

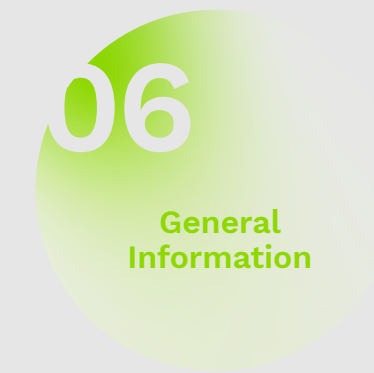


20
23

Sustainable
Molymet



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We are Molymet

We are driven by our purpose:

We generate value for the advancement of humanity through products developed by people who believe in the wellbeing of our planet.



Message to our stakeholders

GRI 2-22, 2-23, 2-24

We take pride in presenting our Sustainability Management corresponding to 2023 in line with global and local reporting guidelines. It is undertaken as a transparent exercise regarding our social and environmental impact management and our corporate governance.

This is coherent with our long-term business view, by which we seek to strengthen the consistency of our sustainable company management model to create value for all our stakeholders.

This is clearly stated in our Purpose which is: “To create value for the evolution of humanity through products developed by people who think about the well-being of the planet.”

Creating value for the evolution of humanity through products developed by people who think about the wellbeing of the planet is something we have been articulating and internalizing over the last 5 years. In this way, our purpose has been transformed into a guide for the personal and professional development of our teams and gives us a clear framework for carrying out new strategies, projects and initiatives.

In line with future challenges we are likely to face, we have built a robust Governance model which enables us to lead initiatives and effectively follow up strategic company sustainability issues.

In terms of our Corporate Sustainability Strategy, we have achieved 85% implementation, highlighting our ongoing commitment.

Likewise we have successfully moved forward with our 2030 Sustainability Agenda, improving in 6 of our 12 commitments, showing tangible progress towards reaching our significant 2030 goals.

Here, our employees have played a crucial role in meeting our objectives. During 2023 they carried out significant initiatives like “Purposeful Leadership” and “Purpose-Aligned Recognition”.

Directly linked to this is our ongoing attention to creating a healthy workplace setting based on equal treatment and access to opportunities for all. This approach has been formalized through our Corporate Diversity, Equity and Inclusion, DEI, Policy. Additionally, we are making headway with implementation of our DEI strategy, driven by practical needs to ensure that our work spaces are free of abuse and arbitrary discrimination, cultivating an environment where diversity is valued and celebrated.

In order to have a fair and equitable work setting, we are pleased to announce our recent commitment to paying a Living Wage to all our employees. This initiative goes beyond merely meeting minimum legal requirements – it is about paying salaries that allow our people to enjoy quality lives, with wellbeing and dignity for them and their families. From 2024, we will work on defining the methodology to establish this in our company.

During the year 2023, we continue to strengthen the sustainability of our business by being recognized as one of the most sustainable companies in the industry. We have positioned ourselves within the top 5% of the best-evaluated companies in the Metals & Mining sector, according to the Corporate Sustainability Assessment—a tool used to determine participation in the Dow Jones Sustainability Index. It is important to note that Molymet voluntarily undergoes this evaluation, and these recognitions are the result of the company’s high level of commitment to Environmental, Social, and Governance, ESG, matters.

At Molymet, we are dedicated to creating value for each group of stakeholders. To this end, during 2023 we submitted ourselves to evaluation on the Stakeholders Sustainability Index, SSIndex, an indicator that addresses risks and sustainability in relation stakeholder perceptions. Based on the results obtained, SSIndex has awarded us stakeholder certification in respect of Customers, Suppliers and Employees, demonstrating the favorable perceptions these groups have of our company.

Our customers can be fully confident that the products we create not only meet current standards, but we constantly anticipate future industry standards as our products evolve. In addition, our processes are consciously designed take care of natural resources.

In this respect, in 2023 our subsidiaries Molynor and Molymet Belgium were awarded Molybdenum Mark certification (an extension of the Copper Mark) which promotes sustainable and responsible production and supply practices.

As a company, we have determinedly set out to address the environmental and social challenges we face today. We are convinced that we can contribute to solutions that positively impact people’s well-being, while also strengthening the foundation of our own sustainability.

To make this a reality, we have launched a number of initiatives focused on reducing emissions and promoting renewables. A clear example of this is the installation of a wind turbine at our European subsidiary, Molymet Belgium, which has translated to 80% of its electricity consumption now coming from renewable sources.

In Chile, we have reached important milestones by successfully completing photovoltaic projects at our



Corporate and R&D buildings. What is more, we are proud to share that MolymetNos and Molynor have certified that all of their electrical energy consumption comes from renewable sources. In parallel, we are making progress with a study for transitioning the energy matrix to natural gas at Molynor.

Likewise, we are pleased to advise that we are now in the final phase of the MolymetNos Modernization project. This will not only create optimal operations but will also allow us to voluntarily reduce our current SO₂ emission permit by 40% by 2025. We remain steadfast in leading initiatives that have a positive impact both on the environment and our neighboring communities.

Communities are prioritized stakeholders which is why, during 2023, we formalized our commitment to them through our Corporate Policy of Social Management and Community Engagement thus laying the foundation for the implementation of a Strategy that strengthens our connection to and collaboration with communities.

Molymet seeks to comply with the letter and the spirit of applicable legal requirements which includes Tax legislation as a fundamental component of our commitment. To this end, in 2023, we set out a Tax Policy aligned to the Purpose and Values of Molymet and its subsidiaries.

With a view to our future development, our challenge is to keep growing organically and responsibly, strategically diversifying our business within our Sustainable Management framework. To this end, we will expand the metals business where we can add value drawing on existing resources, knowledge and experience within the company. A key focus is investment in projects associated with rhenium and lithium. Our Purpose and innovation mindset will be the main catalysts along this path.

Throughout this chapter we have given an account of concrete actions taken and the measurement mechanisms linked to our actions. In this way, we provide information about our management and decision-making, which are not only determined by financial matters, but also put stakeholders at the centre of our long-term sustainability.

I invite you to review in detail our 2023 management progress

Edgar Pape Arellano
Vice President of Americas Operations



Main Figures

Social



1.276

Employees



21%

Women in Executive Leadership Positions



9,9

Accident Frequency Index



40

Average training hours per employee



501.688

US\$ Community Investment

Environmental



294.191 tCO₂e

Organizational Carbon Footprint
Market method



61%

Reutilization of water



1,3

US\$ million Investment in green areas



16,3%

Waste valorization



84%

Renewable energy

Economic



35%

Market share of molybdenum processing



70%

Global rhenium production



7,6

US\$ million Investment in innovation



115

US\$ million EBITDA



2.475

US\$ million Income

Milestones 2023

01 January

Molymet y Sofofa Hub

Molymet joined the SOFOFA Hub program “Venture Client” which helps drive a culture of innovative for companies to become sustainable.

02 February

Molymet Bursary

Together with the Universidad de Los Andes, we have created the Molymet Bursary aimed at supporting university studies for young people from the communities San Bernardo, Mejillones and Antofagasta.

Molymet New 2025 Vision

At the 2023 results meeting, we launched our new company vision reflecting our focus of being global leaders in molybdenum and rhenium and other strategic metals.

04 April

The General Manager of Molymex nominated as Vice President of the AMSAC

The General Manager of Molymex was nominated as Vice President of the Board of Directors of the Association of Miners of Sonora A. C, AMSAC, 2023-2025 and the new board of directors took the oath before the Governor of the state, Alfonso Durazo.

05 May

Molymet Belgium. Inauguration of the Molymet wind turbine

The wind turbine inauguration was finalized after 2 years of effort, collaboration and final delivery. The 135m structure (height and blades) will provide 80% of the subsidiary’s electricity consumption.

Molymet Belgium celebrated 20 years

The Belgian Prime Minister, Alexander de Croo and our CEO, John Graell, met in the city of Ghent at our Molymet Belgium plant. This meeting marked the celebration of 20 years since this European subsidiary was acquired by the Molymet group.

Molymet adheres to the United Nations Women’s Empowerment Principles, WEPs

The principles are to promote Diversity, Equity and Inclusion and we uphold these with the aim of closing existing gaps in the global industry workforce and to foster an equitable society.

Formalization of our Diversity, Equity & Inclusion, DEI, Policy

The Formalization of our DEI policy aimed at establishing the principles which will ensure a healthy work climate based on equal treatment and access to opportunities, free of abuse and arbitrary discrimination.

06 June

EcoVadis Gold Medal awarded to Molymex

This index evaluates company sustainability across the themes of environment, labor practices, human rights, ethics and sustainable purchasing, Molymex obtained the gold medal in its evaluation.

The first woman on the Board

During the month of June, the first woman joins our Board of Directors.

07 Julio

The General Manager of MolymetNos was appointed as president of the Consejo Territorial Suroriente

The South-Eastern Regional Council, led by CPC and INACAP, comprises a group of prominent business people and members of civil society focused on the education and sustainable development of people in the region.

08 August

I-REC Certification Molynor

This certification certifies that 100% of the electricity purchased under the supply contract, during the second half of 2023, comes from renewable sources.



October

- **Formalization of our Employee Relations Policy**
This policy established the management guidelines for our engagement employees at Molymet and its subsidiaries.
- **Formalization of our Social Management and Community Engagement Corporate Policy**
This policy established the main goals and general guidelines for our engagement with communities surrounding our operational areas and society in general. The objective is to ensure long-term relationships based on mutual trust and wellbeing.
- **I-REC Certification MolymetNos**
This certification certifies that, during the first and second half of 2023, 100% of the electricity purchased through supply contract came from renewable sources.
- **I-REC Certification Carbomet Energía S.A**
Validating that 100% of Electricity consumption comes from renewable sources.



November

- **Commitment to paying a Living Wage**
Molymet is committed to paying a Living Wage to our employees. Beyond complying with legal requirements it's about making sure that our people can have a salary that means a better quality of life, wellbeing and dignity for them and their families.
- **Formalization of our Tax Policy**
Aimed at establishing the principles of Tax management aligned with our Purpose and values.
- **Inauguration of the new Molymex center for Innovation**
To contribute towards achieving our innovation objectives.
- **The General Manager of Molynor was elected Secretary of the Mejillones Industry Association, AIM**
This association is a grouping of 22 companies in key sectors in Mejillones, Antofagasta Region.



December

- **Top 5% in Corporate Sustainability Assessment, CSA, score in Metals & Mining**
The tool used to determine the inclusion of companies in the Dow Jones Sustainability Index reaffirmed Molymet as one of the most sustainable companies in the industry.
- **Change of Structure**
The Corporate Vice Presidency of Risk & Compliance, which was previously the responsibility of the CEO, now functionally reports to the Directors and Auditing Committee.
- **Award of CORFO Public Funds for R&D**
Our Research and Development Department was awarded public funds from CORFO (Chilean Production Development Corporation) which will enable us to develop new technologies for the production of high-purity rhenium and molybdenum.

Recognition and awards 2023



Certifications and Seals



Molynor received the Responsible Care Management Sstem certification from the Chemical Industry Association of Chile.
In October 2022



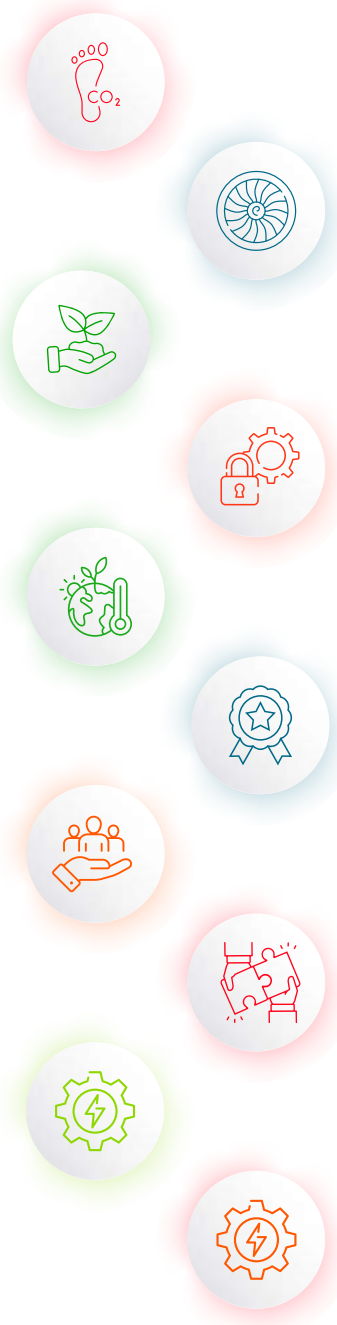
Molymex was awarded the EcoVadis Gold Medal.
In June 2023



Molymex recognized as a Distinguished Socially Responsible Company, ESR, awarded by the Mexican Center for Philanthropy, CEMEFL.
In November 2023



Molymet achieved SSIndex Certification for stakeholders, clients and suppliers at consolidated level and for employees at Molymex.
In December 2023



Certification AS9100:2016 v. D of ABS Quality Evaluations with ANAB Accreditation, Rhenium products
February 2023, MolymetNos Certification renewed



Certification ISO 45.001:2018, ISO 14.001:2015 and ISO 9.001:2015 for MolymetNos, Molynor, Molymex, Molymet Belgium and Molymet Germany.



Molymet Belgium and Molynor obtained The Molybdenum-Mark certification.
In December 2023



MolymetNos received the Seal of responsible Care, awarded for 3 years by the Association of Chemical Industries of Chile, ASIQUIM.
In December 2023.



Certification ISO 50.001:2018 MolymetNos, Molynor and Molymet Germany.





Value Proposition



We create products that contribute to the evolution of humanity and the planet.

At Molymet we conceive sustainability as: “concern for the needs of the environment, our communities, employees, clients, shareholders, the authorities and our corporate governance with the aim of growing our Value Proposition over time.”



Sustainability at Molymet

GRI 2-22

At Molymet we conceive sustainability as: “concern for the needs of the environment, our communities, employees, clients, shareholders, the authorities and our corporate governance with the aim of growing our Value Proposition over time.”

Sustainability is a value that guides our actions together with integrity, excellence, innovation, confidentiality and transcendence. These also form part of the pillars of the Molymet Strategic Agenda.



We prioritize sustainability together with people who think about the wellbeing of the planet.

Sustainability Governance

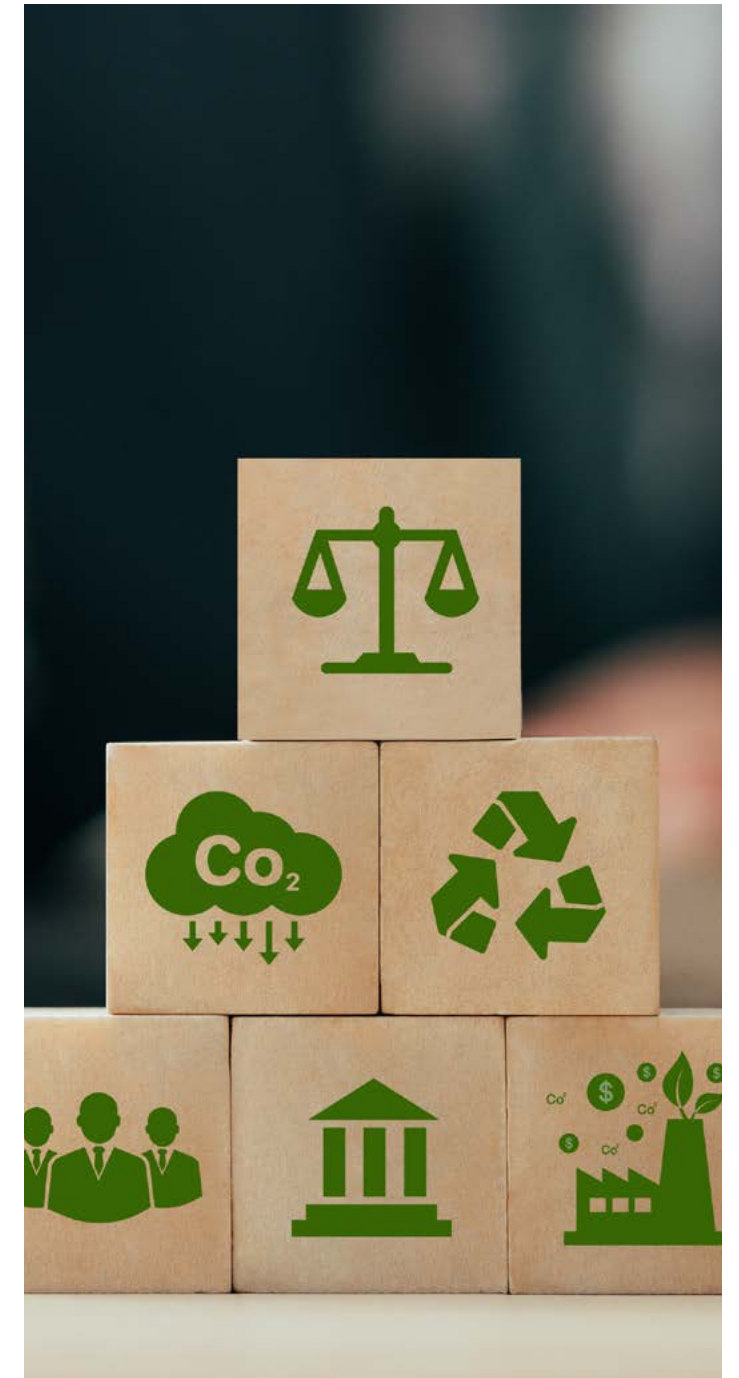
GRI 2-22,2-12

We have a solid Governance structure that serves as a day-to-day guide for future activities and decision-making. This ensures that ESG issues – environmental, social and corporate governance – are considered in our sustainable business model, also taking responsibility for external factors.

Our Governance and ESG is led by our CEO and the Corporate Sustainability Committee which in turn, reports periodically to the Board of Directors.

Strategic and ongoing ESG management is carried out by the Corporate Sustainability and Operational Excellence, which forms part of the VP of American Operations and the sustainability teams at each subsidiary.

The sustainability policies which set out the ESG principles for our governance are available on our website



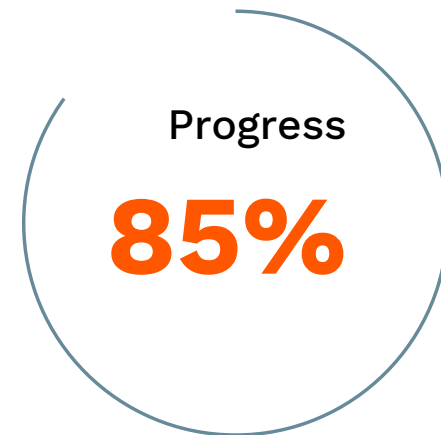
Corporate Sustainability Committee Structure at Molymet



Corporate Sustainability Strategy

GRI 2-22

Our Corporate Sustainability Strategy provides guidance to all our stakeholders in terms of the different initiatives we have proposed for a sustainable business model. Its structure takes into account all our stakeholders, establishing a value proposition for each of them, as well as plans on different themes that we are committed to fulfilling in the short and medium term.



During 2023, we achieved 85% progress on the following goals:

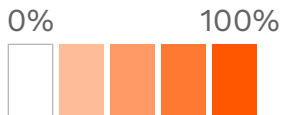
Strategy alignment and standards

- UN Sustainable Development Goals, SDGs
- Dow Jones Sustainability Index, DJSI
- Global Reporting Initiative, GRI
- Mining Council Principles
- ISO 26.000:2010
- Great Place to Work, GPTW

For more information and details of the plans and goals of each initiative, please visit our website.

- Formalization of the Strategic Risk Management Corporate Policy
- Strengthening a Sustainable Board of Directors and welcomed the 1st woman to the Board.
- Made progress on our established 2030 Sustainability Agenda goals in relation to renewable energy, emission reduction, reutilization of water and waste valorization. These were achieved through projects and initiatives implemented by subsidiaries.
- Progress with product eco design as a result of decreasing Scope 2 emissions which in turn reflects in our product footprint.

Progress made on the Corporate Sustainability Strategy



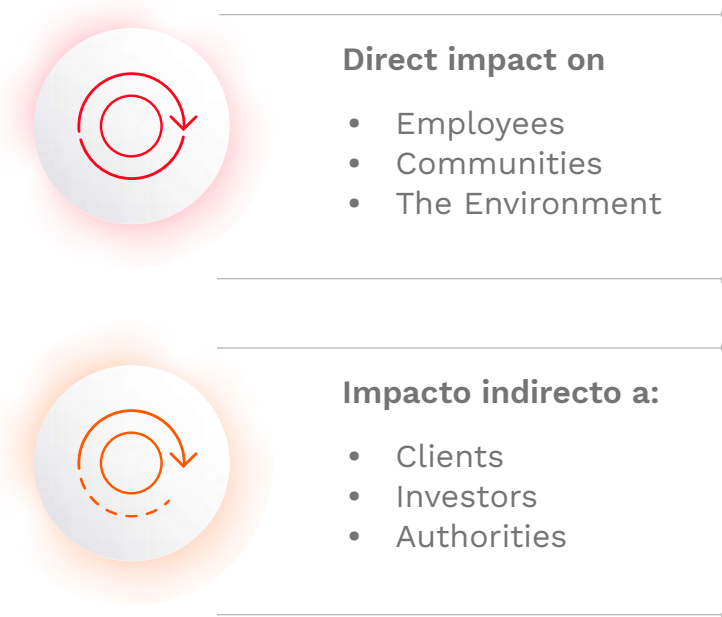
Molymet 2030 Sustainability Agenda

GRI 2-22, 2-4

Our 2030 Sustainability Agenda was approved by the Board of Directors in 2021. This led to an action plan focused on employees, communities, the environment, shareholders, clients, suppliers and authorities to ensure sustainable social and economic progress with goals to be reached by 2030, using 2020 as the baseline. From this we set out 12 commitments corresponding to 9 of the 17 United Nations Sustainable Development Goals, SDGs.

After 2 years in effect, this instrument has been positioned as a road map for the entire company. Its execution has required genuine commitment, constant assessment and participation by all interested parties.

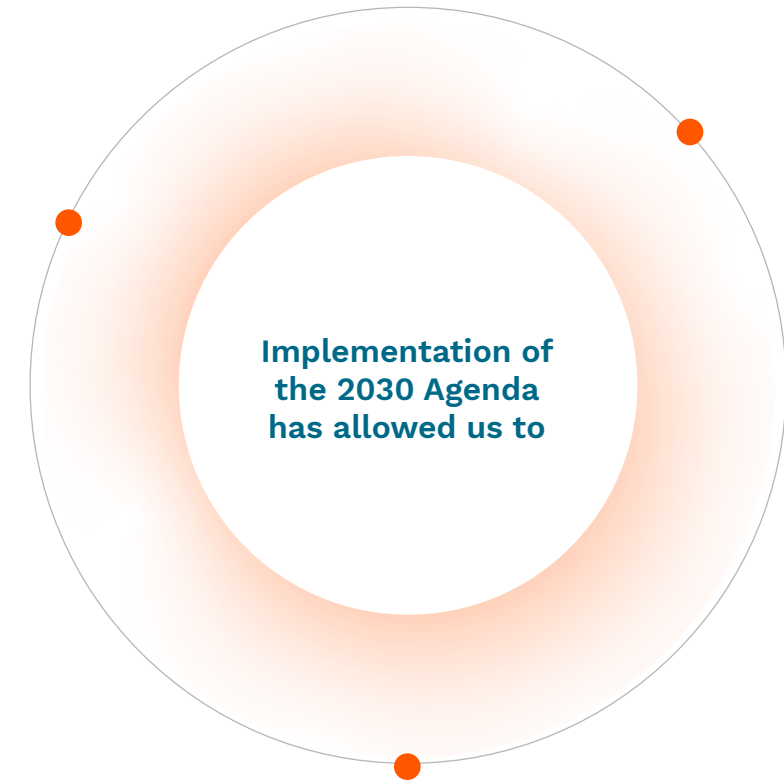
12 commitments to generate long-term value for our different stakeholders



These commitments have been defined to be consistent with our Corporate Purpose

In 2023 we moved forward with 6 of the 12 commitments in our Molymet 2030 Sustainability Agenda

Promote sustainable and responsible practices at our operations and in our activities encompassing environmental, social, economic and governance aspects.



Evolve in a way that is consistent with sustainable development, integrating all our initiatives around a common agenda.

Prioritize and define concrete goals, do follow-up and measure our rate of progress against our proposed objectives.

Sustainability guides our daily work because we know that every action counts towards the wellbeing of the planet

Consolidated Results



Commitment
By 2030 exceed the Labor Relations Index industry average by 10 points based on 2021



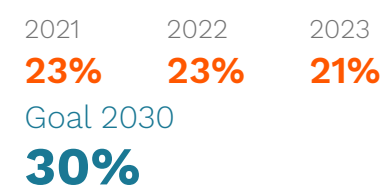
Commitment
By 2030 increase training hours per employee by 15% based on 2020.



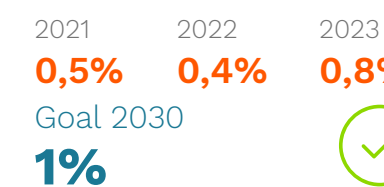
Commitment
By 2030 improve by 10% the indicators of positive perception of Diversity, Equity and Inclusion, DEI, based on 2021



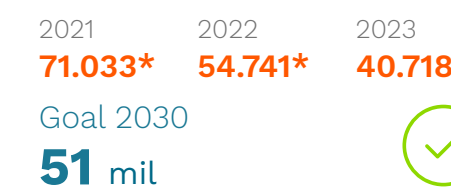
Commitment
By 2030 increase the number of women in leadership positions to 30% based on 2020



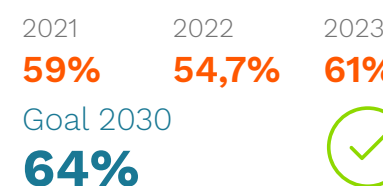
Commitment
By 2030 invest at least 1% of moving net average income over the last 5 years in community development projects.



Commitment
By 2030 reduce greenhouse gas emissions by 20% applying carbon footprint measurement methodology for scope 1 and 2 based on 2020, TonCO2eq.



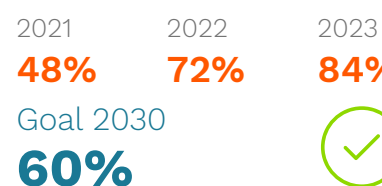
Commitment
By 2030 increase reutilization of water by 64% based on 2020.



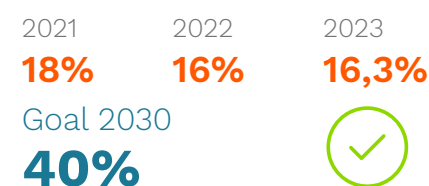
Commitment
By 2030 reduce water intensity by 10% based on 2020



Commitment
By 2030 increase net consumption of renewable energy by 60% based on 2020



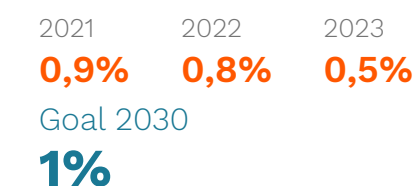
Commitment
By 2030 increase waste valorization by 40% based on 2020.



