

An aerial photograph of a lush green landscape with a winding path, a body of water, and a modern building with a blue roof. The image is framed by a large, light green hexagonal shape that serves as a background for the title text.

# CLIMATE CHANGE

Corporate Policy: Climate Change

November 2022

## 1. INTRODUCTION

Thinking about the well-being of the planet is part of our Purpose. Therefore, considering the climate changes that have occurred on our planet; projections of scientists reporting on this phenomenon; recommendations to avoid an average global temperature increase of 2°C; and the fact that the consequences of such an increase could be catastrophic; we are setting guidelines to holistically manage the risks and opportunities we face in order to adapt and mitigate the effects of our activities in the face of climate change.

Our Corporate Policy on Climate Change is framed by international guidelines, incorporating:

- Recommendations of the UN *Task Force on Climate-related Financial Disclosures* ✓
- Recommendation of the Intergovernmental Panel on Climate Change (IPCC) established by the World Meteorological Organization (WMO) and the United Nations Environment Programme (UNEP) ✓
- Recommended best practices from the *Dow Jones Sustainability Index* ✓

## 2. OBJECTIVE

The objective of this policy is to define corporate guidelines for adaptation and mitigation of the effects of our activities in the face of climate change; seeking to minimize the impacts that these may have on global climate variations; and to take advantage of the positive effects that may follow, in order to achieve sustainable development of our business.

## 3. SCOPE

This policy applies to Molibdenos y Metales S.A. (referred to as Molymet from here on) and its subsidiaries.

## 4. OUR PRINCIPLES:

### 1. Risk Management

Identify, propose, supervise and order by level of impact the risks and opportunities associated with climate change in all activities of Molymet and its subsidiaries. This management will be led by the Board of Directors and Molymet's senior management and each of the entities that make up its corporate governance structure will participate in it.

### 2. Integration

Integrate the risks and opportunities associated with climate change into operational, financial, environmental and social decision-making in order to achieve sustainable development of our activities.

### 3. Resilience

Constantly develop our capacity for adaptation, resilience, non-regression and progress through appropriate management of climate change risks and opportunities. This will facilitate our moving towards a low-carbon business model, consistent with avoiding a 2°C increase in average global temperature.

### 4. Responsible and active participation

Encourage all Molymet and subsidiary employees to actively work together on strategic management of climate change, even when we have risk and opportunity management in place.

### 5. Training and sharing of information

Continuously educate, train and inform our stakeholders about the risks and opportunities arising from climate change.

## 6. Transparency

Report on the current and potential impacts of climate change posing risks and opportunities to our business and financial planning.

## 7. Commitment to results

Develop metrics that allow us to periodically assess our performance and the risks and opportunities associated with climate change, at least considering management of: water and energy; land use, materials; waste and suppliers. We will also establish performance indicators associated with the climate management of Molymet and its subsidiaries.

Furthermore, we will focus on developing adaptation and mitigation investment projects that address the potential financial aspects of our climate change management in order to ensure the prosperity of our business and our stakeholders.

## 8. Innovation and Development

We continuously seek innovative solutions allowing us to be at the forefront of managing risks and opportunities associated with climate change, with special emphasis on detecting elements that cause these risks and opportunities.

In line with the above, we incorporate and stimulate innovation and development around initiatives or projects that contribute to mitigating and/or adapting to climate change.

## 9. Continuous improvement

Maintain the management system as a tool for continuous improvement, identifying, analyzing, evaluating and managing all risks associated with climate change that could impact us, considering implementation of necessary measures to adapt to and mitigate the effects of our activities in the face of these risks.

## 10. Efficiency

Achieve the best possible ratio between results obtained and resources used to achieve them, focusing at all times on reducing environmental impacts and moving towards a circular economy.



## 11. Alliances

Establish strong partnerships and alliances to manage the risks and opportunities associated with climate change in a comprehensive manner, encouraging our stakeholders to build resilience.

## 12. Phased Implementation

The measures set out in this policy will be implemented over time, taking into account the local realities of the different units that make up Molymet and in accordance with the provisions of applicable laws, rules or regulations, as well as those policies, principles or standards that Molymet has voluntarily decided to adopt in line with advances related to the effects of human activity on climate change at a global level.

## 5. RELATION TO OTHER POLICIES

This policy complements and is part of a set of Molymet Group policies, codes and regulations, such as: the Molymet Code of Conduct, the Corporate Environmental Policy and the Corporate Environmental Incident Prevention and Management Policy.

## 6. PUBLICATION AND FORMALIZATION

The policy will be published on the corporate intranet and on the company website and as each update is made, a corporate mail will be sent indicating the relevant changes.



JOHN GRAELL M.

CEO

November 2022

