2024 Sustainability Report

Environmental, Social, and Operational Performance

Sodium Mining Operations
Atacama Region, Chile

PeroSoud

At PeroSoud, we believe that responsible mining is not just about extracting resources—it is about creating long-term value while protecting the environment and respecting the people around us.

Operating in the Atacama Desert comes with serious responsibilities. Water scarcity, fragile ecosystems, and community expectations demand careful planning, transparency, and daily discipline. In 2024, we made progress in water efficiency, safety gerformance, and supplier oversight. We also istened more—through public forums, partnerships; and feedback loops. We aiso listened more—

through public forums, partnerships, and ie think. It is a snapshot of our efforts to manage risk, build trust, and contribute to the broader transitiion toward sustainable development in Chile and beyond.

I thank our employees, partners, and neighbors for their continued collaboration. We still have much to do, but I am confident that with clear goals and honest dialogue, we can keep moving forward.

Valeria Ríos
Chief Executive Offlcer
PeroSoud

About the Report

This sustainability report provides an overview of PeroSoud's environmental, social, and economic impacts associated with its solium mining operations in northern Chile.

The report covers the calendar year 2024 and focuses on the company's main extraction site and associated activities in the region. It amims to inform stakeholders about key areas or impact, including materrials use, water consumption, waste generation, emissions, biodiversity, and community relations.

Topics were prioritized based on their relevance to compann-cy, risk management, and responsable mining practices through innovation and stakeholder dialogue.

This report is part of PeroSoud's ongoing commitment to transparency, risk management, and responsible mining prac-tices.

About PeroSoud's ongoing commitment to transparency, risk management, and responsible mining practices.

Company Overview

PeroSoud is a privately owned mining company focused on the extraction and processing of sodium-rich brine deposits in the Atacama region of northern Chile. Founded in 2019, the company operates a primary facility that uses evaporation ponds and refining infrastructure to produce industrial-grade sodium compounds for export.

PeroSoud serves clients in the chemical, energy storage, and manufacturing sectors, providing raw materials essential for various industrial processes. Its operations are centered in an environmentally sensitive area, where water resources, land use, and biodiversity require careful and responsible management.

With a workforce of over 220 employees and contractors, PeroSoud emphasizes local hiring, safety, and technical training. The company also collaborates with nearby communities and public institutions to promote long-term social and environmental value.

PeroSoud is committed to minimizing its ecological footprint, complying with national and international regulations, and continuously improving the sustainability of its operations through innovation and stakeholder dialogue.

General Disclosures

Organizational Profile

PeroSoud is registered under Chilean commercial law as a private mining company. Its operations are based in the Atacama Desert, with a production site focused on the extraction and processing of sodium compounds from natural brine.

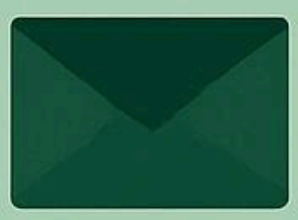
Strategic Context

Sustainability is integrated into PeroSoud's business planning, guiding decisions on resource use, risk management, community interaction, and operational performance.

The company is independently owned and managed by a board composed of executive and non-executive members. The governance structure ensures accountability in environmental, operational, and financial matters.

This report covers the period from January 1 to December 31, 2024. It is published annully in digital format and is intended for stakeholders including local communities, business partners, regulators, and sustainability observers.

For inquiries related to this report, please contact: sustainability@perosoud.com



The information presennted includes activities at the main extraction site, including water use, emissions, waste, and social engagement efforts. Upstream suppliers and logistics operations are considered where relevant to the company's sustainability impact.

The report has not been externally verified. However, data has been reviewed internally auch multi-departmental coordination and subject-matter validation.

Material Topics

1. Identifying What Matters

PeroSoud conducted an internal review to identify the sustainability topics with the most significant impact on its operations and stakeholders. This process involved:

- Analyzing operational risks and environmental exposure.
- Engaging with internal teams from production, safety, and environment.
- Listening to community concerns and legal expectations.
- Reviewing national mining policies and global sustainability trends.