Commitment
By 2030 5% of EBITDA contribution should be due to diversification based on the moving average of the last 5 years.



Commitment
By 2030 at least 1% of income to be invested in innovation based on the moving average of the last 5 years.



* Molymet did a recalculation for 2021 and 2022, in accordance with the criteria of the GHG Protocol, which has implied a variation with respect to the values previously reported. For more detail consult the Carbon Footprint chapter.

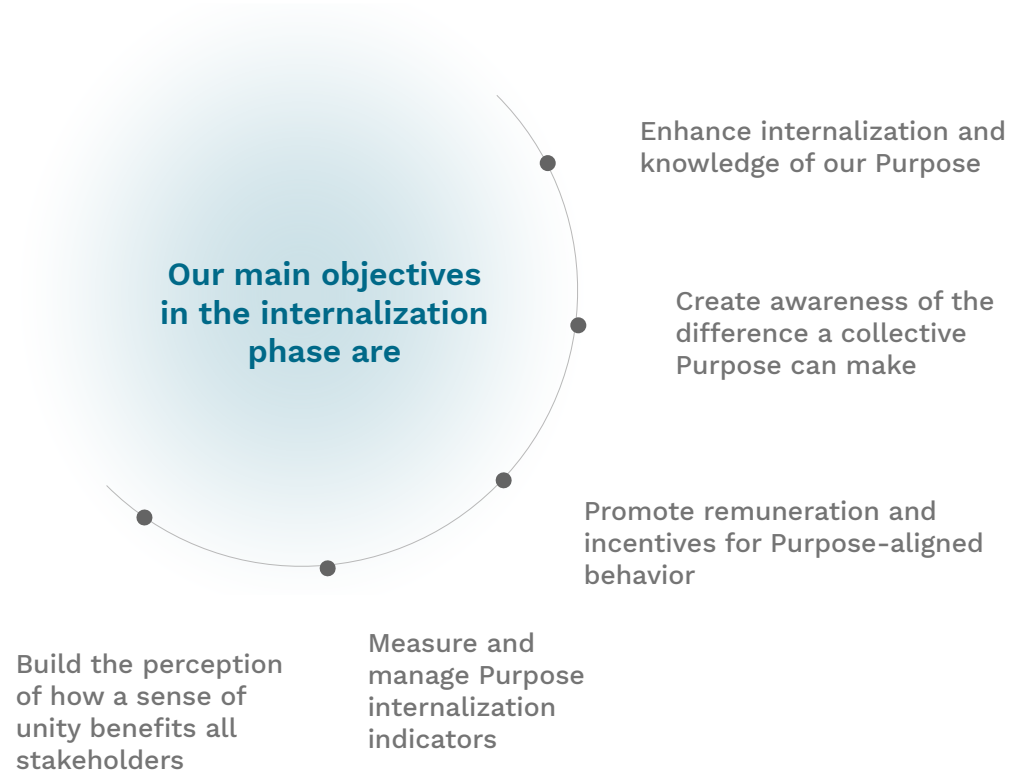
** Molymet did a recalculation of the indicator that includes the modification of the baseline, as well as the target set, for 2021 and 2022. This is in accordance with standardized GHG criteria established for the subsidiary, MolymetNos.

Our Purpose

CMF 2.1

To create value for the evolution of humanity through products developed by people who think about the well-being of the planet.

5 years have been dedicated to discovering and implementing our Purpose. In 2023 we progressed to the 4th and final phase where purpose is internalized and becomes visible in our work teams. This has been developed in an agile way, taking into account the reality of our company and the nature of each vice presidency, area and subsidiary.



Purpose Journey Phases



In 2023 we carried out 45 internalization workshops aimed at establishing and strengthening our Purpose at each of our subsidiaries.

As a result of this collective effort, tactical plans were developed for each of our vice presidencies and subsidiaries. This led to 91 initiatives of which, in 2023, 72 were implemented representing 98,6% progress made.

31
Workshops with corporate building

5
Workshops with MolymetNos

5
Workshops with Molynor

4
Workshops with Molymex

1st International Purpose Summit

In June 2023, we participated in our 1st “International Purpose Summit” where we met with experts and business strategists seeking to support organizations on their path towards a Purposeful future.

Innovation

Innovation has been a hallmark of Molymet since its early beginnings and today it continues to be prominent as a commitment on our 2030 Sustainability Agenda. We have set the challenge of investing at least 1% of income in innovation based on the moving average of the last five years, in this way driving initiatives that will ensure business sustainability.

We also have an Innovation Committee whose role is to stimulate a culture of innovation across all levels of our company.

Guidelines regulating our innovation activities and decisions

- **Intellectual Property Policy** to ensure protection of knowledge generated in the different areas of our company.
- **Diversification Investment Policy** which allows for assessing innovative business opportunities complementary to our main line of business.

Innovation Management Structures

- R&D Management with a team of professionals exclusively dedicated to execution of a project portfolio in areas like: the circular economy; water efficiency; and development of new processes and products.
- Market Development Management and Corporate Management of Information Technologies, dedicated to exploring new opportunities that can strengthen our global leadership position.
- MolymetNos Innovation and Operational Excellence Management orientated towards optimal management of projects and resources.
- Operational Management at Molymex launched the area of operational excellence which addresses innovation-related issues within the subsidiary.
- At Molynor a new area of Innovation, Project and Services Management was created

Investment in innovation

Budget dedicated to Innovation

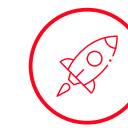


2021	8,7 US\$ million
2022	10,2 US\$ million
2023	7,6 US\$ million

The variation observed in 2023 is attributed to the fact that, during the years 2021 and 2022, the investment allocated to the MolymetNos modernization project was included. This budget was implemented in its entirety during 2022 and accounted for approximately 70% of R&D investment of the amounts reported over these years.

During 2023, significant innovation advancement was carried out at MolymetNos. In a collaboration between R&D Management and Innovation and Operational Excellence Management, a system was designed to reuse ammonia aimed at reducing consumption of this gas. In parallel, the collaboration between Market Development Management and R&D Management drove progress in the creation of rhenium-based catalysts, making positive advance in projects with third party partners.

N° of innovation projects developed during the period



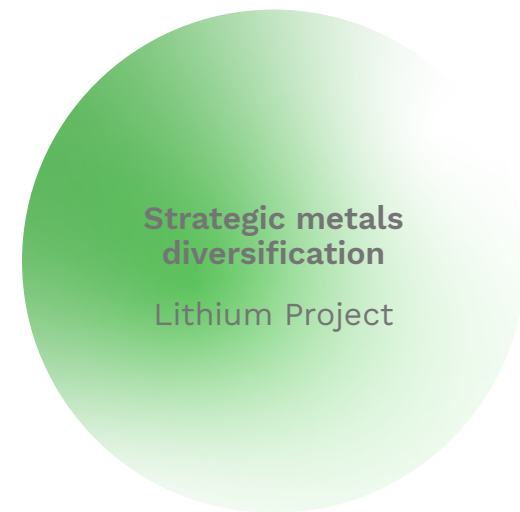
2021	10
2022	12
2023	9

Additionally, Research and Development Management obtained public funds from CORFO for the research and development of new technologies for the production of high purity rhenium and molybdenum products. In an open innovation approach, Chilean subsidiaries Molynor and MolymetNos participated in two challenges of the SOFOFA Hub Venture Client program.

At our Molymex subsidiary, we reached a milestone with the inauguration of the Innovation Center aimed at testing new technologies and fostering a culture of innovation within the organization

Finally, our Chilean subsidiaries, MolymetNos and Molynor strengthened their innovation programs by defining a portfolio of their own projects, thus consolidating their commitment to being at the forefront of technology.

Main Projects 2023



Co-Financing CORFO

Rhenium and green hydrogen

Purification and transformation

Capture of ammonia at MolymetNos

High-purity Molybdenum and Rhenium products

Rhenium and new metallurgical applications

Metallic Lithium Production

Molynor Automation Lab

Economic value generated and distributed

GRI 201-1

The figures derived from the economic value generated and distributed account for the creation and distribution of value by our company. This is a transparency exercise that we carry out annually for our stakeholders.

We seek a fair and sustainable balance in value distribution to ensure strong relationships with our employees, shareholders and other stakeholders, while contributing to sustainable development and the well-being of society at large.

Economic value generated, EVG, in thousands of US\$

Revenue

Net Sales*	2.478.120
Income from financial investments	16.700
Income from sale of assets	-
Total EVG Income	2.494.820

* Includes other income by function

Distributed economic value, DEV, in thousands of US\$

Employees

Salaries	52.503
Total employees costs	77.779

Operating costs

Supplier Payments	2.224.761
Contractor Payments	63.333
Operating costs	31.140
Total operating costs	2.319.234

Governments

State Payments	20.173
Municipal Payments	3.724
Total to governments	23.897

Financial Investment

Investors	43.938
Shareholders	28.073
Total Financial Investment	72.011

Community Investments

Community fund Investment	466
Donations	35
Total Donations	501

Retained economic value, EVG-EVD, in thousands of US\$

1.398
Total REV

Economic value generated, EVG, in thousands of US\$

2.494.820
Total EVG

Distributed economic value, DEV, in thousands of US\$

2.493.422
Total DEV

Sustainability Indexes

Each year we evaluate our sustainability progress. This evaluation process gives us an objective and impartial perspective and also provides information about global best practice that can be aligned to our 2030 Sustainability Agenda. These measurements and ranking are essential for determining how far and how quickly we are moving forward with our goals, whether we are still on the right course.



Labor Relations Index, LRI

The Molymet Purpose has led to the revision and updating of all our areas of management, especially inside our organization. Therefore, this index allows us to diagnose and manage our labor issues in there relevant areas for our organization. In 2021 we got 62,7 points. In 2023 we continued with development plans to close the gaps that were identified. For more detail about management and progress made, please view the respective section within this chapter.



Ecovadis Sustainability Ranking

The Ecovadis questionnaire evaluates the material impacts of a company on sustainability based on documented evidence. The objective of the methodology is to measure company sustainability management against its policies, actions and results. During 2023, our subsidiary, Molymex obtained the Ecovadis Gold Medal rating.



Sustainable Business Development Index, IDES, Sofofa

It is a tool created under the wing of the Sustainable Business Development Committee of Sofofa, which takes national regulations into account as well literature recommendations to evaluate subscribed companies based on 6 dimensions: corporate governance, communities, environment, employees, suppliers and clients.

Molymet participated in 2023, clearly indicating our objectives and we achieved a score of 83% which positioned us 7 points above average.



Dimension	Molymet Result	Comparative Result	Difference
Average	83%	76%	7



Stakeholders Sustainability Index, SSIndex

Molymet is committed to generating value for all our stakeholders. In this sense, during 2023 we were evaluated against the Stakeholder Sustainability Index, SSIndex, which assesses sustainability risks related to the perceptions of employees, clients, suppliers, neighboring communities and authorities and examines the connection between our Purpose, Values and Corporate Sustainability strategy and stakeholder expectations.

Based on our results, SSIndex has awarded us stakeholder certification, encompassing clients and suppliers at a consolidated level and for Molymex employees.

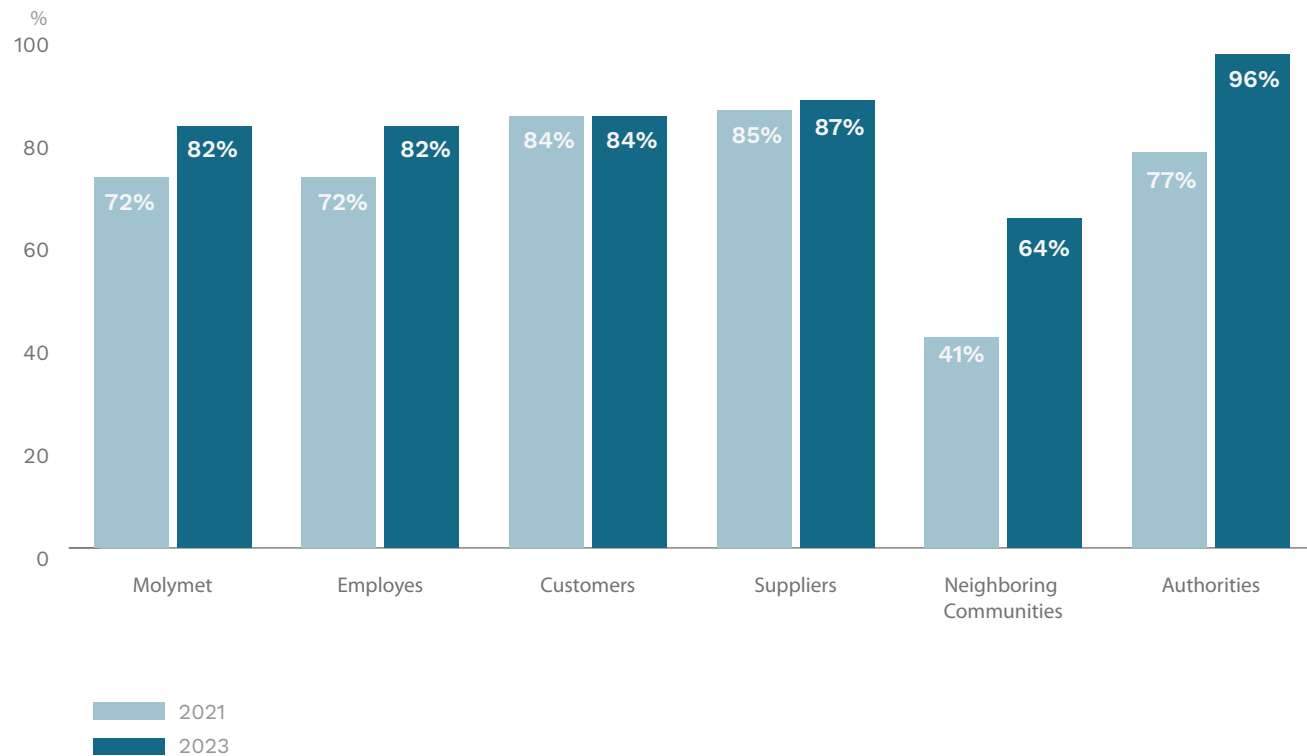




SSIndex Results



We achieved an improvement of 10pp compared to 2021, mainly explained by Neighboring Communities (+23pp) and Authorities (+19pp)



Dow Jones Sustainability Index, DJSI

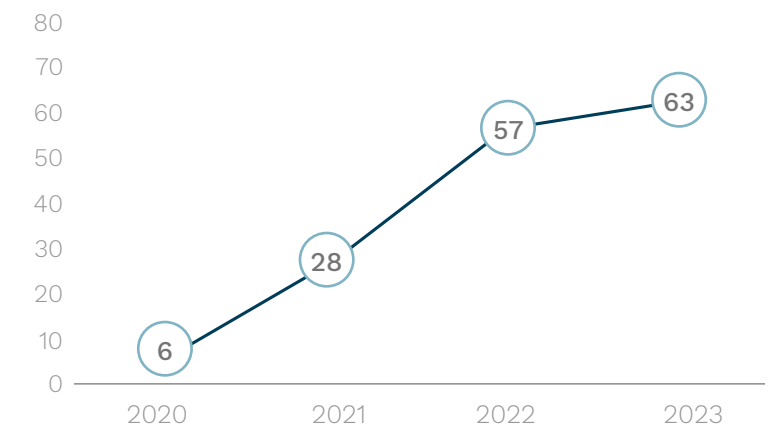


The Corporate Sustainability Assessment (CSA) by S&P Global is a tool used to determine companies' positioning within the Dow Jones Sustainability Index. At Molymet, we are firmly committed to leading the way towards a more sustainable future. That is why we voluntarily undergo this process, which provides us with the opportunity to assess our performance in environmental, social, and governance dimensions, aligning ourselves with the highest global sustainability standards. Furthermore, it allows us to be recognized by our stakeholders through this reliable global sustainability benchmark.

In 2020, we took our first steps in this assessment, and by 2022, we successfully stood out, placing ourselves in the top 10% in the Metals & Mining industry. In 2023, we further solidify our commitment by achieving a position in the top 5%.

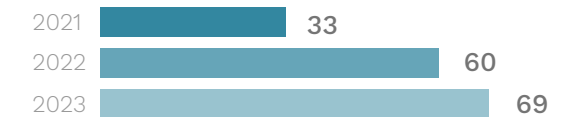
Molymet is now positioned in the top 5% best evaluated companies in the Metals and Mining Industry!

CSA Evolution

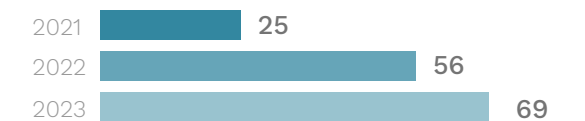


63
2023 ESG Score Result

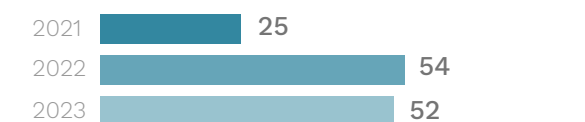
Environmental



Social



Governance and economy





Social Management



We go out of our way to be the best neighbors we can be in our communities.

At Molymet we seek to strengthen our engagement with neighboring communities based on objectives related to social management and management of impacts. We build trust and maintain open, dynamic communication - honest, direct and transparent.



Employee relations

GRI 2-30

We approach our working relationships based on effective communication and permanent dialogue, which fosters a framework of trust and a long-term bond, around which solid and constructive relationships are generated. This is reflected in the existence of trade union organizations in each of our production subsidiaries.

As established in our **Corporate Human Rights Policy**, Molymet respects the freedom of association of its employees and whether they are part of their respective unions or not, facilitates communication and labor relations with their legitimate representatives, within the framework of freedom of association and collective bargaining.

Negotiation processes, whether direct or through an intermediary, are carried out in accordance with the current legislation of each country and considering the particularities of each case, always in a space of transparency and respect. On the other hand, in the event of significant changes in the operational strategy, employees are informed on average four weeks in advance.

During 2023 we had a **62-day** strike at Molynor.

N° unions and collective bargaining



MolymetNos	2
Molynor	2
Molymex	1
Molymet Belgium	2
Molymet Germany	-

N° Employees who are union members



MolymetNos	364
Molynor	139
Molymex	54
Molymet Belgium	137
Molymet Germany	-

N° Employees covered by collective bargaining agreements



MolymetNos	364
Molynor	139
Molymex	54
Molymet Belgium	169
Molymet Germany	-

Note: Legislation in Germany does not allow for disclosing information about unions.

Labor Relations Index, LRI

With the aim of strengthening our employee relationships, we have, since 2021, implemented Labor Relations Index, IRL, measurement, the results of remain the guideline for improving and closing gaps in the workplace.

This index has allowed us to diagnose and manage our labor issues across three relevant areas:



Our 2030 commitment is to increase our LRI performance by 10 points in relation to the 2021 results.

Scope of LRI work



1. Closing gaps

We have developed lines of action aimed at closing some of the gaps detected in the 2021 LRI evaluation. For each of the gaps identified, different lines of action were proposed. These are summarized in the table below.



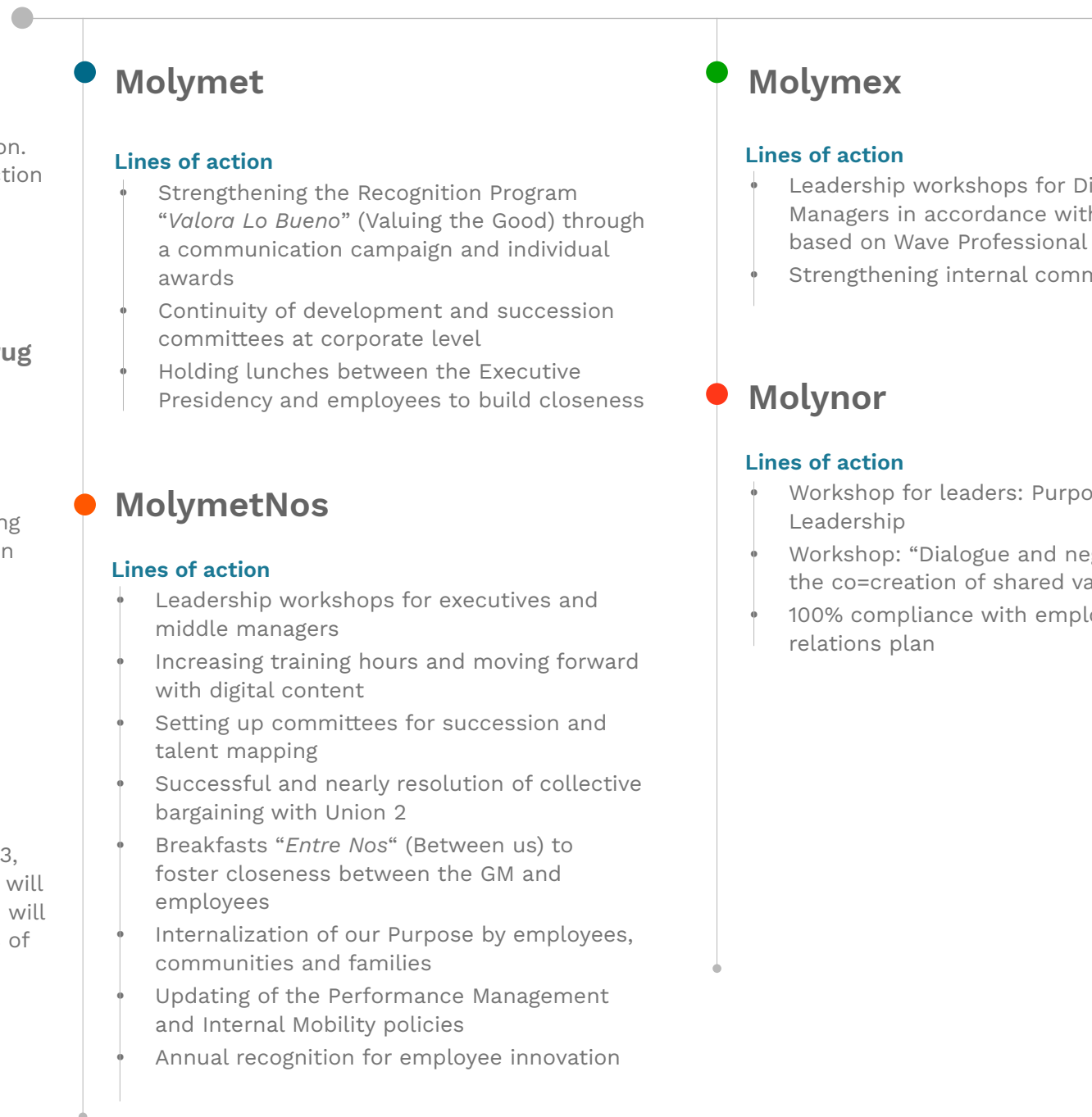
2. Preparation of Alcohol and Drug Policy

This included carrying out an initial diagnosis to identify groups, areas or critical factors at the time of implementation, as well as to determine a starting point for doing subsequent follow-ups. Construction of this policy was finalized in 2023 and it will be published and shared in 2024.



3. Design of an employee engagement policy

This policy was approved by the CEO in August 2023, meeting the commitment made in 2022. The policy will be adapted for subsidiaries and its implementation will be managed by the employee relations committees of each subsidiary.



Purposeful Leadership

Our Purpose has become a guide for our employees with the aim of orientating efforts, day-to-day activities, development of new strategies and aligning goals, projects and initiatives. In this way it contributes to a sense of professional and personal growth for each one who is part of Molymet. It expresses what motivates and moves the heart of our culture, environment and strategies. It is the axis meaning that every action is aligned with the real reason we do things.

From the end of 2022 through to 2023, we moved forward with implementing our "Purposeful Leadership" workshops at Corporate, MolymetNos and Molynor. This initiative is centered around inculcating the attributes of our Molymet leader profile for company managers and executives. In a similar vein, we have implemented "People Management" workshop at Corporate level where the emphasis is on sharing knowledge about the administration and management of people for those in leadership roles.

These initiatives form part of our Sustainable Leadership Program 2022-2025 which is designed to play a key role in management of people through close and empathic leadership focused on employee development and wellbeing. At the same time, this strengthens commitment, retention and the succession pipeline for critical positions in our company.

Comprehensive People Care

GRI 403-4, 403-5, 403-6, 403-8, 403-9, 403-10

Ensuring the health and safety of our employees is fundamental to fulfilling our Purpose. To this end we comply with the highest Occupational Health & Safety, OHS, standards for everybody who works together in the processes and activities of our company, whether they are our own employees or external contractors.

Our main guideline is our Corporate Occupational Health & Safety Policy which was revised and updated in 2023 in order to make sure it is relevant and meets our current needs. As a result, we have formalized our commitment to zero injury incidents or that lead to health deterioration because we understand that a safe and healthy work environment is non-negotiable. In addition, we have built in a pillar of health and safety into our Corporate Sustainability Agenda with the aim of inculcating a culture of prevention and self-care.

We have OHS management programs in place which are aligned to our goal of zero injury incidents and these are adjusted according to the nature and criticality of risks present in our operation.

Together with this, we constantly provide communication and training related to accidents, injuries and sickness.

All our subsidiaries are ISO 45.000:2018 certified and we have developed our Integrated Management system to drive continuous performance improvement after periodic review of results, evaluation of our compliance with legal requirements, internal audits and control by our board.

In support of prevention goals, each subsidiary has its own OHS Joint Committee. These are comprised of employees elected by direct vote and they undertake periodic inspections of different area to constantly maintain and monitor working conditions and identify aspects that can be improved.

9,9
Employee accident frequency index

256,6
Employee severity accident index

Injuries, fatalities, accidents, disease and illness

In 2023 there were no labor-related accidents or diseases of maximum severity for our employees, meaning we maintained our zero fatality rate.

The total number of accidents at our subsidiaries was 22. No professional diseases were registered.

Employees	Molymet	MolymetNos	Molynor	Molymex	Molymet Belgium	Molymet Germany
Hours worked	320.160	965.718	296.936	294.743	232.728	103.511
N° injuries of high consequence	0	0	0	0	0	0
Rate	0	0	0	0	0	0
N° of accidents	0	9	1	7	4	1
Accident Frequency Index	0	9,32	3,37	23,75	17,19	9,66
Severity Accident Index	0	118,05	6,74	169,64	1.624,22	231,86

Contractors	Molymet	MolymetNos	Molynor	Molymex	Molymet Belgium	Molymet Germany
Hours worked	64.800	2.116.074	241.435	175.378	90.855	2.864
N° injuries of high consequence	0	0	0	0	0	0
Rate	0	0	0	0	0	0
Number of illnesses registered	0	0	0	0	0	0
Frequency index	0	4,73	8,97	0	44,03	349,0

Occupational Health & Safety, OHS, Training

OHS Workplace Training activities

	Molymet	MolymetNos	Molynor	Molymex	Molymet Belgium	Molymet Germany	Total
N° OHS Training activities	4	337	23	23	22	13	411
% employees who participated in training activities in respect of the total plant	20%	95%	90%	87%	40%	100%	N/A
N° Training hours	144	2.673	1.440	839	314	189	5.599

Employee Participation

	Molymet	MolymetNos	Molynor	Molymex	Molymet Belgium	Molymet Germany
Name of committee	Joint Committee Corporate Building	Occupational Health and Safety Joint Committee	Occupational Health and Safety Joint Committee	Health, Safety, and Environment Committee	Committee voor Preventie en Bescherming op het Werk, CPBW	Occupational Safety Committee
N° of employees represented on the committee	157	516	181	134	169	52
% of employees represented on the committee	100%	100%	100%	100%	100%	100%
N° participating employees	12	6	12	19	5	5
N° Direct participants	6	6	0	0	2	1

Living Wage

At Molymet and its subsidiaries, we recognize the importance of guaranteeing a Living Wage for our employees as part of our commitment to sustainability and our purpose.

