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1. BRAND INFORMATION

Brand name	CASERONES	LME brand code	CASER
Producer name	SCM Minera Lumina CopperChile	Producer address:	Av. Andrés Bello 2687, 5 th floor, Building “Edificio del Pacífico”, Las Condes, Santiago
Contact details	Carlos Hernandez carlos.hernandez@lundinmining.com Luis Solis luis.solis@lundinmining.com Luis Moya luis.moya@lundinmining.com	Reporting period:	January 1 st , 2023 – December 31 st , 2023
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2. COMPANY MANAGEMENT SYSTEMS

The LME believes it important that its listed Brands report (per A.1.1 of Step 5 of the OECD Guidance) on their company management systems (per Step 1A and Step 1B of the OECD Guidance). This is because this information is necessary to reassure market stakeholders that the analysis of the Red Flag Assessment has been correctly completed.

- a. **Company Management Systems:** In respect of the production of this Brand in this Reporting Period, set out the Producer's supply chain due diligence policy; explain the management structure responsible for the Producer's due diligence and who in the Producer is directly responsible; describe the control systems over the mineral supply chain put in place by the Producer, explaining how this operates and what data it has yielded that has strengthened the Producer's due diligence efforts in this Reporting Period; describe the Producer's database and record-keeping system

MLCC answers

In respect of the production of this Brand in this Reporting Period

Set out the Producer's supply chain due diligence policy

MLCC not operates in a CAHRAS area and it is self-sufficient about mineral to produce the copper cathodes; however, established a “**PRODUCER'S SUPPLY CHAIN DUE DILIGENCE POLICY – CATHODES**” stating that:

1. MLCC does not operate in a CAHRAS area. Its only work is located in Chile.
2. MLCC does not incorporate mineral from other sources in its production (it is self-sufficient).

According to the feasibility study and the long-term mining plan (LOM), the only mineral that is used for the dump leach to produce the cathodes is that from the site itself (this has been the case since the beginning of its operation in year 2014 and it is expected to be so until the closure of the mine).

3. The possibility of incorporating mineral from other sources into the leach pads for the production of cathodes is very remote because for it to be economically feasible, the following assumptions would be required and both do not exist, given the location of the mine: 1) the mineral should come from a place close to the mine (due to the cost of transportation); and, 2) the mineral should be of high copper grade.
4. If exceptionally mineral, provided by an external supplier, would be added to the dump leach to produce copper cathodes, MLCC will apply due diligence of the producer's supply chain, according to the OECD guidelines:
 - Establish strong company management systems
 - Identify and assess risk in the supply chain
 - Design and implement a strategy to respond to identified risks
 - Carry out independent third-party audit of supply chain due diligence at identified points in the supply chain
 - Report on supply chain due diligence

Explain the management structure responsible for the Producer's due diligence and who in the Producer is directly responsible

1. If exceptionally mineral, provided by an external supplier, would be added to the dump leach to produce copper cathodes, MLCC:
2. Will apply due diligence of the producer's supply chain.
3. The Finance (Finance Director) and Operations (Operations Director) areas will be responsible for promptly identifying the change (before specifying the incorporation of mineral from another source) and applying the due diligence described in the corresponding policy

Describe the control systems over the mineral supply chain put in place by the Producer, explaining how this operates and what data it has yielded that has strengthened the Producer's due diligence efforts in this Reporting Period

During the reporting period (January – December, 2023) the only one mineral used to produce the copper cathodes was self-provided by Caserones mine site, located in Chile; consequently, it was not applicable a due diligence

Describe the Producer's database and record-keeping system

1. Long term mine plan (Life of Mine – LOM)
2. Annual and monthly production plan
3. PI Vision Production System
4. Enterprise Resource Planning System – SAP
5. Metallurgic Balance

6. Financial Statements

MLCC back-up information

1. ISO Quality Management System Certificate
 - ISO Quality Management System Certificate over copper cathodes production (valid by January 29th, 2025) – Certificate
 - ISO Quality Management System Certificate over copper cathodes production (valid by January 29th, 2025) – IQNet
2. Annual Report 2023 (Spanish / English)
3. Resources and Reserves declaration 2021 (Spanish)
4. Sustainability Report 2023 – Lundin Mining Corporation (English)

This question reflects those elements of item A.1.1 of the Step 5 Reporting which themselves relate to Step 1A and Step 1B. Note that the requirement to "disclose information on payments made to governments in line with EITI criteria and principles" is contained in Section 6) of this template, given the LME's specific commitment to the combatting of financial crime and corruption risk.

3. LOCATIONS OF MINERAL ORIGIN AND TRANSIT

An effective Red Flag Assessment will require a clear understanding of the countries (i) from which minerals have originated, and (ii) through which minerals have transited. For the purposes of this Red Flag Assessment, the terms "transited through" and "transported via" may be read as interchangeable.