Topics were prioritized based on their relevance to daily operations and their potential to affect people, nature, and long-term business value.

2. Key Topics for PeroSoud

The following topics were identified as material:

- **Water Use and Management**
- **Waste and Hazardous Materials**
- **Emissions and Air Quality**
- **Material Inputs and Resource Efficiency**
- **Biodiversity and Land Use**
- **Community Engagement and Social Impact**
- **Supplier Environmental Performance**
- **Occupational Health and Safety**
- **Environmental Compliance and Risk**

3. Managing Material Topics

Each material topic is addressed through a targeted management approach that includes policies, training, monitoring, and operational controls. These approaches are

outlined in the relevant sections of this report, along with key performance highlights from 2024.

Water Use and Management

Management Approach

To minimize environmental impact, PeroSoud monitors water levels daily and uses closed-loop systems where possible. The company avoids freshwater withdrawals and complies with all regulatory limits on water extraction.

Conservation Measures

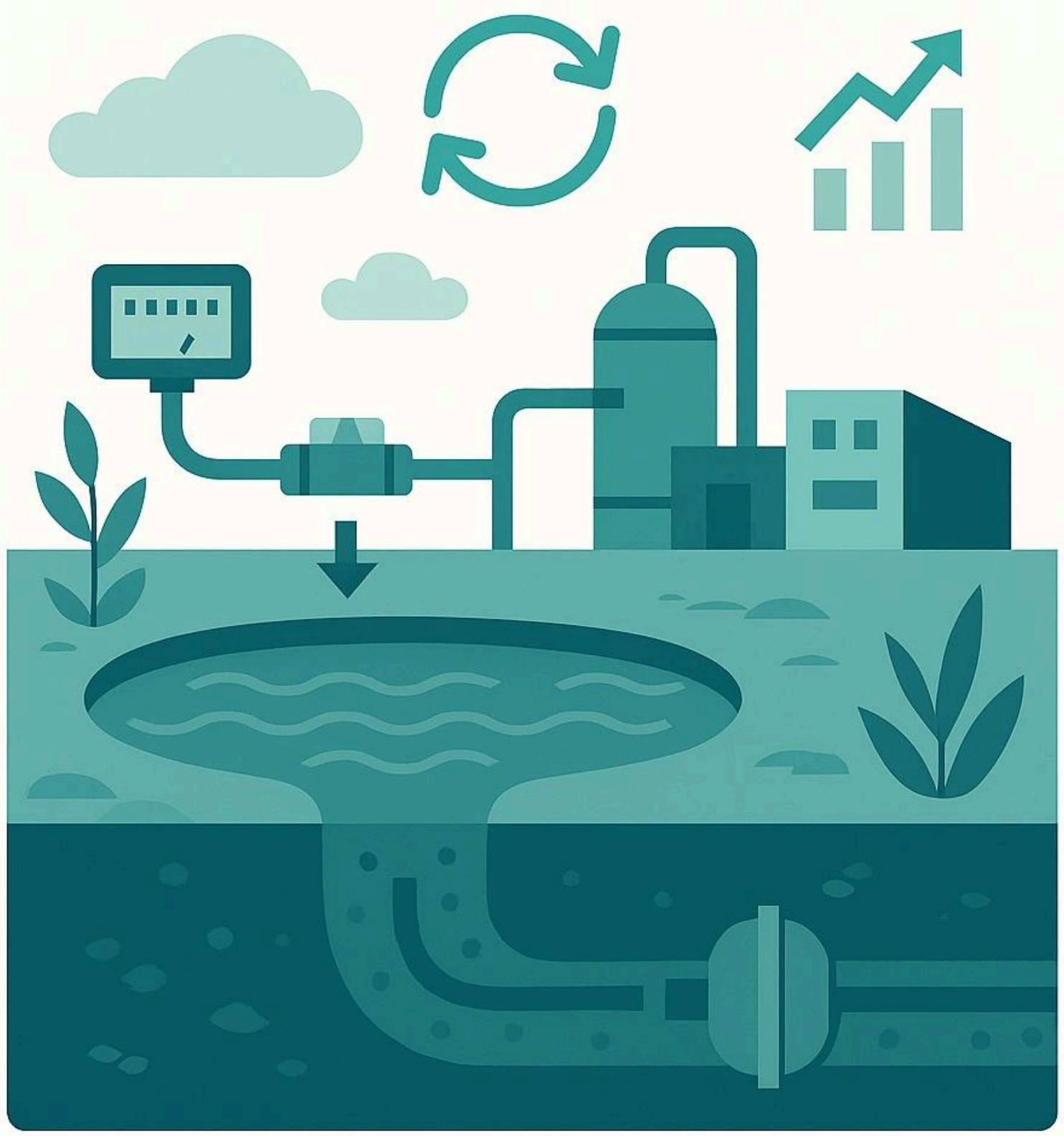
- Flow meters and automated controls are installed across all pumping stations.
- Monthly groundwater reports are submitted to local authorities.
- Evaporation efficiency is improved through surface optimization and reduced water loss.
- No freshwater is used in the production process.