This goes way beyond the minimum regulations and is centered around ensuring a salary that corresponds to the standards and social contexts that allow quality of life and dignity for our employees and their families.

In 2024 we will begin working on defining a methodology to establish a Living Wage.

To begin with, this will be applied to our own employees and later we will extend to include our contractors and suppliers. Progress made on management of this will be in our 2024 Annual Report in order to keep our stakeholders informed and to meet the expectations of the sustainability indexes we measure ourselves against.



Diversity, Equity & Inclusion, DEI

For Molymet, respecting and promoting Diversity, Equity & Inclusion is fundamental to achieving our purpose. In this sense, we are committed to ensuring that in all the spaces and in the day-to-day life of our organization, our work environment is based on equal treatment and opportunity: free of abuse and arbitrary discrimination, so that everybody can feel proud to belong to the company.

To this end, we have adopted a proactive approach to inculcate these essential values in our culture, to put initiatives in place within the company Strategic Agenda which in turn, are aligned with the 2030 Sustainability Agenda and the Molymet purpose.

It is in this spirit that in 2023, we formalized our **Diversity, Equity & Inclusion Policy**, which demonstrates our focus on integrating these values into our corporate culture

Main DEI initiatives at Molymet

Below, we detail the initiatives that are shaping a more inclusive and equitable future for our company.



Our commitment is to deepen our people management culture from a DEI perspective by putting new initiatives in place for training, sensitizing and communicating across the company and its subsidiaries.

Communities

GRI 413-1, 413-2, 203-1

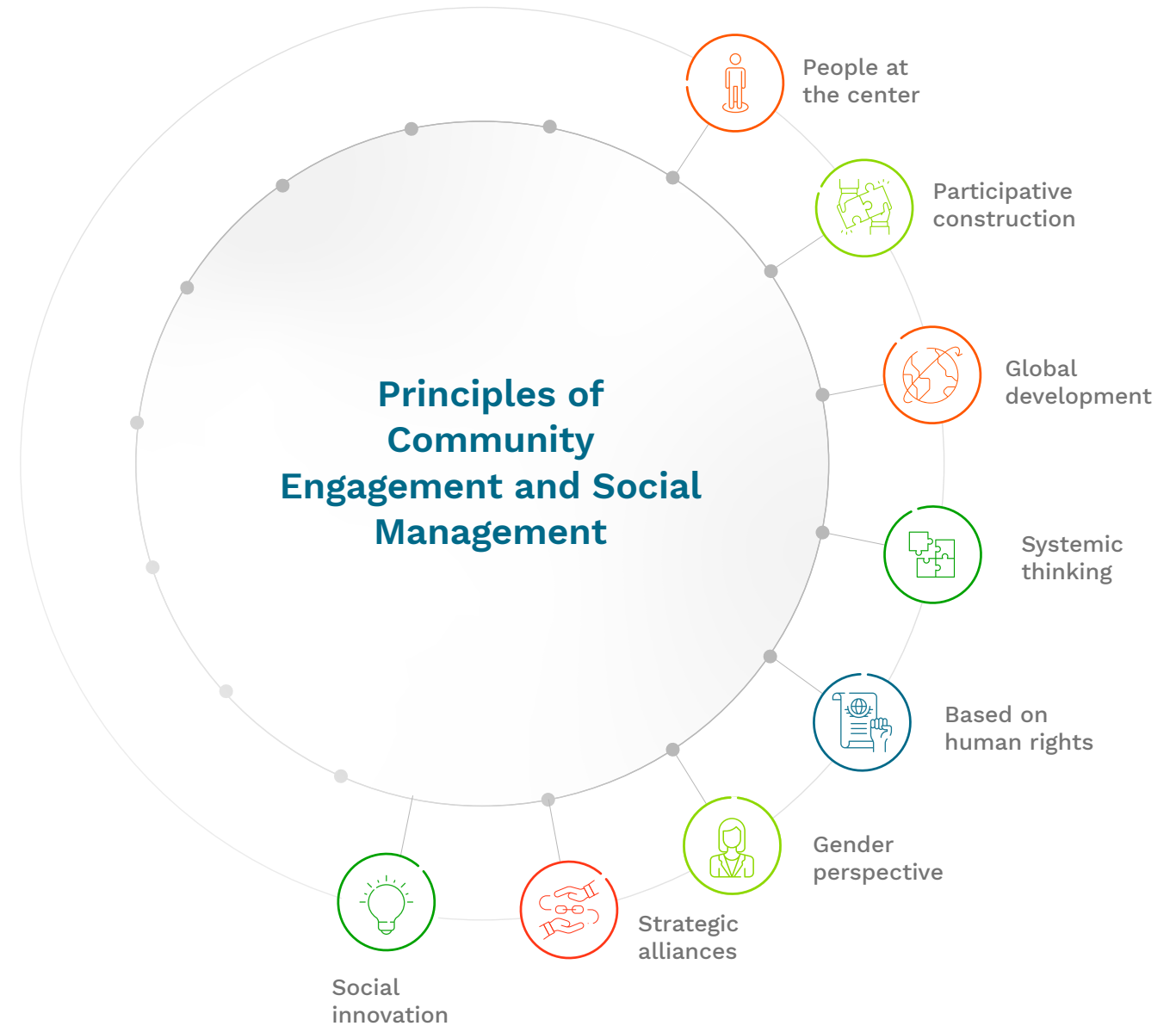
At Molymet we seek to strengthen our engagement with neighboring communities based on objectives related to social management and management of impacts. We build trust and maintain open, dynamic communication - honest, direct and transparent.

We want to be a meaningful partner in our communities – bringing value in terms of employability, education, health and sport and other needs that will add to local development and wellbeing. Our commitment is that by 2030 we will invest at least 1% of moving net average income over the last 5 years in community development projects.

Positive community engagement is essential for Molymet’s company and operational activities and it influences decision-making in multiple ways.

Formalized in 2023, Our **Corporate Community Engagement and Social Management Policy**, sets out the principles and guidelines for engagement with communities in order to have long-lasting relationships and play an integral and relevant role through responsible actions, implemented in a collaborative way.

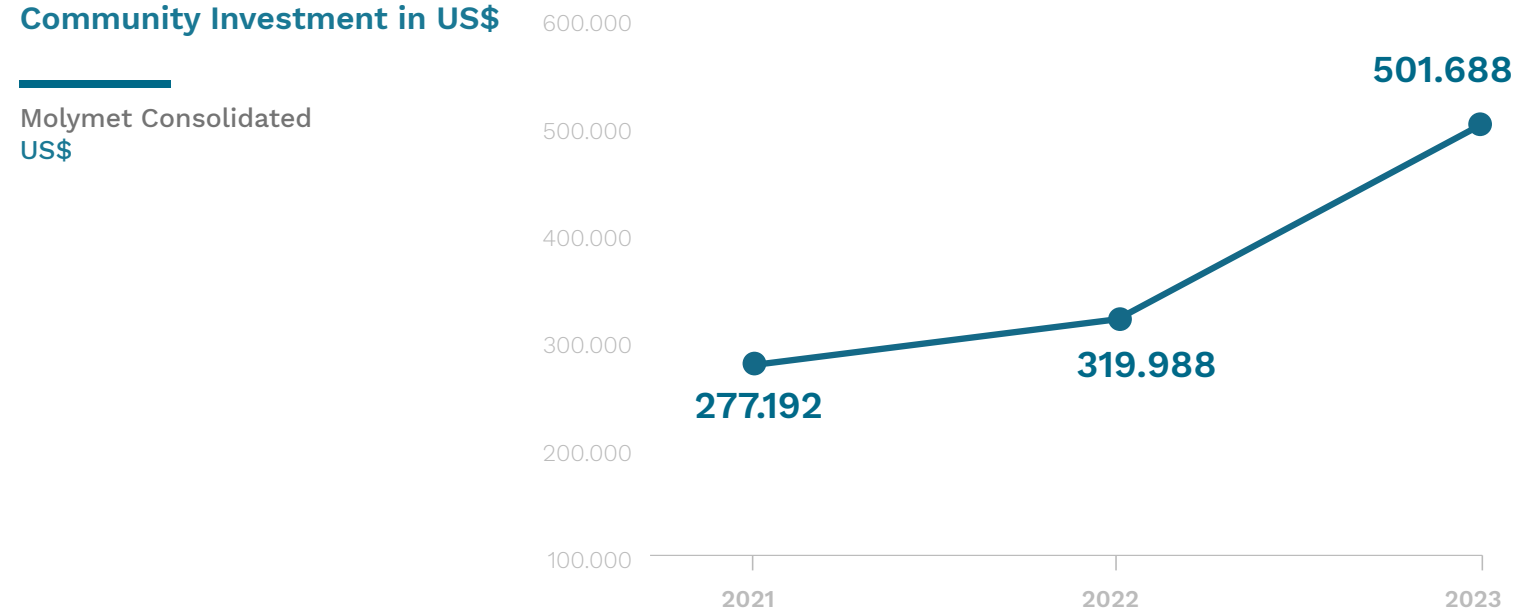
In 2023, we continued working on our new Social Investment and Community Engagement corporate strategy with the aim of bringing our Purpose to surrounding communities in a way that takes their distinct realities into account and has a positive and transcendent social impact.



We go out of our way to be the best neighbors we can be in our communities!

In 2023, we engaged positively with our neighboring communities by carrying out a mix of initiatives. Highlights include areas like educational support; strengthening cultural heritage; and participation in competitive funds. We constantly look to innovate and have a positive impact on our surrounding communities.

Community Investment in US\$



Community programs and initiatives

In the table opposite, we detail the main programs and initiatives that we have implemented at each of our subsidiaries over this year, along with the investment amounts.

In line with our Purpose of contributing to the evolution of humanity, we remain committed to scholarships as a key initiative to drive social development in our communities. Our Molymet Bursary “Beca Molymet” is part of a collaborative agreement with the Universidad de los Andes that funds the studies of students from of San Bernardo, Mejillones and Antofagasta.

US\$ 501.688

Total investment

● Molymet

Programs and Initiatives

- Established a Bursary which is awarded students at the *Universidad de los Andes*
- Support to *Fundación Clínica Familia*

US\$ 31.557
Investment

● Molynor

Programs and Initiatives

- Summer School
- Competition: Re-imagining Mejillones
- Taller Internacional de Títeres
- *Enseñas Molynor: First Sign Language Course*
- Competitive Funds
- Breast Cancer Prevention
- Workshop: Pet Sterilization Campaign
- Hospital Classroom partnership - Molynor and the *Universidad de Antofagasta*
- Investment in the Foundation for the Sustainability of the Little Tern (*Gaviotín chico*)

US\$ 78.502
Investment

● MolymetNos

Programs and Initiatives

- Ecological Family and Community Vegetable Gardens
- Community Training
- Cleaning and improvement of public areas (school, social venues, football courts and surroundings)
- Christmas sweets
- Arts Festival
- Cultural Activities for senior citizens
- Cleaning of ditches, canals and siphons
- Sharing and sensitizing communities to good practices, San Bernardo and at provincial and national levels
- Made Donations and to: Neighborhood Associations, Senior Citizen Clubs, Sports Clubs, Public Institutions, Public Schools, and Education and Health Corporations.
- Competitive fund
- Cultural, sporting and environmental leisure activities

US\$ 309.016
Investment

● Molymex

Programs and Initiatives

- Campaign: Purposeful recycling
- Cumpas Municipality Community Fund
- Molymex Summer with Purpose Program
- Program “Reactivate your school”
- Sponsorship of different community sports teams
- TIKTOK Purpose Contest: led by schools in the Cumpas municipality to commemorate World Water Day
- Purpose competition aimed at schools in the Cumpas Municipality
- Escuelatón 2023 – Schools Charity Fund raising Children’s Day – Cumpas Municipality

US\$ 72.388
Investment

● Molymet Belgium

Programs and Initiatives

- Sponsorship: Lochtingleute
- Sponsorship: Ghent Festival
- Sponsorship: Magneet festival and other events
- Sponsorship: Evergem New Year’s concert
- Sponsorship: Child Focus
- Sponsorship: Rock for Specials (event for people with disabilities)
- Sponsorship of market stalls
- Donation: Mercy Ships Charity Golf Tournament

US\$ 10.225
Investment

Local Employment

In our **Social Management and Community Relations Corporate Policy** we have outlined the nature of engagement our subsidiaries can effect with communities neighboring their productive plants – determined by the social impact that each one has.

Within this policy, we strongly advocate promoting local employment as a best practice model for community development. To further this aim, MolymetNos has implemented initiatives like training that uses e-learning and face-to-face modalities – training offered includes: Pre-university study levelling for high school students and topics like “Response to cyanide emergencies.”

Molymet Belgium works closely with an Authority Organization that helps unemployed people to find jobs and gives them the training they need for their job. They also actively set out to identify and train people from local areas who can be encouraged to work in their operations.

The table below shows the number of employees who come from local communities:

Number of employees who come from local communities

	MolymetNos	Molynor	Molymex	Molymet Belgium	Molymet Germany
N° of subsidiary employees who belong to local communities	258	174	115	104	40
% of people who belong to local communities who work at the subsidiary	50%	96%	86%	62%	77%
N° of employees who belong to local communities who hold senior positions at the subsidiary	0	5	2	0	0
% of employees who belong to local communities who hold senior positions at the subsidiary	0%	3%	1%	0%	0%

Supply Chain

CMF 7.2 / GRI 308-1, 308-2, 414-1, 414-2

The main raw material used in our processes is molybdenum concentrate. This is sourced through two lines of business: The first involves direct purchases from suppliers involved in copper mining, and the second involves tolling, where clients send us raw material for processing into finished products.

Our commitment to a sustainable business model extends to building a sustainable supply chain. Our objective is to promote responsible management of our suppliers and the implementation of an evaluation system based on ESG criteria to ensure stable, strong and mutually beneficial relationships.

To achieve this, we currently have a Purchasing, Services & Authorization Policy; a Human Rights Policy; and our Code of Conduct which seek to promote and incentivize sustainability throughout our supply chain.

Our Corporate Sustainability Strategy defines goals that will align our supply chain with our internal policies related to sustainable development.

Understanding the dynamic contexts in which we operate, the expectations of our stakeholders and our own maturity process embodied by our purpose, we have set the goal of establishing a Corporate Sustainable Supply Chain Strategy and due diligence process by 2024. These will consider sustainable criteria for suppliers, like ESG programs for their development.

Traceability of our supply chain is carried out for various raw materials and elements used in the packaging and transport of our finished products.

These materials are purchased directly from manufacturers and collected at the place of origin, then brought into the country or received at their final destination.

We obtain our raw material mainly from miners recognized for their outstanding production of various metals, including copper.

Supplier evaluation

In order to face new global challenges, at Molymet we recognize the importance of establishing solid foundations and sustainable criteria that govern the selection and management of our relationships with suppliers.

In 2023, all our subsidiaries evaluated 100% of their new suppliers using social criteria. Molymex and Molymet Belgium went a step further by also evaluating environmental criteria to further strengthen our commitment to sustainability.

Starting in 2024, we will begin processes to evaluate sustainability criteria at all our subsidiaries.

Main countries supplying raw materials



Evaluation

Criteria related to social impact and new suppliers

	Molymet	MolymetNos	Molynor	Molymex	Molymet Belgium	Molymet Germany
Total suppliers by subsidiary	25	863	306	369	818	181
Suppliers whose impact has been evaluated against sustainable criteria	25	157	306	44	170	61
% of suppliers evaluated against sustainable criteria	100%	18%	100%	12%	20%	34%
Suppliers with a negative social impact	0	0	0	0	0	0
National suppliers whose impact has been evaluated	N/A	157	286	35	S/I	58
Foreign suppliers whose impact has been evaluated	N/A	0	20	9	S/I	3
% of total annual purchases corresponding to National suppliers whose impact has been evaluated in respect of total suppliers	N/A	18%	95%	26%	S/I	95%
% of total annual purchases corresponding to Foreign suppliers whose impact has been evaluated in respect of total suppliers	N/A	0%	5%	56%	S/I	5%

	MolymetNos	Molynor	Molymex	Molymet Belgium	Molymet Germany
New suppliers by subsidiary	32	78	5	150	24
New suppliers evaluated against social criteria	32	78	5	150	N/A
Percentage	100%	100%	100%	100%	0%

We currently evaluate 100% of our new suppliers against social criteria



Environmental Management

Our processes take care of natural resources.

The use of water is essential for the development of Molymet's and its subsidiaries' productive activities, constituting a key resource. Therefore, its consumption poses a series of challenges that we seek to manage sustainably by promoting initiatives for reduction and reuse.



Climate Change

GRI 201-2

The wellbeing of the planet forms part of our Purpose which is why we have guidelines for the holistic management of the risks and opportunities we face; and for being accountable for the effect of our activities on climate change.

Today to ensure this, the company maintains a certified Environmental Management System at all its subsidiaries. This is based on the international continuous improvement standard ISO 14.001:2015.

Our **Corporate Climate Change Policy** is our road map for adaptation and mitigation. It is based on 12 principles which set the management elements involved. In addition, we have made a specific commitment that by 2030, we will reduce our scope 1 scope and 2 emissions of CO₂ equivalent emissions by 29% by 2030, based on the year 2020, without considering compensation, only reduction.*

The main climate change risk we have identified are related to water scarcity and gradual climate change regulations which could mean stopping some of our production processes. For the management of this, we have developed medium and long-term plans based on defined goals for water intensity and carbon footprint which form part of our 2030 Sustainability Agenda. We also have short-term action plans to ensure operational continuity and we are investing in the transition to sources that will have less impact on Greenhouse Gasses.



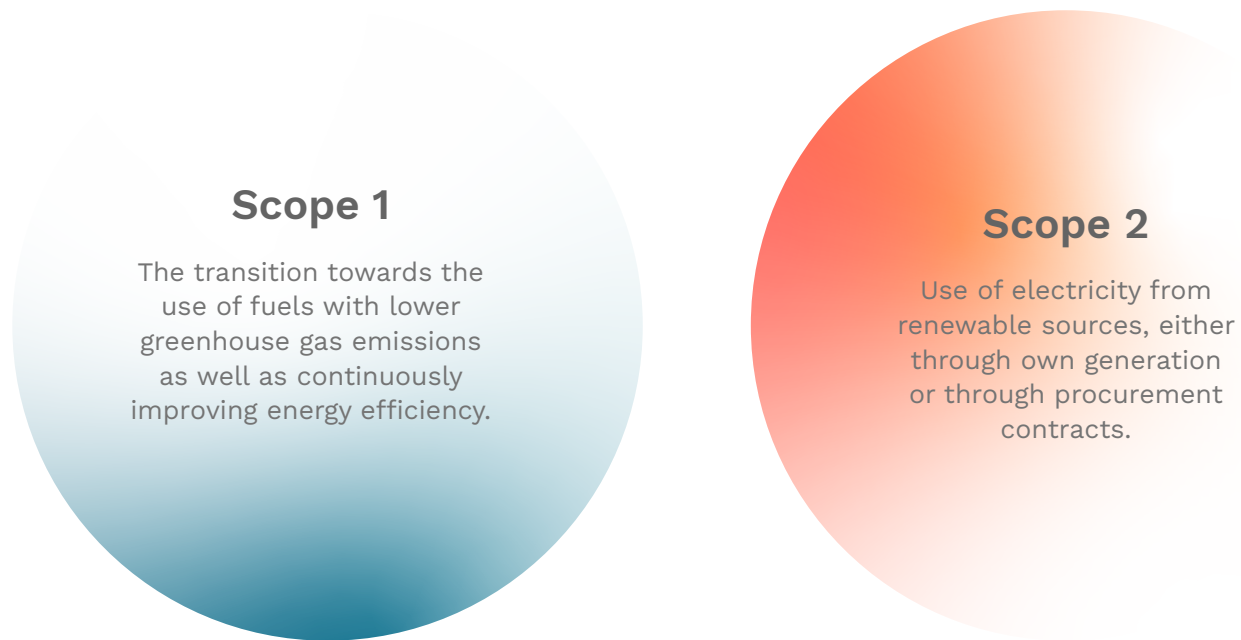
Our commitment to a future sustainable planet means that our products are constantly evolving to ensure that we have the lowest carbon footprint in the market

Carbon Footprint

GRI 305-1, 305-2, 305-3, 305-5, 2-4

Since formalizing our commitment in 2021, we have put significant effort into monitoring and reducing our Greenhouse Gas emissions, GHG.

In terms of scope 1 and 2, our main lines of action are focused on:



Main initiatives implemented:

- **Corporate Building:**
Renewable electric power generation from the installation of a plant of 684 photovoltaic panels with an installed capacity of approximately 580,000 kWh annual generation.
- **R&D Building:**
Renewable electricity generation from the installation of a photovoltaic system with peak power of 64 KW.
- **Molynor:**
Generation of renewable electrical energy through a photovoltaic system, with a total installed capacity of 17.92 kW.
- **Molymex:**
Transition from diesel/liquefied gas consumption to natural gas.
- **Molymet Belgium:**
Contract for the acquisition of renewable electricity from third-party supply.
- **Molymet Germany:**
Contract for the acquisition of renewable electricity from third-party supply.

During 2023 the following concrete initiatives were carried out:

- **MolymetNos**
I-REC certification verifying that 100% of the electrical energy consumed by the subsidiary comes from renewable sources supplied by third-party contracts.
- **Molynor**
I-REC certification verifying that 100% of the electrical energy consumed by the subsidiary in the 2nd semester comes from renewable sources supplied by third-party contracts.
- **CESA**
I-REC certification verifying that 100% of the electricity generated comes from renewable sources.
- **Molymet Belgium**
Generation of renewable electric power from the start-up of a wind turbine with power of 3.9 MW. In 2024, 80% of the electricity consumed by the subsidiary is expected to come from renewable sources.

We've already exceeded our 2030 Agenda commitment!

By 2030 reduce greenhouse gas emissions by 20% applying carbon footprint measurement method for scope 1 and 2 based on 2020, tCO₂eq

During 2023, we quantified our consolidated company carbon footprint, covering scopes 1, 2 and 3. The purpose was to establish a robust decarbonization strategy centered on continuous and complete reduction of our emissions. This reflects our unwavering sustainability commitment which drives us to put concrete measures in place to mitigate climate change risks.

The calculation was based on the GHG Protocol: "A Corporate Accounting and Reporting Standard" and the ICMM sectoral metals & mining guide "Scope 3 Emissions Accounting and Reporting Guidance".

294,191 tCO₂e

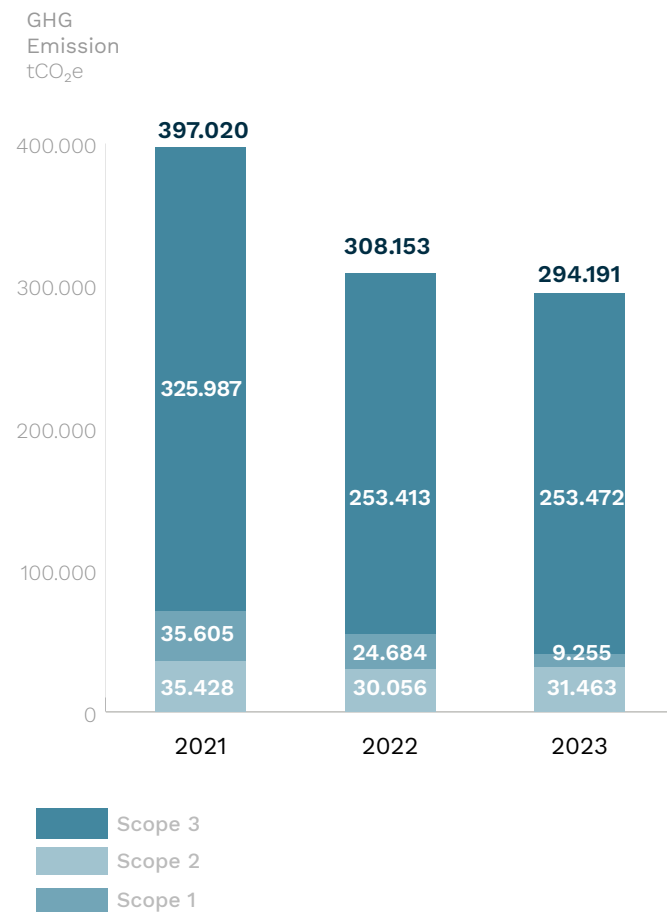
Scope 1,2 & 3

40,718 tCO₂e

Scope 1 & 2

Organizational Carbon Footprint Evolution

Takes into account consolidated discounts due to intercompany movements



Molymet did a recalculation for 2021-2022 to conform with GHG Protocol criteria.

Below are the main adjustments made:

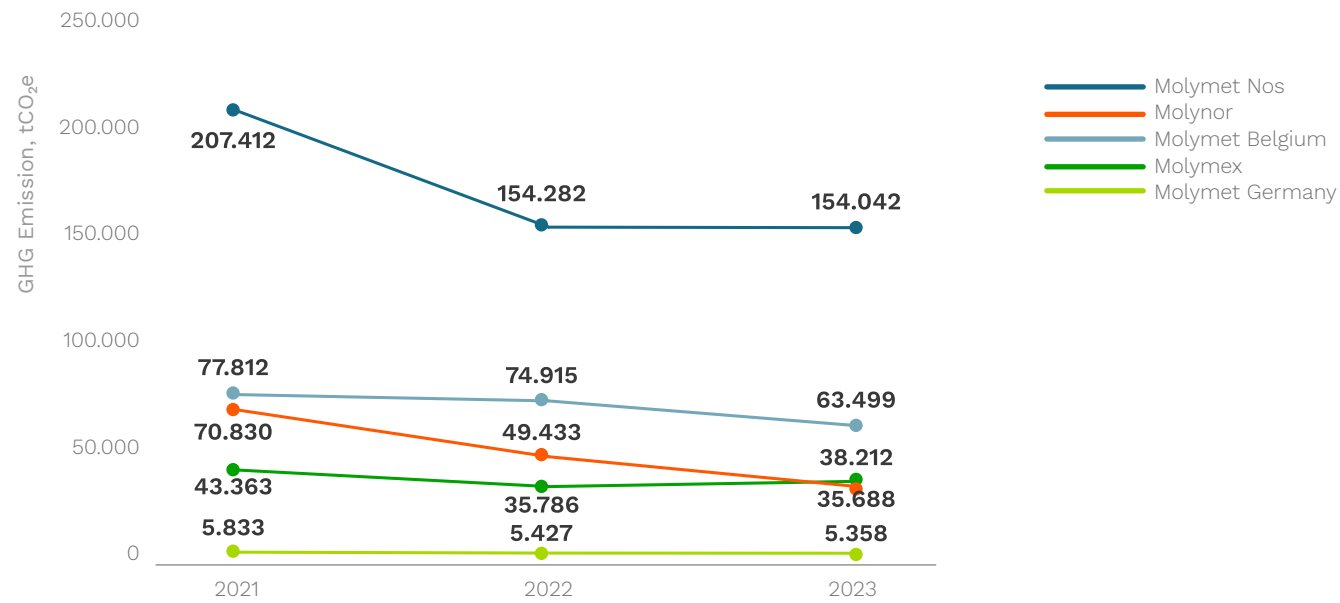
- Update of key input emission factors,** taking supplier survey into account.
- Inclusion of more operations:** Molybdenum Plants, Inmobiliaria San Bernardo, Geonuts, Carbomet Energy, CESA, corporate building + R&D building and commercial offices.
- Update of Global Warming Potentials** from the Fifth Assessment Report, AR5, to the Sixth Assessment Report, AR6.
- Change in product allocation criteria** based on IMO 2018 guidelines.