On the basis of the Producer's Company Management Systems for tracing the origin of materials from its operations and those of its suppliers, list the countries from which the minerals used for this Brand originated during the Reporting Period

MLCC answers

1. Chile
2. All our copper cathodes production, during the reporting period, was developed with the mineral resources of our own mine site "Caserones" and produced in our own SX-EW plant

This answer may be provided as a list of countries, and does not need to be disaggregated by supplier. However, the LME may request this information on a confidential basis in the event that further information in respect of the Red Flag Assessment is required.

On the basis of the Producer's Company Management Systems for tracing the transit of materials from its operations and those of its suppliers, list the countries through which minerals used for this Brand have transited during the Reporting Period

MLCC answers

1. Chile

2. All our copper cathodes production, during the reporting period, was developed with the mineral resources of our own mine site “Caserones” and produced in our own SX-EW plant

This answer may be provided as a list of countries, and does not need to be disaggregated by supplier. However, the LME may request this information on a confidential basis in the event that further information in respect of the Red Flag Assessment is required.

Is any company in the supply chain for this Brand unable to determine the countries from which minerals used for this Brand either originated or transited during the Reporting Period?

MLCC answers

1. No

4. SUPPLIERS

On the basis of the Producer's Company Management Systems for assessing suppliers and other known upstream companies, compile a list of companies (the "Relevant Companies") in which the Producer's suppliers and other upstream companies have had shareholder and other interests during the Reporting Period. List the countries from which the Relevant Companies supply minerals, and countries in which the Relevant Companies operate

This answer may be provided as a list of countries, and does not need to be disaggregated by Relevant Company. For the avoidance of doubt, the identities of the Relevant Companies do not need to be disclosed; however, the LME may request this information on a confidential basis in the event that further information in respect of the Red Flag Assessment is required.

For the purposes of this analysis, "shareholder interest" may be interpreted as a majority shareholder interest, and "other interest" may be interpreted as a controlling interest achieved through a route other than a shareholding.

MLCC answers

1. All our copper cathodes production, during the reporting period, was developed with the mineral resources of our own mine site “Caserones” and produced in our own SX-EW plant
2. We do not purchase to suppliers cooper to produce our copper cathodes
3. Minera Lumina Copper Chile – MLCC | Chile
 - <https://www.caserones.cl/>
 - Minera Lumina Copper Chile (MLCC) is a company owned by the companies Lundin Mining (70%) and JX Nippon Mining & Metals (30%).
 - MLCC owns Caserones, a mining operation located in the Atacama Region, 162 kilometers southeast of the city of Copiapó, in the upper valley of the Tierra Amarilla commune and at an average height of 4.300 meters above sea level, in the Andes mountain range.
 - Lundin Mining Corporation | Canada (<https://lundinmining.com/>)
 - JX Nippon Mining & Metals | Japan (<https://www.nmm.jx-group.co.jp/english/company/network/>)

On the basis of the Producer's Company Management Systems for assessing suppliers and other upstream companies, list the countries in which those suppliers and other upstream companies have sourced minerals during the Reporting Period

MLCC answers

1. All our copper cathodes production, during the reporting period, was developed with the mineral resources of our own mine site “Caserones” and produced in our own SW-EW plant
2. We do not purchase to suppliers copper to produce our copper cathodes

This answer may be provided as a list of countries, and does not need to be disaggregated by supplier/other upstream company. However, the LME may request this information on a confidential basis in the event that further information in respect of the Red Flag Assessment is required.

5. ASSESSMENT OF GEOGRAPHIES (ORIGINATION AND CHAIN CUSTODY)

- Core to the Red Flag Assessment is the determination of Conflict-Affected and High Risk Areas("CAHRAs")
- The LME believes that the determination of CAHRAs is ultimately for producers to undertake
- The LME has determined that the CAHRA definition relevant to LME-listed brands should be the expanded scope set out in the "Definitions" section of the "Supplement on gold" in the "OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas". In particular, this incorporates the abuses from Paragraph 1 of Annex II of the OECD Guidance into the CAHRA definition
- The LME further recognises that the definition of CAHRA does not map precisely onto national boundaries, and it appears possible under the OECD Guidance that certain sub-divisions of a state would be a CAHRA, and other sub-divisions not a CAHRA.

This possibility is reflected in the methodology below

- a. For each of the countries identified in the answers to items 3)a, 3)b, 4)a and 4)b, classify that country (based on the Producer's analysis during the Reporting Period) into:
 - (i) A country of which no area falls into the CAHRA definition;
 - (ii) A country of which all areas fall into the CAHRA definition; or
 - (iii) A country of which some, but not all, areas fall into the CAHRA definition. In this case, indicate whether the areas to which the answers to items 3)a, 3)b, 4)a and 4)b relate fall within the CAHRA definition

Countries falling into the CAHRA definition per (ii), and regions of countries falling into the CAHRA definition per (iii), shall be referred to as "CAHRA areas".