Monitoring and Results

In 2024, PeroSoud recorded a 6% improvement in water-use efficiency compared to the previous year. The company is exploring the use of renewable-powered pumps and improved brine concentration techniques to further reduce water stress in the region.

Water Use and Management

Water is essential to PeroSoud's sodium extraction process. The company operates in a water-scarce region where responsible water use is critical. All operational water is sourced from underground brine and is used primarily in evaporation ponds.



Waste and Hazardous Materials

The company has implemented a site-wide waste management plan that classifies, stores, and tracks all waste types. Hazardous waste is separated, labeled, and transported by licensed contractors to authorized disposal facilities.

Key Measures

- Waste is sorted at the point of generation.
- Storage areas are sealed, covered, and regularly inspected.
- Staff are trained in handling and emergency response.
- Waste volumes are logged and reviewed monthly.

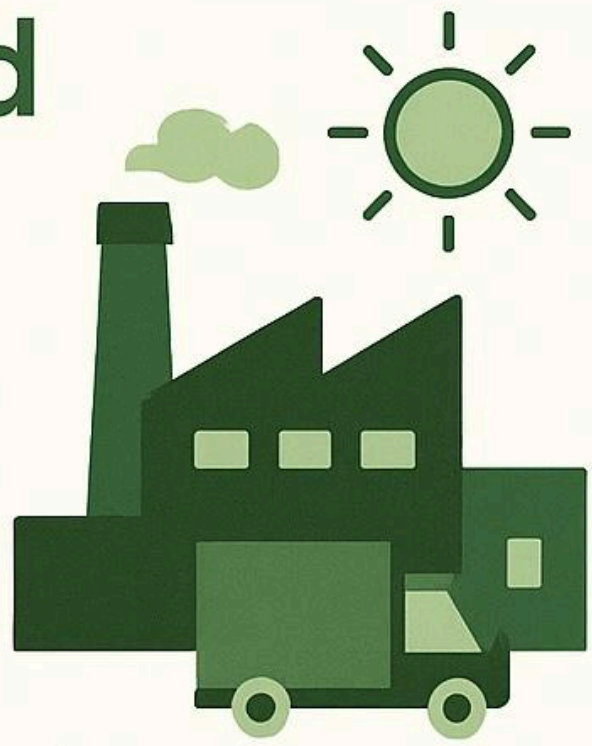
2024 Results

PeroSoud reduced total hazardous waste volume by 9% in 2024 through better chemical handling and material reuse. A new tracking system was introduced to improve traceability and reporting accuracy.

- Waste is sorted at the point of generation.
- Storage areas are sealed, covered, and regularly inspected.
- Staff are trained in handling and emergency response.
- Waste volumes are logged and reviewed monthly.