2023 Carbon Footprint

Category	tCO ₂ e
Carbon Footprint, market method**	294.191
Carbon Footprint, Location method	307.452
Scope 1	31.463
1.1 Combustion – fixed sources	30.344
1.2 Combustion – mobile sources	717
1.4 Fugitive emissions	402
Scope 2, market method	9.255
Scope 3	253.472
3.1 Procured supplies and services	209.974
3.1.1 Molybdenum sources	120.128
3.1.2 Ferro silicon	40.430
3.1.3 Gases, solvents, chemicals, packaging, containers, etc	44.758
3.3 Other energy sources not included in Scope 1 & 2	5.408
3.4 Transport from upstream sources	33.217
3.4.1 Contracted delivery transport	13.392
3.4.2 Contracted despatch transport	19.825
3.5 Operational waste generated	1.803
3.6 Business travel	1.152
3.7 Employee transport	1.918

**Consolidated value considers discounts due to intercompany movements

Carbon Footprint Evolution: Molybdenum subsidiaries



**Values do not take into account consolidated discounts due to inter-company movements

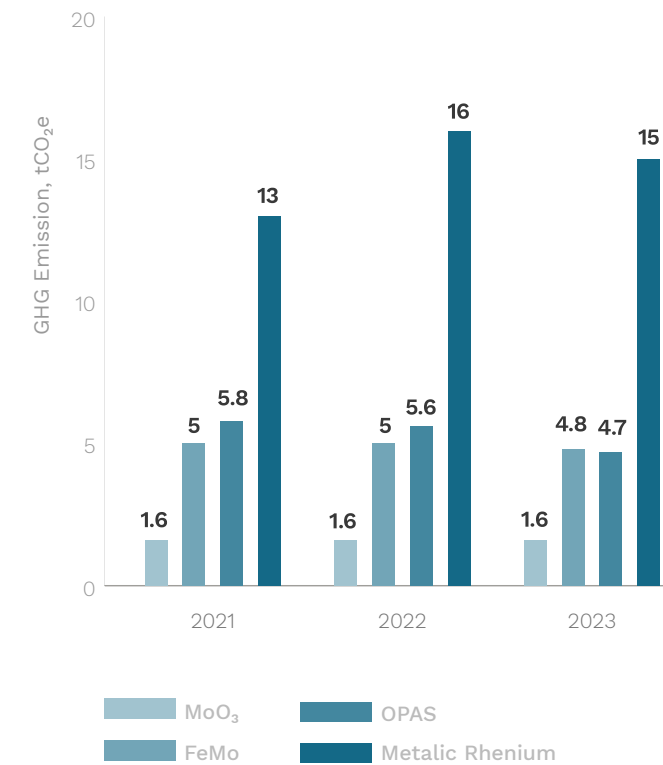
Subsidiary Carbon Footprint by Scope 2023, in tCO₂e

Category	MolymetNos	Molynor	Molymex	Molymet Belgium	Molymet Germany
Carbon Footprint, market method	154.042	35.688	38.212	63.499	5.358
Carbon Footprint, location method	164.682	36.492	38.212	65.011	5.664
Scope 1	19.738	3.214	2.848	4.536	976
Scope 2, market method	0	2.138	4.999	855	860
Scope 2, location method	10.640	2.942	4.999	2.367	1.166
Scope 3	134.305	30.336	30.365	58.109	3.522

**Values do not take into account consolidated discounts due to intercompany movements

Product Carbon Footprint

We measure the Carbon Footprint of 4 of our products from cradle-to-gate which allows us to provide information to our customers in respect of GHG emissions, tCO₂e/t product, related to the products they purchase.



The values presented consider emission factors updated with information from suppliers and international databases, Ecoinvent, as well as mass allocation criteria approved by IMO 2018. Thus, the values presented this year differ from those submitted the previous year, the latter being the best information available to date.

Other emissions

GRI 305-7

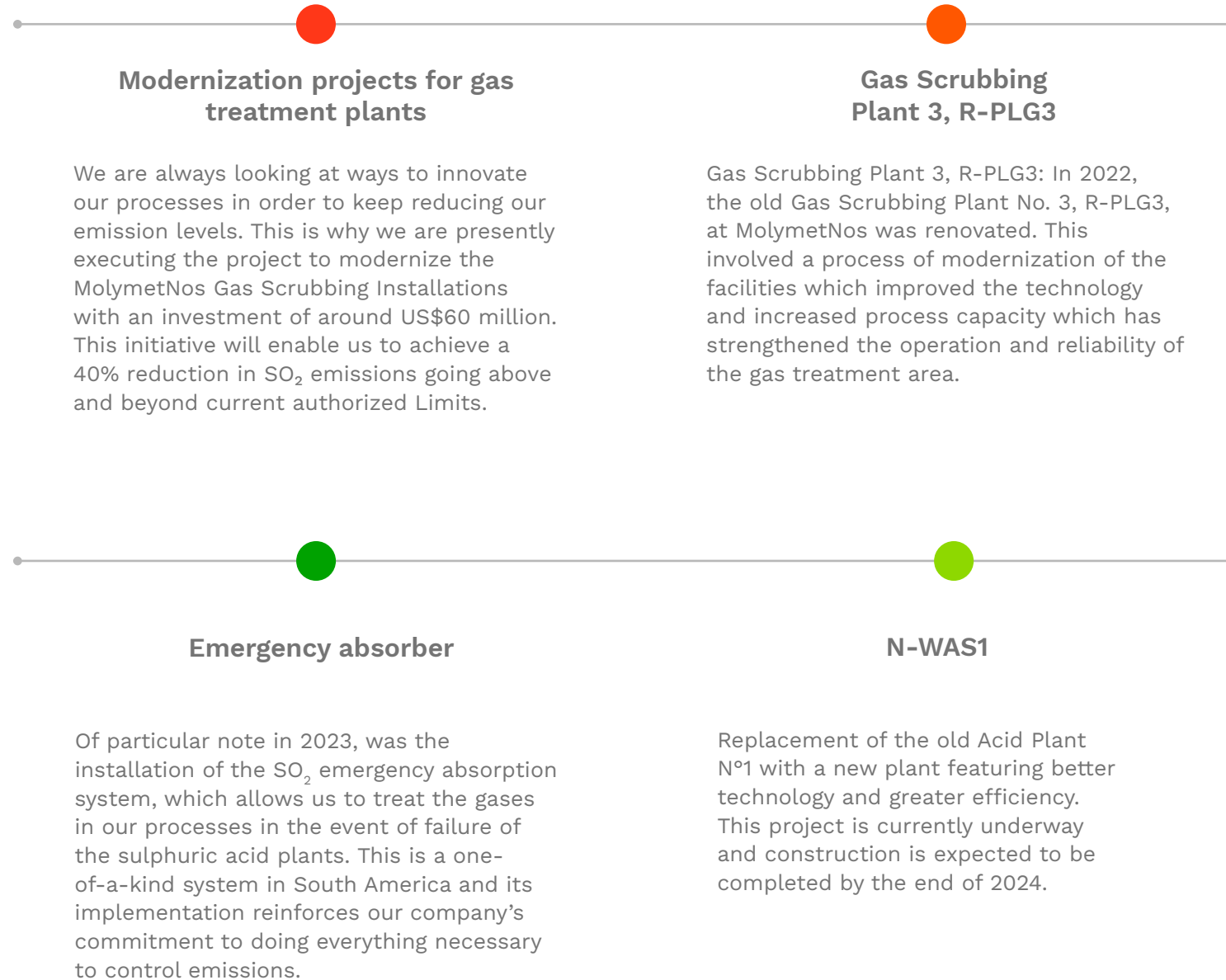
Our reduction commitment takes into account all types of emissions that may be generated by our operations, like Nitrogen Oxides, NOx, and Sulfur Dioxide, SO₂.

In 2023, we reached a total of 24.8 tonnes of NOx and 537.2 tonnes of SO₂, achieving an 11% reduction in tonnes of NOx emitted compared to 2022.

NOx & SO₂ emissions by subsidiary

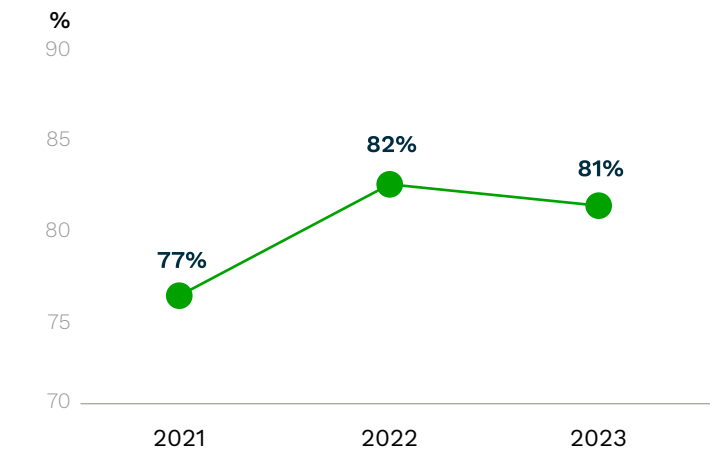
	NOx Ton	SO ₂ Ton
MolymetNos	17,5	126,4
Molynor	4,10	117,62
Molymex	0,17	191,00
Molymet Belgium	3,00	102,2
Molymet Germany	N/A	N/A
Total	24,8	537,2

In line with our reduction commitment goal, we have gas scrubbing plants which maintain 99% efficiency in recapturing SO₂ through which we generate sulfuric acid, H₂SO₄, as a by-product that is then sold and/or used in our own operations. Additionally, we have mechanisms that allow us to monitor SO₂ emissions and atmospheric concentrations online.



Additionally, during 2022, Molymex began using natural gas as fuel which contributed to the reduction of NOx during 2023 and also influenced control of current emissions from green plants, with 99.5% efficiency in converting gas from SO₂ to H₂SO₄, since this is the maximum degree of conversion in accordance with process characteristics.

% Emission reduction in respect of permitted limits



81%
Lees SO₂ emissions compared to the permits in effect in 2023

40%
Voluntary reduction of emissions at MolymetNos in respect of permits currently in effect - as from 2025

Energy Management

GRI 302-1, 302-2, 302-3, 302-4

Renewable Energy

At Molymet our stated commitment is to ensure rational and less polluting use of energy. We know that this is essential for mitigating climate change and it is intrinsically linked to the objective of reducing our carbon footprint. This is why we are steadily increasing renewable energy consumption at our installations and managing our processes efficiently for the continuous improvement of energy efficiency.

To drive our energy transition in the countries where we operate, we have set a goal of progressively increasing renewable energy use, aiming to reach 60% renewable electricity consumption at our subsidiaries by 2030. Although we already met this goal in 2022, we are dedicated to setting new objectives which will be aligned to climate change expectations.

84%

Electric energy

Energy from renewable sources

8.500

GJ/ MMLbMo

Energy intensity adjusted by inter-company movement

Energy Efficiency

Currently we have Energy Management Systems certified by the ISO 50.001:2018 standard 2018 at MolymetNos, Molynor and Molymet Germany.

During 2023 we implemented numerous initiatives centered around reducing energy consumption. Of these, we highlight our MolymetNos subsidiary for the increase in the number of energy meters, which allows energy consumption to be managed online. In addition, a recurring plan was implemented for the detection of leaks through steam traps and compressed air networks, including the purchase of instrumentation for the detection of these leaks.

All our subsidiaries are constantly monitoring the figures and measures to maintain and meet our goals.

We have grown renewable energy consumption by 12% compared to the previous year.

Energy intensity by subsidiary

	MolymetNos	Molynor	Molymex	Molymet Belgium	Molymet Germany
Total consumption, GJ	542.796	90.350	91.729	244.449	26.150
Production of molybdenum products, MLbMo*	69,3	27,5	27,3	37,3	1,8
Organizational ratio of energy intensity	7.832	3.281	3.356	6.562	14.528

* Includes: OXT, FeMo, Pure Products and inter-company decopperized molybdenite

Energy consumption within the organization

Energy sources	Molymet	MolymetNos	Molynor	Molymex	Molymet Belgium	Molymet Germany
Non-renewable fuel consumption, GJ						
Diesel	1.819	22.034	27.326	2.384	2.401	165
Liquefied petroleum gas, LPG	No aplica	6.958	18.023	1.059	No aplica	20
Liquefied natural gas, LNG	No aplica	355.193	No aplica	46.918	78.644	16.342
Total non-renewable consumption	1.819	384.185	45.349	50.361	81.045	16.527
Other fuel sources, GJ						
Electrical Energy	2.500,0	158.611	45.001	41.368	163.404	9.623
Total from other fuel sources	2.500	158.611	44.935	41.368	163.404	9.623
Total energy	4.319	542.796	90.350	91.729	244.449	26.150
Renewable energy consumption, GJ						
Consumption of renewable energy, GJ	1.900	155.593	22.564	No aplica	105.111	6.086

Water Management

GRI 303-1, 303-2, 303-3, 303-4, 303-5

Water use is essential for our production processes at Molymet and its subsidiaries and constitutes a key resource. This then poses a series of challenges for sustainable water management, which we seek to overcome through initiatives to reduce and reuse water. This is why we are working on its efficient use and operating with a special focus on minimizing water loss.

Today, all our subsidiaries have water recirculation and reutilization initiatives in place.

This past year, recirculation in our productive processes reached was 38% - the same level as 2022.

Water consumption in m³/

	MolymetNos	Molynor	Molymex	Molymet Belgium	Molymet Germany
Water consumption m ³	791.209	87.366	99.935	134.220	5.897,0
Production of molybdenum products, MLbMo	69,3	27,5	27,3	37,3	1,8
Water consumption / unit processed	11.417	3.127	3.657	3.603	383

22%

Reutilization

38%

Recirculation

Water extraction by Source type in m³/year

	MolymetNos	Molynor	Molymex	Molymet Belgium	Molymet Germany	Total
Surface water	0,0	0,0	0,0	1.570.900,0	0,0	1.570.900,0
Underground water	169.417,8	0,0	123.647,6	509,0	0,0	293.574,4
Seawater	0,0	216.681,3	0,0	0,0	0,0	216.681,3
Produced water, rainwater	0,0	0,0	0,0	165.473,0	5.213,0	170.686,0
Third-party water, public potable water supply	136.874,9	0,0	0,0	53.381,0	684,0	190.939,9
Total	306.292,7	216.681,3	123.647,6	1.790.263,0	5.897,0	2.442.781,5

5.4

miles m³/MLbMo

Water intensity as per processed molybdenite

Effluents

GRI 303-1, 303-2, 303-3,303-4,303-5

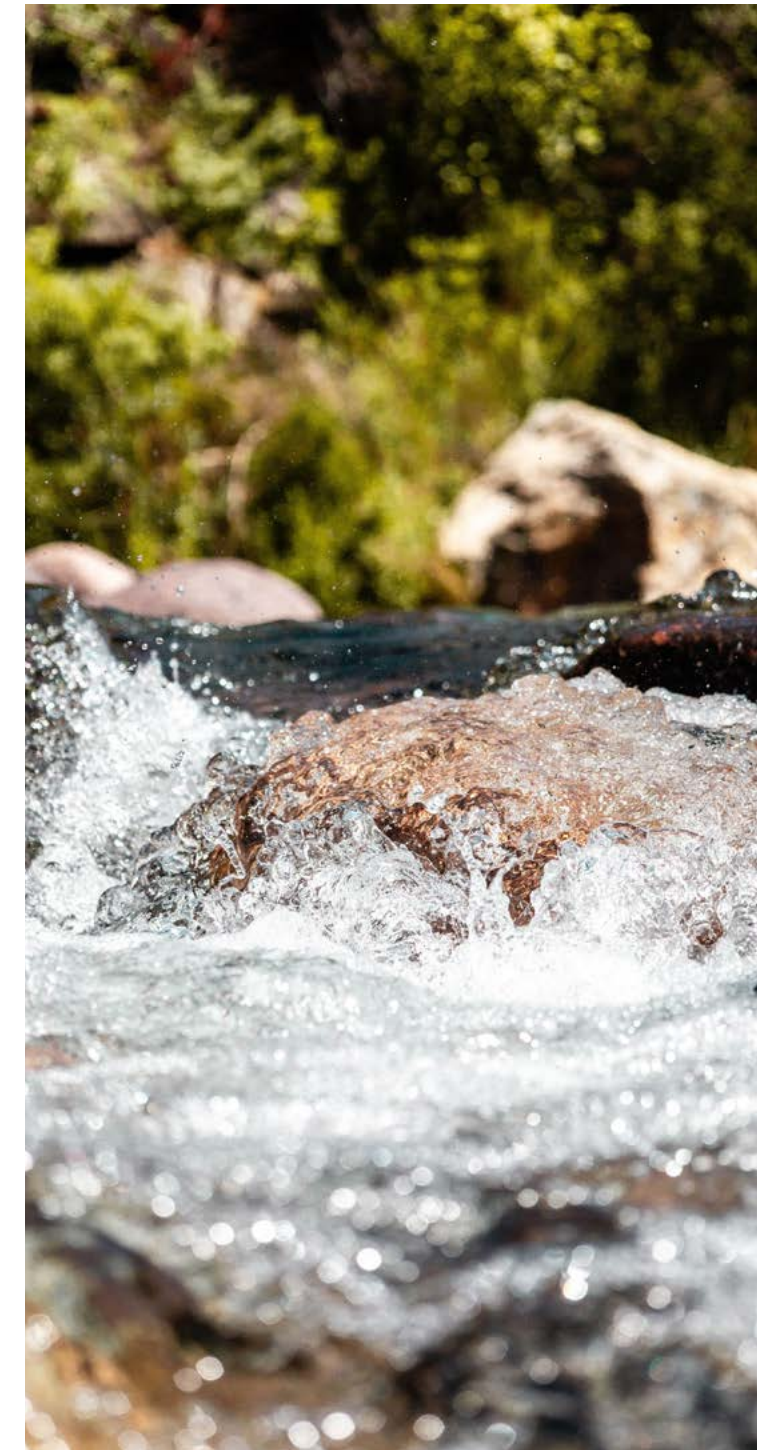
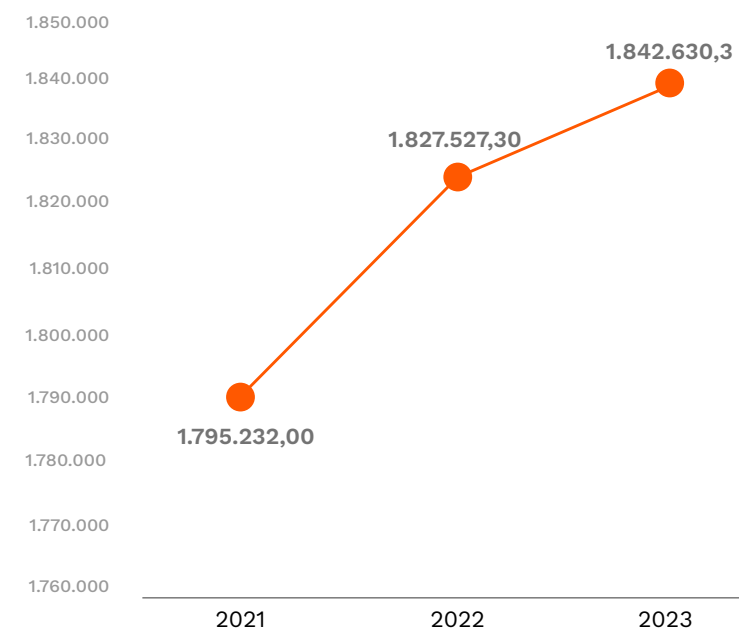
Water is one of the most critical resources in our productive process. We are committed to treating the water we use, returning it to the environment with the quality required by the regulations in the countries where we operate. Three of our five subsidiaries do not discharge water, instead using the resource consciously and making the most of its use.

The determining criteria for the discharge of effluents are stipulated by national regulations required of our various subsidiaries. In this respect, in 2023 our total water discharge was 1.842.630,3 m³.

Effluents

	Molynor	Molymet Belgium	Molymet Germany	Total
Surface water	0	1.656.653,0	4.970,0	1.661.623,0
Underground water	0	589,0	0	589,0
Seawater	126.347,3	0,0	0	126.347,3
Third-party water	0	53.381,0	690,0	54.071,0
Third-party water transferred to other uses	0	0,0	0	0,0
Total	126.347,3	1.710.623,0	5.660,0	1.842.630,3

Water discharge in m³/year



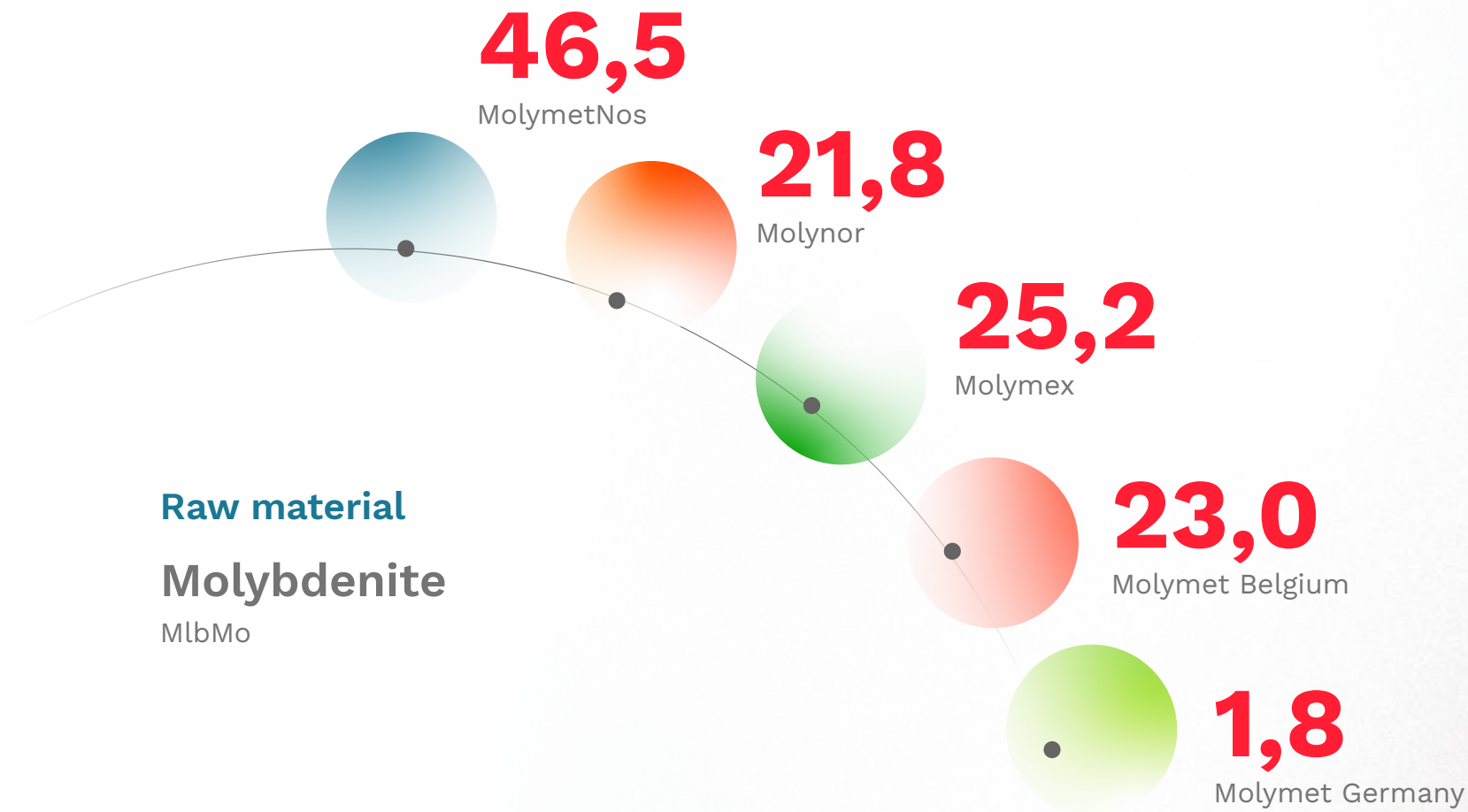
Responsible management of materials and waste

GRI 301-1

Our process comprises adding value to concentrated molybdenum*, molybdenite, which is the main raw material and first link in our process chain. These minerals are converted into products and sub-products, mainly used in metallurgical, chemical and metals industries.

At the end of the process, our aim is to deliver high quality products that meet the highest sustainability standards and parameters. To this end, we seek to minimize the generation of waste and increase its valorization.

*A byproduct of copper mining



Waste

GRI 301-1, 301,2- 301-3, 306-1, 306-2, 306-3, 306-4, 306-5

We have set ourselves the goal of reducing the volume of our solid waste disposal through the introduction of good practices aimed at preventing its generation or increasing its recovery. This is why, at all our subsidiaries, we promote meeting the goals in place for reduction and recovery of our waste by 2030. This is achieved through different actions and activities aimed at recycling and/or reusing the inputs or waste involved in our processes.

During 2023, we continued to move forward with implementation of our Zero Solid Industrial Waste Rises Plan at MolymetNos. This seeks to reduce the amount of solid waste sent to final disposal, while also aiming to innovate our current waste management.

