP S.A. Board, including the appointment of Juan Enrique Rassmuss Raier as Chairman.	
July 26 2023	Other	Reports provision for impairment on the CMP's Properties, Plants and Equipment line for US\$149 million.	
October 31 2023	Other	Reports the subscription of shares of its subsidiary CSH, representing approximately US\$299.9 million, as a result of the capital increase carried out in that company.	

Subsequent essential facts

Between January 1, 2024 and the date of publication of this Annual Report, the Company reported the following

Date	Subject	Summary	Hyperlink
January 02 2024	Other	Informs CSH's decision to initiate the process of suspending the operation of the production line called Laminador Barras Talcahuano ("LBT").	
March 12 2024	Assets or share packages, acquisition or disposal	Announces the signing of an investment agreement that will grant the company a stake equivalent to 20% of all shares of REE Uno SpA.	
March 20 2024	Other	Informs of the decision of the subsidiary Compañía Siderúrgica Huachipato S.A. (CSH) to initiate a process of indefinite suspension of its steel activity.	



Summary financial statements

AS OF DECEMBER 31, 2023, AND 2022
(FIGURES IN THOUSANDS OF UNITED STATES DOLLARS (THUS\$))

/ CAP S.A. AND SUBSIDIARIES

Consolidated classified statements of financial position

As of december 31, 2023 and december 31, 2022

(Figures in thousands of united states dollars - ThUS\$)

	31.12.2023	31.12.2022
ASSETS	ThUS\$	ThUS\$
Current assets		
Cash and cash equivalents	497,081	271,432
Other financial assets	82,210	79,247
Other non-financial assets	70,062	61,418
Trade and other current receivables	455,525	437,430
Accounts receivable from related parties	35,932	18,668
Inventories	749,601	768,964
Current tax assets	124,556	45,235
Total current assets other than assets or disposal groups classified as held for sale or held for distribution to owners	2,014,967	1,682,394
Non-current assets or groups of assets for disposal classified as held for sale	45	2,448
Total current assets	2,015,012	1,684,842
Non-current assets		
Other financial assets	8,804	12,835
Other non-financial assets	70,958	22,124
Accounts receivable	27,020	23,021
Accounts receivable from related parties, non-current	2,951	3,373
Investments accounted for using equity method	929	912
Intangible assets other than goodwill	586,921	612,724
Goodwill	36,580	35,987
Property, plant and equipment	4,085,101	3,986,916
Investment property	30,761	33,826
Righ of use assets	92,068	94,519
Current tax assets, non-current	3,253	2,108
Deferred tax assets	46,182	48,528
Total non-current assets	4,991,528	4,876,873
TOTAL ASSETS	7,006,540	6,561,715

/ CAP S.A. AND SUBSIDIARIES

Consolidated classified statements of financial position

As of december 31, 2023 and december 31, 2022

(Figures in thousands of united states dollars - ThUS\$)

	31.12.2023	31.12.2022
	ThUS\$	ThUS\$
EQUITY AND LIABILITIES		
Liabilities		
Current liabilities		
Other current financial liabilities	565,231	452,446
Lease liabilities	17,754	15,535
Trade and other current payables	622,650	709,688
Accounts payable to related parties	124,566	231,781
Other short-term provisions	19,085	27,978
Current tax liabilities	13,679	8,016
Current provisions for employee benefits	35,494	32,751
Other non-financial liabilities	11,124	13,349
Total current liabilities other than liabilities included in disposal groups classified as held for sale	1,409,583	1,491,544
Liabilities included in disposal groups classified as held for sale	375	3,652
Total current liabilities	1,409,958	1,495,196
Non-current liabilities		
Other non-current financial liabilities	1,072,498	560,827
Lease liabilities	51,630	55,800
Accounts payables to related parties, non-current	10,081	9,546
Other long-term provisions	279,186	267,327
Deferred tax liabilities	431,589	406,248
Non-current provisions for employee benefits	80,873	75,663
Other non-current non-financial liabilities	9,613	9,118
Total non-current liabilities	1,935,470	1,384,529
Total liabilities	3,345,428	2,879,725
Equity		
Issued capital	379,444	379,444
Retained earnings-losses	1,916,736	1,923,731
Other reserves	(30,013)	(25,863)
Equity attributable to owners of the parent	2,266,167	2,277,312
Non-controlling interest	1,394,945	1,404,678
Total equity	3,661,112	3,681,990
TOTAL EQUITY & LIABILITIES	7,006,540	6,561,715

/ CAP S.A. AND SUBSIDIARIES

Consolidated income statements, by function

For the years ended december 31, 2023 and 2022

(Figures in thousands of united states dollars - ThUS\$)