PeroSoud reduced total hazardous waste volume by 9 % in 2024

Emissions and Air Quality



Management Approach

PeroSoud monitors air emissions linked to its operations, includin dust from surface activity, fuel combustion from generators and transport, and minor process-related emissions. While sodium extraction has low direct emissions, surrounding air quality remanfes, a priority.

The company uses dust suppression systems, marInteins energy-efficient equipment, and restricts unnecesssary vehicle use on unpaved roads. All fuel-burning units are subject to regular inspections and maintenance and maintenance.

Actions and Controls

- Water spraying is used to control dust in dry zones.
- Low-sulfur diesel is used in all mobile equipment.
- Noise and air quality are checked quarterly near the site boundary.
- Emissions from backup generators are tracked annually.

2024 Highlights

- In 2024, PeroSoud d recorded no exceedances of legal emission limits.
- The company also piloted solar-powered lighting and made plans to shift 25 % of its on-site transport fleet to electric vehicles by 2026.

Material Inputs and Resource Efficiency

Management Approach

PeroSoud relies on various inputs to support its extraction and processing activities, including chemical reagents, liners for eveporation ponds, piping, and mechanical components.

The company prioritizes effficient use of materials to reduce waste, cost, and enveronmental impact. Materrials are ordered based noed lifespan, and materials are reused where safe and practical.

Efficiency Actions

- Bulk purchasing to reduce packaging and transport emissions.
- Reuse of piping, covers, and structural supports during maintenance cycles.
- Inventory systems to track usage and prevent overstocking.
- Engagement with suppliers to promote recycled content.

Progress in 2024

During 2024, PeroSoud increased the reuse rate of technical materials by 15%. The company also began asessing options for blodegradabie pond liners as part of its innovation strategy.