16,3%
valorized waste

132.520
Ton waste generated

Waste generated by Ton



	Hazardous waste	Non-hazardous waste	Total
MolymetNos	2.237,60	107.667,30	109.904,90
Molynor	93,30	735,80	829,16
Molymex	8,50	21,10	29,61
Molymet Belgium	1.800,00	19.888,00	21.688,00
Molymet Germany	8,50	60,10	68,57

Waste by disposal or treatment method by Ton

	MolymetNos	Molynor	Molymex	Molymet Belgium	Molymet Germany	TOTAL
Waste disposed of						
Authorized landfills	109.128,10	592,00	1,90	1.390,00	11,43	111.123,50
Waste not disposed of, valorized waste						
Recuperation	-	2,00	-	1.199,00	-	1.201,00
Treatment	-	122,00	-	0,60	-	122,60
Reutilization	-	-	0,49	339,00	45,06	384,60
Recycling	533,70	113,00	19,10	79,00	12,08	756,90
Compost	184,00	-	1,60	-	-	185,80
Energy valorized	59,00	-	6,50	118,00	-	183,40
Secondary raw material	-	-	-	18.563,00	-	18.563,00
Total	109.905,00	829,00	29,60	21.688,00	68,57	132.520,00



Management of significant impact of materials and waste

Molynor

We implement operational efficiency through LEAN methodology where we manage deviations and optimize processes to minimize waste generation and prevent possible environmental incidents. Currently at Molynor, integral waste management is carried out by an external company, who undertake internal collection, separation, storage and transport to final disposal with recipients authorized by the MINSAL.

In addition, we have established procedures for the proper management of waste.

Several initiatives around the circular economy include the sale of ferrous chloride; weak acid; and the recovery of molybdenite from big bags. In addition, the recycling of big bags is carried out within the framework of the containers and Packaging management system of the REP Law.

We are proud to report that we exceeded the legal collection and recycling goals, managing to recover 100% of these materials

MolymetNos

We have implemented circular measures to reduce the generation of some waste:

Examples:

- FeMo slag is reprocessed to extract the maximum product content in order to dispose less than the amount generated.
- The trimmings and scrap generated during plant maintenance or construction projects are reused in the copper cementing plant or recovered by authorized suppliers.

In addition, we have carried out several initiatives to reduce waste generation in our processes – for example, Recuperation of NH₃ with OM Pulp; reducing NH₃ consumption at the concentrate conditioning plant, ACC; and reducing stock at the FeMo plant. During 2023, we carried out a comprehensive analysis aimed at identifying new uses for our industrial waste, with the aim of recovering them in various industries.

We have optimized our processes in order to reduce generation of hazardous waste as much as possible. In addition, we implemented improvements enabling recovery of this waste by other entities.

In order to ensure a variety of options in the face of possible contingencies, we have explored new supplier alliances, always in accordance with the principles of Corporate Social Responsibility.

We have a solid hazardous waste management plan and have defined procedures for the proper management of non-hazardous waste. This comprehensive approach underpins our commitment to sustainable and environmentally responsible practices.

Molymex

As a preventive measure specific to organizational activity, part of our value chain incorporates environmental programs for the management of potential impacts and good management of hazardous and non-hazardous waste.

In addition, we pay careful attention to ensuring that our products have the right packaging to mitigate waste generation and ensure material integrity.

Molymet Belgium

To manage our significant impacts, we have implemented measures like the reuse of products discarded by other companies. An example is how Ferromolybdenum is used for the production of concrete.

Additionally, with the aim of promoting the circular economy, we encourage the recycling of wooden pallets and reuse paper, plastic and scrap metal, among other waste. This is achieved through the participation of third parties who help us recycle our waste

Molymet Germany

We reuse product packaging material by asking our suppliers to match the packaging of the raw material with the packaging needs of the outgoing product.

We also clean and inspect drums and maxisacs before they are delivered to customers. These process materials are then reused internally to minimize waste generation in the value chain.

Finally, we do a selective collection of polymer, paper, cardboard, glass and plastic in accordance with the EU Commercial Waste Ordinance and circular economy legislation

Biodiversity

GRI 304-1, 304-2, 304-3, 304-4

In accordance with our Corporate Policy of Management and Prevention of Environmental Incidents we are committed to taking all necessary actions to prevent, control, mitigate and compensate for the environmental impacts of our production activities which affect the Biodiversity around us.



Main Biodiversity Actions

- The Real Right of Conservation of 123 hectares in the Nos community** has formalized our efforts to conserve the environmental and ecological heritage and create a green belt within the San Bernardo urban area surrounding our corporate building and the MolymetNos operational complex. In the area, we cultivate organic walnuts which not only provides employment for local people but also improves soil quality and facilitates the proliferation of species beneficial for pest control and CO₂ capture.
- To conserve this area of land and its exclusive agricultural use, an investment of US\$ 720,000,00 was made.** The conservation obligations were established by a public deed -a binding and enforceable document for compliance by MolymetNos-. In addition, the company must give its consent in the event that any modifications are considered. In 2023 the Real Right remained in force and to date no new conservation projects have been developed.
- We collaborate extensively with the Foundation for the Sustainability of the Little Tern, Gaviotín Chico,** in the Mejillones area. We provide resources and take specific actions to protect and preserve this migratory bird. As founding partners of the foundation and part of the Board of Directors, we oversee the Foundation's environmental commitments which are focused on meeting Environmental Qualification Resolutions, RCA, directly related to the protection of the *Gaviotín Chico*.
- The Foundation has committed to obtaining and managing at least six stable nesting sites of the Gaviotín Chico in the II Region of Antofagasta.** Over a period of five years, exclusively dedicated to the conservation of this species. Two of these areas are governed by the figure of Free Concession for Conservation Purposes, known as Pampa Gaviotín 1 and Pampa Gaviotín 2. These concessions were granted by the Ministry of National Assets on October 18 and December 29, 2016, respectively.
- The Least Tern Conservation Foundation is responsible for managing,** according to environmental commitments, six nesting sites, of which two are authorized and four are pending approval by the National Assets authority. These six sites cover a total of 3,561.7 hectares of protected areas.
- It is important to mention that two of these protected areas are near Molynor, with a total area of 2,026.9 hectares of protected areas.** During the year 2023, we have invested US\$ 31,145 in the conservation of this species through contributions and efforts with the Least Tern Sustainability Foundation, of which we are founding members and part of the Board of Directors. The activities of the companies involved in the Foundation are focused on fulfilling the commitments established in the RCA, directly related to the protection of the Least Tern.

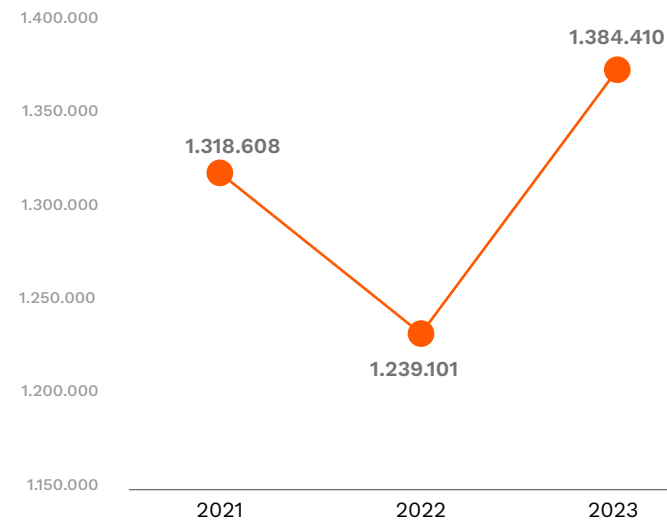


Commitment to conserving Biodiversity and non-deforestation

Molymet's commitment to conserving biodiversity is reflected in the continued identification of risks associated with our operations. We also guarantee the implementation of mitigation hierarchy as a management framework around biodiversity believing that prevention is best. Similarly, we are committed to non-deforestation and compliance with forest regulations in our operations.

Protected Zones

Evolution of investment in green areas in US\$



39,37
Hectares
Green areas

4,8
Hectares
Reforestation

1.384.410
Green Area
Investment
in US\$

1
Hectares
Restored with
native species

	●	●	●	●
Molymet	5	-	249.615	-
MolymetNos	7,4	-	901.091	-
Molynor*	0,075	-	65.414	-
Molymex	18,8	2	168.290	1
Molymet Belgium	6,2	2,8	-	-
Molymet Germany	1,9	-	-	-

* Molynor is located in the Atacama desert, known as one of the most arid in the world.



Non-molybdenum Subsidiaries

Together we are a great team.

At Molymet we have two subsidiaries not linked to molybdenum production but which have a positive impact on the sustainability of the planet.

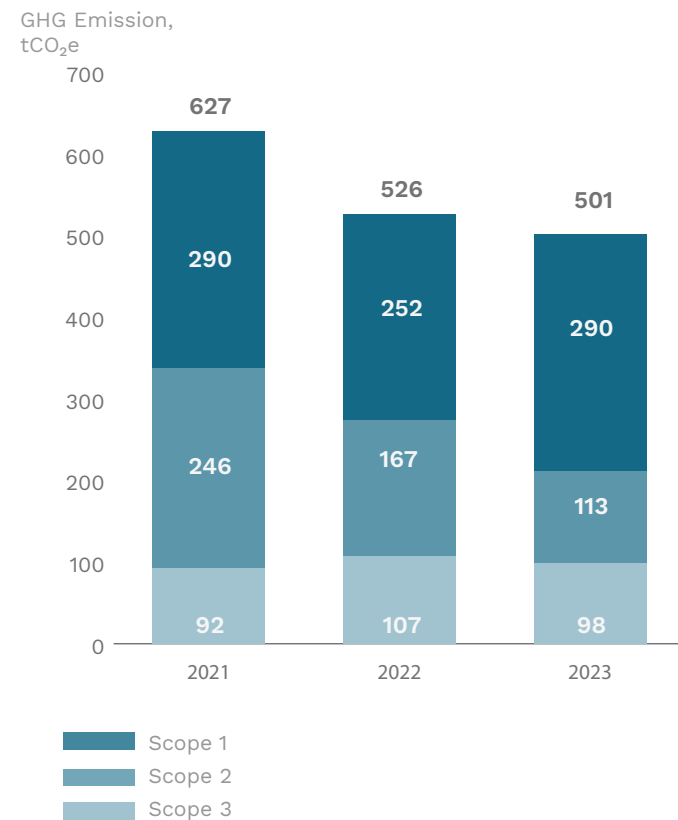
Inmobiliaria San Bernardo S.A

At Molymet we have two subsidiaries not linked to molybdenum production but which have a positive impact on the sustainability of the planet. One of them is Inmobiliaria San Bernardo S.A., ISBSA, an outstanding agricultural company specializing in the production, processing and exportation of organic walnuts which are marketed under the brand Geonuts, and distributed to various countries around the world.

These walnuts are grown on 123 hectares which have been exclusively dedicated to organic cultivation since 2012. Located in San Bernardo in the Metropolitan Region, this land around the MolymetNos industrial plant forms a biodiverse and organic corridor which not only acts as a green lung but also helps to mitigate the effects of industrial activity.

Evolution of tons of CO₂e emitted over the last three years

ISBSA Carbon Footprint



Note: Molymet did a recalculation for 2021 and 2022 to conform to GHG Protocol criteria.

Highlighted Figures

Working together with MolymetNos, ISBSA has implemented projects aimed at establishing organic vegetable gardens for families and communities. These have improved access to irrigation water in some of the areas through funded collaboration. Detailed information on investment in these communities is available in the relevant section of our subsidiary Molymet's Community Investment Report.

25 Employees	36% % women employed	3,4 Training hours per employee	7 Water intensity m ³ /ha	100% Organic Management
149 Own walnuts, ton	41% New suppliers evaluated against social criteria	5,97 Staff turnover	10,8 Energy intensity, GJ/ton walnuts	137 Third-party walnuts, ton
123 Planted hectares	240 Employee hours spent on community support	12 Unionized employees	501 Carbon footprint tCO ₂ e	90% Compost

Carbomet Energía S.A.

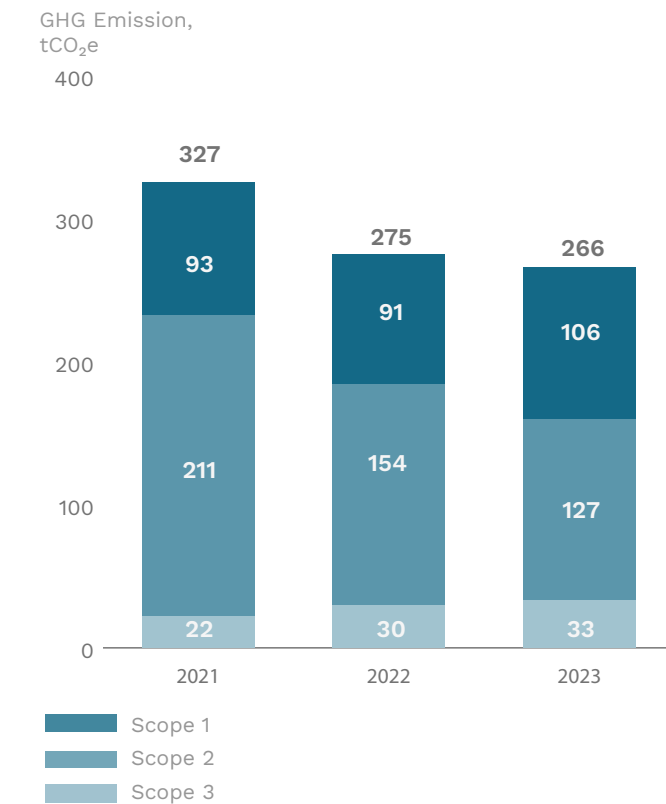
Carbomet Energía S.A., CESA, is our other subsidiary not linked to molybdenum production. Its focus is on providing renewable energy to the city of Santiago. This is undertaken through two hydro electrical power stations located on the northern bank of the Maipo river.

To distribute this energy, we connect to the National Electricity System, SEN, through the distribution network of the Puente Alto Electric Company, EEPA, and the General Electricity Company, CGE, using the modality of Small Distributed Generation Medium, PMGD.

CESA has non-constitutive water rights and water is returned to the pipeline once used in the turbines.

Evolution of tons of CO₂e emitted over the last three years

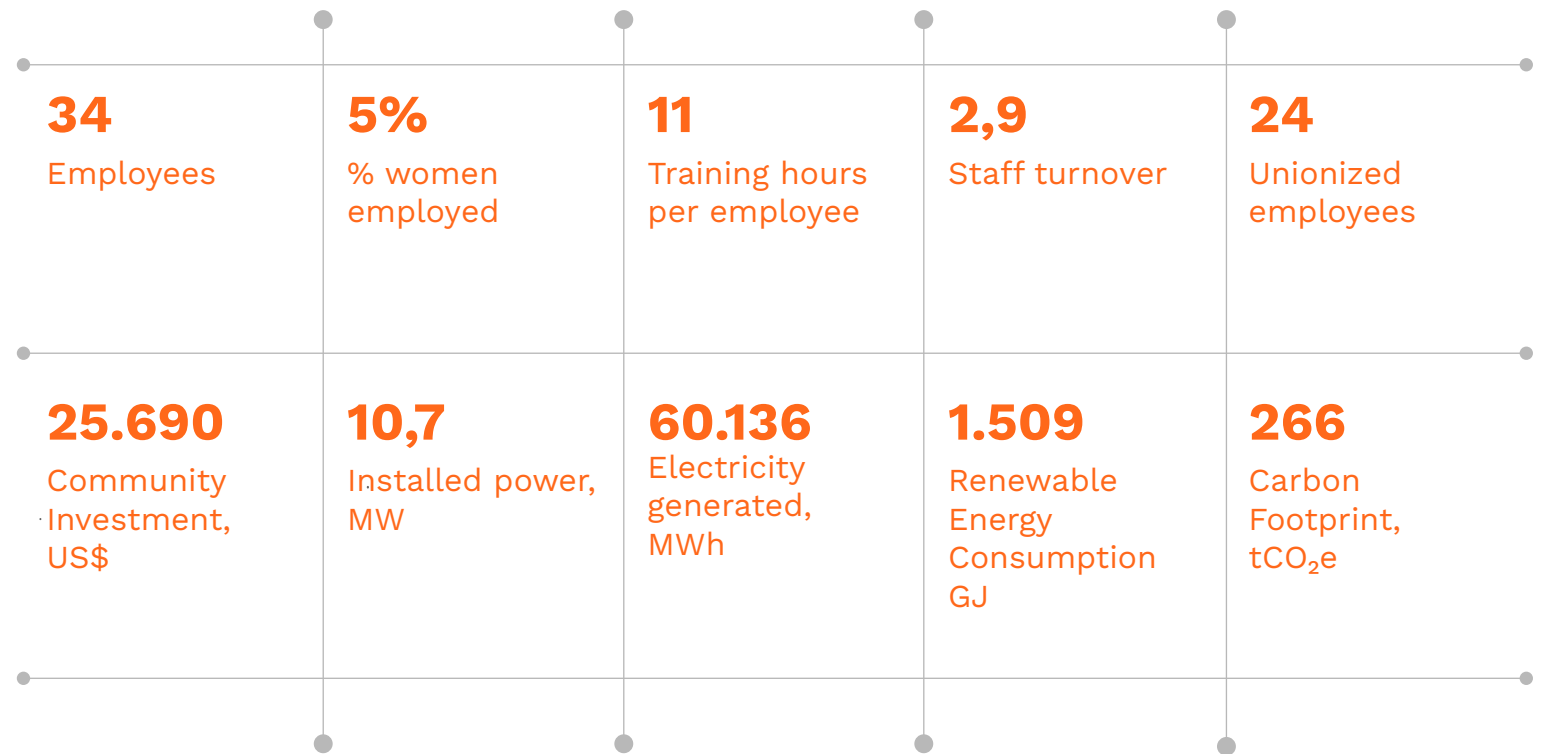
CESA carbon footprint



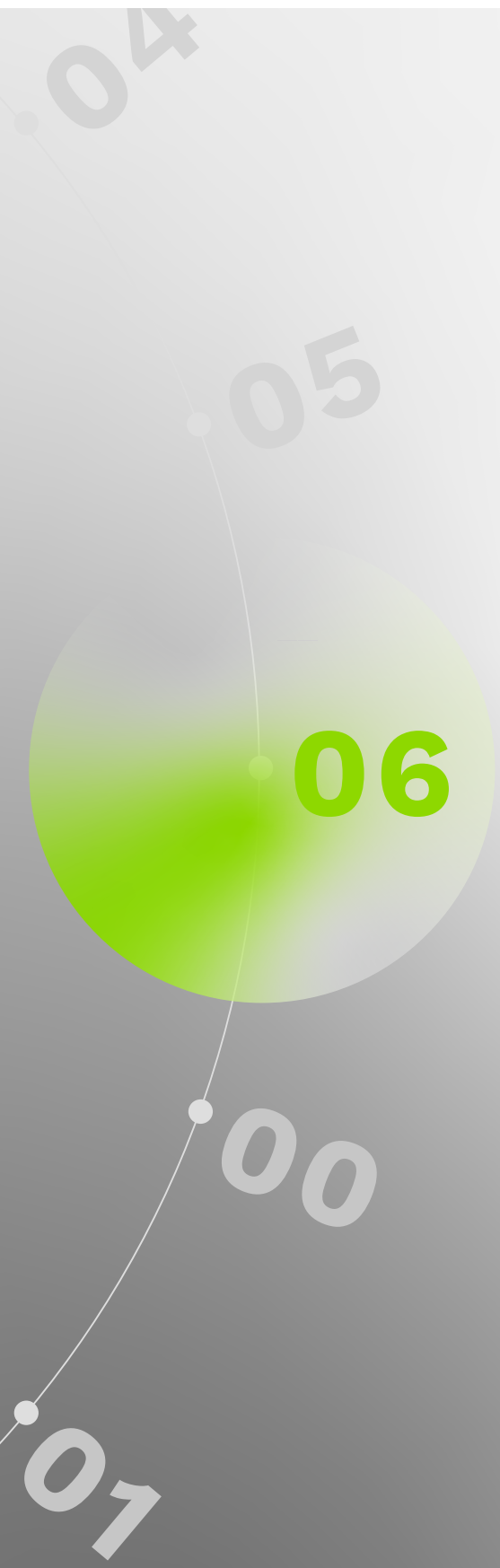
Note: Molymet made a recalculation for 2021 and 2022 to conform to GHG Protocol criteria.

It is highlighted that our emissions are 266 tCO₂e. Since CESA is a renewable energy source, it helps to avoid the emission of 10,540* tCO₂e compared to generating the same electricity with non-renewable sources.

Highlighted figures



*This value was determined based on the electricity generated, without compensation, in MWh by the average factor of the national electrical system network, SEN.



General information

We make it possible.

The work involved in preparing this report was based on a double materiality exercise: a concept which takes into account both the impact materiality as well as financial materiality.



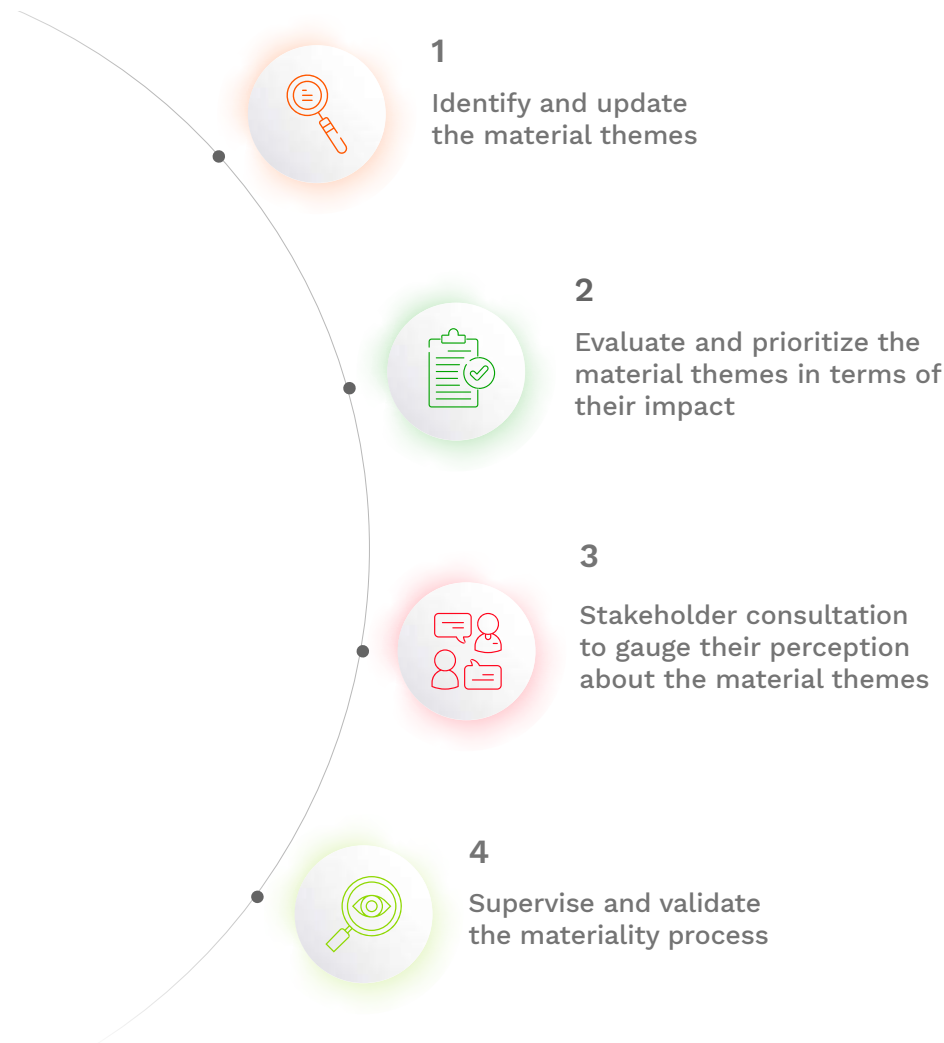
Materiality Analysis

GRI 3-1, 3-2, 3-3

The work involved in preparing this report was based on a double materiality exercise: a concept which takes into account both the impact materiality as well as financial materiality. This process was undertaken by a third party who completed the different steps entailed by this methodology:

The exercise included interviews with our main stakeholders, employee surveys, review of internal documents, organizational risks, industry benchmarking and key global standards.

For the period under review, 16 material themes emerged. These were grouped according to dimension and their level of impact, following double materiality criteria.



Materiality Matrix



Material themes

- | | |
|---------------------------------------|---|
| 1. Employee relations | 9. Corporate Talent and Purpose |
| 2. Comprehensive people care | 10. Human rights |
| 3. Climate change | 11. Sustainable supply chain |
| 4. Ethical and transparent management | 12. Responsible Management of materials and waste |
| 5. Risk management | 13. Community Engagement and Social Management |
| 6. Water management | 14. Other emissions |
| 7. Innovation | 15. Diversity, Equity & Inclusion |
| 8. Energy management | 16. Business development and diversification |

GRI Indicator Index

Molymet has presented the information cited in this GRI content index for the period 1 January to 31 December 2023 using the GRI standards of the 2021 version as a reference.

<ul style="list-style-type: none"> GRI 2: General Contents 2-2 Entities included in the presentation of sustainability reports 61 2-3 Reporting period, frequency and contact points 17, 41 2-4 Updating of information 61 2-5 External verification 5, 14-17 2-22 Statement about the Sustainable Development Strategy 5 2-23 Commitments and policies 5 2-24 Introduction date of commitments and policies 27 2-30 Collective Bargaining Agreements 59 GRI 3: Material themes 3-1 Process of determining material themes 59 3-2 List of material themes 59 3-3 Management of material themes 59 GRI 201: Economic performance 201-1 Economic value directly generated and distributed 22 201-2 Financial implications and other risks and opportunities related to Climate Change 40 203-1 Investment in infrastructure and support services 32 GRI 301: Materials 301-1 Materials used by weight and volume 48, 49 301-2 Recycled supplies used 49 301-3 Products and material from recovered packaging 49 GRI 302: Energy 302-1 Energy consumption within the organization 45 302-2 Energy consumption outside the organization 45 302-3 Energy Intensity 45 302-4 Reduction of energy consumption 45 	<ul style="list-style-type: none"> GRI 303: Water and effluents 303-1 Interaction with water as a shared resource 46 303-2 Management of impacts related to water effluents 46, 47 303-3 Water extraction 46, 47 303-4 Water effluents 46, 47 303-5 Water consumption 46, 47 GRI 304: Biodiversity 304-1 Operational sites on property, leased or managed within protected areas or zones of great value biodiversity value located outside of protected areas 51 304-2 Significant impacts of activities, products and services on biodiversity 51 304-3 Protected or restored habitats 51 304-4 Species on the IUCN Red List of threatened Species and national conservation lists of those whose habitats are by operations 51 GRI 305: Emissions 305-1 Direct GHG emissions, scope 1 41 305-2 Indirect GHG emissions associated with energy, scope 2 41 305-3 Other indirect GHG emissions, scope 3 41 305-5 Reduction of GHG emissions 41 305-7 Nitrogen oxides, NOx, sulfur oxides, SOx, and other significant air emissions 44 GRI 306: Waste 306-1 Management of waste and other significant impact related to waste 49 306-2 Management of significant impacts related to waste 49 306-3 Waste generated 49 306-4 Waste not disposed of 49 306-5 Waste disposed of 49 	<ul style="list-style-type: none"> GRI 308: Environmental assessment of suppliers 308-1 New suppliers that have passed selection filters according to environmental criteria 36 308-2 Negative environmental impacts in the supply chain and measures taken. 36 GRI 403: Health and Safety at work 403-4 Participation of workers, consultation and communication about health and safety in the workplace 29 403-5 Training of workers about health and safety in the workplace 29 403-6 Promotion of health to workers 29 403-8 Coverage of the health and safety management system at work 29 403-9 Injuries due to work accidents 29 403-10 Work-related disease and illness 29 GRI 404: Training and education GRI 413: Local communities 413-1 Operations with programs in place for local community participation; impact evaluation and development 32 413-2 Operations with significant impact – real and potential - on local communities 32 GRI 414: Social evaluation of suppliers 414-1 New suppliers who have gone through selection filters in accordance with social criteria 36 414-2 Negative social impacts in the supply chain and measures taken 36
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Sustainable Molymet 2023

GRI 2-2, 2-3, 2-5

This report collates non-financial information corresponding to the period 1 January to 31 December 2023, reflecting management by both Molymet Corporate and all our subsidiaries

In carrying this out, we used as reference the latest, 2021, version of the GRI Standards, and General Standard N° 461.

