

Our suppliers

Our suppliers are at the heart of our sustainable business. They are a driver of continuous improvement to our high-quality service and products. We support them collaboratively through mechanisms that comply with the highest standards in relation to their performance and respect for human rights.

At Antofagasta, we have a close relationship with a wide range of suppliers. We interact with local suppliers from our communities, global suppliers, banks (in relation to our asset development strategy), investors, and many others.

Prior to signing contracts, we conduct due diligence on all potential suppliers in areas such as company ownership, involvement of politically exposed persons, antitrust issues, commercial behaviour, legal cases, conflicts of interest, compliance models and procedures for the prevention of slavery and human trafficking.

All contracts include clauses relating to ethics, bribery, asset laundering, and compliance with Chilean Law No. 20,393 on the criminal liabilities of legal entities, and with the UK's Bribery Act and Modern Slavery Act. Continuing with the process initiated in 2022, we carried out an audit to verify compliance with minimum and general standards on the part of contractor companies. The results will be available in 2024.

Since 2022, we have applied sustainability criteria to evaluate bids for contracts with a value in excess of \$10 million, complementing our existing energy efficiency and safety standards. Higher scores are awarded to companies with clear carbon emission reduction strategies and targets, robust governance, local recruitment, and diversity and inclusion.

At Antofagasta, we have been developing specific strategies, consistent with our Climate Change Strategy, to support our larger suppliers in tackling, for example, Scope 3 emissions reduction (indirect carbon emissions that occur within a company's value chain), in line with the ICMM Scope 3 Emissions Accounting and Reporting Guidance, published in September 2023.

We launched the sustainability criteria application guide for tenders made to our Mining division, consolidating the application guidelines on energy efficiency, internal carbon price and sustainability performance evaluation. The guide also expands the scope of application to new categories and amounts.

Additionally, as climate-related risks and opportunities have impacted our supply chain and with the increasing severity of sea swells, which have delayed the delivery of some critical resources, Antofagasta has decided to strengthen its resilience by increasing its storage capacity and revising some of its supply chain strategies, particularly for diesel and acid.

75%

of our workforce are contractors

1,716

Supplier companies

13%

Of payments made to SMEs

20,000+

contract personnel

\$678 million

supply chain value in Coquimbo and Antofagasta

15 days

invoice payment term for c.90% of SMEs