	31.12.2023	31.12.2022
	ThUS\$	ThUS\$
Income statement		
Profit (Loss)		
Revenues	2,964,899	3,006,047
Cost of sales	(2,273,508)	(2,243,504)
Gross profit	691,391	762,543
Other income	16,576	29,353
Distribution Costs	(22,079)	(25,884)
Administrative expenses	(148,903)	(122,495)
Other expenses	(188,464)	(57,727)
Other gains (losses)	(4,359)	3,281
Profit (loss) from operating activities	344,162	589,071
Financial income	22,364	10,376
Financial costs	(117,823)	(80,694)
Share of profit (loss) of associates and joint ventures accounted for using equity method	38	250
Gains losses on exchange differences on translation recognised in profit or loss	(11,236)	(2,510)
Results from indexation units	(3,017)	(6,976)
Profit (loss) before tax	234,488	509,517
Income tax expense	(146,517)	(174,518)
Profit (loss)	87,971	334,999
Profit (loss) attributable to:		
Profit (loss), attributable to owners of the parent	(6,987)	225,971
Profit (loss), attributable to non-controlling interests	94,958	109,028
PROFIT (LOSS)	87,971	334,999
Profit per share		
Basic profit (loss) per share from continuing operations	US\$	US\$
Basic profit (loss) per share	(0.046752)	1.512036

/ CAP S.A. AND SUBSIDIARIES

Consolidated comprehensive income statements

For the year years december 31, 2023 and 2022
(Figures in thousands of united states dollars - thus\$)

	31.12.2023	31.12.2022
Statement of other comprehensive income	ThUS\$	ThUS\$
Profit (loss)	87,971	334,999
Other comprehensive income		
Components of other comprehensive income is not reclassified to profit or loss of period, before tax:		
Gains (losses) on exchange differences on translation, before tax	-	660
Other comprehensive income, before tax, gains (losses) on defined benefit plans	(10,287)	(4,063)
Components of other comprehensive income is not reclassified to profit or loss of period, before tax:	13,955	-
Other comprehensive income is not reclassified to profit or loss of period, before tax	3,668	(3,403)
Components of other comprehensive income is reclassified to profit or loss of period, before tax		
Exchange difference on translation		
Gains (losses) on exchange differences on translation, before tax	(6,652)	(4,457)
Other comprehensive income, before tax, exchange differences on translation	(6,652)	(4,457)
Cash Flow hedge		
Gains (losses) on cash flow hedges, before tax	(2,755)	11,833
Other comprehensive income, before taxes, cash flow hedges	(2,755)	11,833
Other comprehensive income is reclassified to profit or loss, before tax	(9,407)	7,376
Other components of other comprehensive income, before tax	(5,739)	3,973
Income tax relating to components of other comprehensive income is not reclassified to profit or loss of period		
Income tax relating to investment in equity intruments of other comprehensive income	-	(178)
Income tax relating to new measurements of defined benefit plans of other comprehensive income	2,778	1,097
Income tax relating to components of other comprehensive income is not reclassified to profit or loss of period	2,778	919
Income tax relating to components of other comprehensive income is reclassified to profit or loss of period		
Income tax relating with cash flow hedges of other comprehensive income	-	(775)
Income tax relating to components of other comprehensive income is reclassified to profit or loss of period	-	(775)
Other comprehensive income	(2,961)	4,117
Total comprehensive income	85,010	339,116
Comprehensive income attributable to		
Comprehensive income, attributable to owners of parent	(11,144)	229,286
Comprehensive income, attributable to non-controlling interests	96,154	109,830
TOTAL COMPREHENSIVE INCOME	85,010	339,116

/ CAP S.A. AND SUBSIDIARIES

Consolidated statements of net changes in equity

For the years ended december 31, 2023 and 2022

(Figures in thousands of united states dollars - THUS\$)