MLCC answers

1. All our copper cathodes production, during the reporting period, was developed with the mineral resources of our own mine site “Caserones” and produced in our own SX-EW plant

2. We do not purchase to suppliers copper to produce our copper cathodes
3. Chile: “(i) A country of which no area falls into the CAHRA definition”

- b. For each of the countries identified in the answers to items 3)a, 3)b, 4)a and 4)b, indicate whether or not(based on the Producer's risk identification during the Reporting Period) minerals from CAHRAs are known to transit through that country

MLCC answers

1. Not applicable

- c. For each of the countries identified in the answers to items 3)a, 3)b, 4)a and 4)b, indicate whether or not(based on the Producer's risk identification during the Reporting Period) that country (in respect of the contribution of minerals from that country to production of the Brand) has limited known resources, likely resources or expected production levels (i.e. whether the declared volumes of mineral from that country for use in producing the Brand are out of keeping with that country's known reserves or expected production levels)

MLCC answers

1. Not applicable

6. FINANCIAL CRIME AND CORRUPTION RISK

The LME believes that financial crime and corruption risk represent important concerns for industry stakeholders. Accordingly, the LME is particularly keen to ensure that the principles of the Extractive Industries Transparency Initiative ("EITI"), as referenced in the OECD Guidance, are embedded into global supply chains. As such, this template references the specific wording of the OECD Guidance in respect of EITI, but further requires that Producer explain broader disclosure on a per- country basis.

- a. **Payments made to governments:** Confirm that the Producer discloses information in respect of this Brand in this Reporting Period on payments made to governments in line with EITI criteria and principles, and provide the details of where such reporting may be found

MLCC answers

1. EITI criteria is not established yet in Chile
 - <https://eiti.org/es/paises>
 - <https://consejominero.cl/actividades/consejo-minero-participa-en-debate-sobre-transparencia-de-la-industria-extractiva-eiti/>

However, all the payments to government (royalty, taxes, licenses/permits, contributions/donations) are fully registered in our accounting books; and, our Financial Statements (audited by EY) embedded

in an Annual Report are delivered to the local Stock Exchange Regulator (Comisión de Mercado Financiero – CMF)

In addition, MLCC have in place an “Offense Prevention Model” certified by an independent third party (this model consider key preventive controls about the following offenses: Bribery to public officials, Terrorism financing, Money laundering, Others

This question partially reflects item A.1.1 of the Step 5 Reporting.

b. **Per-country EITI transparency:** For each of the countries identified in the answers to items 3)a, 3)b, 4)a and 4)b, set out:

(i) Whether the country is an EITI member country;

MLCC answers

1. Chile: Is not part of EITI
2. Canada: Is not part of EITI
3. Japan: Is not part of EITI

(ii) If the country is an EITI member country, whether the Producer, its suppliers and/or other upstream companies are in compliance with the EITI reporting requirements of that country. Where relevant (and where such disclosure would not require the disclosure of commercially confidential information), provide links to the latest EITI report, or the relevant company's submission for the purpose of EITI reporting; or

MLCC answers

1. Not applicable

(iii) If the country is not an EITI member country, whether the Producer, its suppliers and/or other upstream companies undertake other steps to provide transparency on payments and other matters in line with the aims of EITI

MLCC answers

1. EITI criteria is not established yet in Chile
 - <https://eiti.org/es/paises>
 - <https://consejominero.cl/actividades/consejo-minero-participa-en-debate-sobre-transparencia-de-la-industria-extractiva-eiti/>

However, all the payments to government (royalty, taxes, licenses/permits, contributions/donations) are fully registered in our accounting books; and, our Financial Statements (audited by EY) embedded

in an Annual Report are delivered to the local Stock Exchange Regulator (Comisión de Mercado Financiero – CMF)

In addition, MLCC have in place an “Offense Prevention Model” certified by an independent third party (this model consider key preventive controls about the following offenses: Bribery to public officials, Terrorism financing, Money laundering, Others)

7. RED FLAG ASSESSMENT

- a. Do any of the countries identified in 3)a (origin of minerals) or 3)b (transit of minerals) fall into the CAHRA areas identified in 5)a?

MLCC answer

No

This provides coverage of the first OECD Red Flag.

- b. Do any of the countries identified in 3)a (origin of minerals) fall into the list of limited resource countries identified in 5)c?

MLCC answer

No

This provides coverage of the second OECD Red Flag.

- c. Do any of the countries identified in 3)a (origin of minerals) fall into the list of transit countries identified in 5)b?

MLCC answer

No

This provides coverage of the third OECD Red Flag.

- d. Do any of the countries identified in 4)a (shareholder and other interests) fall into the CAHRA areas identified in 5)a, or the list of transit countries identified in 5)b?

MLCC answer

No

This provides coverage of the fourth OECD Red Flag.

- e. Do any of the countries identified in 4)b (supplier operations) fall into the CAHRA areas identified in 5)a, or the list of transit countries identified in 5)b?

MLCC answer

No

This provides coverage of the fifth OECD Red Flag.