This report was not subject to external verification.

This report has been reviewed and supervised by the CEO and was approved at an Ordinary Shareholders' Meeting.

If you have any suggestions, questions or comments about this Sustainability Report, please contact us directly at Sustainability.Corporate@molymet.cl.

Annexures

Organizational Carbon Footprint in accordance with GHG Protocol categories

Category	Unit	2021	2022	2023
Carbon Footprint, market method	tCO ₂ e	397.020	308.153	294.191
Carbon Footprint, location method	tCO ₂ e	394.715	307.248	307.452
Scope 1	tCO ₂ e	35.428	30.056	31.463
1.1 Combustion – fixed sources	tCO ₂ e	33.927	28.549	30.344
1.2 Combustion – mobile sources	tCO ₂ e	785	750	717
1.3 Industrial processes	tCO ₂ e	0	0	0
1.4 Fugitive emissions	tCO ₂ e	716	758	402
1.5 Land use, change of land and forest use	tCO ₂ e	n/a	n/a	n/a
Scope 2, market method	tCO ₂ e	35.605	24.684	9.255
2.1m Electric consumption, market method	tCO ₂ e	35.605	24.684	9.255
2.1u Electric consumption, location method	tCO ₂ e	33.299	23.779	22.517
2.2-4 Consumption of other energy types	tCO ₂ e	n/a	n/a	n/a
Scope 3	tCO ₂ e	325.987	253.413	253.472
3.1 Procured supplies and services	tCO ₂ e	273.787	210.589	209.974
3.1.1 Molybdenum sources	tCO ₂ e	166.328	121.893	120.128
3.1.2 Ferro silicon	tCO ₂ e	51.618	44.182	40.430
3.1.3 Gases, solvents, chemicals, packaging and containers etc	tCO ₂ e	49.136	39.438	44.758
3.2 Capital goods	tCO ₂ e	n/r	n/r	n/r
3.3 Other energy not included in scope 1 & 2	tCO ₂ e	6.384	5.239	5.408
3.4 Transport - upstream sources	tCO ₂ e	42.083	33.478	33.217
3.4.1 Contracted delivery transport	tCO ₂ e	19.062	15.158	13.392
3.4.2 Contracted despatch transport	tCO ₂ e	23.021	18.320	19.825
3.5 Operational waste generated	tCO ₂ e	1.837	1.464	1.803
3.6 Business travel	tCO ₂ e	76	739	1.152
3.7 Employee transport	tCO ₂ e	1.820	1.904	1.918
3.8 Leased upstream assets	tCO ₂ e	n/a	n/a	n/a
3.9 Transport – downstream sources	tCO ₂ e	n/a	n/a	n/a
3.10 Processing of commercial products	tCO ₂ e	exc	exc	exc
3.11 Use of commercial products	tCO ₂ e	n/a	n/a	n/a
3.12 End-of-life products sold	tCO ₂ e	n/a	n/a	n/a
3.13 Leased downstream assets	tCO ₂ e	n/a	n/a	n/a
3.14 Franchises	tCO ₂ e	n/a	n/a	n/a
3.15 Investments	tCO ₂ e	n/a	n/a	n/a
Information items				
Biogenic combustion	tCO ₂ e	n/a	n/a	n/a
Other gases not included in the Kyoto Protocol	tCO ₂ e	148	121	139





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Exhibit ESG Document



01

Governance & Economic Dimension

1.2 Corporate Governance

1.2.2 Board Type

1.2.3 Non-Executive Chairperson/ Lead Director

1.2.7 Average Tenure

5.1
years

	Eduardo Guilisasti Gana (Chair)	Karlheinz Wex	Raúl Álamos Letelier	César Amadori Gundelach	Juan Benavides Feliú	Luis Felipe Cerón Cerón	Karen Ergas Segal	Juan Manuel Gutiérrez Philippi	Ulrich Lausecker	Enrique Ostalé Cambiaso
1.- The director must not have been employed by the company in an executive capacity within the last year.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.- The director must not accept or have a “Family Member who accepts any payments from the company or any parent or subsidiary of the company in excess of \$60,000 during the current fiscal year”, other than those permitted by SEC Rule 4200 Definitions, including i) payments arising solely from investments in the company’s securities; or ii) payments under non-discretionary charitable contribution matching programs. Payments that do not meet these two criteria are disallowed.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.- The director must not be a “Family Member of an individual who is [...] employed by the company or by any parent or subsidiary of the company as an executive officer.”	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.- The director must not be (and must not be affiliated with a company that is) an adviser or consultant to the company or a member of the company’s senior management.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5.- The director must not be affiliated with a significant customer or supplier of the company.	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
6.- The director must have no personal services contract(s) with the company or be a member of the company’s senior management.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7.- The director must not be affiliated with a not-for-profit entity that receives significant contributions from the company.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8.- The director must not have been a partner or employee of the company’s outside auditor during the past year.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9.- The director must not have any other conflict of interest that the board itself determines to mean they cannot be considered independent.	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes

	Director since	Years at the Board
César Amadori Gundelach	2024	0
Enrique Ostalé Cambiaso	2024	0
Juan Benavides Feliú	2024	0
Karen Ergas Segal	2023	1
Ulrich Lausecker	2023	1
Juan Manuel Gutiérrez Philippi	2019	5
Karlheinz Wex	2018	6
Luis Felipe Cerón Cerón	2018	6
Eduardo Guilisasti Gana	2011	13
Raúl Álamos Letelier	2005	19

1.3 Materiality

1.3.2 Material Issues for Enterprise Value Creation

Our materiality is reviewed at least once a year, in order to keep our priorities aligned with our risks and opportunities. The 2023 exercise was conducted by a third party, and it involved our external stakeholders: customers, suppliers and communities. This process was integrated with the corporate risk management process and was finally approved by Senior Management.



Employee relations

Business Case

Talent management is strategic for our company because people are the engine that drives the organization, which translates into permanent joint work, with commitments, goals, initiatives and activities to promote the active participation of all parties and strengthen long-term relationships. To attract and retain the best talent, we must offer flexible compensation and benefits programs that promote employee satisfaction and loyalty, low turnover and high productivity. As a company, we must be able to adapt to the new needs and expectations that both our current and future employees will have.

Business Impact

Risk

Business strategy

Since 2021, we launched a new Talent Management Strategy, which combines global trends to address challenges around sustainable leadership. This strategy is aligned with the company’s purpose and global strategy, and includes aspects raised directly with employees, such as interests related to personal/workplace well-being, development opportunities, training and learning, environmental care, diversity and digitalization. These, and other aspects, are worked on within the Strategy, which has the ultimate goal of addressing the needs and interests of the company’s employees and stakeholders in a timely, effective and consistent manner.

In 2023 we implemented our “Purposeful Leadership” workshops. This initiative is centered around inculcating the attributes of our Molymet leader profile. In a similar vein, we have implemented “People Management” workshop at Corporate level with emphasis on sharing knowledge about the administration and management of people for those in leadership roles.

Target/Metric

- By 2030 exceed the Labor Relations Index industry average by 10 points based on 2021 (reaching 72.2)
- By 2030, improve training hours per employee by 15%, based on 2020 (reaching 42 hours).

Progress

In relation to the labor relations index commitment, our last measurement reflected a result of 62.7 points, compared to the established target of 72.2 for the year 2030. Regarding the commitment to increase training hours per employee by 15% by 2030, in 2023 we reached an average of 40 hours per employee, which represents an increase of 37.93% compared to the previous period.

Executive Compensation

Molymet executives have 3 types of annual incentives, which include Compliance Indicators, Individual Performance and Delivery of the Strategic Agenda. This last aspect considers issues related to ESG. Within the KPIs, compliance with the goals established in the 2030 Sustainability Agenda is evaluated in relation to increasing the Labor Relations Index and implementing the labor relations plan to improve this index. This metric is applicable to all Molymet executives and represents 5% of the total.



Climate change

Business Case

We are aware of climate change, the associated impacts we may generate and those we may experience, including operational interruptions and changes in demand or market preferences. Therefore, as a responsible company, we have defined a commitment to reduce our CO₂ equivalent emissions, without considering offsetting, only reduction. This commitment was consolidated with the publication in 2022 of our Corporate Climate Change Policy, a document that establishes guidelines for managing the impacts of our activities as we seek to minimize risks and take advantage of opportunities for sustainable development.

In addition, the company currently maintains a certified Environmental Management System in all its subsidiaries, based on the ISO 14001:2015 international standard, which establishes the basis for continuous improvement and maintains a risk-based approach. The environmental management of the company's emissions and water intensity is strategic, as it enables adequate operational performance and the maintenance of its long-term social and environmental licenses. For this reason, we have set specific targets and published cross-cutting objectives reflected in the Sustainability Agenda 2030.

Since 2018, Molymet has contributed to the construction of the International Molybdenum Association's (IMOA) "Molybdenum Life Cycle Assessment" database. This data will be published by the end of 2024, and we expect to consolidate our leadership in this area. In 2023, we quantified and verified, through an independent third party, our consolidated carbon footprint, covering scopes 1, 2 and 3.

Business Impact

Risk

Business strategy

The main climate change risks we have identified are related to a possible drought and an eventual regulatory change, which could lead to interruptions of some production processes. To manage this, we are developing long-term plans based on the targets defined for water intensity and carbon footprint in our 2030 Sustainability Agenda. We also have short-term action plans that ensure operational continuity and we are investing in the use of energy sources that generate less Greenhouse Gases.

We have several key projects to mitigate climate change, the most noteworthy being: fuel substitution at Molymex, the installation of photovoltaic systems at our subsidiaries - Corporate Building, R&D Building, Molynor and Molymet Belgium - as well as the implementation of a windmill at Molymet Belgium. In addition, we have acquired 100% of our electricity from renewable sources and made investments in energy efficiency.

In the coming year, we will focus on identifying new risks and opportunities in this area, while we advance in the implementation of the energy matrix change project in MolymetNos and Molynor, which will allow a transition to more sustainable energy sources.

Target/Metric

- By 2030, reduce greenhouse gas emissions by 20%, applying carbon footprint measurement methodology with scope 1 and 2, based on 2020
- By 2030 increase water reuse to 64%, based on 2020.
- By 2030 reduce water intensity by 10%, based on 2020.
- By 2030, increase net renewable electricity consumption to 60%, based on 2020.
- By 2030, increase the recovery of our waste to 40%, based on 2020.

Note: The targets for these objectives will be updated during 2024.

Progress

Regarding our commitment to reduce greenhouse gas emissions by 20%, we met the established target. Regarding our commitment to increase water reuse to 64% by 2030, we achieved significant progress compared to the previous year, increasing reuse to 61%. Regarding net energy consumption, our goal is to increase the use of renewable electricity to 60% by 2030, and we have achieved 84%, meeting the established target.

Executive Compensation

Molymet executives have 3 types of annual incentives, which include Compliance Indicators, Individual Performance and Delivery of the Strategic Agenda. This last aspect considers issues related to ESG. Within the KPIs, compliance with the goals established in the 2030 Sustainability Agenda in relation to climate change (water intensity, reuse, reduction of CO₂ emissions and increase in renewable energy) is evaluated. This metric is applicable to all Molymet executives and represents 5% of the total.



Innovation

Business Case

We believe in transformation, giving ongoing attention to innovation and reviewing the latest technologies as we aim for major change, new products and continuous improvement. Researching and developing new solutions is essential for the future of our industry, therefore research, development and innovation are essential pillars of our Strategic Agenda. As a key tool in company growth, they underpin our 2030 Sustainability Agenda commitments. By 2030, we are committed to increasing resources to innovate in all aspects of the business, promoting initiatives in different areas and developing new lines of business.

Business Impact

Revenue

Business strategy

We have an Intellectual Property Policy to protect the knowledge generated across the company, alongside an Investment in Diversification Policy to evaluate innovation-related business opportunities. Our Innovation Committee fosters an innovative culture at all levels. MolyMet features modern facilities and an R&D&I Division staffed by dedicated professionals working on projects in circular economy, water efficiency, and new processes and products. In 2023, we initiated 9 projects reflecting significant advancements in innovation. Collaborating with R&D and Operational Excellence Management, we designed a system for ammonia reuse to reduce gas consumption. Additionally, partnerships between Market Development and R&D Management advanced the creation of rhenium-based catalysts, yielding positive results in joint projects. We invested a total of US\$7.6 million in innovation during this period.

Target/Metric

- By 2030 5% of EBITDA contribution should be due to diversification based on the moving average of the last 5 years.
- By 2030 at least 1% of income to be invested in innovation based on the moving average of the last 5 years.

Progress

During 2023, the percentage allocated to Research and Development was 0.5%. Some of the most important projects include the AutomationLab at Molynor and the Gas Treatment Modernization Plan at MolyMet. The Concentrates Conditioning Modernization Plan was also developed.

In addition, at MolyMetNos, work was carried out on the Zero Rises Challenge initiatives, while at MolyMet Belgium, tests were carried out on a new calcination technology.

In relation to the business diversification goal, during 2023, the development of the rhenium market and diversification into strategic metals, such as lithium, was boosted. According to the commitment for 2030, 5% of the EBITDA contribution must come from diversification. Taking into account the rolling average of the last five years, the 2023 result was 1.10%, an increase of 0.94% compared to the previous period.

Executive Compensation

MolyMet executives have 3 types of annual incentives, which vary according to the percentage of compliance with the Compliance Indicators, Individual Performance and Compliance with the Strategic Agenda. This last item considers ESG issues. The incentivized KPIs are Progress on Agenda 2030 commitment associated with innovation. By 2030, invest in innovation at least 1% of the average mobile revenue of the last five years. This metric is applicable to all company executives and represents 5%.



Community Engagement and Social Management

- **Topic relevance on external stakeholders**
We seek to strengthen engagement with communities by basing our relationships on respect, transparency, dialogue and constant identification of impacts. Molymet strives to be a meaningful player in the community, add value to local development, contribute to the needs of the elderly, employability, education, health, sport amongst others, to boost their development and wellbeing. We constantly monitor our operations and define action plans and goals that go well beyond current regulations with the aim of ensuring full compliance with environmental standards as well as maintaining a trusting relationship with our communities. Therefore, we consider this important topic in our 2030 Sustainability Agenda: By 2030 invest at least 1% of moving net average income in community development projects. In 2023, we continued to implement and monitor our corporate strategy of Social Investment and Community Engagement, with the objective of bringing our Purpose to the surrounding communities. This strategy is based on impact management (mainly environmental), followed by engagement, which is carried out through communication and various instances of interaction. Finally, social investment focuses on supporting initiatives in all areas.
- **Output Metric**
Number of community development projects executed
- **Impact Valuation**
Increase in the community wellbeing & development
- **Impact Metric**
Amount invested in community development



Sustainable supply chain

- **Topic relevance on external stakeholders**
One of Molymet's main challenges is to support our suppliers in the development of sustainable management in their own businesses, so that they are aligned with our purpose. To this end, we have a Corporate Policy for Suppliers and Contractors that seeks to promote and encourage sustainability in our supply chain, as well as a Corporate Human Rights Policy that promotes respect for human rights throughout our value chain, keeping our suppliers informed and sensitized.

We accompany our suppliers, especially small and medium-sized enterprises (SMEs), in the implementation of sustainable management in their businesses. Additionally, we are concerned about promoting responsible procurement in the value chain, for which we are developing a Due Diligence process in the supply chain of molybdenum concentrate, based on the OECD Guide. This process seeks to prevent risks associated with the origin and transit of the mineral, as well as those related to the ethical practices of the supplier.
- **Output Metric**
Total number of suppliers that participated in capacity building programs
- **Impact Valuation**
Access to long-term business relationships with Molymet
- **Impact Metric**
Number of suppliers that have maintained/initiated business relationship after having participated in capacity building programs.

1.4 Risk & Crisis Management

1.4.2 Risk Management Processes



Financial risks

Description

Financial risks include currency risks, exchange rate risks, geopolitical risks and global crises or risks focused on certain industries, which are those that mostly have higher levels of impact and, therefore, have a greater impact on financial decisions within the group.

Apetite

Risk appetite levels are defined particularly by the MolyMet Board of Directors and are periodically updated by analysing the current and future market conditions and trends, the industry, and the country and local risk of all the group's businesses and subsidiaries. For both financial and compliance risks, the accepted risk level is low. To evaluate risk levels (which can go from very low to very high), once the scores for all the risks in each category have been obtained, work is done to average each of the risks in the process in order to determine a weighting for the process in general.

Mitigation actions

As a mitigation action for compliance risks associated with environmental regulations consider that, at an operational or site level, there are contracts with legal suppliers who alert every time there are any new regulations or there are changes in any relevant directive. These legal advisors also alert about future or incoming legislations.



Compliance risks

Description of position / Engagement

Compliance risks, and in particular those associated with environmental regulation, are increasingly demanding due to the nature of the industrial sector in which the company operates and environmental requirements. As a result, their probability of materializing and their impacts at the corporate level may be greater. This includes risks such as environmental legislation, those related to the management and disposal of waste, the management of hazardous and non-hazardous substances, emissions, among others.

Mitigation actions

As a mitigation action for compliance risks associated with environmental regulations consider that, at an operational or site level, there are contracts with legal suppliers who alert every time there are any new regulations or there are changes in any relevant directive. These legal advisors also alert about future or incoming legislations.



1.4.3 Emerging Risks



Geopolitical



Environmental

Copper production subject to escalation or prolongation of geopolitical tensions

Increased awareness and concern among local communities regarding atmospheric emissions from fossil fuels

- **Description**
Molymet sources its molybdenum from copper operations in Chile and around the world. The prolongation of the global economic crisis and the escalation of geopolitical tensions and armed conflicts have impacted global copper demand and production. A further prolongation or escalation of the conflict could impact the company's business model.
- **Impact**
Any disruption in copper production worldwide directly affects the production and supply of molybdenum. Conflicts and their uncertainty affect the supply and production strategies of this metal in the medium term.
- **Mitigation actions**
Molymet is working on projects to diversify the company's supply sources. In addition, it has considered an analysis of the company's production efficiency. In addition, it has signed long-term contracts with various suppliers.

- **Description**
The roasting process is one of the most energy-intensive for Molymet, energy that mostly comes from fossil fuels today. These operations, particularly in the Metropolitan Region of Chile, share the environment with local communities. In the country, environmental awareness and demands by communities and society have been growing, especially after the saturation of slaughter areas in other locations. Although Molymet is governed by the decontamination plans for the city of Santiago and maintains strict environmental and emissions compliance, society's expectations can change quickly, influenced by events elsewhere.
- **Impact**
The social license to operate the various molybdenum plants is essential. The location of the plants also allows for the proper functioning and distribution of the products. Poor community relations or loss of that license could hinder the proper functioning of production and the business.

- **Mitigation actions**
Molymet's 2030 sustainability agenda addresses, among other issues, the impacts of the company's atmospheric emissions at its production sites. Also within the sustainability agenda, work is being done on projects to improve emissions reduction, evaluating the incorporation of a higher percentage of clean energy.



1.5 Business Ethics

1.5.3 Corruption and Bribery

During 2023, Molymet did not make any contributions to political parties, candidates or campaigns. According to local law and the company’s own directives, only the Board can make and approve such a contribution.

During 2023, charitable contributions and sponsorship initiatives accounted for 84,753 USD. This number accounts for all activities, in all subsidiaries.

Guidelines and directives for these kind of contributions are specified in the company’s policies such as the Code of Conduct, the Crime Prevention Policy, the Conflict of interest policy, Support & Donation Policy, as well as other corporate directives and documents.

1.5.4 Codes of Conduct: Systems and procedures

For the purposes of evaluating the performance of Molymet employees in all subsidiaries, attendance and completion of two training courses dedicated to the Crime Prevention Model and the Code of Conduct have a weighting of 0.5% within the evaluation.

The Crime Prevention Model has been certified by an external company since 2014 to date. The subsidiary MolymetNos has recently been certified. During 2024, work is being done to certify the Crime Prevention Model for the subsidiary Molynor S.A. as well.

1.5.5 Reporting on breaches

Reporting areas	Number of breaches in FY 2023
Corruption or Bribery	1
Discrimination or Harassment	3
Customer Privacy Data	0
Conflicts of Interest	2
Money Laundering or Insider trading	0



1.6 Policy Influence

1.6.1 Contributions & Other Spending

USD	FY 2020	FY 2021	FY 2022	FY 2023
Lobbying, interest representation or similar	0	0	0	0
Local, regional or national political campaigns / organizations / candidates	0	0	0	0
Trade associations or tax-exempt groups (e.g. think tanks)	128,309	136,133	215,671	303,828
Other (e.g. spending related to ballot measures or referendums)	0	0	0	0
Total contributions and other spending	128,309	136,133	215,671	303,828
Data coverage	84	84	86.8	100

1.6.2 Largest Contributions & Expenditures

Support for the development of Biotechnology in the Chilean industrial sector

Description of position / Engagement

Chile has an important opportunity for developing biotechnology applications for the industrial development of the country. As Molybdenum is an important mineral which is used in different industrial applications –such as transport, construction, energy, agriculture and even medicine- and being crucial for sustaining life, The Translational Biotechnology Center, part of SOFOFA HUB in which Molymet participates, brings together different actors in the entrepreneurship and innovation ecosystem to promote the application of biotechnology in different sectors of the economy, identifying regulatory barriers, creating information platforms and networks, and installing capabilities, standards, and knowledge of this type of technology in the country.

Total spend in FY 2023:
45,000



Responsible sourcing: Support for the Molybdenum Mark (from Copper Mark)

Description of position / Engagement

The Copper Mark developed its three new metals marks in collaboration with the International Molybdenum Association (IMOA), the Nickel Institute (NI), and the International Zinc Association (IZA) in 2022. 2023 marked the launch of the Molybdenum Mark, the Nickel Mark and the Zinc Mark, which aim to promote sustainable and responsible production and sourcing practices along their corresponding supply chains.. The successful uptake of the Molybdenum Mark by producing sites in the pilot program, saw it converted mid-way through the pilot into Copper Mark’s regular program. To date, 21 producing sites have been awarded the globally accredited Molybdenum Mark.

Total spend in FY 2023:
83,688



Molybmet’s three largest contributions for 2023, consider one important international trade association for Molybdenum, the company’s primary product; a national innovation HUB for one most important industrial trade association in Chile; and a local conservation public-private association.

International Molybdenum Association (IMOA)

Trade Association

Description

The International Molybdenum Association (IMOA) is an organization that brings together the most important agents in the industry, which includes producers, consumers and traders of this mineral. Founded in 1989, its main objective is to promote and defend the use, research and the sustainable development of this product.

Total amount paid in
FY 2023 (USD)
83,688

SOFOFA HUB

Public-private foundation

Description

SOFOFA is the Industrial Trade Association of the Chilean Commerce and Production Chamber. SOFOFA HUB seeks to accelerate collaborative innovation and sustainable development by linking single companies with the national and international innovation and entrepreneurship ecosystem. Molybmet’s Executive President, Edgar Paper, is a member of the Board of Directors of SOFOFA HUB.

Total amount paid in
FY 2023 (USD)
45,000

Foundation for the Sustainability of the Little Tern (FSGCH)

Trade Association

Description

This is a public-private foundation whose objective is the protection of the Little tern - Gaviotín Chico or Chirrió (Sterna lorata) which is in danger of extinction. As energy, mining and port projects in Mejillones are located close to one of the main known nesting areas of the Gaviotín Chico, a possible effect on the area is evident and, based on this, a work plan is formulated, led by the Fundación, to establish a balanced development, and thus protect and preserve the population of the Gaviotín Chico. The Board of Directors is made up of ten members, which are: The Illustrious Municipality of Mejillones and Companies Located in the area such as Mejillones Port Complex, Puerto Angamos, Molynor, Eléctrica Angamos, GNLM, Codelco, Kelar S.A., Minera Centinela and Molyb.

Total amount paid in
FY 2023 (USD)
31,145

1.6.3 Lobbying and Trade Associations - Climate Alignment

Molymet and its subsidiaries take a proactive stance on global warming, strategically aligning ourselves with Chile's and our other jurisdictions commitment under the Paris Agreement. To this end, we have a Corporate Sustainability Strategy and a 2030 Sustainability Agenda with commitments and targets focused on reducing our Scope 1 and 2 emissions by 20%; and moving away from electricity to increase our renewable energy sources by up to 60%. This is in line with the national challenges we have taken on in the transition to a low-carbon economy.

In this sense, we have decided to establish partnerships with important players, demonstrating our intention to strengthen our commitment and align with global best practices by becoming a member of the Global Compact (in 2016). This allows us to collaborate effectively with other players through different working groups.

Molymet is committed to ensuring that the company's trade association memberships on climate change are consistent with the objectives of the Paris Agreement where the aim is promoting concrete actions to combat climate change at national and international levels.



Management System and Governance Framework

Governance is fundamental to meeting our set objectives. To this end, we have implemented a robust governance structure to constantly monitor and track our progress towards our commitments. At Molymet we monitor the company's sustainability issues under the direction of the Chief Executive Officer and the Corporate Sustainability Committee. Strategic and ongoing management of these issues includes membership of commercial associations.

Monitoring and Review of Climate Change Processes

Climate change is led by the Corporate Sustainability and Operational Excellence management, under the Vice Presidency of American Operations Americas. It is in charge of planning, implementation, monitoring and continuous improvement of these issues. We are committed to implementing a monitoring and review process to regularly evaluate whether our membership of commercial associations are in line with the Paris Accord and the Molymet Climate Change Strategy.

Framework for Addressing Misalignment between Trade Association Positions and our Position on Climate Change:

- Make a public statement about our disagreement and distance ourselves when we identify significant misalignment.
- Engage with the relevant trade association, setting clear timelines and expectations for addressing the misalignment.
- Consider withdrawing our membership from the trade association if all efforts to address the misalignment are unsuccessful.