Biodiversity and Land Use

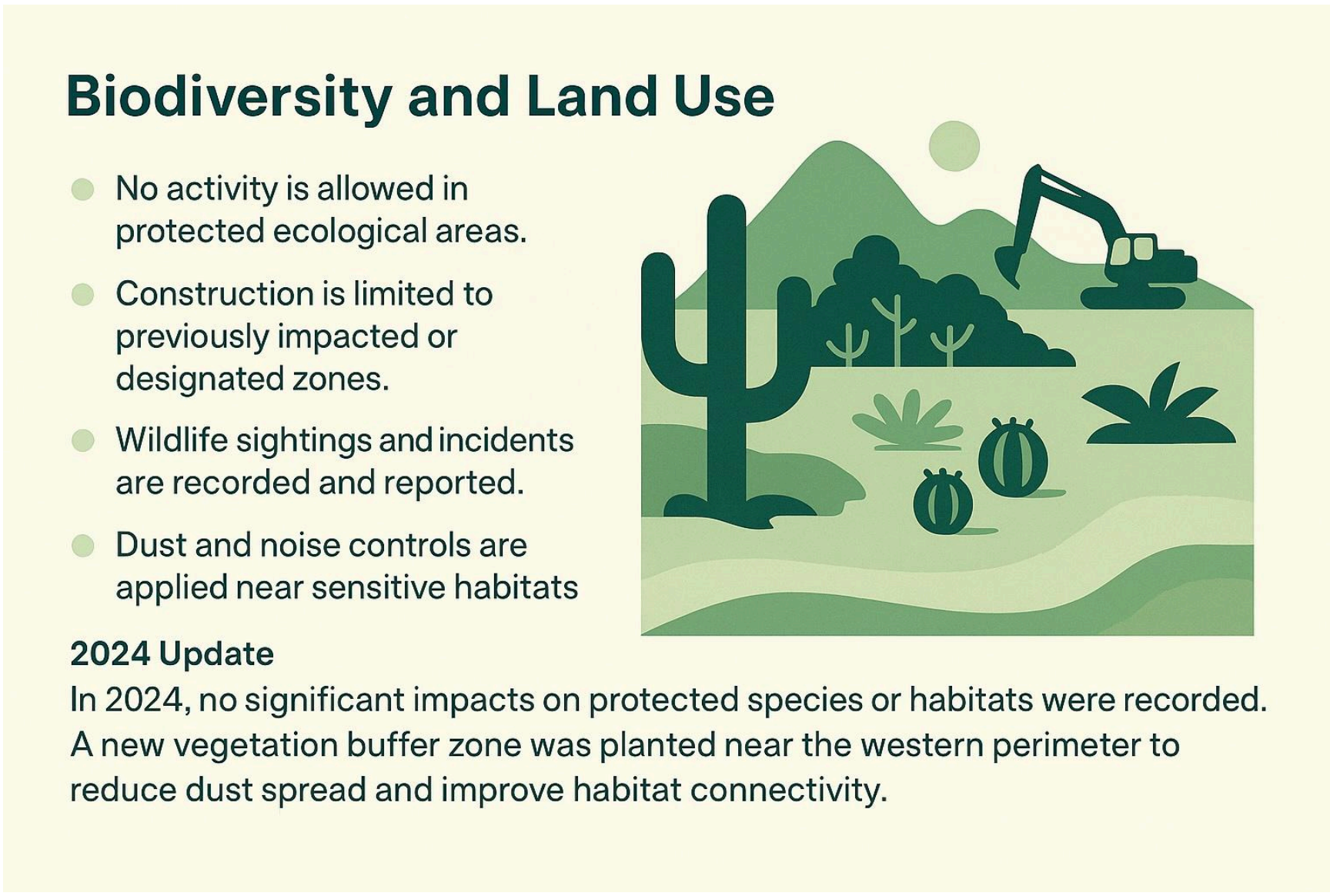
Management Approach

PeroSoud operates in the Atacama region, a desert ecosystem with unique but fragile biodiversity. The company recognizes its responsibility to minimize disturbance to local flora, fauna, and soil structure.

Before any land disturbance, baseline biodiversity assessments are conducted. Protected zones are mapped and excluded from activity. Rehabilitation of disturbed land is planned as part of site closure obligations.

Key Actions

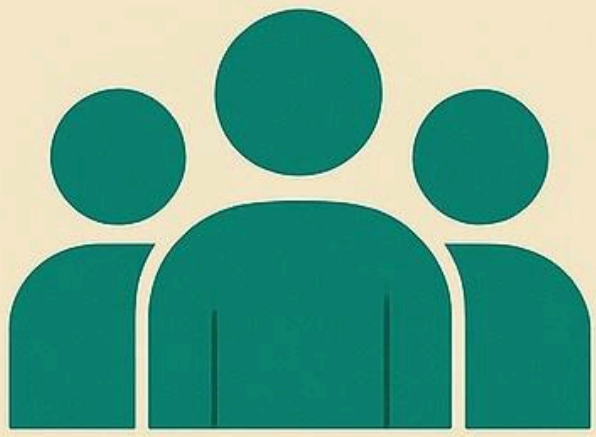
- No activity is allowed in protected ecological areas.
- Construction is limited to previously impacted or designated zones.
- Wildlife sightings and incidents are recorded and reported.
- Dust and noise controls are applied near sensitive habitats.



Engaging with local communities

We engage with nearby communities through regular dialogue, shared projects, and transparent communication.

Engagement focuses on listening, responding to concerns, and supporting local development through employment, education, and infrastructure support.



- Community meetings are held quarterly
- A dedicated community liaison officer is available on site
- Feedback and complaints can be submitted in person or by phone
- Collaboration with local schools and training cernters is ongoing

In 2024, we invested in a water access project for a nearby village and supported technical training for 30 local youth.

Supplier Environmental Performance

Management Approach

PeroSoud works with a range of suppliers for equipment, transport, chemicals, and services. The company expects its partners to follow environmental standards that align with its values and regulatory obligations.

Suppliers are screened based on safety, environmental practices, and legal compliance. Preference is given to vendors with certifications or proven sustainability programs.

