

CHAPTER



01

Our
Culture

Origin

Though it was formally established in 1975, Molymet's history dates back nearly 100 years. It began with the entrepreneurial vision of two immigrants, Mr. Antonio Gianoli of Italy and Mr. George Mustakis of Greece, who both relocated to Chile in the early part of the last century.

After meeting in Valparaíso, they soon created a nut company. They later completely switched gears, creating a small hydroelectric power plant near the city of Los Andes, where there were also lime deposits. This discovery offered them a new business opportunity: manufacturing calcium carbide, a product mainly used in marine lighthouses and mining lamps. These initiatives etched the practice of adding value to raw materials into Molymet's heart, and it remains there today.

The sum of all of these enterprises led to Fábrica Nacional de Carburos Ltda., the direct predecessor of Molymet. The founders then combined industrial activities and manufacturing of products such as tires and railway axles, which led them to rename the company Carburo y Metalurgia S.A. in 1944.

The company's visionary drive remained, forging new initiatives in various sectors such as agroindustry, petrochemicals and mining-related activity. Each of these revealed the ongoing search for diversification and reinvestment

of capital as another distinctive quality of the corporate culture and, as a result of that, the ongoing creation of new companies.

Over time, Carburo y Metalurgia S.A. moved its operations from Los Andes to San Bernardo in order to build a larger facility near a hydroelectric plant on the Maipo River that would cover its energy needs, which is still operational.

In the late 1960s, the founders' sons, Ciro Gianoli and Constantino Mustakis, joined the company and began to develop the idea of adding value to the molybdenum concentrate that was produced in Chile and exported as a commodity. Through the efforts of this second generation of the family and the contributions of engineer Vicente Echeverría, the first roaster oven was installed in the backyard of Carburo y Metalurgia to process two million pounds of molybdenum per year. The initiative reflects an organizational culture that was closely linked to the founders' entrepreneurial spirit and attention to professional management and technical decision-making in regard to finances.

The rapid growth of the business led to the addition of more Roaster Units and a key strategic decision: Molibdenos y Metales S.A. was spun off from Carburo y Metalurgia in 1975. The new company was created to produce molybdenum oxide, ferro molybdenum and byproducts.

Since then, Molymet has experienced constant growth as a result of rising molybdenum demand in international markets.

Today Molymet is a Chilean multinational corporation that leads the global industry, producing 168 million pounds of processed molybdenum in 2020.

The talent and commitment of the company's employees allowed it to reach this point. They benefit from policies that encourage an ongoing quest for excellence and innovation in their various roles, sustained incorporation of cutting-edge technology, linking technical and theoretical knowledge with practical knowledge, a customer-centered focus and a concern for their quality of life.

The company also has created a corporate image with a marked focus on environmental protection. Since it created its first acid plant in 1993, it has continually invested in an effort to minimize emissions, noise and odors. An example of this is the 2019 approval of the Molymet Gas System modernization project, which is solely aimed at voluntarily reducing the production unit's SO₂ emissions to benefit the

environment. The company has also created a major green band around its industrial facilities in Nos, in the district of San Bernardo.

From the position of leadership achieved in the company's markets and in light of the sector's increasingly demanding and competitive context, in 2018 the company began a new cycle focused on passing on a more sustainable world to new generations and strengthening its fundamental values—commitment, excellence and integrity—for those who will manage the firm in the future. As part of this new effort, which is translated into an explicit purpose, Molymet lay the foundations for continuing its path of success.



Purpose


Employees of all Molymet subsidiaries in the Americas participated in the process to identify what gives meaning to the company's work each day.

Throughout its history, Molymet's goal in strictly commercial terms has been to transform raw materials into value-added products. Thanks to this vocation, the company has managed to deliver profits to its shareholders, be a good workplace for its employees and contribute to the communities where it operates.


However, after nearly five decades in business, the company has developed a desire to go one step further, examining why it exists and how its experience and knowledge in technical, administrative, risk and business areas can be transformed into the ingredients for building a purpose that will allow Molymet to be a fully sustainable organization over time.

As part of this process, it undertook a profound, yet broad, process of reflection in 2018. The goal was to understand what Molymet is, what it wants to be and what its role should be in the future. The company sought to engage all stakeholders in this process, conducting interviews with regulators, members of its value chain, customers and investors. It reserved a central role for its employees, who were given opportunities to share their opinions in various workshops organized in Chile and at foreign subsidiaries.

This experience led to the belief that the company should evolve from a stage of sustained growth to a new cycle focused on sustainable development. It was decided that it should promote value creation within the organization through a greater focus on innovation generated by those who work in the company. The result was the statement that has summarized Molymet's corporate purpose since 2020:



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



Defining this purpose is a milestone that gives meaning to the company's business activities. Going forward, the strategic planning, initiatives and projects developed in each area will consider Molymet's contribution to the changes that the world needs from a much deeper perspective focused on sustainable development in an effort to create more sustainable industries and technologies that benefit society. This will require the company to focus on caring for the environment and ensuring the availability of and care for resources in the long-term, and should have a positive impact on the areas surrounding its facilities and turn it into an agent of change for people's wellbeing.