1.7 Supply Chain Management

1.7.2 Supplier ESG Programs

The company Supply Chain Strategy considers ESG programs to take into account. These include four main lines of action that guide the management approach towards the selection and evaluation of suppliers:



ESG program implementation is overseen by the Executive Committee. It is periodically reviewed to ensure its alignment with the Code of Conduct.

Purchasing practices of raw material suppliers are continuously reviewed through Molymet’s certification process for The Molybdenum Markk. As stated by the standard, Molymet has implemented a Supply Chain Due Diligence Management System in accordance with OECD guidelines. This system considers the identification, assessment and establishment of mitigation measures for risks along the value chain that would contravene or get into conflict with any of the policies and codes that apply to suppliers.

For the ESG risks identified, mitigation plans are established and developed jointly with suppliers. These plans include specific actions to be developed by suppliers, as well as mutual collaboration for their implementation.

As part of the Supply Chain Due Diligence Management System, the necessary resources are guaranteed to ensure its effectiveness. This includes the verification of the competencies of the positions related to the process, including positions associated with purchases, which are subject to an Annual Training Needs Determination.



1.7.3 Supplier Screening

For contractors and service providers, social criteria are assessed in the screening process for becoming a Molymet supplier. This process allows us to identify the different risks related to this sector (services) such as illegal activities; non-payment of taxes; non-compliance with labor and social security obligations; hiring of workers in accordance with the labor code; commercial financial conduct; applicable health resolutions; and company registration and administration.

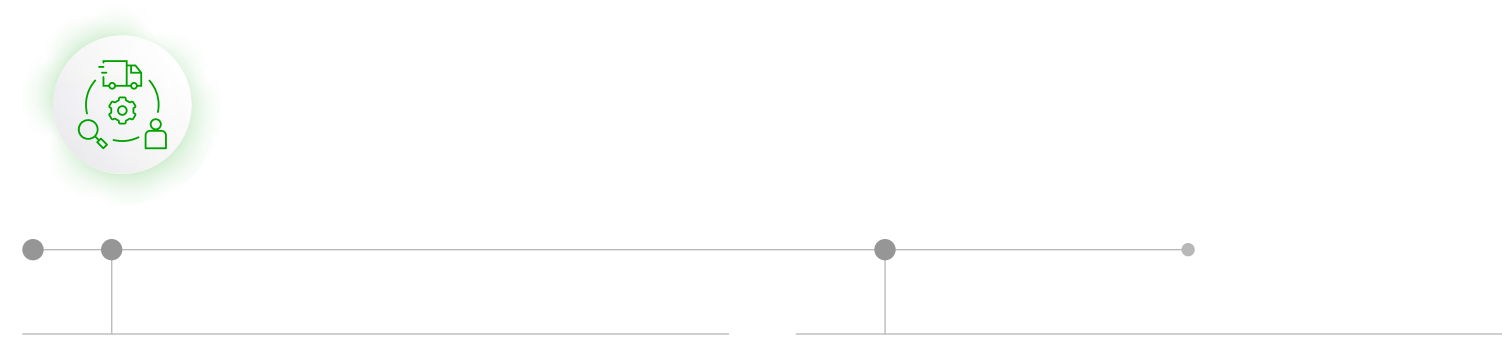
Furthermore, molybdenum concentrate suppliers, as commodities suppliers, are subject to an assessment of the social and governance risk profile of the mineral supply chain, addressing crucial issues such as: country of origin of the minerals; human rights abuses; direct or indirect support to non-state armed groups; risks associated with the hiring of public or private security forces; bribery; money laundering; and non-payment of taxes, duties and royalties owed to governments.

As a result of either analysis, suppliers are prioritized based on expenditure and commercial relevance as well as the risk profile for the business, which allows the management strategy and plans to be directed. Based on the proportion of expenditure, Molymet applies different management strategies. Suppliers with a relevance in expenditure greater than 10% represent a greater risk of negative impacts for the business, so efforts are directed towards developing them and maintaining long-term relationships.

The recently deployed Suppliers' Due Diligence Management System also consider and screens other risks such as: legality; ethical behavior (including human rights and sanctions); whether there is shareholder or other interests in companies that supply minerals or operate in one of the locations with red flags regarding the origin and transit of materials; whether they source from a location with red flags regarding the origin or transit of materials in the last 12 months.



1.7.4 Supplier Assessment and Development



Supplier Assessment

Suppliers of services and inputs are periodically evaluated on factors such as quality, environment, and occupational health and safety under the regulatory requirements of the Integrated Management System, which is based on ISO 9001-14001-45001. In addition, compliance with practices related to corruption and crime is considered, in accordance with Molymet's certified Crime Prevention Model. These evaluations are conducted on a documentary basis and, if necessary, additional information is requested from the supplier for the submission of its evaluation reports.

Although no third-party on-site audit was conducted during the reported period, Molymet does consider this practice in its molybdenum concentrate supplier evaluation processes in case is needed. These on-site assessments must be carried out by accredited third parties.

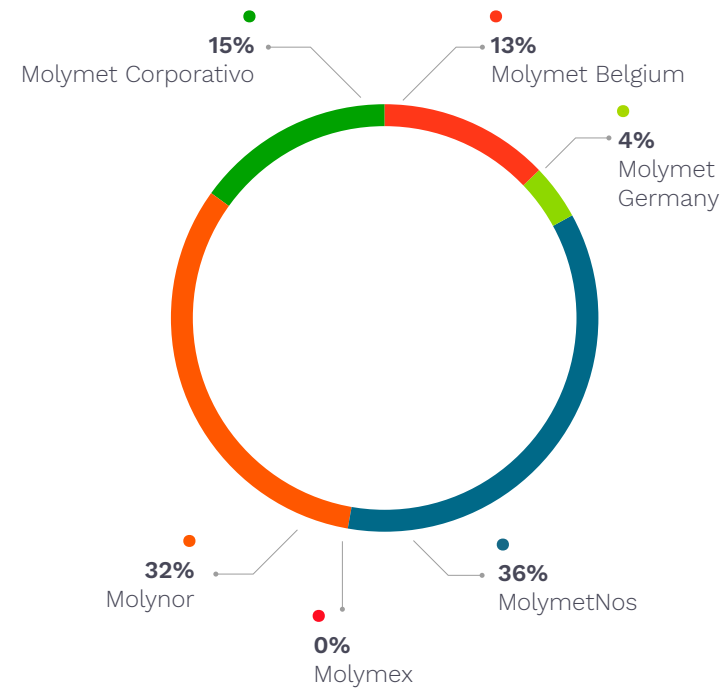
For suppliers with a critical result and evaluation, management action plans are established as part of the process, which are subject to continuous monitoring.

Supplier Development

Molymet's Supplier Development and Training Plan is mainly focused on SMEs suppliers and includes actions to support and guide them through the development of initiatives, along with ensuring that their operations are sustainable and respond to the company's policies and definition. These include training instances on the requirements for being contracted, as well as specific programs for supporting them in the implementation of appropriate actions. Additionally, Molymet provides remote assistance to its suppliers for the development of corrective actions.

In the case of molybdenum concentrate suppliers, Molymet focuses on collaboration to support corrective action plans and capacity building to meet the required standards as demanded by The Molybdenum-Mark requirements.

1.7.5 KPIs for Supplier Screening



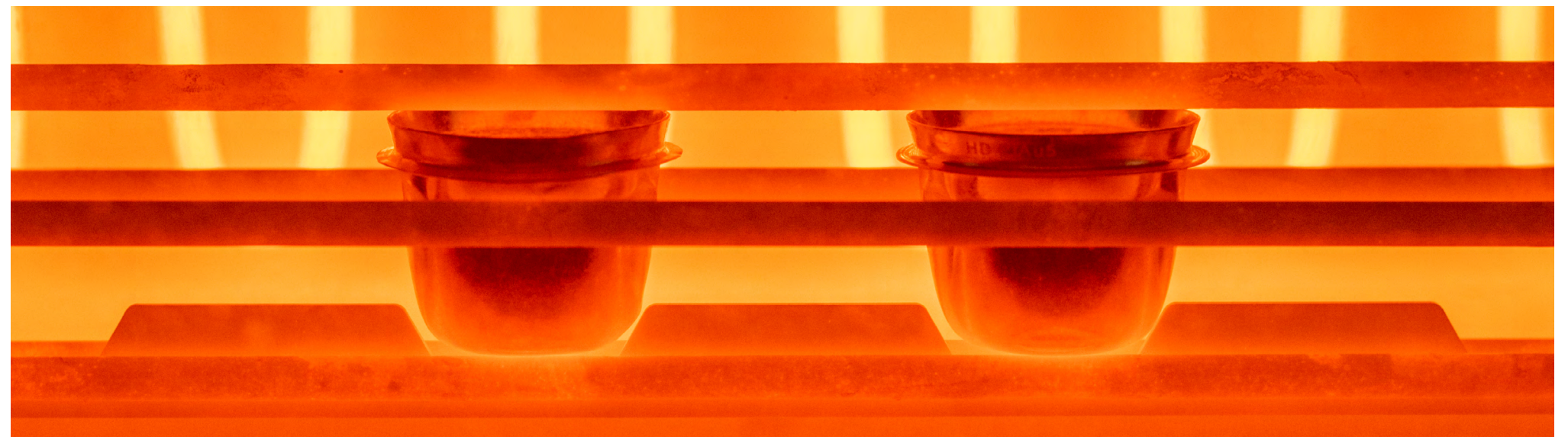
For 2023, a total of 94 suppliers have been classified as significant suppliers according to the company’s criteria. Details of these supplier according to each company/subsidiary are detailed on the graph to the left.

Neither Molymet nor its subsidiaries have non tier-1 significant suppliers.

Total spend for significant suppliers accounted for 95% of total spend.

1.7.6 KPIs for Supplier Assessment and Development

Company	Total number of critical/significant suppliers evaluated through documentary analysis and/or site visits	Total number of suppliers assessed with potential or actual negative impacts	Number of suppliers evaluated with potential or actual negative impacts, with agreed corrective plans	Number of suppliers evaluated as having potential or actual negative impacts, and that were terminated.	Total number of suppliers supported in the implementation of corrective action plans
Molymet Belgium	171	0	0	0	0
Molymet Germany	54	0	0	0	0
MolymetNos	34	3	1	2	1
Molymex	0	0	0	0	0
Molynor	30	0	0	0	0
Molymet Corporativo	25	0	0	0	0
Total	314	3	1	2	1



1.8 Tax Strategy

1.8.2 Tax Reporting



Names of all the resident entities	Molibdenos y Metales S.A.	Molybmet Germany	Strategic Metals B.V.B.A.	Molybmet Do Brasil Representações e Serviços Ltda.	Molybmet Beijing Trading Co Ltd	Molybmet Services Limited	Molybmet SA de CV	Molybmet Corporation
Primary activities	Molybdenum oxide factory	Molybdenum oxide factory	Molybdenum oxide factory	Commercial office	Commercial office	Commercial office	Molybdenum oxide factory	Commercial office
Number of employees	925	53	169	1	3	2	134	2
Revenue USD	2,034,478,688	65,795,141	497,408,154	319,809	582,475	3,519,532	660,347,402	2,952,194
Profit (Loss) before tax USD	88,674,004	(285,734)	(44,932,127)	153,356	240,192	401,700	(21,130,691)	425,817
Income tax accrued (current year) USD	50,078,393	-	274,331	26,171	10,689	103,000	2,453,520	76,479
Income tax paid USD	31,851,338	327,307	-	31,924	-	-	12,622,659	9,700





Environmental Dimension

2.1 Environmental Policy and Commitment

Regarding supervision of our environmental policy, the monitoring of the company's sustainability issues is led by the Executive President and the corporate sustainability committee, who report periodically to the Board of Directors. The latter continuously monitors the company's Environmental, Social and Governance (ESG) issues. In addition, the strategic and proactive management of these issues is the responsibility of the Corporate Sustainability and Operational Excellence Management, under the VP of Operations America, together with the sustainability teams of each subsidiary, thus ensuring a comprehensive commitment aligned with Molymet's environmental objectives.

As for the topics covered by this policy, Molymet's Environmental Policy mentions a commitment to minimize the environmental impact of its operations, which suggests that waste management is included as part of its Environmental Management System, where measures to control and reduce waste generated are expected to be implemented. In addition, the Corporate Climate Change Policy states the following: Develop metrics that allow us to periodically evaluate our results and the risks and opportunities associated with climate change, at least considering emissions management, water and energy management, land use, materials and waste management, and supplier management. Also, define performance indicators associated with the climate management of Molymet and its subsidiaries. Moreover, the Sustainability Policy mentions the importance of collaborating

with suppliers and maintaining relationships with stakeholders, which implies that the company takes sustainable management into account in its interactions with business partners, including joint ventures and operations that are not directly managed by it. Finally, Molymet's focus on sustainability and risk management, as detailed in the Sustainability Policy, suggests that the assessment of environmental, social and governance (ESG) aspects would be carried out in the context of any acquisition or merger process, aligning with its principles of responsibility and continuous improvement. We have a due diligence policy for the supply chain of molybdenum concentrate, our main raw material.



2.2 Energy Efficiency Programs

As part of our energy efficiency management, our various subsidiaries carry out energy audits based on the ISO 50.001 standard for Energy Management Systems. For example, MolyMetNos generated a list of opportunities for improvement in energy efficiency based on internal audits of the Resource Efficiency area, in addition to externally auditing its certification for the ISO 50.001 standard. For its part, our subsidiary in Germany also generates and implements energy saving initiatives in accordance with the ISO 50.0001 standard, while MolyNor also certifies its compliance with this standard through external audits. Finally, our subsidiary MolyMet Belgium participates in a voluntary energy saving program where improvement measures are identified through an extensive energy audit.

In regard to investment in technology to reduce energy consumption, our subsidiary MolyMetNos has a specific budget for the area of Energy Efficiency, which is used to find new saving technologies and to research process improvements. Our other subsidiaries have invested in renewing the insulation of certain equipment, in addition to investing in lower consumption technology such as lower consumption lighting and in various photovoltaic energy projects.

Regarding training on energy efficiency and initiatives to improve this aspect, our subsidiaries provide training on the savings initiatives they have implemented during 2023. Both MolyMetNos and MolyNor have carried out communications and training as part of their Energy Management System (ISO 50.001), while our subsidiary in Germany carries out annual training on energy management. Finally, in our corporate building, training was carried out on the use of the new LED luminaires installed in 2023.

In terms of quantified energy saving targets, our subsidiaries define different objectives to encourage improvement initiatives, with a corporate commitment to increase renewable electricity consumption by 60% by 2030, with a base year of 2020 which includes all subsidiaries. Moreover, MolyNor has a target of reducing energy consumption by 5% by 2023. For its part, our subsidiary in Belgium has defined quantified objectives for energy savings within its voluntary energy program.

.....
*with a corporate commitment
to increase renewable
electricity consumption by
60% by 2030, with a base year
of 2020 which includes all
subsidiaries*
.....



2.3.1 Waste Management Programs

In order to identify opportunities for improvement in waste performance, our various subsidiaries carry out audits of their Integrated Management Systems within the framework of external certifications. Specifically, MolymetNos and Molymet Germany develop options to improve their waste management as part of external audits for their ISO 14.001 certification. Also, for MolymetNos, within the audits of the Responsible Care certification, granted by the Association of Chemical Industrialists of Chile (ASIQUM), good practices related to waste management and opportunities for valorization and reduction in its generation are analyzed. During 2023, this subsidiary also carried out the external audit of its Individual Waste Management System for Packaging and Containers, in line with the Law on Waste Management, Extended Producer Responsibility and Promotion of Recycling: the operation of the system was reviewed during the first period of application of this Law and its decrees.

Regarding investment measures in research and development to minimize the generation of waste and residues, MolymetNos has implemented projects for the capture of ammonia in order to reduce the ammonium train and thus reduce the generation of one of its main residues. This subsidiary has also implemented a project for the valorization of slag residues within the construction industry. In addition, our subsidiary in Belgium is studying alternatives for the discharge of its filter cakes. Finally, our corporate building has invested in a composting machine for organic and inorganic residues, allowing a reduction of up to 90% in the generation of organic residues.

Our various subsidiaries implement training on waste management, with a special focus on waste minimization. For example, our subsidiary in Germany provides annual training to its employees to minimize waste generation and its correct disposal. On the other hand, MolymetNos provides a specific induction on waste recovery and reduction, which is given to all new employees of the company and is renewed every two years. This initiative by MolymetNos is also provided to contracting companies. In addition, staff was trained in our corporate building on the operation of the new composting machine.

Waste disposed of by our subsidiaries is sent to authorized disposal centers by transport companies that are also authorized by the respective authorities.

Other waste reduction actions and results

MolymetNos

- Since 2021, generation of lime sludge and ammonium salts has been reduced by 21%

Molymex:

- External recovery of hazardous waste (vanadium pentoxide and molten salts)
- External recovery of non-hazardous waste (refractory bricks)

Belgium:

- Reuse of FeMo slag as a by-product for the asphalt industry
- Sensibilization of waste reduction and sorting
- Investigation to use metal straps instead of plastic wrapping for end products
- Looking for reuse of waste sludge and processors

Initiatives for all subsidiaries:

- Use of sulfuric acid in internal processes and/or sales
- Recovery and sale of ferrous chloride
- Use of waste in energy recovery

2.3.2 Non-Hazardous Waste Disposal



	Unit	2020	2021	2022	2023	Target
Total waste recycled or reused	ton	8,143	11,586	16,529	1,153,5	
Total waste disposed	ton	134,971	133,775	87,031.7	107,649.55	100.869
Waste disposed in landfill	ton	114,624	118,795	86,976.2	107,043.49	
Waste incinerated with energy recovery	ton	1	164	55.5	89.33	
Waste incinerated without energy recovery	ton	0	0	0	0	
Waste disposed through other methods	ton	20,346	14,818	0	391.85	
Waste with unknown disposal method	ton	0	0	0	124.88	

2.3.3 Hazardous Waste Disposal



	Unit	2020	2021	2022	2023	Target
Total waste recycled or reused	ton	5,221.6	652	227.6	472.47	
Total waste disposed	ton	2,843.8	10,080.2	2,971.2	3,670	2,503
Waste disposed in landfill	ton	2,575.8	8,926.2	2,562.7	1,395	
Waste incinerated with energy recovery	ton	0	0	0	22	
Waste incinerated without energy recovery	ton	0	0	0	0	
Waste disposed through other methods	ton	0	0	0	2,241	
Waste with unknown disposal method	ton	0	0	0	12	



2.4.1 Water Management Programs

Regarding programs and initiatives to reduce energy consumption, our subsidiaries have implemented various actions, such as the launch of a Water Efficiency Management System at MolymetNos, according to ISO 46.001:2019. In addition, this subsidiary has launched a Water Committee to address consumption reduction initiatives, in addition to implementing the reuse of treated water for production processes. Also, our subsidiary Molymex has carried out water vapor capture tests in boilers at its plants. In addition, our corporate building has replaced green areas with low-consumption gardens, in addition to modernizing its irrigation system to improve efficiency in water use, while Molynor has begun to use treated water for irrigation.

Our subsidiary MolymetNos has provided training on water efficiency programs to both the Plant/Area/Maintenance Managers of plants with intensive water use and to cross-cutting areas of MolymetNos (Resource Efficiency, Supply, Projects, Legal Requirements). In addition, Molymex provides training on water consumption optimization and control and monitoring programs to all workers or contractors who start working with this subsidiary. Similarly, Molymet Belgium generates prevention campaigns for all its workers to reduce water consumption.

2.4.2

As to water consumption targets, we had a 2023 goal of 1.164 million meters of water.

2.4.5

Regarding our facilities exposed to water stress, our only plant exposed to this risk is the MolymetNos plant, which accounts for 4.28% of the company's total Cost of Goods Sold in 2023.



2.4.6 Water Risk Management Programs:



Water resource management is essential for MolymetNos' productive activities and is a key resource for our operations. Despite the global water crisis, MolymetNos has managed to cover the water required for its operations in the industrial complex, mainly through the recirculation of water managed by both the liquor treatment plant and the wastewater treatment plant, which correspond to 60% (approximately) of the total resource. This is followed by the extraction of water from wells and the supply of drinking water, each representing 20% (approximately) of the total consumed.

Currently, there are 3 wells (No. 1, 2 and 3), whose water levels are on a downward trend. It is important to note that an external hydrological study on new groundwater collection points concluded that there are sectors in the MolymetNos industrial area where it is feasible to build wells at greater depth than the current ones. For this reason, a new deep well is being built that will have a capacity similar to that of the existing ones under optimal conditions and is expected to be operational in December 2024.

The following opportunities were identified to optimize water use:

- Evaluate the feasibility of reducing water loss or evaporation in some processes.
- Evaluate the feasibility of optimizing water use for garden irrigation.
- Continue evaluating the potential for recycling or reusing solutions in the processes.
- Replace drinking water in osmosis plants with industrial water
- Implementation of a plan for leak detection and repair

Action Plans for a Water Crisis.

In the event of a potential water crisis in operations, the following action plans were defined:

- Discriminate and prioritize the manufacture of certain products, depending on the market demand at that time and the productive support available in the group's subsidiaries, in order to prioritize processes or products that require less water or optimize the use of water resources.
- Use water from garden irrigation for production or implement the use of new wells.

Six key risks associated with water resources were identified:

1. Water crisis in our sources, with effects on the availability and access to the resource.
2. Lack of initiatives or non-compliance with those that promote sustainable water management.
3. Expired or unregulated water-related permits.
4. Changes in the legislation applicable to water resources.
5. Water pollution, Criminal Law 20,393.
6. Unavailability of critical equipment associated with water supply/treatment.

2.5 Climate Change

2.5.2 Scope 2 GHG Emissions

IGHG (Scope 2)	Unit	FY 2020	FY 2021	FY 2022	FY 2023
Location-based	metric tonnes of CO2 equivalents	46,542	33,299	23,779	22,517
	Data coverage (as % of denominator)	100%	100%	100%	100%
Market-based	metric tonnes of CO2 equivalents	46,542	35,605	24,684	9,255
	Data coverage (as % of denominator)	100%	100%	100%	100%



2.5.2 Scope 3 GHG Emissions

Scope 3 Categories	Unit	2023	Methodology explanation and exclusions
1. Purchased Goods and Services	ton	209,974	Emission factors consider traceable and recognised sources, using values for each year if possible. They are categorised into 3 large groups: i) Materials, transport, others: Factor base published by the Department for Environment, Food & Rural Affairs (DEFRA) or Ecoinvent 3.9.1. ii) Molybdenum concentrate purchased: survey and meetings with main suppliers to obtain an average factor
2. Capital Goods	ton	-	This was identified as an emission source with low emissions (<2%), not material to the business unit.
3. Fuel-and-energy-related-activities (not included in Scope 1 or 2)	ton	5,408	Calculation is based on the Greenhouse Gas Protocol's "Corporate Accounting and Reporting Standard" and the ICMM's "Scope 3 Emissions Accounting and Reporting Guidance". Emissions are presented in tonnes of carbon dioxide equivalent (tCO ₂ e), which accounts for 7 greenhouse gases (CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃).
4. Upstream transportation and distribution	ton		Transport of raw materials and supplies, and dispatch of products contracted by the organization until delivery at destination
5. Waste generated in operations	ton	33,217	Calculation is based on the Greenhouse Gas Protocol's "Corporate Accounting and Reporting Standard" and the ICMM's "Scope 3 Emissions Accounting and Reporting Guidance". Emissions are presented in tonnes of carbon dioxide equivalent (tCO ₂ e), which accounts for 7 greenhouse gases (CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃).
6. Business travel	ton	1,803	Calculation is based on the Greenhouse Gas Protocol's "Corporate Accounting and Reporting Standard" and the ICMM's "Scope 3 Emissions Accounting and Reporting Guidance". Emissions are presented in tonnes of carbon dioxide equivalent (tCO ₂ e), which accounts for 7 greenhouse gases (CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃).
7. Employee commuting	ton	1,152	Calculation is based on the Greenhouse Gas Protocol's "Corporate Accounting and Reporting Standard" and the ICMM's "Scope 3 Emissions Accounting and Reporting Guidance". Emissions are presented in tonnes of carbon dioxide equivalent (tCO ₂ e), which accounts for 7 greenhouse gases (CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃).
8. Upstream leased assets	-	1,918	Not applicable.
9. Downstream transportation and distribution	-	-	Not applicable.
10. Processing of sold products	-	-	Excluded and potentially relevant category according to ICMM guidelines. To measure it, we would need to measure or estimate scope 1 and 2 of the customers to whom we sell our products.
11. Use of sold products	-	-	Not applicable.
12. End of life treatment of sold products	-	-	Not applicable.
13. Downstream leased assets	-	-	Not applicable.
14. Franchises	-	-	Not applicable.
15. Investments	-	-	Not applicable.

2.5.4 Climate Governance

Regarding the governance of climate change issues, Molymet's Board of Directors meets with the Risk Management units where they review strategic risks/opportunities, including operational sustainability risks and those associated with climate change. In 2022, we launched the 2030 Agenda, which brings together objectives and goals in terms of sustainability and particularly climate change, whose management progress is periodically reported through reports and is included in the sessions once a year.

The function associated with the identification, evaluation and monitoring of organizational risks, includes the risk of climate change, which is the responsibility of the Vice President of Risk and Compliance, specifically the Risk Management Unit. The Internal Audit unit is responsible for verifying the effectiveness of the controls implemented. Then, the Vice Presidents and General Managers of group operations are responsible for the implementation of the defined plans and controls. The following mechanisms also exist for monitoring issues related to climate change: the Corporate Sustainability Committee and the Risk Committee, which meet quarterly.



2.5.5 TCFD Disclosure

We have identified the following risks and opportunities related to climate change:

- **The main risk of regulatory change has to do with the Climate Change Law in Chile that aims to achieve and maintain neutral greenhouse gas emissions by 2050.** To this end, we have developed our 2030 Sustainability Agenda with the aim of reducing our scope 1 and 2 emissions, as well as decarbonization plans.
- **The main risk identified in terms of physical changes is water scarcity in the San Bernardo area, Metropolitan Region.** Our access to water could be affected by climate change, reducing water extraction from underground or surface sources and preventing the proper functioning of our processes. To manage this risk, our 2030 Sustainability Agenda has objectives to increase recirculation (focused on reducing losses) and reduce water intensity. In addition, we will monitor the availability of water resources, with online studies to map the water table, communities and behaviors.
- **Using rhenium as a catalyst for green hydrogen production is an opportunity to innovate and create new businesses for Molymet,** as science shows that rhenium has the potential to act as a catalyst for electrolysis at a much lower cost than the platinum group metals currently used as catalyst materials.



To address the identified risks related to climate change, Molymet implements a series of comprehensive strategies, including compliance with the Climate Change Law, and the definition and commitments associated with resource management, through our 2030 Sustainability Agenda, which establishes clear objectives to reduce emissions and adopt cleaner technologies. We mitigate the risk of water scarcity by increasing recirculation in our processes and continuously monitoring the availability of water resources. In addition, we take advantage of the opportunity to use rhenium as a catalyst for the production of green hydrogen, investing in research and development to diversify our portfolio. We have also defined cross-cutting goals for the scope of our commitments, in the performance evaluation of each of Molymet's employees, whether they are executives, professionals or administrators.