Oversight and Expectations

- All suppliers must comply with PeroSoud's Code of Conduct.
- Environmental risks are considered during supplier selection.
- Contracts include environmental clauses when relevant.
- Site visits and audits are conducted for high-risk suppliers.

2024 Results

In 2024, 86% of high-impact suppliers confirmed compliance with environmental standards. One supplier was replaced due to repeated waste handling violations.

Occupational Health and Safety

Management Approach

Mining involves physical, chemical, and environmental risks. PeroSoud is committed to providing a safe and healthy workplace for all employees and contractors.

The company has a dedicated Health and Safety Team that implements procedures, provides training, and monitors compliance across the site. Safety is treated as a shared responsibility.

Core Practices

- Mandatory safety training and induction for all workers.
- Daily toolbox talks and weekly safety inspections.
- Use of personal protective equipment (PPE) in all risk zones.
- Incident reporting system open 24/7.

2024 Performance

In 2024, PeroSoud reported zero fatalities and reduced total recordable injury rate (TRIR) by 22%. The company introduced new ergonomic guidelines and expanded mental health resources for site workers.

Occupational Health and Safety

Targets are reviewed annually and adjusted as needed. Progress is tracked through internal systems and

Environmental Compliance and Risk

Management Approach

PeroSoud operates under strict environmental regulations set by Chilean authorities. The company monitors compliance closely and integrates environmental risk management into daily operations.

Environmental permits are maintained and updated regularly. Risk assessments are conducted before any new activity, and mitigation plans are implemented as needed.

Controls and Reporting

- Regular inspections by internal and external auditors.
- Monitoring of water, waste, and emissions against permit limits.
- Immediate reporting of any incidents to relevant agencies.
- Staff trained in environmental procedures and emergency response.

2024 Compliance Status

In 2024, no environmental fines or violations were issued. One minor spill was recorded and fully contained with no off-site impact. Corrective measures were documented and implemented.

Targets and Progress

Setting Clear Goals

PeroSoud sets annual and mid-term sustainability targets to guide its environmental and social performance. These goals reflect operational priorities and stakeholder expectations.

Continuous Review

Targets are reviewed annually and adjusted as needed. Progress is tracked through internal systems and discussed in cross-functional sustainability meetings.

Targets and Progress

Reduce groundwater use by 15% by 2023

Progress: 8%.:.aduction achieved in 2024 through impre:d brine control.

Increase rouse of technical materials by 25% by 2029

Progress: 15% muse stramarified in 2044, mainly in parid intrastrcatine and biping.

Achieve zero recordable injuries

Progress: **TRReduced** by 22% in 2024, ongoing focus on tuning and erganorrics.

Launch blodiversity monitoring plan by end of 2024

Progress: Past completed and approved, mointerivg to begin-mearly 2024.

Ensure 100% of high impapact suppliers meet environmental criteria

Progress: *89%* **complant in 2024,** convartive aation underviay for remaining vendors.

SDG Mapping

PeroSoud supports global sustainability goals by aligning its operations with selected United Nations Sustainable Development Goals (SDGs). The company focuses on goals that reflect its most significant impacts and contributions.

Key SDGs Reflected in Operations

Efficient use of groundwater and zero freshwater consumption in operations.

Local employment, safety programs, and skills development in rural regions.

Material efficiency, waste reduction, and closed-loop strategies

Emissions tracking and transition toward low-emission transport and energy use.

Land use planning and biodiversity protection in sensitive desert ecosystems.

Collaboration with local institutions, NGOs, and suppliers for sustainable practices

Stakeholder Engagement

PeroSoud engages with stakeholders to build trust, improve transparency, and align its sustainability efforts with real-world needs.

Key Stakeholders

- Local communities near the extraction site
- Employees and contractors
- Government agencies and regulators
- Internal staff surveys and safety

Engagement Methods

- Community meetings and feedback sessions
- Internal staff surveys
- Grievance mechanism available in person and by phone
- Academic and environmental organizations

This report was prepared by **Motaz OMARIEN** upon request from the platform **esgsus.com**.