	Changes in capital common shares capital in shares	Translation reserves	Hedging reserves	Reserves of gains or losses on defined benefits plans	Reserve of gain and losses on investment in equity instruments	Other reserves	Total reserves	Changes in retained earnings	Attributable to dominant company	Changes in minority participations	Total equity
As of December 31th, 2023											
Opening balance at 01.01.2023	379,444	(25,042)	4,051	(12,766)	10,813	(2,919)	(25,863)	1,923,731	2,277,312	1,404,678	3,681,990
Increase (decrease) due to changes to accounting policies	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) due to error correction	-	-	-	-	-	7	7	(7)	-	-	-
Opening balance at 01.01.2023	379,444	(25,042)	4,051	(12,766)	10,813	(2,912)	(25,856)	1,923,724	2,277,312	1,404,678	3,681,990
Changes in equity											
Comprehensive income											
Profit (loss)								(6,987)	(6,987)	94,958	87,971
Other comprehensive income		(2,731)	(1,521)	(5,635)	-	5,730	(4,157)		(4,157)	1,196	(2,961)
Comprehensive income									(11,144)	96,154	85,010
Dividends											
Increase (decrease) due to transfers and other changes in equity	-	-	-	-	-	-	-	(1)	(1)	(14,550)	(14,551)
Total Changes in equity	-	(2,731)	(1,521)	(5,635)	-	5,730	(4,157)	(6,988)	(11,145)	(9,733)	(20,878)
Closing balance As of December 31th, 2023	379,444	(27,773)	2,530	(18,401)	10,813	2,818	(30,013)	1,916,736	2,266,167	1,394,945	3,661,112
As of December 31th, 2022											
Patrimonio previamente reportado	379,444	(23,896)	(2,350)	(10,344)	10,813	(4)	(25,781)	1,889,050	2,242,713	1,424,609	3,667,322
Increase (decrease) due to changes to accounting policies	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) due to error correction	-	-	-	-	-	-	-	-	-	(17,883)	(17,883)
Opening balance at 01.01.2022	379,444	(23,896)	(2,350)	(10,344)	10,813	(4)	(25,781)	1,889,050	2,242,713	1,406,726	3,649,439
Changes in equity											
Comprehensive income											
Profit (loss)								225,971	225,971	109,028	334,999
Other comprehensive income		(1,146)	6,401	(2,422)	-	482	3,315	-	3,315	802	4,117
Comprehensive income								-	229,286	109,830	339,116
Dividends											
Increase (decrease) due to transfers and other changes in equity	-	-	-	-	-	(3,397)	(3,397)	-	(3,397)	5,105	1,708
Total Changes in equity	-	(1,146)	6,401	(2,422)	-	(2,915)	(82)	34,681	34,599	(2,048)	32,551
Closing balance As of December 31th, 2022	379,444	(25,042)	4,051	(12,766)	10,813	(2,919)	(25,863)	1,923,731	2,277,312	1,404,678	3,681,990

/ CAP S.A. AND SUBSIDIARIES

Consolidated statements of cash flows – direct method

For the years ended december 31, 2023 and 2022

(Figures in thousands of united states dollars - ThUS\$)

Statement of cash flows - Direct Method	31.12.2023	31.12.2022
	ThUS\$	ThUS\$
Cash flows from (used in) operating activities		
Classes of cash receipts from operating activities:		
Receipts from sales of goods and rendering of services	3,020,891	3,245,725
Receipts from premiums and claims, annuities and other policy benefits	-	12,831
Other cash receipts from operating activities	277,683	4,485
Classes of cash payments		
Payments to suppliers for goods and services	(2,263,899)	(2,255,331)
Payments to and on behalf of employees	(326,064)	(289,878)
Payments for premiums and claims annuities and other policy benefits	675,037	(37,660)
Other cash payments from operating activities	(2,234)	(182)
Cash flows from (used in) operations	675,037	679,990
Interest received	920	920
Income taxes paid (refund)	(210,322)	(210,322)
Other inflows (outflows) of cash	(5,396)	(5,396)
Net cash flow from (used in) operating activities	460,239	460,239
Cash flows from (used in) investing activities		
Cash flows used in obtaining control of subsidiaries or other businesses	(9,475)	(3,938)
Proceeds from sales of property, plant and equipment	474	5,391
Purchases of property, plant and equipment	(516,423)	(422,578)
Purchases of intangible assets	(152)	-
Cash payments for future contracts forward contracts option contracts and swap contracts	(5,097)	(3,772)
Cash receipts from future contracts forward contracts option contracts and swap contracts	2,558	-
Interest received	7,779	3,555
Other inflows (outflows) of cash	(3,770)	19,817
Net cash flow from (used in) investment activities	(524,106)	(401,525)
Cash flows from (used in) financing activities		
Proceeds From Issuing Shares	278	-
Total proceeds from borrowings	1,788,591	537,909
Proceeds of long-term loans	534,359	66,610
Proceeds from short-term borrowings	1,254,232	471,299
Repayments of borrowings	(1,173,856)	(309,351)
Payments of finance lease liabilities	(13,506)	(602,992)
Dividends paid	(218,989)	(68,271)
Interest paid	(94,372)	(68,271)
Other inflows (outflows) of cash	4,253	5,867
Net cash flow from (used in) financing activities	292,399	(439,545)
Net increase (decrease) in cash and cash equivalents before the effect of exchange rate changes	228,532	(592,604)
Effects of exchange rate change on cash and cash equivalents		
Effects of exchange rate change on cash and cash equivalents	(2,883)	(3,516)
Net increase (decrease) in cash and cash equivalents	225,649	(596,120)
Cash and cash equivalents at beginning of period	271,432	867,552
Cash & cash equivalents at end of period	497,081	271,432



Statement of responsibilities

In conformity with General Norm N°461 of the Financial Market Commission "CMF", this Integrated Annual Report was approved unanimously by the Company Directors and the CEO, who declare that all information in it is accurate.

Juan Enrique Rassmuss
Chairman
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Vice
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