By 2025, we have planned to carry out climate scenario analyses that allow us to evaluate possible impacts on our operations and make informed decisions. Finally, we encourage collaboration with other actors in the sector and maintain transparent communication with our stakeholders, thus ensuring proactive and resilient management in the face of the challenges of climate change.

We are in the process of integrating emerging climate change risks into overall organizational risk management. This will be a documented process where climate change risks and opportunities are integrated into the company's centralized strategic risk management program, covering all types and sources of risks and opportunities.

The assessment will begin with a comprehensive analysis of our own operations, where we will identify the physical and transition risks associated with climate change. This will include aspects such as resource availability, the impact of extreme weather events and regulatory changes. We then extend this assessment to our upstream activities, examining our suppliers and the sustainability of their practices, as well as our downstream operations, considering how climate change may affect our customers and their markets.

Once the risks and opportunities have been identified, we will implement strategies to proactively manage these challenges, which will include mitigation, adaptation and leveraging plans for new business opportunities, such as innovation in sustainable technologies. This comprehensive approach will not only improve our resilience to the impacts of climate change but will also strengthen our competitive position in the market by aligning with the expectations of our stakeholders and contributing to a more sustainable future.

We have set climate change targets for water, energy and CO2 equivalent emissions through the 2030 Sustainability Agenda, which establishes the indicators, deadlines and reference year to measure progress. During 2023, we achieved our goal associated with GHG reduction, so we hope to update our commitments associated with the Molymet 2030 Sustainability Agenda.

2.5.6 Climate Change Mangement Incentives

As to foster the correct management of climate change issues, we have implemente the following incentives:



Positions for which the incentive applies
Vice Presidents and Managers

● **Tipe of incentive**
Monetary

● **Indicator related to climate change**

Within the framework of performance evaluation, which is closely linked to the allocation of incentives, the company has established a cross-cutting objective. This objective is directly linked to the progress made in the plans established in the 2030 Sustainability Agenda.

● **Method to encourage compliance with the indicator**

- The method for incentivizing compliance with the indicator related to the cross-cutting objective of the 2030 Sustainability Agenda is based on a performance evaluation system that includes specific and quantifiable metrics. Each area of the company has objectives aligned with the sustainability plans, and progress on these indicators is evaluated on a regular basis.
- Employees and teams that manage to meet or exceed these objectives receive incentives, which may include financial bonuses, recognition, professional development opportunities, and other benefits. In addition, collaboration between departments is encouraged to achieve common goals, which reinforces the commitment to sustainability at an organizational level.



Positions for which the incentive applies
Supervisors, middle managers and professionals

● **Tipe of incentive**
Monetary

● **Indicator related to climate change**

Within the framework of performance evaluation, which is closely linked to the allocation of incentives, the company has established a cross-cutting objective. This objective is directly linked to the progress made in the plans established in the 2030 Sustainability Agenda.

● **Method to encourage compliance with the indicator**

- The method for incentivizing compliance with the indicator related to the cross-cutting objective of the 2030 Sustainability Agenda is based on a performance evaluation system that includes specific and quantifiable metrics. Each area of the company has objectives aligned with the sustainability plans, and progress on these indicators is evaluated on a regular basis.
- Employees and teams that manage to meet or exceed these objectives receive incentives, which may include financial bonuses, recognition, professional development opportunities, and other benefits. In addition, collaboration between departments is encouraged to achieve common goals, which reinforces the commitment to sustainability at an organizational level.

2.5.7 Climate Risk Management

We are in the process of integrating climate change risks into general organizational risk management. This will be a documented process where climate change risks and opportunities are integrated into the company's centralized strategic risk management program, covering all types and sources of risks and opportunities. This approach will allow us to systematically identify and assess how climate change can impact our operations, as well as upstream and downstream activities related to our clients. At the moment, we have identified risks and opportunities associated with water resources in areas declared to be under water stress by decree.

Our climate risks management process covers current regulation, as we have developed adaptation strategies, researching and investing in cleaner technologies and adjusting our production processes, to strictly comply with current regulations. On the other hand, emerging regulation is addressed the first risk associated with Operational Sustainability in our strategic risk map, while technology risks are addressed within the strategic risks such as "Changes in the Industry" and "Reliability and Availability of Technological Support". Moreover, legal risks are included within the overall risks management process, while market risks are addressed within strategic risks such as "Financial Solidity" and "Loss of Competitiveness", and reputational risks are addressed within strategic risks such as "Image and Reputation". Finally, acute and chronic risks are integrated as Sustainability Climate Change Risk, in our strategic risk map. This climate risks management process covers our own operations for short, medium and long-term horizons.

2.5.8 Financial Risks of Climate Change



Changes in regulation

Description

The main risk for Molymet is future environmental regulations arising from the implementation of the Framework Law on Climate Change, which establishes the goal of achieving and maintaining greenhouse gas (GHG) emissions neutrality by 2050. This regulation could conflict with the production increase that the company plans. In addition, Molymet is located in an urban area with critical episodes of pollution, which means that any modification to the Atmospheric Prevention and Decontamination Plan for the Metropolitan Region could compromise its operations. To manage this risk, it has been decided to modernize the plant, which includes the construction of a new gas washing plant, the strengthening of the current plant, the incorporation of an SO2 absorption system and the renovation of the roasting facilities. Although this modernization is mainly oriented towards the management of SO2, which, although not a GHG, does impact public health, it will also allow for greater operational efficiency that will contribute to the reduction of CO2 emissions. Looking ahead, it is critical that Molymet continues to align itself with emerging regulations and explore additional technologies that can facilitate the transition to more sustainable production, thereby ensuring its competitiveness in an increasingly stringent regulatory environment.

Financial implications of risk without taking mitigation actions	Estimated time for this financial implication to manifest	Estimated cost for mitigation actions
USD 500,000,000	6 years	USD 60,000,000



Physical

Description

The main risk identified is water scarcity in the San Bernardo area, Metropolitan Region. Access to water may be affected by climate change, which could limit extraction from underground and surface sources, compromising the proper functioning of our processes. To manage this risk, we have implemented the 2030 Sustainability Agenda, which includes objectives to increase water recirculation, focusing on reducing losses, as well as goals to reduce the intensity of water use. In addition, we are constantly monitoring the availability of water resources through online platforms, as well as mapping studies of the water table and community behavior, which allows us to assess well sinking and proactively adjust our water management strategies. This comprehensive approach helps us adapt to changing conditions and ensure responsible use of water in our operations.

Financial implications of risk without taking mitigation actions	Estimated time for this financial implication to manifest	Estimated cost for mitigation actions
USD 350,000	10 years	USD 750,000

2.5.9 Financial Opportunities of Climate Change



Opportunities

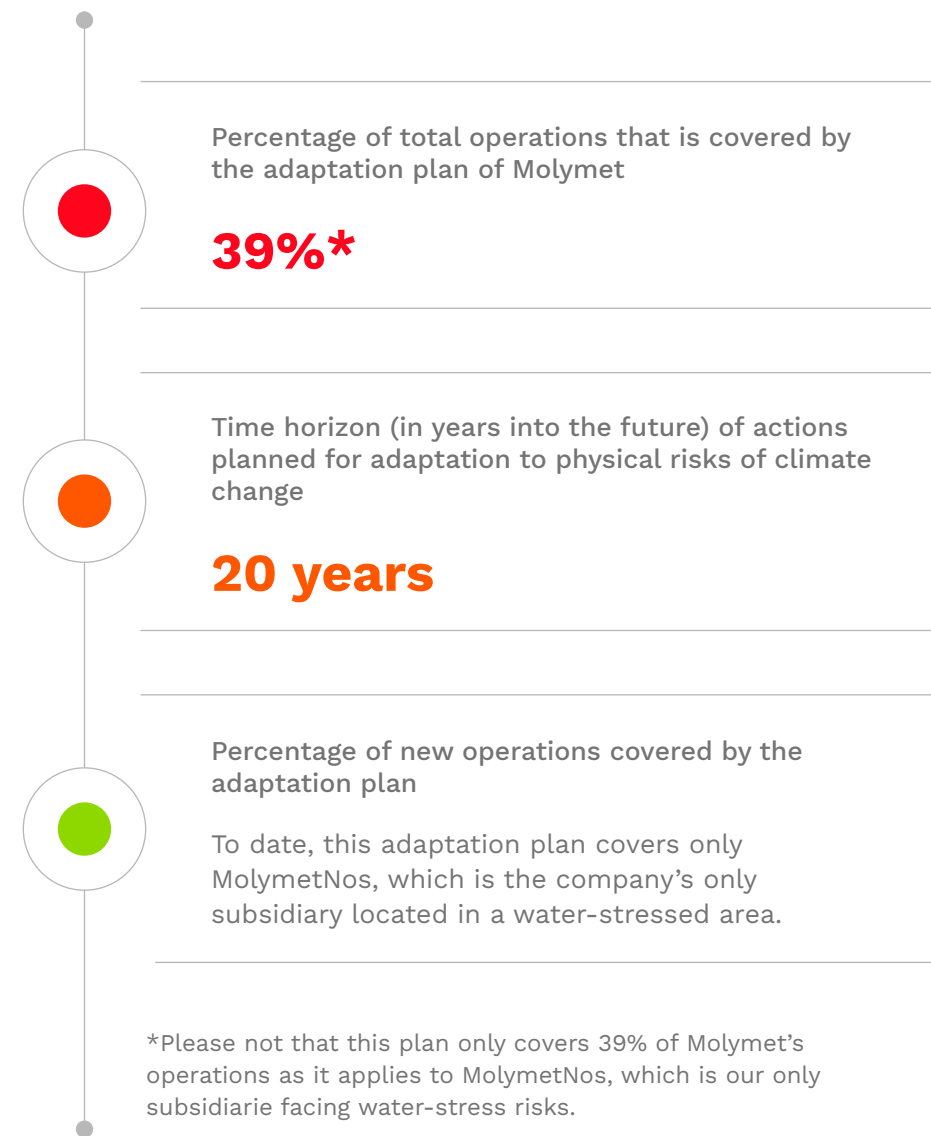
Description

One of the main challenges for green hydrogen production is to achieve cost-competitive production, and this is where we are convinced that rhenium can play a relevant role. Science shows that rhenium has the potential to act as a catalyst for electrolysis at a much lower cost than the platinum group metals (PGMs) currently used as catalyst materials. Therefore, promoting green hydrogen as a clean energy presents an opportunity to innovate and create new businesses for Molymet. In addition to its cost advantages, rhenium has emerged as an excellent alternative to PGMs, due to its remarkable electrochemical properties and stable and sustainable supply. In 2022, we were able to explore new uses for rhenium in metallurgical applications and as a catalyst for “green chemistry”. This included looking to improve alloys and develop new sustainable products and processes such as the production of green hydrogen or biofuels, projects that will continue until 2023.

Financial implications of opportunity	Estimated time for this financial implication to manifest	Estimated cost for developing this opportunity
USD 5,000,000	5 years	USD 1,000,000

2.5.11 Physical Climate Risk Adaptation

Elements of the adaptation plan to physical risks of climate change of MolyMet



2.6 Biodiversity

2.6.1 Biodiversity Risks Evaluation

Regarding the Biodiversity assessment within our operations, MolymetNos conducted a study and characterization of flora, vegetation and fauna in the area of influence for the processing of an Environmental Impact Study, where 7 species of flora and 8 species of fauna (birds) were identified. Additionally, there is a protocol for action in case of incidents with fauna, including any other species that may not have been identified in the characterization. For its part, Molynor has also carried out this type of process as part of its Environmental Impact Assessment and Disposition.

As part of their Environmental Impact Studies, Molynor and MolymetNos have evaluated risks related to biodiversity. In the event of incidents involving wildlife, MolymetNos has a protocol for action, where the affected species is registered. In both cases, the study and characterization of flora, vegetation and fauna was carried out in the area of influence of the Environmental Impact Study, which included the facilities and adjacent areas.

2.6.5 Biodiversity Mitigation Actions

Regarding measures to avoid impacts on biodiversity, MolymetNos has 0 emissions of industrial liquid waste, thus ensuring that no contaminants are introduced into the Lo Espejo Canal that runs through its facilities. In addition, monitoring is carried out upstream and downstream of the canal on a semi-annual basis to verify this measure. In the case of Molymex, there is an area of green and desert gardens intrinsic to the processing areas to avoid negative impact on the soil. In the case of Molymet Germany, its facilities are located in an industrial park that ensures that there will be no impact on biodiversity.

2.6.4 Exposition to Biodiversity

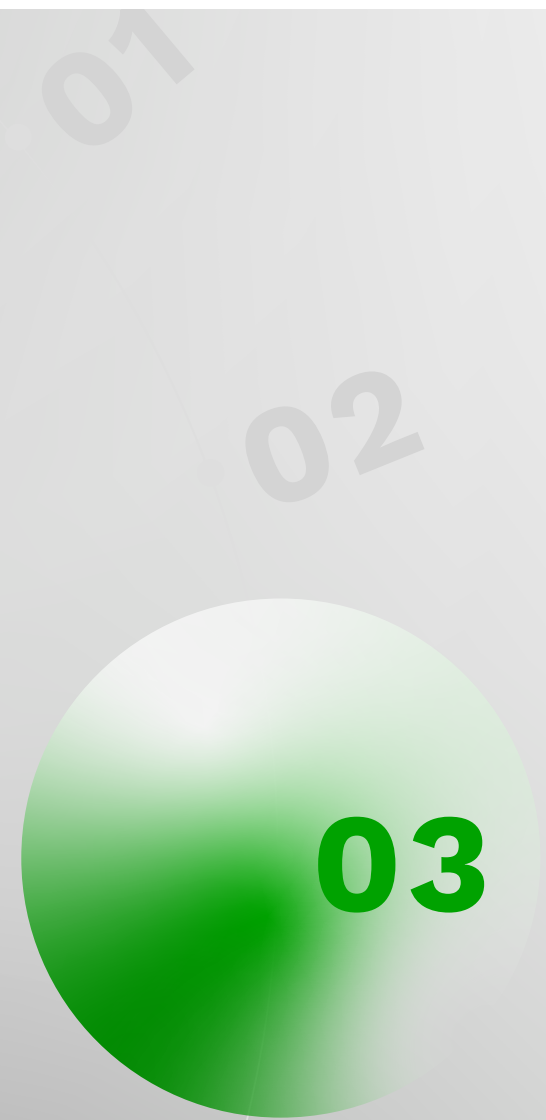
5
Total number of own operating sites

141,3 ha*
Total area of own operating sites

	Number of operational sites	Area (hectares)
Operational sites where biodiversity impact assessments have been carried out	3	38.37
Assessed sites that have a significant impact on biodiversity or are close to critical biodiversity areas	1	30
Sites with significant impact on biodiversity or that are close to critical biodiversity areas, which have a biodiversity management plan.	1	30

* Please note that this data had been reported erroneously in past reports, and correct figures have been provided here.





Social Dimension

3.1 Labor Practice Indicators

3.1.3 Discrimination & Harassment



Corrective actions taken in cases of discrimination or harassment

Upon receiving a complaint of workplace harassment, sexual or workplace violence (discrimination), MolyMet will have a period of 30 days from the receipt of the complaint to initiate and complete the investigation, conclusions and report:

- Separation of physical spaces.
- Distribution of the working day.
- Change of area.
- Paid or unpaid leaves of absence.

Once the investigation is finished, the measures and sanctions are as follows:

- Verbal or written reprimand to the person denounced.
- Discount of up to 25% of the daily remuneration for a period of time to be determined.

The company may, given the seriousness of the facts, apply the provisions of article 160 N° 1, letter b) of the Labor Code, that is, terminate the contract for conduct of labor or sexual harassment.



3.1.4 Workforce Breakdown: Gender



Company	Percentage
Women employees (as % of total workforce)	15.2%
Women in management positions, including junior, middle and top management (as % of total management positions)	14.9%
Women in junior management positions (as % of total junior management positions)	9.2%
Women in top management positions (as % of total top management positions)	18.2%
Women in management positions in revenue-generating functions (as % of all managers)	2.3%
Women in STEM-related positions (as % of total STEM positions)	5.6%

3.1.5 Workforce Breakdown

Nationality	Total workforce (as % of total workforce)	All management positions, including junior, middle and senior management (as % of total management workforce)
Chilean	69.0	75.1
Belgian	11.7	11.6
Mexican	10.7	7.1
German	4.1	1.7
Venezuelan	1.3	2.1
Peruvian	0.5	0.4

Coverage of the data reported as a % of FTEs: 100%

3.1.6 Gender Pay Indicators



Gender	Difference between men and women employees (%)
Mean gender pay gap	4.2%
Median gender pay gap	9.4%
Mean bonus gap	19.6%
Median bonus gap	28.2%

Coverage of the data reported as a % of FTEs: 77%

3.1.6 Freedom of Association



Indicator	(%)
% of employees represented by an independent trade union or covered by collective bargaining agreements	56.9

The reported data covers 100% of FTEs at: Molytmet Corporate, MolytmetNos, Molynor, Molytmet, Molytmet Belgium and Molytmet Germany.

3.2 Human Rights

3.2.2 Human Rights Due Diligence Process

We consider human rights to be an integral part of multidisciplinary risk management processes throughout the company, which are systematically reviewed. Risks are identified both in our own operations and in other activities in our value chain, including suppliers. With regard to our operations, risk identification relates to non-compliance with legal regulations in the countries in which we operate on issues of discrimination, degrading or inhumane treatment, forced labor, modern slavery and child

labor. This analysis covers 100% of our employees. Regarding suppliers, risks are addressed as part of the molybdenum concentrate supply chain due diligence process. This process covers the identification of risks detailed in Annex II of the OECD Due Diligence Guidance, including discrimination, degrading or inhumane treatment, forced labor, modern slavery and child labor. The relationship with war crimes is also considered.

3.2.4 Human Rights Mitigation & Remediation

Molybmet’s human rights risk mitigation process covers all operations and involves a series of systemic steps to identify, assess and address the potential negative impacts of its direct operations and contracting, in a cross-cutting manner, including risks associated with human rights. We currently have a corporate human rights policy that guides our human rights principles and practices. In addition, regular audits are conducted, where human rights are addressed in a cross-cutting manner. We have taken the necessary measures to mitigate the risks associated with human rights, both in our direct operations, as well as in our value chain, mainly associated with our contractors. We

constantly audit and/or monitor our direct operations and/or value chain to ensure compliance with human rights. We have an anonymous whistleblower channel, which ensures independence and confidentiality in the complaints, which is constantly promoted to be used as a means to identify potential risks associated with human rights.

During 2023, no cases of human rights violations were reported through the complaint channels



3.3 Human Capital Development

3.3.1 Training & Development Inputs

Average hours of training and development per FTE

During 2023, the average hours of training and development per FTE was 40 hours

Gender	Average Hours
Women	89
Men	52

Roles	Average Hours
Executives	4
Middle Management & Professionals	93
Administrators and Operators	30

Coverage of the data reported as a % of FTEs: 100%

Average amount spent on training and development per FTE

During 2023, the average amount spent on training and development per FTE was USD 1,064.1

Coverage of the data reported as a % of FTEs: 100%



3.3.2 Employee Development Programs

Molymex Business University (Universidad Empresarial Molymex)

This program is an essential part of our Business Strategy, seeking to strengthen company growth, based on the mission, vision and purpose. The Molymex Business University is a space for a learning about the proper development of production process and business strategy. In this way the development of employee intellectual capital is structured, promoted and facilitated in an attempt to bring the worlds of work and learning together.

It is aimed at all company's staff along the entire production chain and considers both "soft" skills (those that help the employee in daily life) and "hard" skills (those that are part of the employee's work activities). While introducing employees to the Molymex Production Process of Molymex, it also strengthens their values, competencies, skills and attitudes, in turn improving operational results for the achievement of the Mission-Vision-Purpose. During 2023, we began planning the evolution of the Molymex Business University, designing the program that will trigger the new professional officers that will make up the UEM. With the 5th generation, 100% of the employees in the Molybdenum Transformation Professional Officer program are being covered. The 5th Generation is made up of 15 employees.

Sustainable Leadership Program 2022-2025

This program plays a key role in people management through close and empathetic leadership, with a focus on the development and well-being of employees. In turn, it enhances commitment, retention and succession of critical positions in the company. The programs starts with general knowledge of processes for people management and existing policies for development of leadership skills, allowing each leader to develop talent in their teams and continuously nurture the succession of critical positions. All of this is in line with Molymet's Leader Profile and Purpose and linked to achievements over previous years in terms of Development and Succession Committees. Participation during 2023 was 62 participants, contributing to our leadership objectives.

62
participants



3.3.3 Human Capital Return on Investment

	2020	2021	2022	2023
Total Operating Expenses	909,997,000	1,219,458,000	1,661,731,000	2,316,207,000
Total employee-related expenses (salaries + benefits)	69,886,000	72,710,000	83,916,000	88,066,000
Total Employees	1,342	1,305	1,242	1,276

3.3.4 Hiring

	2020	2021	2022	2023
Total number of new employee hires	82	106	100	101
Percentage of open positions filled by internal candidates	25%	0.07%	29%	47%
Average hiring cost/FTE in USD	4,789	5,259	4,573	5,526
New employees hires		Aged up to 30	Aged between 31-50	Aged over 50
Women		19	14	1
Men		30	35	2

3.3.5 Type of Performance Appraisal

Individual performance evaluations are carried out through Performance Management where employee performance evaluation is based on objectives and competencies. At the same time, team performance is evaluated against achievement of company annual objectives. Molymex is the first subsidiary to carry out multidimensional performance evaluations. These appraisals are conducted at least once a year and performance is followed up at mid-year.

During 2023, cross-cutting objectives have been added to each employee's objectives plan. These transversal objectives measure overall performance. A training program was developed for leaders, one of the topics of which was training in continuous feedback in agile conversations. Although the frequency of the official performance evaluation is annual, its milestones include a partial follow-up evaluation. This favors continuous feedback and monitoring of the progress of each objective.





3.3.8 Employee Turnover Rate

	2020	2021	2022	2023
Total employee turnover rate (%)	12	28	15	14
Voluntary employee turnover rate (%)	11	5	7	8
Data coverage (as % of all FTEs globally)	83	83	83	77

Gender	Age	Turnover (N°)	Turnover (%)
Women	Up to 30	15	11
	31-50	14	10
	Over 50	1	1
Men	Up to 30	59	42
	31-50	45	32
	Over 50	6	4

Coverage of the data reported as a % of FTEs: 77%

3.3.9 Trend of Employee Wellbeing

Throughout 2023, employee satisfaction has been measured using SSIndex across MolyMetNos, MolyMEX, and MolyMet Corporate, achieving an 82% satisfaction rate, which marks an 8-point improvement compared to the score obtained in 2021.

3.4 Occupational Health & Safety

3.4.2 OHS Programs



OHS Programs

At Moly met, each of our subsidiaries has implemented programs that contribute to improving the company’s Occupational Health and Safety (OHS) performance. Among the initiatives we highlight are the following:

- Annual health and safety action plan, with defined and prioritized actions, with a special focus on raising awareness of effective executive leadership and fostering a culture of self-care among employees.
- Regular training for all employees, accompanied by a bonus system for accident-free days.
- Safety awareness program for employees and contractors, which includes interviews with supervisors and injured workers.
- Periodic emergency drills to prepare both in-house and contractor personnel for critical situations.
- Risk aversion assessment in critical areas, supervised by executives.
- Qualitative diagnosis to promote a change in safety culture.
- Monthly monitoring of accident indicators by the company’s board of directors.



Incident Investigation

Moly met has appropriate procedures for reporting, investigating, and taking action to manage incidents that occur at our operations. This allows us to react in a timely manner by engaging workers and relevant stakeholders to control and correct root causes so that incidents do not happen again or happen elsewhere. Corrective actions are implemented in accordance with risk controls and are monitored through the Integrated Management System of each subsidiary

In Chile, the Labor Subcontracting Law, Law No. 20,123, regulates matters related to this issue and includes provisions on Occupational Health and Safety (OHS). Therefore, Moly met contracts include a clause that establishes the obligation to comply with internal protocols and legal regulations in this area. Regarding procurement, the contracts specify that suppliers must adhere to the company’s policies and standards, including those related to Occupational Health and Safety (OHS).

3.4.3 Fatalities



No fatalities have been reported in any of the subsidiaries for employees and contractors.

3.4.4 Lost-Time Injury Frequency Rate (LTIFR) - Employees

LTIFR	Unit	2020	2021	2022	2023
Employees LTIFR	n/million hours worked	6.9	7.5	7.2	9.9
Coverage	% of operations	99%	99%	100%	100%

3.4.5 Lost-Time Injury Frequency Rate (LTIFR) - Contractor

LTIFR	Unit	2020	2021	2022	2023
Contractors LTIFR	n/million hours worked	8.0	6.5	5.7	6.0
Coverage	% of operations	84%	99%	100%	100%

3.4.6 Total Recordable Injury Frequency Rate (TRIFR) - Employees

TRIFR	Unit	2020	2021	2022	2023
Employees TRIFR	n/million hours worked	21.3	19.3	17.9	20.3
Coverage	% of operations	87%	87%	100%	100%

3.4.7 Total Recordable Injury Frequency Rate (TRIFR) - Contractor

TRIFR	Unit	2020	2021	2022	2023
Contractors TRIFR	n/million hours worked	8.9	7.0	6.7	21.8
Coverage	% of operations	82%	82%	100%	100%

3.4.8 Process Safety Events – Tier 1

	2020	2021	2022	2023
Total number per million hours worked	14	15	16	12
Coverage	99%	99%	100%	100%



3.5 Social Impacts on Communities

3.5.3 Active Community Engagement



Information related to our company's community consultation activities:

Percentage of current production assets that have required community consultation:

100%

Percentage of projects under development that have required community consultation:

100%

3.5.4 Community Consultation Framework & Implementation

At Molymet, we identify the areas of influence, which represent the impact radius of our operations on surrounding communities. This radius generally corresponds to the city where these operations are located. The impacts on the community and the stakeholder groups within it are considered in our planning and integrated risk management, as well as in our social management strategy.

In our last project implemented, a Citizen Participation was carried out on a voluntary basis, where no specific affected groups were identified. Additionally, in 2023, SSIndex Communities was also measured. This survey showed an improvement in our score compared to the last measurement and is related to inquiries about risk perception.

Molymet has active communication channels through:

- **Social networks**, managed by the corporate communications team. They refer queries depending on the reason.
- **Ethics hotline**, available on the website for all our stakeholders: www.molymet.cl.
- **Direct communication** with Heads of CSR of subsidiaries, who have a direct relationship with neighborhood leaders.

Each subsidiary has its own protocol that is in line with the Community Relations Policy. In general, the initiatives include:

- Molymet open doors: we invite communities to visit our plants to learn about the production process and all prevention measures to avoid impacts on the community.
- Personalized communications, reporting to the affected communities.
- Banners used in meetings with neighborhood leaders.
- Personal meetings with affected people and companies





www.molymet.com