The circumstances that Chile and the world experienced in 2020 happened to coincide with the launch of the company's purpose, offering an opportunity to implement it as part of the decisions made over the course of this year, especially regarding employee health and safety. This was the point of departure for ensuring that the purpose that the company has defined is translated into plain language and actions that contribute to the advancement of humanity over time.

New Corporate Image

As Molymet moved forward with the construction of its corporate purpose, it became clear that this new spirit would require it to update its corporate identity to reflect all attributes contained in that statement.

As a result, the company designed a new logo, font and colors meant to convey the continuous excellence, full availability and innovative vision that have positioned Molymet as a global leader in the processing of molybdenum and rhenium.

Unveiled in July 2020, this new image was the result of months of collaboration in workshops and exchanges among employees from the entire group.

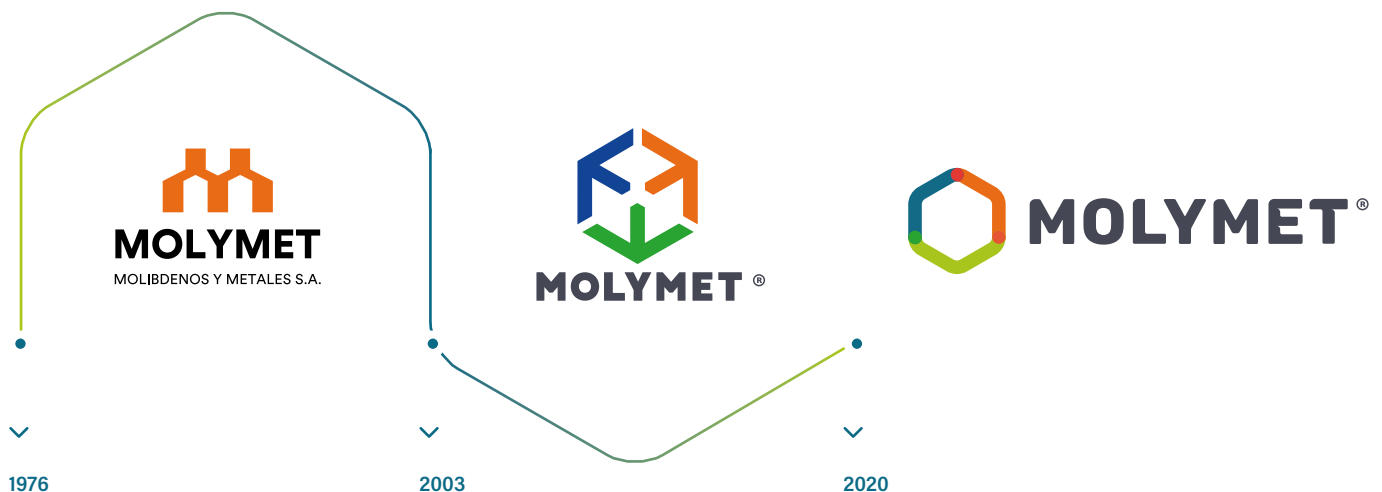
The company also decided to update a fundamental internal communications channel, refreshing the design, navigation tools and contents of Molymet's magazine.

External Communications Strategy

The company also redesigned communications meant for external audiences, which involved relaunching its global strategy in this area. One of the first actions was updating the Molymet website in order to make it an effective tool for reaching and informing various audiences with a look aligned with the company's new image.

Another significant effort was the creation of a social media strategy focused on the LinkedIn, Instagram and Facebook platforms, with active involvement of leaders from all subsidiaries. One key initiative was the participation of influencers to support the launch of the corporate purpose. In fact, all messages developed for digital platforms—including videos—were designed to be linked to the corporate purpose.

These external communications efforts began in 2019 and continued throughout 2020, resulting in the addition of 2,941 LinkedIn followers and 497,898 reactions and 3,457 views on Facebook.





Mission and Values

Our Mission

We work to strengthen our global position in the molybdenum and rhenium market through a capacity for efficient, flexible processing, ongoing process optimization, innovation and the search for new business opportunities in strategic metals.



Our Values

**Integrity:**

Acting in a way that is coherent with what one says and thinks.

Excellence:

Focusing work on continuous improvement of productivity, efficiency and cost indices.

Confidentiality:

Using corporate knowledge responsibly.

Innovation:

Seeking out new technologies and better products.

Sustainability:

Minimizing our operations' environmental impact and respecting natural and social surroundings.

Transcendence:

Molymet's legacy will be the present of future generations.

